



U.S. DEPARTMENT OF ENERGY
Office of Electricity Delivery and Energy Reliability
Infrastructure Security and Energy Restoration

ENERGY ASSURANCE DAILY

Monday Evening, June 14, 2010

Major Developments

Update: BP has Captured 127,000 Barrels of Crude in Gulf of Mexico Since June 3

BP estimates the lower marine riser package (LMRP) containment cap installed on June 3 has captured a total of 127,000 barrels of crude since it began operation. About 22,000 barrels had been previously collected using the Riser Insertion Tube Tool and stored on the Discoverer Enterprise. BP also unveiled a plan to increase the amount of crude being captured. BP says it could increase its capacity and capture 40,000-53,000 b/d by the end of the month, and 60,000-80,000 b/d by mid-July. However, BP does not guarantee that it can collect all of the crude. This new plan is a response to the Coast Guard's 48-hour deadline to provide a more aggressive plan to capture the oil after dissatisfaction with BP's efforts. BP estimates that the cost of response to date is approximately \$1.6 billion. The volume of oil captured and gas flared is being updated twice daily on BP's website: <http://www.bp.com/genericarticle.do?categoryId=2012968&contentId=7062886>
<http://www.mcclatchydc.com/2010/06/12/95789/coast-guard-rejects-bp-oil-leak.html>
<http://www.reuters.com/article/idAFN1316527220100614>

BP's Plan to Burn Oil from Blown-Out Well Raises Health and Safety Questions

The amount of crude and natural gas being flared, in addition to the controlled burns of surface oil could be a pollution hazard for the estimated 2,000 people working in the area. BP is planning to burn more of the oil being collected; experts believe 10,000 b/d of crude could be burned, which would be the largest amount of oil ever burned.
<http://www.mcclatchydc.com/2010/06/11/95781/plan-to-burn-excess-oil-from-bp.html>

Mayors Press Federal Government to Help Gulf Coast Communities

At a meeting in Oklahoma City, the U.S. Conference of Mayors intends to pass a resolution June 14 that urges Congress to "provide additional resources for local cleanup efforts, economic losses, and other financial assistance to local governments." The Mayors will also request that the federal government send timely reimbursements and create a task force that includes local leaders to address the economic consequences of the oil spill in the Gulf of Mexico.
Reuters, 12:45 June 14, 2010

Electricity

Energy Northwest's 1,107 MW Columbia Generating Station Nuclear Unit in Washington Reduced to 25 Percent by June 12

The Nuclear Regulatory Commission reported that on the morning of June 11 the unit was operating at 40 percent. The amount of rainwater flowing through the Columbia River has forced the hydroelectric turbines to operate overtime. With extra hydropower available, the Bonneville Power Administration has asked its electricity suppliers to reduce their output of non-hydropowered electricity. For example, BPA asked B.C. Hydro in Canada to hold back water in its reservoirs and asked Energy Northwest to reduce power generation at its nuclear plant.
<http://www.thenewstribune.com/2010/06/13/1224707/rainwater-creates-surplus-of-power.html>
Information also derived from the NRC Power Reactor Status Reports:
<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2010/>

Duke Energy's 1,100 MW McGuire Nuclear Unit 1 in North Carolina Shut by June 13

The Nuclear Regulatory Commission reported that on the morning of June 12 the unit was operating at 44 percent. Information derived from the NRC Power Reactor Status Reports:
<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2010/>

OPG's 881 MW Darlington Nuke-Fired Unit 3 in Ontario Shut June 11

Reuters, 14:36 June 11, 2010

Enmax's 250 MW Calgary Gas-Fired Unit in Alberta Shut June 13

Reuters, 11:02 June 14, 2010

InterGen's 322 MW Central Rosita Gas-Fired Unit in Mexico Shut June 13

Reuters, 9:21 June 14, 2010

Update: FPL's 839 MW Saint Lucie Nuclear Unit 1 in Florida Ramped Up to 20 Percent by June 14

The Nuclear Regulatory Commission reported that on the morning of June 13 the unit was not operating.

Information derived from the NRC Power Reactor Status Reports:

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

Update: TVA's 1,118 MW Browns Ferry Nuclear Unit 2 in Alabama Ramped Up to 77 Percent by June 12

The Nuclear Regulatory Commission reported that on the morning of June 11 the unit was not operating. The unit was shut by June 10 due to the closure of main steam isolation valves.

Reuters, 12:06 June 14, 2010

Information also derived from the NRC Power Reactor Status Reports:

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

Update: Dominion's 810 MW Surry Nuclear Unit 1 in Virginia at Full Power by June 13

The Nuclear Regulatory Commission reported that on the morning of June 12 the unit was operating at 70 percent. The unit has resumed full operations after being shut due to electrical problems on June 8. The Nuclear Regulatory Commission is inspecting the reactor because some of the plant's components lost power, a control room safety display failed and there was a small electrical fire in the power station's control room according to news sources.

http://www2.timesdispatch.com/rtd/business/energy/article/NUKEGAT14_20100614-071601/351068/

Information also derived from the NRC Power Reactor Status Report:

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

Hawaii Begins Study of Undersea Power Cable Project

Hawaii began environmental planning to lay power cables along the ocean floor to connect wind farms on the islands of Molokai and Lanai to Honolulu on Oahu. AECOM Technology Corp. is studying the route and potential environmental impacts of the undersea cables. The cable and proposed 400 MW of wind projects would supply 12 percent of power on Oahu.

<http://www.wtop.com/?nid=111&sid=1977907>

SCE to Build and Operate 250 MW of Solar Power in 5 Years

SCE plans to install 75 MW of solar panels immediately on large commercial rooftops and on open parcels of land.

<http://finance.yahoo.com/news/Edison-International-Going-zacks-3176450053.html?x=0&.v=1>

Tribute Resources Plans 240 MW Wind Project in Wiarton, Ontario

DJN, 9:30 June 14, 2010

Petroleum

Crude Leaks from Chevron's Pipeline in Utah June 12

A fracture in the company's 10-inch diameter pipeline, which carries crude to Chevron's 45,000 b/d Salt Lake City, Utah Refinery, was noticed early Saturday after employees at a nearby hospital smelled petroleum fumes. The leak had no impact on refinery operations. Authorities estimate 400 to 500 barrels of crude spilled into the Red Butte Creek before the leak was detected. The leak has been capped, but cleanup could take a few weeks. The cause of the spill is currently unknown.

<http://www.deseretnews.com/article/print/700040021/Red-Butte-oil-spill-cleanup-continues.html>

<http://www1.whdh.com/news/articles/national/12001407307774/>

Reuters, 17:23 June 13, 2010

Gulf Coast Oil Spill Could Affect Supplies for BP's 800-Mile Trans-Alaska Pipeline in Alaska

The pipeline, which runs from Alaska's North Slope to the Port of Valdez, currently carries about 670,000 b/d of crude. This is a significant decline from its peak of 2 MMb/d in 1988 due to a rapid decline in Alaska's onshore oil production. Offshore oil production was anticipated to bring supply to the pipeline but Alaska politicians and industry consultants are unsure whether new regulations due to the oil spill in the Gulf of Mexico will discourage offshore drilling in the Arctic.

http://www.rigzone.com/news/article.asp?a_id=94679

Lighting Strikes 43,000 Bbl Gasoline Tank in North Carolina June 13

The tanks caught on fire and two interstate highways were shut in both directions. Colonial Pipeline said that the fire is not expected to disrupt supplies for its product pipeline.

<http://www.ksro.com/news/article.aspx?id=2331856>

Reuters, 14:17 June 13, 2010

ConocoPhillips Adjusting Units at its 306,000 b/d Wood River, Illinois Refinery after Power Failure June 12

According to a filing with the Illinois Emergency Management Agency, the units are being adjusted after a power failure led to an emissions event.

Reuters, 11:44 June 14, 2010

Natural Gas

CenterPoint Energy Gas Considering Expansion at its 1.9 Bcf/d Carthage-to-Perryville Pipeline in Texas

CenterPoint is holding a non-binding open season to determine market interest for additional supplies, but has not announced a specific amount. Additional throughput capacity could be operation as early as the fourth quarter 2012.

<http://www.prnewswire.com/news-releases/centerpoint-energy-gas-transmission-company-holds-open-season-for-firm-capacity-on-proposed-expansion-of-line-cp-96281798.html>

Update: Enterprise Products Completes Repairs to its 36-Inch, 395-Mile North Texas Gas Pipeline June 14

A section of the pipeline was damaged on June 7. Gas service had been fully restored to customers by June 12.

http://www.marketwatch.com/story/enterprise-resumes-operations-on-north-texas-pipeline-2010-06-14?reflink=MW_news_stmp

Other News

Investors Looking at Algae to Produce Alternative Fuel

Bloomberg News reports that startup companies are researching algae biofuels as an alternative fuel source.

According to an Exxon researcher, algae have the "best potential" to replace conventional fuel sources. However Bloomberg notes that no one has produced algae fuel in large enough quantities to be commercially viable, and creating an infrastructure for the new fuel could be prohibitively expensive.

<http://www.delawareonline.com/article/20100613/BUSINESS/6130325/1003/Investors-bet-on-algae-as-green-diesel-alternative>

Energy Prices

U.S. Oil and Gas Prices June 14, 2010			
	Today	Week Ago	Year Ago
CRUDE OIL West Texas Intermediate U.S. \$/Barrel	74.60	71.78	72.00
NATURAL GAS Henry Hub \$/Million Btu	4.68	4.60	3.51

Source: Reuters

Energy Notes

Dominion Reports 20,505 Customers in Virginia Lost Power June 12

<http://www.dom.com/storm-center/dominion-electric-outage-summary.jsp>

Duke Energy Reports 19,306 Customers in North Carolina Lost Power June 13

<http://www.duke-energy.com/outages/stats/>

Storms Knock Out Power to 13,329 Westar Energy Customers in Kansas June 13

<http://www.washburnreview.org/news/more-than-13-000-left-without-power-in-northeast-kansas-1.1491051>

Storm Knocks Out Power to 10,000 Duke Customers and 2,300 IPL Customers in Indiana June 12

<http://www.wibc.com/news/Story.aspx?ID=1240526>

Ameren Reports 11,586 Customers in Illinois Lost Power on June 12

<https://www2.ameren.com/outagemap/default.aspx?state=IL>

Coal Smoked, Did not Catch on Fire at Alliant's 553 MW Burlington Coal-Fired Power Plant in Iowa June 13

<http://www.chicagotribune.com/news/chi-ap-ia-smolderingcoal-bu.0,3271271.story>

NRC Sends Inspection Team to Progress Energy's 1,875 MW Brunswick Nuclear Power Plant to Review an Alert June 11

<http://www.nrc.gov/reading-rm/doc-collections/news/2010/10-044.ii.html>

TVA Adds Two New Scrubbers at its Kingston Coal-Fired Power Plant in Tennessee

<http://www.prnewswire.com/news-releases/tvas-kingston-fossil-plant-begins-operation-of-scrubbers-96167289.html>

Dominion Considers Boosting Power at its Millstone Nuclear Unit 3 in Connecticut

<http://www.theday.com/article/20100611/BIZ02/306119868/1044>

Valero Investigating Leak in 6-Inch Water Draw Line at its 289,000 b/d Port Arthur, Texas Refinery June 11

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=141007>

Flaring Reported at ExxonMobil's Joliet, Illinois Refinery June 14

Reuters, 12:43 June 14, 2010

Flaring Reported at Valero's 170,000 McKee, Texas Refinery June 14

Reuters, 09:45 June 14, 2010

ExxonMobil Experiences Mechanical Problem at its 150,000 b/d Torrance, California Refinery June 14

Reuters, 11:21 June 14, 2010

Flaring Reported at ConocoPhillips' 120,000 b/d Rodeo, California Refinery June 13

Reuters, 14:53 June 13, 2010

Compressor Snag Reported at Alon's 70,000 b/d Big Spring, Texas Refinery June 14

Reuters, 10:28 June 14, 2010

Samson Oil & Gas Production from Williston Basin in Montana, North Dakota, and South Dakota Expected to Reach 6,000 Barrels of Oil Equivalent in December 2010

http://www.rigzone.com/news/article.asp?a_id=94645

AGI Compressor Shuts at 290 MMcf/d Waha Gas Plant in Texas June 12

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=141010>

Flaring Reported at 20 MMcf/d Belvan Midway Lane Gas Plant in Texas June 11

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=141009>

North Sea Flotta Crude to Load 63,000 b/d in July, up from 22,000 b/d in June: Source

Reuters, 09:38 June 14, 2010

Libya Wants Assurances from BP for Deep-Water Drilling in Mediterranean

http://www.rigzone.com/news/article.asp?a_id=94678

OSHA Deputy Assistant Secretary Testifies that Worker Deaths and Injuries at Energy Industry Facilities is a Major Problem

http://www.downstreamtoday.com/news/article.aspx?a_id=22960

Tribesmen Blow Up Pipeline in Yemen June 12 in Retaliation for Attack on Chiefs for Harboring Al-Qaeda Operatives

http://www.google.com/hostednews/afp/article/ALeqM5jNmgbFtrIV8SIT7ruNW2GQR_nj9w

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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