ENERGY ASSURANCE DAILY

Monday Evening, October 24, 2011

Electricity

Squirrel Knocks Out Substation Transformer, Cutting Power to 27,000 National Grid Customers in Rhode Island October 23

National Grid reported that a squirrel entering the Warwick, Rhode Island substation knocked out a transformer, causing 27,000 customers to lose power Sunday night. Operators had restored power to most customers by 8:00 PM. http://eastgreenwich.patch.com/articles/national-grid-squirrel-to-blame-for-outages http://www.wpri.com/dpp/news/local_news/west_bay/27,000-without-power-across-6-towns

Transformer Lockout Shuts Xcel's 578 MW Monticello Nuclear Unit in Minnesota on October 21

Xcel Energy said the plant automatically shut down Friday afternoon when the 2R Auxiliary Power Transformer locked out, briefly interrupting non safety-related power from the grid to part of the site. Offsite power is currently providing electrical supply to the plant, and operators are investigating what caused the transformer to lock out. All safety systems functioned normally, and the company did not expect the plant to be shut for long.

http://finance.yahoo.com/news/Monticello-nuclear-plant-apf-979124755.html?x=0&.v=1

Information derived from the NRC Power Reactor Status Reports:

http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2011/

Update: Xcel's 522 MW Prairie Island Nuclear Unit 2 in Minnesota at Full Power by October 22

Xcel Energy shut one of the twin reactor units at the plant on October 4 to replace a reactor coolant pump seal. Operators began ramping up operations over the weekend.

http://www.menafn.com/qn_news_story.asp?storyid=%7B5ed919d1-209e-4dd4-b7bb-358bffbb2049%7D Information derived from the NRC Power Reactor Status Reports:

http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2011/

Update: NRC Says Crack at FirstEnergy's 882 MW Davis-Besse Nuclear Power Plant in Ohio Poses No Immediate Safety Concern

The Nuclear Regulatory Commission issued a report Friday saying the 30-foot hairline crack contractors discovered earlier this month is in "non-structural, architectural" concrete and poses no "immediate safety concern," according to local news reports Friday. Operators shut the plant October 1 to replace the reactor head. On October 10, contractors discovered small cracks in the concrete shield building surrounding the containment structure. http://www.toledoblade.com/Energy/2011/10/21/Davis-Besse-crack-not-immediate-threat-NRC-says.html

Update: FirstEnergy's 1,235 MW Perry Nuclear Unit 1 in Ohio Ramps Up to 96 Percent by October 22

The Nuclear Regulatory Commission reported that on the morning of October 21 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/2011/

PSE&G's 1,096 MW Salem Nuclear Unit 1 in New Jersey Shut by October 24

The Nuclear Regulatory Commission reported that on the morning of October 23 the unit was operating at full power.

Information derived from the NRC Power Reactor Status Reports:

http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2011/

Update: Luminant's 1,150 MW Comanche Peak Nuclear Unit 1 in Texas Restarts by October 22, Ramps Up to 81 Percent by October 24

The Nuclear Regulatory Commission reported that operators shut the unit on October 2 and began ramping up operations on October 22.

Information derived from the NRC Power Reactor Status Reports:

http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2011/

Duke Energy's 846 MW Oconee Nuclear Unit 2 in South Carolina Shut by October 22

The Nuclear Regulatory Commission reported that on the morning of October 21 the unit was operating at 91 percent.

Information derived from the NRC Power Reactor Status Reports:

http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2011/

Fire Shuts 272 MW Unit 3 and 245 MW Unit 4 at Alabama Power's EC Gaston Coal-Fired Power Plant in Alabama October 22

Alabama Power Co. temporarily evacuated employees from its Ernest C. Gaston Electric Generating Plant in Wilsonville, Alabama Saturday morning following a fire at the plant. Operators believe the fire began in the turbine area of Unit 4 around 5:45 AM. Emergency officials helped control and extinguish the fire by 7:00 AM. Unit 4 will remain offline indefinitely while operators investigate the cause of the fire and make any necessary repairs. As a precaution, operators shut Unit 3 for inspection, as well.

http://blog.al.com/spotnews/2011/10/fire forces temporary evacuati.html

Dynegy's 510 MW Moss Landing Gas-Fired Unit 1 in California Reduced by October 22

According to the California Independent System Operator, the unit reported an unplanned curtailment of 260 MW on October 22.

http://content.caiso.com/unitstatus/data/unitstatus201110221515.html

Inland Empire Energy Center's 376 MW Gas-Fired Unit 1 in California Shut by October 21

According to the California Independent System Operator, the unit reported an unplanned outage on October 21. http://content.caiso.com/unitstatus/data/unitstatus201110211515.html

Detour Gold Corporation Connects 115 kV Transmission Line to the Ontario Grid, Plans to Add 230 kV Transmission Line Delivering 100 MW of Electricity by Mid-2012

Detour Gold Corporation announced today that it has successfully connected the first segment of its 135-km (approximately 81-mile), 115 kV transmission line from the Detour Lake project site to the Island Falls power station to the provincial electrical power grid. Detour Gold received approval last August from the Ontario Energy Board to proceed with the construction of a second, 45-km segment of the transmission line from Island Falls to Pinard transformer station (west of Fraserdale). Construction is scheduled to start in late 2011 with grid connection to follow in the second quarter of 2012, well ahead of the start of commissioning. At the completion of the second phase, the line will operate at 230 kV and deliver more than 100 MW of electricity during the operation of the Detour Lake mine.

http://www.detourgold.com/NEWS-RELEASES/News-Releases/News-Releases-Details/2011/Detour-Golds-Transmission-Line-for-Detour-Lake-Mine-Connected-to-Ontario-Grid1126990/default.aspx

Update: EPA to Delay Mercury and Air Toxics Standards for One Month to Review Comments on Draft, Plans to Finalize Rule by December 16

The U.S. Environmental Protection Agency (EPA) said on Friday that it will postpone moving forward on the Mercury and Air Toxics Standards, also known as the maximum achievable control technology rule, to review 960,000 comments it received on its draft of the rule. Earlier this month, a group of 25 states launched a federal court case urging the EPA to delay the rule for at least a year, claiming the measure is too costly. Reuters, 17:20 October 21, 2011

Power Trip Causes FCC Unit to Flare at ExxonMobil's 344,500 b/d Beaumont, Texas Refinery October 22–23

ExxonMobil reported that a power trip Saturday night resulted in flaring from its fluid catalytic cracking (FCC) unit, according to a filing with state regulators. Operators put the plant back online Sunday afternoon and the flaring stopped, but the company expects some impact to production.

Reuters, 14:51 October 23, 2011

http://www11.tceq.state.tx.us/oce/eer/index.cfm?fuseaction=main.getDetails&target=160870 http://www.foxbusiness.com/industries/2011/10/23/exxon-reports-fccu-flaring-at-beaumont-texas-refinery-filing/

Shell to Restart Unit at 100,000 b/d Scotford Refinery near Edmonton, Alberta Reuters, 09:51 October 24, 2011

Update: Statoil Restores Normal Operations at 150,000 b/d Grane Field in the North Sea October 18

An injection compressor malfunction forced Statoil to reduce production to roughly 30,000 b/d earlier this month. http://www.rigzone.com/news/article.asp?a_id=112079

Natural Gas

New York's Proposed Natural Gas Drilling Rules Render Thousands of Acres Off-Limits to Companies Intending to Drill in the State

To address concerns about the effects of drilling on water supplies, New York lawmakers have proposed new rules for natural gas drilling that create an off-limits buffer around waterways that is up to 20 times larger than similar buffers in Pennsylvania. The rules, which lawmakers expect to finalize by early next year, could significantly impact some companies' production plans by prohibiting them from drilling in certain areas. For example, a source at Royal Dutch Shell told Reuters that the company estimates as much as 40 percent of the 90,000 acres it has leased for natural gas drilling could be rendered off-limits by the proposed rule.

http://www.reuters.com/article/2011/10/21/us-newyork-shale-idUSTRE79K4YT20111021

Update: Oregon State Government Objects to Jordan Cove's Plans to Export Natural Gas from Coos Bay, Oregon LNG Terminal

The Oregon Department of Justice has asked the U.S. Department of Energy to put a hold on granting authority to Jordan Cove Energy Project LP to export liquefied natural gas (LNG) from a proposed terminal in Coos Bay, Oregon. The state claims the developer must first fix "deficiencies in its application" and give the public an opportunity to participate in the process. The October 10 protest, which was recently made public, claims the application is "premature and deficient," in part because it strays from appropriate procedures by seeking to amend an existing authorization to build an LNG import terminal. The Jordon Cove project to build a liquefied natural gas (LNG) export terminal in Coos Bay, Oregon was originally planned, in 2003, as an import terminal connected to a 234-mile pipeline to a gas hub at Malin, Oregon.

http://www.downstreamtoday.com/news/article.aspx?a id=28335

http://www.oregonlive.com/business/index.ssf/2011/09/coos_bay_lng_backers_to_apply.html

Methane Reformer Trips Off Line at MarkWest's 138 MMcf/d Javelina Off-Gas Processing Facility in Texas October 21–22

According to a filing with state regulators, an air products steam methane reformer tripped off line. Operators were investigating the cause of the trip and ramped feed gas to minimum rates, directing gas to the flare. MarkWest Javelina can process approximately 138 MMcf/d of refinery off-gas. From this supply of off-gas, MarkWest Javelina produces more than 28,000 barrels of liquid hydrocarbons, including ethylene, ethane, propylene, propane, butane, and natural gasoline, plus 30 million standard cubic feet of hydrogen.

http://www11.tceq.state.tx.us/oce/eer/index.cfm?fuseaction=main.getDetails&target=160843

High Discharge Temperature Shuts AGI Unit 1 at Enbridge's Tilden Gas Plant in Texas October 21–22

According to a filing with the Texas Commission on Environmental Quality, the Unit 1 acid gas injector (AGI) shut down on a second stage high discharge temperature alarm. After inspecting the unit, operators determined that a temperature probe had failed. Operators replaced the temperature probe and restarted the unit. http://www11.tceq.state.tx.us/oce/eer/index.cfm?fuseaction=main.getDetails&target=160869

Engine 23 Shuts, Leads to Flaring at Southern Union's 140 MMcf/d Keystone Gas Plant in Texas October 21–22

Low pressure gas continues to flare as operators wait for parts needed to repair engine 23, which shut down over the weekend.

http://www11.tceq.state.tx.us/oce/eer/index.cfm?fuseaction=main.getDetails&target=160866

Other News

Hackers May Have Accessed Information about Nuclear Power Plants by Infiltrating Mitsubishi Heavy Industries' Computer Systems

Hackers may have penetrated Mitsubishi Heavy Industries Ltd.'s computer systems, gaining access to information about the contractor's development of military aircraft and nuclear power plants, a Kyodo News report citing government sources said on Monday. The Japanese Defense Ministry has said that it does not believe the data pertain to any confidential national security matters, sources said.

http://www.foxbusiness.com/industries/2011/10/24/mitsubishi-military-nuclear-plant-info-may-have-been-hacked-kyodo/

Energy Prices

U.S. Oil and Gas Prices October 24, 2011			
	Today	Week Ago	Year Ago
CRUDE OIL West Texas Intermediate U.S. \$/Barrel	90.88	86.21	80.54
NATURAL GAS Henry Hub \$/Million Btu	3.54	3.49	3.46

Source: Reuters

Energy Notes

Update: Maryland Governor Asks Utilities Soliciting Bids to Build 1,500 MW of New Generation Capacity Not to Restrict the Process to Natural Gas-Fired Generation

http://www.bloomberg.com/news/2011-10-21/maryland-governor-wants-wind-solar-power-to-compete-with-gas.html?cmpid=yhoo

 $\frac{http://webapp.psc.state.md.us/Intranet/Maillog/content.cfm?filepath=C:\Casenum\Admin\ Filings\110000-159999\135037\9214-GovernorCommentsRFP.pdf}$

Lawmakers Launch 10 MW Solar Power Initiative in the City of New Bedford, Massachusetts for Operation by 2013; ConEdison to Purchase Power

http://finance.yahoo.com/news/Congressman-Frank-Secretary-iw-1016910990.html?x=0

Algenol Biofuels Breaks Ground on Pilot-Scale Integrated Bio-Refinery in Florida to Produce 100,000 Gal/Yr. of Ethanol from Algae

PRN, 10:49 October 24, 2011

 $\frac{http://pdf.reuters.com/pdfnews/pdfnews.asp?i=43059c3bf0e37541\&u=urn:newsml:reuters.com:20111024:nPnFL91880$

October 22–23 Fire in Out-of-Service MEK Unit Scheduled for Demolition Does Not Impact Operations at Lyondell's 270,600 b/d Houston, Texas Refinery Reuters. 16:35 October 23, 2011

Federal Regulators Have Granted 24 Permits for New Deepwater Oil Wells in Gulf of Mexico since Lifting Drilling Moratorium Last Year; First Permit Was Issued in February http://www.nola.com/business/index.ssf/2011/10/activity_is_picking_up_in_gulf.html

NRC to Vote on Proposed Design for Westinghouse Electric's AP1000 Nuclear Reactor by Year-End

http://www.myfoxatlanta.com/dpp/news/local_news/Feds-to-Make-Decision-on-AP1000-Nuclear-Reactor-20111021ap-pk

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 & 1:00 PM EDT every Wednesday.

Natural Gas Weekly Update from EIA

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

Updated after 2:00 PM EDT every Thursday.

ENERGY ASSURANCE DAILY

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

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