



ENERGY ASSURANCE DAILY

Monday, January 22, 2007

Electricity

Update: Outages from Ice Storm Reduced to 62,176 – Most Remaining Outages in Oklahoma and Missouri

As of the latest information available there are approximately 36,549 customers remaining without power in Missouri and some 25,144 customers without power in Oklahoma from the severe winter storm that hit the states last week. In addition, there are only scattered outages remaining in Illinois, Kansas, and New Hampshire.

IL Ameren as of 2:26pm CST 1/22/07

http://www.ameren.com/Outage/ADC_RS_StormCenter.asp

KS Kansas Cooperatives as of 1/21/07

<http://www.kec.org/Safety%20News/Winter%20Storm.htm>

Kansas City Power and Light as of 1:00pm CST 1/22/07

http://www.kcpl.com/kcmaps/frameset_menus.htm

MO. Ameren as of 2:26pm CST 1/22/07

http://www.ameren.com/Outage/ADC_RS_StormCenter.asp

Empire Electric as of 1/21/07

<http://www.empiredistrict.com/posts/content/01-21-07%20Winter%20storm%20Sunday.pdf>

Springfield City Utilities as of 9:08 CST 1/22/07

<http://www.cityutilities.net/>

Association of Missouri Cooperatives as of 1/22/07

<http://www.amec.org/2007Ice/Update1-22-07.html>

NY National Grid as of 1:52pm EST 1/22/07

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

OK Oklahoma Association of Electric Cooperatives as of 7:00pm CST 1/21/07,

http://www.ok.gov/OEM/Emergencies_&_Disasters/Winter_Weather_Event_20070112_Master/Winter_Weather_Event_20070112-34.html

AEP Public Service Company of Oklahoma as of 10:30am CST 1/21/07,

<http://www.psoklahoma.com/news/outages/viewstorm.asp?stormID=599>

Oklahoma Gas & Electric as of 12:00pm CST 1/21/07

http://www.oge.com/systemwatch/graphs/Daily_Graph.asp

Arizona Public Service Co. to Appeal NRC's Palo Verde Safety Finding

Arizona Public Service Co. (APS), the operator of the 3,825 MW Palo Verde Nuclear Generating Station, will ask the Nuclear Regulatory Commission (NRC) to reconsider a negative safety finding that will move the company's plant into the NRC's most-stringent reactor performance category. APS will appear before the NRC to argue that an emergency backup generator that was inoperative for 18 days and unreliable for 40 days in 2006 was only a minor risk to safety at the plant and should not result in the reclassification to a more stringent category.

<http://www.azcentral.com/php-bin/clicktrack/print.php?referer=http://www.azcentral.com/business/articles/0116biz-paloverde0116.html>

http://www.elpasotimes.com/breakingnews/ci_5023114

New Nuclear License Approvals Could Be Slowed by NRC Worker Shortage - GAO

A recently released Government Accountability Office (GAO) report says that the Nuclear Regulatory Commission (NRC)'s ability to handle license requests for new nuclear reactors will be crippled without increased funding that will allow the NRC to hire more workers to manage an expected increase in applications. The NRC projects that its workforce will need to grow from about 3,100 employees in early fiscal 2006 to nearly 4,000 workers by 2010.

http://biz.yahoo.com/ap/070118/nuclear_workforce.html?v=1

IP&L Ups Capacity to 600 MW on Proposed Coal-fired Power Plant in Iowa

Alliant's Interstate Power & Light (IP&L) has increased the planned capacity for a proposed coal-fired power plant in Iowa to 600 MW. IP&L plans to build the new plant next to the 140 MW, multi-fueled Sutherland station in Marshalltown, Iowa.

<http://www.platts.com/Coal/News/6340439.xml?p=Coal/News&sub=Coal>

Calpine's 500 MW Pastoria Gas-Fired Unit Shut in California January 21

Reuters, 10:09 January 22, 2007

LS' 510 MW Moss Landing Gas Fired Unit 1 Shut in California January 21

Reuters, 10:09 January 22, 2007

OPG's 490 MW Nanticoke Coal-Fired Unit 2 in Ontario Shut January 22

The unit shut for short-term work.

Reuters, 08:21 January 22, 2007

OPG's 490 MW Nanticoke Coal-Fired Unit 6 in Ontario Back in Service January 22

The unit shut on January 10.

Reuters, 08:21 January 22, 2007

OPG's 1,976 MW Lambton Coal-Fired Unit 4 Shut in Ontario January 22

The 494 MW unit shut for short work; company spokesperson did not say when it would return to service.

Reuters, 08:15 January 22, 2007

AEP to Shut 690 MW Oklaunion Coal-Fired Unit in Texas January 22-23

The unit was shut to fix a tube leak.

Reuters, 07:35 January 22, 2007

TXU to Restart 750 MW Martin Luke Coal Fired Unit 2 in Texas January 22

The unit shut on January 21 to fix a tube leak.

Reuters, 07:30 January 22, 2007

TXU's 565 MW Monticello Coal-Fired Unit 2 in Texas Shut January 21

The unit was shut when a malfunction occurred in the voltage supply for the turbine controls.

Reuters, 07:29 January 22, 2007

TXU's 565 MW Monticello Coal-Fired Plant Unit 1 in Texas Restarts January 20-21

The company planned to restart the unit that shut on January 18 on January 20-21.

Reuters, 07:29 January 22, 2007

SCE's 1,080 MW San Onofre Nuke Unit 3 in California Reduced to 65 Percent January 22

Reuters, 07:09 January 22, 2007

TXU Restarts 575 MW Big Brown Coal Fired Unit 1 in Texas January 19

The 575 MW restarted on January 19 following a brief outage due to an electrical ground in a primary air fan.

Reuters, 15:39 January 19, 2007

Petroleum

Shell's Mars Platform in U.S. Gulf Surpasses Pre-Katrina Oil Production Levels

Before the Hurricane Katrina hit in 2005, Shell's Mars platform, the highest-producing platform in the Gulf of Mexico, produced 148,000 barrels of oil equivalent per day and 160 million cubic feet of natural gas. Now Mars produces 160,000 barrels of oil equivalent and 121 million cubic feet of natural gas. Mars has capacity to produce as much as 220,000 barrels per day. The biggest step left to restore Mars to its pre-Katrina strength is the return of its drilling rig. Due in April, it will have a new 250-foot derrick atop a repaired 1,000-ton substructure that the storm ripped from its clamps and then slammed back onto the platform.

http://www.rigzone.com/news/article_pf.asp?a_id=40305

U.S. Residual Fuel Oil Use Drops Almost 27 Percent in 2006 - API

According to recently released data by the American Petroleum Institute (API), U.S. residual fuel oil deliveries fell 26.9 percent in 2006 to yearly average of 673,000 b/d. API attributes the drop to industrial and electric utility facilities with fuel-switching capabilities making major shifts to use natural gas instead of residual fuel oil
<http://www.platts.com/Oil/News/6339940.xml?p=Oil/News&sub=Oil>

U.S. Ethanol Use in Gasoline Increases Nearly 35 Percent in 2006 - API

According to recently released data from the American Petroleum Institute (API), U.S. ethanol use in gasoline increased by nearly 35 percent to an estimated 5.4 billion gallons in 2006. This summer refiners phased out the use of the blending agent MTBE in reformulated gasoline, replacing it with ethanol. According to API, more than 40 percent of all U.S. gasoline consumed now contains ethanol.
<http://www.platts.com/Oil/News/6339940.xml?p=Oil/News&sub=Oil>

OPEC Members 75 Percent Compliant With November 1 Supply Quotas

According to figures from OPEC's latest Monthly Oil Market Report, members of OPEC subject to quotas cut oil supply by 900,000 b/d in November and December, implying a 75 percent compliance rate with the OPEC's November 1 production cut. In that same time period production from Iraq, which is not subject to quotas, fell by 100,000 b/d.

Oil Daily, January 22, 2007

Flaring Reported at Valero's 245,000 b/d Texas City Refinery in Texas January 19

According to a filing with Texas regulators, a valve malfunction led to emergency flaring at the plant.
Bloomberg News, 9:41 January 22, 2007

Ultra-Cracker Restart Delayed at BP's 460,000 b/d Texas City Refinery in Texas

A source familiar with refinery operations told Reuters that BP has delayed the restart of the ultra-cracker until mid-February. The unit was supposed to have completed restart late last week but shut on January 10 when a leak was found on one of the main heat exchangers during start-up. The unit has been down since late 2005 when the plant was shut ahead of Hurricane Katrina.

Reuters, 11:448 January 22, 2007

Fire Out at Flint Hill's 210,000 b/d North Pole Refinery in Alaska January 21

A Flint Hill's spokesman said that the refinery, which is the largest in Alaska, had a small fire which was quickly put out.

Reuters, 09:00 January 22, 2007

Electrical Failure Causes Upset at Shell's 100,000 b/d Wilmington Refinery in California January 20

According to a filing with California regulators, an electrical failure upset equipment at the refinery and triggered flaring.

Reuters, 08:57 January 22, 2007

Malfunction Idles Compressor at Total's 232,000 b/d Port Arthur Refinery in Texas January 20 – Back Online

A malfunction in an oil pressure switch caused Total S.A. to idle a refinery compressor. The compressor came back online at 9 a.m. on January 22.

Bloomberg, 11:06 January 22, 2007

Boiler Leak Shuts Alkylation Unit at Alon's 67,000 b/d Big Spring Refinery in Texas January 22 – Production Unaffected

An alkylation unit of the refinery in Big Spring, Texas shut unexpectedly due to a small leak in a boiler but the production is not affected. Alon is depressurizing and isolating the affected units and flaring their contents.

Bloomberg, 10:31 January 22, 2007

Reuters, 08:25 January 22, 2007

Natural Gas

Maverick Bringing On Gas Production at Big Foot Field in Texas

Maverick Energy Group Ltd. said it began construction and repair work on the gas gathering system at the Big Foot Field in Texas. Preliminary tests indicate the field could deliver 300-500 Mcf/d to the first purchaser of the supply once the work is completed.

NGI's Daily Gas Price Index, January 22, 2007

Texas Gas Transmission Proposes Fayetteville Lateral from Arkansas to Mississippi

The company has proposed and begun filings with the Federal Energy Regulatory Commission (FERC) to build a 36-inch diameter, 167-mile natural gas pipeline from the Fayetteville Shale deposits in central Arkansas to an interconnect with another Texas Gas line in northern Mississippi. Pending regulatory approval, Texas Gas plans to begin construction in 2008 and complete the project in early 2009.

<http://www.thestate.com/mld/thestate/business/16517228.htm>

ConocoPhillips, Marathon Oil Seek Extension for Alaska LNG Facility Until 2011

On January 19, ConocoPhillips and Marathon Oil Corp. submitted an application at the U.S. Department of Energy (DOE) to seek a two-year extension for operation of the LNG terminal in Kenai, Alaska. The facility currently exports more than 1.3 million metric tons of LNG to Asian markets, and the current export license of the facility is scheduled to expire in 2009.

Reuters, 19:50 January 19, 2007

Other News

Nothing to report.

Energy Prices

U.S. Oil and Gas Prices			
January 22, 2007			
	Today	Week Ago	Year Ago
CRUDE OIL			
West Texas Intermediate U.S. \$/Barrel	51.36	52.96	68.16
NATURAL GAS			
Henry Hub \$/Million Btu	7.20	5.97	8.80

Source: Reuters

Energy Notes

AEP to Delay Construction of Two Clean Coal Plants in Ohio and W. Virginia for Six Months Due to Higher Costs

http://pro.energycentral.com/professional/news/power/news_article.cfm?id=7686527

Cold Snap Results in Record-Breaking Natural Gas Demand in Utah

http://pro.energycentral.com/professional/news/gas/news_article.cfm?id=7686699

Seven Foreign Oil Workers Kidnapped in Niger Delta on January 20

Reuters, 12:27 January 20, 2007

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>.

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