



ENERGY ASSURANCE DAILY

Tuesday Evening, December 20, 2011

Electricity

Two Power Outages Hit San Francisco's Candlestick Park during Monday Night Football Game December 19

Pacific Gas & Electric (PG&E), the utility company serving the stadium, says the cause of the outages was unknown as of Monday night. Officials from the National Football League (NFL) said they saw a PG&E transformer blow up on Candlestick Park property just before the first power outage occurred, which was shortly after 5:00 PM local time on Monday. After the first outage, the stadium was dark for nearly 15 minutes before power was restored. At about 6:40 PM, the power went out again. The game resumed at 6:58 PM after power had been restored for the second time. A PG&E spokesman said the utility claimed responsibility for only one of the power failures, and it was investigating whether a downed power line in the area had anything to do with it. There was no indication PG&E equipment had anything to do with the second outage, the spokesman said.

<http://www.sfexaminer.com/local/2011/12/candlestick-park-blackouts-cause-delays-san-francisco-49ers-game>

Blizzard Moves across U.S. Great Plains; No Power Impacts Reported December 20

Fierce winds and snow made travel difficult in the Great Plains Tuesday, closing portions of major interstate highways through Kansas and the Texas Panhandle into northern New Mexico. About 10 inches of snow fell in western Kansas before dawn Tuesday, and more snow along with strong winds and whiteout conditions are expected as the storm moves east, according to the National Weather Service.

http://www.google.com/hostednews/ap/article/ALeqM5izhGQmqwBbdZ3Boq6gp_Se_YXC6A?docId=76e2af4fdb1445c3950762c33ffff602

http://www.washingtonpost.com/national/storms-crawling-across-great-plains-blamed-for-at-least-6-deaths-halting-pre-holiday-travel/2011/12/20/gIQAtpgS6O_story.html?tid=pm_national_pop

Update: NRC Approves Prioritization of Japan Nuclear Incident Lessons-Learned Task Force Recommendations

The Nuclear Regulatory Commission (NRC) has approved the agency staff's prioritization of the Near-Term Task Force recommendations on lessons learned from the Fukushima Dai'ichi nuclear incident and supports action on the Tier 1 and Tier 2 recommendations. Tier 1 recommendations can be implemented without unnecessary delay and for which sufficient resources are available. Tier 2 includes recommendations that cannot be initiated in the near term due to factors that include the need for further technical assessment and alignment, dependence on Tier 1 issues, or availability of critical skill sets. The staff's prioritization was provided to the NRC in staff paper SECY 11-0137. In a Staff Requirements Memorandum (SRM) issued late last week, the NRC also asked the staff to provide within nine months its evaluation of the schedule and milestones, resources, and implementation challenges for the Tier 3 recommendations, those that require further staff study or are dependent on completion of an associated short-term action.

<http://pbadupws.nrc.gov/docs/ML1134/ML113490688.pdf>

AES's 225 MW Huntington Beach Gas-Fired Unit 3 and 227 MW Gas-Fired Unit 4 in California Shut by December 19

The units entered unplanned outages.

<http://content.caiso.com/unitstatus/data/unitstatus201112191515.html>

Update: Watson Cogeneration's 417 MW Watson Natural Gas-Fired Unit in California Returns to Service by December 19

The unit returned from an unplanned curtailment of 217 MW.

<http://content.caiso.com/unitstatus/data/unitstatus201112191515.html>

Update: PG&E's 154 MW Kerkhoff Hydro Unit 1 in California Returns to Service by December 19

The unit returned from an unplanned curtailment of 114 MW.

<http://content.aiso.com/unitstatus/data/unitstatus201112191515.html>

Update: We Energies Places 162 MW Glacier Hills Wind Park into Commercial Service in Wisconsin December 20

We Energies' Glacier Hills Wind Park consists of 90 1.8 MW Vestas turbines spread across 17,000 acres of farmland in Columbia County, Wisconsin.

<http://finance.yahoo.com/news/We-Energies-Wind-Project-prnews-949107522.html?x=0>

Petroleum

U.S. Senate Passes Bill Requiring Decision on TransCanada's Proposed 830,000 b/d Keystone XL Crude Oil Pipeline

The U.S. Senate has passed a payroll tax bill that includes a provision requiring President Obama to make a decision on the controversial Keystone XL pipeline project in 60 days. Obama still has to sign the bill into law, but reports indicate he plans to do so. Early last month, the U.S. State Department announced it would explore a new route for the proposed 830,000 b/d TransCanada Keystone XL crude oil pipeline, delaying a final decision on the project until early 2013. The U.S. State Department has advised that a shortened deadline would leave insufficient time to assess an alternative route, and the president could still delay a final decision on the project until an environmental impact study of an alternative route is complete.

http://www.downstreamtoday.com/news/article.aspx?a_id=28877

Update: U.S. Army Corps of Engineers Grants Permit to ConocoPhillips for Its Alpine Satellite Development Plan in National Petroleum Reserve Alaska

The U.S. Army Corps of Engineers announced Monday it has issued a federal Clean Water Act permit to ConocoPhillips Alaska to build bridge and pipeline crossings over Alaska's Colville River to gain access to leases within the National Petroleum Reserve-Alaska (NPRA). The permit allows ConocoPhillips to move forward with its CD-5 Alpine Development project, representing the NPRA's first oil production. The project will pump oil from the reserve across the Colville River to infrastructure already in place at ConocoPhillips Alpine fields and eventually to the trans-Alaska pipeline. The NPRA is a 22.6 million acre area managed by the Department of the Interior's Bureau of Land Management. Estimates indicate that the NPRA contains more than one billion barrels of technically recoverable oil. ConocoPhillips expects to produce up to 18,000 b/d at CD-5, but the bridge and tunnel could open up much greater access to the reserve.

http://www.washingtonpost.com/business/army-corps-of-engineers-grants-permit-to-conocophillips-for-access-to-alaska-petroleum-reserve/2011/12/19/gIQA7INE5O_story.html

<http://www.bloomberg.com/news/2011-12-19/conoco-sees-alaska-cd5-project-producing-18-000-barrels-a-day.html?cmpid=yahoo>

Update: BOEM Issues Conditional Approval for Shell to Proceed with Exploration Drilling in Chukchi Sea off Alaskan Coast

The Bureau of Ocean Energy Management (BOEM) today issued conditional approval of Shell's revised exploration plan under leases in the Chukchi Sea Planning Area. Chukchi reserves are estimated to contain 26.6 billion barrels of recoverable oil and 130 Tcf of natural gas, according to news reports. Shell proposes drilling up to six exploration wells in Alaska's Chukchi Sea beginning in the 2012 drilling season. The conditions of approval require Shell to comply with a range of safety and environmental protection measures before drilling can commence. Shell must also obtain approvals from the Bureau of Safety and Environmental Enforcement (BSEE).

<http://finance.yahoo.com/news/Shell-Arctic-drilling-apf-2824853591.html?x=0>

<http://www.boem.gov/BOEM-Newsroom/Press-Releases/2011/press12162011.aspx>

http://www.shell.us/home/content/usa/aboutshell/projects_locations/alaska/events_news/12162011_boem.html

Inlet Gas Shut-In at ExxonMobil's 925 MMcf/d King Ranch Gas Plant in Texas Due to Lean Oil Booster Pump Shutdown December 17

ExxonMobil reported its King Ranch Gas Plant shut in inlet gas late Saturday night, according to a filing with state regulators. The lean oil booster pump went down for unspecified reasons, according to the filing, causing a process upset that resulted in an increase in the British Thermal Unit (BTU) content of the residue gas. Operators tried to swap to the spare pump, but the pump would not start due to problems with the oil lubricating pump on the steam turbine. Without oil circulation, the BTU content of the residue gas increased and exceeded the sales gas specifications and the gas purchaser started reducing the volume of sales gas, which then caused back pressure in the system, ultimately causing the pressure safety valves (PSVs) on the residue line to relieve to atmosphere. Operators shut in inlet gas coming into the gas plant and also unloaded gas coming into the engine room to help lower the pressure in the system, which ultimately allowed the PSVs to reseal and terminate the event.

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=162873>

Engine Reportedly Fails at Southern's 140 MMcf/d Keystone Gas Processing Plant in Texas, Causing Shut-Ins and Flaring at Keystone Cattle 404 Battery December 18–19

Operators reported that Southern Union Gas (SUG) had an engine failure and so stopped accepting the Keystone satellite facility's gasses, which caused flaring. SUG completed engine repairs and resumed accepting gasses, 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=162897>

Low Compressor Oil Pressure Shuts Unit at Exterran's 50 MMcf/d Reinecke Gas Plant in Texas December 18

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=162892>

Thunderstorm Cuts Power, Shuts Units at Atlas Pipeline's Boyd Compressor Station in Texas December 19

Atlas Pipeline reported that a thunderstorm cut power to the booster station, causing the control valve on the discharge line to close, which in turn caused the engines to go down on high discharge pressure. Operators ran a tubing line to the control valve and opened it manually and then put units back online without power to station.

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=162924>

DCP Midstream Reports Unspecified Unit Shutdown at Its Ratliff Booster Station in Texas December 17

Operators reported a lost unit due to unknown causes, according to a filing with the Texas Commission on Environmental Quality. The booster began to overpressure, causing the vent valve to open. Once operators restarted the unit, the booster returned to normal operations.

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=162865>

Cold Temperatures Causes Hydrate Build Up in Southern Union's 10-Inch Sid Richardson Natural Gas Pipeline in Reeves County, Texas December 18–19

Southern Union vented a 10-inch natural gas pipeline to remove hydrate in the pipeline caused by cold weather temperatures, according to a filing with the Texas Commission on Environmental Quality. Operators will pump 1,000 gallons of methanol into pipeline to assist in preventing hydrate, pig the line, and place it back into service.

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=162919>

Other News

Nothing to report

Energy Prices

U.S. Oil and Gas Prices			
December 20, 2011			
	Today	Week Ago	Year Ago
CRUDE OIL West Texas Intermediate U.S. \$/Barrel	96.71	99.98	88.68
NATURAL GAS Henry Hub \$/Million Btu	3.02	3.13	4.10

Source: Reuters

Energy Notes

Shell Shuts Gulf Rig after Line Connected to Supply Vessel Leaks 7,600 Gallons of Drilling Fluid off Alabama Coast December 19

<http://finance.yahoo.com/news/Shell-shuts-Gulf-drilling-rig-apf-711285284.html?x=0>

EverPower, OwnEnergy to Construct 30 MW Patton Wind Farm in Pennsylvania for Operation by the End of 2012

<http://www.prnewswire.com/news-releases/everpower-and-ownenergy-leaders-in-wind-energy-join-forces-with-pennsylvania-community-to-build-local-wind-farm-135919248.html>

South Korea Activates Emergency Plan to Secure Power Plants, Refineries, Storage Tanks, Other Energy Installations after Death of North Korean Leader

<http://www.reuters.com/article/2011/12/20/energy-korea-emergency-idUSL3E7NK4HT20111220>

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

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

Please direct comments and questions to: ead@oe.netl.doe.gov