



ENERGY ASSURANCE DAILY

Thursday Evening, August 05, 2010

Electricity

Storms Knock Out Power to More than 147,000 Customers in West Virginia, Pennsylvania, and Ohio August 4-5

Storms cut power to an estimated 147,759 customers in Pennsylvania, West Virginia, and Ohio on August 4-5, multiple company and news sources reported. Some 68,963 customers remained without power, as of latest reports. The following table lists peak and current outage figures, based on latest available data.

U.S. Midwest Customer Power Outages			
August 4 – August 5, 2010			
Electric Utility	State	Peak	Latest Reported
Allegheny Power	PA	42,913	23,405
Allegheny Power	WV	40,322	8,342
American Electric Power	WV	20,524	10,760
American Electric Power	OH	30,000	25,156
Dayton Power and Light	OH	14,000	1,300
TOTAL*		147,759	68,963

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

Sources:

Allegheny Power: http://app.alleghenyenergy.com/outagestatus/OMS_Customer_State.aspx?Option=State&User=, http://www.pittsburghlive.com/x/dailycourier/news/s_693564.html

American Electric Power: <https://www.aepohio.com/outages/details.aspx?stormName=Aug.4.AEP.Ohio.Summer.Storms>, <http://www.aepcustomer.com/outagemap/main.aspx?region=aepohio>, <http://www.theintelligencer.net/page/content.detail/id/540449.html?nav=515>

Dayton Power & Light: <http://www.daytondailynews.com/news/dayton-news/storms-cause-power-outages-down-trees-in-area-845446.html>

Storms Cut Electricity to 35,000 Customers in Quebec and Ontario, Canada August 4

Storms cut power to up to 20,000 Hydro-Québec customers in Quebec and 15,000 Hydro Ottawa customers in Ottawa, Ontario on August 4, the companies said separately.

<http://www.cbc.ca/canada/ottawa/story/2010/08/04/ottawa-rain-storm.html>

<http://www.ottawacitizen.com/Power+still+southeast+Ottawa/3362634/story.html>

Update: Entergy's 966 MW River Bend Nuclear Unit 1 in Louisiana Ramped Up to 20 Percent by August 5

The Nuclear Regulatory Commission reported that on the morning of August 4 the unit was not operating.

Information derived from the NRC Power Reactor Status Reports:

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

Update: Delta Energy Center's 880 MW Delta Energy Center Gas-Fired Unit in California Returns to Service by August 4

According to the California Independent System Operator, the unit reported a return from an unplanned outage.

<http://www.caiso.com/unitstatus/data/unitstatus201008041515.html>

Update: AES's 227 MW Huntington Beach Gas-Fired Unit 4 in California Returns to Service by August 4

According to the California Independent System Operator, the unit reported a return from an unplanned outage. <http://www.caiso.com/unitstatus/data/unitstatus201008041515.html>

Update: PPL's 1,105 MW Susquehanna Nuclear Unit 1 in Pennsylvania Ramped Up to 52 Percent by August 5

PPL shut the plant on July 16 after “river water entered the turbine building basement from hatches that provide access to part of the unit’s condenser” it said in a previous release. The Nuclear Regulatory Commission reported that on the morning of August 4 the unit was operating at 16 percent.

<http://www.pplweb.com/newsroom/newsroom+quick+links/news+releases/Unit+1+at+Susquehanna+nuclear+plant+returns+to+service+080410.htm>

Information also derived from the NRC Power Reactor Status Reports:

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

Xcel Energy to Shutter 270 MW Coal-Fired Black Dog Power Plant in Minnesota, Install 680 MW of Gas-Fired Capacity

Xcel Energy plans to replace the remaining 270 MW of coal-fired capacity at its Black Dog power plant in Burnsville, Minnesota, with 680 MW of gas-based production in 2016 or later, it said in its Upper Midwest Resource Plan. The company also aims to bring online 250 MW of new wind power capacity by 2012.

<http://www.xcelenergy.com/Minnesota/Company/Newsroom/Pages/2010-08-02-UpperMidwestResourcePlan.aspx>

Xcel Energy Asks Customers to Conserve Energy in Texas and New Mexico August 3

Xcel Energy asked its customers in Texas and New Mexico to conserve energy on August 3, citing expected high electric demand and limits in generation capacity. The company urged customers to limit power use through 7 PM on August 3.

<http://www.xcelenergy.com/Minnesota/Company/Newsroom/Pages/2010-08003-XcelEnergyaskscustomerstocurbelectricityuse.aspx>

Petroleum

BP Begins Cementing Procedure at Blown-Out Well in Gulf of Mexico August 5

BP began cementing operations – part of the “static kill” procedure – on August 5 at the blown-out MC252 well in the Gulf of Mexico, it said in a release. The company received approval from the National Incident Commander to launch the procedure, it said previously.

<http://www.bp.com/genericarticle.do?categoryId=2012968&contentId=7064202>

<http://www.bp.com/genericarticle.do?categoryId=2012968&contentId=7064233>

<http://app.restorethegulf.gov/go/doc/2931/846739/>

Update: BOEM Chief Says Government Could End Deepwater Drilling Moratorium “Significantly in Advance” of Scheduled Expiration

The Obama Administration could end its six-month moratorium on deepwater drilling “significantly in advance” of its scheduled conclusion at the end of November, said Michael Bromwich, the head of the Bureau of Ocean Energy Management, Regulation and Enforcement (BOEM). Bromwich was scheduled to begin the first in a series of fact-finding forums in New Orleans, Louisiana on August 4, designed to collect information and views about deepwater drilling safety reforms, well containment, and oil spill response. He said the forums would determine “whether we can develop a level of comfort on all three issues that would enable the [interior] secretary to lift the moratorium in a principled way.”

<http://www.washingtonpost.com/wp-dyn/content/article/2010/08/03/AR2010080305708.html?sub=AR>

<http://www.boemre.gov/forums/>

<http://www.doi.gov/news/pressreleases/Director-Bromwich-to-Host-Public-Meetings-Nationwide-to-Discuss-Deepwater-Drilling-Safety-Containment-and-Spill-Response.cfm>

Midwest Refiners Curb Production as Enbridge's 190,000 b/d, 30-Inch, Indiana-to-Ontario Lakehead System Line 6B Remains Shut August 4

United Refining Co. reduced output by 30 percent at its 70,000 b/d Warren, Pennsylvania refinery, a company official said on August 4, as Enbridge's 190,000, 30-inch, Indiana-to-Ontario Lakehead System Line 6B remained offline. Enbridge shut the line after it spilled an estimated 19,500 barrels (the Environmental Protection Agency suspected that total could exceed 23,800 barrels) of oil on July 26 into a creek near the company's Marshall, Michigan pump station. Other refiners noted varying impacts. BP and Husky Energy had slightly reduced rates at their 127,500 b/d Toledo, Ohio refinery and Shell cited "minor" issues, but no impact to production, at its 75,000 b/d Sarnia, Ontario refinery. Imperial Oil reported minimal impact at its 121,000 b/d Sarnia, Ontario and 112,000 b/d Nanticoke, Ontario refineries. Enbridge had increased deliveries along alternate pipelines to compensate for the lost capacity, as of latest reports.

<http://www.bloomberg.com/news/2010-08-04/united-cuts-output-by-30-due-to-enbridge-shutdown-update2-.html>
<http://response.enbridgeus.com/response/main.aspx?id=12902>

Reuters, 18:13 August 3, 2010

Reuters, 11:23 August 4, 2010

Citing Weak Outlook, Western Refining to Suspend Refining Operations at 64,000 b/d Yorktown, Virginia Refinery

Citing the poor outlook for East Coast refining margins, Western Refining said on August 5 that it was suspending refining operations at its 64,000 b/d Yorktown, Virginia refinery. The company said it would continue to operate the Yorktown products terminal.

<http://ir.westernrefining.com/phoenix.zhtml?c=194293&p=irol-newsArticle&ID=1456944&highlight=>
<http://online.wsj.com/article/BT-CO-20100805-714413.html>

BP Shuts HDS Unit at 265,000 b/d Carson, California Refinery August 4

Citing a suspected leak, BP shut a hydrodesulfurization (HDS) unit at its 265,000 b/d Carson, California refinery on August 4, according to a filing with state regulators. The incident led to flaring.

<http://www.oes.ca.gov/Operational/MALHaz.nsf/f1841a103c102734882563e200760c4a/c412beb58197782d8825777600504edf?OpenDocument>

Tesoro Sees no Impact to Production after Pipeline Leak at 166,000 b/d Martinez, California Refinery August 4

A hole in a pipeline led to the release of about 100 barrels of a water/petroleum hydrocarbon mix at Tesoro's 166,000 b/d Martinez, California refinery on August 4, according to a filing with state regulators. There was no impact to operations, a company spokesman said.

<http://www.oes.ca.gov/Operational/MALHaz.nsf/f1841a103c102734882563e200760c4a/8302831a553afc0288257775006afe94?OpenDocument>

Reuters, 16:22 August 4, 2010

Update: Frontier Oil Expects Fire-Downed Crude Unit to Remain Offline for Two to Three Weeks at 52,000 b/d Cheyenne, Wyoming Refinery

Frontier Oil expects the fire-downed crude unit to remain down for two to three weeks, company officials said on August 5. The unit shut due to a fire on July 28, according to a previous release.

Reuters, 11:28 August 25, 2010

<http://investor.shareholder.com/fto/releasedetail.cfm?ReleaseID=493757>

Update: Federal Judge Says Companies Can Continue with Seismic Surveying and Other Approved Scientific Studies Offshore Alaska

U.S. District Judge Ralph Beistline said his July decision to halt oil and gas development offshore Alaska should not preclude companies from conducting seismic surveying or other government-approved scientific studies.

<http://www.businessweek.com/ap/financialnews/D9HCO1N80.htm>

Inter Pipeline Fund to Boost Capacity by 180,000 b/d along Existing 150,000 b/d Cold Lake Pipeline System in Alberta, Canada

Inter Pipeline Fund plans to increase capacity to 330,000 b/d along the existing 150,000 b/d Cold Lake pipeline system in Alberta, Canada. The project would serve production growth at the Foster Creek oil sands project in Alberta, Canada. The company plans to construct and operate a new 24-inch, 17-mile pipeline, connecting to an existing oil storage terminal at La Corey, Alberta. It expects to break ground in the third quarter of 2010 and open the project in early 2011.

http://www.interpipelinefund.com/news_releases/2010/08_04_10.html

Update: Experts Dispute Terrorists' Claim of Responsibility for July 28 Explosion on Board Japanese Oil Tanker in Strait of Hormuz

Experts rejected a terrorist group's claim that it was responsible for an unexplained explosion last week on board a Japanese oil tanker in the Strait of Hormuz. One expert said the group "took advantage of the situation and put a statement online," arguing the statement was "not credible as it claims a suicide bomber infiltrated the ship, while the damage was caused by an external factor." The Brigades of Abdullah Azzam, a militant jihadist group, had taken credit for the explosion, according to the U.S.-based SITE Intelligence Group. The tanker was en route to Japan at the time of the incident, carrying 270,000 tonnes of oil. No oil was spilled.

<http://www.thenational.ae/apps/pbcs.dll/article?AID=/20100805/NATIONAL/708049837>

<http://www.google.com/hostednews/afp/article/ALeqM5j-OITSSOTP5QGnoHpHpQTkmbwwbw>

<https://www.siteintelgroup.com/Pages/Default.aspx>

Natural Gas

Regency Energy Partners Completes 485 MMcf/d Expansion along Logansport Gathering System in Haynesville Shale, Louisiana August 3

Regency Energy Partners LP completed the Phase I and Phase II natural gas pipeline expansions along its existing Logansport Gathering System in north Louisiana, boosting the system's gathering capacity by 485 MMcf/d, to a total of about 710 MMcf/d, it said on August 3. The company built approximately 28 miles of 10-to-24-inch pipeline, constructed a 300 MMcf/d amine treating plant, and installed new compression and dehydration facilities. The expansions will add about 435 MMcf/d of incremental interconnect delivery capacity to Regency's existing system and will deliver gas gathered by the Logansport Gathering System to a 300 MMcf/d interconnect with CenterPoint Energy Gas Transmission's Line CP.

<http://phx.corporate-ir.net/phoenix.zhtml?c=194063&p=irol-newsArticle&ID=1456197&highlight=>

Other News

Update: ADM Begins Production at Planned 300 MMGal/Yr. Ethanol Plant in Cedar Rapids, Iowa by August 3

Archer Daniels Midland Co. (ADM) expects the facility to be fully operational by the end of August, it said on August 3.

<http://www.adm.com/Lists/PressRelease/Attachments/255/Q410%20Earnings%20Release.pdf>

http://ethanolproducer.com/article.jsp?article_id=6792

Energy Prices

U.S. Oil and Gas Prices			
August 5, 2010			
	Today	Week Ago	Year Ago
CRUDE OIL West Texas Intermediate U.S. \$/Barrel	82.04	78.06	71.10
NATURAL GAS Henry Hub \$/Million Btu	4.84	4.75	3.53

Source: Reuters

Energy Notes

Dominion Virginia Power Reports 13,313 Customers without Power in Virginia August 4

<http://www.dom.com/storm-center/dominion-electric-outage-summary.jsp>

Update: Experts Find Computer Code, or Worm, Designed Specifically to Attack Systems Controlling Industrial Plants, Including Power Facilities

<http://www.google.com/hostednews/ap/article/ALeqM5h71X0JoE1AGngQoEfWWmCM6THizQD9HC86L80>

ERCOT Sets Electricity Demand Record of 63,594 MW August 4 – Previous Record was 63,400 MW, Recorded on July 13, 2009

http://www.ercot.com/news/press_releases/2010/nr-08-04-10

Mississippi Power Sets Summer Record for Electricity Demand August 2 – Demand was 2,708 MW of Electricity, Surpassing August 29, 2000 Record of 2,593 MW

http://www.mississippipower.com/news/iframe_pressroom.asp?WT.svl=body_pressroom

Extreme Heat Leads to Record Demand – 6,513 KWs – across Oklahoma Gas & Electric Service Territory in Oklahoma August 3

http://www.swtimes.com/news/article_f4379ae8-a097-11df-87a0-001cc4c03286.html

Update: NRC to Launch Inspection into Improper Worker Screening at Site of Southern Co's Planned Nuclear Power Plant in Georgia August 9

<http://finance.yahoo.com/news/NRC-to-begin-inspection-at-Ga-apf-380265291.html?x=0&v=2>

SunEdison and DRI Energy Plan More Than 19 MW of Solar Power Capacity in California, Hawaii, and Arizona

<http://www.prnewswire.com/news-releases/sunedison-and-dri-energy-sign-channel-partner-agreement-for-the-deployment-of-solar-power-installations-100029969.html>

After July 24 Dam Break, Lake Delhi Recreation Association Plans to Rebuild Lake Delhi Hydroelectric Power Facility in Iowa - Facility Could Again Generate Electricity

<http://www.claimsjournal.com/news/midwest/2010/08/05/112220.htm>

BPA Identifies New Possible Routes for Proposed Transmission Line, or I-5 Corridor Reinforcement Project in Oregon and Washington August 4

<http://www.bpa.gov/corporate/BPAnews/nreleases.cfm>

Update: Areva to File Changes to Nuclear Reactor Design by mid-March, 2011 – NRC Informed AREVA of Safety Issues with Design's Computer Systems in Late July

<http://www.platts.com/RSSFeedDetailedNews.aspx?xmlpath=RSSFeed/HeadlineNews/Nuclear/6252295.xml>
<http://www.nrc.gov/reading-rm/doc-collections/news/2010/10-130.html>

California Energy Commission Siting Committee Recommends Approval of BrightSource Energy's Proposed 392 MW Ivanpah Solar Power System in California by August 4

http://www.brightsourceenergy.com/images/uploads/press_releases/CEC_Proposed_Decision_Release_-_8_4_10.pdf

ConocoPhillips Reports Process Upset at 146,000 b/d Borger, Texas Refinery August 4

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=143146>

ConocoPhillips Eyes Major FCC and Alkylation Unit Upgrades at 185,000 b/d Trainer, Pennsylvania Refinery

http://www.marketwatch.com/story/conocophillips-plans-major-upgrades-at-refinery-in-pennsylvania-an-industrial-info-news-alert-2010-08-05?reflink=MW_news_stmp

Update: TCEQ Reports “Egregious” Violations, Cites Pattern of Problems after Investigation into 46-Day Chemicals Release at BP’s 467,720 b/d Texas City, Texas Refinery

<http://www.google.com/hostednews/ap/article/ALeqM5irEn4IaTBhSZiJ9Ki-dCY5m5WAAD9HCURT81>

Sulfuric Acid Leak Leaves Two Workers Injured at Valero’s 170,000 b/d Benicia, California Refinery August 3

http://www.timesheraldonline.com/news/cj_15674285

CO2 Emissions from Alberta, Canada Oil Sands Could Almost Triple by 2020

<http://theyee.ca/Blogs/TheHook/Environment/2010/08/04/oil-sands-emissions-Pembina/>

Oil Leaks from Underground Storage Tank into Wells Run Stream in Maryland by August 2: State Department of the Environment

http://www.gazette.net/stories/08052010/collnew172556_32535.php

Citing Public Concerns, TransCanada to Withdraw Bid to Run Planned Canada-to-Gulf of Mexico Keystone XL Oil Pipeline at Higher-than-Normal Pressure

<http://www.chron.com/disp/story.mpl/ap/business/7140946.html>

After August 4 Fire, Cepsa Operates La Rabida, Spain Refinery at 90,000 b/d, or Normal Rates Compared to Recent Months

<http://online.wsj.com/article/BT-CO-20100805-714388.html>

After Power Outage, DCP Midstream Restarts 160 MMcf/d Goldsmith Gas Plant in Texas August 4-5

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=143188>
<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=143200>

Compressor Shuts at Waha Gas Plant in Texas August 4-5

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=143198>

Pump Failure Triggers Shutdown of Pittsburg Gas Plant in Texas August 4-5

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=143187>

Compressor Shuts, Restarts at Welch CO2 Gas Processing Facility in Texas August 4

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=143204>

Sixteen Train Cars Derail for Unknown Reasons near Cargill/Valero Renewables' Albion, Nebraska Ethanol Plant August 3

<http://www.1011now.com/news/headlines/99941274.html>

Hyundai to Achieve Corporate Average Fuel Economy Rating of at Least 50 Miles per Gallon by 2025 for its Passenger Cars and Light Duty Trucks

<http://www.prnewswire.com/news-releases/most-fuel-efficient-automaker-in-america-hyundai-says-lineup-to-average-minimum-50-mpg-by-2025-99940714.html>

President Obama Expects United States to Account for as Much as 40 Percent of "Advanced Battery Manufacturing Industry" by 2015

<http://www.reuters.com/article/idUSWBT01408120100805>

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

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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