

Grayson RECC rate increase approved

The Kentucky Public Service Commission (PSC) has approved a request by Grayson Rural Electric Cooperative Corporation (Grayson RECC) for a rate increase that will allow the utility to maintain its financial stability. In an order issued Wednesday, the PSC authorized Grayson RECC to raise rates to generate additional annual revenue of \$1.93 million. The allowed increase is about \$130,000 less than the amount requested by the utility. (www.journal-times.com July 31, 2013)

Illinois basin coal taking market share from central Appalachia

While many people have been looking at the Powder River Basin in Wyoming as the main competitor for coal from Central Appalachia, coal from another region has been moving in and taking market share. "About two years ago, three years ago, 2010, about 12 percent of our coal originations on CSX were coming out of the Illinois Basin, and this most recent quarter about 28 percent," Clarence W. Gooden, executive vice president of CSX, said last week during a conference call with financial analysts. "And most of that coal has displaced Central Appalachian coal, which is down fairly significantly. So we see the Illinois Basin continuing to grow over time." (www.statejournal.com July 31, 2013)

Beshear Says He Won't Add Pipeline Regulations to Special Session

Governor Beshear says it's unlikely he'll ask state lawmakers to deal with regulations on pipelines when they assemble in Frankfort next month for a special session. The governor says he called the special assembly to draw new maps for House and Senate districts and doesn't plan on adding anything else to the call. Concerns about the lack of regulations governing natural gas liquids pipeline have prompted some officials (and citizens, who started an online petition) to recommend that legislators review Kentucky's laws when they convene August 19th. (www.wfpl.org July 30, 2013)

Decline in coal industry felt on multiple levels

Folks in one Eastern Kentucky community continue to react after learning their county sheriff's department is being cut in half. As funds continue to dry up, county leaders are being forced to find ways to pinch pennies. One of those ways is by temporarily eliminating the Perry County Police Department. The department, made up of two officers, was created about a year ago and is responsible for patrolling Leatherwood, Eagles Landing and Perry County parks. (www.wkyt.com August 1, 2013)

Switchgrass Shows Biofuel, Farming Potential but Still Costs More than Coal

Kentucky has an estimated 14 million acres of farmland, and some believe that if just 5 percent to 10 percent of the acreage were turned over for production of switchgrass, it could help us power the commonwealth. "[Switchgrass is] one of four or five native, warm-season grasses used on farms in Kentucky. Those grasses were here when the first European settlers came to Kentucky," said Ray Smith, University of Kentucky extension forage specialist in the College of Agriculture. "They'll grow in a range of soil and weather conditions, even in poor soil not suitable for crops." (BusinessLexington.com, July 25, 2013)

US Solar Manufacturers Improve Efficiency with Rolled Form Components

Roll formed parts specialist, Roller Die, provides roll formed components for improved manufacturing quality and efficiency in the US solar industry. Roll forming advantages provide manufacturers with a resource for being more competitive in the US and throughout the world. Kentucky based roll formed parts specialist, Roller Die + Forming, is helping US solar product manufacturers to improve product quality and efficiency with innovative roll formed component solutions. In the highly competitive, rapidly growing solar industry, manufacturers are constantly seeking ways to reduce costs without cutting corners on quality. Roller Die's rolled formed components provide a resource that improves manufacturing efficiencies while contributing to product quality. (WorldNewsReport.com, July 24, 2013)

Coal a major contributor to Webster County

Few people are aware that 2013 is an anniversary of sorts for Webster County, KY. This year marks the 125 year since commercial coal production first began here, and it's importance to the people of Webster County is greater today than ever before. Records of coal mining in Webster County date back to before the Civil War, but according to [The Kentucky Encyclopedia](http://TheKentuckyEncyclopedia.com), it wasn't until 1888 that commercial coal mining began in earnest with the establishment of The Providence Coal Mining Company. (www.surfky.com July 31, 2013)

Kentucky Retail Fuel Prices (Dollars per gallon)

Product	8/1/2013	7/25/2013	7/18/2013	7/11/2013	Year Ago
Gasoline (State avg.)	\$ 3.59	\$ 3.58	\$ 3.64	\$ 3.47	\$ 3.51
Ashland	\$ 3.49	\$ 3.52	\$ 3.61	\$ 3.39	\$ 3.67
Covington	\$ 3.66	\$ 3.63	\$ 3.67	\$ 3.56	\$ 3.63
Lexington	\$ 3.62	\$ 3.59	\$ 3.71	\$ 3.52	\$ 3.63
Louisville	\$ 3.77	\$ 3.66	\$ 3.78	\$ 3.56	\$ 3.50
Owensboro	\$ 3.46	\$ 3.53	\$ 3.59	\$ 3.46	\$ 3.36
Diesel (State avg.)	\$ 3.85	\$ 3.85	\$ 3.84	\$ 3.83	\$ 3.74
Ashland	\$ 3.85	\$ 3.85	\$ 3.83	\$ 3.83	\$ 3.80
Covington	\$ 3.83	\$ 3.83	\$ 3.84	\$ 3.88	\$ 3.79
Lexington	\$ 3.84	\$ 3.85	\$ 3.84	\$ 3.84	\$ 3.75
Louisville	\$ 3.81	\$ 3.82	\$ 3.81	\$ 3.81	\$ 3.72
Owensboro	\$ 3.88	\$ 3.89	\$ 3.88	\$ 3.88	\$ 3.77

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,

Spot Prices	7/31/2013	7/24/2013	7/17/2013	7/10/2013	Year Ago
Crude Oil (Dollars per barrel) <i>West Texas Intermediate, fob</i>	\$ 105.03	\$ 105.39	\$ 106.48	\$ 106.52	\$ 88.91
Natural Gas (Dollars per MMBtu) <i>Henry-Hub</i>	\$ 3.44	\$ 3.71	\$ 3.67	\$ 3.70	\$ 3.20

Source: the Wall Street Journal

Futures		September 2013	October 2013	November 2013
Crude Oil (Dollars per barrel) <i>Light Sweet Crude Oil</i>	7/31/2013	\$ 105.03	\$ 104.22	\$ 102.94
Natural Gas (Dollars per MMBtu) <i>Henry-Hub</i>	7/31/2013	\$ 3.45	\$ 3.47	\$ 3.57
Propane (Dollars per gallon) <i>Mt Behvieu (OPIS)</i>	7/31/2013	\$ 0.95	\$ 0.95	\$ 0.95
Coal (Dollars per ton) <i>Central Appalachian</i>	7/31/2013	\$ 53.48	\$ 53.90	\$ 53.90

Source: CME Group



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