



ENERGY ASSURANCE DAILY

Tuesday, November 07, 2006

Electricity

NRG Proposes New 680 MW Clean Coal Power Plant in New York

NRG Energy Incorporated has proposed to build a 680 MW clean coal-fired power plant near its existing Huntley facility in New York. The new plant, which would have the ability to capture up to 65 percent of the carbon dioxide produced, would utilize Huntley's existing rail, coal handling, and water and transmission facilities.

Reuters, 13:49 November 7, 2006

Update: Exelon's 810 MW Three Mile Island Nuke Unit 1 in Pennsylvania Ramps Up to Full Power November 7

The unit ramped up to full power by early November 7 from 67 percent of capacity on November 6. The unit automatically shut on November 2 due to an invalid low condenser vacuum signal.

Reuters, 07:32 November 7, 2006

Update: Energy Northwest's 1,150 MW Columbia Station Exits Outage November 7

The station exited an outage and ramped up to 1 percent of capacity by early November 7 after shutting October 31, probably due to a problem with a controller system that regulates the flow of steam to the main turbine. Energy Northwest is considering replacing the system at some time in the future.

Reuters, 07:40 November 7, 2006

Petroleum

Marathon Board Approves 180,000 b/d Expansion of Garyville, Louisiana Refinery

The company announced that its board of directors has approved a project to expand crude oil refining capacity at the Garyville plant to 425,000 b/d from 245,000 b/d. The expansion is dependent upon obtaining necessary permits from applicable regulatory agencies. In addition to the installation of a new crude and vacuum distillation unit, expansion plans call for the construction of additional infrastructure and other process units including: a 44,000 b/d delayed coker, a 70,000 b/d heavy gas oil hydrocracker, a 65,000 b/d reformer and a 47,000 b/d kerosene hydrotreater.

http://www.marathon.com/News_Center/Press_Releases/2006_News_Releases/?releaseid=927825

Reuters, 08:05 November 7, 2006

Operations Resume at Louisiana Offshore Oil Port

Operations at the Louisiana Offshore Oil Port (LOOP), the largest U.S. oil import terminal, have resumed after being suspended since the early evening of November 5 due to rough seas. The port, which is located about 20 miles off the Louisiana coast, typically handles about 13 percent of U.S. waterborne crude-oil imports and via a system of pipelines interconnections has access to more than 40 percent of the nation's refining capacity. A company representative said that the port is expected to be fully operational by the end of this week.

Bloomberg News, 09:21 November 7, 2006

Shell Shuts 67,000 b/d FCC at Deer Park Refinery in Texas November 4

The refinery's fluid catalytic cracking (FCC) unit was shut down due to a mechanical problem in the unit's regeneration section. The company estimates the shutdown to last two weeks.

Reuters, 13:11 November 7, 2006

Update: Alon USA Shuts Down Unit at Big Spring, Texas, Refinery

Alon USA Inc. reduced the feed to the sulfur recovery unit at its 70,000 barrel-per-day refinery in Big Spring, Texas, on November 7 after a flame scanner shut down. Last week, the unit was also idled to repair tube leaks and valve failures.

Bloomberg News, 10:56 November 7, 2006

Reuters, 10:04 November 2, 2006

Reuters, 10:10 November 2, 2006

Venezuelan President Chavez Threatens to Cut Off Oil Exports to U.S. if Violence Mars December Election

Venezuelan President Hugo Chavez said Saturday that Venezuela would stop exporting oil to the United States if political opponents cause violence or sabotage in the oil industry in the run-up to the country's December 3 presidential elections. Chavez warned that the government was prepared for such a scenario. Chavez fears that the United States might help the political opposition remove him from power. Earlier this month, Venezuela's energy minister told state oil workers to support Chavez during the election or leave their jobs. In 2002-2003, the opposition led a two-month national oil strike that paralyzed the country.

<http://www.platts.com/Oil/News/6312315.xml?p=Oil/News&sub=Oil>

<http://news.bbc.co.uk/1/hi/world/americas/6114682.stm>

Natural Gas

El Paso Plans Pipeline to Move Utah Natural Gas to Market

Wyoming Interstate, a subsidiary of El Paso Corp., has filed an application with the U.S. Federal Energy Regulatory Commission to build and operate a 123-mile natural gas pipeline out of Utah's Uintah Basin. The proposed 24-inch pipeline, known as the Kanda Lateral, is designed to transport 400,000 Dt/d of Uintah production to the Wyoming Interstate mainline. The company hopes to have the pipeline in service by January 2008.

<http://www.platts.com/Natural%20Gas/News/6312540.xml?p=Natural%20Gas/News&sub=Natural%20Gas>

El Paso Won't Meet Production Targets Due to Hurricane Damage and Tight Gulf Service Industry

El Paso Corp. lowered its production expectations for this year due to hurricane-related delays and a tight service industry. Production estimates are down from 825-850 MMcf/d to 790-800 MMcf/d. El Paso still has 5 MMcf/d offline from damage inflicted during the 2005 hurricane season.

http://pro.energycentral.com/professional/news/gas/news_article.cfm?id=7376736

Other News

IEA Chief Says World's Energy Future is 'Doomed to Failure'

International Energy Agency (IEA) head Claude Mandil said Tuesday that the world's current energy future is unsustainable and is "doomed to failure" due to a lack of infrastructure investment and an increasing gap between energy demand and supply over the next 25 years. Mandil also predicted a world energy system that will "evolve from crisis to crisis." Mandil said that strains on energy infrastructure and energy supplies will lead to rocketing prices, blackouts and supply disruptions unless government's change course. In IEA's 2006 World Energy Outlook released Tuesday, the agency raised by \$3 trillion its forecast of cumulative investment needed to meet growing demand over the next 25 years. The IEA now estimates that the world will need more than \$20 trillion in investments between 2005 and 2030.

<http://www.platts.com/Oil/News/8723252.xml?p=Oil/News&sub=Oil>

Energy Prices

U.S. Oil and Gas Prices November 7, 2006			
	Today	Week Ago	Year Ago
CRUDE OIL West Texas Intermediate U.S. \$/Barrel	58.94	58.26	59.40
NATURAL GAS Henry Hub \$/Million Btu	6.59	6.64	8.77

Source: Reuters

Energy Notes

Man Arrested After Cutting Down Utility Pole to Steal Copper Wire in Hawaii

<http://www.thehawaiichannel.com/news/10236767/detail.html>

Nigerian Militants Free American and Briton Kidnapped from Oil Mapping Ship

http://biz.yahoo.com/ap/061107/nigeria_oil_unrest.html?v=3

Reuters, 07:26 November 7, 2006

Uranium Resources Sufficient to Meet Demand Beyond 2030 - IEA

Reuters, 05:04 November 7, 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

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

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