



ENERGY ASSURANCE DAILY

Monday, October 02, 2006

Electricity

TXU's 545 MW Sandow Coal/Oil-fired Unit 4 in Texas Restarts Oct. 2

The company shut the unit on Sept. 29 to fix a tube leak.
Reuters, 11:30 October 2, 2006

AEP's 528 MW Welsh Coal-fired Unit 1 in Texas Shut Oct. 1

According to filing with Texas regulators, AEP planned to shut unit 1 on Oct. 1 to fix a boiler tube leak. AEP will restart the unit between Oct. 2 and Oct. 6.
Reuters, 09:29 October 2, 2006

Capline's 260 MW Pastoria Gas-fired Unit in California Shut Oct. 1

Reuters, 12:30 October 2, 2006

OPG's 515 MW Pickering Nuke Unit 4 in Ontario Shut Oct. 1

The unit shut for a forced outage. The company did not comment on when the unit would return to service due to competitive reasons but traders estimated the unit might return in a week or so.
Reuters, 10:37 October 2, 2006

PPL Corp.'s 1,180 MW Susquehanna Nuke Unit 2 in Pennsylvania Shut Sept. 30

The shutdown is part of a comprehensive and ongoing effort to correct control rod friction. The company said operators found increased friction between some rods and surrounding uranium fuel bundles.
Bloomberg News, 10:29 October 2, 2006

NRG Energy's 766 MW Limestone Coal-fired Unit 2 in Texas has Fire Sept. 30

According to a report filed with Texas regulators, a fire broke out in the boiler switch gear at the Unit 2.
Reuters, 09:58 October 2, 2006

Exelon to File Construction, Operating License at NRC for Nuke Plant in Texas

On September 29, Exelon Generation submitted a letter of intention at the Nuclear Regulatory Commission (NRC) to begin an application process for a combined construction and operating license (COL) to build a nuclear power plant in Texas. The submission of the letter provides Exelon the option to develop a nuclear plant without committing to the full project. The exact site for new plant has not yet been decided, and Exelon expects to submit the application for COL in 2008.

<http://powermarketers.net/contentinc.net/newsreader.asp?ppa=8knpp%5E%5BjjioqloXUok%27%40%3E%20bfe%5Dv>

<http://www.platts.com/Nuclear/News/6300904.xml?p=Nuclear/News&sub=Nuclear>

Petroleum

Fire Shuts ULSD Unit at Giant's 62,000 b/d Yorktown, Virginia Refinery Sept. 30

The fire shut an ultra-low sulfur diesel processing unit. The company said the rest of the refinery was operating normally and that no restart estimate would be available until damage was assessed.

Reuters, 11:53 October 2, 2006

Bloomberg News, 11:42 October 2, 2006

Militants Attack Shell Oil Pumping Station in Nigeria

About 17 militants in speedboats attacked Nigerian army boats guarding the Cawthron Channel crude oil pumping station. Officials do not know if there has been an impact on production. Nigeria supplied about 8 percent of total U.S. oil imports in 2005.

Reuters, 13:07 October 2, 2006

Oil Production Falls from Venezuela's Forced Joint Ventures

Last year the Venezuelan government forced 22 oil companies that were operating 32 oil fields on a fee basis to convert operating contracts into joint ventures with state-owned oil company PdVSA. According to a Venezuelan newspaper, oil output from 18 of these ventures fell by 12 percent over 10 months because of a lack of new investment. Production from the fields fell to 198,300 b/d from 224,354 b/d in October 2005. Venezuela supplied 11.7 percent of total U.S. oil imports in 2005.

Bloomberg News, October 2, 2006

Natural Gas

FERC Approves Equitrans' Kentucky Natural Gas Pipeline Project

On September 29, Equitrans L.P. received a favorable environmental review from the Federal Energy Regulatory Commission (FERC) on its natural gas pipeline project in Kentucky. The project seeks to ease the capacity constraint that caused eastern Kentucky natural gas wells to shut production for much of the year.

<http://intelligencepress.com/subscribers/daily/news/d20061002e.html>

Duke Energy's Algonquin Holds Open Season for Mainline Expansion

Algonquin Gas Transmission is holding an open season through October 27 for a natural gas expansion project to serve markets in the Northeast. The proposed East-to-West expansion project is designed to use existing infrastructure, adding incremental expansion only as needed.

<http://intelligencepress.com/subscribers/daily/news/d20061002h.html>

<http://www.platts.com/Natural%20Gas/News/6300915.xml?p=Natural%20Gas/News&sub=Natural%20Gas>

http://pro.energycentral.com/professional/news/gas/news_article.cfm?id=7216936

Other News

California Governor Schwarzenegger Signs Bill to Limit Coal-Fired Imports

On September 29, California Governor Arnold Schwarzenegger signed a bill that would limit electricity imports from coal-fired plants located outside California by requiring that purchase agreements comply with a greenhouse gas performance standard. The bill, S.B. 1368, requires that the emissions from coal-fired plants not exceed emissions from combined-cycle natural gas generation. Although about 20% of California's electric power comes from coal, most of the coal-fired plants are not located in California.

<http://www.platts.com/Electric%20Power/News/6300905.xml?p=Electric%20Power/News&sub=Electric%20Power>

Xcel Energy Approved to Expand Nuclear Waste Storage at Monticello Plant

On September 28, Minnesota's Public Utilities Commission approved the expansion of a nuclear waste storage site at Xcel's 600 MW Monticello nuclear plant. Assuming that the Commission's decision is not overturned, Xcel plans to start construction in mid-2007 and complete the project in 2008. Xcel is also in the process of applying to relicense the plant which would allow the plant to continue operating until 2030.

<http://biz.yahoo.com/bizj/060929/1353921.html?v=1>

<http://www.platts.com/Nuclear/News/6300715.xml?p=Nuclear/News&sub=Nuclear>

Energy Prices

U.S. Oil and Gas Prices October 2, 2006			
	Today	Week Ago	Year Ago
CRUDE OIL West Texas Intermediate U.S. \$/Barrel	61.40	60.86	66.21
NATURAL GAS Henry Hub \$/Million Btu	4.11	4.31	14.84*

Source: Reuters

*Last year the Henry Hub was shutdown due to damage from Hurricane Rita, so Henry Hub spot prices remained unchanged for some time.

Energy Notes

Update: PdVSA Restarts 54,000 b/d Cat Cracker at El Palito Refinery Oct. 2

Bloomberg News, 11:30 October 2, 2006

Energy Partners Ltd. Cuts Oil Production Forecast Due to Equipment Delays

Reuters, 09:59 October 2, 2006

Saudi Aramco to Start Developing 900,000 b/d Moneefa Heavy Oil Field Early 2007

Reuters, 05:45 October 1, 2006

Russia Tells Shell it Must Reapply for Approval of Sakhalin Pipeline Plan

Bloomberg News, 10:16 October 1, 2006

Henry Hub Spot Price Hits Lowest in the Last Four Years

<http://www.platts.com/Natural%20Gas/News/6300916.xml?p=Natural%20Gas/News&sub=Natural%20Gas>

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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