



# ENERGY ASSURANCE DAILY

Wednesday, March 21, 2007

## **Electricity**

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### **Update: Entergy's 684 MW Pilgrim Nuke Unit 1 in Massachusetts Ramps Up to 65 Percent of Capacity March 21**

The unit ramped up after operating at 20 percent yesterday, following its exit from an outage on March 17 when a valve seal failed.

Reuters, 06:35 March 21, 2007

## **Petroleum**

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### **Bush Administration Forwards Bill to Congress to Double SPR to 1.5 Billion Barrels**

The Bush administration seeks to expand the Strategic Petroleum Reserve (SPR) to provide for a 90-day oil supply of oil in essence doubling the currently capacity of 727 million bbl. DOE Secretary Samuel Bodman provided a letter to accompany the draft legislation, saying that the U.S. is vulnerable to world supply disruptions and volatility in oil prices.

<http://www.washingtonpost.com/wp-dyn/content/article/2007/03/20/AR2007032000531.html>

Oil Daily, March 21, 2007

### **Gulf Governments Proposing 6.5 Million b/d Pipelines to Bypass Strait of Hormuz**

Governments in the Persian Gulf area are proposing construction of two pipelines, which would bypass the vulnerable Strait of Hormuz to avoid possible Iranian threats. The lines would have a combined capacity of 6.5 million b/d (nearly 40 percent of the daily exports shipped through the Strait of Hormuz). Construction of the first, smaller line with a capacity of 1.5 million b/d is expected to begin this year. The second larger line is still in the discussion stage with construction estimated to take as long as a decade.

<http://www.chron.com/dispatch/story.mpl/business/4647798.html>

### **Flaring Reported at Valero's 190,000 b/d St. Charles Refinery in Louisiana March 20**

The refinery's FCC unit was shut March 12 to repair a flue gas cooler.

Reuters, 12:35 March 21, 2007

### **BP Cuts FCC Rates at 437,000 b/d Texas City Refinery in Texas March 19**

Rates were cut when a problem with a seal on a pump of an alkylation unit was found during preventive maintenance.

Reuters, 10:46 March 21, 2007

### **Power Failure Causes Flaring at ConocoPhillips' 216,000 b/d Sweeny Refinery in Texas March 19**

A power outage disrupted operations for numerous units from 10:30 a.m. to 11:30 p.m. on March 19 and caused emergency flaring.

Bloomberg News, 12:45 March 21, 2007

## Natural Gas

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### Williams Holding Non-Binding Open Season for Natural Gas Storage in Mississippi

Williams Cos. Inc. will gauge interest in expanding natural gas storage service for its Transco gas pipeline March 21st through the 23<sup>rd</sup>. The company's existing Eminence storage facility currently has 15 bcf of storage capacity. Pending federal approval, new service could be available as early as autumn 2009.

Reuters, 10:45 March 21, 2007

## Other News

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### Bush Administration Sends Bill to Congress, Mandating Annual Use of 35 Billion Gallons of Alternative Fuels by 2017

The alternative fuel standard (AFS) follows President Bush's January proposal to increase alternative fuels use in order to cut gasoline consumption by 20% by 2017. If adopted, the new AFS would replace the existing renewable fuels standard, which mandates 7.5 billion gallons of ethanol and other biofuels use by 2012. In its alternative fuels definition, the bill includes "methanol from biological sources, butanol, natural gas, liquid fuels from domestic natural gas, liquefied petroleum gas, hydrogen, coal-derived liquid fuels, electricity and other fuels to be determined by the Department of Energy (DOE)."

Oil Daily, March 21, 2007

## Energy Prices

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U.S. Oil and Gas Prices			
March 21, 2007			
	Today	Week Ago	Year Ago
<b>CRUDE OIL</b>			
<b>West Texas Intermediate U.S.</b>	56.68	58.15	60.41
\$/Barrel			
<b>NATURAL GAS</b>			
<b>Henry Hub</b>	6.82	6.86	6.83
\$/Million Btu			

Source: Reuters

## Energy Notes

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### Exxon Workers in Chad Begin 3-Day Strike over Pay March 20; Output Not Affected

Oil Daily, March 21, 2007

### ONEOK to Expand Williston Basin Gas Processing Plant in Oklahoma by 60 Percent

NGI's Daily Gas Price Index, March 21, 2007, <http://intelligencepress.com/>

<http://biz.yahoo.com/prnews/070320/datu046.html?v=75>

<http://www.pnewswire.com/cgi-bin/stories.pl?ACCT=104&STORY=/www/story/0>

### Germany's Degussa Plans to Build Plant in Alabama for Biodiesel Catalyst

<http://www.platts.com/Petrochemicals/News/6367650.xml?p=Petrochemicals/News&sub=Petrochemicals>

### Oil Companies Turning Down New Contracts in Niger Delta Region

The Guardian in Lagos, March 19, 2007, <http://www.nguardiannews.com/>

## Lessons Learned from Propane Shortage in Maine

<http://www.bangordailynews.com/news/t/news.aspx?articleid=147628&zoneid=500>

## Venezuelan Authorities Clear Tanker that Ran Aground in Lake Maracaibo; Traffic Not Restricted

Reuters, 08:57 March 21, 2007

## Listing Dolphin III Oil Rig Intentionally Run Aground in Gulf of Mexico to Prevent From Sinking

Reuters, 12:07 March 21, 2007

## Pemex Seeking Association with Several Companies to Develop Deep-Water Oil Fields

Bloomberg News, 13:16 March 21, 2007

## 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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*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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