



ENERGY ASSURANCE DAILY

Thursday, August 16, 2007

Electricity

Storms Knock Out Power to over 71,000 Customers in Indiana August 16

High winds and flash flooding due to overnight storms left 55,000 Northern Indiana Public Service Company without power in Indiana. 16,235 Duke Energy customers were also without power in Indiana this afternoon. Almost 15,000 Duke Energy customers are still without power as of 4:55 pm eastern time.

<http://www.wishtv.com/Global/story.asp?S=6939812>

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

Thunderstorms Knock Out Power to 30,000 Xcel Customers in Wisconsin August 15

Evening storms that moved through the western portion of the state left 30,000 customers without power. According to Xcel Energy, the majority of customers had power restored by the evening of August 15.

http://wkbw.com/Global/story.asp?S=6928642&nav=menu239_12_9_2

TVA Reduces Power at Browns Ferry Nuke Plant in Alabama to Maintain River Temperature August 16

TVA has reduced Units 1 and 3 to 85 percent of capacity and Unit 2 to 74 percent of capacity in order to maintain river temperature limits on the Tennessee River. Each unit has a capacity of about 1,155 MW.

Bloomberg News, 12:25 August 16, 2007

Update: PG&E 1,125 MW Diablo Canyon Nuke Unit 1 in California Restarts August 16

The unit is starting up after going offline on August 10 for repair of a steam stop valve on a high-speed turbine.

Bloomberg News, 12:25 August 16, 2007

Complete's 260 MW La Paloma Gas-fired Unit 1 in California Restarts August 16

The unit, which had been shut for unplanned reasons since last month, restarted and ramped up to 160 MW of capacity by August 16.

Bloomberg News, 19:21 August 15, 2007

TXU's 545 MW Sandow Coal-fired Unit 4 in Texas Shut August 16

The company shut the unit to repair a tube leak.

Reuters, 12:58 August 16, 2007

Bruce Power's 822 MW Bruce Nuke Unit 6 in Ontario Shut August 16

Reuters, 14:44 August 16, 2007

ATCO's 378 MW Sheerness Coal-fired Unit 1 in Alberta Shut August 16

Reuters, 09:50 August 16, 2007

Nuclear Power Industry Capable to Expand Despite Challenges -State Department

Despite personnel shortages, diminishing domestic manufacturing capacity, and uncertainty of future uranium supplies, the U.S. nuclear power industry has the time and ability to overcome them.

<http://usinfo.state.gov/xarchives/display.html?p=washfile-english&y=2007&m=August&x=20070814170850saikceinawz0.4011194>

Heritage Sustainable Energy to Build 100 MW Wind Farm in Michigan

DTE Energy signed an agreement with Heritage Sustainable Energy enabling Heritage to construct a new wind farm in Richland, Michigan. The proposed 6,500-acre wind farm is expected to be in operation by 2008 with a planned ultimate capacity exceeding 100 MW.

<http://dteenergy.mediaroom.com/index.php?s=43&item=226>

Petroleum

Large Fire Hits Chevron's 330,000 b/d Pascagoula, Mississippi Refinery August 16

According to a Chevron spokesman, refinery firefighters were trying to contain a large blaze at the plant this afternoon. Officials believe the fire is being fueled by hydrocarbon gasoline.

<http://www.chron.com/dispatch/story.mpl/ap/fn/5060116.html>

Update: 13 Platforms, 5 Rigs Evacuated in Gulf of Mexico as Tropical Storm Erin Passes August 16 - MMS

Based on data from offshore operator reports submitted as of 11:30 a.m. CST August 16, personnel have been evacuated from a total of 13 production platforms, and 5 rigs in the Gulf of Mexico. The U.S. Minerals and Management Service (MMS) estimates that approximately 0.2 percent of the oil production in the Gulf has been shut-in, roughly 2,563 b/d, and approximately 0.14 percent of the natural gas production has been shut-in, roughly 10.5 MMcf/d. Chevron and El Paso were among the companies to evacuate personnel from the Gulf of Mexico. El Paso reports that none of its facilities have been damaged by the storm.

<http://www.mms.gov/ooc/press/2007/press0816.htm>

Reuters, 17:00 August 15, 2007

Reuters, 08:58 August 16, 2007

Tropical Storm Erin Briefly Shuts Port of Corpus Christi, Texas Refineries Report No Impact on Operations

The Port reopened to arriving tankers at 7:50 a.m. local time after being closed at 12:20 a.m. as Tropical Storm Erin hit the south Texas coast. Valero Energy Corp., Citgo Petroleum LLC, and Flint Hills Resources LLC, who own refineries in Corpus Christi, said that the storm had no impact on operations.

Bloomberg News, 10:57 August 16, 2007

Transocean Evacuates 11 Workers from its Nautilus Deepwater Rig Off Louisiana Coast due to Hurricane Dean

The company evacuated 11 workers as a precautionary measure. One hundred twenty five workers remain aboard the rig.

Reuters, 12:18 August 16, 2007

Fire Shuts Vacuum Unit at Silver Eagle's 10,250 b/d Woods Cross, Utah Refinery August 16

A fire in the piping system has shut the 6,000 b/d vacuum unit but the crude distillation unit (CDU) and reformer were still operating. Silver Eagle says it is still able to supply its customers with gasoline and distillates.

http://kutv.com/topstories/local_story_227123238.html

Reuters, 16:55 August 16, 2007

Update: FCCU Restarts at Holly's 84,000 b/d Navajo Refinery in New Mexico August 15

Holly Corporation said that all repairs to its fluid catalytic cracker unit (FCCU) have been completed and that the unit was placed back in operation late August 15. The unit is being ramped up to full charge rate today and it is anticipated that crude unit charge rates will begin to be increased later this week after some of the intermediate feedstocks that were accumulated during the FCCU downtime are charged to downstream units.

http://www.hollycorp.com/press_release.cfm?id=278

Update: ConocoPhillips Having Problems Restarting FCCU at 230,000 b/d Linden, New Jersey Refinery - Traders

Trade sources have informed Reuters that the fluidic catalytic cracking unit (FCCU) is due to return to normal rates as planned this week, despite problems restarting the unit. The unit shut on August 7 shortly after it had been restarted following a malfunction.

Reuters, 11:29 August 16, 2007

Power Outage at Sunoco's 335,000 b/d Philadelphia, Pennsylvania Refinery August 15

The power outage failure occurred at 5:30 p.m. local time. A Sunoco spokesman declined to say whether refinery operations had been affected.

Bloomberg News, 11:19 August 16, 2007

Coking Unit Compressor Malfunctions at ExxonMobil's 348,500 b/d Beaumont, Texas Refinery August 16

According to a filing with Texas regulators, a wet gas compressor connected to a coking unit malfunctioned on August 16.

Bloomberg 12:37 August 16, 2007

Pump Failure Leads Shell to Flare at 333,700 b/d Deer Park, Texas Refinery August 15

According to the report filed with Texas regulators, a pump failure on the HCU recycle gas compressor lead to the compressor to fail.

<http://www2.tceq.state.tx.us/eer/main/index.cfm?fuseaction=getDetails&target=95962>

Federal Court Prevents Shell's Alaska Exploration Plan from Going Forward

The 9th US Circuit Court of appeals in San Francisco overturned the decision issued by the U.S. Minerals Management Service (MMS) to allow Shell's three year exploration plans in the Beaufort Sea.

<http://www.platts.com/Natural%20Gas/News/6427303.xml?p=Natural%20Gas/News&sub=Natural%20Gas>

<http://www.platts.com/Oil/News/8209668.xml?p=Oil/News&sub=Oil>

Natural Gas

FERC Permits NGPL to Begin Service on Expanded Storage Facilities in Texas August 15

<http://intelligencepress.com/>

Other News

Imperium Renewables Opens 100 Million Gallons Per Year Biodiesel Plant in Washington State

The new plant is the largest of its kind in the United States.

<http://www.bizjournals.com/pacific/stories/2007/08/13/daily24.html>

POET Breaks Ground on 65 Million Gallon Per Year Ethanol Production Plant Near Fostoria, Ohio August 16

On August 16 POET held a groundbreaking ceremony for their third ethanol production facility in Ohio. Dirt work has already started at the site with construction expected to begin later this month and last 12-14 months. The facility will use 21 million bushels of corn per year to produce 65 million gallons of ethanol.

<http://www.poetenergy.com/news/showRelease.asp?id=91&year=2007&categoryid=0>

Energy Prices

U.S. Oil and Gas Prices August 16, 2007			
	Today	Week Ago	Year Ago
CRUDE OIL West Texas Intermediate U.S. \$/Barrel	70.99	71.62	71.75
NATURAL GAS Henry Hub \$/Million Btu	6.96	6.45	7.01

Source: Reuters

Energy Notes

FPL Describes Plans to Expand Capacity at Existing Nuclear facilities and Pursue Building Two Nuclear Units

<http://www.platts.com/Nuclear/News/7600690.xml?p=Nuclear/News&sub=Nuclear>

http://biz.yahoo.com/ap/070815/fpl_nuclear_power.html?v=1

<http://www.fpl.com/news/2007/081507.shtml>

Constellation Energy Gains County Officials Support for New Nuclear Unit at Calvert Cliffs Plant in Maryland

<http://www.nbc4.com/news/13902024/detail.html>

Calpine to Increase Geothermal Energy Production with Geysers Recharge Project Expansion in California

<http://phx.corporate-ir.net/phoenix.zhtml?c=103361&p=irol-newsArticle&ID=1040696&highlight=>

FERC Gives Ameren Go Ahead to Rebuild its Taum Sauk Reservoir in Missouri August 15

http://biz.yahoo.com/ap/070815/mo_reservoir_failure_rebuild.html?v=2

Thunderstorms Knock Out Power to 10,000 AEP Customers in Ohio August 16

http://www.columbusdispatch.com/dispatch/content/local_news/stories/2007/08/16/wx.html

Progress Energy Asks Customers to Conserve Power in North and South Carolina August 16

<http://www.progress-energy.com/aboutus/news/article.asp?id=16842>

U.S. Refinery Utilization Reaches 10-month High in July

<http://www.downstreamtoday.com/News/ArticlePrint.aspx?aid=5474>

New Record Set for Ultra-Deepwater Drilling in Gulf of Mexico

<http://www.nola.com/newsflash/louisiana/index.ssf?/base/business-5/118712995999130.xml&storylist=louisiana>

U.S. Coal Glut May Vanish by End of 2007 as Use Rises – UBS AG

Bloomberg News, 12:24 August 16, 2007

LNG Trade May Increase More Slowly Than Forecast – Jensen Associates Report

Bloomberg 03:45 August 16, 2007

Maersk Oil Shuts Production at Janice A Platform in North Sea After Discovering Oil Leak

Bloomberg News, 08:44 August 16, 2007

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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