

U.S. DEPARTMENT OF ENERGY  
**Office of Electricity Delivery and  
Energy Reliability**



# ENERGY ASSURANCE DAILY

January 6, 2006

## Electricity

### **Newmont Completes Permitting for 200 MW Nevada Power Plant**

Newmont Mining Corporation announced that it has completed the permitting process for its proposed 200 MW, coal-fired power plant in Eureka County, Nevada. Newmont may now proceed with construction, subject to final approval by Newmont's Board of Directors.

<http://www.prnewswire.com/cgi-bin/stories.pl?ACCT=104&STORY=/www/story/01-05-2006/0004243742&EDATE>.

### **City of St. George Water and Power Board in Utah Completes Expansion Project**

The City of Saint George Water and Power Board has completed construction and start-up testing for a \$40 million power plant expansion project.

Source: Industrialinfo.com

Reuters 6:25, January 6, 2006.

## Petroleum

### **Iraq Cuts Contracts As Export Volumes Continue to Slide**

Energy Intelligence Briefing reports that Iraq is trying to cut its oil supply contracts with foreign buyers in order to avoid long delays that have affected export shipments lately and now threatens the cash-strapped nation with millions of dollars in demurrage claims.

[http://www.energyintel.com/PublicationHomePage.asp?publication\\_id=2](http://www.energyintel.com/PublicationHomePage.asp?publication_id=2).

### **OPEC Output Lowest Since May**

OPEC output fell to 29.81 million barrels per day (bpd) in October, the lowest level since May. Saudi Arabia cut production by 150,000 bpd, according to a Reuters survey. The decreases are due in part to less demand by U.S. refiners expected to commence a heavy round of maintenance at the end of the first quarter.

Reuters 7:25, January 6, 2006.

### **Update: Shell Lifts Force Majeure, Restores Nigerian Exports After Pipeline Blast**

Shell has lifted its force majeure and restored oil exports from its fields in southern Nigeria following a dynamite attack on one of its main Niger Delta pipelines, which had initially cut production by 180,000 bbls/day. The explosion caused a fire that took three days to extinguish. Shell had progressively increased production and exports from its Bonny Island terminal since the incident, but said last week that it was still losing some 15,000 bbls/day.

<http://www.africasia.com/services/news/newsitem.php?area=africa&item=060106155446.2msmalhy.php>.

## Crude Prices Continue to Rise

Despite forecasts for milder weather and ample crude inventories, crude futures rose again January 6 to close above \$64. The price has risen six of the last seven sessions. The session peak of \$64.45 was the highest since October 12.

Reuters 14:51, January 6, 2006.

## Natural Gas

Nothing to report.

## Hurricane Recovery Updates

December 15 was the last scheduled hurricane emergency situation report prepared in 2005. There will be no further updates to refinery, natural gas plant or pipeline data. The US Minerals Management Service continues to provide weekly status report on Gulf of Mexico production. This information is represented in the tables below. For past Gulf Coast Hurricanes situation reports, see the website of the Office of Electricity Delivery and Energy Reliability (OE) of the U.S. Department of Energy at: <http://www.oe.netl.doe.gov>.

### Gulf Coast Shut-in Production Per Day

Ivan vs. Katrina/ Rita vs. Most Recent

	<b>Ivan</b>	<b>Katrina/Rita</b>	<b>Most Recent</b>
<b>Gas</b> (BCF/day)	<b>6.515</b> 65.15% (High- 9/16/04)	<b>9.418</b> 94.18% (High- 8/30/05)	<b>1.879</b> 18.79% (1/5/06)
<b>Oil</b> (bbls/day)	<b>1,410,002</b> 94.00% (High- 9/16/04)	<b>1,564,679</b> 100.00% (High-9/26/05)	<b>403,861</b> 26.92% (1/5/06)

Normal Production in the Gulf Coast is 10 BCF/day of gas and 1,500,000 bbls/day of oil.

Source: U.S. MMS, January 5, 2006.

### Gulf Coast Shut-in Production Cumulative

Katrina/ Rita vs. Ivan

	<b>Ivan</b>	<b>Katrina/ Rita</b>
<b>Cumulative</b>	<b>9/13/04 - 02/14/05</b>	<b>8/26/05 - 1/5/06</b>
<b>Gas</b> (BCF)	<b>172.259</b>	<b>574.210</b>
<b>Oil</b> (bbls)	<b>43,841,245</b>	<b>111,633,122</b>

Source: U.S. MMS, January 5, 2006.

### [Louisiana In-State Daily Production and Pipeline Update](#)

According to the Louisiana Department of Natural Resources on January 6, onshore crude oil production in southern Louisiana has reached 123,629.65 barrels per day, or 60.86 percent of the region's capacity; natural gas production of 1,614.61 million cubic feet per day, or 72.24 percent of daily capacity in 38 southern Louisiana parishes, has been restored. There are 55 on-shore pipeline operators in the hurricane-affected parishes. As of January 6, 18 operator's facilities were reopened, 21 of the operator's facilities are shut-in, and 16 of the operators experience partial system shut-ins or flow.

<http://dnr.louisiana.gov/>

## Other News

Nothing to report.

## Energy Prices

	Latest (01/06/06)	Week Ago	Year Ago
<b>CRUDE OIL</b> <b>West Texas Intermediate US</b> \$/Barrel	64.21	61.06	45.51
<b>NATURAL GAS</b> <b>Henry Hub</b> \$/Million Btu	9.30	10.02	5.79

Source: Reuters

### **This Week in Petroleum** from the Energy Information Administration (EIA)

<http://tonto.eia.doe.gov/oog/info/twip/twip.asp>

*Note: because of the holiday schedule the weekly data will be released on Thursday, December 29, and Thursday January 5.*

### **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)

*Note: because of the holiday schedule the weekly data will be released after 1:00 pm on Thursday, December 29, and Thursday January 5.*

### **Natural Gas Weekly Update** from EIA

<http://tonto.eia.doe.gov/oog/info/ngw/ngupdate.asp>

*Updated after 2:00 pm on Thursdays Note: Release date is not affected by the federal holiday schedule.*

### **Infrastructure Security and Energy Restoration Website** from ISER/OE/DOE

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

*Updated after 5:00 pm (Mon. thru Fri.) with latest Energy Assurance Daily; previous Energy Assurance Daily and emergency situation reports are also posted on the website.*