ENERGY ASSURANCE DAILY

Thursday Evening, December 30, 2010

Electricity

Storms Knock Out Power to Nearly 200,000 Customers in California December 28-30

Winds, rain, and snow cut power to about 152,000 Pacific Gas and Electric Company (PG&E) customers, more than 32,000 Southern California Edison (SCE) customers, and about 6,000 Los Angeles Department of Water and Power (LADWP) customers on December 28-30, multiple news and company sources reported. PG&E had restored power to all but approximately 1,600 customers, as of latest reports.

http://www.foxnews.com/us/2010/12/29/eyes-mud-caked-areas-new-storm-hits-calif/

http://www.mercurynews.com/breaking-news/ci_16972752?nclick_check=1

http://www.contracostatimes.com/california/ci 16971533

http://www.mercurynews.com/news/ci 16966856

Luminant to Shut 591 MW Sandow Coal-Fired Unit 4 in Texas December 30-31

Luminant expected to shut the unit on December 30-31 "in order to update TCS software to address turbine vibration issues," the company said in a filing with state regulators.

http://www11.tceq.state.tx.us/oce/eer/index.cfm?fuseaction=main.getDetails&target=148901

PG&E's 404 MW Helms Hydro Unit 3 in California Shut by December 29

According to the California Independent System Operator, the unit reported an unplanned outage by December 29. http://www.caiso.com/unitstatus/data/unitstatus201012291515.html

Update: Delta Power's 240 MW Crockett Gas-Fired Unit in California Returns to Service by December 29

According to the California Independent System Operator, the unit reported a return from an unplanned outage. http://www.caiso.com/unitstatus/data/unitstatus/201012291515.html

PacifiCorp Plans 637 MW Gas-Fired Power Plant in Vineyard, Utah

The company hopes to open the facility by 2014.

http://www.bloomberg.com/news/2010-12-29/pacificorp-seeks-utah-power-plant-approval.html

Petroleum

Mechanical Failure Leads Colonial Pipeline to Shut Texas-to-North Carolina Gasoline Pipeline by December 30

A mechanical failure led Colonial Pipeline Co. to shut its Houston, Texas-to-Greensboro, North Carolina main gasoline pipeline by December 30, but the company planned to restart the line later in the day, a spokesman said. Colonial expected the disruption to impact only its Southern delivery locations, according to a note sent to shippers. The Colonial pipeline system transports more than 2 million b/d of oil products, on average, from the U.S. Gulf Coast to customers along the U.S. East Coast.

 $\frac{http://www.bloomberg.com/news/2010-12-30/colonial-shut-gasoline-line-due-to-mechanical-failure-update1-.html}{Reuters, 09:30 December 30, 2010}$

Update: Enbridge Restarts 190,000 b/d Illinois-to-Oklahoma Spearhead Crude Oil Pipeline December 28

Enbridge shut the 650-mile, 22- and 24-inch diameter Spearhead pipeline on December 28 due to a maintenance-induced reduction along an associated feeder line, but operators restarted the line later in the day, according to the company. Spearhead is scheduled to deliver approximately 174,186 b/d of crude in January 2011, Enbridge said previously.

http://www.bloomberg.com/news/2010-12-29/mars-crude-strengthens-for-second-day-against-benchmark-wti.html http://www.businessweek.com/news/2010-12-28/enbridge-spearhead-pipe-shut-due-to-line-61-repairs.html http://www.enbridgeus.com/Main.aspx?id=230&tmt=1

Compressor Shutdown Leads to Flaring at Citgo's 429,500 b/d Lake Charles, Louisiana Refinery December 29

The facility released hydrogen sulfide and sulfur dioxide after the "shutdown of a gas compressor," Citgo said in a filing with the National Response Center. The company was working to restart the compressor, according to the filing.

http://www.nrc.uscg.mil/reports/rwservlet?standard_web+inc_seq=963262

http://www.bloomberg.com/news/2010-12-30/top-oil-market-news-crude-falls-before-supply-jobless-reports.html

Snag Triggers Release at BP's 234,000 b/d Cherry Point, Washington Refinery December 28

An upset or equipment malfunction caused a release on December 28, according to a regulatory filing. The company secured the release and was working to control the error, the filing said. Reuters, 00:48 December 30, 2010

PennDot Secretary Temporarily Waives Certain Restrictions on Commercial Drivers Hauling Heating Oil, Propane Gas December 29

Citing cold and extreme weather, Pennsylvania's Transportation Secretary temporarily waived certain restrictions on commercial drivers hauling heating oil and propane gas to homes and business for heating purposes, according to a December 29 release. The waiver will remain in place through January 8.

 $\underline{\text{http://www.dot.state.pa.us/Internet/pdNews.nsf/8c5bc4e349ab4db6852576c800678468/5f52483be80e90278525780}}{80072f753?OpenDocument}$

Update: BLM Lifts 45 Oil-and-Gas Lease Suspensions in Montana by December 28

The Bureau of Land Management lifted suspensions on all of 45 oil-and-gas leases and parts of two other leases, but maintained suspensions on all of another six leases in Montana, it said on December 28. The 53 leases are among 61 that the BLM issued in 2008, but suspended in March 2010 in a settlement with environmental groups. Eight of the original 61 leases have terminated. The lifted suspensions affect 25,329 acres; 6,667 acres will remain in suspension. The BLM expects to re-examine the still-suspended parcels, pending the results of environmental studies.

http://www.blm.gov/mt/st/en/info/newsroom/2010/december/suspendedleases.html http://www.platts.com/RSSFeedDetailedNews/RSSFeed/NaturalGas/6708006

Natural Gas			
Nothing to report.			
Other News			
Nothing to report.			

Energy Prices

U.S. Oil and Gas Prices December 30, 2010						
	Today	Week Ago	Year Ago			
CRUDE OIL West Texas Intermediate U.S. \$/Barrel	89.37	90.83	79.55			
NATURAL GAS Henry Hub \$/Million Btu	4.19	4.01	6.01			

Source: Reuters

Energy Notes

Copper Thefts on the Rise in Charlotte, North Carolina – 25 Police Reports Filed Over Nine Days to December 29

http://www.wsoctv.com/news/26316386/detail.html

Update: TCEQ Authorizes Air Permit for Summit Power Group's Proposed 400 MW Clean Coal Power Project in West Texas – Facility Expected to Enter Service in Late 2014 http://www.star-telegram.com/2010/12/29/2733417/west-texas-clean-coal-plant-leaps.html

Progress Energy to Replace Human Fire Patrols with Automated System Soon at 951 MW Shearon Harris Nuclear Power Plant in North Carolina – Duke Energy Slated to Make Same Change at 2,538 MW Oconee Nuclear Power Plant in South Carolina over Next Two Years

http://www.lakewyliepilot.com/2010/12/29/968589/nc-nuke-plant-subs-monitors-for.html

OSHA Cites Pasadena Refining with 21 Serious Violations at Company's 100,000 b/d Pasadena, Texas Refinery, Citing Safety and Health Hazards

http://www.osha.gov/pls/oshaweb/owadisp.show_document?p_table=NEWS_RELEASES&p_id=19038

Coffeyville Resources' Reports Hydrogen Sulfide Release at 115,700 b/d Coffeyville, Kansas Refinery December 28

Reuters, 15:33 December 29, 2010

Fuel Truck Crashes, Spilling 1,500 Gallons of Fuel and Forcing Portion of Loop 1604 in San Antonio, Texas December 28

http://www.ksat.com/news/26301879/detail.html

Ecuador to Produce about 496,000 b/d of Crude Oil in 2011, Compared to about 460,000 b/d in 2010: Petroecuador

http://www.rigzone.com/news/article.asp?a_id=102623

Georgia Department of Agriculture Fuel Inspectors Lock Down Kerosene Pump at Long Shoals Country Store in Eatonton, Georgia, Citing Possible Gasoline Contamination and Concerns over Potential Explosion/Fire December 28

 $\frac{http://agr.georgia.gov/portal/site/AGR/menuitem.f298b492a7ec98007eff626ed03036a0/?vgnextoid=5eb47f07ebd2d20210VgnVCM100000bf01010aRCRD&vgnextchannel=5a0121e7ea1e5210VgnVCM100000bf01020aRCRD$

New Jersey Wing of the Civil Air Patrol Holds Anti-Terrorist Exercise in Ewing, New Jersey December 4 – Officials Simulate Terrorist Attacks on In-State Critical Infrastructure, Including Energy Facilities

http://examiner.gmnews.com/news/2010-12-30/Front_Page/Antiterrorist_training_exercise_held.html

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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