



# ENERGY ASSURANCE DAILY

Thursday, June 01, 2006

## ***Electricity***

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### **NYRI Seeks Approval for New Transmission Line in New York**

New York Regional Interconnect has submitted an application to the New York Public Service Commission, seeking approval from the state government to build a 190-mile high voltage direct current transmission line from Oneida County to Orange County.

[http://www.midhudsonnews.com/News/NYRI\\_app-01Jun06.htm](http://www.midhudsonnews.com/News/NYRI_app-01Jun06.htm)

### **FAA Suspends Work on 15 Wind Farm Projects in Midwest**

Since the beginning of the year, the Federal Aviation Administration has ordered work on 15 wind farm proposals to stop, saying research is needed on whether the giant turbines could interfere with military radar.

<http://www.chicagotribune.com/news/nationworld/chi-0605310078may31.1.7557291.story?coll=chi-newsnationworld-hed>

### **Update: Entergy's 620 MW Vermont Yankee Nuke Returns to Full Power May 31**

The unit was reduced after a pump motor short circuited and caused a low-level emergency. The pump motor has been replaced.

[http://www.boston.com/news/local/vermont/articles/2006/05/31/vermont\\_yankee\\_returns\\_to\\_full\\_power\\_after\\_low\\_level\\_emergency/](http://www.boston.com/news/local/vermont/articles/2006/05/31/vermont_yankee_returns_to_full_power_after_low_level_emergency/)

### **Update: Entergy's 866 MW FitzPatrick Nuke in New York at Full Power June 1**

FitzPatrick returned to full power today after being reduced to about 75 percent on May 31 to work on the condenser.

Reuters, 08:03 June 1, 2006

### **Update: Entergy's 1,270 MW Grand Gulf Nuke in Mississippi Up to 87 Percent Capacity June 1**

The unit exited an outage on May 30 and ramped up to 29 percent on May 31 after being shut on May 22 to investigate a fuel leak.

Reuters, 08:12 June 1, 2006

### **TVA's 1,232 MW Cumberland Coal-fired Unit 1 in Tennessee Shut May 29**

Reuters, 10:59 June 1, 2006

## ***Petroleum***

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### **Fire at Valero's Corpus Christi Refinery in Texas Closes Shipping Channel and Caused Oil Spill**

A fire that started in a storage tank near a dock at Valero Energy Corporation's refinery in Corpus Christi, Texas, caused a major oil spill, as well as several minor spills. The spills prevented two ships from leaving the harbor and four vessels from entering the harbor. Valero says the fire was likely caused by lightning.

Reuters, 10:29 June 1, 2006

Reuters, 10:14 June 1, 2006

Bloomberg, 10:39 June 1, 2006

### **Kinder Morgan Begins Shipping Through Expanded Pipeline to Arizona**

Kinder Morgan's East Line expansion has begun shipping motor fuels from El Paso, Texas, to Phoenix and Tucson, Arizona. The expansion, which involved replacing a 230-mile, 8-inch diameter pipeline with 16-inch and 12-inch pipe, increased the flow of fuels from El Paso to Tucson by 50 percent to a current 147,000 barrels per day. Reuters, 12:16 June 1, 2006

### **ExxonMobil Restarting Hydrocracker at 563,000 b/d Baytown Refinery in Texas May 31**

After a problem with a compressor, ExxonMobil restarted a hydrocracking unit at its 563,000 barrel per day refinery in Baytown, Texas. Reuters, 09:29 June 1, 2006

### **Oklahoma's May Rig Count is Highest Since 1980s**

According to Baker-Hughes, during the month of May the number of active rigs in service averaged 179, up from 150 in May 2005 and the highest level since the 1980s. The rig count increases are being attributed to record oil prices.

[http://pro.energycentral.com/professional/news/gas/news\\_article.cfm?id=6743014](http://pro.energycentral.com/professional/news/gas/news_article.cfm?id=6743014)

### **Enbridge Southern Lights Pipeline to Ship Diluent From Chicago to Edmonton**

Enbridge plans to transport diluent (liquid hydrocarbons) from the U.S. Midwest to Alberta, Canada to mix with the bitumen and then be sent back to the U.S. for refining. Bitumen, which is used to create synthetic crude oil, is too thick to ship through pipelines without the diluent. To ship the diluent, Enbridge plans to build a new section of pipeline from Chicago to Clearbrook, Michigan and then reverse the flow on an existing Enbridge pipeline running from Clearbrook to Edmonton. Enbridge proposes to build and have the line operating by 2009. The labor and material costs of producing syncrude in Alberta have soared in recent years.

<http://www.theglobeandmail.com/servlet/story/RTGAM.20060530.wxr-enbridge31/BNStory/Business/home>

### **Pipeline Leak in Southern Nigeria Forces Shell to Shut in Additional 50,000 b/d**

A leak at a pipeline in southern Nigeria forced Royal Dutch Shell to close four flow stations, which shut in an additional 50,000 barrels per day, reducing Shell's offline Nigeria production to 505,000 b/d. Shell is investigating the cause of the leak.

<http://www.platts.com/Oil/News/8464619.xml?p=Oil/News&sub=Oil>

### **OPEC to Maintain Oil Output at Full Capacity; Rejects Push for Production Cut**

Rejecting Venezuela's plea to reduce output to prevent a price slump, the Organization of the Petroleum Exporting Countries (OPEC) prepared, on June 1, to maintain existing oil supply quotas. OPEC worries that the current \$70-a-barrel crude may slow global economic growth and trigger investment in alternative energy.

[http://news.yahoo.com/s/nm/20060601/bs\\_nm/energy\\_opec\\_dc\\_4:\\_ylt=AnBHareS7R2.XsIZutluBpKAsnsA:\\_ylu=X3oDMTBiMW04NW9mBHNIYwMIJVRPUCUI](http://news.yahoo.com/s/nm/20060601/bs_nm/energy_opec_dc_4:_ylt=AnBHareS7R2.XsIZutluBpKAsnsA:_ylu=X3oDMTBiMW04NW9mBHNIYwMIJVRPUCUI)

## ***Natural Gas***

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### **Update: Rockies Express Seeking FERC Approval for Second Leg of Project**

Rockies Express Pipeline LLC filed an application seeking FERC approval for the construction of the second leg of a 1,350 mile, 2 Bcf/d gas pipeline system that would bring Rocky Mountain gas to markets in the Midwest and Northeast.

<http://intelligencepress.com/>

### **Gulfstream Plans Expansion Project to Serve Progress Energy's Bartow Plant in Florida**

Gulfstream Natural Gas System LLC plans to expand its 1.1 Bcf/d, 691-mile mainline, which extends across the Gulf of Mexico, from Alabama to the Florida Peninsula. The expansion, called Phase IV, will "provide 155,000 Dth/d of incremental firm transportation capacity to serve Progress Energy's repowered Bartow Power Plant" in Florida.

<http://intelligencepress.com/>

## CenterPoint and Duke Energy Sign MOU for Pipeline from Texas to Pennsylvania

On June 1, CenterPoint Energy Gas Transmission and Duke Energy Gas Transmission announced that they had signed a memorandum of understanding for a proposed 1,600-mile natural gas pipeline, running from west Texas to western Pennsylvania. Called the Mid-Continent Crossing pipeline, the 42- and 36-inch pipeline would have the capacity of between 1.50 and 1.75 billion cubic feet per day. The line is estimated to begin operation in late 2008. <http://www.platts.com/Natural%20Gas/News/8464613.xml?p=Natural%20Gas/News&sub=Natural%20Gas>  
<http://biz.yahoo.com/prnews/060601/dath011.html?v=59>

Reuters, 08:38 June 1, 2006

## Other News

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### DOE Outlines 2006 Hurricane Preparation Measures

The Office of Electricity Delivery and Energy Reliability (OE) has announced a number of steps that the department is taking to prepare for the hurricane season in the United States. Since the hurricanes of 2005, which devastated energy infrastructure in Florida and along the Gulf Coast, the DOE has strengthened its hurricane response system by: training additional employees for emergency response; hosting an Energy Leadership Forum to discuss lessons learned and industry best practices; updating and enhancing the hurricane modeling system for DOE's Visualization Room; working with states to improve their energy assurance plans; and implementing a toll-free hotline to allow state and local leaders and representatives from the energy industry to improve communications with DOE during emergencies.

<http://www.doe.gov/news/3685.htm>

## Energy Prices

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U.S. Oil and Gas Prices			
June 1, 2006			
	Today	Week Ago	Year Ago
<b>CRUDE OIL</b> <b>West Texas Intermediate U.S.</b> \$/Barrel	71.35	70.80	54.40
<b>NATURAL GAS</b> <b>Henry Hub</b> \$/Million Btu	5.97	5.85	6.36

Source: Reuters

## Energy Notes

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### FPL, Tampa Electric and Progress Energy Carolinas Preparing for Hurricane Season

[http://www.washingtonpost.com/wp-dyn/content/article/2006/05/30/AR2006053000352\\_pf.html](http://www.washingtonpost.com/wp-dyn/content/article/2006/05/30/AR2006053000352_pf.html)

<http://biz.yahoo.com/prnews/060601/clth520.html?v=37>

<http://biz.yahoo.com/prnews/060531/clw058.html?v=54>

### ComEd to Completed 384 Summer Critical Projects to Bolster Reliability and System Capacity in Illinois

<http://biz.yahoo.com/prnews/060531/cgw047a.html?v=1>

### Train Derailment Prompts Evacuation When Traces of Ethanol Found In New York

<http://www.wcax.com/Global/story.asp?S=4970467&nav=4QcS>

## **New Free State Pipeline in to Increase Mississippi Oil Production by 13,000 b/d**

<http://www.clarionledger.com/apps/pbcs.dll/article?AID=/20060531/BIZ/605310331>

## **Colonial Pipeline to Allocate Gasoline Shipments on Line 1 for 33rd Cycle**

Reuters, 08:40 June 1, 2006

## **Tools Contaminated with Low-Level Radiation Found In Worker's Vehicle at Connecticut Yankee Nuke**

[http://www.middletonpress.com/site/news.cfm?newsid=16714918&BRD=1645&PAG=461&dept\\_id=10856&rfi=6](http://www.middletonpress.com/site/news.cfm?newsid=16714918&BRD=1645&PAG=461&dept_id=10856&rfi=6)

## **New Siren System to be Tested Around Sunoco Refinery in Philadelphia, Pennsylvania**

<http://www.kyw1060.com/pages/40348.php>

## **ConocoPhillips Hints They Will Abandon Alabama LNG Plan if Governor Rejects Proposal**

<http://www.al.com/news/mobileregister/index.ssf?/base/news/1149066991133620.xml&coll=3>

## **U.S. DOE Publicizing Four New Technologies as Part of DOE's Deep Trek Research Program**

<http://powermarketers.net/contentinc.net/newsreader.asp?ppa=8kowu%5D%5BhjlljosVVhc%216C%29bfe1%5Dv>

## **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**

*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>.

Please direct comments and questions to: [ead@oe.netl.doe.gov](mailto:ead@oe.netl.doe.gov)