



ENERGY ASSURANCE DAILY

Friday Evening, September 19, 2008

Major Developments

Update: Nearly 1.9 Million Customers Remain Without Power Following Ike September 19

As of 4:00 PM EDT September 18, utilities reported approximately 1.88 million customers still without power throughout the states affected by Hurricane Ike. This figure is down from the 2.3 million customers reported at 5:00 PM EDT on September 18. Texas remains the most severely affected, and companies in the south eastern portion of the state have restored nearly 1.5 million customers since the storm's peak. CenterPoint Energy, which provides service to the greater Houston metropolitan area, continues to make progress in reducing the outages of the 2.1 million of its customers who lost power. According to company computer models, CenterPoint expects between 500,000 and 1.1 million customers to be without power into next week. Utilities across Ohio and Kentucky continue efforts to repower customers. A spokesperson from Duke Energy Ohio/Kentucky stated that restoration efforts were taking longer than anticipated due to significant distribution system damage from fallen trees and downed power lines.

<http://www.puc.state.tx.us/webapp/public/apps/emr/ByCounty.aspx>

<http://www.centerpointenergy.com/staticfiles/ike/ike.html>

<http://www.bizjournals.com/cincinnati/stories/2008/09/15/daily68.html>

Hurricane Ike Customer Power Outages			
September 12 – September 19			
Electric Utility	State	Peak	Latest Reported
AEP SWEPCO	AR	23,000	0
Entergy	AR	179,000	260
First Electric Cooperative	AR	15,000	0
North Arkansas Electric Cooperative	AR	11,700	0
Ameren	IL	48,490	63
ComEd	IL	13,000	0
Southern Illinois Electric Cooperative	IL	3,500	0
Duke Energy	IN	199,373	21,077
Indiana Michigan Power	IN	1,500	0
Indianapolis Power & Light	IN	18,000	0
Vectren	IN/OH	40,000	1,900
Jackson Purchase Energy	KY	6,000	0
Kenergy	KY	23,000	1,500
Kentucky Utilities	KY	75,000	2,800
Louisville Gas & Electric	KY	301,000	98,700
Paducah Power	KY	15,000	0
West Kentucky Rural Electric Coop	KY	10,000	4,500
AEP SWEPCO	LA	63,000	315
All Cooperatives	LA	22,461	9,000
Cleco Power	LA	10,822	0
Entergy	LA	83,588	3,665
SLEMCO	LA	82,046	0
DTE	MI	24,000	0
Ameren	MO	107,031	219
Black River Electric Coop	MO	15,000	0

Hurricane Ike Customer Power Outages			
September 12 – September 19			
Electric Utility	State	Peak	Latest Reported
Carroll Electric Coop	MO/AR	50,000	0
Citizen's Electric	MO	5,000	0
City Utilities	MO	1,000	0
Ozark Electric Coop	MO	16,000	0
SEMO Electric Coop	MO	9,700	0
White River Valley Electric Cooperative	MO	16,000	0
National Grid	NY	136,149	20
NYSEG	NY	4,000	0
Rochester Gas & Electric	NY	42,000	0
AEP Ohio	OH	539,619	120,966
AMP-Ohio	OH	15,000	0
Dayton Power & Light	OH	225,000	74,000
FirstEnergy	OH	1,000,000	30,200
Ohio Rural Electric Coops	OH	46,200	4,786
South Central Power	OH	55,784	16
Duke Energy	OH/KY	915,989	126,287
Hydro One	ON	25,000	0
Allegheny Power	PA	65,891	108
Central Electric Coop	PA	10,000	0
Duquesne Light	PA	105,000	4,000
Penelec Power	PA	100,000	0
AEP SWEPCO	TX	87,000	0
Bluebonnet Electric Cooperative	TX	3,400	0
CenterPoint Energy	TX	2,100,000	1,115,707
Deep East Texas Electric Co-op	TX	12,000	3,625
Entergy	TX	392,600	178,957
Oncor	TX	108,000	9,400
Sam Houston Electric Coop	TX	58,191	41,548
Texas-New Mexico Power Company	TX	113,247	29,428
AEP Ohio	WV	6,822	0
Allegheny Power	WV	9,440	71
Appalachian Power	WV	16,400	0
TOTAL*		7,680,943	1,883,118

*Total outages only represent electric utilities listed in this table.

Sources:

AEP-Ohio; <http://www.aepohio.com/news/outages/>

AEP-SWEPCO; <http://www.swepco.com/news/outages/>

Allegheny Energy; http://app.alleghenyenergy.com/outagestatus/customeroutagestatus/county_outages2_PUC.asp

Ameren Illinois; http://www.ameren.com/Outage/ADC_IllinoisOutageInformation.asp

Ameren Missouri; http://www.ameren.com/Outage/ADC_MissouriOutageInformation.asp

AMP-Ohio; <http://www.northcentralohio.com/newsboard/single.asp?Story=33106>

Appalachian Power; <http://www.appalachianpower.com/news/outages/default.asp>

Black River Electric Coop; <http://www.blackriverelectric.com/>

Bluebonnet Electric Coop; <http://www.bluebonnetelectric.coop/press/Ike.htm>

Carroll Electric; <http://www.bransondailynews.com/story.php?storyID=8666>

Carroll Electric; <http://www.ktts.com/tabid/4882/xmid/25625/Default.aspx>

CenterPoint Energy; <http://www.centerpointenergy.com/staticfiles/ike/outages.html>

Central Electric Coop; <http://www.central.coop/outage.asp>

Citizens' Electric; http://www.kfvs12.com/Global/story.asp?S=9006084&nav=menu51_2_9

Cleco; <http://www.cleco.com/site.php?pageID=347>

Dayton Power and Light; <http://www.waytogo.com/>

Duke-Indiana; <http://www.duke-energy.com/indiana/outages/current.asp>

Duke-Kentucky/Ohio; <http://www.duke-energy.com/kentucky/outages/current.asp>
 Duquesne Light; <http://www.duquesnelight.com/>
 FirstEnergy; <http://www.marketwatch.com/news/story/service-has-been-restored-approximately/story.aspx?guid=%7B5A56C493-1323-4396-833B-2F9667D79479%7D&dist=hppr>
 Hydro One; <http://www.intelligencer.ca/ArticleDisplay.aspx?e=1201935>
 Indiana-Michigan Power; <http://www.indianamichiganpower.com/news/outages/default.asp>
 Indianapolis Power and Light;
<http://www.iplpower.com/ipl/index?page=IPLGeneral&Menu=04080000&DocID=0203917431b9011a564c24930071c8>
 Jackson Purchase Energy; <http://www.wkyxwngo.com/local-news-details.asp?NewsID=7673>
 Kenegy; <http://www.courierpress.com/news/2008/sep/18/vectren-reports-outages-trimmed-1900/>
 Kentucky Utilities; <http://www.eon-us.com/storm/default.asp>
 LG&E; <http://www.eon-us.com/storm/default.asp>
 National Grid; <https://www1.nationalgridus.com/niagaramohawk/storm/OutagesByCounty.aspx>
 North Arkansas Electric Coop; <http://www.areawidenews.com/story/1462224.html>
 NYSEG; <http://rochesterhomepage.net/content/fulltext/?cid=33061>
 Ohio Rural Electric Coop; <http://www.bizjournals.com/dayton/stories/2008/09/15/daily35.html>
 Oncor; <http://www.puc.state.tx.us/webapp/public/apps/emr/ByCountyCompany.aspx>
 Ozark Electric Coop; <http://nwahomepage.com/content/fulltext/?cid=38601>
 Paducah Power; <http://www.wkyxwngo.com/local-news-details.asp?NewsID=7673>
 Penelec; <http://www.marketwatch.com/news/story/service-has-been-restored-approximately/story.aspx?guid=%7B5A56C493-1323-4396-833B-2F9667D79479%7D&dist=hppr>
 RG&E; <http://www.rge.com/OurCompany/News/2008/091708windstorm12noon.html>
 Sam Houston Electric Coop; <http://www.puc.state.tx.us/webapp/public/apps/emr/ByCountyCompany.aspx>
 SEMO Electric Coop;
<http://media.www.capahaarrow.com/media/storage/paper768/news/2008/09/18/News/Hurricane.Ikes.Eye.Sweeps.Trough.Cape.Area-3439465.shtml>
 SLEMCO; <http://www.slemco.com/emergency-Gustav.html>
 South Central Power and Light; http://www.southcentralpower.com/OW/ow_map.aspx?county=0
 Southern Illinois Electric Coop; http://www.siec.coop/Wind%20Storm/Sept%20Wind%20Storm%202008_7PM.doc
 Texas Data; <http://www.puc.state.tx.us/webapp/public/apps/emr/ByCounty.aspx>
 Texas New Mexico Power; http://www.pnm.com/tnmp/0917_pr_ike.htm
 Vectren; <http://www.courierpress.com/news/2008/sep/18/vectren-reports-outages-trimmed-1900/>
 West Kentucky Rural Electric Coop; <http://www.wkyxwngo.com/local-news-details.asp?NewsID=7673>
 White River Electric Coop; http://www.douglascountyherald.com/testing/nm/publish/news_1244.html

Update: Despite Progress, Bulk of Gulf Offshore Oil & Gas Production Remains Shut September 19

Companies Continue to Assess Damage in Wake of Hurricanes Gustav and Ike

As of 12:30 PM EDT, Minerals Management Service (MMS) reports an estimated 5.6 Bcf/d of natural gas production remained shut in the Gulf of Mexico, which accounts for 75.4 percent of Gulf production. MMS reports that 1,160,174 b/d of crude production remains shut, which accounts for 89 percent of Gulf production. MMS reports personnel are evacuated from 262, or 36.5 percent, of the 717 production platforms located in the Gulf as well as and 6, or 5 percent, of the 121 rigs currently operating in the Gulf of Mexico. Oil and gas companies with operations in and around the Gulf are reporting varied assessments on damage and restoration in response to Hurricanes Gustav and Ike with some recovery efforts dependent upon the restoration of third party facilities. Various company reports are summarized below:

- Shell said it redeployed 200 employees to its Gulf of Mexico operations September 19 after Hurricane Ike and will keep three production platforms, Mars, Ursa and West Delta 143 platforms, in the eastern Gulf shut-in until at least the first week of October for maintenance. Western offshore facilities are still being assessed for possible damage, the company said.
- Diamond Offshore Drilling said “virtually” all its drilling units in the Gulf of Mexico are operating after Hurricane Ike. Ten of the company’s 12 rigs in the Gulf of Mexico region had little or no damage from Ike.
- Callon Petroleum Company said September 19 that while damage assessments are continuing, its operations are back in service without damage or apparently sustained only minor damage.

- EnSCO International said its EnSCO 74 drilling rig is presumed to have sunk in the Gulf of Mexico because of Ike and the customer contract for EnSCO 74 has been suspended and is subject to automatic termination if it is found the rig is a total loss, the company reported.
- Oneok Inc. said September 17 Hurricane Ike disrupted the operations of some of its facilities in southeast Texas, but that it should have no affect on the company's earnings guidance range.
- Venoco September 19 announced that it appears there is no major damage resulting from Hurricane Ike to its operations in the Houston area including the Hastings Complex and the Manvel field. Full production will resume when electrical power is restored to the area. Initial estimates indicated it could take several days for most areas to get electricity restored, but it could be considerably longer. The company's typical net daily production from the Hastings and Manvel fields has recently been about 3,300 boe/d.
- Energy XXI is reporting inspections have revealed limited damage to company-operated facilities from Hurricane Ike, although two non-operated fields accounting for approximately 1,750 boe/d or about 7 percent of the company's pre-storm net production, will be off-line indefinitely due to toppled production platforms.
- The 72,000 b/d Longhorn products pipeline in Texas has resumed to normal operating rates September 19.

<http://www.mms.gov/oc/press/2008/press0919.htm>

Bloomberg News, 17:17 September 19, 2008

Bloomberg News, 08:38 September 19, 2008

Business Wire, 09:50 September 19, 2008

Bloomberg News, 09:06 September 19, 2008

<http://www.chron.com/disp/story.mpl/ap/tx/6008034.html>

http://www.prnewswire.com/cgi-bin/stories.pl?ACCT=ind_focus.story&STORY=/www/story/09-18-2008/0004888468&EDATE=THU+Sep+18+2008,+06:39+PM

http://www.rigzone.com/news/article.asp?a_id=66872

http://www.oe.netl.doe.gov/named_event.aspx?ID=20

Louisiana DNR Reports Oil & Gas Production Restorations September 18

On September 18, the Louisiana's Department of Natural Resources reports that 26,945 b/d or 17 percent of the normal Louisiana oil production has been restored. Operators in 17 parishes and in-State offshore areas normally produce 155,767 b/d. Shut-in oil production is 95,416 b/d and the status of remaining 33,405 b/d is unknown. The estimated amount of restored gas production is 434 MMcf/d or 27 percent of the daily gas production capacity, which is 1,642 MMcf/d. The estimated amount of shut-in gas production is 894 MMcf/d; the status of the remaining 312 MMcf/d has not been confirmed.

<http://dnr.louisiana.gov/sec/execdiv/pubinfo/daily-onshore-prod.ssi>

Update: Ten Gulf Coast Refineries Affected by Hurricanes Gustav and Ike Remain Shut September 19

As of 9:00 AM EDT September 19, ten refineries in Texas and Louisiana, with a total operable capacity of 2.4 million b/d, remain shut down due to Hurricane Ike. ExxonMobil reported that it initiated restart procedures at its Baytown refinery on September 18. Calcasieu reported on September 18 that it restarted its Lake Charles facility earlier in the week and was operating at reduced runs. On September 18 at 6:45 PM, ExxonMobil reported that storm water had receded and clean-up crews were onsite at its Beaumont complex to repair water damage. Other companies reported mixed assessments and schedules:

- BP has restored power to critical units at its 467,720 b/d Texas City, Texas refinery and reported that personnel plan to restore other critical systems and utilities during the next few days.
- Marathon is making repairs to its 76,000 b/d Texas City, Texas refinery which was shut September 11 due to Hurricane Ike. Power was restored to the refinery September 18.
- Total's 232,000 b/d Port Arthur, Texas refinery remains shut down and without electric power following Hurricane Ike. The company has no estimated timeframe for power restoration they announced September 19.
- ConocoPhillips's 239,400 b/d Lake Charles, Louisiana refinery returned to normal operations September 19 after being shut by Hurricane Gustav. The company's 247,000 b/d Belle Chasse, Louisiana, refinery is increasing production during its restart process, the company said in a posting on its Web site.

<http://www.reuters.com/article/marketsNews/idUSN1936517520080919>

Bloomberg News, 06:12 September 19, 2008

Bloomberg News, 08:21 September 19, 2008

http://www.downstreamtoday.com/News/Articles/200809/Total_No ETA To Restore Power At Port A_12879.aspx

Bloomberg News, 16:52 September 19, 2008

Update: Some Gulf Coast Area Waterways Reopen to Vessel Traffic September 18-19

As of 12:00 AM September 19, the Port of Corpus Christi has limited vessels to drafts of less than 32 feet in the Matagorda Bay area. The Ports of Freeport, Galveston, Texas City, and the Houston Ship Channel are open at all times to vessels with a draft of less than 16 feet and open to deep draft vessels only during daylight hours. As of 12:00 PM EDT September 19, there were 87 ships waiting to enter the Houston Ship Channel; this is down from the 164 ships waiting the day before. Vessels going through the rivers and channel into the Port Arthur area are limited to drafts of 30 feet or less at night and 36 feet for daylight. The Gulf Intracoastal Waterway remains closed from Bolivar west to the Port Arthur, Texas bridge and has some closures and safety zones in Louisiana as well, although it has no restrictions in the Lake Charles, Louisiana area. The Calcasieu Channel and Lake Charles is limited to vessels with drafts of less than 39 feet for daylight transit and only 16 feet at all other times. Tankers in Pascagoula, Mississippi require a United States Coast Guard (USCG) vessel to guide them through an area with a shoal. The Lower Mississippi River now has no restrictions on commercial vessels. Due to flooding from Ike, the Illinois River is closed to all recreational and commercial traffic from Peoria, Illinois mile marker 160.0 to Chillicothe, Illinois mile marker 181. Additionally, the Sabine-Neches waterway in Texas is scheduled to be working normally September 20, a local ship-pilot group is reporting.

Bloomberg News, 10:17 September 19, 2008

http://www.oe.netl.doe.gov/named_event.aspx?ID=20

Gulf Coast Area Natural Gas Processing and Throughput Continues to Rise September 19

As of 1:00 PM EDT, September 19, the Energy Information Administration (EIA) has confirmed that 9 natural gas processing plants in the Gulf Coast region remain shut including those plants still impacted by Gustav, totaling an operating capacity of 5.08 Bcf/d (just under 30 percent of the capacity in Hurricane Ike's path). In addition, EIA reports that 20 plants have resumed operations at reduced or normal levels totaling 7.35 Bcf/d operating capacity with one of the plants only conditioning the natural gas and not processing at this time. Ten plants are capable to restart totaling 5.03 Bcf/d operating capacity once power is restored and/or upstream gas flow commences. Specific gas pipeline companies and operators have been reporting detailed status updates, some of which are available below:

- As of 12:15 PM EDT September 19, Transcontinental Gas Pipe Line Corporation (Transco) reports that the pipeline will begin to accept gas flow upstream of several processing plants that remain shut down due to Hurricane Ike. Transco continues to inspect its facilities both onshore and offshore and all flow on the Southwest, Central and Southeast laterals in Louisiana will remain at zero until such facilities along these lines are confirmed to be operational.
- Also, as of 12:05 PM EDT, September 19, Trunkline Gas Pipeline declared a Force Majeure event impacting gas flow deliveries on the ELA (East Louisiana) and multiple points along this line have not been cleared to flow. Trunkline reports that the Centerville compressor station in St. Mary Parish, Louisiana is flooded and unavailable at this time.
- Tennessee Gas Pipeline reported September 19 that the force majeure declared September 14 will remain in effect for Station 25 at Cleveland Texas, resulting in flow restriction through portions of the pipeline.

http://www.oe.netl.doe.gov/named_event.aspx?ID=20

ConocoPhillips's 439,000 b/d Wood River, Illinois Refinery to Receive 516,000 Barrels of Strategic Petroleum Reserve Crude

On September 19, DOE announced it was delivering 561,000 barrels of emergency exchange oil from the Strategic Petroleum Reserve to ConocoPhillips Company's Wood River, Illinois refinery along the Capline pipeline system. The move was made to help combat supply shortages resulting from hurricanes Gustav and Ike.

http://www.oe.netl.doe.gov/named_event.aspx?ID=20

<http://www.platts.com/Oil/News/6954241.xml?p=Oil/News&sub=Oil>

Pemex Crude Shipments Continue to Meet Delays in U.S. Gulf Coast September 19

Pemex, the third largest supplier of crude to the U.S., said its regular oil shipments to Gulf of Mexico refineries have been delayed since September 12 because of Hurricane Ike.

Bloomberg News, 17:42 September 19, 2008

Update: IEA Emergency Fuel Supply Decision to be Made “Soon”

The International Energy Agency (IEA) said September 19 a decision will be made “soon” as to whether it will take any action to release oil from its emergency supplies to the U.S. as it did following Hurricanes Katrina and Rita in 2005.

Bloomberg News, 07:37 September 19, 2008

Update Gulf Coast Gasoline Supplies More Stations Open – Demand Remains High

While companies continue to report progress in reopening and resupplying stations in the affected areas, there are reports of some stations running out of or running low on fuel after being restocked. Companies continue to advise that customers may encounter delays, and lines at stations as the process of restoration continues. As power is restored to more refineries and production increases, companies are looking toward the return of more normal conditions within a few days.

<http://www.conocophillips.com/newsroom/stormcenter/index.htm>

http://www.shell.us/home/content/usa/aboutshell/media_center/hurricane_center/storm_updates/2008/ike/ike_42_09_1808.html

<http://www.chron.com/dispatch/story.mpl/headline/metro/6010460.html>

EPA Issues Emergency Fuel Waivers in District of Columbia and Maryland, Extends Waiver in Virginia September 18

On September 18, the Environmental Protection Agency (EPA), in collaboration with the Department of Energy, issued an emergency fuel waiver for the entire District of Columbia and for specific counties in Maryland where reformulated gasoline (RFG) is required. The waiver will remain in effect through October 7 and will waive all RFG requirements for those areas. The RFG waiver already in effect for the 28 cities and counties in Virginia where RFG is required is now extended from September 12 to 26.

<http://www.epa.gov/compliance/civil/caa/fuelwaivers/>

Electricity

Update: AES's 175 MW Alamos Gas-fired Unit 1 in California Returns to Service September 18

According to the California Independent System Operator, the unit returned from an unplanned outage.

<http://www.caiso.com/unitstatus/data/unitstatus200809181515.html>

Update: Entergy's 510 MW Vermont Yankee Nuke Unit in Vermont Reduced to 63 Percent September 19

The unit continues to experience difficulties related to a cooling tower leak discovered September 17. According to the Nuclear Regulatory Commission, the unit was operating at 85 percent on September 18.

Information also derived from NRC Power Reactor Status Reports:

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2008/>

<http://www.reuters.com/article/marketsNews/idUSN1949023320080919>

Oglethorpe Power Announces Plans to Build Up to Three 100 MW Biomass Electric Generating Facilities in Georgia

Designed to utilize biomass from wood, Oglethorpe Power Corporation (OPC), has secured options for five potential sites in four counties in Georgia. The first two biomass power plants are scheduled to be built and placed into operation in 2014 and 2015; however, which of the five sites will host the first plants is still to be determined. A third unit could also be completed and placed into service in 2015.

<http://biz.yahoo.com/prnews/080918/clth084.html?v=101>

New York Power Authority Halts NRG Energy's Proposed 680 MW Huntley IGCC Power Plant due to Lack of Cost Reduction Efforts

The New York Power Authority (NYPS) has halted plans for a clean coal facility at NRG Energy's Huntley plant in western New York. NYPA officials say the electricity produced by the plant would be too expensive because of the integrated gasification combines cycle (IGCC) technology involved. The state gave conditional approval to the \$1.5 billion project in early 2007 and has been in talks with NRG Energy since then to find ways to bring down costs. Those efforts did not result in enough of a cost reduction to continue with the project.

http://www.redorbit.com/news/business/1559408/680_mw_igcc_plant_shelved_in_new_york/

EcoEnergy Proposes 100 MW Wind Farm in Illinois

EcoEnergy, an Illinois wind developer, recently announced a plan to build a \$220 million wind farm in Winona County, Illinois that would have up to 67 wind turbines. The plan is also part of a larger proposal for Winona and Olmsted counties to generate 200 megawatts of electricity by as early as 2011.

http://www.twincities.com/news/ci_10497925?source=rss

Upper Midwest Transmission Development Initiative Formed to Develop Regional Electric Transmission System to Foster Increased Wind Energy Development

A coalition of governors from South Dakota, North Dakota, Minnesota, Iowa, and Wisconsin has come together to form the Midwest Transmission Development Initiative which will identify the region's wind energy resources and the transmission infrastructure needed to develop them in the most cost-effective manner. State officials also will seek solutions to a number of current barriers to additional transmission investment, such as how costs of new power lines should be allocated

<http://www.argusleader.com/apps/pbcs.dll/article?AID=/20080918/UPDATES/80918042/1001/news>

Update: DTE Files with NRC for License to Build New Nuclear Plant

Detroit Edison (DTE) filed September 18 with the Nuclear Regulatory Commission (NRC) an application seeking permission to build and operate a new nuclear power plant. The utility applied for a combined construction permit-operating license (COL) to build a 1,500 MW, the utility has not yet decided whether to build the new nuclear unit, but DTE Energy Chairman said filing for the COL this year maintains eligibility for a portion of \$6-billion in tax credits should the plant be built.

<http://www.platts.com/Nuclear/News/6953788.xml?p=Nuclear/News&sub=Nuclear>

NRC Monitoring Unusual Event Declared at Xcel's 600 MW Monticello Nuclear Plant in Minnesota September 18

The unusual event was declared at 10:30 AM September 18 when a contractor came into contact with a power line, which resulted in the death of the contractor and a loss of power that affected equipment necessary to provide cooling water to the reactor. The contractor was taken to an area hospital and pronounced dead, according to local authorities. Around 11:30 AM the plant restored the equipment necessary to provide cooling water support to the reactor in a shutdown condition. The plant is expected to exit the unusual event when normal power supplies are returned.

<http://www.nrc.gov/reading-rm/doc-collections/news/2008/08-035.iii.html>

Petroleum

Update: Shell Reports Progress in Restoring Niger Delta Oil Output Following Recent Militant Attacks to its Facilities

Following the three confirmed attacks by militants to its oil infrastructure in the past week, Shell has renewed its appeal to the government of Nigeria as well as to the militants to use dialog to end the conflict. The company said it has resumed visits to operational areas in the Western Niger Delta and has also started repair work to the damaged facilities. The company also reported its 115,000 b/d EA field remains shut, but it was making good progress at restoring some production.

<http://www.platts.com/Oil/News/8040200.xml?p=Oil/News&sub=Oil>

HOC Unit Back up at Valero's 340,000 b/d Corpus Christi, Texas Refinery September 19

Valero is reporting it has successfully restarts a 92,000 b/d heavy oil cracker (HOC) unit that suffered an upset after undergoing repairs following a shutdown from the September 5 fire at the refinery.

<http://www.reuters.com/article/marketsNews/idUSN1941244120080919>

Update: Enbridge's Proposed 170-Mile Crude-oil Pipeline through Illinois Likely Delayed Until 2010 due to Lengthy Federal and State Approval Process

According to new company estimates, construction of Enbridge's proposed crude-oil pipeline through the midsection of Illinois could be delayed until 2010. The later construction schedule is based upon the lengthy process Enbridge has faced in securing the necessary state and federal approvals for the project. Enbridge has been granted the necessary environmental permits by the U.S. Army Corps of Engineers for the project.

http://www.downstreamtoday.com/News/Articles/200809/III_Enbridge_Pipeline_Project_Likely_De_12884.aspx

Update: Crude Exports Return to Normal Rates through 1 Million b/d Baku-Tbilisi-Ceyhan Pipeline September 19, BP Reports

BP said exports through its Baku-Tbilisi-Ceyhan crude pipeline are continuing at regular rates after a gas leak this week cut output from Azeri fields by 60 percent. BP shut two platforms at the Central and West Azeri fields in Azerbaijan's part of the Caspian Sea after the September 17 leak and has begun investigating the Central Azeri site. Bloomberg News, 06:17 September 19, 2008

Natural Gas

Large Gas Well Fire Reported in Rural North-central Pennsylvania, Could Burn for as Long as Two Weeks

Authorities in rural north-central Pennsylvania reported a gas well fire, discovered on Sunday, September 14 could continue to burn for as long as two weeks. Crews are on the scene working to plug the well at the Dominion Transmission site and are awaiting specialty Texas firefighting crews to assist in extinguishing the blaze.

http://www.centredaily.com/news/breaking_news/story/849075.html

Update: Kern River Gas Transmission Company Announces Successful Binding Open Season to Expand its System Operating from Wyoming to Southern Nevada

Kern River Gas Transmission Company September 18 announced it completed a successful binding open season to expand its system to provide 266,000 Dth/d of new transportation service from Wyoming to southern Nevada and to provide 400,000 Dth/d of new firm backhaul transportation service to delivery points in southern Nevada. The 266,000 Dth/d of capacity, known as the Apex Expansion Project, has a projected in-service date of Nov. 1, 2011. The expected in-service date for the backhaul capacity is April 1, 2009. The project is subject to approval by the Federal Energy Regulatory Commission and other agencies.

<http://www.marketwatch.com/news/story/kern-river-pipeline-reports-successful/story.aspx?guid=%7B9A933C5D-33E1-47A4-9422-905DEDC87E31%7D&dist=hppr>

Other News

Google and General Electric to Team-up in Policy Partnership with Goals to Drive Renewable Energy, "Smart Grid" Technologies

Google and GE (General Electric) announced September 17 plans to form a policy partnership to develop renewable energy and electric-vehicle charging technologies, and to improve the nation's transmission system. The companies announced their goal is to overcome regulatory and institutional barriers by advocating for appropriate incentives to bolster more transmission necessary to spur development of renewable energy.

<http://www.businessweek.com/ap/financialnews/D938M88O3.htm>

Energy Prices

U.S. Oil and Gas Prices			
September 19, 2008			
	Today	Week Ago	Year Ago
CRUDE OIL West Texas Intermediate U.S. \$/Barrel	100.69	101.19	81.99
NATURAL GAS Henry Hub \$/Million Btu	8.11	8.02	6.42

Source: Reuters

Energy Notes

Update: Rocky Mountain Power Decides Against Potential Customer-Service Cuts, Will Meet with Regulators to Discuss Revenue Needs

http://biz.yahoo.com/ap/080918/ut_utility_rates.html?.v=1

Nuclear Regulatory Commission Admonishes Workers at Duke Energy's 886 MW Oconee Nuke Unit 1 in South Carolina About Slow Response Time to an April 2008 Radiation Warning

<http://www.wltx.com/news/story.aspx?storyid=66290>

Chevron Sells Downstream Fuels Marketing Business in Nigeria September 19, Upstream Operations Unaffected

<http://www.chevron.com/news/press/release/?id=2008-09-19>

Update: Iraq Resumes Normal Crude Pumping Rates to Persian Gulf, Unidentified Shippers Say September 19

Bloomberg News, 06:29 September 19, 2008

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/ead.aspx>

Please direct comments and questions to: ead@oe.netl.doe.gov