



# ENERGY ASSURANCE DAILY

Friday Evening, December 02, 2011

## Major Developments

### Update: Over 250,000 Customers in California Remain without Power December 2 after Gusty Santa Ana Winds Tear through the State

Winds up to 100 mph have torn through California since Wednesday night, downing power lines, trees, and buildings and, at the storm's peak, knocking out power to over 440,000 customers. The San Gabriel Valley was hit hardest, where Pasadena and Sierra Madre both declared states of emergency Thursday. Pasadena Water and Power reported that as of 9:30 AM PST Friday morning 500 customers were still without power, down from a peak of 6,100 customers, with outages scattered throughout the city. Crews were working to restore service, but no firm restoration timeline was available. The utility asked customers to be prepared to wait for another 24 hours for full restoration. The National Weather Service has said that the winds should weaken by Friday evening, but there is still potential for another round of gusty winds Saturday afternoon.

California Customer Power Outages November 30–December 2			
Electric Utility	State	Peak	Latest Reported
PG&E	CA	83,020	49,374
Southern California Edison	CA	226,053	140,197
Pasadena Water and Power	CA	6,100	500
LADWP	CA	129,000	67,000
<b>TOTAL*</b>		<b>444,173</b>	<b>257,071</b>

\*Total outages only represent electric utilities listed in this table.

Sources:

<http://www.facebook.com/PasadenaWaterandPower>

<http://www.pgecurrents.com/2011/12/02/wind-storm-update-pge-crews-continue-restoration-work-today/>

<http://www.sce.com/sceandyou/sce-and-you.htm>

<http://www.ladwpnews.com/go/doc/1475/1249771/>

<http://www.bloomberg.com/news/2011-12-01/santa-ana-winds-knock-out-power-divert-flights-across-southern-california.html?cmpid=yahoo>

<http://www.bloomberg.com/news/2011-12-02/southern-california-cleanup-slowed-as-winds-howl-a-second-night.html?cmpid=yahoo>

[http://usnews.msnbc.msn.com/\\_news/2011/12/01/9142355-worst-santa-ana-winds-in-years-to-move-cross-country](http://usnews.msnbc.msn.com/_news/2011/12/01/9142355-worst-santa-ana-winds-in-years-to-move-cross-country)

<http://latimesblogs.latimes.com/lanow/2011/12/california-windstorm-traiff.html>

[http://www.msnbc.msn.com/id/45528608/ns/local\\_news-orange\\_county\\_ca/](http://www.msnbc.msn.com/id/45528608/ns/local_news-orange_county_ca/)

## Electricity

### LS Power to Build 738 MW Natural Gas-Fired West Deptford Energy Station in New Jersey for Operation in 2014

LS Power Group announced Wednesday that West Deptford Energy Holdings, LLC has completed financing for the construction of its 738 MW natural gas-fired, combined-cycle electric generating facility in West Deptford Township, New Jersey. Construction will begin in early 2012 and commercial operations are targeted for 2014.

<http://www.lspower.com/News/newsArticle113011.htm>

### **Update: LS Power Delays Start of 900 MW Coal-Fired Sandy Creek Project in Texas until 2013; ERCOT Concerned about the Delay of New Supply to the Grid**

LS Power will delay the start of its 900 MW Sandy Creek coal-fired power plant until 2013, a year later than originally planned, due to equipment problems it's experienced during tests, according to the Electric Reliability Council of Texas (ERCOT). ERCOT has had to revise its electric reserve margin forecasts as a result of this news, saying that the surplus was needed to avoid blackouts. LS Power has not commented on the delays publicly. Reuters, 18:07 December 1, 2011

### **NRG Shuts 864 MW Limestone Coal-Fired Unit 2 in Texas to Repair Boiler Tube Leak November 30**

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=162326>

### **AEP Shuts 721 MW Pirkey Coal-Fired Unit 1 in Texas to Repair Turbine Valve December 2**

Operators shut the unit to repair a turbine reheat intercept valve, leaving precipitators and rapper system in service as long as possible to minimize opacity events.

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=162183>

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=162182>

### **Update: APS's 1,243 MW Palo Verde Nuclear Unit 1 in Arizona at Full Power by December 2**

The Nuclear Regulatory Commission reported that on the morning of December 1 the unit was operating at 69 percent.

Information derived from the NRC Power Reactor Status Reports:

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

### **Inland Empire Energy Center's 366 MW Gas-Fired Unit 2 in California Shut by December 1**

According to the California Independent System Operator, the unit reported an unplanned outage on December 1.

<http://content.aiso.com/unitstatus/data/unitstatus201112011515.html>

### **Update: AES's 175 MW Alamitos Gas-Fired Unit 2 in California Returns to Service by December 1**

According to the California Independent System Operator, the unit reported a return from an unplanned outage.

<http://content.aiso.com/unitstatus/data/unitstatus201112011515.html>

### **Bruce Power Reaches Another Milestone in 1500 MW Restart Project at Bruce A Nuclear Power Plant in Ontario**

Ontario nuclear power company Bruce Power reported it has nearly completed its restoration of the 750 MW Unit 1 at the Bruce A nuclear power plant in Ontario, according to a spokesman Friday. This marks another milestone in the Restart project, a government-backed effort to restore Bruce A Units 1 and 2. Bruce Power plans to attach the 750 MW Unit 2 to the Ontario power grid in early 2012 for commercial operation later in the first quarter, and it plans to attach Unit 1 to the grid in second quarter 2012 for commercial operation in the third quarter. The plant began service in the late 1970s but idled several units in the mid-1990s because they required extensive upgrades. Units 3 and 4 returned to service in the early 2000s. In 2010 the government in Ontario called for the refurbishment of its nuclear power fleet, including the units at the Bruce plant. With all eight units operating, the Bruce Power site has the capacity to produce 6,300 MW, roughly a quarter of the province's electricity.

Reuters, 11:33 December 2, 2011

<http://www.brucepower.com/media-centre/>

## **Xcel Energy Will Not Expand Black Dog Coal- and Natural Gas-Fired Power Plant in Minnesota, Stalls Capacity Addition at Prairie Island Nuclear Plant in Minnesota**

Xcel Energy announced a revised resource plan that affects two of its power plants in Minnesota, according to a release and to news reports Thursday. It has withdrawn a proposal filed with Minnesota and South Dakota regulators to expand its 580 MW Black Dog coal- and natural gas-fired power plant, citing slow economic growth and a loss of municipal customers that has reduced projected customer demand. In March 2011, Xcel announced plans to retire the 107 MW coal-fired Unit 3 and 175 MW coal-fired Unit 4 and replace them with a 700 MW combined cycle natural gas-fired unit at the site. The company said it was also reevaluating a proposed 164 MW capacity addition at the 1,096 MW Prairie Island nuclear plant in Minnesota, citing an anticipated lengthy federal review process and updated cost information.

Reuters, 13:11 December 2, 2011

[http://www.xcelenergy.com/About Us/Energy News/News Releases/Xcel Energy Resource Plan update shows progress on wind and efficiency](http://www.xcelenergy.com/About%20Us/Energy%20News/News%20Releases/Xcel%20Energy%20Resource%20Plan%20update%20shows%20progress%20on%20wind%20and%20efficiency)

## ***Petroleum***

---

### **Update: Enbridge to Announce Native Support for Its 525,000 b/d Northern Gateway Oil Pipeline to BC Coast December 2, Follows First Nations' Declared Intent to Ban All Crude Exports**

Reports today said that Enbridge Inc. was planning to announce native support for its planned Northern Gateway oil pipeline, which is intended to deliver tar sands crude oil to the Pacific port of Kitimat, British Columbia. This news comes just a day after aboriginal groups, also known as First Nations, announced a united front to ban all exports of tar sands crude oil through its territory, which encompasses the entire coastline of British Columbia, citing environmental concerns. First Nations pose one of the biggest risks to the Northern Gateway project, and reports indicate that Enbridge has offered equity stakes in the pipeline and significant funds for community development. An Enbridge spokesman said that the First Nations ban would have serious implications for the entire province of British Columbia. Government hearings on the pipeline are scheduled to start in January 2012. The Canadian Federal Natural Resources Minister has said that interested groups could make their views known to the review panel, but it is a strategic objective of the government to diversify Canadian energy exports.

Reuters, 14:55 December 1, 2011

DJN, 13:20 December 2, 2011

### **Update: Chevron Restarts Units, Reports Unsecured Sulfur Dioxide Release after Overnight Power Outage at Its 279,000 b/d El Segundo, California Refinery December 1**

Chevron Corp. said electrical power was restored at its refinery in El Segundo, California, on Thursday morning, following an overnight power outage likely related to powerful Santa Ana winds blasting Southern California. Operators were working to bring process units back up to normal operating rates, according to spokesman, who also said that the power disruption would not impact the facility's ability to supply products to its customers. In a filing with the U.S. National Response Center, Chevron reported that an unspecified amount of sulfur dioxide was releasing from a unit at the refinery Thursday. Operators were isolating the unit but had not secured the release at the time of the filing.

Reuters, 13:40 December 1, 2011

[http://www.nrc.uscg.mil/reports/rwservlet?standard\\_web+inc\\_seq=996876](http://www.nrc.uscg.mil/reports/rwservlet?standard_web+inc_seq=996876)

### **Update: Sunoco Announces It Will Immediately Idle 178,000 b/d Marcus Hook, Pennsylvania Refinery December 1**

Sunoco said Thursday it will immediately idle the refinery, according to reports. The company announced two months ago that it would idle the Marcus Hook refinery and its 335,000 b/d Philadelphia, Pennsylvania refinery by July if no buyer was found, citing weak margins.

[http://www.contracostatimes.com/nation-world/ci\\_19451139](http://www.contracostatimes.com/nation-world/ci_19451139)

[http://www.downstreamtoday.com/news/article.aspx?a\\_id=28725](http://www.downstreamtoday.com/news/article.aspx?a_id=28725)

## **Valero Reports Equipment Malfunction at Its 142,000 b/d Corpus Christi, Texas Refinery December 1**

Valero reported an equipment malfunction in Complex 4 at its refinery's West Plant on Thursday. Operators are making repairs as quickly as possible.

<http://www11.tceq.state.tx.us/oce/eeer/index.cfm?fuseaction=main.getDetails&target=162314>

## **Update: NuStar Energy to Restart 14,021 b/d San Antonio, Texas Refinery December 2 after Fire**

NuStar Energy LP said that it plans to restart its refinery in San Antonio sometime on Friday after a fire earlier this week caused only minimal damage, according to news reports. A spokeswoman said customers would receive products available from inventories while the refinery restarts.

<http://www.bloomberg.com/news/2011-12-01/nustar-to-start-san-antonio-refinery-tomorrow-after-fire-1-.html?cmpid=yahoo>

## **Brazil Orders Chevron to Close Another Well in Frade Field after It Fails to Report the Presence of Sulfur**

Brazil's National Petroleum Agency (ANP) on Thursday ordered Chevron Corp. to shut a well in the offshore Frade field after the company failed to report the presence of sulfur from the well. The ANP does not ban the production of sulfur, but firms must inform authorities of its presence and make plans for its prevention or removal. Chevron has come under increased scrutiny and has been temporarily banned from further drilling in Brazil after approximately 2,400 barrels of oil spilled from a different well in the Frade field on November 8. The Frade field has ten producing wells accounting for four percent of Brazil's oil output, according to reports. Chevron has said that the well ordered closed on Thursday accounts for less than 10 percent of the field's 79,000 b/d production capacity.

<http://www.reuters.com/article/2011/12/01/chevron-brazil-idUSN1E7B00QH20111201?feedType=RSS&feedName=governmentFilingsNews&rpc=43>

## **Shell, Total S.A. Announce Impact to Oil Production Activities in Syria Due to Tightening EU Sanctions**

Royal Dutch Shell PLC said Friday that it will cease its oil production activities in Syria in compliance with European Union (EU) sanctions, according to a spokesman. A Total S.A. spokesman also announced today that the sanctions will have an impact on its operations in Syria, but it will continue its oil production there for now. The EU has tightened sanctions against President Bashar al-Assad's regime due to violence against protestors, expanding measures to include Syrian state-owned General Petroleum Corp. and Syria Trading Oil. Shell's Syrian interests in the country include a share of approximately 20,000 b/d of oil equivalent, according to reports, as well as exploration interests in the south of the country. This includes its minority partnership in Syria's state-owned Al Furat Petroleum Company, which produces 13,000 b/d of oil. Total has a 50/50 joint venture with Syrian Petroleum Company, which has not been blacklisted by the EU sanctions. The nation as a whole produces about 370,000 b/d of oil and exports about 150,000 b/d, according to the International Energy Agency.

Reuters, 10:07 December 2, 2011

[http://www.rigzone.com/news/article.asp?a\\_id=113058](http://www.rigzone.com/news/article.asp?a_id=113058)

<http://finance.yahoo.com/news/Shell-tells-Syria-employees-apf-3819400205.html?x=0>

---

## **Natural Gas**

### **Turbine Shuts Due to Fuel Relay Problem at DCP Midstream's 160 MMcf/d Goldsmith Gas Plant in Texas December 1**

DCP Midstream reported that the B Turbine went down when a fuel relay de-energized, causing gas to flare. Operators replaced the fuel digital relay and speed conditioner module and put the unit back on line.

<http://www11.tceq.state.tx.us/oce/eeer/index.cfm?fuseaction=main.getDetails&target=162336>

## Malfunctions Lead to Multiple Engine Failures at Exterran’s 50 MMcf/d Reinecke Gas Plant in Texas November 30

Exterran on Wednesday reported multiple engine failures for different reasons. Engine 40046 went down due to bad fuel, which affected carburetor diaphragms and the right bank stepper motor. Operators were adjusting settings to lower the CO2 content in the fuel gas and were boosting inlet pressure to help lower CO2. Engine 74156 went down due to overspeed, and Engine 77081 went down due to faulty oil levels in the compressor. Operators were making necessary adjustments.

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=162306>

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=162308>

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=162311>

## Stage Piping Break Shuts Engine at Atlas Pipeline’s Driver Compressor Station in Texas November 30

Atlas Pipeline reported that a compressor stage piping broke on the header to Engine 6, forcing operators to shut the unit for repairs. Engine 5 was running at maximum capacity to minimize venting, according to the filing with state regulators.

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=162289>

## Other News

---

Nothing to report

## Energy Prices

---

U.S. Oil and Gas Prices December 2, 2011			
	Today	Week Ago	Year Ago
<b>CRUDE OIL</b> <b>West Texas Intermediate U.S.</b> \$/Barrel	100.19	95.74	87.55
<b>NATURAL GAS</b> <b>Henry Hub</b> \$/Million Btu	3.49	3.06	4.21

Source: Reuters

## Energy Notes

---

### Maryland Solar to Build 20 MW Maryland Solar Farm on 250 Acres of State-Owned Land near Hagerstown, Maryland for Commercial Operation in 2013

<http://www.marylandsolarfarm.com/>

<http://finance.yahoo.com/news/FirstEnergy-Solutions-prnews-1922247964.html?x=0>

### Dominion Resources Urges Regulators to Allow Utilities More Time to Comply with EPA Air Pollution Rule — Reports from FERC Conference December 2

<http://www.bloomberg.com/news/2011-11-30/epa-rules-won-t-cause-major-power-grid-woes-agency-s-mccarthy-says.html?cmpid=yahoo>

## Kinder Morgan's Platte Oil Pipeline Segment from Guernsey, Wyoming to Wood River, Illinois Overbooked in December, Segment Apportioned 65 Percent Due to Over-Nominations

DJN, 11:54 December 2, 2011

Reuters, 10:38 December 2, 2011

### 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](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](mailto:ead@oe.netl.doe.gov)