



ENERGY ASSURANCE DAILY

Tuesday Evening, October 23, 2012

Electricity

SCE Reports Hydrogen Leak at Its 2,150 MW San Onofre Nuclear Power Plant in California

Southern California Edison (SCE) on Monday reported a small hydrogen leak was discovered at its San Onofre Nuclear Generating Station during planned maintenance over the weekend. Operators will replace a small pipe fitting near the Unit 2 turbine building, on the non-nuclear side of the plant. In the meantime, hydrogen dissipating into the air does not pose a safety risk to workers or the public, SCE said. Both units at the plant have been shut since January, when operators discovered premature tube wear in the steam generators.

<http://www.reuters.com/article/2012/10/22/edison-sanonofre-idUSL1E8LMNWK20121022?type=companyNews&feedType=RSS&feedName=companyNews&rpc=43>
<http://latimesblogs.latimes.com/lanow/2012/10/hydrogen-leak-san-onofre.html>

Constellation Reports Small Fire at Its 1,685 MW Nine Mile Point Nuclear Power Plant in New York October 22

Constellation Energy declared an "Unusual Event" at its Nine Mile nuclear power plant Monday evening when operators received a report of an arc flash and smoke in the screen house near Unit 1 at the facility, according to a filing with the U.S. Nuclear Regulatory Commission. Officials confirmed that smoke was coming from heater board H-111, which was subsequently de-energized. The fire was extinguished within 20 minutes, and operators terminated the Unusual Event within an hour. Unit 1 continued running at full power and all parameters were stable. There was no impact on Unit 2.

<http://www.nrc.gov/reading-rm/doc-collections/event-status/event/2012/20121023en.html>

Update: PSE&G's 1,096 MW Salem Nuclear Unit 1 in New Jersey Reduced to 75 Percent by October 23

Public Service Enterprise Group, Inc. (PSEG) on Tuesday further reduced power at its Salem nuclear power plant to 75 percent. Operators had on Monday reduced the unit to 85 percent to accommodate a scheduled transmission line outage in the area. The unit will return to full power when the transmission line is returned to service (unknown as of Monday).

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

Update: SCS Energy Cancels Its Proposed 750 MW PurGen One Coal-Fired Power Plant and Carbon Sequestration Project in New Jersey

SCS Energy is no longer developing its PurGen One coal gasification and carbon sequestration project in Linden, New Jersey, according to its website. SCS has moved the commercial structure and process design for this project to its Hydrogen Energy California project, a fossil fuel gasification project with carbon capture and sequestration through enhanced oil recovery located in Kern County, California.

<http://www.scsenergyllc.com/scsprojects.php>

<http://njtoday.net/2012/10/22/coalition-claims-victory-in-fight-against-linden-coal-plant/>

Update: New York ‘Energy Highway Task Force’ Proposes Plan to Modernize the State’s Energy Infrastructure, Add 3,200 MW of Electric Generation and Transmission

Governor Andrew Cuomo on Monday received the New York Energy Highway Task Force’s “Blueprint,” a proposed plan to add up to 3,200 MW of additional electric generation and transmission capacity and power generation through up to \$5.7 billion in private investments. The Energy Highway initiative, introduced in 2012, was established to improve safety and reliability, and to make the grid more efficient. The plan includes investments in 1,000 MW of new electric transmission capacity; new renewable energy projects that will generate 270 MW of power; modernizing and repowering existing inefficient, high-emission power plants to create 750 MW of power; and generating 1,200 MW of additional capacity to address retiring power plants. The interagency Energy Highway Task Force intends to immediately begin implementing the proposal.

www.NYEnergyHighway.com

<http://www.governor.ny.gov/press/10222012-modernize-energy-infrastructure>

Petroleum

Update: TransCanada Restarts 590,000 b/d Keystone Crude Oil Pipeline at Reduced Pressure October 22; Will Curtail October Volumes, Return to Normal in November

TransCanada Corp. reported it restarted its Keystone pipeline on Monday and would operate the system at slightly reduced pressure for about 24 hours so additional testing could be completed. The company shut the pipeline October 17 after detecting a “small anomaly” on a section of the pipeline between Missouri and Illinois during planned maintenance. A spokesman said there were no leaks and “the integrity of the pipeline system is sound.” Once the pipeline system is operating at full pressure, TransCanada will be curtailing October volumes and will return to contractual delivery levels in November, the spokesman said. The 2,154-mile pipeline extends from Hardisty, Alberta to U.S. markets at Wood River and Patoka in Illinois, and from Steele City, Nebraska to Cushing, Oklahoma.

http://www.huffingtonpost.com/2012/10/22/keystone-pipeline-transcanada_n_2003851.html

Update: ExxonMobil Restarts Process Unit at Its 238,600 b/d Joliet, Illinois Refinery October 22 after Shutdown October 19 Due to Over-pressuring, Hydrocarbon Release

ExxonMobil Corp. expected only minimal impact to production at its Joliet refinery after an unspecified process unit malfunctioned and was shut down Friday, according to a spokeswoman. The unit resumed operations on Monday, she said. The company had reported a buildup of pressure caused the release of hydrocarbons and hydrogen sulfide from a pressure safety valve into the air Friday.

Reuters, 23:07 October 22, 2012

Update: Citgo Says No Impact to Production at Its 167,000 b/d Lemont, Illinois Refinery after Compressor Shutdown October 22

Citgo Petroleum Corp. said there was no impact to production at its Lemont refinery after a flare gas compressor shut down on Sunday and caused emissions. The compressor was restarted after several hours without incident, the company said.

Reuters, 15:51 October 22, 2012

ULSD Unit Leak Causes Emissions at Citgo’s 429,500 b/d Lake Charles, Louisiana Refinery October 22

Citgo Petroleum Corp. reported a small leak in an ultra low-sulfur diesel (ULSD) unit caused emissions at its Lake Charles refinery Monday evening, according to a filing with the U.S. National Response Center. Operators were securing the unit for repairs.

http://www.nrc.uscg.mil/reports/rwservlet?standard_web+inc_seq=1028037

Pump Failure Causes Hydrogen Sulfide Leak at ExxonMobil’s 192,500 b/d Chalmette, Louisiana Refinery October 23

ExxonMobil reported a leak of hydrogen sulfide at its Chalmette refinery was the result of a loss of cooling water due to a pump failure. The company expects to meet all contractual obligations to its customers as it works to normalize operations.

Reuters, 12:05 October 23, 2012

Update: Enbridge Indefinitely Defers 800 MMcf/d Cabin Gas Plant Project in Horn River Basin, British Columbia

Enbridge Inc. on Monday announced it has agreed with the other owners of the Cabin Gas Plant development project to defer the commissioning of Cabin Phase 1 and construction of Cabin Phase 2. The Cabin plant had regulatory approvals for processing capacity of about 800 million cubic feet of natural gas a day, and Phase 1 was expected to be in service late this year. Phase 2 was expected to be ready for service in the third quarter 2014. The company didn't say why the development was deferred.

<http://www.enbridge.com/MediaCentre/News.aspx?yearTab=en2012&id=1680222>

<http://www.hydrocarbonprocessing.com/Article/3106811/Latest-News/Enbridge-delays-project-work-in-Canada-for-Cabin-gas-processing-plant.html>

Sempra to Construct Natural Gas Pipeline Network Connecting Northwestern Mexico to Arizona

Sempra International on Monday announced that its Mexican business unit Sempra Mexico has been awarded two contracts by Comision Federal de Electricidad (CFE), Mexico's state-owned electric utility, to construct, own, and operate an approximately 500-mile pipeline network connecting the Northwestern states of Sonora and Sinaloa. The network will be comprised of two segments that will interconnect to the U.S. interstate pipeline system in Arizona and will provide natural gas to new and existing CFE power plants that currently use fuel oil. The first segment, a 36-inch, 310-mile pipeline will run from Sasabe, south of Tucson, Arizona, to Guaymas, Sonora and will have a capacity of 770 MMcf/d. The new pipeline is expected to begin operations late 2014. The second segment from Guaymas to El Oro, Sinaloa, is a 30-inch, 200-mile pipeline with a capacity of 510 MMcf/d. The pipeline is planned to begin operations in the third quarter of 2016.

<http://sempra.mediaroom.com/index.php?s=19080&item=134692>

Thunderstorm Shuts ExxonMobil's 135 MMcf/d Salt Creek Gas Plant in Texas October 22

ExxonMobil Corp. reported a severe thunderstorm Monday morning caused a power outage that shut its Salt Creek plant and portions of the field, routing its inlet gas to flare, according to a filing with the Texas Commission on Environmental Quality.

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=175077>

Scrubber Problems Cause Flaring at Southern Union Gas Service's 140 MMcf/d Keystone Gas Plant in Texas October 22

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=175107>

Mechanical Issue Shuts Turbine at DCP Midstream's 100 MMcf/d Pegasus Gas Plant in Texas October 21

DCP Midstream reported a turbine at its Pegasus plant went down on mechanical problems late Sunday night, causing emissions, according to a filing with the Texas Commission on Environmental Quality.

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=175106>

Other News

Nothing to report

Shell Declares Force Majeure on Nigeria's Bonny and Forcados Crudes Due to Theft, Flooding; Amounts to 20 Percent of Nigerian Exports

Royal Dutch Shell PLC on October 19 declared force majeure on exports of Nigeria's Bonny and Forcados crude grades, cutting about 20 percent of the country's exports, due to damage caused by oil thieves and flooding affecting a third party supplier it did not identify. A ship containing fuel stolen from its Bomu-Bonny pipeline caught fire alongside the pipe, causing damage, and attacks also occurred on its Trans-Forcados and Brass Creek pipelines. The company said it was working to repair the pipelines, but it gave no estimate about when the lines would be running at capacity again. Bonny and Forcados crude grades in October accounted for 427,000 b/d of exports, about a fifth of the country's total exports of 2.048 MMb/d.

<http://www.reuters.com/article/2012/10/23/nigeria-shell-idUSL5E8LN3XD20121023?type=companyNews&feedType=RSS&feedName=companyNews&rpc=43>
<http://finance.yahoo.com/news/royal-dutch-shell-makes-nigeria-103154745.html>

Iraq Ambassador Wants U.S. to Pressure ExxonMobil to Slow Down Dealings with Kurdistan Regional Government

<http://www.reuters.com/article/2012/10/22/us-usa-iraq-oil-idUSBRE89L1AO20121022?feedType=RSS&feedName=innovationNews&rpc=43>

Iran May Stop Exporting Oil, Launch "Plan B" Strategy to Survive without Oil Revenues If Sanctions Tighten – Iranian Oil Minister

Reuters, 11:25 October 23, 2012

Iran Says It Exported 20 Million Barrels of Oil in Last 4 Months through Private Firms to Evade Sanctions

Reuters, 09:40 October 23, 2012

Energy Prices

U.S. Oil and Gas Prices			
October 23, 2012			
	Today	Week Ago	Year Ago
CRUDE OIL West Texas Intermediate U.S. \$/Barrel	86.13	91.71	87.88
NATURAL GAS Henry Hub \$/Million Btu	3.49	3.35	3.61

Source: Reuters

Links

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

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

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