



ENERGY ASSURANCE DAILY

Wednesday Evening, October 17, 2012

Electricity

Powerful Windstorm Knocks Out Power to 40,000 Xcel Customers in Colorado October 16

A powerful windstorm struck the Denver area late Tuesday night, knocking out power to 40,000 Xcel Energy customers. The utility hoped to fully restore power by Wednesday afternoon.

http://www.denverpost.com/breakingnews/ci_21791511/about-11-000-homes-still-without-power-after

NextEra Reports ‘Unusual Event’ Due to Earthquake at Its 1,155 MW Seabrook Nuclear Unit 1 in New Hampshire October 16

NextEra Energy declared an Unusual Event at its Seabrook nuclear power plant Tuesday night when operators in the plant’s control room felt an earthquake and later confirmed with local officials that a seismic event had occurred, according to a filing with the U.S. Nuclear Regulatory Commission. The plant is currently shut for a planned refueling outage, and no adverse impacts to the shutdown were experienced as a result of the seismic event. Information obtained by a seismic monitoring system confirmed no additional escalation was warranted.

<http://www.nrc.gov/reading-rm/doc-collections/event-status/event/2012/20121017en.html>

Update: TVA’s 1,118 MW Browns Ferry Nuclear Unit 3 in Alabama at Full Power by October 17

On the morning of October 16 the unit was operating at 60 percent.

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2012/>

Update: PG&E’s 1,087 MW Diablo Canyon Nuclear Unit 2 in California at Full Power by October 17

Pacific Gas & Electric Company’s (PG&E) Diablo Canyon nuclear Unit 2 is returning from an outage that began October 11, when a 500-kV line differential relay actuated, resulting in a unit trip. Operators restarted the unit on October 16.

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2012/>

SCE’s 200 MW Eastwood Hydro Unit in California Shut by October 16

The unit entered a planned outage.

<http://content.aiso.com/unitstatus/data/unitstatus201210161515.html>

Update: Bruce Power’s 750 MW Bruce A Nuclear Unit 2 in Ontario Sends Electricity to Ontario Grid October 16

Bruce Power on Tuesday announced it has synchronized its Bruce A nuclear Unit 2 with Ontario’s grid, marking a major milestone in its program to refurbish Units 1 and 2 at the Bruce A nuclear generating station. The 750 MW Bruce A Unit 1 synchronized with the grid on September 19. With first synchronization of Unit 2 now complete, final planned commissioning activities will be carried out, including safety system shutdown testing. Bruce Power consists of two generating stations (Bruce A and B), with each station housing four nuclear reactors. Six of those reactors are currently operational, producing more than 4,700 MW of power. A program to refurbish Units 1 and 2 at Bruce A got underway in the mid-2000s after a long-term power agreement was reached between Bruce Power and the Province of Ontario.

<http://www.brucepower.com/6926/news/bruce-power%e2%80%99s-unit-2-sends-electricity-to-ontario-grid-for-first-time-in-17-years/>

Edison Mission Energy, NPPD Dedicate New 80 MW Broken Bow Wind Farm in Nebraska

The presidents of Edison Mission Energy (EME), a subsidiary of Edison International, and Nebraska Public Power District (NPPD) on Tuesday dedicated the Broken Bow wind project in Custer County, Nebraska. The project, which will be operated by EME, is capable of generating up to 80 MW of electricity. All of the power produced by Broken Bow will be sold to NPPD under a 20-year power purchase agreement. The project is targeted to begin commercial operations within the next several weeks.

<http://www.edison.com/pressroom/pr.asp?bu=&year=0&id=8045>

Black Hills Begins Commercial Operations at Its 29 MW Busch Ranch Wind Farm in Southern Colorado

<http://www.blackhillscorp.com/news12/101612b.pdf>

Petroleum

U.S. Northeast Diesel/Heating Oil Inventories at Record Lows – EIA

Inventories of diesel fuel and heating oil in the U.S. Northeast are at their lowest mid-October level since the U.S. Energy Information Administration (EIA) began keeping regional records in 1990. Nationwide, supplies remain at 12-year lows for this time of year. Only 6 percent of U.S. households rely on heating oil, but 80 percent of them are in the Northeast.

DJN, 11:08 October 17, 2012

http://www.eia.gov/oog/info/twip/twip_distillate.html#stocks

NuStar Energy Announces Binding Open Season for Proposed Niobrara Falls Project to Transport Niobrara Shale Oil from Colorado to Texas

NuStar Energy L.P. on Tuesday announced the launch of a binding open season by its affiliate, NuStar Logistics, L.P. to assess shipper interest in firm priority space to transport crude oil from the Niobrara Shale in Colorado to Wichita Falls, Texas. The project would also have the capability to transport Permian and Granite Wash crude to NuStar's Dixon, Texas Tank Farm for delivery to various destinations. The system will also carry crude to various refiners in Colorado, Oklahoma, and Texas, and shippers may also have the option to access the Nederland/Beaumont, Texas markets and/or the Cushing hub via connections to third-party pipelines. Under the proposed project, NuStar would construct new crude oil pipelines from gathering locations in the Niobrara Shale and connect those pipelines with its existing 10-inch petroleum products pipeline from Denver to McKee, Texas. NuStar would convert the 10-inch line to crude oil service and reverse and connect it with its 14-inch Wichita Falls crude oil pipeline, which would also be reversed. The 10-inch pipeline would have an approximate capacity of 70,000–75,000 b/d, and the 14-inch pipeline would have an approximate capacity of 125,000–130,000 b/d. Subject to sufficient shipper commitments, permits, and regulatory approvals, the reversed 14-inch pipeline would begin service around April 1, 2013, with the full Niobrara Falls Project in service around the first quarter of 2014.

<http://www.dailyfinance.com/2012/10/15/nustar-energy-lp-announces-binding-open-season-for/>

<http://community.nasdaq.com/News/2012-10/nustar-proposes-pipeline-system-analyst-blog.aspx?storyid=182248>

Natural Gas

Exterran Reports Emissions Due to Various Unit Shutdowns at Its 50 MMcf/d Reinecke Gas Plant in Texas October 15

Exterran reported Units 71050 and 70972 at its Reinecke plant went down Monday on fuel issues and were down for 6 hours each, according to a filing with the Texas Commission on Environmental Quality. Unit 71850 went down on high inter-stage pressure due to a blockage in the chiller.

<http://www11.tceq.state.tx.us/oce/eer/index.cfm?fuseaction=main.getDetails&target=174860>

Other News

California Asks Court to Reinstate Carbon Fuel Standard Facing Challenges from Out-of-State Ethanol Producers

California officials on Tuesday asked a panel of U.S. federal appeals court judges to reinstate the state's low-carbon fuel standard, an element of California's new cap and trade program that is facing court challenges from farm- and oil-industry groups arguing it is unfair to out-of-state producers. The standards apply to any company selling transportation fuel in the state and require a 10 percent average reduction in so-called "carbon intensity" by 2020. California has assigned a higher carbon intensity score to ethanol produced in the Midwest because its transportation and processing produces more emissions. A U.S. district court judge ruled December 29 that California's method of assigning a higher carbon intensity score to ethanol produced out of state violates interstate commerce laws. After the court's ruling in December, the standards were temporarily reinstated by the federal appeals court, which heard arguments Tuesday from both sides.

<http://www.bloomberg.com/news/2012-10-16/california-asks-court-to-reinstate-carbon-fuel-standard.html>

International News

Update: Aramco Expects Manifa Oilfield in Saudi Arabia to Reach Output of 500,000 b/d in 2013, 900,000 b/d by 2014

Saudi Arabia's state oil company Aramco on Tuesday said it expects to begin oil output from the Kingdom's Manifa field and ramp up to an estimated 500,000 b/d in the first half of 2013 and to 900,000 b/d by 2014. The company also said its large Karan and Wasit natural gas projects will likely boost Saudi Arabian natural gas output by an estimated 40 percent, without specifying when the production increase would occur. The Karan project came online this year; Wasit is expected to come online in 2014.

Reuters, 13:35 October 16, 2012

Pirates Attack Oil Industry Vessel, Kidnap Crew Members Offshore Nigeria October 15

<http://www.chicagotribune.com/news/sns-rt-us-nigeria-kidnappingbre89gOut-20121017.0.6075368.story>

Energy Prices

U.S. Oil and Gas Prices			
October 17, 2012			
	Today	Week Ago	Year Ago
CRUDE OIL West Texas Intermediate U.S. \$/Barrel	92.00	92.48	86.21
NATURAL GAS Henry Hub \$/Million Btu	3.27	3.19	3.49

Source: Reuters

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 and 1:00 PM Eastern Time every Wednesday.

Natural Gas Weekly Update from EIA

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

Updated after 2:00 PM Eastern Time 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 PM Eastern Time. For more information, visit the Infrastructure Security and Energy Restoration (ISER) website at:

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

Please direct comments and questions to: ead@oe.netl.doe.gov