



U.S. DEPARTMENT OF ENERGY
Office of Electricity Delivery and Energy Reliability
Infrastructure Security and Energy Restoration

ENERGY ASSURANCE DAILY

Thursday Evening, October 29, 2009

Electricity

Update: TVA's 1,118 MW Browns Ferry Nuke Unit 3 in Alabama Ramped Up to 45 Percent by October 29

The unit shut due to issues with a closed water system on October 24, a news source said. The Nuclear Regulatory Commission reported that on the morning of October 28 the unit was not operating.
Reuters, 07:17 October 29, 2009

Information also derived from the NRC Power Reactor Status Reports:

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2009/>

NRC to Investigate Faulty Switch Settings at PG&E's Diablo Canyon Nuclear Power Plant in California by October 28

The Nuclear Regulatory Commission (NRC) expects to investigate incorrectly-configured switches at one unit of Pacific Gas & Electric's (PG&E) Diablo Canyon nuclear power plant in California, a news source said. The switches-in-question enable operators to remotely open cooling water valves. If they malfunction, however, workers can only manually perform the task. The NRC plans to assess whether employees would have been exposed to radiation, had they been forced to open the valves.

<http://www.lasvegassun.com/news/2009/oct/28/safety-switch-problem-probed-at-cal-nuclear-plant/>

Entergy Seeks to Abandon Conversion Plans at 530 MW Little Gypsy Gas-fired Unit 3 in Louisiana

Entergy filed for state permission to abandon an already-delayed fuel conversion project at its 530 MW Little Gypsy gas-fired Unit 3 in Louisiana, a news source said. The company had proposed to run the facility on petroleum coke—and received approval in November 2007—amid then-elevated natural gas prices. The Louisiana Public Service Commission (PSC) delayed the project for three years, in April 2009, citing decreased natural gas prices and uncertainty over environmental legislation. Entergy filed with the PSC on October 28 to make permanent that delay.

http://pepei.pennnet.com/display_article/293569/6/ARTCL/none/none/1/Entergy-Louisiana-to-Repower-Little-Gypsy-Unit/

<http://finance.yahoo.com/news/Entergy-wants-to-nix-La-plant-apf-651107464.html?x=0&.v=1>

Update: West Virginia PSC Lawyer Proposes to Drop Allegheny Energy and AEP's Application for 765-kV West Virginia-to-Maryland PATH Transmission Line October 28

A West Virginia Public Service Commission (PSC) lawyer proposed dropping Allegheny Energy's and American Electric Power's (AEP) application to construct the 765-kV, West Virginia-to-Maryland, Potomac-Appalachian Transmission Highline (PATH), citing the Maryland PSC's recent rejection of the plans. The Maryland PSC dismissed the plans because it said the applying companies were not electric utilities, according to Maryland law. It instructed Allegheny Energy's subsidiary, Potomac Edison, to refile its application by October 9. The company had yet to do so, as of latest reports. The Maryland denial, according to the West Virginia lawyer, left the project without an end point. The line would stretch 275 miles, from AEP's John Amos coal-fired power plant in West Virginia, through northern Virginia, to a Maryland substation.

<http://finance.yahoo.com/news/WVa-PSC-staff-seeks-halt-apf-2892681629.html?x=0&.v=2>

Calpine/Mitsui's 212 MW Greenfield Gas-fired Unit in Ontario Shut by October 28

Reuters, 14:23 October 28, 2009

US-REG, China's SPG and Cielo Wind Power Plan 600 MW Wind Farm in Texas

The U.S. Renewable Energy Group (US-REG), China's Shenyang Power Group (SPG) and Cielo Wind Power plan to construct a 600 MW wind farm across about 36,000 acres in Texas, according to a press release. A-Power Energy Generation Systems, Ltd., an SPG shareholder, is slated to deliver turbines from March 2010 until 2011.

The deal marks the first such-agreement between Chinese and U.S. entities, the release said.

<http://www.cielowind.com/news/press-releases/us-renewable-energy-group-china%e2%80%99s-shenyang-power-group-and-cielo-wind-power-to-develop-a-600-mw-wind-farm-in-texas>

<http://investor.apowerenergy.com/releasedetail.cfm?ReleaseID=419861>

FERC Lacks Sufficient Authority to Protect U.S. Electric Grid from Attacks—FERC Director

The Federal Energy Regulatory Commission (FERC) lacks the authority to effectively protect the grid from cyber or physical attacks, and the U.S. government should enact legislation to ensure that security, FERC's Director of the Office of Electric Reliability told the U.S. House of Representatives on October 27. To read the Director's testimony, click on the link below.

<http://www.ferc.gov/EventCalendar/Files/20091027110205-mcclelland-10-27-09.pdf>

Nine Federal Departments and Agencies Sign Deal to Speed Transmission Line Approvals

Nine federal departments and agencies signed a Memorandum of Understanding (MOU) to help speed the process of constructing electric transmission lines on U.S. federal lands, in a move President Barack Obama said would "help break down the bureaucratic barriers that currently make it slow and costly to build new transmission lines on federal lands." The U.S. Department of Agriculture, Department of Commerce, Department of Defense, Department of Energy, Environmental Protection Agency, the Council on Environmental Quality, the Federal Energy Regulatory Commission, the Advisory Council on Historic Preservation, and the Department of Interior signed the deal.

<http://www.ferc.gov/news/headlines/2009/2009-4/10-28-09-transmission-MOU.pdf>

Governor Schwarzenegger Signs California Smart Grid Bill by October 28

California Governor Arnold Schwarzenegger signed "Senate Bill 17," mandating the state's Public Utilities Commission (CPUC) to organize a smart grid plan by July 2010, and ordering utilities with more than 100,000 customers to file smart grid proposals by July 2011, a news source said.

<http://www.getsolar.com/blog/california-first-state-to-sign-smart-grid-legislation-into-law/2676/>

Petroleum

Valero Returns FCC Units to Normal Rates after Power Disruption at 170,000 b/d McKee, Texas Refinery by October 29

A substation malfunction forced offline units associated with a gasoline-producing fluid catalytic cracking unit (FCC) at Valero's 170,000 b/d McKee, Texas refinery, but the company returned the units to normal rates by October 29, according to a news source.

Reuters, 11:11 October 29, 2009

Valero Restarting Unit at 315,000 b/d Corpus Christi, Texas Refinery October 28

Valero began restarting a butamer unit "following required maintenance" at its 315,000 b/d Corpus Christi, Texas refinery on October 28, it said in a filing with state regulators. The company expected the restart to stretch until October 30. Operators shut the unit's stabilizer tower on October 26, according to a news source.

<http://online.wsj.com/article/BT-CO-20091028-722884.html>

<http://www11.tceq.state.tx.us/oce/eeer/index.cfm?fuseaction=main.getDetails&target=131282>

Update: ConocoPhillips to Slash Refinery Utilization in Fourth Quarter 2009

ConocoPhillips expects to operate its refineries in the upper-70 percent range during the fourth quarter of 2009, a drop from about 90 percent during the previous quarter, company officials said on October 28.

<http://www.reuters.com/article/marketsNews/idUSN2831162920091028>

NGPL Oil Tank Explosion Injures Two Workers in Illinois October 28

A Natural Gas Pipeline Company of America (NGPL) oil tank exploded and caught fire, injuring two workers at a tank farm near St. Elmo, Illinois on October 28, news sources said. Responders extinguished the fire within 7 hours. NGPL did not expect the incident to affect customer supplies along its natural gas pipeline system.

<http://www.jg-tc.com/articles/2009/10/28/news/doc4ae900aa43a93935176774.txt>

Bloomberg News, 09:52 October 29, 2009

Bloomberg News, 08:24 October 29, 2009

Update: Marathon Expects to Open 180,000 b/d Expansion by Year's End at Existing 256,000 b/d Garyville, Louisiana Refinery

Marathon is "in the sequence of brining up our brand-new refinery in Garyville," a company official said, and expects to complete the project by the end of 2009.

Reuters, 12:28 October 29, 2009

Tullow Oil Eyes 2010 Start Date for Jubilee Oilfield in Ghana

Tullow expects to begin production in 368 days at its estimated 600 million-to-1.2 billion barrel Jubilee oilfield in Ghana, a company official said on October 28. The official did not say how much oil the company expected to produce.

<http://online.wsj.com/article/BT-CO-20091028-713751.html>

Natural Gas

Nexen Begins Production at Planned 200 MMcf/d Longhorn Natural Gas Field in Gulf of Mexico

Nexen began production this week at its planned 200 MMcf/d Longhorn natural gas field in the Gulf of Mexico, it said in its quarterly report. The company planned to reach peak output early in 2010.

http://www.nexeninc.com/Newsroom/News_Releases/release.asp?ReleaseId=1066665

Nexen Lands Hold 3-to-6 Tcf of Recoverable Natural Gas Reserves in Horn River Basin, British Columbia

http://www.nexeninc.com/Newsroom/News_Releases/release.asp?ReleaseId=1066665

ConocoPhillips Slashes 300 MMcf/d of Natural Gas Production from August 2009

ConocoPhillips reduced natural gas production by 300 MMcf/d from August 2009, citing reduced natural gas prices in North America, a company official said on October 28.

http://www.rigzone.com/news/article.asp?a_id=81897

Acadian Gas Plans 1.4 Bcf/d, 36-and-30-inch "Haynesville Extension" Natural Gas Pipeline Project in Louisiana

Enterprise Products Partners and Duncan Energy Partners' jointly-owned Acadian Gas LLC subsidiary plans to construct a 1.4 Bcf/d, 36-and-30-inch, 249-mile natural gas pipeline in Louisiana, the companies said in a release. The line, or "Haynesville Extension," would extend Acadian Gas' existing, 1,000-mile Louisiana pipeline into the northwest portion of the state. It would open in September 2011, and serve producers in the Haynesville Shale. Pending shipper interest, the companies could boost throughput to 2.0 Bcf/d.

<http://phx.corporate-ir.net/phoenix.zhtml?c=80547&p=irol-newsArticle&ID=1347140&highlight=>

Vector Pipeline Plans 115 MMcf/d Expansion along 1.3 Bcf/d, Illinois-to-Ontario Natural Gas Pipeline

Vector Pipeline plans to hold an open season in November 2009 for a planned 115 MMcf/d expansion along its existing 1.3 Bcf/d, 348-mile, Illinois-to-Ontario natural gas pipeline, it said in a release. Pending approvals and shipper interest, the company expects to open the project in November 2011. Vector may also add a loop to the U.S. and/or Canadian portion of its pipeline, depending on customer requests.

<http://au.sys-con.com/node/1163368>

Other News

Nothing to report.

Energy Prices

U.S. Oil and Gas Prices			
October 29, 2009			
	Today	Week Ago	Year Ago
CRUDE OIL West Texas Intermediate U.S. \$/Barrel	80.26	80.15	67.48
NATURAL GAS Henry Hub \$/Million Btu	4.57	4.80	6.58

Source: Reuters

Energy Notes

SaskPower Seeks Development of up to 50 MW of Renewable Power in Saskatchewan, Canada—Company Also Looks to Purchase up to 175 of Wind-Derived Electricity

<http://www.saskpower.com/aboutus/news/?p=565#more-565>

Update: AEP Hopes to Expand 110,000 Ton/Year Carbon Capture System at 1,300 MW Mountaineer Coal-fired Power Plant in West Virginia—Company Seeks to Trap 1.65 Million/Tons a Year

http://www.dispatch.com/live/content/local_news/stories/2009/10/29/AEPCO2.ART_ART_10-29-09_A1_ENFGPM3.html

ExxonMobil Plans “Minor” Refinery Rate Reductions, Company Official Says October 29

DJN, 11:54 October 29, 2009

Gasoline Truck Crash Kills Driver, Spills Small Quantity of Gasoline in Maryland October 28

<http://www.wboc.com/Global/story.asp?S=11397575>

Pembina Plans 22,000 b/d, 6-and-8-inch Mitsue Oil Condensate Pipeline in Alberta—Line Would be Expandable by about 50 Percent—Company Expects to Open Project in mid-2011

[http://www.pembina.com/webcms.nsf/AllDoc/09B940C2653113798725755B007CD3EB/\\$File/Media%20Release%20Nipisi%20&%20Mitsue%20Pipeline%20Projects.pdf?OpenElement](http://www.pembina.com/webcms.nsf/AllDoc/09B940C2653113798725755B007CD3EB/$File/Media%20Release%20Nipisi%20&%20Mitsue%20Pipeline%20Projects.pdf?OpenElement)

http://www.pembina.net/titanweb/tw_proxy.nsf/GetXMLFeedNewsReleasesProxyForHomePage?OpenAgent&xmlurl=http://xml.corporate-ir.net/irxmlclient.asp?compid=63581&reqtype=releasetxt&reqid=1347839

Apache Eyes 2010 Start-date for 20,000 b/d Van Gogh Oilfield, 20,000 b/d Pyrenees Oilfield in Exmouth Basin, Australia

<http://investor.apachecorp.com/releasedetail.cfm?ReleaseID=419689>

Electrical Fault Causes Brief Unit Trips at Diamond Shamrock McKee Gas Plant in Texas October 28

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=131299>

Compressor Shuts, Restarts at Waha Gas Plant in Texas October 28

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=131301>

U.S. Treasury Department Allocates \$2.2 Billion in Clean Renewable Energy Bonds to Help Finance Renewable Projects October 27

<http://www.ustreas.gov/press/releases/tg333.htm>

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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