



# ENERGY ASSURANCE DAILY

Tuesday Evening, May 13, 2008

## Major Developments

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### **Update: BP Restores Power -- Prudhoe Bay Oilfield in Alaska Back Online—Company Delivering Crude at about 75 Percent Capacity May 13**

The company restored power to all affected processing facilities, and resumed shipments of about 285,000 b/d, out of a possible 380,000 b/d to 400,000 b/d, a news source said. BP is conducting repairs to other, auxiliary equipment, and expects to resume full production in several days. The 79,000 b/d Northstar field is also back online.

[http://biz.yahoo.com/ap/080513/wst\\_prudhoe\\_bay\\_power.html?.v=1](http://biz.yahoo.com/ap/080513/wst_prudhoe_bay_power.html?.v=1)

Bloomberg News, 15:00 May 12, 2008

### **Update: After Tornadoes, 33,000 Georgia Power Customers Remain Without Power May 13**

The company could not restore many of customers until workers removed obstructing debris. The storms downed or damaged up to 200 power poles, a Georgia Power spokeswoman said. Only scattered outages remain among other affected utilities across the Midwest and East Coast, according to latest available reports.

<http://www.macon.com/149/story/348464.html>

<http://www.macon.tv/news/local/18888904.html>

## Electricity

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### **Update: PSE&G's 1,092 MW Salem Nuke Unit 2 in New Jersey Shut by May 13**

Public Service Enterprise Group (PSE&G) idled the unit May 9 after intake screens faulted. The Nuclear Regulatory Commission reported that on the morning of May 12 the unit was operating at 80 percent.

Bloomberg News, 09:08 May 12, 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: PG&E's 1,087 MW Diablo Canyon Nuke Unit 2 in California at Full Power by May 13**

The Nuclear Regulatory Commission reported that on the morning of May 12 the unit was operating at 73 percent.

Information derived from the NRC Power Reactor Status Reports:

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

### **OPG's 500 MW Pickering Nuke Unit 8 in Ontario Shut May 12**

The company shut the unit to repair the reactor's turbine generator system, a company spokesman said.

Bloomberg News, 09:39 May 13, 2008

### **Update: OPG's 490 MW Nanticoke Coal-fired Unit 8 Returns to Service by May 13**

The unit idled by April 30.

Reuters, 08:24 May 13, 2008

### **Southern's 856 MW Hatch Nuke Unit 1 in Georgia Slows to 90 Percent Power by May 13**

Southern curtailed the unit to reposition a valve, a spokeswoman said. The unit is returning to full output, she said.

Bloomberg News, 11:45 May 13, 2008

## **ENMAX's 250 MW Calgary Gas-fired Unit in Alberta Shut May 12**

Reuters, 8:51 May 13, 2008

## **TANC Issues Request for Information, Looks to Link Renewable Power Sources in California and Nevada to Consumers in Northern California**

The Transmission Agency of Northern California (TANC) released a request for information May 9, seeking input about possible projects to develop renewable energy projects in northern California and Nevada as TANC considers transmission options including developing two 500-kV transmission lines, which would stretch from Shasta to Lassen County in California.

<http://www.platts.com/Electric%20Power/News/6872524.xml?p=Electric%20Power/News&sub=Electric%20Power>

## **Wind Energy Could Produce 20 Percent of U.S. Electricity By 2030, DOE Study Says**

The U.S. Department of Energy (DOE) released a report examining the technical feasibility of harnessing wind power to provide up to 20 percent of the nation's total electricity needs by 2030. The report outlines a potential scenario to boost wind electric generation from its current production of 16.8 gigawatts (GW) to 304 GW by 2030. The analysis concludes that reaching 20 percent wind energy will require enhanced transmission infrastructure, streamlined siting and permitting regimes, improved reliability and operability of wind systems, and increased U.S. manufacturing capacity.

<http://www.energy.gov/news/6253.htm>

The report can be found at: <http://www1.eere.energy.gov/windandhydro/pdfs/41869.pdf>

## ***Petroleum***

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### **Update: Crude Unit at Hovensa's 525,000 b/d St. Croix, Virgin Islands Refinery to be Offline for a Week to 10 Days**

The company halted "one of the larger" crude units for unplanned work last week, a spokesman said. The unit should restart near the end of this week or the beginning of next, he said.

Bloomberg News, 13:15 May 12, 2008

### **Update: Shell Resumes Production at Two Nigerian Oil Facilities—IEA Says 500,000 b/d of Overall Nigerian Production Remains Shut in By Industrial Activities and Militancy**

Shell repaired a pipeline leak at the Cawthorne fields, and fixed its Greater Port Harcourt Swamp line, but did not say how much of its downed capacity—previously estimated at 164,000 b/d—is back online. Two Shell pipelines remain unfixed. All four of the affected pipelines deliver crude to Nigeria's Bonny export terminal, where a force majeure is still in effect. Separately, Shell said oil spills at its Nigerian crude facilities increased by 80 percent in 2007. The company attributed the increased incidents to sabotage.

Reuters, 09:40 May 13, 2008

Bloomberg News, 11:27 May 13, 2008

Bloomberg News, 06:41 May 13, 2008

### **Update: Delek to Return 20,000 b/d FCC to Normal Output by May 14 at 55,000 b/d Tyler, Texas Refinery**

Workers reduced the gasoline-producing fluid catalytic cracker (FCC) to repair a boiler. The company expects the FCC at full rates tomorrow, May 14.

Reuters, 10:56 May 13, 2008

### **Rocky Mountain Pipeline System Announces Open Season for Proposed Oil Pipeline Route from Wyoming to Cushing, Oklahoma**

The proposed expansion would originate at Rocky Mountain Pipeline System's (RMPS) Fort Laramie station. Oil would travel from Fort Laramie along RMPS' existing 16-inch pipeline to Cheyenne, Wyoming. From Cheyenne, it would move through a newly constructed, 12-inch pipeline to Platteville, Colorado; from there, it would transport along a proposed 12-inch pipeline to Cushing, Oklahoma. The open season will begin on May 13, 2008 and end on June 12, 2008.

<http://www.b2i.us/profiles/investor/ResLibraryView.asp?BzID=789&ResLibraryID=24561&Category=117>

## Update: After April 30-May 1 Fire, Holly's 24,700 b/d Woods Cross, Utah Refinery Returns to Normal Rates by Late Last Week

The refinery returned to full production late last week, a spokesman said May 13.  
Reuters, 12:08 May 13, 2008

## World Oil Production Dips in April, 2008 as IEA Cuts Yearly Output Forecast

World oil output dipped 400,000 b/d in April, 2008 to 86.8 million b/d, the International Energy Agency (IEA) said May 13. Non-OPEC supply decreased by 135,000 b/d to 49.96 million b/d, and OPEC supply slipped 260,000 b/d to 31.87 million b/d. IEA blamed the decline largely on Nigeria's recent oil strike, which slowed the nation's output for more than a week. IEA also reduced its 2008 global oil demand forecast by 390,000 b/d, to 86.84 million barrels.

<http://www.platts.com/Oil/News/8729979.xml?p=Oil/News&sub=Oil>

Bloomberg News, 12:04 May 13, 2008

## Natural Gas

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### New Pipelines Sustain Surging Natural Gas Production in Rocky Mountains

Utah, Wyoming and Colorado's natural gas production has spiked to 8.2 Bcf/d, a more than 1 Bcf/d surge from last year, thanks in large measure to new pipelines connecting regional producers to consuming regions across the nation such as the partly-complete, 1.6 Bcf/d Rockies Express Pipeline, which stretches 1,678 miles from Colorado to Ohio.

[http://www.sltrib.com/business/ci\\_9239971](http://www.sltrib.com/business/ci_9239971)

### Enstar to Conduct Preliminary Planning for 690-mile Natural Gas Pipeline from North Slope to Southcentral Alaska

The 20-inch or 24-inch "bullet" pipeline would connect Anadarko's planned Gubik gas field on the North Slope to southcentral Alaska. Enstar will perform preliminary research this year, and decide in June 2009 whether to further the project. The decision to build will depend on development of the Gubik gas field, which Anadarko plans to test next winter. If built, the line could be complete by 2015.

[http://www.alaskajournal.com/stories/051108/hom\\_20080511047.shtml](http://www.alaskajournal.com/stories/051108/hom_20080511047.shtml)

## Other News

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Nothing to report.

## Energy Prices

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U.S. Oil and Gas Prices			
May 13, 2008			
	Today	Week Ago	Year Ago
<b>CRUDE OIL</b>			
<b>West Texas Intermediate U.S.</b>	125.82	122.23	62.20
\$/Barrel			
<b>NATURAL GAS</b>			
<b>Henry Hub</b>	11.38	10.77	7.63
\$/Million Btu			

Source: Reuters

## **Energy Notes**

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**Strike Threat for May 15 Looms at Plymouth's 680 MW Pilgrim Nuclear Power Plant in Massachusetts—Company Says It is Prepared, but Union Leader Says Strike Would Halt Power Output**

<http://www.bostonherald.com/business/general/view.bg?articleid=1093018>

**For First Time in 20 Years, Drought Could Force California Refiners to Reduce Water Use by 5 Percent, News Source Says**

Bloomberg News, 05:36 May 13, 2008

**LS Power Receives City Approval for Proposed 750 MW Coal-fired Power Plant in Iowa—Still Needs Approval from Iowa Department of Natural Resources**

Bloomberg News, 09:32 May 13, 2008

**Wildfires Stretch 17,000 Acres in Florida, Endangering Nearly 800 Homes and Businesses, Cutting Power to 5,400 Homes**

Bloomberg News, 11:31 May 13, 2008

**OSHA Fines Sunoco \$330,000 for Safety Violations at East Toledo, Ohio Refinery—Among 27 Faults, Sunoco did not Repair or Replace Thin or Leaking Equipment**

[http://www.downstreamtoday.com/News/Articles/200805/OSHA\\_Some\\_Issues\\_At\\_Ohio\\_Refinery\\_Yea\\_10777.aspx](http://www.downstreamtoday.com/News/Articles/200805/OSHA_Some_Issues_At_Ohio_Refinery_Yea_10777.aspx)

**Azerbaijan's State Oil Company, SOCAR, to Open Oil Terminal on Georgia's Black Sea on May 16—Terminal to Have Initial Capacity of 108,000 b/d With Later Increase to 216,000 b/d**

Reuters, 03:55 May 13, 2008

**Kuwait to Boost Oil Output from 2.6 Million b/d Currently to 3 Million b/d in One Year—Nation Also Plans to Increase Production to 4 Million b/d by 2020, Official Says**

Bloomberg News, 00:46 May 13, 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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*Energy Assurance Daily* provides a summary of public information concerning current energy issues. Published Monday through Friday to inform stakeholders of developments affecting energy systems, flows, and markets, it provides highlights of energy issues rather than a comprehensive coverage. *Energy Assurance Daily* is updated online Monday through Friday after 5:00 p.m. EST. For more information, visit the Infrastructure Security and Energy Restoration (ISER) website at:

<http://www.oe.netl.doe.gov/index.aspx>.

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