



ENERGY ASSURANCE DAILY

Thursday Evening, January 10, 2008

Electricity

Update: 32,700 New York Customers Still Without Power after January 9 Storms

Crews worked around the clock to restore customers who lost power following windstorms on January 9. The storm knocked out 127,000 customers across the state. Today, NYSEG reported 3,500 customers without power at 11:00 am EST. Rochester Gas and Electric reported 17,900 as of 12:00 pm EST and expected most customers to be restored by January 12. National Grid reported 11,313 customers without power at 4:00 pm EST.

<http://www.nyseg.com/MediaLibrary/2/5/Content%20Management/NYSEG/Our%20Company/PDFs%20and%20Docs/Plattsburgh1%2010%2008B.pdf>

http://www.rge.com/MediaLibrary/2/5/Content%20Management/RGE/OurCompany/PDFs%20and%20Docs/RGE%20January%2010%202008%20Release_5_final.pdf

<https://www1.nationalgridus.com/niagaramohawk/storm/OutagesByCounty.aspx>

Update: Mirant's 206 MW Potrero Gas-fired Unit 3 in California Returns to Service January 9

According to the California Independent System Operator, the unit was shut for an unplanned outage on January 6.

<http://www.caiso.com/unitstatus/data/unitstatus200801091515.html>

TVA's 1,118 MW Browns Ferry Nuke Unit 3 in Alabama Shut January 10

According to the Nuclear Regulatory Commission, the unit was operating at 12 percent on January 9. The unit was shut to correct problems with electrical equipment.

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2008/>

Bloomberg News, 09:48 January 10, 2008

Exelon's 1,161 MW Braidwood Nuke Unit 1 in Illinois Reduced to 39 Percent January 10

According to the Nuclear Regulatory Commission, the unit was operating at 70 percent on January 9.

The unit was reduced in order to work on a control rod mechanism.

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2008/>

Reuters, 07:34 January 10, 2008

NRC Investigates SCE's San Onofre Nuclear Power Plant in California

The Nuclear Regulatory Commission sent inspectors to the San Onofre power facility following an emergency generator failure in December. Inspectors want to investigate whether an improperly installed electrical device on the generator caused the problem.

<http://www.signonsandiego.com/news/northcounty/20080109-9999-1m9onofre.html>

Update: 34,957 Hydro One Customers Remain Without Power in Ontario on January 10

A company spokesperson said that most customers were expected to be restored by the weekend. Wind storms battered the region leaving 140,000 customers without power at its peak on January 9.

<http://www.reuters.com/article/rbssIndustryMaterialsUtilitiesNews/idUSN1017074320080110>

http://www.hydroonenetworks.com/en/about/our_services/power_outage_maps/NewReports/OutageSummary.html

RES America Plans 166 MW Hackberry Wind Farm in Texas

Renewable Energy Systems America and GE plan to open the facility north of Abilene in December.

Reuters, 14:48 January 9, 2008

OPG's 515 MW Pickering Nuke-fired Unit 6 in Ontario Shut January 10

Reuters, 08:19 January 10, 2008

OPG's 490 MW Nanticoke Coal-fired Unit 7 Returns to Service January 10

The unit was shut January 7.

Reuters, 08:02 January 10, 2008

Petroleum

DOE Plans Crude Deliveries of Nearly 13 Million Barrels to Replenish SPR Over Next Seven Months

The Department of Energy is anticipating significant deliveries to the Strategic Petroleum Reserve over the next seven months. The DOE began a second round of nominations in November to replenish SPR draw downs following hurricanes Katrina and Rita. See table below.

Scheduled Deliveries to SPR January - July 2008	
Month	Million Barrels
January	1.9
February	1.0
March	1.2
April	1.4
May	3.0
June	2.3
July	2.1
Total	12.9

<http://www.platts.com/Oil/News/6708303.xml?p=Oil/News&sub=Oil>

Flaring Reported at Chevron's 260,000 b/d El Segundo, California Refinery January 10

According to a report with state regulators, the unit released significant amounts of sulfur dioxide in a "phantom flare event" from a coker stack.

<http://www.oes.ca.gov/Operational/MALHaz.nsf/f1841a103c102734882563e200760c4a/5fc62947e5042a6a882573c0040659c?OpenDocument>

Flaring Reported at ConocoPhillips's 147,000 b/d Carson, California Refinery January 10

According to a report with state regulators, the unit reported significant emissions of sulfur dioxide.

<http://www.oes.ca.gov/Operational/MALHaz.nsf/f1841a103c102734882563e200760c4a/c8dc46ba23ed05f2882573c005a9f85?OpenDocument>

SRU Upset at Valero's 340,000 b/d Corpus Christi, Texas Refinery January 9, Production Not Impacted

The company said that production was not affected after a nine hour upset in a sulfur recovery unit.

Reuters, 19:24 January 9, 2008

Update: Ultracracker Operating at BP's 475,000 b/d Texas City, Texas Refinery January 10

Sources told Reuters that the unit was "up and running" after being idled when a leak was detected in a heat exchanger during a restart attempt on January 5.

Reuters, 10:55 January 10, 2008

Update: Valero's 230,000 b/d Texas City, Texas Refinery at Normal Rates January 9

The unit returned to normal rates after being idled by power interruptions on December 2.

Bloomberg News, 13:30 January 9, 2008

Pemex to Cease Oil Exports to West Coast Citing Inadequate Infrastructure

The Mexican oil company announced that it would stop shipping crude oil to the West Coast starting in February due to inadequate infrastructure at the Salina Cruz port. Pemex currently ships about 20,000 b/d to the West Coast, and has said that it would focus on exports to the Gulf Coast and international markets.

<http://uk.reuters.com/article/oilRpt/idUKN0963568320080110>

<http://www.pemex.com/index.cfm?action=news§ionid=8&catid=40&contentid=17435>

Harvest Energy to Expand 115,000 b/d North Atlantic Refinery in Newfoundland

Harvest Energy Trust plans to expand its North Atlantic Refinery to take heavier feedstocks and increase production to 150,000 or 200,000 b/d.

<http://www.thecharter.ca/index.cfm?sid=95701&sc=312>

Update: Valero's 275,000 b/d Aruba Refinery Restarts After Shutdown

The unit was restarted after being shut by a power outage on January 8.

Bloomberg News, 11:55 January 9, 2008

ExxonMobil Begins Production at 100,000 b/d Kizomba C Oil Field Offshore Angola

The company announced on January 9, that production began on the Kizomba C oil field off the coast of Angola.

The field is expected to reach an output of 100,000 b/d. Two other fields, Saxi and Batuque, are expected to be in production this year. The three fields combined are expected to produce 200,000 b/d.

Reuters, 13:03 January 9, 2008

Natural Gas

Alaska Governor Rejects ConocoPhillips's Gas Pipeline Proposal January 9

Governor Palin rejected a proposal submitted by ConocoPhillips to build a 1,700 mile natural gas pipeline from Alaska's North Slope into Canada to access markets across North America.

<http://ap.google.com/article/ALeqM5jMip5nDwg9wyAzpA3U9Cig6PX06QD8U37VDG0>

<http://www.adn.com/money/story/258031.html>

Escondido Gas Storage Announces Open Season for 18 Bcf Storage Facility in Texas

The proposed Escondido Gas Storage Project is located 55 miles southeast of San Antonio, Texas. The non-binding open season began January 9 and lasts until February 15. The project has numerous potential pipeline connections including Transco and Enterprise Texas Pipeline.

<http://www.latec.com/escondido/docs/news01092008.pdf>

Spectra Energy Holds Opens Season on 1 Bcf Bronco Pipeline Between Rocky Mountains and West Coast

The company is holding an open season seeking participation in holding capacity for its Bronco Pipeline. The proposed 650-mile pipeline will deliver natural gas from Colorado, Utah and Wyoming to Malin, Oregon which is an important distribution point for markets on the West Coast. The pipe would be placed into service by 2011 pending favorable market conditions.

http://www.spectraenergy.com/news/releases/2008/Jan/20080110_01.asp

Other News

PetroSun Plans to Build 30 Million Gallon/Year Algal Oil Biodiesel Refinery in Arizona

The refinery will use algal oil, a product derived from algae, as its feedstock. The company expects the facility to begin construction by the third quarter of 2008.

http://www.downstreamtoday.com/News/Articles/200801/Ariz_Biorefinery_to_Use_Algal_Oil_8008.aspx

Update: Nigerian Militants Claim Responsibility for Ship Attack and Warn of Future Raids

The Nigerian militant ground MEND took responsibility for the attack on four ships belonging to oil companies this week and warned of an "imminent" attack on another oil facility.

<http://www.platts.com/Oil/News/8459670.xml?p=Oil/News&sub=Oil>

Coast Guard Unable to Properly Protect Incoming Tankers – GAO Report

The Government Accountability Office found in a report released on January 9 that the U.S. Coast Guard lacked the resources necessary to protect incoming LNG and crude tankers from terrorist attack. The report highlighted that tankers are specifically at risk, given various incidents that have occurred internationally. The report argues for the need of expanded federal efforts to prevent and respond to a terrorist attack on an energy commodity tanker.

<http://www.gao.gov/new.items/d08141.pdf>

<http://ap.google.com/article/ALeqM5h3m2LlzzbuUMfPtVAohaWqORKSXwD8U2M9BG3>

Kinder Morgan to Test Shipping Ethanol through Existing Pipeline in Florida

Kinder Morgan Partners has unveiled plans to test a new method of shipping ethanol through a pipeline. The test is to be conducted within a few months on a clean fuel pipeline in Florida that runs between Orlando and Tampa Bay.

http://www.worldfuels.com/news/week/0108/011008_03.htm

Poet Unveils 65 Million Gallon/Year Ethanol Plant in Leipsic, Ohio January 10

Poet unveiled Ohio's first ethanol plant, which will begin production in the next few weeks.

<http://www.poetenergy.com/news/showRelease.asp?id=106&year=2008&categoryid=0>

Energy Prices

U.S. Oil and Gas Prices			
January 10, 2008			
	Today	Week Ago	Year Ago
CRUDE OIL			
West Texas Intermediate U.S.	94.45	99.18	53.95
\$/Barrel			
NATURAL GAS			
Henry Hub	7.89	7.83	6.42
\$/Million Btu			

Source: Reuters

Energy Notes

Green Groups to Sue U.S. DOE over Designations of National Transmission Corridors

<http://www.platts.com/Electric%20Power/News/6710463.xml?p=Electric>

Hawaiian Electric Company to Bury Utility Lines in Waianae, Hawaii

<http://starbulletin.com/2008/01/10/news/story07.html>

Construction Completed on 63 MW Snyder Wind Project in Texas

Reuters, 11:48 January 10, 2008

Iraq Resumes Oil Throughput on Northern Pipeline to Turkey January 9

Reuters, 3:36 January 10, 2008

3 Billion barrels and 3 Tcf of Unproven Reserves Discovered in Albania

<http://www.balkaninsight.com/en/main/news/7297/>

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.

ENERGY ASSURANCE DAILY

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

Please direct comments and questions to: ead@oe.netl.doe.gov