



# ENERGY ASSURANCE DAILY

Monday Evening, September 15, 2008

## Major Developments

### Hurricane Ike Strikes Gulf Coast, Cutting Power to More than 7 Million Customers across Multi-State Swath – Worst Power Outage in U.S. Since August 2003 Blackout – 4.8 Million Customers Still Without Power

Hurricane Ike made landfall near Houston, Texas, at 3:00 AM EDT on September 13, 2008 as a strong Category 2 hurricane. The storm cut power to more than 2 million customers in Texas, thousands in Louisiana and Arkansas and millions more in Missouri, Ohio, Illinois, West Virginia, Pennsylvania and New York. President George W. Bush declared Texas a federal disaster area on Saturday, September 13. The Electric Reliability Council of Texas (ERCOT) said six 345-kV transmission lines were down Sunday, along with 89 138-kV lines and 21 69-kV lines. Thirteen power plants, and a combined 3,000 MW of generation, were unable to operate due to the transmission shortfall. CenterPoint Energy, which saw the largest single-utility outage, said it expects a full restoration to stretch four weeks or more. The following table lists peak outage and restoration figures, by utility.

Hurricane Ike Customer Power Outages			
September 12 – September 15			
Electric Utility	State	Peak	Latest Reported
AEP SWEPCO	AR	23,000	4,465
North Arkansas Electric Cooperative	AR	11,700	1,700
First Electric Cooperative	AR	15,000	4,600
Entergy	AR	179,000	48,753
Ameren	IL	48,490	5,093
ComEd	IL	13,000	13,000
Southern Illinois Electric Cooperative	IL	3,500	750
Duke Energy	IN	199,373	99,873
Indianapolis Power & Light	IN	18,000	8,300
Indiana Michigan Power	IN	1,500	556
Vectren	IN/OH	35,000	32,000
Kentucky Utilities	KY	73,000	29,000
Louisville Gas & Electric	KY	280,000	225,000
Kenergy	KY	23,000	19,000
Pudacah Power	KY	15,000	500
AEP SWEPCO	LA	63,000	17,750
Entergy	LA	83,588	29,811
Cleco Power	LA	10,822	1,815
SLEMCO	LA	82,046	5,000
All Cooperatives	LA	22,461	14,000
DTE	MI	24,000	15,000
Ameren	MO	107,031	18,485
City Utilities	MO	1,000	40

White River Valley Electric Cooperative	MO	16,000	11,000
Ozark Electric Coop	MO	16,000	7,400
Rochester Gas & Electric	NY	42,000	19,000
National Grid	NY	136,149	55,570
South Central Power	OH	55,784	15,482
AEP Ohio	OH	539,619	629,602
Dayton Power & Light	OH	225,000	200,000
FirstEnergy	OH	1,000,000	350,000
Duke Energy **	OH/KY	915,989	611,725
Allegheny Power	PA	65,891	65,891
Duquesne Light	PA	105,000	41,000
AEP SWEPSCO	TX	87,000	27,828
Bluebonnet Electric Cooperative	TX	3,400	1,447
Oncor	TX	108,000	58,000
CenterPoint Energy	TX	2,100,000	1,650,000
Texas-New Mexico Power Company	TX	113,247	92,727
Entergy	TX	392,600	380,873
Deep East Texas Electric Co-op	TX	12,000	11,840
Appalachian Power	WV	16,400	1,201
AEP Ohio	WV	6,822	6,822
Allegheny Power	WV	9,440	9,123
<b>TOTAL*</b>		<b>7,298,852</b>	<b>4,841,022</b>

\*Total outages only represent electric utilities listed in this table.

\*\* Due to data availability, Duke Energy's Ohio/Kentucky total reflects the cumulative number of customers impacted throughout the storm, rather than the peak figure.

Sources:

Allegheny Power: <http://app.alleghenyenergy.com/outage/status/customeroutagestatus/>

Ameren, Illinois: [http://www.ameren.com/Outage/ADC\\_IllinoisOutageInformation.asp](http://www.ameren.com/Outage/ADC_IllinoisOutageInformation.asp)

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Duke Energy, Indiana: <http://www.duke-energy.com/indiana/outages/current.asp>

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Duke Energy, Ohio: <http://www.duke-energy.com/ohio/outages/current.asp>

Entergy: <http://www.entergy-texas.com/your%5Fhome/storm%5Fcenter/>

Kentucky Utilities, <http://www.kentucky.com/181/story/523789.html>

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AEP Ohio: <http://www.aepohio.com/news/outages/>

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South Central Power: [http://www.southcentralpower.com/ow/ow\\_map.aspx](http://www.southcentralpower.com/ow/ow_map.aspx)

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Indianapolis Power & Light, <http://www.wibc.com/News/Story.aspx?ID=99727>

Indianapolis Power & Light, [http://www.wishtv.com/Global/story.asp?S=9008288&nav=menu35\\_3](http://www.wishtv.com/Global/story.asp?S=9008288&nav=menu35_3)

Indiana Michigan Power, <http://www.journalgazette.net/apps/pbcs.dll/article?AID=/20080914/LOCAL/809140285>

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White River Valley Electric Cooperative, <http://www.kspr.com/news/local/28372159.html>

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 Reuters, 13:48 September 13, 2008  
 North Arkansas Electric Coop: <http://www.todaysthv.com/news/local/story.aspx?storyid=72548&catid=2>  
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## **Update: Oil & Gas Production Remains Shut-in as Operators in Gulf of Mexico Assess Damage from Hurricane Ike September 15**

As of September 15, offshore oil and gas operators in the Gulf of Mexico are in the initial stages of reboarding platforms and rigs and so they can assess damage and eventually restore production following both Hurricane Gustav and Hurricane Ike. As of 2:00 PM EDT September 15, the U.S. Minerals Management Service (MMS) reports 6,942 MMcf/d of the Gulf's natural gas production remains shut-in, equivalent to 93.8 percent of the Gulf output. MMS reports 1,298,309 b/d of the Gulf's crude production remains shut-in, equivalent to 99.9 percent of the Gulf's crude output.

<http://www.mms.gov/oc/press/2008/press0915.htm>

For more information about Hurricane Ike, please view OE's most recent situation report here:

[http://www.oe.netl.doe.gov/named\\_event.aspx?ID=20](http://www.oe.netl.doe.gov/named_event.aspx?ID=20)

## **Fourteen Refineries Still Shut Down in Hurricane Ike's Wake**

As of 9:00 AM EDT September 15, fourteen refineries in Texas and Louisiana are reported shut down due to Hurricane Ike. These refineries located in Lake Charles/Port Arthur and Houston/Texas City areas have a total operable capacity of 3.6 million b/d. The refineries are:

- Calcasieu's 78,000 b/d Lake Charles, Louisiana refinery
- ExxonMobil's 348,500 b/d Beaumont, Texas refinery
- Motiva's 285,000 Port Arthur, Texas refinery
- Total's 232,000 b/d Port Arthur, Texas refinery
- Valero's 289,000 b/d Port Arthur, Texas refinery
- BP's 467,720 Texas City, Texas refinery
- ConocoPhillips' 247,000 b/d Sweeny, Texas refinery
- Deer Park's 329,800 b/d Deer Park, Texas refinery
- ExxonMobil's 567,000 b/d Baytown, Texas refinery
- Houston Refining's 270,600 b/d Houston, Texas refinery
- Marathon's 76,000 b/d Texas City, Texas refinery
- Pasadena Refining's 100,000 b/d Pasadena, Texas refinery
- Valero's 83,000 b/d Houston, Texas refinery
- Valero's 199,500 Texas City, Texas refinery

[http://www.oe.netl.doe.gov/docs/2008\\_SitRep\\_4\\_Ike\\_091508\\_3PM.pdf](http://www.oe.netl.doe.gov/docs/2008_SitRep_4_Ike_091508_3PM.pdf)

## **Oil Refineries Report Minimal Damage from Hurricane Ike**

Oil refineries suffered minimal damage from Hurricane Ike and are making preparations to restart operations.

Below are some of the highlights:

- Shell said its 329,800 b/d Deer Park, Texas refinery needed repairs due to damage caused by Hurricane Ike. The company said the facility had some power, but did not know when it might return to service. Separately, Shell's 236,400 b/d Motiva Norco refinery is operating at 60 percent capacity. The company "continues to adjust production up and down based on available resources," according to a statement. The facility "is not yet able to make finished gasoline and other products," and "initialization of some units continues."
- Motiva has restarted some units at its 235,000 b/d Convent, Louisiana refinery, but that facility is "constrained" by available supplies. The plant is still unable to produce finished gasoline, but can blend some components.
- Calcasieu Refining Co.'s 78,000 b/d Lake Charles, Louisiana refinery sustained some flooding, a source familiar with the facility's operations said.
- Total said its 232,000 b/d Port Arthur, Texas refinery does not have power, but was not flooded.
- BP's 467,720 b/d Texas City, Texas refinery remained down. Its restart was contingent on reliable power and water, and employee accessibility.
- ConocoPhillips' 247,000 b/d Belle Chasse, Louisiana refinery was still down. It shut ahead of Hurricane Gustav. The company's Lake Charles, Louisiana refinery was at reduced rates after Gustav. Its 247,000 b/d Sweeny, Texas refinery had power after Hurricane Ike, but remained shut. The company planned to review its condition prior to restart.
- ExxonMobil said its 567,000 b/d Baytown, Texas refinery did not appear to be significantly damaged by Hurricane Ike. The company is working to plan the facility's restart, but did not provide a timetable for the restoration.
- ExxonMobil said its 348,500 b/d Beaumont, Texas refinery weathered the "most serious hit" from Hurricane Ike. It is unclear how badly-damaged the facility is; according to a company official, "there is widespread damage, the damage is not significant."

- ExxonMobil said its 503,000 b/d Baton Rouge, Louisiana refinery is restarting, but remains at reduced rates after Hurricane Gustav. The company does not have a timeline for the facility's return to normal service.
- Lyondell said its 270,600 b/d Houston, Texas refinery did not suffer any significant damage to Hurricane Ike. The company is devising a restart plan, but the facility will be shut for at "least several days," a spokesperson said.
- Valero said power had been recovered to the majority of the production units at its 83,000 b/d Houston, Texas refinery. The company said on September 13 that Ike had caused "no significant structural damage" to its refineries in Houston, Texas City and Port Arthur. All three of the affected refineries remained down, however.
- Marathon said its 76,000 b/d Texas City, Texas refinery did not have water or power. The company expected to have water today, September 15, but was not sure when power would return.
- Chevron said its Port Arthur, Texas lubricants plant remained shut after Hurricane Ike flooded the facility.

Bloomberg News, 05:06 September 15, 2008

Bloomberg News, 09:13 September 15, 2008

Bloomberg News, 03:16 September 15, 2008

Bloomberg News, 17:28 September 13, 2008

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## Oil and Gas Companies Report Some Damage in Ike's Wake

Most production remained down, but companies began assessing damage caused by Hurricane Ike. Hurricane Ike damaged or wrecked 11 offshore production platforms or drilling rigs, according to the U.S. Coast Guard. Below are some of the more-specific reports:

- TEPPCO said initial inspections showed no major apparent damage at the majority of its facilities. The absence of commercial power remained the largest challenge to restoring full service, according to a statement.
- Marathon said its 11,700 b/d oil, 10.5 MMcf/d natural gas Ewing Bank platform appeared to be "structurally sound." Production is still down.
- GreenHunter Energy said its Renewable Fuels Campus in Houston, Texas had been damaged by floodwater. The facility remained without power or utility service, and the company expected it stay down for six to eight weeks.
- Shell said its offshore oil facilities suffered "moderate" damage due to Ike. The storm did not cause any major structural harm, the company said. Shell has already redeployed 175 employees to evacuated facilities; those workers are reviewing damage and initiating repairs, the company said.
- Total said it might restart operations at its Matterhorn and Virgo platforms in the Gulf of Mexico. The company was returning evacuated employees, a spokesman said.
- A satellite-tracking system showed that a Transocean rig shifted two miles north of its pre-storm location, then stopped significant movement.
- ExxonMobil said yesterday it was returning workers to facilities that had not been directly hit by Hurricane Ike. The company said today it was sending teams to assess those facilities that were directly impacted.
- BP said it began to return evacuated personnel to its Gulf of Mexico rigs. Workers were assessing the platforms, and the company planned "to progressively restart production facilities over the next week subject to availability of the export infrastructure."
- Anadarko Petroleum said it is restarting its 1 Bcf/d Independence Hub in the Gulf of Mexico. The company also said it discovered minor damage at its Constitution and Marco Polo platforms.
- Magellan Midstream's Galena Park, Texas terminal in the Houston Ship Channel sustained flooding, and its East Houston, Texas terminal had also suffered some damage. The company said it expected to resume

normal service along its south Texas pipeline segments—shut from the Houston area to Frost, Texas—when its East Houston facility is back online.

- Diamond Offshore Drilling said Hurricane Ike damaged one of its shall-water drilling rigs. The company continued to examine another located in a Galveston shipyard.
- Kinder Morgan said Hurricane Ike had not caused significant damage to its assets.
- Kirby Corp said its boats or barges were not materially damaged by Hurricane Ike. The company said its plants and waterways had been impacted, but it was too soon to determine the extent of the affect, or estimate any restart date.
- Lucas Energy said Hurricane Ike did not disrupt its oil and gas production, or damage its facilities.
- ENSCO International said all but one of its rigs had been found after Hurricane Ike. None of its found rigs were damaged, though it is unclear if the missing rig was located.
- DCP Midstream report that some of the company's facilities have sustained minor building damage. In addition, as electrical power and natural gas liquids takeaway service providers are restored, the company's facilities will be brought back online slowly.
- Enterprise Products Partners announced that initial inspections of their facilities indicate minimal to no visible damage to its onshore assets on the Texas and Louisiana Gulf Coast. Enterprise expects that most of its facilities will quickly resume normal operations. The loss of commercial power at the company's facilities in Texas represents the most significant challenge facing Enterprise Products Partners in the recover from Hurricane Ike.

[http://www.downstreamtoday.com/News/Articles/200809/TEPPCO\\_No\\_Significant\\_Damage\\_At\\_Most\\_Fa\\_12780.aspx](http://www.downstreamtoday.com/News/Articles/200809/TEPPCO_No_Significant_Damage_At_Most_Fa_12780.aspx)

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Reuters, 10:28 September 15, 2008

[http://www.oe.netl.doe.gov/docs/2008\\_SitRep\\_4\\_Ike\\_091508\\_3PM.pdf](http://www.oe.netl.doe.gov/docs/2008_SitRep_4_Ike_091508_3PM.pdf)

## **Strategic Petroleum Reserve Initiates Crude Deliveries to ConocoPhillips and Placid Oil September 14**

The U.S. Department of Energy reported on September 14 that the Strategic Petroleum Reserve began delivery of 200,000 barrels of emergency exchange oil to ConocoPhillips' Wood River refinery along the Capline pipeline system and an additional 109,000 barrels of emergency exchange oil to Placid Oil's Port Allen refinery along a Shell pipeline in Louisiana.

[http://www.oe.netl.doe.gov/docs/2008\\_SitRep\\_4\\_Ike\\_091508\\_3PM.pdf](http://www.oe.netl.doe.gov/docs/2008_SitRep_4_Ike_091508_3PM.pdf)

## **Ports and Waterways Reopen as Hurricane Ike Passes**

As of 1:45 PM EDT September 15, Gulf Ports and waterways from Houston, Texas east to Lake Charles, Louisiana are beginning to open. The Houston-Galveston waterways, including the Houston Ship Channel, are open to commercial vessels with drafts of 12 feet or less. Port Arthur waterways and channels are now open but are restricted to vessels with drafts of 16 feet or less. This has allowed oil rig and platform support boats to leave the ports and go out to the Gulf. The Lower Mississippi River from mile marker 191 to 230 is open to vessels of less than 30 feet draft to daylight hours only. The Gulf Intracoastal Waterway from Galveston to Port Lavaca, Texas and from Baton Rouge to New Orleans, Louisiana has multiple areas restricted and/or closed to traffic.

[http://www.oe.netl.doe.gov/docs/2008\\_SitRep\\_4\\_Ike\\_091508\\_3PM.pdf](http://www.oe.netl.doe.gov/docs/2008_SitRep_4_Ike_091508_3PM.pdf)

## **LOOP Resumes Offloadings September 15**

As of 1:45 AM EDT September 15, the Louisiana Offshore Oil Port (LOOP) resumed tanker offloadings. The LOOP continues to make deliveries to customers from its Clovelly storage facility.

[http://www.oe.netl.doe.gov/docs/2008\\_SitRep\\_4\\_Ike\\_091508\\_3PM.pdf](http://www.oe.netl.doe.gov/docs/2008_SitRep_4_Ike_091508_3PM.pdf)

## **Multiple Pipelines Remain Down or Reduced After Hurricane Ike**

Major crude pipelines originating in Texas and Louisiana shut down operations in advance of Hurricane Ike, and many remain shut. Colonial pipeline reported at 7:15 AM EDT September 15, that the pipeline is ready to receive injects from storage facilities and refineries. Portable generators have been delivered to Beaumont where, after hookup today, they will be used to draw barrels from refineries in Port Arthur and Hebert on September 16.

Explorer announced that it has conducted an initial assessment of its Gulf Coast facilities, which appear to have no damage. The following pipelines remain down, as of latest reports:

- The 210,000 b/d Centennial product pipeline
- The 85,000 b/d CP Seaway Products product pipeline
- The 115,000 b/d CP Sweeny to Pasadena product pipeline
- The 700,000 b/d Explorer product pipeline
- The 72,000 b/d Longhorn product pipeline

The following pipelines are partially shut:

- The 330,000 b/d TEPPCO product pipeline
- The 100,000 b/d Dixie NGL pipeline
- The 641,000 b/d Enterprise NGL pipeline

The following pipelines are running at reduced rates:

- The 1.2 million b/d Capline crude pipeline
- The 1.2 million b/d LOOP/Locap crude pipeline
- The 2.4 million b/d Colonial product pipeline
- The 120,000 b/d Magellan product pipeline
- The 100,000 b/d NuStar/Texas Gulf Coast product pipeline
- The 600,000 b/d Plantation product pipeline

[http://www.oe.netl.doe.gov/docs/2008\\_SitRep\\_4\\_Ike\\_091508\\_3PM.pdf](http://www.oe.netl.doe.gov/docs/2008_SitRep_4_Ike_091508_3PM.pdf)

## **Update: Twenty-four Gulf Coast Gas Processing Plants Confirmed Shut Following Hurricane Ike Aftermath September 15**

There are 39 major natural gas processing plants in the path of Hurricane Ike with a total operating capacity of 17.6 Bcf/d. As of 10:00 AM EDT, September 15, the Energy Information Administration (EIA) has confirmed that 24 plants remain shut down which includes those plants still impacted from Gustav, totaling an operating capacity of 12.23 Bcf/d, equal to almost 70 percent of the capacity in Hurricane Ike's path. Fourteen of the 24 plants are located in Louisiana. In addition, EIA reports that 10 plants have resumed operations at reduced or normal levels totaling 4.26 Bcf/d operating capacity. As of 1:00 PM EDT, September 15, many gas processing plants continue to report that detailed damage assessments will take place over the next few days. Recovery rates will likely vary from facility to facility and are also dependant on recovery of upstream and downstream flows.

[http://www.oe.netl.doe.gov/docs/2008\\_SitRep\\_4\\_Ike\\_091508\\_3PM.pdf](http://www.oe.netl.doe.gov/docs/2008_SitRep_4_Ike_091508_3PM.pdf)

## **Shell Says 30 of 40 Company-Branded Stations in Houston and Beaumont Open Gasoline Tightness Reported Elsewhere as Ike Disrupts Supplies**

Gas shortages were reported in Tennessee and Maryland after Hurricane Ike ravaged the U.S. Gulf Coast over the weekend. Shell reports as of 7:00 PM September 14 that 30 to 40 percent of our company-branded stations in Houston and Beaumont are now open, and it is anticipated that an additional 20 stations will be open by the end of September 14. The safety review of the Beaumont Terminal was completed and operations resumed on the evening of September 14.

<http://www.tennessean.com/apps/pbcs.dll/article?AID=/20080915/NEWS09/809150340/1006/NEWS01>

<http://your4state.com/content/fulltext/?cid=30361>

[http://www.oe.netl.doe.gov/docs/2008\\_SitRep\\_4\\_Ike\\_091508\\_3PM.pdf](http://www.oe.netl.doe.gov/docs/2008_SitRep_4_Ike_091508_3PM.pdf)

## **Hurricane Ike Forces Shut Entergy's 2,051 MW Sabine Gas-fired Power Station and 543 MW Lewis Creek Power Plant in Texas**

Sabine shut on Friday as a precaution, prior to Hurricane Ike, Entergy said.

Reuters, 15:16 September 14, 2008

Reuters, 14:07 September 12, 2008

## **Hurricane Ike Disrupts Throughput along Natural Gas Pipelines in U.S. Gulf**

Hurricane Ike affected multiple natural gas pipelines in the U.S. Gulf. The following is the latest information on those pipelines:

- As of 12:00 PM EDT September 15, the Sabine Pipeline reports that personnel are assessing the facilities along the mainline system and initial reports indicate that there is flooding which has impacted the current operability of the entire system. Sabine's Force Majeure remains in effect until appropriate repairs are made.
- Texas Eastern Transmission reports the mainline capacity in south Texas has been restored to pre-Hurricane Ike levels, but has notified customers that several Gulf Coast area compression facilities are operating on emergency backup generators as commercial power is unavailable. Texas Eastern also reports there is no significant damage to the pipeline's facilities due to Ike, but those offshore points from Gustav remain shut-in pending additional damage assessments. Texas Eastern estimates producers have shut-in 0.7-0.8 bcf per day of total supply on its system due to Hurricane Ike.
- As of 1:20 PM EDT, September 15, Trunkline Gas Pipeline has declared a Force Majeure impacting system operations. Multiple compressor stations along the system have no commercial power supply, experienced flood damage, or are running at reduced levels due to the loss of the upstream compressor station. Many points along their system in Louisiana have not been cleared to flow gas including two processing plants and Trunkline anticipates that offshore facility inspections will begin Tuesday, September 16th.
- As of 7:55 PM EDT September 14, Destin Pipeline Company notified its customers that the Force Majeure event in affect since Gustav (August 30) is now terminated and all receipt points along the system will accept gas flow starting September 15. Destin extends 195-miles of 36-inch diameter pipeline from deepwater offshore to the Pascagoula processing plant in Mississippi.

[http://www.oe.netl.doe.gov/docs/2008\\_SitRep\\_4\\_Ike\\_091508\\_3PM.pdf](http://www.oe.netl.doe.gov/docs/2008_SitRep_4_Ike_091508_3PM.pdf)

## ***Electricity***

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### **Southern's 1,149 MW Vogtle Nuke Unit 2 in Georgia Shut by September 15**

The Nuclear Regulatory Commission reported that on the morning of September 14 the unit was operating at 28 percent.

Information derived from the NRC Power Reactor Status Reports:

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2008/>

### **Dominion's 917 MW North Anna Nuke Unit 2 in Virginia Shut by September 14**

The Nuclear Regulatory Commission reported that on the morning of September 13 the unit was operating at full power.

Information derived from the NRC Power Reactor Status Reports:

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2008/>

### **Southern's 870 MW Hatch Nuke Unit 2 in Georgia Reduced to 77 Percent by September 13**

The Nuclear Regulatory Commission reported that on the morning of September 12 the unit was operating at full power.

Information derived from the NRC Power Reactor Status Reports:

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2008/>

### **Xcel's 347 MW Harrington Coal-fired Unit 3 in Texas Shut September 12**

Reuters, 19:00 September 12, 2008

### **Exelon's 1,161 MW Braidwood Nuke Unit 1 in Illinois at Full Power by September 14**

The Nuclear Regulatory Commission reported that on the morning of September 13 the unit was operating at 88 percent.

Information derived from the NRC Power Reactor Status Reports:

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2008/>

### **Exelon's 1,134 MW Limerick Nuke Unit 2 in Pennsylvania at Full Power by September 15**

The Nuclear Regulatory Commission reported that on the morning of September 14 the unit was operating at 64 percent.

Information derived from the NRC Power Reactor Status Reports:

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2008/>

### **Update: SCE's 1,080 MW San Onofre Nuke Unit 3 in California Ramped Up to 90 Percent by September 13**

The unit idled September 1 due to unplanned maintenance to a backup generator. The Nuclear Regulatory Commission reported that on the morning of September 12 the unit was operating at 18 percent. Reuters, 07:32 September 15, 2008

Information also derived from the NRC Power Reactor Status Reports:

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2008/>

### **DTE's 1,089 MW Fermi Nuke Unit 2 in Michigan at Full Power by September 15**

The Nuclear Regulatory Commission reported that on the morning of September 14 the unit was operating at 86 percent.

Information derived from the NRC Power Reactor Status Reports:

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2008/>

### **Exelon's 855 MW Quad Cities Nuke Unit 1 in Illinois Ramped Up to 97 Percent by September 15**

The Nuclear Regulatory Commission reported that on the morning of September 14 the unit was operating at 67 percent.

Information derived from the NRC Power Reactor Status Reports:

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2008/>

### **Exelon's 850 MW Dresden Nuke Unit 2 in Illinois Ramped Up to 97 Percent by September 14**

The Nuclear Regulatory Commission reported that on the morning of September 13 the unit was operating at 69 percent.

Information derived from the NRC Power Reactor Status Reports:

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2008/>

### **Duke Energy's 846 MW Oconee Nuke Unit 3 in South Carolina at Full Power by September 14**

The Nuclear Regulatory Commission reported that on the morning of September 13 the unit was operating at 88 percent.

Information derived from the NRC Power Reactor Status Reports:

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2008/>

### **FPL's 839 MW Saint Lucie Nuke Unit 1 in Florida at Full Power by September 15**

The Nuclear Regulatory Commission reported that on the morning of September 14 the unit was operating at 70 percent.

Information derived from the NRC Power Reactor Status Reports:

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2008/>

### **Duke's 336 MW Morro Bay Gas-fired Unit 4 in California Returns to Service September 12**

According to the California Independent System Operator, the unit returned from an unplanned outage.

<http://www.caiso.com/unitstatus/data/unitstatus200809121515.html>

### **Estill County Energy Plans 110 MW Coal Waste-fired Power Plant in Kentucky**

The company filed with the Kentucky Division of Air Quality last week for the plant. It hopes to break ground next year.

<http://www.wbir.com/news/green/story.aspx?storyid=63630&catid=137>

## **FERC Needs New Authority to Handle Threats to U.S. Electric System, Chief Says**

The Federal Energy Regulatory Commission (FERC) needs new authority to deal with cyber and other threats to the U.S. electric system, FERC's Chairman said. The Chairman said FERC's "legal authority is inadequate" to most-effectively protect the U.S. grid.

<http://www.nasdaq.net/publicpages/NewsDetailPublic.aspx?symbol=&storyId=20080911%5CACQDJON200809111758DOWJONESDJONLINE000936.htm>

## **Petroleum**

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### **MEND Attacks Shut Some O&G Production in Nigeria Chevron and Shell Investigate, but Impact Remains Unclear**

The Movement for the Emancipation of the Niger Delta (MEND) said yesterday it attacked a Chevron oil structure and an oil pipeline in Nembe Creek. The group said it assaulted the Soku Gas Plant, Chevron's Kula platform, and blew up a "major crude pipeline at Nembe creek at several points." A Shell spokesman said September 15 that an attack had shut 50,000 b/d of oil and production and 120 MMcf/d of natural gas output from the Alakiri flow station. It is unclear if the Nembe Creek pipeline was shut, or impacted. A Chevron spokesman confirmed the attack to Kula, but said the 22,000 b/d facility had already been down. The company said today that the attacks had not affected production. On both Saturday and today, MEND warned oil companies to evacuate workers from the Niger Delta region, citing imminent attacks. Shell said it has removed workers from some oilfields, but did not say by how much. An industry source said the company had evacuated almost 100 personnel. The fighting may have killed 100 people, two security sources said.

[http://www.rigzone.com/news/article.asp?a\\_id=66590](http://www.rigzone.com/news/article.asp?a_id=66590)

[http://www.rigzone.com/news/article.asp?a\\_id=66622](http://www.rigzone.com/news/article.asp?a_id=66622)

<http://www.platts.com/Oil/News/8026743.xml?p=Oil/News&sub=Oil>

<http://www.reuters.com/article/marketsNews/idUSLE66706220080914>

<http://www.platts.com/Oil/News/8026644.xml?p=Oil/News&sub=Oil>

Reuters, 12:47 September 15, 2008

Reuters, 10:41 September 15, 2008

### **BTC Pipeline Restarts after Technical Repairs**

The 1 million b/d Baku-Tbilisi-Ceyhan (BTC) crude oil pipeline resumed throughput by September 14 after technicians performed repairs at an associated pumping station, according to Turkey's pipeline company, Botas. A technical error at the Turkish substation stalled the Azerbaijan-Turkey pipeline September 11. The shutdown did not cause supply problems at the Ceyhan port, officials said.

<http://www.turkishpress.com/news.asp?id=251694>

### **Alon Restarting 24,000 b/d FCC at 70,000 b/d Big Spring, Texas Refinery**

On September 12, Reuters reported that Alon was restarting its fire-damaged, 24,000 b/d fluid catalytic cracker (FCC), the company said. The company finished work on the unit August 23, and was restarting it as planned, according to a spokesman. On September 14, there was a snag at a crude unit vent gas compressor that resulted in flaring, but did not affect production.

Reuters, 15:55 September 12, 2008

Reuters, 10:49 September 15, 2008

Bloomberg News, 10:12 September 15, 2008

### **Iraq Oil Exports Fall to 860,000 b/d September 15 on Bomb and Bad Weather**

A storm slowed crude shipments from the Basra port September 15, while northern exports remained stalled by a bomb explosion last week. Basra's export rates were 860,000 b/d September 15, sharply down from 1.68 million b/d yesterday. The bomb-damaged pipeline was nearly fixed, a source said, and an Iraqi official expected the line to resume throughput "in the coming hours" September 15.

Reuters, 07:42 September 15, 2008

### **Petrobras Orders 10 Oil Platforms to Develop Reserves Offshore Brazil**

Petrobras plans to install two platforms between 2013 and 2014. The company expects to install the other eight platforms in 2015-2016. The platforms will help develop Brazil's newly-found offshore subsalt oil reserves.

Reuters, 09:58 September 15, 2008

## Natural Gas

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### Williams' 30-inch Natural Gas Pipeline Explodes in Virginia September 14

Williams Cos' 30-inch natural gas pipeline cracked and exploded September 14, the company said. The line delivers natural gas from the U.S. Gulf Coast to New York, according to a spokesman. Williams redirected gas to other lines, and the incident did not impact customers, he said.

Bloomberg News, 16:12 September 14, 2008

## Other News

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### VBC LLC Begins Production at 110 Million Gallon/Year Ethanol Plant in Indiana

The company began output last week.

Bloomberg News, 12:47 September 15, 2008

### New Generation Biofuels Plans 50 Million Gallon/Year Biofuel Plant in Maryland

The company plans to finish the first 25 million gallon/year facility in the first quarter, 2009, and eventually boost the plant's capacity to 50 million gallons/year. The company also plans to lease about 6 million gallons of storage capacity and associated terminal facilities for up to two decades.

[http://www.prnewswire.com/cgi-bin/stories.pl?ACCT=ind\\_focus.story&STORY=/www/story/09-15-2008/0004885026&EDATE=MON+Sep+15+2008,+09:00+AM](http://www.prnewswire.com/cgi-bin/stories.pl?ACCT=ind_focus.story&STORY=/www/story/09-15-2008/0004885026&EDATE=MON+Sep+15+2008,+09:00+AM)

## Energy Prices

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U.S. Oil and Gas Prices			
September 15, 2008			
	Today	Week Ago	Year Ago
<b>CRUDE OIL</b> <b>West Texas Intermediate U.S.</b> \$/Barrel	96.93	105.48	79.93
<b>NATURAL GAS</b> <b>Henry Hub</b> \$/Million Btu	8.02	7.40	6.27

Source: Reuters

## Energy Notes

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**Update: ConocoPhillips Receives Environmental Approval for Proposed 60,000 b/d Expansion to its Wood River, Illinois Refinery which Currently has a Capacity of 240,000 b/d**

[http://www.elpasotimes.com/ci\\_10437204](http://www.elpasotimes.com/ci_10437204)

**Tetco Receives FERC Environmental Okay for Proposed 150 MMcf/d Northern Bridge Natural Gas Pipeline from Rocky Mountains to U.S. Northeast**

<http://intelligencepress.com/>

**Man Arrested Attempting to Steal Copper from Alabama Power Co. Substation**

<http://www.montgomeryadvertiser.com/apps/pbcs.dll/article?AID=/20080913/NEWS02/809130364/1009/rss04>

**Existing Salt Caverns in Utah May Become Natural Gas or Compressed Air Storage Sites Pending Research and Exploration, Magnum Development Reports**

<http://www.deseretnews.com/article/1,5143,700258166,00.html>

**Update: Allegheny Energy Seeks Delay of Pennsylvania PUC Ruling Concerning its Proposed 240-Mile Trans-Allegheny Interstate Transmission Line – Needs Additional Time to Include ‘All Parties’**

[http://www.pittsburghlive.com/x/pittsburghtrib/business/s\\_587803.html](http://www.pittsburghlive.com/x/pittsburghtrib/business/s_587803.html)

**Coalition of First Nations Threatens Blockade of Enbridge’s Clipper Crude Pipeline to Carry 800,000 b/d from Alberta to Wisconsin, Pending Route and Jobs**

<http://www.canada.com/reginaleaderpost/story.html?id=f03ec2fc-50c6-47f5-a3f6-e6bf09b21570>

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

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