



ENERGY ASSURANCE DAILY

Monday, April 02, 2007

Electricity

Strong Storms, Tornadoes Cut Power to 100,000 in Texas March 30 and 31

Tornadoes and storms with winds of as much as 60 miles per hour struck several counties in Texas on Friday, March 30 and Saturday, March 31. At the height of the storms, more than 100,000 customers were without electricity in portions of North and Central Texas and along the Gulf Coast. Some 66,000 Centerpoint Energy customers in Houston were included. Of the 26,500 TXU Electric Delivery customers in the Dallas region who lost power, all but some 1,700 had their power restored by noon on Saturday.

http://cbs11tv.com/local/local_story_090224745.html

<http://www.chron.com/disp/story.mpl/chronicle/4677461.html>

http://www.theeagle.com/stories/040107/texas_20070401015.php

Allegheny Files Plan for New Transmission Line in West Virginia

Allegheny energy, Inc. filed an application with the West Virginia Public Service Commission seeking permission to construct a 500 kV transmission line in the state. The line will be part of the proposed Trans-Allegheny Interstate Line. Independent experts have indicated that should the line not be in operation by 2011, blackouts in the area could result.

http://pro.energycentral.com/professional/news/power/news_article.cfm?id=8061446

FPL's 1,244 MW Seabrook Nuke Unit Ramping Up to Full Capacity in New Hampshire April 2

The unit was shut about 4 p.m. on Friday March 30 when a problem with a generator was detected. Following repairs, the unit was operating at 88 percent of capacity by noon on April 2, up from 9 percent on March 31.

Bloomberg News, April 2, 2007

http://pro.energycentral.com/professional/news/power/news_article.cfm?id=8062544

Offshore Wind Farm Gains Massachusetts Environmental Approval

The proposed facility to be located in Nantucket Sound would have the capacity to consistently generate 170 MW of power on a regular basis with a peak capacity of 400 MW depending on weather conditions.

<http://www.platts.com/Electric%20Power/News/6370760.xml?p=Electric%20Power/News&sub=Electric%20Power>

Reuters, 15:07 April 1, 2007

125 MW Forest Creek Wind Farm in Texas Completed March 30

Airtricity announced that construction of its 125 MW Forest Creek Wind Farm is complete. The facility consists of 54 2.3-MW wind turbines.

<http://sev.prnewswire.com/utilities/20070330/DAF02030032007-1.html>

FERC Grants 40-Year License to Ameren's Osage Hydro Project

On March 30, the FERC granted a 40 year license to Ameren's 176 MW Osage River Hydroelectric Project. The license allows the company to upgrade the existing generators and includes various mitigation and monitoring provisions.

<http://www.businessweek.com/ap/financialnews/D8O6OVO00.htm>

http://pro.energycentral.com/professional/news/power/news_article.cfm?id=8063121

Driest Year on Record for TVA; Hydro Generation Running 25 Percent Below Normal

Thus far, rainfall in the Tennessee Valley is between six and ten inches below normal. At present, runoff into TVA's reservoirs is on average about 36 percent below normal and as a consequence, TVA's hydroelectric generating plants in its seven state territory are operating at about 25 percent below normal capacity.

http://pro.energycentral.com/professional/news/power/news_article.cfm?id=8064868

\$25,000 Reward Offered by BPA After Vandals Bring Down a 115 kV Transmission Line

The high-voltage line fell across a local distribution line causing a five hour outage in the Lebanon area in Oregon. Repair crews found clay pigeons and a dead bird that had been shot near the downed line and believe that someone was shooting at the birds when the line was severed.

<http://www.kptv.com/news/11480772/detail.html>

http://www.democratherald.com/articles/2007/04/01/news/local/2loc02_bpa.txt

Progress Energy's 938 MW Brunswick Nuke Unit 1 in North Carolina Shut April 1

Reuters, 10:58 April 2, 2007

LCRA's 445 MW Fayette Coal-fired Unit in Texas Shut April 1

Reuters, 10:58 April 2, 2007

AES's 495 MW Alamos Gas-fired Unit 6 in California Shut April 1

Reuters, 10:58 April 2, 2007

CDWR's 303 MW Hyatt-Therm Gas-fired Unit in California Shut April 1

Reuters, 10:58 April 2, 2007

InterGen's 322 MW La Rosita Gas-fired Unit 2 in California Shut April 1

Reuters, 10:58 April 2, 2007

LS Power's 754 MW Moss Landing Gas-fired Unit in California Shut April 1

Reuters, 10:58 April 2, 2007

SCE's 285 MW Mountainview Gas-fired Unit 4 in California Shut April 1

Reuters, 10:58 April 2, 2007

Petroleum

Fire Hits Coking Unit at Chevron's 260,000 b/d El Segundo Refinery in California

Early Sunday morning, a fire hit a coking unit at Chevron's 260,000 b/d El Segundo refinery in the Los Angeles area of California. The fire was confined to the coking unit and was extinguished within approximately one hour. No information is available as to the extent of damage or any impact on production.

Reuters, 15:12 April 1, 2007

Bloomberg News, 12:39 April 2, 2007

Small Leak Reported at ConocoPhillips 247,000 b/d Sweeny Refinery in Texas March 30-31

A leaky exchanger was responsible for a small leak of ethylene at the refinery. There was no indication as to any impact on production.

Bloomberg News, 11:05 April 2, 2007

Faulty Valve Results in Chemical Release at ExxonMobil's 348,500 b/d Beaumont Refinery in Texas March 31

According to a company representative, the release did not involve flaring. Small amounts of benzene and hydrogen sulfide and somewhat less than 8 tons of volatile organic compounds were released as a result of the faulty valve. There was no impact on production from the release.

Bloomberg News, 10:20 April 2, 2007

Total Shuts 75,000 b/d FCC Unit at its 240,000 b/d Port Arthur Refinery in Texas March 31

According to a report filed with state regulators, the unit was shut so that a safety check could be performed on the unit's main air blower. Bloomberg News reports that feed stock to other units was affected. The unit is expected to return to service as early as April 2.

Bloomberg News, 15:02 April 1, 2007

Total Reports Flaring its 240,000 b/d Port Arthur Refinery in Texas March 30

According to a report filed with state regulators, the flaring occurred during the restart of a sour water stripper to prevent any carryover to the sulfur recovery unit. A small amount of sulfur dioxide was involved.

Bloomberg News, 11:00 April 2, 2007

Update: ExxonMobil Preparing to Restart 155,000 b/d Torrance Refinery in California

The company is preparing to restart the refinery that has been operating at minimum rates since a controlled shutdown occurred March 22. According to a company representative, repairs are continuing and have progressed to the point where a restart can begin.

Bloomberg News, March 30, 2007

Citgo Takes Unit Offline for Inspection at its 156,000 b/d Corpus Christi Refinery in Texas March 31

The fluidic catalytic cracking (FCC) unit was taken offline for inspection on March 31 when heavier than usual gases were observed being released to the atmosphere. The upset took place following a period of heavy rains in the area.

Reuters, 15:12 April 1, 2007

Update: Agreement Reached: French Port Strike Settled; Backlog of Ships Could Take Two Weeks to Clear

According to a report by Platts, despite that fact that the port reopened on Saturday afternoon, the backlog of ships waiting to offload their cargoes could take two weeks to clear. Several refineries had been operating at reduced rates and at least one refinery had shut down. According to port officials, thirteen crude tankers, fourteen refined product tankers, four gas carriers and eight chemical tankers are among the ships awaiting dock space at the Fos Lavera hub when the strike ended. Reuters reports that 15 oil tankers have unloaded and 27 others have been able to dock since the strike ended. 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

<http://www.platts.com/Oil/News/8966448.xml?p=Oil/News&sub=Oil>

Oil Daily, April 2, 2007

Reuters, 06:07 April 2, 2007

Bloomberg News, 11:19 April 2, 2007

ExxonMobil Restarting 115,000 b/d Fos-sur-Mer Refinery in France; Sees Operations at Normal Level by Late April 2

Reuters, 04:45 April 2, 2007

BP Restarts Mad Dog Oil Field in Gulf of Mexico

BP Plc announced that it had successfully restarted the 50,000 b/d field in the Gulf of Mexico which had been shut since February 28 when an equipment problem developed.

Reuters, 10:29 April 2, 2007

Update: Strike Ends in Ecuador

A deal was negotiated by Ecuadorian officials between local residents and Petrobras. Petrobras is evaluating damage to its facilities prior to restarting production. Earlier on March 30, Petroecuador declared force majeure on 36,000 b/d of production affected by the strike.

Reuters, 18:39 March 30, 2007

Sudanese Oil Production to Reach 600,000 b/d in 2007

According to the Sudanese President, production from new oil fields should push production from the 365,000 b/d achieved in 2006 to 600,000 b/d this year.

Reuters, 07:54 April 2, 2007

PIW Survey Shows World Oil Reserves Stagnate or Modest Decline

A new survey, the first of its kind carried out by Petroleum Intelligence Weekly (PIW), shows that contrary to most surveys based on publicly available sources, world oil reserves are not rising gradually but are flat or declining slightly. PIW employed a "somewhat broader" definition of reserves but also employed their definition uniformly throughout the world to obtain the results.

Petroleum Intelligence Weekly, http://www.energyintel.com/PublicationHomePage.asp?publication_id=4

Update: Enbridge Extends Open Season for Spearhead Expansion

On March 30, Enbridge announced that it was extending the binding open season on the Phase I of the planned expansion of its Spearhead Pipeline. Spearhead transports crude oil from the Chicago area to the Cushing hub in Oklahoma. Phase one of the expansion will add 65,000 b/d of capacity to the line. Enbridge has extended the open season until April 23.

<http://biz.yahoo.com/iw/070330/0233341.html>

Natural Gas

FERC Approves Draft Environmental Impact Study for Elba Island LNG Expansion

On March 30, the FERC approved the draft environmental impact study for the planned expansion by El Paso of its Elba Island LNG import terminal. El Paso plans to increase the sendout capacity from the current 1.214 Bcf/d to 2.115 Bcf/d. In addition, storage capacity would be more than doubled to 15.7 Bcf.

Oil Daily, April 2, 2007

<http://www.platts.com/Natural%20Gas/News/6370846.xml?p=Natural%20Gas/News&sub=Natural%20Gas>
<http://intelligencepress.com/>

Mandated O&G Pipeline Maintenance Programs in Canada Cut Spills

According to Canada's National Energy Board, for the third consecutive year, there were no spills or fatalities along the country's 28,000 miles of regulated oil and gas pipelines. Prior to the beginning of the mandatory program, there was an average of 2.5 pipeline ruptures per year.

http://pro.energycentral.com/professional/news/gas/news_article.cfm?id=8063108

Other News

U.S. Refiners Question Viability of Expansion Plans in Light of Surge in Renewable Energy Sources

Petroleum Intelligence Weekly, April 2, 2007

http://www.energyintel.com/PublicationHomePage.asp?publication_id=4

Energy Prices

U.S. Oil and Gas Prices			
April 2, 2007			
	Today	Week Ago	Year Ago
CRUDE OIL West Texas Intermediate U.S. \$/Barrel	66.43	61.71	66.07
NATURAL GAS Henry Hub \$/Million Btu	7.62	7.15	7.08

Source: Reuters

Energy Notes

Fog Lifts – Corpus Christi Ship Channel Reopens Late Morning April 2

Reuters, 13:02 April 2, 2007

23,000 MW of Hydro Capacity Could be Added in U.S. by 2025 – EPRI Report

<http://www.platts.com/Electric%20Power/News/8966636.xml?p=Electric%20Power/News&sub=Electric%20Power>

British Oil Worker Kidnapped from Offshore Rig in Nigeria March 31

http://news.yahoo.com/s/nm/20070331/wl_nm/nigeria_kidnap_dc_l:_ylt=AmsRYYbAJEKaYBFdhwmuDmuAsnsA

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>.

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