



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

ENERGY ASSURANCE DAILY

Friday Evening, August 20, 2010

Electricity

Storms Knock Out Power to about 84,000 Customers in Michigan August 19

Storms cut power to 82,000 DTE Energy Co. customers and about 2,000 CMS Energy Corp. customers in Michigan, according to the companies. About 60,000 DTE Energy customers and 796 CMS Energy customers remained without power, as of latest reports.

<http://www.thetimesherald.com/article/20100820/NEWS05/100820002/1002/news01/Storms+black+out+84+000+Michigan+homes++businesses>

<http://www.myfoxdetroit.com/dpp/weather/70.000-without-power-following-storm-20100819-wpms>

<http://www.connectmidmichigan.com/news/story.aspx?id=499732>

Entergy's 813 MW FitzPatrick Nuclear Unit in New York Reduced to 77 Percent by August 20

The Nuclear Regulatory Commission reported that on the morning of August 19 the unit was operating at 92 percent.

Information derived from the NRC Power Reactor Status Reports:

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

Update: Luminant to Restart 793 MW Martin Lake Coal-Fired Unit 1 in Texas August 20-21

Luminant planned to restart its 793 MW Martin Lake coal-fired Unit 1 in Texas on August 20-21, it said in a filing with state regulators. The company had expected to shut the unit to fix a boiler tube leak, according to a previous filing.

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=143731>

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=143729>

Luminant to Reduce 591 MW Sandow Coal-Fired Unit 4 in Texas August 19-20

Luminant expected to reduce its 591 MW Sandow coal-fired unit 4 in Texas to 300 MW as it performed work related to an electrostatic precipitator, it said in a filing with state regulators. It was not clear when the unit might resume normal service.

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=143745>

Update: After Rash of Storm-Related Power Outages, Pepco Outlines Six-Point Reliability Enhancement Plan for Maryland August 19

After several storm-related power outages and numerous customer complaints, Pepco outlined on August 19 a six-point reliability plan that it said was "intended to increase substantially the reliability of the distribution system across Maryland by reducing both the frequency and duration of outages for our customers." The plan includes tree trimming, assessments of least performing feeders, evaluations of load growth, distribution automation, underground residential distribution cable replacement, and selective undergrounding/substation improvements.

Pepco expects the work to cost more than \$250 million over the next five years.

<http://www.pepco.com/welcome/news/releases/archives/2010/article.aspx?cid=1523>

<http://finance.yahoo.com/news/Pepco-issues-reliability-plan-apf-454457247.html?x=0&.v=1>

ITC Transmission Receives MISO Approval for Proposed 140-Mile, 345 kV Thumb Loop Transmission Line Project in Michigan

The Midwest Independent Transmission System Operator (MISO) approved ITC Transmission's proposed 140-mile, 345 kV Thumb Loop transmission line project in Michigan, the company said on August 19. The project would include about 140 miles of double-circuit, 345 kV transmission lines and three new 345 kV substations. It would form a loop through the Thumb region of Michigan's Lower Peninsula.

<http://investor.itc-holdings.com/releasedetail.cfm?ReleaseID=501151>

CEC Committee Recommends Approval of Genesis Solar LLC's Proposed 250 MW Genesis Solar Energy Project in California

A California Energy Commission (CEC) siting committee recommended the approval of Genesis Solar LLC's proposed 250 MW Genesis Solar Energy Project in Riverside, California, the CEC said on August 19. The committee concluded that the project would have significant environmental impacts, but found that the benefits would override those affects. The site would include two 125 MW solar units. If approved, the company would break ground in the fourth quarter of 2010 and begin commercial service by the second quarter of 2013. Genesis Solar LLC is a subsidiary of NextEra Energy Resources, LLC.

http://www.energy.ca.gov/releases/2010_releases/2010-08-19_Genesis_PMPD.html

Illinois Governor Signs Law to Boost Solar Power August 17

Illinois Governor Pat Quinn signed a law on August 17 that will require Commonwealth Edison and Ameren to begin purchasing solar energy by June 1, 2012, according to a release from the Governor's website. Specifically, the power industry must purchase 0.5 percent of its electricity from solar sources by June 1, 2012; 1.5 percent by June 1, 2013; 3 percent by June 1, 2014; and 6 percent by June 1, 2015, and each year thereafter.

<http://www.illinois.gov/PressReleases/ShowPressRelease.cfm?SubjectID=3&RecNum=8765>

Petroleum

Update: BP Receives Conditional Okay to Replace BOP on Blown-Out MC252 Well in Gulf of Mexico by August 19

BP received conditional approval from the National Incident Commander to replace the failed Blow Out Preventer (BOP) on the MC252 well in the Gulf of Mexico, the government said in an August 19 release. Should BP satisfy certain conditions, the replacement would occur prior to the completion of the relief well and bottom kill operations.

<http://app.restorethegulf.gov/go/doc/2931/875223/>

Update: Scientists Say Deepwater Horizon Spill to Blame for Large Hydrocarbon Plume in Gulf of Mexico

Scientists at the Woods Hole Oceanographic Institution (WHOI) have detected a plume of hydrocarbons that is at least 22 miles long and more than 3,000 feet below the surface, according to an August 19 release. The scientists say the 1.2-mile-wide, 650-foot-high plume is a residue of the Deepwater Horizon oil spill. It is not yet clear, however, if the plume poses a significant threat to the Gulf, the researchers say. The findings are based on analyses from a late-June cruise.

<http://www.whoi.edu/page.do?pid=7545&tid=282&cid=79926&ct=162>

Update: Cleanup Continues as Enbridge's 190,000 b/d 30-inch, Indiana-to-Ontario Lakehead System Line 6B Remains Offline August 19

Enbridge's 190,000 b/d, 30-inch, Indiana-to-Ontario Lakehead System Line 6B remained offline on August 19, the company said, more than three weeks after the line spilled about 19,000 barrels of oil into a creek near a Marshall, Michigan pump station. Enbridge submitted a revised restart plan last week with the U.S. Department of Transportation's (DOT) Pipeline and Hazardous Materials Safety Administration (PHMSA). The PHMSA had not yet ruled on that proposal, as of latest reports. Enbridge, however, said it continued to work toward the line's return to service. The company was conducting investigation digs and injecting water into 14 miles of pipeline in preparation for pressure testing. It expected to continue preparations over the weekend, according to a company executive. He said that because of the work, the line would not restart until next week, at the earliest.

<http://response.enbridgeus.com/response/main.aspx?id=12793>

Reuters, 17:21 August 19, 2010

Update: BP Claims to Have Found Source of Leak along Indiana-to-Illinois White Oak Oil Products Pipeline August 19

A one-inch crack is thought to be the source of a leak along BP's Indiana-to-Illinois White Oak oil products pipeline, the company said on August 19. Workers installed a clamp to halt the leak, and planned to replace the damaged pipe on August 20. The company expected to extract 100,000 gallons of products from a shut-in 3-mile section of line. The line spilled more than 1,700 gallons of oil and water into Hammond, Indiana's sewer system. The affected system delivers products from BP's 405,000 b/d Whiting, Indiana refinery to terminals in Chicago and Manhattan, Illinois, according to an earlier article from the Wall Street Journal. It was not clear if the incident had impacted operations at the Whiting, Indiana refinery or at either of the associated terminals.

<http://www.jconline.com/article/20100820/NEWS09/100820006/BP-says-fuel-leak-stopped-into-Hammond-sewers>
<http://online.wsj.com/article/BT-CO-20100818-709488.html>

Update: Valero Restarts Unit at 315,000 b/d Corpus Christi, Texas Refinery August 19

Valero restarted a naphtha hydrotreater on August 19 at its 315,000 b/d Corpus Christi, Texas refinery, the company said. It shut the unit on August 17-18 to fix a "leaking heat exchanger," according to a company spokesman and regulatory filing. The spokesman said then that the company did not expect the incident to have a "material impact to production."

Reuters, 11:36 August 20, 2010

Reuters, 10:10 August 18, 2010

<http://www11.tceq.state.tx.us/oce/eeer/index.cfm?fuseaction=main.getDetails&target=143666>

Motiva to Shut FCC for Unscheduled Work at 285,000 b/d Port Arthur, Texas Refinery

Motiva is expected to shut a gasoline-producing fluid catalytic cracking unit (FCC) for a month of unscheduled work, beginning next week, at its 285,000 b/d Port Arthur, Texas refinery, trade sources said on August 20. The facility's catalytic crackers have a capacity of 90,000 b/d, according to Reuters.

Reuters, 10:05 August 20, 2010

Nexen Restarts Long Lake Oil Sands Upgrader in Alberta, Canada

Nexen restarted its Long Lake oil sands upgrader in Alberta, Canada by August 19 and expected to resume normal output in "a couple of days," a company spokesman said. The company stopped production for unplanned work on August 11, the spokesman said previously.

<http://www.bloomberg.com/news/2010-08-19/nexen-says-long-lake-upgrader-starts-full-rates-expected-in-few-days.html>

Suncor Energy Reports Unit Shutdown at Oil Sands Base Plant in Alberta, Canada August 20

A hydrogen reformer unit shut for unknown reasons at Suncor Energy Inc.'s oil sands base plant in Fort McMurray, Alberta by August 20, the company said in a release. Suncor was working to determine the cause of the outage and establish a schedule to return the unit to service. The company expected the shutdown to impact the production mix of low- and high-sulphur products, but said that oil sands production continued to be more than 300,000 b/d.

<http://www.suncor.com/en/newsroom/2418.aspx?id=1307558>

<http://www.reuters.com/article/idUSSGE67J0GU20100820>

Natural Gas

Transco Isolates Section along "C" Natural Gas Pipeline in Louisiana, Citing Anomaly

Transco isolated a section of its natural gas pipeline "C" in Calcasieu Parish, Louisiana to repair an anomaly, the company said on August 20. It shut in two receipt locations, pending repairs. The locations-in-question had an aggregated scheduled quantity of about 500 Dth/d. The company, however, said deliveries would "be kept whole if requested."

<http://www.1line.williams.com/1Line/wgp/download?delvid=3283898&hfNoticeFlag=Y&hfDownloadFlag=false&hfFileName=download.html>

Update: Operators to Restart 290 MMcf/d Waha Gas Plant in Texas August 20-21

Operators planned to restart the 290 MMcf/d Waha gas plant in Texas on August 20-21, according to a filing with state regulators. They had expected to shut the plant on August 17 “to make repairs on a chiller as part of the gas cooling system,” a previous filing said.

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=143605>

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=143602>

Other News

Update: DOE to Pursue FutureGen 2.0 Carbon Capture and Storage Project, Despite County’s Rejection of Plans

The Department of Energy (DOE) intends to pursue its proposed FutureGen 2.0 carbon capture and storage network in Illinois, despite a rejection from the county that had been expected to store the project’s captured carbon dioxide (CO₂), the DOE said in a release on August 19. The announcement came after a meeting between officials from DOE, the state of Illinois, Ameren, Babcock & Wilcox, American Air Liquide, and the FutureGen Alliance Coles County. DOE unveiled FutureGen 2.0 on August 5. The project partners, according to the August 5 proposal, would repower Ameren’s 200 megawatt Unit 4 in Meredosia, Illinois with advanced oxy-combustion technology. The plant’s new boiler, air separation unit, CO₂ purification and compression unit would capture 90 percent of the facility’s CO₂ emissions, and the project partners would deliver, via pipeline, more than 1 million tons per year of that CO₂ to a planned storage site in Mattoon, Illinois. The town of Mattoon (in Coles County), however, said after the unveiling it did not want to participate in the project. DOE said yesterday that it regretted the county’s decision, but said there were numerous other potential storage sites.

<http://www.energy.gov/news/9368.htm>

<http://www.energy.gov/news/9309.htm>

<http://www.platts.com/RSSFeedDetailedNews.aspx?xmlpath=RSSFeed/HeadlineNews/Coal/6343379.xml>

http://online.wsj.com/article/SB10001424052748704901104575423762070262320.html?ru=yahoo&mod=yahoo_hs

Integrated Energy Partners Plans Biodiesel Plant in Santa Rosa County, Florida

The facility would process camelina and other crops. It would generate 9 MMGal/Yr. of kerosene, 3 MMGal/Yr. of biodiesel, 353,000 gallons/year of cellulosic ethanol, 437,000 gallons/year of propane, and 47.8 MWh of electricity/year.

<http://biofuelsdigest.com/bdigest/2010/08/20/california-county-commission-deepens-investigation-of-proposed-camelina-biofuels-plant/>

Energy Prices

U.S. Oil and Gas Prices August 20, 2010			
	Today	Week Ago	Year Ago
CRUDE OIL West Texas Intermediate U.S. \$/Barrel	73.24	75.44	71.98
NATURAL GAS Henry Hub \$/Million Btu	4.29	4.42	3.03

Source: Reuters

Energy Notes

Rockford Solar Partners, LLC and New Generation Power Plan up to 62 MW Photovoltaic Solar Power Facility in Rockford, Illinois

<http://www.newgenerationpower.org/wp-content/uploads/2010/08/GOVERNOR-PATRICK-QUINN-SIGNS-LAW-TO-RAMP-UP-SOLAR-ENERGY-IN-ILLINOIS.pdf>

Update: County Releases Positive Environmental Review for Proposed 18.5 MW Buena Vista Biomass Power Project in California by August 20

http://www.recordnet.com/apps/pbcs.dll/article?AID=/20100820/A_NEWS/8200319

PSEG Solar Source Dedicates 12 MW Wyandot Solar Farm in Ohio August 19

<http://www.prnewswire.com/news-releases/governor-strickland-helps-dedicate-ohios-largest-solar-farm-101096459.html>

Citing Costs, Duke Energy Abandons Plans to Place Demonstration Wind Turbines in Pamlico Sound, North Carolina – Company Instead Plans to Work with UNC Chapel Hill to Study and Help Enable Large-Scale Offshore Wind Development on Ocean Side of North Carolina Coast

<http://www.duke-energy.com/news/releases/2010081901.asp>

Cable Line Fault Leads to Underground Explosion in Indianapolis August 19 – Blast Occurred Just One Day after and Only Two Blocks Away from Separate Transformer Explosion, but Local Utility Says Incidents Unrelated

http://www.wishtv.com/dpp/news/local/marion_county/underground-transformer-explodes-in-downtown-indianapolis

Update: After Fatal Explosion of Gas Condensate Tank in October 2009, CSB Chairman Calls for Increased Safeguards at Oil and Gas Sites across Mississippi

<http://www.csb.gov/newsroom/detail.aspx?nid=337>

Tanker Truck Crashes, Spills Unspecified Quantity of Used Oil into Barneys River in Nova Scotia, Canada August 18 – Truck Was Carrying about 10,000 Gallons of Oil, but Most Spilled Fluid Had Been Contained, as of August 19

<http://thechronicleherald.ca/NovaScotia/1197810.html>

<http://www.cbc.ca/canada/nova-scotia/story/2010/08/20/ns-oilspill-fishfarm.html#ixzz0x9zZFXnd>

County Judge Tells Heartland Petroleum He Will Force Shut Company's Oil Recycling Refinery in Ohio if Facility Releases Any More Chemical Odors – Previous Incidents Have Sickened Nearby Workers

http://www.dispatch.com/live/content/local_news/stories/2010/08/20/refinery-on-notice-over-stench.html?sid=101

Update: U.S. CSB Forced to Delay, and Could Cancel, Several Smaller Investigations as it Evaluates Deepwater Horizon Incident in Gulf – Agency Has Postponed Investigation into November Explosion at Silver Eagle's Refinery in Woods Cross, Utah, among others

<http://www.standard.net/topics/bp-oil-spill/2010/08/20/gulf-oil-spill-affects-utah>

China-Based CNOOC Produces 149 Million Boe during First Half of 2010, or 40.8 Percent More than Same Period in 2009

http://www.rigzone.com/news/article.asp?a_id=97600

Duke Energy Fixing Leak along A-Line Natural Gas Pipeline in Ochiltree County, Texas August 19 – Operators Blocked in Line for Repairs

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=143755>

Pipeline Blowout Forces Shut Holt and Love Booster Stations in Texas August 19

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=143775>

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=143773>

Gulf of Mexico Oil Spill Likely to Push Back Plans to Award Licenses Offshore Norway: Norwegian Petroleum Directorate

Reuters, 10:08 August 20, 2010

Mexico's Pemex Considers Importing Oil for First Time in More than Three Decades – Nation Could Import as Much as 40,000 b/d in Bid to Boost Refinery Profits

<http://www.reuters.com/article/idUSTRE67J3SB20100820>

Colombia to Open 28 Million Tonnes/Year Coal Port, Primarily to Serve Exporters, near End of 2011

Reuters, 09:39 August 20, 2010

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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