



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

ENERGY ASSURANCE DAILY

Monday, February 27, 2006

Electricity

NRG: California Panel Plan Could Jeopardize 24,000 MW of Capacity

A representative from NRG Energy Inc warned Feb. 24 that 24,000 MW of generation would be at risk if a California State Lands Commission plan to eliminate a form of seawater cooling at power plants is approved. The official said that there are 21 power plants that use "once-through" cooling technology.

<http://www.platts.com/Electric%20Power/News/7294555.xml?S=n>

Sempra Plans for Two New Coal-Fired Plants in Trouble

The San Diego-based energy company says it is re-evaluating the "size and scope" of its proposal to build a 1,200 MW coal-fired plant near the northern Nevada town of Gerlach, while a plan for another plant in Idaho is also generating opposition.

<http://powermarketers.net/contentinc.net/newsreader.asp?ppa=8knpp%5E%5BggprxwYUlhY30qbfel%5Dv>

Update: Dominion's 882 MW Millstone Nuke Back at Full Power in Connecticut Feb. 27

Unit 2 shut on Feb. 23 after an instrument air line failed while employees were working on the line. Dominion said the line failure likely caused some air-operated valves to close, which interrupted the flow of water from the condenser to the steam generator.

Reuters, 07:51 February 27, 2006.

Update: Exelon's 867 MW Quad Cities Nuke in Illinois Ramps Up to 85 Percent Feb. 27

Unit 1, which exited an outage and ramped up to 12 percent capacity on Feb. 24, was automatically shut on Feb. 22 after a protective system detected an anomaly on either the power grid or the transformer outside the plant.

Reuters, 08:05 February 27, 2006.

Calpines's 567 MW Gas-fired Los Medanos Power Station Reduces Output in California Feb. 27

Reuters, 09:43 February 27, 2006.

Petroleum

Saudi Forces Kill 5 Al Qaeda Operatives Responsible for Abqaiq Attack

Saudi forces killed five suspected militants believed to be linked to an al Qaeda attack on the world's biggest oil processing plant on Feb. 27. A shootout began at dawn after security forces besieged suspects in a villa in east Riyadh where several Western residential compounds are located. The shootout took place days after al Qaeda suicide bombers tried to storm the Abqaiq oil facility in the first direct strike on a Saudi energy target since the militant group launched attacks aimed at toppling the U.S.-allied monarchy in 2003. The kingdom is the world's biggest oil exporter and exports over 1.5 million b/d to the U.S. Al Qaeda has vowed more attacks on Saudi oil infrastructure.

Reuters 13:05, February 27, 2006.

Iraq Shuts Basra Jetty, Export Flows May be Reduced

Jetty 3 at the Basra terminal in Iraq was closed for maintenance late last week, and is likely to add to the delays already caused by several months of congestions. It is not yet clear how long the jetty will be closed. There are a total of four berths at the terminal. Earlier this month, Basra operations sped up as Jetty 1 was reopened after being shut for 6 months due to refurbishment. "We might start to see a backlog again, and the challenge will be to keep things moving," a shipping agent said.

Reuters, 23:58 February 26, 2006.

Update: Shell's Nigeria Shut-in Crude Production Unchanged at 455,000

Shell has said that crude production cuts from Nigeria have not changed despite earlier media reports claiming that Shell had to shut a further 65,000 b/d.

Reuters 09:55, February 27, 2006.

Natural Gas

Developer Files to Build New Storage Facility in Louisiana

Port Barre Investments LLC has filed an application at FERC to build an independent salt-cavern gas storage facility in St. Landry Parish, LA that would handle LNG.

<http://intelligencepress.com/>

Texas Gas Proposes Second Expansion of Midland, KY Field

Texas Gas Transmission LLC plans to file an application with FERC this spring to begin a 100,000 MMBtu per day storage expansion project at its Midland, KY field.

<http://intelligencepress.com/>

Other News

Nothing to Report.

Energy Prices

U.S. Oil and Gas Prices			
February 27, 2006			
	Today	Week Ago	Year Ago
CRUDE OIL			
West Texas Intermediate U.S.	61.00	59.76	52.10
\$/Barrel			
NATURAL GAS			
Henry Hub	7.42	7.39	6.33
\$/Million Btu			

Source: Reuters

Energy Notes

Al-Qaeda Vows to Assault More Saudi Oil Facilities

<http://www.platts.com/Oil/News/9590680.xml?S=n>

Ship Spills 3,000 Tons of Heavy Fuel in Suez Canal, Traffic Unaffected

Reuters 11:41, February 27, 2006.

IEA: Oil Producers Must Invest to Prevent Prices From Spiraling Higher

Reuters, 10:05 February 26, 2006.

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 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.

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