



ENERGY ASSURANCE DAILY

Wednesday Evening, November 19, 2008

Electricity

Update: Progress Energy Shuts 710 MW Robinson Nuke Unit 1 in South Carolina November 18

The unit shut due to "high vibrations" on November 17. During its restart from that outage, workers shut the unit again, opting to conduct more extensive maintenance. The workers plan to replace a turbine seal to slow the vibration. It is not clear how long the outage will last.

Bloomberg News, 11:03 November 19, 2008

Information also derived from the NRC Power Reactor Status Reports:

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2008/>

Equipment Failure at SWEPCO's 360 MW Harrington Gas-fired Power Plant in Texas November 18

Excessive vibrations caused a main boiler feed pump trip November 18, according to a filing with state regulators. A turbine tripped due to low vacuum, which triggered a boiler trip on a high drum level, the filing said.

Bloomberg News, 09:12 November 19, 2008

<http://www11.tceq.state.tx.us/oce/eer/index.cfm?fuseaction=main.getDetails&target=116820>

Update: LADWP Continues Repairs along Fire-Damaged Pacific DC Intertie Transmission Line in California

The Los Angeles Department of Water and Power (LADWP) will perform repairs on the 3,100 MW Pacific DC Intertie transmission line during the next week or so, the company said November 18. Traders expected the lines to stay down until November 29. Wildfires last week forced offline multiple power lines and caused "significant fire damage" to the Sylmar converter station in Los Angeles. Workers began performing temporary repairs along the Pacific DC line on November 15. An LADWP spokesman said the company restored two lines on November 17, and was planning to restore a third on November 19.

Reuters, 15:27 November 18, 2008

Energy Assurance Daily, November 17, 2008

Update: Entergy's 1,207 MW Grand Gulf Nuke Unit 1 in Mississippi Ramped Up to 87 Percent by November 19

The unit reduced output due to a fire in the feed pump B turbine room on November 17, a spokeswoman said previously. The Nuclear Regulatory Commission reported that on the morning of November 18 the unit was operating at 65 percent.

Bloomberg News, 08:12 November 19, 2008

Information also derived from the NRC Power Reactor Status Reports:

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2008/>

Update: Reliant's 741 MW Ormond Beach Gas-fired Unit 1 in California Returns to Service by November 18

According to the California Independent System Operator, the unit returned from an unplanned outage.

<http://www.caiso.com/unitstatus/data/unitstatus200811181515.html>

Update: Mirant's 206 MW Potrero Unit 3 Gas-fired Unit in California Returns to Service up by November 18

According to the California Independent System Operator, the unit ramped up from an unplanned curtailment.

<http://www.caiso.com/unitstatus/data/unitstatus200811181515.html>

Update: EPCOR/TransAlta's 450 MW Genesee Coal-fired Unit 3 in Alberta Back Online by November 18

The unit went offline on October 10 due to a turbine blade malfunction.
Reuters, 08:42 November 19, 2008

BPA May Re-Activate Old Plans for 500-kV, 1,250 MW, 79-mile McNary-John Day Transmission Line in Oregon

The Bonneville Power Administration (BPA) first proposed the line in 2002, but canceled its plans as companies abandoned multiple power plant projects. Now, citing an increase in expected new wind power projects in the same area, BPA is reconsidering the line. During a recent open season, the company received requests for 6,410 MW of power transmission in the U.S. Northwest, including 4,716 MW from wind facilities.
<http://www.tri-cityherald.com/915/story/365572.html>

Central Maine Power, Maine Public Service Plan 200-mile, 345-kV Maine Power Connection Project in New England

The U.S. Federal Energy Regulatory Commission (FERC) conditionally approved incentive rates for the transmission project. The line—proposed by Central Maine Power and Maine Public Service—would stretch 200 miles, and link northern Maine to the ISO New England grid. The utilities expect to break ground in June 2009, open the line's first phase in November 2010, and start its final phase in 2012.
<http://www.platts.com/Electric%20Power/News/8181510.xml?p=Electric%20Power/News&sub=Electric%20Power>

Executive Order Mandates California Utilities Generate One-Third of Power from Renewable Sources by 2020

Governor Arnold Schwarzenegger's order, signed November 17, mandates utilities generate one-third of their power from renewable sources by 2020. Current California law calls for 20 percent renewable by 2010. The new order also requires state agencies to establish the planning and permitting process for the increase in renewable power. Legislation is in-the-works to establish the directive as law, initiate possible penalties for under-achieving companies, and increase renewable energy's economic viability.
<http://www.guardian.co.uk/environment/2008/nov/18/california-renewable-energy-schwarzenegger-environment>

Petroleum

Update: Chevron Declares Force Majeure after Pipeline Attack Stalls 90,000 b/d of Nigerian Oil Production

Chevron declared force majeure in Nigeria on November 19, less than a week after a pipeline attack forced shut 90,000 b/d of oil output. Militants attacked and breached the line on November 14, causing Chevron to stall associated onshore production. Chevron said "Repair plans are being prepared and it would be premature to estimate completion time," but a company spokesman said the force majeure would last until December 31.
http://www.rigzone.com/news/article.asp?a_id=69683
http://www.downstreamtoday.com/News/Articles/200811/Chevron_Declares_Nigeria_Oil_Exports_For_13836.aspx
http://www.bloomberg.com/apps/news?pid=20601116&sid=awmH9Ii1p_n4&refer=africa

Propane Line Ruptures at Big West's 29,400 b/d North Salt Lake City, Utah Refinery

A high pressure propane line ruptured, triggering emissions, a November 18 news source said. The gas leak lasted about 90 minutes, and did not cause any injuries. It is not clear if the incident impacted production.
Bloomberg News, 20:14 November 19, 2008

Update: Marathon Restarts 52,000 b/d Crude Unit at 76,000 b/d Texas City, Texas Refinery by November 18

A small pump fire shut the unit on November 3. A spokeswoman said the unit resumed normal operations by November 18.
Reuters, 09:06 November 19, 2008
Bloomberg News, 10:57 November 18, 2008

U.S. Oil Inventories Jump 1.6 Million Barrels—EIA Oil Prices Drop as Numbers Outpace Analysts' Forecasts

Oil inventories increased by 1.6 million barrels last week, the Energy Information Administration (EIA) reported November 19. The rise doubled analysts' forecasts, and suggested a continued decline in oil demand. Oil dropped below \$54 on the news, and analysts said it could have fallen more if not for an unexpected decline in U.S. distillate stocks.

Reuters, 12:12 November 19, 2008

U.S. Fuel Demand Experiences Biggest 10-Month Drop Since 1981—API

U.S. fuel demand dropped 5.2 percent in January-October of 2008, the largest such dip since 1981, the American Petroleum Institute said. Petroleum product deliveries fell by 1.1 million b/d over the span, on average, from 20.7 million b/d last year to 19.6 million b/d in 2008.

Bloomberg News, 11:00 November 19, 2008

Major Oil Companies Slash Spending, Postpone Projects on Economic Recession -- Report

A number of the largest oil companies have delayed or decreased investments in up to 44 projects, as of November 18, Morgan Stanley & Co. analysts said today. The total marks a sharp jump from the 19 such projects reported November 5, they said. Among the affected companies are Saudi Aramco, Shell and Petroleo Brasileiro.

Bloomberg News, 00:56 November 19, 2008

Petrobras Plans 1 Million b/d Output in 2015 at Multiple Blocks Offshore Brazil

Brazilian state oil company Petrobras hopes to produce 1 million b/d of oil in 2015 at the offshore Jupiter, Iara and Azulao blocks, an official said November 18. Separately, citing current conditions, the company delayed plans to issue construction tenders for 28 deep-sea drilling rigs. Those tenders had been scheduled for this year, but will not be available until 2009. It is not clear how that decision will affect any production plans.

http://www.rigzone.com/news/article.asp?a_id=69687

Natural Gas

Update: FERC Gives Itself More Time to Consider Possible Rehearing of Bradwood Landing LNG Terminal in Oregon

The Federal Energy Regulatory Commission (FERC) extended its time-frame to consider multiple requests to rehear and withdraw its earlier approval of the facility. FERC did not grant a rehearing—instead, the action allows FERC more time for considering whether a rehearing is warranted.

http://www.istockanalyst.com/article/viewiStockNews+articleid_2810864.html

<http://www.energycurrent.com/index.php?id=3&storyid=14391>

Sempra Energy to Import 3.7 Million Tons of LNG/Year from Papua to United States

Sempra Energy plans to import 3.7 million tons of liquefied natural gas (LNG)/year from the Tangguh project in Papua to the United States, a Papua official said. The first shipment is scheduled for the second half of 2009.

http://www.downstreamtoday.com/News/Articles/200811/Sempra_To_Begin_Imports_from_Tangguh_In_13849.aspx

Other News

U.S. Coal Supply to Outpace Demand in 2008 and 2009, Analysts Say

U.S. coal supply will outpace demand in 2008 by 2.3 million tons, and by 12.5 million tons in 2009, as economic conditions significantly slow coal demand, according to a November 18 report. The report, by energy investment bank Simmons & Co forecasts coal exports, which rose sharply after 2006, to drop from 75 million tons in 2008 to 65 million tons in 2009. Analysts attributed the brief coal export jump, in part, to bottlenecks in Australian rails and ports. The projected decline is at least partly due to resolution of infrastructure bottlenecks in Australia.

Reuters, 18:50 November 18, 2008

Canadian Energy Demand Jumps 5.5 Percent in 2007—Study

Canadian energy demand increased 5.5 percent, from 7.16 quadrillion BTUs in 2006 to 7.56 quadrillion BTUs in 2007, Statistics Canada reported.

<http://www.thestar.com/Business/article/538865>

Energy Prices

U.S. Oil and Gas Prices November 19, 2008			
	Today	Week Ago	Year Ago
CRUDE OIL West Texas Intermediate U.S. \$/Barrel	54.81	55.98	95.13
NATURAL GAS Henry Hub \$/Million Btu	6.74	6.65	7.38

Source: Reuters

Energy Notes

Two of 121 Sirens Fail During Test at FPL's 1,242 MW Seabrook Nuclear Power Plant in New Hampshire October 25

<http://www.seacoastonline.com/articles/20081118-NEWS-811180324>

Update: CPUC Chairman Recommends Approval of Sempra Energy's Proposed 150-mile Sunrise Powerlink Transmission Line in California

Bloomberg News, 09:59 November 19, 2008

Valero Reports Flaring at 199,500 b/d Texas City, Texas Refinery

Bloomberg News, 12:19 November 18, 2008

Tanker Crashes, Spills 8,500 Gallons of Gasoline in Massachusetts November 17

<http://wbztv.com/local/swansea.truck.rollover.2.865903.html>

U.S. Gasoline Consumption Rises as Prices Trend Downward—Survey

<http://www.platts.com/Oil/News/6021532.xml?p=Oil/News&sub=Oil>

Turbine Shutdown at Goldsmith Gas Plant in Texas November 18

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=116765>

FERC Okays Start-up of 18.5-mile Portion of Millennium Natural Gas Pipeline in New York November 17

<http://intelligencepress.com/>

Canadian NEB Okays Westcoast Energy's 20-inch, 57-mile South Peace Natural Gas Pipeline Project in British Columbia

http://www.downstreamtoday.com/News/Articles/200811/NEB_Okays_Westcoast_South_Peace_Pipeline_13834.aspx

October Floods Cut Yemen Oil Output by 25,000 b/d, from 310,000-315,000 b/d to 287,000 b/d—Official

Reuters, 06:58 November 19, 2008

Vietnam's Crude Production to Jump 5 Percent in 2009, to a Total 341,400 b/d in 2009 as Two Oilfields Come Online

Reuters, 06:18 November 19, 2008

Indonesian Oil Company Looks for Investors to Help Develop up to 2.15 Billion Barrel of Oil Equivalent O&G Field in Libya

http://www.rigzone.com/news/article.asp?a_id=69585

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>

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