



# ENERGY ASSURANCE DAILY

Tuesday, December 12, 2006

## **Electricity**

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### **TXU's 750 MW Texas Martin Lake Coal-fired Unit 2 in Texas Shut December 11**

The unit was shut due to a fire associated with the main transformer.

Reuters, 07:48 December 12, 2006

### **OPG's 515 MW Pickering B Nuke Unit in Ontario Exits Outage December 12**

The unit shut December 4.

Reuters, 07:54 December 12, 2006

### **OPG's 494 MW Lambton Coal-fired Unit 1 in Ontario Exits Outage December 12**

The unit shut December 4.

Reuters, 07:58 December 12, 2006

## **Petroleum**

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### **Valero Shuts Alkylation and FCC Units at 210,000 b/d Texas City, Texas Refinery December 11**

The units were shut after a fire late on December 11. The company said there will be no major impact to production from the small fire. The units are expected to restart within the next 24 to 48 hours.

Reuters, 10:36 December 12, 2006

### **Total Reports Malfunction at 232,000 b/d Port Arthur, Texas Refinery December 10**

On December 10, Total SA reported a tower malfunction caused by overpressure at its Port Arthur refinery in Texas. As a result of the malfunction, sulfur dioxide was flared for three hours. The company is investigating the cause of the incident.

Bloomberg News, 11:20 December 12, 2006

### **Western Refining Reports Flaring at 116,000 b/d El Paso, Texas Refinery December 10**

Western Refining Inc. began burning off and emitting sulfur dioxide at its plant in El Paso, Texas on December 10 at 3 p.m. The flaring will continue until 3 p.m. December 13. The company did not indicate a reason for the flaring.

Bloomberg News, 10:44 December 12, 2006

### **Shell Reports 'Unit Upset' at 98,500 b/d Wilmington, California Refinery December 12**

Royal Dutch Shell Plc experienced a "unit upset" that led to flaring at its Wilmington refinery in California.

Shell's report on the web site of the California Governor's Office of Emergency Services did not specify which part of the refinery was affected.

Bloomberg News, 12:20 December 12, 2006

### **EIA Report: OPEC November Production Remained 665,000 B/D over Target**

According to the latest data from the U.S. Energy Information Administration (EIA), OPEC's November oil production amounted to 26.965 million b/d. Although that amount marked a drop from EIA's revised figure of OPEC's October output of 27.36 million b/d, nonetheless it remained above the OPEC production target by 665,000 b/d.

<http://www.platts.com/Oil/News/6331123.xml?p=Oil/News&sub=Oil>

## Sharp Increase in Worldwide Oil and Gas Exploration Spending Planned for 2007 - Survey

A survey by Lehman Brothers reveals that oil and gas companies are planning to spend a total of \$291 billion worldwide on exploration and production, up about 9 percent from last year. However, the survey also indicates that the drop in natural gas prices is influencing what companies involved in North America plan for next year.

Although many companies anticipate increasing spending next year, the rate of the increase will be considerably lower in the U.S. than in the recent past and will actually drop in Canada. For the U.S. the results indicate about a 5.1 percent increase compared to recent increases of more than 10 percent. For Canada, the survey points to a drop of about 8 percent compared to 2006.

Oil Daily, December 12, 2006

## Natural Gas

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### Transwestern Pipeline to Shut Compressor Station Unit 2 and Reduce Unit 1 in Colorado

Unit 2 will be shut and Unit 1 will be reduced in order for unplanned repairs on the cooler system December 13-14.

The company expects the station back at full capacity on December 15.

Reuters, 12:39 December 12, 2006

### FERC Issues Favorable Environmental Review for Maritimes and Northeast Pipeline Phase IV Expansion in Maine

On December 11, the Federal Energy Regulatory Commission (FERC) issued a favorable environmental review of the planned Phase IV expansion to the Maritimes and Northeast Pipeline. The expansion would facilitate transportation of natural gas into Maine from the Canaport LNG import terminal under development in New Brunswick, Canada. The terminal is scheduled to be in operation in late 2008.

NGI's Daily Gas Price Index, December 12, 2006

<http://intelligencepress.com/>

### Continued Growth of Canadian Oil Sands Projects Means Less Natural Gas Availability for Export to U.S.

According to a new Canadian industrial gas consumer forecast, continued growth of Alberta oil sands projects means that large volumes of Canadian natural gas will continue to be diverted for use in extracting and processing the oil sands. Consequently, less natural gas will be available for other domestic uses in Canada or for export to U.S. markets.

NGI's Daily Gas Price Index, December 11, 2006

<http://intelligencepress.com/>

## Other News

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Nothing to report.

## Energy Prices

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U.S. Oil and Gas Prices			
December 12, 2006			
	Today	Week Ago	Year Ago
<b>CRUDE OIL</b>			
West Texas Intermediate U.S. \$/Barrel	61.08	62.39	61.36
<b>NATURAL GAS</b>			
Henry Hub \$/Million Btu	6.93	7.84	14.82

Source: Reuters

### **EIA's Latest Natural Gas Forecast: Demand to Grow by 1.5 Percent in 2007**

<http://www.platts.com/Natural%20Gas/News/6331121.xml?p=Natural%20Gas/News&sub=Natural%20Gas>

### **Progress Energy Selects Levy County in Florida for Possible Plant**

<http://www.platts.com/Nuclear/News/6331118.xml?p=Nuclear/News&sub=Nuclear>

### **Congress Votes to Extend Ethanol Import Tariff**

<http://www.platts.com/Oil/News/6330824.xml?p=Oil/News&sub=Oil>

### **U.S. Department of Energy Secretary Bodman Says OPEC Shouldn't Cut Production Further**

Bloomberg News, 04:33 December 12, 2006

### **U.S. Expected to Produce 2.3 Percent Less Coal in 2007 Than 2006 - EIA**

Reuters, 14:09 December 12, 2006

### **AES Plans to Invest \$10 Billion in Alternative Energy and CO2 Reduction Over the Next Decade**

[http://pro.energycentral.com/professional/news/power/news\\_article.cfm?id=7529341](http://pro.energycentral.com/professional/news/power/news_article.cfm?id=7529341)

## 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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*Energy Assurance Daily* provides a summary of public information concerning current energy issues. Published Monday through Friday to inform stakeholders of developments affecting energy systems, flows, and markets, it provides highlights of energy issues rather than a comprehensive coverage. *Energy Assurance Daily* is updated online Monday through Friday after 5:00 p.m. EST. For more information, visit the Infrastructure Security and Energy Restoration (ISER) website at:

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

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