

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



ENERGY ASSURANCE DAILY

December 30, 2005

Electricity

Update: No Last Minute Agreement -- SCE Closing Mohave Generating Station

On December 29, Southern California Edison (SCE) announced that it will close its 1,580 MW coal-fired Mohave Generating Station in compliance with a court order. The plant will close by January 1, 2006 to meet the deadline imposed by the court requiring closure if SCE failed to install pollution equipment estimated to cost \$1.1 billion. SCE indicated that access to other power sources should prevent any immediate impact on its customers. Both SCE and industry sources believe that the plant will be closed for approximately four years.

<http://www.newsday.com/news/nationworld/wire/sns-ap-power-plant-closure.0.7553292.story?coll=sns-ap-nationworld-headlines>

Reuters 20:33, December 29, 2005.

Update: Entergy Arkansas Unit 1 Back On-line

Entergy's unit 1 at its Arkansas nuclear generating station came back on line according to the daily report of the Nuclear Regulatory Commission. The unit automatically shut on December 26 when a low pressure indicator was activated.

Bloomberg 09:28, December 30, 2005.

FPL's 693 MW Turkey Pt Nuke in Florida Shuts Thursday, Outage to be Short

FPL Group Inc. shutdown its 693 MW Turkey Point unit 3 on December 29 because of a tube leak. FPL expects that the unit will return to service sometime during the afternoon of December 30.

Reuters 11:34, December 30, 2005.

Exelon's 864 MW Quad Cities Unit 2 Nuke in Illinois Slips to 52 pct Power

Exelon Corp.'s 864 MW unit 2 at its Quad Cities nuclear power station in Illinois powered down to 52 percent of capacity by early Friday, the U.S. Nuclear Regulatory Commission said in its daily status report. The Quad Cities station is located in Rock Island County, about 155 miles west of Chicago.

Reuters 10:42, December 30, 2005.

Bloomberg 9:11, December 30, 2005.

Placer Central's 221 MW Middle Fork Hydro Unit Shut in CA December 29

Reuters 20:0, December 29, 2005.

Petroleum

Update: Another Pipeline Explodes in Nigeria, Sabotage Suspected, Government Cracking Down

On December 29, another pipeline explosion occurred along the same pipeline hit by an explosion on December 26. Sabotage is suspected in both cases. Officials say that repairs will now take about a month. In addition to placing security forces on high alert, security agents deployed to the Delta State area have dug trenches to help secure the area and have arrested 15 persons, including some security agents suspected to be aiding the in the attacks.

<http://www.tribune.com.ng/301205/news03.htm>

<http://www.independentng.com/news/nndec300511.htm>

South Iraq Oil Exports Stay Shut Due to Tug Boat Problem at Basra Terminal

South Iraq's oil exports, which constitute the bulk of the country's production, remained shut on December 30 due to logistics problems at the Basra terminal in the Gulf. Tug Boats at the terminal broke down a few days ago and are undergoing repair. There have been no tankers loading from Basra for about a week. Bad weather, which has now cleared, also contributed to the halt.

Reuters 07:42, December 30, 2005.

Natural Gas

El Paso's Crossover Project Receives FERC OK

The Federal Energy Regulatory Commission granted approval for El Paso to initiate service on the 502 MMcf/d expansion that enables a crossover on its North and South Systems. The crossover will begin operating on December 30.

Natural Gas Intelligence, December 29, 2005.

<http://www.powermarketers.com/index.shtml>

Southern Natural Declares Open Season for Elba Island Service

Southern Natural Gas Co. has initiated a binding open season for bids on service from the Elba Island LNG terminal to delivery points in all zones of its system.

Natural Gas Intelligence, December 29, 2005.

<http://www.powermarketers.com/index.shtml>

FERC Approves Equitrans Pre-filing Request for Eastern Kentucky Pipe Project

On December 28, FERC on Wednesday approved Equitrans LP's request to begin the pre-filing process for a proposed pipeline that would transport Appalachian natural gas produced in eastern Kentucky to the Mid-Atlantic and Northeast markets.

Natural Gas Intelligence, December 29, 2005.

<http://www.powermarketers.com/index.shtml>

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)	1.954 19.54% (12/29/05)
Oil (bbls/day)	1,410,002 94.00% (High- 9/16/04)	1,564,679 100.00% (High-9/26/05)	410,618 27.37% (12/29/05)

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 29, 2005

Gulf Coast Shut-in Production Cumulative

Katrina/ Rita vs. Ivan

	Ivan	Katrina/ Rita
Cumulative	9/13/04 - 02/14/05	8/26/05 – 12/29/05
Gas (BCF)	172.259	560.766
Oil (bbls)	43,841,245	108,775,910

Source: U.S. MMS, December 29, 2005

[Louisiana In-State Daily Production and Pipeline Update](#)

According to the Louisiana Department of Natural Resources on December 29, onshore crude oil production in southern Louisiana has reached 123,629.65 barrels per day, or 60.86 percent of the region's capacity; natural gas production of 1,614.61 million cubic feet per day, or 72.24 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 29, 18 operator's facilities were reopened, 21 of the operator's facilities are shut-in, and 16 of the operators experience partial system shut-ins or flow.

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

Other News

Nothing to Report

Energy Prices

	Latest (12/30/05)	Week Ago	Year Ago
CRUDE OIL			
West Texas Intermediate US \$/Barrel	61.06	58.08	43.36
NATURAL GAS			
Henry Hub \$/Million Btu	10.02	11.17	6.02

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/wpst.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.