



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

ENERGY ASSURANCE DAILY

Wednesday Evening, June 29, 2011

Electricity

Update: TVA's 1,125 MW Sequoyah Nuclear Unit 1 in Tennessee at Full Power by June 29

The unit tripped due to a turbine problem on June 26. The Nuclear Regulatory Commission reported that on the morning of June 28 the unit was operating at 15 percent.

Information derived from the NRC Power Reactor Status Reports:

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

Update: Xcel's 578 MW Monticello Nuclear Unit in Minnesota Ramped Up to 90 Percent by June 29

According to previous reports, the unit shut to replace a safety valve by June 25. The Nuclear Regulatory Commission reported that on the morning of June 28 the unit was operating at 2 percent.

Information derived from the NRC Power Reactor Status Reports:

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

Sempra's 1,214 MW Mesquite Gas-Fired Power Plant in Arizona Reduced by June 28

According to the California Independent System Operator, the power plant reported an unplanned curtailment of 1,209 MW by June 28.

<http://www.caiso.com/unitstatus/data/unitstatus201106281515.html>

NRC Renews Operating Licenses for Xcel's Prairie Island Nuclear Plant's Units 1 and 2 in Minnesota for 20 Years

Xcel announced on June 28 that the Nuclear Regulatory Commission (NRC) renewed the licenses for the units to operate to 2033 and 2034. The original licenses had been set to expire in 2013 and 2014. According to the company, Xcel plans to invest at least \$500 million in the plant through 2015 to support life extension. Xcel plans to make further investments if the NRC later approves an increase of plant capacity, which the company plans to apply for later this year. Each of the two units has a current capacity of 522 MW.

http://www.xcelenergy.com/About_Us/Energy_News/News_Releases/Nuclear_Regulatory_Commission_renews_Prairie_Island_licenses

<http://www.kare11.com/news/article/928450/14/Prairie-Island-nuclear-plant-licenses-renewed->

Update: BPA Says Springtime Curtailments of Wind Farms in the U.S. Northwest Have Equaled about Seven Percent of Their Scheduled Output

According to the Bonneville Power Administration (BPA), the curtailments are now diminishing. Cutbacks of electricity generation from wind farms were deemed necessary because of excess production of hydropower caused by a particularly large mountain snowpack this year.

<http://www.mymotherlode.com/news/state/ap/913040/BPA-says-wind-power-cutbacks-at-7-percent.html>

State Regulators Approve Prairie Wind Transmission's Proposed 110-Mile, 345 kV Transmission Line in Kansas June 28

The Kansas Corporation Commission (KCC) approved the project with some modifications to the line route on Tuesday. The line, which will run south from Colwich, Kansas to the Oklahoma border, will be built as part of the company's "Y-Plan." Construction is set to begin in 2012, with the line coming into operation by the end of 2014.

[http://www.westarenergy.com/corp_com/corpcomm.nsf/unid/B3674E6263CFC510862578BE004F3A53/\\$file/062911%20PWT%20route%20order.pdf](http://www.westarenergy.com/corp_com/corpcomm.nsf/unid/B3674E6263CFC510862578BE004F3A53/$file/062911%20PWT%20route%20order.pdf)

E.On to Begin Construction of 150 MW Pioneer Trail Wind Farm near Paxton, Illinois This Summer

The company hopes to have all turbines erected by the end of the year, though the official completion date for the project is fall 2012.

<http://www.news-gazette.com/news/environment/2011-06-29/wind-farm-will-sell-some-energy-co-op-consortium.html>

Update: Operators Plan to Replace Deflated Berm by Next Week at OPPD's 478 MW Fort Calhoun Nuclear Unit in Nebraska

The previous inflatable berm, which protected the Omaha Public Power District (OPPD) plant from Missouri River flood waters, collapsed on June 26 when it was punctured. Fort Calhoun has been shut since April for refueling. Separately, the Union of Concerned Scientists said that the Fort Calhoun plant is not in any significant danger from surrounding flood waters.

<http://af.reuters.com/article/energyOilNews/idAFN1E75R1YK20110628>

<http://www.kansascity.com/2011/06/28/2981543/nebraska-nuclear-plant-threatened.html>

Petroleum

Canada's Oil Sands Worth More Than the Country's Coal, Crude Oil, and Natural Gas Resources Combined: Statistics Canada

According to Statistics Canada, the value of the country's oil sands grew from \$19 billion in 1990 to \$441 billion in 2009, a 23-fold increase. The oil sands surpassed natural gas as Canada's most valuable energy resource in 2006.

<http://www.cbc.ca/news/canada/calgary/story/2011/06/28/business-statscan-natural-resources-oil-sands.html>

Floods Shut Down 50,000 b/d of Crude Oil Rail Transportation in North Dakota

Flooding and road restrictions have also forced shut 45 wells and the idling of five drilling rigs. According to a state official, "no one was prepared to deal with floods that are breaking records set 130 years ago." North Dakota produced an average of 307,000 b/d of oil in 2010.

http://www.rigzone.com/news/article.asp?a_id=108463

Koch Pipeline Currently Building Two Short Crude Pipelines in Texas

The company is constructing one short line in the Ingleside area to connect existing systems, as well as a 16-inch line connecting Helena to Pettus which is due to be completed in the fourth quarter of this year.

http://www.downstreamtoday.com/news/article.aspx?a_id=27053

Update: Imperial Oil Rearranging Construction Schedule for 110,000 b/d Kearl Oil Sands Project in Alberta Due to Battle over Transporting Industrial Equipment on U.S. Roads

The company still plans to complete the project in 2012, but opposition to transporting equipment through Idaho and Montana has caused delays that are "putting significant schedule pressure on the project" according to a company spokesman.

<http://www.ctv.ca/generic/generated/static/business/article2079375.html>

Update: WRB Refining Plans to Continue Operating 362,000 b/d Wood River, Illinois Refinery at Reduced Rates for Several Days as Units Are Restarted June 28

The refinery was reduced June 25 after thunderstorms led to a power disruption.

<http://www.bloomberg.com/news/2011-06-28/chicago-gasoline-gains-with-conoco-oil-refinery-at-lower-rates.html>

OCP Studying Potential 435-Mile, Colombia-to-Ecuador Crude Oil Pipeline

Oleoducto de Crudos Pesados Ecuador SA (OCP) is considering whether to build a pipeline from eastern Bogota, Colombia to Lago Agrio, Ecuador, which would take about four years and \$2 billion to build. The company is also looking to expand into Colombia by next year to gather oil for delivery to the port of Esmeraldas, Ecuador. Oil production in Colombia is expected to increase from 923,000 b/d today to 2 million b/d by 2020.

<http://www.bloomberg.com/news/2011-06-28/ocp-ecuador-plans-pipeline-extension-for-colombia-s-crude-oil-ceo-says.html>

PdVSA Announces \$1.5 Billion Loan Agreement on June 28 to Fund Refinery Expansion and Deep Heavy Oil Conversion Projects in Venezuela

Japanese companies will provide Petroleos de Venezuela (PdVSA) with a \$1.5 billion loan to double the output of the existing 140,000 b/d El Palito refinery to about 280,000 b/d. The money will also fund an expansion of production at the Puerto la Cruz refinery, which is slated to increase capacity from 180,000 to 210,000 b/d.

<http://online.wsj.com/article/BT-CO-20110628-713803.html>

Future Republic of Southern Sudan Planning Oil Pipeline through Ethiopia to Circumvent 2005 Oil Sharing Agreement with Sudan June 28

South Sudan, which will become independent on July 9, currently produces 70 percent of present-day Sudan's 500,000 b/d of oil production, but the only two existing pipelines bring the south's oil to the north's refineries, storage facilities, and ports. According to a 2005 agreement, the two countries are supposed to split oil revenue 50-50. Calling the oil sharing agreement "contested," a Southern Sudanese government minister said on June 28 that an additional pipeline through Ethiopia may be necessary, due to both increased oil production and concerns over sanctions against northern Sudan.

http://www.khaleejtimes.com/DisplayArticle08.asp?xfile=data/theuae/2011/June/theuae_June813.xml§ion=theuae

Power Outage Shuts Unspecified Units at Pasadena Refining Systems' 100,000 b/d Pasadena, Texas Refinery June 29

According to a CenterPoint Energy spokeswoman, the problem appears to be internal to the customer, as no other refinery in the area reported malfunctions or shutdowns.

Reuters, 11:24 June 29, 2011

Update: BP Completes Restart of Gasoline-Producing FCC-1 at 437,080 b/d Texas City, Texas Refinery by June 29

An electrical power outage shut fluid catalytic cracking unit no. 1 in April. It was restarted, then shut again on June 13 after the loss of a blower. Two units – a hydrocracking unit and a reformer – remain out of service at the refinery.

Reuters, 10:30 June 29, 2011

Husky Energy Shuts CDU for Ten Days at 150,000 b/d Lima, Ohio Refinery for Repairs Starting June 27

Operators shut the crude distillation unit (CDU) to perform furnace repairs after a small leak was discovered in a radiant tube.

Reuters, 17:44 June 28, 2011

Natural Gas

Nothing to report.

Other News

MSHA Says on June 29 that Coal Dust Ignition Caused Deadly Explosion Last Year at Massey Energy's Upper Big Branch Coal Mine

According to a U.S. Mine Safety and Health Administration (MSHA) presentation, the April 5, 2010 explosion that killed 29 miners was caused by the ignition of coal dust, not by methane. The MSHA also revealed that Massey intimidated miners into not reporting safety violations, and that the company kept two sets of safety records, with a publicly available set omitting various safety violations and hazards. The MSHA's final report on the explosion will not be available until October. To view the presentation materials, click on the following link:

<http://www.msha.gov/PerformanceCoal/UBBPublic/UBB%20Final%206-29-11.pdf>

Reuters, 11:36 June 29, 2011

<http://www.statejournal.com/story.cfm?func=viewstory&storyid=102352>

Energy Prices

U.S. Oil and Gas Prices June 29, 2011			
	Today	Week Ago	Year Ago
CRUDE OIL West Texas Intermediate U.S. \$/Barrel	95.27	94.95	75.61
NATURAL GAS Henry Hub \$/Million Btu	4.34	4.42	4.85

Source: Reuters

Energy Notes

Storms Knock Out Power to Over 20,000 Dominion Customers in Central Virginia June 28 – Current Outages Stand at 1,114

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

<http://www.wtvr.com/news/wtvr-richmond-storms-trees-down-20110629,0,677371.story>

Hail, Rain, and Winds Leave 10,000 Entergy Customers without Power in Arkansas June 28 – Company Reports 634 Currently in the Dark

<http://viewoutage.entergy.com/ar.aspx>

<http://www.4029tv.com/r/28384199/detail.html>

IPR – GDF Suez North America Buys Sea Breeze Power’s Proposed 99 MW Knob Hill Wind Farm Phase 1 in British Columbia, Renaming it Cape Scott Wind Farm; Company Plans to Start Construction Summer 2011

<http://www.utilityproducts.com/news/2011/06/1446038088/canadian-sea-breeze-closes-sell-of-99-mw-wind-farm-to-ipr-gdf-suez.html>

Prairie Power Hopes to Retire a 22 MW Coal-Fired Power Plant in Western Illinois by 2013 and Replace it with a Biomass-Fired Plant

<http://www.news-gazette.com/news/environment/2011-06-29/wind-farm-will-sell-some-energy-co-op-consortium.html>

Gale-Force Winds Shut Sheskhari and Caspian Pipeline Consortium Oil Terminals at Port of Novorossiysk in Russia

<http://www.bloomberg.com/news/2011-06-28/russian-oil-terminals-close-amid-wind-warnings-port-agent-says.html>

Update: DCP Midstream Plant Unable to Accept Gas from Goldsmith 731 Tank Battery in Texas June 28-29

<http://www11.tceq.state.tx.us/oce/ee/index.cfm?fuseaction=main.getDetails&target=156235>

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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