



ENERGY ASSURANCE DAILY

Wednesday Evening, October 31, 2012

Major Developments

OE/ISER Situation Report: Hurricane Sandy

At 8:00 p.m. EDT October 29, the National Hurricane Center reported Hurricane Sandy made landfall near Atlantic City, New Jersey as a post-tropical cyclone. The storm has brought heavy rain, winds, and snow in higher elevations to the U.S. Mid-Atlantic and Northeast, and to portions of U.S. Midwest. For details on the impact of this storm on customer outages, energy infrastructure issues, and restoration efforts, see: Hurricane Sandy Situation Reports issued by the U.S. Department of Energy, Office of Electricity Delivery & Energy Reliability (OE/ISER) at the following URL:

http://www.oe.netl.doe.gov/named_event.aspx?ID=67

Electricity

Update: Progress Energy Delays Decision to Repair or Retire Its Damaged 838 MW Crystal River Nuclear Power Plant in Florida

Progress Energy Florida, a subsidiary of Duke Energy, reported Tuesday that a decision on whether to repair or retire its Crystal River nuclear power plant is being delayed. The plant has been shut since a containment building crack formed during an upgrade and maintenance project in 2009. Repairs would likely take several years, with cost estimates ranging from \$1.5–\$3.5 billion.

<http://finance.yahoo.com/news/crippled-fla-nuke-plant-decision-233132070.html>

Update: FirstEnergy's 1,235 MW Perry Nuclear Unit 1 in Ohio at Full Power by October 31

On the morning of October 30 the unit was operating at 91 percent.

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2012/>

Petroleum

Update: Hydrotreater Fire Extinguished at BP's 455,790 b/d Texas City, Texas Refinery October 30; Fire Did Not Impact Other Refinery Units

BP Plc said a fire that broke out in a section of the residual hydrotreater unit at its Texas City refinery on Tuesday was extinguished that afternoon, after burning for a little over an hour and a half. The hydrotreater unit was shut down as a result of the fire, but the refinery's other units were operating normally.

http://www.downstreamtoday.com/news/article.aspx?a_id=37596

TransCanada Considering 1 MMb/d Pipeline Project to Ship Crude Oil from Alberta to Eastern Canada

TransCanada Corp. has determined that a project to ship crude oil east from Hardisty, Alberta to Montreal is both technically and economically feasible, clearing the way for the company to seek broader interest in the project. The project would involve shipping 500,000 to 1 million b/d east to reach refining markets in central and eastern Canada, as well as markets along the U.S. Eastern Seaboard. TransCanada would build and connect approximately 375 km of new pipeline with 3,000 km of existing natural gas pipeline. The company may expand the project to ship the oil further east to Quebec City. TransCanada expects to formally solicit commercial support for the project early next year.

<http://online.wsj.com/article/BT-CO-20121030-716666.html>

<http://www.edmontonjournal.com/TransCanada+comparable+profit+falls+million+missing/7469179/story.html>

Update: DOE Authorizes Cheniere to Export LNG to Free Trade Countries from Its Proposed 1.8 Bcf/d Corpus Christi Terminal in Texas

The U.S. Department of Energy (DOE) on October 16 issued orders granting Cheniere Energy Inc. subsidiary Cheniere Marketing LLC long-term, multi-contract authorization to export liquefied natural gas (LNG) to countries with which the United States has a free trade agreement. The order authorizes Cheniere to export by vessel up to the equivalent of 767 Bcf per year of natural gas for a 25-year term from its proposed Corpus Christi liquefaction project, which is designed for up to three liquefaction trains with an aggregate peak capacity of 15 million tonnes per annum. Cheniere is seeking authorization to build a 1.8 Bcf/d LNG export terminal at Corpus Christi, on the site originally planned for a proposed import terminal.

http://www.fossil.energy.gov/programs/gasregulation/authorizations/Orders_Issued_2012/ord3164.pdf

http://www.downstreamtoday.com/news/article.aspx?a_id=37587

Update: DOE Authorizes Gulf Coast LNG to Export LNG to Free Trade Countries from Its Proposed 2.8 Bcf/d Brownsville Terminal in Texas

The U.S. Department of Energy (DOE) on October 16 issued orders granting Gulf Coast LNG long-term, multi-contract authorization to export liquefied natural gas (LNG) to countries with which the United States has a free trade agreement. The order authorizes Gulf Coast to export the equivalent of 1,022 Bcf per year of natural gas for a 25-year term from its proposed Brownsville terminal in Texas. Gulf Coast LNG plans to develop, own, and operate a natural gas liquefaction facility and LNG export facility at the Port of Brownsville that would consist of four trains that could liquefy up to 2.8 Bcf/d of gas.

http://www.fossil.energy.gov/programs/gasregulation/authorizations/Orders_Issued_2012/ord3163.pdf

http://www.downstreamtoday.com/news/article.aspx?a_id=37587

Compressor Malfunctions Shut AGI Unit at Regency's 290 MMcf/d Waha Gas Plant in Texas October 29

Regency Energy Partners reported an acid gas injector (AGI) unit at its Waha plant shut down on low/no gas flow Sunday night after the No. 4 recompressor, inlet gas compressor, and residue compressor all shut down, cutting inlet gas flow to plant, according to a filing with the Texas Commission on Environmental Quality. The No. 4 recompressor shut due to turbine damage, the filing said. Repairs were underway and were expected to take approximately 36 hours.

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=175427>

Electrical Failure Shuts AGI Units and Main Boiler at Enbridge's Tilden Gas Plant in Texas October 30

Enbridge reported acid gas injector (AGI) Units 1 and 2 and the main boiler at its Tilden plant were shut down due to an electrical failure Tuesday morning, according to a filing with the Texas Commission on Environmental Quality.

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=175442>

Other News

Nothing to report

International News

Saboteurs Blow Up Natural Gas Pipeline Feeding the Balhaf LNG Export Terminal in Yemen October 30

Yemen LNG confirmed saboteurs on Tuesday night blew up a 38-inch natural gas pipeline feeding its Balhaf liquefied natural gas (LNG) export terminal on the Gulf of Aden. The explosion happened about 295 km north of the Balhaf Liquefaction Plant and shut down the pipeline, which has been repeatedly sabotaged this year. Operators did not say when they expected the pipeline to resume operations.

<http://www.reuters.com/article/2012/10/31/us-yemen-lng-idUSBRE89U08620121031>

Energy Prices

U.S. Oil and Gas Prices			
October 31, 2012			
	Today	Week Ago	Year Ago
CRUDE OIL West Texas Intermediate U.S. \$/Barrel	86.11	84.99	91.85
NATURAL GAS Henry Hub \$/Million Btu	3.42	3.34	3.63

Source: Reuters

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 and 1:00 PM Eastern Time every Wednesday.

Natural Gas Weekly Update from EIA

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

Updated after 2:00 PM Eastern Time every Thursday.

ENERGY ASSURANCE DAILY

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

Please direct comments and questions to: ead@oe.netl.doe.gov