



# ENERGY ASSURANCE DAILY

Monday Evening, September 22, 2008

## Major Developments

### Fewer Than 1 Million Customers Remain Without Power in Texas, Ohio and Kentucky after Hurricane Ike

Companies reported significant progress in power restorations. CenterPoint Energy remains the most-impacted utility, with an estimated 684,053 customers still down. Entergy Texas pushed forward its expected restoration date from October 6 to this weekend, citing a quickened restoration process. Separately, Entergy said it would cost between \$500 million and \$600 million to repair Hurricane Gustav's damage to its system; the company had not yet finalized its estimate for damage caused by Hurricane Ike. The following table lists peak outages and restoration figures, based on latest available reports.

Hurricane Ike Customer Power Outages			
September 12 – September 19			
Electric Utility	State	Peak	Latest Reported
Louisville Gas & Electric	KY	301,000	15,000
AEP Ohio	OH	539,619	6,029
Dayton Power & Light	OH	225,000	28,000
FirstEnergy	OH	1,000,000	12,700
Duke Energy	OH/KY	915,989	6,898
CenterPoint Energy	TX	2,100,000	684,053
Entergy	TX	392,600	49,213
Sam Houston Electric Coop	TX	58,191	7,340
Texas-New Mexico Power Company	TX	113,247	20,696
<b>TOTAL*</b>		<b>7,680,943**</b>	<b>828,929</b>

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

\*\* The peak includes outages not in this table, several affected utilities reported full restorations

Sources:

<http://www.eon-us.com/home.asp>

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

<http://www.waytogo.com/restorationupdate.php>

<http://www.firstenergycorp.com/NewsReleases/2008-09-20ServiceRestorationNearlyCompleteforFirstEnergyUtil.pdf>

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

<http://www.centerpointenergy.com/staticfiles/ike/outages.html>

[http://www.entropy-texas.com/your\\_home/storm\\_center/](http://www.entropy-texas.com/your_home/storm_center/)

[http://www.samhouston.net/storm\\_central/files/Ike\\_Outage\\_20080922\\_mid.pdf](http://www.samhouston.net/storm_central/files/Ike_Outage_20080922_mid.pdf)

<http://www.pnm.com/tntp/ike-outage.htm>

<http://www.platts.com/Electric%20Power/News/8040547.xml?p=Electric%20Power/News&sub=Electric%20Power>

[http://www.entropy-texas.com/your\\_home/storm\\_center/](http://www.entropy-texas.com/your_home/storm_center/)

<http://www.puc.state.tx.us/webapp/public/apps/emr/ByCountyCompany.aspx>

### Entergy Restarts 1,036 MW River Bend Nuclear Power Plant in Louisiana by September 22

Entergy restarted the unit and restored it to 2 percent power by this morning, September 22. The unit shut due to low demand after Hurricane Gustav.

Bloomberg News, 11:46 September 22, 2008

Information also derived from:

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

## **Despite Progress, Most Offshore Oil and Gas Production in Gulf Remains Shut in September 22**

An estimated 995,684 b/d of oil production and 4,849 MMcf/d of natural gas output remained shut in the Gulf of Mexico September 22, the Minerals Management Service (MMS) said. Those totals account for about 76.6 percent of the region's oil production, and approximately 65.5 percent of its natural gas output. Offshore oil and gas operators continue to reboard platforms and rigs and restore production, according to the MMS.

<http://www.mms.gov/oc/press/2008/press0922.htm>

## **Majority of Louisiana Oil and Gas Production Still Down September 19**

On September 19, the Louisiana's Department of Natural Resources reported that 27,381 b/d, or 18 percent of the normal Louisiana oil production, has been restored. Operators in 17 parishes and State offshore areas normally produce 155,767 barrels/day (the numbers are in addition to MMS reports of Federal offshore production). Shut-in oil production is 94,980 b/d and the status of remaining 33,405 b/d is unknown. The estimated amount of restored gas production is 437 MMcf/d or 27 percent of the daily gas production capacity, which is 1,642 MMcf/d. The estimated amount of shut-in gas production is 891 MMcf/d; the status of the remaining 312 MMcf/d has not been confirmed.

[http://www.oe.netl.doe.gov/docs/2008\\_SitRep\\_15\\_Ike\\_092208\\_12PM.pdf](http://www.oe.netl.doe.gov/docs/2008_SitRep_15_Ike_092208_12PM.pdf)

## **Nine Refineries Remain Shut in U.S. Gulf Coast after Hurricane Ike**

Nine refineries in Texas, with a total operable capacity of 2.3 million b/d, remained shut due to Hurricane Ike. At least three of those facilities announced restart plans, though those reports were unconfirmed. Among the reported restarts or restart-related events:

- Motiva planned to begin restarting process units at its 285,000 b/d Port Arthur, Texas refinery, according to a filing with state regulators. The company expected the restart to begin yesterday, September 21, and last until September 26.
- BP planned to restart several units at its 467,720 b/d Texas City, Texas refinery on September 20 and 21, according to filings with state regulators. Among the planned restarts was an alkylation unit, an SRU, and a resid hydrotreating unit. The company expected some of the restarts to stretch into October, the filings said.
- ExxonMobil said its 567,000 b/d Baytown, Texas refinery was "well into restarting." The company also said it was starting steam units at its 348,500 b/d Beaumont, Texas refinery. That facility sustained a "serious hit" from Hurricane Ike, the company's CEO said September 15.
- Pasadena Refining planned to restart process units at its 100,000 b/d Pasadena, Texas refinery "on or about" September 20, according to a filing with state regulators. The filing indicated that the event would stretch until September 26.
- As of 8:00 AM EDT, September 22, Marathon reported that power had been restored to its 76,000 b/d Texas City, Texas, refinery and that it was in the process of repairing equipment. The refinery is still shut down.

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=114315>

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=114316>

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=114328>

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=114321>

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=114313>

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=114333>

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=114210>

<http://www.reuters.com/article/marketsNews/idUSN2149489220080921>

Bloomberg News, 08:02 September 22, 2008

Bloomberg News, 08:21 September 22, 2008

Bloomberg News, 09:11 September 22, 2008

[http://www.oe.netl.doe.gov/docs/2008\\_SitRep\\_15\\_Ike\\_092208\\_12PM.pdf](http://www.oe.netl.doe.gov/docs/2008_SitRep_15_Ike_092208_12PM.pdf)

## **Futures Crude Oil Price Surges Up 15.7 Percent to \$120.92**

The price of crude oil on the NYMEX futures market surged more than \$16, the largest one-day gain on record. Analysts attributed the jump to a number of factors, including the impact of the package to stabilize the financial sector, the impact of the near month futures contracts expiring, causing a "short Squeeze," and the lingering impact of Hurricane Ike on the U.S. oil sector.

Reuters, 15:17 September 22, 2008

Reuters, 12:57 September 22, 2008

Reuters, 13:09 September 22, 2008

## **DOE Delivering Crude from Strategic Petroleum Reserve to Louisiana Refineries**

The U.S. Department of Energy (DOE) said it was delivering 250,000 barrels of oil from the Strategic Petroleum Reserve to Citgo's 429,500 b/d Lake Charles, Louisiana refinery, and another 125,000 barrels to Alon's 80,000 b/d Krotz Springs, Louisiana refinery. Following completion of the Alon delivery, DOE said, a cargo of 300,000 barrels will be shipped to Placid Oil's 56,000 barrel Port Allen, Louisiana refinery. The affected companies requested the oil due to supply disruptions caused by Hurricanes Gustav and Ike, according to a DOE release.

<http://www.doe.gov/news/6561.htm>

<http://www.doe.gov/news/6563.htm>

## **Hurricane Ike Destroys at Least 49 Offshore Oil Platforms Producing a Total of About 13,000 b/d and 84 MMcf/d**

All told, the platforms produced 13,000 b/d of oil and 84 MMcf/d of natural gas, according to the Minerals Management Services (MMS). Among the smaller companies reporting damage were W&T Offshore, Stone Energy, and Gateway Energy Corporation. Probe Resources reported minimal damage. Anadarko said it restored output at its Boomvang and Nansen oil-and-gas facilities, and at its Gunnison oil platform in the Gulf of Mexico. The company said it was continuing to fix minor surface damage at its Constitution facility, and that its Marco Polo platform was operating. Elixir Petroleum said its Pompano export pipeline in the Gulf of Mexico would restart within the week.

[http://www.rigzone.com/news/article.asp?a\\_id=66934](http://www.rigzone.com/news/article.asp?a_id=66934)

<http://www.mms.gov/ooc/press/2008/press0918a.htm>

[http://ap.google.com/article/ALeqM5iegCzko2qT3cUfD\\_XPxPGVOVMwgD939CVL80](http://ap.google.com/article/ALeqM5iegCzko2qT3cUfD_XPxPGVOVMwgD939CVL80)

[http://www.rigzone.com/news/article.asp?a\\_id=66891](http://www.rigzone.com/news/article.asp?a_id=66891)

[http://www.rigzone.com/news/article.asp?a\\_id=66890](http://www.rigzone.com/news/article.asp?a_id=66890)

[http://www.rigzone.com/news/article.asp?a\\_id=66894](http://www.rigzone.com/news/article.asp?a_id=66894)

[http://www.prnewswire.com/cgi-bin/stories.pl?ACCT=ind\\_focus.story&STORY=/www/story/09-22-2008/0004889669&EDATE=MON+Sep+22+2008,+09:14+AM](http://www.prnewswire.com/cgi-bin/stories.pl?ACCT=ind_focus.story&STORY=/www/story/09-22-2008/0004889669&EDATE=MON+Sep+22+2008,+09:14+AM)

<http://proactiveinvestors.co.uk/companies/news/3014/elixir-petroleum-not-adversely-affected-by-hurricanes-3014.html>

Bloomberg News, 02:30 September 22, 2008

## **North Dakota Governor Issues Executive Order to Allow Use of Winter Blend Gasoline before Usual Accepted Date**

The winter blend gas would not have been available until October 1, prior to the Governor's waiver. The Governor cited supply issues caused by hurricanes.

[http://www.downstreamtoday.com/News/Articles/200809/ND\\_Governor\\_Allows\\_Use\\_of\\_Winter\\_Blend\\_G\\_12915.aspx](http://www.downstreamtoday.com/News/Articles/200809/ND_Governor_Allows_Use_of_Winter_Blend_G_12915.aspx)

## **Gasoline Stations Continue Re-opening After Hurricane Ike—Shortages Continue in South**

Gasoline stations continue to re-open in the hurricane affected areas as power is restored. As of 3:30 PM September 21, approximately 90 percent of Shell-branded stations in Houston and Beaumont were now open, which is up from September 20 when 75 percent of their gasoline stations were reported open. Georgia residents reported numerous gasoline shortages over the weekend, as the U.S. south continued to cope with production and refining shutdowns in the Gulf. Average Metro Atlanta gas prices soared 30 cents above the national average by September 22, to a total \$4.02.

[http://www.oe.netl.doe.gov/docs/2008\\_SitRep\\_15\\_Ike\\_092208\\_12PM.pdf](http://www.oe.netl.doe.gov/docs/2008_SitRep_15_Ike_092208_12PM.pdf)

<http://www.cnn.com/2008/LIVING/wayoflife/09/22/atlanta.gas.crunch/index.html>

[http://www.nytimes.com/2008/09/22/us/22gas.html?\\_r=1&ref=us&oref=slogin](http://www.nytimes.com/2008/09/22/us/22gas.html?_r=1&ref=us&oref=slogin)

## **Multiple Natural Gas Pipelines Remain Down in Gulf September 22**

As of 10:15 AM EDT September 22, eleven of the 26 major natural gas pipelines in the Gulf Coast area continued to report complete shut-in of their systems. The remaining pipelines report that portions of their systems remain at reduced levels of gas flow due to Hurricane Ike. Damage assessments continue to be performed both on onshore and offshore facilities and the pipelines continue to provide updates to their customers on those points along the systems that were impacted and are now approved to flow gas as the integrity of the line was verified.

[http://www.oe.netl.doe.gov/docs/2008\\_SitRep\\_15\\_Ike\\_092208\\_12PM.pdf](http://www.oe.netl.doe.gov/docs/2008_SitRep_15_Ike_092208_12PM.pdf)

## **Eight Natural Gas Processing Plants Remain Down in Gulf**

There are 39 major natural gas processing plants in the path of Hurricane Ike with a total operating capacity of 17.7 billion cubic feet per day (Bcf/d). As of 9:30 AM EDT September 22, the Energy Information Administration (EIA) has confirmed that 8 plants remain shut down which includes plants still impacted from Gustav, totaling an operating capacity of 5.08 Bcf/d (just under 30 percent of the capacity in Hurricane Ike's path). In addition, EIA reports 22 plants have resumed operations at reduced or normal levels with a total operating capacity of 8.73 Bcf/d. Eight plants are capable to restart (totaling 3.65 Bcf/d operating capacity) once power is restored and/or upstream gas flow are sufficient.

[http://www.oe.netl.doe.gov/docs/2008\\_SitRep\\_15\\_Ike\\_092208\\_12PM.pdf](http://www.oe.netl.doe.gov/docs/2008_SitRep_15_Ike_092208_12PM.pdf)

## **Restrictions Remain in Place Along Waterways After Hurricane Ike**

As of 8:00 AM EDT September 21, vessels with drafts over 34 feet are limited to daylight transit only from Sims Bayou to the Houston ship channel turning basin. Vessels in the Sabine and Neches Rivers going into the Port Arthur area are limited to drafts of 36 feet in the day and 30 feet at night. Part of the Gulf Intracoastal Waterway (GIWW) in Texas has re-opened, but it is still closed from mile marker 350 to 319 and has some closures in LA as well. There are some tow and horsepower restrictions from mile marker 253 to 319. The Calcasieu Channel is open to vessels with a draft of 39' or less. On September 19, a safety zone went into effect for the Lower Mississippi River above mile marker 191 to about mile marker 230 for vessels with a draft greater than 30 feet; they are limited to daylight hours only. Port of Pascagoula is still limiting tankers with drafts greater than 36 feet to occasional daylight transits.

[http://www.oe.netl.doe.gov/docs/2008\\_SitRep\\_15\\_Ike\\_092208\\_12PM.pdf](http://www.oe.netl.doe.gov/docs/2008_SitRep_15_Ike_092208_12PM.pdf)

## **Electricity**

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### **TVA's 1,125 MW Watts Bar Nuke Unit 1 in Tennessee Shut by September 21**

The Nuclear Regulatory Commission reported that on the morning of September 20 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/>

### **SCE's 1,080 MW San Onofre Nuke Unit 3 in California Reduced to 75 Percent by September 21**

The unit slowed to 75 percent power for unplanned maintenance on the nonnuclear part of the unit, the company said. The Nuclear Regulatory Commission reported that on the morning of September 20 the unit was operating at 95 percent.

<http://www.reuters.com/article/marketsNews/idUSN2238529820080922>

Information also derived from the NRC Power Reactor Status Reports:

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

### **Fire Shuts Indiana-Michigan Power's 1,000 MW D.C. Cook Nuke Unit 1 in Michigan by September 21**

A small fire in a turbine generator in a non-nuclear part of the facility forced operators to shut the unit, a news source said. The incident did not cause any radioactive material release, or result in injuries. . The company did not yet know what caused the 25-minute blaze. The Nuclear Regulatory Commission reported that on the morning of September 20 the unit was operating at full power.

<http://www.mlive.com/newsflash/michigan/index.ssf?/base/business-17/1222020572179990.xml&storylist=newsmichigan>

Bloomberg News, 11:54 September 21, 2008

Information also derived from the NRC Power Reactor Status Reports:

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

### **AES's 498 MW Alamos Gas-fired Unit 5 in California Shut by September 21**

The unit experienced an unplanned outage by September 21, the California Independent System Operator reported.

<http://www.caiso.com/unitstatus/data/unitstatus200809211515.html>

### **AES's 495 MW Alamos Gas-fired Unit 6 in California Shut by September 21**

The unit experienced an unplanned outage by September 21, the California Independent System Operator reported.

<http://www.caiso.com/unitstatus/data/unitstatus200809211515.html>

## **Update: APS's 1,247 MW Palo Verde Nuke Unit 3 in Arizona Ramped Up to 98 Percent by September 22**

The company shut the unit on September 16 to repair a control rod drive, a news source said. The Nuclear Regulatory Commission reported that on the morning of September 21 the unit was operating at 20 percent. <http://www.reuters.com/article/marketsNews/idUSN2239374620080922>

Information also derived from the NRC Power Reactor Status Reports: <http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2008/>

## **PPL's 1,111 MW Susquehanna Nuke Unit 2 in Pennsylvania at Full Power by September 22**

The unit was slowed to 70 percent power by September 21. It ramped up to full power by this morning, September 22, according to a Nuclear Regulatory Commission report.

Information derived from the NRC Power Reactor Status Reports: <http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2008/>

## **PSE&G's 1,096 MW Salem Nuke Unit 1 in New Jersey at Full Power by September 22**

The unit was reduced to 84 percent power by September 21. It ramped up to full power by this morning, September 22, according to a Nuclear Regulatory Commission report.

Information derived from the NRC Power Reactor Status Reports: <http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2008/>

## **PSE&G's 1,092 MW Salem Nuke Unit 2 in New Jersey at Full Power by September 22**

The unit was curtailed to 49 percent power by September 21. It ramped up to full power by this morning, September 22, according to a Nuclear Regulatory Commission report.

Information derived from the NRC Power Reactor Status Reports: <http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2008/>

## **NRC Launches Special Inspection at Xcel's 600 MW Monticello Nuclear Power Plant in Texas—Xcel Plans to Resume Normal Output in Days**

The Nuclear Regulatory Commission (NRC) announced a special inspection to review equipment problems associated with Monticello's recent, unplanned shutdown. The unit tripped September 11 after a transformer failure disrupted off-site power to some plant equipment. Days later, a contract employee came into contact with a high-voltage power line outside the plant's gates, suffering fatal injuries. That incident interrupted power to some equipment. NRC's team will review the circumstances surrounding those equipment issues. Separately, Xcel Energy said it had restored electricity to two transformers, and expected to resume full output at the facility within a few days.

<http://www.nrc.gov/reading-rm/doc-collections/news/2008/08-036.iii.html>  
[http://www.startribune.com/local/29132329.html?elr=KArks:DCiUHc3E7\\_V\\_nDaycUiD3aPc:Yyc:aUU](http://www.startribune.com/local/29132329.html?elr=KArks:DCiUHc3E7_V_nDaycUiD3aPc:Yyc:aUU)

## **Update: Inspectors Find Additional Cooling Tower Problems at Entergy's 510 MW Vermont Yankee Nuke Unit in Vermont—Unit Returned to Full Power by September 20**

Inspectors discovered five cracked or broken columns in the facility's east cooling tower, an Entergy Nuclear spokesman said. The company had replaced two of those five beams by late last week, though the faults were not deemed crucial to plant safety. The unit returned to full power by September 20 after a shutdown last week.

[http://www.reformer.com/latestnews/ci\\_10507986](http://www.reformer.com/latestnews/ci_10507986)  
Information also derived from the NRC Power Reactor Status Reports: <http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2008/>

## **Duke Energy Moss Landing, LLC's 510 MW Moss Landing Power Block 1 Gas-fired Unit in California Returns to Service by September 20**

According to the California Independent System Operator, the unit returned from an unplanned outage. <http://www.caiso.com/unitstatus/data/unitsatus200809201515.html>

## **LCRA Plans Restart of 460 MW Fayette Coal-fired Unit 3 in Texas September 19**

The Lower Colorado River Authority (LCRA) planned to restart the unit Friday morning, according to a filing with state regulators. The company shut the unit "to repair a steam leak on the main turbine crossover expansion joint between the high pressure and intermediate pressure turbines," the filing said. The restart was expected to last until Friday evening.

<http://www11.tceq.state.tx.us/oce/eeer/index.cfm?fuseaction=main.getDetails&target=114132>

## **Luminant to Submit Application for 3,400 MW Expansion at Comanche Peak Nuclear Power Plant in Texas**

Luminant planned to submit a Combined Operating License Application September 22 to the Nuclear Regulatory Commission (NRC) for a proposed expansion of its Comanche Peak Nuclear Power Plant in Texas. The application would seek approval for two new 1,700 MW nuclear-powered units—Comanche Peak Units 3 and 4. Comanche Peak currently consists of two 1,215 MW units.

<http://www.luminant.com/news/newsrel/detail.aspx?prid=1115>

## **Update: E.ON Opens First Two Phases—335.5 MW—of Roscoe, Texas Wind Farm**

The wind farm can now produce 335.5 MW of electricity, according to a press release. E.ON expects to complete the project's remaining two phases in mid-2009, and raise the facility's capacity to 781.5 MW. When finished, the farm will include 627 wind turbines.

<http://www.eon.com/en/presse/news-show.do;jsessionid=7E71FFB5DC338C62B52974A6F3EB63EB.1?id=8804&back=%2fen%2findex.jsp>

## **FERC Accepts Compliance Plans to Improve Regional Transmission Planning in U.S. Southeast**

The Federal Energy Regulatory Commission (FERC) conditionally accepted compliance filings from U.S. Southeast transmission providers. The accepted order clarifies and expands the obligations of transmission providers, identifying more specifically how customers and other stakeholders should be treated in the transmission planning processes of transmission providers and planning entities.

<http://www.ferc.gov/news/news-releases/2008/2008-3/09-18-08-E-3.pdf>

## ***Petroleum***

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### **BTC Throughput Dips to 250,000-280,000 b/d on Lagging Output from Associated Fields**

The 1 million b/d Baku-Tbilisi-Ceyhan oil pipeline slowed to 250,000-280,000 b/d by Monday, September 22, according to a source at Azerbaijan's state oil company, Socar. BP said throughput had slowed to less than 40 percent capacity. The ACG field complex, which feeds the BTC pipeline, curtailed production to 60 percent last week after gas bubbles appeared in the water near a platform. The pipeline had been tapping Azeri crude stocks to fill the ACG's production gap, but those stocks—and stocks at the BTC's other end, in Ceyhan, Turkey—were running thin, the Socar source said. Neither the Socar source nor BP provided a timetable for any restoration.

Bloomberg News, 10:49 September 22, 2008

<http://www.platts.com/Oil/News/8043096.xml?p=Oil/News&sub=Oil>

### **After Attacks, Shell Declares Second Force Majeure on Bonny Light Crude Exports from Nigeria—MEND Declares Cease-Fire September 21**

Shell extended a previously-declared force majeure on Bonny Light exports "until further notice," according to a news source. The move comes after a week of attacks by militants on Shell's and other's Niger Delta facilities. Shell said Friday that the attacks had significantly curtailed oil and gas output; Nigerian oil officials said the company's production cuts totaled at least 100,000 b/d. Separately, the Movement for the Emancipation of the Niger Delta (MEND) declared a cease-fire September 21, citing elders' calls for peace.

[http://www.downstreamtoday.com/News/Articles/200809/Shell\\_Declares\\_Second\\_Force\\_Majeure\\_On\\_N\\_12919.aspx](http://www.downstreamtoday.com/News/Articles/200809/Shell_Declares_Second_Force_Majeure_On_N_12919.aspx)

<http://www.ft.com/cms/s/0/68fe1424-883f-11dd-b114-0000779fd18c.html>

## ***Natural Gas***

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### **Update: Kitimat LNG Overturns Plan to Import LNG through Proposed Terminal—Company Instead Expects to Export Fuel to Asia**

Citing "fundamental changes" in the worldwide natural gas market, Kitimat LNG said it made more sense to export liquefied natural gas (LNG) than to import it. The company expects to break ground on the Canadian LNG facility in late 2009 or early 2010; the terminal would open for service in 2013 or 2014.

<http://thechronicleherald.ca/Business/1080074.html>

Reuters, 15:40 September 22, 2008

## Other News

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Nothing to report.

## Energy Prices

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U.S. Oil and Gas Prices			
September 22, 2008			
	Today	Week Ago	Year Ago
<b>CRUDE OIL</b> <b>West Texas Intermediate U.S.</b> \$/Barrel	119.14	96.93	83.38
<b>NATURAL GAS</b> <b>Henry Hub</b> \$/Million Btu	7.82	8.02	5.96

Source: Reuters & Bloomberg

## Energy Notes

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**Exelon to Store Spent Nuclear Fuel in Outdoor “Dry Casks” by 2010 at 2,340 MW La Salle Nuclear Power Plant in Illinois**

<http://mywebtimes.com/archives/ottawa/display.php?id=366886>

**Officials Plan “Force on Force” Attack Drills at Entergy’s 2,311 MW Indian Point Nuclear Power Plant in New York**

[http://www.midhudsonnews.com/News/September08/19/IP\\_force\\_drill-19Sep08.htm](http://www.midhudsonnews.com/News/September08/19/IP_force_drill-19Sep08.htm)

**Colorado PUC Approves Xcel Energy’s Plan to Close Two Coal-fired Power Plants, Add a Gas-fired Facility, Reduce Energy Demand by 421 MW, and Generate 200-600 MW of Renewable Power—Proposal Runs Through 2015**

[http://www.examiner.com/a-1596542~Colorado\\_regulators\\_approve\\_Xcel\\_power\\_plans.html?cid=temp-popular](http://www.examiner.com/a-1596542~Colorado_regulators_approve_Xcel_power_plans.html?cid=temp-popular)  
<http://denver.bizjournals.com/denver/stories/2008/09/15/daily47.html?ana=yfcpc>

**CPUC Votes to Oppose Proposition that Would Force California Utilities to Derive Half Their Electricity from Renewable Sources by 2025—Group Says Measure Would be “Excessively Rigid”**

<http://sacramento.bizjournals.com/sacramento/stories/2008/09/15/daily86.html?ana=yfcpc>

**Two Harbors Refinery in Catalina Island, California Says it Accidentally Sold Fuel With Excess Ethanol from August 30 to September 3**

<http://www.marketwatch.com/news/story/refinery-mistake-leads-contaminated-fuel/story.aspx?guid=%7BE90977E0-44B2-4084-8EBA-0E98B2268CD5%7D&dist=hppr>

**Protests Shut Petropuru’s 27,000 b/d Oil Pipeline in North Peru, Company Says**

<http://www.petroleumworld.com/story08092213.htm>

**Update: BLM Confirms Plan to Allow up to 4,400 New Natural Gas Wells, and an Estimated 25 Tcf of Production from Pinedale Anticline Field in Wyoming**

[http://www.planetjrh.com/news/A\\_104197.aspx](http://www.planetjrh.com/news/A_104197.aspx)

**Analysts Recommend Expanding Strategic Petroleum Reserve to West Coast—Would Help Prevent Severe Disruptions in California, They Say**

<http://www.sacbee.com/110/story/1251438.html>

**Ethanol Demand Dips Due to Hurricane Ike—Analysts**

Bloomberg News, 17:06 September 19, 2008

**Flaring Due to Hurricane Ike at Midkiff Gas Plant September 19-22**

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=114322>

**Praxair Port Arthur Hydrogen Facility Restarting after Hurricane Ike September 22-23**

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=114337>

**Equipment Shutdown, Flaring at Goldsmith Gas Plant in Texas September 20**

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=114331>

**SRU Shutdown at Goldsmith Gas Plant in Texas September 19**

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=114317>

**Saudi Arabian Oil Exports to U.S. Refiners and International Majors Dip in September, Industry Sources Say**

[http://www.rigzone.com/news/article.asp?a\\_id=66929](http://www.rigzone.com/news/article.asp?a_id=66929)

**Mexican Crude Exports Jump from 1.377 Million b/d in July to 1.416 Million b/d in August—Pemex**

Reuters, 12:58 September 22, 2008

**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.

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