



ENERGY ASSURANCE DAILY

Thursday, March 22, 2007

Electricity

Exelon's 1,158 MW LaSalle 2 Nuke Unit in Illinois Returns to Full Power March 22

The unit returned to full power following an outage to adjust control-rods.

Bloomberg News, 12:35 March 22, 2007

FPL's 580 MW Duane Arnold Nuke Unit in Iowa up to 19 Percent Power March 22

The unit which shut for repairs on March 18 was at 6 percent power on March 21.

Reuters, 06:36 March 22, 2007

Petroleum

Units at Shell's 334,000 bpd Deer Park Refinery in Texas Restarted Following External Power Failure

An external power failure on the evening of March 21 caused a power outage at the refinery, a joint venture between Shell Oil and Pemex. Several major units, including two crude units, a hydrotreater, vacuum flashers, and an 85,000-barrel-a-day coker, were shut down. Those units have now been restarted, and the company hopes that normal operations will resume by this weekend. The company did not comment on how production was affected.

Reuters, 09:42 March 22, 2007

Reuters, 08:09 March 22, 2007

Bloomberg News, 12:32 March 22, 2007

Gasoline Surplus Could Result From Globalization of Product Markets: Wood Mackenzie

A new report from the Wood Mackenzie energy consultancy, says that a decline in gasoline demand in Europe as diesel demand increases, increased demand for ethanol in the U.S., and new overseas refinery capacity to export to the U.S. could create a surplus of gasoline in the coming years.

Oil Daily, March 22, 2007

Chevron Expects Oil Demand in Asia-Pacific Region to Continue to Grow

Chevron's Global Refining president said on March 21 that demand in the Asia-Pacific region will continue to grow as long as price controls are not lifted in the next 10-15 years. He noted that a number of Asia-Pacific governments provide subsidies to shield consumers from high prices and that as long as the controls remain in place, demand should continue to grow.

Oil Daily, March 22, 2007

Update: Shell Prepares to Re-open 187,000 bpd Pipeline in Nigeria

The pipeline has been shut since early March following a spill and Shell only recently gained access to the area. Repairs of the trunk line were completed on March 21 and tests are now underway prior to the re-opening of the flow stations.

Bloomberg News, 10:42 March 22, 2007

OPEC President Pledges to Maintain Supplies to Ensure a Robust Economy

In an interview following an energy conference in Bangkok, OPEC President Mohamed al-Hamli said that OPEC member states are ensuring that sufficient oil is available to maintain the global economy at a robust level.

Bloomberg News, 01:37 March 22, 2007

Natural Gas

Domestic Gas Reserves Increased Eighth Straight Year in 2006: AGA Report

According to a report issued by the American Gas Association (AGA), domestic natural gas reserves increased for the eighth straight year in 2006 and now exceed 205 Tcf, their highest level since 1978.

NGI's Daily Gas Price Index March 22, 2007, <http://intelligencepress.com/>

Other News

Limited Supplies of Nuke Fuel May Hamper New Nuke Plant Development – MIT Study

Scientists at the Massachusetts Institute of Technology (MIT) report that if the U.S. plans to increase its use of nuclear power, new investments in uranium mining capacity and processing facilities will be needed. MIT researchers say that nuclear power plant fuel supplies are dwindling as China, India, and Russia try to lock up supplies from countries on which the U.S. has traditionally relied.

http://www.upi.com/NewsTrack/Science/fuel_shortage_limits_us_nuke_power_plans/20070321-074635-5559r/
http://pro.energycentral.com/professional/news/power/news_article.cfm?id=8014291

U.S. Railroads Invested \$8.5 Billion in Equipment and Infrastructure Upgrades During 2006

According to the Association of American Railroads (AAR), rail traffic was at an all-time high on American railroads. Edward R. Hamberger, president and CEO of the AAR said that 2006 was also a record-breaking year for investment in railroad infrastructure and improvements with \$8.6 billion spent to expand and maintain infrastructure and equipment. Despite the record amount of traffic, accidents were down by 12.4 percent compared to 2005.

<http://www.aar.org/Index.asp?NCID=3955>

Energy Prices

U.S. Oil and Gas Prices			
March 22, 2007			
	Today	Week Ago	Year Ago
CRUDE OIL West Texas Intermediate U.S. \$/Barrel	60.21	58.10	60.03
NATURAL GAS Henry Hub \$/Million Btu	7.07	6.95	7.06

Source: Reuters

Energy Notes

Coal Stocks at Utilities Increase 30.5 Percent from January 2006 to January 2007 -- EIA

Reuters, 13:05 March 22, 2007

Calumet's 40,000 bpd Refinery in Louisiana Unaffected by Brief Fire

Bloomberg News, 10:04 March 22, 2007

13,000 SDG&E Customers in California Lose Power for One Hour March 20

<http://www.signonsandiego.com/news/northcounty/20070320-1224-bn20power.html>

Despite Decision to Abandon West Coast Effort in Mexico, Chevron Pursuing Plans for LNG Receiving Terminals on All Three North American Coasts

NGI's Daily Gas Price Index, March 22, 2007, <http://intelligencepress.com/>

Nigerian Energy Official Expects Oil Output to Increase to 4 Million bpd by 2010

<http://www.upi.com/Energy/>

Shell Canada Eyes Ontario Village for New Refinery

Reuters, 16:06 March 22, 2007

Gasoline and Electricity Prices Fueling U.S. Rail Reform

<http://www.upi.com/Energy/view.php?StoryID=20070319-105506-8300r>

Two New Wind Blade Plants Developed As Result of Rapid Wind Power Growth

http://pro.energycentral.com/professional/news/power/news_article.cfm?id=8017294

BP Prudhoe Bay Workers Say Labor Shortage Could Cause Fatigue-Related Accidents

<http://www.chron.com disp/story.mpl/business/4651541.html>

Mexico's February Oil Production Steady; Natural Gas Hits Record - Pemex

Oil Daily, March 22, 2007

Oil Output from Brazil's Petrobras Increased in February

Oil Daily, March 22, 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

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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