

U.S. DEPARTMENT OF ENERGY
**Office of Electricity Delivery and
Energy Reliability**



ENERGY ASSURANCE DAILY

October 25, 2005

Highlights/Major Developments

Update: Hurricanes Katrina, Rita, and Wilma

For the latest damage assessment and restoration efforts concerning hurricanes, see the latest Gulf Coast Hurricanes situation report from the Office of Electricity Delivery and Energy Reliability (OE) of the U.S. Department of Energy @ <http://www.oe.netl.doe.gov>. For the statistics on shut-in oil and gas production in the Gulf of Mexico, please click on the following link: <http://www.mms.gov/>. For statistics on shut-in oil and gas production and pipeline status in Louisiana, please click on the following link: <http://dnr.louisiana.gov/sec/execdiv/pubinfo/daily-onshore-prod.ssi>

Only Minor Damage to FPL's Nuclear Plants from Hurricane Wilma

FPL announced that none of its nuclear plants sustained any significant damage as Hurricane Wilma moved across the Florida peninsula. FPL had shut the two 850-MW nuclear units at its St. Lucie plant along with a 700-MW unit at Turkey Point. A second unit at Turkey Point was shut for a scheduled refueling.

<http://www.platts.com/Nuclear/headlines.jsp>

Exxon Says 20,000 bpd Oil in U.S. Gulf Shut

Exxon Mobil Corp. said on Monday 20,000 barrels per day (bpd) in oil production and 200 million cubic feet per day (mmcf) in natural gas output remain shut in the U.S. Gulf of Mexico due to hurricanes Katrina and Rita.

Reuters, 18:20 October 24, 2005

Hurricane Damage to Cut 600 bcf of U.S. NatGas Output by End of Year -- IEA

The U.S. will lose 600 billion cubic feet of natural gas production through the end of the year due to Hurricanes Katrina and Rita, the International Energy Agency's (IEA) chief said on Tuesday. IEA Executive Director Claude Mandil said that 250 bcf of gas had already been lost 45 days after the hurricanes damaged crucial oil and gas facilities in the Gulf of Mexico.

Reuters, 13:33 October 25, 2005

Electricity

U.S. Power Companies Eye Idaho for Coal-fired Plants

U.S. power producers are eyeing Idaho to develop new coal-fired power plants. Steep natural gas prices and big supplies of coal in Wyoming and Montana are prompting renewed interest by energy producers in the West in coal-based generation. Sempra Generation, a unit of San Diego-based Sempra Energy, is proposing a 600-megawatt, coal-fired plant in south-central Idaho near Jerome to sell electricity to customers in the Pacific Northwest, Utah and Nevada. Southeast Idaho Energy LLC plans a 520-megawatt coal gasification plant in Pocatello.

Reuters, 18:36 October 24, 2005

For information on damage and restoration efforts to the electricity infrastructure and the number of power outages due to Hurricanes Wilma, Rita and Katrina, please see the Gulf Coast Hurricane situation report from the Office of Electricity Delivery and Energy Reliability (OE) of the U.S. Department of Energy at the following link: <http://www.oe.netl.doe.gov>

Petroleum

ConocoPhillips N.J. Bayway Refinery Power Back Up

ConocoPhillips said on Tuesday that power was back up at its 263,000-barrels-per-day Bayway refinery in Linden, New Jersey, after a brief 45-minute outage Tuesday afternoon.

Reuters, 14:44 October 25, 2005

Exxon Says Joliet, Illinois Refinery Running Normally

Exxon Mobil said on Tuesday its 245,000-barrel-per-day refinery in Joliet, Illinois, was operating normally, but declined to comment on whether the plant was in maintenance.

Traders thought the refinery was having problems exiting a planned outage.

Reuters, 13:07 October 25, 2005

For information on damage and restoration efforts to the petroleum infrastructure due to Hurricanes Wilma, Rita and Katrina, please see the Gulf Coast Hurricane situation report from the Office of Electricity Delivery and Energy Reliability (OE) of the U.S. Department of Energy at the following link:

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

Natural Gas

Cool Weather Again Boosts U.S. Spot Natgas

Forecaster Meteorlogix said temperatures in five major metropolitan areas - New York, Chicago, Houston, Los Angeles and Miami - would remain mostly below normal this week, with lows in key consuming regions like New York and Chicago slipping into the 30s Fahrenheit. Gas for Wednesday delivery at Henry Hub, the benchmark supply point in Louisiana, jumped 95 cents on average to \$13.90 per million British thermal units, its highest level since Hurricane Rita approached the Gulf Coast in late September, forcing the Hub's closure. Some experts say high prices and damage to Gulf Coast homes and businesses from the two storms should cut demand, possibly by as much as 15 to 20 billion cubic feet per week and at least partly offset the effects of reduced supply.

Reuters, 14:28 October 25, 2005

Survey Finds that Industrial Customers Plan to Use Less Natural Gas this Winter

A survey among industrial customers of natural gas found that 54 percent of those surveyed plan to use less natural gas during the coming winter. The amount of reduction among those indicating that they would use less gas varied widely, between five and forty percent.

Source: Natural Gas Intelligence, October 24, 2005.

<http://powermarketers.net/contentinc.net/newsreader.asp?ppa=8kowu%5D%5Bfdemnj%5BUjf%23%3A%40%24bfek%5Cv>

Gulfstream Developing Two Expansion Projects

Gulfstream Natural Gas System announced that it is developing two expansion projects that will boost capacity to at least 1.25 Dth/d. The projects would cost a total of approximately \$235 million.

Source: Natural Gas Intelligence, October 24, 2005.

<http://powermarketers.net/contentinc.net/newsreader.asp?ppa=8kowu%5D%5Bfdemnj%5BUjf%23%3A%40%24bfek%5Cv>

Canadian Exports of Natural Gas Growing

Despite forecasts to the contrary, exports of natural gas to the U.S. have increased for three consecutive quarters.

Source: Natural Gas Intelligence, October 24, 2005.

<http://powermarketers.net/contentinc.net/newsreader.asp?ppa=8kowu%5D%5Bfdemnj%5BUjf%23%3A%40%24bfek%5Cv>

Dominion Receives FERC Approval to Transco and FGT Systems Interconnect

On October 20, FERC certified Dominion South Pipeline Co. LP. The new unit of Dominion Resources will construct a line to connect Transco's main line with the Florida Gas Transmission line in Texas.

Source: Natural Gas Intelligence, October 24, 2005.

<http://powermarketers.net/contentinc.net/newsreader.asp?ppa=8kowu%5D%5Bfdemnj%5BUjf%23%3A%40%24bfek%5Cv>

For information on damage and restoration efforts to the natural gas infrastructure due to Hurricanes Wilma, Rita and Katrina, please see the Gulf Coast Hurricane situation report from the Office of Electricity Delivery and Energy Reliability (OE) of the U.S. Department of Energy at the following link:

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

Other News

New Terminals Planned to Meet Increased Demand for Coal

The increased popularity of coal has led a number of expansion projects to handle the demand. Commitments guaranteeing throughput for as long as 30 years have already been signed and plans to expand facilities in Virginia, South Carolina, and Alabama have been announced, as have plans for new facilities in Maryland and Florida.

<http://www.platts.com/Coal/headlines.jsp>

New Pollution Controls Under Consideration in California Could Make New Coal Plants in Nearby States Infeasible

California is considering new regulations designed to reduce greenhouse gas emissions that could make construction of new coal-fired generation facilities in adjacent states economically infeasible.

http://pro.energycentral.com/professional/news/power/news_article.cfm?id=6042745

Energy Prices

	Latest (10/25/05)	Week Ago	Year Ago
CRUDE OIL West Texas Intermediate US \$/Barrel	62.83	63.83	56.37
NATURAL GAS Henry Hub \$/Million Btu	13.90	13.45	7.78

Source: Reuters

This Week in Petroleum from the Energy Information Administration (EIA)

<http://tonto.eia.doe.gov/oog/info/twip/twip.asp>

Updated on Wednesdays

Weekly Petroleum Status Report from EIA

http://www.eia.doe.gov/oil_gas/petroleum/data_publications/weekly_petroleum_status_report/wpsr.html

Updated after 1:00pm (Eastern time) on Wednesdays

Natural Gas Weekly Update from EIA

<http://tonto.eia.doe.gov/oog/info/ngw/ngupdate.asp>

Updated after 2:00 pm (Eastern time) on Thursdays