



ENERGY ASSURANCE DAILY

Tuesday, October 31, 2006

Major Developments

Utilities Make Significant Progress in Restoring Power Following Northeast Wind Storm Outages

Augmented by crews from outside the affected areas of the Northeast, utilities have made significant progress in resorting power to the thousands of customers who lost service over the past weekend from a series of severe windstorms. In New York State, National Grid reconnected power to most of the 36,700 customers who lost power during the storm. Central Vermont Public Service anticipated that power would be restored to all but a few hundred of its customers by late Monday night, and that the remaining customers would be reconnected to the grid on Tuesday. Allegheny Power restored power to all of its 65,000 customers who lost power in a four-state area. . Bangor Hydro reports restored service to all but 3,200 of its 28,000 customers that lost power in Maine. Central Maine Power reports only 600 customers remaining without power, down from a high of 38,000.

http://www.boston.com/news/local/maine/articles/2006/10/31/utilities_trim_outage_backlog_as_weather_improves/

http://www.newburyportnews.com/local/local_story_304135409

<http://www.auburnpub.com/articles/2006/10/31/news/state/state01.txt>

Electricity

Fire at Entergy's Arkansas Nuclear One Unit 2 Extinguished; Operations Not Affected, No Danger

A small fire in an auxiliary extension building was extinguished within 10 minutes of being discovered, according to a representative of the Nuclear Regulatory Commission. The alert that was declared at the facility was terminated at 8 p.m. according to an Entergy spokesman. No damage to the plant was reported, nor was there any danger to the surrounding community. The cause of the fire is under investigation.

http://pro.energycentral.com/professional/news/power/news_article.cfm?id=7345162

<http://biz.yahoo.com/prnews/061030/nym257.html?.v=24>

U.S. Electric Transmission System Needs More Investments – Fitch Ratings Report

According to a Fitch Ratings report, entitled "Frayed Wires: US Transmission System Shows Its Age," underinvestment, outdated technologies, and high percentages of decades-old equipment plague the U.S. power delivery system. In addition, the rise of competitive electricity markets has further strained the system because transmission networks were not designed to ship power across many utilities' service territories. The report concluded that financing for new transmission projects should be available despite increased regulatory hurdles. Reuters, 11:40 October 31, 2006

TXU's 1,150 MW Comanche Peak Nuke Unit 2 in Texas Exits Outage October 31

The unit ramped up to 8 percent by early October 31 after shutting down on October 29 due to a lowering steam generator level. That shutdown marked the second for the unit since exiting a refueling outage last week.

Reuters, 07:23 October 31, 2006

Petroleum

Oil Companies Sign New Contracts Giving Bolivia Larger Share of Oil & Gas Revenues

Foreign energy companies operating in Bolivia have signed new contracts with Bolivia that increase the percentage of the revenue going to the Bolivian government to a minimum of 50 percent. The revenue will be in the form of royalties and taxes.

Oil Daily, October 31, 2006

Update: BP Completes Inspection of Prudhoe Bay Pipeline

According to a preliminary analysis of the tests conducted by BP on the pipeline in the Eastern section of Prudhoe Bay, there are no areas of serious corrosion in the system. BP does not expect the final results to be available for approximately two weeks. BP will then conduct additional tests to confirm the results and eventually place the line back in service. BP will replace 16 miles of existing lines with smaller diameter lines, with the objective of improving flow rates and reducing the likelihood of corrosion buildup.

Oil Daily, October 31, 2006

Natural Gas

Duke's 235,000 Dth/day Jewell Ridge Gas Pipeline Placed in Service

On October 31, Duke Energy Gas Transmission reported that its new Jewell Ridge pipeline was in service. The 32-mile long 20-inch line will move gas from the Appalachian producing region to markets in the Southeast. The line has a capacity of 235,000 decatherms per day (Dth/d).

<http://biz.yahoo.com/prnews/061031/cltu058.html?v=69>

Report Finds 70 Percent of Gas Shut Off Valves Inaccessible in Massachusetts

According to a report in the Boston Globe, nearly 70 percent of the 1.1 million emergency shut off valves for natural gas in Massachusetts are inaccessible. The valves have been paved over or are blocked in some fashion. The Globe cited industry records that indicate that service valves that control gas flow to individual structures account for most of the inaccessible valves.

<http://www.thebostonchannel.com/news/10181954/detail.html?rss=bos&psp=news>

Other News

Nothing to report.

Energy Prices

U.S. Oil and Gas Prices			
October 31, 2006			
	Today	Week Ago	Year Ago
CRUDE OIL West Texas Intermediate U.S. \$/Barrel	58.26	57.45	59.80
NATURAL GAS Henry Hub \$/Million Btu	6.64	7.13	12.18

Source: Reuters

Energy Notes

Wind Power Poses Load Balancing Problems – European Study

http://pro.energycentral.com/professional/news/power/news_article.cfm?id=7342594

CEO of Dow Views Natural Gas Price Decline as Fueling Dangerous Illusion for Long Term Policy

<http://www.platts.com/Natural%20Gas/News/6309981.xml?p=Natural%20Gas/News&sub=Natural%20Gas>

Massey Energy CEO Sees Shortage of Experienced Miners as Biggest Issue Impacting Coal Mining Costs

<http://www.platts.com/Coal/News/6310017.xml?p=Coal/News&sub=Coal>

Turkey's Bosphorus Straits Closed to Large Ships Headed North Due to Strong Winds

Bloomberg News, 05:11 October 31, 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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