U.S. DEPARTMENT OF ENERGY Office of Electricity Delivery and Energy Reliability

Infrastructure Security and Energy Restoration

ENERGY ASSURANCE DAILY

Tuesday Evening, October 13, 2009

Electricity

Update: Storms Cut Power to more than 60,000 Customers in Texas and Louisiana October 9

Storms knocked out electricity to more than 31,000 SWEPCO customers in Texas and Louisiana, and about 30,000 Entergy customers in Louisiana on October 9, the companies said. The SWEPCO outages included 19,344 Texas customers, according to a company spokesman. The utilities restored power to most affected customers by October 10, sources said.

 $\frac{http://www.marshallnewsmessenger.com/news/content/news/stories/2009/101009\ web\ weather.html?imw=Y}{http://www.thenewsstar.com/article/20091010/NEWS01/910100306}$

Storms Cut Power to more than 75,000 Customers in Northern California October 13

Storms knocked out electricity to about 38,800 Pacific Gas & Electric (PG&E) customers and 37,000 Sacramento Municipal Utility District (SMUD) customers in Northern California on October 13, multiple sources said. About 25,000 SMUD customers and nearly 16,000 PG&E customers remained in the dark, as of latest reports. http://www.kron4.com/News/ArticleView/tabid/298/smid/1126/ArticleID/3470/reftab/63/t/Power%20Outages%20C rashes% 20Reported% 20as% 20Storm% 20Bears% 20Down% 20on% 20the% 20Bay% 20Area/Default.aspx http://www.sacbee.com/local/story/2250173.html http://www.kcra.com/weather/21279991/detail.html

PG&E's 1150 MW Diablo Canyon Nuke Unit 2 in California Shut by October 12

According to the California Independent System Operator, the unit reported an unplanned outage on October 12. http://www.caiso.com/unitstatus/data/unitstatus200910121515.html

Exelon's 1,111 MW La Salle Nuke Unit 2 in Illinois Shut by October 13

The Nuclear Regulatory Commission reported that on the morning of October 12 the unit was operating at 94 percent.

Information derived from the NRC Power Reactor Status Reports:

http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2009/

CDWR's 933 MW Hyatt-Thermalito Hydro Unit in California Reduced by October 12

According to the California Independent System Operator, the unit reported an unplanned curtailment of 465 MW on October 12.

http://www.caiso.com/unitstatus/data/unitstatus200910121515.html

NRG's 836 MW Limestone Coal-fired Unit 1 Shuts by October 11

The unit shut due to a stop valve malfunction, NRG said in a filing with state regulators. The filing did not say when the unit would return to service.

http://www11.tceq.state.tx.us/oce/eer/index.cfm?fuseaction=main.getDetails&target=130582

Luminant's 793 MW Martin Lake Coal-fired Unit 2 Trips, Restarts October 12

The unit shut after "a lightning strike in the electric switchyard caused a sensor for the generator to receive an erroneous 'Generator Trip' signal," which in turn, forced the unit offline, according to the filing with state regulators. The unit restarted within a couple of hours, the filing said.

http://www11.tceq.state.tx.us/oce/eer/index.cfm?fuseaction=main.getDetails&target=130611

Luminant to Shut 593 MW Big Brown Coal-fired Unit 1 in Texas October 13

Luminant expected to shut the unit "to repair a boiler tube leak" on October 13, it said in a filing with state regulators. The filing did not say when the unit would return to service.

http://www11.tceq.state.tx.us/oce/eer/index.cfm?fuseaction=main.getDetails&target=130640

PG&E's 407 MW Helms Hydro Unit 2 in California Shut by October 10

According to the California Independent System Operator, the unit reported an unplanned outage on October 10. http://www.caiso.com/unitstatus/data/unitstatus200910101515.html

CDWR's 374 MW San Luis Hydro Unit in California Reduced by October 12

According to the California Independent System Operator, the unit reported an unplanned curtailment of 310 MW on October 12.

http://www.caiso.com/unitstatus/data/unitstatus200910121515.html

Duke's 222 MW Southbay Gas-fired Unit 4 in California Shut by October 12

According to the California Independent System Operator, the unit reported an unplanned outage on October 12. http://www.caiso.com/unitstatus/data/unitstatus200910121515.html

PPL's 1,105 MW Susquehanna Nuke Unit 1 in Pennsylvania Ramped Up to 94 Percent by October 11

The Nuclear Regulatory Commission reported that on the morning of October 10 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/2009/

Update: SCE&G Restarts 966 MW Summer Nuke Unit in South Carolina by October 13

The unit shut due to an output breaker malfunction on October 2, a spokesman said previously. Operators returned the unit to 3 percent power by this morning, according to the Nuclear Regulatory Commission (NRC).

http://www.reuters.com/article/rbssIndustryMaterialsUtilitiesNews/idUSN1212812120091012

http://www.reuters.com/article/rbssIndustryMaterialsUtilitiesNews/idUSN0531438420091005

Information also derived from the NRC Power Reactor Status Reports:

http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2009/

Update: FPL's 565 MW Duane Arnold Nuke Unit in Iowa Ramped Up to 85 Percent by October 13

The unit went offline during tests on October 8, a news source said. The Nuclear Regulatory Commission reported that on the morning of October 12 the unit was operating at 57 percent.

http://www.reuters.com/article/rbssIndustrvMaterialsUtilitiesNews/idUSN1317324820091013

Information also derived from the NRC Power Reactor Status Reports:

http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2009/

Cabrillo Power's 330 MW Encina Gas-fired Unit 5 in California Returns to Service by October 11

According to the California Independent System Operator, the unit reported a return from an unplanned curtailment of 130 MW.

http://www.caiso.com/unitstatus/data/unitstatus200910111515.html

Brief Fire at NPPD's 830 MW Cooper Nuclear Power Plant in Nebraska October 12

A small fire burned for about five minutes at the Nebraska Public Power District's (NPPD) 830 MW Cooper nuclear power plant in Nebraska on October 12, according to a report with the Nuclear Regulatory Commission (NRC). The unit was down for refueling at the time of the incident, a news source said. The fire broke out "in a pipe chase between B-4 and B-3 Heaters and was caused by hot ceramic pellets from a heating blanket that was above the area of the location of the fire," the NRC report said.

Bloomberg News, 07:52 October 13, 2009

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

Update: Xcel Plans Restart of 346 MW Coal-fired Harrington Unit 1 in Texas October 11-13

Xcel expected to shut the unit "to repair a tube leak in the boiler" from October 9-12, the company said in a previous regulatory filing. It planned to restart the unit from October 11-13, it said in a more recent filing. http://www11.tceq.state.tx.us/oce/eer/index.cfm?fuseaction=main.getDetails&target=130434

Southern Power Breaks Ground on Planned 720 MW Gas-fired Power Plant in North Carolina October 13

Southern Company's Southern Power broke ground on a planned four-unit, combined 720 MW gas-fired power plant in Cleveland County, North Carolina on October 13, it said in a press release. The company expects to complete the units in early 2012.

http://southerncompany.mediaroom.com/index.php?s=43&item=1977

CPV Renewable Energy Company Plans 151.8 MW Keenan II Wind Farm in Oklahoma

The company expects to complete the project by the end of 2010, according to a release. PRN, 07:55 October 13, 2009

Kruger Energy Plans 101.2 MW Chatham Wind Farm in Ontario, Canada

The company expects to complete the project in November 2010, according to a release. PRN, 07:55 October 13, 2009

CIRI Plans 100 MW Coal Gasification Power Plant in Alaska

Cook Inlet Region Inc. (CIRI) plans to gasify underground coal supplies, and use the resultant natural gas to fuel a 100 MW power plant in the Cook Inlet, Alaska, a news source said. The company would not actually mine the coal; it would inject compressed air into underground coal seams, and convert the coal to gas, according to the news source. It would be the nation's first "underground coal gasification" facility, a company official said. Pending regulatory approval and feasibility confirmation, the company hopes to open the site in 2014, the news source said. http://www.downstreamtoday.com/news/article.aspx?a_id=18615

Tres Amigas, LLC Plans to Connect America's Three Electric Grids via Power Market Hub in New Mexico

Tres Amigas, LLC plans to construct a "renewable energy market hub" in New Mexico to connect, for the first time, the nation's Eastern, Western, and Texas electric grids, according to a press release. The system would employ special power electronic conversion stations, and enable companies to buy and sell electricity from one interconnection to another. Such transactions are not possible under current configurations. https://phx.corporate-ir.net/phoenix.zhtml?c=86422&p=irol-newsArticle-Print&ID=1341168&highlight=

Petroleum

Power Failure, Fire at Total's 174,000 b/d Port Arthur, Texas Refinery October 13

A power disruption forced offline multiple units at Total's 174,000 b/d Port Arthur, Texas refinery on October 13, and the facility "experienced a fire in a piperack" as operators returned the affected units to service, the company said in a filing with state regulators. The fire was extinguished, and Total evacuated parts of the site, a spokeswoman said. The blaze occurred along a heavy oil line; the line delivers oil to a crude unit, a news source said. Operators reduced rates to the affected crude unit, according to trade sources. Bloomberg News, 12:56 October 13, 2009

Reuters, 12:29 October 13, 2009

ExxonMobil Restarts Hydrocracker at 567,000 b/d Baytown, Texas Refinery over Weekend

ExxonMobil restarted a hydrocracker over the weekend at its 567,000 b/d Baytown, Texas refinery, a news source said, after a compressor malfunction forced the unit offline on October 9. Operators had curtailed associated units "to minimize emissions," the company said in its initial filing with state regulators. The incident did not significantly impact production, according to the filing.

http://www11.tceq.state.tx.us/oce/eer/index.cfm?fuseaction=main.getDetails&target=130563 http://in.reuters.com/article/oilRpt/idINN1247896020091012

BP Reports FCC Exchanger Leak at 467,720 b/d Texas City, Texas Refinery October 10

BP "isolated and depressurized" a leaking heat exchanger, associated with a fluid catalytic cracking unit (FCC), at its 467,720 b/d Texas City, Texas refinery by October 10, it said in a filing with state regulators. The filing did not say if the incident had any impact on the related FCC.

http://www11.tceq.state.tx.us/oce/eer/index.cfm?fuseaction=main.getDetails&target=130569 http://online.wsj.com/article/BT-CO-20091012-704657.html

SRU Snag at Flint Hills' 288,468 b/d Corpus Christi, Texas Refinery October 11

A sulfur recovery unit (SRU) malfunction triggered flaring at Flint Hills Resources' 288,468 b/d Corpus Christi, Texas refinery on October 11, the company said in a filing with state regulators. Operators restarted a separate SRU, down for planned maintenance, "to help lower the amount of H2S in the fuel gas system," according to the filing. The filing did not say if the incident had any impact to production.

http://www11.tceq.state.tx.us/oce/eer/index.cfm?fuseaction=main.getDetails&target=130623 http://in.reuters.com/article/oilRpt/idINN1214935920091012

Motiva Restarts Reformer at 236,400 b/d Norco, Louisiana Refinery October 10

Motiva returned a reformer to normal rates by October 12 at its 236,400 b/d Norco, Louisiana refinery, the company said in a filing with state regulators. The unit shut for unplanned reasons last week, a news source said. Operators began the restart on October 10, according to the company.

http://www.reuters.com/article/marketsNews/idUSN1215263420091012

Compressor Fire Downs Hydrocracker at Suncor's 80,000 b/d Sarnia, Ontario Refinery October 11

A brief compressor fire forced shut a hydrocracking unit at Suncor's 80,000 b/d Sarnia, Ontario refinery on October 11, multiple sources said. The company said it was investigating the incident and conducting repairs, as of October 12. The company reduced the facility after the fire, according to this source but did not say when it expected to resume normal service.

http://www.reuters.com/article/rbssEnergyNews/idUSN1319436420091013

http://www.cnbc.com/id/33284125

http://www.financialpost.com/news-sectors/story.html?id=2093502

http://www.bloomberg.com/apps/news?pid=20601082&sid=a.GPj5fjVVhg

Tanker Accident Forces Shut BP's 190,000 b/d Schiehallion Oilfield in U.K. North Sea October 8

A 133,000 tonne tanker crashed into the 144,000 tonne Schiehallion oil platform in the U.K. North Sea, forcing offline the site's estimated 190,000 b/d of oil production, sources said. Unnamed sources said the field could remain offline for up to six months, but BP denied that prediction. There were no injuries or oil spills, a company spokesperson said.

http://www.bp.com/liveassets/bp_internet/globalbp/STAGING/global_assets/downloads/U/uk_asset_schiehallion.pdf http://www.eveningexpress.co.uk/Article.aspx/1433483?UserKey=

http://www.eveningexpress.co.uk/Article.aspx/1434632?UserKey=

Mexico Tops Saudi Arabia as United States' Third Largest Oil Supplier in 2009—U.S. Department of Commerce

Mexico exported 258 million barrels of oil to the United States over the first eight months of 2009, outpacing Saudi Arabia-to-United States deliveries for the first time, the U.S. Department of Commerce said by October 12. Canada and Venezuela topped the export list, shipping 453 million barrels and 286 million barrels to the United States, respectively. Saudi Arabia was fourth, at 255.9 million barrels.

http://www.rigzone.com/news/article.asp?a_id=81313

Update: Petrobras Processes First Crude from Estimated 5-to-8 Billion Barrel Tupi Oilfield Offshore Brazil October 8

Petrobras began processing the first 264,000 barrels of oil from the offshore Tupi oilfield, the Brazilian state-run company said.

http://www.rigzone.com/news/article.asp?a id=81261

Kurdistan Region Cuts Off 40,000 b/d in Oil Exports over Financial Clash with Iraqi Government

The Kurdistan Regional Government (KRG) cut off oil deliveries to Iraq's export pipeline system, citing a dispute with the Iraqi government over the payment of foreign oil firms, an October 13 news source said. The KRG said it would not resume shipments until the sides resolved the issue. It expected to sell its crude locally, in the interim, a local journalist said. The KRG, along with oil companies in the region, produced about 40,000 b/d of oil, prior to the cutoff, according to a news source. That figure could reach 100,000 b/d over the next 12 to 18 months, analysts said.

http://www.rferl.org/content/Iraqi Kurds Halt Oil Exports In Dispute With Baghdad/1850641.html

OPEC Increases Global Oil Demand Forecast, Citing Improved Economics

The Organization of Petroleum Exporting Countries (OPEC) boosted its 2009-2010 oil demand forecasts to reflect improved economic conditions, the group said on October 13. OPEC raised by 200,000 b/d its demand predictions for 2009 and 2010. It expects world oil demand to average 84.2 million b/d in 2009—or 1.4 million b/d less than in 2008—and 84.9 million b/d in 2010.

http://www.rigzone.com/news/article.asp?a_id=81339

Oil Demand in Developed Countries Probably Peaked in 2005—CERA

Oil demand in developed nations probably peaked in 2005, the IHS Cambridge Energy Research Associates (CERA) said in a report. Demand should decline slightly in the developed world, through 2030, but increased demand among non-OECD countries should ensure overall growth in the short term, CERA said. http://www.rigzone.com/news/article.asp?a id=81338

Natural Gas

Tenaska Plans 800 MMcf/d, 140-mile Natural Gas Pipeline in Texas

Tenaska plans to construct an 800 MMcf/d, 140-mile natural gas pipeline in the Haynesville Shale of East Texas, the company said in a news release. The company expects the line to deliver an initial 500 MMcf/d of natural gas, but eventually transport 800 MMcf/d, it said in the release. It plans to open part of the line in early 2010 and the remaining segments in the second quarter of 2010, it said.

http://www.tenaska.com/newsItem.aspx?id=65

Central Valley Gas Storage Launches Open Season for Planned 8 Bcf Natural Gas Storage Facility in California October 12

Nicor Inc.'s Central Valley Gas Storage launched a non-binding open season for natural gas storage capacity at its planned 8 Bcf underground storage facility near Princeton, California, it said in a release. The company expects to open the site by April, 2012, it said.

http://phx.corporate-ir.net/phoenix.zhtml?c=85155&p=irol-newsArticle&ID=1340917&highlight=

Southern Star Plans 4 Million Dth Natural Gas Storage Expansion in Kansas

Southern Star Central Gas Pipeline completed a successful open season for a planned 4,000,000 Dth natural gas storage expansion at its existing Elk City Gas Storage Field near Independence, Kansas, the company said in a release. The project would boost daily gas deliverability by 40,000 Dth/d, it said in the statement. The company filed its plans with the Federal Energy Regulatory Commission (FERC), according to the release. http://www.sscgp.com/News/StorExp.htm

Trico Announces Successful Open Season for Planned 22.4 Bcf Natural Gas Storage in Western United States

Trico Ten Section Hub, LLC announced a successful open season for a planned 22.4 Bcf natural gas storage project in the western United States, the company said in a press release. The project would include up to 1.0 Bcf/d of withdrawal service and up to 0.8 Bcf/d of injection service, according to the release.

http://www.tensectionhub.com/media/tensectionhub/TricorSuccessfulClose%20toOpenSeason.pdf

Natural Gas to Account for About Half of Shell's Energy Production by 2012—CEO

Shell expects natural gas to account for approximately half of its energy production by 2012, as technological advances open new reserves and utilities replace coal-fired power plants, the company's CEO said on October 8. http://www.ogj.com/index/article-display/0480477872/s-articles/s-oil-gas-journal/s-drilling-production-2/s-2009/s-10/s-half-of_shell_s_production.html

Other News

Explosion, Fire at Pinal Energy's 50 MMGal/Yr. Ethanol Plant in Arizona October 6

An explosion and brief fire struck Pinal Energy's 50 MMGal/Yr. ethanol plant in Arizona on October 6, a news source said. Officials said the site's fire suppression system prevented more-significant damage. It was not clear if the plant remained online. The incident did not cause any injuries, according to the news source. http://www.pinalenergyllc.com/

http://ethanol-news.newslib.com/story/6938-33652/

United States Must Ensure "Widespread, Affordable Deployment" of Carbon Capture Technology in 8-to-10 Years--Energy Secretary Chu

The world must work to "advance carbon capture and storage technology to the point where widespread, affordable deployment can begin in 8 to 10 years," Energy Secretary Steven Chu said in a letter to global energy leaders. The United States, he said, could bring up to 10 such demonstration projects online by 2016, thus "enabling us to evaluate and improve on the technology to make it commercially deployable."

http://www.energy.gov/news2009/documents2009/Carbon Sequestration Leadership Forum Letter.pdf
http://www.reuters.com/article/internal ReutersNewsRoom BehindTheScenes MOLT/idUSTRE59B1UG20091012

Energy Prices

U.S. Oil and Gas Prices October 13, 2009			
	Today	Week Ago	Year Ago
CRUDE OIL West Texas Intermediate U.S. \$/Barrel	73.84	71.41	80.20
NATURAL GAS Henry Hub \$/Million Btu	3.96	2.89	6.69

Source: Reuters

Energy Notes

Cannon Northwest Wind Partners Plans 59.8 MW Windy Flats Extension Wind Farm in Washington—Company Expects to Finish Project by End of 2009

PRN, 07:55 October 13, 2009

Brookfield Renewable Power Fund Plans 50.6 MW Gosfield Wind Farm in Ontario, Canada—Facility Slated for August 2010 Completion

PRN, 07:55 October 13, 2009

PSE&G Seeks Proposals for Development of 5 MW of Roof and Ground-Mounted Solar Power Systems in New Jersey

 $\frac{http://www.prnewswire.com/news-releases/pseg-accepting-proposals-for-solar-4-all-programs-third-party-owned-segment-64012902.html}{}$

Ocean Power Technologies, Lockheed Martin Ink Deal to Develop Wave-based Power Systems in North America

DJN, 09:07 October 13, 2009

OSHA Cites ConocoPhillips for \$92,000 of Safety-and-Health-Related Problems at 238,000 b/d Bayway Refinery in Linden, New Jersey

Bloomberg News, 15:26 October 9, 2009

Nova Chemicals Corp. Sees "Small, Contained Fuel Oil Leak" at Corunna Refinery in Ontario, Canada October 13

Bloomberg News, 08:40 October 13, 2009

Canadian Oil Sands Hold 173 Billion Barrels in Crude Reserves—Energy Resources Conservation Board of Alberta

http://www.downstreamtoday.com/news/article.aspx?a id=18614

Update: Pemex Denies it is Reconsidering Development Plans at Chicontepec Oil Region in Mexico

http://www.rigzone.com/news/article.asp?a_id=81288

U.S. O&G Drilling Jumps 10.2 Percent from Second-to-Third-Quarter, 2009, but Still Drops 46 Percent from Year-Ago Figures—API

http://www.rigzone.com/news/article.asp?a id=81327

Missouri Gas Utility Eyes November 2009 Start-Date for 40-mile Natural Gas Pipeline in Missouri

http://www.downstreamtoday.com/news/article.aspx?a_id=18613

Technical Error Forces Offline BP's 7.6 Million Ton/Year Tangguh LNG Plant in Papua—Sempra Energy Had Been Expected to Import from Site into United States http://www.downstreamtoday.com/news/article.aspx?a_id=18604

United States Could Have Enough Natural Gas to Provide for 50-to-100 Years of Demand—BP CEO

http://intelligencepress.com/

Compressor Shuts, Restarts at Amerada Hess Seminole Gas Processing Plant in Texas October 11-12

http://www11.tceq.state.tx.us/oce/eer/index.cfm?fuseaction=main.getDetails&target=130572

Turbine Shuts Briefly at Goldsmith Gas Plant in Texas October 10

http://www11.tceq.state.tx.us/oce/eer/index.cfm?fuseaction=main.getDetails&target=130571

Compressor Shutdown Triggers Flaring at Waha Gas Plant in Texas October 10— Operators Restart Unit within Hours

http://www11.tceg.state.tx.us/oce/eer/index.cfm?fuseaction=main.getDetails&target=130568

Bad Weather Cuts Power to Rocker B Compressor Station in Texas October 9

http://www11.tceq.state.tx.us/oce/eer/index.cfm?fuseaction=main.getDetails&target=130536

Storm Cuts Power to Tilden Gas Plant in Texas October 9, but Operators Restart Affected Equipment Later in Day

http://www11.tceq.state.tx.us/oce/eer/index.cfm?fuseaction=main.getDetails&target=130636 http://www11.tceq.state.tx.us/oce/eer/index.cfm?fuseaction=main.getDetails&target=130564

Leak along 8-and-6-inch Holland-Browning-Glover Natural Gas Pipeline in Texas October 12

http://www11.tceq.state.tx.us/oce/eer/index.cfm?fuseaction=main.getDetails&target=130587

Advanced Biofuel Producers to See Similar Risks as Corn-Based Ethanol Producers— Standard & Poor's Ratings Services

DJN, 12:30 October 13, 2009

Links

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 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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