



# ENERGY ASSURANCE DAILY

Wednesday Evening, July 14, 2010

## Major Developments

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### **Update: U.S. Government Postpones Integrity Test on Blown-Out Well in Gulf of Mexico July 13**

BP and the federal government did not begin the well integrity test on July 13 at the blown-out MC252 well in the Gulf of Mexico, as previously planned, because the National Incident Commander said “the process may benefit from additional analysis.” BP installed a new sealing cap by July 12, and had expected to begin testing the well – closing one or more of the cap’s valves, and taking pressure readings inside the well – on July 13. The company said previously that it did not expect any oil to be released into the ocean for the duration of the test, but cautioned that the shut-off would not be an indication that flow from the wellbore had permanently stopped. It expected to continue ramping up containment operations on the Helix Producer vessel and continue to optimize the Q4000 operations.

<http://www.bp.com/genericarticle.do?categoryId=2012968&contentId=7063689>

<http://www.bp.com/genericarticle.do?categoryId=2012968&contentId=7063637>

<http://app.restorethegulf.gov/go/doc/2931/780663/>

[http://blogs.chron.com/newswatchenergy/archives/2010/07/bp\\_still\\_waitin.html](http://blogs.chron.com/newswatchenergy/archives/2010/07/bp_still_waitin.html)

### **Update: BP Recovers About 17,060 Barrels of Oil at Site of Blown-Out Well in Gulf of Mexico July 13**

BP collected 9,175 barrels of oil, flared an additional 7,885 barrels of oil, and flared about 42.2 million cubic feet of natural gas on July 13 at the blown-out MC252 well in the Gulf of Mexico, the company said on its website.

<http://www.bp.com/extendedsectiongenericarticle.do?categoryId=40&contentId=7061813>

### **Update: NOAA Expands Closed Fishing Area in Gulf of Mexico by July 13 – Closed Area Represents About 35 Percent of Federal Gulf of Mexico Waters**

<http://app.restorethegulf.gov/go/doc/2931/780663/>

## Electricity

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### **Update: Southern's 830 MW Farley Nuclear Unit 1 in Alabama at Full Power by July 14**

The Nuclear Regulatory Commission reported that on the morning of July 13 the unit was operating at 65 percent. Information derived from the NRC Power Reactor Status Reports:

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

### **Update: TVA's 1,155 MW Browns Ferry Nuclear Unit 1 in Alabama Ramped Up to 80 Percent by July 14**

The Nuclear Regulatory Commission reported that on the morning of July 13 the unit was operating at 60 percent. Information derived from the NRC Power Reactor Status Reports:

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

### **Constellation's 835 MW Calvert Cliffs Nuclear Unit 2 in Maryland Reduced to 83 Percent by July 14**

The Nuclear Regulatory Commission reported that on the morning of July 13 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/>

## ***Petroleum***

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### **U.S. Refinery Utilization Rises to Highest Rate in More than Two Years: EIA Data**

U.S. refinery utilization surged to 90.5 percent in the week ending July 9, marking the highest such rate since January 4, 2008, according to data from the U.S. Energy Information Administration (EIA). U.S. crude oil refinery inputs averaged 15.5 million b/d during the week, or 241,000 b/d above the previous week's average, the EIA said. [http://www.eia.gov/pub/oil\\_gas/petroleum/data\\_publications/weekly\\_petroleum\\_status\\_report/current/pdf/wpsrall.pdf](http://www.eia.gov/pub/oil_gas/petroleum/data_publications/weekly_petroleum_status_report/current/pdf/wpsrall.pdf)

DJN, 11:13 July 14, 2010

### **Flaring at Coffeyville Resources' 115,700 b/d Coffeyville, Kansas Refinery July 13**

It was unclear what caused the flaring or if there was any impact to production.

Reuters, 10:23 July 14, 2010

### **Colombia's Ecopetrol to Produce 1.3 Million b/d in 2020, Compared to 586,000 b/d at Present**

Colombian-owned Ecopetrol plans to produce 871,000 b/d of oil in 2011, 1 million b/d in 2015, and 1.3 million b/d in 2020, it said on July 14. Its current output is 586,000 b/d.

<http://www.ecopetrol.com.co/english/contenido.aspx?conID=44816&catID=382>

## ***Natural Gas***

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### **Update: DEP Faults EOG Resources for June 3 Blowout at Natural Gas Well in Pennsylvania**

The Pennsylvania Department of Environmental Protection (DEP) fined EOG Resources and its contractor, C.C. Forbes a combined \$400,000 after an independent investigation found that operational failures were chiefly to blame for a June 3 blowout at an EOG Resources-operated natural gas well in Clearfield County, Pennsylvania. Specifically, the principal causes were untrained personnel and the failure to use proper well control procedures. Following a 40-day suspension of in-state operations, the DEP permitted both companies to resume all well completion activities. EOG Resources operates about 297 active wells in Pennsylvania, including 139 in the Marcellus Shale formation. The DEP ordered EOG Resources to implement practices and take nine corrective actions, and directed C.C. Forbes to implement similar practices and take six corrective actions.

<http://www.portal.state.pa.us/portal/server.pt/community/newsroom/14287?id=12818&typeid=1>

## ***Other News***

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### **DOE Announces \$30 Million in New Small Business Funding to Help Commercialize Clean Energy Technologies July 14**

U.S. Energy Secretary Steven Chu announced today that \$30 million in funding from the Recovery Act and FY 2010 budget appropriations will be made available to qualified small businesses to support the commercialization of promising new technologies.

<http://www.energy.gov/news/9209.htm>

## Energy Prices

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U.S. Oil and Gas Prices July 14, 2010			
	Today	Week Ago	Year Ago
<b>CRUDE OIL</b> <b>West Texas Intermediate U.S.</b> \$/Barrel	77.47	73.50	59.62
<b>NATURAL GAS</b> <b>Henry Hub</b> \$/Million Btu	4.46	4.85	3.29

Source: Reuters

## Energy Notes

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**Duke Energy Reports 19,550 Customers Without Power in North Carolina July 13 – Fewer than 500 Remain in the Dark, as of Latest Reports**

<http://www.duke-energy.com/outages/stats/>

**First Wind Breaks Ground on Planned 30 MW Kahuku Wind Project in Hawaii July 13**

<http://www.firstwind.com/aboutFirstWind/news.cfm?ID=bf6a569f-42fe-4480-a3a8-9013aa1d51e3>

**Residential Electric Utility Customers Report Increase in Overall Satisfaction due to Perception of Fewer Outages and Lower Monthly Bills: J.D. Power and Associates**

<http://businesscenter.jdpower.com/news/pressrelease.aspx?ID=2010120>

**Vandals Cut Down Power Poles in Franklin County, Illinois, Knocking Out Electricity to Dozens of Customers July 11**

<http://www.chicagotribune.com/news/chi-ap-il-vandals-utilitypo.0,5373085.story>

**Lawsuit Claims Leaks from Nuclear Processing Plants in Pennsylvania to Blame for 10 Deaths**

<http://www.courthousenews.com/2010/07/12/28744.htm>

**Update: NRC Approves Nuclear Fuel Services to Restart Uranium Aluminum Process Line at Tennessee Plant – Company Suspended Operations in December 2009 as Officials Sought to Establish Tougher Safety Procedures**

<http://www.johnsoncitypress.com/News/article.php?ID=78591>

**Update: Diamond Offshore Redirects Ocean Confidence Rig from Gulf of Mexico to Republic of Congo, Citing Deepwater Drilling Moratorium**

<http://www.fox4now.com/Global/story.asp?S=12799045>

**EIA Postpones Plans to Better Oil Inventory Surveys – Officials Considering Total Overhaul**

<http://online.wsj.com/article/SB10001424052748703283004575363502433457666.html>

**Heritage-Crystal Clean Plans Oil Recycling Plant in Speedway, Indiana – Facility Would Convert as Much as 50 MMGal/Yr. of Used Oil into Petroleum Lubricants**

<http://www.indystar.com/article/20100714/LOCAL1804/7140319/1003/BUSINESS/Oil-recycling-operation-to-be-built-in-Speedway-plans-75-jobs>

**Oman Produces Average of 859,400 b/d in First Five Months of 2010, or 8.8 Percent Higher than Same Months Last Year: Ministry of National Economy**

Reuters, 08:39 July 14, 2010

**Fall 2010 Groundbreaking Planned for Iran-Armenia Oil Pipeline**

[http://www.panarmenian.net/eng/economy/news/51251/Construction\\_of\\_IranArmenia\\_oil\\_pipeline\\_to\\_kick\\_off\\_in\\_fall](http://www.panarmenian.net/eng/economy/news/51251/Construction_of_IranArmenia_oil_pipeline_to_kick_off_in_fall)

**BP Halts Jet Fuel Supplies to Iran Air at German Airport by July 13**

<http://www.reuters.com/article/idUSLDE66D05020100714>

**Abu Dhabi Company to Produce 20,000 b/d by the End of Third Quarter 2012 at Bida al Qemzan Oilfield in United Arab Emirates**

<http://phx.corporate-ir.net/phoenix.zhtml?c=80422&p=irol-newsArticle&ID=1447405&highlight=>

**Update: El Paso Corporation Receives BLM Right-of-Way Grant for Proposed 1.5 Bcf/d, 42-Inch, 680-Mile, Wyoming-to-Oregon Ruby Natural Gas Pipeline by July 13 – Company Expects to Open Line in March 2011**

<http://investor.elpaso.com/phoenix.zhtml?c=97166&p=irol-newsArticle&ID=1447107&highlight=>

**Problems at DCP Gas Plant Lead to Flaring at XTO Energy's Russell Compressor Station in Texas July 13-14**

<http://www11.tceq.state.tx.us/oce/eer/index.cfm?fuseaction=main.getDetails&target=142278>

**Snags Trigger Flaring at Andrews Booster Station in Texas July 13**

<http://www11.tceq.state.tx.us/oce/eer/index.cfm?fuseaction=main.getDetails&target=142300>

<http://www11.tceq.state.tx.us/oce/eer/index.cfm?fuseaction=main.getDetails&target=142293>

**Accelergy Corporation to Study Possibility of 8,000-10,000 b/d Coal-Biomass-to-Liquid Production Facility in Pennsylvania**

<http://solveclimate.com/blog/20100713/liquid-coal-and-biomass-plant-nations-first-stirs-controversy-pennsylvania>

## **Links**

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***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](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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*Energy Assurance Daily* provides a summary of public information concerning current energy issues. Published Monday through Friday to inform stakeholders of developments affecting energy systems, flows, and markets, it provides highlights of energy issues rather than a comprehensive coverage. *Energy Assurance Daily* is updated online Monday through Friday after 5:00 p.m. EST. For more information, visit the Infrastructure Security and Energy Restoration (ISER) website at:

<http://www.oe.netl.doe.gov/ead.aspx>

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