

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



ENERGY ASSURANCE DAILY

December 28, 2005

Electricity

Update: Cal. PUC Approves SDG&E Contract For 300 MW of Solar Power

San Diego Gas & Electric Co. (SDG&E) announced that the California Public Utilities Commission (CPUC) has approved contracts to develop 300 MW of solar power, with the potential for that to grow to 900 MW within 10 years. If fully developed, the project will be one of the largest solar facilities in the world. SDG&E will purchase the solar energy from Arizona-based Stirling Energy Systems which, will construct a series of solar dishes on three square miles in Imperial Valley, Calif.

http://uaelp.pennnet.com/Articles/Article_Display.cfm?ARTICLE_ID=244441&p=22

Update: OPG's 535 MW Unit 2 at its Lennox Oil/Gas-fired Power Facility in Ontario Back Online Dec. 27 After Three-Month Outage

Reuters 13:45, December 28, 2005

Xcel Tells Regulators that it Will Develop 775 MW Wind Generation in Colorado by 2007

As part of a filing with the Colorado Public Utilities Commission on December 28, Xcel Energy announced that it will acquire 775 MW of new wind power capacity for its Colorado operations by 2007. At the present time, the company has 282 MW of wind generation in operation or under construction in Colorado. Xcel indicated in the filing that although it is aggressively seeking to increase wind generation capacity in Colorado, the siting, permitting, and economics will play a significant role in determining the success of the program.

Reuters 13:37, December 28, 2005.

Update: Unit One at Entergy's Arkansas Nuclear Generating Station Expected to Return Soon

Unit one at its Arkansas nuclear generating station automatically shut down on December 27 when equipment detected low oil pressure on the lube oil system associated with the main turbine as the unit was exiting from a refueling outage. Entergy anticipates that the outage will be of short duration.

Reuters 12:32, December 28, 2005.

Pennsylvania Regulators Allow PPL to Reopen Reinforced Fly Ash Basin

On December 27, the Pennsylvania Department of Environmental Protection issued a permit modification that enables PPL Generation LLC to reopen Ash Basin No. 4 at its 2,027 MW Martins Creek power plant in Lower Mount Bethel Township, Northampton County. The basin was closed following a leak in late August. Improvements made by PPL have corrected the problem and prompted the DEP action.

<http://biz.yahoo.com/prnews/051227/phtu012.html?.v=39>

http://pro.energycentral.com/professional/news/power/news_article.cfm?id=6191145

Petroleum

Iraqi Crude Oil Export Loading to Resume After Weather Delays

Iraq was expected to resume pumping Basrah Light crude exports late on December 27 after bad weather in the Mideast Gulf caused a three-day suspension of loading at the southern Basrah Oil Terminal (BOT) on Sunday, shipping agents said.

http://www.energyintel.com/PublicationHomePage.asp?publication_id=31

Update: Nigeria Pipeline Fires Out, No Word on Cause

Fires that broke out on Tuesday along a pipeline in the southern Nigerian state of Delta have been put out, an oil official said on Wednesday, however the cause of the fires remains to be determined.

<http://www.alertnet.org/thenews/newsdesk/L28261094.htm>

Natural Gas

Spot Natural Gas Prices Hit All-time High in 2005

According to data compiled by Reuters, the spot price of natural gas averaged \$8.81 in 2005, an increase of \$2.78 over the previous record of \$6.03 set in 2004. The Reuters data indicate that not only did the average set a new high, but that 2005 was the third year in a row when a new record was established.

Reuters 14:19, December 28, 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 December 28, 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 December 8, 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 (12/28/05)	Week Ago	Year Ago
CRUDE OIL			
West Texas Intermediate US \$/Barrel	59.81	58.56	43.69
NATURAL GAS			
Henry Hub \$/Million Btu	9.90	13.56	6.18

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.