



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

# ENERGY ASSURANCE DAILY

Friday, March 10, 2006

## *Electricity*

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### **FPL to Strengthen Power Line against Hurricanes in Florida**

Florida Power & Light Co. has said that as part of its long-term plan to make its power system more able to withstand hurricanes it will strengthen a large transmission line that runs along the Port of Palm Beach and St. Mary's Medical Center. The project marks the beginning of a long-term plan the utility drafted in February for reinforcing its system.

<http://powermarketers.net/contentinc.net/newsreader.asp?ppa=8knpp%5E%5BgikqxrkSSmk%216%3C%22bfe%5D>  
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### **PSEG's 1,174 MW Unit 1 at its Salem Nuclear Plant in New Jersey Exiting Outage March 10**

The unit shut on March 8 when a faulty instrument indicated that the turbine was running faster than it should. By early morning on March 10, the unit had ramped up to 49 percent of capacity.  
Reuters, 14:23 March 10, 2006.

### **Constellation's 1,135 MW Unit 2 at its Nine Mile Nuclear Plant in New York Briefly Shut**

The 1,135 MW unit 2 at Constellation Energy's Nine Mile nuclear generating station in New York was restarting on March 10 following a brief shut down when a condenser lost vacuum late on March 9.  
Reuters, 14:23 March 10, 2006.

### **CRWR's 286 MW Hydro-powered Hyatt Plant Shut in California March 9**

Reuters, 20:10 March 9, 2006.

### **Update: TXU's 560 MW Coal-fired Big Brown 2 Restarts in Texas March 9**

Reuters, 20:10 March 9, 2006.

## *Petroleum*

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### **Petro-Canada Cuts 42,000 b/d from Terra Nova Project**

Mechanical and equipment issues coupled with unscheduled shutdown of a floating oil platform have forced Petro-Canada to cut production at the Terra Nova oil project to 72,000 b/d. Terra Nova is located off Newfoundland's shore. The problems are expected to carry over into second-quarter output, which is expected to be cut by 28,000 barrels a day to an average 83,000 barrels a day.

Reuters, 13:14 March 10, 2006.

### **Update: Enbridge to Complete User Terms for Gateway Pipeline by June**

Enbridge Inc. expects to complete user terms by June on the proposed 400,000 b/d Gateway pipeline, which will link production areas in Alberta to the Canada's west coast where the crude can be shipped to California refineries and Asian markets. Operations could commence as early as 2010 and the pipeline has been designed for expansions up to 850,000 b/d.

Bloomberg, 00:08 March 10, 2006.

<http://www.enbridge.com/pipelines/about/plannedSystemGrowth/system-growth-gateway.php>

### **Update: Workers Block Road to Ecuador Oil Field but Output up 31,000 b/d**

About 100 subcontracted oil workers blocked a road leading to one of Ecuador's main oil fields March 9 as a state of emergency declared by President Alfredo Palacio to end the strike stretched into a second day. Nonetheless, Ecuador's oil production continued slowly to recover as some striking workers began returning to their jobs, faced with an ultimatum to end their strike by March 10 or lose their contracts. Petroecuador said its production is up 141,000 after dropping to a low of 50,000 b/d on March 7.

<http://news.moneycentral.msn.com/printarticle.asp?Feed=AP&Date=20060309&ID=5523185>

Reuters, 10:04 March 10, 2006.

### **Update: Nigerian Military Commander Removed on Suspicion of Oil Theft**

The head of the Nigerian military in the oil-producing Niger Delta, Brigadier General Elias Zamani, has been removed from his post on suspicion of involvement in the theft of crude oil, government sources said on March 8. Oil industry officials estimate that OPEC member Nigeria loses about 100,000 barrels a day, or 5 percent of its output, to a highly sophisticated international network of oil thieves.

[http://today.reuters.com/news/newsArticle.aspx?type=worldNews&storyID=2006-03-08T191410Z\\_01\\_L08326849\\_RTRUKOC\\_0\\_US-NIGERIA-OIL-THEFT.xml&archived=False](http://today.reuters.com/news/newsArticle.aspx?type=worldNews&storyID=2006-03-08T191410Z_01_L08326849_RTRUKOC_0_US-NIGERIA-OIL-THEFT.xml&archived=False)

### **Rebels Clash with Government in Nigeria, Repeat Threats for Oil Workers to Leave**

On March 8, a militant group in Nigeria, the Movement for the Emancipation of the Niger Delta reported in an email that it clashed with government troops in the delta. The group reiterated the warning to oil industry workers that the group would no longer take hostages but would attack workers.

<http://www.wpherald.com/print.php?StoryID=20060309-091258-8710r>

### **Bush Says Iran "Harm and Pain" Threats Related to Oil**

In remarks on March 10, President Bush indicated that he has assumed that Iran's recent threats to inflict "harm and pain" on the United States are related to the U.S. need for imported oil. The President reiterated his concern that the country must become less dependent on oil.

Reuters, 10:06 March 10, 2006.

### **IEA: If Iran Stops Exports, Governments' Reserves Can Fill Gap for 18 Months**

The International Energy Agency would be able to plug the oil supply gap for a number of months if Iran were to stop exports, IEA Executive Director Claude Mandil said on March 10. "Iran exports 2.7 million barrels a day. (IEA) Governments have reserves of 1.5 billion. You can do the division yourself ... That means we have a year and a half even if I'd rather say many months."

Reuters, March 10, 2006.

## **Natural Gas**

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Nothing to report.

## Other News

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### Partial Operations Scheduled to Resume at West Virginia Coal Mine: Site of Fatal January Explosion

Following the completion of an investigation by the Mine Safety and Health Administration, Portions of the Sago coal mine in West Virginia are scheduled to reopen next week. The mine was the site of an explosion in January where 12 miners died. A portion of the mine thought to be the site of the explosion remains closed. The investigators will announce their findings on May 2.

Reuters, 15:15 March 10, 2006.

15:15 10Mar2006 RTRS-Site of deadly US mine blast to partially reopen

## Energy Prices

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U.S. Oil and Gas Prices			
March 10, 2006			
	Today	Week Ago	Year Ago
<b>CRUDE OIL</b>			
<b>West Texas Intermediate U.S.</b>	59.91	63.61	53.52
\$/Barrel			
<b>NATURAL GAS</b>			
<b>Henry Hub</b>	6.40	6.59	6.91
\$/Million Btu			

Source: Reuters

## Energy Notes

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### Severe Storm Knocks out Power to 17,000 Customers in Kentucky

[http://www.whas11.com/topstories/stories/WHAS11\\_TOP\\_storm.f03a61c.html](http://www.whas11.com/topstories/stories/WHAS11_TOP_storm.f03a61c.html)

### California ISO Adopts 15% Power Reserve Requirement for Electricity Producers

Reuters, 19:55 March 9, 2006.

### Cooperative Approach to Studies of Transmission Lines from Wyoming to Other Western States Announced

[http://pro.energycentral.com/professional/news/power/news\\_article.cfm?id=6432563](http://pro.energycentral.com/professional/news/power/news_article.cfm?id=6432563)

Reuters, 18:46 March 9, 2006

### DOE Evaluating Need for Second Nuclear Waste Repository

<http://www.platts.com/Nuclear/News/6183395.xml?S=n>

### Exxon to Tap 35 Tcf of Shale-trapped Gas in Colorado Using New Drilling Method

Bloomberg, 10:48 March 10, 2006.

### Public Service Commission of Wisconsin Approves 13-mile Transmission Line

<http://powermarketers.net/contentinc.net/newsreader.asp?ppa=8knpp%5E%5Bgikotnq%5BSmk%216%3C%22bfe%5Dv>

## **Investigation Determines No Threat from of Radiation at Turner Valley Gas Plant in Alberta**

[http://pro.energycentral.com/professional/news/gas/news\\_article.cfm?id=6427048](http://pro.energycentral.com/professional/news/gas/news_article.cfm?id=6427048)

## **U.S. Military Formulating Policy for Using Synthetic Jet Fuel**

Petroleum Intelligence Weekly, March 13, 2006.

## **Kuwait Petroleum Corp Will Not Release Reserve Data**

International Oil Daily, March 10, 2006.

## **Saudi Arabia: Work to Begin on New Rabigh Refinery in April**

<http://www.upi.com/Energy/view.php?StoryID=20060309-053836-2357r>

## *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 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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