



ENERGY ASSURANCE DAILY

Wednesday Evening, March 05, 2008

Major Developments

Storms Knock Out Power to Over 375,000 Customers along East Coast March 5

Rain, winds, freezing rain and sleet downed power lines, felled trees, and cut power to 378,677 customers across 11 states and the District of Columbia March 5. Virginia Governor Tim Kaine declared a state of emergency to aid state and local response teams with restoration efforts. As of 3 pm EST 82,031 customers remained without power across the region.

Eastern Storms Customer Power Outages			
March, 5, 2008			
Electric Utility	State	Peak	Latest Reported
FirstEnergy	OH/NJ/PA	130,000	56,000
American Electric Power	OH	8,235	8,084
Duke Energy	NC	47,592	2,610
Progress Energy	NC/SC	28,525	345
South Carolina Gas and Electric	SC	18,000	549
Duke Energy	SC	6,758	58
Baltimore Gas and Electric	MD	13,968	-
Pepco	MD	12,914	203
Delmarva	MD	5,193	155
Long Island Power Authority	NY	14,740	2,766
Con-Edison	NY	7,620	551
National Grid	NY	6,500	3,674
Dominion	VA	20,289	1,221
Appalachian Power	VA	5,007	519
Atlantic City Electric	NJ	17,266	1,566
Connecticut Light and Power	CT	10,879	1,925
Pepco	DC	10,529	168
PPL	PA	6,540	973
Allegheny	WV	4,844	205
Delmarva	DE	3,278	459
TOTAL*		378,677	82,031

*Total outages only represent electric utilities listed in this table.

Sources:

Bloomberg News, 11:17 March 5, 2008

Reuters, 12:13 March 5, 2008

http://www.washingtonpost.com/wp-dyn/content/article/2008/03/05/AR2008030501758.html?nav=rss_metro

FirstEnergy (Ohio, Pennsylvania, New Jersey), Reuters, 11:22 March 5, 2008

<http://www.wdtn.com/Global/story.asp?S=7969588>

Connecticut Light and Power, <http://www.cl-p.com/stormcenter/outage.aspx>

Atlantic City Electric (New Jersey), <http://www.atlanticcityelectric.com/home/emergency/maps/outage/>

Long Island Power Authority (New York), <http://www.lipower.org/stormcenter/outages/township.html>

<http://www.silive.com/newsflash/index.ssf?base/news-32/1204721689250700.xml&storylist=simetro>

Con-Edison (New York), <http://www.coned.com/sm/outageinfo.asp>

National Grid (New York), <https://www1.nationalgridus.com/niagaramohawk/storm/OutagesByCounty.aspx>
http://www.9wsyr.com/news/state/story.aspx?content_id=f35e5793-3082-466a-bf98-ee15ad121bc6
Delmarva (Delaware, Maryland), <http://www.delmarva.com/home/emergency/maps/outage/>
Pepco (Washington D.C., Maryland) <http://www.pepco.com/home/emergency/maps/zip/>
Baltimore Gas & Electric (Maryland),
<http://www.bge.com/portal/site/bge/menuitem.42d31413f80c584606370f10d66166a0/>
<http://www.baltimoresun.com/news/weather/bal-storms0305.0.6386897.story>
PPL (Pennsylvania), <http://www.pplelectric.com/Outage+Center>
Dominion (Virginia), http://www.dom.com/news/outage_sos.jsp
Appalachian Power (Virginia), <http://www.appalachianpower.com/news/outages/default.asp>
Allegheny (West Virginia), <http://app.alleghenyenergy.com/outagestatus/customeroutagestatus/>
Duke Energy (North and South Carolina), <http://www.duke-energy.com/outages/stats/>
<http://www.wral.com/news/state/story/2527040/>
South Carolina Gas and Electric, <http://www.thestate.com/local/story/336725.html>
<http://www.sceg.com/en/storm-center/outage-updates/>
AEP (Ohio), <http://www.aepohio.com/news/outages/default.asp>

Electricity

Dynegy's 982 MW Independence Gas-fired Unit Shut in New York March 4 – Traders Officials at Dynegy were not immediately available for comment.

<http://www.reuters.com/article/companyNews/idUSN0449590620080304>

Progress Energy's 811 MW Brunswick Nuke Unit 2 in North Carolina Reduced to 21 Percent by March 5

Progress Energy originally shut the unit to fix a leak on a feedwater drain pipe. The Nuclear Regulatory Commission reported that on the morning of March 4 the unit was operating at 74 percent.

Information also derived from the NRC Power Reactor Status Reports:

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

<http://www.reuters.com/article/rbssIndustryMaterialsUtilitiesNews/idUSN0531927220080305>

Exelon's 1,111 MW La Salle Nuke Unit 1 in Illinois Reduced to 84 Percent by March 5

The unit unexpectedly reduced in output March 5 after it was ramping up following a February 4 refueling outage.

The Nuclear Regulatory Commission reported that on the morning of March 4 the unit was operating at 96 percent.

Information also derived from the NRC Power Reactor Status Reports:

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

<http://www.reuters.com/article/rbssIndustryMaterialsUtilitiesNews/idUSN0445080320080304>

Update: Water Leak Reduces Power to 73 Percent at Duke's 846 MW Oconee Nuke Unit 1 in South Carolina March 3

According to a plant representative, power production at the plant was reduced to 73 percent due to a water leak. No radioactive material leaked and the water leak was caught and corrected before any damage occurred. The unit will continue to run at reduced levels until it is shut down for standard refueling and maintenance in April.

<http://www.wspa.com/midatlantic/spa/news.apx.-content-articles-SPA-2008-03-04-0002.html>

FirstEnergy's 821 MW Beaver Valley Nuke Unit 1 in Pennsylvania at Full Power March 5

The unit was shut last month so workers could clean water boxes that help condense steam, according to media report. The Nuclear Regulatory Commission reported that on the morning of March 4 the unit was operating at 82 percent. Information also derived from the NRC Power Reactor Status Reports:

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

Bloomberg News, 09:46 March 5, 2008

Horizon Wind Energy Plans 300 MW Wind Farm in Montana

The Texas company is planning the 300 MW wind farm, twice the size of the state's largest existing wind project.

The project would erect up to 100 turbines.

<http://www.missoulian.com/articles/2008/03/04/business/biz58.txt>

PPL Undergoing Plant Modifications to Increase Generating Capacity at its Susquehanna Nuke Plant in Pennsylvania

PPL Corporation filed an application with the Nuclear Regulatory Commission (NRC) late January to increase the electric generating capacity of the 2,216 MW Susquehanna nuclear power plant by 205 MW. PPL has begun increasing the capacity by shutting on of the plant's two reactors to replace uranium fuel, to begin maintenance work and replace a steam dryer so the reactor can produce more electricity. Plant modifications will be completed in phases with the goal of completion by 2010.

http://biz.yahoo.com/ap/080304/ppl_capacity.html?.v=1

Update: Missouri Court Deals another Blow to Aquila's 350 MW Gas-fired South Harper Plant in Missouri

The Missouri Court of Appeals for the Western District upheld the decision of a Cass County Circuit Court judge, that the Missouri Public Service Commission extended its authority when it approved Aquila's South Harper power plant one year after it was built without local approval. Some residents near the plant want it torn down.

http://biz.yahoo.com/ap/080304/mo_aquila_dispute.html?.v=1

OPG's 494 MW Lambton Coal-fired Unit 3 Shut in Ontario March 5

The unit was shut for short work according to a company representative. He could not say when the unit would return to service for competitive reasons although traders predicted it would return to power within one week. Reuters, 08:06 March 5, 2008

Petroleum

Oil Leak Sparks Fire at Valero's 146,000 b/d Corpus Christi, Texas Refinery March 5

According to a filing with state regulators and a company representative, a seal gave way on an oil pump late March 4. A small amount of oil leaked from the seal onto the floor, sparking a fire by the electric motor on the pump. The fire took one hour to extinguish. The pump seal repair work is not expected to have an impact on production.

Bloomberg News, 09:40 March 5, 2008

<http://www2.tceq.state.tx.us/ee/main/index.cfm?fuseaction=getDetails&target=104564>

<http://www.caller.com/news/2008/mar/05/oil-leak-causes-fire-valero-refinery/>

Natural Gas

FERC Suspends its Review of SES's Proposed Long Beach Harbor LNG Terminal in California

The Federal Regulatory Commission suspended its review of Sound Energy Solution's (SES) LNG terminal because the city of Long Beach refused to grant the proposed operator a lease. A representative for the federal regulators said the decision apparently ends the road for the SES project unless Long Beach reverses course.

http://www.dailybreeze.com/ci_8457489

http://www.presstelegram.com/news/ci_8456537

Other News

Greater Ohio Ethanol to Begin Ethanol Production at Lima Refinery in Ohio "Last Week of March"

Greater Ohio Ethanol LLC's president said in a telephone interview that its 54 million gallon per year, \$117 million ethanol refinery is slated to begin production by the end of this month. The refinery, located in Lima, Ohio, is now in test runs.

Bloomberg News, 11:14 March 5, 2008

Energy Prices

U.S. Oil and Gas Prices			
March 5, 2008			
	Today	Week Ago	Year Ago
CRUDE OIL West Texas Intermediate U.S. \$/Barrel	103.53	101.04	60.25
NATURAL GAS Henry Hub \$/Million Btu	9.21	9.21	7.36

Source: Reuters

Energy Notes

U.S. Crude Oil Futures Increased to Record \$103.98/Barrel after DOE Reports Large, Unexpected Drop in Crude Supplies and OPEC's Status Quo Decision March 5

Reuters, 11:46 March 5, 2008

OPEC Holds Current Production Policy, Denies Calls from Large Consuming Nations to Pump More Oil

http://www.rigzone.com/news/article.asp?a_id=57829

DOE Secretary Bodman Says Inventory Decline, Not Speculation, Driving Record High Oil Prices

Reuters, 12:10 March 5, 2008

President Bush Says U.S. Needs to "Get Off Oil", Wants Electric Cars for City Driving -- Washington International Renewable Energy Conference 2008 March 5

<http://www.whitehouse.gov/news/releases/2008/03/20080305.html>

Saudi Arabia Says the Market Needs More Crude - Producing 1.3 Million b/d Above its OPEC Quota of 8.9 Million b/d

Bloomberg, 05:22 March 5, 2008

Lower Mississippi River Port Wide Strategic Security Council Acts to Improve Security by Implementing Vast Video Surveillance System

<http://www.nola.com/business/t-p/index.ssf?base/money-3/1204611673284920.xml&coll=1>

On March 3 FERC Approved PetroLogistics's Proposed Natural Gas Salt Dome Storage Cavern and Header Pipeline to be Built in Louisiana

<http://intelligencepress.com/>

Update: Mexico Reopens Coatzacoalcos, Dos Bocas and Cayo Arcas Oil Exporting Ports March 5—Harsh Weather Shut Ports on March 4

Reuters, 12:22 March 5, 2008

State of Minnesota Study Finds E-20 Blend Passes Compatibility, Performance Tests

<http://www.prnewswire.com/cgi-bin/stories.pl?ACCT=104&STORY=/www/story/03-05-2008/0004768277&EDATE>

ExxonMobil Announces \$125B Spending Plan; 19 New E&P Projects through 2010 to Potentially Add Over 725,000 b/d to Production

http://money.cnn.com/2008/03/05/news/companies/bc.apfn.exxonmobil.inves.ap/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

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

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