



ENERGY ASSURANCE DAILY

Friday, February 16, 2007

Major Development

Update: About 27,000 Customers in Midwest, Mid-Atlantic Remain Without Power

Snow and ice snow storms swept across the Midwest and Mid-Atlantic states Tuesday through Wednesday knocking out power to hundreds of thousands of customers. Based on news reports and company websites, an estimated 524,000 customers lost power during the storms. As of Friday at 2:30 p.m. EST, affected electric power companies reported about 27,000 customers still without power. Most companies expect to restore power to all or most customers by the end of the day.

Midwest/Mid-Atlantic Customer Outages			
February 13-16, 2007			
Electric Power Company	State	Peak	Latest
Baltimore Gas & Electric	MD	160,000	15,061
Jersey Central Power & Light	NJ	100,000	4,000
Duke Energy	OH, KY	79,000	3,092
Dominion Power	VA	65,000	374
Pepco Holdings	MD,DC	52,000	643
Pepco - Delmarva Power	DE, MD		17
Pepco - Atlantic City Electric	NJ		35
Long Island Power Authority	NY	20,000	1,200
AEP Appalachian Power	VA	17,850	2,660
AEP Ohio	OH	13,825	0
Toledo Edison	OH	10,000	0
Southern Maryland Electric Cooperative	MD	6,674	386
TOTAL*		524,349	27,468

*Total outages only represent electric power companies listed in this table.

Sources: BG&E: <http://www.bge.com/portal/site/bge/menuitem.3465c31fe4bb492164d35302025166a0>

http://www.baltimoresun.com/news/local/bal-power0215_0_7643401_story?coll=bal-home-headlines

JCP&L: <http://www.app.com/apps/pbcs.dll/article?AID=/20070216/NEWS/70216021/1001/DWEK01>

<http://www.1010wins.com/pages/235118.php?contentType=4&contentId=326713>

Duke Energy: http://www.cinergycge.com/ohres/outage_information/power_outages.asp

AEP Ohio: <http://www.aepohio.com/news/outages/viewstorm.asp?stormID=628>

AEP Appalachian Power: <http://www.appalachianpower.com/news/outages/viewstorm.asp?stormID=629>

Toledo Edison: http://www.firstenergycorp.com/outages/outages.do?state_code=OH

<http://toledoblade.com/apps/pbcs.dll/article?AID=/20070214/NEWS12/702140449/0/NEWS17>

LIPA: <http://www.lipower.org/stormcenter/outagemap.html>

Dominion: http://www.dom.com/news/outage_sos.jsp

SMECO: <http://outage.smeco.coop/>

Pepco: <http://www.pepco.com/home/emergency/maps/zip/default.aspx>

<http://www.delmarva.com/home/emergency/maps/outage/>

<http://www.atlanticcityelectric.com/home/emergency/maps/outage/>

Peaks: http://today.reuters.com/news/articleinvesting.aspx?view=CN&storyID=2007-02-14T205057Z_01_N14469543_RTRIDST_0_UTILITIES-OUTAGES-MIDATLANTIC-UPDATE-1.XML&rpc=66&type=qcna

http://today.reuters.com/news/articleinvesting.aspx?view=CN&storyID=2007-02-14T205057Z_01_N14469543_RTRIDST_0_UTILITIES-OUTAGES-MIDATLANTIC-UPDATE-1.XML&rpc=66&type=qcna

http://today.reuters.com/news/articleinvesting.aspx?view=CN&storyID=2007-02-14T205057Z_01_N14469543_RTRIDST_0_UTILITIES-OUTAGES-MIDATLANTIC-UPDATE-1.XML&rpc=66&type=qcna

Bloomberg News, 7:57 February 14, 2007

Two 846 MW Units Shut at Duke's Oconee Nuclear Plant in North Carolina February 16

Units 1 and 2 shut on Friday after a voltage fluctuation at a switchyard. The shutdown occurred after a breaker malfunction at an area pump storage plant. A Duke Energy spokeswoman said that the company is investigating the problem but didn't know how long the units would be down.

Bloomberg, 10:22 February 16, 2007

Plans Announced for Panhandle Transmission Loop in Texas

Sharyland Utilities has requested approval from regulators in Texas to construct an 800-mile electricity transmission loop in the Panhandle region of the state. The 345 kV line will facilitate connection of the region to the Electric Reliability Council of Texas (ERCOT) and provide the means to bring some 8,000 MW of electricity from coal-fired and renewable energy power plants to market.

<http://www.platts.com/Electric%20Power/News/7097354.xml?p=Electric%20Power/News&sub=Electric%20Power>

Update: Lower Cumberland Lake Levels May Impact Cooper Power Station in Kentucky

Repairs on the leaking Cumberland Dam may require the U.S. Army Corps of Engineers to lower the level of the lake by an additional 30 feet. If that happens, the 341 MW Cooper Power Station would be forced to develop some alternative means of supplying cooling water to its units or shut down. In addition, a hydro powered peaking plant at the dam would also be forced to shut. Additionally, the water supply for some 200,000 people would be impacted.

The repair project, now underway is scheduled to last seven years.

<http://www.courier-journal.com/apps/pbcs.dll/article?AID=2007702150434>

Petroleum

Fire Cuts Rates at Imperial Oil's 118,000 b/d Nanticoke Refinery in Ontario February 15

The fire hit the crude processing unit in the morning and was extinguished in about two hours. The refinery is still operating, though not a full capacity. According to a company representative, the extent of the damage is not known but the crude unit is not operating and there has been some impact on production. He also said the refinery would not take new crude oil until it knows the cause of fire and the extent of the damage.

Oil Daily, February 16, 2007

Reuters, 10:47 February 16, 2007

Gasoline Unit Has Upset at Alon's 67,000 b/d Big Spring Refinery in Texas February 15

According to a filing with Texas regulators, Alon USA fixed a malfunction on a low-sulfur gasoline unit at the refinery. The upset lasted a little more than four hours. The problem affected several other refinery units.

Reuters, 08:11 February 16, 2007

Bloomberg News, 12:08 February 16, 2007

Workers Evacuated After Bomb Threats at BP's 460,000 b/d Texas City Refinery

BP Plc. evacuated workers from parts of its Texas City refinery on Wednesday and Thursday following bomb threats. According to the FBI, the threats were found written on notes left in portable toilets or in the walls of the portable toilets at the refinery. A BP spokesman said that the threats were unspecific. He also said that production was not affected at the refinery but maintenance work had been temporarily halted. Bruce Clawson, head of Texas's homeland security office, said he viewed the incident as a hoax, but was happy to see BP taking it seriously.

Reuters, 20:03 February 15, 2007

Bloomberg News, 13:45 February 16, 2007

<http://www.chron.com/disp/story.mpl/business/4559453.html>

No Action Needed to Counter Al Qaeda Threat Against Global U.S. Oil Interests – Chertoff

U.S. Homeland Security Secretary Michael Chertoff has said that the United States needs to enact no special measures to counter a recently reported threat by Al Qaeda to attack U.S. oil suppliers in Mexico, Canada and Venezuela. Chertoff dismissed the threat as not being specific enough. Thursday, Venezuela said that it was reinforcing existing security measures in response to the threat. On Wednesday, the Alberta Energy and Utilities Board said that there was a heightened awareness of security needs at "critical infrastructure" in the province but had not raised security levels.

Reuters, 13:08 February 16, 2007

Militants Planning to Expand Attacks in Nigeria – U.S. Consulate

The U.S. Consulate in Lagos has warned that Nigerian militants are planning to widen their attacks beyond the oil-rich Niger delta region and target foreigners in other areas. The Consulate warned in an e-mailed statement: “Possible targets could include expatriate personnel, Western businesses or facilities and locales visited by tourists and foreigners in other regions of Nigeria. Attacks and kidnappings may become more violent than in recent months.” In an e-mail to Bloomberg, a spokesman for the Movement for the Emancipation of the Niger Delta (MEND), the militant group responsible for much of the violence against Nigeria’s oil industry, said the group has “a number of things lined up,” but added that the Consulate’s warning may also be referring to another group.
Bloomberg 12:28 News, February 16, 2007
Reuters, 12:58 February 16, 2007

Natural Gas

Cold Weather Prompts Near-Record U.S. Natural Gas Storage Withdrawal

According to the Energy Information Administration (EIA)’s latest natural gas storage report, the amount of natural gas withdrawn during the week ending February 9 was 259 Bcf, just 1 Bcf below the all-time high weekly rate of 260 Bcf set during the week of January 17, 1997. Despite the large withdrawal, the amount of gas remaining in storage is 268 Bcf above the five year average for this time of the year.

<http://www.platts.com/Natural%20Gas/News/7096846.xml?p=Natural%20Gas/News&sub=Natural%20Gas>

Enterprise Products Holding Open Season for New Mont Belvieu Natural Gas Storage Facility in Texas

On February 15, Enterprise Products Partners L.P. and its affiliate, Duncan Energy Partners L.P. announced the start of a binding open season for a new natural gas storage facility to be developed in Mont Belvieu, Texas. The companies plan to convert at least one existing storage cavern from holding natural gas liquids to use for natural gas. The plans call for a number of bi-directional interconnects providing flexibility for handling and shipping. Pending the results of the open season and regulatory approval, the project is scheduled to be in operation by April 1, 2009

<http://phx.corporate-ir.net/phoenix.zhtml?c=80547&p=irol-newsArticle&ID=963757&highlight=>

Other News

Nothing to report.

Energy Prices

U.S. Oil and Gas Prices			
February 16, 2007			
	Today	Week Ago	Year Ago
CRUDE OIL			
West Texas Intermediate U.S.	59.14	60.64	58.61
\$/Barrel			
NATURAL GAS			
Henry Hub	8.91	8.06	7.16
\$/Million Btu			

Source: Reuters

Energy Notes

Iraq’s 2006 Oil Exports Averaged 1.5 Million b/d, Up 100,000 b/d From 2005

Reuters, 12:12 February 16, 2007

PdVSA to Resart Cat Cracker at 130,000 b/d El Palito Refinery in Venezuela Over Weekend

Reuters, 13:58 February 16, 2007

OPEC January Production Hit 26.76 Million b/d, Down 110,000 b/d from December

<http://www.platts.com/Oil/News/8887863.xml?p=Oil/News&sub=Oil>

Waiting for Price Correction in Soft Market, Central Appalachian Coal Producers Prepared to Reduce Production in 2007

<http://www.platts.com/Coal/News/6357053.xml?p=Coal/News&sub=Coal>

Executives from Oil & Electric Power Industries at CERA Conference Stress Diversity, More Drilling, Open Trade; Warn against Over-Reliance on Biofuels

http://money.cnn.com/2007/02/15/news/economy/biofuel_energy.reut/index.htm?source=yahoo_quote

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

Energy Assurance Daily provides a summary of public information concerning current energy issues. Published Monday through Friday to inform stakeholders of developments affecting energy systems, flows, and markets, it provides highlights of energy issues rather than a comprehensive coverage. *Energy Assurance Daily* is updated online Monday through Friday after 5:00 p.m. EST. For more information, visit the Infrastructure Security and Energy Restoration (ISER) website at:

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

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