



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

# ENERGY ASSURANCE DAILY

Thursday Evening, August 30, 2012

## Major Developments

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### **OE/ISER Situation Report: Hurricane Isaac**

Hurricane Isaac made its first landfall on Tuesday, August 28 at 7:45 p.m. EDT in Plaquemines Parish, LA. Isaac made a second landfall along the coast of southeast Louisiana, just west of Port Fourchon, around 3:15 a.m. EDT on Wednesday, August 29. For details on the impact of this storm on customer outages, energy infrastructure issues, and restoration efforts see: Hurricane Isaac Situation Reports issued by the U.S. Department of Energy, Office of Electricity Delivery & Energy Reliability (OE/ISER), at the following URL:

[http://www.oe.netl.doe.gov/named\\_event.aspx?ID=66](http://www.oe.netl.doe.gov/named_event.aspx?ID=66)

## Electricity

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### **Update: TVA's 1,125 MW Watts Bar Nuclear Unit 1 in Tennessee Restarts, Ramps Up to 28 Percent by August 30**

Watts Bar nuclear Unit 1 is returning from an outage that began August 28, when the reactor automatically tripped due to low level in steam generator (SG) No. 2. The low level resulted when the Main Feedwater Control Valve for SG-2 failed.

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2012/>

### **NRG Shuts Its 893 MW Limestone Coal-Fired Unit 1 in Texas August 29 to Make Boiler Repairs**

NRG Energy Inc. reported it shut its Limestone Unit 1 on Wednesday to make boiler repairs, according to a filing with the Texas Commission on Environmental Quality. The repairs were planned to continue until August 31, the filing said.

<http://www11.tceq.state.tx.us/oe/eer/index.cfm?fuseaction=main.getDetails&target=172867>

### **FPL's 510 MW Point Beach Nuclear Unit 1 in Wisconsin Reduced to 66 Percent by August 30**

On the morning of August 29 the unit was operating at full power.

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2012/>

### **North Dakota Regulator Approves Allete's 100 MW Wind Farm Project in Western North Dakota**

The North Dakota Public Service Commission on Wednesday approved a construction permit for Allete Clean Energy's proposed project to build a 100 MW wind farm in Mercer and Morton counties, in western North Dakota. Allete has not yet decided how many wind towers it will build, or on the size of the turbines it will use to generate the power.

<http://www.businessweek.com/ap/2012-08-30/nd-regulators-approve-wind-farm-natural-gas-plant>

### **Update: Constellation Completes Construction of 16.1 MW Solar Power System in Emmitsburg, Maryland**

Maryland's Department of General Services and the University System of Maryland will purchase electricity generated by the system under 20-year power purchase agreements with Constellation.

<http://finance.yahoo.com/news/constellation-governor-o-malley-dedicate-140000933.html>

### **ExxonMobil Reports Emissions Due to Unspecified Line Leak at Its 344,500 b/d Beaumont, Texas Refinery August 29**

ExxonMobil Corp. reported a release of various chemicals from a flare at its Beaumont refinery Wednesday afternoon was due to a line leak in an unspecified unit, according to a filing with the U.S. National Response Center. Operators made repairs and secured the leak, the filing said.

[http://www.nrc.uscg.mil/reports/rwservlet?standard\\_web+inc\\_seq=1022559](http://www.nrc.uscg.mil/reports/rwservlet?standard_web+inc_seq=1022559)

### **Phillips 66 Reports Small Coker Unit Fire at Its 120,000 b/d Rodeo, California Refinery August 29**

Phillips 66 has reported several recent snags at the Rodeo refinery, including an unspecified equipment failure that shut a hydrocracking unit on August 24 and an unplanned process-unit shutdown on August 25. Both incidents led to flaring.

Reuters, 12:09 August 30, 2012

### **Update: Savage Opens Bakken Petroleum Services Hub in North Dakota to Provide Petroleum Transport Services in the Williston Basin and Bakken Shale**

Savage on Tuesday announced the completion of its Savage Bakken Petroleum Services Hub located near Trenton, North Dakota. The terminal has a direct connection to BNSF Railway's main line track, and it is located to gather crude oil from the Williston Basin and Bakken Shale and facilitate the transport of crude to key East Coast, West Coast, and Gulf Coast refinery markets. The terminal provides the oil industry with inbound gathering access through truck receiving stations, pipeline connections, and crude oil tankage. Outbound delivery of crude oil is served by a double loop track capable of holding two 118-car unit trains. The terminal has been transloading crude from truck to rail on a manifest basis since December, 2011. Now that construction is complete, this terminal has the capacity to handle unit trains and will operate 24 hours per day. Savage is planning future expansion of trackage and capacity.

<http://www.savageservices.com/pressroom/savage-BNSF-to-provide-petroleum-transport-services-in-williston-basin.html>

### **Judge Upholds Permit for US Oil Sands Inc.'s Proposed PR Springs Oil Sands Mine in Eastern Utah**

An administrative law judge this week ruled that Utah water quality regulators were correct in determining that the operation of a large-scale oil sands mine on property straddling Uintah and Grand counties in Utah would have only minimal impact on groundwater because so little exists in the area. Environmental groups had appealed the state Division of Water Quality's finding that US Oil Sands Inc. does not need to obtain a groundwater discharge permit to build its proposed PR Springs Mine because the company presented evidence demonstrating little water exists in the area. Judge Sandra Allen's recommendation will now be forwarded to members of the Utah Water Quality Board to act on in September. Pending regulatory approval, US Oil Sands could begin operations at the mine in late 2013, according to the company's CEO.

<http://www.deseretnews.com/article/865561437/Proposed-oil-sands-mine-in-Utah-survives-judicial-scrutiny.html>

<http://www.newswire.ca/en/story/1027749/us-oil-sands-inc-announces-state-finding-supports-pr-spring-permit>

### **Statoil Leasing More Than 1,000 Railroad Cars to Ship at Least 45,000 b/d of North Dakota Crude Oil to Refiners across North America**

[http://www.downstreamtoday.com/news/article.aspx?a\\_id=37087](http://www.downstreamtoday.com/news/article.aspx?a_id=37087)

## **Natural Gas**

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### **Trunkline Gas Co. Files with FERC to Shut 770 Miles of Natural Gas Pipelines across Several States Due to Poor Economics; Consumers Energy, Michigan Officials Object**

Trunkline Gas Company in July filed a request with the U.S. Federal Energy Regulatory Commission (FERC) to shut down 770 miles of natural gas transmission pipelines across several states and either abandon them or eventually convert them to transport crude oil. Reports indicate Trunkline made the decision for economic reasons, because natural gas is now plentiful and inexpensive. Numerous parties in Michigan have filed objections to Trunkline's plan, however, because the system supplies much of the state's natural gas. A Consumers Energy spokesman said the company depends on Trunkline for 60 percent of the gas it supplies to 1.7 million customers in Michigan. Consumers Energy has filed an objection, claiming it could result in serious reliability and service issues. Governor Rick Snyder, the Michigan Public Service Commission, and a coalition of large businesses called ABATE have also filed objections to the proposed pipeline shutdowns.

<http://www.michiganradio.org/post/gas-pipeline-company-proposes-switch-crude-oil-transport>

### **North Dakota Regulator Approves Construction of Oneok's Proposed 100 MMcf/d Garden Creek II Natural Gas Processing Plant in Western North Dakota**

The North Dakota Public Service Commission on Wednesday approved a siting application from Oneok Inc. that clears the company to begin construction on its proposed 100 MMcf/d Garden Creek II natural gas processing plant in McKenzie County. Oneok hopes to finish the project by the fall of 2014, according to a spokeswoman.

<http://www.businessweek.com/ap/2012-08-30/nd-regulators-approve-wind-farm-natural-gas-plant>

### **Tennessee Gas Pipeline Declares Force Majeure August 29 Due to Unspecified Compressor Station Problem in New York**

Tennessee Gas Pipeline Co. declared force majeure late on Wednesday due to a problem at a compressor station in New York, the company said in an online filing. An "emergent repair" situation at Station 249 1A in Carlisle is impacting approximately 100 MMcf of scheduled volumes, the filing said. An earlier filing said the company expected 200 MMcf of scheduled volumes to be offline, and that the company was in the process of "developing a repair plan." A company spokesman had no further details of what happened.

Reuters, 09:50 August 30, 2012

<http://tebb.elpaso.com/EbbMasterPage/default.aspx?code=TGP>

## **Other News**

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Nothing to report

## **International News**

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### **DOD Announces Charges against Guantanamo Detainee Alleging Involvement in 2002 Attack against French Oil Tanker in Gulf of Aden; Conspiracy to Bomb Other Oil Tankers**

The U.S. Department of Defense (DOD) yesterday announced that the Office of the Chief Prosecutor for Military Commissions has sworn charges against Guantanamo detainee Ahmed Mohammed Ahmed Haza al Darbi, a Saudi Arabian national. The charges allege that al Darbi joined a terrorist conspiracy with al Qaeda and, from approximately 2000 through 2002, committed multiple overt acts in support of a plot to bomb civilian oil tankers in the Strait of Hormuz and off the coast of Yemen. In addition to the conspiracy charge, al Darbi is alleged to have aided and abetted the completed terrorist attack against the French oil tanker, the *MV Limburg*, which injured multiple civilians and caused a large oil spill in the Gulf of Aden in 2002.

<http://www.defense.gov/releases/release.aspx?releaseid=15544>

## Energy Prices

U.S. Oil and Gas Prices August 30, 2012			
	Today	Week Ago	Year Ago
<b>CRUDE OIL</b> <b>West Texas Intermediate U.S.</b> \$/Barrel	94.35	97.36	87.27
<b>NATURAL GAS</b> <b>Henry Hub</b> \$/Million Btu	2.64	2.80	3.93

Source: Reuters

## 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](http://www.eia.gov/oil_gas/petroleum/data_publications/weekly_petroleum_status_report/wpsr.html)

Updated after 10:30 AM and 1:00 PM Eastern Time every Wednesday.

***Natural Gas Weekly Update*** from EIA

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

Updated after 2:00 PM Eastern Time every Thursday.

### ENERGY ASSURANCE DAILY

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

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