



# ENERGY ASSURANCE DAILY

Wednesday Evening, February 27, 2008

## Electricity

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### **Update: As Utilities Quickly Restore Power, Investigation Continues into the Widespread Power Outages in Florida on February 26 – FPL's Turkey Point Nuclear Power Plant Remains Down February 27**

Only 20,000 customers remained without power last night, February 26, down from about 700,000 mid-afternoon, news sources said. Initial press estimates of 1 million or more customers without power overstated the magnitude of the problem. Florida Power & Light's (FPL) 1,520 MW Turkey Point nuclear power station remained down this morning, February 27, according to a Nuclear Regulatory Commission (NRC) report. According to an FPL representative, workers were using the down-time to conduct other, unrelated maintenance, and preparing the units for restart. While the immediate cause of the outage has been linked to a fault at a substation, it is not known why the substation did not automatically disconnect from the grid. Instead, the fault caused a fire, shut two transmission lines, and forced FPL to idle Turkey Point's nuclear units. That, in turn, led to a cascading effect that took another six other power plants and 15 transmission lines out of service. All together, about 2,700 MW of electricity generation and 4,000 MW of load were affected. The North American Electric Reliability Corporation (NERC) said it will specifically examine the substation event, as well as undertake an investigation in coordination with the Florida Reliability Coordinating Council (FRCC). Separately, NERC will evaluate whether all involved utilities adhered to the NERC standards.

Reuters, 10:22 February 27, 2008

Reuters, 20:00 February 26, 2008

<http://www.platts.com/Electric%20Power/News/6788064.xml?p=Electric%20Power/News&sub=Electric%20Power>

<http://www.platts.com/Electric%20Power/News/6788623.xml?p=Electric%20Power/News&sub=Electric%20Power>

[http://biz.yahoo.com/ap/080227/florida\\_outages.html?v=1](http://biz.yahoo.com/ap/080227/florida_outages.html?v=1)

<http://www.sun-sentinel.com/news/local/southflorida/sfl-226power.0.5363988.story>

[http://www.foxbusiness.com/markets/industries/energy/article/progress-energy-florida-restores-power-customers\\_496186\\_11.html](http://www.foxbusiness.com/markets/industries/energy/article/progress-energy-florida-restores-power-customers_496186_11.html)

[http://news.yahoo.com/s/afp/20080227/ts\\_alt\\_afp/usenergyflorida\\_080227200047](http://news.yahoo.com/s/afp/20080227/ts_alt_afp/usenergyflorida_080227200047)

<http://blogs.tampabay.com/breakingnews/2008/02/outage-update.html>

<http://cbs4.com/local/FPL.power.electricity.2.663792.html>

Information also derived from NRC Power Reactor Status Reports:

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

### **Update: Power Restored to Most Customers in Georgia by Evening, February 26**

Only 1,000 Georgia Power customers remained in the dark by 10 PM, February 26, according to a company spokesman. Winds, lightning, and rain cut power to 93,000 Georgia Power customers and 139,000 total Georgia customers on February 26.

[http://www.11alive.com/news/article\\_news.aspx?storyid=111972](http://www.11alive.com/news/article_news.aspx?storyid=111972)

### **Allegheny's 530 MW Hatfields Fry Coal-fired Unit in Pennsylvania Shut February 26**

Reuters, 20:10 February 26, 2008

### **Update: Entergy Restarts 1,266 MW Grand Gulf Nuclear Power Station in Mississippi by February 27**

The company unit shut the unit February 23 to repair a feedwater heater.

Reuters, 07:44 February 27, 2008

## TransAlta's 399 MW Sundance 6 Coal-fired Unit in Alberta Shut February 26

Reuters, 8:48 February 27, 2008

### As Federal Atomic Board Considers Appeal, NRC Delays Renewal of Exelon's Operating License for 641 MW Oyster Creek Nuclear Power Plant in New Jersey

The Nuclear Regulatory Commission (NRC) will wait until the Atomic Safety and Licensing Board Panel (ASLBP) decides on an appeal of a prior ASLBP ruling, according to NRC officials. The December, 2007 ruling in-question has been appealed by coalition of environmental and other groups. Oyster Creek's current license expires in April, 2009. The proposed extension would expire in 2029.

<http://www.app.com/apps/pbcs.dll/article?AID=/20080225/NEWS/80225063>

## Petroleum

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### U.S. Gasoline Inventories Surge to 14-Year High, up for 16th Week in a Row, and Crude Stocks Rise for Seventh Straight Week—EIA Data

Gasoline inventories rose 2.3 million barrels, totaling 232.6 million barrels in the week ending February 22, according to Energy Information Administration (EIA) data. Crude stocks jumped 3.2 million barrels, hitting 308.5 million barrels, the EIA said.

Reuters, 10:32 February 27, 2008

Reuters, 10:49 February 27, 2008

### U.S. Diesel Fuel Prices at Highest Level in History

According to the latest information from the Energy Information Administration (EIA), the average price for highway diesel fuel climbed by 15.6 cents to \$3.55 cents per gallon, 11 cents above the previous record.

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

## Natural Gas

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Nothing to report.

## Other News

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### As Corn Futures Surge to Record Highs, Cargill Postpones Plans for 100 Million Gallon/Year Ethanol Plant in Kansas

Citing adverse market conditions, Emerald Renewable Energy, a Cargill Inc. subsidiary, suspended plans for an ethanol plant near Topeka, Kansas. While Cargill has plans for three other 100 million gallon/year ethanol plants, all outside of Kansas, it is unclear if those projects will go forward.

<http://www.downstreamtoday.com/News/ArticlePrint.aspx?aid=8944>

<http://www.bizjournals.com/twincities/stories/2008/02/25/daily21.html>

## Energy Prices

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U.S. Oil and Gas Prices			
February 27, 2008			
	Today	Week Ago	Year Ago
<b>CRUDE OIL</b> <b>West Texas Intermediate U.S.</b> \$/Barrel	101.04	100.34	61.41
<b>NATURAL GAS</b> <b>Henry Hub</b> \$/Million Btu	9.21	9.08	7.44

Source: Reuters

### **Coker Process Upset at BP's 437,000 b/d Texas City, Texas Refinery February 26**

<http://www2.tceq.state.tx.us/ee/main/index.cfm?fuseaction=getDetails&target=104252>

### **Harsh Weather Shuts Pemex's Coatzacoalcos, Dos Bocas, and Cayo Arcas Oil Exporting Ports in Gulf of Mexico February 27**

Reuters, 11:26 February 27, 2008

Reuters, 10:11 February 27, 2008

### **Update: State Regulators Give Environmental Nod to AEP's Proposed 780 MW Coal-fired Power Plant in Missouri**

[http://pro.energycentral.com/professional/news/power/news\\_article.cfm?id=9818366](http://pro.energycentral.com/professional/news/power/news_article.cfm?id=9818366)

### **PPL Montana Plans 60 MW Add-on at 36 MW Rainbow Hydro Plant in Montana**

Reuters, 15:47 February 26, 2008

### **Duke Energy Breaks Ground on 58.8 MW Ocotillo Wind Farm in Big Spring, Texas**

MKW, 07:20 February 27, 2008

### **With Lower-than-Average Production Costs, Florida May Export Solar Power to Neighboring States**

[http://southflorida.bizjournals.com/southflorida/stories/2008/02/25/daily11.html?jst=cn\\_cn\\_lk](http://southflorida.bizjournals.com/southflorida/stories/2008/02/25/daily11.html?jst=cn_cn_lk)

### **AltraBiofuels Eyes Early April Start-Date for 92 Million Gallon/Year Ethanol Plant in Indiana**

Bloomberg, 12:47 February 27, 2008

### **Ethanol Producers to Push for More Ethanol in U.S. Gasoline Hope to Exceed Current 10 Percent Maximum**

<http://www.platts.com/Oil/News/6786773.xml?p=Oil/News&sub=Oil>

### **Plans Announced to Boost Production at Tengiz Oilfield in Caspian Sea from About 280,000 b/d to Approximately 360,000 b/d**

Reuters, 05:42 February 27, 2008

### **Yemen Plans to Boost Oil Output from 317,000 b/d at End of 2007 to 500,000 b/d in 2010—Oil Minister**

Reuters, 08:37 February 27, 2008

### **OPEC Seaborne Exports, Excluding Angola and Ecuador, Jump 100,000 b/d—to 22.763 Million b/d—in Four Weeks Ending February 10, Lloyd's Data Says**

Reuters, 13:01 February 26, 2008

### **Mexico's Aging Cantarell Oil Field Continues Decline**

#### **Output Dips to 1.243 Million b/d in January, from 1.260 Million b/d in December**

Reuters, 18:28 February 26, 2008

### **Algeria Workers Could Strike if Government Declines to Boost Peoples' Shares of Windfall Oil Profits**

Reuters, 10:11 February 27, 2008

## Links

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***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](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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