



ENERGY ASSURANCE DAILY

Friday Evening, October 23, 2009

Major Developments

Explosion Triggers Massive Fire at Caribbean Petroleum's Fuel Storage Site and 48,000 b/d Refinery in Puerto Rico October 23

An overnight explosion ignited 11 of 40 tanks at a Caribbean Petroleum Corp. fuel storage facility in Puerto Rico, sources reported. The affected site is also home to a 48,000 b/d refinery. That facility was offline, according to the company's website, though it was not clear if it had been shut prior to the incident. The U.S. Coast Guard blocked vessels from entering the nearby San Juan Bay port, and Puerto Rico's governor declared a state of emergency, a news source said. Consumer Affairs Secretary Luis Rivera Marin said there is enough fuel on hand for 24 days, and 16 million gallons of gasoline were in transit to the island. He also froze prices at the level they were at 8:06 a.m. The impacted tanks contained jet fuel, bunker fuel and gasoline. Firefighters continued to battle the blaze, and were working to prevent the remaining 29 tanks from catching fire, as of latest reports. Officials said it could take a week to extinguish the fire. The FBI was investigating a report of graffiti on a nearby tunnel that appeared to mention the incident, an agent said. The agency, however, did not give any official cause for the blast. Two people were injured, and officials evacuated about 350 locals.

<http://www.cnn.com/2009/WORLD/americas/10/23/puerto.rico.explosion/index.html>

<http://www.reuters.com/article/latestCrisis/idUSN2391512>

Bloomberg News, 10:18 October 23, 2009

Reuters, 12:31 October 23, 2009

Electricity

Dynegy's 335 MW El Segundo Gas-fired Unit 4 in California Shut by October 22

According to the California Independent System Operator, the unit reported an unplanned outage by October 22.

<http://www.caiso.com/unitstatus/data/unitstatus200910221515.html>

Cabrillo Power's 330 MW Encina Gas-fired Unit 5 in California Shut by October 22

According to the California Independent System Operator, the unit reported an unplanned outage by October 22.

<http://www.caiso.com/unitstatus/data/unitstatus200910221515.html>

Update: PG&E's 404 MW Helms Hydro Unit 3 in California Returns to Service by October 22

According to the California Independent System Operator, the unit reported a return from an unplanned outage.

<http://www.caiso.com/unitstatus/data/unitstatus200910221515.html>

CPV Renewable Energy Company Plans 200 MW Ashley Wind Farm in North Dakota

The company expects to open the site in 2012 and sell its electricity to the Tennessee Valley Authority (TVA), it said in a press release.

http://www.cpv.com/pdf/CPV%20Ashley_TVA_Press%20Release%20Final_10_22_09.pdf

Petroleum

Power Outage Shuts Total's 174,000 b/d Port Arthur, Texas Refinery October 22

A power outage shut all units at Total's 174,000 b/d Port Arthur, Texas refinery on October 22, but operators began restarting the facility later in the day, it said. The company did not say when it planned to resume normal service, but did say in a regulatory filing that outage-related emissions could stretch through October 27.

<http://www.reuters.com/article/ELECTU/idUSN2253521120091022>

<http://www11.tceq.state.tx.us/oce/eer/index.cfm?fuseaction=main.getDetails&target=131036>

Leak Forces Shut 36,000 b/d Hydrocracker at 315,000 b/d Corpus Christi, Texas Refinery October 23

Valero planned to shut a leaking 36,000 b/d hydrocracker at its 315,000 b/d Corpus Christi, Texas refinery, a company spokesman said on October 23. Operators discovered the leak last week as they restarted the unit from an October 7 fire, the spokesman said. He did not say when the unit might return to service.

Reuters, 10:27 October 23, 2009

ConocoPhillips Reports Snag at 147,000 b/d Carson, California Refinery

A "process unit upset" triggered flaring at ConocoPhillips' 147,000 b/d Carson, California refinery by October 22, according to a filing with state regulators. The company did not say if the incident had impacted production.

Bloomberg News, 15:57 October 22, 2009

Update: Tesoro Expects to Resume Normal Service in a Few Days after October 21 Fire at 58,000 b/d Salt Lake City, Utah Refinery

Tesoro expected to tap on-site supplies for a few days, but then resume normal procedures at its fire-impacted, 58,000 b/d Salt Lake City, Utah refinery, a company spokesperson said by October 23. The fire occurred during the evening of October 21.

Reuters, 10:15 October 23, 2009

Enbridge Opens 7.5 Million Barrel Oil Storage Terminal in Hardisty, Alberta October 20

The site includes 19 tanks, each able to hold up to 530,000 barrels of oil, a news source said.

<http://www.calgaryherald.com/business/Enbridge+opens+terminal+Hardisty/2124267/story.html>

http://www.tankstoragemag.com/industry_news.php?item_id=1359

Natural Gas

Update: Energy Transfer Partners May Increase Capacity to 2.4 Bcf/d along Planned 180-mile, Texas-to-Louisiana Tiger Natural Gas Pipeline

Energy Transfer Partners has received capacity commitments for 2.0 Bcf/d along its planned Texas-to-Louisiana Tiger natural gas pipeline, and might expand the line's capacity to 2.4 Bcf/d, it said in a press release. The company expects to break ground on the project by June 2010 and begin service in the first half of 2011, according to a previous release.

<http://www.energytransfer.com/PressReleases.asp?idPressRelease=300>

<http://www.energytransfer.com/PressReleases.asp?idPressRelease=292>

Arlington Storage Eyes November 8 Start-Date for Planned 7.7 Bcf Thomas Corners Natural Gas Storage Project in New York

Arlington Storage Co. applied with the Federal Energy Regulatory Commission (FERC) to open its 7.7 Bcf/d Thomas Corners natural gas storage site in New York on November 8, a news source said.

<http://www.steuben-gas-storage.com/tc/tomset.html>

<http://intelligencepress.com/>

Range Resources Corp. Plans 100-110 MMcf/d Natural Gas Production Boost in Marcellus Shale, Pennsylvania

Range Resources Corp. plans to increase production by 100-110 MMcf/d at its existing Marcellus Shale, Pennsylvania property, from 90-100 MMcf/d by the end of 2009 to near 200 MMcf/d by the end of 2010, a news source said. The company also expects to boost its gas cryogenic processing capacity in the region from 155 MMcf/d by December 2009-or-January 2010 to more than 300 MMcf/d in mid-2011, it said in a release.

<http://intelligencepress.com/>

<http://www.b2i.us/profiles/investor/ResLibraryView.asp?BzID=790&ResLibraryID=33229&Category=1640>

Other News

Teanaway Solar Reserve Plans 75 MW Photovoltaic Solar Power Project in Washington

The 75-megawatt reserve is the largest PV solar project ever proposed for the Northwest and if built on schedule, would be one of the largest operating in the world.

<http://www.teanawaysolarreserve.com/>

<http://www.pnnewswire.com/news-releases/teanaway-solar-reserve-an-engine-for-economic-growth-and-new-jobs-65606017.html>

Air Products Plans 100 MMcf/d Hydrogen Production Plant in Louisiana

Air Products Partners plans to construct a 100 MMcf/d steam methane reformer at Monsanto Company's Luling, Louisiana Roundup facility, it said in a press release. It expects to connect the SMR to its East Gulf Coast pipeline network, which serves refineries along its route. The company plans to complete the facility in January 2012.

<http://www.airproducts.com/PressRoom/CompanyNews/Archived/2009/22Oct2009.htm>

Update: Hankinson Renewable Energy Restarts 110 MMGal/Yr. Hankinson, North Dakota Ethanol Plant in Early October

Murphy Oil's Hankinson Renewable Energy restarted its newly-acquired, 110 MMGal/Yr., Hankinson, North Dakota ethanol plant in the first week of October, according to an official at the North Dakota Department of Commerce. The site had been offline since October 2008 when its previous owner, VeraSun Energy, filed for bankruptcy, a news source said.

<http://www.hankinsonre.com/>

http://www.farmandranchguide.com/articles/2009/10/22/ag_news/regional_news/news5.txt

Alter NRG Plans 40,000-50,000 b/d Fox Creek Coal-to-Liquids Facility in Alberta Canada

Alter NRG plans to construct the 40,000-50,000 b/d Fox Creek coal-to-liquids facility in Alberta, Canada, but said economic conditions have pushed back the project's timeframe. The company is at the start of a three-year approval effort, but said "final project scoping, project engineering and baseline environmental studies are required to formally initiate the process," a company official said. The site would capture more than 90 percent of its carbon emissions, according to a news source.

<http://www.miningweekly.com/article/canadas-first-ctl-project-still-possible-2009-10-23>

Energy Prices

U.S. Oil and Gas Prices			
October 23, 2009			
	Today	Week Ago	Year Ago
CRUDE OIL West Texas Intermediate U.S. \$/Barrel	80.32	77.16	67.23
NATURAL GAS Henry Hub \$/Million Btu	4.98	3.88	6.94

Source: Reuters

Energy Notes

Update: NRC Issues 20-Year License Extension for Exelon's Three Mile Island Nuke Unit 1 in Pennsylvania October 22—New License to Expire in 2034

<http://www.nrc.gov/reading-rm/doc-collections/news/2009/09-176.html>

Explosion Knocks out Power to Hill Air Force Base in Utah October 23—Pilot Dropped Unarmed Munitions, Triggered Blast

<http://www.standard.net/topics/featured/2009/10/22/hafb-explosion-knocks-out-power>

Update: Coast Guard Applies Dispersants to Mitigate Oil Spill after Tanker Collision Offshore Galveston, Texas—Flyovers Show no Visible Oil Remnants October 23

<http://www.piersystem.com/go/doc/425/361167/>

Korea National Oil Corporation Plans 10,000 b/d Phase One BlackGold Oil Project in Alberta, Canada

<http://www.globeinvestor.com/servlet/story/GAM.20091023.RHARVEST23ART1941/GIStory/>

Update: Kazakhstan says it would deliver Oil to Planned Samsun-Ceyhan, Turkey Pipeline Project

<http://en.rian.ru/world/20091022/156559505.html>

Construction Crew Breaks Puget Sound Energy's four-inch Natural Gas Pipeline in Washington October 22—Incident Triggers Brief Local Evacuation

<http://www.kirotv.com/news/21382757/detail.html>

Quest Midstream Partners Receives FERC Authorization for Park & Loan Service along KPC Natural Gas Pipeline in U.S. Midwest—Approval Would Allow Company to Hold Gas for Future Delivery or Loan Gas to Customers for Future Payment

<http://www.qmlp.net/Websites/qmlp/Blog/166939/2009-10-23-KPC-Park-and-Loan.pdf>

Compressor Shuts and Restarts at Waha Gas Plant in Texas October 22

<http://www11.tceq.state.tx.us/oce/eer/index.cfm?fuseaction=main.getDetails&target=131032>

EPA to Issue Emission-Reduction Rules for U.S. Power Plants by November 2011

Reuters, 12:38 October 23, 2009

Electric Vehicle Growth to Force Upgrades across California Power Grid

Bloomberg News, 04:45 October 23, 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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