

Kentucky Energy Watch

Department for Energy Development and Independence

A snapshot of state and national energy issues



Major Hydro Generation Components Moving Down Ohio River

Another milestone has been achieved in the nation's largest deployment of new run-of-the-river hydroelectric generation being undertaken by American Municipal Power, Inc. (AMP). On February 24, major components of the generators for the Cannelton Hydroelectric Plant, one of four under construction by AMP at existing dams on the Ohio River, left the manufacturing facility in Hannibal, Ohio en route to the site, approximately 594 miles downriver. The stators and distributors, manufactured by Voith Hydro at the facility they opened in Hannibal (the distributors were manufactured at Voith Hydro's facility in York, PA with final assembly in Hannibal), were loaded on to a barge and are expected to arrive at the site on the Cannelton Dam, near Hawesville, KY on Thursday, Feb. 28. (www.renewablesbiz.com, February 27, 2013)

Energy efficiency program aims to make all Kentuckians more aware

Kentucky is one of three states to receive a U.S. Department of Energy grant to use Cooperative Extension offices to funnel energy efficiency information to residents. Beverly Miller, an extension associate in the University of Kentucky College of Agriculture Department of Biosystems and Agricultural Engineering is spearheading the effort dubbed "Energy Efficiency Awareness and Action Program." If the program is successful in Kentucky, it could become a nationwide program, Miller said. "We've begun to work with our Cooperative Extension agents throughout the state to give them tools they can pass on to their clientele," she said. "We are hoping they will be able to reach residential and commercial clients, as well as 4-Hers in their counties." (The Lane Report, February 28, 2013)

Gas Boom Projected to Grow for Decades

U.S. natural-gas production will accelerate over the next three decades, new research indicates, providing the strongest evidence yet that the energy boom remaking America will last for a generation. The most exhaustive study to date of a key natural-gas field in Texas, combined with related research under way elsewhere, shows that U.S. shale-rock formations will provide a growing source of moderately priced natural gas through 2040, and decline only slowly after that. A report on the Texas field, to be released Thursday, was reviewed by The Wall Street Journal. (The Wall Street Journal, February 27, 2013)

Conference to look at renewable energy initiatives

People interested in renewable energy and energy efficiency can learn the latest developments at a workshop. The event will feature officials from federal agencies, national laboratories, industry and academic centers. The workshop is set for March 24-26 at the Kentucky International Convention Center in Louisville. The conference is organized by the University of Louisville's Conn Center for Renewable Energy Research. Conference sessions will focus on solar energy, energy materials discovery, biofuels and biomass conversion, energy storage and energy-efficient buildings. (The Herald Leader, February 22, 2013)

State officials seek resolution to dispute between utility, Western Kentucky aluminum smelters

A dispute between a regional utility and two aluminum smelters in western Kentucky over electric rates is getting an increasing amount of attention from state officials in Frankfort. The Gleaner (<http://bit.ly/WcSL3x>) reports that Gov. Steve Beshear sent a letter on Wednesday urging the presidents of Big Rivers Electric Corp. and its largest customer, Century Aluminum, to come to a compromise that preserves jobs and keeps electric rates from skyrocketing. A day previous, Democratic Rep. Jim Gooch of Providence filed a bill proposing to force a merger between Big Rivers and East Kentucky Power Cooperative. (The Daily Journal, February 21, 2013)

Louisville to supply wood waste to Recast Energy

When storms, disease or old age down trees and limbs in city parks, the wood waste will now be sold and turned into energy that helps power Louisville companies and organizations—instead of going to the landfill. Under a partnership between Louisville Metro Parks and Recast Energy Louisville LLC, the tons of wood waste generated in city parks each year will be sold to Recast then converted to thermal energy. "This is a great public/private partnership and a smart environmental move that pays off for our community in three different ways," Mayor Greg Fischer said. "It saves taxpayer dollars in dealing with the huge amount of wood we accumulate each year; it keeps that wood out of the landfill; and it provides cleaner, alternative energy for local companies." (Biomass Magazine, February 20, 2013)

Extra money secured for energy assistance

Additional money has been secured to help low-income people pay for their home heating costs in eastern Kentucky. Attorney General Jack Conway says his Office of Rate Intervention helped obtain nearly \$50,000 for the Low-Income Home Energy Assistance Program. The extra money comes from a settlement between the Federal Energy Regulatory Commission and Constellation Energy Commodities Group over Constellation's alleged manipulation of the wholesale energy market. The Kentucky Public Service Commission assisted Conway's office in determining the amount of money that Kentucky was due as a result of the settlement. Kentucky's share was paid this month to Community Action Kentucky and distributed to five community action agencies. (Fox 19 News, February 25, 2013)

Kentucky Retail Fuel Prices (Dollars per gallon)

Product	2/28/2013	2/21/2013	2/14/2013	2/7/2013	Year Ago
Gasoline (State avg.)	3.774	3.797	3.621	3.506	3.686
Ashland	3.799	3.859	3.706	3.592	3.687
Covington	3.837	3.82	3.72	3.648	3.73
Lexington	3.825	3.776	3.666	3.478	3.729
Louisville	3.758	3.873	3.666	3.565	3.698
Owensboro	3.639	3.721	3.506	3.423	3.6
Diesel (State avg.)	4.103	4.117	4.086	3.992	3.968
Ashland	4.127	4.207	4.2	4.051	3.986
Covington	4.106	4.12	4.131	4.014	3.892
Lexington	4.12	4.13	4.103	4.001	3.973
Louisville	4.084	4.102	4.081	3.998	3.925
Owensboro	4.116	4.127	4.056	3.987	3.976

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	2/25/2013	2/18/2013	2/11/2013	2/4/2013	Year Ago
Heating Oil (dollars per gallon)	3.782	3.775	3.706	3.63	3.644
Propane (dollars per gallon)	2.194	2.198	2.197	2.189	2.579

Source: U.S. Energy Information Administration

Wholesale Fuel Prices

Spot Prices	2/27/2013	2/20/2013	2/13/2013	2/6/2013	Year Ago
Crude Oil (Dollars per barrel) <i>West Texas Intermediate, job</i>	92.76	94.46	97.01	96.62	107.07
MMBtu) <i>Henry-Hub</i>	3.535	3.335	3.293	3.38	2.426

Source: the Wall Street Journal

Futures		1-Apr	1-May	1-Jun
Crude Oil (Dollars per barrel) <i>Light Sweet Crude Oil</i>	2/27/2013	92.76	93.15	93.52
Natural Gas (Dollars per MMBtu) <i>Henry-Hub</i>	2/27/2013	3.434	3.481	3.53
Propane (Dollars per gallon) <i>Mt Belvieu (OPIS)</i>	2/27/2013	0.87	0.88	0.88
Coal (Dollars per ton) <i>Central Appalachian</i>	2/27/2013	59.5	59.5	59.5

Source: CME Group

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