



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

# ENERGY ASSURANCE DAILY

Thursday, March 16, 2006

## *Electricity*

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### **PG&E Gets Approval to Shut 163 MW Hunters Point Power Plant in San Francisco**

The California Public Utilities Commission on Wednesday approved the closing of the controversial Pacific Gas & Electric Co. Hunters Point natural gas-fired power plant, which has been opposed for health reason by area residents. The natural gas-fired plant could close as early as next month, when two high-voltage power lines will replace electricity made at Hunters Point. When Hunters Point shuts, only one power plant will remain in San Francisco and that plant is scheduled to close in 2007.

Reuters, 15:40 March 15, 2006.

### **Update: Entergy's 684 MW Pilgrim Nuclear Plant Exits Outage in Mass. March 16**

The unit, in Plymouth, ramped up to 49 percent Thursday after exiting a brief outage. The unit was shut Monday for repairs after a problem with a controller on a valve in the offgas system was discovered.

Reuters, 07:34 March 16, 2006.

### **Construction Beginning on 175 MW gas-fired Plant in Minnesota**

Construction of the 175 MW Cambridge Station gas-fired power plant in Minnesota is scheduled to begin within the week. The project will primarily provide peaking power for Great River Energy.

[http://pro.energycentral.com/professional/news/power/news\\_article.cfm?id=6457241](http://pro.energycentral.com/professional/news/power/news_article.cfm?id=6457241)

### **Update: Latest Test of Indian Point Nuclear Plant Warning Sirens a Success**

Unlike last week when a computer problem caused the system to fail, the latest test of the emergency siren system in the area around the Indian Point nuclear generating station was a success. All 156 of the sirens operated properly during the test.

[http://pro.energycentral.com/professional/news/power/news\\_article.cfm?id=6456665](http://pro.energycentral.com/professional/news/power/news_article.cfm?id=6456665)

### **Construction Accident Briefly Knocks Out Power to 65,000 in Ontario March 15**

About 65,000 Hydro One customers lost power when construction equipment damaged a 115 kV transmission line in Ontario on March 15. Power was lost at 8:35 and was fully restored by 10:30.

[http://pro.energycentral.com/professional/news/power/news\\_article.cfm?id=6457010](http://pro.energycentral.com/professional/news/power/news_article.cfm?id=6457010)

## *Petroleum*

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### **EIA: U.S. Gulf Coast Crude Stocks at 16-Year-High, May be Near Capacity**

Inventories of crude oil in the U.S. Gulf Coast have increased to their highest level since 1990 and may be close to full capacity, the U.S. Energy Information Administration said Wednesday. Crude stockpiles in the Gulf Coast rose by 3.5 million barrels last week to 183.6 million barrels while total U.S. crude stockpiles increased by 4.8 million barrels to 339.9 million barrels, the highest since May 1999.

Reuters, 14:29 March 16, 2006.

**Update: Repairs to Cut North Sea Output By 730,000 b/d**

Both Norsk Hydro ASA's 130,000 barrel a day Troll C and ConocoPhillips' 400,000 b/d Ekofisk will be shut down for around three to four days beginning March 16 to replace gas flare drum units similar to one that caused a blowout on Statoil ASA's Visund platform in January. The Ekofisk shutdown will also shut in around 200,000 b/d output from linked fields, the company said.

<http://www.marketwatch.com/News/Story/Story.aspx?guid=%7B188E3B3C%2D8416%2D43E4%2DBDB4%2D8596BC0AD2EF%7D&dist=newsfinder&siteid=google&keyword=&print=true&dist=printTop>

**Fire Shuts 25,200 b/d at Shell Platform in North Sea**

Royal Dutch Shell said on March 16 that it has shut in 25,200 b/d of North Sea crude production following an electrical fire at its Tern Alpha platform northeast of Shetland. The fire was extinguished early Thursday morning; pending the conclusion of its investigation to determine the cause of the fire, the company has not determined when the unit will restart

Reuters, 03:06 March 16, 2006.

**Mexico's Proven Oil Reserves Drop by 1.13 Billion Barrels**

State oil monopoly Pemex said Thursday that Mexico's proven oil and gas reserves dipped to 16.470 billion barrels of oil equivalent (boe) at the end of 2005, down from 17.6 billion boe estimated a year earlier. Earlier this week Pemex, one of the main suppliers of oil to the United States, reported a drop in total oil and gas reserves to 46.418 billion boe at the end of 2005, down from 46.914 boe at the end of 2004.

Reuters, 10:19 March 16, 2006.

**Iran May Review Oil Deals Under Sanctions, Plans to Boost Output by 1 Million b/d**

Iranian Oil Minister Seyyed Kazem Vaziri-Hamaneh said Tuesday the country would reverse deals if it came under U.N. sanctions for its nuclear program. The minister also said the country was seeking investment to boost production by 1 million barrels to 5 million b/d by 2010. .

<http://www.upi.com/Energy/view.php?StoryID=20060314-112538-7199r>

[http://today.reuters.com/business/newsarticle.aspx?type=reutersEdge&storyID=2006-03-16T124805Z\\_01\\_SP135411\\_RTRUKOC\\_0\\_US-ENERGY-IRAN-ASIA.xml](http://today.reuters.com/business/newsarticle.aspx?type=reutersEdge&storyID=2006-03-16T124805Z_01_SP135411_RTRUKOC_0_US-ENERGY-IRAN-ASIA.xml)

## Natural Gas

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Nothing to report.

## Other News

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**Coal-to-Liquid Seen as Key to Energy Independence**

<http://www.platts.com/Coal/News/7335995.xml?p=Coal/News&sub=Coal>

**Rail Problems, Labor Shortages are Key Issues at Coal Conference**

<http://www.platts.com/Coal/News/7335998.xml?p=Coal/News&sub=Coal>

**Energy Prices**

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<b>U.S. Oil and Gas Prices</b> March 16, 2006			
	<b>Today</b>	<b>Week Ago</b>	<b>Year Ago</b>
<b>CRUDE OIL</b> <b>West Texas Intermediate U.S.</b> \$/Barrel	63.46	60.51	56.50
<b>NATURAL GAS</b> <b>Henry Hub</b> \$/Million Btu	7.12	6.31	7.08

Source: Reuters

**Energy Notes**

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**Duke and Southern Pick Site for Possible New Nuclear Plant in South Carolina**

Bloomberg, 13:51 March 16, 2006.

**Gulf of Mexico Deepwater Lease Sales Strongest in 8 Years Even After Storms**

Oil Daily, March 16, 2006.

**Update: Cano Petroleum Restores 475 BOEPD to Texas Panhandle Field after Fire**

Reuters, 12:38 March 16, 2006.

**G8 Energy Ministers Focus on Ensuring Fuel Supplies at Meeting in Moscow**

Bloomberg, 13:00 March 16, 2006.

**Crude Futures Rise after U.S. Launches Biggest Air Assault in Iraq Since 2003**

Bloomberg, 13:02 March 16, 2006.

**Industry Officials Say Even with Political Stability, It Will Take 5-7 Years for Iraq's Oil Sector to Recover**<http://today.reuters.com/business/newsarticle.aspx?type=tnBusinessNews&storyID=nL16672097>**Video Shows Slain Al Qaeda Militant Warning Americans and Saudi Monarchy of More Attacks**

Reuters 04:14 March 16, 2006.

**Nigerian Militants Vow to Step Up Attacks, Won't Release Hostages**[http://www.mg.co.za/articlepage.aspx?area=/breaking\\_news/breaking\\_news\\_\\_africa/&articleid=266791](http://www.mg.co.za/articlepage.aspx?area=/breaking_news/breaking_news__africa/&articleid=266791)**Venezuela Shuts Down Administrative Offices of Total and ENI for Two Days Citing Tax Irregularities**

Reuters, 10:35 March 16, 2006.

## 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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<http://www.oe.netl.doe.gov/ead.aspx>