



ENERGY ASSURANCE DAILY

Friday Evening, August 27, 2010

Electricity

Duke's 754 MW Moss Landing Gas-Fired Unit 6 in California Shut by August 26

According to the California Independent System Operator, the unit reported an unplanned outage by August 26.
<http://www.caiso.com/unitstatus/data/unitstatus201008261515.html>

AES's 496 MW Redondo Gas-Fired Unit 8 in California Reduced by August 26

According to the California Independent System Operator, the unit reported an unplanned curtailment of 271 MW by August 26.
<http://www.caiso.com/unitstatus/data/unitstatus201008261515.html>

Update: AES's 225 MW Huntington Beach Gas-Fired Unit 3 in California Returns to Service by August 26

According to the California Independent System Operator, the unit reported a return from an unplanned outage.
<http://www.caiso.com/unitstatus/data/unitstatus201008261515.html>

Multiple Companies' 175 MW Luz Solar Partners Solar Power Units 3-7 in California Shut by August 26

According to the California Independent System Operator, the unit reported an unplanned outage on August 26.
<http://www.caiso.com/unitstatus/data/unitstatus201008261515.html>

Multiple Companies' 184 MW Luz Solar Partners Units 8-9 in California Shut by August 26

According to the California Independent System Operator, the unit reported an unplanned outage on August 26.
<http://www.caiso.com/unitstatus/data/unitstatus201008261515.html>

PG&E's 154 MW Kerkhoff Hydro Unit 1 in California Shut by August 26

According to the California Independent System Operator, the unit reported an unplanned outage by August 26.
<http://www.caiso.com/unitstatus/data/unitstatus201008261515.html>

Update: Duke Energy's 846 MW Oconee Nuclear Unit 3 in South Carolina Ramped Up to 97 Percent by August 27

Operators reduced the unit by yesterday morning to perform valve work, a spokeswoman said previously. The Nuclear Regulatory Commission reported that on the morning of August 26 the unit was operating at 20 percent. Reuters, 07:44 August 27, 2010

Information also derived from the NRC Power Reactor Status Reports:

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

Luminant to Shut, Restart 591 MW Sandow Coal-Fired Unit 4 in Texas August 26-28

Luminant expected to shut the unit on August 26-28 "to perform maintenance on the selective catalytic reduction (SCR) system," it said in a filing with state regulators. The company planned to restart the unit on August 27-28, according to a separate filing.

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=144046>

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=144053>

FPL's 693 MW Turkey Point Nuclear Unit 4 in Florida Reduced to 40 Percent by August 27

The Nuclear Regulatory Commission reported that on the morning of August 26 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/>

KCP&L Completes In-Service Testing at Planned 850 MW Iatan 2 Coal-Fired Power Plant in Missouri by August 26

Kansas City Power & Light Company (KCP&L) and KCP&L Greater Missouri Operations Company have completed in-service testing of the planned 850 MW Iatan 2 coal-fired power plant in Missouri, subject to confirmation by state regulators, the companies said on August 26.

<http://phx.corporate-ir.net/phoenix.zhtml?c=96211&p=irol-newsArticle&ID=1464054&highlight=>

<https://www.kcpl.com/apps/iatan2proc/index.cfm>

Fortis, CPC, and CBT Plan 335 MW Hydroelectric Power Facility in British Columbia, Canada

Fortis Inc., Columbia Power Corporation (CPC), and Columbia Basin Trust (CBT) plan to construct a 335 MW hydroelectric power facility near the Wantea Dam and powerhouse facilities on the Pend d'Oreille River, south of Trail, British Columbia. The project, or Waneta Expansion, is expected to enter service in the spring of 2015.

<http://www.fortis.ca/Attachments/MediaReleases/485.pdf>

LS Power Plans 170 MW Centinela Solar Power Project in California

LS Power expects to open the project in 2014, according to San Diego Gas & Electric, which intends to purchase electricity from the site.

<http://www.lspower.com/projects.htm>

http://public.sempra.com/newsreleases/viewpr.cfm?PR_ID=2521&Co_Short_Nm=SE

Petroleum

Update: Enbridge's 190,000 b/d, 30-inch, Indiana-to-Ontario Lakehead System Line 6B was Corroding in Numerous Places Prior to July 26 Rupture: NTSB

Enbridge's 190,000 b/d, 30-inch, Indiana-to-Ontario Lakehead System Line 6B was corroding in numerous places prior to its July 26 rupture, and a plastic covering was not tightly adhered to the line, the director of the National Transportation Safety Board (NTSB) said on August 26. The findings were preliminary; the NTSB expects its investigation to last for 12 to 18 months. Enbridge shut the damaged line in late July after it spilled about 19,000 barrels of oil into a creek near a Marshall, Michigan pump station. Cleanup efforts continued, as of latest reports, and one local health official warned that the work could stretch for many more months. He said he expected to see a visible oil sheen when the snow melts in the spring of 2011.

<http://www.battlecreekenquirer.com/article/20100827/OILSPILL/8270315>

http://www.mlive.com/news/kalamazoo/index.ssf/2010/08/enbridge_pipeline_that_rupture.html

<http://www.wzzm13.com/news/local/story.aspx?storyid=128873&catid=14>

<http://response.enbridgeus.com/response/main.aspx?id=13166>

Despite Failure to Remove Pipe Pieces, BP to Replace BOP at Blown-Out Well in Gulf of Mexico

BP failed to remove three pieces of pipe from the blow out preventer (BOP) at the MC252 well in the Gulf of Mexico, but it intended to remove and replace the equipment anyway, National Incident Commander Admiral Thad Allen said on August 27. Admiral Allen today authorized BP to end the fishing procedure – the process to remove the pipe – and begin removing the capping stock, followed by the BOP.

<http://www.ogj.com/index/article-display/9609925102/articles/oil-gas-journal/general-interest-2/hse/2010/08/bp-to-cut-macondo/QP129867/cmpid=EnlDailyAugust272010.html>

<http://app.restorethegulf.gov/go/doc/2931/886847/>

New Rules "Provide an Adequate Margin of Safety" to End Moratorium on Deepwater Drilling: Bipartisan Policy Center

The government's six-month moratorium on deepwater drilling allowed the Department of Interior (DOI) and industry "to develop a new regulatory regime for drilling in the Gulf of Mexico," and those new rules should "provide an adequate margin of safety" to resume deepwater drilling in the Gulf of Mexico, the Bipartisan Policy Center said on August 26 in a report to the National Commission on the BP Deepwater Horizon Oil Spill and Offshore Drilling. The Commission requested the report in late July.

<http://www.chron.com/disp/story.mpl/business/7173610.html>

<http://www.marineog.com/DOCS/NEWSMMIX/2010aug00266.html>

Valero Reports Process Upset at 100,000 b/d Three Rivers, Texas Refinery August 25-26

Valero made adjustments to a sulfur recovery unit (SRU) after an upset on August 25-26, the company said in a filing with state regulators. The incident triggered flaring. It was not clear if there was any impact to production.

<http://www11.tceq.state.tx.us/oce/eeer/index.cfm?fuseaction=main.getDetails&target=144060>

<http://online.wsj.com/article/BT-CO-20100827-706534.html>

Update: ExxonMobil to Shut Three Units in Reconfiguration at 196,000 b/d Chalmette, Louisiana Refinery

ExxonMobil expects to shut a distillate hydrocracker, a gasoline reformer, and a coking unit as part of a reconfiguration program at its 196,000 b/d Chalmette, Louisiana refinery, sources familiar with the plans said by August 27. The company, citing economic conditions, said previously that it planned to shut "redundant processing units" but maintain current capacity at the refinery. It also intended to shut "other facilities that we do not expect to be economic for the foreseeable future," a spokesman said.

<http://www.reuters.com/article/idUSWEN915320100827>

<http://www.reuters.com/article/idUSN2618802320100826>

Update: Shell Restarts Otumara and Escravos Oil Flow-Stations in Nigeria by August 27

Shell reopened its Otumara and Escravos oil flow-stations in the Niger Delta, Nigeria by August 27, about two days after local female protestors led the company to halt operations, the company said. The women were criticizing a lack of community development. Following a "successful dialogue among stakeholders," the protestors "ended their occupation" of the flow stations on August 26, a company spokesman said. The incident also forced shut a third, unidentified station; that had reopened by August 27, according to Shell.

Reuters, 12:41 August 27, 2010

Reuters, 10:59 August 25, 2010

Russia to Begin Tests This Week along 300,000 b/d Oil Pipeline to China

Russia expected to begin operational testing this week along its planned 300,000 b/d oil pipeline to China, state-owned Transneft said on August 27. The line would extend about 52 miles from Skovorodino, Russia to the Chinese border; from there, it would run another 621 miles to northeast China. Transneft plans to begin delivering oil at the start of 2011.

<http://www.automatedtrader.net/real-time-dow-jones/13788/russia-to-begin-test-operations-on-china-oil-pipeline-this-week>

Natural Gas

Sempra Opens 7.5 Bcf Natural Gas Storage Cavern in Mississippi by August 27

Sempra Pipelines & Storage, a Sempra Energy subsidiary, opened the first of two planned 7.5 Bcf natural gas storage caverns at its Mississippi Hub facility in Simpson County, Mississippi, the company said on August 27. The second cavern is under construction; Sempra expects to complete work in the second quarter of 2012.

http://public.sempra.com/newsreleases/viewpr.cfm?PR_ID=2520&Co_Short_Nm=SE

Other News

U.S. Energy Consumption Slides by Five Percent in 2009, Compared to 2008: EIA

U.S. primary energy consumption slid to 95 quadrillion BTU in 2009, five percent less than in 2008 and about seven percent less than in 2007, the U.S. Energy Information Administration (EIA) said in its Annual Energy Review 2009. Fossil fuels, EIA said, accounted for most U.S. energy consumption from 1949-2009. EIA expected that majority to continue for the next 25 years, but also said that increased renewable consumption would drive downward fossil fuels' overall share of the market.

<http://www.eia.doe.gov/emeu/aer/contents.html?featureclicked=1&>

http://www.rigzone.com/news/article.asp?a_id=98023

Energy Prices

U.S. Oil and Gas Prices			
August 27, 2010			
	Today	Week Ago	Year Ago
CRUDE OIL West Texas Intermediate U.S. \$/Barrel	74.14	73.24	70.81
NATURAL GAS Henry Hub \$/Million Btu	3.85	4.29	2.76

Source: Reuters

Energy Notes

Storm Knocks Out Power to 16,660 APS Customers in Arizona August 26 – More than 4,000 Remain Without Power Early August 27

<http://www.kswt.com/Global/story.asp?S=13053523>

<http://www.yumasun.com/news/power-63461-customers-side.html>

Transmission Line Problem Knocks Out Power to about 12,000 SWEPCO Customers in Louisiana August 27

<http://www.ksla.com/Global/story.asp?S=13055129>

Copper Thieves Cut Power to University of California, San Francisco Medical Center for Most of Day on August 25

<http://www.sfexaminer.com/local/Copper-theft-causes-blackout-at-UCSF-Medical-Center-101577753.html>

State Regulators Okay Central Vermont Public Service Corp's \$68 Million Smart Grid Proposal in Vermont by August 26

<http://finance.yahoo.com/news/Vt-utility-regulator-approves-apf-3656363932.html?x=0&.v=1>

Alcoa Plans 22 MW Expansion at Existing 118 MW Tapoco Cheoah Dam in North Carolina - Company Launches Modernization Effort that it Expects Will Increase Life of Dam by 40-50 Years

http://alcoa.com/global/en/news/news_detail.asp?pageID=20100827005439en&newsYear=2010

Explosion Severely Injures Worker at DCP Natural Gas Compressor Station in Louisiana August 25

<http://www.shreveporttimes.com/article/20100826/NEWS01/8260335/State-police-investigate-explosion-that-injured-man>

Belarus to Upgrade Energy Infrastructure, Tap Alternate Foreign Markets in Bid to Reduce Reliance on Russian Energy – Nation Aims to Slash Russian Natural Gas Imports by More than 50 Percent

Reuters, 15:08 August 25, 2010

Ace Ethanol, LLC Receives State Funds to Install New Equipment at 40 MMGal/Yr. Ethanol Plant in Stanley, Wisconsin

<http://www.wisbusiness.com/index.iml?Article=207968>

Environmentalists' Study Identifies 39 Additional Coal-Ash Dump Sites across 21 States that it Says are Contaminating Water Supplies

http://www.environmentalintegrity.org/news_reports/documents/082610EIPEJSCBCcoalashwaterpollutionnewsrelease.pdf

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>

Please direct comments and questions to: ead@oe.netl.doe.gov