



ENERGY ASSURANCE DAILY

Thursday Evening, August 11, 2011

Electricity

Update: Leak Again Shuts Constellation's 1,120 MW Nine Mile Point Nuclear Unit 2 in New York August 11

According to a report with the NRC, a through wall leak on a feedwater pump minimum flow line shut Unit 2 in the early hours of August 11. At the time of the shutdown, the unit was in the process of returning from an outage caused by drywell leakage on August 6.

<http://www.nrc.gov/reading-rm/doc-collections/event-status/event/2011/20110811en.html>

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

<http://online.wsj.com/article/AP4ef3d2ad3e1e4a8788b07bc861cb41a8.html>

Two 472 MW Units Shut at SCE's Mountainview Gas-fired Power Plant in California August 10

Units 3 and 4 with a combined capacity of 944 MW were shut. It is not known when they will return.
Reuters, 21:35 August 10, 2011

APS's 1,243 MW Palo Verde Nuclear Unit 1 in Arizona Ramps Up to 12 Percent by August 11

The Nuclear Regulatory Commission reported that on the morning of August 10 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/2011/>

Petroleum

Tennessee Seeks EPA Waiver to Prevent Gasoline Shortage in West Tennessee

Tennessee Governor Bill Haslam and U.S. Representative Steve Cohen have asked the Environmental Protection Agency (EPA) to grant a waiver on summertime fuel restrictions in Shelby County, Tennessee to avert gasoline shortages. According to the officials, West Tennessee is facing an imminent shortage of summer-grade gasoline after an explosion and fire shut Valero's Memphis refinery last week. The waiver would allow winter-grade gasoline to be sold. According to the Tennessee Fuel and Convenience Store Association, wholesale gasoline distributors and tanker truck drivers are working overtime to bring in fuel from other terminals but shortages at some retail stations could be expected in the next few days.

<http://www.commercialappeal.com/news/2011/aug/10/epa-waiver-requested-prevent-gasoline-shortage-wes/?partner=RSS>

BP Evacuates Some Nonessential Employees at 460,000 b/d Texas City Refinery after Flaring False Alarm August 10

The company evacuated some nonessential employees after it believed that flaring was occurring at the plant. Originally, BP reported on August 10 that it had "stabilized the unit to stop the release" according to a filing with Texas regulators. However, on August 11 a company spokesman said there were no flaring or emissions at the refinery and that the event was a false alarm caused by an erroneous reading on a valve indicator.

<http://www.nasdaq.com/aspx/stock-market-news-story.aspx?storyid=20110811125dowjonesdjonline000357&title=bpno-flaringemissions-event-at-texas-city-refinery>

Update: HollyFrontier's 125,000 b/d Tulsa, Oklahoma Refinery Operating Normally August 10

The refinery was operating normally on August 10 following a 15-minute power outage hit the refinery on night of August 8 due to thunderstorms.
Reuters, 18:55 August 10, 2011

Update: Four PDVSA Heavy Crude Upgraders Return to Full Capacity in Venezuela August 10

The four heavy crude upgraders in the Orinoco belt returned to full capacity on August 10 after being shut due to a power failure in a transmission line August 8. The upgraders began restarting on the night of August 8. The upgraders—Petropiar, Petromonagas, Petrocedeno and PetroanZoategui— have a combined capacity of 620,000 b/d.
<http://online.wsj.com/article/BT-CO-20110810-719863.html>

Natural Gas

DOE Advisory Group Releases Shale Gas Recommendations

A diverse group of advisors to Energy Secretary Steven Chu on August 11 released a series of consensus-based recommendations calling for increased measurement, public disclosure and a commitment to continuous improvement in the development and environmental management of shale gas, which has rapidly grown to nearly 30 percent of natural gas production in the United States. The report calls for industry leadership in improving environmental performance, underpinned by strong regulations and rigorous enforcement, evolving to meet the identified challenges. The report includes recommendations in four key areas:

1. Making information about shale gas production operations more accessible to the public
2. Immediate and longer-term actions to reduce environmental and safety risks of shale gas operations, with a particular focus on protecting air and water quality
3. Creation of a Shale Gas Industry Operation organization committed to continuous improvement of best operating practices
4. Research and development (R&D) to improve safety and environmental performance

Full Report: <http://www.shalegas.energy.gov/index.html>

Press Release: <http://energy.gov/articles/secretary-energy-advisory-board-subcommittee-releases-shale-gas-recommendations>

Enogex LLC's 12-Inch Above-Ground Natural Gas Pipeline in Oklahoma Restarted After Possible Pipe Bomb Removed August 11

OGE Energy (the parent company of Enogex, LCC) said the pipeline was restarted after being shut earlier in the day after when a potentially explosive device was discovered attached to it. FBI agents declared the line safe following the removal of the device. A spokesman for the company said he didn't think the shutdown, which lasted 3 ½ hours, had a significant natural gas production or distribution.

<http://abcnews.go.com/Blotter/explosive-device-investigated-oklahoma/story?id=14275481>

Bloomberg News, 01:39 GMT, August 11, 2011

DOE Releases New ‘Billion-Ton’ Study Highlighting Opportunities for Growth in Bioenergy Resources

The U.S. Department of Energy on August 10 released a report – 2011 U.S. Billion-Ton Update: Biomass Supply for a Bioenergy and Bioproducts Industry – detailing U.S. biomass feedstock potential nationwide. The report examines the nation’s capacity to produce a billion dry tons of biomass resources annually for energy uses without impacting other vital U.S. farm and forest products, such as food, feed, and fiber crops. The study provides industry, policymakers, and the agricultural community with county-level data and includes analyses of current U.S. feedstock capacity and the potential for growth in crops and agricultural products for clean energy applications. The biomass resources identified in the report could be used to produce clean, renewable biofuels, biopower, or bioproducts. For example, with continued developments in biorefinery capacity and technology, the feedstock resources identified could produce about 85 billion gallons of biofuels – enough to replace approximately 30 percent of the nation’s current petroleum consumption.

<http://energy.gov/articles/departments-energy-releases-new-billion-ton-study-highlighting-opportunities-growth>

Energy Prices

U.S. Oil and Gas Prices			
August 11, 2011			
	Today	Week Ago	Year Ago
CRUDE OIL West Texas Intermediate U.S. \$/Barrel	83.54	89.77	78.24
NATURAL GAS Henry Hub \$/Million Btu	4.09	4.26	4.43

Source: Reuters

Energy Notes

Update: U.S. Dept. of Interior Approves 550 MW Desert Sunlight Solar Project in Southern California

<http://www.doi.gov/news/pressreleases/Secretary-Salazar-Approves-550-Megawatt-Solar-Project-in-Riverside-County-California.cfm>

IEA Warns That Double Dip Recession Could Reduce Energy Demand, Lead to Oil Supply Surplus in 2012

http://www.upi.com/Business_News/Energy-Resources/2011/08/10/No-time-for-OPEC-to-close-taps-IEA-says/UPI-52091312976468/

Service Restored to 20 Emergency Sirens at Harris Nuclear Power Plant in North Carolina after Communication Problem August 9

<http://www.nrc.gov/reading-rm/doc-collections/event-status/event/2011/20110811en.html>

PGE Considering Converting its 585 MW Boardman Coal-fired Power Plant in Oregon to Run on Giant Cane to Allow the Plant to Operate Past 2020

<http://www.capitalpress.com/content/ml-giant-cane-081211-art>

9,100 Gallon Fuel Tanker Overturns, Explodes on I-5 in Nevada August 10

<http://www.lasvegassun.com/news/2011/aug/10/southbound-i-15-closed-after-tanker-truck-explodes/>

DOE Awards More Than \$175 Million for Advanced Vehicle Research and Development

<http://energy.gov/articles/departments-energy-awards-more-175-million-advanced-vehicle-research-and-development>

Unit 20 at Southern Union's Keystone Gas Plant in Texas Shut and Vents 348 lbs of Natural Gas Due to Hot Compressor Valves August 10; Unit Restarted After Valves Replaced

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=157889>

Feed Briefly Cut to Kiln at Marshall Gas Plant in Texas After ID Fan Fails August 10

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=157886>

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 EDT every Wednesday.

Natural Gas Weekly Update from EIA

<http://www.eia.gov/oog/info/ngw/ngupdate.asp>

Updated after 2:00 PM EDT every Thursday.

ENERGY ASSURANCE DAILY

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

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