



ENERGY ASSURANCE DAILY

Friday, September 08, 2006

Electricity

Dominion Power Considers 500 kV Transmission Line through Loudoun, Virginia

Dominion Virginia Power is considering plans to build a 500kv west-to-east overhead transmission line that would run from the southwestern Pennsylvania to a substation near Arcola in Loudoun, Virginia. Public hearings will be held in the six affected counties in October. The utility hopes to begin construction in 2009.

<http://www.leesburg2day.com/current.cfm?catid=28&newsid=12470>

Westar to File Application with KS Corp Commission for 345 kV Transmission Line in Kansas

On September 7, Westar Energy, Inc. announced plans to build a 345 kV transmission line from northwest of Wichita, Kansas to the Hutchinson area in Kansas. Once that line is completed, Westar plans to build additional high capacity power lines in the state.

http://pro.encycentral.com/professional/news/power/news_article.cfm?id=7121824

Ontario's 494 MW Lambton Coal-Fired Unit 4 Returns to Service September 8

The 494 MW coal-fired unit in St. Clair, Ontario returned to service early September 8 after shutting on September 6 for short-term work.

Reuters, 08:48 September 8, 2006.

TXU Shut 750 MW Martin Lake Coal-Fired Unit 2 September 7

TXU Corp shut the 750 MW coal-fired power unit 2 in Rusk County, Texas to fix a boiler tube leak. Electricity traders said expect the plant to be out of service for about three days; TXU did not confirm when the unit will return to service.

Reuters, 10:46 September 8, 2006.

Petroleum

Update: BP Says Part of East Prudhoe Bay Ready for Operation

BP spokesperson says that BP believes a part of oil transit pipeline in the east Prudhoe Bay oil fields is in good enough condition to start operating again. BP has not yet asked for permission to restart from the U.S. Department of Transportation and is still working with regulators to plan the restart.

Reuters, 13:27 September 8, 2006.

Labor Dispute Shuts Petrorin Refinery in Trinidad – Exports Not Affected at this Time

Although a labor dispute has completely shut the state-owned Petrorin refinery in Trinidad and Tobago, the company maintains that stocks are adequate to maintain deliveries to domestic and export customers at this time. The matter was referred to the Ministry of Labor for mediation.

Reuters, 09:37 September 8, 2006.

Citgo Plans to Upgrade Illinois Refinery to Produce Ultra Low Sulfur Diesel

Citgo Petroleum Corp. plans to upgrade its refinery in Lamont, Illinois to produce ultra low sulfur diesel fuel, according to a company spokesperson. The company is already producing the new fuel in its refinery in Lake Charles, Louisiana and is also considering upgrading its Corpus Christi refinery. It is unclear when the upgrade would start, however.

Bloomberg, 18:18 September 7, 2006.

EPA Proposes New Rules to Enhance Refinery Expansion Process

The U.S. Environmental Protection Agency proposed new rules that would help the oil industry better respond to calls to increase refinery capacity without triggering a "New Source Review" that would require installation of new pollution reduction equipment. The industry believes that the proposed change provides greater flexibility to make modifications necessary to meet increased demand. Critics believe that the proposed change creates loopholes that would enable the oil industry to avoid upgrading their anti-pollution equipment.

Reuters, 12:35 September 8, 2006.

Natural Gas

DOE Report: Hurricanes Katrina and Rita Responsible for the Greatest Disruptions to the Oil and Gas Operations in the Gulf of Mexico

US Department of Energy's final details the extent of damage to all aspects of the oil and gas infrastructure in the Gulf of Mexico. In addition to platforms, pipelines, and gas processing plants being damaged, the "network of workboats, crews, divers, supplies, and equipment needed to assess the damage and perform repairs to platforms and pipelines" was disabled. The report attributes the extensive damage to and disruption of the support service industry as a contributing factor in slow pace of recovery, particularly for the natural gas industry.

http://pro.energycentral.com/professional/news/gas/news_article.cfm?id=7125243

BLM Opens Roan Plateau in Colorado to Natural Gas Drilling

On September 7 after years of debate among industry, environmental groups, and public agencies, the Bureau of Land Management (BLM) approved a compromise proposal for natural gas drilling in the Western Slope's Roan Plateau in Colorado. Half of the plateau region will remain off limits to any drilling activity, and only small pockets of land (350 acres) atop the plateau can be disturbed at any one time. Among other restrictions, the agency is only allowing one company to conduct all the work on behalf of all the leaseholders.

http://www.rockymountainnews.com/drmn/local/article/0,1299,DRMN_15_4977276.00.html

Other News

Nothing to report.

Energy Prices

U.S. Oil and Gas Prices			
September 8, 2006			
	Today	Week Ago	Year Ago
CRUDE OIL			
West Texas Intermediate U.S.	66.31	69.15	64.80
\$/Barrel			
NATURAL GAS			
Henry Hub	5.31	5.24	10.92
\$/Million Btu			

Source: Reuters

Energy Notes

CA PUC Approves SDG&E's Proposal to Build 230,000-Volt Substation in Downtown San Diego, California, to Improve Reliability

http://pro.energycentral.com/professional/news/power/news_article.cfm?id=7125354

August Oil Production in Iraq Rose to 2.285 Million B/d

<http://www.platts.com/Oil/News/9324393.xml?p=Oil/News&sub=Oil>

National Energy Board Approves 150 kV High Voltage Direct Current IPL between Vancouver Island and Washington State

http://pro.energycentral.com/professional/news/power/news_article.cfm?id=7125164

US Refineries Plan Unusually Light Maintenance for this Fall

Reuters, 13:03 September 8, 2006.

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

Energy Assurance Daily provides a summary of public information concerning current energy issues. Published Monday through Friday to inform stakeholders of developments affecting energy systems, flows, and markets, it provides highlights of energy issues rather than a comprehensive coverage. *Energy Assurance Daily* is updated online Monday through Friday after 5:00 p.m. EST. For more information, visit the Infrastructure Security and Energy Restoration (ISER) website at:

<http://www.oe.netl.doe.gov/index.aspx>.

Please direct comments and questions to: ead@oe.netl.doe.gov