



# ENERGY ASSURANCE DAILY

Thursday Evening, November 01, 2012

## Major Developments

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### **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](http://www.oe.netl.doe.gov/named_event.aspx?ID=67)

## Electricity

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### **Update: Technical Problems Delay Commercial Operations at Duke's 630 MW Edwardsport IGCC Power Plant in Indiana**

Duke Energy on Wednesday reported in two public filings that it has uncovered numerous technical problems in constructing its Edwardsport integrated gasification combined cycle (IGCC) power plant that will cost \$174 million to fix, and that have forced the utility to push back the plant's in-service date by about three months to May 2013. The plant has been undergoing extensive testing in preparation for commercial operation next year. Indiana regulators approved Duke's proposal to build the new plant at Edwardsport in 2007. As part of that plan, Duke will retire three coal-fired units at the 160 MW site upon full operation of the new plant.

<http://blogs.indystar.com/starwatch/2012/10/31/more-delays-cost-increases-at-edwardsport/>

### **Dominion's 815 MW Surry Nuclear Unit 2 in Virginia Shut by November 1**

On the morning of October 31 the unit was operating at full power.

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

### **FPL's 512 MW Point Beach Nuclear Unit 2 in Wisconsin Shut by November 1**

On the morning of October 31 the unit was operating at full power.

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

### **CDWR's 933 MW Hyatt-Thermalito Hydro Unit in California Reduced by October 31**

The unit entered a curtailment of 594 MW that was due to planned and unplanned causes.

<http://content.caiso.com/unitstatus/data/unitstatus201210311515.html>

### **Calpine's 593 MW Metcalf Natural Gas-Fired Unit in California Reduced by October 31**

The unit entered an unplanned curtailment of 308 MW.

<http://content.caiso.com/unitstatus/data/unitstatus201210311515.html>

## **Petroleum**

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### **Update: Enterprise Opens First 750,000 Barrels of Storage Capacity at Its 6 Million-Barrel ECHO Crude Oil Terminal in Texas**

Enterprise Products Partners L.P. today announced that the initial phase of its Enterprise Crude Houston (ECHO) storage terminal in Harris County, Texas is complete and the facility is now receiving deliveries of crude oil. The first three tanks total 750,000 barrels of storage capacity. The next phase of the ECHO terminal expansion includes the addition of up to 900,000 barrels of storage capacity, which could be in service as early as the first quarter of 2014. Enterprise estimates that the ECHO facility could have up to 6 million barrels of crude oil storage capacity when completed. The terminal, when complete, will serve as a receipt point for crude delivered from the company's recently completed Eagle Ford Shale pipeline and from the Seaway Crude Oil pipeline, which will connect ECHO to the storage hub in Cushing, Oklahoma. The terminal will provide pipeline and waterborne access to Gulf Coast refineries.

<http://phx.corporate-ir.net/phoenix.zhtml?c=80547&p=irol-newsArticle&id=1753100>

### **Shell Says Unspecified Release at Its 329,800 b/d Deer Park, Texas Refinery November 1 Had No Impact on Other Operating Units**

Shell Oil Co. reported an unspecified release at its Deer Park refinery early on Thursday had no impact on other operating units, according to a message on a community information line.

<http://www.iii.co.uk/news-opinion/reuters/news/59204>

### **BP Reports Bleeder Line Leak at Its 76,000 b/d Texas City, Texas Refinery October 30**

BP Plc reported that workers at its Texas City refinery were conducting maintenance on the 502E tower at the plant when a bleeder line was unplugged, allowing product to flash, according to a filing with the Texas Commission on Environmental Quality. The leak was later plugged and the 500 train was removed from service.

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=175479>

### **Update: Suncor Delays Voyageur and Fort Hills Oil Sands Projects in Alberta Due to Poor Economics**

Suncor Energy Inc. on Thursday said it may delay the completion of its planned Fort Hills oil sands mine by one year, with production now slated to start in 2017, as it reviews the profitability of its expansion plans. Suncor, along with Total subsidiary Total E&P Canada Ltd., in 2010 announced a plan to jointly construct a once-abandoned, 200,000 b/d oil sands upgrader—known as Voyageur—and, in a parallel project, produce 164,000 b/d of bitumen in the first phase of the Fort Hills oil sands project in Alberta. The partners sought to bring both projects on stream in early 2016. On Thursday Suncor said the economics of the projects are being challenged as North America's production of light crude oil rises.

<http://af.reuters.com/article/commoditiesNews/idAFL1E8M13QU20121101>

## **Natural Gas**

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### **Update: Enterprise Completes New 85,000 b/d Fractionator at Its Mont Belvieu NGL Fractionation Facility in Texas**

Enterprise Products Partners L.P. today announced that the partnership's sixth natural gas liquids (NGL) fractionator at its Mont Belvieu, Texas complex is now operational. Expected capacity of the unit is 85,000 b/d, increasing total fractionation capacity at Enterprise's Mont Belvieu facility to 485,000 b/d. The sixth fractionator will facilitate the increasing NGL production from domestic shale plays, including the Eagle Ford and other basins in the Rocky Mountain and Mid-continent regions. Fractionators Nos. 7 and 8 are already under construction at Mont Belvieu and are expected to increase total capacity at the facility to approximately 650,000 b/d when completed in the fourth quarter of 2013.

<http://phx.corporate-ir.net/phoenix.zhtml?c=80547&p=irol-newsArticle&id=1752994>

## Other News

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### Valero Idles Two 110 MMGal/Yr. Ethanol Plants in Nebraska and Indiana, Reduces Rates at Three Other Ethanol Plants Due to Poor Margins

Valero Energy Corp. on Tuesday said it has idled production at its ethanol plants in Albion, Nebraska and Linden, Indiana due to poor margins caused by high corn prices. The company has also reduced rates at three other ethanol plants, an executive said, without specifying which plants. A severe U.S. drought scorched crops and raised prices 15 percent this year. Valero idled the Albion and Linden plants in June for the same reason, before restarting them again in September.

<http://www.businessweek.com/news/2012-10-30/valero-idles-nebraska-indiana-ethanol-plants-on-poor-margins>

### REG to Restart Idled 15 MMGal/Yr. New Boston Biodiesel Refinery in Texas

Renewable Energy Group (REG) today announced it has acquired from North Texas Bio Energy a 15 MMGal/Yr., multi-feedstock biorefinery located in New Boston, Texas. The New Boston facility began production in June 2008 but was idled soon after, and has remained idled for approximately four years. REG said the plant will undergo some construction and minor upgrades prior to the facility's start-up, which is expected in the first quarter of 2013. REG plans to utilize animal fats and other high free fatty acid feedstocks to produce biodiesel at the refinery.

<http://www.regfuel.com/news/2012/11/01/reg-continues-biodiesel-production-growth-texas-biorefinery-acquisition>

## International News

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### Kidnappers Release 7 Sailors after Hijacking Oil Vessel Offshore of Nigeria's Southern Delta October 15

<http://finance.yahoo.com/news/french-firm-7-kidnapped-sailors-083156541.html>

### Insurgents Blow Up Oil Pipeline in Eastern Syria November 1 – State Media Sources

<http://www.presstv.com/detail/2012/11/01/269915/syrian-insurgents-blow-up-oil-pipeline/>

## Energy Prices

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U.S. Oil and Gas Prices			
November 1, 2012			
	Today	Week Ago	Year Ago
<b>CRUDE OIL</b> <b>West Texas Intermediate U.S.</b> \$/Barrel	86.98	85.66	89.80
<b>NATURAL GAS</b> <b>Henry Hub</b> \$/Million Btu	3.51	3.43	3.66

Source: Reuters

## Links

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***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](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**

*Energy Assurance Daily* provides a summary of public information concerning current energy issues. Published Monday through Friday to inform stakeholders of developments affecting energy systems, flows, and markets, it provides highlights of energy issues rather than a comprehensive coverage. *Energy Assurance Daily* is updated online Monday through Friday after 5:00 PM Eastern Time. For more information, visit the Infrastructure Security and Energy Restoration (ISER) website at:

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

Please direct comments and questions to: [ead@oe.netl.doe.gov](mailto:ead@oe.netl.doe.gov)