



ENERGY ASSURANCE DAILY

Friday, October 13, 2006

Major Developments

Record October Snowstorm Knocks Out Power to over 370,000 Customers in Western New York State October 13

A severe storm dumped nearly two feet of snow at the Buffalo, New York, airport. The airport, along with many schools and other facilities, was closed. Conditions on roads and highways were considered so unsafe that driving restrictions or bans were in effect throughout a wide area. The storm broke the record for an October storm set in 1917. Many cities and towns in the area declared states of emergency. The heavy wet snow snapped branches. As the branches fell, they snapped power lines left which left an estimated 250,000 National Grid customers and an additional 120,000 New York State Electric and Gas Company customers without power by early afternoon on October 13. Even though the storm dumped snow on many Great Lake states, from Illinois to New York, at press time there were no major outages reported by utilities in any state but New York.

The Weather Channel, 13:30, October 13, 2006

<http://www.cnn.com/2006/WEATHER/10/13/ny.snow.ap/index.html>

<http://www.wkbw.com/Story.aspx?preview=&type=ln&NStoryID=15433>

<http://www.cnn.com/2006/WEATHER/10/13/ny.snow.ap/index.html>

<https://www1.nationalgridus.com/niagaramohawk/storm/OutagesByCountyMessage.aspx>

[http://www.nyseg.com/nysegweb/webcontent.nsf/Lookup/wnystormatt/\\$file/lancstorm10131a.pdf](http://www.nyseg.com/nysegweb/webcontent.nsf/Lookup/wnystormatt/$file/lancstorm10131a.pdf)

Electricity

PJM Files with DOE to Designate Three Transmission Corridors

The PJM Interconnect filed with the U.S. Department of Energy (DOE) to designate three transmission corridors within the PJM territory. The filing is a response to a national study released by the DOE that identified the Middle Atlantic as an area of transmission congestion.

http://pro.energycentral.com/professional/news/power/news_article.cfm?id=7269786

AEP's 500 MW Tanners Creek Coal-fired Unit 4 in Indiana Shut October 13

The unit shut down for unknown reasons.

Reuters, 10:22 October 13, 2006

OPG's 494 MW Lambton Coal-fired Unit 2 in Ontario Shut October 13

Reuters, 07:50 October 13, 2006

Petroleum

Update: Prudhoe Bay Production up to 50,000 b/d October 12

Power Slowly Being Restored to Prudhoe Bay Grid

On Thursday, Daren Beaudou, a spokesman for BP, said that workers continue to make progress toward restoring full electrical power to Prudhoe Bay. He went on to say, "If things continue as they did yesterday, we can be back to normal in a few days."

<http://www.adn.com/money/story/8299325p-8195500c.html>

Update: Rainbow Pipe Line in Canada Scheduled to Restart October 14

The Rainbow Pipe Line company has indicated that the 200,000 b/d line, shut on October 12 by a 1,260 bbl oil spill, will be restarted on Saturday, October 14, at 10:00 a.m. Mountain Daylight Time. The line is the primary source of supply for refineries in the Edmonton area.

http://today.reuters.com/news/articleinvesting.aspx?view=CN&storyID=2006-10-12T142329Z_01_N12318487_RTRIDST_0_ENERGY-RAINBOW-RESTART-UPDATE-1.XML&rpc=66&type=qcna

Statoil and Shell to Shut 315,000 b/d of North Sea Production for a Week

Regulators have ordered operators to shut down three fields totaling 315,000 b/d in the North Sea until unsafe lifeboats are upgraded. The fields are expected to be back in service in about one week.

<http://www.platts.com/Oil/News/8682099.xml?p=Oil/News&sub=Oil>

Brazil's Petrobras to Begin Operation of Two New Offshore Platforms by End of 2006; Will Boost Capacity by 160,000 b/d

Petroleo Brasileiro SA, Brazil's state-controlled oil company, expects to begin operation of two new offshore platforms by the end of 2006. Once in operation, total output will increase by 7 percent (160,000 b/d).

Bloomberg News, 12:40 October 13, 2006

Natural Gas

Natural Gas Pipeline Explodes in Louisiana after being Struck by Barge or Tugboat

A barge or its tugboat struck a high-pressure natural gas lateral pipeline in the West Cote Blanche Bay field area, located near Baldwin, LA, and caused an explosion and subsequent fire. At least four people were killed. The barge is still on top of the pipeline, but the gas into the line has been shut off. The pipeline is operated by a Chevron subsidiary.

<http://www.platts.com/Natural%20Gas/News/6305014.xml?p=Natural%20Gas/News&sub=Natural%20Gas>

<http://www.platts.com/Natural%20Gas/News/6305140.xml?p=Natural%20Gas/News&sub=Natural%20Gas>

<http://intelligencepress.com/>

<http://www.cnn.com/2006/US/10/13/pipeline.accident.ap/index.html>

Other News

Council on Foreign Relations Calls for Closer Coordination Between Foreign Policy and Energy Policy

In a report released October 12, the Council on Foreign Relations called for more effective planning that incorporates both energy and foreign policy to meet growing demand, competition from other consuming nations, and the strategic policies of the energy producing nations.

<http://www.platts.com/Oil/News/6304787.xml?p=Oil/News&sub=Oil>

Energy Prices

U.S. Oil and Gas Prices			
October 13, 2006			
	Today	Week Ago	Year Ago
CRUDE OIL			
West Texas Intermediate U.S. \$/Barrel	59.10	59.55	66.61
NATURAL GAS			
Henry Hub \$/Million Btu	5.13	4.41	12.80

Source: Reuters

Energy Notes

PPL's Susquehanna Nuke in Pennsylvania to Test New Emergency Sirens Starting October 16

<http://www.pplweb.com/newsroom/newsroom+quick+links/news+releases/101306+Siren+Testing.htm>

26 MW Geothermal Plant Planned Near San Francisco, California

http://pro.energycentral.com/professional/news/power/news_article.cfm?id=7268387

Utility Executive Calls for Fuel Diversity to Meet Growing Electricity Demand

http://pro.energycentral.com/professional/news/power/news_article.cfm?id=7268344

LNG Terminal Development Seen Maturing – Energy Banker Says

http://pro.energycentral.com/professional/news/gas/news_article.cfm?id=7269259

U.S. Major Oil Companies Qualify to Bid for Oil Drilling Rights in Libya

Bloomberg News, 07:04 October 13, 2006

Nigeria May Expand Capacity of Bonny Island LNG Facility to 23 Million Short Tons by 2011

Bloomberg News, 06:04 October 13, 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

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

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