



ENERGY ASSURANCE DAILY

Wednesday Evening, February 20, 2008

Electricity

Update: Luminant's 545 MW Sandow Coal-fired Unit 4 in Texas to Restart February 20

The unit was shut February 16-17 to repair a boiler tube leak.

Reuters, 07:32 February 20, 2008

OPG's 515 MW Pickering Nuke Unit 8 in Ontario Shut February 18

Reuters, 18:42 February 19, 2008

Duke's 222 MW Southbay Gas-fired Unit 4 in California Shut February 19

<http://www.caiso.com/unitstatus/data/unitstatus200802191515.html>

Petroleum

Update: ALON USA's 67,000 b/d Big Spring Refinery in Texas Sees Partial Restart in Two Months Following February 18 Explosion, Fire

According to ALON USA President and Chief Executive, the massive explosion and subsequent fire which shut all units at ALON USA's Big Spring refinery in Texas occurred near the propylene splitter unit at the refinery, destroying a propylene recovery unit and damaging a number of alkylation and gas concentration units. The company is developing "a contingency supply plan" and does not expect an interruption in supply to its customers. ALON anticipates a partial restart of the refinery to occur in two months.

Reuters, 13:20 February 19, 2008

Equipment Failures Reported at ConocoPhillips's 247,000 b/d Sweeny Refinery in Texas February 19

According to filings with state regulators, the Regenerative Thermal Oxidizer (RTO), which controls vapors from the wastewater treater unit, has shut down. Flaring occurred due to the equipment failure. Also reported was a tube leak in the Sulfur Recovery Unit (SRU).

<http://www2.tceq.state.tx.us/eer/main/index.cfm?fuseaction=getDetails&target=103724>

<http://www2.tceq.state.tx.us/eer/main/index.cfm?fuseaction=getDetails&target=103915>

Earthquake Shuts Kinder Morgan Imperial Terminal Products Pipelines in California February 19

According to a filing with state regulators, a 4.7 rated earthquake was reported in Imperial County, California. The quake caused Kinder Morgan to shut down its products pipeline which serves the Imperial Terminal. The company has sent crews out to pressure test the lines and check the facilities.

<http://www.oes.ca.gov/Operational/MALHaz.nsf/f1841a103c102734882563e200760c4a/c58092829a0117c9882573f500091491?OpenDocument>

Update: Chevron's 270,000 b/d El Segundo Refinery in California Returns to Normal Operations February 20

A Chevron company representative reports that its El Segundo refinery is running normally with all its crude units operating after repairing instrument problems on February 16-17.

Reuters, 19:03 February 19, 2008

Update: Marathon Says Leak in Kentucky Crude Oil Pipeline Running to its 222,000 b/d Catlettsburg Refinery Now Repaired

Marathon Oil said the leak in a crude oil pipeline feeding its Catlettsburg refinery was repaired over the weekend of February 16-17. A Marathon representative said crude is being provided to the refinery and operations at the refinery remain curtailed.

Reuters, 09:06 February 20, 2008

Update: Tesoro Expects its 95,000 b/d Kalaeloa Refinery in Hawaii Back in Operation One Week after February 16 Power Outage, Fire

On February 16, a fire, caused by an electrical failure, broke out in one of the processing units at the Kalaeloa refinery and shutdown the refinery. Electrical power was restored to the refinery February 18. Tesoro projects to return the refinery units to operation this weekend, February 23-24.

Reuters, 10:10 February 20, 2008

Alaska Threatens to Revoke Oil Field Leases if Big Companies Refuse to Back Natural Gas Pipeline Plan

Alaska Governor Sarah Palin says Alaska could revoke oil field leases to ExxonMobil, ConocoPhillips, and BP if the energy companies refuse to participate in a government gas pipeline plan. The three companies control more than 35 Tcf of gas reserves on the Alaska North Slope.

Reuters, 13:17 February 20, 2008

Chevron Sees Agbami Oil Field in Nigeria Online in June 2008

Chevron's director of deepwater assets says production of its Agbami oil field in Nigeria is expected to begin in June. Peak output of Agbami is forecast to reach 250,000 b/d within one year.

Reuters, 16:36 February 19, 2008

Natural Gas

Update: ExxonMobil Submits New Production Plan for Disputed Point Thomson Field in Alaska

On February 19, ExxonMobil, facing cancellation of its lease on the giant Point Thomson gas field, proposed a new field development plan to Alaska's Department of Natural Resources. The plan centers on beginning development of the field by the winter of 2008-2009 with production of 200 MMcf/d of natural gas and 10,000 b/d of condensate anticipated by late 2014. Rapid development of the field is seen as critical to meeting the key requirement of the state. State officials have argued that ExxonMobil's lack of production at the field hinders the state's efforts to build a gas pipeline to connect the North Slope with gas markets in the rest of the United States. The Point Thomson field contains nearly one-fourth of Alaska's 35 Tcf North Slope natural gas reserves.

http://www.juneauempire.com/stories/022008/sta_248868260.shtml

Reuters, 10:39 February 20, 2008

El Paso Announces Binding Open Season for Ruby Pipeline System February 15

El Paso Corporation announced a binding open season for its proposed 680-mile, 1.2 Bcf/d Ruby Pipeline project on February 15, in which significant capacity commitments have already been achieved. The Ruby Pipeline project would link the Opal Hub in Wyoming to the Malin interconnect in Oregon to serve the West Coast.

<http://investor.elpaso.com/phoenix.zhtml?c=97166&p=irol-newsArticle&ID=1109532&highlight=>

<http://ebb.cigco.com/ebbCIG/ebbmain.asp?sPipelineCode=CIG>

El Paso Announces Binding Open Season for Wyoming Interstate Company Expansion Capacity February 18

El Paso Corporation's Wyoming Interstate Company, Ltd (WIC) is conducting an open season for capacity from various points on the WIC system, including the Uintah and Piceance Basins, to Wamsutter Hub, Kanda Hub or Opal Hub. The capacity may be offered through a combination of an expansion of WIC facilities and the acquisition of off-system capacity by WIC.

<http://investor.elpaso.com/phoenix.zhtml?c=97166&p=irol-newsArticle&ID=1109532&highlight=>

<http://ebb.cigco.com/ebbCIG/ebbmain.asp?sPipelineCode=WIC>

NorTex Gas Storage Announces Binding Open Season at Hill-Lake and Worsham-Steed Gas Storage Facilities February 19

Falcon Gas Storage Company's subsidiary NorTex Gas Storage Company announced that it will hold a binding open season for firm gas storage and transportation services at its Hill-Lake Gas Storage Facility in Eastland County and its Worsham-Steed Gas Storage Facility in Jack County, Texas. The open season is to test market interest in expanding NorTex's gas storage capacity at Hill-Lake and Worsham-Steed to nearly 35 Bcf and the ability to transport over 450 MMcf/d of which 150 MMcf/d is allotted for third-party Barnett Shale gas production to be transported to other markets.

http://www.falcongassstorage.com/fw/main/Falcon's_NorTex_Gas_Storage_Company_Announces_Open_Season_at_Hill_Lake_and_Worsham_Steed_Gas_Storage_Facilities-18C1.html?LayoutID=13

Other News

Nothing to report.

Energy Prices

U.S. Oil and Gas Prices			
February 20, 2008			
	Today	Week Ago	Year Ago
CRUDE OIL West Texas Intermediate U.S. \$/Barrel	100.34	93.30	57.77
NATURAL GAS Henry Hub \$/Million Btu	9.08	8.37	7.34

Source: Reuters

Energy Notes

License Extension Request for ConocoPhillips's Nikiski LNG Export Plant in Alaska Seeing Less Opposition

http://www.peninsulaclarion.com/stories/021908/news_4316.shtml

Valve Failure at Tilden Gas Plant in Texas February 19

<http://www2.tceq.state.tx.us/eer/main/index.cfm?fuseaction=getDetails&target=103907>

Shell Scales Back Proposed Arctic Drilling Plan in Hopes to Lift Injunction against Drilling, Placating Opponents

Reuters, 12:13 February 20, 2008

NYMEX Natural Gas Futures Break Two-year High with Crude Price Increase and Cold Weather

Reuters, 08:53 February 20, 2008

Broken Pipe at Santee Cooper's 1,155 MW Winyah Coal-fired Power Plant in South Carolina Leaks 200,000 Gallons of Nonhazardous Wastewater February 16

http://www.charleston.net/news/2008/feb/16/santee_cooper_detects_spill30854/?print

Angola to Export 1.79M b/d of Oil in April, Decrease of 20,000 b/d from Previous Month

Reuters, 12:05 February 20, 2008

Canada's National Energy Board Approves Enbridge's Southern Lights Bitumen Pipeline in Alberta February 19

<http://www.neb.gc.ca/clf-nsi/rthnb/nwsrls/2008/nwsrls03-eng.html>

North West Upgrading Receives Approval from Alberta Environment Officials for Heavy Oil Upgrader Project February 20

<http://www.newswire.ca/en/releases/archive/February2008/20/c3983.html>

Update: Venezuela Precluded from Selling Chalmette Refinery Stake without ExxonMobil's Approval, Says Venezuelan Official

Reuters, 12:27 February 20, 2008

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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