



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

ENERGY ASSURANCE DAILY

Tuesday, February 21, 2006

Highlights

High Winds Cause Wide Spread Power Outages to More than 500,000 in Upper Midwest and Northeast

Hundreds of thousands of customers lost power as strong winds tore through portions of Michigan, New York, New Hampshire, Maine, and Vermont on February 17. In Michigan, nearly 100,000 of the more than 200,000 customers that lost power from the high winds in that area remained without power as of 4 pm on February 18. Consumers Power estimated that power would be restored by sometime on February 20. In New York, the estimated number of customers who lost power at the peak of the storm totaled 328,000. An estimated 56,000 remained without power by early on February 19. According to the National Weather Service, a wind gust of 143 mph was recorded near the summit of Stratton Mountain, Vermont on Friday.

http://news.yahoo.com/s/ap/20060219/ap_on_re_us/winter_storms_34

http://pro.energycentral.com/professional/news/power/news_article.cfm?id=6360895

http://pro.energycentral.com/professional/news/power/news_article.cfm?id=6361367

<http://www.rutlandherald.com/apps/pbcs.dll/article?AID=/20060221/NEWS/602210355/1004>

<http://www.wcax.com/Global/story.asp?S=4529306&nav=4QcS>

http://www.wrgb.com/engine.pl?station=wrgb&id=2444&template=breakout_top_story.shtml&dateformat=%25M+%25e,%25Y

<http://www.capitalnews9.com/content/headlines/?ArID=169218&SecID=33>

http://www.saratogian.com/site/news.cfm?newsid=16161023&BRD=1169&PAG=461&dept_id=17708&rfi=6

<http://www.detnews.com/apps/pbcs.dll/article?AID=/20060218/METRO/602180347/1003/rss>

Cold Weather Causes Gas Shortage – Rolling Blackouts Hit 300,000 in Colorado

A shortage of natural gas brought on by extremely cold weather that cut off production at some wells led to rolling blackouts across the state of Colorado on February 18. Xcel Energy imposed the rolling blackouts to avoid large-scale outages as supplies of natural gas needed to generate electric power dropped. Xcel estimated that 100,000 customers would be without power for periods of about one-half hour at a time throughout the day. The rolling blackouts, most of which occurred on the Front Range, affected at least 300,000 customers, beginning before 9 a.m. and ending by 10:30 a.m. as gas supplies began to catch up with the reduced demand.

<http://www.glenwoodindependent.com/article/20060219/VALLEYNEWS/102190006>

http://www.gjsentinel.com/news/content/news/stories/2006/02/18/2_19_Power_outage.html?cxtype=rss&cxsvc=7&cxcat=7

Electricity

Update: Tritium Leaks Led NRC to Order Investigation of Exelon's Nuclear Plants in Illinois

The Nuclear Regulatory Commission has ordered an investigation of all of the Exelon nuclear generating plants in Illinois following the announcement by the company that small amounts of radioactive tritium have been found at the Dresden Generating Station in Grundy County, the Byron Nuclear Generating Station, southwest of Rockford, and the Braidwood Generating Station in southwest Will County.

<http://www.chicagotribune.com/news/custom/newsroom/chi-060220nuclear.1.2917200.story?track=rss&ctrack=1&cset=true>

NRC Orders Special Inspection of Shutdown Failure at Exelon's La Salle Nuclear Plant

The inspection at the 1,118 MW facility was triggered following an incident when three control rods failed to insert fully into the reactor during an automatic shutdown on February 20 in preparation for a planned refueling. The failure led to a Site Area Emergency, the second highest-level emergency in the NRC's response system. The incident may have been caused by an instrumentation problem and no radiation was released. However, the incident was the first Site Area Emergency since 1991 and the NRC ordered the inspection only hours after the problem occurred.

Reuters, 13:37 February 21, 2006.

FPL's 693 MW Turkey Point Unit 4 Nuke in Florida Exits Outage on February 21

The unit was shut over the weekend to replace a nuclear instrument that monitors the reactor power.

Reuters, 12:20 February 21, 2006.

Update: OPG's 494 MW Lambton Coal-fired Unit 3 in Ontario Returned to Service February 20

The unit shut February 15.

Reuters, 12:02 February 21, 2006.

TXU's 750 MW Martin Lake Coal-fired Unit 2 in Texas Shut on February 20

The unit shut to fix a boiler tube leak.

Reuters, 11:33 February 21, 2006.

SCE's 525 MW Mountainview Gas-fired Unit 4 Back in Service February 20

The unit was shut by February 17 for planned and unplanned reasons.

Reuters, 11:17 February 21, 2006.

Update: Dominion's 925 MW Unit 1 at its North Anna Nuclear Plant in Virginia at 97 Percent February 21

The unit was shut on February 13 to repair two feedwater heaters.

Reuters, 09:22 February 21, 2006.

Update: PSEG's 1,174 MW Unit 1 at its Salem Nuclear Plant in New Jersey Returned to Full Power February 21

The unit had been reduced to half power to replace a regulating power supply on the transformer.

Reuters, 09:18 February 21, 2006.

Update: Bruce Power's 790 MW Bruce B Nuke Unit 8 in Ontario Returned to Service February 21

The unit was shut February 9 to work on the heat transport system.

Reuters, 11:49 February 21, 2006.

Petroleum

Protests Lead Petroecuador to Declare Force Majeure

Following a government declaration of Force Majeure, Petroecuador suspended all petroleum exports, approximately 144,000 b/d. The government action took place after protesters damaged facilities, occupied a pumping station, and took workers hostage. Although a 380,000 b/d capacity pipeline was shut down, another pipeline privately owned with a capacity of 500,000 b/d continued to operate.

<http://www.forbes.com/business/feeds/afx/2006/02/20/afx2539780.html>

Reuters, 18:02 February 20, 2006.

New Wave of Attacks in Nigeria, Shell Extends Force Majeure to 455,000 b/d

Royal Dutch Shell has evacuated workers and has shut in a total of 455,000 b/d as a precaution after Nigerian militants bombed the Forcados terminal, sabotaged two pipelines and kidnapped nine foreign workers over the weekend. In addition, the militants have threatened to extend their attacks to oil tankers. Nigeria's President Olusegun Obasanjo has ruled out military action to free the hostages. The 455,000 b/d force majeure is an extension of the 106,000 b/d that Shell shut after an earlier attack. Nigeria is the United States fifth largest supplier of crude oil and petroleum. The U.S. imported 1.14 million b/d in 2004. The recent cut in supplies represents 19 percent of Nigeria's daily production.

Reuters, 11:46 February 19, 2006

Reuters, 14:47 February 18, 2006

Reuters, 04:30 February 21, 2006

Reuters, 08:35 February 21, 2006

<http://www.platts.com/Oil/News/8297719.xml?S=n>

<http://www.platts.com/Oil/News/8297588.xml?S=n>

<http://www.platts.com/Oil/News/8295939.xml?S=n>

http://www.washingtonpost.com/wp-dyn/content/article/2006/02/20/AR2006022000362_pf.html

www.eia.doe.gov

<http://www.marketwatch.com/News/Story/Story.aspx?guid=%7BF21BE728%2D36BF%2D42B8%2D9E09%2DD6F829D2817A%7D&siteid=google&keyword>

Sectarian Violence Spreading in Nigeria

More than 60 people have died in sectarian related incidents in Nigeria over the course of the past several days. Although specifics differ, various religious leaders point to uncertainty over the political future of the country as the root cause.

Reuters, 13:22 February 20, 2006.

Production from Chinguetti Field, Offshore Mauritania to Begin This Week

According to a senior official of the national oil company of Mauritania, production from the Chinguetti offshore field will begin sometime between February 22 and February 24. Production is anticipated to commence at the rate of 75,000 b/d initially and to climb to approximately 300,000 b/d within three to four years.

Reuters, 11:55 February 19, 2006.

Cat Cracker at ExxonMobil's Baytown, Texas Refinery Returned to Operation on February 21

According to a company spokeswoman, a fluid catalytic cracker at ExxonMobil's 564,000 b/d Baytown refinery in Texas was back in service today after a short outage on February 19. The impact on overall refinery production was minor.

Reuters, 10:56 February 21, 2006

Alon Big Spring, Texas Refinery Crude Unit Shut Briefly February 19

Alon shut the crude unit at its 70,000 b/d Big Spring, Texas refinery for maintenance Sunday morning. The unit was back up late Sunday night, and according to a company spokesman, there was no impact on production.

Reuters, 10:00 February 21, 2006

Natural Gas

Production Startup at Kerr McGee Ticonderoga Field

Kerr McGee announced on February 21 that production from its Ticonderoga field in the Gulf of Mexico began last week, about two months ahead of the previously announced startup date. The field is producing at the rate of 20,000 b/d of oil and 15 million cf/d of natural gas.

Reuters, 08:01 February 21, 2006.

Chavez Says Venezuelan Natural Gas Not for U.S. Market

The President of Venezuela has announced that the natural gas reserves of Venezuela will be developed for the domestic market and for export to Latin America, not for export to the U.S. The reserves total approximately 150 Tcf and are the eighth largest in the world.

<http://www.bloomberg.com/apps/news?pid=10000086&sid=aGSdFb.DRFF4#>

Other News

Fire, Explosion at Biodiesel Plant in California

An explosion and fire occurred at the American Biofuels plant in Bakersfield, California on February 17. According to a release from Green Star Products, Inc. which owns a 35 percent interest in American Biofuels, ABF suffered a total loss of the building and equipment. Green Star also indicated that the plant had finally become fully operational.

OPIS, 09:31 February 21, 2006.

<http://www.greenstarusa.com/news/06-02-21.html>

Energy Prices

U.S. Oil and Gas Prices			
February 21, 2006			
	Today	Week Ago	Year Ago
CRUDE OIL			
West Texas Intermediate U.S.	61.21	60.30	48.45
\$/Barrel			
NATURAL GAS			
Henry Hub	7.40	7.35	5.88
\$/Million Btu			

Source: Reuters

Energy Notes

Dardanelles Reopens After Fog Causes Brief Closing

Reuters, 05:20 February 21, 2006

DOE Report Confirms Technical Basis of Work Done on Yucca Mountain

http://pro.energycentral.com/professional/news/power/news_article.cfm?id=6361375

Kuwait Places High Priority on Development of New Oil Projects

<http://www.platts.com/Oil/News/8295572.xml?S=n>

Earthquakes Pose Potential Threat for Gulf of Mexico Infrastructure

http://www.energyintel.com/LoginSubscribePPV.asp?Try=Yes&document_id=168961&publication_id=9

Links

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

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

Note: The report will be updated on Thursday because of the President's Day Holiday.

Weekly Petroleum Status Report from EIA

http://www.eia.doe.gov/oil_gas/petroleum/data_publications/weekly_petroleum_status_report/wpsr.html

Note: The report will be updated on Thursday because of the President's Day Holiday.

Natural Gas Weekly Update from EIA

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

Updated after 2:00 PM EST every Thursday.

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