



# ENERGY ASSURANCE DAILY

Tuesday Evening, September 16, 2008

## Major Developments

### Update: Nearly 4 Million Customers Remain Without Power After Ike September 16

An estimated 3,953,357 customers were still without power September 16, after Hurricane Ike tore through a multi-state region September 13-15. Entergy said it would not be able to restore all its affected Texas customers until October 6. CenterPoint Energy, the hardest-hit utility, said its transmission structures had not sustained “significant structural damage.” The company had lost more than 26 percent of its transmission capacity after the storm; it had reduced that figure to 11 percent by yesterday. CenterPoint said previously that a full restoration could stretch to several weeks. The Electric Reliability Council of Texas (ERCOT), meanwhile, reported yesterday that 100 transmission lines—one 345-kV line, 69 138-kV lines, and 30 69-kV lines—remained down in Hurricane Ike’s wake. Workers had restored 14 downed lines. ERCOT said 11 power plants, with a combined 2,585 MW of power capacity, were out of service.

Reuters, 19:19 September 15, 2008

Reuters, 16:05 September 15, 2008

Reuters, 11:47 September 16, 2008

[http://www.ercot.com/news/press\\_releases/2008/nr09-15-08](http://www.ercot.com/news/press_releases/2008/nr09-15-08)

Hurricane Ike Customer Power Outages			
September 12 – September 16			
Electric Utility	State	Peak	Latest Reported
AEP SWEPCO	AR	23,000	1,888
Entergy	AR	179,000	23,366
First Electric Cooperative	AR	15,000	0
North Arkansas Electric Cooperative	AR	11,700	500
Ameren	IL	48,490	258
ComEd	IL	13,000	1,000
Southern Illinois Electric Cooperative	IL	3,500	150
Duke Energy	IN	199,373	84,856
Indiana Michigan Power	IN	1,500	0
Indianapolis Power & Light	IN	18,000	1,945
Vectren	IN/OH	40,000	15,500
Jackson Purchase Energy	KY	6,000	3,000
Kenergy	KY	23,000	18,000
Kentucky Utilities	KY	75,000	18,000
Louisville Gas & Electric	KY	301,000	189,000
Paducah Power	KY	15,000	150
West Kentucky Rural Electric Coop	KY	10,000	10,000
AEP SWEPCO	LA	63,000	5,716
All Cooperatives	LA	22,461	13,000
Cleco Power	LA	10,822	504
Entergy	LA	83,588	20,757
SLEMCO	LA	82,046	2,361
DTE	MI	24,000	2,000
Ameren	MO	107,031	4,018
Black River Electric Coop	MO	15,000	5,000
Citizen's Electric	MO	5,000	5,000
City Utilities	MO	1,000	1,000

Ozark Electric Coop	MO	16,000	0
SEMO Electric Coop	MO	9,700	310
White River Valley Electric Cooperative	MO	16,000	350
National Grid	NY	136,149	12,311
NYSEG	NY	4,000	100
Rochester Gas & Electric	NY	42,000	4,300
AEP Ohio	OH	539,619	432,519
AMP-Ohio	OH	15,000	850
Dayton Power & Light	OH	225,000	180,000
FirstEnergy	OH	1,000,000	260,000
Ohio Rural Electric Coops	OH	46,200	46,200
South Central Power	OH	55,784	14,502
Duke Energy **	OH/KY	915,989	500,000
Hydro One	ON	25,000	25,000
Allegheny Power	PA	65,891	32,186
Central Electric Coop	PA	10,000	9,000
Duquesne Light	PA	105,000	21,835
Penelec Power	PA	100,000	14,700
AEP SWEPSCO	TX	87,000	13,679
Bluebonnet Electric Cooperative	TX	3,400	0
CenterPoint Energy	TX	2,100,000	1,490,000
Deep East Texas Electric Co-op	TX	12,000	10,900
Entergy	TX	392,600	373,637
Oncor	TX	108,000	30,000
Texas-New Mexico Power Company	TX	113,247	64,000
AEP Ohio	WV	6,822	1,134
Allegheny Power	WV	9,440	3,575
Appalachian Power	WV	16,400	0
<b>TOTAL*</b>		<b>7,572,752</b>	<b>3,968,057</b>

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

Sources:

AEP Ohio; <http://www.aepohio.com/news/outages/>

AEP SWEPSCO; <http://www.swepco.com/news/outages/>

Allegheny Energy; [http://app.alleghenyenergy.com/outagestatus/customeroutagestatus/oms\\_summary\\_for\\_puc.asp](http://app.alleghenyenergy.com/outagestatus/customeroutagestatus/oms_summary_for_puc.asp)

Ameren Illinois; <https://www2.ameren.com/outagemap/default.aspx?state=IL>

Ameren Missouri; <https://www2.ameren.com/outagemap/default.aspx?state=MO>

AMP-Ohio; [http://blog.dispatch.com/weather/2008/09/a\\_statewide\\_outage\\_update.shtml](http://blog.dispatch.com/weather/2008/09/a_statewide_outage_update.shtml)

Appalachian Power; <http://www.appalachianpower.com/news/outages/default.asp>

Bluebonnet Electric Coop; <http://www.bluebonnetelectric.coop/press/Ike.htm>

CenterPoint; <http://www.centerpointenergy.com/newsroom/stormcenter/ike/>

Central Electric Coop; <http://www.thederrick.com/stories/09162008-2001.shtml>

Cleco; <http://www.cleco.com/site.php?pageID=347>

ComEd; <http://www.wrex.com/Global/story.asp?S=9009499>

Dayton Power and Light; <http://www.waytogo.com/>

DTE Energy; <http://detnews.com/apps/pbcs.dll/article?AID=/20080916/METRO/809160378>

Duke Energy Indiana; <http://www.duke-energy.com/indiana/outages/current.asp>

Duke Energy Ohio/Kentucky; <http://www.duke-energy.com/kentucky/outages/current.asp>

Duquesne Light;

<http://www.duquesnelight.com/codeincludes/ImportantOutageInfo.cfm?CFID=11955617&CFTOKEN=81560751>

Entergy; <http://www.entropy.com/>

First Electric Coop; <http://www.firstelectric.coop/content.cfm?id=2075>

First Energy; [http://blog.dispatch.com/weather/2008/09/a\\_statewide\\_outage\\_update.shtml](http://blog.dispatch.com/weather/2008/09/a_statewide_outage_update.shtml)

Hydro One; <http://www.canada.com/ottawacitizen/news/story.html?id=c1569c36-5441-4833-a2c2-1925e4c04d14>

Indiana Michigan Power; <http://www.indianamichiganpower.com/news/outages/default.asp>

Indianapolis Power and Light;

<http://www.iplpower.com/ipl/index?page=IPLGeneral&Menu=01000000&DocID=0203917431b9011a564c24930071c8>

Kenergy; <http://www.kentucky.com/news/state/story/525217.html>

Kentuck Coops; <http://www.wkyx.com/local-news-details.asp?NewsID=7605>

KU/LG&E; <http://www.eon-us.com/storm/default.asp>  
 Missouri Coops; [http://www.kfvs12.com/Global/story.asp?S=9006084&nav=menu51\\_2\\_9](http://www.kfvs12.com/Global/story.asp?S=9006084&nav=menu51_2_9)  
 NAEC and White River Valley Electric Coop; <http://www.ky3.com/news/local/28444344.html>  
 National Grid; <https://www1.nationalgridus.com/niagaramohawk/storm/OutagesByCounty.aspx>  
 NYSEG; [http://www.thedailystar.com/local/local\\_story\\_259122334.html](http://www.thedailystar.com/local/local_story_259122334.html)  
 Ohio Rural Electric Coops; [http://blog.dispatch.com/weather/2008/09/a\\_statewide\\_outage\\_update.shtml](http://blog.dispatch.com/weather/2008/09/a_statewide_outage_update.shtml)  
 Oncor; <http://www.marketwatch.com/news/story/oncor-expects-fully-restore-power/story.aspx?guid=%7BEB94BED5-8B45-412F-9BF4-D6FBB2E54467%7D&dist=hppr>  
 Ozark Electric Coop; <http://www.nwanews.com/adg/News/237520/>  
 Paducah Power; <http://www.wkyx.com/local-news-details.asp?NewsID=7605>  
 Penelec Power; <http://www.theprogressnews.com/default.asp?read=14210>  
 RG&E; <http://www.rge.com/OurCompany/News/2008/091608windstorm12noon.html>  
 SLEMCO; <http://www.slemco.com/emergency-Gustav.html>  
 South Central Power; [http://www.southcentralpower.com/OW/ow\\_map.aspx?county=0](http://www.southcentralpower.com/OW/ow_map.aspx?county=0)  
 Southern Illinois Electric Coop;  
[http://www.siec.coop/Wind%20Storm/Sept%20Wind%20Storm%202008\\_9PM\\_2.doc](http://www.siec.coop/Wind%20Storm/Sept%20Wind%20Storm%202008_9PM_2.doc)  
 Texas New Mexico Energy; [http://www.pnm.com/tnmp/0916\\_pr\\_ike.htm](http://www.pnm.com/tnmp/0916_pr_ike.htm)  
 Vectren; <http://www.courierpress.com/news/2008/sep/16/vectren-16500-without-power-more-crews-arriving/>

### **Almost all O&G Output Remains Shut in Gulf of Mexico**

An estimated 1,263,730 b/d of oil output and 6,231 MMcf/d of natural gas production remained shut in the Gulf of Mexico, according to a Minerals Management Service (MMS) report at 1 PM Central Time September 16. Those totals account for 97.2 percent of the Gulf's oil production and 84.2 percent of its natural gas output. Offshore oil and gas operators were reboarding platforms and rigs and restoring production in the wakes of Hurricane Gustav and Hurricane Ike, the MMS said.

<http://www.mms.gov/ooc/press/2008/press0916.htm>  
[http://www.oe.netl.doe.gov/named\\_event.aspx?ID=20](http://www.oe.netl.doe.gov/named_event.aspx?ID=20)

### **Hurricane Ike Destroys 28 Offshore O&G Platforms—MMS Companies Report Mixed Assessments in Storm's Wake**

Hurricane Ike destroyed 28 of the 3,800 offshore oil and gas production platforms in the Gulf of Mexico as of September 15, the Minerals Management Service (MMS) reported. The platforms produced a combined total of 11,000 b/d of oil and 82 MMcf/d of natural gas, based on initial assessments. The MMS received reports that Ike had severely damaged several other platforms, and was compiling information on those facilities. Oil and gas companies reported varying assessments from Hurricane Ike:

- BP said the storm damaged the drilling derrick on its Mad Dog oil platform. The company said its other platforms did not appear to have sustained significant damage.
- Chevron said Ike toppled "several" platforms "in the eastern and western shelf areas." It did not provide specific information on how many, or which platforms were impacted.
- Chevron said two oil and gas platforms, not yet in service—Blind Faith and Tahiti—were unharmed. Blind Faith is expected to begin output at the end of 2008, and Tahiti is scheduled to start production in the third quarter, 2009. Hurricane Ike did not affect those schedules.
- Pride International said its 250-foot mat slot jack-up Pride Wyoming was missing. The rig had been positioned approximately 90 miles south of Houma, Louisiana; the company evacuated it prior to Hurricane Ike. Pride said its other rigs had sustained no apparent damage, based on air inspections.
- ExxonMobil said September 16 that it was restarting some oil and natural gas output at its Gulf of Mexico platforms. The company said it had not observed any damage to its infrastructure.
- Hercules Offshore said it had not found any significant damage, based on air inspections and workers' reports. The company said one marine submersible had shifted from its original position.
- ConocoPhillips said its offshore Magnolia platform has experienced no "significant" damage.
- Rowan Companies said its Rowan-Mississippi jack-up had been hit by another vessel during Hurricane Ike. Rowan also said its Rowan-Anchorage rig may have capsized and sunk. The company's remaining rigs were at their pre-storm sites.
- Bonanza Oil and Gas said the storm had not affected its operations or production.
- ATP Oil & Gas said Ike had caused "minimal damage," based on initial assessments.
- Diamond Offshore Drilling said that 10 of units sustained "relatively little or no damage," based on crews' reports and visual air inspections. The company's IC jack-up rig Ocean Tower lost its entire drilling package, including the derrick, the air inspections revealed. The jack-up unit Ocean Drake is in a Galveston shipyard, but could not be inspected due to access issues. Diamond said it was working to re-man its rigs and restart operations as soon as it could.

- Noble Corporation said that two of its rigs—the Noble Paul Romano and the Noble Amos Runner—sustained mooring failures and drifted from their original locations. The rigs have been boarded and power has been restored. The company’s Noble Lorris Bouzigard rig experienced damage to its mooring system but did not drift from its primary location. Similarly, that rig has been boarded and power has been restored. Noble said it had start-up crews on all but one of its other active rigs in the U.S. Gulf of Mexico—it planned to re-man the remaining rig today. Ike did not appear to significantly damage any of Noble’s other rigs.
- Gulfport Energy Corporation said its Louisiana facilities in West Cote Blanche Bay and Hackberry appeared to have suffered no major structural damage. The company shut virtually all its offshore drilling and production activities in the Louisiana Gulf Coast ahead last week.
- Copano Energy said its Texas pipeline and processing facilities sustained no significant damage, based on a preliminary assessment. The company’s Houston Central natural gas processing plant in Texas continued to operate during the storm, but at reduced rates. The facility continues to run below full capacity, pending the restart of operations at downstream natural gas liquids facilities. Copano said producers along its Texas pipeline systems curtailed some natural gas output during Ike, but the company expected nearly all that production to resume by September 16.

Reuters, 12:43 September 16, 2008

Reuters, 07:16 September 16, 2008

Reuters, 12:39 September 16, 2008

Reuters, 12:05 September 16, 2008

Reuters, 08:40 September 16, 2008

Reuters, 07:33 September 16, 2008

Bloomberg News, 15:47 September 15, 2008

Reuters, 12:14 September 16, 2008

BSW, 11:24 September 16, 2008

Reuters, 12:09 September 16, 2008

[http://www.prideinternational.com/fw/main/Press\\_Releases-41.html](http://www.prideinternational.com/fw/main/Press_Releases-41.html)

<http://www.rowancompanies.com/fw/main/default.asp?DocID=46&reqid=1197728>

<http://phx.corporate-ir.net/phoenix.zhtml?c=123846&p=irol-newsArticle&ID=1197736&highlight=>

[http://phx.corporate-ir.net/phoenix.zhtml?c=78110&p=irol-newsArticle\\_Print&ID=1196900&highlight=](http://phx.corporate-ir.net/phoenix.zhtml?c=78110&p=irol-newsArticle_Print&ID=1196900&highlight=)

<http://phx.corporate-ir.net/phoenix.zhtml?c=98046&p=irol-newsArticle&ID=1197373&highlight=>

<http://phx.corporate-ir.net/phoenix.zhtml?c=82681&p=irol-newsArticle&ID=1197285>

<http://ir.copanoenergy.com/phoenix.zhtml?c=182247&p=irol-newsArticle&ID=1197331&highlight=>

<http://www.bphurricane.com/go/doc/1818/226670/>

<http://www.mms.gov/ooc/press/2008/press0916a.htm>

[http://www.oe.netl.doe.gov/named\\_event.aspx?ID=20](http://www.oe.netl.doe.gov/named_event.aspx?ID=20)

## Two Refineries Restart September 16, but 12 Others Remain Down

As of 9:00 AM EDT September 16, two refineries have entered restart process – Deer Park and ConocoPhillips Sweeny. Twelve refineries in Texas and Louisiana remain shut down due to Hurricane Ike. These refineries located in Lake Charles/Port Arthur and Houston/Texas City, and have a total operable capacity of 3.0 million b/d. Other companies reported mixed assessments and schedules:

- Chevron returned its 330,000 b/d Pascagoula, Mississippi refinery to normal capacity. The facility had been running at reduced rates.
- Murphy Oil returned its 120,000 b/d Meraux, Louisiana refinery to normal output. It had been operating at reduced rates.
- Total said its 232,000 b/d Port Arthur, Texas refinery remained down and without power September 16
- Calcasieu said it expected to restart its 78,000 b/d Lake Charles, Louisiana refinery tomorrow, September 17.
- Valero said electricity had returned to most production units at its 199,500 Texas City, Texas refinery, and at its 83,000 b/d Houston, Texas refinery. The company also said it was working to restart power at its 289,000 b/d Port Arthur, Texas refinery. All three refineries remained down, and Valero did not have a timetable for their restorations. Workers are engaged in several, non-power issues, including securing fresh water and industrial gas supplies.
- ConocoPhillips’ 239,400 b/d Westlake, Louisiana refinery was continuing to restart and running at reduced rates; its 247,000 b/d Belle Chasse, Louisiana refinery had electricity, and was preparing to resume service. Still down were all the Company’s Gulf-region pipelines, its Pasadena, Texas refined products distribution terminal, and its Clifton Ridge Marine Terminal in Louisiana.
- BP’s 467,720 b/d Texas City, Texas refinery did not experience significant flooding, but the company was still working to restore reliable power and water service.

- Pasadena Refining's 100,000 b/d Pasadena, Texas refinery experienced "some damage to the cooling water towers and electrical poles, but nothing catastrophic," the company's president said. Pasadena did not have a schedule for the facility's restart.
- ExxonMobil planned to restart units at its 567,000 b/d Baytown, Texas refinery later this week. Baytown did not sustain significant damage; its electricity was restored September 14. Separately, the company said cleanup crews were on-site at its 348,500 b/d Beaumont, Texas refinery. Beaumont was without power, as of yesterday, and the company did not provide a timetable for its restart.
- Marathon Oil said power had been "generally" restored to its 76,000 b/d Texas City, Texas refinery.

Reuters, 10:52 September 16, 2008

Reuters, 11:53 September 16, 2008

Reuters, 10:47 September 16, 2008

Reuters, 17:08 September 15, 2008

Reuters, 16:58 September 15, 2008

Reuters, 10:06 September 16, 2008

Reuters, 14:52 September 15, 2008

Bloomberg News, 14:33 September 15, 2008

Bloomberg News, 12:29 September 16, 2008

<http://www.platts.com/Oil/News/8029682.xml?p=Oil/News&sub=Oil>

<http://www.lloyds.com/CmsPhoenix/DowJonesArticle.aspx?id=404654>

[http://www.oe.netl.doe.gov/named\\_event.aspx?ID=20](http://www.oe.netl.doe.gov/named_event.aspx?ID=20)

### **With Refineries Down, Short Supplies at U.S. Gas Stations**

Gas shortages have squeezed customers in Texas and elsewhere, as Gulf Coast refineries remain down after Hurricane Ike. One Shell station owner in Texas reported running out of gas within hours of re-opening. Multiple states' supplies depend on Gulf Coast refiners, and shortages have been reported in Tennessee, Florida, North Carolina, South Carolina and Virginia. President Bush warned that "there's going to be a pinch" in gasoline supplies. Oil companies are installing generators at stations in the Houston and Beaumont area, especially along re-entry routes, where power is not reliable. Shell reported deploying 19 generators as of September 15, and securing another ten generators for potential deployment later this week. ExxonMobil and Chevron both report installing portable generators and making product deliveries at priority or strategic sites. Chevron also dispatched 20 tanker trucks from other areas of the country to Houston to expedite fuel distribution in the impacted area.

<http://www.chron.com/disp/story.mpl/front/6003893.html> [http://www.oe.netl.doe.gov/named\\_event.aspx?ID=20](http://www.oe.netl.doe.gov/named_event.aspx?ID=20)

[http://www.oe.netl.doe.gov/named\\_event.aspx?ID=20](http://www.oe.netl.doe.gov/named_event.aspx?ID=20)

### **Update: Multiple Pipelines Remain Down or Reduced After Hurricane Ike September 16**

Major crude pipelines originating in Texas and Louisiana shut down operations in advance of Hurricane Ike, and four remain shut. Colonial pipeline reported at 9:30 AM EDT September 16 that the pipeline operated at improved but still reduced rates overnight. Portable generators are installed and operating to access stranded barrels at Hebert and Port Arthur, including Kinder Morgan's Pasadena terminal. Half of Colonial's stub lines were running overnight and the others are scheduled to make deliveries over the next couple of days.

The following pipelines remain down, as of latest reports:

- The 210,000 b/d Centennial product pipeline
- The 85,000 b/d CP Seaway Products product pipeline
- The 115,000 b/d CP Sweeny to Pasadena product pipeline
- The 72,000 b/d Longhorn product pipeline

The following pipelines are partially shut:

- The 700,000 b/d Explorer product pipeline
- The 330,000 b/d TEPPCO product pipeline
- The 100,000 b/d Dixie NGL pipeline
- The 641,000 b/d Enterprise NGL pipeline

The following pipelines are running at reduced rates:

- The 1.2 million b/d Capline crude pipeline
- The 1.2 million b/d LOOP/Locap crude pipeline
- The 2.4 million b/d Colonial product pipeline
- The 120,000 b/d Magellan product pipeline
- The 100,000 b/d NuStar/Texas Gulf Coast product pipeline
- The 600,000 b/d Plantation product pipeline

The following pipelines are running at normal rates:

- The 115,000 b/d Central Florida product pipeline

[http://www.oe.netl.doe.gov/named\\_event.aspx?ID=20](http://www.oe.netl.doe.gov/named_event.aspx?ID=20)

## **Waterways Remain Restricted or Shut in Gulf September 16**

The Port of Freeport, Texas is still closed. The Coast Guard Captain of the Port of Houston-Galveston, Texas reports that Galveston is still closed and the Houston Ship Channel remains restricted to vessels with drafts of 12 feet or less. Some 104 vessels were stalled outside the Houston Ship Channel September 16, a news source reported September 16. The Gulf Intracoastal Waterway (GIWW) from the Houston Ship Channel to the Port Arthur, Texas bridge is closed with three sunken vessels making it impassible. The waterways in the Port Arthur, Texas area are restricted to vessels with a draft of 16 feet or less. The Calcasieu Channel leading into the Port of Lake Charles, Louisiana re-opened as of 3:00 PM September 15 to vessels with drafts of 16 feet or less. Pascagoula, Mississippi is open for vessels with drafts less than 30 feet and in daylight hours for vessels with drafts more than 30 feet, but less than 36 feet

Reuters, 11:26 September 16, 2008

[http://www.oe.netl.doe.gov/docs/2008\\_SitRep\\_5\\_Ike\\_091608\\_10AM.pdf](http://www.oe.netl.doe.gov/docs/2008_SitRep_5_Ike_091608_10AM.pdf)

[http://www.oe.netl.doe.gov/named\\_event.aspx?ID=20](http://www.oe.netl.doe.gov/named_event.aspx?ID=20)

## **Companies Restore Some Natural Gas Throughput, but Significant Outages Remain**

- As of 10:00 AM EDT September 16, the Sabine Pipeline reports that the Force Majeure has been lifted for certain points along its system including the Henry Hub. Compression at the Henry Hub complex remains unavailable at this time and Sabine advises its customers that gas flow through the system must be received at sufficient pressure.
- As of 12:00 PM EDT September 16, many natural gas pipelines impacted by Ike and Gustav continue to inspect and assess damage to their facilities. Certain portions of pipeline segments have commenced gas flow or are ready to resume flow once third-party facilities complete inspections. Reports of flood damage and lack of power continue to delay the return of facilities and in some cases it is likely to take several weeks for repairs and clean up in order to restart.
- As of 6:28 PM EDT September 15, the Enbridge Offshore pipeline systems remain under Force Majeure and remain shut-in until operation personnel can gain access to the facilities and conduct more thorough inspections.
- As of 9:00 PM EDT September 15, Tennessee Gas Pipeline (TGP) reports that all points upstream of the Grand Chenier and Sabine processing plants remain shut in. Crosstex informed TGP that the Sabine plant experience storm surge and assessments are underway and the Bluewater plant is currently ready to process once upstream flow commences. The Grand Chenier, owned by CDM Max reports to TGP that personnel are conducting damage assessments. Lastly, Targa Resources, partial owner and operator of the Yscloskey plant in St. Bernard Parish, LA experienced additional water damage from Ike. The plant has been reported shut down since Hurricane Gustav.

[http://www.oe.netl.doe.gov/named\\_event.aspx?ID=20](http://www.oe.netl.doe.gov/named_event.aspx?ID=20)

## **Update: Twenty-two Gulf Coast Gas Processing Plants Confirmed Shut Following Hurricane Ike Aftermath September 16**

As of 1:00 PM EDT, September 16, the Energy Information Administration (EIA) has confirmed that 22 plants remain shut down which includes those plants still impacted from Gustav, totaling an operating capacity of 10.97 Bcf/d, equal to almost 62 percent of the capacity in Hurricane Ike's path. Thirteen of those 22 plants are in Louisiana. In addition, EIA reports that 11 plants have resumed operations at reduced or normal levels totaling 4.51 Bcf/d operating capacity and 6 plants are capable to restart totaling 2.12 Bcf/d operating capacity once power is restored or upstream gas flow commences.

[http://www.oe.netl.doe.gov/named\\_event.aspx?ID=20](http://www.oe.netl.doe.gov/named_event.aspx?ID=20)

## **DOE Announces Two Planned Crude Deliveries from Strategic Petroleum Reserve**

The U.S. Department of Energy (DOE) will deliver 250,000 barrels of emergency exchange oil from the Strategic Petroleum Reserve to Marathon Petroleum Company's Midwest refineries along the Capline pipeline system, according to a September 15 release. DOE will deliver an additional 239,000 barrels of crude from the Strategic Petroleum Reserve to ConocoPhillips' Wood River refinery along the Capline system, a September 16 release said.

<http://www.energy.gov/news/6542.htm>

<http://www.energy.gov/news/6546.htm>

## **EPA Issues ULSD Fuel Waiver in Texas September 15**

On September 15, the U.S. Environmental Protection Agency issued a waiver for Texas permitting the use of Federally-compliant ultra low sulfur diesel (ULSD) in lieu Texas Low-Emission Diesel (TxLED) through September 30, 2008.

[http://www.oe.netl.doe.gov/docs/2008\\_SitRep\\_5\\_Ike\\_091608\\_10AM.pdf](http://www.oe.netl.doe.gov/docs/2008_SitRep_5_Ike_091608_10AM.pdf)

[http://www.oe.netl.doe.gov/named\\_event.aspx?ID=20](http://www.oe.netl.doe.gov/named_event.aspx?ID=20)

## **Electricity**

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### **POWEREX's 428 MW Dynamic Resource Unit in California Reduced by September 16**

According to the California Independent System Operator, the unit experienced an unplanned curtailment of 229 MW by September 16.

<http://www.caiso.com/unitstatus/data/unitstatus200809151515.html>

### **Calpine's 135 MW Gilroy Gas-fired Unit in California Shut by September 16**

According to the California Independent System Operator, the unit experienced an unplanned outage by September 16.

<http://www.caiso.com/unitstatus/data/unitstatus200809151515.html>

### **Update: Southern's 870 MW Hatch Nuke Unit 2 in Georgia at Full Power by September 16**

The Nuclear Regulatory Commission reported that on the morning of September 15 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/>

### **Update: OPG's 515 MW Pickering Nuke Unit 4 in Ontario Restarts by September 15**

Reuters, 16:48 September 15, 2008

### **OPG's 535 MW Lennox Oil-and-Gas-fired Unit 2 in Ontario Shuts by September 15**

Reuters, 16:35 September 15, 2008

### **FPL Plans Upgrades at Nuclear Power Plants in Florida and Wisconsin**

Florida Power and Light (FPL) plans to boost capacity by 180 MW at its 1,048 MW Point Beach nuclear power plant in Wisconsin, by 200 MW at the 1,520 MW Turkey Point station in Florida, and by 200 MW at the 1,700 MW St. Lucie plant in Florida. Each of the affected facilities has two nuclear units—it is not clear, however, if the upgrades would be evenly distributed at each site. FPL would open its upgraded St. Lucie Unit 1 in the fall of 2011, and its revamped Unit 2 in the spring of 2012. It would start up Turkey Point's upgraded Unit 3 in the spring of 2012, and the expanded Unit 4 in the fall of 2012. Start-date information for the Point Beach expansion was unavailable.

<http://www.platts.com/Nuclear/News/7304890.xml?p=Nuclear/News&sub=Nuclear>

## **Petroleum**

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### **Update: Iraq Restores Some Oil Exports on Clearer Weather, Pipeline Repairs**

Iraqi oil exports rose from 860,000 b/d yesterday to 1.53 million b/d today as workers repaired a bombed northern pipeline, and weather cleared in the south. A bomb exploded last Wednesday, disrupting shipments along Iraq's northern pipeline to Turkey. The pipeline was fully restored by this morning, pumping at around 450,000 b/d, a shipping agent said. Exports from Iraq's Basra terminal rose from 860,000 b/d yesterday to 1.08 million b/d—still below the normal 1.5 million b/d. Shipments slowed by yesterday due to bad weather.

Reuters, 04:21 September 16, 2008

### **Update: Shell Restarting Unit at 100,000 b/d Scotford, Alberta Refinery**

A news source did not say which unit was restarting. The start-up is expected to last 48 hours.

Bloomberg News, 08:48 September 16, 2008

## Update: MEND Claims Assault on “Major” Shell-Owned Oil Pipeline in Nigeria Recent Attacks May Have Shut Some 115,000 b/d Production

The Movement for the Emancipation of the Niger Delta (MEND) said it exploded and “destroyed” a “major crude oil pipeline at Bakana Front in Degema Local Government Area.” Shell confirmed an attack on “a section of the greater Port Harcourt Swamp Line at Bakana, Rivers state. Elsewhere, the Nigerian military said it foiled an attempted militant attack at Chevron’s Idama flow station early September 16. Chevron confirmed the attack on the already-shut Idama. Attacks over the past four days may have shut in as much as 115,000 b/d of oil production, government officials said. Nigerian production, which had totaled about 2.2 million b/d, has dipped to 2.1 million b/d, according to an official at Nigeria’s state oil firm, NNPC. MEND declared an “oil war” on Sunday against the oil industry, in response to what it claimed were unprovoked attacks by the Nigerian military. The group said it had 27 oil workers hostage, according to a September 16 report.

<http://www.bloomberg.com/apps/news?pid=20601116&sid=a3vEUWU9sTtA&refer=africa>

<http://voanews.com/english/2008-09-16-voa14.cfm>

[http://afp.google.com/article/ALeqM5iFJt5\\_vOwmgI4EHbDI6PxTdIcJIQ](http://afp.google.com/article/ALeqM5iFJt5_vOwmgI4EHbDI6PxTdIcJIQ)

[http://www.afriquenligne.fr/mend-"attacks"-major-oil-pipeline-as-'oil-war'-continues-in-nigeria-2008091612256.html](http://www.afriquenligne.fr/mend-)

Reuters, 08:37 September 16, 2008

Reuters, 09:32 September 16, 2008

Reuters, 06:03 September 16, 2008

Reuters, 13:37 September 15, 2008

## 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 16, 2008			
	Today	Week Ago	Year Ago
<b>CRUDE OIL</b> <b>West Texas Intermediate U.S.</b> \$/Barrel	91.51	104.65	79.93
<b>NATURAL GAS</b> <b>Henry Hub</b> \$/Million Btu	8.02	7.68	6.27

Source: Reuters

## Energy Notes

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### Babcock & Brown Break Ground on 79.5 MW Majestic Wind Farm in Texas

[http://www.prnewswire.com/cgi-bin/stories.pl?ACCT=ind\\_focus.story&STORY=/www/story/09-15-2008/0004885103&EDATE=MON+Sep+15+2008,+10:00+AM](http://www.prnewswire.com/cgi-bin/stories.pl?ACCT=ind_focus.story&STORY=/www/story/09-15-2008/0004885103&EDATE=MON+Sep+15+2008,+10:00+AM)

### Equipment Malfunction at Tilden Gas Plant in Texas September 16

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=114122>

## Power Disruption Shuts Some Systems at Javelina Gas Processing Facility in Texas September 15

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=114091>

## Dominion Installs Nine New Fuel Storage Bunkers at 2,163 MW Millstone Nuclear Power Station in Connecticut

<http://www.theday.com/re.aspx?re=138cc3e4-7273-4236-b496-bcac53ff0503>

## Somali Gunmen Hijack Oil-or-Chemical Tanker in Gulf of Aden

Reuters, 04:35 September 16, 2008

## Leak Shuts StatoilHydro's Oseberg C Platform in North Sea September 12

Bloomberg News, 07:10 September 16, 2008

## Update: Petrobras Says Iara and Jupiter O&G Fields Offshore Brazil Should Begin Output in 2012 or 2013—Iara Oilfield has Estimated Recoverable Reserves of 3-to-4 Billion Barrels

Reuters, 11:06 September 16, 2008

## 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/ead.aspx>

Please direct comments and questions to: [ead@oe.netl.doe.gov](mailto:ead@oe.netl.doe.gov)