



# ENERGY ASSURANCE DAILY

Wednesday Evening, October 06, 2010

## *Electricity*

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### **Update: Storms Knock Out Power to about 45,000 Customers in California October 4-5**

Rain and winds cut power to approximately 32,000 Los Angeles Department of Water and Power (LADWP) and 13,000 Southern California Edison (SCE) customers in California on October 4-5, the companies said separately. The utilities had restored power to most affected customers, as of latest reports.

<http://www.ladwpnews.com/go/doc/1475/915803/>

<http://www.ladwpnews.com/go/doc/1475/419031/>

<http://cbs13.com/wireapnewsca/Thousands.lose.power.2.1948599.html>

<http://latimesblogs.latimes.com/lanow/2010/10/thousands-still-without-power-in-la-after-rain-wind.html>

### **Winds, Rain Knock Out Power to nearly 40,000 Customers in Arizona October 5**

Winds and rain cut power to 20,000 Arizona Public Service (APS) customers and at least 19,000 Salt River Project (SRP) customers in Arizona on October 5, multiple news and company sources said. Some 1,900 APS customers and 600 SRP customers remained in the dark, as of latest reports.

<http://www.azcentral.com/arizonarepublic/local/articles/2010/10/06/20101006weather1006.html>

<http://www.azcentral.com/community/phoenix/articles/2010/10/06/20101006phoenix-storm-damage-update-abrk.html>

[http://www.eastvalleytribune.com/local/weather/article\\_ab29e6a6-d0be-11df-8272-001cc4c03286.html](http://www.eastvalleytribune.com/local/weather/article_ab29e6a6-d0be-11df-8272-001cc4c03286.html)

### **TVA's 1,126 MW Sequoyah Nuclear Unit 2 in Tennessee at Full Power by October 6**

The Nuclear Regulatory Commission reported that on the morning of October 5 the unit was operating at 83 percent. Information derived from the NRC Power Reactor Status Reports:

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2010/>

### **Indiana-Michigan Power's 1,060 MW D.C. Cook Nuclear Unit 2 in Michigan Shut by October 6**

The Nuclear Regulatory Commission reported that on the morning of October 5 the unit was operating at 70 percent. Information derived from the NRC Power Reactor Status Reports:

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2010/>

### **Wolf Creek's 1,165 MW Wolf Creek Nuclear Unit 1 in Kansas Shut by October 6**

The company began shutting the plant due to the "inoperability of the 'A' Train of Essential Service Water," it said in a filing with the Nuclear Regulatory Commission (NRC). The NRC reported that on the morning of October 5 the unit was operating at 40 percent.

<http://www.nrc.gov/reading-rm/doc-collections/event-status/event/2010/20101005en.html>

Information also derived from the NRC Power Reactor Status Reports:

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2010/>

### **Update: Xcel to Restart 347 MW Harrington Coal-Fired Unit 1 in Texas October 6-20**

Xcel expected to restart the unit "after a major outage for the installation of Low Nox burners in the boiler and other items," it said in a filing with state regulators.

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=144317>

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=144313>

### **Elster to Deploy 29,000 Smart Meters in Cleveland, Tennessee**

Elster plans to deploy 29,000 smart meters across Cleveland Utilities' service territory in Cleveland, Tennessee over the next three years, Elster said on October 6.

[http://www.elster.com/en/press\\_releases\\_1099.html](http://www.elster.com/en/press_releases_1099.html)

### **NStar, Northeast Utilities Plan 1,200 MW, Canada-to-New Hampshire Northern Pass Transmission Line**

The companies expect to break ground in late 2012 or early 2013 and open the line in the second half of 2015, according to a filing with the U.S. Securities and Exchange Commission. The line would connect to a separate, planned transmission line – owned by Hydro-Québec – at the U.S. Canadian border.

<http://boston.bizjournals.com/boston/stories/2010/10/04/daily23.html?ana=yfcpc>

## ***Petroleum***

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### **Update: Houston Ship Channel Reopens to Most Inbound/Outbound Traffic October 6**

The Houston Ship Channel reopened to outbound traffic at 2:30 AM on October 6, and to inbound deep-draft traffic less than five hours later, the U.S. Coast Guard said. The channel closed over the weekend after a barge knocked over an electrical tower. The closure stalled 44 inbound and 28 outbound vessels; seven of the 44 had entered the channel and some of the 28 had left the port, as of latest reports. The incident also threatened to disrupt operations at numerous Gulf Coast refineries, although none appeared to have suffered any slowdown. The channel was still shut to barges and small boats, as of this morning.

<http://www.chron.com/dispatch/story.mpl/metropolitan/7233791.html>

<http://online.wsj.com/article/BT-CO-20101005-708047.html>

### **Fire Forces Shut Hydrotreater at ExxonMobil's 238,600 b/d Joliet, Illinois Refinery October 5-6**

An October 5 fire forced offline a diesel hydrotreater at ExxonMobil's 238,600 b/d Joliet, Illinois refinery, a company spokesman said on October 6. He did not say when the unit might return to service, or whether the incident had affected production.

Reuters, 11:26 October 6, 2010

### **BlueKnight Energy to Open 8-Inch, Cushing-to-Ardmore, Oklahoma Oil Pipeline in Fourth Quarter of 2010**

The Eagle North pipeline would deliver crude oil from the Cushing, Oklahoma storage hub to Valero's refinery in Ardmore, Oklahoma, a spokesman said. The company declined to specify the line's expected throughput, but Reuters estimated – based on the line's size – that it could move as much as 32,000 b/d.

<http://www.reuters.com/article/idUSN0519159220101005>

### **Update: Chevron Restores 26,000 b/d of Indonesian Oil Production October 6 – Natural Gas Pipeline Leak Forced Company to Shut up to 152,000 b/d of Output September 29**

Chevron declared force majeure on exports of Duri and Minas crude oil from Indonesia, a company official said, after a leak along an associated natural gas pipeline forced operators to shut 700 wells and up to 152,000 b/d of oil output on September 29. Natural gas deliveries were gradually resuming on October 6, and the company, as a consequence, had restored about 26,000 b/d of production, a government official said.

<http://www.bloomberg.com/news/2010-10-06/chevron-declared-force-majeure-on-indonesian-crude-oil-exports.html>

<http://www.nasdaq.com/asp/stock-market-news-story.aspx?storyid=201010060243dowjonesdjonline000200&title=bpmigas-officialchevron-crude-output-in-riau-increases-gradually>

## Update: Workers' Strike Continues to Threaten Operations at Several French Refineries October 6 – Official

Workers continued to prevent ships from offloading at the Fos Lavera oil terminal in France on October 6, and one trade organization said the strike – now 10 days long – could force several associated refineries to begin shutting operations next week. Reports, however, conflicted as to the severity of the impact. The trade organization, Union Francaise des Industries Petrolieres, said six French refineries and one Swiss facility were running at “minimal rates” in a bid to preserve on-site crude oil inventories. A spokeswoman with the French transports ministry, however, said the affected refineries had ample crude supplies; the government was not expecting oil shortages in France, she said. Total, for its part, said it had reduced rates at its 158,000 b/d La Mede and 118,000 b/d Feyzin refineries. ExxonMobil, which operates the 119,000 b/d Fos-sur-Mer refinery, said there was “no real impact or disruption for the moment.” A spokeswoman at LyondellBasell Industries’ 105,000 b/d Berre l’Etang refinery said she expected the facility to use up its oil supplies in a few days, should the strike continue. She said the refinery had been operating at reduced rates for several days. Union officials, meanwhile, were attempting to curb operations to minimum levels at Ineos’ 207,000 b/d Lavera refinery. European gasoline prices were at their highest levels in five-months on October 6, and at least one source said an extended shutdown of the Fos-Lavera port could threaten imports of gasoline to the United States.

<http://english.capital.gr/News.asp?id=1060848>

<http://online.wsj.com/article/BT-CO-20101006-703654.html>

<http://www.bloomberg.com/news/2010-10-05/french-refiners-warn-of-plant-stoppages-next-week-on-port-strike.html>

DJN, 10:18 October 6, 2010

Reuters, 10:14 October 6, 2010

Reuters, 09:14 October 6, 2010

Reuters, 16:18 October 5, 2010

## Natural Gas

### PNG Plans 32 Bcf Expansion at Pine Prairie Natural Gas Storage Facility in Louisiana

PAA Natural Gas Storage, L.P. filed with the Federal Energy Regulatory Commission (FERC) for permission to construct two new 12 Bcf caverns and expand permitted capacity by 8 Bcf, combined, at four caverns at the existing Pine Prairie natural gas storage facility in Louisiana, the company said on October 4. The existing facility has 3 operating caverns with 24 Bcf of working gas capacity. The company has broken ground on 18 Bcf of new capacity; it expects to open about 7 to 8 Bcf in the second quarter of 2011 and about 10 Bcf in the second quarter of 2012. Should FERC approve the proposed expansions, Pine Prairie's permitted capacity would rise from 48 Bcf to 80 Bcf.

<http://www.b2i.us/profiles/investor/ResLibraryView.asp?ResLibraryID=40797&GoTopage=1&Category=1891&BzID=2009>

## Other News

Nothing to report.

## Energy Prices

U.S. Oil and Gas Prices October 6, 2010			
	Today	Week Ago	Year Ago
<b>CRUDE OIL</b> <b>West Texas Intermediate U.S.</b> \$/Barrel	83.66	77.68	71.41
<b>NATURAL GAS</b> <b>Henry Hub</b> \$/Million Btu	3.51	3.80	2.89

Source: Reuters

**Copper Thieves Steal about 1,000 Feet of Copper from Power Lines, Knock Out Electricity to more than 300 Penelec Customers in Pennsylvania October 3**

<http://www.altoonamirror.com/page/content.detail/id/542967/Copper-heist-caused-outage--police-say.html?nav=742>

**Agile Energy Inc., New harvest Ventures Plan 49.9 MW Turning Point Solar Power Project in Ohio – Companies Expect to Open 20 MW in Late 2012, 15 MW by End of 2013, and 14.9 MW by End of 2014**

<http://www.bloomberg.com/news/2010-10-05/aep-to-buy-power-from-ohio-solar-plant-owned-by-agile-at-former-coal-mine.html>

**Gamesa, Northrop Grumman to Install Two 5 MW Offshore Wind Turbines during Fourth Quarter of 2012 – At Least One Unit to Be Installed Offshore United States**

<http://www.prnewswire.com/news-releases/gamesa-and-northrop-grumman-shipbuilding-join-forces-in-offshore-wind-technology-104403353.html>

**Solar Panels to Be Installed at White House by Spring of 2011**

[http://news.yahoo.com/s/ap/20101005/ap\\_on\\_bi\\_ge/us\\_white\\_house\\_solar\\_power\\_5](http://news.yahoo.com/s/ap/20101005/ap_on_bi_ge/us_white_house_solar_power_5)

**Continental U.S. Power Projection Jumps 4.0 Percent in Week Ended October 2, Compared to Same Week in 2009: Edison Electric Institute**

Reuters, 12:01 October 6, 2010

**Process Upset Leads to Flaring at ConocoPhillips' 146,000 b/d Borger, Texas Refinery October 5**

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=145703>

**ConocoPhillips Reports Flaring at 120,000 b/d Rodeo, California Refinery October 5**

<http://www.oes.ca.gov/Operational/MALHaz.nsf/f1841a103c102734882563e200760c4a/8a02f6ec41d600ec882577b3007bfb01?OpenDocument>

**Tesoro Reports 20-30 Barrel Naphtha/Water Spill from Pipeline at 97,000 b/d Wilmington, California Refinery October 5 – Spill Contained On-Site**

<http://www.oes.ca.gov/Operational/MALHaz.nsf/f1841a103c102734882563e200760c4a/ece9ef50e9a9444c882577b3005f6048?OpenDocument>

**Tanker Overturns, Spills 8,500 Gallons of Gasoline Closing U.S. 30 in Ohio October 4**

<http://www.mansfieldnewsjournal.com/article/20101005/NEWS01/10050323/Tanker-rolls-spills-load-closes-U-S-30W>

**Tanker Truck Accident Causes about 8,000 Gallons of Diesel to Spill along U.S. 12 in Idaho September 29**

<http://www.klewtv.com/news/local/104228704.html>

**U.S. Gasoline Demand Slides 0.8 Percent in September 2010, Compared to Same Month in 2009: MasterCard Advisors**

Reuters, 15:30 October 5, 2010

**U.S. Crude Oil Stockpiles Increase by 3.09 Million b/d on Decreased Refinery Utilization in Week Ended October 1: EIA**

[http://www.eia.doe.gov/oil\\_gas/petroleum/data\\_publications/weekly\\_petroleum\\_status\\_report/wpsr.html](http://www.eia.doe.gov/oil_gas/petroleum/data_publications/weekly_petroleum_status_report/wpsr.html)

Reuters, 10:54 October 6, 2010

## **Ecuadorian Oil Exports Drop by 33,000 b/d, from 323,000 b/d in July 2010 to 290,000 b/d in August 2010: Central Bank**

Reuters, 13:26 October 5, 2010

## **Citing Unconventional Boom, BENTEK Energy Says U.S. Crude Oil Output Increasing for First Time in 23 Years**

[http://www.rigzone.com/news/article.asp?a\\_id=99693](http://www.rigzone.com/news/article.asp?a_id=99693)

## **Links**

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***This Week in Petroleum*** from the Energy Information Administration (EIA)

<http://tonto.eia.doe.gov/oog/info/twip/twip.asp>

Updated every Wednesday.

***Weekly Petroleum Status Report*** from EIA

[http://www.eia.doe.gov/oil\\_gas/petroleum/data\\_publications/weekly\\_petroleum\\_status\\_report/wpsr.html](http://www.eia.doe.gov/oil_gas/petroleum/data_publications/weekly_petroleum_status_report/wpsr.html)

Updated after 10:30 AM & 1:00 PM EST every Wednesday.

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

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

Updated after 2:00 PM EST every Thursday.

### **ENERGY ASSURANCE DAILY**

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

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