



ENERGY ASSURANCE DAILY

Friday Evening, July 01, 2011

Electricity

Powerful Storm Cuts Power to More than 135,000 in Chicago Area and Southern Wisconsin June 30

Violent thunderstorms struck the Chicago region and moved into southern Wisconsin knocking out power to some 100,000 ComEd customers in Illinois and about 35,000 We Energies customers in Wisconsin. Skyscrapers in downtown Chicago were hit with golf ball-sized hail, with strong wind gusts in the range of 60 to 80 miles per hour and greater reported. Although the storms moved through eastern South Dakota and Nebraska, parts of northern Iowa, Minnesota, Wisconsin and the Upper Peninsula of Michigan, most damage and outages were confined to the Chicago area and southern Wisconsin. As of 1:30 this afternoon, it was reported that ComEd had some 17,500 customers without power. The latest report from We Energies lists 19,064 customers without power, with more than 13,000 of those in Kenosha.

<http://www.we-energies.com/outagemapext/>

<https://www.comed.com/sites/customerservice/Pages/OutageMap.aspx>

<http://www.wlsam.com/article.asp?id=2227371>

<http://www.channel3000.com/news/28417830/detail.html>

http://www.journaltimes.com/news/local/article_c705a378-a3e1-11e0-abd8-001cc4c002e0.html

<http://www.wbez.org/story/thunderstorms-leave-thousands-chicago-area-residents-without-power-88618>

http://www.upi.com/Top_News/US/2011/07/01/Storms-heat-assault-Chicago-Midwest/UPI-21411309521358/

Power Fully Restored Following Transformer Fire that Cuts Power to 100,000 Salt River Project Customers in Arizona, June 30-July 1

Some 100,000 customers lost power following a fire at a substation in east Mesa, Arizona. The fire occurred when temperatures exceeded 100 degrees and a cascading effect took place as other facilities tripped, unable to handle the load once the substation went off line. According to the latest information available, Salt River Project has completely restored power to all affected customers.

<https://www.srpnet.com/electric/outage.aspx>

<http://www.azcentral.com/arizonarepublic/news/articles/2011/07/01/20110701srp-power-failure.html>

PPL's 1,105 MW Susquehanna Nuclear Unit 1 in Pennsylvania Ramped Up to 97 Percent by July 1

The Nuclear Regulatory Commission reported that on the morning of June 30 the unit was operating at 86 percent. Information derived from the NRC Power Reactor Status Reports:

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

LaPaloma's 259 MW LaPaloma Gas-Fired Unit 4 in California Shut by June 30

According to the California System Operator, the unit reported an unplanned shutdown by June 30.

<http://www.caiso.com/unitstatus/data/unitstatus201106301515.html>

Sempra's 625 MW Termoelectrica Gas-Fired Unit 1 in Mexico Shut by June 30

According to the California System Operator, the unit reported a planned and unplanned shutdown by June 30.

<http://www.caiso.com/unitstatus/data/unitstatus201106301515.html>

NRC Approves 20-Year License Renewal for PSEG's 2,350 MW Salem Nuclear Generating Station June 30

The Nuclear Regulatory Commission (NRC) announced that it had approved a 20 year extension of the licenses for PSEG Nuclear's Salem Generating Station Units 1 and 2 (each unit has a capacity of 1,175 MW). The extension allows unit 1 to continue in operation through 2036 and unit 2 through 2040.

<http://www.pseg.com/info/media/newsreleases/2011/2011-06-30.jsp>

PG&E Releases Smart Grid Plan

Pacific Gas and Electric Company (PG&E) presented its view for modernizing the electricity infrastructure in its service territory in California. The plan encompasses various technologies for conventional and alternative energy sources, energy efficiency, and the integration of new technologies into the grid. Last year, the California Public Utilities Commission (CPUC) required plans from each of the state's investor-owned utilities.

http://www.pge.com/about/newsroom/newsreleases/20110630/pgampe_releases_smart_grid_plan_to_modernize_electric_grid.shtml

Petroleum

Chevron Restarts Crude Unit Shut by Fire in May at its 325,000 b/d Pascagoula, Mississippi Refinery

Chevron announced that it had successfully restarted the crude distillation unit which had been damaged in a fire on May 9.

Reuters, 15:26 June 30, 2011

BP's 405,000 b/d Whiting Refinery in Illinois Emitting Higher than Expected Amounts of Material

BP reports an equipment snag has led to higher than expected release of materials. The company did not specify the source of the problem. BP is attempting to reduce the emissions and will shut unspecified units if necessary.

Reuters, 00:09 July 1, 2011

USDG Doubling Size of St. James Rail Terminal for Crude Oil and Condensate to 130,000 b/d in Texas

U.S. Development Group LLC announced Wednesday that it is expanding its St. James Rail Terminal in Texas to handle unit trains. The expansion is expected to be completed in the fourth quarter of this year. In addition, USDG plans to build an additional five facilities over the next 18 months targeted to handle crude oil and condensate from the Bakken, Eagle Ford, Niobrara shales and other major production areas.

http://www.us-dev.com/news_062911.php

Update: ExxonMobil to Appeal Jury's \$1.5 Billion Award in 2006 Maryland Gasoline Leak

A jury awarded \$495 million in compensatory damages and \$1 billion in punitive damages for a gasoline leak in 2006 in Maryland. On Thursday, ExxonMobil indicated that it would appeal the verdict.

<http://www.marketwatch.com/story/exxon-to-appeal-15-billion-jury-award-reports-2011-07-01?siteid=yhoof2>

Natural Gas

New York to Revise Ban on Hydraulic Fracturing: Most of the Marcellus Shale Would Be Open to Drilling

The revised plan of the Department of Environmental Conservation (DEC) will ban high-volume hydraulic fracturing in the New York City and Syracuse watersheds, but allows the practice in some 85 percent of the Marcellus shale region. Under recent legislation, a special permit will be required to withdraw large volumes of water for industrial and commercial purposes and all withdrawals will be subject to limits to prevent adverse impacts on ecosystems. The Preliminary Revised Draft SGEIS Report will be available on DEC's website on July 8. The Executive Summary and other related materials are available now at the following link:

<http://www.dec.ny.gov/energy/75370.html>

http://www.ogj.com/index/article-display/8771739518/articles/oil-gas-journal/general-interest-2/government/20100/july-2011/ny-says_frac_ban_would.html?cmpid=EnlDailyJuly12011

Other News

U.S. Court of Appeals Dismisses Yucca Mountain Suit July 1

The U.S. Court of Appeals in Washington, DC ruled that it cannot overturn the U.S. Department of Energy's (DOE) plan to end development of the proposed Yucca Mountain nuclear waste storage facility because the matter is still pending before the Nuclear Regulatory Commission (NRC). Two states, Washington and South Carolina, brought suit against the DOE's request to withdraw the license application for Yucca Mountain. The court did indicate that the lawsuit could be revived if the NRC does not take action within a three-year statutory deadline, which would be by September 2011.

<http://www.newsday.com/news/nation/appeals-court-dismisses-nuclear-waste-suit-1.2998501>

Update: Las Conchas Fire Continues Out of Control as Firefighters Burn Brush near Los Alamos National Laboratory in New Mexico June 30

According to latest reports, the fire has burned nearly 94,000 acres and is only three percent contained. Firefighters set the brush on fire to deprive the main fire from having fuel and are confident that the fire will not reach the facility.

<http://www.inciweb.org/state/32/>

<http://www.reuters.com/article/2011/07/01/us-wildfires-losalamos-idUSTRE75R12820110701>

<http://www.chron.com/dispatch/story.mpl/ap/top/all/7635064.html>

Update: California Will Delay Implementation of Carbon-Trading Program Until 2013

The Chair of the California Air Resources Board, Mary Nichol, made the announcement on June 29. The delay is to provide time to ensure that all the necessary elements will be in place when the program goes into effect.

<http://www.latimes.com/news/local/la-me-cap-trade-20110630,0,2108482.story>

ASTM Allows Biofuels to Be Used by Commercial Airlines

ASTM announced that renewable fuels can now be blended with conventional commercial and military jet (or gas turbine) fuel. The new specification (ASTM D7566-11) for Aviation Turbine Fuel Containing Synthesized Hydrocarbons was approved July 1, 2011. The renewable fuel components (hydroprocessed esters and fatty acids) are identical to hydrocarbons found in jet fuel, but come from vegetable oil-containing feedstocks such as algae, camelina, or jatropha, or from animal fats called tallow.

<http://www.astmnewsroom.org/>

Energy Prices

U.S. Oil and Gas Prices			
July 1, 2011			
	Today	Week Ago	Year Ago
CRUDE OIL West Texas Intermediate U.S. \$/Barrel	94.46	90.33	72.46
NATURAL GAS Henry Hub \$/Million Btu	4.28	4.31	4.53

Source: Reuters

Energy Notes

Oil Filter Problem Briefly Shuts Boyd Compressor Station in Texas June 30

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=156355>

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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