



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

ENERGY ASSURANCE DAILY

Wednesday, April 26, 2006

Electricity

Texas PUC to Order ERCOT to Improve Procedures After Blackouts

The Texas Public Utilities Commission will order the Electricity Reliability Council of Texas (ERCOT) to change its forecasting and emergency procedures because of the way in which ERCOT responded to above-normal temperatures on April 17 that resulted in rolling blackouts across the state.
Reuters, 19:25 April 25, 2006.

California Energy Commission Sees No Grid Problems This Summer

According to the California Energy Commission, electricity demand in the state is not expected to overwhelm resources when temperatures rise this summer, increasing the pull on the power grid.
Reuters, 15:55 April 25, 2006.

Southern's 1,152 MW Vogtle Nuke in Georgia Ramps Up to 99 Percent

The unit, which shut to fix a problem with one of the main feed regulating valves, exited an outage over the weekend and was operating at 68 percent on April 25.
Reuters, 07:32 April 26, 2006.

NRG's 766 MW Coal-fired Limestone 2 in Texas to Shut April 26-27

The unit will shut to fix a boiler tube leak.
Reuters, 08:19 April 26, 2006.

TXU's 545 MW Coal-fired Sandow Power Station in Texas Shut April 25-26

The unit shut due to water quality conditions.
Reuters, 08:18 April 26, 2006.

USBR's 383 MW Hydro-powered New Melones Plant in California Shuts April 25

Reuters, 08:29 April 26, 2006.

Reliant's 320 MW Gas-fired Etiwanda 4 in California Shuts April 25

Reuters, 08:29 April 26, 2006.

SCE's 263 MW Hydro-powered Big Creek Plant in California Shuts April 25

Reuters, 08:29 April 26, 2006.

Petroleum

U.S. Refiners Boost Fuel Output by 375,000 b/d

According to the latest weekly report of the Energy Information Administration (EIA), gasoline production by U.S. refiners was up 375,000 b/d from the previous week, a rise of about 4.6 percent. Refinery production of finished motor gasoline totaled 8,470,000 b/d for the week ending April 21.

Reuters 13:53 April 26, 2006.

http://tonto.eia.doe.gov/dnav/pet/pet_sum_sndw_dcus_nus_w.htm

API Doesn't See Widespread Gasoline Supply Problems This Summer

The American Petroleum Institute (API) has said that it does not anticipate widespread gasoline supply problems during the summer season despite recent reports of short outages on the East Coast. API's president said that the industry's overall transition to ethanol from MTBE was going well.

Reuters, 11:42 April 26, 2006.

Update: DOE Halting SPR Fill to Curb Prices

The U.S. Department of Energy has put on hold plans buy crude oil to fill the Strategic Petroleum Reserve after President Bush ordered the Department to delay deliveries and purchases for the reserve until this fall. The DOE has been buying replacement stocks for the reserve after selling 11 million barrels of crude oil to refiners when Hurricane Katrina disrupted supplies last year. Bush hopes the suspension will help curb oil prices.

Reuters, 14:16 April 26, 2006.

Sunoco Logistics Adding Storage Capacity at Major Texas Terminal

Sunoco Logistics plans to add two storage tanks totaling 1.3 million barrels of capacity at its Nederland, Texas petroleum products terminal. The new tanks should be completed by the third quarter of 2007. The company has other tanks planned or under construction at the terminal which when completed will increase capacity from 12.5 million barrels to 16.5 million barrels.

<http://biz.yahoo.com/biz/060425/1277944.html?.v=1>

Update: Venezuela's Cardon Refinery Still Experiencing Troubles

Sources have informed Reuters that Venezuela's 305,000 b/d Cardon refinery is still facing operational difficulties after a shut down in mid-April due to a power outage and an explosion. One source said that there are six boats currently waiting to load products from Cardon, some of which have been waiting as long 20 days. On Tuesday PDVSA said that the refinery was running at 90 percent. Trading sources have told Reuters that the company is seeking to purchase gasoline-blending components. Venezuela supplied 8 percent of U.S. product imports in 2005.

Reuters, 12:15 April 26, 2006.

Update: All ExxonMobil Staff Back on Job at Qua Iboe Terminal in Nigeria

One day after telling all non-essential personnel to stay home, ExxonMobil's staff was back at work. A security concern has been resolved and Exxon has also stepped up security measures at the facility.

<http://www.platts.com/Oil/News/8403318.xml?p=Oil/News&sub=Oil>

Reuters, 16:38 April 26, 2006.

Angola Oil Production to Reach 2 Million b/d by End of 2007

According to government officials, Angola is now producing 1.4 million b/d, 100,000 b/d more than previously expected. The African nation plans to increase production to 2 million b/d by the end of 2007, earlier than previously expected. Angola supplied 4.5 percent of total U.S. crude imports in 2005.

Reuters, 09:09 April 26, 2006.

Natural Gas

Gulf South Proposes to Expand in Southeast

Boardwalk Pipeline Partners (a sub. of Gulf South) has proposed a proposed 89-mile, 36-inch diameter expansion project and is testing for customer interest. The expansion will have a capacity of 700 MMcf/d.

<http://intelligencepress.com/>

Reuters, 16:35 April 25, 2006.

Other News

Cline Co. Applies for Permit to Open Coal Mine in British Columbia, Montana Officials Concerned about Environmental Impact

Cline estimates that the mine's production would be 2 million metric tons of pulverized coal per year for about 20 years.

<http://www.platts.com/Coal/News/7412714.xml?p=Coal/News&sub=Coal>

Energy Prices

U.S. Oil and Gas Prices			
April 26, 2006			
	Today	Week Ago	Year Ago
CRUDE OIL			
West Texas Intermediate U.S.	72.10	71.91	54.33
\$/Barrel			
NATURAL GAS			
Henry Hub	7.37	7.72	7.08
\$/Million Btu			

Source: Reuters

Energy Notes

Wisconsin Energy Sues Union Pacific Over Coal Pricing and Delivery Issues

Reuters, 13:19 April 26, 2006.

Update: Union Pacific Denies it Delayed Coal to Entergy in Arkansas

http://pro.energycentral.com/professional/news/power/news_article.cfm?id=6598051

New 15 MW Power Plant Proposed in Minnesota that is Fueled by Barley Hulls

<http://www.startribune.com/332/story/388243.html>

Tanker Truck Crashes and Spills 8,000 Gallons of Gasoline, Fire Closes Highway 6 in Utah for 2 Hours April 24

http://kutv.com/topstories/local_story_114154535.html

http://kutv.com/topstories/local_story_115105438.html

Murphy Oil Says Meraux Refinery in Louisiana to Restart in Early May

Reuters, 16:30 April 25, 2006.

Shell Martinez, California Refinery to Spend \$6M to Upgrade Security

<http://www.bizjournals.com/eastbay/stories/2006/04/24/story3.html?t=printable>

Iran Threatens to Strike U.S. Interests ‘Anywhere in the World that is Possible’ if U.S. Attacks

Reuters 12:18 April 26, 2006.

Will Nuclear Standoff in Iran Drive International Oil Companies Out of Iran?

International Oil Daily, April 26, 2006 http://www.energyintel.com/PublicationHomePage.asp?publication_id=31

London Insurer Keeps Malacca Strait on List of War-Risk Areas Despite Drop in Piracy Attacks, Malaysia Upset

Reuters, 07:46 April 26, 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 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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