



ENERGY ASSURANCE DAILY

Wednesday Evening, June 11, 2008

Major Developments

Severe Storms Knock Out Power to Over 1 Million Customers Across the Northeast

Severe thunderstorms and strong winds ripped across the East Coast of North America on the night of June 10, damaging power lines and knocking out power to an estimated 1,004,734 customers from Virginia to Quebec. About 441,011 customers remained without power as of 5:00 PM eastern time, June 11, according to the latest reports from utility websites and local news sources. The two U.S. service areas with the largest remaining outages are PSE&G in New Jersey (87,000) and PECO in Pennsylvania (69,000). Restoration estimates for these utilities are as follows:

- **PSE&G:** While PSE&G expects to make some significant gains over the next 24 hours, it may take several days before power is completely restored and the utility's system is back to normal.
- **PECO:** Due to the extent of damage, some customers – in the most heavily damaged areas – may not be able to have their service restored until Friday June 13.

East Coast Customer Power Outages			
June 10 -11, 2008			
Electric Utility	State	Peak*	Latest Reported
PSE&G	New Jersey	207,000	87,000
Jersey Central Power & Light	New Jersey	21,000	2,900
PECO	Pennsylvania	152,000	69,000
PPL Electric	Pennsylvania	23,000	2,933
Allegheny Power	Pennsylvania	2,915	199
National Grid	New York	70,000	21,131
Con Edison	New York	18,500	6,000
NYSEG	New York	34,300	7,806
Central Hudson Gas & Electric	New York	30,000	16,700
Orange and Rockland Utilities	New York	10,000	575
LIPA	New York	4,974	2,889
Baltimore Gas & Electric	Maryland	78,265	7,789
Delmarva Power	Maryland	11,474	14
Allegheny Power	Maryland	10,143	404
Pepco	Maryland	7,651	667
Dominion Virginia Power	Virginia	23,806	1,118
Novec	Virginia	2,168	46
Allegheny Power	Virginia	1,154	6
Connecticut Light & Power	Connecticut	20,024	11,979
United Illuminating Co.	Connecticut	6,121	544
Central Vermont Public Service	Vermont	13,000	784
Pepco	District of Columbia	3,056	387
Allegheny Power	West Virginia	2,416	35
Delmarva Power	Delaware	1,767	105
Hydro Quebec	Quebec	250,000	200,000
TOTAL**		1,004,734	441,011

*The figures in this column represent the highest number of customers reported without power at one time from June 10 to June 11, 2008.

**Total outages only represent electric utilities listed in this table.

Sources:

PSE&G, http://www.pseg.com/media_center/pressreleases/articles/2008/2008-06-11.jsp
 PECO, <http://www.exeloncorp.com/aboutus/news/pressrelease/peco/NR+061108.htm>
 Allegheny, <http://app.alleghenyenergy.com/outagestatus/customeroutagestatus/>
 National Grid, <https://www1.nationalgridus.com/niagaramohawk/storm/OutagesByCounty.aspx>
 Con Edison, http://www.coned.com/newsroom/news/pr20080611_4.asp
 Central Hudson, http://www.cenhud.com/JuneStorm_update.html
 ORU, <http://www.oru.com/advisories/?id=235>
 LIPA, <http://www.lipower.org/stormcenter/outages/servicearea.html>
 BG&E, <http://www.bge.com/portal/site/bge/menuitem.42d31413f80c584606370f10d66166a0/>
 Pepco, <http://www.pepco.com/home/emergency/maps/zip/default.aspx>
 Delmarva, <http://www.delmarva.com/home/emergency/maps/outage/>
 Dominion, http://www.dom.com/news/outage_sos.jsp
 NOVEC, <http://www.novec.com/map/summary.cfm>
 CL&P, <http://www.cl-p.com/stormcenter/outage.aspx>
 United Illuminating Co., <http://www.uinet.com/uinet/connect/UINet/Top+Navigator/Custom+Care/Home-Residential/Storm+Center/Outage+Map/Outage+Map>
<http://www.wnep.com/Global/story.asp?S=8462031>
http://www.philly.com/philly/wires/ap/news/state/new_jersey/20080610_ap_theheatisoverbutthepowersofforthousandsinnj.html
<http://biz.yahoo.com/bw/080611/20080611005659.html?.v=1>
<http://articles.lancasteronline.com/local/4/222921>
<http://www.newsday.com/news/local/wire/newjersey/ny-bc-nj--powerout0611jun11.0.6197464.story>
http://www.abc2news.com/content/news/breaking/story.aspx?content_id=3776294b-04e6-4020-a779-52d2997df0f1
<http://news.aol.ca/article/qc-windstorm0612/255354/>
http://www.ctv.ca/servlet/ArticleNews/story/CTVNews/20080610/montreal_storm_080611/20080611?hub=Canada
http://www.upi.com/Top_News/2008/06/11/Storm_slams_Montreal_208000_lose_power/UPI-26031213201984/

Update: 146,141 Customers Remain Without Power Across Midwest

Recovery efforts continued across the upper Midwest after storms swept through the region since June 6 which left over one million customers without power.

Midwest Customer Power Outages			
June 6 -11, 2008			
Electric Utility	State	Total Affected	Latest Reported
DTE Energy	Michigan	360,000	130,000
Consumers Energy (CMS Energy)	Michigan	320,000	6,000
Lansing Board of Water & Light	Michigan	19,000	1,000
ComEd	Illinois	116,000	4,300
Indiana Michigan Power (AEP)	Indiana, Michigan	29,900	241
Indianapolis Power & Light	Indiana	25,000	245
Duke Energy	Indiana	22,665	180
Toledo Edison	Ohio	42,000	3,000
AEP Ohio	Ohio	14,000	537
Alliant	Iowa	23,258	230
MidAmerican	Iowa	13,241	154
We Energies	Wisconsin	20,000	0
Alliant	Wisconsin	11,660	52
Duke Energy	Kentucky	22,458	2
Kentucky Utilities	Kentucky	14,000	200
TOTAL*		1,039,182	146,141

*Total outages only represent electric utilities listed in this table.

Sources:

<http://www.indianamichiganpower.com/news/outages/viewstorm.asp?stormID=811>
<http://www.iplpower.com/ipl/index?page=IPLGeneral&Menu=01000000&DocID=0203917431b9011a564c24930071c8>

<http://www.aepohio.com/news/outages/>
http://www.statenews.com/index.php/article/2008/06/meteorologists_dub_blackout-causing_storm_tornado
<http://www.crescent-news.com/news/article/3923231>
<http://toledoblade.com/apps/pbcs.dll/article?AID=/20080611/NEWS12/806110458>
<http://www.alliantenergy.com/docs/groups/public/documents/pub/p014498.hcsp>
<http://www.duke-energy.com/kentucky/outages/current.asp>
<http://www.midamericanenergy.com/storm/>

Electricity

PPL's 1,105 MW Susquehanna Nuke Unit 1 in Pennsylvania Ramped Up to 94 Percent by June 11

The Nuclear Regulatory Commission reported that on the morning of June 10 the unit was operating at 25 percent. Information derived from the NRC Power Reactor Status Reports:

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

SCE's 1,070 MW San Onofre Nuke Unit 2 in California Ramped Up to 90 Percent by June 11

The Nuclear Regulatory Commission reported that on the morning of June 10 the unit was operating at 19 percent. Information derived from the NRC Power Reactor Status Reports:

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

Delta Energy Center's 861 MW Delta Energy Center Aggregate Gas-fired Unit in California Returns to Service by June 10

According to the California Independent System Operator, the unit returned from an unplanned curtailment of 281 MW.

<http://www.caiso.com/unitstatus/data/unitstatus200806101515.html>

AES's 175 MW Alamitos Gas-fired Unit 1 in California Reduced by June 10

According to the California Independent System Operator, the unit experienced an unplanned curtailment of 125 MW by June 10.

<http://www.caiso.com/unitstatus/data/unitstatus200806101515.html>

PG&E's 407 MW Helms Pump-Gen Hydro Unit 2 in California Shut by June 10

According to the California Independent System Operator, the unit experienced an unplanned outage by June 10.

<http://www.caiso.com/unitstatus/data/unitstatus200806101515.html>

Calpine's 525 MW Sutter Power Plant Aggregate Gas-fired Unit in California Reduced by June 10

According to the California Independent System Operator, the unit experienced an unplanned curtailment of 264 MW by June 10.

<http://www.caiso.com/unitstatus/data/unitstatus200806101515.html>

TransAlta's 353 MW Sundance Coal-fired Unit 3 in Alberta Shut June 10

Reuters, 14:44 June 10, 2008

OPG's 490 MW Nanticoke Coal-fired Unit 3 in Ontario Shut by June 11

Reuters, 07:55 June 11, 2008

Update: OPG's 494 MW Lambton Coal-fired Unit 1 Returned to Service by June 11

Reuters, 07:51 June 11, 2008

Update: Hackers Not Responsible for February 2008 Outage in Florida

The Florida Reliability Coordinating Council released a preliminary study of the causes of the massive February 28th outage and concluded that it was human error. A relay field engineer disabled all local protective relay equipment while performing troubleshooting on a related 138 kV switch which resulted in the cascading outages.

<https://www.frc.com/Reliability/Shared%20Documents/FEAT%20Interim%20Report.pdf>

Update: ComEd Completes \$350 Million West Loop Project

The West Loop Project converts the city's electric transmission system from a "hub and spoke" to a network model, providing Chicago substations multiple sources of supply -- increasing reliability and flexibility. The project also adds about 400 MW of new power generation. The new equipment includes a new 345 kV substation and several miles of new transmission lines.

<http://www.prnewswire.com/>

Petroleum

Energy Secretary Bodman to Attend Saudi Global Oil Meeting Later this Month

U.S. Energy Secretary Bodman announced June 11 he will attend a global oil meeting hosted by Saudi Arabia in Jeddah on June 22. In the meeting, representatives of producing and consuming nations to discuss the factor underlying the current record-high oil prices. Secretary Bodman told members of the press that the United States believes that supply and demand issues are the key to understanding high oil prices whereas Saudi Arabia and other OPEC members insist there is no shortage of supply.

<http://www.guardian.co.uk/business/feedarticle/7578299>

Oil Daily, June 10, 2008

Kinder Morgan Shuts San Jose Pipeline for Two Hours after Vapors Reported

The pipeline, which transports gasoline, diesel, and jet fuel between Concord and San Jose, California was shut from 3:30 PM and 5:30 PM PST on June 10, 2008.

Bloomberg News, 09:47 June 11, 2008

BP's Thunderhorse Oil and Gas Field in US Gulf of Mexico to Start Production June 14

A spokeswoman for the U.S. MMS said that BP plans to begin production this Saturday from the massive Thunderhorse platform. The platform is designed to produce up to 250,000 bpd of oil and 200 million cf of gas.

Reuters, 16:42 June 10, 2008

67,000 bpd FCC Shut at Shell's 332,000 bpd Deer Park, Texas Refinery June 10, Restarting

The FCC, which makes gasoline, had an outage yesterday due to a problem with a compressor. The FCC began to restart after the problem was resolved and should be back to normal operations some time June 11 according to a Shell spokesman.

Reuters, 08:49 June 11, 2008

Russian Partners Sue BP Joint Venture TNK-BP

The planned lawsuit occurred after BP refused to agree to demands for more control by its Russian partners. TNK-BP accounts for about a quarter of BP's world output of oil and gas and is Russia's third largest oil firm.

Reuters, 12:46 June 11, 2008

Update: LUKOIL Completes Upgrade to 240,000 b/d Varandey Oil Terminal in Barents Sea June 10

LUKOIL completed its first oil shipment through its newly expanded Varandey oil export terminal located in the coastal zone of the Barents Sea in the Nenets Autonomous District. The Varandey oil export terminal is designed for offshore export of the oil extracted by LUKOIL in Timan-Pechora oil and gas province.

http://www.lukoil.com/press_6_5div_id_21_lid_22887.html

World Faces Oil Crisis says IEA Chief

IEA Ready to Tap Reserves in Case of Major Supply Disruption

Bloomberg News, 0316 June 11, 2008

Update: Shell Continues Force Majeure on Nigeria Bonny Light Exports through July 2008

The Force Majeure has been in effect since April 2008 following a number of rebel attacks on its oil facilities in Nigeria.

Reuters, 10:28 June 11, 2008

Chevron, Nigerian Union Meet June 10 Attempt to Avert Strike

A walkout could affect about 350,000 barrels of crude and 14 million cubic feet of natural gas of daily production from Chevron's 32 fields in Nigeria.

<http://www.bloomberg.com/apps/news?pid=20601072&sid=aVC2R1mO.6iY&refer=en>

Natural Gas

Court Halts Natural Gas Pipeline Construction in Roadless Area of Colorado

In response to concerns from environmental groups, a federal appeals court has issued a temporary injunction to halt the pipeline's construction until a June 18 hearing.

<http://intelligencepress.com/>

Other News

Nothing to report.

Energy Prices

U.S. Oil and Gas Prices			
June 11, 2008			
	Today	Week Ago	Year Ago
CRUDE OIL West Texas Intermediate U.S. \$/Barrel	136.80	122.87	65.93
NATURAL GAS Henry Hub \$/Million Btu	12.49	12.27	7.42

Source: Reuters

Energy Notes

Iran Oil Exports to Rise Approximately 300,000 bpd in June 2008 from April and May Totals

24 MW Snowflake White Mountain Biomass Power Plant Comes Online for Arizona Public Service, Salt River Project

<http://www.bizjournals.com/phoenix/stories/2008/06/09/daily27.html>

ComEd Announces Enhanced Communication Protocol for Local Governments New Computer Application, Called eOutage, Designed to Better Inform Municipalities

<http://biz.yahoo.com/prnews/080611/aqw526.html?.v=13>

Safety Affirmed at Peach Bottom Nuclear Power Plant in Pennsylvania – NRC

http://ydr.inyork.com/ci_9535015?IADID=Search-ydr.inyork.com-ydr.inyork.com

Exxon Offers Gazprom Role in LNG Terminal on U.S. East Coast

Reuters, 13:26 June 11, 2008

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.

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

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