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

Infrastructure Security and Energy Restoration

ENERGY ASSURANCE DAILY

Tuesday Evening, November 15, 2011

Electricity

Update: Dominion's 903 MW North Anna Nuclear Unit 1 in Virginia Restarts November 14, Ramps Up to 8 Percent by November 15

Dominion Resources reported that the unit started to exit an outage Monday morning and ramped up to 8 percent by Tuesday, according to a filing with the U.S. Nuclear Regulatory Commission (NRC). The North Anna nuclear plant's 903 MW Unit 2 remains out of service. The plant shut after a 5.8-magnitude earthquake on August 23 had its epicenter near Mineral, Virginia, which is about 11 miles from the North Anna plant. The NRC on Friday gave permission to Dominion to restart the plant, after investigations indicated that the quake caused no functional damage to the reactors' safety systems.

Reuters, 13:05 November 14, 2011

Information also derived from the NRC Power Reactor Status Reports:

http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2011/

Update: LCRA Receives Approval from TCEQ and EPA to Proceed with 540 MW Natural Gas-Fired Ferguson Replacement Project in Texas

The Lower Colorado River Authority (LCRA) in September awarded a contract to Fluor Corporation to replace LCRA's 420 MW Thomas C. Ferguson coal plant with a new 540 MW combined-cycle natural gas-fired power plant in Horseshoe Bay, Texas. LCRA announced on Friday that it has received the required air permits from the Texas Commission on Environmental Quality (TCEQ) and the U.S. Environmental Protection Agency (EPA), and it has given Fluor permission to begin engineering and construction of the replacement project. LCRA expects the new plant to be on-line in 2014.

http://investor.fluor.com/phoenix.zhtml?c=124955&p=newsarticle&id=1630125 http://www.lcra.org/newsstory/2011/noticetoproceed.html

Update: Southern's 856 MW Hatch Nuclear Unit 1 in Georgia at Full Power by November 15

The Nuclear Regulatory Commission reported that on the morning of November 14 the unit was operating at 85 percent.

Information derived from the NRC Power Reactor Status Reports:

http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2011/

Update: Watson Cogeneration's 417 MW Watson Gas-Fired Unit in California Returns to Service by November 14

According to the California Independent System Operator, the unit reported an unplanned curtailment of 232 MW on November 12.

http://content.caiso.com/unitstatus/data/unitstatus201111141515.html

Update: Luz Solar Partners's Aggregate 175 MW Solar Units 3–7 and Aggregate 184 MW Solar Units 8–9 in California Return to Service by November 14

According to the California Independent System Operator, Units 3–7 entered an unplanned outage by November 11 and Units 8–9 entered an unplanned outage on November 13.

http://content.caiso.com/unitstatus/data/unitstatus201111141515.html

Update: TransCanada Collaborates with State of Nebraska in Defining New Keystone XL Route away from the Sandhills Region

TransCanada Corporation announced Monday that it supports proposed legislation within the State of Nebraska that, if passed, will ensure that the Keystone XL pipeline route in Nebraska avoids portions of the Ogallala Aquifer in the Nebraska Sandhills region, from which a large portion of the central United States gets its water. The U.S. State Department announced November 10 that it will explore a new route for the proposed pipeline, citing its concerns about the Ogallala aquifer as a decisive factor in deciding to explore a new route. A TransCanada official confirmed Monday that the route will be changed and that Nebraskans will play an important role in determining the final route

http://www.transcanada.com/5896.html

http://www.yorkdispatch.com/nation/ci 19334210

 $\underline{\text{http://www.therecord.com/news/world/article/625199--transcanada-will-change-route-keystone-xl-oil-pipeline-takes-through-nebraska}$

Update: ConocoPhillips Sets January 16 as Date to Shut 185,000 b/d Trainer, Pennsylvania Refinery If No Buyer Is Found

ConocoPhillips said on Monday that it will shut down all remaining operations at its Trainer refinery on January 16 if no buyer for the facility is found by that time. The company stopped crude processing operations in late September, citing poor margins and East Coast refining economics.

http://www.reuters.com/article/2011/11/14/conocophillips-trainer-

idUSN1E7AD1N020111114?feedType=RSS&feedName=marketsNews&rpc=43

Chevron Reports a Brief Fire in a CDU at Its 245,271 b/d Richmond, California Refinery November 14

Chevron reported that a fire broke out in a crude distillation unit (CDU) as it was being started Monday night and was quickly extinguished, according to a notice filed with the California Emergency Management Agency. A Chevron spokesperson said that the fire would not disrupt planned supplies to its customers.

http://www.reuters.com/article/2011/11/15/refinery-operations-chevron-richmond-

idUSN1E7AE0H120111115?feedType=RSS&feedName=marketsNews&rpc=43

Update: Chevron Restarts FCC Unit after Repairs at Its 279,000 b/d El Segundo, California Refinery November 15

Chevron restarted a gasoline-producing fluid catalytic cracking (FCC) unit at the refinery on Tuesday, according to sources familiar with refinery operations and traders. The unit was shut for repairs on October 25 Reuters, 12:04 November 15, 2011

BP Reports Ongoing Sulfur Dioxide Leak from Unspecified Unit at Its 455,790 b/d Texas City, Texas Refinery November 14

BP reported an ongoing leak of sulfur dioxide Monday afternoon, according to a filing with the U.S. National Response Center. The filing does not specify which unit was leaking, and it lists no remedial action. http://www.nrc.uscg.mil/reports/rwservlet?standard_web+inc_seq=995500

Chevron Reports Hydrogen Unit Startup at Its 330,000 b/d Pascagoula, Mississippi Refinery November 11

Chevron reported an ongoing release of nitrogen oxide from a flare system while conducting a hydrogen plant startup, according to a filing with the U.S. National Response Center last Friday. The filing states that the amount of the release is undetermined as the release is ongoing, but it has exceeded the allowable amount of 1,000 pounds. http://www.nrc.uscg.mil/reports/rwservlet?standard_web+inc_seq=995212

Alon Reports Unspecified Unit Startup at Its 80,000 b/d Krotz Springs, Louisiana Refinery November 14

Alon USA Energy Inc. reported Monday that 650 pounds of sulfur dioxide was released during an unspecified startup, according to a filing with the U.S. National Response Center. Operators secured the release within 24 hours. http://www.nrc.uscg.mil/reports/rwservlet?standard_web+inc_seq=995460

SemCrude to Expand Platteville, Colorado Crude Oil Truck Unloading Terminal That Feeds White Cliffs Pipeline

SemCrude L.P., a subsidiary of SemGroup Corporation, announced Monday the expansion of its Platteville, Colorado truck unloading terminal as part of an agreement with Anadarko Petroleum Corporation. The expansion of the Platteville unloading terminal will increase capacity by up to 60 percent and is designed to support Anadarko's anticipated increase in production in the region. The Platteville Terminal, located northeast of Denver, is the origination point of the White Cliffs Pipeline, a 526-mile crude oil pipeline terminating in Cushing, Oklahoma. Crude oil from the Denver-Julesberg basin is currently delivered to SemCrude's Platteville Terminal via transport trucks and unloaded through 10 existing truck bays. The expansion is expected to be complete by the end of 2012. http://ir.semgroupcorp.com/phoenix.zhtml?c=235216&p=irol-newsArticle&ID=1630185

BHP Billiton Developing U.S. Shale Oil and Gas Assets in Texas, Louisiana, and Arkansas, Targets Production of 250,000 boe/d in 2012

BHP Billiton Ltd. plans to develop its recently acquired U.S. shale oil and gas assets as it ramps up production, a company executive said in a conference call Monday. In the last year, BHP bought Petrohawk Energy Corp. along with its assets in Texas and Louisiana and Chesapeake Energy Corp.'s Fayetteville shale assets in Arkansas. BHP is targeting the production of 90 MM boe (barrels of oil equivalent) through June 2012, or about 250,000 boe/d, 600,000 boe/d in fiscal 2015, and 1 MMboe/d by 2020.

http://www.bhpbilliton.com/home/investors/reports/Documents/2011/111114 BHPBillitonPetroleumInvestorBriefing Transcript.pdf

http://www.hydrocarbonprocessing.com/Article/2934512/Latest-News/BHP-Billiton-to-spend-45bn-on-US-shale-this-year.html

Libya's Waha Oil Co. Strike Ends after New Chairman Named; Crude Oil Production Could Begin Again in December

Waha Oil Co. workers are preparing to return to Libyan company's oil fields and terminals, which produced and shipped around 400,000 b/d before the war, according to a workforce representative on Monday. The workers began striking weeks ago, calling for the removal of Waha's chairman Bashir Alshab, who they accused of cooperating with former Libyan dictator Muammar Gaddafi. A new chairman has been named. The company will begin pumping crude oil again next month after a management change finally ended a crippling strike, an official at the company said Tuesday.

http://www.reuters.com/article/2011/11/14/libva-oil-waha-

idUSLDE7AD00H20111114?type=companyNews&feedType=RSS&feedName=companyNews&rpc=43

Natural Gas

Emergency Valve Repair at DCP Midstream's 70 MMcf/d Fullerton Gas Plant Forces Energen to Flare Gases from Its WFMU Satellites 1 and 2 in Texas November 14

 $\frac{\text{http://www11.tceq.state.tx.us/oce/eer/index.cfm?fuseaction=main.getDetails\&target=161707}{\text{http://www11.tceq.state.tx.us/oce/eer/index.cfm?fuseaction=main.getDetails\&target=161709} \\ \frac{\text{http://www11.tceq.state.tx.us/oce/eer/index.cfm?fuseaction=main.getDetails\&target=161651}}{\text{https://www.dcpmidstream.com/Operations/Facilities/Pages/FullertonPlant.aspx}}$

AGI Unit 1 Goes Down Due to Loss of Suction from Wood Group Pump at Enbridge's Tilden Gas Plant in Texas November 13

Enbridge reported that the No. 1 acid gas injector (AGI) went down due to the No. 1 Wood Group pump losing suction. Operators responded immediately, correcting the problem and placing the unit back into service. http://www11.tceq.state.tx.us/oce/eer/index.cfm?fuseaction=main.getDetails&target=161664

Regency Reports a Leak on Texstar Field Services Natural Gas Pipeline in Atascosa County, Texas November 13–14

Regency reported a leak on the 10-inch pipeline in a filing with state regulators Monday. Operators isolated the pipeline segment and reduced line pressure to minimize emissions while they repaired the leak. http://www11.tceq.state.tx.us/oce/eer/index.cfm?fuseaction=main.getDetails&target=161712

Nothing to report

Energy Prices

U.S. Oil and Gas Prices November 15, 2011			
	Today	Week Ago	Year Ago
CRUDE OIL West Texas Intermediate U.S. \$/Barrel	98.83	96.09	85.24
NATURAL GAS Henry Hub \$/Million Btu	3.17	3.35	3.50

Source: Reuters

Energy Notes

Chevron Suspends Drilling after Oil Spill Discovered at Frade Project, Offshore Brazil November 8; Cause and Source of 200–330 b/d Oil Seeps Still Unclear

http://www.rigzone.com/news/article.asp?a id=112606

http://www.reuters.com/article/2011/11/14/chevron-brazil-

 $\underline{idUSN1E7AD0VD20111114?type=companyNews\&feedType=RSS\&feedName=companyNews\&rpc=43}$

http://www.rigzone.com/news/article.asp?a id=112636

ExxonMobil Rumored to Strike Development Deal with Kurdistan Regional Government against the Wishes of Iraqi Oil Ministry; Could Impact Service Contracts in Southern Iraq

http://www.rigzone.com/news/article.asp?a id=112565

http://www.nytimes.com/2011/11/13/world/middleeast/iraq-criticizes-exxonmobil-on-kurdistan-oil-pursuits.html? r=1&partner=rss&emc=rss

AEP Transmission Company Selects Quanta Services to Rebuild or Replace 900 Miles of Existing Transmission Infrastructure in Ohio and Oklahoma by 2014

http://investors.quantaservices.com/phoenix.zhtml?c=75389&p=irol-newsArticle&ID=1630337

Noble Group Leads Joint Effort in Placing Aseng Field in Block 1 in Equatorial Guinea into Service November 6; Four Subsea Wells Producing 50,000 b/d

http://www.rigzone.com/news/article.asp?a id=112642

http://www.ogj.com/articles/2011/11/noble-group-starts-aseng-output-in-douala-basin.html

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