



ENERGY ASSURANCE DAILY

Thursday, August 17, 2006

Electricity

Line Break Leaves 43,000 without power in Oregon Aug. 16

A broken insulator caused a power line to fall across another power line resulting in a power outage in the Corvallis and Albany areas of Oregon on August 16. The outage began about 2:40 in the afternoon and affected some 43,000 customers of Pacific Power. Power was completely restored by 4:47 the same afternoon.

<http://www.gtconnect.com/articles/2006/08/17/news/community/thuloc02.txt>

LS Power's 739 MW Gas-fired Moss Landing Unit 6 in California Back in Service Aug. 15

According to a report from the California ISO, the unit returned to service following an outage lasting approximately three hours on Tuesday, August 15. The company reports that all units at the Moss Landing facility were operating at or near to capacity on August 16.

Reuters, 19:16 August 16, 2006

Duke's 846 MW Oconee Unit 3 Nuke in South Carolina Reduced to 50 Percent of Capacity Aug. 17

According to the daily report of the Nuclear Regulatory Commission, after a control rod slipped into the reactor core, the unit was operating at 50 percent of capacity, reduced from full power the day before. Duke indicated that the unit would not return to full power until an investigation had been completed.

Reuters, 11:17 August 17, 2006

Entergy's 1,087 MW Waterford Unit 3 Nuke in Louisiana Reduced to 86 Percent of Capacity Aug. 17

According to the daily report of the Nuclear Regulatory Commission, the unit was operating at 86 percent of capacity, reduced from operating at full power on August 16.

Reuters, 07:21 August 17, 2006

Update: Entergy's Pilgrim Nuke in Massachusetts Expected to be Back at Full Power Soon Following Reduction to Flush Clogged Water Intake System

Entergy anticipates that the water intake system clogged by mussels will be operational by late August 16. The plant must regularly flush the system to remove a build up of mussels from the intake system.

Reuters, 11:16 August 16, 2006

Petroleum

Update: BP Prudhoe Pipeline Shutdown

Point McIntyre Field Shutdown Reduces Prudhoe Output by 29,000 b/d

Until accidents forced BP to shut down the Point McIntyre line, production at Prudhoe Bay totaled approximately 180,000 b/d. and BP announced that production would reach approximately 200,000 b/d when maintenance work was completed in the Western Operating Area (WOA). However, the Point McIntyre closure for testing reduces the total by some 29,000 b/d. It is unknown when operation of the Point McIntyre line will resume.

http://www.mercurynews.com/mld/mercurynews/business/financial_markets/15288292.htm

<http://news.moneycentral.msn.com/provider/providerarticle.asp?feed=FT&Date=20060816&ID=5953368>

BP Must Give U.S. Two Week Notice Before a Restart of Eastern Prudhoe System

On August 15, BP announced that the U.S. Department of Transportation will require a two-week advance notice before any restart of the Eastern Operating Area (EOA) of the Prudhoe Bay field operations. The DOT has specified that before any of the existing oil transit lines in the EOA can be used, BP must notify the DOT two weeks in advance, and must receive explicit approval from the DOT to restart operations.

<http://www.marketwatch.com/News/Story/Story.aspx?dist=newsfinder&siteid=google&guid=%7B709EE0B5-C2F1-4BA9-801F-36E9760D4196%7D&keyword=>

Technological Advances Coupled with Appropriate Maintenance Programs Seen as Aid in Prevention of Future Pipeline Problems

During the decades following the installation of the pipeline system serving the Prudhoe Bay fields, there have been significant advances in the ability of “smart pigs” and “cleaning pigs” to detect problems in and to help maintain pipelines. In addition, advances in steel production have not only reduced costs but have facilitated production of a product of high quality. Nonetheless, experts argue that in the future, these advances will achieve results in reducing the likelihood of similar occurrences only when they are coupled with a systematic maintenance program.

<http://www.cnn.com/2006/TECH/08/14/oilfield.technology.ap/>

Fire Out at Flint Hills 280,000 b/d Refinery in Minnesota: Runs Reduced and Repairs Underway at One of Three Crude Units

A fire in a pipe rack that started shortly after noon on August 16 was extinguished by the refinery fire crew by approximately 1:30 p.m. local time. Runs have been cut to one of three crude units at the refinery. The company has indicated that it has made no decision about planned maintenance scheduled at the refinery to begin in September. The cause of the fire is under investigation.

Reuters, 10:33 August 17, 2006

Reuters, 09:10 August 17, 2006

Update: ConocoPhillips Restarting FCC Unit at its 247,000 b/d Sweeny Refinery in Texas Aug 16

ConocoPhillips announced that it began the restart process of a fluid catalytic cracking unit at its 247,000 b/d refinery in Sweeny, Texas on Wednesday evening. The unit was shut when a problem developed with an electrostatic precipitator that according to traders in the area said occurred as the unit was being brought back following a turnaround.

Reuters, 08:23 August 17, 2006

Oil Prices Lowest in Nearly Two Months

Oil prices dropped sharply August 17 as supply concerns eased on information that U.S. fuel stockpiles remain ample and with the recognition that demand will wane as the summer driving season draws to a close. The drop marks the lowest price for crude oil in nearly two months. Nonetheless, geopolitical concerns with the potential to affect supply remain in place with the result that prices are still 14 percent above last year.

http://biz.yahoo.com/rb/060817/markets_oil.html?.v=7

Natural Gas

Gold Pass Pipeline's Expansion Plan Receives FERC Environmental Clearance

On August 15, Gold Pass Pipeline LP's plan to enlarge facilities in Jefferson and Orange counties in East Texas received an environmental clearance from the Federal Energy Regulatory Commission (FERC). The enlarged facilities will support ExxonMobil's proposed Golden Pass liquefied natural gas (LNG) terminal in Louisiana.

<http://intelligencepress.com/>

Other News

Nothing to report.

Energy Prices

U.S. Oil and Gas Prices			
August 17, 2006			
	Today	Week Ago	Year Ago
CRUDE OIL West Texas Intermediate U.S. \$/Barrel	70.00	74.00	63.31
NATURAL GAS Henry Hub \$/Million Btu	6.73	7.95	9.99

Source: Reuters

Energy Notes

30 Assault Rifles Sent to Wrong Location at TVA's Sequoyah Nuclear Plant; Security Procedures Questioned

http://pro.energycentral.com/professional/news/power/news_article.cfm?id=7040603

Security Guard Caught Sleeping On Duty at Sanatoga Nuclear Plant in Pennsylvania

http://pro.energycentral.com/professional/news/power/news_article.cfm?id=7040707

Update: Federal Nuclear Regulators Say Release of Tritium Underneath Kewaunee Nuclear Plant Poses No Health Risk: No Radioactive Substance Found in Drinking Water

<http://powermarketers.net/contentinc.net/newsreader.asp?ppa=8knpp%5E%5BiloqtuvZTkht%3EEvbfel%5Dv>

Siemens to Build Wind Turbine Factory in Iowa: Start-up Scheduled for 2007

Reuters, 11:03 August 17, 2006

Bruce Power Seeks Regulatory Okay to Prep Site for New Nuke Plant in Ontario

Reuters, 11:15 August 17, 2006

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/index.aspx>.

Please direct comments and questions to: ead@oe.netl.doe.gov