



ENERGY ASSURANCE DAILY

Thursday, July 27, 2006

Electricity

60,000 Customers in Queens, New York Lost Power July 26

The customers in the New York City borough of Staten Island were left in the dark for up to six hours Wednesday due to downed overhead cables.

<http://www.cbsnews.com/stories/2006/07/25/national/main1832269.shtml>

Update: 37,000 Ameren UE Customers Remain Without Power in St. Louis July 27

According to the outage map page on Ameren UE's website, 36,900 customers remained without power as of 15:37 p.m. today, down from about 90,000 customers yesterday at noon. Last week, two heavy storms hit St. Louis, causing over 1.1 million customers to lose power.

http://www.ameren.com/Outage/ADC_RS_StormCenter.asp

California Fires Threatening 3 Major Power Lines

Officials are monitoring a wildfire in Northern California that is near three major 500 kV power lines that are critical for importing power produced in the Pacific Northwest to the San Francisco Bay area. There are no specifics on how close the fire is to the lines. The lines are made of steel so fire damage is not a concern but the lines may be shut if firefighters need to get close to the lines or if fire retardant is dropped from the air. Two of the lines are part of the Pacific Intertie AC system from the Pacific Northwest.

Reuters, 13:59 July 27, 2006

Update: California ISO Calls for Power Plants to Restrict Maintenance

On Thursday, there were no emergencies, warnings, or alerts issued by Cal-ISO. The organization did call for maintenance restrictions throughout California.

<http://www.caiso.com/outlook/SystemStatus.html>

APS' 1,340 MW Palo Verde Nuke Unit in Arizona Shut July 26

The unit shut yesterday morning due to a problem with steam-bypass valves in the non-nuclear part of the facility. According to officials, the unit may return to the grid today. Electricity traders said that the loss would not affect the reliability of the power grid in the West.

Reuters, 07:19 July 27, 2006

Bloomberg News, 12:57 July 27, 2006

Sempra's 1,200 MW Mesquite Gas-fired Unit in Arizona Shut July 26

Reuters, 14:04 July 27, 2006

OPG's 260 MW Canyon Hydro Unit in Ontario Shut July 26

Reuters, 14:04 July 27, 2006

TXU's 750 MW Martin Lake 2 Coal-fired Unit in Texas Shut July 26

The company shut the unit to fix a boiler tube leak.

Reuters, 08:21 July 27, 2006

Dynegy's 538+ MW Baldwin Coal-fired Unit in Illinois Shut July 25 – Unconfirmed Outage

Reuters, 14:04 July 27, 2006

Mirant's 620+ MW Morgantown Coal-fired Unit in Maryland Shut July 21 – Unconfirmed Outage

Reuters, 14:04 July 27, 2006

TXU Combating Copper Wire Theft

The company says that it is working with local law enforcement and area scrap yards to fight a sharp rise in copper wire thefts, which is being spurred by copper prices which have doubled in the past year. The company said that some of the thefts have resulted in power outages.

http://us.rd.yahoo.com/finance/industry/news/latestnews/*http://biz.yahoo.com/bizj/060726/1321202.html?.v=2

Petroleum

Update: Motiva Sees Critical Rhode Island Fuel Terminal Back in September

The company has commenced planning for the inspection and reactivation of the Providence, Rhode Island dock which was shut by a fire last on July 18 while a Danish-flagged fuel tanker was unloading gasoline. Motiva expects repairs to take 6 to 8 weeks. Suppliers had previously suspected that repairs would take 3 to 6 months.

Oil Price Information Service Alert, 02:11 July 26, 2006

Reformer Snag Hits ConocoPhillips' 190,000 b/d Trainer, Pennsylvania Refinery – Traders

Traders said that ConocoPhillips was seen as a larger buyer of gasoline in the New York Harbor on Wednesday.

Reuters, 10:06 July 27, 2006

Power Failure Hits Valero's 180,000 b/d Delaware City Refinery July 27

The power failure triggered a shutdown and flaring early this morning. The company said that the incident had no material impact on production.

Bloomberg News, 09:59 July 27, 2006

SRU Unit to Restart at Valero's 130,000 b/d Houston, Texas Refinery July 27

The refinery will restart the unit after a brief outage. The reason for shutdown was unknown. Valero says that the outage caused no material impact to production.

Reuters, 13:39 July 27, 2006

Update: Citgo Says Its Gasoline Supply Situation Not Impacted by Last Week's St. Louis Storms

Gasoline outages have been a problem in the area due to a storm-induced power outage last week which shut ConocoPhillips' 306,000 b/d Wood River refinery in Roxana, Illinois. To alleviate the crunch, the U.S.

Environmental Protection Agency granted several waivers for counties in southern Illinois that allow fuel marketers to temporarily sell lower grad fuel.

Oil Price Information Service Alert, 09:56 July 27, 2006

Mars Platform Recovery Ahead of Schedule in Gulf of Mexico

The facility, which is the biggest platform in the Gulf, was heavily damaged during Hurricane Katrina. Royal Dutch Shell, which operates the platform, said that it was producing 145,000 b/d of oil and 155 MMcf/d of gas by the end of the end of the second quarter.

Reuters, 14:52 July 27, 2006

Update: Militants Still Holding Eni's Pump Station in Nigeria

The Ogbainbiri station in the Bayelsa state was attacked and shut on Tuesday night and militant are still occupying the facility. Earlier the company said that the attack had resulted in a "significant decrease" in output. Eni, through its subsidiary Agip, pumps 200,000 b/d in Nigeria. Nigeria supplied about 8 percent of total U.S. oil imports in 2005.

Reuters, 13:55 July 27, 2006

Natural Gas

Proposal for 125-170 Mile Natural Gas Pipeline to Connect Chicago and Ohio

Alliance Pipeline, Duke Energy, and NJR Pipeline are proposing a 125-170 mile bidirectional natural gas pipeline to connect the Chicago Hub to the Lebanon Hub in Ohio.

<http://powermarketers.net/contentinc.net/newsreader.asp?ppa=8kowu%5D%5BiiqoksYUIh%7DGJ%7Bbfel%5Dv>
<http://intelligencepress.com/subscribers/daily/news/d20060726c.html>

New Threats Made to Chevron's LNG Project in Nigeria

In addition to the damage to oil assets experienced by Shell and Eni in Nigeria over the past two days, Nigerian militants have renewed threats against Chevron's liquefied natural gas (LNG) project at Olokola.

http://www.energyintel.com/DocumentDetail.asp?document_id=180927

Other News

Threat of Cyber Attacks on Energy Infrastructure Revealed

The interconnectivity of networks via the Internet has intensified the risks of cyber attacks on critical information and infrastructure. NERC has developed the cyber security standards for electric utilities, and FERC regulates power companies to develop systems in which they can continue to generate and deliver power even when they are attacked. The details on the security measures are highly sensitive to shun any unintended sharing or intrusion; however, the threat of cyber attacks always remains as energy companies have become aware.

www.energycentral.com/centers/energybiz/ebi_list.cfm

Energy Prices

U.S. Oil and Gas Prices			
July 27, 2006			
	Today	Week Ago	Year Ago
CRUDE OIL West Texas Intermediate U.S. \$/Barrel	74.54	73.30	59.12
NATURAL GAS Henry Hub \$/Million Btu	7.03	6.14	7.52

Source: Reuters

Energy Notes

FERC Chairman Kelliher Says U.S. Natural Gas Storage May Fill Up Much Earlier than in the Past

<http://intelligencepress.com/subscribers/daily/news/d20060727d.html>

Iraq Hopes to Begin Receiving Foreign Assistance for Oil Development Soon

http://www.energyintel.com/DocumentDetail.asp?document_id=180971

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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