



# ENERGY ASSURANCE DAILY

Wednesday, September 13, 2006

## **Electricity**

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### **550 MW Hybrid Natural Gas/Solar Power Plant to be Built in Southern California**

The facility, which will be built in Victorville, California, will be the first hybrid plant in the world to be fueled with solar power and natural gas. The plant will have 250 acres of solar panels that can produce up to 50 MW. The natural gas-fired side of the plant will have a capacity of 500 MW.

[http://pro.energycentral.com/professional/news/power/news\\_article.cfm?id=7143387](http://pro.energycentral.com/professional/news/power/news_article.cfm?id=7143387)

### **FPL to Build Advanced Technology Coal Plant in Florida**

On September 12, Florida Power & Light Co. announced plans to build an advanced technology coal power plant in Glades County, Florida. Construction is expected to take five years with the first 980 MW unit becoming operational in 2012, and a second unit in 2013. Once completed, it will be one of the cleanest coal plants in the country.

[http://biz.yahoo.com/ap/060912/fpl\\_new\\_plant.html?v=1](http://biz.yahoo.com/ap/060912/fpl_new_plant.html?v=1)

<http://biz.yahoo.com/bw/060912/20060912006277.html?v=1>

### **KCP&L's New 100.5 MW Spearville Wind Power Plant Begins Operation in Kansas**

Kansas City Power & Light announced that its 100.5 MW Spearville Wind Energy Facility began operation.

<http://biz.yahoo.com/bw/060912/20060912006047.html?v=1>

## **Petroleum**

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### **FCC Unit Shut at ExxonMobil's 155,000 b/d Torrance, California Refinery Sept. 9**

According to ExxonMobil, the fluidic catalytic cracking (FCC) unit remains idled today after begin shut on Sept. 9. The company has not commented on why the unit shut or the impact on production, but has said that it expects to meet its contractual supply agreements. The Torrance refinery makes about 10 percent of the gasoline sold in California according to the ExxonMobil's website.

Bloomberg News, September 13, 2006

### **Fire Shuts Diesel Unit at Kern Oil's 26,000 b/d Bakersfield, California Refinery Sept. 12**

Kern Oil & Refining Co. said that the diesel hydrotreating unit would be shut for the next few days for repairs. The company said that the shutdown was expected to have little impact on the refinery's overall fuel output.

Bloomberg News, 17:50 September 12, 2006

### **Compressor Malfunctions at Valero's Corpus Christi, Texas Refinery Sept. 12**

According to a filing with the Texas Commission for Environmental Quality, Valero Energy had a compressor malfunction at the east plant of its Corpus Christi, Texas refinery on Sept. 12. The east plant can process 110,000 b/d and has 20,000 b/d coking unit.

Reuters, 08:56 September 13, 2006

### **DCU Shut at Valero's 250,000 b/d Port Arthur, Texas Refinery Sept. 10 - Traders**

According to traders interviewed by Reuters, Valero has shut down a delayed coking unit at its Port Arthur refinery. Reuters cites a filing with Texas regulators saying that a leak was found on the interstage cooler of a wet gas compressor at the refinery. Valero refused to comment on the incident saying that it has a policy of not commenting on incidents that do not have a material impact on production.

Reuters, 14:33 September 12, 2006

OPIS Price Watch Alert, 09:54 September 13, 2006

### **Sinclair Oil to Add 30,000 b/d Delayed Coker at Tulsa, Oklahoma Refinery**

The new delayed coking unit will allow the refinery to process heavier crudes while maximizing the production of higher value products. The refinery's current capacity is 70,300 b/d. The unit is expected to be operational by 2009. OPIS Price Watch Alert, 09:54 September 13, 2006

### **BP Cleaning Up Small Oil Leak From Pipeline in Long Beach, California Port**

A leak of about 1,000 barrels of gasoil was detected at the Port of Long Beach on September 8. The leak was from a 12-inch pipeline running from BP's Carson refinery. BP has cleaned up about 900 barrels of the spill so far and will work with authorities to conduct complete investigation of the incident. The incident will not impact BP's ability supply fuel to the California market.

<http://www.bloomberg.com/apps/news?pid=20601102&sid=apLH5d3QJTc8&refer=uk>

<http://www.marketwatch.com/News/Story/Story.aspx?dist=newsfinder&siteid=google&guid=%7B4866090A-E5FA-48FB-AA20-7A6584DA974A%7D&keyword=>

[http://biz.yahoo.com/rb/060913/energy\\_bp\\_spill.html?.v=5](http://biz.yahoo.com/rb/060913/energy_bp_spill.html?.v=5)

[http://biz.yahoo.com/ap/060912/gas\\_oil\\_spill.html?.v=1](http://biz.yahoo.com/ap/060912/gas_oil_spill.html?.v=1)

### **Update: Regulators Warn BP That it Must Supply Evidence That A Temporary Fix to Resume Shut East Prudhoe Bay Production Can Be Done Without Environmental Risk**

[http://biz.yahoo.com/ap/060912/alaska\\_pipeline.html?.v=9](http://biz.yahoo.com/ap/060912/alaska_pipeline.html?.v=9)

### **U.S. Dept. of Transportation Says Pipeline Neglect Rare in U.S.**

The U.S. Pipeline Safety and Hazardous Materials Safety Administration (part of the U.S. Department of Transportation) told Congress that the pipeline maintenance neglect that led to the partial shutdown of the Prudhoe Bay oilfield does not reflect how most pipelines are operated in the United States. Nonetheless, the agency has proposed new regulations that give it oversight over the kind of low stress pipelines that failed in Alaska. Reuters, 12:48 September 13, 2006

### **Update: Nigerian Oil Workers Unions Strike Disrupts Crude Exports**

According to shipping agents, a three-day warning strike by oil workers unions resulted in suspended crude oil loadings at the Brass River and Escravos terminals, which together export about 500,000 b/d. The strike began on Sept. 13 with thousands of oil workers staying away from offices, oilfields and ports. According to industry officials, oilfield output has not been immediately affected because oilfield staffs have been replaced with non-union employees and because significant quantities of oil can be stored at the terminals instead of exported. Nigerian oil workers are staging the warning strike to protest the dangerous security situation in the oil-producing Niger Delta. The unions are threatening an indefinite work stoppage at a later date unless the government acts to improve security. In 2005 Nigeria supplied about 8 percent of total U.S. oil imports.

Reuters, 12:22 September 13, 2006

### **Update: Nigerian Minister Says Oil Shortfall Expected to Last 6 Months**

Nigeria's oil Minister, Edmund Daukoru, said a loss of up to 872,000 b/d in oil production will cause a shortage in Nigeria's oil supply for about six months.

[http://news.yahoo.com/s/afp/20060913/bs\\_afp/nigeriacommodities\\_060913134102](http://news.yahoo.com/s/afp/20060913/bs_afp/nigeriacommodities_060913134102)

### **Iraqi Oil Exports to Turkey Halted for Tenth Day**

According to shippers, flow on the Iraq-Turkey pipeline was on hold for the tenth straight day and there is no news on when the line will restart. Flow on the pipeline, which sends crude oil produced from Iraq's northern oilfields to the Turkish port of Ceyhan, was shut on Sept. 3. Iraqi oil officials say that the flow was stopped because storage at the terminal in Ceyhan was full but shippers in Turkey said the less than one quarter of that storage was full. Storage capacity for Iraqi crude oil in Ceyhan is 8 million barrels. In 2005 Iraq supplied about 3.5 percent of total U.S. oil imports.

Reuters, 05:42 September 13, 2006

## **Natural Gas**

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Nothing to report.

## Other News

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Nothing to report.

## Energy Prices

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U.S. Oil and Gas Prices			
September 13, 2006			
	Today	Week Ago	Year Ago
<b>CRUDE OIL</b> <b>West Texas Intermediate U.S.</b> \$/Barrel	64.43	67.70	63.18
<b>NATURAL GAS</b> <b>Henry Hub</b> \$/Million Btu	5.57	5.70	10.71

Source: Reuters

## Energy Notes

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### **Remnants of Hurricane Florence No Threat to Canada Offshore Oil Projects**

Reuters, 17:33 September 12, 2006

### **Deadly Gas Leaks From Shell Canada's Alberta Oil Sands Upgrading Refinery Sept. 12**

Reuters, 18:17 September 12, 2006

### **Glitches Cut Azeri Oil Flow Through Baku-Ceyhan Pipeline**

Reuters, 09:45 September 13, 2006

### **Petroecuador Reopens 9 Oil Wells Shut September 12 Due to Protests**

Reuters, 13:27 September 12, 2006

### **ExxonMobil Confident It Can Resolve Issues with Chad**

Reuters, 05:09 September 13, 2006

### **Petrobras Seeks to Export About 900 Million Gallons of Ethanol in 2011**

Reuters, 14:41 September 12, 2006

### **Iraq Oil Fields Need \$25 Billion of Investment – Govt Oil Advisor**

Bloomberg News, 05:59 September 13, 2006

### **Saudi Aramco Says Improving Technology and New Fields Could Double World's Existing Proven Oil Reserves**

Bloomberg News, 09:58 September 13, 2006

### **NNPC Consultants to Pullout from Pipeline Repairs in Nigeria**

<http://allafrica.com/stories/200609120892.html>

### **Venezuela Will Not Participate in Orionco Heavy Oil Projects' Downstream Business**

<http://www.platts.com/Oil/News/9338057.xml?p=Oil/News&sub=Oil>

## Romeoville Power Plant Down Due to Explosion: Workers Injured But No Effect to Other Units

[http://pro.energycentral.com/professional/news/power/news\\_article.cfm?id=7144089](http://pro.energycentral.com/professional/news/power/news_article.cfm?id=7144089)

## Massey to Enhance Fire Fighting Measures, Adopt Proximity Detection System to Improve Mine Safety

<http://www.platts.com/Coal/News/7710703.xml?p=Coal/News&sub=Coal>

## DOE Issues Request for Independent Review of Yucca Mountain Project

<http://www.platts.com/Nuclear/News/7710701.xml?p=Nuclear/News&sub=Nuclear>

## 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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*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](mailto:ead@oe.netl.doe.gov)