



ENERGY ASSURANCE DAILY

Monday Evening, October 18, 2010

Electricity

PSE&G's 1,092 MW Salem Nuclear Unit 2 in New Jersey Tripped on October 17

The Nuclear Regulatory Commission reported that early on the morning of October 17 the unit was operating at full power. The unit tripped due to a 4 kV group bus undervoltage condition at 05:12 October 17.

<http://www.nrc.gov/reading-rm/doc-collections/event-status/event/2010/20101018en.html>

Information also derived from the NRC Power Reactor Status Reports:

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

PSE&G's 1,096 MW Salem Nuclear Unit 1 in New Jersey Shut by October 16, Ramped Up to 14 Percent by October 17

The Nuclear Regulatory Commission reported that on the morning of October 16 the unit was not operating. The reactor was shut automatically due to a turbine trip. On the morning of October 15 the unit was operating at full power.

<http://www.nrc.gov/reading-rm/doc-collections/event-status/event/2010/20101018en.html>

Information also derived from the NRC Power Reactor Status Reports:

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

Exelon's 855 MW Quad Cities Nuclear Unit 1 in Illinois at Full Power by October 17

The Nuclear Regulatory Commission reported that on the morning of October 16 the unit was operating at 31 percent. The morning of October 15 the unit was operating at 43 percent.

Information derived from the NRC Power Reactor Status Reports:

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

Southern's 870 MW Hatch Nuclear Unit 2 in Georgia Reduced to 70 Percent by October 18

The Nuclear Regulatory Commission reported that on the morning of October 15 the unit was operating at full power. By October 16 the unit was reduced to 78 percent.

Information derived from the NRC Power Reactor Status Reports:

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

Entergy's 813 MW FitzPatrick Nuclear Unit in New York Ramped Up to 25 Percent by October 18 – Glitch Delayed Exit from Refueling Outage October 15 to 17

The Nuclear Regulatory Commission reported that on the morning of October 17 the unit was operating at 1 percent. Entergy had stopped the restart of the unit by October 15 due to a vibration in the feedwater condensate system. The unit had been in the process of restarting after refueling shut the plant from about September 13 to October 10.

<http://www.reuters.com/article/idUSN1522427320101015>

Information also derived from the NRC Power Reactor Status Reports:

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

Dynegy's 510 MW Moss Landing Gas-Fired Unit 2 in California Reduced by October 16

According to the California Independent System Operator, the unit reported an unplanned curtailment of 260 MW by October 16.

<http://www.caiso.com/unitstatus/data/unitstatus201010161515.html>

Update: AES's 336 MW Alamos Gas-Fired Unit 4 in California Returns to Service by October 15

According to the California Independent System Operator, the unit was shut for unplanned reasons by October 14.

<http://www.caiso.com/unitstatus/data/unitstatus201010161515.html>

Luminant's Big Brown Coal-Fired Unit in Texas Restarts after Unexpected Unit Trip October 16

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=146171>

OPG's 535 MW Lennox Oil and Gas-Fired Unit 3 in Ontario Shut by October 17

Reuters, 01:15 October 18, 2010

Calpine/Mitsui's 212 MW Greenfield Gas-Fired Unit 3 in Ontario Shut by October 17

Reuters, 01:15 October 18, 2010

Petroleum

Update: Gasoline Stations Run Out of Fuel as Strike Continues in France

There are conflicting reports of the number of gasoline stations in France that are experiencing supply issues. Government officials have pegged the number at between 200 and 230, while Radio France Internationale reported that as many as 1,500 stations had run out of supplies by October 18. The entire country has between 12,500 and 13,000 filling stations. Truck drivers have joined the strike and are blocking gasoline deliveries. Before the strike, the United States had been importing gasoline blending components from France at a rate varying from 17,000 to 55,000 b/d in 2010. Ten of France's 200 fuel terminals are being blocked by strikers, though police have ordered protestors to lift barricades at some fuel depots. Strikers are also blocking fuel import sites at Le Havre, Marseilles, and near Nantes. France is not drawing on strategic reserves according to the International Energy Agency, but rather is substituting reserves with commercial stocks from elsewhere in the country..

<http://www.businessweek.com/news/2010-10-18/french-service-stations-empty-on-strike-shortages.html>

<http://www.bloomberg.com/news/2010-10-15/french-police-unblock-fuel-depots-as-refinery-port-strikes-cut-supplies.html>

<http://www.cnn.com/2010/WORLD/europe/10/18/france.strikes.shortage/index.html?hpt=T2>

<http://www.eia.gov/dnav/pet/hist/LeafHandler.ashx?n=PET&s=MBCIMUSFR2&f=M>

<http://www.montrealgazette.com/travel/Airlines+told+refuel+before+flying+France+shortage+grows/3688373/story.html>

http://www.upi.com/Business_News/2010/10/18/Fears-fuel-shortages-escalate-in-France/UPI-41751287418375/

Unit 11 Restarted at ConocoPhillips' 247,000 b/d Sweeny, Texas Refinery by October 18

According to trade sources, Unit 11 is a sulfur unit.

Reuters, 10:25 October 18, 2010

<http://www.bloomberg.com/news/2010-10-18/top-oil-market-news-hedge-funds-cut-bets-on-gas-oil-falls-for-third-day.html>

TransCanada's Proposed 1,980-Mile Keystone XL Oil Pipeline Delayed Indefinitely

Final U.S. government approval for the pipeline has been delayed for unknown reasons, though analysts suspect delays are due to concerns following the Deepwater Horizon oil spill. Originally the project was assumed to be undergoing a fast track approval process, with TransCanada to begin laying pipe by the end of 2010. The pipeline would deliver crude oil from tar sands in Hardisty, Alberta to the U.S. Gulf Coast via Montana, South Dakota, Nebraska, Kansas, Oklahoma and Texas. In June, TransCanada completed the first phase of the 1.5 MMb/d project, the 36-inch Keystone pipeline which runs from Saskatchewan and Manitoba through North Dakota, South Dakota, Nebraska, Kansas, Missouri and Illinois.

<http://www.washingtonpost.com/wp-dyn/content/article/2010/10/17/AR2010101701749.html>

New Federal Offshore Drilling Rules to Cost Industry \$183 Million per Year

Some energy companies may move away from drilling in the Gulf of Mexico due to the increased costs according to oil and gas industry officials.

<http://www.chron.com/disp/story.mpl/business/7239139.html>

BOEMRE Announces October 14 It Will Resume Surprise Inspections of Oil Rigs in Gulf of Mexico

The U.S. Department of the Interior's Bureau of Ocean Energy Management, Regulation and Enforcement (BOEMRE) had previously ceased making unannounced inspections due to national security concerns.

<http://www.reuters.com/article/idUSTRE69D5YW20101014>

Inter Pipeline Fund's Polaris Pipeline System to Provide 30,000 b/d of Diluent to Husky Oil and BP's Proposed 200,000 b/d Sunrise Oil Sands Project

New facilities will include construction of five kilometers of eight-inch diameter pipe. All facilities are planned to be complete by the end of 2013.

http://www.interpipelinefund.com/news_releases/2010/10_18_10.html

Koch Pipeline, NuStar Logistics Finalize Plans for 30,000 b/d Pipeline in Texas to Transport Eagle Ford Shale Crude Oil to Corpus Christi, Texas Refineries and Terminals

The companies plan for the pipeline to be complete and in service by the second quarter of 2011. As Eagle Ford production increases, the new pipeline's capacity can be increased to 50,000 b/d.

Reuters, 10:27 October 18, 2010

http://www.marketwatch.com/story/koch-pipeline-company-and-nustar-logistics-finalize-agreement-on-south-texas-crude-oil-pipeline-capacity-to-move-eagle-ford-crude-to-corpus-christi-2010-10-18?reflink=MW_news_stmp

Natural Gas

Gulf South-Owned Pipeline Shut after Burst in Carnes, Mississippi October 14

Gulf South shut the pipeline the evening of October 14. Nine homes were evacuated as a precaution.

<http://www.wlox.com/Global/story.asp?S=13326019>

ETP Announces Plans to Build Two Natural Gas Pipelines Stretching a Total of 130 Miles and Having Final Capacity of 700 MMcf/d in Texas October 18

Energy Transfer Partners L.P. (ETP) plans to construct two pipelines. One is the 50-mile, 24-inch, 400 MMcf/d Dos Hermanas line in Webb County, Texas which will connect to the ETP's Houston Pipeline gas gathering system by December 2010. The other will be the 83-mile, 20-inch, 100 MMcf/d Chisholm line connecting DeWitt County, Texas to ETP's LaGrange Processing Plant in Fayette County, Texas by the second quarter of 2011. The Chisholm pipeline will eventually be increased to 300 MMcf/d.

http://www.downstreamtoday.com/news/article.aspx?a_id=24342

Freeport LNG Terminal in Texas to Re-Export LNG Cargo This Week

Only Freeport and Cheniere Energy's Sabine Pass, Louisiana LNG terminal have re-export capacity, though Sempra Energy's Cameron, Louisiana LNG terminal has applied for a license. About 10 Bcf of LNG have been re-exported from the United States this year. High levels of domestic supply have reduced the need for imports.

Reuters, 10:23 October 18, 2010

Other News

MSHA Halves Allowable Concentration of Respirable Coal Dust in Underground Mines in New Rule Announced October 14

The U.S. Department of Labor's Mine Safety and Health Administration (MSHA) announced that the concentration of allowable coal dust in underground mines will be reduced from two milligrams of dust per cubic meter of air to one milligram of dust over a 24-month phase-in period. Among other things, the new rules will also require the use of continuous personal dust monitors, address extended work shifts, redefine normal production shifts, and require expanded medical surveillance. The rules, which will be published in the Federal Register October 19, will affect over 400 underground and 1,100 surface mines.

<http://www.msha.gov/MEDIA/PRESS/2010/NR101014.pdf>

<http://www.mineweb.com/mineweb/view/mineweb/en/page72068?oid=113137&sn=Detail&pid=102055>

<http://ohsonline.com/articles/2010/10/15/10-msha-rule-to-lower-coal-dust-exposures.aspx>

EPA Threatens to Revoke Water Quality Permit from Arch Coal's Proposed Spruce No. 1 Coal Mine in Logan County, West Virginia Due to Environmental Concerns

This would mark the first time that the U.S. Environmental Protection Agency (EPA) had ever revoked a crucial water permit after it was issued. A regional administrator for the EPA said that the mine "would likely have unacceptable adverse effects on wildlife."

<http://www.mineweb.com/mineweb/view/mineweb/en/page72068?oid=113137&sn=Detail&pid=102055>

Pacific Ethanol Plans to Restart 60 Million Gallon/Year Stockton, California Ethanol Plant in December 2010

The company also hopes to resume operations at its 40 million gallon/year ethanol plant in Madera, California as economic conditions improve.

http://www.marketwatch.com/story/pacific-ethanol-inc-plans-to-restart-stockton-california-ethanol-production-facility-within-60-days-2010-10-18?reflink=MW_news_stmp

Energy Prices

U.S. Oil and Gas Prices			
October 18, 2010			
	Today	Week Ago	Year Ago
CRUDE OIL West Texas Intermediate U.S. \$/Barrel	82.74	82.72	77.16
NATURAL GAS Henry Hub \$/Million Btu	3.47	3.62	3.88

Source: Reuters

Energy Notes

State Environmental Official Says Pennsylvania Has Enacted Some of Nation's Toughest Regulations Regarding Shale Gas Production

<http://www.ogj.com/index/article-display/3248728846/articles/oil-gas-journal/drilling-production-2/2010/10/pennsylvania-marcellus.html>

Thieves Steal Copper Wiring from Oklahoma Electric Cooperative Substation in Norman, Oklahoma, Causing Fire and Leaving 3,300 Customers Without Power October 17 – Copper Also Taken at Two Other Substations

<http://www.kfor.com/news/local/kfor-copper-thieves-cause-power-outage-story,0,4073008.story>

Low Carbon Fuel Standards Would Reduce Incentives to Refine and Upgrade Oil Sands, Lead to Oil Sands Refinery Closures: Purvin & Gertz Report

http://www.purvingertz.com/userfiles/products/LCFS_Description.pdf

<http://www.newswire.ca/en/releases/archive/October2010/13/c2098.html>

Canadian Oil Sands Yield Lower Greenhouse Gas Emissions Than Commonly Cited – Imported Oil Sands Products in U.S. Result in Six Percent Higher Emissions than Average Crude: IHS Cambridge Energy Research Associates

<http://www2.ihs cera.com/os/>

http://press.ihs.com/article_display.cfm?article_id=4299

DCP Midstream Discovers Leak at 10-Inch Duke Energy Field Services Pipeline in Jim Wells County, Texas October 15

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=146155>

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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