



ENERGY ASSURANCE DAILY

Thursday Evening, June 16, 2011

Major Developments

Thunderstorms Cause Over 360,000 Customer Outages in the U.S. South June 15

Powerful storms passed through Georgia, the Carolinas, and Florida the evening of June 15, with high winds of 60 to 70 mph, lightning, and rainstorms that resulted in downed trees and power lines. The storm was particularly severe in Central Georgia. As of 1:00 pm today, Georgia Power reported 26,000 customers without power statewide, including 4,700 customers in the Metro Atlanta area.

U.S. South Customer Power Outages			
June 15 – June 16			
Electric Utility	State	Peak	Latest Reported
Georgia Power	GA	150,000	26,000
Jackson Electric Member Corp	GA	10,000	8
Duke Energy	SC	78,648	13,016
South Carolina Electric & Gas Co	SC	10,264	10,264
Progress Energy Carolinas	NC/SC	13,000	1,275
Duke Energy	NC	57,614	21,203
Florida Power and Light	FL	31,000	93
Progress Energy Florida Inc	FL	10,000	164
TOTAL*		360,526	72,023

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

Sources:

Georgia Power: <http://twitter.com/#!/georgiapower>

Jackson EMC: <http://jemc.maps.sienatech.com/>, <http://www.jacksonemc.com/Storm-Center.233.0.html>,
<http://www.accessnorthga.com/detail.php?n=239610>

Florida Power and Light: <http://www.naplesnews.com/news/2011/jun/16/power-restored-mop-ongoing-after-severe-storm-hits/>, <http://www.news-press.com/article/20110616/NEWS0119/110616004/750-FPL-customers-remain-without-power-Collier-after-severe-storm?odyssey=tab|topnews|text|Home>

Progress Energy Florida Inc: <https://www.progress-energy.com/app/outagemaps/florida.aspx>,
<http://www.theledger.com/article/20110616/NEWS/110619557/1001/business?Title=Wednesday-Saw-Record-High-in-Lakeland>

Duke Energy: <http://www.duke-energy.com/south-carolina-business/outages/current.asp#outagedata>,
<http://www.independentmail.com/news/2011/jun/15/thousands-anderson-are-without-power-after-storm/>

Progress Energy Carolinas: <https://www.progress-energy.com/app/outagemaps/carolinas.aspx>, <http://www.citizen-times.com/article/20110616/NEWS/306160031/Storms-update-More-than-20-000-WNC-still-without-power?odyssey=nav|head>

South Carolina Electric & Gas Co: <http://www.sceg.com/en/storm-center/outage-map/>,
<http://chronicle.augusta.com/news/metro/2011-06-15/storms-cause-power-outages-across-area?v=1308184108>

Electricity

Progress Energy's 811 MW Brunswick Nuclear Unit 2 in North Carolina Reduced to 47 Percent by June 16

The Nuclear Regulatory Commission reported that on the morning of June 15 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/2011/>

FirstEnergy's 1,235 MW Perry Nuclear Unit 1 in Ohio Reduced to 84 Percent by June 16

The Nuclear Regulatory Commission reported that on the morning of June 15 the unit was operating at 95 percent. Information derived from the NRC Power Reactor Status Reports:

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

Cabrillo Power I, LLC's 106 MW Encina Gas-Fired Unit 1 in California Returns to Service by June 15

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

<http://www.caiso.com/unitstatus/data/unitstatus201106151515.html>

AES's 227 MW Huntington Beach Gas-Fired Unit 4 in California Returns to Service by June 15

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

<http://www.caiso.com/unitstatus/data/unitstatus201106151515.html>

Dynegy's 335 MW El Segundo Gas-Fired Unit 3 in California Shut by June 15

According to the California Independent System Operator, the unit reported an unplanned outage on June 15.

<http://www.caiso.com/unitstatus/data/unitstatus201106151515.html>

Calpine's 366 MW Inland Empire Energy Center Gas-Fired Unit 2 in California Shut by June 15

According to the California Independent System Operator, the unit reported an unplanned outage on June 15.

<http://www.caiso.com/unitstatus/data/unitstatus201106151515.html>

TVA Considers Installation of 125 MW Small Modular Reactor Modules at its Clinch River Site in Roane County, Tennessee

TVA plans to submit its application to the Nuclear Regulatory Commission (NRC) in 2012, noting that the company may eventually build up to six reactors at the site. The company expects the review for the construction permit to take about 2 ½ years. As the first of its kind to be reviewed by the NRC, the small modular reactor design is planned to be an integral pressurized-water reactor designed by the Babcock & Wilcox Company called "mPower."

<http://public-blog.nrc-gateway.gov/2011/06/15/tva-may-be-interested-in-building-small-modular-reactors/>

NRC Task Force Declares Current Nuclear Safety Rules Inadequate to Address Simultaneous Grid and Emergency Generator Outages

The New York Times reported that an oral progress report had been given to the Nuclear Regulatory Commission by a post-accident task force after previous safety studies failed to assess the risk of losing electricity from the grid and from on-site emergency generators simultaneously.

http://www.nytimes.com/2011/06/16/business/energy-environment/16nrc.html?_r=2&=&pagewanted=all

Surge in Copper Thefts from PG&E Infrastructure Observed in 2011 in Antioch, California

Copper has been stolen from about 300 poles in Antioch area since the beginning of 2011, compared with fewer than 10 thefts in 2010 according to a PG&E spokeswoman. The city has taken measures to reduce thefts, such as changing the construction of light standards and adding more secure wiring. PG&E is working closely with law enforcement to further reduce copper theft in the area.

http://www.mercurynews.com/breaking-news/ci_18250212?nclick_check=1

Update: Equipment Glitch Delays Restart of FPL's 512 MW Point Beach Nuclear Unit 2 in Wisconsin June 13-15

A neutron monitor used to measure the level of nuclear reaction in the reactor core malfunctioned leading to the automatic reactor trip on June 13. Workers have since replaced a power supply box for the monitor in preparation to return the reactor to service.

<http://www.jsonline.com/business/123872839.html>

Update: AEP Announces Planned Closure of 335 MW Glen Lyn Coal-fired Plant in Giles County, Virginia to Meet Proposed EPA Regulations

AEP has indicated that the Glen Lyn plant will have to be closed on or before Dec. 31, 2014, after 90 years of service. AEP is also planning to upgrade or install new emissions reduction equipment on an additional 10,100 MW, convert 1,070 MW of coal-fired generation into 932 MW of natural gas capacity, and build 1,220 MW of natural gas-fired generation to meet the proposed EPA rules.

<http://www.collegiatetimes.com/stories/17722/epa-regulations-retire-power-plant/print>

Reuters, 12:04 June 9, 2011

<http://blogs.wvgazette.com/coalattoo/2011/06/09/aep-would-shutter-5-coal-plants-to-meet-epa-rules/>

Petroleum

Motiva Enterprises Reports Compressor Trip at 234,700 b/d Norco, Louisiana Refinery on June 15

The company indicated that it had not identified the cause of the trip, but was able to re-start the compressor.

Reuters, 00:10 June 16, 2011

Valero Performs Unplanned Maintenance at Complex 7 of the 142,000 b/d Corpus Christi Refinery East Plant in Texas June 15

The company indicates in its filing with the Texas Commission on Environmental Quality that maintenance will take place June 15-16.

Reuters, 17:59 June 15, 2011

“Power Dip” Causes Brief Operations Interruption at Irving Oil’s 300,000 b/d Saint John Refinery in New Brunswick, Canada on June 14

The company indicates that the power interruption had no significant impact on production.

Reuters, 16:51 June 15, 2011

Smoking Vapor Combustor Results in Emissions, Shutdown and Restart of Ship Loading at Kinder Morgan’s 7,530,000 bbls Galena Park Terminal in Texas on June 15

A Texas Commission on Environmental Quality report indicates “the combustor was being used to control displaced vapors from loading gasoline blendstock onto a ship.” Ship loading was shutdown and restarted successfully, and Kinder Morgan indicates “maintenance will do a more thorough inspection of the system as soon a shutdown can be scheduled.”

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=155731>

Explosion at Multi-Chem Facility Results in Five-Mile Evacuation Area in New Iberia, Louisiana on June 14

Multi-Chem, an oilfield supply company, has confirmed the site consists of a storage facility and a blending plant, which were fully engulfed in flames after the explosion. It is unknown whether chemicals were being stored at the site when the explosion occurred. The evacuation radius was later reduced to a one-mile area and there were no fatalities or injuries reported.

<http://www.theadvertiser.com/article/20110615/NEWS01/106150342>

Update: Statoil Announces Leismer Demonstration Project Achieves an Accumulated 1,000,000 bbls of Oil Production in Northern Alberta, Canada by June 16

The site is expected to ramp up to its rated capacity of 18,800 bbls/d within 24 months.

http://www.rigzone.com/news/article.asp?a_id=108113

TransCanada Installs New Equipment to Address Cause of Recent Spills in 591,000 b/d Keystone Crude Oil Pipeline System

The company has indicated that premature wear of pumping-station valve fittings and gaskets due to vibration have contributed to the series of 14 spills. Workers have replaced parts with stronger materials and bracing equipment to reduce the impact of vibrations.

http://www.downstreamtoday.com/news/article.asp?a_id=26939

Plains All American Announces Planned Construction of New Pipelines Transporting 65,000 bbls/d of Crude Oil from Bone Springs Play in Texas June 15

The company will construct six miles of new six-inch pipeline and 20 miles of new 12-inch pipeline that will transport the oil to Cushing, Texas. The company will also build up to 100,000 bbls of new storage and terminal capacity in several stages. The pipeline is expected to be in service by the end of 2011.

<http://torontostar.morningstar.ca/globalhome/industry/news.asp?articleid=384352>

Natural Gas

Workers Repair Damage to Valve Due to Track Wildfire Along Raton Natural Gas Pipeline in Raton, New Mexico June 15

The pipeline serves thousands of customers in the Raton area. The Track fire started June 12 and has burned more than 25,300 acres by June 15 as it continues to spread northeast of Raton. Raton Mayor Neil Segotta has indicated officials aren't expecting any interruption of natural gas service while the repairs are made. The Wallow fire, burning in the western portion of the state, is now 29% contained, and no longer appears to be a threat to Tucson Electric's and El Paso Electric's 345 kV transmission lines east and northeast of the fire.

<http://www.therepublic.com/view/story/03dfcebbfbba4860a1d56a965571ffc4/NM--New-Mexico-Wildfires-Natural-Gas/>

<http://www.wcti12.com/weather/28253645/detail.html>

Upset Results in Emissions at Aker Gas Plant in Texas on June 15

According to a Texas Commission on Environmental Quality report "C-550 shutdown was diagnosed" and "high discharge pressure [was] caused by an increase in injection well pressure." Workers were able to restart C-550 after the upset.

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=155730>

Two Leaking Mole Sieve Switching Valves Discovered at Sand Hills Gas Plant in Texas June 15

Workers will schedule a partial shutdown of the plant to replace all internal parts of the failed valves. The shutdown will result in flaring from the emergency condition gas flares F-1 and F-2.

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=155497>

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=155500>

Other News

Ag Processing Inc. Plans to Purchase and Bring Online 60 MMGal/Yr Algona Biodiesel Plant in Iowa

The plant was built in 2007 but high soybean oil costs prevented the plant from being brought into service. The plant may begin operating as soon as September 1, 2011.

http://www.desmoinesregister.com/article/20110616/BUSINESS01/106160321/-1/RAGBRAI_2006/Omaha-co-op-buy-Algona-biodiesel-facility

Energy Prices

U.S. Oil and Gas Prices			
June 16, 2011			
	Today	Week Ago	Year Ago
CRUDE OIL West Texas Intermediate U.S. \$/Barrel	94.95	101.98	77.16
NATURAL GAS Henry Hub \$/Million Btu	4.53	4.83	5.11

Source: Reuters

Energy Notes

TVA is Granted License from the NRC to Receive, Inspect and Store New Nuclear Fuel for the 1,180 MW Watts Bar Nuclear Unit 2 in Tennessee

<http://www.prnewswire.com/news-releases/watts-bar-unit-2-receives-fuel-handling-license-from-the-nrc-123940444.html>

Explosion in Underground Electrical Vault Results in Evacuations of 30 Homes and 3,200 SCE Customer Outages in La Puente, California on June 14 – Water Found Inside Vault

<http://latimesblogs.latimes.com/lanow/2011/06/electrical-vault-explosion-la-puente.html>

Construction Crew Ruptures Consumers Energy Gas Line Resulting in Evacuations of Six Businesses, Interrupted Service in Novi, Michigan June 14 – No injuries Were Reported

<http://detroit.cbslocal.com/2011/06/14/ruptured-gas-line-evacuations-in-novi/>

Leak Discovered Requiring Pending Shutdown of AGI Compressor at 290 MMcf/d Waha Gas Plant in Texas June 15

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=155692>

“U.S. Solar Market Insight Q1 2011” Report Released by Solar Energy Industries Association and GTM Research Indicates 66 Percent Year-Over-Year Growth of Grid-Connected Photovoltaics Over First Quarter 2010 Compared with 2011

<http://www.prnewswire.com/news-releases/us-solar-energy-industry-continues-record-setting-growth-in-2011-123989024.html>

Missoula-based Group “All Against the Haul” Reports Montana Department of Transportation Failed to Sufficiently Analyze Planned Megaloads on Bridges – Groups Request Preliminary Injunction to Stop Imperial Oil/ExxonMobil’s Kearl Module Transportation Project

http://billingsgazette.com/news/state-and-regional/montana/article_42a512bc-e0cc-58dd-b0ee-89fa229d8935.html

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 EST every Wednesday.

Natural Gas Weekly Update from EIA

<http://www.eia.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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