



ENERGY ASSURANCE DAILY

Thursday, December 28, 2006

Major Developments

Update: Most of the More than 645,000 Customers that Lost Power in California December 26 Restored by Early December 28

At one point, more than 516,000 customers of Pacific Gas & Electric (PG&E) lost power on December 26 when 55-75 miles-per-hour winds downed trees and blew debris onto power lines in northern California. The wind storms also struck in southern California where 115,000 customers of Southern California Edison (SCE) lost power, principally in Long Beach and nearby areas. In addition, some 15,000 customers of the Los Angeles Department of Water and Power (LADWP) also lost power. By early evening on December 27, SCE had restored power to all but between 5,000 and 10,000 of its customers. LADWP did not have an estimate as to when power would be fully restored to its customers. As of early morning on December 28, 2006, about 45,000 residential and business Pacific Gas and Electric (PG&E) customers were still without power.

http://cbs13.com/local/local_story_362091857.html

http://pro.energycentral.com/professional/news/power/news_article.cfm?id=7592788

http://www.presstelegram.com/news/ci_4911052

<http://abclocal.go.com/kabc/story?section=local&id=4804526>

Electricity

Colorado Bracing for Major Storm

Airlines have already cancelled 50 flights for today and tomorrow in anticipation of the storm which could bring 45 mph winds, whiteout conditions and up to 18 inches on snow to Denver.

<http://www.cnn.com/2006/TRAVEL/12/28/severe.weather.ap/index.html>

Allegheny's 640 MW Harrison Coal-fired Unit in West Virginia Shut December 28

Reuters, 09:37 December 28, 2006

TransAlta's 353 MW Coal-fired Unit 5 in Alberta Shut December 27

Reuters, 09:37 December 28, 2006

Update: LADWP's Castaic's 1,440 MW Hydro Plant in California Did Not Restart December 26: Outage Extended Until January 5

Reuters, 17:57 December 27, 2006

Exelon's 619 MW Oyster Creek Nuke Unit in New Jersey Ramps Up to Full Power December 28

Early this morning the unit was reduced to 80 percent capacity to test a turbine valve.

Bloomberg News, 11:31 December 28, 2006

Ameren Completes Rail Turnout Coal Delivery System in Missouri

The new system will drastically reduce coal delivery time at the 2,484 MW Labadie Power Station in Franklin County, Missouri

www.industrialinfo.com

321 MW Maple Ridge Wind Farm in New York Now Fully Operational

All 195 turbines at Maple Ridge Wind Farm in New York, the largest wind farm east of the Mississippi River, are now in operation.

http://pro.energycentral.com/professional/news/power/news_article.cfm?id=7591709

Construction to Begin on TransCanada's 683 MW Gas-fired Halton Hills Generating Station in Canada

<http://www.processingtalk.com/news/akr/akr112.html>

Petroleum

Update: Weather Hinders Efforts to Plug Oil Leak in Gulf of Mexico Pipeline

Bad weather today prevented divers from plugging the leak in the ruptured High Island undersea pipeline. The pipeline has leaked about 1,000 barrels of crude oil into the Gulf. It is still leaking about 12 barrels of oil per day.

<http://www.chron.com/disp/story.mpl/front/4429761.html>

Giant Industries Reports Fire at 20,800 b/d Ciniza Refinery in New Mexico

Giant Industries said on Wednesday that a fire broke out in a heater used in a unit that manufactures ultra low sulfur diesel at its Ciniza refinery. The company has temporarily shut down all of its operating units at the refinery.

Reuters, 19:52 December 27, 2006

Shortage of Deep-Sea Oil Drilling Rigs Slows Work in Gulf of Mexico

A shortage of deep-sea drilling rigs is forcing oil and gas companies to postpone drilling new wells in the deep Gulf of Mexico. According to a story in the Orlando Sentinel, there are only 18 rigs in the world capable of working in the deepest areas of the Gulf of Mexico and elsewhere.

<http://www.orlandosentinel.com/business/orl-rigs2606dec26,0,%20650673.story?track=rss>

Alaskan Oil Production Increased Over Last Month; Lower Than Last Year

According to data from the State's Department of Revenue Tax Division, it appears that Alaskan oil production in December will exceed November's output by nearly 150,000 b/d. However, the total of 816,000 b/d produced so far in December, remains 44,000 b/d below the December 2005 figure. The lower output is primarily a result of lower flows from the Prudhoe Bay field due to reduced pressures related to pipeline integrity issues.

Oil Daily, December 28, 2006

Shell Says Oil Flow Resumed at Nun River in Nigeria

Shell said its 12,000 b/d facility at Nun River in Nigeria resumed pumping earlier this week. It had stopped on December 14 when Nigerian militants calling themselves the Niger Delta Freedom Fighters attacked the facility in Bayelsa state and took hostages. The Shell workers have now been released unharmed.

Bloomberg News, 11:46 December 28, 2006

Cat Cracker Unexpectedly Down Until Early January at Imperial's Edmonton Refinery

Output will be reduced to 145,000 b/d from the normal 165,000-175,000 b/d. During a restart from an earlier power outage, crews noticed a leaking line on the gasoline producing unit.

Reuters, 11:35 December 28, 2006

Natural Gas

Gulfstream Files Application with FERC for Pipeline Extension

On December 22, Gulfstream Natural Gas submitted an application to the Federal Energy Regulatory Commission (FERC) to extend a natural gas pipeline 17 miles from its Bartow Power Plant in Pinellas County beneath Tampa Bay to a compression station in Manatee County. The expansion would increase Gulfstream's capacity by 155 million cubic feet per day. If approved, the extension is anticipated to be in service by January 2009.

<http://powermarketers.net/contentinc.net/newsreader.asp?ppa=8knpp%5E%5BknolhjjRUmiw11rbfel%5Dv>

Other News

Nothing to report.

Energy Prices

U.S. Oil and Gas Prices			
December 28, 2006			
	Today	Week Ago	Year Ago
CRUDE OIL West Texas Intermediate U.S. \$/Barrel	60.59	62.24	59.81
NATURAL GAS Henry Hub \$/Million Btu	5.63	6.09	9.90

Source: Reuters

Energy Notes

Iran Facing Collapse in Crude Exports

http://www.energyintel.com/PublicationHomePage.asp?publication_id=5

Two Charged with Stealing Copper Pipes from Utility Substation in Pennsylvania

http://www.nnewsonline.com/local/local_story_360092849.html

Fairbanks Natural Gas Planning to Build LNG Plant in North Slope, Alaska

<http://www.adn.com/money/industries/oil/pipeline/story/8519705p-8412753c.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

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

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