



ENERGY ASSURANCE DAILY

Tuesday Evening, November 02, 2010

Electricity

Luminant's 593 MW Big Brown Coal-Fired Unit 2 in Texas Shuts November 1

The unit shut "due to a boiler tube leak," the company said in a filing with state regulators.

<http://www11.tceq.state.tx.us/oce/eeer/index.cfm?fuseaction=main.getDetails&target=146876>

Update: FPL's 1,155 MW Seabrook Nuclear Unit 1 in New Hampshire at Full Power by November 2

The Nuclear Regulatory Commission reported that on the morning of November 1 the unit was operating at 80 percent.

Information derived from the NRC Power Reactor Status Reports:

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2010/>

NextEra's 493 MW Blythe Gas-Fired Power Plant in California Shut by November 1

According to the California Independent System Operator, the unit shut by November 1.

<http://www.caiso.com/unitstatus/data/unitstatus201011011515.html>

Update: Delta Energy Center, LLC's 880 MW Delta Energy Center Gas-Fired Unit in California Ramps up by November 1

According to the California Independent System Operator, the unit reported a return from an unplanned curtailment of 300 MW.

<http://www.caiso.com/unitstatus/data/unitstatus201011011515.html>

IPL to Retire 81 MW Coal-Fired Dubuque Generating Station in Iowa by 2015

Interstate Power and Light Co. (IPL) expects to retire its 81 MW Dubuque coal-fired power plant in Iowa by 2015, but that date is dependent on operational, market and other factors, the company said in its Integrated Resource Plan, filed yesterday with the Minnesota Public Utilities Commission. IPL, according to the plan, also expects to retire older, smaller, and less-efficient equipment at multiple power plants, but continue to generate electricity at those facilities. The company said the plan would allow it to manage future energy costs amidst evolving environmental regulations. IPL is a subsidiary of Alliant Energy Corporation.

<http://alliantenergy.com/Newsroom/RecentPressReleases/025854>

Petroleum

Snags Postpone Nexen's Efforts to Ramp up Production at Long Lake Oil Sands Project in Alberta, Canada

Nexen is producing approximately 31,500 b/d of bitumen at its Long Lake oil sands project in Alberta, Canada – about half the site's capacity – after outages and power failures at its upgrading plant in August and September, the company said by November 1. The company returned the equipment to normal service, as of latest reports, but its Chief Executive did not say if he expected production to rise to 40,000-to-60,000 b/d by the end of 2010. The site is designed to produce about 70,000 b/d of bitumen, and then convert that bitumen into about 60,000 b/d of crude oil, according to Nexen's website.

<http://www.reuters.com/article/idUSTRE6A03CN20101101>

<http://www.nexeninc.com/en/Operations/OilSands/LongLake.aspx>

Imperial Reconfiguring Proposed Kearl Oil Sands Project in Alberta, Canada – Company Expects to Produce 15,000 b/d More than Previously Planned

Imperial Oil is “reconfiguring” its Kearl oil sands project in Alberta, Canada, and the company now expects the site to produce 345,000 b/d of oil, or 15,000 b/d more than previously planned, it said on November 1. Imperial had planned to open the project in three 110,000 b/d phases – ending in 2020 – but now plans to construct an initial development, optimize that phase, and then expand. The company could also optimize the expansion, a spokesman said. It plans to begin producing 100,000 b/d in 2010.

<http://www.edmontonjournal.com/business/Imperial+reshapes+Kearl+project/3762498/story.html>

<http://www.theglobeandmail.com/globe-investor/imperial-looks-to-reconfigure-kearl-project/article1781056/>

Update: Ineos Restarts CDU at 207,000 b/d Lavera Refinery in France over Weekend – Refineries Continue to Resume Operations after Strikes

Ineos restarted a crude distillation unit (CDU) at its 207,000 b/d Lavera refinery in France over the weekend, and the company was offloading crude oil at the Fos-Lavera port, a spokesman said on November 2. Multiple other French refineries were restarting, as of latest reports, and the Fos-Lavera port was working to thin a backlog of ships waiting to offload. Nationwide strikes and a separate strike at the Fos-Lavera oil port had grinded France's refineries to a virtual halt in recent weeks, but the strikes ended late last week.

Reuters, 11:53 November 2, 2010

<http://online.wsj.com/article/BT-CO-20101101-704469.html>

<http://www.bloomberg.com/news/2010-11-01/ineos-lyondellbasell-start-french-refineries-after-port-opens.html>

http://news.xinhuanet.com/english2010/world/2010-10/30/c_13582544.htm

BP Group Announces 2.7 Billion Boe Upgrade to Estimates of Gross Resources for Multiple Fields Offshore Brazil

The Tupi, Iracema, and Guar fields in the Santos Basin, offshore Brazil could contain 10.8 billion barrels of oil equivalent (boe), or 34 percent greater than the company’s previous indicative resource range. The 10.8 billion boe figure represents the company’s aggregate best estimate of economically recoverable gross resources.

<http://www.bg-group.com/MEDIACENTRE/PRESS/Pages/2Nov2010.aspx>

Capacity to Rise by 400,000 b/d along BP’s Existing 1.2 Million b/d, Azerbaijan-to-Turkey, BTC Oil Pipeline

The Baku-Tbilisi-Ceyhan oil pipeline delivers crude from Baku, Azerbaijan to Ceyhan, Turkey.

http://www.messenger.com.ge/issues/2225_november_1_2010/2225_econ_one.html

<http://www.bp.com/sectiongenericarticle.do?categoryId=9028923&contentId=7053886>

Natural Gas

Williams Seeks FERC Okay to Expand Transco Natural Gas Pipeline by 225,000 Dth/d in U.S. Southeast

Williams Partners L.P. filed an application with the Federal Energy Regulatory Commission (FERC) for permission to expand its Transco natural gas pipeline by 225,000 Dth/d, the company said on November 2. The expansion, or Mid-South Expansion project, would serve markets in the southeastern United States. The company would open it in two phases. The first phase would increase capacity by 95,000 Dth/d by the fall of 2012, and the second phase would increase capacity by 130,000 Dth/d by the summer of 2013. The project would require the company to construct approximately 23 miles of new pipeline, a new 32,000 horsepower compressor facility in Dallas County, Alabama, and upgrades to existing compressor facilities in Alabama, Georgia, South Carolina, and North Carolina.

<http://www.williamsjp.com/profiles/investor/ResLibraryView.asp?ResLibraryID=41420&GoTopage=1&Category=1800&BzID=1296>

Other News

U.S. to Produce 3.94 Million Gallons of Cellulosic Ethanol in 2011: EIA

The United States is likely to produce just 3.94 million gallons of cellulosic ethanol in 2011 (which amounts to 257 b/d), far less than the 250 million gallons the nation was – according to the 2007 Renewable Fuel Standard – supposed to produce next year, and significantly less than the U.S. Environmental Protection Agency's (EPA) had more recently proposed, the Administrator of the U.S. Energy Information Administration (EIA) said in a recent letter to the EPA. The EPA proposed reducing the 250 million gallon figure to 5-to-17.1 million gallons.

http://ethanolproducer.com/article.jsp?article_id=7102

Suzlon Group to Shutter Wind Turbine Blade Manufacturing Facility in Pipestone, Minnesota

Suzlon Group plans to shutter its rotor blade manufacturing facility in Pipestone, Minnesota, the company said on November 1. The news came as the company reported that U.S. wind turbine installations had slid by 70 percent during the first half of 2010. The company said employee layoffs would take effect on December 29.

<http://www.startribune.com/business/106490454.html>

Federal Judge Overturns BHP Billiton's Federal Permit to Expand Navajo Coal Mine in New Mexico October 29

A federal judge in Colorado overturned a federal permit for BHP Billiton to expand one of two existing mines at the Navajo open pit coal mine in Fruitland, New Mexico, directing the Office of Surface Mining Reclamation and Enforcement to reconsider its 2005 finding that the expansion would have "no significant impact." Two conservation groups had filed suit against BHP Billiton's plans. Arizona Public Service's (APS) 2,040 MW Four Corners coal-fired power plant, also in Fruitland, New Mexico, receives coal from the Navajo mine.

<http://www.ens-newswire.com/ens/nov2010/2010-11-01-094.html>

<http://www.pnm.com/systems/4c.htm>

Energy Prices

U.S. Oil and Gas Prices			
November 2, 2010			
	Today	Week Ago	Year Ago
CRUDE OIL West Texas Intermediate U.S. \$/Barrel	84.01	82.47	77.23
NATURAL GAS Henry Hub \$/Million Btu	3.42	3.18	4.11

Source: Reuters

Energy Notes

Nova Scotia Power, NewPage Port Hawkesbury Plan 60 MW Biomass-Fired Power Plant in Nova Scotia, Canada – Facility Expected to Begin Operations in Early 2013

<http://www.prnewswire.com/news-releases/port-hawkesbury-biomass-co-generation-project-proceeding-106475113.html>

Update: BP Increases Estimate of Deepwater Horizon Disaster Costs by \$7.7 Billion, to Total \$40 Billion

http://www.cleveland.com/business/index.ssf/2010/11/bp_oil_spill_costs_hit_40_bill.html

**Driver Dead after Gasoline-Carrying Tanker Truck Overturms in North Austin, Texas
October 30**

<http://www.statesman.com/news/local/central-texas-digest-driver-dies-in-mopac-fier-1009895.html>

**Update: Idaho Supreme Court Voids Lower Court's Ban on Deliveries of Oil Refinery
Equipment along U.S. Highway 12 November 1 – Ruling Seen as Technical, Could Lead to
More Public Hearings**

<http://www.spokesman.com/stories/2010/nov/02/high-court-tosses-ban-on-us-12-mega-loads/>

**Al Qaeda Terrorists Allegedly to Blame as 14-Inch, 127-Mile Oil Export Pipeline Explodes
in Yemen November 2**

<http://www.reuters.com/article/idUSLDE6A11NI20101102>

Reuters, 12:08 November 2, 2010

**Russian Oil Tanker Signals SOS in Sea of Okhotsk, Offshore Russia November 2 –
Propulsion Unit Shut over Weekend**

<http://english.ruvr.ru/2010/11/02/31022754.html>

**Russian Oil Production Reaches Post-Soviet Record 10.26 Million b/d in October 2010:
Energy Ministry Data**

Reuters, 08:09 November 2, 2010

**Iran Imports at Least Two Gasoline Cargoes during October 2010, Casting Doubt on
Nation's Claims that it is Producing Enough Gasoline to Satisfy Domestic Demand**

Reuters, 08:54 November 2, 2010

**Update: Maritime Administration Okays TORP Terminal LP's Proposal to Construct 1.4
Bcf/d LNG Terminal Offshore Alabama by November 2 – Bienville Offshore Energy
Terminal Would be Located 63 Miles South of Dauphin Island, Alabama**

http://blog.al.com/press-register-business/2010/11/maritime_torp_lng_approval.html

http://www.torplng.com/bienville_offshore_energy_terminal.php

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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