



U.S. DEPARTMENT OF ENERGY  
**Office of Energy Assurance**

# **ENERGY ASSURANCE DAILY**

October 1, 2004

## **Highlights/Major Developments**

### **Hurricane Jeanne Information**

- Currently, three percent or 302,052 customers in Florida remain without power from Hurricane Jeanne. See tables below for county outages and restoration schedules. Restoration schedules have been accelerated as shown for Florida Power and Light.

- Gulf Power has completed major power restoration after Hurricane Ivan.

- Florida Power and Light has approximately 14,000 people working on power restoration and have pushed their planned completion date up to Saturday, October 9.

- Progress Energy has been able to accelerate its restoration estimates, and all customers capable of receiving service will now have power restored no later than midnight tonight 10/1. On this schedule, crews will have restored power more quickly during Jeanne than for both Charley and Frances.

[http://www.ea.doe.gov/hurricane\\_jeanne.html](http://www.ea.doe.gov/hurricane_jeanne.html)

Links to status reports of damage and restoration efforts put out by the major utilities and cooperatives affected by Hurricane Jeanne are listed below. The information reported in the Energy Assurance Daily above does not come from press reports, but comes from information collected from the Florida State Emergency Operations Center and by other Federal, State and local officials monitoring and coordinating response and restoration efforts.

#### **Florida Power and Light and Hurricane Jeanne Recovery**

FPL says it is making great strides in restoring power.

<http://www.fpl.com/>

#### **Progress Energy**

Progress Energy projects that its restoration process will be complete by Friday at midnight.

<http://www.progress-energy.com/aboutenergy/stormcentral/index.asp>

#### **Progress Energy's Power Outage Map** (Click on link below.)

[View Florida outage map by county](#)

### **Tampa Electric Storm Information**

Power was restored to 80% of customers who lost power according to Tampa Electric website. In a press release issued this afternoon, Tampa Electric said it had restored power to 90% of its customers who had lost power.

[http://biz.yahoo.com/prnews/041001/nef034\\_1.html](http://biz.yahoo.com/prnews/041001/nef034_1.html)

<http://www.tampaelectric.com/>

### **Clay Electric Cooperative**

Clay Electric Cooperative projects that its restoration process will be complete Friday by Midnight for all but a few isolated outages.

<http://clayelectric.com/>

### **Sumter Electric Cooperative**

SECO is nearly complete with its power restoration efforts.

<http://www.sumter-electric.com/>

### **Central Florida Electric Cooperative**

CFEC has restored power to 99.9% of 20,000 customers affected by power outages.

<http://www.cfec.com/>

### **Withlacoochee River Electric Cooperative**

Only a few of the 79,000 customers knocked out of power are still without power on Friday.

<http://www.wrec.net/>

## **Electricity**

Nothing to report other than the Florida power outages listed under Highlights above.

## **Petroleum**

### **29% of Oil Production from Gulf of Mexico is Still Shut-in**

Restoration of the oil production shut in due to Hurricane Ivan is progressing at a very slow pace. The amount shut in has remained about the same for the past two days.

<http://www.mms.gov/ooc/press/2004/press1001.htm>

### **Astra Oil to Get 1,000,000 Barrels of Oil from Petroleum Reserve**

See summary of all loans below from the Department of Energy's Strategic Petroleum Reserve website.

### **Strategic Petroleum Reserve**

#### **Loan of Oil Summary**

**Updated October 1, 2004**

Hurricane Ivan created a physical shortage of domestic sweet crude oil coming from the Gulf of Mexico. In response to this shortage, sweet oil was delivered to Placid Refining; Shell Trading and ConocoPhillips are currently receiving sweet crude; Astra Oil will be receiving sweet crude during the month of October:

### **Astra Oil**

- 1,000,000 barrels of West Hackberry sweet crude will be delivered to the Crown Central Refinery in Pasedena, Texas, either through the Lake Charles Meter Station or Sun Terminal;
- Deliveries will be during the month of October in pipeline batches to be determined by Astra.

### **ConocoPhillips**

- 1,500,000 barrels of sweet crude will be delivered to ConocoPhillips' Sweeney Refinery through the pipeline to their Freeport tanks;
- Deliveries have begun and will be in three 500,000 barrel batches to ConocoPhillips' Freeport tanks over the next three weeks;
- Oil will be delivered to ConocoPhillips at a minimum of 7,300 barrels per hour;
- This will allow ConocoPhillips to redirect shipments to its Louisiana facility.

### **Shell Trading**

- 1,400,000 barrels of sweet crude will be delivered to Shell through pipeline to St. James Sugarland Terminal;
- Deliveries to Shell started on September 25, 2004;
- Oil will be delivered to Shell at approximately 9,000 barrels per hour.

### **Placid Refining**

- Delivery to Placid Refining began at approximately 1 PM CST on September 24, 2004 and was completed at approximately 9 AM on Saturday, September 25, 2004;
- 300,000 barrels of sweet crude were delivered to Placid through Red Stick pipeline.

[http://www.fe.doe.gov/programs/reserves/spr/spr\\_loansumm\\_100104.pdf](http://www.fe.doe.gov/programs/reserves/spr/spr_loansumm_100104.pdf)

### **Gulf Oil Platform Repairs May Be Slowed by Limited Port Access**

Repairs to Gulf of Mexico oil and gas platforms and pipelines damaged by Hurricane Ivan may be delayed because of silt the storm deposited at the entrance to Port Fourchon, Louisiana, the largest base for companies that service and repair the facilities. About five feet of sediment at the mouth of the port makes it impassable for the largest repair vessels, according to Don Orlando, President of Allison Cos., which provides crews and equipment for platform repairs.

Bloomberg News, 1447 October 1, 2004

### **Oil Ends Above \$50 on Nigeria Fears**

Oil prices ended above the \$50-a-barrel mark on Friday amid concern over possible conflict in Nigeria's oil-producing delta region, where a two-day truce between rebel militia and government forces is holding. U.S. light crude (CLc1) settled at \$50.12 a barrel, up 48 cents on the day. It is the first time the benchmark contract has closed above \$50 in its 21 years of trade on the New York Mercantile Exchange. It hit an all-time peak of \$50.47 earlier this week in after hours trading. Nigeria's government on Friday called off gunships and helicopters sent to attack the rebel militia, salvaging talks and averting a threatened rebel offensive. Earlier, the rebels had accused Nigerian President Olusegun Obasanjo's government of violating a two-day cease-fire and had threatened to blow up a critical natural gas plant if attacked.

[http://biz.yahoo.com/rb/041001/markets\\_oil\\_5.html](http://biz.yahoo.com/rb/041001/markets_oil_5.html)

### **Nymex Heating Oil Rises to Record on Supply Disruption Concern**

Heating oil in New York rose to a record \$1.3958 a gallon on concern about possible supply disruptions during the weekend. Today's close also marked the eighth record-high close in less than two weeks.

Bloomberg News, 1606 October 1, 2004

## **Iraqi September Oil Exports Rise for First Time in Five Months**

Iraqi oil exports in September rose for the first time in five months because of fewer attacks against pipelines in the south, and a second straight uninterrupted month of shipments from the north, according to data compiled by local shipping agents.

Bloomberg News, 0325 October 1, 2004

## **[UAE Drafts Plans for Extra Capacity](#)**

Enjoying unprecedented high oil revenues, and with the world screaming for more production capacity from Opec countries, the United Arab Emirates (UAE) is drawing up plans to increase its sustainable production capacity over the next five years.

International Oil Daily, October 1, 2004

## **Natural Gas**

### **About 19% of Daily Production of Natural Gas in Gulf of Mexico is Still Shut-in**

Restoration of the gas production shut in due to Hurricane Ivan is progressing at a very slow pace. The amount shut in has remained about the same for the past two days.

<http://www.mms.gov/oc/press/2004/press1001.htm>

## **Other News**

### **CA ISO Issues New Rules Oct 1**

The California Independent System Operator implemented a new system on Friday which revised rules for dispatching and scheduling power. Producers could face fines for failing to deliver scheduled power and the state agency has also introduced a more complex formula for determining which power plants should operate. "I think they (the new rules) will produce a more stable, less speculative market," one dealer commented.

Reuters, 1343 October 1, 2004

## **Energy Prices**

	<b>Latest (10/01/04)</b>	<b>Week Ago</b>	<b>Year Ago</b>
<b>CRUDE OIL</b> <b>West Texas Intermediate US</b> \$/Barrel	50.16	48.86	29.43
<b>NATURAL GAS</b> <b>Henry Hub</b> \$/Million Btu	5.38	5.41	4.47

Source: Reuters

**This Week in Petroleum** from the Energy Information Administration (EIA)

<http://tonto.eia.doe.gov/oog/info/twip/twip.asp>

*Updated on Wednesdays*

**Weekly Petroleum Status Report** from EIA

[http://www.eia.doe.gov/oil\\_gas/petroleum/data\\_publications/weekly\\_petroleum\\_status\\_report/wpsr.html](http://www.eia.doe.gov/oil_gas/petroleum/data_publications/weekly_petroleum_status_report/wpsr.html)

*Updated after 1:00pm (Eastern time) on Wednesdays*

**Natural Gas Weekly Update** from EIA

<http://tonto.eia.doe.gov/oog/info/ngw/ngupdate.asp>

*Updated after 2:00 pm (Eastern time) on Thursdays*