

Kentucky Department for Energy Development and Independence Energy Watch

A snapshot of state and national energy issues



U.S. to Be Top Oil Producer by 2015 on Shale, IEA Says

The U.S. will surpass Russia and Saudi Arabia as the world's top oil producer by 2015, and be close to energy self-sufficiency in the next two decades, amid booming output from shale formations, the IEA said. Crude prices will advance to \$128 a barrel by 2035 with a 16 percent increase in consumption supporting the development of so-called tight oil in the U.S. and a tripling in output from Brazil, the International Energy Agency said today in its annual World Energy Outlook. (www.bloomberg.com Nov. 12, 2013)

Volatile prices at gas pumps give drivers whiplash

Local gasoline prices are swinging up and down ever more drastically, a result of a national fuel system that is operating with a shrinking margin for error. Jumps of 20 cents per gallon or more in a single day are becoming more common, for example, according to an AP analysis of daily and weekly price changes at 120,000 U.S. gasoline stations tracked by GasBuddy.com. (www.kentucky.com Nov. 2, 2013)

TVA to shut down coal units at Widows Creek, Colbert, Paradise

The Tennessee Valley Authority will shutter another eight coal units in Alabama and Kentucky and build a new natural gas plant in Kentucky as part of a strategy by TVA to try to cut the share of its power generated by coal in half while doubling its gas-fired generation. TVA directors voted today to shut down the newest unit at Widows Creek Fossil Plant in northeast Alabama, all five units at the Colbert plant in Northwest Alabama and units 1 and 2 at the Paradise plant in western Kentucky. (www.timesfreepress.com Nov. 14, 2013)

Coal Industry Leaders Gather for Energy Symposium

Leaders in the coal industry gathered Tuesday to discuss what they refer to as the possible death of the coal industry -- greenhouse gas regulation, according to Nick Carter, chief operating officer of Natural Resource Partners. Nearly 100 people attended Tuesday's Ninth Annual Energy and Natural Resource Symposium to discuss what Carter says is an attack by the government to put coal companies out of business. It took place at the St. Mary's Center for Education in Huntington. (www.wsaz.com Nov. 12, 2013)

Duke, UK use algae to eat CO2 and make new stuff

Converting flue gas emissions into biofuel may seem like a pipe dream, but a groundbreaking process at Duke Energy's East Bend Station in Boone County could make it a reality. The Kentucky Department of Energy Development and Independence and the University of Kentucky are partnering with Duke Energy on the project, which converts the carbon dioxide in flue gas to algal biomass. The biomass is then periodically harvested to supply feedstock for upgrading into other products. (www.nky.cinicnati.com Nov. 8, 2013)

Who Wants to Transport Natural Gas Liquids Through Kentucky? Two Companies are Asking

It's open season for hunting Kentucky deer—and apparently for Kentucky pipelines as well. Right now, there are two proposed pipelines that would carry natural gas liquids through Kentucky. One of these is the Bluegrass Pipeline, a joint venture between Williams and Boardwalk Partners. The proposal involves 500 miles of new construction through Kentucky and Ohio to carry hydrocarbons from natural gas drilling (materials like ethane, butane and propane) to processing plants on the Gulf of Mexico. (www.wfpl.org Nov. 14, 2013)

Greensource: Winter's return reminds us that being energy efficient is as important as ever

We had snow this week! In November! OK, maybe it wasn't much snow, but any snow in November is special. As a result of that touch of snow, accompanied by super cold temperatures, I am especially enjoying cuddling under blankets by the fire. The problem is, it's much earlier this year than last, and I am a bit worried about our heating bill for the next four months. (www.kyforward.com Nov. 14, 2013)

Residents lined up for assistance from LIHEAP

As colder weather approaches, many residents in our area will have a hard time paying their utility bills. Thursday morning, people lined up at the Urban Government Center on Barret Avenue. But the assistance won't come today. People are here to make an appointment to come back and get help. Thursday, appointments are being scheduled in person only-- between 7 a.m.- 4 p.m. If you can't make it today, you can also sign up for an appointment Friday or Monday. (www.wdrb.com Nov. 7, 2013)

Kentucky Utilities doubling donations to assistance programs

Louisville Gas and Electric Co. and Kentucky Utilities Co. are encouraging customers to help community members who may have difficulty paying their heating bills during the winter months. Through March 31, the utilities will match \$2 for every \$1 donated by residential customers to the utilities' heating assistance programs. (www.centrankynews.com Nov. 8, 2013)

Kentucky Retail Fuel Prices (Dollars per gallon)

Product	11/14/2013	11/7/2013	10/31/2013	10/24/2013	Year Ago
Gasoline (State avg.)	\$ 3.24	\$ 3.22	\$ 3.31	\$ 3.37	\$ 3.36
Ashland	\$ 3.21	\$ 3.25	\$ 3.31	\$ 3.48	\$ 3.41
Covington	\$ 3.28	\$ 3.29	\$ 3.40	\$ 3.43	\$ 3.51
Lexington	\$ 3.32	\$ 3.22	\$ 3.38	\$ 3.34	\$ 3.48
Louisville	\$ 3.24	\$ 3.19	\$ 3.30	\$ 3.45	\$ 3.22
Owensboro	\$ 3.12	\$ 3.17	\$ 3.23	\$ 3.29	\$ 3.27
Diesel (State avg.)	\$ 3.88	\$ 3.89	\$ 3.90	\$ 3.91	\$ 3.97
Ashland	\$ 3.92	\$ 3.93	\$ 3.93	\$ 3.94	\$ 3.96
Covington	\$ 3.88	\$ 3.91	\$ 3.93	\$ 3.94	\$ 3.97
Lexington	\$ 3.88	\$ 3.89	\$ 3.90	\$ 3.92	\$ 3.97
Louisville	\$ 3.83	\$ 3.84	\$ 3.85	\$ 3.87	\$ 3.99
Owensboro	\$ 3.89	\$ 3.91	\$ 3.91	\$ 3.92	\$ 3.98

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	11/11/2013	11/4/2013			Year Ago
Heating Oil (dollars per gallon)	\$ 3.55	\$ 3.53			\$ 3.65
Propane (dollars per gallon)	\$ 2.21	\$ 2.21			\$ 2.04

Spot Prices	11/13/2013	11/6/2013	10/30/2013	10/23/2013	Year Ago
Crude Oil (Dollars per barrel) <i>West Texas Intermediate, fob</i>	\$ 94.11	\$ 94.44	\$ 96.62	\$ 97.05	\$ 86.32
Natural Gas (Dollars per MMBtu) <i>Henry-Hub</i>	\$ 3.67	\$ 3.47	\$ 3.57	\$ 3.66	\$ 3.66

Source: the Wall Street Journal

Futures		December 2013	January 2014	February 2014
Crude Oil (Dollars per barrel) <i>Light Sweet Crude Oil</i>	11/13/2013	\$ 93.88	\$ 94.49	\$ 94.75
	11/6/2013	\$ 94.80	\$ 95.13	\$ 95.27
	10/30/2013	\$ 96.77	\$ 97.06	\$ 97.03
MMBtu <i>Henry-Hub</i>	11/13/2013	\$ 3.57	\$ 3.62	\$ 3.62
	11/6/2013	\$ 3.50	\$ 3.57	\$ 3.58
	10/30/2013	\$ 3.62	\$ 3.71	\$ 3.72
Propane (Dollars per gallon) <i>Mt Behien (OPIS)</i>	11/13/2013	\$ 1.20	\$ 1.20	\$ 1.18
	11/6/2013	\$ 1.19	\$ 1.19	\$ 1.17
	10/30/2013	\$ 1.17	\$ 1.17	\$ 1.15
Coal (Dollars per ton) <i>Central Appalachian</i>	11/13/2013	\$ 53.24	\$ 53.95	\$ 53.95
	11/6/2013	\$ 54.21	\$ 55.08	\$ 55.08
	10/30/2013	\$ 55.64	\$ 56.35	\$ 56.35

Source: CME Group

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