



# ENERGY ASSURANCE DAILY

Wednesday, October 25, 2006

## ***Electricity***

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**APS' 1,243 MW Palo Verde Nuke Unit 1 in Arizona Ramps Up to Full Power October 25**  
Reuters, 07:16 October 25, 2006

**TVA's 1,232 MW Cumberland Coal-fired Unit 1 in Tennessee Returns to Service October 25**

The unit was shut on October 23.  
Reuters, 0:930 October 25, 2006

**Allegheny's 640+ MW Harrison Coal-fired Unit in West Virginia Returns to Service October 25**

The unit was shut on October 22.  
Reuters, 0:930 October 25, 2006

**LCRA's 598 MW Fayette Coal-fired Unit 1 in Texas Shut October 25**  
Reuters, 0:930 October 25, 2006

**Progress Energy's 710 MW Robinson Nuke Unit 2 in South Carolina Shut October 25**  
Reuters, 0:930 October 25, 2006

**PPL's 759+ MW Montour Coal-fired Unit in Pennsylvania Shut October 24**  
Reuters, 0:930 October 25, 2006

**DPL's 585 MW Stuart Coal-fired Unit in Ohio Shut October 24**  
Reuters, 0:930 October 25, 2006

**AEP's 690 MW Oklaunion Coal-fired Unit in Texas Returned to Service October 24**  
The unit shut October 20 to fix a condenser leak.  
Reuters, 0:817 October 20, 2006  
Reuters, 0:930 October 25, 2006

**AEP's 528 MW Welsh Coal-fired Unit 3 in Texas Returned to Service October 24**  
Reuters, 0:930 October 25, 2006

**Calpine's 297 MW Los Medanos Gas-fired Unit in California Shut on October 23**  
Reuters, 0:930 October 25, 2006

**U.S. Sustainable Energy Corp. Announces Strategic Alliance to Build the World's Largest 1000 Megawatt Green Power Plant**

The company is working with Turnkey Electric, the joint venture partner of Pratt & Whitney Power Systems.  
Market Wire, October 25, 2006

## **Montana Governor & Industry Executives Announce Plans for Transmission Line Linking Montana, Idaho, Nevada, California, and Arizona**

The officials announced a plan to build a \$2 billion transmission line on October 23. The line, which the planners hope will be completed by 2011, would connect the coal mines of Montana to Las Vegas, Los Angeles, and Phoenix carrying electricity created by either wind power or synthetic gas derived from the coal deposits. Much work needs to be done, such as acquiring all of the necessary permits and finding buyers for the electricity to be delivered over the transmission lines.

<http://www.latimes.com/business/la-fi-power24oct24.1.7864267.story?coll=la-headlines-business&ctrack=1&cset=true>

## **Petroleum**

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### **Louisiana and the U.S. Minerals Management Service Reach Agreement on OCS Leases**

On Monday, the U.S. Department of the Interior announced that the U.S. MMS and the State of Louisiana have reached an agreement which dismisses Louisiana's lawsuit against the United States regarding oil and natural gas leasing in federal waters off the coast of Louisiana, pending court approval of the agreement. According to the MMS, "under the agreement, Louisiana forgoes any challenge to Interior issuing leases to companies for the OCS parcels they acquired rights to develop under Lease Sale 200, which was held in August, 2006. Louisiana also forgoes any challenge under the National Environmental Policy Act (NEPA) to Interior's approval of exploration plans for the Lease Sale 200 parcels, provided Interior has completed an environmental assessment during a period of time specified in the agreement." Governor Blanco of Louisiana announced the agreement with the U.S MMS on Tuesday. She said, "...the Federal government has agreed to delay future offshore lease sales until a complete environmental analysis is done. One that takes into account the effects of Katrina and Rita, as well as the cumulative impacts of offshore leasing activity on Louisiana's coastal zone. In addition, until the MMS has completed its complete environmental analysis, no exploration plan will even be allowed on Western Gulf Lease Sale 200, which was held in August of this year, until each plan reflects an appropriate environmental analysis and approved by the state."

<http://www.mms.gov/ooc/press/2006/press1024B.htm>  
<http://www.gov.state.la.us/>

### **Villagers Seize and Shut Down Four Oil Facilities in Nigeria**

Shell said that members of the Kula community living near Shell's Ekulama 1, Ekulama 2 and Belema oil pumping stations took over the facilities after accusing Shell of failing to meet the terms of an agreement to provide them aid. The villagers also seized Chevron's 15,000 bpd Rovekiri flow station.

<http://www.cnn.com/2006/WORLD/africa/10/25/nigeria.oil.ap/index.html>  
Bloomberg News, 13:49 October 25, 2006

## **Natural Gas**

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### **CIG's Fort Morgan Storage Field in Colorado Leaks Natural Gas**

On Monday, Colorado Interstate Gas (CIG) personnel repaired a leak in a well at the 8.5 Bcf Fort Morgan storage field in Colorado. Gas continues to migrate to the surface from the storage facility at this depleted oil and gas field. According to Intelligence Press, CIG said storage operations at the field "have been shut down indefinitely."

<http://intelligencepress.com/>

## **Other News**

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### **Alternative Energy Sources Announces Plans to Build Another Ethanol Plant in Illinois**

The company said the plant will be constructed in Southern Illinois (Greenville), beginning next year. The plant which will be capable of producing 110 million gallons annually is expected to begin operations in 2008. Alternative Energy Sources has announced the development of three ethanol plants since August. The other two are in northern Illinois and central Iowa.

<http://powermarketers.net/contentinc.net/newsreader.asp?ppa=8knpp%5E%5BjpmgijRUjf%23%3A%40%24bfe1%5Dv>

## **Rib Roll at Alpha Mine in West Virginia October 20 -- Halts Operations Until October 22**

A Friday afternoon rib fall near one continuous miner section at Alpha Natural Resources' Kingwood Mining underground operation in Preston County, West Virginia, killed an operator and shut the entire mine on Friday until investigators gave the mine permission to reopen Sunday evening. (A rib-roll occurs when the wooden rib of a mine comes loose from the wall or roof of the mine.) The mine produced 1.5 million tons of coal last year and more than 725,500 tons during the first two quarters of this year, according to the Mine Safety & Health Administration.  
<http://www.platts.com/Coal/News/6308371.xml?p=Coal/News&sub=Coal>

## **Update: Norfolk Southern Ends Force Majeure October 24**

### **Force Majeure Was Caused by Weekend Derailment of Ethanol Cars in Pennsylvania**

According to a press release by Norfolk Southern Railroad yesterday, "the line between Conway and Youngstown was reopened late Saturday and one of two mainlines reopened early Monday. It is expected that the second mainline between Conway and Ft. Wayne will reopen late Wednesday. However, trains moving through the area will continue operate at restricted speeds, due to continuing repair work at the site." Norfolk Southern cancelled Force Majeure effective 9:00 a.m., October 24, 2006, on all traffic moving through this area.

[http://www.nscorp.com/nscorp/application?pageid=NS%20News&category=News&contentId=english/nscorp/news/whats\\_new.html](http://www.nscorp.com/nscorp/application?pageid=NS%20News&category=News&contentId=english/nscorp/news/whats_new.html)

## **Energy Prices**

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<b>U.S. Oil and Gas Prices</b>			
October 25, 2006			
	<b>Today</b>	<b>Week Ago</b>	<b>Year Ago</b>
<b>CRUDE OIL</b> <b>West Texas Intermediate U.S.</b> \$/Barrel	59.46	57.66	62.83
<b>NATURAL GAS</b> <b>Henry Hub</b> \$/Million Btu	7.20	6.03	13.90

Source: Reuters

## **Energy Notes**

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### **Wisconsin Resources to Shut Two 30 MW Power Plant Units in Wisconsin, December 2007**

Bloomberg News, 14:20 October 25, 2006

### **Crude Oil Rises After Unexpected Decline in U.S. Oil Inventories**

Bloomberg News, 13:06 October 25, 2006

### **Update: New Aquila Power Plant in Missouri Ordered Torn Down by Judge Plant Built without Local Zoning Permits**

<http://www.kansascity.com/mld/kansascity/business/15840333.htm>

### **SCE, LADWP Reach Agreement on 230-mile 500 kV Devers-Palo Verde 2 Transmission Line**

<http://www.ladwp.com/ladwp/cms/ladwp008731.jsp>

### **24,000 Customers in New Hampshire Lost Power October 20 Due to Winds**

[http://www.boston.com/news/local/maine/articles/2006/10/21/winds\\_cause\\_power\\_outages/](http://www.boston.com/news/local/maine/articles/2006/10/21/winds_cause_power_outages/)

### **22,000 Customers in New Jersey Lost Power October 20**

<http://www.app.com/apps/pbcs.dll/article?AID=/20061021/NEWS01/61021003>

<http://www.wnbc.com/news/10124888/detail.html?rss=ny&psp=news>

### **22,000 Customers in Maine Lost Power October 20 Due to Winds**

<http://bangordailynews.com/news/t/statewide.aspx?articleid=142130&zoneid=500>

[http://www.usatoday.com/weather/news/2006-10-22-maine-power\\_x.htm?csp=34](http://www.usatoday.com/weather/news/2006-10-22-maine-power_x.htm?csp=34)

### **15,000 Connecticut Light & Power Customers in Connecticut Lost Power October 20 Due to Winds**

[http://www.registercitizen.com/site/news.cfm?newsid=17359640&BRD=1652&PAG=461&dept\\_id=12530&rfi=6](http://www.registercitizen.com/site/news.cfm?newsid=17359640&BRD=1652&PAG=461&dept_id=12530&rfi=6)

### **13,000 National Grid Customers in Massachusetts Lost Power October 22**

[http://www.abc6.com/engine.pl?station=wln&id=22501&template=breakout\\_story\\_local\\_news.shtml&dateformat=%25M+%25e.%25Y](http://www.abc6.com/engine.pl?station=wln&id=22501&template=breakout_story_local_news.shtml&dateformat=%25M+%25e.%25Y)

### **13,000 PG&E Customers including BART Lose Power in California October 23 PG&E Restores Power to BART in 83 Minutes;**

**Service Temporarily Stopped Between San Francisco and Oakland Due to Outage**

[http://cbs5.com/local/local\\_story\\_296093409.html](http://cbs5.com/local/local_story_296093409.html)

<http://www.sfgate.com/cgi-bin/article.cgi?f=/baycitynews/a/2006/10/21/outage21.DTL&feed=rss.bayarea>

### **BP Raises Estimate of Azeri Oil Reserves by 20%, Interfax Says**

Bloomberg News, 10:46 October 25, 2006

### **Scientists Say Gas Hydrate Reserves Potential is Twice the Yield of All of the World's Fossil Fuels**

<http://powermarketers.net/contentinc.net/newsreader.asp?ppa=8knpq%5F%5BjlpstrkRUfb%23%3A%40%24bfe1%5Dv>

### **25 Percent of World's Untapped Oil Reserves in Arctic Circle – USGS Study**

[http://money.cnn.com/2006/09/27/news/economy/arctic\\_drilling/index.htm?source=yahoo\\_quote](http://money.cnn.com/2006/09/27/news/economy/arctic_drilling/index.htm?source=yahoo_quote)

### **Mexico's Federal Electricity Commission Wants Another LNG Terminal**

[http://www.energyintel.com/PublicationHomePage.asp?publication\\_id=10](http://www.energyintel.com/PublicationHomePage.asp?publication_id=10)

## **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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*Energy Assurance Daily* provides a summary of public information concerning current energy issues. Published Monday through Friday to inform stakeholders of developments affecting energy systems, flows, and markets, it provides highlights of energy issues rather than a comprehensive coverage. *Energy Assurance Daily* is updated online Monday through Friday after 5:00 p.m. EST. For more information, visit the Infrastructure Security and Energy Restoration (ISER) website at:  
<http://www.oe.netl.doe.gov/index.aspx>.

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