



# ENERGY ASSURANCE DAILY

Wednesday, May 30, 2007

## ***Major Development***

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### **Colonial Pipeline's Main Gasoline Line Shut Down May 29**

Colonial Pipeline Co.'s Line 1, the system's main gasoline line, was taken out of service on May 29 as a precaution following a check on the system's integrity. Market watchers suspect that the shutdown may be due to a leak. Colonial Pipeline Co. said that the condition of Line 1 was being investigated and that a restart time has not yet been determined. Some traders believe that the shutdown will be brief. According to the company's website, Colonial Pipeline delivers a daily average of 100 million gallons (about 2.4 million b/d) of gasoline, home heating oil, aviation fuel and other refined petroleum products to communities and businesses throughout the South and Eastern United States.

OPIS Alert, 10:14 May 30, 2007

Reuters, 12:21 May 30, 2007

## ***Electricity***

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### **NRC Approves Work Rules Revisions at Nuke Plants to Keep Security Guards Alert**

In an attempt to address growing concerns about fatigue among nuclear plant security workers, the Nuclear Regulatory Commission (NRC) last month approved work rule revisions, which include new work hour limits, rest requirements, and doing away with the system of averaging work hours. The new rules also expand training programs that might help guards better manage fatigue and understand sleeping patterns. The revisions await approval from the federal Office of Management and Budget (OMB).

[http://www.yorkdispatch.com/pennsylvania/ci\\_6012881](http://www.yorkdispatch.com/pennsylvania/ci_6012881)

### **APS's 1,247 MW Palo Verde Nuke Unit 3 in Arizona Reduced to 40 Percent May 30**

The unit was reduced to 40 percent of capacity, down from 90 percent of capacity on May 29.

Reuters, 07:31 May 30, 2007

### **FPL's 693 MW Turkey Point Nuke Unit 4 in Florida Reduced to 40 Percent May 30**

The unit was reduced to 40 percent of capacity, down from full power on May 29.

Reuters, 07:31 May 30, 2007

### **SCE's 224 MW Big Creek Hydro Unit in California Shut May 29**

Reuters, 10:21 May 30, 2007

### **AES's 225 MW Huntington Gas-fired Unit 3 in California Shut May 29**

Reuters, 10:21 May 30, 2007

## ***Petroleum***

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### **U.S. Refineries, Pipelines Have Backup Power Generation to Avoid Supply Disruptions This Hurricane Season – API**

Reuters, 09:47 May 30, 2007

## U.S. DOE Prepared to Release Crude Oil from SPR if Hurricane Disrupts U.S. Gulf Production

Alex de Alvarez, deputy director of the DOE's Office of Electricity Delivery and Energy Reliability said the DOE is prepared to release crude oil supplies from its Strategic Petroleum Reserve (SPR) in the event that a hurricane disrupts production in the Gulf of Mexico.

Reuters, 10:41 May 30, 2007

## Floating Crude Oil Storage in U.S. Gulf to Hit 14 Million bbls Increase Prompted by Nigeria Supply Uncertainty, Onshore Storage Shortage

According to shipping industry sources, up to seven Very Large Crude Carriers (VLCCs), which can each carry approximately 2 million barrels of crude oil, have been booked to be used as floating storage for between 30 to 60 days in the U.S. Gulf of Mexico. The sources cited concerns over Nigerian supply and lack of crude oil storage capacity on the mainland as reasons for the bookings. Onshore storage problems have been partly attributed to numerous refinery maintenance or outages in the past few weeks.

Reuters, 11:56 May 30, 2007

## Pipeline Sabotage Cuts 150,000 b/d of Shell's Bonny Light Production in Nigeria May 29 Shell Restoring Lost Output May 30

Royal Dutch Shell said that 150,000 b/d of production was cut in Nigeria after villagers stormed the Bomu pipeline complex, forcing the partial shutdown of the Trans-Niger pipeline, which moves light crude oil from inland oilfields to the Bonny export terminal. Shell has already begun restoring output. The Bomu pipeline complex attacked earlier this month on May 10 and was occupied for six days, forcing the shutdown of 170,000 b/d.

Reuters, 10:30 May 30, 2007

Reuters, 06:15 May 30, 2007

## Natural Gas

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Nothing to report.

## Other News

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### Oil and Gas Platform Preparedness 'Significantly Improved' Since 2005 in U.S. Gulf - MMS

According to Walter Cruickshank, deputy director of the U.S. Minerals Management Service, oil platforms in the U.S. Gulf of Mexico are better prepared to withstand hurricanes than they were in 2005.

Reuters, 10:16 May 30, 2007

## Energy Prices

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U.S. Oil and Gas Prices			
May 30, 2007			
	Today	Week Ago	Year Ago
<b>CRUDE OIL</b> <b>West Texas Intermediate U.S.</b> \$/Barrel	63.49	64.83	72.15
<b>NATURAL GAS</b> <b>Henry Hub</b> \$/Million Btu	7.51	7.60	6.20

Source: Reuters

## Energy Notes

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### Reports of Lightning Strike at Wynnewood Refinery in Oklahoma Are False

Reuters, 11:40 May 30, 2007

### Murphy May Add 200,000 b/d of New Capacity at Superior Refinery in Wisconsin

Oil Daily, May 30, 2007

### FPL Diversifying Fuel Use by Proposing Coal-fired Power Plant in Florida

<http://www.sun-sentinel.com/news/local/florida/sfl-529coalplant.0,3178252.story?coll=sfla-news-florida>

### New Strategies Developed by South Mississippi Utility Companies in Preparation for Hurricanes

[http://pro.energycentral.com/professional/news/power/news\\_article.cfm?id=8358919](http://pro.energycentral.com/professional/news/power/news_article.cfm?id=8358919)

### Colorado Energy Management's 550 MW Natural Gas-fired Electrical Generating Station in New Mexico Under Construction; to Begin Operation in Mid-2008

[http://pro.energycentral.com/professional/news/power/news\\_article.cfm?id=8357281](http://pro.energycentral.com/professional/news/power/news_article.cfm?id=8357281)

### World LNG Growth Up 12 Percent in 2006, According to International Group of LNG Importers

[http://www.energyintel.com/PublicationHomePage.asp?publication\\_id=10](http://www.energyintel.com/PublicationHomePage.asp?publication_id=10)

## 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>.

Please direct comments and questions to: [ead@oe.netl.doe.gov](mailto:ead@oe.netl.doe.gov)