



ENERGY ASSURANCE DAILY

Wednesday Evening, December 05, 2007

Electricity

Update: Floods Leaves Over 75,000 without Power in Pacific Northwest

After a series of storms drenched Washington and Oregon, massive flooding closed several roads and left tens of thousands without power. Interstate 5, the major thoroughfare linking Portland, Oregon and Seattle, Washington was expected to be shut until December 6. As of 1 PM EST December 5, 50,000 customers were without power in Washington. Pacific Power reported as of 10:30 pm EST December 4 that 26,009 customers remained without power in Oregon. 32,000 Customers in Grays Harbor County, Washington lost electricity on December 2 after a high voltage transmission line was knocked over. The community also experienced gasoline shortages due to the floods.

<http://www.theolympian.com/news/story/290668.html>

<http://ap.google.com/article/ALeqM5jW-BndswWuhgPAPXOK4Q6TCQsANQD8TBAM8G1>

http://www.wadisasternews.com/posted/1105/News_Release_6_Flood_Update.184655.pdf

http://www.pacificpower.net/Press_Release/Press_Release78132.html

Update: Storms Leave Over 125,000 Customers without Power in Atlantic Canada

Snowstorms over the last few days have pounded portions of Atlantic Canada leaving over 125,000 without power and shut airports and roads. New Brunswick Power reported over 100,000 customers without power, calling the outage the worst in ten years. New Foundland and Prince Edward's Island reported about 30,000 customers without power.

<http://www.canada.com/topics/news/national/story.html?id=430999cf-53bf-4202-87e4-b43d265a2780&k=84458>

<http://www.canada.com/topics/news/national/story.html?id=1c758874-01f7-49b9-81fa-2321e7b27ba7>

Over 45,000 HECO Customers without Power in Hawaii December 5

Hawaiian Electric Company reported that 45,000 customers were without power early December 5. A HECO spokesperson did not specify how long the outages would last.

<http://the.honoluluadvertiser.com/article/2007/Dec/05/br/br8047239615.html>

Maryland's Public Service Commission Sees Dire Situation for State Electricity Grid

The state regulatory body released a report on December 3 outlining several problems that threaten the reliability of Maryland's electric grid. The report found that the state was vulnerable to electric interruptions and frequent brownouts. In light of an estimated 1,500 MW shortfall, the commission plans to force utilities to purchase more electricity and pursue an aggressive conservation campaign.

<http://www.psc.state.md.us/psc/aboutus/Press/pscreportrelease.pdf>

PG&E's 1,087 MW Diablo Canyon Nuke Unit 1 in California Reduced to 25 Percent December 5

According to the Nuclear Regulatory Commission, the unit was operating at 100 percent on December 4.

Information derived from NRC Power Reactor Status Reports:

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

Update: PG&E's 1,087 MW Diablo Canyon Nuke Unit 2 in California Reduced to 25 Percent December 5

According to the Nuclear Regulatory Commission, the unit was operating at 52 percent on December 4.

Information derived from NRC Power Reactor Status Reports:

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

AES's 226 MW Huntington Beach Gas-fired Unit 2 in California Shut December 4

According to a report issued by the California Independent System Operator, the unit experienced an unplanned curtailment of 205 MW.

<http://www.caiso.com/unitstatus/data/unitstatus200712041515.html>

Update: Reliant's 246 MW Coolwater Station Gas-fired Unit 4 Returns to Service December 4

According to a report issued by the California Independent System Operator, the unit returned to full power following an unplanned curtailment of 121 MW.

<http://www.caiso.com/unitstatus/data/unitstatus200712041515.html>

Update: Intergen's 322 MW La Rosita Gas-fired Unit 2 in Mexico Returns to Service December 4

According to a report issued by the California Independent System Operator, the unit returned to full power following an unplanned outage on December 3.

<http://www.caiso.com/unitstatus/data/unitstatus200712041515.html>

AEP Expects 690 MW Oklaunion Coal-fired Unit in Texas to Restart Soon

The unit planned to restart December 5-6 after completing repairs on a tube leak.

Reuters, 7:37 December 5, 2007

Panda Energy Plans to Build 1,000 MW Panda Temple Gas-fired Unit in Texas

Panda Energy announced on December 4 its intention to construct the 1,000 MW combined cycle power plant in Temple, Texas. The company expects that construction will take 24 months pending financing and permits.

<http://www.pandaenergy.com/Portals/0/Press%20Releases/Panda%20Temple%20Announcement%20Release-120407.pdf>

Update: DOE to Re-Examine Power Transmission Corridor Designations in Mid-Atlantic

The Department of Energy announced December 4 that it would reconsider its designation of national interest electric transmission corridors in Virginia, Maryland, and the District of Columbia. The DOE has granted a rehearing of the decision that was made last October.

http://ap.google.com/article/ALeqM5i6juXAR-pcoHchr3QXyfAPb_2DLgD8TASMKG1

<http://www.washingtonpost.com/wp-dyn/content/article/2007/12/04/AR2007120402104.html>

Southern Completes 170 MW Expansion at 800 MW Oleander Coal-fired Plant in Florida

http://biz.yahoo.com/ap/071205/southern_co_expansion.html?.v=1

Petroleum

U.S. Crude Stocks Drop 8 Million Barrels; Lowest Level since March 2005 – EIA

The Energy Information Administration reported that crude stockpiles fell significantly more than expected due to a drop in imports. Despite the drop in crude supplies of more than 8 million barrels, distillates and gasoline inventories increased 1.4 million barrels and 4 million barrels respectively.

Reuters, 13:10 December 5, 2007

Power Outage Paralyzes PdVSA's 300,000 b/d Cardon Refinery in Venezuela December 3

The company reported in a press release that a power surge on December 3 shut down the refinery's processing units. An official told Reuters that the refinery was expected to be at full rates within a week.

http://64.233.179.104/translate_c?hl=en&u=http://www.pdvsa.com/index.php%3Ftpl%3Dinterface.sp/design/salaprrensa/readnew.tpl.html%26newsid_obj_id%3D4897%26newsid_temas%3D1&prev=/search%3Fq%3Dpdvsa%26hl%3Den

<http://uk.reuters.com/article/oilRpt/idUKN0559426620071205>

Fire Cuts Production at Syncrude's 350,000 b/d Oil Sands Project in Alberta December 5

The refinery cut production to minimal rates following a fire on a coker unit. The facility's two other coker units were reported to be operating normally.

Reuters, 12:26 December 5, 2007

Reuters, 12:45 December 5, 2007

Emission Event Reported at ConocoPhillips's 139,000 b/d Wilmington, California Refinery December 5

According to a filing with state regulators, a "process upset" caused the emission event.

<http://www.oes.ca.gov/Operational/MALHaz.nsf/f1841a103c102734882563e200760c4a/974ed6d4dc6c09a7882573a80059f4c7?OpenDocument>

Fire Reported at Shell's 145,000 b/d Puget Sound, Washington Refinery

The fire occurred in the facility's heater box and lasted about ten minutes. Production was not expected to be affected.

Bloomberg News, 13:19 December 5, 2007

Update: Repairs Near Completion at Alon USA's 70,000 b/d Big Spring, Texas Refinery December 5

Alon USA expected repairs to be completed on a leaking propane deasphalter and to be running at full rates by the evening of December 5.

Bloomberg News, 10:05 December 5, 2007

Update: BP to Restart Crude Unit at 420,000 b/d Whiting, Indiana Refinery

The 75,000 b/d crude unit is expected to be restarted next week a source told Reuters.

Reuters, 16:47 December 4, 2007

Update: Octane Units Restarted at BP's 437,000 b/d Texas City, Texas Refinery December 4

The restart follows a power outage that affected operations at the plant on December 2.

Reuters, 16:19 December 4, 2007

Update: BP and Husky to Develop 200,000 b/d Sunrise Oil Sands in Alberta

The joint venture is expected to begin production by 2012 and reach maximum production of 200,000 b/d by 2020.

Reuters, 9:18 December 5, 2007

Natural Gas

Update: Exxon's Sable Island Gas Plant Begins Return to Service December 5

The offshore gas project was reported to be ramping up production following a weekend outage that cut supplies to the Maritimes pipeline.

Reuters, 13:49 December 5, 2007

Wire Short Causes Flaring at Targa Midstream's Waddell Compressor Station in Texas December 4

According to a report filed with state regulators, a short in a sensor activated the electronic shutdown system. The episode caused emergency flaring, but ended soon after crews identified the problem.

<http://www2.tceq.state.tx.us/ee/main/index.cfm?fuseaction=getDetails&target=100857>

Other News

Clean Burn Fuels Plans 75 Million Gallons/year Ethanol Plant in Raeford, North Carolina

Clean Burn Fuels is planning to construct the first ethanol plant in the Southeast, which is projected to produce three quarters of the demand for ethanol in North Carolina.

<http://www.wral.com/news/local/story/2125049/>

Energy Prices

U.S. Oil and Gas Prices			
December 5, 2007			
	Today	Week Ago	Year Ago
CRUDE OIL West Texas Intermediate U.S. \$/Barrel	88.40	91.10	62.87
NATURAL GAS Henry Hub \$/Million Btu	7.04	7.51	7.32

Source: Reuters

Energy Notes

Maine Power Alert Leads Some to Question Maine's Over Reliance on Natural Gas for Electricity Production

<http://pressherald.maintoday.com/story.php?id=152589&ac=PHnws>

Florida's Public Service Commission Approves State Utilities' Hurricane Hardening Plans

<http://www.miamiherald.com/775/story/331919.html>

Murray Energy Shuts West Ridge Coal Mine in Utah Citing Geological Hazards

http://www.kutv.com/news/local/story.aspx?content_id=c0729c5a-dde4-4daf-9006-5597f2ab2354

Columbia Gas to Begin 25-year Pipeline Upgrade Project in 2008

<http://biz.yahoo.com/bizj/071204/1559135.html?v=2>

9,000 Gallon Gasoline Tanker Truck Explodes in Massachusetts December 5

<http://www.thebostonchannel.com/news/14777524/detail.html>

Emissions Reported at Motiva's 285,000 b/d Port Arthur, Texas Refinery

<http://www2.tceq.state.tx.us/eer/main/index.cfm?fuseaction=getDetails&target=100867>

Perihelion Global Receives Permit to Build 60 Million Gallon/year Biodiesel Plant in Alabama

<http://www.marketwire.com/mw/release.do?id=799980>

LNG Summit in Rome Sees LNG to Lead Pipeline Supply Through 2030

http://www.ogj.com/display_article/3137467/ARTCL/none/none/LNG-Summit:-LNG-key-to-meeting-world-demand-to-2030/?dcmp=OGJ.Daily.Update

OPEC Agrees to Keep Current Production Limits

<http://www.platts.com/Oil/News/8400348.xml?p=Oil/News&sub=Oil>

Libya Plans to Double Crude Production to 3 Million b/d By 2012

Reuters, 3:42 December 5, 2007

Sudan's Oil Production to Double to 1 Million b/d by 2010

Bloomberg News, 8:24 December 5, 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.

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

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