

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



# ENERGY ASSURANCE DAILY

January 13, 2006

## Electricity

### **Update: Xcel to Build 314 MW Gas-fired Peaking Plant in Colorado, Set to Open June 2007**

Xcel Energy has signed a contract for the construction of a 314 MW natural gas peaking plant in Weld County, Colorado. Xcel continues working to secure the necessary land use and environmental permits for the Spindle Hill plant, which is set to open by June 2007.

<http://biz.yahoo.com/bizj/060112/1214927.html?v=1&printer=1>.

### **Wisconsin Public Services Corp Adds 500 MW Coal-fired Unit at Weston Power Plant**

Wisconsin Public Services Corporation is installing a fourth coal-fired unit at its Weston Power Station in Marathon County, increasing the plants capacity by 500 MW.

[http://houston.dbusinessnews.com/shownews.php?newsid=57995&type\\_news=latest](http://houston.dbusinessnews.com/shownews.php?newsid=57995&type_news=latest).

### **AEP's 690 MW Coal-fired Oklaunion Plant Shut by Low Pressure**

AEP announced that its 690 MW coal-fired Oklaunion generating facility in Texas tripped off because of low furnace pressure during the night of January 12-13. AEP reported to regulators that the plant will be restarted as soon as possible.

Reuters 9:45, January 13, 2006.

### **Update: AEP Restarts the 528 MW Unit 3 at its Welsh Generating Facility in Texas**

AEP reported to regulators that as of late on January 12, it had restarted the 528 MW unit 3 at its Welsh generating facility in Texas. The unit had been taken off line on January 11 when a boiler tube leak was detected.

Reuters 8:14, January 13, 2006.

### **Update: Texas Genco Restarts the 560 MW Unit 7 at its WA Parish Generating Facility in Texas**

Texas Genco reported to regulators that as of late on January 12, it had restarted the 560 MW unit 7 at its WA Parish generating facility in Texas. The unit had been taken off line for unplanned maintenance.

Reuters 8:00, January 13, 2006.

# Petroleum

## **Update: Shell Restarts EA Field, Declares Force Majeure on Forcados Crude**

Shell has restarted some production at its 120,000 b/d offshore field which has been shut since gunmen abducted foreign workers from offshore facilities on January 10. Officials expect a gradual return to full production early next week. Shell has also declared force majeure on 106,000 b/d of Nigerian Forcados oil exports after an attack on a major pipeline in the volatile Niger Delta. The force majeure is likely to result in a three- to four-day deferment of Forcados offtake scheduled for the rest of January and all of the February.

<http://www.platts.com/Oil/News/8246664.xml?S=n>.

[http://www.marketwatch.com/news/print\\_story.asp?print=1&guid={C54C6B62-67AD-47A3-9E75-45271BFD11B7}&siteid=google](http://www.marketwatch.com/news/print_story.asp?print=1&guid={C54C6B62-67AD-47A3-9E75-45271BFD11B7}&siteid=google).

## **Kinder Morgan to Expand Storage Capacity at New York Terminal by 1.4 Million Barrels**

Kinder Morgan Energy Partners, L.P. has announced that it will construct nine new liquids storage tanks with a capacity of 1.4 million barrels for gasoline, diesel and jet fuel at KMP's Perth Amboy terminal in New York Harbor. With about 100 existing tanks, the facility has a current capacity of approximately 2.3 million barrels for refined petroleum products and chemicals. The new tanks are expected to be in service during the first quarter of 2007.

<http://biz.yahoo.com/prnews/060112/dath028.html?v=38>.

## **Saudi Arabia Pushing Forward with 400,000 b/d Yanbu Export Refinery**

Saudi officials are impressed with the progress of construction at a major new export refinery being built at Yanbu on the Red Sea that will supply global markets with finished petroleum products exceeding 4 million metric tons per year. The refinery, which will go on-stream by 2008, could supply the US east coast market with high-quality gasoline while low-sulfur diesel could be exported to Europe, and naphtha to East Asia.

[http://www.fibre2fashion.com/news/textile-news/newsdetails.aspx?news\\_id=10195](http://www.fibre2fashion.com/news/textile-news/newsdetails.aspx?news_id=10195).

<http://www.ameinfo.com/64680.html>.

## **US State Department Official Sees no Threat from China Investment in African Oil**

Jendayi Frazer, U.S. Assistant Secretary of State for African Affairs, dismissed Chinese oil interest in Africa as being a threat to US energy needs while speaking to the press following the purchase last week by Chinese oil producer, CNOOC Ltd., of a \$2.3 billion stake in a Nigerian oil and gas field. He said "I don't think China seeking oil in Africa is a threat to the United States' interests."

Reuters 14:42, January 13, 2006.

## **FCC Unit Malfunctions at ConocoPhillips' 146,000 b/d Texas Refinery**

A boiler in the gasoline-producing fluidic catalytic cracking unit suffered a malfunction on Friday at ConocoPhillips' 146,000 b/d refinery in Borger, Texas. The malfunction is described as a "process upset" affecting the carbon monoxide boiler in the 67,000 b/d unit 29 FCC.

Reuters 13:21, January 13, 2006.

## **Iraq's Basra Terminal Resumes Exports After Bad Weather, Congestion Continues**

Iraq restarted exports from its southern Basra oil terminal on Friday after bad weather stopped operations for around 24 hours. The terminal has been riddled with logistics problems and is trying to clear a backlog of oil exports in the first half of January. There were still around seven vessels waiting to load, shippers said. One offshore platform out of four at Basra has been shut down for maintenance.

Reuters 9:57, January 13, 2006.

## NaturalGas

### Construction Begins on LNG Export Plant in Peru

Repsol YPF SA and U.S. Hunt Oil Co. began construction of a \$2.2 billion plant in Peru that will export liquefied natural gas to the U.S. and Mexico. The plant, which will be complete in mid-2009, aims to supply customers along the U.S. West Coast and Mexico with 4 million tons of liquefied natural gas a year.

[http://www.bloomberg.com/apps/news?pid=10000086&sid=ayI159i4HmB0&refer=latin\\_america#](http://www.bloomberg.com/apps/news?pid=10000086&sid=ayI159i4HmB0&refer=latin_america#).

### Europe LNG Hit Record High in Dec., Diverted Shipments to U.S.

Waterborne LNG reports that Europe's liquefied natural gas imports hit a record high in December, with shipments being diverted from the United States as companies cashed in on high European gas prices.

Imports climbed to over 3.8 million tons in December, beating the previous high of 3.5 million tons in March 2005. Shipments in January to Europe are expected to be similar to December.

Reuters 11:24, January 13, 2006.

## HurricaneRecovery Updates

December 15 was the last scheduled hurricane emergency situation report prepared in 2005. There will be no further updates to refinery, natural gas plant, or pipeline data. The U.S. Minerals Management Service continues to provide weekly status reports on Gulf of Mexico production. This information is represented in the tables below. 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>.

<b>Gulf Coast and Louisiana Shut-in Production Per Day</b>			
January 13, 2006*			
	<b>Gulf Coast</b>	<b>Louisiana</b>	<b>Total</b>
<b>Gas</b> (MMcf/day) % of normal	1,805 18.1%	614 27.5%	<b>2,419</b> 19.8%
<b>Oil</b> (bbls/day) % of normal	402,259 26.8%	79,226 39.0%	<b>476,012</b> 27.9%

*NOTE: Normal Production in the Gulf Coast (Outer Continental Shelf as reported by MMS) is 10,000 MMcf/d of gas and 1,500,000 b/d of oil. Normal Production in Louisiana (as reported by DNR) is 2,235 MMCF/day of gas and 203,139 b/d of oil.*

\*Sources: [U.S. MMS](#), January 11, 2006 and [Louisiana DNR](#), January 13, 2006.

<b>Gulf Coast Cumulative Shut-in Production</b>		
Ivan vs. Katrina/ Rita		
	<b>Ivan</b> 9/13/04 - 02/14/05	<b>Katrina/ Rita</b> 8/26/05 - 1/11/06
<b>Gas</b> (MMcf)	172,259	<b>585,308</b>
<b>Oil</b> (bbls)	43,841,245	<b>114,042,425</b>

Source: [U.S. MMS](#), January 11, 2006.

<b>Louisiana Pipeline Operation</b>			
January 13, 2006			
<b>Total</b>	<b>Open</b>	<b>Partially Open</b>	<b>Shut-in</b>
55	18	16	21

Source: [Louisiana DNR](#), January 13, 2006.

## OtherNews

Nothing to Report.

## EnergyPrices

U.S. Oil and Gas Prices			
January 13, 2006			
	Today	Week Ago	Year Ago
<b>CRUDE OIL</b> <b>West Texas Intermediate U.S.</b> \$/Barrel	63.92	64.21	48.11
<b>NATURAL GAS</b> <b>Henry Hub</b> \$/Million Btu	8.50	9.30	6.06

Source: Reuters

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

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

*Updated on Wednesdays.*

**Weekly Petroleum Status Report** from EIA

[http://www.eia.doe.gov/oil\\_gas/petroleum/data\\_publications/weekly\\_petroleum\\_status\\_report/wpsr.html](http://www.eia.doe.gov/oil_gas/petroleum/data_publications/weekly_petroleum_status_report/wpsr.html)

*Updated after 1:00 pm (Eastern Time) on Wednesdays.*

**Natural Gas Weekly Update** from EIA

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

*Updated after 2:00 pm (Eastern time) on Thursdays.*

**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.*