



ENERGY ASSURANCE DAILY

Monday Evening, June 21, 2010

Major Developments

Storms Knock Out Power to More than 900,000 Customers in U.S Midwest over Weekend

Storms cut power to an estimated 944,000 customers in Illinois, Michigan, and Indiana over the weekend, news and company sources reported. Some 58,361 customers remained without power, as of latest reports. ComEd, the hardest-hit utility, expected to restore service to all its affected customers by Wednesday evening.

U.S. Midwest Customer Power Outages			
June 18 – June 21, 2010			
Electric Utility	State	Peak	Latest Reported
ComEd	IL	550,000	17,000
DTE Energy	MI	120,000	4,000
Consumers Energy	MI	99,000	12,000
Indiana Michigan Power	MI/IN	80,000	19,361
NIPSCO	IN	95,000	6,000
TOTAL*		944,000	58,361

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

Sources:

ComEd: https://www.comed.com/sites/newsroom/News%20Room/newsroomreleases_06192010.aspx ,
https://www.comed.com/sites/newsroom/News%20Room/newsroomreleases_06182010.aspx ,
<https://www.comed.com/sites/newsroom/pages/stormcenter.aspx>

DTE Energy: <http://www.dteenergy.com/map/outage.html> ,
<http://www.detnews.com/article/20100621/METRO/6210388/1409/METRO/Power-restored-to-most-homes--businesses-after-storm> , <http://detnews.com/article/20100619/METRO/6190360/1409/rss36#ixzz0rUvnPmTF>

Consumers Energy: <http://www.consumersenergy.com/News.aspx?id=2885&year=2010>

Indiana Michigan Power: <https://www.indianamichiganpower.com/outages/details.aspx?stormName=MichianaThunderstorm-June18> , <http://www.aepcustomer.com/outagemap/main.aspx?region=im>

NIPSCO: <http://www.nipsco.com/Stay-Safe/Storm-Center.aspx>

Update: BP Recovers About 23,290 Barrels of Oil at Site of Blown-Out Well in Gulf of Mexico June 20

BP collected about 14,570 barrels of oil, flared approximately 8,720 barrels of oil, and flared about 48.3 million cubic feet of natural gas on June 20 via its dual collection system at the blown-out MC252 well in the Gulf of Mexico, the company said on its website. The oil total – about 23,290 barrels - marked a slight decline from previous figures. BP attributed the decline to shut-ins from a lightning storm in the area of the Enterprise and Q4000 heading changes to accommodate wind shifts. The company, separately, said it was forced to shut the drillship portion of its dual collection system for several hours on June 19 due to issues with a flame arrestor. Citing the shutdown, the company said it collected just 11,050 barrels of oil and flared about 25.6 million cubic feet of natural gas on June 19 on the Discoverer Enterprise. It flared 9,990 barrels of oil and 17.8 million cubic feet of natural gas on the Q4000.

<http://www.bp.com/genericarticle.do?categoryId=2012968&contentId=7063006>

<http://www.bp.com/extendedsectiongenericarticle.do?categoryId=40&contentId=7061813>

Reuters, 13:16 June 19, 2010

Reuters, 10:46 June 19, 2010

Update: Crews Begin Process of Cementing and Casing Relief Well Liner in Gulf of Mexico

The Development Driller II continued to drill the first relief well at the site of the blown-out MC252 well in the Gulf of Mexico, and crews have started the process of cementing and casing the well liner, according to a release from the Unified Command's Joint Information Center.

<http://www.deepwaterhorizonresponse.com/go/doc/2931/678919/>

Update: Leak Size Could Theoretically Reach 100,000 b/d: BP Internal Document

The blown-out MC252 well could, in theory, spew approximately 100,000 b/d of oil into the Gulf of Mexico, according to internal BP documents. That figure, however, would only apply if responders removed the well's blowout preventer. Since BP has no plans to do that, a company spokesman referred to the number as "irrelevant." Reuters, 19:06 June 20, 2010

Update: BP Seeks to Raise \$50 Billion over Coming Two Years to Pay for Costs of Gulf Oil Spill: London's Sunday Times

Reuters, 08:34 June 20, 2010

Update: BP Claims Payments Exceed \$100 Million by June 19

<http://www.bp.com/genericarticle.do?categoryId=2012968&contentId=7063000>

Electricity

Storms Cut Power to 56,000 Duke Energy Customers in Ohio June 21

Some 49,167 customers remained without power, as of latest reports.

<http://www.duke-energy.com/ohio/outages/current.asp#>

<http://news.cincinnati.com/article/20100621/NEWS01/306210074/1055/NEWS/Storms-knock-out-power>

APS Reduces, Ramps up 1,243 MW Palo Verde Nuclear Unit 1 in Arizona June 18-21

APS initiated "a manual turbine trip... due to loss of cooling for Main Transformer X01C," it said in a filing with the Nuclear Regulatory Commission (NRC). The company declared an Unusual Event, citing the "damaged energized equipment." It reduced the unit to 12 percent power and terminated the Unusual Event at just over two hours. The NRC reported that on the morning of June 20 the unit was operating at 19 percent. APS returned the unit to 77 percent power by this morning, June 21.

<http://www.nrc.gov/reading-rm/doc-collections/event-status/event/2010/20100621en.html>

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 917 MW North Anna Nuclear Unit 2 in Virginia Ramped Up to 98 Percent by June 20

The unit shut automatically on June 16 due to an apparent lightning strike, the company said in a previous filing with the Nuclear Regulatory Commission (NRC). The NRC reported that on the morning of June 19 the unit was operating at 1 percent.

<http://www.nrc.gov/reading-rm/doc-collections/event-status/event/2010/20100617en.html>

Information also derived from the NRC Power Reactor Status Reports:

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

FPL Shuts and Restarts 512 MW Point Beach Nuclear Unit 2 in Wisconsin June 19-21

FPL shut the unit on June 19 due to a "generator lockout," the company said in a filing with the Nuclear Regulatory Commission (NRC). The NRC reported that on the morning of June 20 the unit was not operating. The unit returned to 38 percent by this morning, June 21.

<http://www.nrc.gov/reading-rm/doc-collections/event-status/event/2010/20100621en.html>

Information also derived from the NRC Power Reactor Status Reports:

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

Update: Constellation's 835 MW Calvert Cliffs Nuclear Unit 2 in Maryland at Full Power by June 19

The Nuclear Regulatory Commission reported that on the morning of June 18 the unit was operating at 79 percent. Information derived from the NRC Power Reactor Status Reports:

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

Duke Energy's 510 MW Moss Landing Gas-Fired Unit 1 in California Shuts, Returns to Service by June 18-20

According to the California Independent System Operator, the unit reported an unplanned outage by June 18. The unit returned from the outage by June 20

<http://www.caiso.com/unitstatus/data/unitstatus201006201515.html>

Update: Calpine Restarts 366 MW Inland Empire Gas-Fired Unit 2 in California by June 18

According to the California Independent System Operator, the unit returned from a planned/unplanned outage.

<http://www.caiso.com/unitstatus/data/unitstatus201006201515.html>

Petroleum

Valero Shuts Coker at 170,000 b/d Benicia, California Refinery over Weekend

Valero shut a coker unit for unplanned repairs at its 170,000 b/d Benicia, California refinery over the weekend, the company said. The incident suffered two snags on June 17, and had been returning to normal service. The unit, however, "continued to have problems over the weekend," so the company "decided to bring it down and complete repairs on it," a company spokesman said.

DJN, 10:52 June 21, 2010

Power Issue Causes Flaring at Citgo's 167,000 b/d Lemont, Illinois Refinery June 18

The incident occurred when Commonwealth Edison, the local utility, "lost a feeder line that went to equipment," Citgo said in a filing with state regulators. It was not clear if the incident had any impact to production.

<http://af.reuters.com/article/energyOilNews/idAFN2122234020100621>

ExxonMobil Reports Underground Pipe Leak at 149,500 b/d Torrance, California Refinery June 20

The company believed the incident had caused a spill of about 30 barrels of gas oil, according to a filing with state regulators. There was no impact to production.

<http://www.oes.ca.gov/Operational/MALHaz.nsf/f1841a103c102734882563e200760c4a/ff20a6be755fd7e38825774800768fda?OpenDocument>

Shell Extinguishes Small Fire at 145,000 b/d Anacortes, Washington Refinery June 19

Shell extinguished a small fire within 10 minutes on June 19 at its 145,000 b/d Anacortes, Washington refinery, a facility spokeswoman said. There were no injuries.

<http://www.tmcnet.com/usubmit/2010/06/19/4857203.htm>

Chevron to Restart Recently-Ruptured, Colorado-to-Utah Oil Pipeline June 21

Chevron planned to restart its 14,000-to-15,000 b/d, Colorado-to-Utah oil pipeline on June 21, or nine days after the line ruptured and leaked 800 barrels of oil. The U.S. Department of Transportation and the Unified Command team authorized the restart. Crews had recovered 600 barrels of oil, as of latest reports. Another 100 had evaporated, and the final 100 was still in the Red Butte Creek, the Liberty Park pond, and the Jordan River.

<http://www.examiner.com/x-40986-Salt-Lake-City-Page-One-Examiner~y2010m6d21-Chevron-to-reopen-pipeline-that-spilled-33000-gallons-of-oil-into-Red-Butte-Creek>

Quintana Proposes 100,000 b/d, 300-Mile, North Dakota-to-Montana Oil Pipeline - Line Would Connect to TransCanada's Planned Alberta-to-United States Keystone XL Pipeline

Quintana Capital Group Ltd. aims to construct a 100,000 b/d, 300-mile oil pipeline that would connect Bakken shale producers to TransCanada's proposed Alberta-to-United States Keystone XL pipeline, the company said in a recent letter to state regulators. Quintana hopes to break ground next year and complete the project by early 2013, it said in the letter. TransCanada, however, said it had not struck a deal with Quintana over the proposal. TransCanada expects to open the 1,980-mile, 700,000 b/d Keystone XL pipeline in early 2013. It would deliver oil from Alberta, Canada to Oklahoma and Texas.

<http://www.google.com/hostednews/ap/article/ALeqM5j9Da3PRk0JkWzee7wiEQNDxd1TZgD9GFQMI81>

Natural Gas

Power Snag Triggers Flaring at Cedar Hill Gas Plant in Texas June 18

Operators directed "natural gas to emergency flare as needed to shutdown plant," according to a filing with state regulators. They expected to restart the plant and end the flaring event "as soon as electric service returned."

<http://www11.tceq.state.tx.us/oce/eer/index.cfm?fuseaction=main.getDetails&target=141353>

DCP Midstream Reports Pipeline Issue at Port Arthur Gas Plant in Texas June 20

DCP Midstream "experienced an issue with its pipeline PA-26," it said in a filing with state regulators. The company said both the PA-26 pipeline and the Port Arthur Gas Plant were "down for repairs."

<http://www11.tceq.state.tx.us/oce/eer/index.cfm?fuseaction=main.getDetails&target=141362>

Other News

Update: Sunoco to Restart 100 MMGal/Yr. Volney, New York Ethanol Plant by July 1

Sunoco bought the plant in June 2009, according to a previous news source. The site had initially been expected to produce 100 MMGal/Yr. of ethanol but, due to design issues, it never reached full capacity. Sunoco hired a firm last year to correct the problem.

http://www.9wsyr.com/news/local/story/Ethanol-plant-hopes-start-producing-in-2010/r_tncyPUOAcoblewVSQ.csp
<http://ethanol-news.newslib.com/story/6938-35714/>

Energy Prices

U.S. Oil and Gas Prices			
June 21, 2010			
	Today	Week Ago	Year Ago
CRUDE OIL West Texas Intermediate U.S. \$/Barrel	74.49	74.60	70.33
NATURAL GAS Henry Hub \$/Million Btu	5.17	4.68	4.19

Source: Reuters

Energy Notes

Delivery Truck Accident Leads to Propane Explosion, Forces Local Evacuations in Miami, Florida June 17

http://www.usatoday.com/news/nation/2010-06-16-oil-waste_N.htm

Utah OSHA Fines Silver Eagle Refining's 10,250 b/d Woods Cross, Utah Refinery \$1,006,400 for Alleged Violations Related to 2009 Explosion - Company to Challenge Violations

<http://www.google.com/hostednews/ap/article/ALeqM5j2QWcSKUcszoY2slcOR4wCogD95gD9GFRMP01>

Russia Slows Natural Gas Exports to Belarus by 15 Percent, Citing Belarus' Failure to Repay Debt

<http://www.marketwatch.com/story/russia-reduces-gas-supplies-to-belarus-2010-06-21>

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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