



ENERGY ASSURANCE DAILY

Friday Evening, December 28, 2007

Electricity

Several Square Blocks Lose Power Near Downtown Baltimore, Maryland December 26-27

Baltimore Gas and Electric (BGE) restored power to several square blocks near downtown Baltimore at about 7:30 a.m. December 27 after a power outage left thousands of people without power in hotels, businesses, apartment buildings and a federal office building. The outage occurred the previous night when BGE crews had to cut power in order to investigate if power lines had been damaged by a road sinking.

http://www.baltimoresun.com/news/local/baltimore_city/bal-power1227.0.2880458.story?coll=bal_sports_football_xpromo

Eight Clean Coal Plants Canceled, Delayed or Rejected by Regulators This Year

At least eight integrated gasification combined cycle (IGCC) power plants, also known as “clean coal” plants, have been canceled, delayed or rejected by regulators this year due to soaring construction costs, technology hurdles and uncertainty about regulation of greenhouse gases. The canceled plants represent more than a third of those currently being planned.

http://www.usatoday.com/money/industries/energy/environment/2007-12-26-coalplants_N.htm

Petroleum

No Impact from FCCU Leak at Citgo’s 156,000 b/d Corpus Christi, Texas Refinery

A Citgo spokesman said that a leak on one of its fluidic catalytic cracking units (FCCU) on December 26 did not impact production at the refinery. The spokesman said the leak had most likely been fixed.

Reuters, 14:54 December 27, 2007

Full Operating Rates Expected This Week at Valero’s 230,000 b/d Texas City, Texas Refinery

A company spokesperson indicated that all units at the refinery are at or approaching planned rates, and that the plant is expected to reach to full operating rates this week. Production at the refinery was disrupted on December 2 when a power outage forced the shutdown of several units, including crude units and a fluidic catalytic cracker.

Bloomberg News, 11:46 December 27, 2007

Oil Companies May Lose Leases at Point Thomson Oil Field in Alaska

An Alaska Superior Court judge ruled December 26 that the state of Alaska was allowed in 2006 to revoke leases at the Point Thomson oil and gas field held by Exxon Mobil Corp., BP Plc and other oil companies, because they failed to bring the field into production. The companies have held the leases since the 1970s. The undeveloped Point Thomson field, located 50 miles east of Prudhoe Bay, is estimated to hold 300 million barrels of oil and 8 Tcf of natural gas.

<http://www.bloomberg.com/apps/news?pid=20601102&sid=aKjhno9q94jE&refer=uk>

Iraq Planning to Boost Northern Pipeline Exports through Turkey by 100,000 b/d

On Friday an Iraqi official said that Iraq plans to increase exports through its northern pipeline to Turkey to 400,000 b/d beginning January first, up 100,000 b/d from previously anticipated volumes. The plans come as flows on the pipeline, which has been frequently sabotaged since the 2003, has become increasingly reliable.

Reuters, 07:43 December 28, 2007

Mexico's November Crude Oil Production Down 8.2 Percent as Cantrell Oilfield Continues Decline

According to a report on the website of Petroleos Mexicanos (Pemex), the state-owned company's oil production fell 8.2 percent in November from the same month last year. November output fell to 2.9 million b/d, down from 3.16 million b/d a year earlier. The fall has been attributed to the company's inability to stem or replace declining output from the Cantrell oil field, the country's largest field. According to Mexico's Energy Information Agency, the Cantrell field's November production fell 23 percent from a year earlier to 1.28 million barrels a day.

Pemex Report: http://www.pemex.com/files/dcpe/petro/eprohidro_ing.xls
<http://www.bloomberg.com/apps/news?pid=20601086&sid=ajFgZMriPD90&refer=news>

Natural Gas

Nothing to report.

Other News

Appalachian Coal Production Down 3.6 Percent since Last Year - EIA

According to EIA, year-to-date data, Appalachian coal production has fallen 3.6 percent to 364.6 million tons from 2006. The biggest losses occurred in Virginia (10.2 percent) and Kentucky (5.2 percent) while production in West Virginia increased slightly (0.9 percent).

http://canadianpress.google.com/article/ALeqM5itB_Fk0vCKU9FOYODGxAubr03koA

Energy Prices

| U.S. Oil and Gas Prices | | | |
|-------------------------------------|-------|----------|----------|
| December 28, 2007 | | | |
| | Today | Week Ago | Year Ago |
| CRUDE OIL | | | |
| West Texas Intermediate U.S. | 97.07 | 93.10 | 62.24 |
| \$/Barrel | | | |
| NATURAL GAS | | | |
| Henry Hub | 7.11 | 7.19 | 6.09 |
| \$/Million Btu | | | |

Source: Reuters

Energy Notes

Update: Power Mostly Restored to 20,000 LADWP Customers in California Late December 27 after Wind Storms

<http://www.sfgate.com/cgi-bin/article.cgi?f=/n/a/2007/12/26/state/n145647S84.DTL&feed=rss.news>

Delmarva Power Malfunctioning Stack Insulator Knocks Out Power to Three Substations, Leaves 11,180 Cooperative Members without Power December 27

<http://www.delmarvanow.com/apps/pbcs.dll/article?AID=/20071228/NEWS01/71228007/1002>

Amine System Briefly Shut Down at Midriff Natural Gas Processing Plant in Texas December 27

<http://www2.tceq.state.tx.us/eeer/main/index.cfm?fuseaction=getDetails&target=101790>

Compressor, VRU Briefly Shut at Stallman Compressor Station in Texas December 27-28
<http://www2.tceq.state.tx.us/eer/main/index.cfm?fuseaction=getDetails&target=101755>

Leak Reported on Duke Energy Field Services Natural Gas Pipeline in Texas December 27
<http://www2.tceq.state.tx.us/eer/main/index.cfm?fuseaction=getDetails&target=101788>

Acid Gas Line Leak Reported at Gold Smith Natural Gas Processing Plant in Texas December 27
<http://www2.tceq.state.tx.us/eer/main/index.cfm?fuseaction=getDetails&target=101789>

Iraq Threatens to Cut Crude Supply to South Korea Unless They Back Out of a Deal Signed With Kurdish Government
<http://canadianpress.google.com/article/ALeqM5h73MmHOLOxOfTnGa-bqB0eWKz0rQ>

Russia's Transnet Prepares Draft for Second Crude Pipeline to Baltic Port of Primers
http://www.rigzone.com/news/article.asp?a_id=54479

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.

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

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