



# ENERGY ASSURANCE DAILY

Monday Evening, December 31, 2012

## *Electricity*

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### **Entergy's 1,207 MW Grand Gulf Nuclear Unit 1 in Mississippi Automatically Shuts Due to a Generator/Turbine Trip December 29**

Entergy Nuclear reported Grand Gulf Unit 1 automatically scrambled just after midnight CST Saturday due to what appeared to be a generator/turbine trip, according to a filing with the U.S. Nuclear Regulatory Commission. The plant was in hot shutdown as workers investigated the cause of the turbine/generator trip.

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

<http://www.nrc.gov/reading-rm/doc-collections/event-status/event/2012/20121231en.html>

### **FPL's 1,155 MW Seabrook Nuclear Unit 1 in New Hampshire Reduced to 56 Percent by December 31**

On the morning of December 30 the unit was operating at full power.

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

### **Update: PPL's 1,111 MW Susquehanna Nuclear Unit 2 in Pennsylvania Ramped Up to 86 Percent by December 31**

Susquehanna Unit 2 is returning from an outage that began December 19, when the reactor automatically scrambled on low reactor pressure vessel level while transitioning the 'A' reactor feed pump from discharge pressure mode to flow control mode. Operators restarted the unit by December 27.

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

### **TVA's 1,125 MW Watts Bar Nuclear Unit 1 in Tennessee Reduced to 20 Percent by December 31**

On the morning of December 30 the unit was operating at full power.

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

### **Update: TVA's 1,118 MW Browns Ferry Nuclear Unit 2 in Alabama at Full Power by December 29**

Browns Ferry Unit 2 returned to full power after an outage that began December 22, when the unit automatically scrambled due to actuation of the Reactor Protection System (RPS) from loss of power to RPS. A control board had unexpectedly de-energized during post-maintenance testing, resulting in loss of power to the RPS. Operators restarted Unit 2 by December 26.

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

### **Utilities Reconsider the Costs and Benefits of Infrastructure Upgrades after Impacts from Hurricane Sandy, Other Major Storms**

After Hurricane Sandy severely damaged power systems in the U.S. Northeast and caused widespread outages, many consumers and public officials complained that the electric utilities had done too little to protect their equipment from violent storms, which forecasters have warned could strike with increasing frequency. Utilities have often claimed, however, that fully storm-proofing the system—by burying power lines underground, elevating substations, and otherwise hardening equipment against damage from high winds and flooding—would be prohibitively expensive. The devastation caused by Hurricane Sandy, the October 2011 nor'easter, and Hurricane Irene—three major storms that occurred within a year and a half—has forced utilities to reconsider their calculations.

[http://www.nytimes.com/2012/12/29/business/hurricane-sandy-alters-utilities-calculus-on-](http://www.nytimes.com/2012/12/29/business/hurricane-sandy-alters-utilities-calculus-on-upgrades.html?pagewanted=1&_r=0&partner=yahoofinance&adxnlnx=1356964108-76WXjlp8ErzDCybO0WSzUg)

[upgrades.html?pagewanted=1&\\_r=0&partner=yahoofinance&adxnlnx=1356964108-76WXjlp8ErzDCybO0WSzUg](http://www.nytimes.com/2012/12/29/business/hurricane-sandy-alters-utilities-calculus-on-upgrades.html?pagewanted=1&_r=0&partner=yahoofinance&adxnlnx=1356964108-76WXjlp8ErzDCybO0WSzUg)

### **Electrostatic Precipitator Malfunction Causes Emissions at Luminant's 593 MW Big Brown Coal-Fired Unit 2 December 30**

Luminant reported an electrostatic precipitator (ESP) malfunction at Big Brown Unit 2 caused a brief episode of emissions Sunday morning, according to a filing with the Texas Commission on Environmental Quality. Operators lowered the unit load until the ESP breakers were reset.

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=177539>

### **TMPA Shuts 470 MW Gibbons Creek Coal-Fired Unit in Texas to Repair Boiler Tube Leak December 30**

The Texas Municipal Power Authority (TMPA) reported it shut the Gibbons Creek Steam Electric Station on Sunday morning to repair a boiler tube leak, according to a filing with the Texas Commission on Environmental Quality. Emissions related to this event continued until 7:00 p.m. CST Sunday evening.

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=177537>

### **Fan Malfunction Results in Emissions at LCRA'S 460 MW Fayette Coal-Fired Unit 3 in Texas December 27**

The Lower Colorado River Authority (LCRA) reported a fan malfunction on its Fayette Unit 3 Thursday morning resulted in emissions, according to a filing with the Texas Commission on Environmental Quality. LCRA was investigating the cause of the fan shutdown at the time of the filing.

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=177499>

### **Update: Dynegy's 754 MW Moss Landing Natural Gas-Fired Unit 6 in California Returns to Service by December 28**

The unit returned from an outage that was due to planned and unplanned causes and began by December 27.

<http://content.caiso.com/unitstatus/data/unitstatus201212281515.html>

### **Cabrillo Power's 110 MW Encina Natural Gas-Fired Unit 3 in California Shut by December 30**

The unit entered an unplanned outage.

<http://content.caiso.com/unitstatus/data/unitstatus201212301515.html>

## ***Petroleum***

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### **Delayed Coking Unit Malfunction Leads to Flaring at Motiva's 600,000 b/d Port Arthur, Texas Refinery December 29**

Motiva Enterprises reported that a wet gas compressor on the delayed coking unit at its Port Arthur refinery experienced an emergency shutdown Saturday afternoon, resulting in the release of hydrocarbons to the flare gas recovery system, according to a filing with the Texas Commission on Environmental Quality. Operators reduced rates to the unit to help stabilize operations as they restarted the compressor.

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=177533>

### **Flexicoker Unit Malfunction Leads to Flaring at ExxonMobil's 572,500 b/d Baytown, Texas Refinery December 29**

ExxonMobil reported excess emissions from its Baytown refinery Saturday morning were caused by a mechanical malfunction on the flexicoker unit, according to a filing with the Texas Commission on Environmental Quality. Operators reduced rates on the flexicoker while working on repairs, the filing said.

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=177531>

### **Unspecified Process Upset Causes Emissions at Phillips 66's 146,000 b/d Borger, Texas Refinery December 30**

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=177546>

### **Alon Shuts FCCU to Repair Flue Gas Bundle Leak at Its 67,000 b/d Big Spring, Texas Refinery December 28**

Alon USA Holdings reported emissions from its Big Spring refinery Friday afternoon were related to repairs on a leak discovered in the flue gas bundle at the fluid catalytic cracking unit (FCCU), according to a filing with the Texas Commission on Environmental Quality. Upon discovery of the leak, operators adjust refinery rates to prepare for a FCCU shutdown. Emissions related to this incident continued until around 2:00 a.m. local time the following morning.

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=177532>

### **Coast Guard Evacuates Crew from a Shell Drilling Ship in the Gulf of Alaska December 29 after Tow Vessel Stalls on Mechanical Failure December 27**

Royal Dutch Shell Plc reported all 18 crew members aboard its drill ship *Kulluck* were safely evacuated Saturday amid stormy weather that had made earlier evacuation attempts unsuccessful. The *Kulluck*, which has no propulsion system of its own, had stalled on Thursday after the engines of its tow vessel *Aiviq* failed while on the way from the Aleutian Islands to Seattle for winter maintenance work. Since then, the ship has drifted west from Kodiak, and was about 27 miles from the Trinity Islands early Saturday morning. Operators repaired *Aiviq* and were moving the *Kulluck* with two tow vessels toward safe harbor Saturday. The *Kulluk* is one of two drill ships Shell operated this year in the short Arctic Ocean open water season.

<http://finance.yahoo.com/news/crew-off-drill-ship-moving-010741026.html>

### **Lightning Strike Ignites Fire at Oil Tank Storage Site in Louisiana December 25**

A direct lightning strike to a 90-barrel oil storage tank near a Chevron gas well in south Louisiana started a fire on December 25, officials said.

<http://www.katc.com/news/lightning-to-blame-for-gas-tank-explosion/>

[http://www.tankstoragemag.com/industry\\_news.php?item\\_id=5764](http://www.tankstoragemag.com/industry_news.php?item_id=5764)

### **Holly Refining Settles Clean Air Violations Case at Its 31,000 b/d Woods Cross, Utah Refinery after EPA Detects Propane Leak**

Holly Refining and Marketing Co. and the U.S. Environmental Protection Agency (EPA) have agreed to settle an alleged clean air violations case stemming from the Woods Cross refinery's underground storage of propane. An EPA inspection of the Woods Cross refinery in 2011 revealed a possible leak from a "frozen earth storage unit" that stored propane. In the settlement announced December 20, Holly Refining did not concede any violations of the Clean Air Act but agreed to pay a civil penalty of \$115,000.

[http://www.downstreamtoday.com/news/article.aspx?a\\_id=38061](http://www.downstreamtoday.com/news/article.aspx?a_id=38061)

## **Natural Gas**

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### **Energy Transfer Partners and Regency Energy Partners Announce Completion of Lone Star Fractionator I in Mont Belvieu, Texas**

Energy Transfer Partners, L.P. (ETP) and Regency Energy Partners LP announced today that Lone Star Fractionator I, located in Mont Belvieu, Texas, is now in service. The 100,000 b/d natural gas liquids (NGL) fractionation facility owned by Lone Star NGL LLC, a joint venture between the two partnerships, will handle NGL barrels delivered from several sources, including Lone Star's recently completed West Texas Gateway NGL pipeline, via ETP's Justice NGL Pipeline. Fractionator I is the first of two 100,000 b/d fractionators that Lone Star is placing into service to serve NGL production in the Permian and Eagle Ford regions. Fractionator II is scheduled to be completed in the fourth quarter of 2013.

<http://ir.energytransfer.com/phoenix.zhtml?c=106094&p=irol-newsArticle&ID=1770163>

### **Energy Transfer Partners Places 200 MMcf/d Karnes County Natural Gas Processing Plant into Service in Texas**

Energy Transfer Partners, L.P. announced today that its Karnes County Processing Plant (also referred to as the Kenedy Plant) is in service. This plant, which provides 200 MMcf/d of capacity, and Phase I of the Jackson Plant, which will provide an additional 400 million cubic feet per day of capacity upon completion in the first quarter of 2013, are an integral part of Eagle Ford Shale projects coming on line in the next several months.

<http://ir.energytransfer.com/phoenix.zhtml?c=106094&p=irol-newsArticle&ID=1770163>

## **FERC Authorizes Dominion Transmission's Allegheny Storage Project to Serve Natural Gas Producers in the Marcellus Shale**

The U.S. Federal Energy Regulatory Commission (FERC) on December 20 authorized Dominion Transmission, Inc. (DTI) to construct and operate its proposed Allegheny Storage Project, which will enable DTI to provide an additional 115 MMcf/d of firm transportation services, provide an additional 7.5 Bcf of firm storage capacity, and 125 MMcf/d of additional storage withdrawal service. The project will build compression, pipeline, and storage facilities located in Frederick County, Maryland; Monroe County, Ohio; Lewis County, West Virginia; and Tioga County, Pennsylvania.

<http://www.ferc.gov/whats-new/comm-meet/2012/122012/C-3.pdf>

<https://www.dom.com/business/gas-transmission/allegheny-storage-project/index.jsp>

## **Control Valve Malfunction Shuts Amine Treater at Targa's 150 MMcf/d Sand Hills Gas Plant in Texas December 28**

Targa reported a control valve malfunction in the amine treater at its Sand Hills plant caused the acid gas injector (AGI) compressor to shut down on low pressure Friday morning, according to a filing with the Texas Commission on Environmental Quality.

<http://www11.tceq.state.tx.us/oce/eer/index.cfm?fuseaction=main.getDetails&target=177528>

## **Amine Unit Malfunction Shuts SRU at Southern Union's 140 MMcf/d Keystone Gas Plant in Texas December 26**

Southern Union Gas Services reported it was flaring acid gas at its Keystone plant on Wednesday after the sulfur recovery unit (SRU) shut down due to an amine plant malfunction, according to a filing with the Texas Commission on Environmental Quality (TCEQ). The SRU remained shut and the event was ongoing at the time of the filing. Operators later reported the plant was flaring low-pressure gas Friday and Saturday afternoon because a field unit had shut down, according to TCEQ filings.

<http://www11.tceq.state.tx.us/oce/eer/index.cfm?fuseaction=main.getDetails&target=177536>

<http://www11.tceq.state.tx.us/oce/eer/index.cfm?fuseaction=main.getDetails&target=177530>

<http://www11.tceq.state.tx.us/oce/eer/index.cfm?fuseaction=main.getDetails&target=177520>

## **Exterran Shuts Unit to Repair Discharge Bottle at Its 65 MMcf/d Dollarhide Gas Plant in Texas December 30**

Exterran reported emissions at its Dollarhide gas plant on Sunday caused when operators manually shut a P-12 unit to repair a crack in the third-stage discharge bottle, according to a filing with the Texas Commission on Environmental Quality. Operators asked upstream gas producers to shut-in 16 wells, and later asked for more shut-ins, while mechanics repaired the discharge bottle. The event was ongoing at the time of the filing on December 31.

<http://www11.tceq.state.tx.us/oce/eer/index.cfm?fuseaction=main.getDetails&target=177543>

## **Enbridge Reports Numerous Unit Shutdowns at Its 50 MMcf/d Reinecke Gas Plant in Texas December 26–28**

Enbridge reported Unit 70972 at its Reinecke gas plant shut down three times over three days from December 26–28, according to a filings with the Texas Commission on Environmental Quality. On December 26, the unit shut down on high pressure in the compressor oil hose line. On December 27 and 28, the unit shut down on bad fuel. Operators adjusted carbon dioxide levels in the fuel and restarted the unit. Operators reported also that Unit 71050 shut on December 26 due to high pressure in the compressor oil hose line, and Units 72833, 72834, 70427, 70539, and 77081 were down on December 26 due to a refrigeration malfunction.

<http://www11.tceq.state.tx.us/oce/eer/index.cfm?fuseaction=main.getDetails&target=177545>

<http://www11.tceq.state.tx.us/oce/eer/index.cfm?fuseaction=main.getDetails&target=177525>

<http://www11.tceq.state.tx.us/oce/eer/index.cfm?fuseaction=main.getDetails&target=177523>

<http://www11.tceq.state.tx.us/oce/eer/index.cfm?fuseaction=main.getDetails&target=177524>

## Other News

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### Norfolk Southern Rail Car Carrying 33,000 Gallons of Propane Derails, Overturns in Delaware without Leaking December 26

Thirteen cars in a 53-car Norfolk Southern train derailed and overturned outside Bridgeville, Delaware Wednesday morning, including a tanker carrying 33,300 gallons of liquid propane, local media reported. Officials evacuated nearby homes and businesses as a precaution. Initial inspections of the propane tanker revealed no evidence of any leak or breach, and its cargo was offloaded and subsequently railed south to the Seaford area. Other derailed cars mostly carried gravel, the report said.

<http://delaware.newszap.com/southerndelaware/118755-70/emrgency-ends-with-propane-tanker-removal>

## International News

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### Update: Transneft Commissions Second Phase of Its 600,000 b/d East Siberia-Pacific Ocean Crude Oil Pipeline

Russian's national oil pipeline operator Transneft on December 25 officially commissioned the second stage of its East Siberia-Pacific Ocean (ESPO) oil pipeline, doubling export capacity at the port of Kozmino on the Pacific Coast to 600,000 b/d. The pipeline's capacity could expand to reach 900,000 b/d, according to Transneft. ESPO-2 ties Skovorodino, the terminus of the ESPO-1 pipeline, to Kozmino. Construction of ESPO-2 started on January 14, 2010, two weeks after ESPO began operation. Since then oil has been delivered to Kozmino by rail. Last year the largest consumers of oil from Eastern Siberia were Japan, China, and the United States. Russian oil was also shipped to the Philippines, South Korea, Indonesia, Singapore, and Malaysia.

<http://en.ria.ru/business/20121225/178383064.html>

<http://www.dw.de/russian-oil-pipeline-to-the-pacific-goes-into-service/a-16479159>

## Energy Prices

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U.S. Oil and Gas Prices			
December 31, 2012			
	Today	Week Ago	Year Ago
<b>CRUDE OIL</b> <b>West Texas Intermediate U.S.</b> \$/Barrel	91.40	87.96	99.60
<b>NATURAL GAS</b> <b>Henry Hub</b> \$/Million Btu	3.36	3.35	2.98

Source: Reuters

## Links

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***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 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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*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 Eastern Time. For more information, visit the Infrastructure Security and Energy Restoration (ISER) website at:

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

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