



# ENERGY ASSURANCE DAILY

Monday Evening, July 21, 2008

## ***Electricity***

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### **Thunderstorms Cut Power to 220,154 Customers in Iowa July 21**

Winds gusted as high as 100 mph, cutting power to 189,154 MidAmerican Energy customers and 31,000 Alliant Energy customers. As of latest reports, 145,519 MidAmerican Energy customers and 6,375 Alliant Energy customers remained in the dark.

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

<http://www.midamericanenergy.com/storm/>

[http://www.kgan.com/template/inews\\_wire/wires.regional.ia/2a5241eb-www.kgan.com.shtml](http://www.kgan.com/template/inews_wire/wires.regional.ia/2a5241eb-www.kgan.com.shtml)

<http://www.desmoinesregister.com/apps/pbcs.dll/article?AID=/20080721/NEWS/80721002/1001/NEWS>

<http://www.qctimes.com/articles/2008/07/21/news/local/doc488476bd042a3529235679.txt?sPos=1>

### **Storms Cut Power to 31,700 Customers in Indiana July 20**

Thunderstorms knocked out power to 28,000 Duke Energy customers and 3,700 Indianapolis Power & Light customers July 20. Only 961 Duke Energy customers and 500 Indianapolis Power & Light customers remained in the dark, as of latest reports.

<http://www.duke-energy.com/indiana/outages/current.asp>

<http://www.indystar.com/apps/pbcs.dll/article?AID=/20080721/LOCAL18/807210353/1195/LOCAL18>

### **La Paloma Generating Company's 260 MW La Paloma Gas-fired Unit 4 in California Shut by July 18**

According to the California Independent System Operator, the unit experienced an unplanned outage by July 18.

<http://www.caiso.com/unitstatus/data/unitstatus200807181515.html>

### **Update: AEP to Restart 675 MW Pirkey Coal-fired Unit in Texas July 18-22**

American Electric Power (AEP) idled the unit July 17 to fix a boiler tube leak. The company expected to restart the unit July 18-22.

Reuters, 15:35 July 18, 2008

### **PG&E's 407 MW Helms Hydro Unit 2 in California Returns to Service by July 18**

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

<http://www.caiso.com/unitstatus/data/unitstatus200807181515.html>

### **Infrastructure Lagging as U.S. Electricity Demand Soars, Experts Say**

The average American home consumes 60 percent more electricity than 30 years ago, and U.S. electricity demand will jump by 30 percent in the coming decades, an Edison Electrical Institute (EEI) official said. That, in turn, will create an electricity squeeze, according to experts at a West Virginia electricity forum, organized by West Virginians for Reliable Power. A significant electricity outage could threaten national security, a defense expert said, forcing offline defense facilities feeding off the grid. According to EEI's spokesperson: "I don't want to be an alarmist here, but the window within which we can act to maintain reliable power supplies is getting to be tighter and tighter."

For more information go to the Coalition for Reliable Power: <http://forreliablepower.org>

<http://www.journal-news.net/page/content.detail/id/508583.html?nav=5006>

### **Kelson Transmission Plans 95-mile High-voltage Electric Transmission Line in Texas**

The line would deliver electricity from a 1,200 MW gas-fired plant in Deweyville to Houston consumers. It would be equipped to transport up to 5,000 MW of power.

<http://www.chron.com/disp/story.mpl/business/5896244.html>

### **Oil and Gas Companies Evacuate Gulf of Mexico Workers in Preparation for Possible Hurricane Dolly**

The National Hurricane Center expects Dolly to make landfall north of Brownsville, Texas on Wednesday night. Officials issued a hurricane watch from the Mexican border to Port O'Connor, Texas. A hurricane watch means that hurricane conditions are possible within the watch area, generally within 36 hours. The forecasted stretch includes Corpus Christi, Texas. In preparation for the storm, companies evacuated workers from a total of 4 production platforms—or 0.6% of the 717 manned platforms in the Gulf of Mexico—according to a Minerals Management Service (MMS) release. Shell evacuated 125 employees yesterday, July 20, and expected to remove 60 more today, July 21. The company said it does not expect Dolly to impact any production. ExxonMobil, separately, said it was preparing for the storm.

<http://www.mms.gov/ooc/press/2008/press0721.htm>

<http://www.nhc.noaa.gov/text/refresh/MIATCPAT4+shtml/211454.shtml>

### **Crane Collapse Kills Four, Injures Seven at Lyondell's 270,000 b/d Houston, Texas Refinery July 18**

A 600-foot crane plummeted to the ground on Friday, July 18, killing four workers and injuring seven. The incident occurred during a planned refinery overhaul, and did not affect production, according to sources.

Reuters, 17:40 July 20, 2008

[http://www.downstreamtoday.com/News/Articles/200807/Four\\_Die\\_In\\_Houston\\_Refinery\\_Accident\\_11958.aspx](http://www.downstreamtoday.com/News/Articles/200807/Four_Die_In_Houston_Refinery_Accident_11958.aspx)

### **Update: Shell Restores 67,000 b/d FCC at 332,000 b/d Deer Park, Texas Refinery**

Shell restored the 67,000 b/d fluid catalytic cracking unit (FCC) to full service by Monday, July 21, a spokesperson said. The company slowed the unit after an electrical malfunction July 17.

Reuters, 09:41 July 21, 2008

Reuters, 18:17 July 18, 2008

Reuters, 16:49 July 18, 2008

### **Citgo to Restart Cat Cracker at 165,000 b/d Corpus Christi, Texas Refinery**

The unit suffered an upset, according to a filing with state regulators.

Bloomberg News, 12:52 July 21, 2008

### **Update: Eni Restores Tebidaba-Brass Oil Pipeline in Nigeria July 21**

#### **Explosions Forced Company to Cut Exports by 47,000 b/d July 16**

Eni restored the pipeline and began works to resume production, according to a company release. Eni reduced oil exports by 47,000 b/d after explosions at two sites along the pipeline, a news source said. The pipeline delivers crude to the Brass River terminal.

[http://www.rigzone.com/news/article.asp?a\\_id=64354](http://www.rigzone.com/news/article.asp?a_id=64354)

<http://www.bloomberg.com/apps/news?pid=20601116&sid=aZpwrnkhJ7SI&refer=africa>

[http://www.eni.it/en\\_IT/breaking-news.page](http://www.eni.it/en_IT/breaking-news.page)

### **Update: Workers End Five-Day Strike in Brazil, but Fail to Reach Deal with Petrobras**

Union workers ended the five-day strike despite not reaching an accord with Petrobras, Brazil's state oil company. Workers planned to return to their jobs on Saturday, July 19, but a union official said they would strike again if Petrobras failed to satisfy union demands.

<http://online.wsj.com/article/SB121640761732865863.html?mod=DEN>

### **Iran Finds 525 Million Barrel Oilfield, Oil Minister Says**

The field is located close to the southern port city of Assaluyeh, according to a state news source.

Reuters, 03:58 July 20, 2008

### **New Russian Law Authorizes Kremlin to Select Arctic Oil Drillers**

Under the new law, instead of an auction or tender process, the Kremlin will, at its discretion, select which companies will drill the reserves. Eligible applicants would be limited to "state-controlled energy companies with a minimum of five years experience of working on the continental shelf," according to Russia's Deputy Prime Minister. By those criteria, only OAO Gazprom and OAO Rosneft would be qualified.

<http://online.wsj.com/article/SB121658996731268765.html>

## Natural Gas

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### NGS Energy's Tres Palacios Gas Storage Nears Completion of One of Three Natural Gas Storage Caverns in Texas—Plans Binding Open Season for Remaining Capacity

Tres Palacios Gas Storage, an NGS Energy subsidiary, completed Mechanical Integrity Testing at one of three planned natural gas storage caverns in Texas. The company will hold a binding open season for remaining capacity beginning July 28. The three-cavern project is authorized to provide up to 1 Bcf/d of injection capacity and 2.5 Bcf/d of withdrawal capacity. The company will seek FERC authorization to place facilities in service this week and expects to receive that approval by July's end. Firm storage operations should begin September 1, 2008. <http://www.ngsenergy.com/en/art/?33>

## Other News

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Nothing to report.

## Energy Prices

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U.S. Oil and Gas Prices			
July 21, 2008			
	Today	Week Ago	Year Ago
<b>CRUDE OIL</b> <b>West Texas Intermediate U.S.</b> \$/Barrel	130.81	144.98	75.30
<b>NATURAL GAS</b> <b>Henry Hub</b> \$/Million Btu	10.54	12.15	6.50

Source: Reuters

## Energy Notes

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### Heat Wave Hits New York—Con Edison Reduces Voltage in Selected Areas and Asks Customers in those Areas to Reduce Electricity Use for July 20

#### Call for Electricity Reduction Suspended by 8:30 pm July 20

<http://www.coned.com/newsroom/news/pr20080718.asp>

<http://www.coned.com/newsroom/news/pr20080720.asp>

[http://www.coned.com/newsroom/news/pr20080720\\_5.asp](http://www.coned.com/newsroom/news/pr20080720_5.asp)

### Equipment Error Knocks Out Electricity to 24,000 LADWP Customers in California July 19

<http://www.ksby.com/Global/story.asp?S=8703076>

### Storms Knock Out Service to about 20,000 Central Maine Power Customers July 18

<http://www.wmtw.com/weather/16931715/detail.html>

### Severe Storms Cut Power to 20,000 Customers in Vermont July 18

<http://www.timesargus.com/apps/pbcs.dll/article?AID=/20080720/NEWS02/807200425/1003/NEWS02>

### Storms Knock Out Power to 20,000 Ameren Customers in Illinois July 21

<http://www.pjstar.com/homepage/x223013357/More-than-14-000-without-power-after-storms-rumble-through>

<http://www.week.com/news/local/25717329.html>

**Appalachian Power Says More than 16,000 Lose Power as Storms Hit Kentucky, Ohio and West Virginia July 20**

<http://www.wsaz.com/news/headlines/25671409.html>

**Thunderstorms, Hail Cut Power to 14,000 Customers in New Hampshire July 19**

<http://www.unionleader.com/article.aspx?headline=Weather+again+turns+wet%2C+wild&articleId=c2096891-d6b8-4941-8213-5a9b68aca3f1>

**State, Local and Company Officials to Perform Nuclear Emergency Test at Dominion Virginia Power's North Anna Nuclear Power Station in Virginia**

<http://www.inrich.com/cva/ric/news.apx.-content-articles-RTD-2008-07-19-0062.html>

**Under Ontario Power Authority's "Peaksaver" Program, Utilities Temporarily Slow Air Conditioners During Offpeak Hours—System Saves About 45 MW of Energy Upon Activation**

<http://www.thepeterboroughexaminer.com/ArticleDisplay.aspx?e=1122736>

**Valero Slightly Slows Crude Unit at 255,000 b/d Aruba Refinery**

Reuters, 11:06 July 21, 2008

**Process Upset Triggers Flaring at ConocoPhillips 152,000 b/d Borger, Texas Refinery July 19**

Bloomberg News, 16:04 July 21, 2008

**Joseph Peles Coal Co. to Open Casselman Basin Coal Deposit in Maryland as Soon as Summer, 2009—Underground Deposit Holds 40-50 Million Recoverable Tons**

[http://www.examiner.com/a-1494650~New\\_underground\\_coal\\_mine\\_eyed\\_in\\_western\\_Md\\_.html](http://www.examiner.com/a-1494650~New_underground_coal_mine_eyed_in_western_Md_.html)

**Update: Federal Appeals Court Overturns FERC Approval of Dominion Resources Proposed Cove Point, Maryland LNG Expansion**

[http://online.wsj.com/article/SB121659826845568897.html?mod=googlenews\\_wsj](http://online.wsj.com/article/SB121659826845568897.html?mod=googlenews_wsj)

**Update: Land Use Board of Appeals Orders County to Review Land-Use Application for Proposed Jordan Cove LNG Terminal in Oregon—Says County Commissioners Did Not Address Opponents' Concerns**

<http://www.theworldlink.com/articles/2008/07/16/news/doc487e39faa2725000378152.txt>

## **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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*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>.

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