

# Kentucky Energy Watch

Department for Energy Development and Independence

*A snapshot of state and national energy issues*



## ***Biomass in the Bluegrass State***

A bioenergy buzz across Kentucky prompted more than 50 individuals representing the state's government, academia and bioenergy industry to embark on a multiple-stop, three-day bioenergy tour in May, transforming that buzz into some considerable enthusiasm. Tim Hughes, director of biofuels at the Kentucky Energy and Environmental Cabinet's Department of Energy Development and Independence, says the idea for the tour stemmed from some local farmers' interest in Missouri-based Show Me Energy's business model, a farmer-owned cooperative that has developed a fuel densification facility. Hughes' cabinet and the Kentucky Office of Agricultural Policy jointly organized the tour. (Biomass Magazine, June 22, 2011)

## ***Kentucky Power offers new energy efficiency programs for residential, commercial customers***

Kentucky Power customers have more programs than ever before to help them save money when seeking to improve the energy efficiency of their homes and businesses. Recently, the company introduced several new incentive programs to help its ratepayers offset rising electricity costs and become better energy consumers. The company now offers a total of 11 "SMART Programs" -- seven for residential customers, three for commercial customers and one for schools. Each of these energy efficiency programs provide benefits to the customer in the form of cash incentives, rebates and long-term energy savings. The new programs are a result of Kentucky Power receiving approval from the Kentucky Public Service Commission to expand its current line of customer-focused energy efficiency programs and the company's desire to help its customers save money and lower power bills. (Kentucky Power press release, June 21, 2011)

## ***States cannot bypass E.P.A. on power plant emissions, justices rule***

The Supreme Court unanimously ruled on a federal lawsuit by states and conservation groups trying to force cuts in greenhouse gas emissions from power plants. The court said that the authority to seek reductions in emissions rests with the Environmental Protection Agency, not the courts. EPA said in December that it will issue new regulations by next year to reduce power plants' emissions of carbon dioxide, the chief greenhouse gas. The Obama administration has already started controlling heat-trapping pollution from automobiles and from some of the largest, and most polluting, industrial plants. But the administration's actions have come under criticism in Congress, where the Republican-controlled House has passed a bill to strip the EPA from using the Clean Air Act to regulate global warming gases. (The New York Times, June 24, 2011)

## ***Your dollar-draining, energy-sucking, carbon-polluting cable TV habit***

So we already knew that watching too much TV dulls the mind and costs a bundle (my cable bill is \$170 a month, including Internet and phone). Now we know, thanks to a new report from the Natural Resources Defense Council, that your super-snazzy, set-top box and DVR combo that means you will never have to miss another episode of "Two and a Half Men" is costing you more money, wasting energy and generating carbon emissions. With more than 80 percent of Americans now subscribing to cable, the numbers taken as a whole grow pretty big, the NRDC says: In 2010, the electricity required to operate all U.S. set-top boxes was equal to the annual household electricity consumption of the entire state of Maryland, resulted in 16 million metric tons of carbon dioxide emissions, and cost households more than \$3 billion. (GreenBiz.com, June 17, 2011)

## ***EIP report: 33 active coal ash dump sites in 19 states are contaminating groundwater, qualifying as "open dumps" for arsenic, lead, and other toxic waste***

A large number of active coal ash disposal sites in 19 states may be violating a federal ban on open dumping, according to a major new analysis released today by the Environmental Integrity Project (EIP). Ironically, a House Subcommittee voted this week to prohibit federal enforcement action against coal ash disposal sites that violate these rules. EIP found levels of groundwater contamination at 33 coal ash landfills or impoundments nationwide that are high enough to trigger the "open dumping" provisions of the Resource Conservation and Recovery Act. (The Herald-Leader, June 23, 2011)

## ***Oil prices drop after 60 million barrels released from government stockpiles***

The International Energy Agency will release 60 million barrels of oil from various government stockpiles in an effort to lower crude prices. The 28-member group announced today it would release 2 million barrels a day for 30 days to fill the void left by the conflict in Libya. Half of the oil is coming from the United States. According to Reuters, the agency was moved to act "after the Organization of the Petroleum Exporting Countries failed to raise production at a meeting on June 8 and despite assurances from OPEC's biggest producer Saudi Arabia that it would lift supplies unilaterally. (The Atlantic Wire, June 23, 2011)

## ***LG&E, KU launch mobile app for near real-time outage information***

Louisville Gas and Electric and Kentucky Utilities are among a few utilities in the nation and the first in Kentucky to now offer customers a free smartphone application that displays near real-time outage information across the utilities' service territories. Specifically, an outage map app is now available for download on iPhone, Android and Blackberry devices. Customers can search for "LG&E and KU Outage Maps" within the app stores of each of these mobile phones. Once downloaded, customers are able to view the companies' outage map in a platform designed specifically for a mobile interface. Like the outage map found on LG&E and KU's website, the new smartphone app displays outage numbers in an interactive graphic and chart format showing outages by county and by zip code. (LG&E press release, June 14, 2011)

### Kentucky Retail Fuel Prices (Dollars per gallon)

Product	6/23/2011	6/17/2011	6/9/2011	6/2/2011	Year Ago
Gasoline (State avg.)	3.498	3.59	3.701	3.718	2.705
Ashland	3.533	3.621	3.77	3.824	2.765
Covington	3.593	3.74	3.877	3.85	2.772
Lexington	3.441	3.535	3.677	3.733	2.719
Louisville	3.548	3.647	3.823	3.839	2.75
Owensboro	3.501	3.616	3.67	3.667	2.605
Diesel (State avg.)	3.878	3.899	3.904	3.92	2.927
Ashland	3.876	3.947	3.959	3.966	2.965
Covington	3.886	3.894	3.917	3.943	2.941
Lexington	3.836	3.863	3.899	3.94	2.942
Louisville	3.866	3.891	3.903	3.951	2.923
Owensboro	3.904	3.938	3.934	3.941	2.875

Note: The record high average price for gasoline in Kentucky is \$4.089, reported on July 10, 2008.  
 Source: Gasoline (unleaded regular) & Diesel: National AAA,

### Wholesale Fuel Prices

Spot Prices	6/23/2011	6/17/2011	6/9/2011	6/2/2011	Year Ago
Crude Oil (Dollars per barrel) <i>West Texas Intermediate, job</i>	95.41	94.95	100.74	100.29	76.79
Natural Gas (Dollars per MMBtu) <i>Henry-Hub</i>	4.418	4.541	4.86	4.625	5.135

Source: Wall Street Journal

Futures		11-Jul	11-Aug	11-Sep
Crude Oil (Dollars per barrel) <i>Light Sweet Crude Oil</i>	6/23/2011	93.40	95.41	95.92
	6/17/2011	94.95	101.82	95.77
	6/9/2011	101.93	102.45	102.91
Natural Gas (Dollars per MMBtu) <i>Henry-Hub</i>	6/23/2011	4.317	4.35	4.375
	6/17/2011	4.412	4.469	4.476
	6/9/2011	4.674	4.704	4.726
Propane (Dollars per gallon) <i>Mt Belvieu (OPIS)</i>	6/23/2011	1.547	1.551	1.558
	6/17/2011	1.534	1.489	1.547
	6/9/2011	1.566	1.57	1.575
Coal (Dollars per ton) <i>Central Appalachian</i>	6/23/2011	77.2	77.08	77
	6/17/2011	76.72	76.15	76.72
	6/9/2011	78.45	78.78	79.15

Source: CME Group



The Department for Energy Development and Independence does not discriminate on the basis of race, color, national origin, sex, age, religion or disability and provides, on request, reasonable accommodations including auxiliary aids and services necessary to afford an individual with a disability an equal opportunity to participate in all services, programs and activities. To request materials in an alternative format, call the Department for Energy Development and Independence at (800) 282-0868. Persons with hearing and speech impairments can contact the agency by using the Kentucky Relay Service, a toll-free telecommunication device for the deaf (TDD). For voice to TDD, call (800) 648-6057. For TDD to voice, call (800) 648-6056.

