

# **ENERGY ASSURANCE DAILY**

Wednesday Evening, October 27, 2010

### Major Developments

# Update: More than 200,000 Remain without Power as Storms, Wind Continue to Blast U.S. Midwest and Ontario, Canada October 27

Storms and heavy winds continued to blast the U.S. Midwest and Ontario, Canada on October 27, knocking out power to new customers as utilities attempted to restore electricity to those who lost service yesterday, multiple news and company sources reported. The storms had affected more than 840,000 customers and some 207,508 remained in the dark, as of this afternoon. The following table lists peak and current outages, based on latest available data.

U.S. Midwest, Ontario Customer Power Outages October 26 – 27, 2010				
Electric Utility	State	Peak	Latest Reported	
Commonwealth Edison	IL	200,000	*10,000+	
Ameren	IL	19,000	2,092	
Consumers Energy	MI	95,000	18,000	
Great Lakes Energy	MI	32,115	32,115	
DTE Energy	MI	13,000	1,000	
Cloverland Electric	MI	7,000	7,000	
Upper Peninsula Power Company	MI	6,521	3,899	
Wisconsin Public Service	WI	63,000	44,468	
Xcel Energy	WI/MI	44,000	12,235	
We Energies	WI	15,000	10,000	
Wisconsin Power and Light	WI	6,531	6,531	
Duke Energy	OH/KY	52,742	128	
AEP	OH	20,000	267	
Dayton Power & Light	OH	17,000	177	
South Central Power	OH	9,049	43	
FirstEnergy	OH	3,000	300	
LG&E/KU/ODP	KY	9,902	100	
Duke Energy	IN	45,000	295	
Indianapolis Power and Light	IN	22,000	47	
Indiana Michigan Power	IN/MI	13,490	276	
NIPSCO	IN	3,721	583	
Xcel Energy	MN	45,000	13,490	
Minnesota Power	MN	11,000	3,662	
Ameren	MO	27,000	388	
Appalachian Power	WV	10,950	1,147	
Allegheny Power	WV	3,000	2,420	
Duquesne Light	PA	8,400	0	
Allegheny Power	PA	2,200	48	
Hydro One	ON	36,797	36,797	
TOTAL**		841,418	207,508	

\*Between 10,000 and 50,000 customers, based on company's website.

\*Total outages only represent electric utilities listed in this table.

Sources:

http://edition.cnn.com/2010/US/10/26/midwest.weather/index.html

ComEd: https://www.comed.com/sites/customerservice/Pages/OutageMap.aspx, http://www.businessweek.com/news/2010-10-26/powerful-midwest-storm-knocks-out-power-flights-inchicago.html, http://edition.cnn.com/2010/US/10/26/midwest.weather/?hpt=T1, http://www.prnewswire.com/newsreleases/comed-prepared-for-second-day-of-high-winds-105853043.html, http://couriernews.suntimes.com/news/2119409-418/elgin-tree-power-storm-elementary.html Ameren (Illinois): https://www2.ameren.com/outage/outagemap.aspx?state=IL, http://www.pjstar.com/news/x1673647386/A-volatile-windy-mix Consumers Energy: http://www.ludingtondailynews.com/news/53051-power-outage-updates?newsgroup\_id=, http://www.mlive.com/newsflash/index.ssf/story/high-winds-expected-in-mich-16000-withoutpower/916ca952e174495f8654bbd44e146f94 Great Lakes Energy: http://www.gtlakes.com/storm-central/, http://www.ludingtondailynews.com/news/53051power-outage-updates?newsgroup id= DTE Energy: http://www.dteenergy.com/map/outage.html, http://www.mlive.com/newsflash/index.ssf/story/highwinds-expected-in-mich-16000-without-power/916ca952e174495f8654bbd44e146f94, http://www.freep.com/article/20101027/NEWS06/10270368/Big-storm-blows-right-by-gusts-wind-back-up Cloverland Electric: <u>http://www.cloverland.com/index.php?p=news</u> Upper Peninsula Power Company: http://www.uppco.com/outagesummary/view/outagegrid.aspx, http://www.wfrv.com/news/michigan/High-winds-causing-tree-limbs-to-fall-into-power-lines--105795333.html Wisconsin Public Service: http://www.wisconsinpublicservice.com/outagesummary/view/outagegrid.aspx, http://www.wfrv.com/news/local/Wind-could-be-even-stronger-today-105853278.html Xcel Energy: (Wisconsin/Michigan): http://www.xcelenergy.com/OutageMap/OutageMap.html?juris=NSPW. http://lacrossetribune.com/news/local/article 47fb654e-e1eb-11df-8f2d-001cc4c03286.html We Energies: http://www.wgow.com/Global/story.asp?S=13390288, http://www.todaystmj4.com/news/local/105762028.html, http://www.jsonline.com/news/wisconsin/105853093.html Wisconsin Power and Light: http://www.alliantenergy.com/UtilityServices/StormOutageCenter/ElectricalOutageSummary/index.htm Duke Energy (Ohio/Kentucky): http://www.duke-energy.com/kentucky/outages/current.asp# AEP: https://www.aepohio.com/outages/Default.aspx, https://www.aepohio.com/outages/details.aspx?stormName=October%2026%20Ohio%20Severe%20Wind%20Stor m Dayton Power & Light: http://newstalkradiowhio.com/localnews/2010/10/800-still-without-power-in-mia.html South Central Power: http://www.southcentralpower.com/OW/ow\_map.aspx?county=0 FirstEnergy: http://news-herald.com/articles/2010/10/27/news/doc4cc75f388c4ce890430527.txt LG&E/KU/ODP: http://stormcenter.eon-us.com/default.html Duke Energy (Indiana): http://www.duke-energy.com/indiana/outages/current.asp# , http://www.wibc.com/news/Story.aspx?ID=1301141 Indianapolis Power and Light: http://apps.iplpower.com/outages/outagemap.aspx, http://www.fox59.com/news/wxin-indianapolis-homeowners-stuck-102610,0,2009983.story Indiana Michigan Power: https://www.indianamichiganpower.com/outages/ NIPSCO: http://www.nipscooutages.com/WSSNisourceOutageMap/outagemap.html?action=city&reloaded=true, http://www.jconline.com/article/20101026/NEWS07/101026002 Xcel Energy (Minnesota): http://www.xcelenergy.com/Minnesota/Company/Newsroom/Pages/outagepage.aspx, http://minnesota.publicradio.org/display/web/2010/10/27/windstorm-midwest/ Minnesota Power: http://mnpower.outagemaps.com/core\_site/mnpower.html, http://www.duluthnewstribune.com/event/article/id/182407/group/homepage/ Ameren (Missouri): https://www2.ameren.com/outage/outagemap.aspx?state=MO, http://www.ameren.com/sites/aue/OutageCenter/Pages/default.aspx, http://www.semissourian.com/story/1675721.html Appalachian Power: https://appalachianpower.com/outages/, http://www.heralddispatch.com/news/briefs/x1769794133/Thousands-without-power-wind-downs-trees-power-lines Allegheny Power (West Virginia): http://app.alleghenyenergy.com/outagestatus/OMS\_Customer\_State.aspx?Option=State&User=, http://www.newsandsentinel.com/page/content.detail/id/540566/Powerful-storm-follows-record-hightemperature.html?nav=5061 Duquesne Light: http://www.thepittsburghchannel.com/r/25520965/detail.html Allegheny Power (Pennsylvania): http://app.alleghenyenergy.com/outagestatus/OMS Customer State.aspx?Option=State&User=, http://www.thepittsburghchannel.com/r/25520965/detail.html Hydro One: http://www.hydroone.com/stormcenter/, http://www.pisqa.com/10/after-the-united-states-canadastruck-by-a-violent-storm/

### Electricity

#### PSEG Sees no Impact to Operations after Fire at 529 MW Coal-Fired Power Plant in Bridgeport, Connecticut October 27

A fire broke out in a coal transfer facility at Public Service Enterprise Group's (PSEG) 529 MW Bridgeport Harbor Generating Station in Connecticut on October 27, but the plant was already offline for planned reasons and the incident did not impact operations, a company spokesman said. The building's sprinkler system controlled the fire, according to a fire official.

http://www.newstimes.com/news/article/Coal-fire-erupts-at-Bridgeport-power-station-725452.php

# Update: PG&E's 1,087 MW Diablo Canyon Nuclear Unit 2 in California at Full Power by October 27

The Nuclear Regulatory Commission reported that on the morning of October 26 the unit was operating at 52 percent.

Information derived from the NRC Power Reactor Status Reports: http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2010/

#### Dominion Shuts 925 MW North Anna Nuclear Unit 1 in Virginia October 22

Dominion shut the unit "during physics testing due to problems with the rod control in hold out switch," the company said in a filing with the Nuclear Regulatory Commission (NRC). The unit was operating at 7 percent power this morning, October 27.

http://www.nrc.gov/reading-rm/doc-collections/event-status/event/2010/20101025en.html http://www.fredericksburg.com/News/FLS/2010/102010/10262010/584102

Information also derived from the NRC Power Reactor Status Reports: http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2010/

#### Luminant to Restart 593 MW Big Brown Coal-Fired Unit 2 in Texas October 27

Luminant planned to restart the unit on October 27 "following ESP repairs," it said in a filing with state regulators. The company had expected to reduce "unit load" on October 26 as it performed "maintenance activities to repair grounded transformer rectifier (TR) sets," according to a previous regulatory filing. http://www11.tceq.state.tx.us/oce/eer/index.cfm?fuseaction=main.getDetails&target=146622

http://www11.tceq.state.tx.us/oce/eer/index.cfm?fuseaction=main.getDetails&target=146622 http://www11.tceq.state.tx.us/oce/eer/index.cfm?fuseaction=main.getDetails&target=146530

## AEP to Extend Outage for Additional Repairs at 1,077 MW Cook Nuclear Unit 2 in Michigan

American Electric Power (AEP) plans to extend by two to three weeks a refueling outage at its 1,077 MW Cook Nuclear Unit 2 in Michigan, it said on October 27. The company expects to repair internal components of the reactor vessel. During routine inspections, AEP identified damaged bolts from the reactor vessel's baffle plates. The baffle plates direct water flow through the fuel assemblies in the reactor. http://www.aep.com/newsroom/newsreleases/?id=1645

#### Pattern Energy Group LP Opens 101 MW Hatchet Ridge Wind Project in Burney, California by October 27

http://www.prnewswire.com/news-releases/pattern-energy-reaches-full-operation-at-hatchet-ridge-wind-in-northern-california-105851068.html

## Update: EDF to Acquire Constellation's 50 Percent Stake in Nuclear Power Venture – Companies Had Proposed to Construct New Nuclear Unit in Maryland

EDF S.A. will acquire Constellation Energy's 50 percent stake in Unistar Nuclear Energy, the companies announced on October 26. EDF and Constellation, through Unistar, had proposed to construct a third unit at the existing Calvert Cliffs nuclear power plant in Maryland. Constellation, however, citing an "unreasonably burdensome" cost and "unacceptable risks," told the U.S. Department of Energy (DOE) in early October that it could not move ahead with the \$7.5 billion loan guarantee process for the project. In addition to sites for Calvert Cliffs 3 and a potential fourth reactor at Calvert Cliffs – both held by Unistar – Constellation will transfer to Unistar potential new nuclear sites at Nine Mile Point and R.E. Ginna in New York State. Upon completion of the transaction, EDF will be Unistar's sole owner

http://ir.constellation.com/releasedetail.cfm?ReleaseID=523277 http://ir.constellation.com/releasedetail.cfm?ReleaseID=516614

#### Westar Energy Announces Eight 345 kV Electric Transmission Projects in Kansas October 26

The lines range in length from 40 miles to 160 miles. They would stretch 645 miles, combined. <u>http://www.westarenergy.com/corp\_com/corpcomm.nsf/unid/C37C83A159647E62862577C9000218E7/\$file/10261</u> <u>0%20new%20trans%20projects%20Final%20with%20map.pdf</u>

### Petroleum

#### USGS Sharply Cuts Estimate of Conventional, Undiscovered Oil in National Petroleum Reserve, Alaska

The National Petroleum Reserve in Alaska (NPRA) and adjacent state waters contain an estimated 896 million barrels of conventional, undiscovered oil and 53 Tcf of conventional, undiscovered, non-associated gas, the U.S. Geological Survey (USGS) said on October 27. The 896 million barrel figure marks a significant decline from USGS's 2002 estimate that the area contained 10.6 billion barrels of oil. The USGS said the slide was primarily due to the incorporation of new data from recent exploration drilling revealing gas occurrence rather than oil in much of NPRA. The 53 Tcf natural gas total is 8 Tcf lower than the USGS's 2002 estimate. http://www.usgs.gov/newsroom/article.asp?ID=2622&from=rss\_home

#### Update: ConocoPhillips to Restart Units Gradually after Power Failure at 238,000 b/d Bayway Refinery in Linden, New Jersey

Power was returned to ConocoPhillips 238,000 b/d Bayway refinery in Linden, New Jersey on October 26, and the company was expected to restart the site's units gradually, according to a spokesman at the New Jersey Environmental Protection Department. A transformer malfunction cut electricity to the refinery on October 25, forcing offline units. Part of the facility was down for planned work, at the time of the incident. Reuters, 18:04 October 26, 2010

http://www.bloomberg.com/news/2010-10-26/conoco-has-restored-power-to-linden-n-j-refinery-state-says.html

## Power Snag Forces Shut Equipment, Leads to Flaring at Citgo's 167,000 b/d Lemont, Illinois Refinery by October 27

It was not clear if the incident had any impact on production. Reuters, 00:13 October 27, 2010

#### ConocoPhillips Reports Progress in Bid to Resume Operations at 120,200 b/d Rodeo, California Refinery October 26

ConocoPhillips was "making progress on work begun last weekend to restore operations, after an October 22 hydrogen supply and steam system disruption," a company spokesman said on October 26. http://af.reuters.com/article/energyOilNews/idAFWEN185620101026

## Update: Unit Damage Forces Tesoro to Postpone Restart of Explosion-Downed 120,000 b/d Anacortes, Washington Refinery

Tesoro postponed the restart of its 120,000 b/d Anacortes, Washington refinery after an explosion damaged a boiler unit on October 24, sources familiar with the facility's operations said. There were no injuries. A fatal explosion led Tesoro to shut the refinery in early April. The company, however, had expected to restart it by the end of this month. It was not clear how long the incident might delay those plans. Reuters, 16:06 October 26, 2010

## Valero Reports Leak, Expects Flaring at 310,000 b/d Port Arthur, Texas Refinery October 26 – November 2

A leak in a catalytic reforming unit (CRU) led to flaring at Valero's 310,000 b/d Port Arthur, Texas refinery on October 26, and the company expected to perform repairs through November 2, it said in a filing with state regulators. The incident did not impact production, a spokesman said separately. <u>http://www11.tceq.state.tx.us/oce/eer/index.cfm?fuseaction=main.getDetails&target=146621</u> <u>http://af.reuters.com/article/energyOilNews/idAFN2613431020101026</u>

#### **Update: Workers End Strikes at Multiple French Refineries, but Crude Shortages Continue to Prevent Facilities from Resuming Fuel Production October 26-27**

Workers at Petroplus' Petit Couronne refinery and at Total's La Mede refinery voted on October 27 to end their strikes, but separate strikers continued to block access to the Fos Lavera port and a lack of crude supplies was preventing the nation's refineries from resuming production, multiple sources reported. Ten of the nation's 11 refineries were still offline, as of latest reports. At least five of those facilities, however, were "ready to start processing crude oil once they have it," an industry group spokesman said. Some 76 ships and four barges, including 57 carrying crude oil or oil products, were waiting to offload at the Fos-Lavera port on October 27, the port authority said.

http://www.bloomberg.com/news/2010-10-27/french-port-workers-strike-leave-refineries-without-crude-oil.html http://af.reuters.com/article/energyOilNews/idAFLDE69Q18W20101027 http://online.wsj.com/article/BT-CO-20101027-704647.html http://www.reuters.com/article/idUSWEA482720101027 http://www.reuters.com/article/idUSWEA483920101027

### Natural Gas

Weak Prices Lead ConocoPhillips to Curtail Approximately 180 MMcf/d of North American Natural Gas Production during Third Quarter 2010: Analyst http://www.reuters.com/article/idUSN2720610620101027

## Enbridge Gas Distribution Announces Binding Open Season for about 13 Bcf of Natural Gas Storage Capacity in Ontario, Canada

Enbridge Gas Distribution Inc. is conducting a binding open season for firm natural gas storage service at its Tecumseh facility in Southwestern Ontario, it said on October 27. The company is offering approximately 13 Bcf of new storage capacity. It plans to phase in that capacity over three years; it expects to add 3Bcf in 2011, 5 Bcf in 2012, and 5 Bcf in 2013. Injections will start on April 1 of each year. The open season will end on November 15. http://www.enbridge.com/MediaCentre/News.aspx?yearTab=en2010&id=1342203

### **Other News**

#### EPA Proposals Could Have Significant Impact on Reliability of U.S. Electric Grid: NERC

Four proposed U.S. Environmental Protection Agency (EPA) regulations could significantly impact the reliability of the U.S. electric grid, the North American Electric Reliability Corporation said in a special assessment, "Potential Resource Adequacy Impacts of U.S. Environmental Regulations," released on October 26. EPA's proposed rulemaking proceedings could result in unit retirements or forced retrofits between 2015 and 2018, significantly affect Planning Reserve Margins, and create a need for prompt industry response and action. Specifically, NERC said the rules could force shut as much as 75 GW – or approximately 7 percent of U.S. generation capacity – by 2015. EPA and the Federal Energy Regulatory Commission (FERC), for their part, said the possibilities in the study represented a worst-case scenario. FERC's Chairman said the Obama administration recognized that the regulations could lead to problems. But, he said, "it doesn't mean that they can't be dealt with." <a href="http://www.nerc.com/fileUploads/File/PressReleases/PR\_EPA\_26\_Oct\_10.pdf">http://www.nerc.com/fileUploads/File/PressReleases/PR\_EPA\_26\_Oct\_10.pdf</a> <a href="http://www.politico.com/news/stories/1010/44191.html">http://www.politico.com/news/stories/1010/44191.html</a>

### **Energy Prices**

U.S. Oil and Gas Prices October 27, 2010				
	Today	Week Ago	Year Ago	
CRUDE OIL West Texas Intermediate U.S. \$/Barrel	81.17	81.84	79.13	
NATURAL GAS Henry Hub \$/Million Btu	3.28	3.36	4.52	

Source: Reuters

### **Energy Notes**

Vandals to Blame as 18,000 APS Customers Lose Power Briefly in Arizona October 24 http://www.kpho.com/news/25505751/detail.html

Winds Cut Electricity to 14,000 Idaho Falls Power Customers in Idaho October 25-26 – Company Restores Power to Most by October 26 http://www.kidk.com/zcommunities/105729463.html

Winds Knock Out Power to about 10,000 Thunder Bay Hydro Customers in Ontario, Canada October 26 http://www.chroniclejournal.com/content/news/local/2010/10/27/wind-overpowers-hydro-lines

Updated: Consumers Energy Receives Draft Environmental Permit for Suspended 830 MW Coal-Fired Power Project in Michigan by October 27 http://www.mlive.com/news/bay-city/index.ssf/2010/10/consumers\_energy\_pleased\_with.html

Exelon Fixing Minor Helium Leak at Peach Bottom Nuclear Power Plant in Pennsylvania – NRC Spokesman Sees no Danger to Public http://www.ydr.com/premium/ci\_16430559

FPL Discovers Hole in Containment Building at Turkey Point Nuclear Power Plant in Florida by October 27 – Company Fixing Leak, Sees no Impact to Public Health or Facility's Employees

http://www.wsvn.com/news/articles/local/21002587238976/

Oil Tanker Crashes into Train, Killing Truck Driver and Causing Fire in North Dakota October 26

http://www.kfyrtv.com/News Stories.asp?news=44005

Washington Department of Ecology to Test Oil Industry Spill Response in San Juan Islands, Washington October 27 http://www.ecy.wa.gov/news/2010news/2010-283.html

Valve Snag Leads to Flaring at Chapel Hill Booster Station in Texas October 26 – Valve Calibrated, Event Ended within Hours

http://www11.tceq.state.tx.us/oce/eer/index.cfm?fuseaction=main.getDetails&target=146624

#### 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

Please direct comments and questions to: <u>ead@oe.netl.doe.gov</u>