



ENERGY ASSURANCE DAILY

Thursday Evening, December 27, 2007

Electricity

Fire Breaks Out on Cooling Tower at APS's Palo Verde Nuclear Plant in Arizona December 26

The small fire occurred at a cooling tower outside the fence of Unit 3 at the Palo Verde Nuclear Generating Station. The fire occurred during scheduled maintenance work on the cooling tower. A small fire developed but was quickly extinguished by the Palo Verde plant fire department. Unit 3 is currently shut for refueling. Damage from the fire was essentially limited to the fiber glass shroud and will not delay Unit 3's return to service, which is expected about the first of the year.

http://www.aps.com/general_info/newsrelease/newsreleases/NewsRelease_435.html

TVA's 957 MW Paradise Coal-fired Unit 3 in Tennessee Returns to Service December 25

The unit returned to service on December 25 after it exited an outage begun on December 12 to fix a tube leak. Reuters, 15:07 December 26, 2007

AEP's 528 MW Welsh Coal-fired Unit 1 in Texas to Restart December 25-27

According to a filing with Texas regulators, the unit will restart sometime between December 25 and 27 after the unit briefly tripped offline.

Reuters, 08:00 December 27, 2007

AES's 226 MW Huntington Beach Gas-fired Unit 2 in California Shut December 26

According to a filing with California Independent Service Operator, the unit experienced an unplanned outage.

<http://www.caiso.com/unitstatus/data/unitstatus200712261515>

Outland Plans to Build Power Line Connecting Twin Cities with Buffalo Ridge Wind Power in Minnesota

Wind developer Outland Renewable Energy, LLC, announced a plan to build a power line focused on moving wind energy from windy southwest Minnesota to the Twin Cities area. The Minnesota Independence Line would be a high-voltage transmission line approximately 150 miles in length, running from the Buffalo Ridge area to the Twin Cities area. Outland hopes to have the line operational in 2012.

<http://www.outlandenergy.com/news.html#>

Petroleum

Coker Unit at Planned Rates at Tesoro's 103,500 b/d Wilmington, California Refinery December 27

A spokesman for Tesoro Corp. said that the delayed coking unit (DCU) was operating at planned rates on December 27 after a brief upset impacted the unit on December 19.

Bloomberg News, 12:51 December 27, 2007

Reuters, 11:55 December 27, 2007

Process Upset Occurs at ConocoPhillips's 146,000 b/d Borger, Texas Refinery December 26

According to a filing with Texas regulators, the refinery experienced an unidentified "process upset" at the refinery.

Bloomberg News, 21:15 December 26, 2007

Natural Gas

Update: Interim Service on Rockies Express West Pipeline System to Begin January 1

Rockies Express announced December 20 that Interim Service on the Rockies Express West pipeline system as far east as the ANR delivery point is now expected to commence on January 1, 2008, or shortly thereafter, depending upon weather conditions, continued progress during the commissioning process and receipt of all final regulatory approvals. Rockies Express continues to expect that full service on the REX system to the PEPL system in Audrain County, Missouri, will be available in early February.

http://www.rexpipeline.com/docs/12-20-2007-RE_Status_Notice.pdf

Maritimes & Northeast Pipeline to Hold Binding Open Season for Proposed Phase V Expansion Project to Begin Operation in Late 2010

Maritimes & Northeast Pipeline announced that it is planning a further expansion of its mainline system in response to strong market interest for additional transportation capacity in Canada and the United States. The proposed Phase V expansion project would bring additional supplies of natural gas to the Northeast and Eastern Canada. Maritimes expects to increase the capacity of its U.S. mainline system by approximately 170,000 MMcf/d per day of year-round firm capacity, and utilize approximately 30,000 MMcf/d of available seasonal capacity from November through March. Maritimes will determine the exact nature of the facilities required for the Phase V Project following the binding open season. The project is anticipated to commence service in late 2010.

<http://www.mnpp.com/USA/releases/2007122701.htm>

Update: Eastern Shore Natural Gas to Withdraw E3 Project from FERC Pre-filing Process Due to Projected Cost Increases

Eastern Shore Natural Gas Company (ESNG), a wholly owned subsidiary of Chesapeake Utilities Corporation, announced today that it will be withdrawing its proposed EasternShore Energylink Expansion (E3) Project from the Federal Energy Regulatory Commission's (FERC) pre-filing process. ESNG's Board of Directors decided, on Thursday, December 20, 2007, to withdraw from the pre-filing process, as a result of projected capital cost increases and insufficient customer commitments for capacity to make the Project economical in light of those increases. The FERC's pre-filing process is the first step in obtaining the necessary permits to construct and operate the facilities. The proposed E3 Project was designed to provide additional supply and enhanced natural gas delivery capability to customers on the Delmarva Peninsula.

<http://www.chpk.com/presspdfs/E3%20Withdrawal.pdf>

Other News

Nothing to report.

Energy Prices

U.S. Oil and Gas Prices			
December 27, 2007			
	Today	Week Ago	Year Ago
CRUDE OIL			
West Texas Intermediate U.S.	97.41	91.65	60.31
\$/Barrel			
NATURAL GAS			
Henry Hub	6.94	7.18	5.54
\$/Million Btu			

Source: Reuters

Energy Notes

Wind Gusts Knock Out Power to 19,000 LADWP Customers in California December 26-27

<http://www.myfoxla.com/myfox/pages/News/Detail?contentId=5324637&version=2&locale=EN-US&layoutCode=TSTY&pageId=3.2.1>

No Environmental Impacts to Preclude Extension of Operating License for Progress Energy's Harris Nuke Plant in North Carolina - NRC

<http://www.platts.com/Electric%20Power/News/7761693.xml?p=Electric%20Power/News&sub=Electric%20Power>

Line from Amine Treater to SRU Leaks at Goldsmith Natural Gas Processing Plant in Texas December 27

<http://www2.tceq.state.tx.us/eer/main/index.cfm?fuseaction=getDetails&target=101704>

Wind Farm Copper Wire Thief Arrested in New Mexico December 26

http://www.redorbit.com/news/business/1195188/one_man_arrested_in_elida_burglary_wind_farm_facility_copper/index.html

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

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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