



ENERGY ASSURANCE DAILY

Friday, June 22, 2007

Electricity

Update: Mandatory Reliability Standards for Utilities In Effect June 18

The new standards include fines of up to \$1 million for utilities that through action or inaction result in blackouts to their customers. One result of the new standards is surge in utility spending for cybersecurity to reduce the likelihood of such fines.

<http://www.computerworld.com/action/article.do?command=viewArticleBasic&articleId=9025321>

ISOs and RTOs Launch New Web Site

The Independent System Operators/Regional Transmission Organizations Council (IRC) today announced the launch of its new Web site, designed to provide electric industry representatives, government officials, and electricity consumers a one-stop information resource about the IRC and its members. The site serves as a repository for information about the IRC and includes links to the Web sites of individual ISO and RTO members.

<http://www.iso-rto.org>

Update: Ontario Grid Operator Sees Adequate Power to Meet Demand through 2008

In a just released updated outlook for this summer, the Electricity System Operator (ESO) for Ontario estimates that, assuming that conditions are normal, planned supply additions will provide sufficient capacity to meet the latest demand forecast for this summer and through next year. Nonetheless, the ESO indicated that the province could, as it had in the past, be required to import power from other areas to satisfy periods of unusually high demand
Reuters, 14:07 June 22, 2007

NRC Requires Operator of Palo Verde Nuke in Arizona to Improve Performance

In a letter sent by the Nuclear Regulatory Commission (NRC) to Pinnacle West, the commission detailed the safety improvements that the Commission is requiring Arizona Public Service (APS) to implement. APS is a subsidiary of Pinnacle West and operator of the Palo Verde plant. The Commission downgraded the plant following a number of problems at the facility that occurred over the past three years. The NRC indicated that the company has committed to making the required improvements.

http://biz.yahoo.com/ap/070621/pinnacle_west_nuclear.html?.v=1

Entergy Says it Will Install Backup Diesel Power at Indian Point Nuke Plant in New York

The Nuclear Regulatory Commission told Entergy on Monday that its application for relicensing the plant for an additional twenty years was incomplete. The NRC wanted more information on the natural gas-powered backup system or a commitment from Entergy to install a diesel-powered backup system within one year.

<http://www.1010wins.com/pages/606713.php?contentType=4&contentId=631786>

FPL's 693 MW Turkey Point Nuke Unit 3 in Florida Exiting Outage June 22

According to a report filed with the Nuclear Regulatory Commission, the unit had begun to exit an outage that originated on June 19 to investigate a voltage problem. By early morning on June 22, the unit had ramped up to two percent of capacity.

Reuters, 07:15 June 22, 2007

Update: Exelon's 1,052 MW Clinton Nuke Unit in Illinois Ramps Up to 96 Percent of Capacity June 22

By early morning on June 22, the unit was operating at 96 percent of capacity as it continued to return from an outage to replace a hose on an instrument line.

Reuters, 10:26 June 22, 2007

TransAlta's 381 MW Keephills Coal-fired Unit 1 in Alberta Shut June 20

Reuters, 19:22 June 21, 2007

Calpine's 250 MW Calgary Gas-fired Unit in Alberta Shut June 20

Reuters, 19:22 June 21, 2007

FirstEnergy's 1,235 MW Perry Nuke Unit in Ohio Shut June 22

Reuters, 10:26 June 22, 2007

TXU's 545 MW Coal-fired Unit 4 in Texas Shut June 22

Reuters, 10:26 June 22, 2007

Update: Work Authorized for Final Engineering, Procurement, Construction and Commissioning of 1,600 MW Oak Grove Power Plant in Texas

Flour Corporation announced that it had received authorization from Oak Grove Management Company, a subsidiary of TXU, to proceed with the final engineering design, procure materials, construct and commission the 1,600 MW Oak Grove power plant. The plant will be a super-critical lignite power plant, located in Robertson County, Texas. The plant is expected to be in operation by the middle of 2010.

http://home.businesswire.com/portal/site/google/index.jsp?ndmViewId=news_view&newsId=20070621005936&newsLang=en

Petroleum

Update: Valero Says 170,000 b/d McKee Refinery in Texas Up to 115,000 b/d

The refinery is gearing up to full production after restarting from a fire that shut the facility in February 2007. Bloomberg News, 10:37 June 22, 2007

API Issues Industry Guidelines on Portable Building Siting

There are four objectives for the guideline which includes:

1. Safe placement of portable buildings;
2. Minimize the presence of personnel in refinery process areas;
3. Minimize the use of occupied portable buildings in refinery process areas; and
4. Design, construct and install these buildings or trailers to better protect occupants.

<http://www.api.org/Newsroom/rp753.cfm>

Update: Nigeria Strike Continues, Settlement May be Near

Labor leaders indicated that the strike could be resolved before Monday. The unions and government have been in negotiations and appear to be reaching a resolution. The unions have demanded that a fuel-price increase be rescinded. Although details are not available, it appears that the government has offered to cut the increase in half.

<http://www.chron.com/disp/story.mpl/ap/fn/4912679.html>

Natural Gas

Nothing to report.

Other News

Nothing to report.

Energy Prices

U.S. Oil and Gas Prices			
June 22, 2007			
	Today	Week Ago	Year Ago
CRUDE OIL West Texas Intermediate U.S. \$/Barrel	68.85	67.95	70.41
NATURAL GAS Henry Hub \$/Million Btu	7.04	7.58	6.51

Source: Reuters

Energy Notes

Update: FERC Gives Final Approval of Kinder Morgan's 136-mile Natural Gas Pipeline from Sabine Pass LNG Terminal June 21

<http://www.platts.com/Natural%20Gas/News/6395286.xml?p=Natural%20Gas/News&sub=Natural%20Gas>

Navasota Energy Files for Air Permits in Texas to Expand Two 550 MW Gas-fired Units to 825 MW Each

<http://www.platts.com/Natural%20Gas/News/6395285.xml?p=Natural%20Gas/News&sub=Natural%20Gas>

Fitch: U.S. Utilities Face Increasing Environmental and Regulatory Costs

Fitch Ratings, <http://www.fitchratings.com/corporate/search/results.cfm>

Newfoundland and Labrador Refining Corp. Seeks Environmental Approval for Planned New 300,000 b/d Refinery in Newfoundland

Reuters, 17:44 June 21, 2007

Fluor Awarded Full Notice to Proceed with 1,600 MW Oak Grove Project in Texas for TXU

http://investor.fluor.com/phoenix.zhtml?c=124955&p=irol-newsArticle_Print&ID=1018333&highlight

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

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

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