



ENERGY ASSURANCE DAILY

Monday Evening, July 28, 2008

Electricity

Storms Cut Power to 162,296 Customers in U.S. Northeast July 27

Wind, hail and rain blew through the U.S. Northeast on July 27, cutting power to approximately 49,000 customers in Pennsylvania, 46,514 customers in New Jersey, 56,782 customers in New York, and 10,000 customers in Connecticut. Latest reports as of 4:00 PM EDT, July 28, indicate that an estimated 13,350 customers remain without power across the affected service territories.

U.S. Northeast Customer Power Outages			
July 27-28, 2008			
Electric Utility	State	Peak	Latest Reported
PECO	PA	49,000	(scattered)
Long Island Power Authority	NY	40,782	1,694
Central Hudson Gas & Electric	NY	11,000	900
New York State Electric & Gas	NY	5,000	1,500
Public Service Electric & Gas	NJ	20,000	6,800
Atlantic City Electric	NJ	14,514	26
Jersey Central Power & Light	NJ	12,000	2,295
Connecticut Light & Power	CT	10,000	135
TOTAL*		162,296	13,350

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

Sources:

- Atlantic City Electric (New Jersey), <http://www.atlanticcityelectric.com/home/emergency/maps/outage/>
- Long Island Power Authority (New York), <http://www.lipower.org/stormcenter/outages/township.html>
- Connecticut Light & Power (Connecticut) <http://www.cl-p.com/stormcenter/outage.aspx>
- http://www.acorn-online.com/joomla15/index.php?option=com_content&view=article&id=5673:sunday-storms-spare-town-mostly&catid=46:rfd-local&Itemid=25
- http://www.pottstownmercury.com/site/news.cfm?newsid=19874405&BRD=1674&PAG=461&dept_id=18041&rft=6
- <http://www.nj.com/news/ledger/index.ssf?/base/news-13/1217219743231620.xml&coll=1>
- <http://www.poughkeepsiejournal.com/apps/pbcs.dll/article?AID=/20080728/NEWS01/807280317/1006>
- http://www.philly.com/philly/news/20080728_Lightning_kills_one_injures_five_in_N_J.html

Update: 45,217 AEP Texas Customers Still Without Power July 27

American Electric Power (AEP) Texas has restored power to approximately 78 percent of the 205,000 customers affected by Hurricane Dolly, as of yesterday evening, July 27. The company does not expect to recover all impacted customers until Saturday, August 2, as workers cope with severe flooding, downed transmission lines and a damaged substation.

- <http://www.aeptexas.com/news/outages/viewstorm.asp?stormID=837>
- http://www.themonitor.com/articles/power_15178_article.html/sunday_customers.html

Output Unaffected After Cable Fire Near TVA's 3,465 MW Browns Ferry Nuclear Power Plant in Alabama July 27

An error in a cable tray between a supply transformer and cooling tower switchgear triggered a fire, but did not threaten the plant, according to the company. The fire was located about three-quarters of a mile from the plant's three reactors. Responders extinguished the fire and the plant continued to operate normally.

Bloomberg News, 13:50 July 28, 2008

Luminant's 793 MW Martin Lake Coal-fired Unit in Texas Stalls and Restarts July 27

The unit shut yesterday morning, July 27, after a boiler malfunction. The company restarted the unit the same day. Bloomberg News, 15:04 July 28, 2008

LCRA's 598 MW Fayette Coal-fired Unit 2 in Texas Shuts, Restarts July 27

The unit shut yesterday morning, July 27, after control processors malfunctioned in the boiler control system. At the time of the incident, operators were boosting the unit load. Workers replaced the processors and the company restarted the unit during the afternoon.

Reuters, 07:56 July 28, 2008

AES's 226 MW Huntington Beach Gas-fired Unit 2 in California Slowed by July 26

According to the California Independent System Operator, the unit experienced an unplanned curtailment of 116 MW by July 26.

<http://www.caiso.com/unitstatus/data/unitstatus200807261515.html>

Constellation's 825 MW Calvert Cliffs Nuke Unit 1 in Maryland at Full Power by July 28

The Nuclear Regulatory Commission reported that on the morning of July 27 the unit was operating at 85 percent. Information derived from the NRC Power Reactor Status Reports:

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

Exelon's 1,111 MW La Salle Nuke Unit 2 in Illinois at Full Power by July 28

The Nuclear Regulatory Commission reported that on the morning of July 27 the unit was operating at 65 percent. Information derived from the NRC Power Reactor Status Reports:

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

AmerenUE's 1,125 MW Callaway Nuke Unit in Missouri at Full Power by July 27

The Nuclear Regulatory Commission reported that on the morning of July 26 the unit was operating at 78 percent. Information derived from the NRC Power Reactor Status Reports:

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

OPG Shuts 490 MW Nanticoke Coal-fired Unit 1 in Ontario by July 28

Reuters, 07:38 July 28, 2008

TransAlta's 353 MW Sundance Coal-fired Unit 5 in Alberta Shut July 25

Reuters, 8:03 July 28, 2008

Enmax's 250 MW Calgary Gas-fired Unit in Alberta Shut July 26

Reuters, 8:03 July 28, 2008

Update: Ameren Files With NRC to Build 1,600 MW Nuclear Power Plant in Missouri

The company has not yet decided if it will build the plant, but said it wants to obtain a license for later consideration. The plant would be located alongside Ameren's existing 1,190 MW Callaway Nuclear Reactor.

Reuters, 12:52 July 28, 2008

Petroleum

Update: Valero's 295,000 b/d Port Arthur, Texas Refinery at Planned Rates July 28

Valero's 295,000 b/d Port Arthur refinery was operating at planned rates today, July 28, according to a spokesperson. Valero slowed the refinery by 10 to 20 percent last Wednesday, July 23, due to shipping interruptions caused by Hurricane Dolly. The company had expected to resume full production at the plant sometime on July 25. Reuters, 11:39 July 28, 2008

Update: Valero's 130,000 b/d Houston, Texas Refinery to Return to Normal Service July 28

The company expected to return the refinery to normal service today, July 28. It cut output by 10 to 20 percent last week due to shipping interruptions caused by Hurricane Dolly. On July 25, the company said that it expected to restore crude throughput over the weekend.

Reuters, 11:39 July 28, 2008

Update: Total Restarts Nine Units at 232,000 b/d Port Arthur, Texas Refinery

The company stalled nine units on July 9, but declined to cite any cause. Traders, however, said the shutdowns were intentional, due to weak refining margins. Workers began restarting the units yesterday morning, July 27, and the company anticipated the resumption to take several days, until Thursday morning, July 31.

Reuters, 15:52 July 27, 2008

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=111592>

Update: Louisiana Refiners See no Impact to Operations from Mississippi River Closure

Area refiners ConocoPhillips, ExxonMobil, Motiva, and Valero each said operations were not curtailed by the Mississippi River shutdown. The river was closed due to a barge accident and fuel spill on July 23. A 98-mile stretch of the river remained shut today, July 28, but the Coast Guard allowed some vessels to pass through. (See related story in Other News).

Reuters, 12:27 July 28, 2008

Reuters, 10:24 July 28, 2008

SRU Upset at BP's 460,000 b/d Texas City, Texas Refinery July 26

A sulfur recovery unit (SRU) "lost boiler pressure on the C and D train" according to a filing with state regulators. The incident spanned about four hours.

Reuters, 16:07 July 27, 2008

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=111595>

Possible Equipment Error Triggers Flaring at Chevron's 240,000 b/d Richmond, California Refinery July 28

An unknown event, "possibly due to equipment failure," triggered flaring at the refinery, according to a filing with state regulators.

Bloomberg News, 16:09 July 28, 2008

Hydrogen Unit Error Reported at Valero's 182,200 b/d Delaware City, Delaware Refinery July 26—No Affect to Production, Company Says

An issue with a valve box on a hydrogen sulfide-removing unit caused the error, according to a filing with state regulators. The company fixed the problem, and the incident did not affect production, according to a spokesperson.

Bloomberg News, 15:36 July 28, 2008

Fire Halts AltaGas Income Trust's 490 MMcf/d Harmattan NGLs Extraction Plant in Alberta July 25

AltaGas Income Trust halted operations at the Harmattan natural gas liquids (NGLs) extraction plant after an oil heater fire, the company said on July 25. The facility had been operating far below capacity, at about 135 MMcf/d, at the time of the incident. It is unclear if the shutdown will affect production among the facility's associated customers.

Reuters, 17:37 July 25, 2008

Shell Cuts Throughput Along 130,000 b/d Nembe Creek Pipeline in Nigeria After Attack Second, Unconfirmed Attack Along 100,000 b/d Rumuekpe Pipeline Claimed by Rebels

Shell confirmed a reduction along the 130,000 b/d Nembe Creek pipeline, but declined to say how much it curtailed. The rebel group MEND, or the Movement for the Emancipation of the Niger Delta, said it attacked two Shell Nigerian pipelines early this morning, July 28. MEND said it assaulted a pipeline in Kula—through which Nembe Creek passes—and another at Rumuekpe. Both Nembe Creek and the 100,000 b/d Rumuekpe pipeline deliver crude to the Bonny export terminal. Shell did not confirm the Rumuekpe attack, but said it was investigating the allegations. A military spokesman, separately, said that "nothing happened" in the areas MEND claimed to attack. He said the affected Nembe Creek line was located elsewhere. It is not clear if his comments were referring to both attacks, together, or just the second, unconfirmed assault.

Reuters, 09:54 July 28, 2008

Bloomberg News, 13:00 July 28, 2008

http://online.wsj.com/article/SB121725125389589719.html?mod=googlenews_wsj

<http://www.reuters.com/article/rbssEnergyNews/idUSL814959520080728>

<http://www.africasia.com/services/news/newsitem.php?area=africa&item=080728133758.d825swt6.php>

<http://www.forbes.com/afxnews/limited/feeds/afx/2008/07/28/afx5258757.html>

Iraqi Northern Oil Exports on the Rise as Pipeline Safety Improves—U.S. Government Report

Oil exports from Iraq's northern pipeline have surged by more than 10 times from last year, due to a new security setup that has stymied would-be thieves and attackers, according to a Special Inspector General report. Workers have built berms, ditches, fences and guardhouses along a newly-implemented 59-mile "pipeline exclusion zone," and U.S. and Iraqi troops have bolstered security. Since officials implemented the "pipeline exclusion zone" in July, 2007, there have been no reported disruptions, according to the U.S. report. Exports through the pipeline have jumped from just under 1 million barrels per month (33,333 b/d) prior to the project, to more than 12 million barrels a month (400,000 b/d) in March, April and May of 2008.

<http://uk.reuters.com/article/oilRpt/idUKN2641627720080726>

Update: BHP's Neptune Platform in Gulf of Mexico Reaches Full Capacity at 50,000 b/d

BHP Billiton expects to drill more development wells after it interprets new seismic data; it expects to get that data later this year.

Oil Daily, July 28, 2008

BP Plans 150,000 b/d PSVM Offshore Oil Project in Angola

Angola's state-owned oil company, Sonangol, approved BP's proposal to develop the Plutao, Saturno, Marte and Venus (PSVM) fields offshore Angola. BP plans to break ground on the project in 2008, and expects first production in 2011. The fields will ramp up to 150,000 b/d production by 2012.

Reuters, 07:36 July 28, 2008

Natural Gas

Monroe Gas Storage Company Initiates Non-Binding Open Season for up to 1.0 Bcf of Storage Capacity at Planned Mississippi Facility

The Monroe Gas Storage facility, already under construction, will have maximum injection capability of 445,000 MMcf/d, and maximum withdrawal capacity of 465,000 MMcf/d. The open season will run from July 28, 2008 to August 15, 2008.

PRN, 07:00 July 28, 2008

Other News

Update: Traffic Stalled Along Mississippi River as 98-mile Stretch Remains Closed July 28—Clean-up Continues After 420,000 Fuel Oil Spill

A 98-mile span of the Mississippi River remains closed, but the U.S. Coast Guard is allowing some vessels through "on a case-by-case basis," according to a spokesperson. A total 182 ships and barge tows are stalled, waiting for Coast Guard approval to pass through the closed segment, the spokesman said. It is not clear when the river will resume normal traffic, or when the clean up might be complete. The Coast Guard said previously it expected the river to remain shut for days; the cleaning, it said, would take weeks. A barge and tanker collided last week in New Orleans, spilling 420,000 gallons of fuel oil into the river. The Coast Guard closed the river for 98 miles, from New Orleans to the Gulf of Mexico.

Reuters, 10:24 July 28, 2008

Energy Prices

U.S. Oil and Gas Prices			
July 28, 2008			
	Today	Week Ago	Year Ago
CRUDE OIL West Texas Intermediate U.S. \$/Barrel	123.67	130.81	76.84
NATURAL GAS Henry Hub \$/Million Btu	9.34	10.54	5.77

Source: Reuters

Energy Notes

Storms Cut Power to 19,341 Ameren Customers in Missouri July 27-28

As of 12:00 AM, July 28, 2008: http://www.ameren.com/Outage/ADC_MissouriOutageInformation.asp
<http://www.stltoday.com/stltoday/news/stories.nsf/stlouiscitycounty/story/37BF82050954100B86257494003C82AA?OpenDocument>

Storms Knock Out Electricity to 17,805 Customers in Washington D.C., Maryland and Virginia July 27

<http://www.washingtonpost.com/wp-dyn/content/article/2008/07/27/AR2008072701696.html>

Winds and Rain Knock Out Power to 16,167 MidAmerican Customers in Iowa July 27

As of 7:00 PM, July 27, 2008: <http://www.midamericanenergy.com/storm/>
http://www.kgan.com/template/inews_wire/wires.regional.ia/3752bce1-www.kgan.com.shtml

Storms Cut Electricity to 5,500 Entergy Louisiana Customers, 4,500 CLECO Customers in Louisiana July 27

http://www.nola.com/news/index.ssf/2008/07/high_winds_lightning_blamed_fo.html

Austin Energy Mulls Possible 100 MW Biomass-fired Power Plant in Texas

<http://www.kxan.com/Global/story.asp?S=8738755>

Iberdrola Renewables Plans 63 MW Dry Lake Wind Project in Arizona

BSW 11:00 July 28, 2008

South Dakota Judge Says "Save Union County" Group Cannot Contest Hyperion Resources' Proposed Oil Refinery, but Says Local Land Owner Can Continue With Legal Objection

http://www.downstreamtoday.com/News/Articles/200807/Judge_Group_Has_No_Legal_Standing_To_Fi_12075.aspx

Workers Repair Cat Cracker Compressor at 640,000 b/d Amuay, Venezuela Refinery

Reuters, 11:20 July 28, 2008

Update: Illinois County Board Passes Resolution to Allow Construction of Proposed Rockies Express Natural Gas Pipeline

http://www.downstreamtoday.com/News/Articles/200807/Ill_County_Board_Unanimously_Okays_Pipe_12073.aspx

Update: Kinder Morgan, Energy Transfer Receive FERC Approval for 1.5 Bcf/d, 506-mile Midcontinent Express Natural Gas Pipeline Project

Bloomberg News, 15:21 July 28, 2008

Quoddy Bay LNG to Ask State Regulators to Extend Review until January 2009 for Proposed LNG Terminal in Maine

http://www.downstreamtoday.com/News/Articles/200807/Quoddy_Bay_Seeks_Delay_for_Application_12082.aspx

Gunmen Release Five Kidnapped Oil Workers in Nigeria July 25

Reuters, 04:48 July 28, 2008

http://www.rigzone.com/news/article.asp?a_id=64713

U.S. Ethanol Output Surges to Record 598,000 b/d in May, 2008—DOE Report

Bloomberg News, 16:29 July 28, 2008

Energy Companies Seek to Tap Federally-Owned Deposits in North Dakota—BLM Plans Meetings This Week to Discuss Future of State's Coal

<http://www.bismarcktribune.com/articles/2008/07/27/news/state/161013.txt>

Update: State, Local Officials Pass Nuclear Emergency Test at North Anna Power Plant in Virginia, FEMA Says

<http://fredericksburg.com/News/FLS/2008/072008/07262008/398000>

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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