



# ENERGY ASSURANCE DAILY

Wednesday Evening, January 14, 2009

## **Electricity**

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### **Avalanche Causes Power Outages in Juneau, Alaska January 12 – Second Avalanche-Related Outage in One-Year**

An avalanche on January 12 knocked down a transmission tower that provided electricity to the state's capital city, leaving approximately 15,000 customers without power. The second time in less than one year Alaska Electric Light & Power Company (AEL&P) has been affected by avalanche-related outages with the incident in April 2008 where three transmission towers were destroyed. AEL&P says the utility will be forced to use diesel power rather than hydro-electric energy to power the city.

<http://www.adn.com/Juneau/story/651579.html>

### **enXco Announces Commissioning of 100.5 MW Wapsipinicon Wind Farm in Minnesota**

enXco, the U.S. subsidiary of EDF Energies Nouvelles, developed and built the Wapsipinicon Wind Farm and has a contract to sell the electricity it generates to Southern Minnesota Municipal Power Agency.

[http://www.businesswire.com/portal/site/home/pemalink/?ndmViewId=news\\_view&newsId=20090114006099&newsLang=en](http://www.businesswire.com/portal/site/home/pemalink/?ndmViewId=news_view&newsId=20090114006099&newsLang=en)

### **Reliant's 320 MW Etiwanda Gas-fired Unit 4 in California Shut by January 13**

According to the California Independent System Operator, the unit experienced an unplanned outage by January 13.

<http://www.caiso.com/unitstatus/data/unitstatus200901131515.html>

### **Sycamore Cogeneration's 382 MW Sycamore Aggregate Gas-fired Unit in California Reduced by January 13**

According to the California Independent System Operator, the unit experienced an unplanned curtailment of 227 MW on January 13.

<http://www.caiso.com/unitstatus/data/unitstatus200901131515.html>

### **Update: Three Nuclear Plants Announce Plans to No Longer Seek Loan-backing for Proposed New Reactors in Mississippi, Louisiana and New York**

Energy reported it is no longer seeking Department of Energy backed loans for proposed new reactors at its nuclear power plants in Louisiana and Mississippi. Much like Constellation Energy who also suspended its application to pursue a loan guarantee for its New York nuclear project, both companies were participants in the October 2008 bid for loan guarantees. The Department of Energy received 14 new nuclear reactor applications in October 2008 for loan guarantees totaling \$122 billion, far exceeding the programs current \$18.5 billion budget.

Reuters, 12:06 January 14, 2009

### **Massachusetts Governor Patrick Unveils Push for Wind Power**

Under a plan announced January 13 by Massachusetts Governor Deval Patrick, the state could be producing 2,000 MW of wind electricity per year by 2020. Massachusetts currently has only 7 MW of wind generating capacity, but there are over 300 wind turbines, representing generating capacity of 800 MW, at various stages of planning and permitting.

<http://pressmediawire.com/article.cfm?articleID=20509>

### **Valero's 210,000 b/d Delaware City, Delaware Refinery Unaffected by SRU Upset**

According to a company spokesperson, a flange leak occurred in the sulfur recovery unit (SRU) which had no impact on production at the refinery.

Reuters, 11:40 January 14, 2009

### **Brief Power Outage Reported at Murphy Oil's 125,000 b/d Meraux, Louisiana Refinery January 9**

The power outage lasted approximately 30-minutes with a Murphy Oil company spokesperson saying operations at the refinery are normal.

Bloomberg News, 08:09 January 14, 2009

### **Drilling Rig Tank Explosion Injures 3 in Colorado January 14**

The open-topped flat tank located near a drilling rig exploded early morning January 14, resulting in a flash fire that injured three people. According to county officials, the vapors from the tank were ignited by equipment from the exhaust of a nearby pick-up truck.

<http://www.thedenverchannel.com/news/18478216/detail.html#>

### **Crude Oil Futures Decrease after EIA Reports U.S. Supplies Increase to 16-Month High**

On the New York Mercantile Exchange (NYMEX), crude oil for February fell 3.3 percent mid-day after the 10:30 AM Energy Information Administration (EIA) release showing inventories of crude increased 1.14 million barrels to 326.6 million in the week ending January 9. This stockpile represents the highest level since August 2007, with supplies of gasoline and distillate fuel also on the rise.

The Energy Information Administration's *This Week in Petroleum* Publication available here:

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

<http://www.bloomberg.com/apps/news?pid=20601082&sid=a.s66cZPC1jY&refer=canada>

### **Update: Offshore Oil Output Restored to 89 Percent in Gulf of Mexico after Hurricanes Gustav and Ike, MMS Reports January 14**

An estimated 143,532 b/d of oil production remained shut in the Gulf of Mexico January 14, according to the Minerals Management Service (MMS). That total accounts for about 11 percent of the region's output. Based on data from offshore operator reports submitted as of 11:30 a.m. CDT January 14, personnel remain evacuated from a total of 34 production platforms, equivalent to 4.9 percent of the 694 manned platforms in the Gulf of Mexico.

<http://www.mms.gov/ooc/press/2009/press0114.htm>

## **Natural Gas**

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### **Destin Pipeline Announces Binding Open Season for 380 Bcf/d of Capacity on its Onshore Natural Gas System throughout U.S. Southeast**

Majority owner BP announced its Destin Pipeline has launched a binding open season for up to 380,000 MMcf/d of firm transportation capacity on its onshore natural gas system. The open season will run through February 9.

<http://www.platts.com/Natural%20Gas/News/6088356.xml?p=Natural%20Gas/News&sub=Natural%20Gas>

### **Qatar Halts LNG Output at Qatargas-1 Plant on Mechanical Fault, Idling About One-Third of Country's Total Output January 8**

According to a spokesperson for Qatargas, production of liquefied natural gas (LNG) halted at its Qatargas-1 plant on January 8 due to a mechanical problem. This cut in production represents approximately one-third of the country's total LNG output. Qatar is the world's biggest producer of LNG with Japan and Spain being major buyers of Qatargas's fuel.

Bloomberg News, 11:31 January 14, 2009

## **Update: Offshore Natural Gas Output Restored to 85 Percent in Gulf of Mexico Following Hurricanes Gustav and Ike, MMS Reports January 14**

An estimated 1,108 MMcf/d of natural gas output remained shut in the Gulf of Mexico January 14, according to the Minerals Management Service (MMS). This total accounts for about 15 percent of the Federal offshore gas production in the Gulf.

<http://www.mms.gov/oc/press/2009/press0114.htm>

## **Other News**

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Nothing to report.

## **Energy Prices**

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<b>U.S. Oil and Gas Prices</b>			
January 14, 2009			
	<b>Today</b>	<b>Week Ago</b>	<b>Year Ago</b>
<b>CRUDE OIL</b> <b>West Texas Intermediate U.S.</b> \$/Barrel	36.23	44.88	93.43
<b>NATURAL GAS</b> <b>Henry Hub</b> \$/Million Btu	5.70	6.10	8.13

Source: Reuters

## **Energy Notes**

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### **Update: Planned 600 MMcf/d Kitimat LNG Terminal Receives Canadian Federal and British Columbia Provincial Environmental Approvals**

<http://www.earthtimes.org/articles/show/kitimat-lng-obtains-environmental-approvals.678296.shtml>

### **ExxonMobil Reports Gunmen Boarded Oil-related Vessel Offshore Nigeria January 13**

Bloomberg News, 09:15 January 14, 2009

### **December 25 Pipeline Rupture at ConocoPhillips's Kuparuk Oil Field in Alaska Led to One of State's Largest-ever Oil Spills – 94,920 Gallons**

#### **Alaska Department of Environmental Conservation Reports**

Reuters, 18:45 January 13, 2009

### **Flaring Caused by Unidentified Equipment Malfunction Reported at Chevron's 260,000 b/d El Segundo, California Refinery January 13**

Reuters, 16:15 January 13, 2009

### **Algeria's Sonatrach Decreases Oil Output by 71,000 b/d in-line with OPEC Cuts in Effort to Stabilize Falling Crude Prices – Country's Production to Drop to 1.2 MMb/d by End of February**

Reuters, 11:47 January 14, 2009

### **Acid Gas Compressor Shut at Waha Gas Plant in Texas January 13**

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=118852>

## Federal Judge Orders TVA to Install Pollution Controls at Four of its Coal-fired Power Plants in North Carolina

<http://news.mync.com/site/news/story/24316/court-tva-must-install-pollution-controls-near-nc/>

### 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>

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