



ENERGY ASSURANCE DAILY

Thursday Evening, May 02, 2013

Electricity

Snowstorm Knocks Out Power to More Than 54,000 Xcel Energy Customers in Minnesota and Wisconsin May 2

A rare spring snowstorm brought heavy, wet snow to Xcel Energy's service territory in southeastern Minnesota, western and northern Wisconsin May 2, downing power lines and knocking out power to 54,000 customers. As of 3:30 PM Eastern Time, 23,708 customers remained without power, according to the utility's website. Xcel Energy anticipates having most customers restored to service by tonight, but due to continuing weather factors and hazardous road conditions all customers are not expected to be restored until end of the day Friday, May 3.

http://www.xcelenergy.com/About_Us/Energy_News/News_Releases/May_Snow_Storm_Information
<http://www.xcelenergy.com/portal/site/xcel/menuitem.471846b0c2475abf262a71986b108a0c/?vgnextoid=02b6719a0b3cd210VgnVCM100000b40b98aaRCRD&vgnnextchannel=e97c6113f220f210VgnVCM100000b40b98aaRCRD&appInstanceName=xcel>

'System Disturbance' Cuts Power to 38,000 Xcel Customers in Colorado May 1

Xcel Energy said on Wednesday that due to a "system disturbance," approximately 38,000 customers lost power for about one and a half hours. According to the utility, a large-scale transmission outage had taken three substations offline. Xcel fixed the problem but said it could not find a specific cause for the outage.

<http://denver.cbslocal.com/2013/05/01/9000-without-power-in-fort-collins/>
<http://www.greeleytribune.com/news/6347543-113/power-snow-outage-county>

FPL Plans to Strengthen Electric Grid Against Hurricanes Over Next Three Years

During an annual company-wide hurricane season preparedness drill on Thursday, Florida Power & Light (FPL) Company announced that it plans to invest between \$428 and \$646 billion over the next three years to improve the overall resiliency of its electric system. The company's plan will incorporate lessons learned from Superstorm Sandy, such as those related to flooding, as well as from Florida storm activity in 2012. Specifically, it intends to prioritize hardening for critical facilities and other essential community needs, accelerate the deployment of wind-resilient transmission structures and equipment, and strengthen key equipment located in areas most vulnerable to storm surge.

<http://newsroom.fpl.com/2013-05-02-FPL-announces-plan-to-accelerate-strengthening-of-Floridas-electric-grid-during-annual-storm-drill>

NRG Begins Commercial Operations at Its 720 MW Marsh Landing Natural Gas-Fired Power Plant in California May 1

NRG Energy, Inc. said Wednesday that it began commercial operations at its 720 MW Marsh Landing generating station in the San Francisco Bay Area. The fast-start technology employed by the plant provides flexible electrical generation to the California grid and supports the integration of new renewable energy sources that are expected to come online in the next decade. Bringing the new facility online also allows NRG to immediately retire two less-efficient, 1960s-era units at its adjacent Contra Costa Generating Station and nets a nearly 50 MW gain in generation capacity. Through a 10-year power purchase agreement, Pacific Gas and Electric Company will obtain the entire output of the facility.

http://phx.corporate-ir.net/phoenix.zhtml?c=121544&p=irol-newsArticle_Print&ID=1813787&highlight=

Mirant's 337 MW Contra Costa Gas-fired Unit 7 in California Shut by May 1

The unit entered an unplanned outage.

<http://content.aiso.com/unitstatus/data/unitstatus201305011515.html>

Competitive Power Ventures California 728 MW Sentinel Power Plant Shut by May 1

The unit entered an unplanned outage.

<http://content.caiso.com/unitstatus/data/unitstatus201305011515.html>

Update: Exelon's 1,111 MW La Salle Nuclear Unit 1 in Illinois at Full Power by May 2; 1,111 MW Unit 2 Ramped Up to 70 Percent by May 2

The Nuclear Regulatory Commission reported Thursday that LaSalle 1 has returned to full power after an outage that began April 27. The unit was restarted on April 30. On the morning of May 1 the unit was operating at 70 percent. LaSalle 2 was operating at 70 percent on May 2 after an outage that began April 25. On the morning of May 1 Unit 2 was operating at 28 percent. Information derived from the NRC Power Reactor Status Reports:

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2013/>

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2013/>

Entergy's 1,075 MW Waterford Nuke Unit 3 in Louisiana Restarts, Ramps Up to 18 Percent by May 2

The unit exited an outage and ramped up to 18 percent of capacity by May 2. The unit was shut by April 27.

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2013/>

Petroleum

Update: Tesoro's 93,500 b/d Kapolei, Hawaii Refinery Ceases Operations April 30

Tesoro Hawaii Corp. said Tuesday that its 93,500 b/d Kapolei refinery in Hawaii had ceased operations as planned. But the company is temporarily delaying layoffs while it identifies potential buyers. The company said it is still on target to convert the refinery into an import, storage, and distribution terminal sometime this week.

<http://www.bizjournals.com/pacific/news/2013/04/29/tesoro-delays-layoffs-at-hawaii-refinery.html>

Valero Plans to Increase Light, Sweet Crude Refining Capacity by 160,000 b/d at Its Houston and Corpus Christi, Texas Refineries

Valero Energy said April 30 that it plans to invest about \$500 million for new equipment at its refineries in Houston and Corpus Christi, Texas, to increase their light, sweet crude refining capacity by a combined 160,000 b/d. The company is also planning to ship more crude oil from Texas to its refinery in Quebec City and expects the refinery to stop importing oil from outside North America by the end of 2013.

<http://www.hydrocarbonprocessing.com/Article/3199043/Latest-News/Valero-looks-to-boost-refinery-processing-capacity-for-light-sweet-crudes.html>

Western Refining Plans 25,000 b/d Expansion at Its 122,000 b/d El Paso, Texas Refinery; Phase 2 of Delaware Basin Crude Gathering System to be Operational in Q2

During its earnings call with analysts, Western Refining Inc. said it is planning a 25,000 b/d expansion to its 122,000 b/d refinery in El Paso, Texas, weighting it to diesel fuel output. This expansion is targeted to start up in 2015.

Additionally, the second phase of the Delaware Basin crude gathering system in Texas, which involves 50 miles of crude oil gathering lines in southern Mexico and West Texas, is slated to be operational by the end of second quarter this year.

Reuters, 11:44 May 2, 2013

<http://seekingalpha.com/article/1394541-western-refining-s-ceo-discusses-q1-2013-results-earnings-call-transcript?page=4&p=qanda&l=last>

Sabco Operating Co. Shuts Oil Platform Near Matagorda Island, Texas May 1 Due to Small Water Leak from Crude Oil Tank

The U.S. Coast Guard said Wednesday it is working to mitigate possible impact from an oil platform that has a small leak of water coming from a large tank that contains more than 300,000 gallons crude oil, located about 5 miles off Matagorda Island, Texas. Sabco Operating Co., which operates the platform, filed a report with the National Response Center Tuesday indicating that it had shut the platform and all wells, and it has a barge coming to offload the tank. Sabco told the Coast Guard it expects to have the oil out of the tank by Thursday afternoon.

<http://www.uscgnews.com/go/doc/4007/1763791/Coast-Guard-Texas-General-Land-Office-oversee-response-to-leaking-oil-platform>

Kinder Morgan to Expand Capacity of Its Sweeny Lateral Pipeline in Texas from 30,000 to 100,000 b/d

Kinder Morgan Energy said Thursday that it has entered into a long-term contract with Phillip 66 to support expansion of its Sweeny Lateral pipeline that is currently under construction in Brazoria County, Texas. The 27-mile pipeline will connect the Kinder Morgan Crude Condensate pipeline to Phillip 66's 247,000 b/d Sweeny, Texas refinery, and the expansion will increase capacity from an initial 30,000 b/d to 100,000 b/d. Kinder Morgan will also add new pumps and an additional 120,000 barrel storage tank at its Wharton Pump Station and increase the truck offload capabilities at its DeWitt Station to facilitate the increase in capacity. The pipeline is expected to be finished by the end of 2013. The Kinder Morgan Crude Condensate pipeline, which went into service in June 2012, transports crude/condensate from the Eagle Ford shale to the Houston Ship Channel through 65 miles of new-build construction and 113 miles of converted natural gas pipeline.

<http://phx.corporate-ir.net/phoenix.zhtml?c=93621&p=irol-newsArticle&ID=1814420&highlight=>

TransCanada to Develop Heartland Pipeline and Terminal Facilities to Ship Up to 900,000 b/d of Crude Oil in Central Alberta

TransCanada Corporation announced May 2 that it has reached binding long-term shipping agreements to build, own and operate the proposed Heartland Pipeline and TC Terminals projects in Alberta. The proposed projects are being developed to support growing crude oil production in Alberta and will include the 125-mile pipeline connecting the Edmonton region to facilities in Hardisty, Alberta and a terminal facility in the Heartland industrial area north of Edmonton. TransCanada anticipates the pipeline could ultimately transport up to 900,000 b/d of crude oil, while the terminal is expected to have storage capacity for up to 1.9 million barrels of crude oil. The projects are expected to come into service during the second half of 2015.

<http://www.transcanada.com/6306.html>

Natural Gas

Nothing to report.

Other News

Nothing to report.

International News

Update: Statoil Restarts 2nd Processing Train at Ain Amenas Natural Gas Plant in Algeria; Expects to be Back at Full Production by End of This Quarter

Statoil said Thursday that it had restarted the second processing train at the Ain Amenas natural gas plant in Algeria a short time ago. However, it was not sure when the third and last process train would be restarted. The first was restarted in February, more than one month after dozens of workers were killed in an Islamist attack there. The facility, which is jointly operated by Sonatrach, BP Plc, and Statoil, was attacked January 15 by militants demanding an end to France's armed intervention in Mali and the release of certain prisoners in Algeria.

Reuters, 2:15 May 2, 2013

Energy Prices

U.S. Oil and Gas Prices			
May 2, 2013			
	Today	Week Ago	Year Ago
CRUDE OIL West Texas Intermediate U.S. \$/Barrel	92.42	92.07	102.78
NATURAL GAS Henry Hub \$/Million Btu	4.31	4.25	2.31

Source: Reuters

Links

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

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

Updated every Wednesday.

Weekly Petroleum Status Report from EIA

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

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

Natural Gas Weekly Update from EIA

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

Updated after 2:00 PM ET every Thursday.

ENERGY ASSURANCE DAILY

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

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