



# ENERGY ASSURANCE DAILY

Tuesday Evening, April 29, 2008

## Major Developments

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### **Update: BP Restarts 700,000 b/d Forties North Sea Pipeline System April 29**

The process of restarting the Grangemouth Refinery in the UK is underway and with power and services restored to the nearby Kinneil oil processing facility, BP has confirmed that it has begun restoration of the Forties Pipeline System. According to a BP representative, the system will be restarted on April 29 with full restoration taking several days. The system is scheduled to deliver 620,000 b/d in May.

<http://www.platts.com/Oil/News/8698226.xml?p=Oil/News&sub=Oil>

<http://www.bloomberg.com/apps/news?pid=20601102&sid=adWDNLGnyLcA&refer=uk>

### **Update: Strike Continuing as ExxonMobil and Oil Workers Meet in Attempt to Resolve Strike Issues in Nigeria April 29—More than Half of Nigeria's 2 Million b/d Output Shut**

ExxonMobil has confirmed that the six-day strike has shut most of its 800,000 b/d of crude oil production in Nigeria. The declaration of force majeure announced by the company remains in effect as talks between the company and the union representing the white-collar workers continue. According to one union official, there was no progress on Monday but “we hope to break the deadlock today.” Separately, attacks by rebels on oil facilities in the Niger Delta led Shell to declare force majeure on some 164,000 b/d of its production. According to a Reuters story, the cumulative impact of the strike, attacks and various outages amounts to more than 1.3 million bpd of Nigeria's recent output of about 2 million b/d.

Reuters, 07:31 April 29, 2008

Bloomberg News, 05:31 April 29, 2008

<http://www.washingtonpost.com/wp-dyn/content/article/2008/04/28/AR2008042802374.html>

## Electricity

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### **Mirant's 337 MW Contra Costa Gas-fired Unit 7 in California Shut April 28**

According to the California Independent System Operator, the unit experienced an unplanned curtailment of 127 MW on April 28

<http://www.caiso.com/unitstatus/data/unitstatus200804281515.html>

### **ATCO's 378 MW Sheerness Coal-fired Unit 1 in Alberta Shut April 29**

Reuters, 9:10 April 29, 2008

### **Luminant's 575 MW Big Brown Coal-fired Unit 2 in Texas Shut April 28**

Reuters, 16:05 April 28, 2008

### **ENMAX's 250 MW Calgary Gas-fired Unit in Alberta Shut April 28**

Reuters, 9:10 April 29, 2008

### **Bruce Power's 790 MW Bruce Nuke Unit 5 in Ontario Shut April 29**

The unit was idled to repair control room computer equipment. The unit is expected to return to service in a few days.

Bloomberg News, 09:18 April 29, 2008

### **OPG's 881 MW Darlington Nuke Unit 2 in Ontario Shut April 29**

The unit experienced an unplanned outage on April 29.

Bloomberg News, 09:58 April 29, 2008

Reuters, 9:10 April 29, 2008

### **Exelon's 619 MW Oyster Creek Nuke Unit in New Jersey Returns to Service April 29**

The unit was shut April 25 to repair a turbine. The unit ramped up to 10 percent power early today.

Reuters, 07:24 April 29, 2008

### **Exelon's 1,111 MW La Salle Nuke Unit 2 in Illinois Reduced to 83 Percent by April 29**

The Nuclear Regulatory Commission reported that on the morning of April 28 the unit was operating at full power.

The unit was reduced for work on a turbine-control valve.

Bloomberg News, 10:40 April 29, 2008

Information also derived from the NRC Power Reactor Status Reports:

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2008/>

### **Update: Calpine's 593 MW Metcalf Energy Center Gas-fired Unit in California Returns to Service April 28**

According to the California Independent System Operator, the unit experienced an unplanned outage on April 28.

<http://www.caiso.com/unitstatus/data/unitstatus200804281515.html>

### **Update: Progress Energy's 872 MW Brunswick Nuke Unit 1 in North Carolina Ramped Up to 17 Percent by April 29**

The Nuclear Regulatory Commission reported that on the morning of April 28 the unit was operating at 1 percent.

Information derived from the NRC Power Reactor Status Reports:

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2008/>

### **Update: STP's 1,251 MW South Texas Nuke Unit 1 in Texas Ramped Up to 90 Percent by April 29**

The Nuclear Regulatory Commission reported that on the morning of April 28 the unit was operating at 74 percent.

Information derived from the NRC Power Reactor Status Reports:

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2008/>

## ***Petroleum***

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### **Hydrogen Desulfurization Unit at BP's 265,000 b/d Refinery in Carson, California Shut April 28**

According to sources, the unit was shut Monday night. According to a filing with state regulators, the company reported that an equipment breakdown caused flaring and one person was injured.

Reuters, 19:23 April 28, 2008

Bloomberg, 09:53 April 29, 2008

Reuters, 10:19 April 29, 2008

### **KinderMorgan Shuts 8-inch Refined Products Pipeline in California due to Possible Leak April 29**

A third party reported seeing liquid spraying in the air near the pipeline, and the company checked for possible leaks. Finding no apparent problems, the line which runs between Bakersfield and Fresno, California has been restarted.

Bloomberg News, 11:36 April 29, 2008

Reuters, 10:45 April 29, 2008

### **Update: Valero to Complete Repairs on Delayed Coker at its 325,000 b/d Port Arthur, Texas Refinery by Mid-May**

The refinery has been operating at reduced rates since repairs began on Friday. Valero also plans to install new drums to the coker in 2009 or 2010.

Bloomberg News, 11:44 April 29, 2008

### **Update: KinderMorgan Completes Section of Anchor Loop Project Ahead of Schedule The Project Will Increase 260,000 b/d Trans Mountain Pipeline System to 285,000 b/d in Canada**

The Anchor Loop Project, which includes new 30- and 36-inch pipeline and two pump stations, was completed seven months ahead of schedule. The remaining portion is expected to be in service by November 2008.

[http://www.downstreamtoday.com/News/Articles/200804/Kinder\\_Morgan\\_Completes\\_Jasper\\_Section\\_o\\_10446.aspx](http://www.downstreamtoday.com/News/Articles/200804/Kinder_Morgan_Completes_Jasper_Section_o_10446.aspx)  
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### **Update: BP's Texas City, Texas Refinery to Reach "Full Economic Contribution" by late 2008**

The refinery has been operating at reduced rates since the fall of 2005. The company anticipates that the ultraformer will return to operational status during the second half of the year.

Reuters, 10:43 April 29, 2008

### **Update: Valero's 275,000 b/d Aruba Refinery to Complete Repairs by Second Week of May**

The refinery was shut due to a fire in January.

Bloomberg News, 09:30 April 29, 2008

### **Norway's Petoro Reported 8 Percent Drop in Crude Output from 702,000 b/d to 647,000 b/d in the First Quarter 2008**

Reuters, 11:28 April 29, 2008

## ***Natural Gas***

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### **Crosstex Energy Plans 200 MMcf/d Bear Creek Gas Processing Plant in Texas**

The gas processing plant will process natural gas from the Barnett Shale region in North Texas, and is expected to become operational in the third quarter of 2009. Completion of the plant will increase Crosstex's processing capacity in the Barnett Shale region to 485 MMcf/d.

<http://phx.corporate-ir.net/phoenix.zhtml?c=135312&p=IROL-SingleRelease&t=Regular&id=1135400&>

### **Eni Commences Development of Longhorn Gas Field in the Gulf of Mexico April 28**

Eni expects initial production to begin in March 2009, and a peak production of 200 MMcf/d.

[http://www.rigzone.com/news/article.asp?a\\_id=61103](http://www.rigzone.com/news/article.asp?a_id=61103)

### **Atlas Pipelines Holds Non-Binding Open Season for 1,200,000 Dth/d Tenark Pipeline Project from Arkansas to Tennessee**

The open season started on April 25, and will continue until May 15. The Tenark Project consists of 160 miles of 36-inch diameter pipeline, with an initial capacity of 700,000 Dth/d with the potential to expand to a capacity of 1,200,000 Dth/d.

<http://phx.corporate-ir.net/phoenix.zhtml?c=113240&p=irol-newsArticle&t=Regular&id=1135403&>

### **Update: Energy Transfer Partners Completes 900,000 MMcf/d Southeast Bossier 42-inch Gas Pipeline Project in Texas April 28**

The pipeline will provide producers in the Barnett Shale and Bossier Sand development with an initial capacity of 900,000 MMcf/d.

[http://www.businesswire.com/portal/site/home/news/sections/?ndmViewId=news\\_view&newsLang=en&newsId=20080428006702](http://www.businesswire.com/portal/site/home/news/sections/?ndmViewId=news_view&newsLang=en&newsId=20080428006702)

## Other News

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### **Texas Governor Requests 50 Percent Waiver for Ethanol Produced from Grain April 25**

Texas Governor Rick Perry requested a waiver from the federal government for the renewable fuel standard (RFS), citing that the “mandate is significantly affecting Texans’ family food bill.”

[http://www.downstreamtoday.com/News/Articles/200804/Texas\\_Gov\\_Requests\\_Federal\\_RFS\\_Mandate\\_10448.aspx](http://www.downstreamtoday.com/News/Articles/200804/Texas_Gov_Requests_Federal_RFS_Mandate_10448.aspx)

## Energy Prices

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<b>U.S. Oil and Gas Prices</b>			
April 29, 2008			
	<b>Today</b>	<b>Week Ago</b>	<b>Year Ago</b>
<b>CRUDE OIL</b> <b>West Texas Intermediate U.S.</b> \$/Barrel	115.21	119.44	65.73
<b>NATURAL GAS</b> <b>Henry Hub</b> \$/Million Btu	10.95	10.50	7.60

Source: Reuters

## Energy Notes

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### **Transformer Explosion Causes Widespread Power Outages for Public Service of New Hampshire Customers April 28**

[http://www.fosters.com/apps/pbcs.dll/article?AID=/20080429/GJNEWS\\_01/610420268/-1/FOSNEWS](http://www.fosters.com/apps/pbcs.dll/article?AID=/20080429/GJNEWS_01/610420268/-1/FOSNEWS)

### **Copper Thefts Knocks Out Power to 2,000 Entergy Customers in Arkansas April 28**

<http://www.todaysthv.com/news/news.aspx?storyid=64755>

### **Tanker Truck Overturns, Spilling 3,700 Gallons of Crude Oil in Kentucky April 29**

[http://www.themoreheadnews.com/local/local\\_story\\_120144738.html](http://www.themoreheadnews.com/local/local_story_120144738.html)

### **California Governor Supports SDG&E’s Proposed Transmission Line Project through Anza-Borrego Desert State Park**

<http://www.topix.net/content/cbs/2008/04/schwarzenegger-backs-controversial-power-project>

### **Pemex Closes Cayo Arcas and Pajaritos Gulf Oil Ports and the Salina Cruz Port along the Pacific in Mexico due to Pacific Storms April 28**

Bloomberg News, 18:15 April 28, 2008

### **MMS Approves Development of Petrobras’s Cascade-Chinnok Project, The First Floating Production Storage Offloading Facility in Gulf of Mexico**

Reuters, 11:47 April 29, 2008

### **Nuclear Power Plants Join Utilities Service Alliance (U.S.A) to Form Partnerships between Nuke Utilities and Maintenance Contractors to Reduce Operating and Maintenance Costs**

Market Wire, 07:31 April 29, 2008

### **Update: Russia’s Sakhalin-2 Project to Start Exporting LNG in Late 2008**

Reuters, 06:28 April 29, 2008

**Update: Energy Consortium to Appeal FERC's Decision to Suspend Quoddy Bay's Proposed Broadwater LNG Terminal in Maine April 28**

<http://www.courant.com/news/custom/topnews/hcu-ap-lngterminal-0428.0.5369650.story>

**Update: BP Sees Azeri Oil Output in the Caspian Sea at 1.1 MMb/d by end of 2008  
Previous Estimate was 1 MMb/d in 2009**

Reuters, 08:32 April 29, 2008

## **Links**

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***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](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](mailto:ead@oe.netl.doe.gov)