



ENERGY ASSURANCE DAILY

Thursday Evening, July 17, 2008

Electricity

Storms Knock Out Power to 33,000 DTE Customers in Michigan July 16

DTE reports about 11,000 customers remained without power this morning, but power should be restored to majority of the customers today.

<http://www.detnews.com/apps/pbcs.dll/article?AID=/20080717/METRO/807170433/1361>

Tornado and Storms Knock Out Power to 33,000 Customers in Wisconsin July 16

We Energies reported 20,000 customers lost power and Alliant Energy reported 13,000 customers lost power.

<http://www.wisn.com/news/16903308/detail.html>

<http://www.620wtmj.com/news/local/25503644.html>

Xcel Energy May Shut Power to Estimated 72,000 Customers for Missed or Delayed Payments in 2008

Xcel expects to turn off power to 47,000 customers in Colorado in the second and third quarter for failing to pay bills on time, a 140 percent increase in shutoffs compared with the same period in 2005. A company spokesman said the Xcel is averaging 1,000 disconnects a week and is on pace for 72,000 disconnects this year. By June, about 85 percent of customers who had their power turned off had been reconnected.

<http://cbs4denver.com/local/xcel.energy.customers.2.772489.html>

AEP's 675 MW Pirkey Coal-fired Unit 1 in Texas Shut July 16

According to state regulators, the unit experienced an unplanned outage to repair a boiler.

<http://www2.tceq.state.tx.us/eer/main/index.cfm?fuseaction=getDetails&target=111160>

OPG's 515 MW Pickering Nuke Unit 8 in Ontario Shut July 16

Reuters, 19:34 July 16, 2008

OPG's 490 MW Nanticoke Coal-fired Unit 3 in Ontario Shut July 16, Restarts July 17

The unit was shut to repair the steam system on July 16.

Reuters, 13:37 July 17, 2008

OPG's 490 MW Nanticoke Coal-fired Unit 1 in Ontario Shut July 16

The unit shut for turbine repairs. Traders anticipated that the unit would return within a week

Reuters, 13:38 July 17, 2008

PG&E's 407 MW Helms Hydro-powered Unit 2 in California Shut by July 16

According to the California Independent System Operator, the unit experienced an unplanned outage by July 16.

<http://www.caiso.com/unitstatus/data/unitstatus200807161515.html>

Xcel Energy's 346 MW Harrington Coal-fired Unit 1 in Texas Shut July 17

Bloomberg News, 11:53 July 17, 2008

Enmax's 250 MW Calgary Gas-fired Unit in Alberta Shut July 15

Reuters, 19:34 July 16, 2008

Update: Energy Northwest's 1,107 MW Columbia Nuke Unit in Washington at Full Power by July 17

The Nuclear Regulatory Commission reported that on the morning of July 16 the unit was operating at 81 percent. 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 813 MW FitzPatrick Nuke Unit in New York Ramped Up to 86 Percent by July 17

The Nuclear Regulatory Commission reported that on the morning of July 16 the unit was operating at 55 percent. 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 510 MW Vermont Yankee Nuke Unit in Vermont Ramped Up to 50 Percent by July 17

The Nuclear Regulatory Commission reported that on the morning of July 16 the unit was operating at 24 percent to repair cooling towers.

<http://www.wptz.com/news/16901776/detail.html>

Information also derived from the NRC Power Reactor Status Reports:

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

Update: AES's 498 MW Alamos Gas-fired Unit 5 in California Returns to Service by July 16

According to the California Independent System Operator, the unit experienced an unplanned outage by July 16.

<http://www.caiso.com/unitstatus/data/unitstatus200807161515.html>

NRG Energy Cancels Plans for Clean Coal Project in New York

The New York Power Authority (NYPA) intends to let an alliance with NRG for a clean coal project expire on July 22. This effectively ends NRG's efforts to develop a clean coal project in its present form.

<http://biz.yahoo.com/bw/080716/20080716006240.html?v=1>

South Carolina Electric & Gas Appeals for Approval to Commence Construction of New Nuclear Reactors

South Carolina Electric & Gas plans to build two nuclear reactors at the V.C. Summer Nuclear Station in South Carolina. State regulators had put construction of the project on hold July 16 due to opposition from an environmental group.

http://biz.yahoo.com/ap/080716/sc_sce_g_nuclear_power.html?v=1

Texas PUC Considering Options for New Transmission System to Incorporate New Wind Power Development

Approval of new transmission lines will allow as much as 18,000 MW of potential wind development in windy parts of the Texas not connected to the grid. Texas has 5,239 MW of wind-generated power, supplying 4 percent of the state's total electricity demand. Texas Public Utility Commission (PUC) is considering four different transmission possibilities which have been approved by the Electric Reliability Council of Texas (ERCOT). Texas PUC will continue to study how wind volatility affects safe operation of the electricity grid and will make a decision on grid patterns and development by the end of the month.

Reuters, 11:34 July 17, 2008

http://www.cnbc.com/id/25708335/site/14081545?_source=yahoo!headline|quote|text|&par=yahoo

Petroleum

U.S. Department of Interior Opens 2.6 Million Acres for Energy Exploration in Alaska July 16

The decision opens up for drilling much of the northeast section of the Northeast National Petroleum Reserve in Alaska, which holds an estimated 3.7 billion barrels of oil.

http://www.nytimes.com/2008/07/17/us/17alaska.html?_r=2&ref=us&oref=slogin&oref=slogin

Update: FCCU at Citgo's 165,000 b/d Corpus Christi, Texas Refinery Restarting July 17

The fluidic catalytic cracking unit (FCCU) is being restarted after an upset shut the unit July 15.

<http://www2.tceq.state.tx.us/eeer/main/index.cfm?fuseaction=getDetails&target=111164>

Update: Enbridge's Proposed Crude Pipeline from Alberta to the U.S. Gulf Coast Can Commence in 2012, Despite Previously Announcing a Possible 2-Year Delay

According to a company spokesman, the start up of the proposed pipeline is still possible in 2012 depending on industry commitments. Enbridge had announced last week that they were facing a two-year delay.

http://www.downstreamtoday.com/News/Articles/200807/Enbridge_Start_Still_Possible_for_11909.aspx

Suncor Shuts 140,000 b/d Ft. McMurray-Edmonton Pipeline in Alberta after Synthetic Crude and Diesel Leak Discovered July 15

According to a company spokeswoman, production at Suncor's oil-sands plant hasn't been curtailed by the accident and the company can ship oil to Edmonton via a pipeline owned by Enbridge or build up inventories in storage tanks.

Reuters, 10:19 July 17, 2008

http://www.bloomberg.com/apps/news?pid=20601082&sid=aCtuwUVJU_wE&refer=canada

Pennington Oil Field in Nigeria Restarts Pumping After about One-Year Shutdown – Traders

Production of crude oil from the Pennington oil field stopped in May 2007 following a rebel attack. Traders said the field restarted pumping in June and had loaded two cargoes holding 1 million barrels for loadings in early and late July. Before the shutdown, the field produced approximately 500,000 b/d.

Reuters, 09:45 July 17, 2008

Eni Shuts 47,000 b/d Crude Production after Militant Attack on Brass Area Export Terminal and Ogbambiri Flow stations in Nigeria

Reuters, 10:18 July 17, 2008

<http://www.platts.com/Oil/News/8887363.xml?p=Oil/News&sub=Oil>

Update: Brazilian Oil Workers Expand Strike to Include Refineries July 17

The strike was originally limited to platforms in the Campos Basin in Brazil. Workers have now expanded the strike to include all production and refining units of Petrobras. Petrobras states that distribution units are not affected by the strike. The union will vote next week to stop production in a nationwide strike planned to start on August 5.

Reuters, 10:34 July 17, 2008

New Pipeline Replaces Crude Oil Trucking to ConocoPhillips's Carson, California Refinery

The new 10-inch 20,000 b/d pipeline started up March 14, carrying crude to ConocoPhillips's Carson Refinery. This eliminated the need for 50 trips of crude deliveries by tanker trucks a day.

http://www.ogj.com/display_article/334593/7/ONART/none/DriPr/1/Central-Wilmington-pipeline-ends-oil-trucking/

Natural Gas

Quoddy Bay to Temporarily Withdraw LNG Import Terminal Application from State Reviewers in Maine

Quoddy Bay decided to postpone the project citing unresolved federal procedural issues and undetermined composition of the terminal.

http://www.downstreamtoday.com/News/Articles/200807/Quoddy_Bay_Seeks_Delay_On_State_Review_11905.aspx

Other News

Tyson Foods and Syntroleum Corp. Approve Dynamic Fuels Plans for 75 MMgal/year Geismar Renewable Synthetic Fuels Plant in Louisiana

Construction is expected to commence October 2008. The plant is expected to be operational by year end 2009.

<http://www.tyson.com/Corporate/PressRoom/ViewArticle.aspx?id=2995>

Energy Prices

| U.S. Oil and Gas Prices | | | |
|--|--------------|-----------------|-----------------|
| July 17, 2008 | | | |
| | Today | Week Ago | Year Ago |
| CRUDE OIL West Texas Intermediate U.S. \$/Barrel | 133.93 | 137.67 | 74.32 |
| NATURAL GAS Henry Hub \$/Million Btu | 11.15 | 12.10 | 6.32 |

Source: Reuters

Energy Notes

Environmental Group Seeks Construction Injunction of Duke's Coal-fired Power Plant in North Carolina

http://biz.yahoo.com/ap/080716/nc_cliffside_lawsuit.html?.v=1

New Mexico Governor Extends Oil and Gas Drilling Ban in the Galisteo Basin through January

<http://www.santafenewmexican.com/SantaFeNorthernNM/Richardson-extends-ban-on-oil--gas-drilling>

Gas Drilling Suspended in Northwest Colorado due to Endangered Black-footed Ferret

http://www.denverpost.com/breakingnews/ci_9898035

Electrical Line Disconnection Knocks Out Power to 15,000 Tucson Electric Power Customers in Arizona July 16

<http://www.azstarnet.com/sn/hourlyupdate/248585.php>

North Dakota Regulators to Review Plains All American's Proposed 6-inch 10,000 b/d Crude Pipeline

<http://www.forbes.com/feeds/ap/2008/07/16/ap5222865.html>

FPL Energy Plans 667-Turbine Wind Farm in North Dakota

<http://www.kxmb.com/News/Local/256920.asp>

Truck Hits Guard Rail and Ruptures Fuel Tank, Spilling 120 Gallons of Diesel and Unknown Amounts of Oil on I-15 in Nevada

http://www.desertdispatch.com/news/closes_3845___article.html/pass_Jane.html

USCG and Washington State Ecology Department Investigating Cause of 100-400 Gallon Diesel Spill in Duwamish Waterway

http://seattletimes.nwsources.com/html/localnews/2008054476_apwadieselspill.html

Synthesis Energy Systems and The North American Coal Corp to Conduct Pre-Feasibility Study Exploring Development of Coal-based Gasification Facility

http://www.downstreamtoday.com/News/Articles/200807/Synthesis_Energy_North_American_Coal_Ey_11894.aspx

Dow Chemical and DOE's National Renewable Energy Laboratory to Develop Process to Convert Biomass to Ethanol

http://www.downstreamtoday.com/News/Articles/200807/Dow_Feds_Plan_To_Convert_Biomass_To_Eth_11898.aspx

Ecuador and Venezuela to Build 300,000 b/d Refinery in Manabi, Ecuador

http://www.bbj.hu/main/news_41698_ecuador%2Bvenezuela%2Bto%2Bbuild%2Bbiggest%2Boil%2Brefinery.html

Three Gunmen and One Civilian Killed During Militant Attack of Navy Houseboat in Nigeria's Bonny Island July 16 – Security and Industry Sources

http://www.rigzone.com/news/article.asp?a_id=64257

OPEC Oil Exports, Excluding Angola and Ecuador, to Rise 560,000 b/d in 4 Weeks to August 2 – Analyst

Reuters, 11:30 July 17, 2008

Eni Says Kitan Oil Field in the Timor Sea May Hold 30-40 Million Barrels of Reserves

Reuters, 02:04 July 17, 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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