



# ENERGY ASSURANCE DAILY

Tuesday Evening, November 08, 2011

## ***Electricity***

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### **Update: AES's 495 MW Alamitos Gas-Fired Unit 6 in California Returns to Service by November 7**

According to the California Independent System Operator, the unit reported a return from an unplanned outage that began on November 6.

<http://content.caiso.com/unitstatus/data/unitstatus201111071515.html>

### **Dynegy's 510 MW Moss Landing Gas-Fired Unit 2 in California Reduced by November 7**

According to the California Independent System Operator, the unit reported an unplanned curtailment of 260 MW on November 7.

<http://content.caiso.com/unitstatus/data/unitstatus201111071515.html>

### **Luminant Shuts Rapper Vibrator Controllers to Repair Blown Fuse on 750 MW Martin Lake Coal-Fired Unit 3 in Texas November 7**

Luminant reported Monday that the 3A South Center rapper vibrator controller blew a fuse and had to be de-energized to be fixed. Operators also had to de-energize the 3A North Center rapper vibrator controller to change the program card. Operators will reduce the load and add flue gas conditioners to minimize possible emissions.

<http://www11.tceq.state.tx.us/oce/eer/index.cfm?fuseaction=main.getDetails&target=161449>

### **Fly Ash Silo Overfills, Leads to Emissions at Luminant's 593 MW Big Brown Coal-Fired Unit 2 in Texas November 6**

Luminant reported that the North Fly Ash Silo overfilled Sunday, causing flyash to enter the atmosphere from the pressure relief vent and a brief period of excess opacity. Operators directed the flyash to the South Fly Ash Silo, which immediately stopped the excess opacity.

<http://www11.tceq.state.tx.us/oce/eer/index.cfm?fuseaction=main.getDetails&target=161424>

## ***Petroleum***

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### **Kinder Morgan Announces Plans to Build New 6.6 MM Barrel Oil Terminal on Houston Ship Channel for Handling Residual Fuel and Other Black Oils by Third Quarter 2013**

Kinder Morgan Energy Partners, L.P. today announced its participation in Battleground Oil Specialty Terminal Company, LLC, a venture with TransMontaigne Partners L.P. that is planning to construct, own, and operate a new oil terminal on the Houston Ship Channel. The initial phase of the project, which is expected to come online by the third quarter of 2013, currently includes construction of 52 storage tanks that will have a capacity of 6.6 million barrels for handling residual fuel and other black oils. The terminal will initially be a water-in and water-out facility with the capability of handling ships with large drafts up to 45 feet. Terminal service agreements and/or letters of intent have been executed with customers for almost all of the capacity. Construction of the tanks is expected to begin this year upon completion of binding definitive customer agreements.

<http://phx.corporate-ir.net/phoenix.zhtml?c=119776&p=irol-newsArticle&ID=1627737>

## **Oiltanking Partners Announces Two Crude Oil Pipeline Expansion Projects in Houston Ship Channel and 1 MM Barrels New Crude Oil Storage Capacity at Houston Terminal**

Oiltanking Partners, L.P. (the Partnership) announced today that it is planning two expansion projects to construct two new crude oil pipelines in the Houston Ship Channel and approximately one million barrels of new crude oil storage capacity at the Partnership's Oiltanking Houston terminaling facility. The project is the first phase of anticipated infrastructure and storage capital expenditures to address additional customer demand at Oiltanking Houston. The project will reverse an existing 24-inch pipeline that currently originates from Oiltanking Houston to multiple Houston Ship Channel refineries; extend the reversed 24-inch pipeline to connect to Genoa junction, located on the south side of the Houston Ship Channel; construct a new 30-inch pipeline from Oiltanking Houston along the Houston Ship Channel to the area refineries previously served by the 24-inch pipeline; and construct one million barrels of crude oil storage at the Partnership's Houston terminaling facility. The Partnership expects to complete construction of the pipelines and the approximately one million barrels of new crude oil storage capacity during the first quarter of 2013.

[http://www.oiltanking.com/Oiltanking/en/news/Oiltanking\\_Partners\\_08112011.php](http://www.oiltanking.com/Oiltanking/en/news/Oiltanking_Partners_08112011.php)

## **Update: Inspector General Opens Special Review of State Department's Permitting Process for TransCanada's Keystone XL Pipeline, Could Delay Decision until 2012**

The U.S. State Department's inspector general has opened a "special review" to determine whether the department and all other parties involved complied with federal laws and regulations relating to the permitting process. The review does not halt the permitting process, but the State Department may decide to wait to issue a decision on the pipeline until the review is finished. The inspector general's office has refused to estimate how long the review will take.

Reuters, 17:48 November 7, 2011

<http://www.businessweek.com/news/2011-11-08/keystone-pipeline-review-by-state-department-to-be-probed.html>

## **Early Harvest, Other Factors Contributing to Very High Demand for Fuel, Causing the Worst Fuel Shortages in Years in the Dakotas and Minnesota**

The South Dakota Petroleum Marketers Association has said that the gasoline and diesel shortages at fuel terminals throughout much of the Dakotas and into Minnesota are the worst in many years, according to news reports late last week. Though fuel shortages during the harvest season are common, demand has been particularly high this year, due in part to an early harvest in South Dakota that has farmers competing for fuel, demand from vehicles in the booming oil patch in western North Dakota, and work related to major flooding in the two states this year. Magellan Midstream Partners, which has a fuel depot in Sioux Falls, has said that the shortages are not the result of infrastructure problems; rather, the demand this season "has just been very high," according to news reports.

<http://www.crookstontimes.com/news/x812499662/Fuel-shortages-a-big-problem-in-the-Dakotas>

[http://www.twincities.com/jobs/ci\\_19255523](http://www.twincities.com/jobs/ci_19255523)

## **U.S. Announces Proposed Outer Continental Shelf O&G Leasing Program for 2012–2017, Designates 12 Sites in Gulf of Mexico and off Alaskan Coast for Future O&G Drilling**

U.S. Secretary of the Interior Ken Salazar today announced the Proposed Outer Continental Shelf (OCS) Oil and Gas Leasing Program for 2012–2017, which makes more than 75 percent of undiscovered technically recoverable oil and gas (O&G) resources estimated in federal offshore areas available for exploration and development. The proposed program includes six offshore areas where there are currently active leases and exploration, and where there is known or anticipated hydrocarbon potential. It schedules 15 potential lease sales for the 2012–2017 period—12 in the Gulf of Mexico and three off the coast of Alaska.

<http://www.doi.gov/news/pressreleases/Secretary-Salazar-Announces-2012-2017-Offshore-Oil-and-Gas-Development-Program1.cfm>

## **Valero Reports Flaring Due to Equipment Malfunction at Its 144,000 b/d Benicia, California Refinery November 7**

Valero Energy Corp said on Tuesday that the refinery experienced no material impact to production after operators reported flaring due to an equipment malfunction on Monday, according to a filing with California regulators.

Reuters, 10:29 November 8, 2011

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## **Natural Gas**

Nothing to report

## Other News

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Nothing to report

## Energy Prices

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U.S. Oil and Gas Prices November 8, 2011			
	Today	Week Ago	Year Ago
<b>CRUDE OIL</b> <b>West Texas Intermediate U.S.</b> \$/Barrel	96.09	89.80	87.00
<b>NATURAL GAS</b> <b>Henry Hub</b> \$/Million Btu	3.35	3.66	3.47

Source: Reuters

## Energy Notes

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**Update: Over 13,000 CL&P Customers in Connecticut Remain without Power November 8 after Snow Storm October 29**

<http://outage.cl-p.com/outage/outagemap.aspx>

**Repsol Announces YPF Discovery of 927 MM boe of Shale Oil and Gas in Argentina**

<http://www.ft.com/intl/cms/s/0/b77004b0-0969-11e1-a20c-00144feabdc0.html#axzz1d7plJHD3>

**Update: Evergreen Oil's Used Oil Re-Refinery in Newark, California Reopens October 31 after Fire Shut the Facility in March**

<http://newark.patch.com/articles/evergreen-oil-re-opens-re-refinery-section-of-plant>

**DOE Commissions Two Studies Due in First Quarter of 2012 to Determine Whether Natural Gas Exports Are in the National Interest, Could Influence Permitting Decisions**

Reuters, 11:24 November 8, 2011

**ADA-ES Licenses M45 Refined Coal Technology to Clean Coal Solutions to Enable Clean Coal to Fabricate, Install, and Place into Service Six M45 Facilities by Year-End**

<http://www.adaes.com/PDFs/press/M45LicenseFINAL.pdf>

## 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 & 1:00 PM EST every Wednesday.

***Natural Gas Weekly Update*** from EIA

<http://www.eia.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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