

# Kentucky Energy Watch

Department for Energy Development and Independence

A snapshot of state and national energy issues



## **'Green' school gets money back from power company**

Chris Baker recently received an electric bill in the mail for Turkey Foot Middle School and could not contain her excitement. "I was honestly giddy about it," Baker said. "I ran around the office showing everybody I could." An overreaction? Not when the "bill" is a \$3,147.94 credit. Baker is the energy coordinator for the Kenton County School District, which has been a statewide leader in the construction of high-performance schools. Turkey Foot, which opened in 2010, is the third such school to open in the district. Caywood Elementary School and Twenhofel Middle School opened in 2005 and 2006, respectively. After the installation of about \$3.2 million worth of solar panels last spring, the district set a goal for Turkey Foot to be the first net-zero school in the state, meaning it would produce as much energy as it uses. To date, the school has sold \$10,230 worth of electricity back to Duke. (NKY.com, Oct. 15, 2011)

## **Big Sandy operations to change - Scrapped EPA regulations threatened to close plant**

Kentucky Power President and Chief Operating Officer Greg Pauley told Ashland Rotary Club members there will be changes at the Big Sandy plant near Louisa, although the massive operation will continue to operate as a coal-burning electrical generation plant. "With the EPA proposals at the time we would have had to close Big Sandy down," Pauley said, speaking of regulations which threatened to force closure of the aged facility, and noting the company is already under an agreement to improve emissions by 2015. As the situation evolved, however, Pauley said power-company officials studied closing plants 1 and 2 at the Big Sandy compound and repowering the 1 plant component with gas instead of coal. (The Independent Online, Oct. 17, 2011)

## **1 in 4 homes built in 2010 were ENERGY STAR rated**

The U.S. Environmental Protection Agency (EPA) announced recently that 25 percent of all single-family homes built nationally in 2010 earned EPA's ENERGY STAR, up from 21 percent in 2009. In partnership with its stakeholders, EPA continues to help American home buyers invest in high performing homes that save money on their utility bills and help protect the environment. Since 1995 approximately 1.2 million new homes have earned EPA's ENERGY STAR, representing savings of nearly \$350 million on utility bills while avoiding greenhouse gas emissions equivalent to those from more than 450,000 vehicles. (BuildingOnline.com, Oct. 5, 2011)

## **National renewable energy lab grows green tech ideas**

If a solution exists for what may be the world's two most pressing and interconnected issues — the environment and energy — there's a good chance that they may emerge at the National Renewable Energy Lab in Golden, Colorado. The NREL is the only federal lab where green energy technologies are exclusively being researched, developed, and prepared for widespread, everyday use. "Our mission is to basically look at different types of technologies for renewable energy. So, the lab's portfolio spans a whole bunch of different things. How do we get better batteries for electric cars or hybrid vehicles, how do we generate wind power more effectively and how do we integrate that with the grid, how do we do photoconversion and how do we integrate that in the grid so that people can really take advantage of that and municipalities can use it as part of their electric portfolio?" says Joe Berry, NREL senior scientist. (NY1.com, Oct. 18, 2011)

## **Chevron CEO: Affordability is key to energy policy**

Americans need to build a national energy policy built around a single tenet - affordability - Chevron CEO John Watson said Wednesday. "Affordable energy is the priority that should underpin all of our actions," Watson said in a speech at the Peterson Institute for International Economics in Washington, D.C. By creating "an energy policy with affordability at its core" and recognizing the value of fossil fuels, the United States can achieve "long-term economic, energy and environmental security." Watson's comments come as lawmakers debate ways to pare the federal deficit, including by spiking tax incentives long enjoyed by the energy industry or dramatically expanding drilling on public lands and waters. (San Francisco Chronicle, Oct. 20, 2011)

## **Facebook Unveils 'Social Energy' App**

Well hello there, Facebook users. Pardon me while I interrupt that rousing game of Trash Tycoon for just a quick moment to help spread the word about a soon-to-be-launched app — a "social energy application," if you will — announced earlier today by the folks over at FB in partnership with mighty environmental advocacy group the Natural Resources Defense Council and Home Energy Report-pioneering startup Opower. And no, it doesn't involve virtual plastic bottle recycling. Launching in early 2012, this yet-to-be-name app will allow 800 million Facebook users to pull home energy usage data provided by their utility provider (the non-Oprah-Winfrey-related Opower works with a growing network of more than 60 utility companies across the country) and share it, warts and all, with fellow Facebookers. (Forbes.com, Oct. 13, 2011)

## **Ending dispute, well partner settles with BP for \$4 billion**

The British oil company BP said Monday that a partner in the well that exploded last year in the Gulf of Mexico, Anadarko Petroleum, had agreed to pay \$4 billion to settle claims related to the ensuing oil spill. The settlement ends a long dispute between BP, which operated the well in the gulf, and Anadarko, which had a 25 percent stake, about accepting responsibility for compensating those affected by one of the worst oil spills in the United States. The settlement was not an admission of liability, said BP, whose investigation concluded that the accident was the result of multiple miscues involving several companies. (The New York Times, Oct. 17, 2011)

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

| Product               | 10/20/2011 | 10/13/2011 | 10/7/2011 | 9/30/2011 | Year Ago |
|-----------------------|------------|------------|-----------|-----------|----------|
| Gasoline (State avg.) | 3.392      | 3.398      | 3.249     | 3.315     | 2.777    |
| Ashland               | 3.272      | 3.24       | 3.23      | 3.282     | 2.836    |
| Covington             | 3.414      | 3.423      | 3.285     | 3.379     | 2.82     |
| Lexington             | 3.393      | 3.438      | 3.244     | 3.291     | 2.732    |
| Louisville            | 3.407      | 3.403      | 3.18      | 3.264     | 2.849    |
| Owensboro             | 3.289      | 3.329      | 3.187     | 3.267     | 2.726    |
| Diesel (State avg.)   | 3.791      | 3.737      | 3.737     | 3.775     | 3.039    |
| Ashland               | 3.802      | 3.76       | 3.75      | 3.798     | 3.048    |
| Covington             | 3.755      | 3.703      | 3.71      | 3.762     | 3.038    |
| Lexington             | 3.807      | 3.737      | 3.741     | 3.772     | 3.063    |
| Louisville            | 3.789      | 3.731      | 3.731     | 3.758     | 3.039    |
| Owensboro             | 3.765      | 3.76       | 3.753     | 3.754     | 3.044    |

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   | 10/20/2011 | 10/14/2011 | 10/7/2011 | 9/30/2011 | Year Ago |
|---|------------|------------|-----------|-----------|----------|
| Crude Oil (Dollars per barrel)<br><i>West Texas Intermediate, job</i> | 86.11      | 84.23      | 82.59     | 82.14     | 81.77    |
| Natural Gas (Dollars per MMBtu)<br><i>Henry-Hub</i>                   | 3.598      | 3.455      | 3.49      | 3.77      | 2.233    |

Source: The Wall Street Journal

| Futures  |            | 11-Nov | 11-Dec | 12-Jan |
|--|------------|--------|--------|--------|
| Crude Oil (Dollars per barrel)<br><i>Light Sweet Crude Oil</i> | 10/20/2011 | 86.11  | 86.29  | 86.43  |
|  | 10/13/2011 | 84.23  | 84.45  | 84.63  |
|  | 10/6/2011  | 82.59  | 82.80  | 82.93  |
| Natural Gas (Dollars per MMBtu)<br><i>Henry-Hub</i>            | 10/20/2011 | 3.586  | 3.813  | 3.95   |
|  | 10/13/2011 | 3.531  | 3.814  | 3.971  |
|  | 10/6/2011  | 3.598  | 3.916  | 4.091  |
| Propane (Dollars per gallon)<br><i>Mt Belvieu (OPIS)</i>       | 10/20/2011 | 1.445  | 1.446  | 1.449  |
|  | 10/13/2011 | 1.501  | 1.501  | 1.505  |
|  | 10/6/2011  | 1.458  | 1.457  | 1.457  |
| Coal (Dollars per ton)<br><i>Central Appalachian</i>           | 10/20/2011 | 73.07  | 72.78  | 72.77  |
|  | 10/13/2011 | 73.84  | 73.73  | 73.9   |
|  | 10/6/2011  | 73.16  | 73.13  | 73.25  |

Source: CME Group



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