

U.S. DEPARTMENT OF ENERGY
**Office of Electricity Delivery and
Energy Reliability**



ENERGY ASSURANCE DAILY

December 27, 2005

Electricity

Windy Christmas Morning Cuts Power to 20,000 in Northwest Washington

High winds downed trees and power lines Christmas morning, cutting off electricity to thousands of homes across Northwest Washington. At the peak of the outages Sunday morning, about 20,000 Puget Sound Energy customers in King, Pierce, Thurston, Kitsap, Lewis, Whatcom, Island and Skagit counties had lost power.

http://pro.energycentral.com/professional/news/power/news_article.cfm?id=6188779

http://www.kitsapsun.com/bsun/local/article/0.2403.BSUN_19088_4342656.00.html

Brief Power Outage Hits Nearly 15,400 in Chicago Suburbs

Nearly 15,400 ComEd customers in Chicago's western suburbs lost power early Christmas morning after electrical crews encountered problems while reconfiguring circuits. Workers were switching electrical loads at the substation at 1 a.m. when the outage occurred. Electricity was restored by 4 a.m.

[http://www.chicagotribune.com/news/local/north/chi-0512260233dec26.1.5997003.story?coll=chi-](http://www.chicagotribune.com/news/local/north/chi-0512260233dec26.1.5997003.story?coll=chi-newslocalnorth-hed)

[newslocalnorth-hed](http://www.chicagotribune.com/news/local/north/chi-0512260233dec26.1.5997003.story?coll=chi-newslocalnorth-hed)

Eastern Shore Pipeline Gets OK to Put Expansion in Service

The Federal Energy Regulatory Commission on Friday gave Eastern Shore Natural Gas the green light to place into service the two remaining segments of an expansion of its system in Pennsylvania and Delaware.

<http://powermarketers.net/contentinc.net/newsreader.asp?ppa=8kowu%5D%5BfjkmupkTUiew11rbfek%5Cv>

NRC Cites 498 MW Kewaunee Nuke Plant in Wisconsin for Flood Safety Violations

The Nuclear Regulatory Commission has issued a notice of violation against Dominion Resources operator of the Kewaunee nuclear power plant in Wisconsin. The NRC determined that a potential flooding problem at the plant was of "substantial importance to safety." A September 2004 inspection found that parts of the turbine building could become flooded as a result of seismic conditions primarily earthquakes or equipment failures, the NRC said. The flooding could lead to a malfunction of equipment needed for safe shutdown of the plant. Kewaunee was shut down in February for extensive system and structural modifications to address the potential flooding problem.

<http://powermarketers.net/contentinc.net/newsreader.asp?ppa=8knpp%5E%5BfjkkospRUiew11rbfek%5Cv>

Padoma Completes 120 MW New Mexico Wind Project

Padoma Wind Power, a California based wind energy developer today announced the completion and transfer of its 120-megawatt (MW) wind project near Elida in eastern New Mexico to a project subsidiary of Edison Mission Group Inc. Construction began in May of this year and the project was put into Commercial Operation today.

<http://www.newswire.ca/en/releases/archive/December2005/23/c3577.html>

Unit 2 at Entergy's Indian Point Nuclear Generating Facility Returns to 100 Percent of Capacity

According to the daily report of the Nuclear Regulatory Commission, the 965 MW unit 2 at the Indian Point nuclear generating station in New York returned to full capacity early on December 27.
Reuters 7:47, December 27, 2005.

Brazos Electric power cooperative Completes Construction of 620 MW Facility- Advisory

The Brazos Electric Power Cooperative has completed construction of the 620 MW Jack County Generating Facility in Texas.
Source: Industrialinfo.com
Reuters 8:06, December 27, 2005.

Unit One at Entergy's Arkansas Nuclear Generating Station shuts on Turbine Problem

According to a report from Entergy, the unit one at its Arkansas nuclear generating station automatically shut down when equipment detected low oil pressure in the turbine. The company anticipates that the problem can be corrected without an extensive outage.
Reuters 10:46, December 27, 2005.

Petroleum

Update: Shell Restoring Production in Nigeria After Last Week's Blast, Force Majeure Still in Place

Royal Dutch Shell has restored most of its production in Nigeria following attacks on two pipelines on December 20 that forced Shell to declare force majeure and shut in 180,000 b/d of production. Shell has restored all but approximately 15,000 b/d of production but has kept the declaration of force majeure in effect.

http://biz.yahoo.com/rb/051226/markets_oil.html?v=1

Fires Break Out at Nigeria Pipeline - Cause Unknown

Several fires have broken out in several locations along a petroleum products pipeline in Delta state, in southern Nigeria. According to officials, the cause of the fires is not known and no connection has been made with the attacks on the pipelines operated by Shell (see story above). The military commander in the delta region denied media reports that 2,000 troops had been deployed in the area, which accounts for almost all of Nigeria's 2.4 million bpd production

http://thestar.com.my/news/story.asp?file=/2005/12/28/worldupdates/2005-12-27T225345Z_01_NOOTR_RTRJONC_0_-229584-1&sec=Worldupdates

Reuters 13:57, December 27, 2005.

Reuters 9:20, December 27, 2005.

Storm Damage, High Prices Lead to Record Level of Product Imports

Imports of petroleum products hit a new record in October attracted by the high prices stemming from outages caused by damage from hurricanes Katrina and Rita. According to the latest data from the Energy Information Administration, imports in October surged reaching 4.8 million b/d compared to the pre-storm average of approximately 3.3 million b/d and up from the previous record set in September of 4 million b/d.
Oil Daily, December 27, 2005.

High Winds and Storms Briefly Close Suez Canal

Strong winds and high waves forced closing of the Suez Canal for approximately three hours on December 25.

Reuters 10:41, December 25, 2005.

Natural Gas

Natural Gas Price Sinks to the Lowest Level in Three Months

Despite the official onset of winter, warmer than normal weather for much of the country coupled with continued mild weather for the next several days have contributed to a sharp drop in the price of natural gas. The price of natural gas on the spot market has fallen to the lowest point in three months closing today at \$10.22.

Bloomberg 14:49, December 27, 2005.

Reuters 14:31, December 27, 2005.

Hurricane Recovery Updates

December 15 was the last scheduled hurricane emergency situation report for 2005. Updates on the status of energy infrastructure restoration efforts related to hurricane damage will be posted in the Energy Assurance Daily in this section of the report. For past Gulf Coast Hurricanes situation reports, see the website of the Office of Electricity Delivery and Energy Reliability (OE) of the U.S. Department of Energy at: <http://www.oe.netl.doe.gov>.

Gulf Coast Shut-in Production Per Day

Ivan vs. Katrina/ Rita vs. Most Recent

	Ivan	Katrina/Rita	Most Recent
Gas (BCF/day)	6.515 65.15% (High- 9/16/04)	9.418 94.18% (High- 8/30/05)	1.962 19.62% (12/22/05)
Oil (bbls/day)	1,410,002 94.00% (High- 9/16/04)	1,564,679 100.00% (High-9/26/05)	412,687 27.51% (12/22/05)

Normal Production in the Gulf Coast is 10 BCF/day of gas and 1,500,000 bbls/day of oil.

Source: U.S. MMS, December 22, 2005

Gulf Coast Shut-in Production Cumulative

Katrina/ Rita vs. Ivan

	Ivan	Katrina/ Rita
Cumulative	9/13/04 - 02/14/05	8/26/05 – 12/22/05
Gas (BCF)	172.259	547.073
Oil (bbls)	43,841,245	105,889,263

Source: U.S. MMS, December 22, 2005

Louisiana In-State Daily Production and Pipeline Update

According to the Louisiana Department of Natural Resources on 12/27, onshore crude oil production in southern Louisiana has reached 122,629 barrels per day, or 60.4 percent of the region's capacity; natural gas production of 1,613.3 million cubic feet per day, or 72.2 percent of daily capacity in 38 southern Louisiana parishes, has been restored. There are 55 on-shore pipeline operators in the hurricane-affected parishes. As of 12/27, 8 operator's facilities were reopened, 30 of the operator's facilities are shut-in, and 17 of the operators experience partial system shut-ins or flow.

<http://dnr.louisiana.gov/>

Other News

Nothing to Report

Energy Prices

	Latest (12/27/05)	Week Ago	Year Ago
CRUDE OIL West Texas Intermediate US \$/Barrel	58.16	57.31	41.26
NATURAL GAS Henry Hub \$/Million Btu	10.22	13.73	6.57

Source: Reuters

This Week in Petroleum from the Energy Information Administration (EIA)

<http://tonto.eia.doe.gov/oog/info/twip/twip.asp>

Note: because of the holiday schedule the weekly data will be released on Thursday, December 29, and Thursday January 5.

Weekly Petroleum Status Report from EIA

http://www.eia.doe.gov/oil_gas/petroleum/data_publications/weekly_petroleum_status_report/wpsr.html

Note: because of the holiday schedule the weekly data will be released after 1:00 pm on Thursday, December 29, and Thursday January 5.

Natural Gas Weekly Update from EIA

<http://tonto.eia.doe.gov/oog/info/ngw/ngupdate.asp>

Updated after 2:00 pm on Thursdays Note: Release date is not affected by the federal holiday schedule.

Infrastructure Security and Energy Restoration Website from ISER/OE/DOE

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

Updated after 5:00 pm (Mon. thru Fri.) with latest Energy Assurance Daily; previous Energy Assurance Daily and emergency situation reports are also posted on the website.

Note: because of the holiday schedule, there will be no issue of Energy Assurance daily on Monday December 26 or Monday January 2.