



ENERGY ASSURANCE DAILY

Wednesday, November 15, 2006

Electricity

Ontario Power Authority Recommends Province Keep Coal Plants Running

The Ontario Power Authority has recommended that Ontario keep half its remaining coal-fired power plants open until 2014 as insurance against possible delays in acquiring other resources. The Ontario government, concerned about emissions from the plants, had originally wanted to close all coal-fired power plants by 2007 but that date has been pushed back repeatedly due to reliability concerns. Coal accounts for about 21 percent of Ontario's 30,000 MW electricity capacity.

http://ca.today.reuters.com/news/newsArticle.aspx?type=domesticNews&storyID=2006-11-15T202405Z_01_N15475582_RTRIDST_0_CANADA-ENERGY-CANADA-ONTARIO-COL.XML&archived=False

Exelon's 619 MW Oyster Creek Nuke Unit in New Jersey Ramps Up November 15

The plant ramped up to 97 percent of capacity early Wednesday after being reduced to about 70 percent overnight for a control rod pattern adjustment.

Reuters, 10:52 November 15, 2006

Entergy's 506 MW Vermont Yankee Nuke Unit in Vermont Reduced November 14

The company reduced the unit from 71 percent of capacity on Tuesday to 43 percent on Wednesday for short-term work. The company said it would not shut down the unit completely.

Reuters, 13:49 November 15, 2006

NRG's 766 MW Limestone Coal-fired Unit in Texas Shut November 14

Reuters, 09:35 November 15, 2006

Petroleum

Stormy Weather Halts Offloading at Louisiana Offshore Oil Port

Crude oil loadings have been suspended due to stormy weather at the Louisiana Offshore Oil Port (LOOP), which handles about 1.2 million b/d. The suspension is expected to last until noon Thursday when the weather is expected to improve.

Reuters, 10:11 November 15, 2006

Valero Nears Completion on Port Arthur, Texas Refinery Expansion - Mayor

According to the Mayor of Port Arthur, Texas, Valero Energy may complete a project to boost refining capacity at its Port Arthur refinery as early as this week. The project will raise capacity at the plant by 30 percent from 250,000 b/d to 325,000 b/d. The mayor also said that Valero is considering expanding the refinery again, once the current project is complete and that work could begin early next year.

Bloomberg News, 13:36 November 15, 2006

Naval Forces Repel Attack on Shell's 12,000 b/d Nun River Oil Flow Station in Nigeria

Eleven men attacked the Royal Dutch Shell's Nun River crude oil flow station in the Niger Delta, attempting to shut down the facility. Nigerian naval forces repelled the attack, killing two militants and capturing another. No damage was reported to the flow station, which connects oil pipelines. Militants seized the same flow station last month, taking 60 hostages and forcing Shell to shut the 12,000 b/d facility.

<http://www.chron.com/disp/story.mpl/ap/world/4336295.html>

<http://www.alertnet.org/thenews/newsdesk/L12870893.htm>

ConocoPhillips Cleaning Kuparuk Pipelines in Alaska More Often

Since June ConocoPhillips has been cleaning the crude oil pipelines at its Kuparuk oilfield monthly, instead of every 6 months, in order to prevent corrosion. The company is also running a “more aggressive” type of smart pig to better scrape sediment or other solid material out of the pipelines. Kuparuk is the third largest oilfield in the United States. Corrosion problems led to several pipeline leaks earlier this year at BP’s Prudhoe Bay oilfield, which neighbors Kuparuk on the Alaska North Slope. In a report delivered to federal pipeline regulators earlier this year, ConocoPhillips said it found no serious corrosion problems on its pipelines. However, the company did find 12 bad spots in Kuparuk’s pipeline network, the worst of which involved a 43 percent wall thickness loss, which is not considered a danger by industry standards.

<http://ap.alaskajournal.com/stories/state/ak/2006114/120295048.shtml>

New U.S. Initiative to Encourage Mideast Oil Facility Security Cooperation

The U.S. State Department has launched a new initiative called Global Critical Infrastructure Protection office, which aims to encourage information, expertise and technology sharing to increase security at strategic oil installations in the Middle East. The U.S. is concerned about the potential impact to the world economy of terrorist attacks on Mideast oil targets, especially after the failed attack against Saudi Arabia’s Abqaiq oil facility in February. In its first six months, the new security program has identified as primary concerns the largest global processing, stabilization and production facilities, which process more than 1 million b/d. They also identified as secondary concerns facilities processing around 500,000 b/d. The U.S. has approached governments housing critical oil infrastructure to gauge interest in security cooperation.

Oil Daily, November 15, 2006

Saudi Arabia Aiming to Boost Refining Capacity by 1 Million b/d

The Kingdom is positioning itself to be a major refining center for the world, aiming to raise its refining capacity to 3 million b/d. Saudi Arabia recently announced that it is considering building and new refinery in Jizan on the Red Sea and has already struck deals with international companies to build two new export refineries— one in Jubail on the Gulf Coast and the other in Yanbu on the Red Sea. These two refineries will process 800,000 b/d when they come online by the end of the decade.

<http://aawsat.com/english/news.asp?section=6&id=7047>

Natural Gas

Nothing to report.

Other News

Nothing to report.

Energy Prices

U.S. Oil and Gas Prices			
November 15, 2006			
	Today	Week Ago	Year Ago
CRUDE OIL West Texas Intermediate U.S. \$/Barrel	58.79	59.78	57.05
NATURAL GAS Henry Hub \$/Million Btu	7.45	7.39	9.21

Source: Reuters

Energy Notes

IEA Countries Should Consider Building Strategic Natural Gas Reserve - IEA Chief Economist

<http://powermarketers.net/contentinc.net/newsreader.asp?ppa=8knpq%5F%5BjqpoppXThe%22EN%26bfe!%5Dv>

Voyageur Expansion in Alberta to Raise Suncor's Oil Sands Output to More Than 500,000 b/d by 2012

Bloomberg News, 12:51 November 15, 2006

Saudi Arabia to Build Hi-Tech Security Fence to Seal Off Iraqi Border Against Terrorists

<http://www.rferl.org/featuresarticle/2006/11/8E37A93B-4AB0-461A-AE68-E397ACA32F3E.html>

Progress Energy Files License Renewal Application with NRC for Harris Nuclear Plant Amidst Calls for Shutdown

http://pro.energycentral.com/professional/news/power/news_article.cfm?id=7415183

Korean Shipbuilders Receive \$40 Billion This Year in Orders for Oil Tankers and Offshore Platforms

<http://times.hankooki.com/lpage/biz/200611/kt2006111416504011880.htm>

Tanker Truck Carrying 2,000 Gallons of Diesel Fuel Strikes Power Pole, Overturns and Bursts Into Flames in California, Electricity in Area Temporarily Shut Down as Precaution

http://www.modbee.com/state_wire/story/13014976p-13674900c.html

Tanker Truck Carrying 1,800 Gallons of Diesel Oveturns in Maryland, Spilling Hundreds of Gallons

<http://www.cecilwhig.com/articles/2006/11/14/news/01.txt>

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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