



ENERGY ASSURANCE DAILY

Friday, March 30, 2007

Electricity

Plans for Largest Wind Farm in North Dakota Announced

On March 29, Otter Tail Power Company and Minnkota Power Cooperative announced an agreement with FPL Energy to develop the largest wind farm in North Dakota. The 159 MW wind farm will be located in Cavalier County in North Dakota.

<http://biz.yahoo.com/prnews/070329/cgth043.html?.v=91>

Reliant's 850 MW Conemaugh Coal-fired Unit 2 in Pennsylvania Shut March 28

Reuters, 11:03 March 30, 2007

Duke's 260 MW Moss Landing Gas-fired Unit 1 in California Shut March 29

Reuters, 18:45 March 29, 2007

AES's 493 MW Redondo Gas-fired Unit 7 in California Shut March 29

Reuters, 18:45 March 29, 2007

Petroleum

BP Plans to Reverse Crude Oil Line to Bring Canadian Crude from Chicago to Cushing Hub: Announces Open Season

On March 29, BP Plc announced that it is holding an open season to gauge market interest for its plan to reverse a 600 mile pipeline to bring Canadian crude oil from the Chicago area to the Cushing hub in Oklahoma. BP believes that the oil could be flowing south as early as the middle of 2009. Initial capacity would be 100,000 b/d but with the option to upgrade to 200,000 b/d should future conditions warrant.

<http://www.businessweek.com/ap/financialnews/D8O61BVG0.htm>
<http://www.platts.com/Oil/News/8964202.xml?p=Oil/News&sub=Oil>

GAO Recommends that DOE Develop a Strategy to Address Peak Oil

The Government Accountability Office (GAO) believes that the U.S. is not prepared for the peak in world oil production that the GAO says may be reached sometime between now and 2040. Consequently, the agency has recommended that the DOE develop a strategy to reduce uncertainty in the event that peak oil production is reached and develop cost-effective measures to mitigate the impact of declining world oil production.

Oil Daily, March 30, 2007

Reuters, 15:24 March 29, 2007

Chevron Reports Restart of Unit at its 257,000 b/d Richmond Refinery in California March 29

In a report to state regulators, Chevron reported a minor flaring incident related to the restart of an unidentified unit at the refinery in the San Francisco Bay area. Although the unit involved was not specified, Chevron had been scheduled to restart a crude distillation unit before the end of March. That unit was damaged in January by a fire just prior to a planned turnaround.

OPIS, 07:35 March 30, 2007

Reuters, 08:13 March 30, 2007

Update: French Strike Backs Up 39 Oil Tankers in Port of Marseilles Some European Refineries could be Forced to Close Next Week

Talks have broken down between port worker union leaders, port officials and Gaz de France in the 17 day-old strike. Some 39 oil tankers are among more than 60 ships blocked from unloading their cargoes at the oil hub of Fos Lavera, which is the world's third-biggest port for oil products. Some refineries could be forced to close by the middle of next week if the strike is not settled. On average, between 12.8 and 17 million barrels of gasoline annually are exported to the U.S. through the Fos Lavera hub near Marseilles.

Reuters, 04:44 March 30, 2007

Bloomberg 09:54 March 30, 2007

Petroecuador Declares Force Majeure on Some Crude Oil Exports

Protests by local area residents in the Amazon region of the country have blocked access to production in the Block 18 oil field, forcing Petroecuador to declare force majeure on at least 36,000 b/d of its crude oil exports. Ecuador exports approximately 225,000 b/d of crude oil on average.

Reuters, 11:03 March 30, 2007

Natural Gas

Energy Transfer Completes 243-Mile Pipeline Expansion Project in Texas

Energy Transfer Partners, LP, announced the completion of the final phase of an expansion project adding 243 miles of 42-inch diameter pipeline with a capacity of 1 Bcf/d. The expansion ties into the Bethel Storage Facility, the Barnett Shale pipeline system, and other pipeline systems.

<http://biz.yahoo.com/bw/070329/20070329006116.html?.v=1>

<http://www.tradingmarkets.com/.site/news/BREAKING%20NEWS/523124/>

Spectra Plans Major Expansion of its Mississippi Natural Gas Storage Facility

Spectra Energy has filed an application with the Federal Energy Regulatory Commission (FERC) seeking authority to expand the capacity of its existing Copiah natural gas storage facility located in Copiah County, Mississippi. If approved, the project will add 12.2 Bcf of capacity to bring total capacity to 15.5 Bcf. The project would connect to existing and proposed transmission facilities.

<http://intelligencepress.com/>

http://pro.energycentral.com/professional/news/gas/news_article.cfm?id=8055771

LNG Imports Reach All-time Record in March, Surpassing Level Set in July 2004

Reuters, 10:27 March 30, 2007

Other News

February's Harsh Winter Weather Reduced Coal Shipments to Power Plants

For much of February, cold, harsh weather conditions impeded the movement of ships and barges on the Great Lakes and along inland waterways in the Midwest. Consequently, coal shipments were delayed and coal supplies stored at coal-fired power plants slipped by several days below the level that utilities prefer to carry. Since the middle of March, shipments have begun to pick up and analysts anticipate that utilities will be able to add to their supplies before to the onset of the peak summer season.

<http://www.platts.com/Coal/News/6370670.xml?p=Coal/News&sub=Coal>

Energy Prices

| U.S. Oil and Gas Prices March 30, 2007 | | | |
|--|--------------|-----------------|-----------------|
| | Today | Week Ago | Year Ago |
| CRUDE OIL West Texas Intermediate U.S. \$/Barrel | 66.09 | 60.85 | 66.70 |
| NATURAL GAS Henry Hub \$/Million Btu | 7.34 | 7.16 | 7.19 |

Source: Reuters

Energy Notes

Errant Squirrel in Sub-Station Mishap Knocks Out Power to 10,681 Customers in Corvallis, Oregon on March 26

http://www.gazettetimes.com/articles/2007/03/30/news/community/7loc01_powerout.txt

170 MW Wind Farm Wins State Approval in Massachusetts

Reuters, 10:20 March 30, 2007

Ethanol Boom Leads Farmers to Plant Largest Corn Crop in U.S. Since 1944

http://biz.yahoo.com/rb/070330/usa_agriculture_usda.html?.v=5

Reuters, 10:13 March 30, 2007

Union Pacific RR Lifts Ban on New Powder River Coal Business

<http://www.platts.com/Coal/News/6370422.xml?p=Coal/News&sub=Coal>

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 10:30 AM & 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.

ENERGY ASSURANCE DAILY

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

Please direct comments and questions to: ead@oe.netl.doe.gov