



# ENERGY ASSURANCE DAILY

Tuesday, August 22, 2006

## ***Electricity***

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### **Natural Gas Consumption by U.S. Power Plants at All-Time High**

U.S. power plants burned natural gas at all-time high record rates during both July and August this year as consumers increased air conditioning use across the nation to beat extremely hot temperatures. According to BENTEK Energy, approximately 29.6 Bcf/d of natural gas was burned in July (17.5% over the record burn in August 2005 of 25.2 Bcf/d). From August 1 through 22nd, 30.2 Bcf/d of natural gas was burned, including a record breaking daily burn of 42.3 Bcf/d on August 2nd.

Reuters, 13:04 August 22, 2006

### **Update: TVA's 1,150 MW Browns Ferry 3 Nuke in Alabama Exits Outage Aug. 22**

After shutting Unit 3 on August 19 due to the loss of both reactor recirculation pumps, the Tennessee Valley Authority ramped up the unit to 96 percent early today, according to a U.S. Nuclear Regulatory Commission report.

Bloomberg, 09:48 August 22, 2006

Reuters, 07:50 August 22, 2006

### **Update: Duke's 846 MW Oconee Unit 3 Nuke in South Carolina Up to 84 Percent of Capacity Aug. 22**

Duke reduced the unit to about 18 percent August 17-18 to fix an electrical problem with a control rod that slipped into the reactor core. On August 21, the unit was operating at 41 percent.

Reuters, 07:53 August 22, 2006

### **OPG's 490 MW Nanticoke Coal-Fired Unit 8 Returns to Service Aug. 22**

According to the Independent Electricity System Operator, OPG's coal-fired Unit 8 at Nanticoke returned to service August 22 after shutting down August 17.

Reuters, 08:43 August 22, 2006

### **Westar to Build New 300 MW Peaking Plant in Kansas**

Westar announced that it will construct a 300 MW gas-fired peaking facility in Lyon County in Kansas. The plant's initial capacity can be expanded to 600 MW as demand requires.

<http://biz.yahoo.com/prnews/060822/nytu047.html?.v=67>

## ***Petroleum***

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### **Update: Acting DOT Secretary Says Corrosion Problem Not Found at Other Companies**

During a tour of the Prudhoe Bay oil field, Acting Secretary of Transportation Cino indicated that the corrosion problem that developed at the field has not been found when facilities of other operators on the North Slope have been examined. BP, ConocoPhillips, and ExxonMobil share ownership of the field and jointly must approve the maintenance expenditures for the field. Records of all three companies have been subpoenaed for investigation.

The Oil Daily, August 22, 2006

### **Update: Brief Power Outage at Valero's Texas City Refinery Did Not Affect Production**

According to Valero, there was no impact on production from the brief power interruption that occurred during the past weekend at its 214,000 b/d refinery in Texas City, Texas.

<http://biz.yahoo.com/bizj/060821/1334347.html?.v=1>

### **BP's Crude Oil Intake at Texas Refinery Less Than Forecast**

By the end of this year, BP Plc's Texas refinery may reach a crude oil intake of 300,000 b/d, about 100,000 b/d less than the company had forecast. When two of the refinery's gasoline-producing units complete maintenance in mid-October, production is expected to increase from the current 200,000 b/d.

Bloomberg, 06:03 August 22, 2006

### **A Year After Hurricanes Katrina and Rita, Nautilus Oil Rig Still Recovering**

Workers recently finished the latest round of repairs to Transocean Inc.'s Deepwater Nautilus rig, which sits idle in a Texas shipyard. In 2005, Hurricane Katrina tore the 50,277-ton rig from its moorings, and Hurricane Rita grounded it. Workers added mooring points to lessen the chance of a repeat. The billions of dollars spent on rebuilding could have gone to drilling wells and tapping new oil and gas deposits. A spokesman at Oceaneering International Inc., a Houston company that supplies divers and unmanned submarines to the offshore oil industry, said that the duration of remediation work will be much longer than what was estimated 90 days ago.

Bloomberg, 00:07 August 22, 2006

### **Update: Exxon Mobil's Oil Production in Nigeria Unaffected by Militant Activity**

With few operations in the Niger delta, the center of recent militant activity, Exxon Mobil Corp.'s oil production in Nigeria is likely to rise from the current level of about 500,000 b/d to 600,000 b/d. Militant activity and sabotage have shut down as much as 715,000 b/d of production from other companies this year, equal to about a third of Nigeria's production.

Bloomberg, 11:56 August 22, 2006

## ***Natural Gas***

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### **Dominion Receives Okay from FERC on Cove Point Expansion**

NGI's Daily Gas Price Index, August 22, 2006

<http://intelligencepress.com/>

## ***Other News***

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### **Survey Results Indicate Energy Sector Well Prepared for Next Disaster**

A survey conducted by the National Emergency Response & Rescue Training Center at Texas A&M University, indicates that most energy companies believe that they are prepared for whatever kind of emergency or disaster might occur. According to the responses, nine out of ten companies have updated disaster response and recovery plans. Only a small number, between six and eight percent, indicated that they have not trained employees or held exercises or drills.

The Oil Daily, August 22, 2006

### **SoCal Edison Reports that Tritium Leak at San Onofre Nuke in California Poses No Risk to Public**

According to Southern California Edison, a small leak of radioactive tritium detected in groundwater under the San Onofre nuclear generating station in southern California does not threaten either the general public or workers at the facility. According to the Nuclear Regulatory Commission, the amount of tritium was found to be within an acceptable range. The leak was discovered during the decommissioning of unit 1. The groundwater under the unit is isolated from the nearest wells and is not used by the plant.

<http://www.platts.com/Nuclear/News/7655304.xml?p=Nuclear/News&sub=Nuclear>

### **Southern Company Completes Inventory of Nuke Fuel – Small Amount Remains Missing**

Following the discovery last year of discrepancies in nuclear fuel records at its Edwin I. Hatch nuclear facility, Southern Company began an inventory of nuclear supplies. The inventory, which was just completed, found that the missing fuel is about one-fourth of the amount of the discrepancy discovered last year - only about 18 inches of the 77 million total inches located during the inventory. Southern believes that the missing 18 inches is present but inaccessible in spent-fuel ponds at the plant.

[http://biz.yahoo.com/ap/060822/southern\\_nuclear\\_inventory.html?.v=1](http://biz.yahoo.com/ap/060822/southern_nuclear_inventory.html?.v=1)

## Energy Prices

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U.S. Oil and Gas Prices			
August 22, 2006			
	Today	Week Ago	Year Ago
<b>CRUDE OIL</b> <b>West Texas Intermediate U.S.</b> \$/Barrel	72.55	73.30	65.46
<b>NATURAL GAS</b> <b>Henry Hub</b> \$/Million Btu	6.86	6.90	9.44

Source: Reuters

## Energy Notes

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### Gasoline Tanker Truck Overturns Spilling Gasoline in Concord, California

[http://www.insidebayarea.com/dailyreview/localnews/ci\\_4213282](http://www.insidebayarea.com/dailyreview/localnews/ci_4213282)

### Canada's Largest Photovoltaic Project Launched in Toronto

[http://pro.energycentral.com/professional/news/power/news\\_article.cfm?id=7057145](http://pro.energycentral.com/professional/news/power/news_article.cfm?id=7057145)

### Dubai Launches Effort to Become LNG Global Trading Hub

International Oil Daily, August 22, 2006

[http://www.energyintel.com/PublicationHomePage.asp?publication\\_id=31](http://www.energyintel.com/PublicationHomePage.asp?publication_id=31)

## Links

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### *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](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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