



ENERGY ASSURANCE DAILY

Wednesday Evening, December 12, 2012

Electricity

Massachusetts Department of Public Utilities Imposes \$24.8 Million in Penalties for Utilities' 2011 Storm Responses

The Massachusetts Department of Public Utilities (DPU) on Tuesday announced it has ordered a total of \$24.8 million in penalties from National Grid (\$18.725 million), NSTAR (\$4.075 million), and WMECo (\$2 million) for inadequacies in responding to power outages after Tropical Storm Irene and the October 2011 snowstorm. In particular, the DPU criticized and penalized all three utilities for failing in their public safety obligation in addressing downed electric wires and for failing to effectively coordinate with local officials in the towns affected by the storms. The DPU also announced several actions it is taking to further address the electric utilities' emergency preparation and response, including an investigation into modernizing the electric grid; a rulemaking to implement new emergency response and vegetation management provisions; and a review of the utilities' existing emergency response plans and the department's emergency response guidelines.

www.mass.gov/dpu

<http://www.mass.gov/eea/docs/dpu/news/pr-dpu-storm-decisions-12-11-2012.pdf>

FirstEnergy's 1,235 MW Perry Nuclear Unit 1 in Ohio Reduced to 78 Percent by December 12

On the morning of December 11 the unit was operating at full power.

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

Update: NPPD's 764 MW Cooper Nuclear Unit in Nebraska Reduced to 24 Percent by December 12

On the morning of December 11 the unit was operating at 71 percent.

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

Update: Inland Empire Energy Center's 366 MW Inland Empire Natural Gas-Fired Unit 2 in California Returns to Service by December 11

The unit returned from an unplanned outage that began by December 4.

<http://content.caiso.com/unitstatus/data/unitstatus201212111515.html>

GenOn's 215 MW Mandalay Natural Gas-Fired Unit 1 in California Shut by December 11

The unit entered an unplanned outage.

<http://content.caiso.com/unitstatus/data/unitstatus201212111515.html>

Update: Alliant Energy's 100 MW Franklin County Wind Farm Begins Commercial Operations in Iowa

Franklin County Wind LLC, a subsidiary of Alliant Energy Corporation, on Tuesday announced it has begun commercial operation of the Franklin County Wind Farm in Iowa. The wind farm consists of 60 wind turbines capable of producing nearly 100 MW of wind energy. Franklin County Wind LLC continues to seek a buyer for the energy produced by the wind farm, but in the meantime it will sell the power it generates into the market operated by the Midwest Independent Transmission System Operator.

<http://www.alliantenergy.com/AboutAlliantEnergy/Newsroom/NewsReleases/032368>

Buckeye Shuts 140,000 b/d Petroleum Products Pipeline Due to a Spill in New Jersey December 10

Buckeye Partners on Monday shut down a section of a 140,000 b/d petroleum products pipeline in Hillsborough, New Jersey after detecting a spill, the company said on Tuesday. The pipeline, which transports petroleum products from Linden, New Jersey to Macungie, Pennsylvania, will remain closed “until it is repaired and deemed safe to return to operations,” Buckeye said. The New Jersey Department of Environmental Protection (DEP) on Tuesday said Buckeye isolated two underground product pipelines and reduced flow rates in Hillsborough after the spill was detected when residents complained of gasoline vapors in the area. A vacuum truck has recovered approximately 700 gallons of oil product from the excavation area since early on Monday, the DEP said. Earlier, a person familiar with the Buckeye’s operations said the company had shut down a gasoline service line in the area after a spill of around 25 gallons. It was not immediately clear when the pipeline would be reopened, and the cause of the spill was still under investigation.

<http://www.reuters.com/article/2012/12/12/buckeye-pipeline>

<http://www.reuters.com/article/2012/12/11/buckeye-pipeline-spill>

Motiva Shuts 325,000 b/d CDU after Fractured Pipe Starts Small Fire at Its 600,000 b/d Port Arthur, Texas Refinery December 11; Repairs Seen in Days – Sources

Motiva Enterprises on Tuesday night again shut down the new 325,000 b/d crude distillation unit (CDU) at its Port Arthur refinery after a stress fracture on a pipe caused a small fire, according to sources familiar with operations. The pipe is expected to be repaired in a few days, the sources said. Operators were in the process of restarting the unit after an unplanned six-month outage. A spokesperson for Motiva was not immediately available. Reuters, 10:32 December 12, 2012

Alon Reports Benzene Leak on Aromex Unit at Its 67,000 b/d Big Spring, Texas Refinery December 11

Alon USA Holdings reported approximately 15 pounds of benzene leaked out of a pump in the aromex unit at its Big Spring refinery Tuesday afternoon, according to a filing with the U.S. National Response Center. Operators immediately took action to isolate the leak and minimize emissions, the filing said.

http://www.nrc.uscg.mil/reports/rwservlet?standard_web+inc_seq=1032953

Chevron Says Flaring Is No Cause for Concern at Its 245,271 b/d Richmond, California Refinery December 11 – Local Media

Chevron Corp. said flaring at its Richmond refinery Tuesday evening was nothing to be alarmed about, according to a report from the Contra Costa Times. The flaring was conducted as a precaution, the report said. Reuters, 23:21 December 11, 2012

Texas Judge Orders Temporary Halt to TransCanada’s 700,000 b/d Gulf Coast Project to Address Local Lawsuit

A Texas County Court judge on Friday signed a temporary restraining order to stop TransCanada Corp. from building a crude oil pipeline across the property of a local landowner in East Texas, Michael Bishop, who has sued the pipeline operator for fraud. TransCanada in July received the final permits needed to build the 485-mile, 700,000 b/d Gulf Coast crude oil pipeline extending from Cushing, Oklahoma to Nederland, Texas. Bishop is arguing that because the material to be carried on the pipeline is not crude oil but diluted bitumen, the conditions of TransCanada’s permits have not been met. Bishop is also challenging whether TransCanada can use eminent domain to condemn private land for pipeline construction. TransCanada said Bishop signed an easement three weeks ago that allows the company to access the property. Bishop said he signed the easement “under coercion and duress.” TransCanada has been ordered to stop construction until a planned December 19 hearing. A spokesman for the company has said the court order has not impacted overall construction plans, and the project is still on track to bring the pipeline into operation in late 2013. The pipeline is intended to eventually connect to TransCanada’s proposed Keystone XL pipeline, which will transport 830,000 b/d of crude oil from Hardisty, Alberta to U.S. Gulf Coast refineries.

<http://www.reuters.com/article/2012/12/11/texas-pipeline-idUSL1E8NB8HY20121211>

Twenty-Inch Columbia Gas Transmission Pipeline Explodes in West Virginia December 11; NiSource Anticipates No Impact to Customers

NiSource Gas Transmission and Storage on Wednesday reported it was investigating the cause of an explosion and fire that occurred just before 1:00 p.m. ET Tuesday on a 20-inch natural gas pipeline in the vicinity of Columbia Gas Transmission's Lanham Compressor Station in Sissonville, West Virginia. Columbia Gas Transmission isolated the damaged portion of pipeline, secured the site, and rerouted natural gas in the area and anticipates no impact to shipper nominations, according to a notice posted online. The fire damaged nearby homes and eventually spread to Interstate 77 in Sissonville, which was closed to traffic in both directions and would remain so indefinitely, local officials said Tuesday.

Reuters, 16:41 December 11, 2012

<http://ir.nisource.com/releasedetail.cfm?ReleaseID=726469>

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

<http://www.hydrocarbonprocessing.com/natural-gas-explosionin-West-Virginia.html>

Cold Weather Shuts AGI Compressor at Regency's 290 MMcf/d Waha Gas Plant in Texas December 11

Regency Energy Partners reported the acid gas injector (AGI) compressor at its Waha plant shut down seven times overnight Tuesday due to several equipment upsets caused by freezing temperatures, 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=177070>

Cold Weather Causes Unit Shutdowns at WTP Gas's 50 MMcf/d East Vealmoor Gas Plant in Texas December 10

WTP Gas Processing LP reported that control valves at its East Vealmoor plant froze during cold weather very early Monday morning, preventing circulation of propane and shutting the propane refrigerators, according to a filing with the Texas Commission on Environmental Quality. Operators had to flare residue gas as a result. Additionally, a fire incident shut boiler No. 4 at the plant, causing a reduction in steam to the amine plant, which then caused the sulfur recover unit (SRU) to shut down.

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=177045>

DCP Midstream Reports Emissions at Its 160 MMcf/d Goldsmith Gas Plant in Texas December 11

DCP Midstream reported a turbine at its Goldsmith plant shut down on high vibrations Tuesday, according to a filing with the Texas Commission on Environmental Quality. The turbine would not run at full load; operators had to restart the unit at reduced capacity. Later that day, operators reported the sulfur plant's tail gas incinerator (TGI) exceeded its sulfur dioxide (SO₂) limit during restart procedures following an emergency shutdown on December 5 and repairs to a treater at the plant.

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=177072>

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=177066>

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=177067>

Unit Shuts on Engine Frame Vibrations at ExxonMobil's 135 MMcf/d Salt Creek Gas Plant in Texas December 10

ExxonMobil reported that Unit K-3503 at its Salt Creek plant shut down late Monday night due to engine frame vibrations, routing its inlet to flare, 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=177040>

Other News

Coalition of U.S. Eastern States Plans to Sue EPA for Failing to Issue Methane-Emissions Guidelines

A coalition of seven eastern states on Tuesday said it plans to sue the U.S. Environmental Protection Agency (EPA) for failing to issue new guidelines to curb methane emissions. The coalition, which includes New York, Connecticut, Delaware, Maryland, Rhode Island, Vermont, and Massachusetts, is arguing that recent dramatic weather patterns can be linked to methane emissions from the oil and gas sector, and the agency should have addressed methane emissions when it revised emission-control standards for that sector in August. At that time, the EPA said it would “continue to evaluate the appropriateness of regulating methane with an eye toward taking additional steps if appropriate.” The states have argued that the EPA missed a deadline required by law to determine whether new regulations over methane are needed.

Reuters, 17:43 December 11, 2012

International News

Nothing to report

Energy Prices

U.S. Oil and Gas Prices			
December 12, 2012			
	Today	Week Ago	Year Ago
CRUDE OIL West Texas Intermediate U.S. \$/Barrel	85.71	87.07	97.73
NATURAL GAS Henry Hub \$/Million Btu	3.39	3.38	3.29

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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