



# ENERGY ASSURANCE DAILY

Wednesday Evening, October 05, 2011

## Electricity

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### **Obama Administration to Speed Permitting Process for Electric Transmission Projects in 12 States to Spur Infrastructure Spending, Modernize Grid**

The Obama Administration said Wednesday that it will speed permitting of new electric transmission projects in an effort to spur infrastructure spending and modernize the grid. A newly formed Rapid Response Team for Transmission (RRTT) aims to improve the overall quality and timeliness of electric transmission infrastructure permitting, review, and consultation by the Federal government on both Federal and non-Federal lands. The RRTT will focus initially on seven pilot project transmission lines that cross through 12 states: Arizona, Colorado, Idaho, Minnesota, New Mexico, Nevada, Wyoming, Utah, New Jersey, Pennsylvania, Oregon, and Wisconsin. These projects were chosen because they address reliability and/or provide capacity for new commercial scale renewable and clean energy sources. The U.S. Department of Energy will develop an electronic dashboard for each RRTT pilot project to track, for each proposed project: required permits, agency points of contact, milestones and due dates, and descriptions of progress.

<http://www.whitehouse.gov/administration/eop/ceq/initiatives/interagency-rapid-response-team-for-transmission>

### **Reports Indicate the Environmental Protection Agency Will Ease Air Pollution Mandates that Impact Power Plants, Threaten Reliability of U.S. Electric Grid**

Reuters, 17:04 October 4, 2011

<http://www.reuters.com/article/2011/10/05/us-usa-pollution-rule-idUSTRE7940LZ20111005>

[http://www.bizjournals.com/dallas/blog/morning\\_call/2011/10/epa-expected-to-ease-controversial.html](http://www.bizjournals.com/dallas/blog/morning_call/2011/10/epa-expected-to-ease-controversial.html)

<http://www.environmentalleader.com/2011/10/05/policy-enforcement-briefing-another-epa-rule-eased-veto-threat-pa-shale-fees/>

### **NRG Asks ERCOT for Permission to Mothball 473 MW at Its Sam Bertron Natural Gas-Fired Power Plant in Texas**

NRG Energy Inc. (NRG) filed an application Tuesday with the Electric Reliability Council of Texas (ERCOT) to request permission to mothball two 230 MW natural gas-fired units, both over 50 years old, and a 13 MW quick-start unit for economic reasons. ERCOT will decide whether the units are needed to support reliable operation of the grid or to maintain the region's reserve margin. NRG has already mothballed two other units at its Bertron plant, but it returned one to service under a short, "must-run" contract with ERCOT that expires in November.

Reuters, 18:09 October 4, 2011

### **Xcel Energy's 522 MW Prairie Island Nuclear Unit 2 in Minnesota Shut October 4**

Xcel Energy shut down one of the twin reactor units at the Prairie Island nuclear power plant on October 4 to replace a reactor coolant pump seal. The outage is expected to last "about a week or two."

[http://www.twincities.com/ci\\_19046057](http://www.twincities.com/ci_19046057)

Information also derived from the NRC Power Reactor Status Reports:

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

### **Update: Constellation's 825 MW Calvert Cliffs Nuclear Unit 1 in Maryland at Full Power by October 5**

The Nuclear Regulatory Commission reported that on the morning of October 4 the unit was operating at 68 percent. Information derived from the NRC Power Reactor Status Reports:

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

## **Update: Luminant to Start 750 MW Martin Lake Coal-Fired Unit 3 in Texas Following Boiler Tube Repairs October 5–6**

The unit will be in startup following boiler tube repairs.

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=160027>

## **Update: TXU to Start 593 MW Monticello Coal-Fired Unit 2 in Texas Following Boiler Tube Repairs October 5–6**

The unit will be in startup following boiler tube repairs.

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=159960>

## **Entegra Power Group's 291 MW Gila River Dynamic Resource Gas-Fired Unit in Arizona Reduced by October 4**

According to the California Independent System Operator, the unit reported an unplanned curtailment of 241 MW by October 4.

<http://content.aiso.com/unitstatus/data/unitstatus201110041515.html>

## ***Petroleum***

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### **Update: Enbridge Restarts 231,000 b/d Ozark Crude Oil Pipeline Following Precautionary Assessment, Expects Full Capacity by October 4**

Enbridge Energy Partners, L.P. (Enbridge) shut the 435-mile pipeline Friday after an underwater survey indicated an exposed area under the Mississippi River crossing near Wood River, Illinois, forcing the company to shut the pipeline down for re-inspection.

Reuters, 15:36 October 4, 2011

### **Eight-Inch NuStar Energy Pipeline Goes Online, Transporting Eagle Ford Crude to Valero's Corpus Christi, Texas Refinery September 21**

NuStar Energy L.P. said Tuesday that it placed into service an eight-inch pipeline transporting Eagle Ford crude and condensates to Valero's 142,000 b/d Corpus Christi refinery September 21. The refinery also receives truck deliveries of Eagle Ford crude. Last month, the company announced plans to modify existing sections within its South Texas pipeline system and build new sections to transport Eagle Ford and other crude oils. These projects will help Valero improve transportation of crude and condensate to supply its refineries in Three Rivers, Texas and Corpus Christi, Texas. NuStar will also build 55 miles of new 12-inch pipeline that will connect to existing pipeline segments to move crude oil from Corpus Christi to Valero's Three Rivers refinery. This system is expected to be completed and in service by the second quarter of 2012.

Reuters, 14:55 October 4, 2011

[http://www.nustarenergy.com/newsroom/pages/newsreader.aspx?list=\[d7569589-6045-4fc8-92fb-c7463c583cb5\]&item=172](http://www.nustarenergy.com/newsroom/pages/newsreader.aspx?list=[d7569589-6045-4fc8-92fb-c7463c583cb5]&item=172)

### **Sunoco Shuts Crude Unit and Reformer at Its 178,000 b/d Marcus Hook, Pennsylvania Refinery for Two Weeks**

Trading sources reported Tuesday that Sunoco Inc. had planned the work on the reformer, but not the work on the crude unit.

Reuters, 15:34 October 4, 2011

### **Update: Petrobras's 100,000 b/d Pasadena, Texas Refinery Remains Shut, but Coker is Operating Following Fire on September 30**

Petrobras reported that the refinery's coker unit remains in operation, but the facility's sole crude distillation unit was damaged by the fire and remains shut.

Reuters, 14:07 October 4, 2011

### **Broken Water Line Impacts HollyFrontier's 85,000 b/d Tulsa West, Oklahoma Refinery**

Local media sources reported October 5 that a break in a 30-inch line providing water to the plant had impacted the plant. A spokeswoman for Tulsa city told a local radio station that water would be diverted to ensure the refinery had enough.

Reuters, 11:32 October 5, 2011

### **SRU Snag Causes Flaring at Sinclair's 74,000 b/d Sinclair, Wyoming Refinery October 3**

According to a filing with the U.S. National Response Center yesterday, the company was working to get the sulfur recovery unit (SRU) back online.

Reuters, 00:08 October 5, 2011

[http://www.nrc.uscg.mil/reports/rwservlet?standard\\_web+inc\\_seq=991602](http://www.nrc.uscg.mil/reports/rwservlet?standard_web+inc_seq=991602)

### **ExxonMobil Reports Unplanned Combustion Event at Its 560,640 Baytown, Texas Refinery October 4**

According to a filing with state regulators, the line was immediately depressurized to minimize the spill. The filing said there was no impact on production and all customer needs were met.

Reuters, 12:13 October 4, 2011

### **Tesoro Plans 10,000 b/d Expansion Project at 58,000 b/d Mandan, North Dakota Refinery**

Tesoro Corp. said on Wednesday that it plans to start construction on the expansion this fall, if all permits are in place, and it hopes to complete the project by the second quarter of next year.

Reuters, 12:20 October 5, 2011

### **Colombia Expects to Restore Oil Production to 950,000 b/d in October after Protests Impacted Output in September**

Colombian Energy Minister Mauricio Cardenas said Wednesday that the nation expects oil production to recover to 950,000 b/d in October. Protests last month impacted top producers Pacific Rubiales and Petrominerales Ltd., causing crude output to fall 6.4 percent from August figures to 891,000 b/d in September.

Reuters, 12:12 October 5, 2011

## ***Natural Gas***

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### **Update: FERC Approves Tricor Ten Section Hub to Build 22.4 Bcf Gas Storage Facility in California September 30**

On September 30, the Federal Energy Regulatory Commission (FERC) approved the application of Tricor Ten Section Hub, LLC (Tricor) to construct and operate a new underground natural gas storage project near Bakersfield, California. The Ten Section Hub facility is designed to hold 32.5 Bcf of gas, of which 22.4 Bcf is working gas, and will offer customers up to four-turns of high-speed deliverability. When completed, the Ten Section Hub facility will provide access to natural gas to markets located in the western United States. The certificate issued by FERC also authorizes Tricor to construct a 21-mile, 36-inch bi-directional header pipeline to connect the storage facility to the Kern River/Mojave interstate pipeline at Wheeler Ridge. Subsequent interconnections to the Pacific Gas & Electric and Southern California Gas Co. intrastate pipelines will facilitate further storage offerings to intrastate and interstate customers.

[http://www.tensectionhub.com/images/stories/Tricor\\_Ten\\_Section\\_Hub\\_FERC\\_Approval\\_Press\\_Release.pdf](http://www.tensectionhub.com/images/stories/Tricor_Ten_Section_Hub_FERC_Approval_Press_Release.pdf)

### **Update: Enterprise Begins Binding Open Commitment Period for Capacity on New Texas Express NGL Pipeline**

Enterprise Products Partners L.P., through its subsidiary Texas Express Pipeline LLC, today announced the start of a binding open commitment period for available capacity on the new natural gas liquids (NGL) pipeline it is building. The Texas Express Pipeline will originate in Skellytown, Texas and extend approximately 580 miles to NGL fractionation and storage facilities in Mont Belvieu, Texas. The pipeline's initial capacity of approximately 280,000 b/d can be readily expanded to approximately 400,000 b/d, depending on shipper interest. Enterprise expects the pipeline to be in service by the second quarter of 2013. The open commitment period begins October 5 and is scheduled to end November 9, 2011.

<http://phx.corporate-ir.net/preview/phoenix.zhtml?c=80547&p=irol-newsArticle&ID=1613830&highlight=>

## ***Other News***

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Nothing to report.

## Energy Prices

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U.S. Oil and Gas Prices			
October 5, 2011			
	Today	Week Ago	Year Ago
<b>CRUDE OIL</b> <b>West Texas Intermediate U.S.</b> \$/Barrel	78.40	82.33	82.87
<b>NATURAL GAS</b> <b>Henry Hub</b> \$/Million Btu	3.56	3.92	3.56

Source: Reuters

## Energy Notes

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### **Rain and Wind Cut Power to 20,000 PG&E Customers in Central Valley, California October 5**

<http://abclocal.go.com/kfsn/story?section=news/local&id=8379333>

<http://www.pge.com/outagemap/>

### **SunPower Corp. to Start Construction on 25 MW McHenry Solar Farm in California for Operation by Late 2012**

<http://us.sunpowercorp.com/about/newsroom/press-releases/>

### **Questar Pipeline Company Announces Non-Binding Open Season for 8 Bcf of New Natural Gas Storage Capacity at Clay Basin Reservoir on Wyoming-Utah Border October 4**

<http://www.questarpipeline.com/OpenSeason/2011ClayBasinExpansion/2011ClayBasinFirmStorageInvOS.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

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*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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