

Kentucky Energy Watch

Department for Energy Development and Independence

A snapshot of state and national energy issues

Governor Beshear announces energy assistance grant for local government programs

Governor Steve Beshear today announced Kentucky has been awarded a grant to assist local government efforts to reduce energy consumption in public facilities. The U.S. Department of Energy (DOE), through the State Energy Program (SEP), awarded a three-year, \$715,000 grant to the Commonwealth ... The objectives of this program are to (1) provide training and education to local leaders on options for financing energy efficiency, cost-savings building retrofits through performance contracting and, (2) provide legal and technical assistance to local governments to better negotiate contracts with energy savings performance contracting firms and navigate the procurement process. Performance contracting allows governments to use energy cost savings to pay for building improvements without having to raise taxes. Improvements and energy savings can be implemented in buildings, water or wastewater treatment facilities, or street lighting. (Surf KY News – Jul. 9, 2012)

Energy beets for the future of Kentucky farms and fuel

Add “energy beets” to the cash crop list for Kentucky farmers. The high-sugar energy beet, a variety bred to serve the fuel/energy market, is now growing on test plots in Whitley and other Kentucky counties. Kentucky-based Patriot Bio-Energy Corporation plans to use them to boost agriculture and help bring U.S. independence from foreign oil. Patriot’s vision also aims to bring biomass to electricity generation. However, the first target for the company, which has offices in Pikeville, Lexington and Williamsburg, is the ethanol market. Currently ethanol in the United States is mostly corn-based. Some industry analysts see beets as a good alternative. (Business Lexington – Jul. 5, 2012)

Kentucky Habitat for Humanity dedicates first “passive house”

Kentucky Habitat for Humanity has as its mission building homes for residents with low incomes, but the new owners of the organization’s latest construction will see added benefits when their utility bills arrive. Habitat’s latest project is what’s called a “passive house.” It’s not quite zero energy, but it requires 70 percent less energy when compared to a conventional home. That’s achieved through super-insulation, triple pane windows, a special heat exchanger, and other modifications. (WUKY – Jul. 10, 2012)

Lexington home builders first in the U.S. to support home energy rating

Lexington homebuilders are putting themselves on the national map by joining forces to improve the energy efficiency of future residential structures in Fayette County. The Home Builders Association of Lexington (HBAL) will announce this week a commitment to the Home Energy Rating System (HERS) Index. HERS was developed by the Residential Energy Services Network (RESNET). RESNET is a leading trade organization that promotes home energy saving. The HERS Index rating system is the nationally-recognized energy standard by which a home’s energy efficiency is measured and its energy performance is calculated. (Business Lexington – Jul. 10, 2012)

Westport opens WiNG conversion facility at Ford’s Kentucky truck plant

Westport Innovations yesterday celebrated the grand opening of a facility for installing its WiNG bi-fuel conversion for Ford F-250 and F-350 pickups. Workers are starting to add natural gas systems to the gasoline-powered trucks, with production planned for gradual ramp-up to as many as 20,000 a year. Called the Westport Kentucky Integration Center, the facility is across the street from Ford’s Kentucky Truck Plant east of Louisville, said John Howell, senior director of marketing and business development for Westport Light Duty. Close proximity allows new trucks to be taken to the Westport building and, when the WiNG installation is complete, to be returned to Ford’s premises. From there the trucks are shipped by regular transporters to authorized dealers. To ensure factory quality, the Louisville-area facility is the only one that will do the WiNG conversions, he said. “With bi-fuel, people don’t need to worry about finding natural gas fuel,” Howell said of the WiNG system’s either-or capability. “They can run on gasoline if they need to. They should use natural gas most of the time, however.” (Truckinginfo.com - Jun. 27, 2012)

Do your part: go green before getting away

Will you be getting away from the daily grind this summer? Before you jump in the car for a road trip or board a plane to a faraway destination, Do Your Part at home to conserve energy and money while you’re away. Here is my checklist for going green - before you go. (1) Turn Down the Water Heater – One of the easiest ways to save energy while you’re away is to turn down your water heater. For gas water heaters, simply turn the dial to the lowest setting but don’t turn it off. Some water heaters make it even simpler by having “vacation” and/or “pilot” modes. For those with electric water heaters, flip its corresponding circuit breaker off before you leave. Just remember to reset the water heater when you return as it could take several hours to produce hot water. (2) Adjust the Air Conditioning – There’s no need to have the air conditioner running when no one is there to enjoy it. However, turning it all the way off could harm your houseplants and force your refrigerator to work overtime. Consider leaving your AC set to around 85 degrees while you’re gone. (Herald Leader – Jul. 9, 2012)

Kentucky Retail Fuel Prices (Dollars per gallon)

Product	7/13/2012	7/5/2012	6/28/2012	6/21/2012	Year Ago
Gasoline (State avg.)	3.33	3.297	3.23	3.357	3.611
Ashland	3.239	3.226	3.334	3.423	3.601
Covington	3.545	3.397	3.491	3.603	3.747
Lexington	3.304	3.325	3.15	3.311	3.567
Louisville	3.435	3.467	3.362	3.514	3.704
Owensboro	3.241	3.196	3.205	3.314	3.581
Diesel (State avg.)	3.618	3.614	3.652	3.722	3.852
Ashland	3.605	3.621	3.663	3.726	3.818
Covington	3.597	3.657	3.723	3.802	3.802
Lexington	3.594	3.629	3.67	3.749	3.821
Louisville	3.612	3.685	3.701	3.769	3.817
Owensboro	3.673	3.688	3.689	3.768	3.87

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	7/12/2012	7/3/2012	6/27/2012	6/20/2012	Year Ago
Crude Oil (Dollars per barrel) <i>West Texas Intermediate, fob</i>	86.08	87.66	80.21	81.8	95.69
Natural Gas (Dollars per MMBtu) <i>Henry-Hub</i>	2.789	2.801	2.825	2.57	4.39

Source: the Wall Street Journal

Futures		12-Aug	12-Sep	12-Oct
Crude Oil (Dollars per barrel) <i>Light Sweet Crude Oil</i>	7/12/2012	86.08	86.46	86.80
	7/3/2012	87.66	88.03	88.39
	6/27/2012	80.21	80.61	81.01
Natural Gas (Dollars per MMBtu) <i>Henry-Hub</i>	7/12/2012	2.874	2.869	2.894
	7/3/2012	2.899	2.911	2.955
	6/27/2012	2.798	2.809	2.597
Propane (Dollars per gallon) <i>Mt Belvieu (OPIS)</i>	7/12/2012	0.859	0.869	0.876
	7/3/2012	0.825	0.838	0.846
	6/27/2012	0.808	0.82	0.829
Coal (Dollars per ton) <i>Central Appalachian</i>	7/12/2012	56.45	57.47	59.95
	7/3/2012	56.33	56.85	58.67
	6/27/2012	55.53	55.92	57.83

Source: CME Group



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