



ENERGY ASSURANCE DAILY

Friday Evening, November 30, 2012

Electricity

High Winds and Rain Cut Power to More Than 16,000 PG&E Customers in California November 30

As of 4:30 p.m. EST, Pacific Gas & Electric Co. (PG&E) reported approximately 6,010 customers remained without power.

<http://www.nbcbayarea.com/news/local/PGE-About-15000-Without-Power-181531101.html>

<http://www.pge.com/myhome/customerservice/outages/>

Fire Damages Transformer on One Unit at Westar Energy's 835 MW Gordon Evans Natural Gas- and Oil-Fired Power Plant in Kansas

Westar Energy Inc. on Friday reported a fire had damaged a transformer at one unit of its Gordon Evans power plant near Wichita early on Thursday, according to a spokeswoman. The unit had been shut for planned maintenance at the time of the fire, which did not cause any customers to lose power. Westar could not say when it expected the unit to return to service but noted the unit was used mostly during peak demand periods.

Reuters, 10:30 November 30, 2012

NRC Investigating Concrete Degradation at NextEra's 1,155 MW Seabrook Nuclear Plant in New Hampshire

The U.S. Nuclear Regulatory Commission (NRC) on Thursday said it will hold a meeting and open house on December 11 to update the public regarding its ongoing reviews of concrete degradation at the Seabrook nuclear power plant. Seabrook's concrete degradation is caused by alkali silica reaction. While the extent of the problem at Seabrook is still being evaluated, the NRC has determined that the structures identified to be affected by the degradation are able to continue to perform their safety function. The plant's operator NextEra Energy has said it will take steps to seal the concrete in the affected areas if the NRC requires it.

<http://www.nrc.gov/reading-rm/doc-collections/news/2012/12-046.i.pdf>

<http://www.nhpr.org/post/seabrook-engineers-continue-study-deteriorating-concrete>

Update: Constellation's 565 MW Nine Mile Point Nuclear Unit 1 in New York Reduced to 22 Percent by November 30

Constellation Energy Nuclear Group reduced Nine Mile Point Unit 1 to 22 percent from its status at 86 percent, which operators had reduced it to by November 13 after identifying a problem with the turbine lubrication oil system.

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2012/>

Exelon Completes Nozzle Repairs at Its 619 MW Oyster Creek Nuclear Power Plant in New Jersey November 27

Exelon Corp. on Tuesday completed repairs to a nozzle on the reactor at its Oyster Creek nuclear power plant, according to a spokesman with the U.S. Nuclear Regulatory Commission. Operators had on Monday said the plant was in safe shutdown mode for repairs that had to be completed before exiting a scheduled refueling outage. Exelon has not said when it expects to begin restart procedures.

<http://www.reuters.com/article/2012/11/27/utilities-operations-exelon-oyster-idUSL1E8MR68I20121127>

Update: PPL's 1,111 MW Susquehanna Nuclear Unit 2 in Pennsylvania Ramped Up to 22 Percent by November 30

Operators on Thursday restarted Susquehanna Unit 2 after an outage that began November 19, when operators manually shut the unit due to a hydraulic oil leak on a system that controls the flow of steam into the turbine. Operators repaired the hydraulic system.

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2012/>
<http://pplweb.mediaroom.com/index.php?s=12270&item=135917>

Update: Indiana-Michigan Power's 1,060 MW D.C. Cook Nuclear Unit 2 in Michigan Reduced to 20 Percent by November 30

On the morning of November 29 the unit was operating at 40 percent. Indiana-Michigan Power has steadily reduced power on its D.C. Cook Unit 2 since November 28, when the reactor was at full power. Operators have not publicly reported a reason for the reduction.

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2012/>

Update: Dynegy's 335 MW El Segundo Natural Gas-Fired Unit 4 in California Returns to Service by November 29

The unit returned from an unplanned outage that began by November 26.

<http://content.aiso.com/unitstatus/data/unitstatus201211291515.html>

Update: CDWR's 933 MW Hyatt-Thermalito Hydro Unit in California Returns to Service by November 29

The unit returned from a curtailment of 661 MW that began by November 28 and was due to planned and unplanned causes.

<http://content.aiso.com/unitstatus/data/unitstatus201211291515.html>

Petroleum

Colonial Restarts Gasoline Line 1 after Shutting It to Investigate a Possible Leak near Its Houston Station November 29

Colonial Pipeline restarted its main gasoline line Thursday afternoon, more than 7 hours after shutting it to investigate a possible leak near its Houston station, the company said. Colonial restarted Line 1 further east of Houston while continuing efforts to find the source of a "small amount" of gasoline found on the ground at the Houston station.

Reuters, 16:47 November 29, 2012

Reuters, 12:31 November 29, 2012

Update: Army Corps Agrees to Take Action to Avert Mississippi River Shutdown after Pressure from Barge Industry

The U.S. Army Corps of Engineers has agreed to speed up the removal of underwater rocks threatening navigation on the drought-lowered Mississippi River, according to a spokeswoman for U.S. Senator Dick Durbin, who did not specify how the Corps would speed up the process. Durbin met with a Corps official Thursday after groups representing the U.S. barge industry warned that reduced flows from the Missouri River combined with underwater rocks crowding the Mississippi riverbed south of St. Louis could make the waterway too shallow for vessels to safely travel. The coalition said the low water conditions threaten to halt the shipment of an estimated 1.3 million tons of petroleum products and 700,000 tons of crude oil in December and January.

<http://www.platts.com/RSSFeedDetailedNews/RSSFeed/Oil/6851407>

Hess Begins Restart Procedures at Its 70,000 b/d Port Reading, New Jersey Refinery November 29

Hess Corp. said its Port Reading refinery has begun restart procedures following a brief power outage Tuesday afternoon, according to a spokesperson. The refinery expects to resume production at the end of this week, and the terminal and loading rack continue to operate normally.

Reuters, 11:59 November 29, 2012

Update: BP Shuts Process Unit for Unplanned Maintenance after FCCU Malfunction Triggers Flaring at BP's 265,000 b/d Carson, California Refinery November 29 – Sources

BP Plc was forced to shut a process unit for unplanned maintenance at its Carson refinery on Thursday, according to a person familiar with operations at the facility. Sources later said that a malfunction on the fluid catalytic cracking unit (FCCU) triggered flaring on Thursday. BP had reported an unspecified breakdown Thursday morning led to flaring, according to a filing with the California South Coast Air Quality Management District.

Reuters, 12:21 November 29, 2012

<http://www.nasdaq.com/article/bp-shuts-process-unit-at-california-refinery-reports-unplanned-flaring-20121129-00979>

Chevron Replaces Pipes at Other U.S. Refineries Based on Inspections Informed by the August Fire at Its 245,271 b/d Richmond, Refinery

Chevron CEO John Watson on Thursday said the company has replaced pipes in some other locations, including Chevron's El Segundo refinery in California, based on inspections following the August fire at its Richmond, California refinery. Chevron replaced some steel piping in the fire-damaged crude unit that was thought to be deficient because its silicon content was too low.

<http://www.hydrocarbonprocessing.com/Article/3124724/Latest-News/Chevron-replaces-pipes-at-other-US-refineries-after-Richmond-fire-incident.html>

BP Reports Possible Compressor Upset at Its 225,000 b/d Cherry Point, Washington Refinery November 29

BP Plc on Thursday reported a possible compressor upset at its Cherry Point refinery, according to a filing with the Northwest Clean Air Agency. Operators also reported a sulfur dioxide release from an undetermined source on November 27, and possible emissions from Boiler No. 6 at the refinery on November 20 in separate notices with the agency.

Reuters, 18:38 November 29, 2012

Valero Reports Hydrogen Cyanide Release at Its 142,000 b/d Corpus Christi, Texas Refinery

Valero Energy Corp. on Tuesday reported a release of hydrogen cyanide from a fluid catalytic cracking unit (FCCU) stack or a wet gas scrubber at its Corpus Christi refinery, according to a filing with the U.S. National Response Center. The release was reported November 27 after the refinery received final results from a stack test conducted on October 24.

http://www.nrc.uscg.mil/reports/rwservlet?standard_web+inc_seq=1031795

Valero Reports Emissions at Its 93,000 b/d Three Rivers, Texas Refinery November 29

Valero Energy Corp. reported emissions at its Three Rivers refinery Thursday morning after the legs on a tank were inadvertently set while loading a benzene rail car, according to a filing with the Texas Commission on Environmental Quality. Operators refloated the tank as soon as was practicable.

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=176496>

Kinder Morgan Apportions 164,000 b/d Platte Crude Oil Pipeline by 83 Percent in December

Kinder Morgan Energy Partners LP on Thursday said its Platte oil pipeline would be apportioned by 83 percent in December for new shippers on the Guernsey, Wyoming to Wood River, Illinois section. The line is expected to run at just above its capacity at 167,000 b/d in December.

<http://www.reuters.com/article/2012/11/29/kindermorgan-platte-idUSL1E8MTAJV20121129?type=companyNews&feedType=RSS&feedName=companyNews&rpc=43>
http://www.kindermorgan.com/business/canada/Express_Platte.cfm

Update: ONEOK Could Revive Cancelled 200,000 b/d Bakken Crude Express Pipeline Project if Shippers Agree on a New Destination Point – CEO

ONEOK Partners CEO John Gibson on Thursday said the company could revive its cancelled Bakken Crude Express Pipeline project if producers can agree on a new destination point for the proposed 200,000 b/d pipeline. The company on Tuesday said it was electing not to proceed with plans to construct the pipeline, which would have shipped Bakken crude from North Dakota and Montana to the market hub in Cushing, Oklahoma, due to a lack of long-term transportation commitments. Gibson on Thursday referred to the project as “postponed” and said the problem was that shippers were not interested in sending oil to Cushing because of the site's current supply glut.

<http://www.marketwatch.com/story/oneok-may-revive-cancelled-bakken-oil-project-2012-11-29>

Natural Gas

Southern Union Flares Gas at Its 140 MMcf/d Keystone Gas Plant in Texas November 28

Southern Union Gas Services reported it was flaring low-pressure gas at its Keystone plant overnight Wednesday due to gas expansion from high temperature that day, 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=176524>

Other News

AAA Urges Regulators and Industry to Suspend Sales of E15 Gasoline Until Motorists Are Better Prepared

The American Automobile Association (AAA) today announced that the results of a recent survey it conducted suggest that there is a strong likelihood of consumer confusion and the potential for voided warranties and vehicle damage as a result of the U.S. Environmental Protection Agency's (EPA) recent approval of E15 gasoline—a gasoline blend that contains up to 15 percent ethanol. AAA said that because 95 percent of the consumers it surveyed have not heard of E15, and because less than 5 percent of cars on the road are approved by automakers to use the fuel, the association is urging regulators and the industry to stop the sale of E15 until motorists are better protected.

<http://midatlantic.aaa.com/PGA/NewsReleases>

International News

Update: Chevron Lifts Force Majeure at Kuito Offshore Oil Terminal in Angola

Chevron on Thursday reported its Angolan subsidiary Cabinda Gulf Oil Company lifted a month-long force majeure at the Kuito offshore oil terminal on November 27. Operators had on October 29 declared force majeure due to technical problems with mooring equipment at the Kuito site. Chevron said that was no impact on production at Kuito, as the necessary repair work on a mooring line coincided with planned maintenance.

<http://www.reuters.com/article/2012/11/29/chevron-oil-angola-idUSL5E8MTGFI20121129?type=companyNews&feedType=RSS&feedName=companyNews&rpc=43>

Venezuela Petroleum Product Imports from the U.S. Rise More Than Ninefold in September over Last Year – EIA

The U.S. Energy Information Administration (EIA) on Thursday reported that Venezuela imported 196,000 b/d of petroleum products from the United States in September, more than nine times more than the 20,000 b/d the country imported in the same month a year earlier. Analysts have said Venezuela is relying on more U.S. imports after a series of shutdowns and curtailments at refineries operated by the state-owned Petroleos de Venezuela SA, including its 645,000 b/d Amuay refinery, which has been operating at reduced capacity since an August 25 explosion.

<http://www.bloomberg.com/news/2012-11-29/venezuela-s-oil-product-imports-from-u-s-surge-ninefold-1-.html>
<http://www.eia.gov/dnav/pet/hist/LeafHandler.ashx?n=PET&s=MTTEXVE2&f=M>

Energy Prices

U.S. Oil and Gas Prices			
November 30, 2012			
	Today	Week Ago	Year Ago
CRUDE OIL West Texas Intermediate U.S. \$/Barrel	87.95	86.85	101.05
NATURAL GAS Henry Hub \$/Million Btu	3.61	3.62	3.39

Source: Reuters

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 and 1:00 PM Eastern Time every Wednesday.

Natural Gas Weekly Update from EIA

<http://www.eia.gov/oog/info/ngw/ngupdate.asp>

Updated after 2:00 PM Eastern Time every Thursday.

ENERGY ASSURANCE DAILY

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<http://www.oe.netl.doe.gov/ead.aspx>

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