



ENERGY ASSURANCE DAILY

Friday Evening, August 24, 2007

Major Developments

375,000 Customers Remain Without Power After Severe Thunderstorms Hit Midwest August 23 ComEd Expecting Multi-day Restoration Effort

Severe thunderstorms produced damaging winds, hail and flash flooding in the Midwest on the night of August 23, knocking out power to customers in Illinois, Michigan and Indiana. An estimated 375,000 customers remained without power in the affected service territories as of 3:00 p.m. EST August 24. Storms have been affecting the area throughout the week, causing power outages to more than 900,000 customers. Commonwealth Edison (ComEd), which serves the majority of Northern Illinois, including the Chicago metropolitan area, was the most severely affected utility. A representative from ComEd stated that the storm caused trees to break onto distribution lines, as well as down poles throughout ComEd system. Currently, there are no reports of any major damage to any of the substations in the system. Due to the flooding as well as traffic around the affected area, ComEd reports that it will be a multi-day effort to restore power to those customers impacted.

Midwest Customer Power Outages		
August 24, 2007		
Electric Utility	State (s)	3:00 PM
Commonwealth Edison	Illinois	222,000
Ameren	Illinois	18,000
Consumers Energy	Michigan	100,000
Indiana Michigan Power (AEP)	Indiana, Michigan	34,645
TOTAL		374,645

Sources:

Ameren Electric Services Company as of 2:00 PM EDT 08/24 http://www.ameren.com/Outage/ADC_RS_StormCenter.asp

Commonwealth Edison (Exelon) as of 2:00 PM EDT 08/24 <http://www.exeloncorp.com/aboutus/news/mediacontact/>

American Electric Power as of 2:15 PM EDT 08/24 <http://www.indianamichiganpower.com/news/outages/>

Consumers Energy as of 11:00 AM EDT 08/24 <http://www.consumersenergy.com/welcome.htm?./Newsroom/Newsindex.asp>

Update: Mexico Resumes Oil and Gas Production Late August 23 Platform Inspections Reveal Only Minor Damage from Hurricane Dean

Mexico's state-owned oil company Pemex began restoring oil and gas production in the Campeche Sound region on August 23 after an inspection of its offshore oil and gas facilities revealed no considerable damage from the passage of Hurricane Dean. By 7:00 p.m. local time, oil production reached 342,000 barrels of crude oil. Pemex expects to accelerate restoration over next few days to return the region's output to pre-hurricane levels of about 2.65 million b/d and 2.34 Bcf/d. In a previous statement, Pemex said that it expected to reach 80 percent of production by early next week and 100 percent of capacity later in the week. Pemex plans to complete inspection of its facilities and finish returning more than 18,000 offshore workers to their posts on August 24. In addition, PMI Comercio Internacional reported that it was loading crude onto tankers at the Dos Bocas oil export terminal. Pemex also reports that none of the country's six refineries were damaged by the storm.

<http://www.pemex.com/files/content/Bulletin95%20070823.pdf>

<http://www.pemex.com/files/content/Bulletin93%20070822.pdf>

Update: Only 1 Production Platform Remains Shut in U.S. Gulf August 24 – MMS

<http://www.mms.gov/ooc/press/2007/press0824.htm>

Exelon's 1,152 MW Braidwood Nuke Unit 2 in Illinois Manually Shut August 23 Operators Not Sure if Thunderstorms Caused Pumps to Trip

The U.S. Nuclear Regulatory Commission (NRC) reports that the 1,152 MW Unit 2 at Exelon Corp's Braidwood nuclear power located 60 miles southwest of Chicago shut down manually due to two circulating water pumps that tripped on Thursday night. The plant has two units with a total of 2,330 MWs. It is unknown as to whether or not the thunderstorms caused the pumps to trip. Unit 1 continues to operate at full power. It is unknown when Unit 2 will be restarted.

<http://www.nrc.gov/reading-rm/doc-collections/event-status/event/en.html>

Update: TVA's 1,000 MW Paradise Coal-fired Unit 3 in Kentucky Resumes Output August 23

According to a TVA spokesman, the unit returned to service just in time to meet peak demand late on August 23. The unit tripped offline on August 22 after an electrical device at substation near Clarksville, Tennessee, caught fire August 22.

Bloomberg News, 10:36 August 24, 2007

<http://www.tva.gov/news/statements/paradise.htm>

Update: All Three 1,155 MW Browns Ferry Nuke Units in Alabama at Reduced Capacity August 24

Units 1 and 2 were operating at 50 percent capacity, down from 75 percent of capacity early August 23, while Unit 3, was running at 75 percent, down from full power early August 23. TVA has been reducing power at the power plant since last week to maintain water temperatures on the Tennessee River, which the plant uses for cooling.

Reuters, 07:34 August 24, 2007

Update: Entergy's 852 MW FitzPatrick Nuke Unit in New York Ramps Up to 74 Percent August 24

The unit ramped up to 74 percent of capacity by early August 24, up from 50 percent of capacity late on August 23. The unit has been ramping up since August 20, when it exited an outage to replace one of the unit's safety relief valves.

Reuters, 07:11 August 24, 2007

SCE's 285 MW Mountainview Gas-fired Unit 4 in California Shut August 23

Reuters, 11:55 August 24, 2007

Update: Police Rule Out Sabotage or Terrorism for Cooling Tower Collapse at Vermont Yankee Nuclear Plant

A special investigation conducted by the Homeland Security division of the Vermont State Police earlier this week said that decay in the wooden structure, not sabotage or terrorism, may have caused the partial collapse of a cooling tower at the Vermont Yankee nuclear power plant. An inside portion of one of 22 cooling towers at the facility failed August 21, forcing the plant to cut power production by more than 50 percent. A technical advisor for an anti-nuclear environmental group said the tower collapse occurred despite an in-depth inspection by the Nuclear Regulatory Commission in 2005, which approved the safety of the towers. A congressional delegation wants an investigation to determine if similar structural deficiencies exist in other portions of the towers at the facility.

<http://www.rutlandherald.com/apps/pbcs.dll/article?AID=/20070824/NEWS02/708240335/1003/NEWS02>

<http://www.rutlandherald.com/apps/pbcs.dll/article?AID=/20070822/NEWS02/708220358>

LIPA Cancels Plans to Build Wind Energy Park Off Long Island, New York

Citing economic reasons, Long Island Power Authority (LIPA) has decided not to build a wind energy park, which would have included 40 turbines in an 8-square-mile area of the Atlantic Ocean. It is the second offshore wind project to be withdrawn in recent months.

http://biz.yahoo.com/ap/070824/li_wind_power.html?v=7

<http://www.wstm.com/Global/story.asp?S=6974611&nav=2aKD>

Southern Company Sets New System Peak Demand Record for Fifth Time This Month

<http://pressroom-publisher.southerncompany.com/soco/soco115.html>

<http://news.moneycentral.msn.com/provider/providerarticle.aspx?Feed=BCOM&Date=20070823&ID=7366256>

Entergy's Indian Point Nuke's New Siren System Reportedly Ready

The plant owner told federal regulators that the system is performing reliably and with sufficient volume. The older siren system will remain activated until the new system receives approval from the Federal Emergency Management Agency. Entergy missed an April 15 deadline to have the new sirens running and received a fine by the Nuclear Regulatory Commission and a new date of August 24 for the new sirens to be fully operational.

<http://www.newsday.com/news/local/wire/newyork/ny-bc-ny--indianpoint0822aug22.0.6641258.story>

Petroleum

Update: Chevron's 330,000 b/d Pascagoula, Mississippi Refinery to Run at 50 Percent for 3 to 4 Months - Trader

Traders have told Reuters that Chevron Corp. has declared force majeure on some purchases of Venezuelan crude oil for its Pascagoula, Mississippi refinery after a fire shut one of two crude processing units at the refinery on August 16. According to one products trader, it is expected that the refinery will be operating at 50 percent of capacity for 3-4 months.

Reuters, 13:41 August 24, 2007

FCCU Shut at Alon USA's 67,000 b/d Big Spring, Texas Refinery August 24

The company said that an electrostatic precipitator problem has shut its 22,500 b/d fluidic catalytic cracking unit (FCCU). The unit will be down for an undetermined period of time.

<http://www2.tceq.state.tx.us/eer/main/index.cfm?fuseaction=getDetails&target=96471>

Reuters, 10:06 August 24, 2007

Hydrogen Unit Restarted at ConocoPhillips's 76,000 b/d Rodeo, California Refinery August 23

<http://www.oes.ca.gov/Operational/MALHaz.nsf/f1841a103c102734882563e200760c4a/de8b677430465b4588257341001c4058?OpenDocument>

Kinder Morgan Begins Construction on Phase 2 of Trans Mountain System Expansion in Canada

The second phase, called the Anchor Loop project, entails looping 158 km of the Trans Mountain Pipeline through rugged terrain in Jasper National Park and Mount Robson Provincial Park. The entire expansion will increase capacity on Trans Mountain from about 260,000 b/d to 300,000 b/d. The project is expected to be completed in November 2008.

http://www.downstreamtoday.com/News/Articles/200708/Kinder_Morgan_Starts_Work_on_Phase_of_5578.aspx

<http://money.cnn.com/news/newsfeeds/articles/prnewswire/LATH05323082007-1.htm>

U.S. Crude Oil Imports Fell Below 10 Million b/d in June 2007 - EIA

According to the Energy Information Administration (EIA), total crude imports to the US in June were 9.924 million b/d, down 368,000 b/d, or 3.6%, from May, with the biggest drop occurring in flows from Angola and Venezuela.

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

EPA Says Stricter U.S. Refinery Emission Rules Not Needed

Reuters, 14:52 August 24, 2007

Natural Gas

Nothing to report.

Other News

Nothing to report.

Energy Prices

U.S. Oil and Gas Prices			
August 24, 2007			
	Today	Week Ago	Year Ago
CRUDE OIL West Texas Intermediate U.S. \$/Barrel	71.40	72.02	71.70
NATURAL GAS Henry Hub \$/Million Btu	5.73	7.14	7.19

Source: Reuters

Energy Notes

Two Utility Companies Receive Green Light from Judge to Build 950 MW Coal-fired Plant in Oklahoma

http://pepei.pennnet.com/Articles/Article_Display.cfm?Section=ONART&PUBLICATION_ID=6&ARTICLE_ID=304012&C=BUSIN

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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