



ENERGY ASSURANCE DAILY

Wednesday Evening, May 11, 2011

Electricity

Storms Knock Out Power to about 135,000 Customers in North and South Carolina May 10-11

Storms cut power to about 135,000 customers in North and South Carolina on May 10-11, multiple news and company sources reported. Some 70,353 customers remained without power, as of latest reports. The following table lists peak and current outages, based on latest available data.

North and South Carolina Customer Power Outages			
May 10 – 11, 2011			
Electric Utility	State	Peak	Latest Reported
Duke Energy	NC/SC	77,000	53,363
SCE&G	SC	27,000	4,900
Progress Energy	NC/SC	12,000	190
York Electric Cooperative	SC	8,000	8,000
Rock Hill Utilities	SC	8,000	3,000
Broad River Electric Cooperative	NC	3,000	900
TOTAL*		135,000	70,353

*Total outages only represent electric utilities listed in this table.

Sources:

Duke Energy: <http://www.duke-energy.com/north-carolina/outages/current.asp> ,
<http://twitter.com/#!/dukeenergystorm>

SCE&G: <http://www.sceg.com/en/storm-center/outage-map/> , <http://www.wltx.com/news/article/136208/1/Severe-Weather-In-the-Midlands>

Progress Energy: <http://progress-energy.com/shared/outages/car/default.aspx>

York Electric Cooperative: <http://www.charlotteobserver.com/2011/05/11/2288207/storms-knock-out-power-more-possible.html>

Rock Hill Utilities: <http://www.heraldonline.com/2011/05/11/3058906/15000-without-power-in-york-co.html>

Broad River Electric Cooperative: <http://www.broadriverelectric.com/>

Storms Cut Electricity to More than 55,000 AEP Customers in Kentucky, West Virginia, and Virginia May 10-11

Storms cut electricity to some 26,304 American Electric Power (AEP) customers in Kentucky, 19,124 AEP customers in Virginia, and 10,159 AEP customers in West Virginia on May 10-11, according to a news source and the company's websites. Some 14,997 customers in Kentucky, 13,566 customers in Virginia, and 1,686 customers in West Virginia remained without power, as of latest reports.

<https://www.kentuckypower.com/outages/>

<https://www.appalachianpower.com/outages/>

[http://www.wsaz.com/news/headlines/SEVERE WEATHER Storms Cause Flooding Down Trees 121598524.html](http://www.wsaz.com/news/headlines/SEVERE_WEATHER_Storms_Cause_Flooding_Down_Trees_121598524.html)

AEP's 721 MW Pirkey Coal-Fired Power Plant in Texas Shuts May 11-15

The unit shut on May 11-15 "due to loss feedwater pump," American Electric Power (AEP) said in a filing with state regulators. AEP expected to restart the unit on May 11-17, according to a separate filing. The company had planned to reduce the unit on May 11-25 to repair a "Boiler Feed Pump," it said in an earlier filing.

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=154365>

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=154367>

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=154362>

Update: ISO New England Authorizes Dominion to Shutter Two Coal-Fired Units in 2014 at 745 MW Coal- and Oil-Fired Salem Harbor Power Station in Massachusetts

ISO New England authorized Dominion Resources Inc. to shutter two coal-fired units in 2014 at the existing 745 MW coal- and oil-fired Salem Harbor Power Station in Massachusetts, and proposed an upgrade that would allow the company to shut the facility's other two units. The grid operator said that those other two units – one oil-fired unit and a coal-fired unit – were still needed to ensure reliability. It said, however, that certain transmission upgrades would render the units unnecessary.

<http://finance.yahoo.com/news/2-units-at-Mass-coalfired-apf-1548544162.html?x=0&.v=1>

Entergy Cuts Electricity Deliveries to Interruptible Customers across Southern United States as Storm Damage, Flood Concerns, and High Temperatures Strain Electric Grid by May 10

Entergy reduced electricity deliveries to some interruptible industrial customers and urged its customers to conserve electricity across its southern U.S. service territory in Louisiana, Mississippi, Arkansas, and Texas, the company said by May 10, as prior storm damage, flooding concerns along the Mississippi River, and high temperatures strained the electric grid. The company laid sandbags near certain facilities and was working to purchase additional power, according to news and company sources. Flooding could require Entergy to shut certain power plants – including the Grand Gulf nuclear facility in Mississippi – the company's CEO said.

<http://finance.yahoo.com/news/Entergy-system-being-strained-apf-3956911423.html?x=0&.v=1>

<http://www.clarionledger.com/article/20110511/NEWS/105110340/Entergy-prepares-meet-power-needs-during-flood?odyssey=mod|newswell|text|Home|s>

<http://stormcenter.entergy.com/archive/2011/05/09/potential-challenges-to-meeting-customer-demands-for-power.aspx>

Citing Failure of “High Safety Significance,” NRC to Increase Oversight at 3,440 MW Browns Ferry Nuclear Power Plant in Alabama

The U.S. Nuclear Regulatory Commission (NRC) will increase inspection and oversight at the Tennessee Valley Authority's 3,440 MW Browns Ferry nuclear power plant in Alabama, the agency said on May 10, after the failure of a low pressure coolant injection valve at the facility in October 2010. The NRC evaluates its inspection findings using a safety significance scale with four levels, ranging from “green for minor significance, through “white” and “yellow” to “red” for high significance. The NRC labeled the valve failure red, denoting “high safety significance.” On Oct. 23, 2010, the valve failed to open when operators attempted to use the residual heat removal shutdown cooling loop during Unit 1 refueling. TVA later determined that the last time the valve had definitely worked as required was on March 12, 2009 when the loop was placed in service. The public was never endangered because no actual event occurred. However, the system is counted on for core cooling during certain accident scenarios and the valve failure left it inoperable, which potentially could have led to core damage had an accident involving a series of unlikely events occurred. TVA said in early April that the failed valve was the result of defective manufacturing but still would have opened and supplied the necessary cooling water. The NRC review disagreed. The valve was repaired, according to an NRC official.

<http://pbadupws.nrc.gov/docs/ML1113/ML111300213.pdf>

<http://www.prnewswire.com/news-releases/tva-responds-to-nrc-finding-121600588.html>

PSE&G's 1,092 MW Salem Nuclear Unit 2 in New Jersey at Full Power by May 11

The Nuclear Regulatory Commission reported that on the morning of May 10 the unit was operating at 83 percent. Information derived from the NRC Power Reactor Status Reports:

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2011/>

Update: Entergy's 813 MW FitzPatrick Nuclear Unit in New York at Full Power by May 11

The Nuclear Regulatory Commission reported that on the morning of May 10 the unit was operating at 50 percent. Information derived from the NRC Power Reactor Status Reports:

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2011/>

Entergy's 653 MW Pilgrim Nuclear Power Plant in Massachusetts Shut May 10

The unit shut on May 10 due to a reactor protection system actuation signal, Entergy said in a filing with the Nuclear Regulatory Commission (NRC). The unit was operating at 4 percent power at the time of the incident, ramping up from a refueling outage, according to the filing.

<http://www.nrc.gov/reading-rm/doc-collections/event-status/event/2011/20110511en.html>

Information also derived from the NRC Power Reactor Status Reports:

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2011/>

Update: NMC Restarts 522 MW Prairie Island Nuclear Unit 2 in Minnesota by May 11

The unit shut automatically on May 9 after a "main generator lockout" triggered a "turbine trip," the company said previously in a filing with the Nuclear Regulatory Commission (NRC). There was "severe weather in the vicinity" at the time of the incident," according to the filing. The NRC reported that on the morning of May 10 the unit was not operating. NMC returned the unit 81 percent power by this morning, according to the NRC.

<http://www.nrc.gov/reading-rm/doc-collections/event-status/event/2011/20110510en.html>

Information also derived from the NRC Power Reactor Status Reports:

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2011/>

Update: AES's 496 MW Redondo Gas-Fired Unit 8 in California Returns to Service by May 10

According to the California Independent System Operator, the unit reported a return from an unplanned outage.

<http://www.caiso.com/unitstatus/data/unitstatus201105101515.html>

Elk Hills Power's 552 MW Elk Hills Gas-Fired Unit in California Reduced by May 10

According to the California Independent System Operator, the unit reported an unplanned curtailment of 252 MW by May 10.

<http://www.caiso.com/unitstatus/data/unitstatus201105101515.html>

Petroleum

Update: After Leak-Induced Shutdown, TransCanada to Restart 591,000 b/d Alberta-to-Oklahoma Keystone Crude Oil Pipeline in a Few Days

TransCanada planned to restart the pipeline in a few days, a company spokesman said by May 10, after a leak led the company to shut the line over the weekend. The line leaked between 350 and 400 barrels of oil in Sargent County, North Dakota, according to an official with the state's Health Department. The company did not expect the shutdown to impact May deliveries.

<http://www.businessweek.com/ap/financialnews/D9N4MP2G0.htm>

Small Oil Spill Forces Enbridge to Shut 39,400 b/d Normal Wells Oil Pipeline System in Northwest Territories, Canada May 9-10

Enbridge shut the pipeline after it leaked about four barrels of crude oil south of Wrigley, Northwest Territories, a company spokeswoman said. The spill was contained but the line remained offline, as of latest reports. The line feeds crude into Plains Midstream Canada's 187,000 b/d Rainbow pipeline in Alberta.

<http://www.edmontonjournal.com/business/Rainbow+pipeline+feeder+leaks/4760434/story.html>

OPEC Crude Oil Production Slides by 330,000 b/d from March to April 2011: Platts Survey

OPEC oil production slid from an average 29.17 million b/d in March 2011 to 28.84 million b/d in April 2011, according to a newly-released Platts survey.

http://www.rigzone.com/news/article.asp?a_id=106974

Update: After Late-April Snag, Holly Returning 85,000 b/d Tulsa West, Oklahoma Refinery to Normal Operations by May 11

A mechanical failure led the company to shut a crude unit at the site's west facility in late April. Reuters, 10:13 May 11, 2011

Attacks, Labor Strikes, and Instability Force Offline all Yemeni Oil Production by May 10 – Nation Had Been Producing approximately 290,000 b/d

Labor strikes have combined with instability and pipeline attacks to force offline all of Yemen's oil production, a government official said on May 10. OMV AG, for its part, said by today that unstable conditions were preventing it from repairing a recently-attacked pipeline. The company did not expect to restart oil production in Yemen during 2011, it said on May 11.

<http://www.bloomberg.com/news/2011-05-11/omv-says-instability-in-yemen-is-preventing-oil-pipeline-repairs.html>

<http://www.businessweek.com/ap/financialnews/D9N4MJLG0.htm>

Reuters, 06:53 May 11

Natural Gas

DCP Midstream Plans 110 MMcf/d Natural Gas Processing Plant and Gathering System in Colorado

DCP Midstream LLC plans to construct a 110 MMcf/d natural gas processing plant – the LaSalle plant – and associated high-pressure gathering system in Weld County, Colorado, it said on May 10. The company expects to open the plant and gathering system in mid-2013.

<https://www.dcpmidstream.com/pdf/DCP-LaSalle.html>

Other News

Flooding Forces Shut Terminals along Ohio River, Disrupts Barge Traffic, and Threatens Operations at Multiple Refineries along Mississippi River by May 11

Citing flooding along the Inland River System, the U.S. Coast Guard established safety zones and implemented vessel restrictions in several locations by May 10, it said in a press release, but no waterways had been closed, as of latest reports. Some barge restrictions were in effect along the Mississippi River by May 11 and almost 20 percent of the Ohio River barge terminals monitored by the Coast Guard were offline on May 10, Reuters reported. The flooding led Valero to slow operations to 80-85 percent at its 195,000 b/d Memphis, Tennessee refinery by May 11, according to sources familiar with the site's operations. At least ten refineries along the Mississippi River – representing more than 2.4 million b/d of capacity – remained threatened, as of May 11. The U.S. Army Corp of Engineers, meanwhile, could open the Morganza spillway by early next week; that move would likely impact operations at Alon's 80,000 b/d refinery in Krotz Springs, Louisiana.

<http://www.d8externalaffairs.com/go/doc/425/1085295/>

<http://www.reuters.com/article/2011/05/11/usa-flooding-refineries-idUSN1022997520110511>

<http://www.businessweek.com/news/2011-05-11/oil-rises-to-one-week-high-as-u-s-floods-counter-china-concerns.html>

Levelland/Hockley County Ethanol Seeks Bankruptcy Court Authorization to Restart 40 MMGal/Yr. Ethanol Plant in Texas for Fall 2011

Levelland/Hockley County Ethanol shut the plant in December 2010. The company hopes to restart the plant by the fall of 2011.

<http://lubbockonline.com/filed-online/2011-05-10/levelland-ethanol-plant-outlines-lifeline-plan-bankruptcy-motion>

<http://www.rextv.com/Corp/Page4.aspx>

Energy Prices

U.S. Oil and Gas Prices			
May 11, 2011			
	Today	Week Ago	Year Ago
CRUDE OIL West Texas Intermediate U.S. \$/Barrel	100.64	108.69	76.99
NATURAL GAS Henry Hub \$/Million Btu	4.19	4.60	4.08

Source: Reuters

Energy Notes

DOE Offers \$90.6 Million Conditional Commitment Loan Guarantee to Support Cogentrix of Alamosa, LLC's Proposed 30 MW Alamosa Solar Generating Project in Colorado
May 10

<http://energy.gov/news/10321.htm>

Despite Disaster in Japan, U.S. Nuclear Industry to Construct Four-to-Eight New Reactors by 2020: Nuclear Energy Institute CEO

<http://www.bloomberg.com/news/2011-05-10/nuclear-group-expects-four-to-eight-reactors-by-2020-correct.html?cmpid=yahoo>

Japan to Drop Plans to Construct Additional Nuclear Reactors: Prime Minister

http://www.nytimes.com/2011/05/11/world/asia/11japan.html?_r=1&hp

SRU Snag Leads to Flaring at Alon's 67,000 b/d Big Spring, Texas Refinery by May 9

<http://www.reuters.com/article/2011/05/09/refinery-operations-alon-bigspring-idUSWEN295520110509>

ExxonMobil Sees no Impact on Production after "Minor Leak" at Jointly-Owned 200,700 b/d Refinery in St. Bernard, Louisiana by May 10

<http://www.bloomberg.com/news/2011-05-10/chalmette-refining-releases-materials-at-st-bernard-nrc-says.html>

Reduced Oil Output Could Eventually Force Offline Alyeska Pipeline Service's Trans Alaska Crude Oil Pipeline

<http://online.wsj.com/article/SB10001424052748704570704576274682119735102.html.html>

Production Issues to Blame as Two Additional Cargos of Forties Crude Oil in North Sea Dropped from June Loading Schedule: Trade Sources

Reuters, 11:25 May 11, 2011

YPF Discovers Approximately 150 Million Barrels of Shale Oil in Patagonia, Argentina by May 10

<http://www.bloomberg.com/news/2011-05-10/ypf-makes-argentina-s-largest-oil-discovery-in-two-decades-2-.html>

Statoil Discovers Between 12.5 and 56.5 Million Barrels of Recoverable Oil Equivalent in Norwegian North Sea by May 10

http://www.statoil.com/en/NewsAndMedia/News/2011/Pages/10May_Krafla.aspx

Duke University Researchers Discover High Methane Levels in Multiple Drinking Water Wells near Natural Gas Wells in Pennsylvania and New York

<http://www.theindychannel.com/news/27829907/detail.html>

Contractor Crew Strikes 2-Inch Natural Gas Pipeline, Prompting Local Evacuation in Easton, Pennsylvania May 9 – UGI Utilities Caps Line in Less than Two Hours

http://www.lehighvalleylive.com/easton/index.ssf/2011/05/broken_gas_line_on_cattell_str.html

Rupture along Natural Gas Distribution Pipeline Causes Brief Local Evacuations in Galveston, Texas May 10

Reuters, 19:43 May 10, 2011

Turbine Shuts, Restarts at Goldsmith Gas Plant in Texas April 10

<http://www11.tceq.state.tx.us/occeer/index.cfm?fuseaction=main.getDetails&target=154303>

SRU Shutdown Leads to Flaring at Keystone Gas Plant in Texas April 10-11 – Workers to Fix Leak on Recycle Blower

<http://www11.tceq.state.tx.us/occeer/index.cfm?fuseaction=main.getDetails&target=154347>

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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