



ENERGY ASSURANCE DAILY

Monday Evening, September 26, 2011

Electricity

Entergy's 730 MW Palisades Nuclear Unit in Michigan Shut by September 26

The Nuclear Regulatory Commission reported that on the morning of September 25 the unit was operating at 98 percent. A news source reported that the plant shut down automatically Sunday afternoon because of an electrical breaker fault. Entergy said it is evaluating the problem and working toward a repair and restoration schedule.

<http://www.vcstar.com/news/2011/sep/25/another-shutdown-at-palisades-nuclear-power/>

Information also derived from the NRC Power Reactor Status Reports:

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

Entergy Repairs Cooling Water Pumps at 685 MW Pilgrim Nuclear Plant in Massachusetts September 23

On September 22, engineers at the plant discovered possible problems with electrical shutdown relays on five cooling water pumps. The circuits were repaired, and the cooling water pumps were declared operable on September 23. The Nuclear Regulatory Commission was informed and issued a notice that it would require the plant to shut down if Entergy did not resolve the issue within 24 hours.

http://www.boston.com/news/local/massachusetts/articles/2011/09/23/possible_pump_problem_at_pilgrim_resolved

Entergy's 510 MW Vermont Yankee Nuclear Unit in Vermont Reduced to 36 Percent by September 26

The Nuclear Regulatory Commission reported that on the morning of September 25 the unit was operating at 95 percent.

Information derived from the NRC Power Reactor Status Reports:

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

PSE&G's 1,096 MW Salem Nuclear Unit 1 in New Jersey Ramped Up to 87 Percent by September 24

The Nuclear Regulatory Commission reported that on the morning of September 23 the unit was operating at 77 percent.

Information derived from the NRC Power Reactor Status Reports:

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

Progress Energy's 811 MW Brunswick Nuclear Unit 2 in North Carolina Ramped Up to 95 Percent by September 26

The Nuclear Regulatory Commission reported that on the morning of September 23 the unit was operating at full power. The unit was reduced to 70 percent by September 24. On the morning of September 25 the unit was operating at 80 percent.

Information derived from the NRC Power Reactor Status Reports:

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

Entergy's 966 MW River Bend Nuclear Unit 1 in Louisiana Ramped Up to 97 Percent by September 25

The Nuclear Regulatory Commission reported that on the morning of September 23 the unit was operating at full power. The unit was reduced to 60 percent by the morning of September 24.

Information derived from the NRC Power Reactor Status Reports:

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

Calpine's 751 MW Pastoria Energy Facility Gas-Fired Unit in California Reduced by September 25

According to the California Independent System Operator, the unit reported an unplanned curtailment of 281 MW on September 25.

<http://content.caiso.com/unitstatus/data/unitstatus201109251515.html>

Calpine's 593 MW Metcalf Energy Center Gas-Fired Unit in California Reduced by September 24

According to the California Independent System Operator, the unit reported an unplanned curtailment of 328 MW on September 24.

<http://content.caiso.com/unitstatus/data/unitstatus201109241515.html>

PG&E's 407 MW Helms Hydro Unit 2 in California Returns to Service by September 23

According to the California Independent System Operator, the unit reported a return from an unplanned outage.

<http://content.caiso.com/unitstatus/data/unitstatus201109231515.html>

Calpine's 135 MW Gilroy Cogeneration Gas-Fired Unit in California Returns to Service by September 24

According to the California Independent System Operator, the unit reported an unplanned outage on September 23. On September 24, the unit reported a return from an unplanned outage.

<http://content.caiso.com/unitstatus/data/unitstatus201109231515.html>

<http://content.caiso.com/unitstatus/data/unitstatus201109241515.html>

<http://www.baaqmd.gov/Divisions/Engineering/Title-V-Permit-Programs/Title-V-Permits/Santa-Clara/B1180/Calpine-Gilroy-Cogen-and-Gilroy-Energy-Center.aspx>

NY Governor Wants Entergy's 2,065 MW Indian Point Nuclear Power Plant to Shut in 2013-2015; NRG Considers Revamping Old Gas-Fired Power Plants to Replace Loss

New York Governor Andrew Cuomo wants to shut the Indian Point facility in Westchester County when the operating licenses for the plant's two reactors expire in 2013 and 2015. Owner and operator Entergy wants new federal licenses to keep the plant running another 20 years. New York's power grid operator has said that the shutdown of Indian Point, which provides about 25 percent of the power in New York City and Westchester, could lead to electric reliability problems. NRG Energy is poised to supply power if Indian Point does close. The company has 31 oil and gas-fired turbines, built in 1970-71, at its 600 MW peaking plant in Astoria, Queens. The company wants to replace the old turbines with four 260 MW natural gas and oil-fired units for operation within 30 months. Reuters, 15:54 September 23, 2011

Progress Energy to Retire 172 MW W.H. Weatherspoon Coal-Fired Power Plant in North Carolina by September 30

In December 2009, Progress Energy Carolinas announced plans to retire the W.H. Weatherspoon coal-fired plant between 2013 and 2017. In April 2011, the company announced its decision to advance the plant's retirement date to September 2011, after this summer's period of high electricity demand. This decision was made after evaluating the cost of operations and the investment necessary to comply with state and federal environmental recommendations. The plant, which has three coal-fired units with a combined capacity of 172 MW, is expected to close by September 30.

http://www.menafn.com/qn_news_story.asp?storyid=%7Bc7fc1ffe-ded7-4b32-9f7e-27c22729027d%7D

BPA Announces Plans to Build New 500 kV "Big Eddy-Knight" Transmission Line between The Dalles, Oregon and Goldendale, Washington

The Bonneville Power Administration (BPA) announced Friday that it plans to build a new high-voltage power line between Washington and Oregon to move energy from east of the Cascade Range to Pacific Northwest population centers. The 500-kilovolt "Big Eddy-Knight" transmission line will run 28 miles from BPA's Big Eddy Substation near The Dalles, Oregon to a new substation four miles northwest of Goldendale, Washington. Construction was tentatively scheduled to start the week of September 19, after contract terms and other permits and approvals are granted. In addition to strengthening the transmission system, the Big Eddy-Knight line will help BPA provide transmission service for more than 3,500 MW of wind energy.

<http://www.bpa.gov/corporate/BPAnews/nreleases.cfm>

DOE Finalizes Partial Loan Guarantee for Ormat's 113 MW Geothermal Project in Nevada

U.S. Energy Secretary Steven Chu announced Friday that the Department of Energy (DOE) has finalized a partial loan guarantee to support a geothermal power generation project in Nevada. The project is sponsored by Ormat Nevada, Inc., and is expected to produce up to 113 MW of power from three geothermal power facilities. The facilities are Jersey Valley in Pershing County, McGinness Hills in Lander County, and Tuscarora in Elko County. The project's total output will be sold to Nevada Power Company under three separate long-term power purchase agreements.

<http://energy.gov/articles/energy-department-finalizes-loan-guarantee-ormat-geothermal-project-nevada>

DOE Finalizes Partial Loan Guarantee for Granite Reliable Power's 99 MW Wind Generation Project in New Hampshire

U.S. Energy Secretary Steven Chu announced Friday that the Department of Energy (DOE) has finalized a partial loan guarantee to Granite Reliable Power, LLC, to support a 99 MW wind generation project in Coos County, New Hampshire. The majority of the power from the project will be sold to Central Vermont Public Service and Green Mountain Power.

<http://energy.gov/articles/department-energy-finalizes-loan-guarantee-nearly-170-million-granite-reliable-power>

Petroleum

Update: ExxonMobil to Restart 40,000 b/d Silvertip Pipeline in Montana by October 1

The director of Montana's Department of Environmental Quality announced Friday that ExxonMobil's 40,000 b/d Silvertip pipeline is likely to restart by October 1. The Pipeline and Hazardous Materials Safety Administration (PHMSA) approved the restart plan on Friday. The pipeline, which runs from Silver Tip, Montana, to ExxonMobil's 60,000 b/d Billings, Montana refinery is the refinery's main source of crude. The company has had to find alternative supply sources for the refinery as it made repairs to the pipeline. Flooding scoured the Yellowstone River bed in July and exposed the pipe, which broke on July 1 and spilled an estimated 42,000 gallons of oil (1,000 barrels) into the river.

http://www.deseretnews.com/article/700181774/Exxon-Mobil-to-restart-Mont-pipeline.html?s_cid=rss-5

http://www.downstreamtoday.com/news/article.aspx?a_id=27971

Enbridge Shuts 25,000 b/d Crude Oil Line 26 after Leak in North Dakota

An Enbridge Inc. spokeswoman told news sources Monday that a broken valve on the line transporting crude from Berthold, North Dakota to Steelman, Saskatchewan resulted in a leak of approximately 20 barrels of oil. Enbridge closed the Berthold pumping station and pipeline after the leak was discovered; it has not estimated when the line will restart. The company reports it does not expect the closure to affect scheduled deliveries.

<https://research.tdwaterhouse.ca/research/public/Markets/NewsArticle/1314-S1E78P187-1>

Update: All Production Units at Planned Rates at Valero's 225,000 b/d Texas City, Texas Refinery September 26

Valero reported that all production units were at planned rates after a fire at Texas-New Mexico Power's Cherokee substation Thursday night caused a city-wide power outage that disrupted the power supply and impacted units at three area refineries.

Reuters, 11:03 September 26, 2011

Update: Alon Resumes Normal Operations at 53,000 b/d Paramount, California Refinery September 23

A fire caused by a defective pump led the company to shut a hydro-processing unit last Thursday evening.

Reuters, 10:04 September 26, 2011

Equipment Failure Reduces Rates at CVR Energy's 115,700 b/d Coffeyville, Kansas Refinery

In a filing with the U.S. National Response Center Monday, Coffeyville Resources reported that it has reduced its rates due to an equipment failure at the facility.

Reuters, 00:35 September 26, 2011

DCU Compressor Snag Leads to Flaring at ConocoPhillips's 247,000 b/d Sweeny, Texas Refinery September 23

In a filing with the Texas Department of Environmental Quality Friday, ConocoPhillips reported that abnormal operations at the delayed coking unit (DCU) compressor exceeded the capacity of the flare gas recovery system, resulting in flaring for about two hours. Operators returned the unit to normal as quickly as possible.

Reuters, 18:53 September 23, 2011

<http://www11.tceq.state.tx.us/oce/eeer/index.cfm?fuseaction=main.getDetails&target=159584>

Power Blip to SRUs Reported at Valero's 135,000 b/d Wilmington, California Refinery

Valero Energy Corp. reports that a temporary reduction in power affecting sulfur recovery units (SRU) at its Wilmington, California refinery did not impact production.

Reuters, 10:54 September 26, 2011

Valero Reports Amine Unit Snag at Its 287,000 b/d Port Arthur, Texas Refinery September 25

Valero Energy Corp told news sources Monday that it expects no material impact to production at its Port Arthur refinery after an amine regeneration unit leak led to flaring Sunday. In a filing with the Texas Department of Environmental Quality, the company reported a suspected line crack at its amine treating unit (ATU-7841) caused the emission. Operators shut the unit and isolated the leak, and made unspecified plant-wide adjustments as necessary. The incident is under investigation.

Reuters, 11:04 September 26, 2011

<http://www11.tceq.state.tx.us/oce/eeer/index.cfm?fuseaction=main.getDetails&target=159621>

Compressor Restarts at ConocoPhillips's 120,000 Rodeo, California Refinery September 25

Reuters, 21:37 September 25, 2011

U.S. Refinery Workers' Union Prepared to Strike ahead of Safety Talks

A top union official said Friday that the United Steelworkers union is prepared to strike unless oil companies agree to meaningful and enforceable health and safety improvements by next February. The potential for work stoppages has led some refiners to train former workers and supervisors to operate refining units.

Reuters, 16:57 September 23, 2011

Eni Ramps Up Production to 31,900 b/d at Abu-Attifel Field in Libya

Eni announced in a press release Monday that it has restarted production at fifteen wells in the Abu-Attifel field, restoring production to 31,900 barrels per day. In coming days, the company will reactivate other wells to reach the volume required to fill the pipeline connecting the field to the Zuetina terminal. The field's output before the conflict was around 70,000 barrels per day.

Reuters, 21:37 September 26, 2011

http://eni.com/en_IT/media/press-releases/2011/09/2011-09-26-Eni-Lybia-Abu-Attifel-field.shtml

Sabotage and Theft Force Shell to Shut-In 25,000 b/d Imo River Oil Field in Nigeria since August 28; Field to Remain Shut until Thieves Leave the Area

Shell announced Monday that rampant sabotage and theft has forced the company to shut its 25,000 b/d Imo River field in the Niger Delta region. Shell shut the field on August 28 and intends to keep the field shut until thieves leave the area. Shutting in the crude is meant to "starve" the thieves and force them to leave the area.

<http://www.google.com/hostednews/afp/article/ALeqM5j8T6ywesxfwPk7Ql-duGpUa8JRzA?docId=CNG.74c873b2ee28ca61f62f7806e68d8e1b.321>

http://www.washingtonpost.com/business/shell-shuts-down-nigeria-field-hit-by-oil-thieves-who-have-caused-damaging-spills/2011/09/26/gIQARoGwyK_story.html

Natural Gas

Update: PG&E Receives Permission to Raise Pressure on Natural Gas Pipelines from Topock Compressor Station in California September 23

At a hearing before the California Public Utilities Commission (CPUC) on September 19, Pacific Gas & Electric Company (PG&E) asked for permission to restore full pressure to two 34-inch transmission lines transporting gas from its Topock compressor station, a major funnel point for three pipelines supplying gas to California from Arizona. The two lines have operated at a pressure of 528 pounds per square inch since February 2010, when regulators ordered a 20 percent cut from the pipes' normal 660 pounds after surging gas levels on one of the lines pushed pressures at the PG&E station beyond the legal limit. The CPUC concluded that PG&E demonstrated that the suction side of the Topock compressor may be safely returned to its previous operating pressure.

<http://docs.cpuc.ca.gov/efile/PD/143879.pdf>

PG&E Vents Natural Gas from Pipeline in Pittsburg, California September 26, Leads to Precautionary Shelter-in-Place Order

During the planned venting of natural gas from Pacific Gas & Electric Company's (PG&E) pipeline at West Leland Road and Range Road on Sunday afternoon, a complaint was filed regarding the smell of gas. The local fire agency treated the event as a live leak until it could confirm that it was part of PG&E's test in preparation for replacing the line. This led to a precautionary shelter-in-place order in the surrounding neighborhood.

http://www.insidebayarea.com/news/ci_18976058

Other News

Update: DOE Finalizes Loan Guarantee to POET to Develop 25 MMGal/Yr. Cellulosic Bio-Refinery in Emmetsburg, Iowa

U.S. Energy Secretary Steven Chu announced Friday that the Department of Energy (DOE) finalized a loan guarantee to support Project LIBERTY, which is expected to produce up to 25 million gallons of ethanol each year. The refinery is expected to come on line in 2013. The process uses enzymes to convert cellulose from corncobs, corn leaves, and corn husks into ethanol. Farmers started delivering bales of biomass to a storage location at the site in January.

<http://energy.gov/articles/energy-department-finalizes-105-million-loan-guarantee-first-its-kind-cellulosic-bio>

Energy Prices

U.S. Oil and Gas Prices September 26, 2011			
	Today	Week Ago	Year Ago
CRUDE OIL West Texas Intermediate U.S. \$/Barrel	79.80	85.67	75.84
NATURAL GAS Henry Hub \$/Million Btu	3.74	3.78	3.95

Source: Reuters

Energy Notes

Massive Blackout in Chile Leaves 9 Million People without Power September 24

<http://www.hindustantimes.com/Power-blackout-stuns-Chile-halts-copper-mines/Article1-749888.aspx>

BP Files Plan to Resume Exploration of Kaskida Discovery for Approval by BOEMRE, Marks the First BP Drill Plan for Gulf of Mexico since the Macondo Well Rupture in 2010
<http://www.q13fox.com/news/nationworld/sns-rt-us-oil-usa-bp-gulftre78m3zo-20110923,0,1492321.story>

Public Hearing Planned on September 27 for Inergy's 88 Million-Gallon LPG Storage and Transportation Facility near Seneca Lake, New York
<http://www.the-leader.com/topstories/x229293569/Hearing-on-Seneca-Lake-LPG-facility-set>

Farm Equipment Hits Gas Pipeline in Western Minnesota, Knocks Out Gas to 3,600 CenterPoint Energy Customers September 23
<http://minnesota.cbslocal.com/2011/09/23/natural-gas-outage-affects-3600-in-western-minn/>

Update: After Stealing Diesel Fuel Cargo, Pirates Release Oil Tanker off West African Coast September 24
<http://www.google.com/hostednews/ap/article/ALeqM5hF9Kk9mFcA7oKz6QJUGUGQgE4mGQ?docId=ff5c83b8543949a9807860e036d40946>

Plugged Float Level Column Temporarily Taken Out of Service at Eustace Gas Plant September 24
<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=159594>

Third Party Punctures Duke Energy's Natural Gas Pipeline in Midland County, Operators Shut in Pipeline September 24
<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=159596>

NRC Hearings for Combined Operating License for Southern Nuclear's Vogtle Nuclear Reactors 3 and 4 near Augusta, Georgia to Begin September 27
http://onlineathens.com/stories/092511/bre_890579215.shtml

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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