



ENERGY ASSURANCE DAILY

Wednesday, March 07, 2007

Electricity

California ISO Says Power Supply Adequate for Summer

The California ISO (CA-ISO) issued its Summer Assessment which shows electricity supplies will be adequate for the state. CA-ISO did caution that consumers will be asked to conserve on peak demand days.

Reuters, 14:21 March 7, 2007

See the assessment @ <http://www.caiso.com/1b95/1b95abb649df4.pdf>

Exelon's 636 MW Oyster Creek Nuke Unit in New Jersey Reduces to 75 Percent March 7

The company reduced the unit to 75 percent of capacity in order to reduce pressure on a recirculating pump seal and to determine if repairs are required.

Bloomberg News, 10:32 March 7, 2007

Reuters, 07:12 March 7, 2007

TransAlta's 280 MW Sundance Coal-fired Unit 2 in Alberta Shut March 7

Reuters, 08:13 March 7, 2007

OPG's 490 MW Nanticoke Coal-fired Unit 3 in Ontario Restarts March 7

Reuters, 08:13 March 7, 2007

OPG's 490 MW Nanticoke Coal-fired Unit 6 in Ontario Restarts March 7

Reuters, 08:13 March 7, 2007

Bruce's 790 MW Bruce Nuke Unit 8 in Ontario Shut March 6

Reuters, 08:13 March 7, 2007

NRG's 649 MW WA Parish Coal/Gas-fired Unit in Texas Shut on March 6 Returns March 7

Reuters, 08:13 March 7, 2007

CDWR's 306 MW Hyatt-Therm Hydro Unit in California Shut March 6

Reuters, 08:13 March 7, 2007

Calpine's 323 MW Metcalf Gas-fired Unit in California Shut March 6

Reuters, 19:50 March 6, 2007

Calpine's 265 MW Sutter Gas-fired Unit in California Shut March 6

Reuters, 19:50 March 6, 2007

Salt River Project Asks Arizona to Approve New 230 kV Transmission Line

Salt River Project utility says it needs the new line to get additional power to Pinal and Maricopa counties in Arizona. Phoenix is in Maricopa County.

Reuters, 17:45 March 6, 2007

Construction Begins on 150 MW Wind Farm off Texas in Gulf of Mexico

Construction has begun on the 150 MW Galveston Offshore Wind project located 10 miles offshore from Galveston Island in the Gulf of Mexico. Initially, test equipment will be installed to measure weather and winds. Installation of the first wind turbine should take place this coming fall and the entire project consisting of 50 turbines is expected to be in service by 2010.

<http://www.chron.com/disp/story.mpl/business/4608324.html>

Petroleum

Update: BP Sees Texas City Refinery Operating at 400,000 b/d by End of Year

BP announced that production levels at the refinery are currently averaging 248,000 b/d while continuing to build towards an estimated 400,000 b/d average production level for the fourth quarter of this year. Operations at the refinery are slowly returning to normal following a major overhaul necessitated by the extensive damage caused by Hurricane Rita in 2005 and a major explosion that killed 15 workers at the plant earlier in that year. Particularly as a result of the explosion, the work of restarting the refinery has been prolonged and complicated while BP has conducted a peer safety review prior to restart of every major piece of equipment.

OPIS, 07:25 March 7, 2007

Reuters, 17:18 March 6, 2007

Update: FCC Rates at 70 Percent at BP's 260,000 b/d Los Angeles Refinery in California

The fluidic catalytic cracking (FCC) unit has been running at 70 percent for the past two weeks. Planned and unplanned work is ongoing at the refinery at present.

Reuters, 14:06 March 7, 2007

Update: Restart Continues at Shell's 100,000 b/d Los Angeles Refinery in California

The refinery was shut Sunday when a raccoon caused a substation feeding the plant to trip offline.

Reuters, 12:42 March 7, 2007

FCC Restart Delayed at Tesoro's 166,000 b/d Golden Eagle Refinery in California

On March 7, Tesoro announced the delay of the restart of a fluid catalytic cracking (FCC) unit at its Golden Eagle refinery in northern California. The unit had been restarted on February 26 following a planned maintenance outage but was taken offline again on March 3, when a mechanical circulation problem developed. Tesoro will continue operating in a planned maintenance mode until repairs are completed around the middle of this month.

http://biz.yahoo.com/ap/070307/tesoro_refinery_maintenance.html?v=1

<http://biz.yahoo.com/bw/070307/20070307005572.html?v=1>

Fire Cuts Production at Petro-Canada's 135,000 b/d Edmonton Refinery March 6

The fire started yesterday morning and was quickly extinguished. The refinery is currently running at 85 to 90 percent of capacity.

Bloomberg News, 12:56 March 7, 2007

Update: Operations Up to 75 Percent at Imperial Oil's 118,000 b/d Nanticoke Refinery in Ontario March 7

The company said today it still expects to be fully operational by mid-March. The refinery was damaged by fire on February 15.

Reuters, 10:45 March 7, 2007

Shell Restarts 250,000 b/d Bengal Product Pipeline in Louisiana March 7

The pipeline was shut on January 31, when a small leak was discovered.

Reuters, 13:00 March 7, 2007

EIA Sees Tighter Gasoline Market on Increasing Demand Faster Decline in Stocks

On March 6, the U.S. Energy Information Administration (EIA) indicated that rising demand and larger than normal withdrawal of gasoline stocks, will result in the tightening of the U.S. gasoline market as the summer driving season approaches. Consequently, EIA is predicting an increase of approximately 40 cents per gallon in the price of gasoline between now and the summer driving season.

Oil Daily, March 7, 2007

Leak Forces Shell to Shut In Additional 187,000 b/d in Nigeria

On March 6, Shell announced that a pipeline leak of unknown origin forced the company to shut-in some 187,000 b/d of crude oil production in Nigeria. The company is investigating the cause of the leak. Sabotage has not been eliminated as the cause.

Oil Daily, March 7, 2007

ExxonMobil Plans No New Investment in Venezuela – CEO

Venezuela's orders to take a 60% interest in all oil projects in Venezuela by May 1, has led ExxonMobil to conclude that the country is no longer a lucrative place to invest.

Reuters, 13:59 March 7, 2007

Pemex Estimates Deep Gulf of Mexico Crude Oil Potential at 29.5 Billion Barrels

Pemex, the state-owned Mexican oil company, announced its latest estimate for potential crude oil production from deepwater Gulf of Mexico fields to be as high as 29.5 billion barrels.

<http://powermarketers.net/content/nc.net/newsreader.asp?ppa=8kowu%5D%5BlpmiinnSSjh%216%3C%22bfem%5Ev>

Norsk Hydro Restarts Oil Production at Oseberg Field in North Sea After Fire

A fire on Oseberg Platform D on Tuesday halted both oil and gas production from the platform. The platform produced about 90,900 boe/d and 7.8 million standard cubic meters of gas per day in 2005. Oil production resumed this morning and gas production is expected to resume later today.

Reuters, 06:30 March 7, 2007

Natural Gas

Algonquin Holding Open Season on Proposed East-to-West Expansion Project

Reuters, 14:44 March 7, 2007

Other News

Alberta Seeks Funds from Canadian Central Government for Pipeline to Move CO2 from Oil Sands to Boost Production at Low Volume Oil Wells

The proposed line would move CO2, originating from the oil sands production, approximately 250 miles where it would be injected into the ground to boost oil production from low volume oil wells in a mature oil field. The pipeline will also helping to reduce emissions of greenhouse gases.

<http://www.cbc.ca/canada/calgary/story/2007/03/06/carbon-plan.html>

Bodman: DOE Has no Authority to Plan Any Nuclear Waste Storage Site Until Yucca Mountain License Approved

On March 6, testifying before the Energy and Water Development Appropriations Subcommittee of the House of Representatives, Secretary of Energy Samuel Bodman stated that under the terms of the Nuclear Waste Policy Act of 1992, the Department of Energy has no legal authority to make plans for any site to store nuclear waste at a centralized facility unless the Nuclear Regulatory Commission approves the license for the proposed Yucca Mountain site. Once the license is approved, the DOE can then begin evaluation of potential interim storage sites whether or not construction of the Yucca Mountain project proceeds.

<http://www.platts.com/Nuclear/News/6364627.xml?p=Nuclear/News&sub=Nuclear>

Energy Prices

U.S. Oil and Gas Prices			
March 7, 2007			
	Today	Week Ago	Year Ago
CRUDE OIL West Texas Intermediate U.S. \$/Barrel	61.85	61.68	61.51
NATURAL GAS Henry Hub \$/Million Btu	7.50	7.51	6.53

Source: Reuters

Energy Notes

Venezuela's 130,000 b/d El Palito Cat Cracker to Restart Wednesday

Reuters, 12:39 March 7, 2007

Ethanol Production Would Drop 30 Percent without 51-cent-a-Gallon Federal Tax Credit

Reuters, 02:05 March 7, 2007

China to Begin Filling 19 Million Barrel Capacity Huangdao Oil Reserve Site in Mid-2007

Reuters, 23:57 March 6, 2007

ExxonMobil Plans to Add 100,000 boe/day to Production in 2007

Reuters, 11:15 March 7, 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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