

Kentucky Energy Watch

Department for Energy Development and Independence

A snapshot of state and national energy issues



Gov. Beshear announces on-farm energy efficiency, production recipients

Governor Steve Beshear today announced the awarding of nearly \$700,000 in On-Farm Energy Efficiency and Production grants from the Kentucky Agricultural Development Fund (KADF). "In January, the Kentucky Agricultural Development Board, which I chair, announced the availability of \$2 million from KADF to continue providing farmers the opportunity to increase farm energy efficiency or renewable energy production," said Gov. Beshear. "I am pleased to announce that through the first round of applications, 81 farm families from 36 counties were able to take advantage of this opportunity." The on-farm energy incentives program provides 25 percent reimbursement of the actual cost of a qualified energy saving item, up to \$10,000. (SurfKY News Group – May 24, 2012)

Lt. Gov. Abramson congratulates Henderson County on using federal stimulus funds

On a day that was as pretty and mild as Wednesday, one doesn't fret much about heating or air conditioning costs. But it will be blazing hot soon enough, and next winter is not likely to be as warm as this past one. So in time, Henderson County government will reap the rewards of energy-efficient replacement windows and new lighting installed last year in the courthouse thanks to \$125,000 in federal stimulus funds funneled here through state government. Kentucky Lt. Gov. Jerry Abramson on Wednesday congratulated the county government for taking advantage of the funding offer. (courierpress.com – May 23, 2012)

Whitley County project producing houses with little or no energy costs

If things go as planned, Ashley Warren and Anthony Spicer won't pay an electric bill at their new home in Whitley County. They'll be getting a check from the power company instead. The couple and their three daughters recently moved into a house designed to use 90 percent less energy for heating and cooling than a conventional home. The house also has solar panels on the roof that generate power to sell back to the electric company. (Herald Leader – May 28, 2012)

NKU featured in The Princeton Review's 'Guide to 322 Green Colleges'

Northern Kentucky University is one of 322 colleges and universities nationwide to be recognized by The Princeton Review and the Center for Green Schools at the U.S. Green Building Council as the greenest higher education institutions in America and Canada. NKU joins the University of Louisville and Western Kentucky University as the only Kentucky schools included in the guide. "It is a tremendous honor to be included among those institutions nationally who share our commitment to sustainability," said NKU President James Votruba. "Many on our campus have stepped forward and taken leadership roles through academic programming, extracurricular projects and infrastructure planning. (The Lane Report – May 29, 2012)

Even in Coal Country, the fight for an industry

For generations, coal has been king in this Appalachian town. It provided heat, light and jobs for the hundreds of people who worked in the nearby coal mines and the smoke-coughing Big Sandy power plant that burned their black bounty. But now, coal is in a corner. Across the United States, the industry is under siege, threatened by new regulations from Washington, environmentalists fortified by money from Michael R. Bloomberg, the billionaire mayor of New York City, and natural gas companies' intent on capturing much of the nation's energy market. (The New York Times – May 29, 2012)

Kentucky Power withdraws nearly \$1 billion plan to clean Big Sandy coal unit

American Electric Power's Kentucky Power subsidiary on Wednesday withdrew a controversial proposal to spend nearly \$1 billion on environmental upgrades that would allow it to continue to operate its coal-fired Big Sandy plant for years to come. The utility's unexpected decision came just days before the Kentucky Public Service Commission was scheduled to issue an order on the case that has focused national attention on the future of coal-fired generation in the country. "Basically, we're going to re-evaluate where things stand," utility spokesman Ronn Robinson said. "This allows us to consider all the options to come up with the best plan that takes into consideration impacts on customers, shareholders and the company." Kentucky Power in December asked the PSC to approve its plan to spend more than \$930 million to install pollution controls on the 800-MW Unit 2 at Big Sandy by 2016 to comply with new US Environmental Protection Agency emission limits. A second, 278-MW coal unit at the plant would be retired. (Platts – May 30, 2012)

Carbon dioxide emissions reach record high

Emissions of heat-trapping carbon dioxide reached an all-time high last year, further reducing the chances that the world could avoid a dangerous rise in global average temperature by 2020, according to the International Energy Agency, the energy analysis group for the world's most industrialized states. Global emissions of carbon-dioxide, or CO₂, from fossil-fuel combustion hit a record high of 31.6 gigatonnes in 2011, according to the IEA's preliminary estimates, an increase of 1 Gt, or 3.2 percent from 2010. The burning of coal accounted for 45 percent of total energy-related CO₂ emissions in 2011, followed by oil (35 percent) and natural gas (20 percent). According to the vast majority of climatologists, the rapid rise of carbon dioxide in the atmosphere because of industrialization over the last 150 years has led to an increase in global average temperature by about 1 degree Celsius. (Herald Leader – May 25, 2012)

Kentucky Retail Fuel Prices (Dollars per gallon)

Product	5/31/2012	5/24/2012	5/18/2012	5/10/2012	Year Ago
Gasoline (State avg.)	3.509	3.582	3.616	3.609	3.686
Ashland	3.686	3.749	3.604	3.651	3.803
Covington	3.74	3.772	3.758	3.71	3.791
Lexington	3.44	3.549	3.661	3.559	3.65
Louisville	3.58	3.639	3.557	3.631	3.784
Owensboro	3.451	3.497	3.57	3.617	3.643
Diesel (State avg.)	3.866	3.908	3.951	3.993	3.916
Ashland	3.89	3.918	3.931	4.003	3.978
Covington	3.932	3.961	3.973	4.008	3.972
Lexington	3.873	3.909	3.957	3.993	3.926
Louisville	3.894	3.927	3.967	3.995	3.951
Owensboro	3.898	3.936	3.98	4.017	3.978

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	5/30/2012	5/23/2012	5/17/2012	5/9/2012	Year Ago
Crude Oil (Dollars per barrel) <i>West Texas Intermediate, fob</i>	87.82	89.59	92.56	96.81	100.29
Natural Gas (Dollars per MMBtu) <i>Henry-Hub</i>	2.395	2.601	2.559	2.368	4.625

Source: the Wall Street Journal

Futures		12-Jun	12-Jul	12-Aug
Crude Oil (Dollars per barrel) <i>Light Sweet Crude Oil</i>	5/30/2012	*	87.82	88.14
	5/23/2012	91.66	89.90	90.20
	5/17/2012	92.56	92.94	93.19
Natural Gas (Dollars per MMBtu) <i>Henry-Hub</i>	5/30/2012	2.429	2.418	2.471
	5/23/2012	2.737	2.796	2.836
	5/17/2012	2.594	2.673	2.73
Propane (Dollars per gallon) <i>Mt Belvieu (OPIS)</i>	5/30/2012	0.79	0.794	0.802
	5/23/2012	0.837	0.841	0.848
	5/17/2012	0.938	0.943	0.951
Coal (Dollars per ton) <i>Central Appalachian</i>	5/30/2012	54.33	56.13	57.13
	5/23/2012	54.33	56.03	57.01
	5/17/2012	55.9	57.37	58.15

Source: CME Group

* - Information Not Available



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