



# ENERGY ASSURANCE DAILY

Friday, June 30, 2006

## ***Major Developments***

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### **Update: Shut Portion of Calcasieu Ship Channel in Louisiana May Reopen Later Today Coast Guard Says it Will be a Week or More Before Tanker Traffic is Back to Normal**

According to a Citgo spokesman, the section of the Calcasieu Ship Channel that remains closed may reopen later today to "limited" barge traffic if a series of test runs are successful. On Friday morning, an outbound vessel made a successful test run through the channel without disturbing the oil spill clean-up efforts. More test runs will be conducted, and if they go well, the rest of the ship channel should open later today. The U.S. Coast Guard today said that the channel would open up "incrementally" to commercial traffic over the next few days and that it would be a week or longer before oil tanker traffic returns to normal levels. The channel has been blocked since June 21, when 47,400 barrels of oil mix spilt from a Citgo storage facility. Consequently the three Lake Charles refineries, which make up about 4 percent of U.S. refining capacity, have been forced to run at reduced rates. The U.S. Department of Energy has approved loans totaling 750,000 barrels to two of the refineries. Citgo Petroleum said that it will begin an internal investigation into the cause of the spill. The investigation is expected to last a few months.

Bloomberg News, 15:00 June 30, 2006

Reuters, 13:22 June 30, 2006.

Reuters, 13:46 June 30, 2006.

### **Update: Minnesota Pipeline Company Ruptures Haven't Stopped Crude Supply**

The Twin Cities refiners have been getting crude oil elsewhere while the pipeline network has been out near Little Falls, Minnesota.

<http://www.twincities.com/mld/twincities/business/14933978.htm>

### **Update: Buckeye Pipeline Resumes Pennsylvania-New York Flows June 30**

Late Thursday, the Buckeye Partners LP resumed operations on its Pennsylvania-New York pipeline grid. The pipeline shut down on Thursday as a precaution against floods and a possible washout in the Northeast but returned to service at 7 P.M. without suffering any physical damages.

Reuters, 10:32 June 30, 2006.

### **Ship Loading Suspended at Corpus Christi Refinery in Texas June 28**

Flint Hills Resources suspended its ship loading operations at the West Plant of Corpus Christi refinery complex on June 28 due to problems with a vapor recovery unit at the docks.

Reuters, 12:45 June 30, 2006

## ***Electricity***

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### **28,000 Customers Lose Power near Albuquerque, New Mexico Friday**

Public Service Company of New Mexico spokesman Don Brown says about 28,000 customers lost power when a transmission line tripped around 9:00 am.

<http://www.kobtv.com/index.cfm?viewer=storyviewer&id=26548&cat=NMTOPSTORIES>

### **Twin Groves Windfarm in Illinois Gets OK to Proceed from Corps of Engineers**

The U.S. ACE determined that the effects on wetlands would be minimal. Construction will start in July 2006 on the 400 MW windfarm.

[http://pro.energycentral.com/professional/news/power/news\\_article.cfm?id=6849065](http://pro.energycentral.com/professional/news/power/news_article.cfm?id=6849065)

### **DTE's 1,111 MW Fermi Nuke Unit 2 in Michigan to Shut June 30**

DTE Energy plans to shut the 1,111 MW unit 2 at its Fermi nuclear power in Monroe County, Michigan to replace a failed transformer. Fermi Unit 2 has been operating at a reduced rate of 63 percent of capacity since June 15 when a problem developed with one of its two transformers.  
Reuters, 12:13 June 30, 2006.

### **TXU's 575 MW Big Brown Coal-Fired Unit 1 to Restart June 30**

On June 30, TXU Corp plans to return its 575 MW coal-fired unit 1 at its Big Brown power plant in Freestone County, Texas, to service. The unit shut on June 28 to fix a boiler tube leak.  
Reuters, 10:46 June 30, 2006.

### **TXU's 750 MW Martin Lake Coal Fired Unit 3 Restarts June 30**

TXU Corp. restarted its 750 MW coal fired unit 3 at its Martin Lake power plant in Rusk County, Texas on Friday morning, following boiler tube leak repairs.  
Reuters, 10:37 June 30, 2006.

## ***Petroleum***

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### **15 Federal Agencies Ink Pact to Streamline Alaska Pipe Review**

DOE and 14 other federal agencies agreed to work together to expedite development of a major natural gas pipeline in Alaska.  
<http://intelligencepress.com/>

### **Rhode Island State Government Submits Bill to Governor to Prevent LNG Tankers from Using Rhode Island Waters**

A similar law passes in Massachusetts in 2004 and is being challenged by the Federal Government.  
[http://www.projo.com/ri/bristol/content/projo\\_20060629\\_lng29.1872156.html](http://www.projo.com/ri/bristol/content/projo_20060629_lng29.1872156.html)

### **Nigerian Oil Output Reduced by 18,000 B/D Due to Early June Attack**

According to Royal Dutch Shell an additional 18,000 b/d of its Nigerian production has been shut in since an attack on the Cawthorne Channel gas installation in Niger Delta took place on June 7. This latest supply cut brings Shell's total daily production loss to 473,000 bbls, some 455,000 b/d has been shut in since February.  
Reuters, 08:37 June 30, 2006.

## ***Natural Gas***

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Nothing to report.

## ***Other News***

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### **Blue Diamond Coal Mine in Kentucky Closed by State Safety Office**

The mine (# 74) in Perry County was shut by the Kentucky Office of Mine Safety and Licensing because some seals in the mine were dry stacked and did not use mortar.  
<http://www.platts.com/Coal/News/7567798.xml?p=Coal/News&sub=Coal>

## Energy Prices

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<b>U.S. Oil and Gas Prices</b>			
June 30, 2006			
	<b>Today</b>	<b>Week Ago</b>	<b>Year Ago</b>
<b>CRUDE OIL</b> <b>West Texas Intermediate U.S.</b> \$/Barrel	73.94	70.68	56.50
<b>NATURAL GAS</b> <b>Henry Hub</b> \$/Million Btu	5.85	6.51	7.07

Source: Reuters

## Energy Notes

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### **Coal's Role in Meeting Future Energy Needs is Growing**

<http://www.platts.com/Coal/News/7567802.xml?sub=Coal&p=Coal/News&?undefined&undefined>

### **Power Plant Permitting in California Daunting, Wind Developer Says**

<http://intelligencepress.com/>

### **New R.I. Law Requires Conservation before Buying or Producing More Electricity**

[http://pro.energycentral.com/professional/news/power/news\\_article.cfm?id=6853202](http://pro.energycentral.com/professional/news/power/news_article.cfm?id=6853202)

### **FPL Details Plan to Switch to Dry Storage Containers for Nuclear Waste**

[http://www.fpl.com/environment/nuclear/nuclear\\_power\\_serves\\_you.shtml](http://www.fpl.com/environment/nuclear/nuclear_power_serves_you.shtml)

### **Utah Energy Company Plans 4,000 wells in Colorado, Wyoming Over Next 30 Years**

[http://pro.energycentral.com/professional/news/gas/news\\_article.cfm?id=6852210](http://pro.energycentral.com/professional/news/gas/news_article.cfm?id=6852210)

### **10,000 Customers Without Power in Pennsylvania**

[http://www.mcall.com/news/local/all-a1\\_5delawarejun30,0,2507735.story?coll=all-news-hed](http://www.mcall.com/news/local/all-a1_5delawarejun30,0,2507735.story?coll=all-news-hed)

### **11,000 Customers Without Power on Staten Island, New York June 29**

All of the Con Ed customers who lost power during Thursday's storm have now had service restored.

<http://wnbc.nbcweatherplus.com/weathernews/9451763/detail.html?rss=ny&psp=news>

### **California to Test Affordable Energy-Efficient Homes this Summer**

Reuters, 11:42 June 30, 2006

### **OPG's 435 MW Des Joachims Hydropower Unit Restarts Service June 30**

Reuters, 10:33 June 30, 2006.

### **Encana, Nova Scotia Signs Framework to Develop Deep Panuke Natural Gas Field**

Reuters, 07:32 June 30, 2006.

## 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

*Energy Assurance Daily* provides a summary of public information concerning current energy issues. Published Monday through Friday to inform stakeholders of developments affecting energy systems, flows, and markets, it provides highlights of energy issues rather than a comprehensive coverage. *Energy Assurance Daily* is updated online Monday through Friday after 5:00 p.m. EST. For more information, visit the Infrastructure Security and Energy Restoration (ISER) website at:

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

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