



# ENERGY ASSURANCE DAILY

Friday Evening, March 06, 2009

## ***Electricity***

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### **Texas PUC Releases Report on Utility Infrastructure Upgrades and Storm Hardening Programs**

A report commissioned by the Public Utility Commission of Texas titled “Cost-Benefit Analysis of the Deployment of Utility Infrastructure Upgrades and Storm Hardening Programs,” says that widespread hardening of the power grid along the Gulf Coast is too expensive a measure to prevent widespread blackouts similar to the situation in Houston, Texas following the landfall of Hurricane Ike in 2008. The report found that broad-based approaches such as burring all power lines are cost-prohibitive. The report recommends three cost-effective storm hardening programs; improving post-storm data collection, hazard tree removal, and targeted electric distribution hardening.

<http://www.chron.com/disp/story.mpl/front/6294690.html>

View the Texas PUC Report here:

[http://www.puc.state.tx.us/electric/reports/infra/Utility\\_Infrastructure\\_Upgrades\\_rpt.pdf](http://www.puc.state.tx.us/electric/reports/infra/Utility_Infrastructure_Upgrades_rpt.pdf)

### **Grid Expansion Authority Comes with Uncertainty, FERC Official Says**

A Federal Energy Regulatory Commission (FERC) member said in a recent briefing that there is a growing public consensus that siting authority for interstate transmission lines should rest with the federal government but questions remain concerning what level of government authority will pay for and approve the projects, and whether transmission should be developed under a market or planning model.

<http://www.platts.com/Electric%20Power/News/7708619.xml?p=Electric%20Power/News&sub=Electric%20Power>

### **NPPD's 764 MW Cooper Nuke Unit in Nebraska Shut by March 6**

The Nebraska Public Power District shut its Cooper reactor to repair a feedwater heater tube leak. A spokesperson for the plant said the reactor is expected to be offline for 78 hours. The Nuclear Regulatory Commission reported that on the morning of March 5 the unit was operating at full power.

Bloomberg News, 10:57 March 6, 2009

Information also derived from the NRC Power Reactor Status Reports:

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

### **FPL's 839 MW Saint Lucie Nuke Unit 2 in Florida Reduced to 62 Percent by March 6**

The Nuclear Regulatory Commission reported that on the morning of March 5 the unit was operating at full power.

Information derived from the NRC Power Reactor Status Reports:

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

### **OPG's 535 MW Lennox Oil and Gas-fired Unit 3 in Ontario Shut March 5**

Reuters, 21:03 March 5, 2009

## ***Petroleum***

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### **Mechanical Failure Causes Flaring at Chevron's 274,000 b/d El Segundo, California Refinery**

The refinery flared sulfur oxide as a result of the failure, according to a filing with the California Emergency Management Agency.

Bloomberg News, 16:06 March 5, 2009

<http://www.oes.ca.gov/Operational/MALHaz.nsf/f1841a103c102734882563e200760c4a/c349de5b731a2e7c88257570006cde28?OpenDocument>

## Malfunction Reported at ExxonMobil's 149,500 b/d Torrance, California Refinery

According to a company representative, the malfunction had no impact on operations at the refinery.

Reuters, 08:31 March 6, 2009

<http://www.oes.ca.gov/Operational/MALHaz.nsf/f1841a103c102734882563e200760c4a/82d7a49c8ad01ac488257570007fa757?OpenDocument>

## Update: Shell Restarting Compressor at 100,000 b/d Scotford, Alberta Refinery

The company said flaring may be higher than normal during the compressor startup.

Bloomberg News, 08:43 March 6, 2009

## Update: Transneft to Restart Oil Supplies to Black Sea Ports Following Fire

Transneft announced today that it will restart oil supplies to the Black Sea ports of Novorossiysk and Tuapse later this evening or early tomorrow. On March 4, an oil leak and fire on a pipeline in central Russia halted flows to the two ports as well as three refineries.

Reuters, 10:11 March 6, 2009

## Natural Gas

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### Update: ExxonMobil's 2 Bcf Golden Pass LNG Terminal to be Online in 2010

The company said its Golden Pass liquefied natural gas (LNG) terminal project located near Sabine, Texas will be online in 2010, rather than during 2009 as earlier expected. Delays in construction and testing can be attributed to the impacts of Hurricane Ike.

<http://www.platts.com/Natural%20Gas/News/7706659.xml?p=Natural%20Gas/News&sub=Natural%20Gas>

### Natural Gas Futures Fall March 5 as EIA Report Shows Growing Supply Surplus

Natural gas futures fell 5.8 percent to nearly \$4.08 per million Btu on the NYMEX on March 5, the biggest drop in seven weeks. The drop in prices was attributed to the release of an EIA report, which showed slowing industrial demand had widened the natural gas supply surplus in storage. Stockpiles of natural gas in the U.S. during the week ending February 27 were 14 percent higher than the five-year average, according to the Energy Information Administration (EIA) report.

<http://www.bloomberg.com/apps/news?pid=newsarchive&sid=awONc.4fMJQI>

<http://www.forbes.com/feeds/ap/2009/03/05/ap6130481.html>

## Other News

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Nothing to report.

## Energy Prices

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U.S. Oil and Gas Prices			
March 6, 2009			
	Today	Week Ago	Year Ago
<b>CRUDE OIL</b>			
<b>West Texas Intermediate U.S.</b>	44.15	44.12	104.30
\$/Barrel			
<b>NATURAL GAS</b>			
<b>Henry Hub</b>	4.22	4.08	9.37
\$/Million Btu			

Source: Reuters

## Energy Notes

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**DTE's 4.8 MW Biomass Energy Project in Ohio Begins Commercial Operation March 5**  
[http://www.prnewswire.com/cgi-bin/stories.pl?ACCT=ind\\_focus.story&STORY=/www/story/03-05-2009/0004983817&EDATE=](http://www.prnewswire.com/cgi-bin/stories.pl?ACCT=ind_focus.story&STORY=/www/story/03-05-2009/0004983817&EDATE=)

**Oil Thieves Sabotage Chevron Operated Pipeline in Nigeria, No Oil Production Affected**  
Reuters, 15:31 March 5, 2009

**Valve Malfunction Causes Benzene Spill at Valero's 181,000 b/d Sunray, Texas Refinery**  
<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=120974>

**Update: Uniduto to Begin Construction on 372-mile Ethanol Pipeline in Brazil by 2010**  
Dow Jones News, 11:21 March 6, 2009

**KL Energy and Prairie Green Renewable Energy Plan to Develop 5MMGal/Yr Cellulosic Ethanol Plant near Hudson Bay, Saskatchewan**  
[http://www.biofuels-news.com/industry\\_news.php?item\\_id=593](http://www.biofuels-news.com/industry_news.php?item_id=593)

**Obama Changing Many Bush Environmental Policies Related to Energy, Such as Power Plant Pollution, Offshore Drilling, Nuclear Waste and Energy Efficient Appliances**  
[http://www.usatoday.com/tech/science/environment/2009-03-05-greenagenda\\_N.htm](http://www.usatoday.com/tech/science/environment/2009-03-05-greenagenda_N.htm)

## 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)