



ENERGY ASSURANCE DAILY

Tuesday Evening, March 31, 2009

Electricity

USACE Increases Water Flow from Garrison Dam March 28, Will Help Power Supply in North Dakota

Garrison Dam ceased releasing water mid-afternoon on March 24th due to flood waters on the Missouri River. That resulted in reduced output from five hydroelectric power plants and the shutdown of two coal-fired units that require a significant amount of water for operations. By late March 26, as flood waters began to recede, the U.S. Army Corps of Engineers (USACE) began releasing water from the dam again. The flow was increased again on March 27 and again on March 28, which allowed the restart of Great River Basin's 188 MW coal-fired Stanton station and Basin Electric Power Cooperative's 650 MW Leland Olds plant, both in North Dakota.

http://www.startribune.com/local/42034227.html?elr=KArks:DCiUHc3E7_V_nDaycUiD3aPc:Yyc:aUU

<http://www.nd.gov/des/uploads/resources/335/3-31-09-summaryreport-31.pdf>

<http://www.kxmc.com/News/351539.asp>

<http://www.platts.com/Coal/News/7765517.xml?p=Coal/News&sub=Coal>

DTE's 1089 MW Fermi Nuke Unit 2 in Michigan Experiences High Vibrations While Shutting Down for Refueling

DTE Energy Co. is investigating the cause of the vibrations.

<http://www.reuters.com/article/rbssIndustryMaterialsUtilitiesNews/idUSN3032666220090330>

<http://www.nrc.gov/info-finder/reactor/ferm2.html>

Update: PSE&G's 1,096 MW Salem Nuke Unit 1 in New Jersey Ramped Up to 85 Percent by March 31

Operators took the unit off line on March 27 to fix the chemistry of the water in the condenser. The unit began to return to service on March 28. The Nuclear Regulatory Commission reported that on the morning of March 30 the unit was operating at 49 percent.

Reuters, 07:40 March 31, 2009

Information also derived from the NRC Power Reactor Status Reports:

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2009/>

Update: TVA's 1,126 MW Sequoyah Nuke Unit 2 in Tennessee Ramped Up to 75 Percent by March 31

Both units at Sequoyah shut on March 26 due to the loss of off-site power. The company said Unit 1 will remain shut for a planned month-long refueling outage. The Nuclear Regulatory Commission reported that on the morning of March 30 that unit 2 was operating at 47 percent.

Reuters, 07:41 March 31, 2009

AES's 179 MW Redondo Generating Station Gas-fired Unit 5 in California Shut by March 30

According to the California Independent System Operator, the unit experienced an unplanned outage by March 30.

<http://www.caiso.com/unitstatus/data/unitstatus200903301515.html>

Luminant's 750 MW Monticello 3 Coal-fired Unit in Texas Shut March 29

Reuters, 21:01 March 30, 2009

Enmax's 250 MW Calgary Gas-fired Unit in Alberta Shut March 30

Reuters, 21:01 March 30, 2009

OPG's 535 MW Lennox 4 Oil/Gas-fired Unit in Ontario Shut March 31

Electricity traders speculate that the unit would return within a week.

Reuters, 09:19 March 31, 2009

Information also derived from the NRC Power Reactor Status Reports:

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2009/>

Petroleum

Drift River Terminal in Alaska -- Prospects Uncertain for Removal of Oil as Redoubt Volcano Continues to Erupt

As the Redoubt Volcano continues to erupt, sending flood waters and mud flows down stream, for the present at least, the dikes protecting the storage tanks at the closed Drift River terminal in Alaska are holding. Nonetheless, the situation remains serious since the tanks are holding some 6 million gallons of crude oil. While operators of the terminal, Chevron and Pacific Energy along with the state Department of Environmental Conservation and U.S. Coast Guard have formed a unified command to deal with the situation, there appears to be no agreement as to what action to take. The Coast Guard believes the best course of action is to leave the oil in the tanks; but the state DEC wants to have at least some of the oil removed. If safety considerations permit, a tanker, scheduled to arrive in about a week may be able to dock and take on some of the oil. Other concerns center on the fact that the tanks cannot be completely drained with existing equipment and that draining too much oil could cause the tanks to float if the dikes are breached.

Reuters, 21:13 March 28, 2009

<http://www.adn.com/volcano/story/741708.html>

Sinclair's 83,000 b/d Refinery in Wyoming Operating at Reduced Capacity after Heater Fire, March 29

The fire forced the shutdown of a hydro-desulfurization unit according to the Casper Star-Tribune. Repairs are underway, but there is no estimate on when the refinery would be returned to normal operations.

Reuters, 21:13 March 28, 2009

<http://www.platts.com/Oil/News/7548751.xml?p=Oil/News&sub=Oil>

Natural Gas

Obama Signs Omnibus Lands Bill to Protect about 2 Million Acres of Federal Lands in Nine States

The bill prevents development in these areas, which precludes oil and gas drilling and coal mining .

Natural Gas Daily Price Index, March 31, 2009

http://www.sltrib.com/outdoors/ci_12032209

<http://features.csmonitor.com/environment/2009/03/25/house-passes-bill-protecting-2-million-acres-of-wilderness/>

U.S. Henry Hub Spot Natural Gas Price Hits 6-1/2-year Low

The spot price has dropped so low due to near record high natural gas inventories, a slow economy reducing demand, and forecasts for mild temperatures which will further depress natural gas demand.

Reuters, 14:42 March 30, 2009

Goldsmith Gas Plant in Texas Shuts Sulfur Recovery Unit March 31,

The combustion air control malfunctioned causing acid gas to be flared. The plant operator then discovered that the air control loop that was malfunctioning, put it in manual so that the unit could be put on line, and called for repairs.

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=122022>

Other News

National Grid Announces Plan for Smart Grid Pilot in Worcester, Massachusetts

This pilot project for more than 15,000 customers will be the largest pilot smart grid project in the New England. National Grid will submit its proposal to the Department of Public Utilities on April 1, 2009. The smart grid will provide customers with improved energy use information, automation, and savings as well as choice and control over how they use energy. The pilot will also provide National Grid with information to allow it to develop and deploy smart grid concepts and technologies efficiently on a larger scale.

BSW, 13:34 March 31, 2009

Update: Aventine Halts Work on Mount Vernon, Indiana 110 Million Gallon/Year Ethanol Plant

Work was suspended on the plant in November, but the plan was to complete the plant by stretching out the completion schedule an extra three quarters. According to a spokesman the company hopes to restart work in the summer, but that will depend on market conditions and the health of the company. At present the company lacks the funds to pay its growing debt.

<http://www.courierpress.com/news/2009/mar/30/30web-Ethanol/?partner=RSS>

Energy Prices

U.S. Oil and Gas Prices			
March 31, 2009			
	Today	Week Ago	Year Ago
CRUDE OIL West Texas Intermediate U.S. \$/Barrel	48.50	52.25	102.21
NATURAL GAS Henry Hub \$/Million Btu	3.63	4.17	9.36

Source: Reuters

Energy Notes

NSTAR Unveils Smart Grid Program

Program Will Deliver Real-time Information through Internet to 3,000 Customers in Pilot

BSW, 10:59 March 31, 2009

Coast Guard Prevents Oil Tanker from Loading Oil in Valdez, Alaska

The Ship Baytown Sent Out of Port Empty for Repairs

<http://www.adn.com/money/industries/oil/story/742146.html>

Conoco Phillips Giving up on Beaufort Leases

Area in Alaska to Remote to Economically Develop

<http://www.adn.com/money/industries/oil/story/742207.html>

The Importance of Cyber Security in Smart Grid

Some Security Experts Say Smart Grid may be Particularly Vulnerable

<http://www.dailycamera.com/news/2009/mar/29/experts-smart-grid-system-vulnerable-to-hackers/>

<http://www.foxnews.com/story/0,2933,511648,00.html>

**DOE Secretary Chu Believes FutureGen Project in Illinois has Merit
Would be Clean Coal Plant with Advanced Carbon Capture and Storage**

http://www.usatoday.com/news/nation/states/illinois/2009-03-30-4271158899_x.htm

**Intertribal Council on Utility Policy Asks DOE for Incentives to Develop Wind Power in
North Dakota, South Dakota, Nebraska and Wyoming**

<http://www.indiancountrytoday.com/politics/41561732.html>

**Copper Wire Thieves Strike Power Pole in Tennessee, Power Cut to 435 LaFollette Utilities
Board Customers March 29**

http://www.wzvt.com/template/inews_wire/wires.regional.tn/26b519b5-www.fox17.com.shtml

Links

This Week in Petroleum from the Energy Information Administration (EIA)

<http://tonto.eia.doe.gov/oog/info/twip/twip.asp>

Updated every Wednesday.

Weekly Petroleum Status Report from EIA

http://www.eia.doe.gov/oil_gas/petroleum/data_publications/weekly_petroleum_status_report/wpsr.html

Updated after 10:30 AM & 1:00 PM EST every Wednesday.

Natural Gas Weekly Update from EIA

<http://tonto.eia.doe.gov/oog/info/ngw/ngupdate.asp>

Updated after 2:00 PM EST every Thursday.

ENERGY ASSURANCE DAILY

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<http://www.oe.netl.doe.gov/ead.aspx>

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