



# ENERGY ASSURANCE DAILY

Wednesday Evening, December 03, 2008

## ***Electricity***

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### **Dominion Virginia Power Begins Construction on 600 MW Combined-Cycle Bear Garden Power Project in Virginia December 3**

The combined-cycle generating station is located in New Canton, Virginia with construction costs estimated at \$400 million.

<http://www.marketwire.com/press-release/Industrial-Info-Resources-926373.html>

### **Update: Recent “Safe” Shutdown at Exelon’s 619 MW Oyster Creek Nuke Unit in New Jersey Killed Local Fish**

Workers at the Oyster Creek nuclear plant collected 38 dead fish from its discharge canal after a November 28 automatic reactor shutdown. The safe shutdown resulted from an electrical fault in one of the plant’s two main transformers, which according to a company representative, is being replaced. The company has been fined in the past for fish kills related to unplanned shutdowns.

<http://www.app.com/article/20081202/NEWS/812020349/1001/NEWS>

### **Wolf Creek Nuclear’s 1,165 MW Wolf Creek Nuke Unit in Kansas Receives NRC Relicensing Approval**

The Wolf Creek Nuclear Generating Station received approval from the Nuclear Regulator Commission (NRC) extending the plant’s license through 2045, as it was originally scheduled to expire in 2025.

<http://www.kansas.com/news/updates/story/617375.html>

### **FPL Breaks Ground on New Solar Power Projects in Florida**

Florida Power & Light (FPL) broke ground on the first of three new solar power projects in Florida December 2. According to an FPL representative, the new facility will produce 75 MW of solar capacity using over 180,000 mirrors on about 500 acres of land. Once completed, Florida will have a capacity to produce 110 MW of electricity from solar energy, which will move it ahead of all states except leader California.

<http://www.latimes.com/business/nationworld/wire/sns-ap-solar-power-fpl.1.5802177.story>

## ***Petroleum***

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### **Update: Multiple Units Restarted at BP’s 467,720 b/d Texas City, Texas Refinery**

The hydrocracker and residual hydrotreater at BP’s Texas City refinery were restarted earlier this week. BP reports it is in the process of restarting a reformer at the refinery as well.

Reuters, 11:53 December 3, 2008

### **Update: ExxonMobil Still Restarting Units at its 149,500 b/d Torrance, California Refinery December 3**

A power blip and subsequent malfunctions at the refinery on December 1-2 caused multiple units to shutdown. The company is continuing to restart units at the refinery and is expected to return to normal operations in the near future. ExxonMobil said that the shutdowns on December 1 caused some impact to production.

Reuters, 12:17 December 3, 2008

OPIS Alert, 10:52 December 3, 2008

### **Valero to Cut Output on Low Demand, CEO Says**

In a presentation to investors at a recent energy conference, the CEO of Valero said its refineries will cut output because of lower demand. The company will also limit its incremental gasoline at reformers and fluid catalytic crackers, by shifting its production toward distillates.

Bloomberg News, 13:06 December 3, 2008

Reuters, 10:33 December 3, 2008

### **U.S. Crude Oil Stocks Drop Unexpectedly, EIA Reports**

According to recent data released from the Energy Information Administration (EIA), commercial crude supplies in the U.S. fell 400,000 barrels to 320.4 million barrels in the week of November 28. Supplies of distillates came in at 125 million barrels, down 1.7 million barrels for the week. Gasoline inventories were forecasted inaccurately by 1.6 million barrels to 198.9 million barrels, compared to forecasts of a 900,000 barrels rise.

Reuters, 10:53 December 3, 2008

### **Eni SpA Declares Force Majeure on Nigeria Oil**

An Eni SpA spokesperson did not give a reason for the 15,000 to 18,000 b/d force majeure declaration. Eni produced 122,000 boe/d in Nigeria in 2007.

[http://www.rigzone.com/news/article.asp?a\\_id=70238](http://www.rigzone.com/news/article.asp?a_id=70238)

## ***Natural Gas***

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Nothing to report.

## ***Other News***

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### **Bush Administration Approves Mountaintop Mining Debris Rule December 2**

The Bush Administration finalized rules December 2 that will make it easier for mountaintop mining companies to dump their waste near rivers and streams. The regulation, having received sign-offs from the Office of Management and Budget, as well as the Environmental Protection Agency, overhauls a 25-year prohibition which deals with how companies dispose of the rubble and sludge created when mountain-top removal is performed to extract as much coal as possible from a coal seam.

<http://www.washingtonpost.com/wp-dyn/content/article/2008/12/02/AR2008120203055.html>

### **Hawaii Governor Unveils Plan to Create Electric Car Network by 2012**

The governor of Hawaii announced a plan to create a public-private partnership that calls for creating 70,000 to 100,000 recharging points across the islands of Hawaii that would support plug-in electric cars expected to be available after 2011. Under Governor Lingle's plan, consumers would buy or lease electric cars, and the company Better Place would supply recharging services, batteries and the software to make the system operate efficiently.

<http://online.wsj.com/article/SB122826300426773887.html>

[http://www.nytimes.com/2008/12/03/technology/start-ups/03hawaii.html?\\_r=2&em](http://www.nytimes.com/2008/12/03/technology/start-ups/03hawaii.html?_r=2&em)

### **DOE Secretary Bodman Dedicates Joint BioEnergy Institute in California December 2**

The facility, located in Emeryville, California, has been funded for five years with \$135 million from the Department of Energy. The Institute was created to take on the toughest obstacles in creating new biofuels by using modern genomics and molecular biology, robotics and mass spectrometry, chemistry and materials analysis. Within a deadline of 15 years, the federal government asks that the Joint BioEnergy Institute convert the fiber of grass into fuel ready to pump into cars, trucks and planes.

<http://www.sfgate.com/cgi-bin/article.cgi?f=/c/a/2008/12/02/BAH614G2LR.DTL>

[http://www.contracostatimes.com/green/ci\\_11123225?nlick\\_check=1](http://www.contracostatimes.com/green/ci_11123225?nlick_check=1)

## Energy Prices

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U.S. Oil and Gas Prices			
December 3, 2008			
	Today	Week Ago	Year Ago
<b>CRUDE OIL</b> <b>West Texas Intermediate U.S.</b> \$/Barrel	47.36	52.79	87.86
<b>NATURAL GAS</b> <b>Henry Hub</b> \$/Million Btu	6.68	6.71	7.29

Source: Reuters

## Energy Notes

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### **Solar-Thermal Power Plans in California Meet Both Opposition and Support, 80 Large Scale Projects in State Currently Underway**

<http://www.latimes.com/business/la-fi-bigsolar3-2008dec03.0.2706469.story>

### **‘Consortium for Clean Coal Utilization’ Formed by Peabody Energy, Arch Coal and Ameren to Make St. Louis, Missouri a Hub for Clean-Coal Research**

<http://www.stltoday.com/stltoday/business/stories.nsf/manufacturingtechnology/story/56E5E74B96C4B2008625751400131219?OpenDocument>

### **DOE Announces \$29.3 M in Projects for Research, Development, and Demonstration of Alternative Vehicle Technologies**

<http://www.energy.gov/news/6768.htm>

### **NRG Energy Proposes 30 MW Biomass Fueled Unit at Montville Station in Connecticut**

Reuters, 7:38 December 3, 2008

### **Process Upset Reported at ConocoPhillips’s 146,000 b/d Borger, Texas Refinery December 2**

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=117270>

### **Sour Water Stripper Upset Reported at Valero’s 142,000 b/d Corpus Christi, Texas Refinery December 2**

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=117268>

### **BP Schedules 2 Million Barrel Crude Supertanker for Storage in Gulf of Mexico, Brings Total Scheduled Storage by Oil Companies and Traders to 12 Million Barrels**

<http://www.forbes.com/afxnews/limited/feeds/afx/2008/12/03/afx5771249.html>

### **Dominion Cove Point LNG Import Terminal Expansion Project in Maryland Nears Completion, Start-up Expected Early 2009**

NGI’s Daily Gas Price Index, December 03, 2008 <http://intelligencepress.com/>

### **Global Nuclear Energy Partnership (GNEP) Up for Review and Comment at Public Hearing December 2**

### **Proposes New Generation Nuclear Reactors that would Recycle Radioactive Waste**

<http://www.knoxnews.com/news/2008/dec/02/nuclear-power-use-up-for-review-comment-tonight/>

## Angola's State-Owned Oil Company to Cut Back Foreign Investment Due to Global Economic Conditions

Reuters, 11:18 December 3, 2008

### OPEC Chief Urges Russia, Norway and Mexico to Join OPEC

<http://www.latimes.com/business/nationworld/wire/sns-ap-af-opec-russia.1.2375875.story>

<http://online.wsj.com/article/SB122822915071272421.html>

## Links

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***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](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/ead.aspx>

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