



# ENERGY ASSURANCE DAILY

Monday Evening, June 30, 2008

## Major Developments

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### **Update: Flooding Halts St. Louis Harbor to Barge Traffic June 28**

#### **U.S. Army Corps of Engineers Begin to Re-Open Some Mississippi River Locks**

The Coast Guard shut the Mississippi River from mile marker 174 to 189 on June 28, at about 9 AM. The affected area included the St. Louis Harbor. The shutdown exempted vessels with two or fewer barges, traveling during daylight hours. Officials also shut the Illinois River from mile marker 0 to 24. It is unclear when either waterway will reopen to traffic. The Coast Guard, however, did reopen a stretch of the Ohio River June 28—from mile marker 306.5 to 307.5—after fallen power lines forced its shutdown June 27. Separately along the Mississippi River, the U.S. Army Corps of Engineers reopened Lock 17 in New Boston, Illinois, and Lock 18 in Gladstone, Illinois on June 27. It planned to open Lock 19 on Saturday, June 28. It is unclear when Locks 20-thru-25 (there is no Lock 23) will reopen.

Reuters, 07:33 June 30, 2008

<http://www2.mvr.usace.army.mil/NewsReleases/default.cfm?SEQNO=563>

<http://www.mvs.usace.army.mil/pa/news/2008/MVD-08-19%20Upper%20Miss%20update.pdf>

<http://www.qctimes.com/articles/2008/06/30/news/business/doc4863075841ca8684049767.txt>

<http://www.d8externalaffairs.com/go/doc/425/213939/>

<http://www.d8externalaffairs.com/go/doc/425/213870/>

## Electricity

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### **Wind Storm Cuts Power to 126,000 OPPD Customers in Nebraska June 27**

#### **Some Customers to Remain Without Power Until Weekend, Company Says**

Some 24,000 Omaha Public Power District (OPPD) customers remained in the dark this morning, June 30. OPPD's president called the storm "one of the worst" in the company's history, and said workers will not restore power to all affected customers until next Friday, July 4.

<http://www.ketv.com/news/16746141/detail.html>

<http://www.action3news.com/Global/story.asp?S=8572518>

### **Thunderstorms Cut Electricity to 43,035 Customers in Illinois June 27-28**

Storms brought hail, heavy winds, and cut power to 28,000 ComEd customers and 15,035 Ameren customers. Approximately 2,500 ComEd customers were still without power yesterday morning.

<http://www.suntimes.com/news/metro/1030760.comed062908.article>

<http://www.thehawkeye.com/Story/IA-IL-IowaToday-062908>

<http://www.alliantenergy.com/docs/groups/public/documents/pub/p013332.hcsp>

### **Dominion Virginia Reports 33,583 Customers without Power June 27**

As of latest reports, only 2,733 customers were in the dark.

[http://www.dom.com/news/outage\\_sos.jsp](http://www.dom.com/news/outage_sos.jsp)

### **Thunderstorms Knock Out Power to 25,000 NStar Customers in Massachusetts June 27**

Lightning strikes and downed tree limbs caused the bulk of the outages, according to a spokeswoman. Crews hoped to restore all affected customers on June 27.

<http://www2.cw56.com/news/articles/local/BO81306/>

### **Storms Knock Out Power to 25,000 DTE Customers in Michigan June 28**

The company expected to restore all downed customers by the end of Saturday evening, June 28.

<http://www.freep.com/apps/pbcs.dll/article?AID=/20080629/NEWS01/806290595>

<http://www.freep.com/apps/pbcs.dll/article?AID=/20080628/NEWS06/80628027/1008/news06>

### **Wildfires Shut Two 500 kV Transmission Lines in California June 27**

Fire and smoke caused the lines to arc, triggering automatic shutdowns. The affected lines transport up to 4,800 MW of power through the California-Oregon Intertie. There is only one other 500 kV line along the Intertie. Workers restarted the lines at reduced rates—about 2,200 MW—late Friday afternoon.

Reuters, 18:46 June 27, 2008

### **Dominion's 871 MW Millstone Nuke Unit 2 in Connecticut Shut by June 29**

The company shut the unit after problems with two feedwater pumps. The Nuclear Regulatory Commission reported that on the morning of June 28 the unit was operating at full power.

Bloomberg News, 14:38 June 30, 2008

Information also derived from the NRC Power Reactor Status Reports:

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2008/>

### **AEP to Halt 675 MW Pirkey Coal-fired Power Station in Texas**

The company will idle the unit to repair the boiler, according to a filing with state regulators. Separate filings said the unit would shut between either June 30 and July 6, or June 30 and July 3. The filings did not say when the unit might return to service. The company expected to restart the same unit last week, from June 26-30, after repairing a tube leak. It is unclear if the two outages are related.

Reuters, 08:50 June 30, 2008

### **AES's 498 MW Alamos Gas-fired Unit 5 in California Shut by June 29**

According to the California Independent System Operator, the unit experienced an unplanned curtailment of 273 MW by June 29.

<http://www.caiso.com/unitstatus/data/unitstatus200806291515.html>

### **AES's 175 MW Alamos Gas-fired Unit 2 in California Shut by June 29**

According to the California Independent System Operator, the unit experienced an unplanned outage by June 29.

<http://www.caiso.com/unitstatus/data/unitstatus200806291515.html>

### **FirstEnergy's 1,235 MW Perry Nuke Unit 1 in Ohio Ramped Up to 95 Percent by June 30**

The Nuclear Regulatory Commission reported that on the morning of June 29 the unit was operating at 72 percent. The unit slowed to 64 percent power by June 28.

Information derived from the NRC Power Reactor Status Reports:

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2008/>

### **PPL's 1,111 MW Susquehanna Nuke Unit 2 in Pennsylvania at Full Power by June 30**

The Nuclear Regulatory Commission reported that on the morning of June 29 the unit was operating at 77 percent.

Information derived from the NRC Power Reactor Status Reports:

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2008/>

### **Update: Duke Energy's 1,100 MW McGuire Nuke Unit 1 in North Carolina Ramped Up to 15 Percent by June 30**

The unit shut automatically after the loss of a reactor coolant pump by June 26. The Nuclear Regulatory Commission reported that on the morning of June 29 the unit was not operating.

Information derived from the NRC Power Reactor Status Reports:

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2008/>

<http://uk.reuters.com/article/rbssIndustryMaterialsUtilitiesNews/idUKN2730389120080627>

### **Indiana-Michigan Power's 1,000 MW D.C. Cook Nuke Unit 1 in Michigan Reduced to 90 Percent by June 28**

The Nuclear Regulatory Commission reported that on the morning of June 27 the unit was operating at full power.

Information derived from the NRC Power Reactor Status Reports:

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2008/>

## **Update: Entergy's 966 MW River Bend Nuke Unit 1 in Louisiana Ramped Up to 97 Percent by June 29**

Entergy curtailed the unit by June 27 to check on a warning indicator associated with the cooling system. The Nuclear Regulatory Commission reported that on the morning of June 28 the unit was operating at 45 percent. Information derived from the NRC Power Reactor Status Reports:

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2008/>

<http://uk.reuters.com/article/rbssIndustryMaterialsUtilitiesNews/idUKN3039033620080630>

## **Southern's 856 MW Hatch Nuke Unit 1 in Georgia Ramped Up to 95 Percent by June 29**

The Nuclear Regulatory Commission reported that on the morning of June 28 the unit was operating at 83 percent. Information derived from the NRC Power Reactor Status Reports:

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2008/>

## **FPL's 693 MW Turkey Point Nuke Unit 3 in Florida at Full Power by June 30**

The unit slowed to 2 percent power by the morning of June 28. It ramped up to 50 percent power by yesterday morning, June 29, and returned to full power by today.

Information derived from the NRC Power Reactor Status Reports:

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2008/>

## **POWEREX's 428 MW Dynamic Resource Unit in California Returns to Service June 29**

According to the California Independent System Operator, the unit returned from an unplanned curtailment of 333 MW.

<http://www.caiso.com/unitstatus/data/unitstatus200806291515.html>

## **Harbor Cogen's 109 MW Harbor Cogen Combined Cycle Gas-fired Unit in California Returns to Service by June 28**

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

<http://www.caiso.com/unitstatus/data/unitstatus200806281515.html>

## **OPG's 494 MW Lambton Coal-fired Unit 2 in Ontario Shut by June 30**

Reuters, 08:34 June 30, 2008

## **OPG's 490 MW Nanticoke Coal-fired Unit 2 in Ontario Shut by June 30**

Reuters, 08:35 June 30, 2008

## **ATCO's 378 MW Sheerness Coal-fired Unit 1 in Alberta Shut June 29**

Reuters, 9:04 June 30, 2008

## **Enmax's 250 MW Calgary Gas-fired Unit in Alberta Shut June 28**

Reuters, 9:04 June 30, 2008

## **Horizon Wind Energy Opens 400 MW Lone Star Wind Farm in Texas**

The facility began full operations in May, 2008. Horizon Wind Energy, owned by EDP Renovaveis, held a ribbon cutting celebration for the wind farm last Thursday, June 26.

<http://www.prnewswire.com/>

<http://www.horizonwind.com/projects/whatwevedone/lonestar.aspx>

## **PG&E Plans 177 MW Solar Power Plant in California**

Ausra is constructing the plant, using solar arrays from its new solar power plant factory in Nevada.

[http://greenwombat.blogs.fortune.cnn.com/2008/06/30/first-us-solar-power-plant-factory-goes-online/?source=yahoo\\_quote](http://greenwombat.blogs.fortune.cnn.com/2008/06/30/first-us-solar-power-plant-factory-goes-online/?source=yahoo_quote)

## **U.S. BLM Issues Solar Power Moratorium on Government Land Across Six States**

Citing environmental uncertainty, the U.S. Bureau of Land Management (BLM) issued a moratorium on solar projects on government land in Arizona, California, Colorado, Nevada, New Mexico and Utah. The BLM will await the results of an environmental impact study, which it expects to take two years. The moratorium involves millions of acres across the six states.

[http://www.upi.com/Top\\_News/2008/06/29/US\\_government\\_delays\\_solar\\_projects/UPI-19851214716710/](http://www.upi.com/Top_News/2008/06/29/US_government_delays_solar_projects/UPI-19851214716710/)

## **LADWP to Stop Importing Power from 2,250 MW Coal-fired Navajo Generating Station in California by 2019**

The Los Angeles Department of Water (LADWP) will not purchase electricity from the facility after 2019, once its current agreement expires. At present, LADWP imports just more than one-fifth of the facility's 2,250 MW output. In response to a 2007 state law, California utilities have shifted away from more-polluting power sources, like coal, and invested in renewable energy.

[http://www.redorbit.com/news/business/1453219/california\\_utility\\_to\\_stop\\_drawing\\_power\\_from\\_navajo\\_coal\\_plant/](http://www.redorbit.com/news/business/1453219/california_utility_to_stop_drawing_power_from_navajo_coal_plant/)

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## **Petroleum**

### **Texas Oilfield Thefts on the Rise amid Surging Crude Prices**

Thieves burglarized Texas oilfields more than 500 times from 2005 to 2007, snagging oil, equipment and cash, and costing companies close to \$78 million. Burglars extracted oil from storage tanks, stole equipment from sites after-hours, or filed false invoices within thriving oil companies. Future thefts could threaten crude production, and potentially stoke already-inflated energy prices. The Federal Bureau of Investigation (FBI) is initiating a joint task force to combat the thefts, beginning next month.

[http://business.maktoob.com/NewsDetails-20070423172430-Oilfield\\_thefts\\_soar\\_in\\_Texas\\_as\\_prices\\_boom.htm](http://business.maktoob.com/NewsDetails-20070423172430-Oilfield_thefts_soar_in_Texas_as_prices_boom.htm)

### **Kazakhstan, Oil Companies Agree to Begin Production at 13 Billion Barrel Kashagan Oilfield in October, 2013**

Original plans called for Kashagan to begin production in 2005. Cost and production delays have hampered progress, however—2013 is the project's fourth projected start-date. The offshore field, in the Caspian Sea, holds estimated recoverable reserves of 13 billion barrels.

[http://money.cnn.com/news/newsfeeds/articles/djf500/200806281142DOWJONESDJONLINE000341\\_FORTUNE5.htm](http://money.cnn.com/news/newsfeeds/articles/djf500/200806281142DOWJONESDJONLINE000341_FORTUNE5.htm)

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## **Natural Gas**

### **Dominion Plans 1 Bcf/d Dominion Keystone Natural Gas Pipeline from Appalachian Basin Throughout Eastern United States**

The pipeline would deliver natural gas from the Marcellus Shale in southwestern Pennsylvania to Chester County, Pennsylvania. It would enter service by the end of 2012, and include connections to multiple pipelines. Dominion will hold an open season from July 7 to August 12. Dominion Exploration & Production and Antero Resources will each provide approximately 500 million cubic feet per day (MMcf/d) of natural gas.

<http://www.dom.com/news/gas2008/pr0630.jsp>

### **BLM Plan Would Tighten Pollution Standards, Spur Natural Gas Production in Wyoming**

The U.S. Bureau of Land Management (BLM) plan, released June 28, would accelerate production in the gas-rich Pinedale Anticline, adding a potential 4,400 new wells. Shell, Ultra Resources, and Questar seek to drill a combined 20 to 25 trillion cubic feet of gas from the Anticline. Under the BLM's plan, drillers would be subject to new, presumably more-stringent pollution standards. Environmental groups, however, contend that the standards would not go far enough. The plan still faces a 30-day public review period. BLM aims to make a final decision by the end of August, 2008.

<http://www.signonsandiego.com/news/nation/20080627-1746-wst-wyomingdrilling.html>

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## **Other News**

Nothing to report.

## Energy Prices

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U.S. Oil and Gas Prices			
June 30, 2008			
	Today	Week Ago	Year Ago
<b>CRUDE OIL</b> <b>West Texas Intermediate U.S.</b> \$/Barrel	141.05	137.19	70.48
<b>NATURAL GAS</b> <b>Henry Hub</b> \$/Million Btu	13.10	12.76	6.40

Source: Reuters

## Energy Notes

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### **Thunderstorms Knock Out Power to 16,000 Duke Energy Customers in Ohio June 28**

<http://www.wlwt.com/weather/16737111/detail.html>

### **Thunderstorm Cuts Power to 14,000 Jacksonville Electric Authority Customers in Florida June 29**

<http://www.firstcoastnews.com/news/local/news-article.aspx?storyid=112521&catid=3>

### **Storms Knocks Out Power to 14,000 We Energies Customers in Wisconsin June 28**

<http://gazettextra.com/weblogs/latest-news/2008/jun/28/thousands-loose-power-southern-wisconsin/>

### **Lightning Strikes Substation, Cuts Power to 10,323 Decatur Utilities Customers in Alabama June 28**

<http://www.individual.com/story.php?story=84846445>

### **Update: Largely-Supportive Crowd at Environmental Public Hearing for Proposed Crude Oil Import Terminal at Port of Los Angeles—Project Would Include Terminal, Wharf, and Two 250,000 Barrel Storage Tanks**

[http://www.cunninghamreport.com/news\\_item.php?id=353](http://www.cunninghamreport.com/news_item.php?id=353)

<http://www.pacificenergypier400.com/index.php>

### **Al-Qaeda Says it Launched Three Rockets at Oil Refinery in Yemen June 30—Witnesses Say Attack Was Not Successful**

<http://afp.google.com/article/ALeqM5hiF2cFdyN7Tb9SUq7wSp0EJtIpbg>

### **Update: Wisconsin Power & Light Files with Public Utilities Commission for Proposed 400 MW Bent Tree Wind Farm in Minnesota**

<http://www.prnewswire.com/>

### **Update: First Solar Power Plant Factory in North America to Begin Production June 30—Nevada Plant Will Produce More than 700 MW of Equipment Per Year**

[http://greenwombat.blogs.fortune.cnn.com/2008/06/30/first-us-solar-power-plant-factory-goes-online/?source=yahoo\\_quote](http://greenwombat.blogs.fortune.cnn.com/2008/06/30/first-us-solar-power-plant-factory-goes-online/?source=yahoo_quote)

### **Con Edison and Workers' Union Discussions Continue Beyond Strike Deadline in New York June 29**

<http://www.myfoxny.com/myfox/pages/News/Detail?contentId=6873275&version=3&locale=EN-US&layoutCode=TSTY&pageId=3.2.1>

**Public Service Commission Denies Sempra's Bid to Extend Proposed Gas-fired Power Plant in Maryland to May 2009**

<http://www.fredericknewspost.com/sections/business/display.htm?StoryID=76741>

**Update: Luminant Receives Federal Approval for Proposed Expansions at Comanche Peak Nuclear Power Station in Texas—Would Total 86 Additional MW**

Reuters, 12:04 June 30, 2008

**New Transmission Lines Needed to Move Renewable Energy to Consumers, Report Says**

<http://online.wsj.com/article/SB121432264875000183.html.html>

**DOE Says Low-Head Hydropower—Involving Dams Less than 100 Feet High—Could Potentially Satisfy One-Third of U.S. Electricity Demand**

[http://www.nytimes.com/2008/06/29/nyregion/nyregionspecial2/29hydronj.html?\\_r=1&ref=nyregionspecial2&oref=slogin](http://www.nytimes.com/2008/06/29/nyregion/nyregionspecial2/29hydronj.html?_r=1&ref=nyregionspecial2&oref=slogin)

**Power-Generation Engine Explodes, Injures Two at Power Plant in Nebraska June 25**

<http://www.siouxcityjournal.com/articles/2008/06/26/news/local/686b6bdd949fed108625747300780c24.txt>

**Occidental Petroleum Corp to Boost Permian, Texas Oil Production by At Least 50,000 b/d Over Next Five Years**

Reuters, 09:51 June 30, 2008

**Oilfield Pipeline Fire Burns Three Workers in Texas June 26**

[http://www.downstreamtoday.com/News/Articles/200806/Three\\_Burned\\_In\\_Texas\\_Pipeline\\_Accident\\_11610.aspx](http://www.downstreamtoday.com/News/Articles/200806/Three_Burned_In_Texas_Pipeline_Accident_11610.aspx)

**Militants Attack Bonny Light Oil Facility in Nigeria Over Weekend—Impact to Production Unclear, Oil Minister Says**

[http://money.cnn.com/news/newsfeeds/articles/djf500/200806301206DOWJONESDJONLINE000379\\_FORTUNE5.htm](http://money.cnn.com/news/newsfeeds/articles/djf500/200806301206DOWJONESDJONLINE000379_FORTUNE5.htm)

**Industrial Accident Causes Explosion, Kills One at Agip's Tebidaba Flow Station in Nigeria June 28**

Reuters, 11:21 June 28, 2008

**Update: Nigerian Workers' Union, Chevron Reach Deal to Suspend Strike June 27**

Reuters, 16:00 June 27, 2008

**StatoilHydro Opens Oseberg Delta and Theta Cook Satellite Fields in North Sea, Boosting Output by 18,000 b/d—7,000 b/d Oseberg Delta Well #2 to Open in Fall, 2008**

Reuters, 06:12 June 30, 2008

**Iran could Block Oil Routes and Attack Israel, Official Says, Should Enemies Assault Iranian Nuclear Facilities**

<http://www.ft.com/cms/s/0/7c12ad2c-45ff-11dd-9009-0000779fd2ac.html>

**British Columbia Gives Environmental Okay for Pacific Trails Pipelines LP's Proposed 288-Mile, 36-Inch Natural Gas Pipeline in Canada**

CJX-SPT 09:08 June 30, 2008

**Occidental Petroleum, SandRidge Energy Plan Hydrocarbon Gas Processing Plant in Texas**

Reuters, 09:51 June 30, 2008

## 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)