



ENERGY ASSURANCE DAILY

Tuesday Evening, December 08, 2009

Major Developments

Storms Knock Out Power to about 280,000 Customers in Arizona December 7-8—Just Over 10,000 Remain Without Power December 8

Snow and heavy winds cut power to about 250,000 Arizona Public Service Co. (APS) customers and 30,000 Salt River Project (SRP) customers in Arizona on December 7-8, multiple sources reported. About 9,500 APS customers and 1,900 SRP customers remained in the dark, as of latest reports.

<http://www.kswt.com/Global/story.asp?S=11639345>

<http://www.abc15.com/content/weather/stories/story/Weather-creates-havoc-in-Arizona-thousands/CRoikNNlu06ODXRH4VdFlw.csp>

<http://ktar.com/?nid=6&sid=1240186>

<http://ktar.com/?sid=1240186&nid=6>

<http://www.eastvalleytribune.com/story/148147>

Electricity

Update: Storms Cut Electricity to More Than 125,000 Customers in California December 7

Snow, wind and rain cut electricity to more than 53,000 Pacific Gas & Electric (PG&E) customers, 42,541 San Diego Gas & Electric (SDG&E) customers, and more than 33,000 Southern California Edison (SCE) customers in California on December 7. The storms also forced closed a section of Interstate 5. More than 25,000 PG&E customers and about 1,772 SDG&E customers remained without power, as of latest reports. It was not clear, based on news reports, how many SCE customers were still in the dark.

<http://www.sacbee.com/topstories/story/2378299.html>

<http://www.signonsandiego.com/news/2009/dec/08/powerful-storm-drenches-county/>

http://www.sacbee.com/state_wire/story/2377068.html

<http://www.knx1070.com/Evacuation-Orders-Lifted-in-Foothill-Canyons/5835058>

<http://www.inlandnewstoday.com/story.php?s=12084>

<http://www.signonsandiego.com/news/2009/dec/08/power-still-out-for-5500-customers/>

<http://www.sdge.com/outages/outageDetailsLists.shtml>

<http://www.news10.net/news/story.aspx?storyid=71483&catid=2>

Southern's 1,152 MW Vogtle Nuke Unit 1 in Georgia Shut December 7

The unit shut automatically after "low condenser vacuum" triggered a turbine trip, the company said in a filing with the Nuclear Regulatory Commission (NRC). The NRC reported that on the morning of December 7 the unit was operating at full power.

<http://www.reuters.com/article/idUSN0819085120091208?type=marketsNews>

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

Information also derived from the NRC Power Reactor Status Reports:

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2009/>

Entergy's 1,075 MW Waterford Nuke Unit 3 in Louisiana Reduced to 77 Percent by December 8

The Nuclear Regulatory Commission reported that on the morning of December 7 the unit was operating at full power.

Information derived from the NRC Power Reactor Status Reports:

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2009/>

Equipment Malfunction Forces Hours-Long Shutdown at Grant County PUD's 956 MW Priest Rapids Hydroelectric Power Facility in Washington November 30

An equipment malfunction and possible power surge forced closed Grant County PUD's 956 MW Priest Rapids hydroelectric power facility for about eight hours on November 30, a news source said. The incident started when the site's control systems went offline for approximately 1.5 minutes. As the systems returned to service, "a possible power surge caused some equipment to arc," according to the news source. That, in turn, triggered smoke and a fire. The snag damaged some voltage-regulating filters, and burned out some generator parts. The company purchased power to compensate for the lost output, but returned the facility to service by late afternoon on November 30.

<http://www.wenatcheeworld.com/news/2009/dec/04/dam-troubles-cost-300000-grant-pud-says/>

Mirant's 312 MW Pittsburg Gas-fired Unit 5 in California Shut by December 7

According to the California Independent System Operator, the unit reported an unplanned outage by December 7.

<http://www.caiso.com/unitstatus/data/unitstatus200912071515.html>

AES's 226 MW Huntington Beach Gas-fired Unit 1 in California Shut by December 7

According to the California Independent System Operator, the unit reported an unplanned outage by December 7.

<http://www.caiso.com/unitstatus/data/unitstatus200912071515.html>

AES's 175 MW Alamitos Gas-fired Unit 2 in California Shut by December 7

According to the California Independent System Operator, the unit reported an unplanned outage by December 7.

<http://www.caiso.com/unitstatus/data/unitstatus200912071515.html>

Entergy Power Ventures to Restart 170 MW Gas-fired Harrison County Power Project Unit 1 in Texas December 8

The company shut the unit for component replacements, according to a filing with state regulators.

<http://www.11.tceq.state.tx.us/oce/eeer/index.cfm?fuseaction=main.getDetails&target=132515>

Ohio Companies Plan 2,489 MW of New Wind Power Capacity

The total includes 15 wind farms, ranging from 5 MW to 350 MW in capacity, according to a news source.

<http://www.industrialinfo.com/showAbstract.jsp?newsitemID=153279>

Colorado Needs New Transmission Lines to Reach CO2-Reduction Targets—Governor's Energy Office

Colorado needs new transmission lines to deliver renewable energy-derived power and meet its carbon dioxide (CO₂)-reduction goals, the Governor's Energy Office said in a report. The state aims to cut its CO₂ emissions 20 percent under 2005 levels by 2020. The report recommends regulatory amendments to streamline power-line construction, boost natural gas output, encourage renewable energy growth and enhance energy efficiency.

<http://cbs4denver.com/local/Report.transmission.lines.2.1355958.html>

Petroleum

Explosion Forces Shut Hydrogen Plant at Motiva's 285,000 b/d Port Arthur, Texas Refinery December 8

An explosion forced closed a Praxair-operated hydrogen plant at Motiva's 285,000 b/d Port Arthur, Texas refinery on December 8, a Praxair spokeswoman said. The blast occurred due to a hydrogen line rupture, according to sources familiar with the facility's operations. It was not immediately clear if the incident had any impact to production. There were no injuries, and Shell referred to the situation as stable. Motiva is a joint venture of Shell and Saudi Aramco.

<http://www.reuters.com/article/idUSN0820686220091208?type=marketsNews>

<http://www.chron.com/dispatch/story.mpl/ap/business/6759328.html>

Bloomberg News, 13:02 December 8, 2009

Update: Valero Keeps 199,500 b/d Texas City, Texas Refinery Online after Fatal Explosion December 4

Valero continued running its 199,500 b/d Texas City, Texas refinery at planned rates over the weekend, even after a boiler explosion killed one employee and injured two others, a news source said. Operators tapped alternate boilers to compensate for the damaged unit, according to the source.

http://www.downstreamtoday.com/news/article.aspx?a_id=19795

Total Reports Unit Shutdowns at 174,000 b/d Port Arthur, Texas Refinery December 4

A “blower motor trip” forced offline a Shell Claus Off-gas Treating (SCOT) at Total’s 174,000 b/d Port Arthur, Texas refinery on December 4-5, the company said in a filing with state regulators. As operators attempted to restart the unit, two Sulfur Recovery Units (SRUs) shut for unspecified reasons. The company shut two Sour Water Stripping Units and reduced the charge to the “Unibon,” according to the filing. It was not clear if the company restarted the affected units, or if the incident had any impact to production.

<http://www11.tceq.state.tx.us/oce/eeer/index.cfm?fuseaction=main.getDetails&target=132856>

<http://online.wsj.com/article/BT-CO-20091207-707482.html>

Compressor Trips at Husky Energy’s 160,000 b/d Lima, Ohio Refinery December 6

A hydrogen compressor shutdown triggered flaring at Husky Energy’s 160,000 b/d Lima, Ohio refinery on December 6, a regulatory official said. The compressor was related to an ultraformer unit, she said. Operators were returning the facility from planned work, at the time of the incident. It was not clear if the snag had any impact on restoration efforts.

Bloomberg News, 15:43 December 7, 2009

Power Failure Causes Flaring at Alon’s 67,000 b/d Big Spring, Texas Refinery December 7

A “power interruption” triggered flaring for just under an hour at Alon’s 67,000 b/d Big Spring, Texas refinery on December 7, the company said in a filing with state regulators. The incident did not impact production, according to Alon.

<http://www11.tceq.state.tx.us/oce/eeer/index.cfm?fuseaction=main.getDetails&target=132950>

Reuters, 10:47 December 8, 2009

LOOP Seeks Bids to Boost Oil Storage in U.S. Gulf of Mexico

The Louisiana Offshore Oil Platform (LOOP) is seeking bids to construct new oil storage tanks in the U.S. Gulf of Mexico, a LOOP official said on December 8. The facility is already home to an 8-cavern, 53 million barrel underground storage facility and a 7.2 million above-ground tank farm.

DJN, 10:08 December 8, 2009

Iraq Drilling Company Plans 360,000 b/d Oil Production Boost in Iraq

Iraq Drilling Company plans to drill 180 oil wells in 2010, and potentially increase production by 360,000 b/d, a company official said.

<http://www.reuters.com/article/idUSGEE5B71JP20091208?type=marketsNews>

Iraq Plans to Increase Oil Export Capacity from 1.9 Million b/d to 8 Million b/d

Iraq plans to construct 4 floating oil terminals and 3 undersea oil pipelines by the second half of 2011, according to an official at the country's South Oil Company. The additions would increase its crude export capacity from 1.9 million b/d to 8 million b/d.

http://steeltguru.com/news/index/2009/12/08/MTIzOTI3/Iraq_to_install_4_new_export_terminals_and_undersea_oil_pipelines.html

Natural Gas

Advantage Oil & Gas Plans 50 MMcf/d Natural Gas Processing Plant in Glacier, Alberta

The company expects to open the facility during the second quarter of 2010, according to a press release.

<http://www.prnewswire.com/news-releases/advantage-announces-12-mmcf-d-montney-horizontal-well-on-production-well-tests-exceeding-expectations-across-the-glacier-land-block-and-plans-to-drill-a-nikanassin-horizontal-well-78735382.html>

Greenhouse Gases a Threat to Public Health and Environment—EPA

Greenhouse gases endanger "the public health and welfare of American people," and vehicle emissions add to that threat, the Environmental Protection Agency (EPA) said on December 7. The announcement came in response to a 2007 Supreme Court decision, and coincided with the start of the Copenhagen climate summit. The move—hailed by environmentalists but rebuked by business groups and Republican members of Congress—was seen by critics as a precursor to costly new regulations. The move, sources said, suggested that the United States would act to curb its greenhouse gas emissions, regardless of legislative holdups.

<http://yosemite.epa.gov/opa/admpress.nsf/d0cf6618525a9efb85257359003fb69d/08d11a451131bca585257685005bf252!OpenDocument>

<http://www.washingtonpost.com/wp-dyn/content/article/2009/12/07/AR2009120701645.html?hpid=topnews>

http://www.usatoday.com/news/washington/2009-12-07-epa-greenhouse-dangers_N.htm

http://washingtontimes.com/news/2009/dec/08/epa-claims-right-to-cut-greenhouse-gas-emissions/?feat=home_headlines

Propane-Carrying Train Derails in Saskatchewan, Canada December 5

Ten propane-carrying train cars derailed in Saskatchewan, Canada, triggering a fire and forcing local evacuations on December 5, news sources said. Twenty-six other cars derailed. The train consisted of 168 cars and two locomotives. It was carrying plastic pellets and benzene, in addition to the propane. The fire continued to smolder, as of December 7. There were no reported injuries, and officials allowed the evacuated families to return to their homes.

<http://www.canada.com/news/Evacuated+families+return+after+train+derailment/2312886/story.html>

http://www.upi.com/Top_News/International/2009/12/05/Train-carrying-propane-derails-in-Canada/UPI-66691260059856/

Great River Energy, Otaka Energy Plan 20 MMGal/Yr. Cellulosic Ethanol Plant in North Dakota

The facility would convert wheat straw into ethanol, according to a news source. The companies expect to open the project in October 2010.

<http://cleantech.com/news/5361/inbicon-us-biomass-refinery-ethanol>

Secretary Chu Announces \$100 Million for Energy Research Projects December 7

U.S. Secretary of Energy Steven Chu announced yesterday that a second round of funding opportunities would be made available for transformation energy research projects through the Department of Energy's (DOE) Advanced Research Projects Agency-Energy (ARPA-E).

<http://www.energy.gov/news2009/8359.htm>

GAO Sees Centralized Storage as Alternative to Yucca Mountain Nuclear Waste Repository

The United States could store nuclear waste centrally at two locations as an alternative to the stalled Yucca Mountain nuclear waste repository, the Government Accountability Office (GAO) said in a recent report. The move would pose regulatory and other challenges—the Department of Energy (DOE) would likely have trouble finding states willing to house the facilities—but it could save billions of dollars in liabilities, according to the GAO. The report also analyzed the prospect of continued on-site storage. To read the report, click on the first link below.

<http://www.gao.gov/products/GAO-10-48>

http://chronicle.augusta.com/stories/2009/12/07/met_558496.shtml

Energy Prices

U.S. Oil and Gas Prices			
December 8, 2009			
	Today	Week Ago	Year Ago
CRUDE OIL West Texas Intermediate U.S. \$/Barrel	72.90	78.84	43.68
NATURAL GAS Henry Hub \$/Million Btu	4.78	4.41	5.99

Source: Reuters

Energy Notes

Substation Fault Cuts Power to about 15,000 Duke Energy Customers in Kentucky December 7—Company Restores Service Later in Evening

<http://news.cincinnati.com/article/20091207/NEWS0103/312070064/NKY+power+back+on>

<http://www.wcpo.com/news/local/story/Widespread-Power-Outages-In-No-Ky/TWli-29SKEC4AWjwkbcNw.csp>

Storms Knock Out Electricity to between 8,000-to-10,000 Entergy Customers in Louisiana by December 8—Company Hopes to Restore Service to all Affected Customers Later in Morning

<http://www.wvl.com/Big-downpours-cause-early-morning-headaches/5844289>

U.S. Geothermal to Replace 3.6 MW San Emidio Geothermal Power Project in Nevada with 9-to-10 MW Facility in Late 2011, Boost Output to 35 MW by Third Quarter of 2012

<http://finance.yahoo.com/news/US-Geothermal-Inc-PPA-Pricing-iw-164517403.html?x=0&.v=1>

Enbridge Plans 60 MW Expansion at Existing 20 MW Sarnia Solar Power Facility in Ontario, Canada—Company Expects to Finish Expansion in Second Half of 2010

DJN, 09:47 December 8, 2009

Alberta, Canada Electricity Demand Hits Record 10,046 MW as Cold Weather Boosts Consumption December 7

<http://www.newswire.ca/en/releases/archive/December2009/07/c8996.html>

Montana DEQ to Propose New CO2 Emissions Limits—Move Would Affect Facilities Releasing at Least 25,000 Tons/Year of CO2

<http://www.greatfalls Tribune.com/article/20091208/NEWS01/91208001/1002/news01/DEQ-will-propose-CO2-emission-limits>

Solar Storms Could Cut Electric Transmission Grid in 2013

http://www.cio.com/article/510067/Solar_Storm_Could_Zap_Power_Grid_in_2013

Sinclair Has 13 Reportable Spills in 2009 at 66,000 b/d Sinclair, Wyoming Refinery

http://www.trib.com/news/state-and-regional/article_a63d514d-7532-5fd6-9180-41ec5afab65d.html

Flint Hills Resources Reports Likely Valve Leak, Flaring at 288,126 b/d Corpus Christi, Texas Refinery December 4

<http://www11.tceq.state.tx.us/oce/ee/index.cfm?fuseaction=main.getDetails&target=132858>

Brief Process Upset at ConocoPhillips' 146,000 b/d Borger, Texas Refinery December 6
<http://www.reuters.com/article/idUSN0717468520091207?type=marketsNews>

Companies Find about 1.35 Billion Boe in Gulf of Mexico in 2009—Regional Production could Jump to 2 Million b/d in 2011, from 1.3 Million b/d in 2008, Wood Mackenzie Forecasts

http://www.rigzone.com/news/article.asp?a_id=83402

Shell Receives Conditional Interior Department Approval to Drill Exploratory Wells in Chuckchi Sea in Arctic Ocean

http://www.rigzone.com/news/article.asp?a_id=83446

Oil Sands Emissions Lead to Increased Water Pollution along Athabasca River in Alberta, Canada—Researcher

http://www.globeinvestor.com/servlet/story/GI.20091207.escenic_1391749/GIStory/

TCEQ Issues about 1,750 Pollution Fines, Totaling Approximately \$14.5 Million in Texas during Fiscal Year 2009

<http://www.chron.com/disp/story.mpl/metropolitan/6754870.html>

Mon-Dak Energy Alliance Plans 100,000 b/d Oil Refinery, Coal-to-Liquids Plant, Ethanol Facility, Biodiesel Project and Wind Farm in North Dakota or Montana

<http://www.willistonherald.com/articles/2009/12/07/news/doc4b1d3aa3931b3998184275.txt>

Petrobras Eyes May 2010 Start-Date for Approximately-20,000 b/d Well Test at Guara Prospect in Brazil

<http://online.wsj.com/article/BT-CO-20091207-711921.html>

Iraq to Miss High Oil Output Goals after Companies Exaggerated Production Goals during Recent Oil License Rounds—Iraqi Oil Official

<http://www.energyintel.com/#latest>

Operators to Shut Cedar Lake Booster Station in Texas December 7

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=132757>

ExxonMobil Plans 6.6 Million Tons/Year Papua New Guinea LNG Project

http://www.rigzone.com/news/article.asp?a_id=83449

CONSOL Energy to Shutter Fola Coal Mining Operations in West Virginia, Citing Permitting Problems

<http://www.prnewswire.com/news-releases/consol-energys-fola-operations-to-be-idled-78764422.html>

Responders Douse Smoldering Corn at United Ethanol Plant in Wisconsin December 7—No Damage to Facility, Spokesman Says

<http://gazettextra.com/news/2009/dec/07/smoking-corn-causes-no-damage/>

National Research Council Approves Virginia Uranium Proposal to Study Possible Mining of 119 Million Pound Uranium Deposit in Virginia

http://www2.newsadvance.com/lna/news/opinion/editorials/article/uranium_study_finally_gets_a_green_light/22019/

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>

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