



ENERGY ASSURANCE DAILY

Monday Evening, June 28, 2010

Major Developments

Update: BP Recovers 22,750 Barrels of Oil at Site of Blown-Out Well in Gulf of Mexico June 26

BP collected and recovered 14,730 barrels of oil, collected and flared 8,720 barrels of oil and flared 52.9 million cubic feet of natural gas on June 26 via its dual collection system at the blown-out MC252 well in the Gulf of Mexico, the company said on its website. To date the total oil recovered or flared by containment systems is 435,600 barrels. Preparations continue for the first floating riser containment system, which is expected to begin first operations at the end of June or in early July. The system is expected to provide additional oil containment capacity of 20,000-25,000 b/d. Plans also are being developed for a potential second floating riser system and additional capacity through a new cap on the BOP. These projects are currently anticipated to be available to begin operations around mid-July

<http://www.bp.com/genericarticle.do?categoryId=2012968&contentId=7063171>

Taiwanese Oil Skimmer “A Whale” Available to aid in Oil Spill Cleanup Efforts in Gulf of Mexico

The largest skimmer in the world set off for a three-day journey to the Gulf of Mexico on Friday from Norfolk, Virginia. The supertanker could use 12 intake vents on its sides to suction 500,000 b/d of oil-contaminated water. The company is negotiating with the USCG to join the cleanup and does not have a contract with BP to perform the work. The company also needs environmental approval and a waiver before it can begin assisting in cleanup efforts. The ship is expected to take three days to reach the area.

<http://english.rti.org.tw/Content/GetSingleNews.aspx?ContentID=104654>

http://www.wkrg.com/gulf_oil_spill/article/oil-skimming-ship-en-route-to-gulf-of-mexico/900033/Jun-25-2010_11-42-am/

Oil from Spill in Gulf of Mexico Reaches Biloxi, Mississippi June 28

Reuters, 10:53 June 28, 2010

Electricity

Storms Knock Out Power to 30,000 ComEd Customers in Illinois June 26

<http://www.bnd.com/2010/06/26/1308767/thousands-without-power-after.html>

Luminant's 765 MW Monticello Coal-Fired Unit 3 in Texas Shut June 26

The unit was shut to repair a boiler tube leak.

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=141642>

Duke's 325 MW Morro Bay Gas-Fired Unit 4 in California Shut by June 27

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

<http://www.caiso.com/unitstatus/data/unitstatus201006271515.html>

Multiple Companies' 316 MW Vincent Qfs Wind Farm in California Shut by June 27

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

<http://www.caiso.com/unitstatus/data/unitstatus201006271515.html>

Update: Exelon's 1,134 MW Limerick Nuclear Unit 1 in Pennsylvania Ramped Up to 68 Percent by June 28

The Nuclear Regulatory Commission reported that on the morning of June 27 the unit was operating at 7 percent. The unit was shut on June 23 following the loss of both the reactor's recirculation pumps after an "electrical fault".
<http://www.pottstownmercury.com/articles/2010/06/24/news/doc4c238c8d8e42a329350086.txt>

Information also derived from the NRC Power Reactor Status Reports:

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

Update: FPL's 839 MW Saint Lucie Nuclear Unit 1 in Florida Ramped Up to 45 Percent by June 28

The Nuclear Regulatory Commission reported that on the morning of June 27 the unit was operating at 8 percent. Information derived from the NRC Power Reactor Status Reports:

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

Update: FPL's 512 MW Point Beach Nuclear Unit 2 in Wisconsin Ramped Up to 98 Percent by June 26

The Nuclear Regulatory Commission reported that on the morning of June 25 the unit was operating at 50 percent. The unit was shut on June 19 due to a generator lockout.

Reuters, 08:18 June 28, 2010

Information also derived from the NRC Power Reactor Status Reports:

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

TVA's 1,155 MW Browns Ferry Nuclear Unit 1 in Alabama Reduced to 66 Percent by June 26

The Nuclear Regulatory Commission reported that on the morning of June 25 the unit was operating at 75 percent. Information derived from the NRC Power Reactor Status Reports:

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

Energy Answers International Proposes 120 MW Biomass Power Plant in New York

The proposed power plant would burn shredded municipal waste, tire chips, auto parts, and demolition debris for fuel.

http://articles.baltimoresun.com/2010-06-27/news/bs-gr-refuse-burning-power-plant-20100627_1_curtis-bay-power-plant-state-of-the-art-pollution-controls

Petroleum

Tropical Storm Alex to Avoid BP Oil Spill in Gulf of Mexico

Tropical Storm Alex is expected to make landfall in Mexico later this week, with most of its force avoiding the oil spill in the Gulf of Mexico. However, some experts warn that strong swells and winds could reach the spilled oil and disrupt cleanup efforts.

http://www.rigzone.com/news/article.asp?a_id=95203

Several Companies Begin Evacuating Personnel from Gulf of Mexico as Tropical Storm Alex Approaches

Shell began evacuating nonessential personnel from its production and drilling operations on June 27. ExxonMobil also began evacuating nonessential workers from its platforms in the forecast path of Tropical Storm Alex. Anadarko has evacuated nonessential workers from operations in the western Gulf of Mexico, but production was unaffected.

http://www.rigzone.com/news/article.asp?a_id=95202

Reuters, 09:39 June 28, 2010

Reuters, 11:38 June 28, 2010

Two Oil Exporting Ports in Mexico Shut as Tropical Storm Alex Approaches

The 113,000 b/d Dos Bocas and the 1,006,000 b/d Cayo Arcas ports were shut on Sunday as the storm formed near the Yucatan peninsula. A hurricane watch has been issued for the coast of Texas south of Baffin Bay to La Cruz in Mexico

Reuters, 11:57 June 28, 2010

Reuters, 11:16 June 28, 2010

Reuters, 21:08 June 27, 2010

Enbridge Plans 229,000 b/d Expansion on Waupisoo Pipeline in Alberta

Enbridge plans to add 65,000 b/d capacity in the second half of 2012, and provide an additional 190,000 b/d of capacity in 2013. The Waupisoo Pipeline transports crude from oil sands, and is a part of Enbridge's Regional Oil Sands System.

http://www.marketwatch.com/story/enbridge-to-undertake-400-million-waupisoo-pipeline-expansion-2010-06-28-91460?reflink=MW_news_stmp

ConocoPhillips Plans to Upgrade Coker at its 64,000 b/d Billings, Montana Refinery

The company did not give any details or a timeline for when work would begin.

Reuters, 11:49 June 28, 2010

Update: WRB Refining Restarts SRU at its 146,000 b/d Borger, Texas Refinery June 27

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=141652>

Natural Gas

Cabot Oil & Gas Starts-Up Lathrop Compressor Station in Pennsylvania

Production began of the compressor station on June 17, and has reached an average production of 170 MMcf/d. Before the addition of the compressor station, Cabot was only producing 25 MMcf/d of natural gas.

<http://www.prnewswire.com/news-releases/cabot-oil--gas-announces-successful-start-up-of-its-lathrop-compressor-station-97290904.html>

Storm Knocks Out Power, Affecting Several Gas Plants, Booster Stations, and Compressor Stations in Texas June 26

Storms knocked out power to 12 MMcf/d Big Lake Gas Plant and caused an equipment failure at the 70 MMcf/d Fullerton Gas Plant. Love Booster Station and Andrews Booster Stations both experienced power failures. The storms led to the shutdown of XTO Energy's Russell compressor station and disrupted service at Barr compressor station.

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=141655>

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=141653>

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=141649>

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=141650>

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=141651>

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=141654>

Update: Pennsylvania Department of Environmental Protection Allows EOG Resources to Resume Drilling in Marcellus Shale

Drilling was halted by regulators after a blowout at one of the wells three weeks ago. The site of the blowout remained idle.

<http://kdka.com/wireapnewsfnpa/APNewsBreak.Pennsylvania.allows.2.1773258.html>

Delek Drilling, Avner Oil, and Dor Alon Energy to Develop Tamar Gas Field Off Israeli Coast

The Tamar gas field holds an estimated 6 Tcf of natural gas. The companies expect to begin production on the field in 2012.

http://www.marketwatch.com/story/israeli-gas-firms-secure-loans-to-develop-field-2010-06-27?siteid=rss&utm_source=feedburner&utm_medium=feed&utm_campaign=Feed%3A%20marketwatch%20Financial%20%28MarketWatch.com%20-%20Financial%20Services%20Industry%20News%29

Other News

Update: U.S. Department of Labor's Mine Safety and Health Administration (MSHA) to Begin Investigation at Upper Big Branch Mine in West Virginia

MSHA is investigating Massey Energy's Upper Big Branch Mine following an April 5 explosion. Investigators had been prevented from beginning physical inspections underground due to conditions after the explosion.

<http://www.prnewswire.com/news-releases/underground-investigation-of-upper-big-branch-mine-begins-97173294.html>

Energy Prices

U.S. Oil and Gas Prices			
June 28, 2010			
	Today	Week Ago	Year Ago
CRUDE OIL West Texas Intermediate U.S. \$/Barrel	78.03	74.49	69.05
NATURAL GAS Henry Hub \$/Million Btu	4.84	5.17	3.82

Source: Reuters

Energy Notes

Thunderstorms Knock Out Power to 11,039 LIPA Customers in New York June 26

<http://www.newsday.com/long-island/nassau/11-000-without-power-on-long-island-for-third-day-1.2052820?qr=1>

Storms Knock Out Power to 10,000 PECO Customers in Pennsylvania June 28

http://www.myfoxphilly.com/dpp/news/local_news/Power_Outage_Frustration_063010

Oncor Files Plans with Texas PUC for Possible Transmission Line Routes

<http://www.star-telegram.com/2010/06/24/2291765/oncor-details-proposals-for-high.html>

Siren System Failure at Dominion's 903 MW North Anna Nuclear Power Plant in Virginia June 24

<http://www2.timesdispatch.com/business/2010/jun/24/B-DOMI24-ar-229845/>

Man Burned after Climbing Fence into Alabama Power's Substation in Alabama June 27

<http://www.whnt.com/news/sns-ap-al--powerstation-shocked.0.4238285.story>

Duquesne Light Offers Reward for Information Leading to Arrest and Conviction of Persons who Steal or buy Stolen Copper or Aluminum from its Substations in Pennsylvania

<http://www.duquesnelight.com/News/NewsReleases/2010/nr100626.pdf>

On June 25, NPPD Lifted its Declaration of Emergency Issued on June 22 Concerning Possible Flooding at its Cooper Nuclear Power Plant in Nebraska

<http://www.wowt.com/home/headlines/97229329.html>

OHSA Investigates June 23 Explosion at Nstar Substation in Massachusetts

http://news.bostonherald.com/news/regional/view/201006252_hurt_in_everett_nstar_blast/

U.S. DOE May Award \$20 Million to University of Maine for Offshore Wind Energy Development: U.S. Senator Susan Collins (R-ME)

http://www.boston.com/news/local/maine/articles/2010/06/27/offshore_wind_grant_could_reach_umaine/

TransAlta and Enbridge to Develop a Carbon Capture and Storage (CCS) Project by Retro-Fitting TransAlta's Keephills Coal-Fired Power Plant

DJN, 12:30 June 28, 2010

Leak Reported in Cooling Tower at ExxonMobil's 503,000 b/d Baton Rouge, Louisiana Refinery June 25

Reuters, 06:11 June 28, 2010

Small Leak in Alky Feed Bypass Line at Marathon's 76,000 b/d Texas City, Texas Refinery June 25, No Impact on Operations

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=141636>

Reuters, 10:53 June 28, 2010

Equipment Failure Reported at Valero's 289,000 b/d Port Arthur, Texas Refinery June 25

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=141640>

Update: FERC Approves El Paso's Proposed WIC Mainline Gas Pipeline

NGI's Daily Gas Price Index, June 28, 2010, <http://intelligencepress.com/>

Flaring Reported at 290 MMcf/d Waha Gas Plant in Texas June 25

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=141639>

Flaring Reported at 165 MMcf/d Rock Creek Gas Plant in Texas June 25

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=141638>

Engine Failure Leads to Flaring at Andrews Booster Station in Texas June 25

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=141637>

Value Creation Plans 1,000 b/d Oil Sands Upgrader in Alberta

<http://www.ctv.ca/generic/generated/static/business/article1621222.html>

Bixby Energy Systems Introduces Process that Efficiently Converts Coal to Clean Burning Energy

<http://www.prnewswire.com/news-releases/bixby-energy-systems-introduces-revolutionary-process-for-converting-coal-into-energy-with-minimal-carbon-emissions-97295724.html>

Apache Commences Production of 11,750 b/d at Maule Field in North Sea

http://www.rigzone.com/news/article.asp?a_id=95206

Crude Exports from Iraq's Basra Oil Hub Recovered to 1.08 MMb/d after Falling to 720,000 b/d on Sunday as Sandstorms Disrupted Supplies for Two Days: Shipper

Reuters, 05:09 June 28, 2010

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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