



ENERGY ASSURANCE DAILY

Thursday Evening, February 21, 2008

Electricity

Ameren's 560 MW Coffeen 2 Coal-fired Unit in Illinois Shut February 20

Reuters, 12:40 February 21, 2008

TransAlta's 381 MW Keephills 2 Coal-fired Unit in Alberta Shut February 20

Reuters, 12:40 February 21, 2008

T. Boone Pickens Plans 4,000 MW Wind Farm in Texas

T. Boone Pickens' Mesa Power and BP Capital Management, another private equity firm run by Pickens, announced plans for a wind power project to be located in the Texas Panhandle. The project would contain as many as 1,500 wind turbines, ranging in capacity from 1.5 MW to 3 MW, with a total capacity of 4,000 MW. According to a BP Capital Management official, the companies could reduce the size of the project, should the conditions become unfavorable to develop the full 4,000 MW. Construction is set to start in 2009, on the same site as an earlier Mesa Power water project

<http://powermarketers.net/contentinc.net/newsreader.asp?ppa=8kowu%5D%5CimkghgkUUfby30qbfen%5Fv>

APS to Build 280 MW Solar Power Plant in Arizona

The Solana Generating Station, if in operation today, would be the world's largest solar-power plant. Arizona Public Service (APS) expects the facility online by 2011.

http://biz.yahoo.com/ap/080221/arizona_public_service_solar_plant.html?.v=1

Petroleum

Pasadena Refining to Idle FCC at 106,500 b/d Pasadena, Texas Refinery February 21

According to a filing with state regulators, the company will halt the fluid catalytic cracker (FCC) for "specific repairs."

Bloomberg, 11:22 February 21, 2008

<http://www2.tceq.state.tx.us/eer/main/index.cfm?fuseaction=getDetails&target=103639>

Process Upset at ConocoPhillips 146,000 b/d Borger, Texas Refinery February 21

According to a filing with state regulators, a "process upset" led to flaring.

Bloomberg, 12:05 February 21, 2008

<http://www2.tceq.state.tx.us/eer/main/index.cfm?fuseaction=getDetails&target=103997>

Mexico's Crude Production Flat in January, Short of Pemex Target Nation Copes with Aging Field and Weather Issues at Export Hubs

Petroleos Mexicanos (Pemex), the state oil company announced that crude oil production totaled 2.957 million b/d in January, essentially unchanged from 2.954 million b/d in December. In addition, exports dropped by 62,000 b/d, from 1.496 million b/d to 1.434 million b/d. Harsh weather shut multiple Mexican oil ports last month, and production continued to slow at the Cantarell field.

Reuters, 11:39 February 21, 2008

Natural Gas

Update: FERC Okays Spectra Energy's Bid to Downsize Proposed Expansion of Saltville Natural Gas Storage Facility in Virginia

The Federal Energy Regulatory Commission (FERC) approved Spectra Energy's plan to expand Saltville's storage capacity by 4.7 Bcf, instead of its originally-proposed 6.75 Bcf. In September, Spectra notified the FERC that its original plan was based on flawed data regarding the amount of salt brine that could be removed from one of the caverns.

Bloomberg, 10:22 February 21, 2008

EPA Critical of BLM's Proposal to Increase Natural Gas Drilling in Pinedale Anticline, Wyoming Wells

In a February 14 letter, the regional administrator Robert E. Roberts of the Environmental Protection Agency (EPA), charged that the plan approved by the Bureau of Land Management (BLM) to boost natural gas drilling in the Pinedale Anticline is flawed, stating that, "The impacts are of sufficient magnitude that the proposed action should not proceed as proposed." The letter of February 14 also includes criticism of the more than 600 wells drilled in the area since 2000, saying that the BLM plan would carry unanticipated impacts to visibility and contaminate ground water.

<http://www.billingsgazette.net/articles/2008/02/21/news/wyoming/55-pinedale.txt>

Other News

Nothing to report.

Energy Prices

U.S. Oil and Gas Prices			
February 21, 2008			
	Today	Week Ago	Year Ago
CRUDE OIL West Texas Intermediate U.S. \$/Barrel	99.00	94.57	59.86
NATURAL GAS Henry Hub \$/Million Btu	9.08	8.35	7.51

Source: Reuters

Energy Notes

Fog Halts Houston Ship Channel February 21—Ships Moving Inbound After Eight Hours—23 Ships Stalled Inbound, 15 Outbound, Coast Guard Says

Bloomberg, 08:31 February 21, 2008

Reuters, 08:40 February 21, 2008

Reuters, 12:41 February 21, 2008

Fog Stalls Nine Ships Along Corpus Christi, Texas Ship Channel, and Two Ships into Calcasieu, Louisiana Ship Channel

Reuters, 08:40 February 21, 2008

Reuters, 12:41 February 21, 2008

Update: Citing Permit Issues, Holly Corp Adds Three Months to Construction Timetable for Expansion of its 84,000 b/d Navajo Refinery in New Mexico—Completion Originally Planned for Fourth Quarter, 2008—When Complete, Will Boost Capacity to 100,000 b/d
Reuters, 16:49 February 20, 2008

Angola Oil Shipments to Jump 1.4 Percent, from 1.87 Million b/d in March to 1.9 Million b/d April—New Total Will Meet OPEC Quota
Bloomberg, 05:49 February 21, 2008

Laidlaw Energy Group Files with ISO New England to Connect 60 MW Berlin, New Hampshire Biomass Project to Grid
http://pro.energycentral.com/professional/news/power/news_article.cfm?id=9782453

Update: Downeast LNG Submits Sixth Plan for Gas Pipeline in Maine—Company Abandoned Five Prior Proposals amid Environmental Concerns—Latest Proposal Calls for 29.8-mile, 30-inch Pipeline
<http://bangornews.com/news/t/news.aspx?articleid=160505&zoneid=500>
<http://www.energycurrent.com/index.php?id=3&storyid=8987>

Update: FERC Report Sees Satisfying Progress in Alaska's Efforts to Choose Applicant for Natural Gas Pipeline from North Slope, Alaska to Southern Markets
http://www.ogj.com/display_article/320598/120/ARTCL/none/Trasp/1/Alaska-progressing-on-gas-line,-FERC-tells-Congress/

Eagle Rock Energy Plans to Enlarge and Enhance Panhandle Natural Gas System in Texas—Completion Anticipated by Early 2009
<http://www.bizjournals.com/houston/stories/2008/02/18/daily24.html>

Enbridge Resumes Work along Proposed 321-mile Oil Pipeline Project in Wisconsin after Weekend Accident Kills Employee—OSHA Investigation Continues
<http://www.wiscnews.com/pdr/news/index.php?ntid=273338>

OPEC Will Monitor Oil Price to see how High it Remains before Making Any Decision on Production Quota, Libyan Oil Minister Says
http://www.rigzone.com/news/article.asp?a_id=57077
<http://www.platts.com/Oil/News/8545292.xml?p=Oil/News&sub=Oil>

Update: Shortage of Skilled Workers is O&G Industry's Biggest Strategic Threat, Ernst & Young Study Concludes
http://www.energyintel.com/PublicationHomePage.asp?publication_id=5

**Gunmen Kidnap Agip, Eni Subsidiary, Oil Worker in Nigeria
Driver Wounded in Attack February 20**
http://www.rigzone.com/news/article.asp?a_id=57083

Links

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

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/index.aspx>.

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