



# ENERGY ASSURANCE DAILY

Wednesday, June 21, 2006

## ***Electricity***

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### **Power Problem Briefly Shuts Passenger Rail Service in New York Area June 20**

An Amtrak power disruption forced both Amtrak and NJ Transit rail service to shut in the New York area briefly on June 20. The problem was resolved for both railroads after a 40-minute suspension of service. Last month, a power outage shut down rush hour rail service between New York and Washington for two hours.

<http://go.reuters.com/newsArticle.jhtml?type=domesticNews&storyID=12600259&src=rss/domesticNews>

<http://www.app.com/apps/pbcs.dll/article?AID=/20060621/NEWS/60621009>

Reuters, 09:01 June 21, 2006

### **NRG to Expand Generation Capacity in U.S. by 10,500 MW Over 10 Years**

According to NRG, 2,700 MW of the new capacity be nuclear powered.

<http://www.marketwatch.com/News/Story/Story.aspx?guid=%7b2CF1B904-267B-4621-A11B-35652C779896%7d&siteid=yhoo&dist=yhoo>

Reuters, 07:01 June 21, 2006

### **NRG to Build 630 MW 'Clean Coal' Unit at Indian River Plant in Delaware**

The company plans to build a 630 MW Integrated Coal Gasification Combined Cycle facility at its existing Indian River power plant. The "clean coal" plant is expected to be in operation by 2011-2012.

<http://www.state.de.us/governor/062106%20-%20nrgrelease.shtml#TopOfPage>

### **Duke Energy Studying 10,700 MW of New Generation**

According to an Industrial Info news alert, Duke Energy (which recently merged with Cinergy Corporation) is studying adding 10,700 MW of new electricity generation in its service areas. Duke Energy currently has over 300 units, which generate over 41,000 MW of power.

<http://powermarketers.net/contentinc.net/newsreader.asp?ppa=8knpp%5E%5BhmnkopVUfb%7DGL%7Dbfel%5Dv>

## ***Petroleum***

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### **Oil Spilled at Citgo's Lake Charles 440,000 b/d Refinery in Louisiana June 20**

Heavy rains and flooding on June 19 resulted a spill of undetermined size from a wastewater storage tank at Citgo Petroleum Corp.'s Lake Charles Refinery in Louisiana. The spill on June 20 led to the closure of a portion of the Calcasieu Parish Ship Channel early June 21. The spill had been contained June 21, and production at the refinery was not affected.

Bloomberg, 12:38 June 21, 2006

Reuters, 12:06 June 21, 2006

### **Update: 50,000 b/d Production Restored at Shell's Bonny Island Terminal in Nigeria**

Fifty thousand barrels a day of crude oil production has been restored to Royal Dutch Shell's Bonny Island terminal the company had cut output in early June to fix a pipeline leak. A company spokesman says the leak was unrelated to militant activity.

Reuters, 07:11 June 21, 2006

Bloomberg, 12:38 June 21, 2006

### **FCC Unit at Western Refining's 107,000 b/d Refinery in Texas to Run at Minimum Rates**

Western Refining Inc. will run its fluid catalytic cracking unit at its refinery El Paso, Texas, at minimum feed rates while the company repairs a leaking seal. The reduced rates will continue from June 21 to June 24.

Reuters, 09:56 June 21, 2006

### **Colonial Pipeline's Schedule Back to Normal**

Colonial Pipeline Co. has resumed its regular lifting schedule after adjustments were made June 20 when refiners expressed concern that some of their products may have been mixed with rain from the past few days. Colonial flows an average of 2.3 million barrels per day of gasoline and distillate fuels.

Reuters, 13:53 June 21, 2006

### **Coker Unit and Coker Heater at Delek's 55,000 b/d Refinery in Texas Shut June 19**

The coker unit and heater were shut due to a ruptured heater tube.

Reuters, 09:21 June 21, 2006

### **Saudi Arabia to Complete 500,000 b/d Addition at Khursanivah by June 2007**

Saudi Arabia now plans to complete the addition of 500,000 barrels per day of Arabian Light crude at its Khursaniyah project by June 2007, six months earlier than previously announced. Oilfield expansion plans in Saudi Arabia have been sped up to boost production capacity to 12.5 million b/d by 2009.

Reuters, 10:19 June 21, 2006

## ***Natural Gas***

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### **Vandals Damage Gas Pipeline in Washington; Pressure Reduced to 80 Percent**

Over the weekend of June 17-18, pressure was reduced to 80 percent of capacity on a gas pipeline near Sumas, Washington after vandals did several thousand dollars of damage to a section of the 30-inch pipeline, which is a main supplier of natural gas to western Washington, Oregon and Idaho. Williams, the pipeline's operator, found no evidence that the pipeline was leaking.

<http://powermarketers.net/contentinc.net/newsreader.asp?ppa=8knpp%5E%5BhmnkjiqZUfb%7DGL%7Dbfel%5Dv>

### **Sabine's Interconnect with Texas Gas at Henry Hub Unavailable Until June 26**

Sabine Pipe Line LLC's interconnection with Texas Gas Transmission at the Henry Hub will be out of service due to construction at Henry Hub in Louisiana between June 22 and June 25. Sabine anticipates that the new capability will be available on July 1.

Reuters, 13:12 June 21, 2006

### **Partners Hold Open Season for 100-mile Rockies Express East Extension to Pennsylvania**

Kinder Morgan Energy Partners and Sempra Pipelines and Storage are holding a binding open season to solicit interest in extending their proposed Rockies Express Pipeline from its currently proposed terminus at the Clarington Hub in Monroe County, Ohio to Oakford, Pennsylvania north of Philadelphia. The 100-mile extension would have a capacity of 1.8 Bcf/d.

NGI's Daily Gas Price Index, June 21, 2006

### **Southern Union Announces Trunkline Pipeline Expansion Project in Texas**

Southern Union Co. on Tuesday announced an expansion project in Texas on the Trunkline Gas Co. pipeline system to increase access to Texas' natural gas storage fields, pipelines and liquefied natural gas (LNG) import terminals.

NGI's Daily Gas Price Index, June 21, 2006

### **FERC to Hold Meeting on Chevron's 1.3 Bcf/d Casotte Landing LNG Project in Mississippi**

The meeting, set for June 22, will discuss the environmental impact of Chevron's proposal to build an LNG import terminal and pipeline in Pascagoula's Bayou Casotte. FERC has already approved the draft environmental impact statement for the project. The Chevron project will use a closed-loop regasification method.

Casotte Landing Project: <http://www.chevron.com/naturalgasprojects/casottelanding/project/description.asp>

<http://powermarketers.net/contentinc.net/newsreader.asp?ppa=8knpp%5E%5BhmohjiRUfb%7DGL%7Dbfel%5Dv>

## Mississippi DMR to Hold Meeting on Gulf LNG Energy's Clean Energy Project

The meeting, set for June 27, will present to the public the permitting process for the proposed LNG import terminal in Pascagoula's Bayou Casotte. Gulf LNG Energy proposes using an open-loop regasification method, which has been under fire because its impact on marine life.

Clean Energy Project: <http://www.lngcleanenergy.com/index/overview>

<http://powermarketers.net/contentinc.net/newsreader.asp?ppa=8knpp%5E%5BhmoihjiRUfb%7DGL%7Dbfel%5Dv>

## Other News

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### Gulf Coast Energy Industry 'Just As Vulnerable' to Hurricanes in 2006 – Analyst

Despite nearly a year of rebuilding, the Gulf Coast energy industry is still just as vulnerable to disruptions caused by hurricanes as it was last year according to a number of energy analysts.

[http://biz.yahoo.com/ap/060620/hurricane\\_season\\_oil\\_forecast.html?.v=1&printer=1](http://biz.yahoo.com/ap/060620/hurricane_season_oil_forecast.html?.v=1&printer=1)

### Deregulation Partly to Blame for Lack of New Coal-fired Generation – PPL President

According to PPL's President and Chief Operating Officer, James Miller, a deregulated company that wants to build a coal plant has "no assurance" that it can recoup the costs of the plant. In a regulated environment, Miller said, companies are guaranteed rate recovery and are assured a return on investment.

<http://www.platts.com/Coal/News/7543317.xml?p=Coal/News&sub=Coal>

## Energy Prices

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U.S. Oil and Gas Prices			
June 21, 2006			
	Today	Week Ago	Year Ago
<b>CRUDE OIL</b> West Texas Intermediate U.S. \$/Barrel	70.20	69.10	58.65
<b>NATURAL GAS</b> Henry Hub \$/Million Btu	6.62	6.08	7.82

Source: Reuters

## Energy Notes

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### Leaking Propane Gas Tank Prompts Evacuations in Key Largo, Florida

<http://www.newsday.com/news/nationworld/wire/sns-ap-propane-leak.0.7768234.story?coll=sns-ap-nationworld-headlines>

### Big Rig Tanker Truck Spills 7,500 Gallons of Fuel and Catches Fire in Palm Springs, California

[http://cbs2.com/topstories/local\\_story\\_171114321.html](http://cbs2.com/topstories/local_story_171114321.html)

### California ISO Urges Consumer Conservation Until June 25

Reuters, 12:59 June 21, 2006

### ExxonMobil Says Royalty Dispute Delaying Newfoundland Offshore Oil Project

[http://biz.yahoo.com/ap/060620/apfn\\_can\\_oil\\_gas\\_conference.html?.v=1](http://biz.yahoo.com/ap/060620/apfn_can_oil_gas_conference.html?.v=1)

### Dupont and BP Develop Biotbutanol as Possible Competitor to Ethanol

[http://www.forbes.com/2006/06/20/ethanol-fuel-biobutanol-cz\\_kad\\_0620ethanol.html?partner=yahootix](http://www.forbes.com/2006/06/20/ethanol-fuel-biobutanol-cz_kad_0620ethanol.html?partner=yahootix)

## Low Diesel Supply and Engine Problem Cause Power Outage on Saipan (U.S.)

<http://www.saipantribune.com/newsstory.aspx?cat=1&newsID=58675>

### 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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<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)