



ENERGY ASSURANCE DAILY

Tuesday Evening, June 24, 2008

Major Developments

Update: Levees Unbroken Along Mississippi River as Water Levels Stabilize

River Should Begin Decline in Several Days, U.S. Army Corps of Engineers Says

Volunteers sandbagged a levee upstream from St. Louis on Monday, June 23, but levees throughout Iowa, Illinois and Missouri withstood the onslaught as water levels stabilized. The Mississippi River should crest above St. Louis tomorrow, June 25, at 37.3 feet, according to a FEMA report. Locks 16-25 are still closed along the River, and the U.S. Army Corps of Engineers (Corps) said yesterday it expected those locks to remain closed at least through this week. The Corps forecasts water levels to remain stable for several days, and then begin to decline gradually. Water overtopped the Elm Point Levee in the St. Louis District early this morning, June 24, but the damage was restricted to a soccer park and sod farm. Multiple rail embargos remained in effect today, but no new, energy-impacting embargoes have been declared for several days. BNSF Railway reported improvements in conditions along its rail lines as flood waters receded, though significant outages remained in effect, as of yesterday. The company has re-opened some lines, and is beginning to repair others. In the coming weeks, BNSF expects to restore service along its affected main lines. Flood-related road closures continued in Iowa, Illinois and Missouri, as of today, June 24.

<https://aarembargo.railinc.com/epdb/searchEmbargoAction.do>

<http://www.mvs.usace.army.mil/>

<http://www.mvd.usace.army.mil/offices/pa/releases/2008/Rel0818.pdf>

<http://www.dot.state.ia.us/morgue/news2008/06240802.htm>

<http://www.dot.il.gov/road/closures.txt>

<http://maps.modot.mo.gov/travelerinformation/xml/modottext.aspx>

<http://www.fema.gov/emergency/reports/2008/nat062408.shtm>

<http://domino.bnsf.com/website/updates.nsf/ee37a1758857335f86256b030057f78e/2b99412607ebaf3586257471006faea4?OpenDocument>

Reuters, 18:45 June 23, 2008

Electricity

Substation Malfunctions Cut Power to 33,000 Progress Energy Customers in Florida June 23

An equipment malfunction at a Progress Energy substation in Seminole triggered a cascading effect, impacting two other substations and cutting power to 33,000 customers. The outages lasted nine hours, but the company restored all downed customers by late evening, June 23. A company representative could not confirm reports of a fire at the substation in Seminole but indicated that details on the cause of the problem should be available later June 24.

<http://www2.tbo.com/content/2008/jun/24/progress-energy-checking-details-pinellas-outage/>

AES's 495 MW Alamos Gas-fired Unit 6 in California Returns to Service June 23

According to the California Independent System Operator, the unit returned from an unplanned curtailment of 245 MW.

<http://www.caiso.com/unitstatus/data/unitstatus200806231515.html>

Mirant's 337 MW Contra Costa Gas-fired Unit 7 in California Returns to Service June 23

According to the California Independent System Operator, the unit returned from an unplanned outage.

<http://www.caiso.com/unitstatus/data/unitstatus200806231515.html>

Calpine's 561 MW Los Medanos Energy Center Gas-fired Unit in California Returns to Service June 23

According to the California Independent System Operator, the unit returned from an unplanned curtailment of 297 MW.

<http://www.caiso.com/unitstatus/data/unitstatus200806231515.html>

Calpine's 525 MW Sutter Power Plant Aggregate Gas-fired Unit in California Returns to Service June 23

According to the California Independent System Operator, the unit experienced an unplanned outage on June 23.

<http://www.caiso.com/unitstatus/data/unitstatus200806231515.html>

POWEREX's 428 MW Dynamic Resource Unit in California Reduced June 23

According to the California Independent System Operator, the unit experienced an unplanned curtailment of 332 MW on June 23.

<http://www.caiso.com/unitstatus/data/unitstatus200806231515.html>

Enmax's 250 MW Calgary Gas-fired Unit in Alberta Shut June 24

Reuters, 7:42 June 24, 2008

Update: OPG's 494 MW Lambton Coal-fired Unit 4 in Ontario Returns to Service by June 24

The unit shut by yesterday, June 23.

Reuters, 07:39 June 24, 2008

BP and Westar Break Ground on 100 MW Flat Ridge Wind Farm in Kansas June 24

Groundbreaking ceremony will be held June 24 on the project developed by BP Alternative Energy North America and Westar Energy Inc. Westar owns half the farm, and will buy output from the other half. The facility will enter service by the end of this year, 2008.

<http://www.kake.com/home/headlines/20659704.html>

Midwest Needs New Transmission Lines, Witnesses Tell U.S. Senate Energy Committee

Witnesses told the U.S. Senate energy committee the U.S. Midwest needs more power lines, and urged the federal government to work to address site selection and permitting issues and to ease financing through guarantee loans.

http://www.upi.com/Energy_Resources/2008/06/23/Senate_urged_to_invest_in_new_transmission/UPI-62521214251367/

Petroleum

Update: StatoilHydro Restarts Oseberg O&G Field in Norwegian North Sea

Workers restarted production today, June 24, at Oseberg platforms A, B and D, Oseberg East and South, and the Tune field. A fire in a high-voltage switchboard room at Oseberg A forced the shutdowns on June 15. StatoilHydro plans to return to full capacity in "a few days."

Bloomberg News, 06:57 June 24, 2008

Valero Repairs 20,000 b/d FCC at 340,000 b/d Corpus Christi, Texas Refinery June 23

Workers slowed the 20,000 b/d gasoline-making fluidic catalytic cracking unit (FCC) to fix a regenerator steam leak. The repairs did not affect production, and the company returned the FCC to normal throughput June 23.

Reuters, 20:19 June 23, 2008

Reuters, 19:57 June 23, 2008

Chevron Workers Strike in Nigeria June 23—No Impact to Production Yet, Company Official Says

Striking workers blocked some administrative offices, but the strike has not impact oil production thus far. A broader prolonged strike, however, could threaten crude output. The Nigerian union workers, Chevron and government officials will meet on Thursday to work toward agreement.

Reuters, 03:43 June 24, 2008

http://www.rigzone.com/news/article.asp?a_id=63327

Suncor Restarts 125,000 Oil Sands Upgrader in Alberta June 24

The company shut the unit for planned work, but additional unplanned repairs and labor shortage issues extended the outage longer than the expected 30 days. Suncor plans to ramp the upgrader to full production over the coming days.

Reuters, 19:57 June 23, 2008

Reuters, 12:29 June 24, 2008

Natural Gas

Nothing to report.

Other News

Nothing to report.

Energy Prices

U.S. Oil and Gas Prices			
June 24, 2008			
	Today	Week Ago	Year Ago
CRUDE OIL West Texas Intermediate U.S. \$/Barrel	136.33	133.52	68.85
NATURAL GAS Henry Hub \$/Million Btu	12.92	12.73	7.04

Source: Reuters

Energy Notes

Delmarva Signs 25-year Deal to Purchase Up to 200 MW of Output from Bluewater Wind's Proposed Wind Farm Offshore Delaware

http://biz.yahoo.com/ap/080623/de_wind_power.html?v=2

Update: State Supreme Court Confirms Conditional Permit for Invenergy's Proposed 186 MW Beech Ridge Wind Energy Project in West Virginia

<http://www.msnbc.msn.com/id/25334479/>

Update: Five of 167 Warning System Sirens Fail at Entergy's Indian Point Nuclear Power Plant in New York June 23http://biz.yahoo.com/ap/080624/nuclear_plant_sirens.html?v=1

Kuwait to Boost Oil Output by 300,000 b/d Beginning Mid-2009, and Raise Production to 4 Million b/d by 2020—Produced 2.58 Million b/d in May, 2008

Reuters, 01:29 June 24, 2008

U.S. Coal Demand Outpaces Supply as Coal Producers Cope with Permitting Process, Investment Issues and Labor Deficiencies—Floods Widen Supply Gap

<http://online.wsj.com/article/SB121426607541798571.html?mod=DEN>

Ethanol Exports to United States from Brazil's Center-South Region on the Rise as U.S. Midwest Floods Drive Corn Prices Upward

Reuters, 16:25 June 23, 2008

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>.

Please direct comments and questions to: ead@oe.netl.doe.gov