



U.S. DEPARTMENT OF ENERGY
Office of Electricity Delivery and
Energy Reliability

ENERGY ASSURANCE DAILY

Thursday, April 27, 2006

Electricity

ISO New England Forecasts Possible Record-Breaking Electricity Demand Summer

Stephen G. Whitley, ISO New England's Senior Vice President and Chief Operating Officer, felt demand could be met this summer but added in a press release: "However, the region or local areas could experience tight supply situations if generation is constrained or if hot and humid weather increases demand. In these cases, the ISO has a series of longstanding measures to maintain reliability by keeping electricity supply and demand in balance." Whitley added, "While demand for electricity continues to grow across New England, construction of new generating resources has stagnated."

http://www.iso-ne.com/nwsiss/pr/2006/summer_06_outlook_release.pdf

Update: Texas PUC Says Electricity Supply Adequate for Summer

Texas state regulators said that despite the rolling blackouts caused by an unexpected surge in demand due to unseasonably high temperatures on April 17, electricity supply should be adequate for meeting demand this summer.

<http://www.kwtx.com/news/headlines/2691656.html>

Drought in Midwest Affects Hydro Power

Water levels in reservoirs in Arkansas, Missouri, and Oklahoma are at record lows. A Southwestern Power Administration official said this adversely affects their ability to produce hydroelectric power from the dams at these reservoirs. The electricity will be most needed in the summer.

<http://www.fultonsun.com/articles/2006/04/25/news/250news13.txt>

World's Biggest Solar Farm Planned in New Mexico

New Mexico and two start-up companies are planning to build a solar power farm that can generate up to 300 MW when the sun shines. The solar farm would be 30 times the size of the next biggest solar power farm.

Reuters, 18:16 April 27, 2006.

AEP's 528 MW Coal-fired Welsh 1 Plant in Texas to Shut April 27 to May 1

The unit will shut to repair auxiliary equipment.

Reuters, 08:44 April 27, 2006.

Dominion's 498 MW Kewaunee Power Station in Wisconsin Shut April 26

The unit, which was already powering down to fix a small leak in the service water line, shut prematurely after a feed-water pump shut off on the non-nuclear side of the station.

Reuters, 01:56 April 27, 2006.

<http://biz.yahoo.com/pnews/060427/nyth107.html?.v=51>

OPG's 490 MW Coal-fired Nanticoke 8 in Ontario Shut April 27

Reuters, 09:05 April 27, 2006.

Petroleum

Citgo's 165,000 b/d Corpus Christi Refinery in Texas Running at Normal Rates

On April 27, Citgo announced that its 165,000 b/d Corpus Christi refinery in Texas was running at normal rates after production was curtailed when a leak on a fluid catalytic cracking unit forced the unit to shut on April 10. Reuters, 12:17 April 27, 2006.

Output at Exxon Mobil's 563,000 b/d Baytown Refinery in Texas Unaffected by Fire

Production has not been affected at Exxon Mobil's Baytown refinery after a fire broke out at an electrical substation servicing the refinery's lubes plant earlier this week. The fire was put out immediately. Reuters, 10:25 April 27, 2006.

Valero Delaying Some Refinery Expansion Projects Due to Tight Labor Market

OPIS Alert, 01:17 April 26, 2006.

Update: Chad Withdraws Oil Threat

On April 27, Chad withdrew its threat to halt oil production at the end of the month. The decision was made after Chad reached an interim agreement with the World Bank over a dispute relating to how the country spent its petroleum revenues. Chad supplied the U.S. with about 100,000 b/d of crude oil and petroleum products in 2005. Reuters, 09:10 April 27, 2006.

Oil Tanker Runs Aground in Puerto Rico

A tanker with 308,000 barrels of crude oil ran aground in Puerto Rico early Thursday, April 27. There is no reported oil spill.

<http://www.newsday.com/news/nationworld/wire/sns-ap-grounded-tanker,0,751281.story?coll=sns-ap-nationworld-headlines>

Natural Gas

Duke Plans Natural Gas Expansion in Cape Cod, Massachusetts

Duke Energy plans to expand its Algonquin Gas Transmission system by constructing a 3.5-mile, 18-inch diameter natural gas pipeline in the Cape Cod towns of Sandwich and Bourne, Massachusetts. Completion is expected by November 2007.

<http://charlotte.bizjournals.com/charlotte/stories/2006/04/24/daily34.html?jst=b ln hl>

Other News

ADM Increases Capacity of Biodiesel Plant under Construction in North Dakota

Archer Daniels Midland Co. will increase the capacity of its biodiesel plant, which is under construction in North Dakota, to 85 million gallons per year, 35 million barrels more than previously announced. The plant is scheduled for completion in April 2007.

Reuters, 15:04 April 26, 2006.

DHS Orders Background Checks for U.S. Dock Workers

The U.S. Department of Homeland Security has ordered dock workers at ports across the country to be checked against terrorist watch lists.

Reuters 07:06 April 27, 2006.

Energy Prices

U.S. Oil and Gas Prices			
April 27, 2006			
	Today	Week Ago	Year Ago
CRUDE OIL			
West Texas Intermediate U.S. \$/Barrel	70.76	71.96	54.33
NATURAL GAS			
Henry Hub \$/Million Btu	6.94	7.95	7.08

Source: Reuters

Energy Notes

Three Detroit Hospitals and Wayne State University Lose Power April 25; Backup Generator at one Hospital also Fails

<http://www.clickondetroit.com/news/9011959/detail.html>

<http://www.clickondetroit.com/news/9042233/detail.html?rss=det&psp=news>

Energy Northwest Expands Nine Canyon Wind Project in Washington to 96 MW

Reuters, 20:41 April 27, 2006.

US Geothermal Begins Construction of 10 MW Plant in Idaho

<http://www.usgeothermal.com/news/nr27Apr2006.pdf>

MSHA Puts Company on Hold (Twice) During Test of New Requirement to Report Serious Coal Accidents within 15 Minutes

<http://www.newsday.com/news/nationworld/wire/sns-ap-mine-safety,0,354606.story?coll=sns-ap-nationworld-headlines>

U.S. Military Says Iraq Moving Away from Civil War

Reuters, 10:53 April 27, 2006.

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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