



ENERGY ASSURANCE DAILY

Monday Evening May 10, 2010

Major Developments

Update: Methane Hydrate Buildup Hinders Placement of Containment Dome in Gulf of Mexico

According to BP officials, responders ran into problems when deploying the containment dome to the sea floor due to crystallized methane hydrates clogging the top of the funnel and preventing a successful placement of the dome over the spill area. The containment dome has temporarily been set aside while officials work to remove the hydrates. BP is planning on lowering a second, smaller containment dome over the main leak point. Meanwhile, work is continuing on collecting and dispersing oil on the surface of the Gulf of Mexico. U.S. Senators Bill Nelson (D-FL) and Richard Shelby (R-AL) criticized BP over the leak, asking why the leak was not prevented and raising concerns about the leak's economic effects and the impact to military testing and training in the Gulf.

http://www.criticalmention.com/components/url_gen/play_flash.php?autoplay=1&clip_info=1368880844|0|59^1368881920|0|36^%27,350,320

<http://www.marketwatch.com/story/report-methane-bubble-may-have-cause-blast-spill-2010-05-08>

http://www.rigzone.com/news/article.asp?a_id=93002

http://www.rigzone.com/news/article.asp?a_id=92995

Electricity

New Jersey DEP Investigates Radioactive Water Leak at Exelon's 640 MW Oyster Creek Nuclear Generating Station

New Jersey Department of Environmental Protection believed that at least 180,000 gallons of tritium-contaminated water was released into a major underground aquifer from the power plant on April 9, 2009 through holes in two pipes. The DEP issued a Spill Act directive, which requires Exelon's cooperation and requires Exelon to install deeper groundwater monitoring wells to prevent the tritium from reaching water supplies.

<http://www.app.com/article/20100507/NEWS/100507060/DEP-launches-new-probe-into-Oyster-Creek-s-radioactive-water-leak>

SCE, ProLogis to Install 100 MW of Rooftop Solar Panels in California

Southern California Edison (SCE) and ProLogis announced an agreement where ProLogis will make available up to 15 million square feet of roof space available at its warehouses in southern California for installation of solar panels. Under the agreement 100 MW of capacity will be installed. SCE will own and operate the solar panels and all generated power will feed directly into the utility's electrical system to serve its customers.

<http://finance.yahoo.com/news/Southern-California-Edison-bw-2769824297.html?x=0&v=1>

<http://pdf.reuters.com/pdfnews/pdfnews.asp?i=43059c3bf0e37541&u=urn:newsml:reuters.com:nPnLA01657>

Substation Equipment Failure Knocks Out Power to 45,300 FirstEnergy Customers in Ohio May 9

FirstEnergy restored power to most affected customers by midnight May 10.

<http://www.fox8.com/news/wjw-west-side-power-outage-txt.0,7496641.story>

Windstorm Knocks Out Power to 30,000 PECO Energy and PGE&G Customers in Pennsylvania and New Jersey May 8

Power was restored to all customers by early May 10.

http://www.philly.com/inquirer/local/nj/20100510_Strong_winds_knock_out_power_to_30_000_homes.html

AEP's 721 MW Pirkey Coal-Fired Unit 1 in Texas Shut May 8

The unit was shut to repair an air heater gearbox.

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=139461>

AEP's 720 MW Oklaunion Coal-Fired Unit 1 in Texas Shut May 8, Returns to Service May 10

The unit was shut to repair a boiler tube leak.

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=139404>

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=139405>

Duke Energy's 510 MW Moss Landing Gas-Fired Unit 1 in California Shut by May 7, Returns to Service by May 8

According to the California Independent System Operator, the unit reported an unplanned outage by May 7.

<http://www.caiso.com/unitstatus/data/unitstatus201005071515.html>

<http://www.caiso.com/unitstatus/data/unitstatus201005081515.html>

TMPA's 450 MW Gibbons Creek Coal-Fired Unit 1 in Texas Shut May 8, Returns to Service May 9

The unit was shut due to boiler feed pump turbine control problems.

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=139466>

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=139467>

Update: Progress Energy's 872 MW Brunswick Nuclear Unit 1 in North Carolina Ramped Up to 80 Percent by May 10

The Nuclear Regulatory Commission reported that on the morning of May 9 the unit was operating at 30 percent.

The plant automatically shut down on May 5. Progress Energy is working to determine the cause of the shutdown.

<http://www.starnewsonline.com/article/20100507/ARTICLES/100509716?Title=Refueled-Brunswick-nuclear-reactor-shuts-itself-down->

Information also derived from the NRC Power Reactor Status Reports:

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2010/>

Petroleum

Magellan Considering Conversion of a Portion of Longhorn Products Pipeline to Transport Crude to Houston

Magellan announced that it is considering reversing and converting a segment of its Longhorn Pipeline to transport crude oil from Crane, Texas to Houston. The pipeline currently carries petroleum products from Houston to El Paso. If the conversion is done, the western segment of the pipeline, between Crane and El Paso, will continue to transport products by connecting with other Magellan pipelines.

http://www.downstreamtoday.com/news/article.aspx?a_id=22599

Update: Coker at Valero's 325,000 b/d Port Arthur, Texas Refinery Restarted May 10

The coker had been shut for repairs on May 4.

Reuters, 09:57 May 10, 2010

Natural Gas

Dakota Gasification's Great Plains Synfuels Plant in North Dakota Undergoes \$48 Million Upgrade Project

The plant was upgraded after production was halted for 41 days in December 2007 due to cracks in a processing unit. The plant produces about 150 MMcf/d of gas from lignite coal.

<http://www.google.com/hostednews/ap/article/ALeqM5iI0bFnH5ZLhIW-Sspl-AccE-cmRgD9FI76K80>

Other News

Osage Bio Energy to Open Appomattox Bio Energy Ethanol Plant in Virginia in July

The Appomattox Bio Energy plant is the first ethanol plant to be built in Virginia. When complete, the plant is expected to produce 65 MMgal/yr of ethanol.

http://www2.timesdispatch.com/rtd/news/local/article/OSAG10_20100509-205602/343342/

Energy Prices

U.S. Oil and Gas Prices			
May 11, 2010			
	Today	Week Ago	Year Ago
CRUDE OIL West Texas Intermediate U.S. \$/Barrel	76.20	86.93	58.02
86.34 NATURAL GAS Henry Hub \$/Million Btu	3.91	3.94	3.96

Source: Reuters

Energy Notes

Windstorm Knocks Out Power to 14,000 RG&E Customers and 12,000 Con Ed Customers in New York May 9

<http://www.whec.com/news/stories/S1551217.shtml?cat=565>

<http://www.nbcnewyork.com/news/local-beat/Tri-State-Gets-Blown-Over-by-Strong-Winds-93240854.html>

Flaring Reported in HDU at Shell's 329,800 b/d Deer Park, Texas Refinery May 7

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=139463>

Four Oil Tanks Destroyed in Fire Following Tank Explosion in North Dakota May 6, Cause under Investigation

<http://www.willistonherald.com/articles/2010/05/06/news/doc4be2e06c1797b579427557.txt>

Acid Gas Compressor Failure Leads to Flaring at 290 MMcf/d Waha Gas Plant in Texas May 8

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=139468>

Flaring Reported at Sanford Booster Station in Texas May 8

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=139464>

Equipment Failure Reported at Boyd Compressor Station in Texas May 9

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=139473>

Baku-Tbilisi-Ceyhan (BTC) Pipeline to Transport 24.8 MMbbls of Crude in June, Down from 25.5 MMbbls of Crude in May: Trader

http://online.wsj.com/article/BT-CO-20100507-712809.html?mod=WSJ_latestheadlines

North Sea Forties Crude to Load About 560,000 b/d in June, Up from 484,000n b/d in May: Trader

Reuters, 08:04 May 10, 2010

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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