

Kentucky Department for Energy Development and Independence Energy Watch

A snapshot of state and national energy issues



Farmers study agri-energy crops

Local farmers as well as Murray State University and agri-business officials met Thursday for the annual West Kentucky AgBioworks Farmer Network AgriEnergy Crop Field Day. More than a dozen farmers, agri-business and Murray State University agriculture education officials gathered at the William "Bill" Cherry Expo Center before heading out to various farms in the area to take a look at agriculture innovations involving sugar-based products already underway. During the event, everyone was updated concerning the latest developments in agri-energy crops now growing in fields in the region. Dr. Tony Brannon, dean of the MSU School of Agriculture, said the event was intended to showcase advance in alternative crop growth center on development of agricultural energy innovation in western Kentucky. (Murray Ledger & Times, Oct. 7, 2011)

Home energy audits offer more than just potential savings on monthly bills

The vast majority of homes in the United States are not as energy efficient as they could be, translating into wasted energy and money every month. Most people want to make their home more efficient but have no idea where to start. Windows? Insulation? A new high efficiency heating and cooling system? According to MXenergy, a Constellation Company and leading energy provider, a home energy audit is an excellent tool to help homeowners identify key problem areas in their homes and prioritize the most effective solutions. (Market Watch, Oct. 7, 2011)

Utica Shale may be its own energy game-changer

When it comes to superlative descriptions of oil and gas reserves, the Utica Shale may be in a class of its own. The rock layer that extends from Quebec to Kentucky with major concentrations in Ohio, Pennsylvania and West Virginia has been called the next big play for shale gas; attracted billions of dollars in land investment, and been hailed by Chesapeake Energy chief Aubrey McClendon as "one of the biggest discoveries in US history." It may contain even more energy potential than the Marcellus Shale -- a formation that lies above the Utica over some of the latter's range -- whose vast reserves of natural gas have themselves been called a "game-changer" for American energy independence. According to an estimate from Ohio state geologists, that state's portion of the Utica alone could contain up to 15 trillion cubic feet of natural gas, which would make it a significant contributor to national supplies of the fuel that will help cut greenhouse gas emissions and create thousands of jobs. (AOL Energy, Oct. 7, 2011)

FERC conditionally approves Duke Energy-Progress Energy merger

The Federal Energy Regulatory Commission (FERC) has conditionally authorized the proposed merger of Duke Energy and Progress Energy, subject to the agency's approval of mitigation measures to address its finding that the combined company could have an adverse effect on competition in Carolinas power markets. In an order issued Sept. 30, Duke Energy reported that the FERC said the companies have up to 60 days to propose measures to address the market power concerns. Duke Energy Chairman, President and CEO Jim Rogers, and Progress Energy Chairman, President and CEO Bill Johnson said in a joint statement: "We believe our proposed merger will provide significant customer benefits and protections, and we are confident that we will meet the FERC's standards for approval. We are still working toward closing the merger by year's end. (Power Industry News, Oct. 6, 2011)

Clean-energy loan guarantees face cloudy future

A government loan program that helped many clean energy companies -- including Solyndra, now bankrupt -- has ended. The U.S. Department of Energy made its final four loan guarantees through the 1705 program, totaling \$4.7 billion, on Sept. 30, the day the program expired. It continues to operate the 1703 loan guarantee program for clean energy projects, as well as a loan program for advanced technology vehicles. Through those three programs, DOE has issued loans, guarantees or conditional commitments worth nearly \$40 billion to more than 40 clean energy projects across the U.S. "We're supporting the world's largest wind farm, several of the largest solar photovoltaic generation facilities, an unprecedented solar rooftop project, and two of the nation's first commercial-scale cellulosic ethanol plants," said U.S. Energy Secretary Steven Chu. (Phoenix Business Journal, Oct. 7, 2011)

Why go nuclear when efficiency, renewables fit the bill

What's the likely result if the more than 20 applications for new or expanded nuclear plants are approved by the Nuclear Regulatory Commission? That's the question addressed in the report, "Big Risks, Better Alternatives," by Synapse Energy Economics on behalf of the Union of Concerned Scientists. The main thesis of the report is that forecasts for energy demand growth in the U.S. are now much lower than they were when these projects were initially proposed. The report focuses on two proposed nuclear projects in Florida and Georgia, states which rank among the worst in the nation in energy efficiency, according to the American Council for an Energy-Efficient Economy (ACEEE). (SustainableBusiness.com, Oct. 7, 2011)

Americans said to want greener schools

All over the nation, elementary schools and major universities alike have been installing renewable energy systems and garnering LEED certification for energy efficient buildings. How does the average American feel about Uncle Sam investing in green schools like these? According to a new survey, sponsored by United Technologies and the U.S. Green Building Council's (USGBC) Center for Green Schools, nearly three out of four Americans support federal investment in school building improvements focused on creating healthier learning environments, saving tax dollars or lowering carbon emissions. (Earth Techling, Oct. 7, 2011)

Kentucky Retail Fuel Prices (Dollars per gallon)

Product	10/7/2011	9/30/2011	9/23/2011	9/16/2011	Year Ago
Gasoline (State avg.)	3.249	3.315	3.438	3.55	2.759
Ashland	3.23	3.282	3.434	3.615	2.822
Covington	3.285	3.379	3.52	3.617	2.848
Lexington	3.244	3.291	3.417	3.543	2.78
Louisville	3.18	3.264	3.309	3.494	2.863
Owensboro	3.187	3.267	3.352	3.45	2.637
Diesel (State avg.)	3.737	3.775	3.82	3.847	3.008
Ashland	3.75	3.798	3.849	3.872	3.037
Covington	3.71	3.762	3.767	3.817	3.021
Lexington	3.741	3.772	3.813	3.838	3.044
Louisville	3.731	3.758	3.807	3.836	3.023
Owensboro	3.753	3.754	3.802	3.84	2.962

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	10/7/2011	9/30/2011	9/23/2011	9/16/2011	Year Ago
Crude Oil (Dollars per barrel) <i>West Texas Intermediate, job</i>	82.59	82.14	80.51	89.4	81.67
Natural Gas (Dollars per MMBtu) <i>Henry-Hub</i>	3.49	3.77	3.734	3.91	3.51

Source: The Wall Street Journal

Futures		11-Nov	11-Dec	12-Jan
Crude Oil (Dollars per barrel) <i>Light Sweet Crude Oil</i>	10/6/2011	82.59	82.80	82.93
	9/30/2011	*	82.14	82.34
	9/23/2011	86.89	80.51	80.75
Natural Gas (Dollars per MMBtu) <i>Henry-Hub</i>	10/6/2011	3.598	3.916	4.091
	9/30/2011	3.759	3.747	4.015
	9/23/2011	3.705	3.782	4.045
Propane (Dollars per gallon) <i>Mt Behien (OPIS)</i>	10/6/2011	1.458	1.457	1.457
	9/30/2011	1.524	1.524	1.524
	9/23/2011	1.492	1.493	1.494
Coal (Dollars per ton) <i>Central Appalachian</i>	10/6/2011	73.16	73.13	73.25
	9/30/2011	74.48	74.37	74.37
	9/23/2011	74.03	73.88	73.78

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.

