



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

ENERGY ASSURANCE DAILY

Thursday, April 06, 2006

Electricity

Tuscarawas and Meigs Favored for Non-polluting Coal-fired Power Plant in Ohio

Ohio FutureGen Task Force, a group of state agencies, announced that the favored locations for the \$1 billion nonpolluting coal-fired power plant, to be built by the U.S. Department of Energy and the FutureGen Industrial Alliance, are in Tuscarawas and Meigs counties in Ohio. Sites in other parts of Ohio have been rejected. The experimental plant would turn coal into a gas of mostly hydrogen, and pollutants would be removed. The hydrogen gas would be generated to produce electricity and power fuel cells.

Energy Central Daily, April 6, 2006.

http://www.ohio.com/mld/ohio/news/14267099.htm?source=rss&channel=ohio_news

Duke Chooses South Carolina Site for New Nuclear Plant

Duke Energy has selected Cherokee County, South Carolina, for the location of the latest nuclear project, which could produce over 2,200 megawatts.

Reuters, 09:46 April 6, 2006.

Sunrise Powerlink Electric Transmission Line Gets Business and Labor Support

California business and labor groups today announced their support for the Sunrise Powerlink, a major electric-transmission line proposed by San Diego Gas & Electric (SDG&E). The line from Imperial Valley, California to the northwest portion of the utility's service territory in San Diego County will deliver 1,000 megawatts to the region by 2010 – enough energy for about 650,000 homes.

Energy Central Daily, April 6, 2006

<http://www.sdge.com/sunrisepowerlink/newsroom/releases/release8.htm>

Update: FirstEnergy's 831 MW Beaver Valley 2 Nuke in Pennsylvania Back Up April 6

The unit ramped up to 18 percent early Thursday after shutting earlier this week when the reactor automatically tripped after the main generator automatically tripped.

Reuters, 07:21 April 6, 2006.

Petroleum

Europe to Export 4.1 Million Barrels of Gasoline to U.S.

Europe has lined up 480,000 tonnes (4.1 million barrels) of gasoline this week for export to the United States, where stocks of the motor fuel are plunging and output is dwindling with peak summer demand around the corner, shipping sources said on Thursday. U.S. gasoline stocks plunged 4.4 million barrels last week, U.S. Energy Information Administration data revealed on Wednesday, with gasoline output at low levels and yields falling. Cash prices for gasoline shot up overnight, improving export economics.

Reuters, 11:13 April 6, 2006.

Kinder Morgan to Expand CALNEV System in Nevada

In addition to the upgrades on the CALNEV system that were announced previously this year, Kinder Morgan Energy Partners, L.P. now plans to increase the CALNEV pipeline capacity from the current 140,000 bpd to approximately 156,000 bpd by the end of 2007. Kinder Morgan is also considering a future expansion of pipeline capacity to approximately 220,000 bpd by 2010.

<http://biz.yahoo.com/prnews/060406/dath012.html?.v=53>

Update: Shell Does Not Restart EA Field, 455,000 b/d Remain Shut in Nigeria

Royal Dutch Shell said on Thursday it has yet to resume production at an offshore oil field in Nigeria shut since February after attacks by militants and 455,000 b/d of output remained offline. Nigerian Oil Minister Edmund Daukoru had said on Wednesday he expected production to be restored at the offshore EA field in the southern Niger delta on Thursday, leaving 420,000 bpd of national output still shut in. On Wednesday, Shell announced that it would not resume production at the field until it was safe to do so.

Reuters, 04:33 April 6, 2006.

International Oil Daily, April 6, 2006.

Three Oil Companies to Pay Back Taxes to Venezuela

Oil majors Chevron, Eni and Total agreed to pay a total of \$182.2 million to the Venezuelan government, the nation's tax chief said Wednesday, an announcement that comes only days after Venezuela seized oilfields run by Eni and Total. The payments came from a wide-ranging tax probe against private oil companies operating in Venezuela as part of President Hugo Chavez's effort to increase government revenues from the industry.

Reuters, 19:42 April 6, 2006.

Ecuador Warns Oil Companies Against Investment Cuts

Ecuador on Wednesday warned it would revoke the concessions of foreign oil companies that suspend oilfield investments in retaliation for a law requiring companies to hand over part of their windfall profits to the government. President Alfredo Palacio is currently studying a reform of the Hydrocarbons Law approved by Congress last month that requires companies to give 60 percent of profits resulting from oil revenues above established benchmark prices. The companies have threatened to suspend investment or sue in domestic and international courts if Palacio approves the law.

Reuters, 19:54 April 6, 2006.

Natural Gas

Agreements Made for Northwest Pipeline's Jackson Prairie Expansion

Four companies have provided binding precedent agreements to Northwest Pipeline Group for incremental storage service at Jackson Prairie. Total capacity resulting from the expansion includes "104,000 Dth/d of firm deliverability capacity and an associated 1.2 trillion Btu of storage capacity."

<http://powemarketers.net/contentinc.net/newsreader.asp?ppa=8ko wu%5D%5BglqrprsUSigt9K%22bfe!%5Dv>

Other News

Three-Foot Cut in Fence at Kentucky Nuke Plant Found April 3

Guards patrolling the grounds at the Paducah Gaseous Diffusion Plant in Paducah, KY, discovered a three-foot cut in a security fence April 3. The cut, which was in an open area and not close to process or storage buildings, was thought to be a test of the facility's security system as opposed to sabotage or robbery.

<http://www.wave3.com/Global/story.asp?S=4730124&nav=0RZF>

http://www.dhs.gov/interweb/assetlibrary/DHS_Daily_Report_2006-04-06.pdf

Energy Prices

U.S. Oil and Gas Prices			
April 6, 2006			
	Today	Week Ago	Year Ago
CRUDE OIL			
West Texas Intermediate U.S. \$/Barrel	67.26	66.70	55.88
NATURAL GAS			
Henry Hub \$/Million Btu	7.06	7.19	7.46

Source: Reuters

Energy Notes

High Winds Knock Out 14,000 LADWP Customers in California April 5

<http://www.nbc4.tv/news/8505612/detail.html?rss=la&psp=news>

Alaska Department of Environmental Conservation to Look at How Aging Oil Pipelines are Inspected After Last Month's BP Spill

Reuters, 19:50 April 6, 2006.

California Business and Labor Groups Support New Electric Transmission Line Connecting to Nation's Largest Solar Energy Facility

Energy Central Daily, April 6, 2006.

Illinois House Approves Bill Requiring Reporting of Radioactive Leaks at a Nuke Facility to be Reported within 24 Hours

Energy Central Daily, April 6, 2006.

Extra \$35 Million towards Mine Safety May Soon Be Available

Energy Central Daily, April 6, 2006.

Devon Energy Production 1Q Forecast Down 2 Million BOE Due to Hurricanes

Reuters, 09:16 April 6, 2006.

EPCOR's 40 MW Kingsbridge Wind Power Project Enters Service in Ontario

Reuters, 11:37, April 6, 2006.

Nigerian President Sets Up Committee to Draw Up Action Plan to Deal with Oil Crisis in Niger Delta

Reuters, 13:24 April 5, 2006.

UAE Oil Minister Says OPEC Powerless to Tame Oil Prices

Reuters, 07:19 April 6, 2006.

World Demand for Bunker Oil to Fuel Ships to Keep Rising – Oil Analysts

Reuters, 10:23 April 6, 2006.

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 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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