ENERGY ASSURANCE DAILY

Thursday Evening, July 30, 2009

Electricity

Severe Weather Knocks Out Power to Over 30,000 Oncor Customers on Texas early July 30

A line of strong thunderstorms came through Central Texas early July 30, causing scattered power outages that left more than a 30,000 Oncor customers. As of most recent reports, 275 Oncor customers remain without power. http://www.star-telegram.com/804/story/1511384.html?storylink=omni_popular http://www.kwtx.com/home/headlines/52063582.html

Reported Tornado, Severe Weather Knock Out Power to Approximately 25,000 Customers in New Jersey July 29

According to local New Jersey media sources, a string of severe thunderstorms and a possible tornado came through the state during the afternoon of July 29. PSE&G reported at its peak approximately 20,000 customers without power due to the storms and Jersey Power and Light reported significant customer outages as well. http://wcbstv.com/topstories/severe.thunderstorms.weather.2.1106632.html
http://www.nj.com/news/index.ssf/2009/07/possible_tornado_severe_thunde.html

Update: California Energy Commission Gives 423 MW Watson Cogeneration Project Positive Review for Planned 85 MW Addition

The California Energy Commission granted a positive review of the proposed 85 MW Watson Cogeneration Steam and Electric Reliability Project addition. By a vote of 4-0, the Commission deemed the project data adequate and the project applicant may begin the discovery and analysis phase of the 12-month certification process. The project, planned by the Watson Cogeneration Company will add a nominal 85 MW combustion turbine generator to the existing cogeneration facility owned by Watson.

http://www.energy.ca.gov/sitingcases/watson/

Update: PG&E's 407 MW Helms Hydro Unit 1 in California Returns to Service July 29 According to the California Independent System Operator, the unit returned from an unplanned outage. http://www.caiso.com/unitstatus/data/unitstatus/200907291515.html

Petroleum

Mexico Competitiveness Institute Releases Report, Calls for Steps to Open Oil Exploration to Private Industry

The Mexico Competitiveness Institute (IMCO) released a report recently that shows the country ranking 32nd, in terms of competitiveness among 48 nations. The IMCO noted in the report the sharp decline in oil production from Mexico and advocates opening exploration and production activities to private industry to Confront Mexico's Decline in Global Economy.

http://www.ogj.com/index/article-display/5662718584/s-articles/s-oil-gas-journal/s-exploration-development/s-articles/s-mexico-institute recommend s.html

Update: Tesoro Restarts 35,000 b/d Hydrocracker at its 166,000 b/d Golden Eagle, California Refinery July 30

The company is restarting the hydrocracker after completing repairs on the unit and expects a full return in less than seven days, according to a company spokesperson.

Reuters, 09:26 July 30, 2009

Kuwait National Petroleum Company Shuts its 460,000 b/d Mina Al-Ahmadi Refinery in Kuwait on Water Cooler Fault July 30

The refinery was shut due to a problem with the water cooling system with officials saying the restart will take up to three days. The refinery is the largest oil refinery in the country.

Bloomberg news, 12:03 July 30, 2009

Reuters, 12:07 July 30, 2009

Natural Gas

Update: Sempra Energy Commences Commercial Operations at its Cameron LNG Receipt Terminal in Louisiana

Sempra Energy's Cameron LNG LLC liquefied natural gas (LNG) import terminal near Lake Charles, Louisiana, received approval from the Federal Energy Regulatory Commission (FERC) on July 30 to begin service. The company has successfully completed performance testing and has begun commercial operations. The Cameron LNG is capable of processing 1.5 Bcf/d of natural gas.

http://www.downstreamtoday.com/news/article.aspx?a_id=17387

Other News

Massey Energy to Rehire Miners to Meet Asian Coal Demand

The Associated Press reported that Massey Energy has begun rehiring some miners in order to keep pace with the growing demand for coking coal from Asian steelmakers, particularly in China and India.. A Massey Energy official said coking coal shipments to Asia are growing and are expected to account for half its total exports for the final six months in the year, yet domestic shipments of coal to utilities nation-wide are expected to be bleak for the next 18 months.

http://phx.corporate-ir.net/preview/phoenix.zhtml?c=102864&p=irol-newsArticle&ID=1314440&highlight=

Energy Prices

U.S. Oil and Gas Prices July 30, 2009			
	Today	Week Ago	Year Ago
CRUDE OIL West Texas Intermediate U.S. \$/Barrel	66.67	65.76	126.65
NATURAL GAS Henry Hub \$/Million Btu	3.41	3.49	9.17

Source: Reuters

Energy Notes

Equipment Malfunction Causes 10,000 Tacoma Public Utilities Customers in Washington State to Lose Power July 29 – Power Restored to all but 100 Customers http://www.thenewstribune.com/292/story/828112.html?storylink=omnipopular

Update: U.S. Court of Appeals in Washington D.C. Clarifies Prior Decision of Blocking Drilling Activity - Pertains to Alaska Leases, not Gulf of Mexico Leases http://www.wcax.com/global/story.asp?s=10813973

Delaware Department of Natural Resources and Environmental Control to Investigate Cause of Coal-Ash Accident at Indian River Power Plant in Delaware

http://www.delmarvanow.com/article/20090729/DCP01/90729016/-1/DW/DNREC-investigating-accident-at-Indian-River-plant

Fire and Limited Recompression Reported at Coyanosa Gas Plant in Texas July 29 http://www11.tceq.state.tx.us/oce/eer/index.cfm?fuseaction=main.getDetails&target=127435

Babcock & Wilcox Power Generation Group Completes Construction, Commences Operation of its Pilot-Scale Regenerable Solvent Absorption Technology Facility in Ohio – Plant to Test Carbon Dioxide Control Technology

http://www.businesswire.com/portal/site/google/?ndmViewId=news_view&newsId=20090730005591&newsLang=en

Tesoro CEO Says Company Not Looking to Acquire or Divest Any Refineries During 'Downturn'

Dow Jones Newswire, 09:12 July 30, 2009

Police in Winchester, New York Arrest Two Persons for Heavy-Gauge Electrical Wire Theft from National Grid Substation

http://www.salemnews.com/punews/local story 209234051.html

Illinois Governor Signs Law to Help Finance Renewable Energy Projects throughout State with \$3 Billion in Bonds

Reuters, 17:46 July 29, 2009

Russia's State Owned Oil Company Signs Contracts with Cuba's State Owned Oil Company for Future Oil Operations within Cuba's Exclusive Zone within Gulf of Mexico http://www.reuters.com/article/marketsNews/idUSN2926478920090729

OPEC Exports, Excluding Angola and Ecuador, Expected to Fall 150,000 b/d by August 15 – Oil Movements Analysts Report July 30

Reuters, 11:30 July 30, 2009

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

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/ead.aspx

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