



ENERGY ASSURANCE DAILY

Wednesday Evening, May 30, 2012

Electricity

Storms Knock Out Power to More Than 85,000 OGE Energy Customers in Metro Oklahoma City May 29

Strong storms crossed Oklahoma Tuesday night, bringing hail and at least one reported tornado near Piedmont. At the height of the storm more than 85,000 OGE Energy customers in the Oklahoma City metro area were without power.

<http://www.fox23.com/news/local/story/Tornado-winds-large-hail-pummel-parts-of-Oklahoma/48IHb9VdrOG-3D2uKJWiwA.csp>

http://www.cbsnews.com/8301-201_162-57443395/oklahoma-city-battered-by-huge-hail-as-storms-wreak-havoc/

Storms Cut Power to More Than 20,000 Utility Customers in Upstate New York May 29

Heavy rains and strong winds cut power to more than 20,000 utility customers in upstate New York Tuesday afternoon, from the Finger Lakes region to the Vermont and Massachusetts borders. Reports indicated about 11,500 utility customers were still without power Wednesday morning. About half of the outages were reported by NYSEG, and National Grid reported more than 4,500 outages.

<http://online.wsj.com/article/AP91e02fd3d6b04abcb222fd343ac8d760.html>

TVA's 1,118 MW Browns Ferry Nuclear Unit 3 in Alabama Shuts May 29 Due to Main Generator Load Reject Signal

Tennessee Valley Authority (TVA) reported the Browns Ferry Unit 3 reactor scrambled Tuesday morning when a turbine control valve closed due to a load reject signal on the main generator, according to a filing with the U.S. Nuclear Regulatory Commission. The load reject signal was caused by "main transformer differential relay 387T," the filing said. All systems responded as expected to the load reject signal, and the reactor was being cooled down at the time of the filing.

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

<http://www.nrc.gov/reading-rm/doc-collections/event-status/event/2012/20120530en.html>

Update: TVA's 1,125 MW Sequoyah Nuclear Unit 1 in Tennessee at Full Power by May 30

Sequoyah Unit 1 is returning from a reduction in power that began early last week. On May 24, Tennessee Valley Authority (TVA) reported a discharge of lube oil into the intake fore bay, which appeared to be caused by a traveling water screen, according to a filing with the U.S. National Response Center. Later that day, operators reported an unknown type of oil had discharged from a catch pan located under a cooling tower into the Tennessee River. Operators were working to contain, clean up, and investigate the leaks.

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

http://www.nrc.uscg.mil/reports/rwservlet?standard_web+inc_seq=1012539

http://www.nrc.uscg.mil/reports/rwservlet?standard_web+inc_seq=1012570

PPL Shuts 1,111 MW Susquehanna Nuclear Unit 2 in Pennsylvania May 30 to Inspect Turbine Blades

PPL Susquehanna LLC announced it was shutting Unit 2 at the Susquehanna nuclear power plant in Luzerne County, Pennsylvania on Wednesday to allow workers to inspect turbine blades from the Unit 2 low-pressure turbine for indications of cracking following the discovery of cracks during recent inspections of the Unit 1 turbine. The cracks on the Unit 1 turbine were similar to, but less extensive than, those discovered and repaired on both turbines in 2011.

<http://pplweb.mediaroom.com/index.php?s=12270&item=128975>

Energy Northwest's 1,107 MW Columbia Generating Station Nuclear Unit in Washington Ramped Up to 18 Percent by May 30

On the morning of May 29 the unit was operating at 1 percent.

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

SCE Reports Vibration Sensor Issue at Its 2,150 MW San Onofre Nuclear Station in California

Southern California Edison (SCE) reported workers discovered a vibration sensor at its San Onofre nuclear station could have incorrectly shut emergency diesel generators during an earthquake if the plant lost off-site power, according to a filing with the U.S. Nuclear Regulatory Commission. The sensor is designed to prevent engine damage in the diesel generators from excessive vibration. The company is continuing to analyze the issue and has not concluded whether the sensor would actually cause a shutdown during an earthquake, calling the problem "an unanalyzed condition" at the time of the filing. Operators deactivated the sensors and all contingency emergency response systems are in place, SCE said in a statement.

<http://www.reuters.com/article/2012/05/29/utilities-nuclear-sanonofre-idUSL1E8GTGXB20120529?type=companyNews&feedType=RSS&feedName=companyNews&rpc=43>

NRC Renews Operating License for Entergy's 653 MW Pilgrim Nuclear Power Plant in Massachusetts for Additional 20 Years

The U.S. Nuclear Regulatory Commission has renewed the operating license for the Pilgrim Nuclear Power Station in Massachusetts for an additional 20 years. The new license will expire June 8, 2032. The plant's operator, Entergy Nuclear Operations Inc., submitted in early January 2006 an application to renew its license to operate the boiling-water reactor.

<http://pbadupws.nrc.gov/docs/ML1215/ML12150A331.pdf>

FirstEnergy Announces "Energizing the Future" Initiative to Enhance Transmission System Reliability

FirstEnergy Corp. has announced plans to build a series of transmission projects to help enhance service reliability across its five-state service area. The projects have been approved by PJM Interconnection (PJM), the regional transmission organization. FirstEnergy's "Energizing the Future" initiative will include transmission projects—new or rebuilt high-voltage power lines, new substations, and the installation of specialized voltage regulating equipment—in northern Ohio, Pennsylvania, West Virginia, New Jersey, and Maryland. PJM has determined the projects are needed to enhance system reliability as coal-fired power plants in the region are deactivated based on the U.S. Environmental Protection Agency's Mercury and Air Toxics Standards and other environmental rules. One project involves building a new 345-kV transmission line that will run more than 100 miles from the company's Bruce Mansfield Plant in Beaver County, Pa., to a new substation that will be built in the Cleveland suburb of Glenwillow. As designed, the new substation will connect with two existing 345-kV transmission lines that run through Glenwillow. If approved, the construction of the transmission line and substation will be simultaneous to meet PJM's June 2015 in-service date.

https://www.firstenergycorp.com/content/fecorp/newsroom/featured_stories/Energizing_The_Future.html

Update: Q.CELLS Finalizes Construction of 11 MW SSM3 Solar Power Project in Ontario; Completes Project That Includes 24 MW SSM1, 34 MW SSM2

Q.CELLS North America, a subsidiary of Q-Cells SE, announced today it has completed the final stage of construction of a 69 MW (DC) solar energy project in Ontario, Canada. The project was completed in partnership with Starwood Energy Group Global, LLC. The silicon crystalline photovoltaic project began in October 2010 with SSM1, a 24MW (DC) plant, followed by SSM2, a 34 MW (DC) plant, and now, the latest 11 MW (DC) SSM3 solar energy plant.

<http://www.marketwatch.com/story/qcells-finalizes-construction-of-69-megawatt-project-in-north-america-2012-05-30>

Update: BP Resumes Normal Operations at Its 225,000 b/d Cherry Point, Washington Refinery May 29 – Sources

BP Plc reported its Cherry Point refinery resumed normal operations on Tuesday after completing a plant-wide restart, sources familiar with refinery operations said. The refinery shut in mid-February, when a fire damaged the crude distillation unit. A BP spokesman declined to discuss operations at the refinery.

http://www.lse.co.uk/FinanceNews.asp?ArticleCode=jk10f843i50wqkg&ArticleHeadline=BP_Cherry_Point_refinery_at_normal_ops_sources

Sinclair Says All Units Operating at Its 74,000 b/d Sinclair, Wyoming Refinery May 29 after Fire in Alkylation Unit May 25

Sinclair Oil Corp. reported its Sinclair refinery was operating on Tuesday after a brief fire occurred during startup of a pump in the alkylation unit late Friday, a spokesman said. The fire damaged the pump, but all refinery units were in operation Tuesday, the spokesman said.

Reuters, 18:25 May 29, 2012

Instrument Malfunction Results in Flaring from Hydrocracker at Motiva's 285,000 b/d Port Arthur, Texas Refinery May 28

Motiva reported flaring at its Port Arthur refinery Monday after work performed on Hydrocracking Unit 2 reactor bed temperature instruments falsely indicated a "rate of temperature rise," causing an Instrument Protective Function (IPF) to trip. As a result of the IPF trip, the unit depressured to the flare system, according to a filing with state regulators. Operators stabilized the unit and placed it back into circulation.

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=168982>

Failed Tail Gas Unit Controller Leads to Emissions at Valero's 310,000 b/d Port Arthur, Texas Refinery May 29

Valero reported a failed controller on a tail gas unit caused a trip resulting in a release of hydrogen sulfide and sulfur dioxide at its Port Arthur refinery on Tuesday, according to a filing with the U.S. National Response Center. Operators secured the release, the filing said.

http://www.nrc.uscg.mil/reports/rwservlet?standard_web+inc_seq=1012993

Relief Valve Snag Causes Propylene Emissions at PBF's 190,000 b/d Delaware City, Delaware Refinery May 29

PBF Energy reported relief valves on three separate storage units at its Delaware City refinery activated for unknown reasons Tuesday, causing a release of propylene, according to a filing with state pollution regulators. The valves all reset after about 11 minutes, the filing said.

Reuters, 20:03 May 29, 2012

Production Unaffected by Minor Fire at Imperial's 121,000 b/d Sarnia, Ontario Refinery May 30

Workers extinguished a minor fire at Imperial Oil Ltd's Sarnia refinery on Wednesday, according to a spokesman. The fire occurred outside the processing area of the refinery, and had no effect on operations or production, the spokesman said.

Reuters, 10:59 May 30, 2012

Update: Chevron Stops Oil, Steam Leak at Cymric Oilfield in California May 29

Chevron Corp. reported its crews stopped the discharge of steam and oil droplets from a well at the Cymric field in California yesterday afternoon. The well was being plugged with cement, according to a spokesman. The well began spewing a mixture of steam and oil Sunday morning. Chevron hasn't said how much oil was spilled. The Cymric field, in California's San Joaquin Valley, uses steam to produce mostly heavy crude.

<http://www.bloomberg.com/news/2012-05-29/chevron-stops-oil-steam-leak-in-california-s-cymric-field-1-.html?cmpid=yhoo>

Shell to Expand Production at Its Athabasca Oil Sands Facility in Alberta by 90,000 b/d by 2020 – Executive

Royal Dutch Shell Plc plans to expand production from its 255,000 b/d Athabasca Oil Sands Project by as much as 90,000 b/d by the end of the decade, an executive told reporters Tuesday. Shell is planning a series of operations to reduce bottlenecks and add new production.

<http://www.reuters.com/article/2012/05/29/shell-canada-idUSL1E8GTFPX20120529>

Natural Gas

Nothing to report

Other News

BOEM Identifies Wind Energy Area Offshore Massachusetts for Potential Commercial Leasing

The Bureau of Ocean Energy Management (BOEM) announced today that it is moving forward with the next step to consider commercial wind energy development on the Outer Continental Shelf (OCS) offshore Massachusetts. BOEM has defined a Wind Energy Area (WEA) of approximately 742,974 acres that contains 117 whole OCS lease blocks as well as 20 partial blocks. BOEM now will evaluate the WEA in an environmental assessment, and it will now consider the issuance of leases and approval of site assessment plans in this WEA.

<http://www.boem.gov/renewable-energy-program/state-activities/Massachusetts.aspx>

<http://www.boem.gov/BOEM-Newsroom/Press-Releases/2012/press05302012.aspx>

International News

Update: ExxonMobil Pours Concrete for 90,000 b/d Berkut Platform, Phase 3 of Sakhalin-1 Oil Project in Russia

Officials announced last week the third phase of the Sakhalin-1 project commenced with the pouring of concrete for the 90,000 b/d Berkut platform, which will be Russia's biggest ice-resistant drilling platform. ExxonMobil will operate the platform and anticipates peak annual oil production of 4.5 million tons by 2017. The platform will be installed at the Arkutun-Dagi oil field in the Sea of Okhotsk, 25 kilometers off Sakhalin Island. Drilling from Berkut is expected to begin in 2014.

<http://www.sptimes.ru/story/35709>

Update: Statoil Says It Identified, Stopped Gas Leak at Its Heimdal Platform in the Norwegian North Sea May 26

Statoil said on Tuesday that gas leaked on the Heimdal platform in the North Sea off Norway on May 26 and caused an emergency evacuation, but the situation was normalized the same day. The company said the gas leak, which occurred during the testing of emergency shutdown valves as part of ongoing maintenance at the platform, was identified and stopped Saturday. The size of the leak has yet to be established. The company said the incident would not affect ongoing maintenance, but it declined to say when the platform was expected to restart.

<http://www.reuters.com/article/2012/05/29/statoil-heimdal->

[idUSL5E8GTA5120120529?feedType=RSS&feedName=rbssEnergyNews&rpc=43](http://www.reuters.com/article/2012/05/29/statoil-heimdal-idUSL5E8GTA5120120529?feedType=RSS&feedName=rbssEnergyNews&rpc=43)

Oil Pipeline Bombed in Eastern Syria – Local News Agency

“Terrorist groups” bombed an oil pipeline in the eastern province of Deir al-Zor on Wednesday, Syria's state news agency SANA said. The blast set fire to part of the pipeline and halted its flow, but the pipeline was expected to resume operation within days following repairs.

<http://www.cnn.com/id/47613884>

Energy Prices

U.S. Oil and Gas Prices			
May 30, 2012			
	Today	Week Ago	Year Ago
CRUDE OIL West Texas Intermediate U.S. \$/Barrel	87.83	89.25	100.50
NATURAL GAS Henry Hub \$/Million Btu	2.50	2.55	4.37

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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