



ENERGY ASSURANCE DAILY

Tuesday, July 10, 2007

Electricity

Storm Knocks Out Power to 50,000 National Grid Customers in New York July 9

By afternoon on July 10, approximately 18,000 customers remained without power following a severe rain and wind storm that struck the Albany area during the night on July 9. National Grid estimates it will take until July 11 morning to get all power restored.

<http://www.wcax.com/Global/story.asp?S=6768274&nav=4QcS>

<http://www.wcax.com/global/story.asp?s=6770520>

Storms Knock Out Power to 31,000 Com-Ed and Ameren Customers in Illinois July 9

Late last night 8,600 customers were still without power.

<http://www.wqad.com/global/story.asp?s=6766357&ClientType=Printable>

Update: One of Two Damaged 345 kV Transmission Lines Restored in Idaho July 9 Conservation Measures Remain but Rolling Outages Avoided

Idaho Power was able to replace several damaged structures and restore one of two transmission lines damaged by a range fire on July 6. The company reconnected a 345 kV supplying about 600 MW avoiding rolling outages. Nonetheless, because of continuing high temperatures, the utility is urging customers to conserve electricity during the heat wave.

<http://www.idahopower.com/newsroom/pressreleases/20070709.htm>

Reuters, 11:56 July 10, 2007

Virginia Governor and Attorney General File Comments July 6 in Opposition to DOE's Transmission Corridor Designations

On Friday July 6, Virginia Governor Timothy Kaine and Virginia Attorney General Robert McDonnell filed final comments with the U.S. Department of Energy in opposition to placement of several Virginia counties in the DOE's Draft National Electric Transmission Corridor. Both argued in their comments that the DOE did not consult with Virginia before drafting the Corridor and that the State was already taking necessary steps to ensure adequate transmission. Both also argued that other steps should be examined to reduce the need for additional transmission, and that federal involvement will only slow the process of improving the electricity transmission grid. For a copy of Kaine and McDonnell's letter, see:

http://www.vaag.com/PRESS_RELEASES/KaineMcDonnellNIETCJuly2007.pdf

Pennsylvania Governor Files Comments July 9 in Opposition to DoE's Transmission Corridor Designations

On Monday July 9, Pennsylvania's Governor Edward G. Rendell filed final comments with the U.S. Department of Energy in opposition to the placement of most of Pennsylvania in the DOE's Draft Mid-Atlantic Area National Transmission Corridor. He argued that "such a designation is premature, supplants the commonwealth's rights and may lead to projects that do not satisfy the needs of the state or nation." He felt the Pennsylvania Public Utilities Commission has been doing its job examining electricity needs and possible new transmission needs of Pennsylvania and had concerns about DOE and FERC involvement in determining where new transmission projects should be sited. For Pennsylvania Governor Rendell's comments see:

<http://www.depweb.state.pa.us/news/cwp/view.asp?a=3&q=525094>

Update: Dominion's 910 MW North Anna Nuke in Virginia Back at Full Power July 10

The unit ramped up to full power by early morning on July 10 after being shut on June 29 when a problem developed with the safety injection system.

Reuters, 07:23 July 10, 2007

Bruce Power's 750 MW Bruce Nuke Unit 3 in Ontario Shut July 10

Bruce Power shut the unit so that short-term repairs could be undertaken on a motorized valve.
Reuters, 13:38 July 10, 2007

Update: TXU's 545 MW Sandow Coal-fired Unit 4 in Texas Restarts July 9

The company reported that the unit was restarted by late on Monday following completion of repairs on a leaking tube.

Reuters, 13:32 July 10, 2007

AEP's 528 MW Welsh Coal-fired Unit 4 in Texas to Restart Soon

The company informed state regulators that the unit should be returning to service July 10 – 14. The unit was shut to repair a boiler tube leak.

Reuters, 07:36 July 10, 2007

SCE's 227 MW Big Creek Hydro Unit in California Shut July 9

Reuters, 08:03 July 10, 2007

ATCO's 368 MW Battle River Coal-fired Unit 5 in Alberta Shut July 10

Reuters, 08:03 July 10, 2007

Petroleum

Update: No Restart Date Set for FCC Unit at Valero's 90,000 b/d Ardmore, Oklahoma Refinery

Valero announced that the restart date for the fluid catalytic cracking unit at has yet to be determined. The unit was shut for unplanned maintenance on June 6. The outage is resulting in the loss of approximately 30,000 b/d of gasoline production and 15,000 b/d of diesel production.

Reuters, 08:50 July 10, 2007

No Impact from Malfunction at Valero's 210,000 b/d Delaware City Refinery July 10

A minor valve malfunction had no material impact on production according to a representative of the company.

Reuters, 10:58 July 10, 2007

Update: BP Says Closure of CATS Nat Gas Pipeline May Halt Some North Sea Oil Production

BP's CATS natural gas pipeline and an associated gas field shut on July 1. Without gas flowing into the pipeline, gas from the production fields will need to be re-injected or burned (flared) if oil production is to continue. There are technological and environmental constraints that may limit the ability of BP to do this. About 75,000 b/d of BP's oil production may need to be halted if these constraints cannot be overcome. ConocoPhillips may also have some oil production at these gas fields that may be affected.

<http://www.bloomberg.com/apps/news?pid=20601102&sid=aoqQ.V0b7eyA&refer=uk>

Update: Shell Completes Repairs to Leaking Crude Pipeline in Nigeria Production Returns to 77,000 b/d Level

Royal Dutch Shell reported that repairs had been completed on the Nembe pipeline transporting crude oil to the Bonny Light export terminal. The line had been shut on May 25 when a leak was discovered. The line is reported as operating at 77,000 b/d, the normal flow prior to the shutdown.

Reuters, 07:00 July 10, 2007

IEA Report Warns of Oil and Gas Supply Crunch in Next Five Years

David Phife, a co-author of the report, projects increasing oil and gas demand in the developing world, particularly in Asia and the Middle East. He does not see a corresponding increase in production due to a continuing drop of oil production in established fields and the difficulties of replacing that production elsewhere.

<http://www.abc.net.au/news/stories/2007/07/10/1975215.htm>

High Oil Prices Reviving Interest in Heavy Oil

Interest is being rekindled in what until recently had been uneconomic heavy oil deposits in Canada, the U.S. and Venezuela. In addition to fields in California, companies are looking into prospects in Kansas, Kentucky, Missouri, and Texas. Rising prices coupled with improvements in recovery techniques have made the previously uneconomic deposits attractive.

Reuters, 12:47 July 10, 2007

Natural Gas

Nothing to report.

Other News

Nothing to report.

Energy Prices

U.S. Oil and Gas Prices			
July 10, 2007			
	Today	Week Ago	Year Ago
CRUDE OIL West Texas Intermediate U.S. \$/Barrel	72.80	71.34	73.35
NATURAL GAS Henry Hub \$/Million Btu	6.44	6.37	5.62

Source: Reuters

Energy Notes

Power Outage Affects 12,000 El Paso Electric Company Customers in Texas July 9

<http://www.kdbc.com/news/local/8402407.html>

Illinois Commerce Commission Approves New Transmission Lines for Proposed 1,600 MW Prairie State Coal-fired Power Plant

Reuters, 14:19 July 10, 2007

NTSB Faults Barge Operator for Fatal Offshore Nat Gas Pipe Rupture in October 2006

<http://intelligencepress.com/>

Update: Draft Environmental Impact Statement Issued for Bienville LNG Terminal Offshore Alabama

<http://intelligencepress.com/>

Trial Begins of Man Accused of Planning to Blow up U.S. Pipelines and Refineries

http://www.usatoday.com/news/nation/2007-07-09-terror-sting_N.htm

Gunmen Attack 2 Oil Facilities in Southern Nigeria; 4 Shell Employees Taken Hostage

http://biz.yahoo.com/ap/070709/nigeria_kidnappings.html?v=1&printer=1

Consol Energy's 4.8 Million Ton/Year Buchanan Coal Mine in Virginia Closed by Two Suspected Roof Collapses

Reuters, 11:10 July 10, 2007

Rebel Group Claims Responsibility for Pemex Pipeline Blasts in Mexico; Government Orders Increased Security Measures

Reuters, 15:33 July 10, 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

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

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