



ENERGY ASSURANCE DAILY

Monday Evening, November 28, 2011

Electricity

Update: Dominion's 903 MW North Anna Nuclear Unit 2 in Virginia at Full Power by November 27

Both reactors at Dominion Virginia Power's North Anna power station were operating at 100 percent as of Sunday morning, according to the U.S. Nuclear Regulatory Commission (NRC). 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 November 11 gave permission to Dominion to restart the plant, after investigations indicated that the quake caused no functional damage to the reactors' safety systems.

Information derived from the NRC Power Reactor Status Reports:

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

Update: Westar Energy Says Meeting EPA's Emission Regulation Deadline Will Spur Blackouts in Kansas

Kansas electric utility Westar Energy has said that the U.S. Environmental Protection Agency's (EPA) mid-December deadline on new air emission regulations affecting coal-burning plants will result in rolling blackouts for its customers. Over 75 percent of the power that Westar supplies is generated by coal, and the utility has said that while it is working to meet the more stringent regulations, it may not be able to fully meet the new requirements until 2018. The EPA has denied the utility's requests for an extension, and so Westar has now filed suit in federal court and the Kansas Attorney General has filed a lawsuit, as well. The Southwest Power Pool (SPP), a seven-state organization mandated to ensure reliable supplies of power, adequate transmission infrastructure, and competitive wholesale prices of electricity for its region, warned the EPA in a letter in September that enforcing the December 15 deadline could lead to system overloads in the region and system voltages going too low to meet mandated levels, which could result in cascading blackouts within the SPP region.

<http://www.kansascity.com/2011/11/27/3288541/westar-lawsuit-says-meeting-epas.html>

Intermountain's 900 MW Intermountain Coal-Fired Unit 2 in California Shut by November 27

According to the California Independent System Operator, the unit reported an unplanned outage on November 27.

<http://content.caiso.com/unitstatus/data/unitstatus201111271515.html>

Update: RRI Energy's 741 MW Ormond Beach Gas-Fired Unit 1 in California Returns to Service by November 24

According to the California Independent System Operator, the unit reported a return from an unplanned outage. Units 1 and 2 first reported an unplanned outage on September 6. The 775 MW Unit 2 returned to service on September 16.

<http://content.caiso.com/unitstatus/data/unitstatus201111241515.html>

<http://content.caiso.com/unitstatus/data/unitstatus201109161515.html>

<http://content.caiso.com/unitstatus/data/unitstatus201109061515.html>

San Diego Gas & Electric's 566 MW Palomar Energy Center Gas-Fired Unit in California Reduced by November 27

According to the California Independent System Operator, the unit reported an unplanned curtailment of 236 MW on November 27.

<http://content.caiso.com/unitstatus/data/unitstatus201111271515.html>

Elk Hills Power's 552 MW Elk Hills Gas-Fired Unit in California Shut by November 24

According to the California Independent System Operator, the unit reported an unplanned outage on November 24.

<http://content.aiso.com/unitstatus/data/unitstatus201111241515.html>

Luz Solar Partners's Aggregate 184 MW Units 8-9 in California Shut November 24, Return to Service by November 25

According to the California Independent System Operator, the units reported a return from an unplanned outage that occurred on November 24.

<http://content.aiso.com/unitstatus/data/unitstatus201111241515.html>

<http://content.aiso.com/unitstatus/data/unitstatus201111251515.html>

FPL's 839 MW Saint Lucie Nuclear Unit 1 in Florida Shut by November 28

The Nuclear Regulatory Commission reported that on the morning of November 27 the unit was operating at 65 percent.

Information derived from the NRC Power Reactor Status Reports:

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

Update: Entergy's 653 MW Pilgrim Nuclear Unit 1 in Massachusetts Restarts November 25, Ramps Up to Full Power by November 27

Entergy shut the plant's only unit November 17 when operators discovered a steam leak in the main feedwater line check valve.

Information derived from the NRC Power Reactor Status Reports:

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

Dominion's 1,130 MW Millstone Nuclear Unit 3 in Connecticut at Full Power by November 27

The Nuclear Regulatory Commission reported that on the morning of November 25 the unit was operating at 75 percent.

Information derived from the NRC Power Reactor Status Reports:

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

Indiana-Michigan Power's 1,000 MW D.C. Cook Nuclear Unit 1 in Michigan Reduced to 57 Percent by November 26

An event report filed with the Nuclear Regulatory Commission (NRC) indicates that on the morning of November 25, operators manually tripped the East Main Feedwater Pump due to high vibrations. They then started all Auxiliary Feedwater pumps in accordance with abnormal operating procedures and stabilized the power plant at approximately 57 percent capacity.

Information derived from the NRC Power Reactor Status Reports:

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

<http://www.nrc.gov/reading-rm/doc-collections/event-status/event/2011/20111128en.html>

Unit 2 Boiler Snag Leads to Emissions at Oak Grove Steam Electric Station in Texas November 26

Operators reported in a filing with state regulators Saturday that the B Mill became plugged, causing a sudden increase of oxygen in the boiler, which in turn caused the differential pressure (DP) to elevate. This elevated DP caused the baghouse to bypass. The unit operator responded by lowering the unit MW load.

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=162081>

Petroleum

Marathon Reports Chemical Release from Its 78,000 b/d Canton, Ohio Refinery November 26

Marathon Petroleum Corp. reported an unspecified chemical release into the air at its refinery on Saturday and said that the release is affecting the health of people in the area, according to a filing with the U.S. National Response Center. The filing lists no remedial action and says it is unknown whether the release had been secured.

http://www.nrc.uscg.mil/reports/rwservlet?standard_web+inc_seq=996519

Equipment Failure Shuts Major Steam Producing Unit, Leads to Flaring at Total's 232,000 b/d Port Arthur, Texas Refinery November 24

Total Petrochemicals reported that an equipment failure on Thursday caused a major steam producing unit to shut down, leading to a loss of steam supply to a compressor, which led to a diversion of additional gas to the flare system. Operators instituted steam shedding procedures to minimize emissions, according to a filing with the Texas Commission on Environmental Quality.

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=162065>

Gas Compressor Trip Leads to Flaring at ConocoPhillips's 362,000 b/d Wood River, Illinois Refinery November 23

ConocoPhillips reported that a wet gas compressor tripped out of production on Wednesday at the Wood River refinery it jointly owns and operates with Cenovus Energy, according to a filing with the Illinois Emergency Management Agency. The malfunction triggered flaring and the release of sulfur dioxide from the refinery.

<http://www.reuters.com/article/2011/11/24/refinery-operations-conoco-wood-river-idUSWEN113320111124?feedType=RSS&feedName=marketsNews&rpc=43>

Valero Reports Brief Power Interruption at Its 135,000 b/d Wilmington, California Refinery November 23

Valero Energy Corp. said a brief power interruption at its refinery last Wednesday did not impact production. Operators quickly restored power and all the refinery's units were operating at planned rates, according to a company spokesman.

Reuters, 11:30 November 28, 2011

Power Outage Shuts Some Units at PBF Energy's 182,200 b/d Delaware City, Delaware Refinery November 27

PBF Energy said Monday that its Delaware City refinery is only partially operational after a power outage Sunday night affected some of its units. A number of major units are still operating as workers examine the downed units to ensure they sustained no damage during the outage and can be safely restarted, according to a spokesman. The company issued no timeline for when the downed units would be fully restored. Reports did not indicate what caused the power outage.

Reuters, 11:21 November 28, 2011

Statoil Shuts Three Oil Platforms, Aggregate 130,000 b/d in Norwegian Sea November 25, Places Two Platforms Back in Service by November 28

Statoil shut its Njord, Heidrum, and Aasgard floating oil platforms in the Norwegian Sea on Friday due to weather concerns. It has since resumed operations at two platforms, but the Njord platform, which produces 13,000 b/d, is still not operating, and Statoil did not indicate when it would place it back into service.

Reuters, 10:12 November 28, 2011

Chevron Temporarily Banned from Further Drilling in Brazil after Spill in the Offshore Frade Field November 8

Chevron has been temporarily banned from further drilling in Brazil after approximately 2,400 barrels of oil spilled in the Frade field on November 8. Brazil's National Petroleum Agency (ANP) has accused the company of negligence and has demanded that Chevron provide an adequate explanation of the causes of the spill.

<http://www.minyanville.com/businessmarkets/articles/Dilma-Rousseff-brazil-brazil-economy-brazil/11/28/2011/id/38092?camp=syndication&medium=portals&from=yahoo>

Shell Lubricants Announces Arrival of the First GTL Product Shipment to Reach US from 30,000 b/d Qatar-Based Pearl GTL Plant

Shell Lubricants announced Wednesday the arrival of the first shipment of gas-to-liquid (GTL) base oil at the Port of Houston from the Qatar-based Pearl GTL plant. Shell plans to store the high-quality product at a hub in Houston before routing it to the company's GTL-enabled blending facilities throughout the United States. Shell uses the base oil in manufacturing motor oils. Once the Pearl GTL plant, which is formed by a partnership between Royal Dutch Shell and Qatar Petroleum, is operating at full capacity, it will produce about 30,000 b/d of lubricant base oils.

http://www.downstreamtoday.com/news/article.aspx?a_id=28655

Imperial Oil Says Syncrude Oil-Sands Joint Venture Expansion in Alberta Will Likely Be Delayed Until after 2020

A joint venture to expand Syncrude Canada Ltd.'s crude oil production capacity from 350,000 b/d to about 550,000 b/d will likely be put on hold until after 2020, according to the project's operator Imperial Oil Ltd. on Wednesday. The comment comes after an industry analyst recently reported that support for the expansion plans had waned among Syncrude's large partners, including Imperial Oil, and after a coker malfunction temporarily shut operations on November 22. Imperial Oil said on Wednesday that its first priority is improving and sustaining Syncrude's base operation, which has recently fallen short of its maximum capacity to around 300,000 b/d due to equipment reliability issues.

http://www.downstreamtoday.com/news/article.aspx?a_id=28657

Transneft Gains Russian Financing to Construct 900,000 b/d Zapolyarye-Purpe Crude Oil Pipeline from Yamal Peninsula to Eastern Siberia-Pacific Ocean Pipeline

The Russian government on November 18 made a decision on financing the construction of the Zapolyarye-Purpe oil pipeline with OJSC Transneft funds. Transneft will be both contractor and operator of the pipeline and hopes to finish construction by 2016. The 500-km (300-mile) pipeline will ship up to 45 million tons of crude oil a year (approximately 900,000 b/d) from fields in the Yamal-Nenets Autonomous District and northern Krasnoyarsk territory to the Eastern Siberia-Pacific Ocean pipeline.

http://www.downstreamtoday.com/news/article.aspx?a_id=28664

Natural Gas

Tennessee Gas Pipeline Ruptures in Mississippi November 21

El Paso Corp. has isolated a section of natural gas pipeline that exploded in Panola County, Mississippi last Monday night. A compressor-station operator first observed a change in pressure at 8:30 PM, and the explosion is reported to have occurred around 9:00 PM. Local officials evacuated twenty homes near the incident, but allowed everyone to return later than night and reported no injuries. Investigators are looking into the cause of the incident. The Tennessee Gas Pipeline system consists of about 14,000 miles of pipeline carrying natural gas from the Gulf of Mexico, Texas, Appalachia, and Canada to markets across the Midwest and Mid-Atlantic regions.

<http://www.businessweek.com/news/2011-11-23/el-paso-says-tennessee-gas-pipeline-had-explosion-release.html>

Other News

Nothing to report

Energy Prices

U.S. Oil and Gas Prices			
November 28, 2011			
	Today	Week Ago	Year Ago
CRUDE OIL			
West Texas Intermediate U.S. \$/Barrel	98.27	95.94	83.00
NATURAL GAS			
Henry Hub \$/Million Btu	2.84	3.01	3.93

Source: Reuters

Energy Notes

Update: Water-Pump Failure in Illinois Caused by a Plant Contractor Traveling in Russia, Not a Cyber Attack – Federal Investigators

http://www.washingtonpost.com/world/national-security/water-pump-failure-in-illinois-wasnt-cyberattack-after-all/2011/11/25/gIQACgTewN_story.html?hpid=z4

Heavy Damage from Landslides Delays Launch of Baltic Oil Terminal Ust-Luga in Russia until First Quarter 2012; Transneft Cancels Plans to Ship 700,000 Barrels of Urals Crude Blend from the Port This Year

<http://www.reuters.com/article/2011/11/28/russia-ust-luga-idUSL5E7MSOR420111128?feedType=RSS&feedName=industrialsSector&rpc=43>

Financial Problems Delay Construction of 250,000 b/d Khalifa Coastal Oil Refinery Project in Pakistan

http://www.downstreamtoday.com/news/article.aspx?a_id=28649

Pavlodar Petrochemical Plant in Kazakhstan Begins Processing Local Crude, Offers Slight Relief from Its Dependence on Deliveries of Russian Crude

http://www.downstreamtoday.com/news/article.aspx?a_id=28645

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

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 EST. 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