



ENERGY ASSURANCE DAILY

Friday, November 17, 2006

Electricity

Heavy Rains Knock Out Power to 150,000 Customers in Washington State November 15

Heavy rain and wind gusts of over 70 mph in the Puget Sound region on November 15 caused 135,000 Puget Sound Energy customers to lose power at the height of the storm. As of November 16, 30,000 customers remained without power. According to a company spokeswoman, repair crews from California and Colorado were asked to help restore power. Some areas may not have power restored until this coming weekend.

<http://www.msnbc.msn.com/id/15748876/>

Thunderstorms Knock Out Power to 45,000 Customers in North Carolina November 16

On November 15, tornadoes and winds uprooted trees and knocked down power lines across the South, causing 45,000 customers in North Carolina to lose power. By mid-November 16, electricity was restored in most places in North Carolina. In Bowie, Maryland, three freight cars derailed, bringing down some power lines and delaying passenger service in the Northeast corridor. In New Jersey, the storm caused flight departure delays of more than two hours Thursday evening at Newark Liberty International Airport. In South Carolina, a utility worker checking power lines during the storm was electrocuted.

<http://www.cumberlink.com/articles/2006/11/17/ap/us/d8lesgp81.txt>

Thunderstorms Knock Out Power to Over 44,000 Customers in Maryland November 16

Heavy storms moved through the Mid-Atlantic yesterday resulting in 41,000 customer outages for Baltimore Gas and Electric. About 3,800 Pepco customers (mainly in Maryland) also lost power. Dominion Virginia Power also reported about 5,400 of its customers lost power last night.

Washington Times, page B5, November 17, 2006

PPM's 150 MW Shiloh Wind Power Plant in Oregon Dedicated November 15

PPM Energy's Shiloh Wind Power Plant, consisting of 100 giant wind turbines that can generate 150 megawatts of electricity, was dedicated at a ceremony on November 15. The wind plant has been coming online gradually over the last year and will help California meet the goal of obtaining 20 percent of its power from renewable sources by 2010.

http://pro.energycentral.com/professional/news/power/news_article.cfm?id=7427428

Update: Entergy's 979 MW Indian Point Nuke Unit 2 in New York Back at Full Power November 17

The unit ramped up to full power by early Friday after exiting an outage yesterday. The unit shut on November 15 because of a malfunction in a power circuit.

Reuters, 07:12 November 17, 2006

Exelon's 867 MW Dresden Nuke Unit 2 in Illinois Shut November 16

The company shut the unit late Thursday for repairs. Electricity traders guess that the unit will return within a week.

Reuters, 12:37 November 17, 2006

TXU's 750 MW Martin Lake Coal-fired Unit 2 in Texas Shut November 17

Reuters, 09:26 November 17, 2006

TXU's 545 MW Sandow Coal-fired Unit 4 in Texas Shut November 17

The company shut the unit for short-term work to fix a boiler tube leak.

Reuters, 11:40 November 17, 2006

OPG's 494 MW Lambton Coal-fired Unit 4 in Ontario Shut November 17

The company shut the unit for short-term work.
Reuters, 08:49 November 17, 2006

OPG's 490 MW Nanticoke Coal-fired Unit 2 in Ontario Shut November 17

The company shut the unit for short-term work.
Reuters, 08:49 November 17, 2006

Sempra/Oxy's 321 MW Elk Hills Gas-fired Unit in California Shut November 16

Reuters, 09:26 November 17, 2006

Petroleum

Trans-Alaska Pipeline Forced to Temporarily Shut Down November 17 as Weather Halts Crude Tanker Loadings at Port of Valdez and Storage Tanks Fill Up

Crude oil tanker loadings at the port of Valdez, Alaska were suspended on Thursday due to high winds and waves. Because oil flowing from the Trans-Alaska Pipeline System (TAPS) could not load onto tankers, storage tanks at Valdez filled to capacity. Left with no outlet for its crude stream, TAPS-operator Alyeska decided to idle the pipeline Thursday afternoon until tanker loadings could resume. The shutdown was expected to last 10 hours. According to an Alyeska spokesman, weather conditions improved later on Thursday and two large tankers were either loading or preparing to load. Once those tankers load the inventory backup should be eliminated. In the days leading up the shutdown, Alyeska had asked oil producers on the Alaska North Slope to curtail production because storage tanks at Valdez were reaching capacity. So far in 2006, the Trans-Alaska Pipeline System has pumped an average of 765,600 b/d from the Alaska North Slope to the port of Valdez. There are 14 operating oil storage tanks at the port of Valdez, each of which can hold up to 510,000 barrels. Alyeska also stores oil at a couple of tanks on the North Slope.

<http://www.adn.com/money/industries/oil/story/8417298p-8311713c.html>

http://today.reuters.com/news/articleinvesting.aspx?view=CN&storyID=2006-11-17T022815Z_01_N16244929_RTRIDST_0_ENERGY-ALASKA-PIPELINE.XML&rpc=66&type=qcna

Citgo Shutting FCC Unit at 156,000 b/d Corpus Christi Refinery November 17

According to a filing with Texas regulators, Citgo has begun the shutdown of the fluidic catalytic cracker at its Corpus Christi, Texas refinery "to repair condenser fouling and cooling system inefficiencies." The repairs began yesterday and continue today. A Reuters news story reports that the unit was shut due to a boiler that was inadvertently shut down. Traders estimate that the FCC unit will return to service in about three weeks.

OPIS Alert, 09:01 November 17, 2006

Reuters, 11:58 November 17, 2006

Total SA Idles Three Units at 240,000 b/d Port Arthur Refinery November 17

According to Bloomberg News, Total idled three units at its Port Arthur, Texas refinery for repairs yesterday after one unit malfunctioned as it was being restarted. According to a filing with Texas regulators, a problem with a wet gas compressor serving Unit 835 triggered the event. According to a Reuters new story, a trading source said that the refinery would delay restart until the weekend. Total began refinery turnaround on the catalytic cracking unit, the alkylation units as well as the hydrotreaters on September 21.

OPIS Alert, 09:01 November 17, 2006

Bloomberg News, 10:09 November 17, 2006

http://today.reuters.com/news/articleinvesting.aspx?view=CN&storyID=2006-11-17T133318Z_01_N17338660_RTRIDST_0_ENERGY-TOTAL-PORTARTHUR-UPDATE-1.XML&rpc=66&type=qcna

BP Finds Hydrogen Sulfide Leak, Evacuates Some Workers at Texas City Refinery

Late Thursday BP evacuated about 800 nonessential workers at its 460,000 b/d Texas City, Texas refinery after a pinhole leak was discovered in a hydrogen sulfide pipeline. In March 2005, an explosion at the same refinery killed 15 people.

Reuters, 11:09 November 17, 2006

Mexico Needs Foreign Investment to Increase Oil Output – Finance Minister

According to Francisco Diaz, Mexico's finance minister, state oil company Pemex needs foreign investment and technology so that it can develop new deepwater oilfields offshore in the Gulf of Mexico. Output from Mexico's largest and most easily tapped fields has begun to decline and national output has fallen by 110,000 b/d or about 3.3 percent since last year. In 2005, Mexico supplied about 11.1 percent of total U.S. oil imports.
Bloomberg News, 06:16 November 17, 2006

Azerbaijan to Raise Oil Production by 63 Percent in 2007

Azerbaijan will raise oil production 63 percent next year, bringing output in 2007 to 1.04 million b/d. The country wants to pump 1.3 million b/d by 2010. Azeri oil output expansion is made possible by the newly opened 1 million b/d Baku-Tbilisi-Ceyhan pipeline to Turkey.
Bloomberg News, 03:56 November 17, 2006

Natural Gas

BLM Study Finds Most Coal-Bed Methane Wells and Related Facilities Out of Compliance

A report, titled "Surface Compliance of Coal Bed Natural Gas Development in North Central Wyoming," written a year ago for the U.S. Bureau of Land Management (BLM) in Wyoming found that most coal-bed methane wells and related facilities were out of compliance with federal reclamation requirements. The report states that the most common violation was the presence of excessive invasive weeds and lack of adequate reseeded.

http://pro.energycentral.com/professional/news/gas/news_article.cfm?id=7424588

First Natural Gas Storage Plant in Florida Being Promoted

Floridian Natural Gas Storage LLC is pushing to open Florida's first natural gas storage plant in Indiantown, Florida. The company hopes to open the above-ground storage tank by 2011, which would convert gas to liquid form for storage and then reconvert it to gas when needed.

http://pro.energycentral.com/professional/news/gas/news_article.cfm?id=7428600

Other News

Nothing to report.

Energy Prices

U.S. Oil and Gas Prices			
November 17, 2006			
	Today	Week Ago	Year Ago
CRUDE OIL			
West Texas Intermediate U.S.	56.24	61.18	56.20
\$/Barrel			
NATURAL GAS			
Henry Hub	7.59	7.35	11.92
\$/Million Btu			

Source: Reuters

Energy Notes

Arizona's Palo Verde Nuke Plant Could Face Increased Scrutiny if it Fails Special Inspections on Safety Violations

Reuters, 20:08 November 16, 2006

Duke Energy Projects Higher Costs for Two Proposed Power Plants Due to Higher Material Expenses and Skilled Labor Shortage

Reuters, 16:59 November 16, 2006

Iraq Working on Alternative Pipeline to Turkey

Reuters, 07:32 November 17, 2006

Russia Planning to Build More Pipelines, Boost Output by 2 Percent Annually

Bloomberg News, 13:25 November 17, 2006

PG&E Kicks Off Interactive, Smart Metering System - Largest Utility Meter Replacement Ever

<http://intelligencepress.com/>

NERC Reports That Electricity Reliability Will Be Adequate for Winter 2006

http://biz.yahoo.com/cnw/061116/nj_nerc_winter_report.html?.v=1

Dominion Virginia Power to Buy Coal from Foreign Sources for Chesapeake Energy Center Beginning in January 2007

http://pro.energycentral.com/professional/news/power/news_article.cfm?id=7427740

MMC Energy Considering Remodeling and Expansion of 44 MW "Peaker" Power Plant in Escondido, California

http://pro.energycentral.com/professional/news/power/news_article.cfm?id=7428604

BP Solar To Expand Maryland Facility's Current Casting and Sizing Capacity to 150 MW

http://pro.energycentral.com/professional/news/power/news_article.cfm?id=7426744

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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