



ENERGY ASSURANCE DAILY

Friday Evening, May 21, 2010

Major Developments

Update: BP Capturing 2,200 b/d of Leaking Oil from Blown-Out Well in Gulf of Mexico May 21

BP was siphoning 2,200 b/d of leaking oil from the blown-out MC252 well in the Gulf of Mexico to a ship above the well on May 21, a company spokesman said. The 2,200 b/d figure marked a decline from the 5,000 b/d the company was collecting on May 20. "The flow changes, it's not constant," according to the spokesman. The size of the leak remained unclear, as of latest reports. The fact that leaking continued, however, even when BP was collecting 5,000 b/d of oil, indicates that the previous estimate of 5,000 b/d was understated. Though the rate remained unclear, BP said some third-party estimates – others have pegged the leak at 50,000 b/d or higher – were inaccurate. The company said multiple factors had led to incorrect assessments. The original riser, for instance, was 19.5 inches in diameter prior to the accident. The accident, however, caused damage to the riser, distorting its diameter by about 30 percent.

<http://www.bp.com/genericarticle.do?categoryId=2012968&contentId=7062328>

<http://www.deepwaterhorizonresponse.com/go/doc/2931/543103/>

<http://www.reuters.com/article/idUSN2118028220100521?type=marketsNews>

DJN, 12:32 May 21, 2010

Update: BP Launches Live Webcam of Riser Flow May 21

http://www.bp.com/liveassets/bp_internet/globalbp/globalbp_uk_english/homepage/STAGING/local_assets/bp_homepage/html/rov_stream.html

<http://www.bp.com/genericarticle.do?categoryId=2012968&contentId=7062328>

Florida Governor Extends State of Emergency to Charlotte, Lee, Collier, Monroe, Dade, Broward, and Palm Beach Counties May 20

<http://www.flgov.com/pdfs/orders/10-106-emergency.pdf>

Electricity

Storms Knock Out Power to 30,000 Alabama Power Customers in Alabama May 20

Alabama Power had restored service to all but 5,300 customers by this morning, a company spokeswoman said.

http://blog.al.com/spotnews/2010/05/3700_birmingham_residents_stil.html

Luminant to Restart 593 MW Big Brown Coal-Fired Unit 2 in Texas May 20

The company expected to restart the unit after "an unexpected trip due to lightning," according to a filing with state regulators. The filing did not say when the unit went offline.

<http://www11.tceq.state.tx.us/oce/eer/index.cfm?fuseaction=main.getDetails&target=139963>

Luminant to Restart 593 MW Monticello Coal-Fired Unit 2 in Texas May 21

The company expected to restart the unit after it shut "due to an A phase generator ground," according to a filing with state regulators.

<http://www11.tceq.state.tx.us/oce/eer/index.cfm?fuseaction=main.getDetails&target=139752>

Update: Duke's 756 MW Moss Landing Gas-fired Unit 7 in California Returns to Service by May 20

According to the California Independent System Operator, the unit reported a return from an unplanned outage.
<http://www.caiso.com/unitstatus/data/unitstatus201005201515.html>

Cabrillo Power's 104 MW Encina Gas-fired Unit 2 in California Shut by May 20

According to the California Independent System Operator, the unit reported an unplanned outage by May 20.
<http://www.caiso.com/unitstatus/data/unitstatus201005201515.html>

Update: FirstEnergy's 1,235 MW Perry Nuclear Unit 1 in Ohio Ramped Up to 96 Percent by May 21

Operators shut the unit on May 11 due to the "loss of control rod drive charging water header pumps," the company said in a previous filing with the Nuclear Regulatory Commission (NRC). The NRC reported that on the morning of May 20 the unit was operating at 70 percent.

<http://www.nrc.gov/reading-rm/doc-collections/event-status/event/2010/20100513en.html>

Information also derived from the NRC Power Reactor Status Reports:

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

Progress Energy's 811 MW Brunswick Nuclear Unit 2 in North Carolina Reduced to 63 Percent by May 21

The Nuclear Regulatory Commission reported that on the morning of May 20 the unit was operating at full power. Information derived from the NRC Power Reactor Status Reports:

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

Update: Dominion's 1,130 MW Millstone Nuclear Unit 3 in Connecticut Ramped Up to 95 Percent by May 21

The unit shut automatically on May 17 "due to low steam generator water level," the company said in a previous filing with the Nuclear Regulatory Commission (NRC). The NRC reported that on the morning of May 20 the unit was operating at 70 percent.

<http://www.nrc.gov/reading-rm/doc-collections/event-status/event/2010/20100518en.html>

Information also derived from the NRC Power Reactor Status Reports:

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

Energy Northwest's 1,107 MW Columbia Generating Station Nuclear Unit in Washington Reduced to 85 Percent by May 21

The Nuclear Regulatory Commission reported that on the morning of May 20 the unit was operating at full power. Information derived from the NRC Power Reactor Status Reports:

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

Update: Entergy's 813 MW FitzPatrick Nuclear Unit in New York at Full Power by May 21

The Nuclear Regulatory Commission reported that on the morning of May 20 the unit was operating at 82 percent. Information derived from the NRC Power Reactor Status Reports:

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

Update: RES Americas Begins Construction on 343 MW Lower Snake River Wind Project Phase I by May 21

Renewable Energy Systems Americas Inc. (RES Americas) has begun balance of point (BOP) construction on the project, the company said on May 21. BOP construction includes all infrastructure of the project, but specifically excludes the supply, installation, and commissioning of wind turbines.

<http://www.prnewswire.com/news-releases/res-americas-begins-construction-on-lower-snake-river-wind-project-94577809.html>

NextEra Plans 108.8 MW Wind Farm near Baldwin, North Dakota

NextEra Energy plans to install up to sixty-eight 1.6 MW turbines near Baldwin, North Dakota. It expects to open the project by the end of 2010.

<http://www.basinelectric.com/Projects/Wind/index.html>

http://www.bismarcktribune.com/news/local/article_79b54dfc-648c-11df-a436-001cc4c002e0.html

Maryland Governor Signs Bills to Spur Renewable Energy May 20

Maryland Governor Martin O'Malley signed energy-related bills on May 20:

- Senate Bill (SB) 277 requires utilities to more quickly meet the state's solar energy goal. The state's renewables portfolio standard (RPS) requires the state to derive two percent of its electricity from solar energy by 2022. SB 277 also increases penalties for utilities that fall short of their RPS mandates.
- House Bill (HB) 464, or the Maryland Clean Energy Incentive Act of 2010, extends through 2015 a credit "for electricity produced by qualified Maryland facilities from qualified energy sources."
- HB 469 excludes plug-in electric vehicles from a state excise tax.
- SB 602 and HB 674 allow users of plug-in electric cars to drive in the HOV lane.

<http://www.getsolar.com/blog/marylands-new-energy-bills-boost-solar/6817/>

<http://mlis.state.md.us/2010rs/billfile/SB0277.htm>

<http://mlis.state.md.us/2010rs/billfile/HB0464.htm>

<http://mlis.state.md.us/2010rs/billfile/HB0469.htm>

<http://mlis.state.md.us/2010rs/billfile/SB0602.htm>

<http://mlis.state.md.us/2010rs/billfile/HB0674.htm>

U.S. Power Grid Could Feasibly Derive 35 Percent of Electricity from Wind and Solar Sources by 2017: NREL

The U.S. electric grid could feasibly integrate enough wind and solar energy capacity into the grid to produce 35 percent of its electricity by 2017, according to the National Renewable Energy Laboratory (NREL)'s Western Wind and Solar Integration Study. The study examined the benefits and challenges of the 35 percent integration scenario, and found that the target was technically feasible and would not necessitate extensive additional infrastructure. It would, however, require key changes to current operational practice. The 35 percent figure envisions 30 percent wind plus 5 percent solar. To accomplish the increase, utilities would have to substantially increase their coordination of operations, and more frequently schedule their generation deliveries to account for changes in system conditions. To read more about the study, click on the link below.

<http://www.nrel.gov/news/press/2010/846.html>

Petroleum

Update: LyondellBasell Expects Fire-Damaged CDU to Remain Offline for About Four Weeks at 268,000 b/d Houston, Texas Refinery

LyondellBasell expects repairs to a fire-damaged crude distillation unit (CDU) to take about four weeks at its 268,000 b/d Houston, Texas refinery, the company said on May 20. A fire forced shut the unit on May 17. The facility's other CDU was offline for separate, unplanned work at the time of the incident; the company plans to restart that unit by the end of this week, and keep it online as it repairs the fire-damaged CDU, according to a company spokesman and a press release. The CDUs each accounts for about 50 percent of the refinery's stated crude oil processing capacity. The company, however, expects to continue producing fuel products through the operation of downstream processing units.

<http://lyondellbasell.mediaroom.com/index.php?s=43&item=810>

<http://www.reuters.com/article/idUSN2023839120100520?type=marketsNews>

Process Unit Upset Triggers Flaring at Shell's 340,000 b/d Deer Park, Texas Refinery May 21

It was not clear which unit was affected or whether the incident had any impact to production.
Reuters, 11:09 May 21, 2010

Process Upset Leads to Flaring at ConocoPhillips 146,000 b/d Borger, Texas Refinery May 19

It was not clear if the incident had any impact to production.

<http://www11.tceq.state.tx.us/oce/eeer/index.cfm?fuseaction=main.getDetails&target=139953>

Reuters, 16:21 May 20, 2010

Alyeska Shut 800-Mile Trans Alaska Pipeline System Briefly for Unplanned Reasons on May 8 and 9

Bloomberg News, 15:18 May 20, 2010

U.S. Gasoline Production Totals Record 9.1 Million b/d in April 2010: API

The 9.1 million b/d figure marked the highest-ever April total and the second-highest monthly figure of all time, behind March 2010, according to the American Petroleum Institute.

<http://www.favstocks.com/api-us-gasoline-production-hits-april-record-demand-rises/2114462/>

Iraq Plans to Produce about 2.1 Million b/d at Southern Oilfields by End of 2010

Iraq expects to produce about 2.1 million b/d, combined, at its Rumaila, Majnoon, and West Qurna Phase one oilfields, according to the head of the South Oil Co.

Reuters, 12:26 May 21, 2010

Natural Gas

Nothing to report.

Other News

DOE Offers Conditional Loan Guarantee for Front End Nuclear Facility in Idaho May 20

The Department of Energy (DOE) offered a \$2 billion loan guarantee to support AREVA's Eagle Rock Enrichment Facility near Idaho Falls, Idaho. The facility will supply uranium enrichment services for the U.S. nuclear power industry.

<http://www.energy.gov/news/8996.htm>

Secretary Chu Announces \$38 Million for 42 University-Led Nuclear Research and Development Projects May 20

The 42 projects, funded over three to four years through the Department's Nuclear Energy University Program, will help advance nuclear education and develop the next generation of nuclear technologies.

<http://www.energy.gov/news/8994.htm>

Obama to Ask Congress to Okay Additional \$9 Billion of Nuclear Energy Loan Guarantees: Democratic Aide

<http://finance.yahoo.com/news/Obama-seeking-more-nuclear-apf-3928429007.html?x=0&.v=4>

Energy Prices

U.S. Oil and Gas Prices			
May 21, 2010			
	Today	Week Ago	Year Ago
CRUDE OIL West Texas Intermediate U.S. \$/Barrel	68.06	71.53	60.50
NATURAL GAS Henry Hub \$/Million Btu	4.12	4.26	3.75

Source: Reuters

Energy Notes

Update: U.S. Chemical Safety Board Survey Finds Widespread Use of “Gas Blows” during Pipe Cleanings at U.S. Natural Gas Power Plants, Despite Availability of Safer Alternatives – Process Led to Fatal February Explosion at Kleen Energy Power Plant in Connecticut
http://www.csb.gov/newsroom/detail.aspx?nid=319&SID=0&pg=1&F_All=y

Update: PPL Finalizes Contract with DOE for \$19 Million Matching Smart Grid Grant – Company to Install Automated Electrical Devices in Pennsylvania
<http://www.pplweb.com/newsroom/newsroom+quick+links/news+releases/PPL+Electric+Utilities+signs+contract+for+federal+smart+grid+grant+052010.htm>

Entergy Receives Extension from Vermont PSB to Answer Discovery Requests Regarding Tritiated-Water Leak at Vermont Yankee Nuclear Power Plant
http://www.reformer.com/localnews/ci_15122136

Flaring at Fullerton Gas Plant in Texas May 20
<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=139964>

Compressor Shutdown at Waha Gas Plant in Texas May 20
<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=139976>

Montana Supreme Court Says State DEQ Improperly Allowed Fidelity Exploration and Production Co. to Discharge Untreated Water into Tongue River during Coal-Bed Methane Drilling – Company Can Continue to Operate as DEQ Re-Assesses Permits
http://www.google.com/hostednews/ap/article/ALeqM5jXUBfrXWoYoVq1M_vLw4vx5nlaSgD9FQTN8G0

Massey Energy Miner Dies after Sustaining Injuries on May 10 at Ruby Energy Coal Mine in West Virginia
DJN, 11:26 May 21, 2010

Carbon Capture and Storage Must be Part of U.S. Energy Plans: DOE Assistant Secretary for Fossil Energy
<http://www.nytimes.com/2010/05/21/opinion/21carbon.html?scp=1&sq=%2bcarbon+%2bsequestration&st=nyt>

Engineers Tout Thorium-Based Power as Alternative to Uranium-Fueled Development
<http://www.dispatch.com/live/content/science/stories/2010/03/07/thorium-art-gc67nvgb-1.html?sid=101>

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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