



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

ENERGY ASSURANCE DAILY

Monday, March 06, 2006

Electricity

Update: Last Remaining Obstacle to Power Increase at Vermont Yankee Removed

As reported in EAD on March 3, the Nuclear Regulatory Commission approved the uprating requested for the Vermont Yankee nuclear generating station. Despite the approval from the NRC on March 2, one additional approval was necessary before the uprating could be implemented. On Friday, March 3, that approval came from the Public Service Board of Vermont.

http://pro.energycentral.com/professional/news/power/news_article.cfm?id=6406039

Public Service of Oklahoma to Add 170 MW for Peaking Capacity

Public Service Company of Oklahoma, a subsidiary of AEP announced that it will construct two gas turbines at its Riverside Station in Jenks, Oklahoma. The new turbines will provide 170 MW of additional peaking capacity at the facility. 170 MW of peaking capacity

http://pro.energycentral.com/professional/news/power/news_article.cfm?id=6407184

Rifle Stolen at FPL's St. Lucie Nuclear Plant in Florida

According to a statement from Florida Power and Light, a semiautomatic rifle and a thermal rifle sight have been stolen from its St Lucie nuclear generating station in Florida. The Nuclear Regulatory Commission is reviewing security issues at the Turkey Point nuclear plant also operated by FPL. Wackenhut Corporation provides security forces at both facilities and in 2004, FPL removed six security guards when it was determined that they had been taking short cuts during their rounds.

http://www.wpmi.com/news/state/story.aspx?content_id=43C98735-9321-4537-A2E6-FE1DCA9AC7C4

APS's 1,246 MW Palo Verde Unit 3 Nuke Returns in Arizona March 6

The unit was shut on March 5 by a faulty computer reading that a control rod was out of place.
Reuters, 12:00 March 6, 2006.

Exelon's 1,043 MW Clinton Nuclear Power Station Reduces Power in Illinois

The station was reduced to 26 percent over the weekend to work on the condenser. Electricity traders guess that the unit will return to full power within a week.

Reuters, 11:52 March 6, 2006.

Petroleum

Update: Source of Prudhoe Bay Leak Remains Undiscovered – 95,000 b/d Remains Shut

As of March 5, BP reports that the source of the leak in the pipeline that caused the company to shut all but 5,000 b/d of the 100,000 b/d that flows through the Gathering Center 2, has not been discovered. In addition, BP has not been able to determine the amount of the crude oil that has spilled, although the amount of land affected has been determined to be less than earlier estimates, somewhat less than two acres.

<http://www.platts.com/Oil/headlines.jsp>

Shell Cuts Rates to Cat Cracker at 340,000 b/d Deer Park, Texas Refinery

Rates were cut for unplanned work and the unit is expected to be in maintenance for 20 days. The refinery has a cat cracking capacity of 67,000 b/d.

Reuters, 11:00 March 6, 2006.

Zawahiri Urges Strikes on West to Prevent It from “Stealing Muslims’ Oil”

Al Qaeda’s deputy leader Ayman al-Zawahiri called on Muslims to attack the West in an audio tape posted on the Internet on March 4, urging similar strikes as those against New York, London and Madrid in recent years.

“(Muslims have to) inflict losses on the crusader West, especially to its economic infrastructure with strikes that would make it bleed for years,” he said. “We have to prevent the crusader West from stealing the Muslims’ oil which is being drained in the biggest robbery in history,” he added. It was not clear if the tape was made before the failed al Qaeda attack last month on a major Saudi oil facility.

Reuters, 22:00 March 6, 2006.

DOE: CO₂ Injection Could Quadruple U.S. Oil Reserves

The United States could increase its oil reserves four-fold through state of the injection of carbon dioxide into oil fields, the Department of Energy’s Office of Fossil Energy said on March 3. The process could add 89 billion barrels to reserves but is dependent upon on the availability of commercial CO₂.

Reuters, 17:06 March 3, 2006.

http://www.fe.doe.gov/news/techlines/2006/06015-Oil_Recovery_Assessments_Released.html

Natural Gas

TransCanada Claims Sole Authority to Construct Canadian Section of Proposed North Slope Gas Line

TransCanada’s vice president for Alaska business development told Alaska House Republicans on March 2, that the company has the sole right and would fight to exercise the right to construct the Canadian portion of the proposed \$25 billion gas pipeline to bring gas from the North Slope of Alaska to the markets in the Lower 48.

NGI’s Daily Gas Price Index, March 6, 2006.

<http://intelligencepress.com/>

http://pro.energycentral.com/professional/news/gas/news_article.cfm?id=6402334

Ozark Gas Transmission Declares Open Season for East End Project

Atlas Pipeline Mid-Continent LLC’s affiliate Ozark Gas Transmission LLC is conducting a nonbinding open season to determine interest in its East End Expansion Project. The open season began on March 6 and will close on March 31. If undertaken, the project would add 100 miles of 24 inch pipe running from White County, Arkansas to Panola County, Mississippi.

NGI’s Daily Gas Price Index, March 6, 2006.

<http://intelligencepress.com/>

DOE Secretary Says Creation of Gas Reserve would be Problematic

During a presentation, Secretary of Energy Bodman indicated that the Department of Energy has concluded that the large number of privately owned natural gas storage facilities throughout the country would make the creation of a national gas storage reserve problematic.

NGI’s Daily Gas Price Index, March 6, 2006.

<http://intelligencepress.com/>

Other News

FCC Shutdown at Chevron Refinery Prompts Propane Shortage in Hawaii

The shutdown on March 2 of the FCC unit at Chevron's Campbell Industrial Park refinery on Oahu has resulted in a statewide shortage of propane affecting approximately 39,000 customers. Both the Governor and the Gas Company are urging customers to conserve. Chevron estimates that the unit will be out of service for between 10 and 14 days. Although the two other refineries in the state will continue to produce propane, officials are concerned that they may not be sufficient to meet demand.

<http://www.kpua.net/news.php?id=7641>

<http://www.thehawaiichannel.com/news/7633586/detail.html?rss=hon&psp=news>

NRC's Inspector General Warns the Proposed Tracking System for Nuclear Materials Needs Improvement

According to a report from the Inspector General of the Nuclear Regulatory Commission, the proposed National Source Tracking system, designed to track licensed nuclear materials may not account for all the materials as planned because its analytical framework is based on unreliable information and provides no alternatives. The report recommends that the NRC conduct a comprehensive analysis before finalizing the system.

<http://www.fcw.com/article92484-03-02-06-Web&RSS=yes>

Energy Prices

U.S. Oil and Gas Prices			
March 6, 2006			
	Today	Week Ago	Year Ago
CRUDE OIL			
West Texas Intermediate U.S.	62.46	61.00	53.90
\$/Barrel			
NATURAL GAS			
Henry Hub	6.50	7.42	6.66
\$/Million Btu			

Source: Reuters

Energy Notes

One Worker Killed in Accident at Smokestack Under Construction in West Virginia

http://pro.energycentral.com/professional/news/power/news_article.cfm?id=6407791

Palo Verde Vibration Repair Now Set for April

http://pro.energycentral.com/professional/news/power/news_article.cfm?id=6408584

Sempra Scales Back Again on Plans for Granite Fox Plant, Now to be Less than 1,200 MW

http://pro.energycentral.com/professional/news/power/news_article.cfm?id=6408584

Canadian Hydro's Melancthon I 67.5 MW Wind Plant Achieves Commercial Operation

Reuters, 11:30 March 6, 2006.

Gas Drilling Boom in Western Canada Faces Opportunities and Problems

http://pro.energycentral.com/professional/news/gas/news_article.cfm?id=6406335

Militants Threaten to Halve Nigeria's Oil Output by Cutting 1 Million b/d

http://news.yahoo.com/s/ap/20060305/ap_on_re_af/nigeria_oil_unrest_3;_ylt=AoxXLBjYv1OO86tJS_EHidOAsnsA;_ylu=X3oDMTBiMW04NW9mBHNIYwMIJVRPUCUI

Reuters, 09:15 March 6, 2006.

Nigeria's Scheduled Crude Exports Up 170,000 b/d in March vs. February

Reuters, 10:26 March 6, 2006.

Iran Says It Could Use Oil Exports as a Weapon "if Conditions Change"

Reuters, 07:55 March 5, 2006.

Saudi Arabia and Kuwait Support OPEC Production Quota Rollover

http://news.yahoo.com/s/afp/20060306/bs_afp/opeccommoditiesenergyoilgulf_060306114807;_ylt=AkkKPZinP2YJLCwN0ZPocN.AsnsA;_ylu=X3oDMTBiMW04NW9mBHNIYwMIJVRPUCUI

Kuwait Finds 10-13 Billion Barrels of Oil and 35 Tcf of Gas in North of Country

Reuters, 12:52 March 6, 2006.

Total Talks with Saudi Arabia about 400,000 b/d Export Refinery in Port of Jubail

Reuters, 10:19 March 6, 2006.

China to Start Filling Strategic Oil Reserves by End of Year

Reuters, 08:21 March 6, 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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