

Kentucky Energy Watch

Department for Energy Development and Independence

A snapshot of state and national energy issues



KY will turn out lights for anticipated record-setting 'Earth Hour'

For the fourth consecutive year, Governor Steve Beshear and First Lady Jane Beshear have pledged to participate in the international "Earth Hour," sponsored by the World Wildlife Federation. Earth Hour is in an international call to action that directs lights be turned off for one hour in recognition of the need for energy conservation and the protection of our environment. "Once again, we will proudly dim the lights at Kentucky's Capitol in support of Earth Hour to demonstrate our commitment to reducing energy usage in state government and in our Commonwealth," said Gov. Beshear. "Our state remains a national leader in developing and promoting progressive energy conservation measures, so we recognize the importance of taking small, everyday actions, like turning off lights and appliances when not in use." (Surfky.com - Mar. 30, 2012)

PSC grants rate adjustment to South Kentucky RECC

The Kentucky Public Service Commission (PSC) Friday granted South Kentucky Rural Electric Cooperative Corp. (South Kentucky RECC) an increase of \$3.7 million in its annual revenue, less than half the amount requested by the utility. The PSC commended South Kentucky RECC for its commitment to programs that encourage its customers to manage energy demand and improve energy efficiency. The PSC also praised the utility for taking steps to reduce outages during storms by stepping up vegetation management along its power lines. South Kentucky applied in June 2011 to increase its annual revenue by \$8.9 million. The increase granted by the PSC is about 40 percent of the requested amount. When the increase granted by the PSC takes effect today, the fixed monthly charge for residential customers will rise by \$3.68, to \$12.82 from \$9.14. (McCrearyrecord.com - Apr. 4, 2012)

Kentucky farmers given incentive to 'Go Green'

In an effort to encourage on-the-farm energy efficiency, The Kentucky Agricultural Development Board (KADB) has made \$2 million in funds available for farmers. The KADB is chaired by Governor Steve Beshear and the money will come from the Kentucky Agricultural Development Funds (KADF). The application and guidelines for the KADB's incentive program are available online at ag-energy.ky.gov. For expenditures made after March 11 2011, the program will provide 25 percent reimbursement of the actual cost of a qualified energy saving item, up to \$10,000. (Wowktv.com, Mar. 30, 2012)

Berea family getting Habitat's first "passive" home in Kentucky

Tears pooled in Marlena Hoover's eyes Saturday as she talked about becoming a first-time homeowner. However, her two daughters, Madison and Jaidyn, were much more concerned with the color of their future bedroom walls. The family, including John "J.T." Hoover, will be receiving Habitat for Humanity's first "Passive" home built in Kentucky. This means the home will be more energy efficient, exceeding both federal Energy Star and state building code requirements. The home, which is being built entirely with renewable materials, includes "super-insulation," an air-tight shell, three-paned windows and a heat-exchange ventilation system to achieve reductions of 70 to 80 percent in energy use.

Senate dems shy from test on energy

Some Senate Democrats doubt their leaders will put energy legislation on the Senate floor again before the election for fear it could turn into a messy battle that could hurt incumbents. Legislation to repeal tax breaks and royalty relief for oil and gas companies that failed to get cloture Thursday could be the last energy bill to reach the floor before the election, even though the price of gas is becoming a hot political issue as it remains just short of \$4 per gallon for regular. "The easy thing for us to do on energy is what we just did. We don't know what else you can bring," said Sen. Tom Udall (D-N.M.) after Senate Democrats met to discuss their energy agenda last week. (TheHill.com - Apr. 4, 2012)

Duke Energy launches my home energy report

Duke Energy is mailing reports to 240,000 residential customers in Ohio showing them how their personal energy usage compares with customers who live in similar homes in their areas. "We know neighbors talk and compare their bills," said Mark Wyatt, Duke Energy vice president of retail customer products and services. "By showing customers how their actual energy usage compares to their neighbors, we believe they'll make changes to be more efficient and, most importantly, save money." The "My Home Energy Report" is a customized, paper-based energy usage report sent via U.S. mail to eligible residential customers in Ohio. The report groups homes of similar size, age and location (based on publicly available tax records) and compares the customer's usage to the average home and efficient homes within the group. (Marketwatch.com - Apr. 3, 2012)

EPA moves closer to approval of 15 pct ethanol gas

The federal government announced Monday it has taken a step toward wide distribution of gasoline mixed with 15 percent ethanol by allowing manufacturers to register as suppliers. While the EPA is moving the process forward by allowing the registration, E15 still must clear another set of federal tests and become a registered fuel in individual states. Ethanol makers then must convince petroleum marketers to sell it at gas stations. Most ethanol fuel sold for passenger cars and pickups today is 10 percent ethanol and 90 percent gas. (devilslakejournal.com - Apr. 4, 2012)

Kentucky Retail Fuel Prices (Dollars per gallon)

Product	4/5/2012	3/28/2012	3/23/2012	3/15/2012	Year Ago
Gasoline (State avg.)	3.896	3.885	3.892	3.736	3.681
Ashland	3.849	3.879	3.942	3.762	3.693
Covington	3.955	3.977	3.994	3.889	3.712
Lexington	3.827	3.845	3.881	3.662	3.66
Louisville	4.039	3.976	3.979	3.821	3.63
Owensboro	3.874	3.799	3.833	3.716	3.568
Diesel (State avg.)	4.112	4.111	4.109	4.038	3.915
Ashland	4.106	4.126	4.14	4.063	3.938
Covington	4.133	4.133	4.128	4.005	3.955
Lexington	4.124	4.13	4.139	4.04	3.913
Louisville	4.1	4.114	4.112	4.011	3.887
Owensboro	4.127	4.111	4.105	4.066	3.86

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,

Product	3/19/2012	3/12/2012	3/5/2012	2/27/2012	Year Ago
Heating Oil (dollars per gallon)	4.112	4.105	4.1	4.108	3.878
Propane (dollars per gallon)	2.869	2.868	2.867	2.867	2.857

Source: the U.S. Energy Information Administration

Wholesale Fuel Prices

Spot Prices	4/4/2012	3/27/2012	3/22/2012	3/14/2012	Year Ago
Crude Oil (Dollars per barrel) <i>West Texas Intermediate, job</i>	101.47	107.33	105.35	105.43	108.34
Natural Gas (Dollars per MMBtu) <i>Henry-Hub</i>	2.059	2.086	2.135	2.118	4.235

Source: the Wall Street Journal

Futures		12-May	12-Jun	12-Jul
Crude Oil (Dollars per barrel) <i>Light Sweet Crude Oil</i>	4/4/2012	101.47	102.03	102.61
	3/27/2012	107.33	107.85	107.85
	3/22/2012	105.35	105.84	105.84
Natural Gas (Dollars per MMBtu) <i>Henry-Hub</i>	4/4/2012	2.141	2.267	2.406
	3/27/2012	2.294	2.414	2.414
	3/22/2012	2.372	2.477	2.477
Propane (Dollars per gallon) <i>Mt Belvieu (OPIS)</i>	4/4/2012	1.199	1.205	1.213
	3/27/2012	1.29	1.297	1.297
	3/22/2012	1.281	1.289	1.289
Coal (Dollars per ton) <i>Central Appalachian</i>	4/4/2012	57.87	58.6	59.72
	3/27/2012	56.63	57.33	57.33
	3/22/2012	57.33	57.7	57.7

Source: CME Group



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