



# ENERGY ASSURANCE DAILY

Thursday Evening, September 22, 2011

## *Electricity*

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### **Update: Texas, Kansas Challenge EPA on Cross-State Air Pollution Rule Due to Electric Reliability Concerns**

The Texas Attorney General's office has formally challenged the U.S. Environmental Protection Agency (EPA) over its inclusion of Texas coal-fired power plants in the Cross-State Air Pollution Rule (CSAPR), which the agency issued in July. The CSAPR calls for stricter limits on emission of nitrogen oxide and sulfur dioxide from coal and natural gas-fired power plants beginning in January 2012. Texas officials claim that power providers have not had adequate time to adjust to the stricter limits and reduced power production from coal-fired plants may increase the likelihood of blackouts in Texas, which operates as a stand-alone grid and has little ability to import power from other states. The Kansas Attorney General's office filed a similar lawsuit earlier this week to block the new regulation, citing costs and an unrealistic implementation deadline.

Reuters, 16:18 September 21, 2011

<http://af.reuters.com/article/energyOilNews/idAFS1E78K24V20110921>

### **ComEd Hosts Utilities' Best Practices Conference on Storm Response in Illinois September 22-23**

Commonwealth Edison Company (ComEd) is hosting a best practices roundtable discussion among leading utilities, including PECO, Baltimore Gas and Electric, Duke Energy, NSTAR Progress Energy, Alabama Power, and We Energies. The conference is meant to help enhance operational performance and customer service during storm response. High-level discussion topics will include:

- Crew mobilization and dispatching
- Staffing and resource utilization
- Damage assessment
- Communications (including estimated times of restoration)
- Prioritization philosophy.

Reuters, 09:26 September 22, 2011

<http://pdf.reuters.com/pdfnews/pdfnews.asp?i=43059c3bf0e37541&u=urn:newsml:reuters.com:20110922:nPnAQ73406>

### **First Solar to Miss Federal Loan Deadline for 550 MW Topaz Solar Plant in California**

First Solar Inc. has announced it will not meet the deadline to receive a federal loan guarantee from the U.S. Department of Energy to build the solar plant, citing the company's inability to process all the loan program requirements by the September 30 deadline. The company has said it is currently in advanced talks to sell the project.

Reuters, 10:18 September 22, 2011

### **Exelon's 619 MW Oyster Creek Nuclear Unit in New Jersey Reduced to 80 Percent by September 22**

The Nuclear Regulatory Commission reported that on the morning of September 21 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/>

### **Update: Entergy's 730 MW Palisades Nuclear Unit in Michigan at Full Power by September 22**

The Nuclear Regulatory Commission reported that on the morning of September 21 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/>

### **Update: Enbridge and RES Americas Complete 250 MW Cedar Point Wind Project in Limon, Colorado September 21**

Enbridge and Renewable Energy Systems Americas (RES Americas) announced yesterday the official opening of the 250 MW Cedar Point Wind Project in Limon, Colorado. Power generated by the project will be purchased under a long-term contract with the Public Service Company of Colorado, a subsidiary of Xcel Energy.

<http://www.enbridge.com/MediaCentre/News.aspx?yearTab=en2011&id=1502839>

### **Update: BlueChip Energy Plans to Triple Generating Capacity of Sorrento, Florida Solar Farm from 40 MW to 120 MW**

BlueChip Energy LLC has added 300 acres to its proposed solar farm and plans to triple its generating capacity from 40 MW to 120 MW. The company is seeking investors to finance the expansion.

<http://www.bizjournals.com/orlando/news/2011/09/22/bluechip-plans-expansion-of-lake.html?ana=yfcpc>

### **Dynegy's 325 MW Morrow Bay Gas-Fired Unit 3 in California Shut September 21**

Reuters, 20:19 September 21, 2011

### **Apex Power's 400 MW Gas-Fired Panoche Energy Center in California Shut September 21**

Reuters, 20:19 September 21, 2011

## ***Petroleum***

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### **Update: Valero Resumes Normal Production at its 170,000 b/d McKee, Texas Refinery September 22**

Valero Energy Corp. said Thursday that it has resumed production at planned rates at its 170,000 b/d refinery in McKee, Texas. On September 18, one of two crude distillation units at the refinery was taken out of service for a brief repair to the piping circuit. Other units, such as a hydrocracker, hydrotreater, and reformer, were also shut during the repair.

Reuters, 11:59, September 22, 2011

### **Update: Alon Says Compressor Trip at its 67,000 b/d Big Spring, Texas Refinery September 20 Did Not Impact Production**

Alon USA Energy reports that a wet gas compressor trip on Tuesday night led to emissions but did not impact production.

Reuters, 15:55 September 21, 2011

### **Electrical Problem Leads to Flaring at Delek's 60,000 b/d Tyler, Texas Refinery September 21**

The electrical issue contributed to visible emissions from one of the flares at the refinery. Delek reports it does not anticipate any impact to production.

Reuters, 17:48 September 21, 2011

### **Update: Libyan Oil Production to Reach 500,000 b/d by Early October**

According to a senior source at the Libyan National Oil Corporation September 22, oil production in the country should resume very shortly but not nearly at the rate of its pre-war production levels. Oil production is estimated to reach 500,000 b/d by early October, which is a third of the country's pre-war output of approximately 1.6 million b/d. The Al-Jurf offshore field has restarted and is in the process of ramping up, and the 120,000 b/d Zawiyah refinery is due to start operations next week.

Reuters, 11:41 September 22, 2011

Reuters, 12:13 September 22, 2011

## OPEC Plans to Add 21 Million b/d of Gross New Oil Production Capacity over Five Years

<http://www.platts.com/RSSFeedDetailedNews/RSSFeed/Oil/8360783>

### Natural Gas

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#### Subsea Pipeline Rupture Offshore Alabama Forces ExxonMobil to Shut-In 280 MMcf/d of Gulf Natural Gas Production

ExxonMobil said Wednesday that reports of a sheen in the water about one mile south of Dauphin Island at the mouth of Mobile Bay led the company to shut-in all production and depressurize the pipelines. The company is investigating the cause of the rupture and the material leaked from the pipeline. No estimates were immediately available on how long the repairs and cleanup would take.

<http://www.foxbusiness.com/industries/2011/09/21/exxon-280-million-cubic-feetday-gulf-gas-production-shut-in-after-pipeline/>

<http://www.upstreamonline.com/live/article279298.ece>

#### Enterprise Natural Gas Pipeline Leaks near Two Chemical Plants in Pasadena, Texas September 21

The leak was detected early Wednesday morning in North Preston, Texas. By late morning, emergency officials had left the scene. Pasadena officials reported later that the leak had been secured, although repairs were still ongoing. News sources report that the leak occurred in an area used to clean and do maintenance on the pipeline, not directly on the line itself.

<http://abclocal.go.com/ktrk/story?section=news/local&id=8362438>

### Other News

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#### Abengoa Bioenergy Begins Construction of 23 MMGal/Yr. Cellulosic Ethanol Biorefinery in Hugoton, Kansas

Abengoa announced Tuesday that its subsidiary, Abengoa Bioenergy, received a necessary air quality permit from the state on September 16, allowing the company to commence construction on its commercial scale biorefinery facility in Hugoton, Kansas. Construction is expected to take approximately 24 months. After completion, the plant will produce over 23 million gallons per year (MMgal/yr) of cellulosic ethanol fuel.

[http://www.abengoabioenergy.com/corp/web/en/acerca\\_de/sala\\_de\\_prensa/historico/2011/bio\\_20110920.html](http://www.abengoabioenergy.com/corp/web/en/acerca_de/sala_de_prensa/historico/2011/bio_20110920.html)

### Energy Prices

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U.S. Oil and Gas Prices January 17, 2012			
	Today	Week Ago	Year Ago
<b>CRUDE OIL</b> <b>West Texas Intermediate U.S.</b> \$/Barrel	80.47	88.91	73.36
<b>NATURAL GAS</b> <b>Henry Hub</b> \$/Million Btu	3.78	4.01	4.02

Source: Reuters

## Energy Notes

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### **U.S. Ecogen's Proposed Biomass Power Plant to be Built in Fort Meade, Florida; Will Supply 60 MW of Electric Power to Progress Energy by Early 2014**

<http://www.theledger.com/article/20110921/NEWS/110929864/1410?Title=-200-Mil-Biomass-Plant-to-Be-Built-in-Fort-Meade->

### **Indianapolis Airport Authority Selects ET Energy Solutions to Install 10 MW Solar Energy Farm for Operation by Mid-2012**

<http://johnsonmellohsolutions.com/johnson-melloh-renewable-energy-solutions/indianapolis-international-airport-solar-farm/>

### **Xcel Energy, SunEdison Announce Activation of 3 Power Plants as Part of the Multi-Site, 53.5 MW Solar Project in Lea and Eddy Counties, New Mexico**

[http://www.xcelenergy.com/About\\_Us/Energy\\_News/News\\_Releases/Xcel\\_Energy\\_and\\_SunEdison\\_Announce\\_Activations\\_as\\_part\\_of\\_the\\_53.5\\_MW\\_DC\\_Solar\\_Project\\_in\\_Lea\\_and\\_Eddy\\_Counties\\_in\\_New\\_Mexico](http://www.xcelenergy.com/About_Us/Energy_News/News_Releases/Xcel_Energy_and_SunEdison_Announce_Activations_as_part_of_the_53.5_MW_DC_Solar_Project_in_Lea_and_Eddy_Counties_in_New_Mexico)

### **Solar Green Plans to Build 20 MW Solar Plant in North Carolina by Year-End**

<http://www.dailyadvance.com/community/perquimans/solar-project-eyed-region-690473>

### **Rosemount Clean Energy Opens Biofuel Terminal with a 500,000 Barrel Storage Capacity in Saint Paul, Minnesota**

<http://www.rcleanenergies.com/files/yocum/files/082311-new-minnesota-clean-energy-company-rosemount-clean-energies-refuels-midwest-bio-market.pdf>

## Links

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### ***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 & 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

*Energy Assurance Daily* provides a summary of public information concerning current energy issues. Published Monday through Friday to inform stakeholders of developments affecting energy systems, flows, and markets, it provides highlights of energy issues rather than a comprehensive coverage. *Energy Assurance Daily* is updated online Monday through Friday after 5:00 p.m. EDT. For more information, visit the Infrastructure Security and Energy Restoration (ISER) website at:

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

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