



ENERGY ASSURANCE DAILY

Tuesday Evening, September 06, 2011

Major Developments

Update: U.S. Gulf of Mexico Oil and Gas Production Restarts as Tropical Storm Lee Moves On; Some Utilities Still Have Customers without Power September 6

As of September 6, ExxonMobil, Royal Dutch Shell, ConocoPhillips, and other offshore oil and gas producers in the U.S. Gulf of Mexico were restarting operations after Tropical Storm Lee came ashore September 3. The U.S. Bureau of Ocean Energy Management, Regulation and Enforcement (BOEMRE) reported that 846,670 b/d of oil production and 2.2 Bcf/d of natural gas production were shut-in. The storm caused mass power outages, as well. At its peak, approximately 200,000 Alabama Power customers had lost power; as of September 6, the power company reported that the number of outages had been reduced to 187,000. Georgia Power reported 7,000 customers were without power September 6. In Louisiana, Entergy reported Tuesday morning that outages were down to 250 from a peak of 38,000. Most customers in Florida had restored power by Tuesday morning. Flash flood watches, flood watches, and flood advisories were in place from the U.S. Gulf Coast northward into New England on Tuesday, according to the National Weather Service.

<http://www.boemre.gov/ooc/press/2011/press0906.htm>

<http://www.bloomberg.com/news/2011-09-04/exxon-mobil-shell-return-workers-to-gulf-as-tropical-storm-lee-moves-away.html>

<http://www.reuters.com/article/2011/09/06/storm-usa-gulf-idUSN1E7850RG20110906?feedType=RSS>

<http://www.alabamapower.com/storm/home.asp>

<http://www.georgiapower.com/storm/home.asp>

<http://viewoutage.entergy.com/la.aspx>

<http://abcnews.go.com/US/Weather/tropical-storm-lee-heads-north-bringing-floods-outages/story?id=14450886>

<http://www.nhregister.com/articles/2011/09/06/news/doc4e66176821e5a363989891.txt>

<http://www.boemre.gov/ooc/press/2011/press0906.htm>

Electricity

Update: Power Restored for Most Customers after Hurricane Irene September 6

Many utilities are fully restoring power to their customers after outages due to Hurricane Irene, which at its peak knocked out power to approximately 8.38 million customers. As of 8:00 AM EDT September 4, the impacted states reported a total of 102,401 customers without power. Long Island Power Authority reported that 99 percent of its customers had power restored; Connecticut Light & Power reported that nearly all of its customers had their power back; and all customers of New Jersey utilities had power restored. Dominion Virginia Power said it had restored power to more than 1.2 million customers by Sunday, with less than 3,000 outages remaining. For a list of all utilities' peak outages, see Friday's Energy Assurance Daily. For details on the impact of Hurricane Irene on customer outages, energy infrastructure issues, and restoration efforts see the Hurricane Irene Situation Report #16, September 4, 2011 (10:00 AM EDT), issued by the U.S. Department of Energy, Office of Electricity Delivery & Energy Reliability, at the following URL: http://www.oe.netl.doe.gov/docs/SitRep16_Irene.pdf.

<http://www.whcc.com/news/stories/S2269127.shtml?cat=566>

Connecticut Light & Power: <http://twitter.com/#!/CTLightandPower/status/108529164688179200>, <http://www.clp.com/outage/mobile.aspx>

Jersey Central Power & Light: <http://www.prnewswire.com/news-releases/additional-crews-join-jersey-central-power--light-in-storm-restoration-efforts-128909513.html>, <http://www.prnewswire.com/news-releases/firstenergy-hurricane-irene-outage-update-129028783.html>,

https://www.firstenergycorp.com/outages/outages.do?state_code=NJ

LIPA: <http://www.lipower.org/stormcenter/outagemap.html>, <http://www.lipower.org/newscenter/pr/2011/082811-irene.html>, <http://www.lipower.org/>

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

Storms Knock Out Power to 120,000 DTE Energy Customers in the Detroit Area, Michigan September 3

According to latest reports, 12,000 customers remain without power September 6, including several schools. Full restoration is expected on September 7.

<http://www.detnews.com/article/20110906/SCHOOLS/109060371/1361/Schools-among-12-000-still-without-power-from-Saturday-storms>

Progress Energy's 811 MW Brunswick Nuclear Unit 2 in North Carolina Ramped Up to 90 Percent by September 6

The Nuclear Regulatory Commission reported that on the morning of September 5 the unit was operating at 62 percent.

Information derived from the NRC Power Reactor Status Reports:

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

Exelon's 1,134 MW Limerick Nuclear Unit 1 in Pennsylvania at Full Power by September 5

The Nuclear Regulatory Commission reported that on the morning of September 4 the unit was operating at 90 percent.

Information derived from the NRC Power Reactor Status Reports:

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

Exelon's 802 MW Three Mile Island Nuclear Unit 1 in Pennsylvania Ramped Up to 90 Percent by September 5

The Nuclear Regulatory Commission reported that on the morning of September 4 the unit was operating at 50 percent.

Information derived from the NRC Power Reactor Status Reports:

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

Update: Units 2 and 3 at Full Power at Exelon's 850 MW Dresden Nuclear Plant in Illinois September 4-5

The Nuclear Regulatory Commission reported that on the morning of September 3 Unit 2 was operating at 85 percent. On the morning of September 4 Unit 3 was operating at 74 percent.

Information derived from the NRC Power Reactor Status Reports:

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

Exelon's 1,111 MW La Salle Nuclear Unit 1 in Illinois at Full Power by September 5

The Nuclear Regulatory Commission reported that on the morning of September 4 the unit was operating at 75 percent.

Information derived from the NRC Power Reactor Status Reports:

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

Exelon's 1,161 MW Braidwood Nuclear Unit 1 in Illinois at Full Power by September 4

The Nuclear Regulatory Commission reported that on the morning of September 3 the unit was operating at 72 percent.

Information derived from the NRC Power Reactor Status Reports:

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

Dominion's 871 MW Millstone Nuclear Unit 2 in Connecticut Shut by September 4

The Nuclear Regulatory Commission reported that on the morning of September 3 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/2011/>

Petroleum

Sunoco Announces Plans to Exit Refining Business and Sell its 335,000 b/d Philadelphia Refinery and 194,000 b/d Marcus Hook Refinery in Pennsylvania September 6

Sources report that Sunoco has decided to “pursue all options” to sell its two refineries after attempts to improve efficiency have failed to improve the assets’ financial performance. If the company cannot execute a suitable transaction to sell its assets, it will idle the main processing units in Philadelphia and Marcus Hook in July 2012.

http://www.downstreamtoday.com/news/article.aspx?a_id=27784

<http://www.eia.gov/petroleum/refinerycapacity/archive/2011/table3.pdf>

ExxonMobil’s 238,000 b/d Joliet, Illinois Refinery Hit by Power Dip September 5

According to a notice filed with the Illinois Emergency Management Agency, ExxonMobil began implementing steps to restore normal operations.

Reuters, 12:00 September 6, 2011

Panama's National Energy Secretariat Detects 900 Million Barrels of Oil September 5

The Venezuelan firm OTS detected the oil reserves in Panama’s Garachine-Sambu and Bayano-Chucunaque-Atrato basins in Darien province, which borders Colombia.

http://www.rigzone.com/news/article.asp?a_id=110738

Update: Chevron Agrees to Pay Salt Lake City \$4.5 million for Utah Oil Spills September 6

Chevron has agreed to the settlement, which comes as a result of pipeline failures causing two oil spills in Utah in 2010. A pipeline failure in June 2010 spilled 33,000 gallons into a local stream and lake, killing local wildlife. The following December, a frozen valve caused about 500 barrels to spill. The 10-inch, Colorado-to-Utah crude oil pipeline delivers oil to Chevron’s 45,000 b/d Salt Lake City, Utah refinery.

<http://www.standard.net/stories/2011/09/06/chevron-pay-45-million-utah-oil-spills>

Natural Gas

Enterprise, Enbridge, and Anadarko Announce Plans to Construct 580-Mile TEP NGL Pipeline in Texas September 6

Enterprise Products Partners L.P., Enbridge Energy Partners, L.P., and Anadarko Petroleum Corporation announced today a joint agreement to design and construct a new natural gas liquids (NGL) pipeline originating in Skellytown, Texas, and extending approximately 580 miles to Mont Belvieu, Texas. The new Texas Express Pipeline (TEP) will have an initial capacity of approximately 280,000–400,000 b/d. The project will also implement two new NGL gathering systems, connecting the TEP to natural gas processing plants in Texas and Oklahoma and connecting the new pipeline to Texas shale processing plants. The pipeline and gathering systems are expected to begin service in the second quarter of 2013, subject to regulatory approvals.

http://www.downstreamtoday.com/news/article.aspx?a_id=27789

<http://phx.corporate-ir.net/phoenix.zhtml?c=80547&p=irol-newsArticle&id=1603657>

Other News

Nothing to report

Energy Prices

| U.S. Oil and Gas Prices | | | |
|--|-------|----------|----------|
| September 6, 2011 | | | |
| | Today | Week Ago | Year Ago |
| CRUDE OIL West Texas Intermediate U.S. \$/Barrel | 88.93 | 87.27 | 73.45 |
| NATURAL GAS Henry Hub \$/Million Btu | 4.12 | 3.93 | 3.74 |

Source: Reuters

Energy Notes

Update: CNOOC Says Shutting Down Penglai 19-3 Oil Field in Bohai Bay, China Will Result in 40,000 b/d Loss

<http://www.marketwatch.com/story/cnooc-details-penglai-oil-field-shutdown-loss-2011-09-04>

BP, Partners Will Develop 45 Billion-boe Kinnoull Reservoir in U.K. North Sea September 6

<http://www.epmag.com/Production/ProductionNews/2011/September/item87871.php>

ExxonMobil Reports Unplanned Flaring at its 149,500 b/d Torrance, California Refinery September 6

<http://sanfrancisco.ibtimes.com/articles/209211/20110906/exxon-reports-unplanned-flaring-at-torrance-refinery.htm>

Sinclair Oil Lowers Processing Rates during Fire Assessment at its 85,000 b/d Rawlings Refinery in Wyoming September 6

<http://www.bloomberg.com/news/2011-09-06/sinclair-wyoming-refinery-at-lower-rates-during-fire-assessment.html>

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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