



ENERGY ASSURANCE DAILY

Wednesday, October 18, 2006

Major Developments

Update: Over 100,000 Customers Still Without Power in Western New York October 18

Despite progress in restoring electricity to the 380,000 customers that lost power in the Buffalo area, National Grid and New York State Electric and Gas Corp. (NYSEG), report that more than 100,000 customers remain without power as of early October 18. Approximately 83,000 National Grid customers and 18,500 NYSEG customers are without electricity and some customers will not have power restored until next week. Crews from National Grid and NYSEG are being helped by utility workers from 10 states and Canada in the effort to restore power.

http://www.nationalgridus.com/niagaramohawk/wny_storm/non_html/Buffalo_Outage10186am.pdf

[http://www.nyseg.com/nysegweb/webcontent.nsf/Lookup/wnystormatt/\\$file/lancstorm10181r.pdf](http://www.nyseg.com/nysegweb/webcontent.nsf/Lookup/wnystormatt/$file/lancstorm10181r.pdf)

www.nationalgridus.com/niagaramohawk/wny_storm/non_html/restoration_map101706.pdf

http://www.usatoday.com/weather/news/2006-10-18-Buffalo-snow-recovery_x.htm?csp=34

Update: Tesoro Resumes Gasoline Production at its 94,000 b/d Kapolei Refinery in Hawaii October 17

Tesoro reports that gasoline production at its 94,000 b/d Kapolei refinery in Hawaii was restarted late on October 17. The refinery had been shut since electric power was cut by an earthquake on October 15.

Reuters, 15:27 October 18, 2006

Electricity

Update: Power Restored to the 25,000 ComEd Customers in Illinois October 17

Power was restored by 3:20 p.m. on October 17 to the 25,000 Commonwealth Edison customers who lost power earlier in the day as the result of a fire at a substation. The cause of the fire is being investigated.

<http://www.dailyherald.com/story.asp?id=239447>

APS's 1,340 MW Palo Verde Nuke Unit 1 in Arizona Ramps Up to 75 Percent October 18

The unit, which exited an unplanned outage Monday morning, ramped up power production to 75 percent of capacity by Tuesday afternoon.

Reuters, 18:34 October 18, 2006

Regulators Approve Amended Plans for 720 MW BP Cogen in Washington State

Washington State's Energy Facility Site Evaluation Council has approved BP's request to modify plans for the 720 MW Cherry Point power plant to allow a two-phase construction option, the burning of treated fuel gas from the refinery in the heat recovery units. In addition, the Council permitted a six month extension for project completion.

http://pro.energycentral.com/professional/news/power/news_article.cfm?id=7289679

KGE Seeks 20 Year Extension for 1,170 MW Wolf Creek Nuke Plant in Kansas

KGE, operator of the Wolf Creek nuclear power plant in Burlington, Kansas, has filed an application to extend the plant's operating license from 2025 to 2045. The renewal process is expected to take between 20 to 22 months to complete.

http://pro.energycentral.com/professional/news/power/news_article.cfm?id=7288152

PPL Susquehanna Seeks to Increase Generating Capacity by 205 MW

PPL Susquehanna has filed an application at the U.S. Nuclear Regulatory Commission (NRC) to increase the electric generating capacity of the 2,216 MW Susquehanna nuclear power plant by 205 MW. The plant is located in Pennsylvania.

<http://biz.yahoo.com/prnews/061017/phtu054.html?v=30>

GE Energy to Build 300 MW Transmission Project to Supply New York City

GE is auctioning electric transmission capacity on the project, which will run from northern New Jersey to New York City. The company expects to start construction in the second quarter of 2007 and complete the project by the fourth quarter of 2009.

Reuters, 15:44 October 17, 2006

Petroleum

BP Shuts Alkylation Unit at 460,000 b/d Texas City, Texas Refinery October 18

According to a filing with Texas regulators, the company is shutting the alkylation unit due to leak found in a heat exchanger.

Bloomberg News, 12:20 October 18, 2006

Natural Gas

Salty, Corrosive Residue from the Katrina's Flood Imperils New Orleans' Natural Gas Distribution System

Although the salty water entering Entergy's New Orleans natural gas distribution system as a result of Hurricane Katrina posed a temporary immediate problem, the salty residue left behind is placing as much as 60 percent of the system in jeopardy. Pipes are rapidly corroding throughout much of the city leading Entergy, despite financial constraints to begin rebuilding the entire system in January 2007.

<http://www.nola.com/news/t-p/frontpage/index.ssf?base/news-6/116106503719130.xml&coll=1>

EIA Projects 5 Percent Growth in U.S. Natural Gas Storage Capacity by 2008

According to a recent Energy Information Administration (EIA) report, U.S. natural gas storage capacity will increase by 197 Bcf or 5 percent by the end of 2008. Currently, 38 projects have been approved of which 23 are expansions to existing facilities and 15 are new storage facilities. Salt cavern storage facilities are the preferred choice for construction, account twenty of the projects. Salt cavern projects will account for approximately 55 percent of the increase in total capacity and 85 percent of the increase in daily deliverability represented by the 38 projects. The report cites environmental considerations, public opposition, and customer creditworthiness as the major roadblocks to the new projects. The full report, "U.S. Underground Natural Gas Storage Developments: 1998-2005" is available on EIA's website.

http://www.eia.doe.gov/pub/oil_gas/natural_gas/feature_articles/2006/ngstorage/ngstorage.pdf

<http://intelligencepress.com/subscribers/daily/news/d20061018d.html>

<http://www.platts.com/Natural%20Gas/News/6306264.xml?p=Natural%20Gas/News&sub=Natural%20Gas>

Other News

Nothing to report.

Energy Prices

U.S. Oil and Gas Prices			
October 18, 2006			
	Today	Week Ago	Year Ago
CRUDE OIL West Texas Intermediate U.S. \$/Barrel	57.66	57.56	63.83
NATURAL GAS Henry Hub \$/Million Btu	6.03	5.66	13.45

Source: Reuters

Energy Notes

OPEC to Meet October 19 in Qatar to Discuss Cutting Crude Oil Production

Bloomberg News, 11:38 October 18, 2006

NERC's Annual Report Says Electricity Demand Grows Faster than Power Generation

http://www.nerc.com/pub/sys/all_updl/docs/pubs/LTRA2006.pdf

Shortages of LNG Feedstock Gas Spread Globally

http://www.energyintel.com/DocumentDetail.asp?document_id=187103

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

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<http://www.oe.netl.doe.gov/index.aspx>.

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