



ENERGY ASSURANCE DAILY

Friday, May 18, 2007

Electricity

Progress Energy's 710 MW S.C. Robinson Nuke Unit 2 in South Carolina Exits Outage, Ramps Up to 82 Percent May 21

The unit shut on May 15 due to an electrical issue.

Reuters, 07:33 May 18, 2007

Bloomberg News, 09:54 May 18, 2007

Constellation's 609 MW Nine Mile Point 1 Nuke in New York Shut May 17

The unit was shut to repair a pipe leak associated with the reactor's coolant system.

Bloomberg News, 10:57 May 18, 2007

FERC Releases Summary Energy Market Assessment May 17

The Federal Energy Regulatory Commission (FERC) study noted that prices for electricity will be higher this summer in all regions of the United States due in large part to the higher price of natural gas already reflected in futures markets. The study also warned that generation additions over the past year have not been as robust as in past years, leaving many regions with tight supply and demand balances. The report goes on to say that "regional transmission and natural gas transportation investments appear to have increased the flexibility to meet load in areas including Southern California, New England and Florida." To view the entire report click on the following link:

<http://www.ferc.gov/market-oversight/mkt-views/2007/05-17-07.pdf>

NERC Projects Reliable Electricity This Summer, Barring Extreme Weather

Areas of the greatest concern, which NERC has put on its Summer Watch List, are: Southern California, the Greater Connecticut region, and British Columbia. Areas that have improved the most since last summer include: the Southeast, Boston, Southwestern Connecticut, and Texas.

ftp://www.nerc.com/pub/sys/all_updl/docs/pressrel/05-17-07-Summer-Assessment-PR.pdf

American Transmission Co. Wants New 345 kV Wisconsin to Illinois Line

American Transmission Co. has asked Wisconsin regulators to approve the 35-mile line linking northern Illinois to Madison, Wisconsin. If approved, the project planned complete date is 2010.

<http://www.platts.com/Electric%20Power/News/6384278.xml?p=Electric%20Power/News&sub=Electric%20Power>

Some of Indian Point Nuke Plant's Sirens in New York Knocked Out by Storm

Thunderstorms that passed over the Indian Point Nuclear Station in New York on May 16 knocked out 26 of the system's 156 warning sirens. All but one of them were back in service by Friday morning, May 18.

<http://www.newsday.com/news/nationworld/wire/sns-ap-brf-nuclear-plant-sirens.0,1645841.story?coll=sns-ap-nationworld-headlines>

Petroleum

CHS's 55,000 b/d Laurel Refinery in Montana Shuts Down Due to Transformer Failure May 16

CHS officials said that the power outage Wednesday afternoon that forced the evacuation of 1,550 workers at the plant was caused by an internal failure of a transformer. The crude unit has resumed operations and will return to full production by the end of next week.

<http://www.billingsgazette.net/articles/2007/05/18/news/local/45-refinery.txt>

FCCU at ConocoPhillips' 194,000 b/d Refinery in Oklahoma Shut May 17

The fluid catalytic cracking unit (FCCU) was shut due to an operational snag. It is not clear how long the unit will be out of operation.

Reuters, 12:17 May 18, 2007

CDU at Murphy's 120,000 b/d Meraux Refinery in Louisiana Still in Restart Mode

The crude distillation unit (CDU) was still in restart mode after being shut May 17 for unplanned repairs.

Reuters, 12:05 May 18, 2007

Sunoco's 36,000 b/d Pipeline Supplying Gasoline to New York Closed

Bloomberg News, 08:27 May 18, 2007

Chevron to Invest \$4 Billion in Asia This Year, Executive Says

http://biz.yahoo.com/ap/070518/asia_chevron.html?.v=2

DOE Holds Public Meeting May 16 in Virginia on Proposed Transmission Corridors

About 115 residents from Virginia and surrounding states expressed concerns or complained about various aspects of the new transmission corridors designated recently by DOE's Office of Electricity Delivery and Energy Reliability. People questioned the timing, the location of the corridors, the impact of new power, and the lack of public input into the location of the corridors. Two U.S. Congressmen also aired their views, calling for more public meetings than planned by DOE.

<http://powermarketers.net/contentinc.net/newsreader.asp?ppa=8knpp%5E%5BmnkqvtrWTkh%216C%29bfem%5Ev>

GAO Study Released on Iraq's Energy Infrastructure

Billions have been provided to rebuild Iraq's oil and electricity sectors, but Iraq's future needs are significant, and sources of funding are uncertain. GAO says Iraq will need billions of additional dollars to rebuild, maintain, and secure Iraq's oil and electricity sectors. Despite four years of effort and the substantial resources devoted to restoring Iraq's oil and electricity sectors, production in both sectors has consistently fallen below U.S. program goals. State Department data indicate that actual crude oil production and exports averaged, respectively, about 2.1 million b/d and 1.5 million b/d in 2006, and refined fuel production and stock levels did not meet the goals set. In addition, Iraq's Oil Ministry estimates of Iraq's oil production levels may be overstated since inadequate metering does not allow precise measurement of crude oil production. The GAO report makes several recommendations. See the full report: <http://www.gao.gov/new.items/d07677.pdf>

Iraq Says GAO Report is Wrong on Missing Iraqi Oil

The Iraqi oil ministry has rejected a US government report which estimates that Iraq could be losing up to 30% of its refined products output as a result of smuggling and corruption. The report also said that Iraq's official crude production is overstated by between 100,000 b/d and 300,000 b/d.

<http://www.platts.com/Oil/News/6384149.xml?p=Oil/News&sub=Oil>

Natural Gas

Gulfstream Holding Nonbinding Open Season This Summer for Florida Market

Daily Gas Price Index, May 18, 2007, <http://intelligencepress.com/>

Other News

Nothing to report.

Energy Prices

U.S. Oil and Gas Prices May 18, 2007			
	Today	Week Ago	Year Ago
CRUDE OIL West Texas Intermediate U.S. \$/Barrel	65.05	62.20	69.63
NATURAL GAS Henry Hub \$/Million Btu	7.69	7.63	5.79

Source: Reuters

Energy Notes

Update: 13,000 Customers Still Without Power in Connecticut and New York May 18

<http://www.thejournalnews.com/apps/pbcs.dll/article?AID=/20070518/NEWS02/705180426>

<http://www.wtnh.com/global/story.asp?s=6534714>

Oil Production Resumes at Shell's Bomu Manifold in Nigeria May 17

Bloomberg News, 07:34 May 18, 2007

Venezuela's Main Oil Union Prepared for Clash with Exxon and ConocoPhillips

Reuters, 09:16 May 18, 2007

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

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>.

Please direct comments and questions to: ead@oe.netl.doe.gov