



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

ENERGY ASSURANCE DAILY

Monday, May 8, 2006

Electricity

Thunderstorms Knock Out Power to 76,000 in Central Texas

Severe thunderstorms hit Central Texas on the night of May 4, leaving 52,000 without power in Austin and 24,000 without power in Waco. By the morning of May 7, 3,500 people remained without of power in Austin.

<http://www.chron.com/disp/story.mpl/metropolitan/3847673.html>

AEP's 765-kV Wyoming-Jacksons Ferry Transmission Line Nears Completion

The line, which is the largest electric transmission infrastructure project currently underway in the United States, runs from Wyoming County, West Virginia to Jackson's Ferry, Virginia. The project, which underwent permitting and construction for 16 years, will be energized in June, filling what many in the industry have called the biggest hole the nation's electric transmission grid. The new line is rated at more than 3,000 megawatts.

<http://biz.yahoo.com/pmnews/060508/clm043.html?.v=45>

California ISO Says Power Supplies Adequate Even if Mirant Plants Close

The California Independent System Operator says that the state will have adequate power supplies for the summer even if two Mirant power plants in the San Francisco area close, taking 1,019 MW of production off line. On May 4, Mirant announced that it would close its 682 MW Pittsburg 7 and its 337 MW Contra Costa 6 natural gas-fired units because it cannot continue running them without contracts.

Reuters, 19:03 May 5, 2006

http://www.boston.com/news/local/vermont/articles/2006/05/05/nuclear_plant_power_boost_completed_tests_look_ok?mode=PF

Update: Seven States Propose Sites for FutureGen Plant as Deadline Passes

The deadline for submitting a proposal for the 275 MW FutureGen project passed on May 4. States that have submitted proposals include Illinois, Texas, Ohio, Kentucky, Oklahoma, Wyoming and West Virginia

<http://www.platts.com/Coal/News/8422455.xml?p=Coal/News&sub=Coal>

Minnesota Planning to Add 128.2 MW of New Wind Power

Included in the plans is FPL Energy's 100-megawatt wind farm to be developed near Austin, Minnesota

<http://powermarketers.netcontentinc.net/newsreader.asp?ppa=8knpp%5E%5BhgijnvwYSki%216C%29bfel%5Dv>

Update: Entergy's Vermont Yankee Nuke Completes Power Increase

On May 5, Entergy's Vermont Yankee nuclear plant completed its 20 percent power increase, boosting its rated output to 650 MW from 540 MW. The upgrade had experienced problems, causing the plant to delay the power increase two weeks ago. Plant officials say that they may shut down the plant again next week to perform a system test.

http://www.boston.com/news/local/vermont/articles/2006/05/05/nuclear_plant_power_boost_completed_tests_look_ok?mode=PF

Exelon's 619 MW Oyster Creek Nuke in Jew Jersey Shut May 6

The unit shut to fix an automatic drain on the condenser.

Reuters 09:32 May 8, 2006

Update: PPL's 1,140 MW Susquehanna 2 Nuke in Pennsylvania Ramps Up to 90 Percent May 8

The unit was shut April 29 to repair a water leak and conduct other maintenance.
Reuters, 07:22 May 8, 2006

Southern's 869 MW Hatch 1 Nuke in Georgia Ramps Up to 98 Percent May 8

The unit, which was operating at 33 percent before the ramp up, was shut last week to replace some wires damaged in a fire near the main transformer.
Reuters, 07:29 May 8, 2006

TXU's 750 MW Monticello 3 Coal-fired Unit in Texas Restarts Over Weekend

The unit shut May 4-5 so that the company could fix a boiler tube leak.
Reuters, 12:10 May 8, 2006

Sempra's 1,200 MW Mesquite Gas-fired Units in Arizona Shut May 5

Reuters, 11:33 May 8, 2006

Calpine's 601 MW Delta Gas-fired Unit in California Shut May 7

Reuters, 11:33 May 8, 2006

Calpine's 297 MW Los Medanos Gas-fired Unit in California Shut May 7

Reuters, 11:33 May 8, 2006

Complete's 259 MW La Paloma Gas-fired Unit in California Shut May 7

Reuters, 11:33 May 8, 2006

Petroleum

EPA Says Six States Asking for RFG Waivers

According to the U.S. Environmental Agency, Maryland, Pennsylvania, Virginia, Texas, Wisconsin and Nebraska have formally sought waivers or asked about relief from reformulated gasoline (RFG) standards to ease fuel supply problems. EPA Stephen Johnson said that the agency is working with those states to understand their supply situations but noted that it is too early to say whether waivers would be granted. Some states that use reformulated gasoline have been experiencing supply challenges because of the phase out of MTBE and its replacement with ethanol.

Reuters, 13:51 May 8, 2006

Delek's 55,000 b/d Tyler Refinery in Texas Struck by Lightning May 6

The lightning strike caused a brief outage but there was no impact on production according to a company spokeswoman.

Reuters, 10:13 May 8, 2006

Natural Gas

Brief Engine Fire at Williams' Natural Gas Compression Facility in Louisiana May 3

A turbine engine at Williams' compression facility in Bayou Black, Louisiana, ignited May 3, causing a brief fire at the facility. Company officials cut off the flow of gas to the engine in an emergency procedure. Investigations into the cause of the fire will be made.

<http://www.houmatoday.com/apps/pbcs.dll/article?AID=/20060504/NEWS/605040313/1026/NEWS01>

FERC Gives Environmental Approval for Cheniere Sabine Pass LNG Project in Louisiana

The U.S. Federal Energy Regulatory Commission has given a favorable Environmental Assessment for a 1.4 Bcf/d expansion of Cheniere's Sabine Pass LNG regasification terminal which is under construction in Cameron Parish, Louisiana. The terminal will come online with a 2.6 Bcf/d capacity in early 2008 and will expand to 4 Bcf/d in 2009.

NGI's Daily Price Index, May 8, 2006.

http://home.businesswire.com/portal/site/google/index.jsp?ndmViewId=news_view&newsId=20060505005555&newsLang=en

Louisiana Governor Vetoes Main Pass Energy Hub LNG Terminal

Governor Kathleen Blanco has vetoed the Main Pass Energy Hub, an LNG regasification terminal sought by Freeport McMoRan Energy, because fisheries in the Gulf of Mexico could be harmed.

<http://www.klfy.com/Global/story.asp?S=4868024>

Other News

Nothing to report.

Energy Prices

| U.S. Oil and Gas Prices | | | |
|-------------------------------------|--------------|-----------------|-----------------|
| May 8, 2006 | | | |
| | Today | Week Ago | Year Ago |
| CRUDE OIL | | | |
| West Texas Intermediate U.S. | 69.75 | 73.75 | 51.30 |
| \$/Barrel | | | |
| NATURAL GAS | | | |
| Henry Hub | 6.54 | 6.53 | 6.67 |
| \$/Million Btu | | | |

Source: Reuters

Energy Notes

Weaver Cove LNG Project is Now 'Up to the Courts' – FERC Chairman

NGI's Daily Price Index, May 5, 2006

Bush Administration Opposes Law Allowing Massachusetts Governor to Veto 420 MW Cape Wind Project

<http://www.platts.com/Electric%20Power/News/8422677.xml?p=Electric%20Power/News&sub=Electric%20Power>

Nigerian Militants Deny Report of Cease-fire; Vow Series of New Attacks Against Oil Targets

Bloomberg, 09:25 May 8, 2006

Six Iraqi Oil Engineers Kidnapped Near Kirkuk

<http://english.aljazeera.net/NR/exeres/17BE86ED-FF69-4AB4-804F-D5A4F1A33A8B.htm>

Chavez Says Venezuela to Impose 33.3 Percent ‘Extraction Tax’ on Oil Companies

<http://www.latimes.com/business/investing/wire/sns-ap-venezuela-oil-tax,1,896169.story?coll=sns-ap-investing-headlines>

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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