



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

# ENERGY ASSURANCE DAILY

Monday, March 13, 2006

## *Electricity*

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### **Strong winds, Tornadoes Sweep Midwest Leaving Tens of Thousands without Power**

A series of strong storms and tornadoes surged across portions of the Midwest leaving a swath of damage behind. Blizzard conditions dropped as much as 20 inches of snow and knocked out power to thousands of customers in South Dakota, Minnesota, and Wisconsin. A series of tornadoes and wind storms destroyed hundreds of homes and businesses in Missouri and Kansas. Wind storms and tornadoes also cut power to more than 65,000 customers in Illinois. By early morning on March 13, power had been restored to all but approximately 15,000 customers mostly in the Springfield area of Illinois. Of the approximately 15,000 customers who lost power in the Chicago area, by 7 a.m. on March 13, ComEd had restored power to all but approximately 2,200.

<http://www.newsday.com/news/nationworld/nation/wire/sns-ap-severe-weather.0.2467930.story>

<http://www.newsday.com/news/nationworld/nation/wire/c/hi-060313springfield.0.6687339.story>

<http://www.newsday.com/news/printedition/stories/ny-ustorn134660685mar13.0.4971724.story>

<http://www.newsday.com/news/nationworld/nation/wire/c/hi-060313chicagoweather.0.6782794.story>

<http://www.bentoncourier.com/articles/2006/03/11/news/69inews.txt>

### **Seminole Electric Files for New 750 MW Coal-fired Power Plant in Florida**

On March 10, Seminole Electric Cooperative filed with Florida regulators to build a new 750 MW coal-fired electricity generating unit at its existing Seminole Generating Station in northeastern Florida.  
Reuters 17:47 March 10, 2006.

### **PSEC's 1,174 MW Salem 1 Nuke Returns to Full Power in New Jersey March 13**

The unit, ramped up to full capacity from running at 49 percent on March 10, was shut on March 8 due to a faulty signal in the electro hydraulic control system that indicated the turbine was spinning too fast. That indication caused the turbine to shut down, which tripped the reactor.

Reuters, 07:23 March 13, 2006.

### **Update: Constellation's 1,135 MW Nine Mile 2 Nuke Exits Outage in New York March 13**

The unit, which ramped up to 70 percent of capacity, was shut on March 9 due to low vacuum pressure in the condenser that tripped the turbine and the reactor.

Reuters, 07:18 March 13, 2006.

### **Entergy's 684 MW Pilgrim Nuke Exits Outage in Massachusetts March 13**

The power station ramped up to 72 percent power by early March 13. The unit was shut on Saturday March 11 to clean the condenser and to replace the transformer

Reuters, 09:35 March 13, 2006.

### **Two Units Return at AES's 1,997 MW Gas-fired Alamosa Plant in California**

The 485 MW unit 5 and 495 MW unit 6 both returned following planned and unplanned outages that begun one week ago.

Reuters, 08:37 March 13, 2006.

**TXU's 575 MW Coal-fired Big Brown 2 Shut in Texas Over Weekend**

Company engineers are investigating the cause of the weekend outages. TXU restarted the unit by Sunday, after it tripped on Saturday due to a turbine throttle valve malfunction. The unit, however, tripped again on Sunday and remained off line Monday morning due to high superheat pressure. TXU is planning another restart over the next day or so.

Reuters, 10:22 March 13, 2006.

## *Petroleum*

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**Oil Spill Forces ConocoPhillips to Shut 15 Wells at Kupruk Field in Alaska**

According to state officials, on Friday, March 10, a spill of salty, oil-laced produced water at the second-largest U.S. oil field, prompted the temporary shutdown of 15 oil wells and their associated pipelines. Field operator ConocoPhillips Alaska Inc discovered the spill and shut down the line to isolate the leak, leading to a loss of about 3,000 to 4,000 b/d. of Kuparuk's average daily production of about 180,000 b/d

Reuters, 21:58 March 10, 2006.

**Update: Prudhoe Bay Leak Spilled More Oil than Originally Estimated in Alaska**

The Alaska Department of Environmental Conservation reported that the volume of oil from the ruptured pipeline leak is more than twice the volume originally estimated, about 265,000 gallons rather than 201,000 gallons.

Officials expect the cleanup to take four to six weeks. The Prudhoe Bay spill forced BP to shut down operations at a gathering center and at the approximately 230 wells that feed into it, causing a loss of about 100,000 b/d, although 5,000 b/d have been rerouted. The Prudhoe Bay field normally produces about 470,000 b/d, a little more than half of all North Slope oil output.

[http://www.latimes.com/news/print/edition/asection/la-na-spill11mar11.1.5588127\\_story?coll=la-news-a\\_section](http://www.latimes.com/news/print/edition/asection/la-na-spill11mar11.1.5588127_story?coll=la-news-a_section)  
<http://www.marketwatch.com/News/Story/Story.aspx?guid=%7BDC3B7830%2DE553%2D40F2%2D94BD%2D288E25A96F81%7D&source=blq%2Fyhoo&dist=yhoo&siteid=yhoo>

Reuters, 16:32 March 10, 2006.

**Grass Fires Shut Production at Panhandle Field in Texas**

One of the biggest grass fires in Texas history has forced Cano Petroleum to shut 800 b/d from its Panhandle Field. Fires remain continue to burn in the area.

Reuters, 09:55 March 13, 2006.

**ConocoPhillips to Lose 1.6 Million BOE from Shut Ekofisk Region of North Sea**

Sometime this week, ConocoPhillips will shut down production in the Greater Ekofisk production region of the North Sea in order to perform unscheduled equipment modifications. The work will halt production of approximately 600,000 boe (barrels of oil equivalent) per day for a period of four days. Average daily production at Ekofisk is between 375,000 and 400,000 boe/d and the shutdown will also impact approximately another 140,000 boe/d from other fields that move their production through the Ekofisk system for processing and shipment.

<http://biz.yahoo.com/bw/060312/20060312005042.html?v=1>

Bloomberg, 05:10 March 13, 2006.

**Update: Workers End Strike in Ecuador, Production Up 25,000 b/d**

Some 4,000 striking workers at Petroecuador agreed to end the strike that had cut production at the state owned oil company. Production, running at approximately 200,000 b/d prior to the strike increased to 166,177 b/d Monday after falling to a low of 50,000 b/d last week. On Saturday, production, which had been recovering since the strike began, dropped by 10,000 b/d when protesters sabotaged electricity generators and oil valves at facilities in the Orellana province. Petroecuador estimates that production should reach approximately 190,000 b/d by the end of this week.

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

Bloomberg, 12:57 March 13, 2006.

Reuters, 10:01 March 13, 2006.

Reuters, 14:05 March 11, 2006.

### **Shell: No Timeframe for Resuming Production in Nigeria**

Militant unrest in the oil-rich African nation has shut 455,000 b/d from the Royal Dutch/Shell. Shell's statements conflict with those of Nigerian Minister of State for Petroleum Edmund Daukoru, who told reporters last week some 75 percent of the shut in output should be restored in about two weeks.  
Reuters, 07:24 March 13, 2006.

### **EPA's Final Diesel Sulfur Rule Will Relax Testing Requirements for Two Years to Make Transition Easier for Refiners**

Before the end of April, the Environmental Protection Agency will announce its final rule for the implementation of the ultra-low-sulfur-diesel (ULSD) program. In an effort to help ease the transition period for refiners, EPA is revising the regulation in a number of ways. One major change will allow wider range of tolerance for the tests required to certify that the fuel meets the new standard. The relaxed standard will allow the fuel to test at 18 parts per million (ppm) rather than 17 ppm under the current version of the rule. The modification will be in effect for two years.

OPIS, 13:06 March 10, 2006.

### **Consultant Sees ULSD Supply Problems for Certain U.S. Cities and Regions**

Tom Hogan, VP of consultant Turner, Mason, & Co. identified four areas "at risk" for high prices and disruptions when ultra-low-sulfur diesel (ULSD) fuel is phased-in this summer. At the OPIS ULSD & Biodiesel Supply Summit last week in Washington, D.C., he named New England, Chicago, Atlanta and PADD 4 (the Rocky Mountain region) as likely to experience supply problems.

OPIS Alert, March 13, 2006.

## **Natural Gas**

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### **Ruptured Gas Line Cuts Service to Thousands in Louisville Area**

Natural gas service was interrupted to most of the customers in the town of Seymour, Kentucky when the 8 inch main line into the town ruptured. Some 6,100 customers may be without gas service until March 14 according to a spokesman for Vectren, the local gas utility. The cause of the leak is under investigation.

<http://www.courier-journal.com/apps/pbcs.dll/article?AID=/20060311/NEWS02/60311002/1025/rss02>

### **Sempra Declares Open Season for LNG Terminal Expansion in Mexico**

Sempra LNG announced the beginning of an open season to test market response for the possible expansion of its Energia Costa Azul LNG plant that is currently under construction in Mexico. If Sempra gains a positive response from the open season, the capacity of the plant will be increased from 1 Bcf to 2.5 Bcf. When completed, the plant will serve markets in both Mexico and California.

<http://biz.yahoo.com/pz/060313/95553.html>

## **Other News**

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### **Ethanol Industry Booming – 33 Plants Under Construction, 8 Being Expanded**

About half the new construction has begun since the signing of the energy bill that encourages greater use of ethanol as an ecologically sound fuel additive. Besides the energy bill, ethanol makers are getting a boost from Detroit, where automakers are promoting vehicles that can burn E85, a blend of 85% ethanol and 15% gasoline. The more common gasohol is 10% ethanol.

[http://www.usatoday.com/tech/news/2006-03-12-ethanol-boom\\_x.htm?POE=TECISVA](http://www.usatoday.com/tech/news/2006-03-12-ethanol-boom_x.htm?POE=TECISVA)

## Energy Prices

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<b>U.S. Oil and Gas Prices</b> March 13, 2006			
	<b>Today</b>	<b>Week Ago</b>	<b>Year Ago</b>
<b>CRUDE OIL</b> <b>West Texas Intermediate U.S.</b> \$/Barrel	61.81	62.46	54.90
<b>NATURAL GAS</b> <b>Henry Hub</b> \$/Million Btu	6.77	6.50	8.86

Source: Reuters

## Energy Notes

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### Energy Secretary: U.S Needs Ethanol Sources Other than Corn

[http://pro.energycentral.com/professional/news/power/news\\_article.cfm?id=6440971](http://pro.energycentral.com/professional/news/power/news_article.cfm?id=6440971)

### Fire at Grey Wolf Rig in Louisiana Causes Extensive Damage

[http://biz.yahoo.com/ap/060310/grey\\_wolf\\_product.html?.v=1](http://biz.yahoo.com/ap/060310/grey_wolf_product.html?.v=1)

### Edge Petroleum is Latest Producer to Cut Back Natural Gas Drilling Due to Low Prices

[http://www.energyintel.com/PublicationHomePage.asp?publication\\_id=5](http://www.energyintel.com/PublicationHomePage.asp?publication_id=5)

### FERC Considers Reopening Weaver's Cove LNG Proceeding

NGI's Daily Gas Price Index, March 13, 2006.

### Quebec to Accelerate Pace of Hydro Development on James Bay

[http://pro.energycentral.com/professional/news/power/news\\_article.cfm?id=6444386](http://pro.energycentral.com/professional/news/power/news_article.cfm?id=6444386)

### Operations Begin at 99 MW St. Leon First Wind Farm in Manitoba

[http://pro.energycentral.com/professional/news/power/news\\_article.cfm?id=6441323](http://pro.energycentral.com/professional/news/power/news_article.cfm?id=6441323)

### Japanese Refiners Eye Synthetic Crude Imports From Alberta

<http://www.platts.com/Oil/News/8323895.xml?p=Oil/News&sub=Oil>

### G8 Energy Ministers to Meet in Moscow to Discuss Energy Security March 16

Reuters, 12:02 March 13, 2006.

### Iran's Foreign Minister Says Won't Use Oil as Weapon

02:10 March 12, 2006.

### Egypt Aiming to Double Gas Exports in 5 to 6 Years

[http://pro.energycentral.com/professional/news/gas/news\\_article.cfm?id=6443880](http://pro.energycentral.com/professional/news/gas/news_article.cfm?id=6443880)

## 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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