

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

Infrastructure Security and Energy Restoration

ENERGY ASSURANCE DAILY

Tuesday Evening, July 05, 2011

Electricity

Storms Knock Out Power to Over 470,000 Customers across the U.S. over Weekend

472,619 customers lost power across the U.S. over the long weekend as storms cut power to many across the entire country. Some of the largest outages were reported in the Midwest: Xcel reported 142,000 Minnesota customers without power, and DTE Energy reported 125,000 Michigan customers were left in the dark. In Michigan, where 2inch-wide hail and 64 mile per hour winds downed trees and power lines, 10,000 customers were still waiting to have electricity restored as of latest reports.

U.S. Customer Power Outages July 1-4				
Electric Utility	State	Peak	Latest Reported	
Xcel	MN	142,000	114	
DTE Energy	MI	125,000	10,000	
We Energies	WI	56,200	936	
Wisconsin Public Service	WI	15,000	531	
Dominion	VA	47,096	1,927	
Ameren	MO	20,000	57	
Duke Energy	NC	18,419	144	
BGE	MD	16,000	150	
Entergy	AR	12,192	554	
OG&E	OK	10,712	400	
NV Energy	NV	10,000	0	
TOTAL*		472,619	14,813	

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

Sources:

Xcel: http://www.wctrib.com/event/article/id/82984/, http://www.istockanalyst.com/business/news/5270930/xcelhopes-to-have-power-restored-by-day-s-end, http://www.xcelenergy.com/portal/site/xe-

en/menuitem.471846b0c2475abf262a71986b108a0c/?vgnextoid=02b6719a0b3cd210VgnVCM100000b40b98aaRC

RD&vgnextchannel=e97c6113f220f210VgnVCM100000b40b98aaRCRD&appInstanceName=xe

DTE Energy: http://www.detnews.com/article/20110705/METRO/107050371/1361/DTE-Energy--10-000-stillwithout-power, http://www.myfoxdetroit.com/dpp/news/local/about-20000-still-without-power-across-metrodetroit-20110704-wpms

We Energies: http://twitter.com/#!/we_energies/status/87352601112350720, http://www.weenergies.com/outagemapext/

Wisconsin Public Service: http://wsau.com/news/articles/2011/jul/03/wps-still-restoring-power-to-wausau-this-

morning/, http://www.wisconsinpublicservice.com/outagesummary/view/outagegrid.aspx Dominion: http://www.dom.com/storm-center/dominion-electric-outage-summary.jsp

Ameren: http://www.stltoday.com/news/local/article cfd2cff6-a573-11e0-be4b-001a4bcf6878.html,

http://www.ameren.com/sites/aue/OutageCenter/Pages/OutageMapPlus.aspx

Duke Energy: http://www.duke-energy.com/north-carolina/outages/current.asp

BGE: http://articles.baltimoresun.com/2011-07-04/news/bs-md-mall-evacuated-20110703 1 forces-evacuationpower-outages-tow-path, https://secure.bge.com/portal/site/bge/menuitem.eb0798e0c710ad25c7b0eb22747176a0/

Entergy: http://viewoutage.entergy.com/ar.aspx

OG&E: http://www.ardmoreite.com/news/x1860259526/Thousands-lose-power-during-storm, http://public.oge.com/systemwatch/

NV Energy: http://www.therepublic.com/view/story/7676e3cbf8d64d309361ef394d04500c/NV--Las-Vegas-Storm-1st-Ld-Writethru/

Update: June 30-July 1 Power Outage in Arizona Impacted 150,000 Salt River Project Customers

According to latest reports, last week's transformer fire at a substation in Mesa, Arizona left a total of around 150,000 customers without power. Power was fully restored by July 1.

http://www.azcentral.com/news/articles/2011/06/30/20110630mesa-transformer-fire-abrk.html

Update: June 30 Power Outage in Illinois Impacted about 145,000 ComEd Customers

According to Commonwealth Edison (ComEd), 145,057 Illinois customers were left in the dark by the powerful storm that hit Northern Illinois on June 30. According to reports, "virtually all" affected customers were restored by July 1.

https://twitter.com/#!/ComEd/status/86882627998580736

http://finance.yahoo.com/news/ComEd-95-Percent-of-Customers-prnews-2181698485.html?x=0&.v=1

B.C. Hydro Reports 230 kV Transmission Tower Falls July 4, Knocking Out Power to 25,000 Surrey-Area Customers in British Columbia

http://www.thenownews.com/Coquitlam+grapples+with+power+commuter+chaos/5052132/story.html

PSE&G's 1,092 MW Salem Nuclear Unit 2 in New Jersey Reduced to 20 Percent by July 3, Ramped Up to 50 Percent by July 5

The Nuclear Regulatory Commission reported that on the morning of July 2 the unit was operating at 51 percent. Information derived from the NRC Power Reactor Status Reports:

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

Xcel's 522 MW Prairie Island Nuclear Unit 1 in Minnesota Shut July 1, Returns to Full Power by July 5

According to a filing with the Nuclear Regulatory Commission (NRC), the unit was manually tripped from 100 percent power on July 1 due to an electro-hydraulic control fluid leak at the turbine stop valve. The NRC reported that on the morning of July 2 the unit was not operating. On the morning of July 4, the unit was operating at 45 percent.

http://www.nrc.gov/reading-rm/doc-collections/event-status/event/2011/20110705en.html

Information also derived from the NRC Power Reactor Status Reports:

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

PPL's 1,111 MW Susquehanna Nuclear Unit 2 in Pennsylvania Ramped Up to 38 Percent by July 3

The Nuclear Regulatory Commission reported that on the morning of July 2 the unit was operating at 22 percent. Information derived from the NRC Power Reactor Status Reports:

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

Reliant's 130 MW Mandalay Gas-Fired Unit 3 in California Shut by July 2, Returns to Service by July 4

According to the California Independent System Operator, the unit reported an unplanned outage by July 2. The unit reported a return from the outage by July 4.

http://www.caiso.com/unitstatus/data/unitstatus201107021515.html

http://www.caiso.com/unitstatus/data/unitstatus201107041515.html

AES's 179 MW Redondo Beach Gas-Fired Unit 5 in California Shut by July 3, Returns to Service by July 4

According to the California Independent System Operator, the unit reported an unplanned outage by July 3. The unit reported a return from the outage by July 4.

http://www.caiso.com/unitstatus/data/unitstatus201107031515.html

http://www.caiso.com/unitstatus/data/unitstatus201107041515.html

AES's 175 MW Redondo Beach Gas-Fired Unit 6 in California Returns to Service by July 1, Then Shut Again by July 3

According to the California Independent System Operator, the unit reported a return from an unplanned outage by July 1. The unit then reported an unplanned outage by July 3.

http://www.caiso.com/unitstatus/data/unitstatus201107011515.html http://www.caiso.com/unitstatus/data/unitstatus201107031515.html

AES's 495 MW Alamitos Gas-Fired Unit 6 in California Shut by July 3

According to the California Independent System Operator, the unit reported an unplanned outage by July 3. http://www.caiso.com/unitstatus/data/unitstatus201107031515.html

San Diego Gas & Electric's 566 MW Palomar Energy Center Gas-Fired Unit in California Reduced by July 3

According to the California Independent System Operator, the unit reported an unplanned curtailment of 291 MW by July 3.

http://www.caiso.com/unitstatus/data/unitstatus201107031515.html

NYPA Begins Commercial Generation at 550 MW Natural Gas-Fired Combined Cycle Power Plant in New York

Astoria Energy II LLC built the new plant, which is located in the Astoria neighborhood of Queens in New York City. The New York Power Authority (NYPA) agreed to purchase the plant's power. Reuters, 16:28 July 1, 2011

Offsite Power Sources Declared Inoperable at Xcel's 522 MW Prairie Island Nuclear Unit 2 in Minnesota June 27

According to a filing with the Nuclear Regulatory Commission, offsite power sources to unit 2 were declared inoperable due to electrical equipment problems.

http://www.nrc.gov/reading-rm/doc-collections/event-status/event/2011/20110705en.html

GE Hitachi Nuclear Energy Reports Severe Cracking in Marathon Control Blades

The company discovered that Marathon control blades (CRBs) could develop severe cracking near the end of their nuclear lifetime limits. As a result, the company is reducing the end-of-life depletion limits of these CRBs. According to reports, 23 units at 17 U.S. nuclear plants may be affected.

http://www.nucpros.com/content/control-rod-blade-cracking-resulting-control-rod-blade-cracking-resulting

Xcel Signs Agrees to Buy Power from Geronimo Wind Energy's Proposed 200 MW Prairie Rose Wind Farm in Rock and Pipestone Counties, Minnesota July 1

Construction of the project is due to begin by the end of 2011, and be finished by the end of 2012. http://www.businesswire.com/portal/site/home/permalink/?ndmViewId=news_view&newsLang=en&newsId=20110 701005885&diy=93258430

Luminant's 538 MW Monticello Coal-Fired Unit 2 in Texas Trips July 1

According to a filing with state regulators, the unit tripped due to an electrical failure.

Reuters, 15:16 July 1, 2011

Reuters, 18:59 July 1, 2011

http://www11.tceq.state.tx.us/oce/eer/index.cfm?fuseaction=main.getDetails&target=156365

Some Equipment Goes Out of Service at AEP's 675 MW Pirkey Coal-Fired Unit in Texas Due to Lightning Strike July 4-5

According to filings with state regulators, a lightning strike to the plant's electrical system impacted several pieces of equipment, including some of the precipitator. Operators are currently performing maintenance on the electrical system. It was not clear from the filings whether electricity production was curtailed.

http://www11.tceq.state.tx.us/oce/eer/index.cfm?fuseaction=main.getDetails&target=156410 http://www11.tceq.state.tx.us/oce/eer/index.cfm?fuseaction=main.getDetails&target=156403

Transportation Safety Board of Canada Found 100 Incidents and Accidents on Federally Regulated O&G Pipelines in Canada over Past Two Years

Enbridge and TransCanada were involved in almost three quarters of the incidents, according to new documents released to Postmedia News. The agency said that the number of incidents is low given the number of pipelines in the country.

 $\underline{\text{http://www.canada.com/business/Exclusive+Feds+recorded+pipeline+spills+accidents+since+2010/5047915/story.h}\\ \underline{\text{tml}}$

ExxonMobil's 12-Inch Silvertip Pipeline Spills up to 42,000 Gallons of Crude into Yellowstone River in Montana July 2, Forcing Curtailment at ExxonMobil's 60,000 b/d Billings, Montana Refinery by July 5

A pipeline that runs underneath the Yellowstone River ruptured on Sunday. Company representatives said that 750 to 1,000 barrels of oil (31,500 to 42,000 gallons) spilled into the river, causing a 25-mile-long plume. The company reduced rates at its Billings refinery due to the spill. About 140 residents were evacuated early July 2. Reuters, 11:50 July 5, 2011

http://www.guardian.co.uk/environment/2011/jul/03/yellowstone-river-suffers-oil-spillhttp://www.myabc5.com/story/15021202/exxon-claims-spill-damage-limited-gov-doubtful

Militants Blow Up Empty Oil Pipeline in Maarib Province, Yemen

Officials reported on July 1 that armed tribesmen attacked the pipeline sometime last week. The pipeline was already shut in March following another attack on Yemen's main oil pipeline. The country's acting president said that the country plans to repair the pipeline in the coming days.

http://af.reuters.com/article/energyOilNews/idAFLDE76101H20110702 http://af.reuters.com/article/libyaNews/idAFLDE76206J20110703

SilverBirch Updates Design Details of Frontier and Equinox Oil Sands Projects

SilverBirch Energy Corp. updated information on the Frontier and Equinox oil sands mining projects based on the results of the design basis memorandum and other information. The company plans the development of phases 1 and 2 to have a nameplate production capacity of 159,000 b/d of bitumen, while phases 3 and 4 are expected to add another 118,000 b/d, totaling 277,000 b/d of bitumen for the Frontier and Equinox projects. The projects are subject to environmental and other regulatory approvals. The estimated cost for all phases of the projects is \$22.9 billion. With regulatory and corporate approval, the company estimates that construction could begin by 2016 and production could begin in 2020 or 2021.

http://www.stockwatch.com/News/Item.aspx?bid=Z-C:SBE-1857903&symbol=SBE&news_region=C

Update: Total and Madagascar Oil Cancel Largest Oil Sands Project in Africa Due to Economic Reasons

Total Petroleum and Madagascar Oil are pulling out of a project to develop the Bemolanga bitumen deposit in Madagascar according Madagascar Oil's latest annual report. The project is operated by Total, which has a 60 percent working interest, while Madagascar Oil has the remaining 40 percent. The field is estimated to contain some 1.2 billion barrels of recoverable bitumen. However, the project is not viable due to economic conditions. The field will continue to be evaluated for potential development should conditions change.

http://www.mining.com/2011/07/01/madagascar-oil-and-total-drop-africas-biggest-oil-sands-project/

Athabasca Oil Sands Corp. Announces Ten Percent Boost in Reserves and Contingent Resources July 1

Athabasca Oil Sands Corp. increased its net resource volumes by approximately ten percent to 9.7 billion barrels of contingent resources and 289 million barrels of probable reserves, compared to its December 2010 estimate. An independent evaluation estimates production resources of 1.9 billion barrels, with production peaking at 155,000 b/d.

http://www.thecanadianpress.com/english/online/OnlineFullStory.aspx?filename=DOR-MNN-CP.8346a3d71467446e9dbacba3d921ef60.CPKEY2008111300&newsitemid=7242498&languageid=1

Start-Up for Chevron's Deep Offshore GOM 170,000 b/d Jack and St. Malo Fields Planned for Early 2013

Chevron's floating production unit for the Jack/St. Malo fields in the Gulf of Mexico will be located approximately 280 miles south of New Orleans, Louisiana. The project is planned to be operational in early 2013, with an initial capacity of 170,000 b/d of crude oil and 42.5 MMcf/d of natural gas.

http://www.rigzone.com/news/article.asp?a id=108677

Caspian Pipeline Consortium Begins 670,000 b/d Expansion Project on Crude Line from Kazakhstan to the Black Sea July 1

According to a report from Chevron Neftegaz, construction has begun on a major expansion of the Caspian Pipeline Consortium (CPC) system. The project will expand the line from its current capacity of 730,000 b/d to 1.4 MMb/d in three phases from 2012 to 2015. The line carries crude oil from Kazakhstan to a dedicated terminal in the Black Sea. In addition to the expansion, the project also includes refurbishment of existing pump stations, the addition of ten new pumping stations, the replacement of 55 miles of existing line, and the addition of six new storage tanks as well as a third offshore mooring point at the Black Sea terminal.

http://www.downstreamtoday.com/news/article.aspx?a id=27095

ExxonMobil Reports HCU Shutdown at 560,640 b/d Baytown, Texas Refinery July 1

The gasoline-making hydrocracking unit #1 shut due to an exchanger leak. There was minimal impact on production.

Reuters, 14:48 July 1, 2011

Update: Petrobras Reports All Units Back in Production at 100,000 b/d Pasadena, Texas Refinery by July 1

Several units were knocked out of production on June 29 due to a power outage. Reuters, 11:37 July 5, 2011

Husky Energy Cuts Production at 12,000 b/d Prince George, British Columbia Refinery July 4 after Pembina Pipeline Idles 18,500 b/d Western Oil Pipeline System

The refinery has been cut down to 8,700 b/d, though it does have sufficient crude supplies to continue operating until July 8. Pembina idled the pipeline due to worries regarding soil erosion more than one week ago. CJX, 09:27 July 5, 2011

Natural Gas

Update: PG&E Discloses Natural Gas Pipeline Pressures Were Too High on Some Lines Prior to September 2010 Explosion

Pacific Gas & Electric (PG&E) announced on July 1 that it misclassified 172 miles of its natural gas transmission pipelines. PG&E omitted the lines because it had not taken into account the new development in the areas near the lines and believed that the lines were not subject to more stringent federal standards. PG&E ordered an immediate reduction in pressure on 7.5 miles of line and is investigating whether additional reductions are needed as well. The executive director of the state utilities commission said that "PG&E faces another investigation and more potential fines" as a result of the problem.

http://www.sfgate.com/cgi-bin/article.cgi?f=/c/a/2011/07/01/MNQG1K5IDM.DTL&tsp=1 http://www.sfgate.com/cgi-bin/article.cgi?f=/n/a/2011/07/01/state/n162622D41.DTL http://www.mercurynews.com/breaking-news/ci 18394074?nclick check=1&forced=true

Bluestone Gathering Announces New Gas Pipeline and Gathering System for Marcellus Shale Gas in Pennsylvania and New York July 5

Bluestone Gathering, a wholly-owned subsidiary of DTE Energy, will build a 37-mile, 16-to-20 inch line. The project will also include additional gathering lines, consisting of both low and high pressure lines to gather gas from the fields. The line is expected to be operational by the second quarter of 2012 and will have an initial capacity of 250,000 Dth/d.

http://dteenergy.mediaroom.com/index.php?s=43&item=632

Update: Calisolar Cancels Plans to Build 16,000 Tons/Year Solar Silicon Factory in Ontario, Ohio July 1

The company had received a \$275 million conditional loan guarantee from the U.S. Department of Energy to build the facility on June 16. According to the company, it would not be possible to meet a September construction deadline to qualify for the loan.

 $\underline{\text{http://www.dispatch.com/live/content/business/stories/2011/07/04/solar-firm-backs-out-of-ohio-project.html?sid=101}$

Energy Prices

U.S. Oil and Gas Prices July 5, 2011				
	Today	Week Ago	Year Ago	
CRUDE OIL West Texas Intermediate U.S. \$/Barrel	96.90	91.67	71.91	
NATURAL GAS Henry Hub \$/Million Btu	4.33	4.25	4.54	

Source: Reuters

Energy Notes

Tucson Electric Power Reports 20,000 Customers Lose Power in Arizona for Unspecified Reasons July 4

http://www.kold.com/story/15023667/power-outages-hit-5000-in-the-tucson-area

Storms Knock Out Power to 20,000 Hydro One Customers in Windsor, Ontario July 2 http://www.windsorstar.com/news/Saturday+deluge+winds+didn+spare+Windsor+mayor/5050709/story.html

State PUC Gives Site Permit to Mesa Power Group for Proposed 78 MW Goodhue Wind Project in Goodhue County, Minnesota – Commercial Operations Planned for 2012 http://www.prnewswire.com/news-releases/minnesota-puc-approves-site-permit-for-mesa-powers-goodhue-wind-project-124871924.html

Power Outage Causes Loss of Safety Functions at USEC's Portsmouth Gaseous Diffusion Plant in Piketon, Ohio June 11

http://www.nrc.gov/reading-rm/doc-collections/event-status/event/2011/20110705en.html

Accidental Propane Gas Tank Leak Causes Explosion, Destroying Carwash near Lancaster, Pennsylvania July 1

http://lancasteronline.com/article/local/414588 Explosion-destroys-carwash.html

Former Holloman Corp. Employee Indicted for Using Excavator to Destroy a Natural Gas Pipeline in Cogan House Township, Arkansas after Employment Was Terminated http://articles.mcall.com/2011-06-30/news/mc-marcellus-gas-pipeline-sabotage-in20110630_1_gas-pipeline-arkansas-man-marcellus-shale-fields

OPPD Worker Burned in Portable Pump Fire outside 478 MW Fort Calhoun Nuclear Plant in Nebraska June 30

http://www.therepublic.com/view/story/a5c2328cec63487f89a3830d418b337c/NE--Nuclear-Plant-Gas-Tank-Fire/

Shell-Led Consortium Plans to Ask Kazakhstan for Extension of 2013 Deadline to Produce Oil at Kashagan Field

http://www.rigzone.com/news/article.asp?a id=108605

PdVSA Planning New Batalla Santa Ines Refinery in Barinas, Venezuela http://www.downstreamtoday.com/news/article.aspx?a_id=27114

Federal Appeals Court Rules EPA Erred in Not Fining Houston, Texas Refineries and Chemical Plants Up to \$125 Million for Clean Air Act Violations Last Year http://www.downstreamtoday.com/news/article.aspx?a id=27107

Motiva Enterprises Reports "DU5" Waste Gas Compressor Shuts at 234,700 b/d Norco, Louisiana Refinery July 4

Reuters, 00:08 July 5, 2011

ExxonMobil Reports Flaring for Unknown Reasons at 238,600 b/d Joliet, Illinois Refinery July 1

Reuters, 18:57 July 3, 2011

Compressor and Pump Malfunctions Trigger Flaring at PBF Energy's 182,000 b/d Delaware City, Delaware Refinery July 1-2

Reuters, 18:49 July 3, 2011

SRU/SCOTT Plant Shuts Due to Due to Equipment Malfunction at Pittsburg Gas Plant in Texas July 3-4

http://www11.tceq.state.tx.us/oce/eer/index.cfm?fuseaction=main.getDetails&target=156398

Units Down Due to Equipment Issues at Keystone Gas Plant in Texas July 1-2

http://www11.tceq.state.tx.us/oce/eer/index.cfm?fuseaction=main.getDetails&target=156388 http://www11.tceq.state.tx.us/oce/eer/index.cfm?fuseaction=main.getDetails&target=156395

SRU Shuts June 27 for Unplanned Maintenance, Restarts by July 1 at Sneed Booster Station in Texas by July 1

http://www11.tceq.state.tx.us/oce/eer/index.cfm?fuseaction=main.getDetails&target=156356

Eagle Rock Field Services Natural Gas Pipeline Shut Due to Leak in Carson County, Texas July 1

http://www11.tceq.state.tx.us/oce/eer/index.cfm?fuseaction=main.getDetails&target=156383

AGI Units #1 and #2 Briefly Shut Due to High Suction at Tilden Gas Plant in Texas July 1 http://www11.tceq.state.tx.us/oce/eer/index.cfm?fuseaction=main.getDetails&target=156387

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.

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