



# ENERGY ASSURANCE DAILY

Tuesday Evening, January 27, 2009

## Electricity

### Ice Storms Cut Power to More than 230,000 Customers in U.S. Southeast and Central Plains January 27

Freezing rain broke trees, cut power lines, and knocked out electricity to an estimated 234,057 customers in Arkansas, Oklahoma, Missouri and Kentucky on January 27. Outage figures continued to rise throughout the day, as the storm shifted southward from Arkansas and Kentucky into Texas. The Governors of Oklahoma and Kentucky declared States of Emergencies in their respective states. Arkansas activated the state's Emergency Operations Center. The following table lists peak and latest reported outage figures, based on multiple sources.

Southeast, Central Plains Customer Outages			
January 27, 2009			
Electric Utility	State	Peak	Latest Reported
Entergy Arkansas	AR	59,943	59,943
Arkansas Electric Cooperatives	AR	48,000	48,000
AEP SWEPCO	AR	39,041	39,041
Kentucky Utilities	KY	44,000	44,000
AEP Kentucky Power	KY	5,613	5,613
AmerenUE	MO	13,694	13,694
Missouri Electric Cooperatives	MO	6,700	6,700
OG&E	OK	10,500	4,270
Oklahoma Electric Cooperatives	OK	5,066	5,066
AEP Oklahoma	OK	1,500	0
<b>TOTAL*</b>		<b>234,057</b>	<b>226,327</b>

\*Total outages only represent electric utilities listed in this table.

Sources:

AEP Kentucky Power: <http://www.kentuckypower.com/news/outages/>

AEP SWEPCO: <http://www.swepco.com/news/outages/>

Ameren Missouri: [http://www.ameren.com/Outage/ADC\\_MissouriOutageInformation.asp](http://www.ameren.com/Outage/ADC_MissouriOutageInformation.asp)

Entergy Arkansas: <http://www.energy-arkansas.com/outages/ar.aspx>

OG&E: <http://www.oge.com/systemwatch/>

Kentucky Utilities: <http://www.eon-us.com/storm/default.asp>

Arkansas Electric Cooperatives:

<http://www.pbcommercial.com/articles/2009/01/27/ap-state-ar/d95v1101.txt>

Oklahoma Electric Cooperatives:

[http://www.ok.gov/OEM/Emergencies\\_&\\_Disasters/2009/Winter\\_Weather\\_Event\\_20090126-3.html](http://www.ok.gov/OEM/Emergencies_&_Disasters/2009/Winter_Weather_Event_20090126-3.html)

Missouri Electric Cooperatives: <http://sema.dps.mo.gov/SitReps/2009/SITREP%2001272009%2011%20am.pdf>

<ftp://www.adem.arkansas.gov/SitSum/January%2027%202009%20Ice%20storm.htm>

<http://governor.ky.gov/pressrelease.htm?PostingGUID={16FE4D89-62AD-40DF-AAC6-8D656D114D06}>

<http://www.baxterbulletin.com/article/20090127/UPDATES01/90127021/-1/NEWSFRONT2>

[http://www.governor.state.ok.us/display\\_article.php?article\\_id=1178&article\\_type=1](http://www.governor.state.ok.us/display_article.php?article_id=1178&article_type=1)

<http://www.reuters.com/article/domesticNews/idUSTRE50Q6AU20090127>

## **Ventilation System Breakdown at Progress Energy's 1,790 MW Brunswick Nuclear Power Plant in North Carolina January 21**

The control room ventilation system broke down for an hour and a half on January 21, a news source said. A Nuclear Regulatory Commission (NRC) inspection team was on site, investigating a January 1 incident involving two of the facility's emergency diesel generators. The NRC called the latest incident a minor safety issue.

[http://www.starnewsonline.com/article/20090123/ARTICLES/901230303?Title=Brunswick\\_Nuclear\\_plant\\_experiences\\_another\\_glitch](http://www.starnewsonline.com/article/20090123/ARTICLES/901230303?Title=Brunswick_Nuclear_plant_experiences_another_glitch)

## **PG&E's 407 MW Helms Hydro Unit 2 in California Shut by January 26**

According to the California Independent System Operator, the unit experienced an unplanned outage by January 26.

<http://www.caiso.com/unitstatus/data/unitstatus200901261515.html>

## **Update: TVA's 1,118 MW Browns Ferry Nuke Unit 3 in Alabama at Full Power by January 27**

The Nuclear Regulatory Commission reported that on the morning of January 26 the unit was operating at 79 percent.

Information derived from the NRC Power Reactor Status Reports:

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

## **Update: Exelon's 1,093 MW Peach Bottom Nuke Unit 3 in Pennsylvania Ramped Up to 10 Percent by January 27**

Exelon shut the unit by January 21 to replace a main power transformer. The Nuclear Regulatory Commission reported that on the morning of January 26 the unit was not operating.

Reuters, 07:14 January 27, 2009

Bloomberg News, 07:04 January 27, 2009

Information also derived from the NRC Power Reactor Status Reports:

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

## **Update: POWEREX's 428 MW Dynamic Resource Unit in California Returns to Service by January 26**

According to the California Independent System Operator, the unit returned from an unplanned outage.

<http://www.caiso.com/unitstatus/data/unitstatus200901261515.html>

## **OPG's 494 MW Lambton Coal-fired Unit 1 in Ontario Shut by January 27**

Ontario Power Generation (OPG) shut the unit for a "forced outage," a company spokesman said. The unit should return to service within a week, he said.

Bloomberg News, 10:13 January 27, 2009

Reuters, 09:21 January 27, 2009

## **Enmax's 250 MW Calgary Gas-fired Unit in Alberta Shut January 26**

Reuters, 7:35 January 27, 2009

## **Sithe Global Power Begins Tests Expects Second Quarter Start-up of 875 MW Goreway Gas-fired Power Plant in Ontario**

The plant began supplying test energy to Ontario's electric grid, and Sithe Global Power expects it to begin commercial service during the second quarter of 2009, a spokesman said today. The company broke ground on Goreway in 2005, and originally expected it to reach full operation in 2008. Construction delays, however, pushed back those plans.

Reuters, 11:25 January 27, 2009

### **ExxonMobil Reports Minor Cat Cracker Snag at 567,000 b/d Baytown, Texas Refinery**

ExxonMobil's 567,000 b/d Baytown refinery sustained "a minor upset on our catalytic cracker," a refinery spokesman said. Operators were working to restore the facility to normal, and the spokesman said the company was fulfilling customers' obligations. In addition, ExxonMobil reported "operational issues" and flaring at Baytown late on January 26. It was not clear if that event was related to the cat cracker upset.

Bloomberg News, 10:10 January 27, 2009

Bloomberg News, 07:23 January 27, 2009

### **Valero Says it Could Permanently Close Some North American Refineries if it Cannot Find Buyers**

Valero said the company might consider permanently closing those refineries it is trying to sell if it is unable to find buyers. Of its 15 refineries, the company has previously said it wants to sell its Memphis and Aruba facilities. "If you don't want them and you can't sell them, I guess the answer would be yes," the company's Chairman and Chief Executive told an analyst who asked if the company would close unwanted facilities.

Reuters, 11:33 January 27, 2009

### **Update: Valero Postpones Upgrade Projects at 185,000 St. Charles, Louisiana Refinery and 180,000 b/d Memphis, Tennessee Refinery**

Citing weak refining margins, Valero postponed to 2012 plans to upgrade its 185,000 b/d St. Charles refinery in Norco, Louisiana and its 180,000 b/d Memphis, Tennessee facility. At St. Charles, Valero had planned to build a new diesel hydrotreater by 2010 and an aromatics plant by 2011. At Memphis, it had expected to upgrade the gasoline-making fluidic catalytic cracking unit by 2011.

Reuters, 11:10 January 27, 2009

DJN, 11:32 January 27, 2009

### **Update: Valero Runs FCCs at 70-to-75 Percent Capacity on Weak Market Conditions**

Valero continues to operate its fluid catalytic cracking units (FCCs) at 70-to-75 percent capacity, the company said January 27. Valero announced in mid-December that it was reducing FCC production, citing decreased demand.

Reuters, 10:10 January 27, 2009

### **Update: Shell Sells Floating Oil Storage in North Sea as Oil Prices Climb**

Shell sold 600,000 barrels of floating crude to Vitol on January 26, and analysts expected other traders to similarly unload stored supplies into the rallying oil market. A number of companies stored up to 80 million barrels of oil in offshore vessels, a news source estimated, as a wide contango spread discouraged immediate selling. Oil prices have risen, of late, thanks to increased winter demand and production cuts among OPEC members.

<http://uk.reuters.com/article/oilRpt/idUKLR18479820090127?sp=true>

Reuters, 11:06 January 27, 2009

### **Nigeria Eyes April Start Date for Planned 225,000 b/d Offshore Akpo Oilfield**

Nigeria expects to begin crude production at Akpo in April 2009, and ramp output to 175,000 b/d by the end of 2009, said the head of state oil company NNPC. The project has an estimated peak production of 225,000 b/d.

Reuters, 06:44 January 27, 2009

### **Australian Cyclone Shuts about 265,000 b/d of Oil and Condensates Production**

Tropical Cyclone Dominic forced shut more than half of Australia's oil output, a news source said January 27.

Among the affected companies are BHP Billiton, Woodside Petroleum, Apache Corp and Santos.

[http://www.bloomberg.com/apps/news?pid=20601081&sid=aNBgMuoS2\\_jE&refer=australia](http://www.bloomberg.com/apps/news?pid=20601081&sid=aNBgMuoS2_jE&refer=australia)

## Natural Gas

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### Update: Sabine Pipe Line Lifts Force Majeure along Louisiana-to-Texas Natural Gas Pipeline after Compressor Repairs January 26

Sabine Pipe Line LLC finished repairs to a compressor at its North Booster Station on January 26, lifting a force majeure it declared on January 21, the company said in a posting. Sabine had originally expected the work to last just one day. The repairs reduced compression capacity by 20 percent, but the company did not expect the disruption to impact firm transportation services. Sabine operates a 131-mile, Louisiana-to-Texas natural gas pipeline.

Reuters, 15:38 January 26, 2009

Bloomberg News, 14:16 January 26, 2009

### Energy Transfer Partners Plans 1.25-to-2.0 Bcf/d, 178-mile, 42-inch Tiger Natural Gas Pipeline from Texas to Louisiana to Tap Haynesville Shale

Energy Transfer Partners entered into an agreement with Chesapeake Energy Marketing to construct the 178-mile, 42-inch Tiger Pipeline. The line is expected to have an initial throughput capacity of at least 1.25 Bcf/d, but could be increased up to 2.0 Bcf/d, should demand warrant. It would connect to Energy Transfer Partners' dual 42-inch pipeline system near Carthage, Texas, extend through the Haynesville Shale and end near Delhi, Louisiana, with interconnects to at least seven interstate pipelines in Louisiana. Pending regulatory approvals, the line would begin deliveries by mid-2011.

<http://www.energytransfer.com/PressReleases.asp?idPressRelease=266>

## Other News

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Nothing to report.

## Energy Prices

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U.S. Oil and Gas Prices			
January 27, 2009			
	Today	Week Ago	Year Ago
<b>CRUDE OIL</b>			
<b>West Texas Intermediate U.S.</b>	43.40	34.61	89.77
\$/Barrel			
<b>NATURAL GAS</b>			
<b>Henry Hub</b>	4.62	5.27	7.85
\$/Million Btu			

Source: Reuters

## Energy Notes

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### Update: Puget Sound Energy, Renewable Energy Systems File with County for Portion of 1,250 MW Lower Snake River Wind Energy Project in Washington State

BSW, 11:44 January 27, 2009

### Cook Inlet Region Inc. Plans 30 MW Wind Farm on Fire Island, Alaska

<http://www.fortmilltimes.com/124/story/435187.html>

### FERC Chairman Says Car Companies Must Integrate Electric Automobiles into U.S. Power Grid

[http://pro.energycentral.com/professional/news/power/news\\_article.cfm?id=11894274](http://pro.energycentral.com/professional/news/power/news_article.cfm?id=11894274)

**Substation Explosion, Fire Cuts Power to Half of Sikeston, Missouri January 21**

<http://www.semissourian.com/article/20090124/NEWS01/701249996>

**Eni Eyes January 2010 Start Date for 7,500 b/d Appaloosa Oil Field in U.S. Gulf of Mexico**

<http://www.platts.com/Oil/News/8309454.xml?p=Oil/News&sub=Oil>

**TransCanada Seeks Approval to Boost Pressure on Proposed Keystone XL Oil Pipeline from Alberta-to-Nebraska-Kansas Border**

<http://www.newswest9.com/Global/story.asp?S=9735462>

**Tyree Oil Storage Tank Spills up to 500 Gallons of Diesel in Oregon over Weekend, Stretching into Willamette River**

<http://www.registerguard.com/csp/cms/sites/web/news/6468800-35/story.csp>

**Pennsylvania Governor Says State's Diesel Fuel to Contain at Least 2 Percent Biodiesel Beginning January 2010—National Biodiesel Board**

<http://bulktransporter.com/management/tank-truck/pennsylvania-biodiesel-requirement-0126/>

**Turbine Shutdown at Goldsmith Gas Plant in Texas January 26**

<http://www1.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=119346>

**Alaska Plans 460 MMcf/d In-state Natural Gas Pipeline, Governor Palin Says Governor Eyes Start-up within Five Years**

[http://www.downstreamtoday.com/News/Articles/200901/Palin\\_Supports\\_In\\_state\\_Gas\\_Line\\_14822.aspx](http://www.downstreamtoday.com/News/Articles/200901/Palin_Supports_In_state_Gas_Line_14822.aspx)

**Eni Plans 30-50 MMcf/d Longhorn Phase II Natural Gas Field in U.S. Gulf of Mexico for July 2009**

<http://www.platts.com/Oil/News/8309454.xml?p=Oil/News&sub=Oil>

**FERC Issues Positive Environmental Review of Liberty Gas Storage's Planned 17.5 Bcf Expansion of Natural Gas Storage Site in Louisiana**

<http://intelligencepress.com/>

**Propane Truck Leak Forces Resident Evacuations in Connecticut January 24**

<http://www.norwichbulletin.com/news/x716054384/Voluntown-Leaking-propane-truck-forces-evacuation>

**AM Oil Resources & Technology Plans 2,000-3,000 Gallon/Week Mobile Bio-Diesel Production Device**

<http://motorage.search-autoparts.com/motorage/Industry+News/AM-Oil-plans-to-support-mobile-biodiesel-productio/ArticleStandard/Article/detail/577397?contextCategoryId=43145>

**Fog Shuts in Tanker Traffic along Houston Ship Channel in Texas January 27**

Bloomberg News, 08:05 January 27, 2009

## **Links**

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***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](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>

*Please direct comments and questions to: [ead@oe.netl.doe.gov](mailto:ead@oe.netl.doe.gov)*