



# ENERGY ASSURANCE DAILY

Friday, August 03, 2007

## **Electricity**

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### **ERCOT Issues Emergency Advisory Due to Reserves Falling to Less Than 3000 MW**

#### **August 3**

At 12:35 p.m. local time, the Electricity Reliability Council of Texas (ERCOT) issued an advisory due to Adjusted Responsive Reserve falling to less than 3,000 MW. According to real-time load data on ERCOT's website, Adjusted Responsive Reserve had fallen to 2,568 MW by 3:44 p.m. ERCOT initiated a Step One of its Emergency Electric Curtailment Plan on August 1 when reserves fell below 2,300 MW. Step One allows ERCOT to bring online uncommitted generation from neighboring power grids.

Emergency Notifications:

[http://mospublic.ercot.com/ercot/jsp/emergency\\_notifications.jsp](http://mospublic.ercot.com/ercot/jsp/emergency_notifications.jsp)

Real-Time Data:

[http://mospublic.ercot.com/ercot/jsp/frequency\\_control.jsp](http://mospublic.ercot.com/ercot/jsp/frequency_control.jsp)

### **ISO New England Study Outlines Possible Scenarios for Meeting Energy Needs in Region**

ISO New England (the regional grid operator in New England) released a study "New England Electricity Scenario Analysis," which examines the reliability, economic, and environmental impacts of a number of resource scenarios for the region to meet future electricity needs. The report provides a reference document providing information on the alternatives available for policymakers and the industry when considering the energy needs of the region. The analysis envisioned a peak system demand of about 35,000 MW by 2020 to 2025 and examined the addition of 8,000 MW. Each of seven scenarios assumed that 2,600 MW would reflect the mix of recently proposed power sources, mostly natural gas-fired. The remaining 5,400 MW represented a large concentration of a certain technology, such as nuclear, new coal, natural gas, imports, demand-side resources, or renewables, to assess their impacts.

[http://www.iso-ne.com/nwsiss/pr/2007/8\\_2\\_07\\_Scenario\\_Analysis\\_News\\_Release.pdf](http://www.iso-ne.com/nwsiss/pr/2007/8_2_07_Scenario_Analysis_News_Release.pdf)

[http://home.businesswire.com/portal/site/google/index.jsp?ndmViewId=news\\_view&newsId=20070802005833&newsLang=en](http://home.businesswire.com/portal/site/google/index.jsp?ndmViewId=news_view&newsId=20070802005833&newsLang=en)

<http://www.platts.com/Natural%20Gas/News/6416567.xml?p=Natural%20Gas/News&sub=Natural%20Gas>

### **NRG and EnergyCo Announce 550 MW Gas-fired Plant for Texas**

On August 2, NRG Energy Inc and EnergyCo announced that they will repower the Cedar Bayou power plant by constructing a new 550 MW gas-fired combined cycle generating plant on the site of NRG's Cedar Bayou Generating Station in Chambers County, Texas near Houston. The plant is expected to be in service in time to meet the peak summer demand in 2009.

<http://www.snl.com/Cache/1001136299.PDF?FID=1001136299&O=PDF&T=&D=&IID=4057436&Y=>

<http://biz.yahoo.com/bizj/070803/1501635.html?v=1>

### **Dynegy's 260 MW Moss Landing Gas-fired Unit 1 in California Shut August 2**

Reuters, 07:54 August 3, 2007

### **30,000 Hydro Quebec Customers in Canada Lose Power Due to Storms August 3**

<http://www.cbc.ca/canada/montreal/story/2007/08/03/power-outage.html?ref=rss>

<http://www.thedailyobserver.ca/webapp/sitepages/content.asp?contentid=639825&catname=Local%20News&classif=Weather%20Alert>

## **Alberta Has ‘Urgent’ Need for Transmission Development – Altalink**

Altalink, a Canadian transmission provider, says that Alberta is in “urgent” need of new transmission infrastructure, which has not kept pace with the province’s growth. In July, the Alberta Electric System Operator (AESO) announced that the province set four new summer demand peaks, and issued five separate Energy Emergency Alert Level One notices. Altalink is planning to build a 500 kV transmission line connecting Calgary and Edmonton, and a 240 kV line in southwest Alberta.

<http://www.altalink.ca/Default.aspx?DN=264.46.6.1.Documents>

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## **Petroleum**

### **Update: Kinder Morgan’s 128,000 b/d Calnev Products Pipeline Restarts After Power Failure in California August 3**

In a notice to shippers, Kinder Morgan announced that the oil products line running from the Los Angeles area in California to the Las Vegas area in Nevada had been restarted following repairs to the electrical service system. The line was out of service for approximately 24 hours.

OPIS Price Watch Alert, 11:25 August 3, 2007.

### **Problem Rumored at Chevron’s 330,000 b/d Pascagoula, Mississippi Refinery August 3**

Traders cited rumors of a problem at the refinery. A Chevron spokesman said there was no fire at the plant, but declined to give further details.

Reuters, 11:13 August 3, 2007

### **Oil Exploration Vessel Attacked, One Worker Killed in Uganda August 2**

Four men armed with rocket-propelled grenades and assault rifles landed in a boat operated by Heritage Oil Corp, a Canadian company that was searching for oil on Lake Albert. One British contractor was killed. It is the first such attack in the country on an oil related facility. The border between Uganda and the Democratic Republic of the Congo bisects Lake Albert. In an interview, a member of the Heritage staff indicated that they were told by armed men that the boat was in Congolese waters and to move along; a spokesman from the Ugandan army has accused the Congolese army of carrying out the incident.

<http://www.smh.com.au/news/World/Gunmen-hit-Heritage-Oil-boat-one-dead/2007/08/03/1185648147128.html>

Reuters, 12:08 August 3, 2007

### **Gunmen Attack Two Vessels near Bonny Island Oil Terminal in Nigeria August 3**

The attackers struck as the boats were traveling from the Bonny Island oil terminal to the mainland killing at least three people.

<http://news.bbc.co.uk/2/hi/africa/6929522.stm>

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## **Natural Gas**

### **BP Announces Closure of Whitney Canyon Gas Plant in Wyoming August 1**

On August 1, BP America Production Co announced that it would close the Whitney Canyon natural gas processing plant near Evanston, Wyoming by the end of this year. The volume of gas processed has dropped to the point that the company no longer believes it is economical to continue running the plant. From a peak of 365 mcf/d in 1985, volume has fallen to 110 mcf/d at the present time.

[http://pro.energycentral.com/professional/news/gas/news\\_article.cfm?id=8680910](http://pro.energycentral.com/professional/news/gas/news_article.cfm?id=8680910)

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## **Other News**

### **Construction Underway at Savannah River Plant to Convert Plutonium from Weapons to Nuclear Fuel**

The plant is expected to open in 2016 after construction and an extensive two-year series of testing has been completed. The facility will convert some 34 tons of plutonium into mixed oxide fuel (MOX) as part of a program with Russia to dispose of nuclear weapons-grade material. Plans were recently announced to convert additional amounts of weapons-grade plutonium into fuel for commercial reactors.

[http://www.world-nuclear-news.org/wasteRecycling/NNSA\\_MOX\\_Facility\\_Construction\\_Starts-030807.shtml](http://www.world-nuclear-news.org/wasteRecycling/NNSA_MOX_Facility_Construction_Starts-030807.shtml)

## Energy Prices

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U.S. Oil and Gas Prices August 3, 2007			
	Today	Week Ago	Year Ago
<b>CRUDE OIL</b> <b>West Texas Intermediate U.S.</b> \$/Barrel	75.71	76.84	75.59
<b>NATURAL GAS</b> <b>Henry Hub</b> \$/Million Btu	6.34	5.77	7.61

Source: Reuters

## Energy Notes

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**Central Maine Power and Maine Public Service Ask ISO New England to Investigate Feasibility of Transmission Line to Connect Northern Maine to the Regional Grid**

[http://www.platts.com/Electric\\_Power/News/6416537.xml?sub=Electric\\_Power&p=Electric\\_Power/News&?undefi ned&undefined](http://www.platts.com/Electric_Power/News/6416537.xml?sub=Electric_Power&p=Electric_Power/News&?undefi ned&undefined)

**10,000 PG&E Customers Lose Power in California Due to Problem at Substation August 3**

<http://abclocal.go.com/kfsn/story?section=local&id=5537594>

**U.S. Department of Interior Publishes Initial Terms for Alaska's Chukchi Sea Oil Leases**

Reuters, 13:01 August 3, 2007

**Crude Oil Freight Costs Near 4-Year Low on High Ship Supply, OPEC Cuts**

Reuters, 12:52 August 3, 2007

**Sunoco: No More Planned Refinery Outages Scheduled in 2007**

Reuters, 17:40 August 3, 2007

**Sunoco May Undertake Hydrocracker Expansion Projects at Philadelphia and Toledo Refineries in 2008-2009**

Reuters, 17:40 August 3, 2007

**PdVSA Denies Rumor that El Palito Refinery in Venezuela will be Shutdown for Year-Long Expansion in September**

Reuters, 13:18 August 3, 2007

## 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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