



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

ENERGY ASSURANCE DAILY

Monday, April 17, 2006

Electricity

Entergy Restarts Harrison Plant in Texas Idled for 11 Months by Fire Damage

In a report to Texas regulators, Entergy Corp stated that it has restarted units 1 and 2 at the 485 MW gas-fired combined cycle Harrison generating station in Texas. In May 2005, the plant was damaged in a fire that resulted when a natural gas pipeline exploded near the plant.

Reuters, 13:09 April 17, 2006

Update: APS' 1,314 MW Unit 2 at its Palo Verde Nuclear Plant in Arizona Returns to Full Power April 17

According to the daily report of the Nuclear Regulatory Commission, the 1,314 MW unit 2 at the Palo Verde nuclear generating station in Arizona was operating at full power by early morning on April 17. The unit was shut on April 11 to repair a steam delivery pipe.

Reuters, 08:38 April 17, 2006

Southern's 1,152 MW Unit 1 at its Vogtle Nuclear Plant in Georgia Shut April 17

Southern Company announced on April 17 that it had shut the 1,152 MW unit 1 at the Vogtle nuclear generating station in Georgia because of a problem with a main feed regulating valve.

Reuters, 14:03 April 17, 2006

Entergy's 968 MW River Bend Nuclear Plant in Louisiana Restarting April 17 Entergy announced that the 968 MW River Bend nuclear generating station in Louisiana was restarting following an automatic shutdown of the unit on April 15. Entergy anticipated that the unit would reconnect to the grid sometime later on April 17.

Reuters, 12:28 April 17, 2006

Constellation Energy May Close Coal-Fired Plant in Baltimore by 2013

Because of cost of meeting strict air pollution control requirements, Constellation Energy may close its C.P. Crane power plant in the Middle River area of Baltimore by 2013. The company considers the plant too small to make installation of new pollution control equipment economically feasible. At the same time, the company is planning to install about \$550 million in filtration equipment for anti-pollution at its Brandon Shore power plant also in Baltimore. Constellation is considering other options for the Crane plant including the use of low-sulfur coal.

http://pro.energycentral.com/professional/news/power/news_article.cfm?id=6564767

A Metal Nut Fused to Generator Found During Inspection at Fermi 2 Nuke Plant

On April 14, a metal nut fused to an electrical generator was found at the Fermi 2 nuclear power plant. It had no direct impact on the safety of nuclear reactor, but the generator is being taken apart for inspection.

http://pro.energycentral.com/professional/news/power/news_article.cfm?id=6563506

OPG's 490 MW Coal-fired Unit 4 at its Nanticoke Plant in Ontario Shut April 17

Reuters, 12:52 April 17, 2006

AES' 336 MW Gas-fired Unit 4 at its Alamitos Plant in California Shut April 14

Reuters, 12:52 April 17, 2006.

Calpine's 561 MW Gas-fired Los Medanos Plant in California Shut April 14

Reuters, 12:52 April 17, 2006.

Mirant's 337 MW Gas-fired Unit 6 at its Contra Costa Plant in California Shut April 15

Reuters, 12:52 April 17, 2006.

Duke's 510 MW Gas-fired Unit 1 at its Moss Landing Plant in California Shut April 15

Reuters, 12:52 April 17, 2006.

Mirant's 312 MW Gas-fired Unit 5 at its Pittsburg Plant in California Shut April 15

Reuters, 12:52 April 17, 2006.

Petroleum

Crude Oil Moves to Seven-Month High

For the first time since the price surge following hurricanes last fall, the price of crude oil in the spot and futures markets closed above \$70 per barrel. The price for WTI closed at \$70.22 pushed up by growing concern over Iranian nuclear plans.

Reuters, 12:18 April 17, 2006

Reuters, 15:15 April 17, 2006

Gasoline Production Restarted at BP's Texas City Refinery

According to press reports, BP has successfully restarted some gasoline production units without incident at its 460,000 b/d Texas City refinery. Exact data on the volume of gasoline being produced or information concerning a timetable for the return to normal operations is unavailable. The refinery has been closed since Hurricane Rita. During the time the refinery was closed, it underwent a major overhaul and safety assessment to correct any problems. An explosion at the refinery in March of 2005 killed 15 and injured approximately 500.

<http://news.galvestondailynews.com/story.lasso?ewcd=7e16f5d8d7c4b560>

Bloomberg, 18:03 April 16, 2006

Reuters, 17:46 April 16, 2006

BP's Alaska Refinery Has a Second Pipeline Rupture since March

On April 17, BP reported a pipeline break at its Alaska refinery. This is a second break at the facility in about a month. No further information about the break or its severity is available.

http://biz.yahoo.com/ap/060417/britain_bp_pipe_break.html?v=4

FCC Unit at Valero's Port Arthur Refinery in Texas Flares April 14

According to a report filed with Texas regulators, a fluid catalytic cracking unit at the 250,000 b/d Valero refinery in Port Arthur, Texas flared on Friday, April 14.

Reuters, 18:12 April 16, 2006

Problem at ConocoPhillips 146,000 b/d Borger Refinery in Texas Reported April 16

According to a report filed with state regulators, an equipment malfunction of an unidentified nature occurred at the 146,000 b/d ConocoPhillips refinery in Texas on Sunday, April 16.

Reuters, 17:49 April 16, 2006

Loading Normal from Cardon Refinery in Venezuela Despite Explosion

Shipping and trading sources have told Reuters that a 54,000 b/d catalytic reformer unit at the Cardon refinery in Venezuela was forced off line by a furnace explosion over the weekend. On Friday, an electrical failure forced all units at the 300,000 b/d refinery to shut. When state oil company PDVSA attempted to restart the refinery, the furnace blew up. The refinery is now operating at a reduced but unspecified rate. Some U.S. traders expressed concerns about possible delays in export loading because of the problems but shipping sources say that loading at Cardon is normal. Venezuela supplied the U.S. with 260,000 b/d of refined products in 2005, over 11 percent of all U.S. product imports.

Reuters, 11:28 April 17, 2006.

Reuters, 13:44 April 17, 2006.

Bloomberg, 11:08 April 17, 2006.

OPEC Won't Cut Output in 2006 if Demand and Prices Remain High

According to Qatari Oil Minister Abdullah al-Attiyah and a senior OPEC official, the cartel is unlikely to cut production for the remainder of 2006 if demand levels remain high and prices keep near \$70 per barrel. OPEC has not cut production quotas at all this year but believes there are enough crude stocks and enough spare capacity to meet any unexpected supply shortages.

Reuters, 07:54 April 17, 2006.

Chad Threatens to Halt U.S.-led Oil Production in Country

On Saturday Exxon Mobil said it was talking with the government of Chad after the government demanded that a US-led oil consortium pay at least \$100 million by Tuesday or be forced to stop oil production in the country. Chad delivered the ultimatum on Friday in order to circumvent a freeze by the World Bank on oil profits from a pipeline in Chad because of a dispute over how the money was being spent. Chad produces 160,000 to 170,000 b/d. In 2005, the U.S. imported 104,000 b/d from Chad.

Reuters, 12:28 April 15, 2006.

www.eia.gov

Natural Gas

Natural Gas Futures Price Jumps 6 Percent – Propelled by Rise in Crude Price

Propelled by rising crude oil prices, the price of natural gas jumped 6 percent on the futures market. The price of natural gas for the May contract closed at \$7.577 per MMBtu. At the same time, the price of natural gas on the spot market closed at \$7.22 per MMBtu an increase of 12.1 percent from the close on Friday, April 14.

Reuters, 15:19 April 17, 2006.

World Gas Intelligence (WGI) Finds Only a Few Realistic LNG Prospects

After reviewing 22 proposals for LNG receiving terminals along the US Gulf Coast, WGI finds that after the expansions of the plants at Southern Union in Lake Charles, Louisiana and El Paso on Elba Island, Georgia, only seven or eight of them are possible prospects.

http://www.energyintel.com/DocumentDetail.asp?document_id=172737

Other News

Coal Industry on the Rebound in Ohio

Due to rising oil prices and new pollution controls, the coal industry is booming in Ohio. According to the EIA, sixty-nine mines opened in Appalachia in 2005, and the demand for U.S. coal is expected to be a record 1.2 billion tons in 2006, up from 1.18 billion in 2005, according to the National Mining Association. This year, production is forecast to increase 3.2 percent or 1.16 billion tons. There are about 100 mines and 35 coal companies in Ohio. An estimated 24.6 million tons of coal were mined in Ohio last year, which is up from 23.5 million tons in 2004.

http://www.washingtonpost.com/wp-dyn/content/article/2006/04/14/AR2006041400812_pf.html

Energy Prices

U.S. Oil and Gas Prices			
April 17, 2006			
	Today	Week Ago	Year Ago
CRUDE OIL			
West Texas Intermediate U.S.	70.27	68.60	50.52
\$/Barrel			
NATURAL GAS			
Henry Hub	7.22	6.83	6.95
\$/Million Btu			

Source: Reuters

Energy Notes

Peak Shaving LNG Plant in Connecticut Approved to Increase Sendout rate from 72 MMcf/d to 90 MMcf/d

<http://intelligencepress.com/subscribers/daily/news/story.emb?REF=45559>

Judge Recommends that FERC Approve Florida Gas Transmission's More Conservative LNG Standards

<http://intelligencepress.com/subscribers/daily/news/d20060413c.html>

Consolidated Edison in New York Issues Request for Proposal Seeking Applications for Demand Side Management

<http://biz.yahoo.com/prnews/060417/nym108.html?v=31>

Debate Continues Over Off-Shore Wind Project to be Developed in Cape Cod

<http://powermarketers.net/contentinc.net/newsreader.asp?ppa=8kowu%5D%5BgmrnttVTkht9K%22bfe1%5Dv>

Port Director Says Only Road Accessing Port Fourchon at Risk for Hurricane Damage

Bloomberg, 00:19 April 17, 2006.

Gulf Coast Oil and Gas Sector Having Difficulty Keeping Workers on Job to Finish Restoring Platforms after 2005 Hurricane Damage

Reuters, 08:46 April 17, 2006.

Southern California Gas Company Strengthens Infrastructure Against Earthquakes

Reuters, 12:11 April 17, 2006.

Nigerian Union Considering Strike Over Dispute With Exxon

Reuters, 09:04 April 17, 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 at 10:30 AM and 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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