



ENERGY ASSURANCE DAILY

Tuesday Evening, October 02, 2007

Electricity

Update: FPL's 839 MW Saint Lucie Nuke Unit 1 in Florida at Full Power October 2

According to the Nuclear Regulatory Commission, the unit was operating at 86 percent on October 1. The unit was reduced October 1 due to vegetation in its water-box filtration system.

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

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2007/20071001ps.html>

Bloomberg News, 09:49 October 2, 2007

RG&E's Russell Station to Convert to Natural Gas Not Clean Coal in New York

Rochester Gas and Electric (RG&E) withdrew its application to convert its aging coal-fired Russell Station to clean coal. The company decided that natural gas would be a more acceptable option with policymakers. The proposed 300 MW unit is expected to be operational in 2013.

<http://www.rochesterdandc.com/apps/pbcs.dll/article?AID=/20070929/BUSINESS/70929001>

Update: Transmission Line Hearings Scrapped Over Controversy in Alberta

The new chairman of the Alberta Energy and Utilities Board has set aside two decisions that approved the need for the new line and has closed the application to construct and operate the 500 kV line. The hearing process has been stopped and the approvals and the application rescinded after the provincial regulator was found to have hired private investigators to monitor opponents of the project. In explaining his actions, Board chairman William Tilleman stated "I believe the only way to re-establish public confidence is to go back to square one on this process."

<http://www.oilweek.com/news.asp?ID=11655>

<http://www.canada.com/nationalpost/news/canada/story.html?id=38b98e1d-2809-4854-ac11-f7478ede3beb>

DOE Designated Sections of Southwest and Mid-Atlantic as "National Interest", National Transmission Line Corridors

Areas in the Southwest and mid-Atlantic have been designated by the Department of Energy as areas which critically need new transmission lines. Although the various States will have the first say on the siting of lines, FERC will be able to use eminent domain and sanction the building of new lines if the states do not act on permits within a year. With the exception of Clark County, Nevada, the corridor boundaries which include a number of congested areas are essentially the same as those identified in April.

Reuters, 14:42 October 2, 2007

Bloomberg News, 12:32 October 2, 2007

OPG's 490 MW Nanticoke Coal-fired Unit 2 in Ontario Shut October 2

According to a company spokesman, the unit was shut for short-term work early Tuesday.

Reuters, 12:23 October 2, 2007

Reuters, 12:22 October 2, 2007

TXU's 575 MW Big Brown Coal-fired Unit 1 in Texas Shut October 2

According to a filing with Texas Regulators, the unit shut to fix a boiler tube leak.

<http://www2.tceq.state.tx.us/eer/main/index.cfm?fuseaction=getDetails&target=98167>

Reuters, 09:29 October 2, 2007

Dynegy's 336 MW Morro Bay Gas-fired Unit 4 in California Shut October 1

Reuters, 12:22 October 2, 2007

Sunrise's 322 MW Sunrise Gas-fired Unit in California Shut October 1

Reuters, 12:22 October 2, 2007

Calpine's 250 MW Calgary Gas-fired Unit in Alberta Shut October 1

Reuters, 12:22 October 2, 2007

FPL's 693 MW Turkey Point Nuke Unit in Florida Shut October 1

Reuters, 07:47 October 2, 2007

TXU's 545 Sandow Coal-fired Unit 4 in Texas Shut October 1

Reuters, 07:47 October 2, 2007

Petroleum

Regenerator and Crude Unit Briefly Shut at Valero's 130,000 b/d Houston, Texas Refinery October 1

According to a filing with state regulators, the refinery experienced a brief power outage at 8:07 on October 1 causing the Complex I regenerator and the 90,000 b/d crude unit to shut. The down units were restarted immediately and have been fully restored

<http://www2.tceq.state.tx.us/eer/main/index.cfm?fuseaction=getDetails&target=98158>

Bloomberg News, 09:37 October 2, 2007

Bloomberg News, 13:02, October 2, 2007

Reuters, 08:38 October 2, 2007

Flaring at Chevron's 260,000 b/d El Segundo Refinery in California October 1

Chevron reported flaring after a faulty compressor was shut September 29.

Bloomberg News, 03:46 October 1, 2007

BP's Oil Production in Alaska Drops 20 Percent in September

BP produced on average 235,650 b/d in September 2007 compared with 249,610 b/d in September 2006. Output mid-September dropped to a low of 183,417 b/d due primarily to maintenance. Gathering Center-2 (GC-2) in Prudhoe Bay was shut September 10 for scheduled maintenance, cutting production by 90,000 b/d. There were also at least three fires and a flaring event at BP facilities in Alaska.

Reuters, 16:45 October 1, 2007

Bloomberg News, 16:45 October 1, 2007

Coker Problems Reduce Production by 70,000 b/d at Syncrude's Alberta Oil Sands Project October 1

The company said that the coker 8-3 experienced an upset; repairs are expected to take a few days.

Reuters, 18:28 October 1, 2007

Fire at Suncor's Oil Sands Project Cuts Production by 65,000 b/d October 2

According to a company spokeswoman, the fire was quickly extinguished and there were no injuries. However, Suncor was unable to indicate when the facility will be operating at full capacity. This is the second disruption in two days for oil sands producers, see related Syncrude story above.

Reuters, 15:05 October 2, 2007

Nigerian Exports to Rise 130,000 b/d from October to 2.15 MMb/d in November

Reuters, 12:02 October 2, 2007

Update: Enterprise Completes 50,000 b/d Mid-America Pipeline Expansion

Enterprise announced that it had placed its 50,000 b/d expansion of the Rocky Mountain portion of the Mid-America Pipeline into service. The project consists of two components that bring the pipeline's capacity from 225,000 b/d to 275,000 b/d. The pipeline addition will expand flows of Rocky Mountain NGL production.

<http://phx.corporate-ir.net/phoenix.zhtml?c=80547&p=irol-newsArticle&ID=1058042&highlight=>

Natural Gas

Black Bayou Applies for 14 Bcf Storage Facility in Louisiana

Black Bayou filed an application with FERC in order to build a 14 Bcf salt dome storage facility in Louisiana.
<http://intelligencepress.com/>

Update: Columbia's Expansion Plans Gain FERC Environmental Approval

The proposed pipeline and storage expansion by Columbia Gas Transmission Corporation will supply growing demand in eastern states.
<http://intelligencepress.com/>

Update: GulfSouth Pipeline's Expansion Gains FERC Certification

The proposed expansion will improve access for eastern U.S. markets to Texas, Oklahoma, Arkansas and Louisiana gas supplies.
<http://intelligencepress.com/>

Update: Equitrans Seeks Deadline Extension for Big Sandy Project in Kentucky

Equitrans requested that FERC grant a four month extension on its deadline for the Big Sandy Pipeline. The project is designed to alleviate supply constraints in eastern Kentucky.
<http://intelligencepress.com/>

Boardwalk Pipeline Gains FERC Approval for Southeast Expansion Project September 28

The expansion includes the construction of a 1.2 Bcf/d capacity pipeline from Mississippi to Alabama. Construction is expected to begin within 45 days pending environmental approvals. The expansion is expected to be in service in the first quarter of 2008.
<http://ir.bwpmlp.com/phoenix.zhtml?c=193443&p=irol-newsArticle&ID=1057668&highlight=>

NYMEX Natural Gas Price Highest in 15 Weeks Due to Growing Storm Concerns

Some weather system models indicate that a storm forming in the Gulf of Mexico, could force oil and gas producers in the eastern Gulf of Mexico to shut some offshore production. The storm, producing near gale force winds in eastern Gulf that is expected to make landfall somewhere between the Florida Panhandle and Louisiana during the next couple of days.

Reuters, 12:57 October 2, 2007

Reuters, 12:55 October 2, 2007

Reuters, 12:44 October 2, 2007

Other News

Update: Investigation Finds 2004 BLM Report Cited Structural Problems in Crandall Canyon Mine

An investigation by the Senate Health, Education, Labor and Pensions Committee into the fatal collapse at the Crandall Canyon Mine in Utah, found that an internal report by investigators from the Bureau of Land Management (BLM) in 2004 cited structural problems at the mine. The Labor Department's Mine Safety and Health Administration (MSHA) was unaware of the report when they approved operations at the mine were approved.

http://ap.google.com/article/ALeqM5i0GGpBpcz_swaHeP5hdc4BH8E2QD8S183000

<http://www.cnn.com/2007/US/10/02/mine.collapse.hearing.ap/index.html>

http://www.13wham.com/news/national/story.aspx?content_id=50b9eb6a-f656-40f5-a102-f9d478258fea

Energy Prices

U.S. Oil and Gas Prices			
October 2, 2007			
	Today	Week Ago	Year Ago
CRUDE OIL West Texas Intermediate U.S. \$/Barrel	80.00	81.33	61.40
NATURAL GAS Henry Hub \$/Million Btu	6.55	6.54	4.11

Source: Reuters

Energy Notes

Update: NRG Delays Decision for Two 1,350 MW Nuclear Reactor Licenses in Texas

Reuters, 13:16 October 2, 2007

BP Starts Production at Greater Plutonio Block 18 Offshore Angola

http://www.rigzone.com/news/article.asp?a_id=50897

Audit Finds Lack of Supervision for Texas Well Inspectors

<http://intelligencepress.com/>

Saudi Oil Minister Naimi Reaffirms Commitment to Oil Market Stability

Reuters, 13:23 October 2, 2007

Iran Sees Stable Oil Price Despite OPEC Production Level Changes

Reuters, 13:05 October 2, 2007

Venezuelan Energy Minister Ramirez Sees No Need For OPEC Output Rise

Reuters, 13:10 October 2, 2007

Angola to Accept OPEC Limits of 2.5 MMb/d in 2008

Reuters, 08:46 October 2, 2007

Tilden Gas Plant Reports Equipment Failure in Texas October 1

<http://www2.tceq.state.tx.us/eer/main/index.cfm?fuseaction=getDetails&target=98129>

U.S. Coal Supplies Down 1.8 MM Tons from Previous Week- Genscape

Reuters, 12:00 October 2, 2007

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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