



ENERGY ASSURANCE DAILY

Monday, September 25, 2006

Electricity

90,000 Hydro One Customers Without Power in Ontario After Severe Winds Sept. 24

Hydro One Inc., of Ontario said 90,000 customers were without power on September 24 after severe 90 KWh wind gusts. Crews and helicopters have been sent to assess and repair damage resulting from the wind storm, and by Monday morning, Hydro One had restored electricity to 43,000 homes.

<http://www.bloomberg.com/apps/news?pid=20601082&sid=aYpCoYaOfpA8&refer=canada#>
<http://www.cbc.ca/canada/toronto/story/2006/09/25/winds-power.html>

Hot Dry Summer Cuts TVA's Hydro Power by More than a Third

Tennessee Valley Authority reported that it lost a third of its hydroelectric power this year due to a hot and dry summer. However, despite the cut, TVA was able to meet record peak demands for electricity by managing the flow of the Tennessee River and using its Raccoon Mountain Pumped Storage facility. From June through August, TVA's 29 hydroelectric dams generated nearly 2.2 million MWh of electricity, or nearly 10 percent of TVA's power load. In addition, TVA's Raccoon Mountain Pumped Storage facility produced more than 870,000 MW during the summer months.

http://pro.energycentral.com/professional/news/power/news_article.cfm?id=7190250

Vancouver's Cloudworks Energy Approved to Build Hydroelectric Plant

Cloudworks Energy, Inc. received approval from the British Columbia's Environmental Assessment Office (EAO) to develop five integrated run-of-river hydroelectric power facilities. The facilities will be located at two sites upstream of Harrison Lake and three sites in the State River watershed. The five units will have a total capacity of 102 MW.

http://pro.energycentral.com/professional/news/power/news_article.cfm?id=7184795

ERCOT Proposes Service-Interruption System for Commercial Users

The Electric Reliability Council of Texas (ERCOT) proposed a service-interruption system for commercial users to prevent rolling blackouts in residential neighborhoods during shortages. Under plan, the large commercial users would agree to temporary interruptions of electricity service during peak load periods.

http://pro.energycentral.com/professional/news/power/news_article.cfm?id=7190681

Progress Energy Plans to Boost Capacity by 180 MW Crystal River Nuke

On September 22, Progress Energy said it plans to add 180 MW to the existing 900 MW Crystal River nuclear plant. The company said increasing the gross output at the plant to 1,080 MW would allow it to serve 110,700 more homes.

<http://www.platts.com/Nuclear/News/7738129.xml?p=Nuclear/News&sub=Nuclear>
http://biz.yahoo.com/ap/060922/progress_energy.html?.v=1

SCE's 1,020 MW Big Creek Hydro Unit in California Reduced Sept. 24

Southern California Edison said that it reduced the unit by 638 MW by Sunday afternoon. On Friday, the utility reduced the plant by 378 MW for planned and unplanned reasons.

http://today.reuters.com/news/articleinvesting.aspx?view=CN&storyID=2006-09-25T120522Z_01_N25248855_RTRIDST_0_UTILITIES-EDISONINTERNATIONAL-BIGCREEK.XML&rpc=66&type=qcna

FPL Energy's 592 MW Duane Arnold Nuke Unit in Iowa Reduced Sept. 25

The company reduced the unit to fix problems with the recirculation system of the reactor. As of 11:30 a.m. today, the unit was operating at 58 percent of capacity, up from 26 percent earlier this morning.
Bloomberg News, 12:52 September 25, 2006

Progress Energy's 900 MW Brunswick 2 Nuke Unit in N. Carolina Ramping Up Sept. 25

The company reduced the unit over the weekend for a control rod adjustment. The unit was operating at 61 percent by early Monday.

http://today.reuters.com/news/articleinvesting.aspx?view=CN&storyID=2006-09-25T143023Z_01_N25202354_RTRIDST_0_UTILITIES-PROGRESS-BRUNSWICK-UPDATE-L.XML&rpc=66&type=qcna

Update: Progress Energy's 900 MW Harris Nuke Unit in N. Carolina Back at Full Power Sept. 25

The unit returned to full power early Monday. The unit was operating at 35 percent on Sept. 22 after exiting an outage. The unit shut on Sept. 19 due to an electrical problem in the generator.

http://today.reuters.com/news/articleinvesting.aspx?view=CN&storyID=2006-09-25T111546Z_01_N25250585_RTRIDST_0_UTILITIES-PROGRESS-HARRIS.XML&rpc=66&type=qcna

Petroleum

DOT Approves Restart of BP's East Prudhoe Bay Pipeline for Testing

On September 24, the U.S. Department of Transportation approved the restart of a portion of BP's Prudhoe Bay Eastern Operating Area in order to perform testing on the pipeline. During the initial stages, BP will run cleaning pigs and an inspecting "smart pig" to determine whether the restart of Prudhoe Bay production can continue. If tests are favorable, BP can work toward fully restarting the line. However, DOT indicated that if leaks show up during the test, the line will be immediately shut down. BP said it expects restarting the field to take about a week. Full operations of the eastern portion of Prudhoe Bay would restore approximately 200,000 b/d of production. BP has permission to test facilities that represent some 150,000 b/d. According to company spokesman Daren Beaudou, BP is working on a bypass for remaining 50,000 b/d. Current daily production at Prudhoe Bay is about 250,000 b/d.
Oil Price Information Service, September 25, 2006.

<http://www.platts.com/Oil/News/6297132.xml?p=Oil/News&sub=Oil>
http://biz.yahoo.com/ap/060922/bp_prudhoe_1st_ld_writethru.html?v=1

Shell Slows De-coking Ops at 334,000 b/d Deer Park, Texas Refinery Sept. 24

According to a filing with Texas regulators, the company slowed de-coking operations because the coker released coke dust into the air.

http://today.reuters.com/news/articleinvesting.aspx?view=CN&storyID=2006-09-25T155543Z_01_N25276224_RTRIDST_0_ENERGY-SHELL-DEERPARK.XML&rpc=66&type=qcna

Motiva Cuts Reformer Rates at 285,000 b/d Port Arthur, Texas Refinery Sept. 25

According to a filing with Texas regulators, the company cut rates to the catalytic reforming unit due to problems with its hydrogen B booster compressor. Traders said rates had been cut by 30 percent.

http://today.reuters.com/news/articleinvesting.aspx?view=CN&storyID=2006-09-25T125400Z_01_N25258916_RTRIDST_0_ENERGY-MOTIVA-PORTARTHUR-URGENT.XML&rpc=66&type=qcna

Lemont Citgo Refinery Holds Security Drill on September 20

On September 20, the Lamont Citgo refinery in Illinois held an extensive security drill with scenarios that included: a shooting, an explosion, a hostage situation, and an unauthorized vessel nearby. Participants in the drill included: U.S. Coast Guard, the FBI, the Joint Terrorism Task Force, the Department of Homeland Security, and the state police.

http://www.suburbanchicagonews.com/heraldnews/city/4_1_JO21_DRILL_S10921.htm

Natural Gas

McMoran's Main Pass LNG Facility Gets Environmental Nod from Coast Guard

The U.S. Coast Guard found no significant environmental impact relating to McMoran's 1.0 Bcf/d LNG import terminal, which is proposed off Louisiana's coast in the Gulf of Mexico. The Coast Guard issued a notice for public hearings to be held next week and written comments to be filed by Nov. 20. A decision is expected by Jan. 3, 2007. Bloomberg News, 12:40 September 25, 2006

California Approves New LNG Rules

The California Public Utility Commission approved new rules that set standards for safety and LNG product quality, and establish contracting procedures for the gas. Opponents have announced opposition to the Commission action. http://pro.energycentral.com/professional/news/gas/news_article.cfm?id=7188405

FERC and California Lands Commission See No Major Environmental Risks in North Baja Pipeline Expansion

The U.S. Federal Energy Regulatory Commission (FERC) and the California State Lands Commission issued a joint report indicating that North Baja's proposed expansion of the 126-mile natural gas pipeline will not have any major environmental risks in the region. <http://www.platts.com/Natural%20Gas/News/6297133.xml?p=Natural%20Gas/News&sub=Natural%20Gas>

Other News

Nothing to report.

Energy Prices

U.S. Oil and Gas Prices			
September 25, 2006			
	Today	Week Ago	Year Ago
CRUDE OIL			
West Texas Intermediate U.S.	60.86	63.84	64.67
\$/Barrel			
NATURAL GAS			
Henry Hub	4.31	5.02	14.84
\$/Million Btu			

Source: Reuters

Energy Notes

Ontario Power Generation Files Application for New Nuke Units at Darlington Site

http://pro.energycentral.com/professional/news/power/news_article.cfm?id=7186135

30 MW Wind Power Facility Opens in Alberta

<http://powermarketers.net/contentinc.net/newsreader.asp?ppa=8knpq%5F%5BjigmlksYUie%27%40%3E%20bfe1%5Dv>

New Homeland Security Anti-Terror Measures May Affect Gulf of Mexico Operations

http://www.energyintel.com/DocumentDetail.asp?document_id=185232

Putin Says Russia May Re-direct LNG Supplied from US to Europe

<http://www.platts.com/Natural%20Gas/News/8652219.xml?p=Natural%20Gas/News&sub=Natural%20Gas>

National Coal Ordered to Stop Mining by Tennessee Department of Environment and Conservation

<http://www.platts.com/Coal/News/6297130.xml?p=Coal/News&sub=Coal>

Cline Resources Considers Building Two Coal Mines in Montgomery Co., Illinois

<http://www.platts.com/Coal/News/6297131.xml?p=Coal/News&sub=Coal>

Chevron, Los Alamos to Study U.S. Oil Shale Deposits

Bloomberg news, 08:19 September 25, 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