



ENERGY ASSURANCE DAILY

Tuesday Evening, July 14, 2009

Electricity

Substation Problem Knocks Out Power to More Than 49,000 Rocky Mountain Power Customers in Utah July 13

A posting on the company's Twitter page indicates that more than 49,000 customers were affected by the outage. A local newspaper reports that the outage lasted little more than an hour. Rocky Mountain Power officials said that emergency repairs were needed at a substation west of Ogden, Utah after technical problems caused protective devices to activate and interrupt service to multiple substations in the Ogden area. The company is investigating the cause of the problem.

http://twitter.com/RMP_Utah

<http://www.standard.net/live/news/178299>

SWEPSCO Issues Appeal to Conserve Electricity in Louisiana July 14

AEP Southwestern Electric Power Company (SWEPSCO) is asking its customers to avoid using unnecessary lighting or electric appliances – and to limit use of air conditioning – until further notice today, July 14, and possibly tomorrow, July 15. The request is being made because of high temperatures in Northwest Louisiana, increased demand for electricity and significant transmission problems with the electric system in Louisiana, particularly in the North Shreveport area. SWEPSCO is reducing power to certain industrial customers whose agreements with the utility allow curtailments. The company also is reducing power use at its own facilities. If the situation worsens and demand is about to exceed the available supply of power on its lines, SWEPSCO is prepared to implement its emergency load reduction plan, which involves rotating “controlled outages.”

<http://www.swepco.com/news/releases/viewrelease.asp?releaseID=732>

Update: Southern's 870 MW Hatch Nuke Unit 2 in Georgia Reduced to 44 Percent by July 14

According to a company spokeswoman, plant operators reduced output because water chemistry in one of Hatch 2's two condensers failed to meet specifications. Hatch 2 will remain at a reduced power level until repairs are complete. The Nuclear Regulatory Commission reported that on the morning of July 13 the unit was operating at 75 percent. Bloomberg News, 11:21 GMT July 14, 2009

Information also derived from the NRC Power Reactor Status Reports:

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2009/>

Bruce Power's 795 MW Nuke Unit 8 in Ontario Shut July 14

Reuters, 10:14 July 14, 2009

Petroleum

FCCU Upset at BP's 470,000 b/d Texas City, Texas Refinery July 12

According to a filing with Texas regulators, the fluid catalytic cracking unit (FCCU) #1 experienced an upset on July 12 that lasted about half an hour. Operators stabilized the unit and resumed normal operations.

<http://www11.tceq.state.tx.us/oce/eer/index.cfm?fuseaction=main.getDetails&target=126712>

Update: Alaska's Cook Inlet Oil Production to Resume mid-August as Redoubt Volcano Eruptions Quiet

Officials representing companies that produce and ship oil in the Cook Inlet said that they will likely resume production by mid-August as the Redoubt Volcano quiets down. Oil production was suspended in March when the Redoubt Volcano began a series of explosive eruptions. Chevron said production from its Granite Point and Trading Bay fields are expected to restart, though possibly not at the 7,500 b/d level that was typical prior to the eruptions. Cook Inlet Pipeline Co., which operates the Drift River Terminal, said that to enable resumed production, the facility has been modified so that oil will be shipped directly from the production platforms through the system's 42-inch pipeline to waiting tanker vessels, without first going to the terminal's storage tanks.

<http://www.reuters.com/article/rbssEnergyNews/idUSN1322614520090714>

Natural Gas

Boardwalk to Repair Anomalies Found on Fayetteville and Greenville Pipeline Laterals

Boardwalk Pipeline Partners confirmed on July 13 that it has found anomalies on its 1.3 Bcf/d Fayetteville and 1 Bcf/d Greenville laterals that could take as long as five months to repair. The repairs, which would begin as soon as early September, would cut capacity to various receipts points along the route, according to a July 10 notice posted by Texas Gas Transmission, a Boardwalk subsidiary that operates the laterals.

<https://www.gasquest.txgt.com/Reports/ReportViewPage.aspx?isViewPosting=True&isFromNoticeScroller=True&jobID=196709579&documentTypeID=13>

<http://www.platts.com/Natural%20Gas/News/8711401.xml?p=Natural%20Gas/News&sub=Natural%20Gas>

DCP Midstream Shuts Part of Natural Gas Pipeline in Texas after Rupture July 12

According to a company spokesman, DCP Midstream shut the pipeline after a rupture in a 24-inch gathering line and approximately 12 MMcf/d has been shut in. The company is repairing about 20 to 30 feet of the pipeline and expects to be back in service near the end of this week. According to a filing with Texas regulators, the cause of the rupture was "internal corrosion." An estimated 5,393 lbs. of natural gas were released during the incident.

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=126737>

Bloomberg News, 10:41 GMT, July 14, 2009

12 MMcf/d Big Lake Gas Plant Shut in Texas July 13

The plant shut down and flared excess natural gas due to the failure of cooling fan bearing on an amine still overhead reflux fan.

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=126756>

U.S. MARAD and U.S. Coast Guard Issue Final Environmental Impact Statement (FEIS) for Port Dolphin LNG Deepwater Import Terminal off Florida July 13

[http://frwebgate1.access.gpo.gov/cgi-](http://frwebgate1.access.gpo.gov/cgi-bin/TEXTgate.cgi?WAISdocID=589957399858+3+1+0&WAIAction=retrieve)

[bin/TEXTgate.cgi?WAISdocID=589957399858+3+1+0&WAIAction=retrieve](http://frwebgate1.access.gpo.gov/cgi-bin/TEXTgate.cgi?WAISdocID=589957399858+3+1+0&WAIAction=retrieve)

Other News

ExxonMobil Plans to Invest More than \$600 Million on Algae-Biofuels Program

ExxonMobil Research and Engineering Company has entered into a research and development alliance with Synthetic Genomics Inc. (SGI), a privately held company focused on developing genomic-driven solutions to develop advanced biofuels from photosynthetic algae that are compatible with today's gasoline and diesel fuels. Under the program, if research and development milestones are successfully met, ExxonMobil expects to spend more than \$600 million, which includes \$300 million in internal costs and potentially more than \$300 million to SGI.

http://www.businesswire.com/portal/site/exxonmobil/index.jsp?ndmViewId=news_view&ndmConfigId=1001106&newsId=20090714005554&newsLang=en

Think Tank Paper Analyzes Resource Industries and Security Issues in Northern Alberta

The Canadian Defense & Foreign Affairs Institute has published a paper analyzing resource and industries and security issues in Northern Alberta. The rapid expansion of natural-resource industries in northern Alberta, accompanied by growing environmentalist and aboriginal-rights movements, raises issues of possible extralegal and even violent resistance to industrial development. Several groups have at various times used some combination of litigation, blockades, occupations, boycotts, sabotage, and violence against economic development projects which they saw as a threat to environmental values or aboriginal rights. Such incidents will probably continue in the future, as they have in the past. However, extra-legal obstruction is unlikely to become large-scale and widespread unless these various groups make common cause and cooperate with each other. Such cooperation has not happened in the past and seems unlikely in the future because the groups have different social characteristics and conflicting political interests.

<http://www.cdfai.org/PDF/Resource%20Industries%20and%20Security%20Issues%20in%20Northern%20Alberta.pdf>

Energy Prices

U.S. Oil and Gas Prices			
July 14, 2009			
	Today	Week Ago	Year Ago
CRUDE OIL West Texas Intermediate U.S. \$/Barrel	59.62	63.11	144.98
NATURAL GAS Henry Hub \$/Million Btu	3.29	3.30	12.15

Source: Reuters

Energy Notes

Denbury Resources to Study Building a 500-mile CO2 Pipeline Between Midwest and Louisiana and Mississippi; Pipeline Would be Useful for Coal-Gasification Power Plants

<http://triangle.bizjournals.com/triangle/othercities/dallas/stories/2009/07/13/daily12.html>

Storms Knock Out Power to 12,400 Alabama Power Customers July 12-13

http://blog.al.com/spotnews/2009/07/power_restored_to_all_but_285.html

Maui Smart Grid to Mobilize a Mix of Grid Technologies to Help Manage Grid Operations in Hawaii

<http://www.genewscenter.com/Content/Detail.asp?ReleaseID=7273&NewsAreaID=2&MenuSearchCategoryID>

Forest Oil Announces Haynesville Shale Well Production of 20.3 MMcfe/d

<http://phx.corporate-ir.net/phoenix.zhtml?c=92251&p=irol-newsArticle&ID=1306958&highlight>

Perenco Close to Halting Oil Production in Ecuador Unless Government Stops Seizing Oil as Part of Tax Dispute

<http://www.prnewswire.com/cgi-bin/stories.pl?ACCT=PRNI2&STORY=/www/story/07-14-2009/0005059198&EDATE>

Bloomberg News, 14:55 GMT July 14, 2009

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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