

Kentucky Energy Watch

Department for Energy Development and Independence

A snapshot of state and national energy issues



E. Ky. Power looks to replace energy from old coal plants

East Kentucky Power Cooperative announced Friday it is requesting proposals for ways to generate as much as 300 megawatts of power to potentially replace its aging coal-fired power units. It's the latest in a series of moves by utilities throughout the state, as well as the nation, to comply with more stringent federal environmental regulations that go into effect in the coming years. In East Kentucky Power's case, it will need to either shut down or retrofit four units at its Dale power plant in Clark County, which dates to the 1950s, as well as one unit at its Cooper plant near Somerset that went online in 1965. "Among the alternatives are retrofitting those units or developing new generation to replace them," said cooperative spokesman Nick Comer. (Herald Leader – June 8, 2012)

LG&E-KU proposes 7% customer rate hike

Your gas and electric bills could be going up within the next year. That is if a proposed LG&E and KU rate hike is approved. Combined gas and electric customers could wind up paying an extra \$10.65 a month for utilities. Dolores Coleman lives on a fixed income. For her it is not easy. "Well, when LG&E goes up, when the water company goes up, the little money you get doesn't cover everything," Coleman said. Her money might have to stretch to cover even more. LG&E and KU are asking the Kentucky Public Service Commission for a roughly 7% rate increase. (Wave 3 – June 8, 2012)

UK project receives \$880,000 grant from Department of Energy

The University of Kentucky recently received an \$880,523 grant from the U.S. Department of Energy (DOE), as part of the DOE's Nuclear Energy Program's \$36.2 million initiative to enhance energy research and development projects. This grant, titled "Elastic/Inelastic Measurement Project," will center upon fuel cycle research and development. A consortium of three universities and a national laboratory has been formed to provide the necessary breadth for this effort, including scientists with extensive experience in neutron elastic and inelastic scattering measurements and with direct access to the facilities for completing the proposed neutron measurements, i.e., the UK Accelerator Laboratory. Steven W. Yates, a professor in both the Department of Chemistry and the Department of Physics and Astronomy, as well as Marcus T. McEllistrem, emeritus professor from the Department of Physics and Astronomy, will act as the principal UK researchers for the three-year project. (UKnow University of Kentucky News) – June 11, 2012)

Training sheds light on solar power in KY

Training taking place in Kentucky is shedding some light on solar power in hopes of making it a prime choice for more homeowners and businesses. The Kentucky Solar Partnership is an initiative of Appalachia Science in the Public Interest, where Director Alan Whetsel says it is offering sessions on topics like solar water heating, and solar energy trends and technologies. Participants are in lines of work where the information can be put to good use: the electrical, construction and plumbing fields, and in businesses that could branch out into solar installations. The need for solar power training is evident, adds Whetsel. (Public News Service – June 8, 2012)

Poll: Americans know how to save energy, but balk

When it comes to saving energy, people in the United States know that driving a fuel-efficient car accomplishes more than turning off the lights at home. But that doesn't mean they'll do it. A new poll shows that while most of those questioned understand effective ways to save energy, they have a hard time adopting them. Six in 10 surveyed say driving a more fuel-efficient car would save a large amount of energy, but only 1 in 4 says that's easy to do, according to the poll by the AP-NORC Center for Public Affairs Research. People also are skeptical of carpooling or installing better home insulation, rating them as effective but impractical. On the other end of the spectrum, 8 in 10 say they easily can turn off the lights when they leave a room, and 6 in 10 have no problem turning up the thermostat in summer or down in winter, although fewer than half think those easy steps save large amounts of energy. (ABC News – June 9, 2012)

\$257 billion invested in renewable energy in 2011

Global investment in renewable energy reached a record of \$257 billion last year, with solar attracting more than half the total spending, according to a U.N. report released Monday. Investment in solar energy surged to \$147 billion in 2011, a year-on-year increase of 52 percent thanks to strong demand for rooftop photovoltaic installations in Germany, Italy, China and Britain. Large-scale solar thermal installations in Spain and the United States also contributed to growth during a fiercely competitive year for the solar industry. Several large American and German manufacturers fell victim to price pressure from Chinese rivals that helped to halve the cost of photovoltaic modules in 2011. (Herald Leader – June 11, 2012)

Global gas glut narrowed, coal surged in 2011-BP

A global glut in natural gas narrowed in 2011 while rival coal grabbed its largest share of energy consumed since 1969, BP said in its Statistical Review of World Energy 2012 published on Wednesday. World gas production grew by 3.1 percent, outpacing consumption growth of 2.2 percent which was pinned back by recession-hit Europe where demand fell by a record 9.9 percent. High prices and competition from renewable alternatives also hit gas consumption in Europe, while surging demand for power in Asia boosted use of cheaper coal, BP said. Coal consumption grew by 5.4 percent in 2011 as Asian economic giants China and India stepped up imports. (Reuters – June 13, 2012)

Kentucky Retail Fuel Prices (Dollars per gallon)

Product	6/14/2012	6/7/2012	5/31/2012	5/24/2012	Year Ago
Gasoline (State avg.)	3.412	3.455	3.509	3.582	3.632
Ashland	3.535	3.6	3.686	3.749	3.655
Covington	3.689	3.683	3.74	3.772	3.789
Lexington	3.453	3.484	3.44	3.549	3.583
Louisville	3.436	3.491	3.58	3.639	3.711
Owensboro	3.361	3.365	3.451	3.497	3.647
Diesel (State avg.)	3.77	3.816	3.866	3.908	3.901
Ashland	3.778	3.828	3.89	3.918	3.935
Covington	3.843	3.856	3.932	3.961	3.883
Lexington	3.789	3.838	3.873	3.909	3.874
Louisville	3.82	3.876	3.894	3.927	3.896
Owensboro	3.831	3.846	3.898	3.936	3.948

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	6/13/2012	6/6/2012	5/30/2012	5/23/2012	Year Ago
Crude Oil (Dollars per barrel) <i>West Texas Intermediate, fob</i>	82.62	85.02	87.82	89.59	94.81
Natural Gas (Dollars per MMBtu) <i>Henry-Hub</i>	2.195	2.395	2.395	2.601	4.525

Source: the Wall Street Journal

Futures		12-Jul	12-Aug	12-Sep
Crude Oil (Dollars per barrel) <i>Light Sweet Crude Oil</i>	6/13/2012	82.62	82.92	83.19
	6/6/2012	85.02	85.33	85.64
	5/30/2012	87.82	88.14	*
Natural Gas (Dollars per MMBtu) <i>Henry-Hub</i>	6/13/2012	2.185	2.236	2.281
	6/6/2012	2.421	2.474	2.521
	5/30/2012	2.418	2.471	*
Propane (Dollars per gallon) <i>Mt Belvieu (OPIS)</i>	6/13/2012	0.769	0.777	0.788
	6/6/2012	0.785	0.792	0.801
	5/30/2012	0.794	0.802	*
Coal (Dollars per ton) <i>Central Appalachian</i>	6/13/2012	54.57	54.88	55.15
	6/6/2012	54.82	55.72	55.97
	5/30/2012	56.13	57.13	*

Source: CME Group

* - Information Not Available



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