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DEPARTMENT OF COMMUNITY, TRADE AND ECONOMIC DEVELOPMENT

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Solar powered cooker

Energy Policy Division - Weekly Energy Status Report

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Weekly Energy Price Summary

Overall, energy prices were stable last week.. Retail gasoline and diesel, at the national level, decreased slightly. Crude oil, prices increased about $ 2 per barrel for the week, while natural gas, and electricity prices were down slightly. Energy prices in general are still lower than this time last year. Gasoline and diesel futures prices were up over the past week, with gasoline at about $1.58 per gallon, and diesel at $1.74 per gallon. Rising prices in the futures market may signal the end for declining retail fuel prices. The ethanol future price increased to $2.12 per gallon for December delivery—an upward trend that has continued for several weeks now. Average US retail gasoline price was down 2 cent, while avg. diesel price was down 1 cent: $2.20 and $2.51 per gallon respectively. Fuel prices declined in all regions, but more rapidly on the West Coast and the Rocky Mtn. region

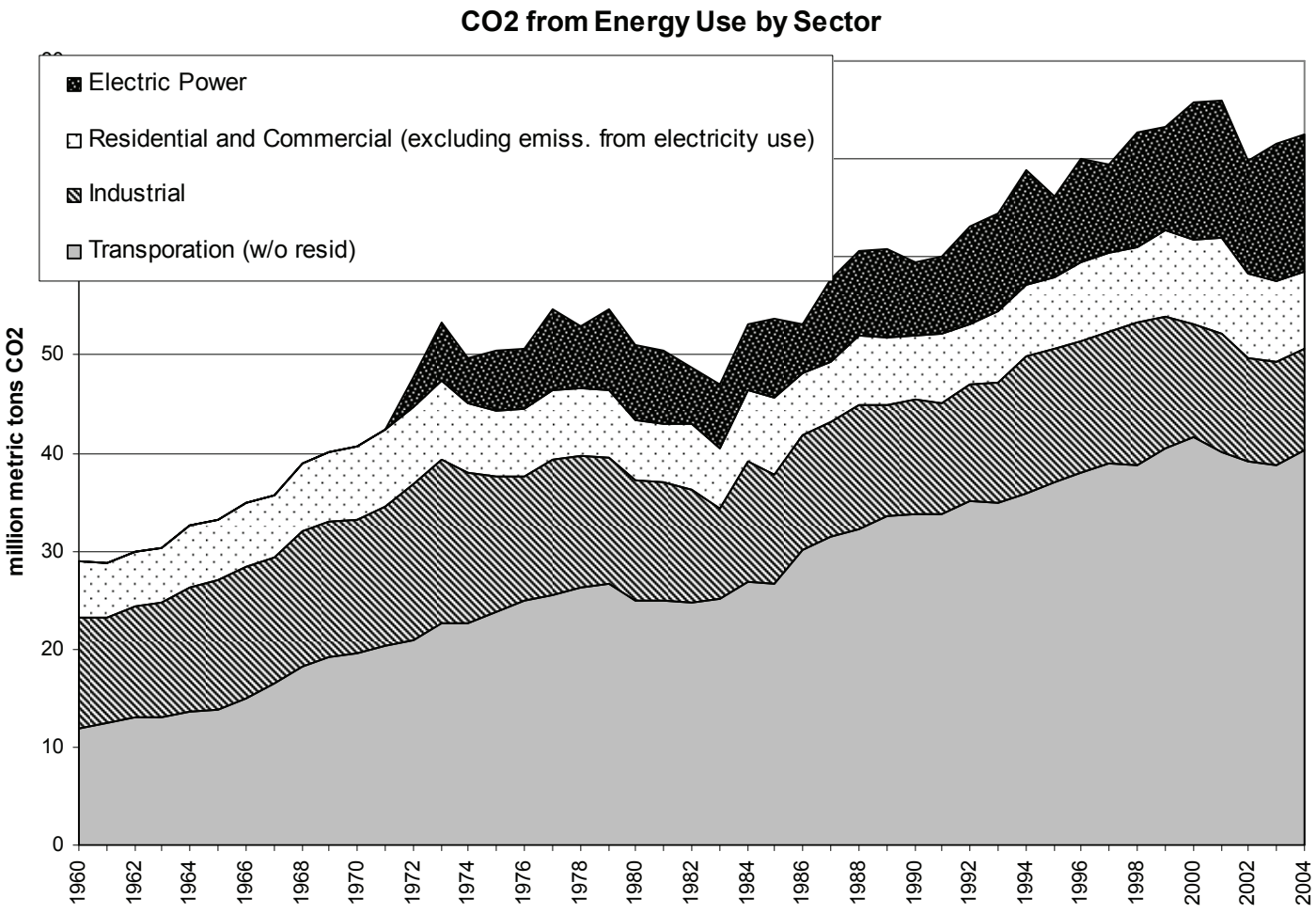
In Washington State average gasoline price continued to declined, down 2 cent to $2.475 while local diesel price increased by 1 cent to $2.75 per gallon. National and regional price declines appear to be slowing, and we may be approaching the low winter price point, which typically occurs from late Nov. to early Jan.. Recent efforts by OPEC to halt the decline in crude oil price may cause the fall/winter price low point to occur earlier this year.

Crude oil inventories were up slightly last week, while gasoline inventories dropped for the fifth week in a row, and diesel inventories also declined last week. Gasoline and diesel inventories after being high for several months are back in the "normal" range. Crude oil markets moved upward over the past week, with WTI crude oil trading in the $59-60 per barrel range. Attacks on oil facilities in Nigeria caused some of the upward price movement. Market analysts also saw some indication that OPEC nations can follow through on their agreement to a production cut of 1.2 million barrels per day. In addition global demand growth for oil remains strong despite high prices. See page 4 for the EIA's short term forecast for crude oil and gasoline prices.

Natural gas prices declined slightly to $6.99 per MMBtu at Sumas, while natural gas futures (Dec.) on the NYMEX rose in anticipation of winter heating demand, and now stand at $8.10 MMBtu. Natural gas storage dipped 7 billion cubic feet last week, a relatively small draw down for this time of year.

Electricity spot market prices at the Mid Columbia trading hub were down over the last week: average of $62 per Mwh, due to the mild temperatures associated with the pineapple express weather pattern that we have been experiencing.

The chart on the next page continues the Green House Gas series begun two weeks ago and illustrates Energy CO2 emission by sector for WA state. Note that the growth in transportation and electricity CO2 emissions has been relatively steady over the last 30 years, and are driven primarily by population growth. The decline in CO2 emissions during 1979-82 correlates with a series of national recessions and high energy prices. The decline in 2001 correlates with a smaller recession and the shut down of the NW aluminum industry following the West Coast energy crisis.



Electricity, Petroleum & Natural Gas Prices

- Weekly Range at Mid-C: $49– 70 per MWh, Ave. = $62.0 (Year ago 88.2)
- Approximate change from previous week $ -5.5 per MWh
- Pre-2000 typical price range $20-$40 per MWh
- Petroleum, West Texas Intermediate: $59.84 per barrel (year ago: $59.47)
- Seattle gasoline price (11/8) $2.42 per gallon (year ago $2.60)
- Gasoline futures (NYMEX next month) $1.58 per gallon
- State Diesel price (11/8) $2.75 per gallon (year ago $3.03)
- Diesel futures (NYMEX next month) $1.74 per gallon
- Natural gas (cash), Sumas Hub: $6.99 per million BTU (year ago $7.61)
- Natural gas futures (NYMEX next month) $8.10 per million BTU
- Approximate change from last week. Oil: = 1.96 $ per barrel; Nat. gas: -0.07 $ per MMBtu
- Ethanol (CBT next month contract) $2.12 per gallon

California Electricity Situation

CA ISO Alert Status

- July 24, More record power use in CA, Stage 2 emergency declared, localized blackouts occur.
- July 18, 2006, CA breaks all-time record for electric power use: 46,561 MW.
- July 14-17, 2006 CA consumers encouraged to conserve in anticipation of heat wave.
- September 13, 2005, extensive blackout in Los Angeles caused by utility crew.

River & Snow Pack Information

(Updated: Sept. 28, 2006)

- Observed August stream flow at The Dalles: 65% of average,
- Observed Sept. precipitation above The Dalles: 98% of average,
- Forecast Jan.-July 2006 runoff at The Dalles: 114 MAF, 106% of average,
- Federal hydropower generation in Aug. 6,646 aMW, 1995-2002 average: 7,946 aMW.
- May snow pack: N/A.

Energy Conservation Achievement

(Updated: May 2006)

State Agencies: From July 2004 thru June 2005 electrical usage was 14.3% less and natural gas usage was 36.1% less compared to the same period in 2003.

Northwest Power Pool Status

(WA, OR, ID, MT, WY, UT, No. NV, BC, AB)

Power Pool peak load (Nov. 8): 47,290 MW

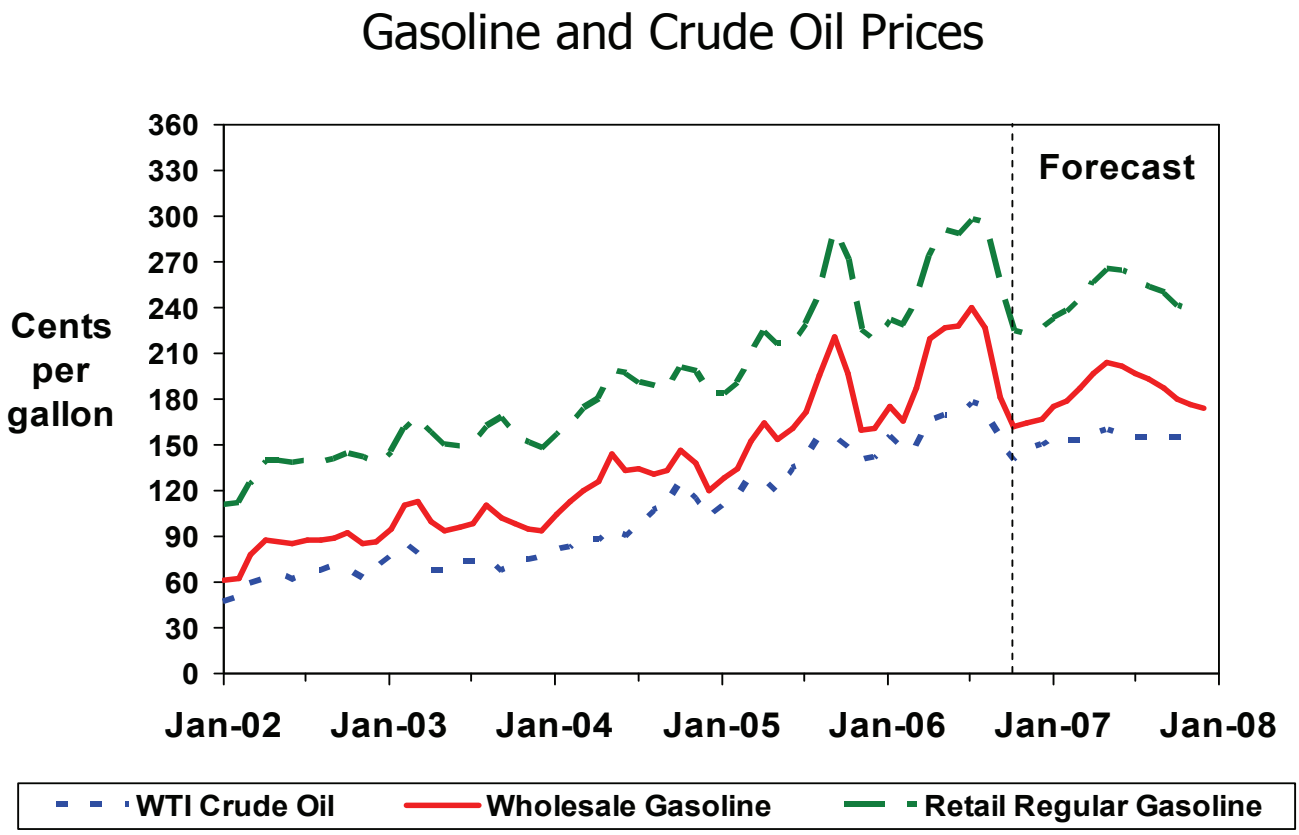
Reserve margins were within comfortable ranges for Northwest Power Pool utilities.

Washington Wind Farm

Power Exchanged:

(Updated: Nov. 8 2006)
Average flow of power during the last 30 days

- California (exported to) 853 MW
- Canada (export to) 1,060 MW
- Net power export: 2,167 MW

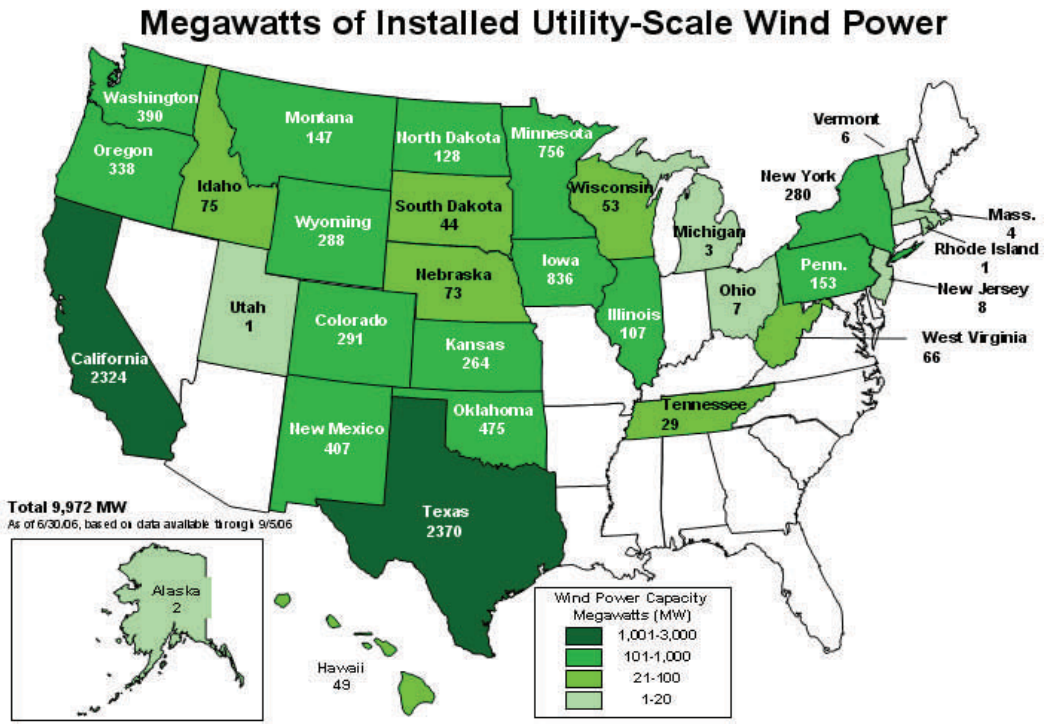


Short-Term Energy Outlook, November 2006

www.eia.doe.gov

Installed Wind Capacity—2006

The map shows the installed wind capacity as of June 30, 2006. To see other years, go to www.eere.energy.gov/windandhydro/windpoweringamerica/wind_installed_capacity.asp



Energy headlines:

International

US predicts waves of attacks on Nigeria oil. Seattle Times, Nov. 3.
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UN says 2005 set greenhouse gas record. Seattle PI, Nov. 3.
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NEB expects Canadian gas production to increase. Oil & Gas Journal, Oct. 31.
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Enron: Skilling's grim future
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Global warming threatens poverty reduction. New York Times, Nov. 6.
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"Frightening" study predicts hotter, drier Australia. New York Times, Nov. 6.
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Despite popular belief, the world is not running out of oil, UW scientist says. UW News Links, Oct. 19.
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EU unveils plans for cutting energy use. Appliance Design, Oct. 19.
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Chavez again threatens to stop oil exports to US. Oil & Gas Journal, Nov. 6.
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Searching for sex appeal in a hybrid. New York Times, Nov. 6.
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China to pass US in 2009 in emissions. New York Times, Nov. 6.
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In ancient fossils, seeds of debate on warming. New York Times, Nov. 7.
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Committed to coal and in a hurry too. New York Times, Nov. 7.
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US resists pressure on climate policy. Seattle PI, Nov. 7.
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Bush says Iraq pullout would let radicals use oil as a weapon. Washington Post, Nov. 5.
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Frozen climate talks. Seattle Times, Nov. 7.
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Drilling deep in the Gulf of Mexico. New York Times, Nov. 8.
http://www.nytimes.com/2006/11/08/business/worldbusiness/08gulf.html

Remote control. New York Times, Nov. 8.
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World Energy Body Endorses Nuclear Power as Sustainable Solution: Calls for more power plants to meet electricity demand, mitigate global warming
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On a roller coaster, one energy tries hedging its bets. Wall Street Journal, Nov. 6.
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Investment by oil industry stalls. Wall Street Journal, Nov. 8.
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IEA urges China to pare its oil use. Wall Street Journal, Nov. 8.
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Archers Daniel Midland to look beyond corn for fuel sources. New York times, Nov. 9.
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Some Californians to pick their utility at the polls. New York Times, Nov. 3.
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Cities move to swiftly extend dirty power contracts. LA Times, Nov. 4.
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Dirty dancing. Press Enterprise, Nov. 6.
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If you have to read just one article—read one of these.

The Economist—The Heat is On

http://www.economist.com/surveys/displayStory.cfm?story_id=7852924

Scientific American—A Climate Repair Manual

http://www.sciam.com/article.cfm?chanID=sa006&colID=1&articleID=000EABE4-BDFF-14E5-BDFF83414B7F0000

Both sides pump big bucks into Prop. 87 fight. Sacramento Bee, Oct. 31.

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California votes down state oil production tax. Oil & Gas Journal, Nov. 8.

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TransCanada moves forward with Northern Lights project. Energy Prospectus, Nov.

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Arizona officially adopts 15 percent by 2025 rule. Energy Prospectus, Nov

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Governors, legislatures pave way for greater use of biodiesel. Natl. Biodiesel Board, Oct. 31.

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Washington

Summit pushes biofuels
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Tidal energy firms stake their claim. The Olympian, Nov. 5.

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Very Long-term forecast: NW winters will be even wetter. UW News Links, Oct. 19.

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We're on the Web! Go to Energy at

http://www.cted.wa.gov/

Seattle City Council candidates: Living wages vs. energy
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Biofuel plant raises hope where a rocker brooded. New York Times, Nov. 6.
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