



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

ENERGY ASSURANCE DAILY

Monday Evening, July 12, 2010

Major Developments

Update: BP Develops Plans for New Containment Cap for Gulf of Mexico

The National Incident Commander has approved a plan for BP to replace the existing lower marine riser package (LMRP) containment cap with a new sealing cap assembly. The new sealing cap contains multiple ports for connection to additional containment options, which should increase oil and gas collection to 53,000 b/d initially, when the Helix producer is attached. BP hopes to be able to increase collection to 60,000 to 80,000 b/d by the end of July. BP removed the LMRP cap on July 10 and began work on installing the new cap, which is expected to take 4-7 days. On July 10, a total of about of 15,200 barrels of oil were collected or flared and 35.2 MMcf of gas were flared according to the company website. No oil was collected on July 11 and none will be for several days, until the new containment cap is attached.

<http://www.bp.com/genericarticle.do?categoryId=2012968&contentId=7063603>

<http://www.bp.com/genericarticle.do?categoryId=2012968&contentId=7063618>

<http://www.doi.gov/news/doinews/Update-7-12-2010-The-Ongoing-Administration-Wide-Response-to-the-Deepwater-BP-Oil-Spill.cfm>

Reuters, 20:46 July 10, 2010

Update: Taiwanese Supertanker “A Whale” Skimming Oily Water from Gulf of Mexico

Additional skimmers have surged to the site of the blown-out well due to calmer seas and because the LMRP cap was removed on Saturday (resulting in a higher rate of oil gushing into the Gulf). The total amount of oily water removed in 24 hours from 7 pm Saturday to 7 pm Sunday was 25,500 barrels, double the previous 24 hours.

<http://www.doi.gov/news/doinews/Update-7-12-2010-The-Ongoing-Administration-Wide-Response-to-the-Deepwater-BP-Oil-Spill.cfm>

<http://www.prlog.org/10785224-super-tanker-skims-oil-in-the-gulf-of-mexico.html>

<http://app.restorethegulf.gov/go/doc/2931/773275/>

Department of Interior Issues New Moratorium for Deepwater Oil and Gas Projects

The new ban issued on July 12 is effective through November 30 or until Interior Secretary Salazar determines that deepwater drilling operations can proceed safely. A previous six-month ban, issued after the Deepwater Horizon well blew in April, was thrown out by a federal judge. The new moratorium will prevent further deepwater drilling in the Gulf of Mexico until officials determine what went wrong in the April 20 explosion.

<http://www.cnn.com/2010/US/07/12/gulf.oil.disaster/index.html>

Electricity

NRC Chairman Meeting with Stakeholders Concerning Entergy’s 563 MW Vermont Yankee Nuclear Power Plant in Vermont

Vermont Yankee’s federal operating license expires in March 2012. State officials have yet to give a license extension to keep the power plant operational for another 20 years. On Wednesday July 14th, the chairman of the Nuclear Regulatory Commission plans to meet with representatives of four different groups that want to permanently shut down the plant. The chairman said other stakeholders would also be invited to the discussion.

<http://www.rutlandherald.com/article/20100709/NEWS02/707099943/1003/NEWS02>

NRG Energy's 836 MW Limestone Coal-Fired Unit 1 in Texas Shuts July 11

The unit had been operating at half power to allow operators to inspect the condenser water box. The unit tripped during the inspection.

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=142171>

Reuters, 12:39 July 12, 2010

Update: Luminant's 591 MW Sandow Coal-Fired Unit 4 Restarts by July 12

The unit was shut on July 9.

Reuters, 07:36 July 12, 2010

TVA's 1,155 MW Browns Ferry Nuclear Unit 1 in Alabama Reduced to 75 Percent by July 12

The Nuclear Regulatory Commission reported that on the morning of July 9 the unit was operating at full power. Information derived from the NRC Power Reactor Status Reports:

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

Dominion's 815 MW Surry Nuclear Unit 2 in Virginia Shut by July 12

The Nuclear Regulatory Commission reported that on the morning of July 11 the unit was operating at full power. Information derived from the NRC Power Reactor Status Reports:

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

AEP's 675 MW Pirkey Coal-Fired Unit 1 in Texas Shut July 9 for Repairs and Returned to Service by July 11

The unit was shut to repair a tube leak.

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=142165>

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=142114>

AES's 226 MW Huntington Beach Gas-Fired Unit 1 and Unit 2 in California Reduced by July 11

According to the California Independent System Operator, the units each reported a planned curtailment of 111 MW by July 11.

<http://www.caiso.com/unitstatus/data/unitstatus201007111515.html>

Petroleum

Waste Heat Boiler for FCC Unit 3 Shut at Motiva's 285,000 b/d Port Arthur, Texas Refinery July 11

The boiler was shut to repair a boiler tube leak. The boiler is expected to be shut until July 19.

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=142012>

Reuters, 17:13 July 12, 2010

Update: Unit Restarts at Valero's 170,000 McKee, Texas Refinery by July 12

The 55,000 b/d gasoline-making unit is increasing to planned rates. The unit was shut in mid-June after a mechanical problem.

DJN, 11:54 July 12, 2010

Amine Unit Shut at Delek's 55,000 b/d Tyler, Texas Refinery July 11

An equipment malfunction led to the shutdown of the amine unit.

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=142198>

Natural Gas

Update: Dixie Pipeline's Thomson Propane Pipeline Returns to Service over Weekend

The pipeline was punctured on July 5 by a bulldozer, leading to a release of propane. Company officials expected the line to be operational over the weekend.

http://www.downstreamtoday.com/news/article.aspx?a_id=23322

Other News

Nothing to Report.

Energy Prices

U.S. Oil and Gas Prices			
July 12, 2010			
	Today	Week Ago	Year Ago
CRUDE OIL West Texas Intermediate U.S. \$/Barrel	75.37	71.91	59.30
NATURAL GAS Henry Hub \$/Million Btu	4.36	4.54	3.36

Source: Reuters

Energy Notes

Storms Knock Out Power to 20,624 Kansas City Power & Light Customers July 11

<http://www.fox4kc.com/news/wdaf-storm-damage-high-winds-071110.0.4646204.story>

http://www.kcpl.com/kcmaps/frameset_menus.htm

Thunderstorms Knock Out Power to 14,000 Hydro-Quebec Customers in Montreal, Canada July 10

<http://www.montrealgazette.com/technology/Strong+wind+heavy+rain+batter+city/3259575/story.html>

Storms Knock Out Power to 10,000 DTE Customers in Michigan July 9

<http://www.publicbroadcasting.net/michigan/news.newsmain/article/0/0/1674013/Detroit/Weekend.Power.Outages.Easing>.

Public Utilities Commission Approves Route for LCRA's Proposed 345 kV Transmission Line in Texas

<http://www.oaoa.com/articles/transmission-49788-approved-kilovolt.html>

Transmission Developers Inc. Cancels Plans for Underwater New York to Connecticut T&D Line

<http://www.nhregister.com/articles/2010/07/09/news/aa3cttransmissioncable070910.txt>

Report Criticizes Kentucky Power for Ineffective Clearing of Power Line Routes: Kentucky Public Service Commisison

<http://finance.yahoo.com/news/PSC-Utility-did-poor-job-apf-62943564.html?x=0&.v=1>

Update: Construction to Resume on Two Proposed Nuclear Units at Vogtle Power Plant in Georgia after Delay Caused by Contractor Error Related to Paperwork

<http://www.nbcaugusta.com/news/local/Work-could-soon-resume-on-Plant-Vogtle-construction-98242859.html>

Compressor Shut at XTO Energy Russell Compressor Station in Texas July 11

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=142185>

Flaring Reported at ExxonMobil's 238,600 b/d Joliet, Illinois Refinery July 12

Reuters, 10:43 July 12, 2010

Flaring Reported at CVR Energy's 100,000 b/d Coffeyville, Kansas Refinery July 11

Reuters, 09:07 July 12, 2010

Flaring Reported at Valero's 289,000 b/d Port Arthur, Texas Refinery July 10

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=142185>

Oil Storage Tank Exploded in Mississippi July 10, Cause under Investigation

<http://leaderecall.com/local/x739952574/Cause-of-explosion-unknown>

Nigeria National Petroleum Corp. (NNPC) Seeks Help from United States AID for Pipeline Surveillance

<http://www.vanguardngr.com/2010/07/12/nnpc-seeks-us-help-with-pipeline-surveillance-3/>

Compressor Shut at Amerada Hess' 210 MMcf/d Seminole Gas Plant in Texas July 11

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=142180>

Equipment Failure at Waha Gas Plant in Texas July 10

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=142169>

Love Booster Station Shut in Texas July 10

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=142174>

Compressor Shut at Andrews Booster Station in Texas July 10

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=142172>

Compressors Shut at South Fullerton Booster Station in Texas July 10

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=142173>

Equipment Accident Kills Miner at Peabody Energy's Willow Lake Coal Mine in Kentucky July 11

<http://www.wtop.com/?nid=111&sid=1999374>

Newfield Exploration's 20,000 b/d Tinggi Platform Offshore Malaysia Shut July 10 due to Damaged Connecting Oil Pipeline

http://www.downstreamtoday.com/news/article.aspx?a_id=23328

<http://www.prnewswire.com/news-releases/newfield-exploration-reports-pipeline-damage-offshore-malaysia-98226309.html>

Baku-Tbilisi-Ceyhan Crude Pipeline to Load 23.8 MMbbls of Crude in August, 2.17 MMbbls of Crude Less than in July: Trader

<http://online.wsj.com/article/BT-CO-20100712-703138.html>

Hindustan Petroleum to Build 5.33 Million Tonnes of Crude Underground Storage for India's First Strategic Petroleum Reserve

<http://www.business-standard.com/india/news/hpcl-seeks-capacity-in-strategic-crude-oil-storage/101080/on>

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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