



ENERGY ASSURANCE DAILY

Wednesday Evening, July 09, 2008

Electricity

Fires Cut Power to 36,000 SCE Customers in California July 7

Fire and smoke impaired transmission lines for the sixth consecutive day, cutting power to 36,000 Southern California Edison (SCE) customers in Santa Barbara County, California. The utility restored power to most customers within one hour, according to a spokeswoman.

<http://www.forbes.com/feeds/ap/2008/07/08/ap5190528.html>

AES's 495 MW Alamitos Gas-fired Unit 6 in California Shut by July 7

According to the California Independent System Operator, the unit experienced an unplanned outage by July 7.

<http://www.caiso.com/unitstatus/data/unitstatus200807071515.html>

PG&E's 119 MW Belden Hydroelectric Unit in California Shut by July 7

According to the California Independent System Operator, the unit experienced an unplanned outage by July 7.

<http://www.caiso.com/unitstatus/data/unitstatus200807071515.html>

Update: Southern's 856 MW Hatch Nuke Unit 1 in Georgia Ramped Up to 39 Percent by July 8

The unit stalled automatically on July 4 after a turbine trip. The Nuclear Regulatory Commission reported that on the morning of July 7 the unit was operating at 3 percent.

Reuters, 07:53 July 7, 2008

Information also derived from the NRC Power Reactor Status Reports:

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

Update: AEP to Restart 528 MW Welsh Coal-fired Unit 1 in Texas from July 8-13

American Electric Power Co Inc. (AEP) shut the unit on June 30 after a bunker fire. The company will restart the unit from July 8-13, according to a filing with state regulators.

Reuters, 07:32 July 8, 2008

Bruce Power Idles 822 MW Bruce B Nuke Unit 7 in Ontario July 8

The company shut the unit to fix a heat transport pump. A spokesman did not say when the unit would return to service, but did say the repairs should not last long. Traders predicted the unit would be back within one week.

Reuters, 11:43 July 8, 2008

EPCOR's 382 MW Genesee Coal-fired Unit 3 in Alberta Shut July 7

Reuters, 19:38 July 7, 2008

ATCO's 368 MW Battle River Coal-fired Unit 5 in Alberta Shut July 7

Reuters, 7:37 July 8, 2008

Petroleum

Power Failure Slows U.S. Oil & Refining Co.'s 37,850 b/d Tacoma, Washington Refinery to 50 Percent Capacity July 7

A vehicle hit an associated power line, cutting electricity to the refinery yesterday morning, July 7. The company is working to restore the affected units, a spokeswoman said. The incident resulted in flaring.

<http://www.thenewstribune.com/business/story/407334.html>

Bloomberg News, 15:19 July 7, 2008

Natural Gas

ANGDA, Enstar Plan 360 MMcf/d, 450-mile Natural Gas Pipeline in Alaska Pipeline Would Serve Alaskan Consumers

The Alaska Natural Gas Development Authority (ANGDA) and Enstar plan to build a 360 million cubic feet per day (MMcf/d) in-state natural gas pipeline, Governor Sarah Palin announced July 7. The pipeline would stretch 450 miles, tapping reserves from the Cook Inlet basin in southern Alaska, and from the Brooks Range hills farther north. It would deliver gas to Alaska's population hubs in Fairbanks, Anchorage, and elsewhere. Pending approvals and financing, construction would begin as soon as 2011, and the pipeline would open for service by 2013.

Reuters, 21:25 July 7, 2008

El Paso Plans 130 MMcf/d, 16-inch, 118-mile Natural Gas Pipeline Expansion from Raton Basin in Colorado

The pipeline would increase natural gas deliveries from the Raton Basin in Colorado. It would stretch 118 miles, from Los Animas County, Colorado to the Cheyenne Hub in Wyoming. El Paso expects to file its plans with the Federal Energy Regulatory Commission by early 2009, begin construction in late 2009, and open the pipeline in the second quarter of 2010.

<http://investor.elpaso.com/phoenix.zhtml?c=97166&p=irol-newsArticle&ID=1172685&highlight=>

MKW 10:00 July 8, 2008

Company Installs Solar-Powered "ThreatScan" Sensors Along 11-mile Stretch of El Paso's Natural Gas Pipeline in Texas

The sensors will operate at all times, and protect the 11-mile segment from third-party damage. An El Paso official called third-party damage "the most significant integrity threat to both liquid and gas networks globally."

<http://www.bizjournals.com/houston/stories/2008/07/07/daily2.html>

Other News

T. Boone Pickens Unveils Plan to Reduce U.S. Demand for Foreign Oil by More Than One Third in Under Ten Years

The "Pickens Plan" would involve heavy investment in wind power and a significant reduction in U.S. gasoline consumption. By encouraging wind growth, Pickens says gas-fired power plants could switch fuel to run on wind. Within 10 years, he says, 20 percent of the natural gas currently fueling power plants could serve as vehicle fuel. Pickens predicts up to one third of all U.S. vehicles will run on natural gas in a few years. In less than ten years, his plan says, U.S. demand for foreign oil will shrink by more than one-third.

<http://www.pickensplan.org/>

http://www.usatoday.com/money/industries/energy/2008-07-08-t-boone-pickens-plan-wind-energy_N.htm

Ethanol Margins Tight as Corn Prices Surge in Flooded Midwest

Ethanol producers are facing thin margins, and some may be operating at losses, as ethanol rates fail to keep pace with soaring corn prices. Corn prices rose by about a dollar, from \$6.50 to \$7.50 a bushel, after June floods ravaged the Midwest. The floods did not significantly stunt ethanol production—only two large plants shut, and just one of those remains partly-closed—and deliverability is no longer at issue. But inflated corn prices, which threatened ethanol's margins even before the floods, continue to squeeze ethanol refiners. Ethanol spot prices jumped from \$2.50 or \$2.60 a gallon before the floods, to just over \$3.00 yesterday.

<https://www.platts.com/Oil/Resources/Podcasts/americas/index.xml>

Energy Prices

U.S. Oil and Gas Prices			
July 9, 2008			
	Today	Week Ago	Year Ago
CRUDE OIL West Texas Intermediate U.S. \$/Barrel	136.21	141.80	72.67
NATURAL GAS Henry Hub \$/Million Btu	12.96	13.19	6.15

Source: Reuters

Energy Notes

Force Majeure Declared for Cleopatra Natural Gas Production Along Manta Ray Pipeline in Gulf of Mexico

<http://www.enbridgeus.com/Reports/reportrem.aspx?pl=1&rptSite=1&rpt=%2fnotice%2fFinalReview.asp%3fcode%3dmanr2008190.11734&tmi=869&tmt=5>

Car Hits Power Pole, Cuts Electricity to 16,000 SMUD Customers in California July 8 Company Restores Service to Downed Customers in Less Than Two Hours

<http://www.news10.net/news/local/story.aspx?storyid=44396>

Citing Forecasted Heat and Fires, PG&E and CAISO Request Customers Conserve Energy This Week in California

<http://www.prnewswire.com/>
<http://www.caiso.com/1ffd/1ffdaed355180.pdf>

Residents to Vote on Construction of Nevco's Proposed Coal-fired Power Plant in Sevier County, Utah

http://www.sltrib.com/news/ci_9813736?source=rss

Tampa Electric Completes Phase Two in Environmental Improvement Project—Installs Selective Catalytic Reduction Equipment at 446 MW Big Bend Power Station Unit 3 in Florida

<http://www.tampaelectric.com/news/article/index.cfm?article=460>

Noble Environmental Power Breaks Ground on 69 MW Noble Thumb I Windpark in Michigan July 8

PRN 13:10 July 8, 2008

MMC Energy Plans 50 MW Peaking Power Unit and Full-Scale Re-powering of Existing 44.5 MW Facility in Escondido, California

<http://ir.mmcenergy.com/releasedetail.cfm?ReleaseID=319861>

Update: North Dakota Landowners Abandon Court Appeal to TransCanada's Proposed Keystone Oil Pipeline through North Dakota

<http://www.forbes.com/feeds/ap/2008/07/07/ap5189882.html>

Update: Valero Says Crude Supply Not an Issue at Refineries—Company Can Turn Elsewhere for Oil as Mexico Slashes Scheduled Shipments

Reuters, 11:41 July 8, 2008

Update: U.S. Coast Guard Says Coos Bay Port in Oregon Would Need Navigational, Security and Safety Upgrades for Proposed Jordan Cove Energy LNG Terminal
<http://intelligencepress.com/>

Upper Mississippi River in Minnesota, from Mile Marker 801 to 803, Closed to Commercial Traffic After Boats Run Aground July 7—Traders Expect Minimal Impact to Movement of Grains, Coal or Petroleum Product
Reuters, 13:04 July 8, 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

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<http://www.oe.netl.doe.gov/index.aspx>.

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