



ENERGY ASSURANCE DAILY

Wednesday Evening, August 22, 2007

Major Developments

Update: Hurricane Dean Slams Campeche Sound, Mexico's Gulf Coast August 22 Pemex to Send Teams to Assess Damages to Offshore Oil Facilities

On August 22, Hurricane Dean strengthened to a category 2 hurricane as it passed through the Campeche Sound in the southern Gulf of Mexico and made second landfall on Mexico's Gulf Coast, near the city of Poza Rica, an administrative and refining center for the country's petroleum industry. Mexican state-owned oil company Pemex said it would wait for rains to pass before sending teams out to assess damage to oil facilities in the Campeche Sound. The company shut 2.66 million b/d of oil production and 2.76 Bcf/d of on August 20 as a precaution before the storm. Yesterday, Pemex said that production was expected to remain shut until August 24. Pemex's three principal oil-exporting ports on the Yucatan Peninsula remained closed August 22.

<http://www.pemex.com/index.cfm?action=content§ionID=11&catID=148>

http://news.yahoo.com/s/afp/20070822/wl_afp/mexicouscaribbean

<http://www.iht.com/articles/ap/2007/08/22/america/LA-FIN-Mexico-Hurricane-Pemex.php>

Reuters, 13:38 August 22, 2007

Bloomberg News, 11:25 August 22, 2007

Update: U.S. Gulf Operators Restoring Oil and Gas Production August 22

According to the latest report from the U.S. Minerals Management Service, offshore U.S. Gulf operators have restored much of the production shut-in as a precaution due to the threat of Hurricane Dean. Based on data submitted as of 11:30 a.m. CST August 22 by offshore operators, personnel have been evacuated from a total of 19 production platforms and 3 rigs. From the reports, MMS estimates that approximately 1.9 percent of the oil production in the Gulf has been shut-in, roughly 24,815 b/d, and approximately 1.1 percent of the natural gas production in the Gulf has been shut-in, roughly 83 MMcf/d. On August 21, MMS reported approximately 43,881 b/d of shut-in oil production and roughly 140 MMcf/d of shut-in natural gas production.

<http://www.mms.gov/ooc/press/2007/press0822.htm>

Valero Expects No Crude Supply Problems for its Refineries Resulting from Mexican Oil Disruption

http://money.cnn.com/news/newsfeeds/articles/djf500/200708221509DOWJONESDIONLINE000706_FORTUNE5.htm

Electricity

Thunderstorms Knock Out Power to 41,000 Com Ed Customers in Illinois August 21

Thunderstorms that rolled through the north and northwest suburbs of Chicago during the morning snapped power lines and caused a power outage to more than 41,000 customers. By morning on August 22, utility crews were working to restore electricity to 29,000 customers.

<http://abclocal.go.com/wls/story?section=local&id=5592419>

Entergy's 1,266 MW Grand Gulf Nuke Unit in Mississippi Shut August 21

The unit shut after a reactor trip caused by a feed pump controller failure resulted in a low reactor water level. It is unknown when the unit will return to service.

Bloomberg News, 10:43 August 22, 2007

Reuters, 12:15 August 22, 2007

Progress Energy's 937 MW Brunswick Nuke Unit 2 in North Carolina Reduced to 81 Percent August 22

Output was reduced following the failure of a chiller in the turbine building. According to a company spokesman, the unit should ramp up this afternoon after repairs are made.

Bloomberg News, 10:18 August 22, 2007

Reuters, 07:14 August 22, 2007

Update: Energy Northwest's 1,107 MW Columbia Nuke in Washington Returns to Full Power August 22

The reactor was listed at 62 percent capacity on August 21. According to a U.S. Nuclear Regulatory Commission (NRC) report, the reactor returned to full output following the repair of a hydraulic leak on a valve.

Bloomberg News, 11:33 August 22, 2007

Reuters, 07:24 August 22, 2007

Entergy's 506 MW Vermont Yankee Nuke Unit in Vermont Reduced to 35 Percent August 22

The reason for the power reduction is unknown.

Reuters, 07:11 August 22, 2007

AES's 493 MW Redondo Beach Gas-fired Unit 7 in California Returns to Full Power August 21

According to a report from the California Independent System Operator, the unit is operating normally after 273 MW of production were idled during an unplanned outage.

Bloomberg News, 19:10 August 22, 2007

CPS Energy's 405 MW JT Deely Coal-fired Unit 2 in Texas Shut August 21

The unit was shut to fix a boiler tube leak. The company did not say when the unit would return to service.

Reuters, 19:17 August 21, 2007

Petroleum

Pump Seal Problem at Citgo's 150,000 b/d Corpus Christi, Texas Refinery August 22

According to a filing with Texas regulators, the refinery had an "unplanned" shutdown for maintenance on a pump seal.

Bloomberg News, August 22, 2007

Nigeria May Resume Crude Exports from Forcados Terminal in October - Traders

According to West African traders, Nigeria may ship three 950,000-barrel cargoes of crude oil from the Forcados oil export terminal in October. Exports from the Forcados terminal have been stopped since early 2006 due to persistent attacks and kidnappings by militant groups. Shell, whose joint venture operates the offshore terminal, won't comment on shipping schedules but confirmed that some oil production supplying the Forcados terminal has resumed.

Bloomberg News, 07:58 August 22, 2007

Natural Gas

Nothing to report.

Other News

Nothing to report.

Energy Prices

U.S. Oil and Gas Prices			
August 22, 2007			
	Today	Week Ago	Year Ago
CRUDE OIL West Texas Intermediate U.S. \$/Barrel	69.63	73.11	72.55
NATURAL GAS Henry Hub \$/Million Btu	5.84	7.30	6.86

Source: Reuters

Energy Notes

BLM Releases Revised Plan for Oil Development in National Petroleum Reserve in Alaska

http://www.energyintel.com/PublicationHomePage.asp?publication_id=5

Two Dozen California Gas Stations Sue Shell, Chevron, and Saudi Refining for Price Fixing

http://www.usatoday.com/money/industries/energy/2007-08-22-gas-lawsuit_N.htm

Update: BP Begins Repairs on Damaged CATS Natural Gas Pipeline in North Sea

Bloomberg News, 03:34 August 22, 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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