



# ENERGY ASSURANCE DAILY

Wednesday Evening, March 11, 2009

## Electricity

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### **Entergy's 858 MW Arkansas Nuclear Unit 2 in Arkansas Reduced to 84 Percent by March 11**

The Nuclear Regulatory Commission reported that on the morning of March 10 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/>

### **Luminant to Shut 591 MW Sandow Coal-fired Unit 4 in Texas March 11**

Luminant expected to shut the unit this morning to fix a boiler tube leak, it said in a filing with state regulators. The filing did not indicate when the unit would return to service.

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=121166>

Reuters, 11:32 March 11, 2009

### **TMPA Shuts 454 MW Gibbons Creek Coal-fired Unit 1 in Texas March 11**

The Texas Municipal Power Agency (TMPA) shut the unit early this morning to repair a boiler tube leak, it said in a filing with state regulators. The company expected to restore the unit to service before the weekend.

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=121161>

Reuters, 10:20 March 11, 2009

### **POWEREX's 428 MW Dynamic Resource Unit in California Reduced by March 10**

According to the California Independent System Operator, the unit experienced an unplanned curtailment of 328 MW by March 10.

<http://www.caiso.com/unitstatus/data/unitstatus200903101515.html>

### **Update: NPPD Restarts 801 MW Cooper Nuclear Power Plant in Nebraska by March 11**

Nevada Public Power District (NPPD) returned the unit to 1 percent power by March 11, the Nuclear Regulatory Commission (NRC) reported. Operators shut the unit by March 6 to repair a tube leak.

Reuters, 07:35 March 11, 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: AES's 226 MW Huntington Beach Gas-fired Unit 1 in California Ramped up by March 10**

According to the California Independent System Operator, the unit ramped up from an unplanned curtailment of 116 MW.

<http://www.caiso.com/unitstatus/data/unitstatus200903101515.html>

### **Calpine/Mitsui's 212 MW Greenfield Gas-fired Unit 1 in Ontario Shut by March 11**

Reuters, 8:14 March 11, 2009

### **ERCOT Okays CPS Energy Plans to Close 300 MW of Gas-fired Power Plants in Texas**

The Electric Reliability Council of Texas (ERCOT) approved CPS Energy's request to retire or mothball its Tuttle gas-fired units 1, 3 and 4 in Texas, a news source said. CPS Energy mothballed Tuttle unit 2 in January of 2008.

ERCOT said that the units were not necessary for reliability. Their combined capacity is about 300 MW.

<http://www.platts.com/Electric%20Power/News/8410446.xml?p=Electric%20Power/News&sub=Electric%20Power>

### **Fire Forces Shut Marathon's St. James-to-Garyville, Louisiana Oil Pipeline March 10 Company's 256,000 Garyville, Louisiana Refinery to Tap On-Site Inventories**

A late-morning explosion killed one worker, injured three others, and forced shut Marathon's St. James-to-Garyville, Louisiana oil pipeline March 10. The affected line delivers oil from the Louisiana Offshore Oil Port's LOCAP pipeline to Marathon's 256,000 b/d Garyville, Louisiana refinery. Marathon said the Garyville refinery would tap on-site inventories to remain in operation, but did not indicate whether it would, or had, slowed production. The company did not say when the line would return to service. The blast occurred at around 11:30 AM local time, as the four men welded on a pipe attached to a sump tank. There was no subsequent fire. The work was associated with Marathon's plans to expand Garyville's capacity by 180,000 b/d.

<http://www.reuters.com/article/rbssEnergyNews/idUSN1144850820090311>

<http://www.wdsu.com/news/18899329/detail.html>

<http://www.google.com/hostednews/ap/article/ALeqM5ijpzi7We5-7jznINv5k6lVjvLW2AD96RDQC04>

DJN, 10:28 March 11, 2009

### **Update: Western Shuts, Restarts Multiple Units at 122,000 b/d El Paso, Texas Refinery after March 1 Power Outage**

A power failure forced shut Western's 122,000 b/d El Paso, Texas refinery last week, March 1, but the company returned the facility to service later that day. The refinery resumed full operations by March 2. The power outage also cut electricity to about 100,000 El Paso Electric customers, as previously reported.

<http://www.reuters.com/article/rbssEnergyNews/idUSN1127279420090311>

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=120748>

DJN, 11:00 March 11, 2009

Reuters, 10:22 March 11, 2009

Bloomberg News, 10:35 March 11, 2009

### **Update: ConocoPhillips Eyes 2011 Completion Date for Expansion Project at 306,000 b/d Wood River, Illinois Refinery**

ConocoPhillips plans to expand the facility's upgrading capacity and boost its output of transportation fuels. A company official said today that the project was entering its peak construction phase, and that the company expected to be complete in early 2011.

DJN, 11:17 March 11, 2009

### **Valero to Shut 26,000 b/d FCC at 87,400 b/d Ardmore, Oklahoma Refinery March 11**

Valero planned to shut a 26,000 b/d gasoline-producing fluid catalytic cracker unit (FCC) for repairs at its Ardmore, Oklahoma refinery, it said on March 11. The company expected the work to last three days, according to a spokesman.

<http://www.reuters.com/article/marketsNews/idUSN1129433520090311>

### **Update: Supertanker Completes Crude Offloading in U.S. Gulf of Mexico March 10**

The punctured SKS Satilla offloaded approximately 976,190 barrels of oil onto other tankers in the U.S. Gulf of Mexico from March 8-to-March 10, the U.S. Coast Guard said. The tanker began taking on water on March 6, and underwater inspectors found punctures along the ship's external portside hull, sources reported. An investigation is ongoing at to the cause of the damage, but initial reports suggested that the tanker may have struck a sunken drilling unit. That unit, the ENSCO 74, had been missing since Hurricane Ike in September 2008.

<http://in.reuters.com/article/oilRpt/idINN101510720090311>

### **Update: Saudi Arabia to Open 1.2 Million b/d Khurais Oilfield by End of 2009**

State-oil company Saudi Aramco completed drilling on its massive Khurais project, and said today that it planned to open the field by the end of 2009. The company had expected drilling to take three years, but workers finished that task 10 months ahead of schedule. The Khurais project will produce 1.2 million b/d of oil from three fields: Khurais, Abu Jifan and Mazalij. It will boost Saudi Arabia's output capacity to 12.5 million b/d.

Reuters, 08:35 March 11, 2009

## Natural Gas

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### Update: ConocoPhillips, BP Expect 2019 Start Date for Proposed 2 Bcf/d, 2,000-mile, Alaska-to-Alberta, Canada Natural Gas Pipeline

ConocoPhillips and BP expect to begin accepting transportation bids in 2010, and open the massive, 2,000-mile, 2 Bcf/d North Slope, Alaska-to-Alberta, Canada natural gas pipeline by 2019, a ConocoPhillips official said today. The companies may extend the pipeline 1,500 miles further, from Alberta, Canada to Chicago, Illinois. TransCanada has submitted a competing proposal to build a similar line. Only one of the two would likely come online.

DJN, 10:13 March 11, 2009

## Other News

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### Obama Approves DOE Budget for Fiscal 2009 March 11

President Obama today approved \$27 billion in funding for the U.S. Department of Energy's (DOE) fiscal year 2009 budget, sources reported. The U.S. House of Representatives and Senate passed the budget—part of the government's \$410 billion fiscal 2009 appropriations bill—on February 25 and March 10, respectively. The DOE figure marks a \$2.5 billion increase from fiscal 2008. Included in the plans are sharp spending increases toward programs in renewable energy, energy efficiency, science and environmental cleaning, and spending cuts for programs in nuclear energy and the Strategic Petroleum Reserve.

<http://www.platts.com/Electric%20Power/News/8410459.xml?p=Electric%20Power/News&sub=Electric%20Power>

[http://www.nytimes.com/2009/03/12/us/politics/12earmarks.html?\\_r=1&hp](http://www.nytimes.com/2009/03/12/us/politics/12earmarks.html?_r=1&hp)

<http://www.nytimes.com/2009/03/12/us/politics/12earmarks.html?hp>

### Northeast Ethanol and Renewable Resources Plans 60 MMGal/Yr. Ethanol Plant in Pennsylvania

<http://www.istockanalyst.com/article/viewiStockNews/articleid/3106876>

[http://www.thetimes-tribune.com/articles/2007/10/07/top\\_local\\_stories/18892384.txt](http://www.thetimes-tribune.com/articles/2007/10/07/top_local_stories/18892384.txt)

## Energy Prices

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U.S. Oil and Gas Prices			
March 11, 2009			
	Today	Week Ago	Year Ago
<b>CRUDE OIL</b> <b>West Texas Intermediate U.S.</b> \$/Barrel	43.80	43.91	108.84
<b>NATURAL GAS</b> <b>Henry Hub</b> \$/Million Btu	3.88	4.43	9.59

Source: Reuters

## Energy Notes

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### Ameren Reports 11,866 Customers without Power in Illinois March 11

As of 10:10 AM: [http://www.ameren.com/Outage/ADC\\_IllinoisOutageInformation.asp](http://www.ameren.com/Outage/ADC_IllinoisOutageInformation.asp)

### Exelon Plans to Adhere to New Requirements and Keep its 641 MW Oyster Creek Nuclear Power Plant Online While NRC Examines its License Renewal Application—in April Facility Could be Nation's First Nuclear Plant to Operate with an Expired License

<http://www.app.com/article/20090310/NEWS02/903100327/1070/NEWS02>

**State Approves Environmental Permit for Duke Energy's Proposed 99 MW Campbell Hill Wind Power Project in Wyoming**

<http://www.duke-energy.com/news/releases/2009031001.asp>

**Norfolk Wind Energy, National Wind Plan 40 MW Wind Farm in Minnesota**

<http://www.norfolkwindenergy.com/project/overview>

<http://www.startribune.com/business/41060962.html?elr=KArks:DCiUIOiP:DiiUiD3aPc: Yyc:aUU>

**Beacon Power Corporation Receives DOE Environmental Approval for Proposed 20 MW Frequency Regulation Plant in New York**

<http://phx.corporate-ir.net/phoenix.zhtml?c=123367&p=irol-newsArticle&ID=1265195&highlight=>

**Energy Secretary Says He Would Support New Nuclear Power Plants, Despite Obama Administration's Decision to Scrap Yucca Mountain Waste Storage Plans**

DJN, 10:46 March 11, 2009

**Energy Department made \$500 Million Miscalculation in Revoking Support for FutureGen's Proposed Clean-Coal Plant in Illinois Last Year—Congressional Report**

<http://www.nytimes.com/2009/03/11/science/earth/11coal.html>

**Pipeline Ruptures at Coal-fired Power Plant in West Virginia, Spills Approximately 4,000 Gallons of Slurried Fly Ash into Potomac River March 8-9**

<http://www.wtop.com/?nid=25&sid=1620522>

**Alberta Utilities Commission Approves AltaLink's Plans for 240-kV, 56-mile Transmission Line in Alberta, Canada**

<http://www.altalink.ca/Default.aspx?DN=328a711c-bec7-4da5-b88f-c88035e551c2>

**ConocoPhillips Reports Process Upset at 146,000 b/d Borger, Texas Refinery March 10**

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=121129>

**Valero Reports 20 Barrel Oil Leak from Underground Pipeline near 144,000 b/d Benicia, California Refinery March 10**

Bloomberg News, 20:17 March 10, 2009

**Boiler Work Triggers Flaring at Valero's 83,000 b/d Houston, Texas Refinery by March 10**

Bloomberg News, 14:42 March 10, 2009

**Chevron Receives Preliminary Environmental Approvals for Proposed Expansion at 330,000 b/d Pascagoula, Mississippi Refinery—Projects Include 25,000 b/d Production Boost, Increased Sulfur-Processing Capacity**

<http://www.gulflive.com/news/mississippypress/news.ssf?/base/news/1236766551224070.xml&coll=5>

**Record 707.5 Million Barrels of Oil in U.S. Strategic Petroleum Reserve, DOE Says—an Additional 13 Million Barrels Slated for March and April Delivery**

Reuters, 14:28 March 10, 2009

**Court Dismisses Objectors' Appeal Regarding NorthernStar Natural's Proposed Bradwood Landing LNG Terminal along Columbia River in Oregon**

<http://www.oregonlive.com/news/argus/index.ssf?/base/news/123670923421170.xml&coll=6>

**Lightning Storm Shuts Compressors, Communication System at Lost Peak Booster Station in Texas March 10**

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=121105>

**Update: Hunton Energy Receives State Environmental Approval for Planned 180 MMcf/d SNG Plant in Texas—Facility Will Also Produce 400 MW of Power**

<http://www.huntonenergy.com/attachments/HE-Gets-Permit.pdf>

**Leucadia National Corp. Plans Petroleum Coke-to-Natural Gas Plant in Louisiana**

[http://www.nola.com/business/index.ssf/2009/03/utilities\\_give\\_proposed\\_synthe.html](http://www.nola.com/business/index.ssf/2009/03/utilities_give_proposed_synthe.html)

**High Waters Shut Barge Traffic along Mississippi River above Canton, Missouri March 10, U.S. Army Corps of Engineers Says—Restart not Likely until March 15**

Reuters, 15:17 March 10, 2009

**Some Automakers Say Proposed 15 Percent Ethanol Blend Might Damage Certain Engines Outdoor Power Equipment Institute Says DOE Tested 28 Small Engines with 15% Ethanol Blend and All Showed Significant Problems.**

<http://www.jsonline.com/business/41064002.html>

**ConocoPhillips Likely to Postpone Canadian Oil Sands, Natural Gas Projects on Economic Conditions—Company Official**

DJN, 09:35 March 11, 2009

**Kuwait to Boost Oil Production Capacity by 200,000 b/d by 2010, to a Total 3 Million b/d—Oil Official**

Reuters, 09:37 March 11, 2009

**Tullow Oil Says Lake Albert in Uganda Holds at Least 600 Million Barrels of Oil—Says Supplies Warrant an Export Pipeline through Kenya to the Indian Ocean**

<http://www.reuters.com/article/rbssEnergyNews/idUSLB68315520090311>

## 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)