

### ***Power Plants' Online Security To Be Assessed***

A consulting firm has been selected to assess online cyber risks to Kentucky's electric cooperatives. The Kentucky Public Service Commission has been awarded a grant to study vulnerabilities at smaller electric utilities. The study will include between three and six cooperatives. It will assess the cyber risks to the cooperatives and how to mitigate the risks. Kentucky Association of Electric Cooperatives president Bill Corum says the study will have far-reaching benefits for the state's smaller power suppliers. (www.lex18.com Sept. 3, 2013)

### ***Battery facility NOHMs to locate R&D, business operations in Lexington***

Further solidifying Kentucky's emerging role in the development of next generation batteries, Gov. Steve Beshear today announced NOHMs Technologies Inc. has chosen Lexington to locate R&D, product development, business operations and a state-of-the-art research, manufacturing and product development facility for military, cell phone and electric vehicle lithium-ion batteries. The company, which plans to create up to 162 jobs and invest more than \$5.3 million in the project, will utilize the Kentucky-Argonne Battery Manufacturing Research and Development Center and the University of Kentucky's Spindletop Administration Building. (www.lanereport.com Sept. 4, 2013)

### ***PSC accepts settlement in Owen Electric rate case***

The Kentucky Public Service Commission (PSC) has accepted a proposed settlement in a rate adjustment case filed by Owen Electric Cooperative Inc. Owen Electric reached a settlement with the Kentucky Office of Attorney General that grants a \$4 million increase in annual revenue, which is about \$74,000 less than its original request and \$1.07 million less than a subsequent revised request. Owen Electric's annual revenue will increase by about 2.7 percent. Typical residential customers will see an increase of about \$5 in their monthly bills, although the amount of increase will vary based on individual electric usage. The PSC approved the settlement in an order issued Friday and allowed the new rates to take effect from the first of this month. (www.lanereport.com Sept. 4, 2013)

### ***FACTBOX-U.S. coal-fired power plants scheduled to shut***

U.S. power companies have shut or converted about 16,000 megawatts (MW) of coal-fired power plants since 2009 and have plans to shut or convert about 37,000 MW over the next 10 years or so. Cheap natural gas prices and strict environmental rules have made coal the more expensive option in some areas. Eventually, the switch away from coal may shut 60,000 MW to 100,000 MW of power generation across the country, according to industry estimates. In 2012, low gas prices from record shale production depressed power prices to at least 10-year lows, making it uneconomic for generators to install new environmental controls on their oldest and smallest coal plants. Those controls are needed to keep the units compliant with federal environmental rules proposed since President Barack Obama took office in 2009. There are about 318 gigawatts (GW) of coal-fired power plants in the United States, about 30 percent of the nation's 1,051 GW generation fleet. The share of generation fueled by coal in 2013 is expected to rise to 40.3 percent from 37.4 percent in 2012, then hold at 40.5 percent in 2014, according to the U.S. Energy Information Administration's (EIA) short-term energy outlook in August. (www.in.reuters.com Sept. 4, 2013)

### ***KY Energy Secretary Speaks to Rotary Club***

Dr. Leonard Peters, Cabinet Secretary for Energy and Environment for the Commonwealth of Kentucky was the special guest speaker at the Paducah Rotary Club meeting Wednesday, in the Myre River Room of the Carson Center. He spoke about Kentucky's electrical dependency for manufacturing, the country's need for diverse energy sources, the social stigma attached to nuclear power, and options for the Paducah Gaseous Diffusion Plant's future. He mentioned his ongoing discussions with Gov. Steve Beshear, and the Governor's trip to Washington, D.C., where he spoke to Vice President Joe Biden and Secretary of Energy Ernest Moniz on behalf of Paducah. He and Beshear were encouraged by those discussions. (www.westkentuckystar.com Sept. 4, 2013)

Kentucky Retail Fuel Prices (Dollars per gallon)

Product	9/5/2013	8/29/2013	8/22/2013	8/15/2013	Year Ago
<b>Gasoline (State avg.)</b>	\$ 3.58	\$ 3.59	\$ 3.47	\$ 3.45	\$ 3.86
Ashland	\$ 3.63	\$ 3.63	\$ 3.51	\$ 3.53	\$ 3.88
Covington	\$ 3.68	\$ 3.61	\$ 3.55	\$ 3.56	\$ 3.94
Lexington	\$ 3.58	\$ 3.55	\$ 3.45	\$ 3.45	\$ 3.87
Louisville	\$ 3.66	\$ 3.76	\$ 3.58	\$ 3.50	\$ 3.91
Owensboro	\$ 3.51	\$ 3.57	\$ 3.40	\$ 3.31	\$ 3.75
<b>Diesel (State avg.)</b>	\$ 3.94	\$ 3.91	\$ 3.87	\$ 3.87	\$ 4.07
Ashland	\$ 3.98	\$ 3.93	\$ 3.89	\$ 3.89	\$ 4.08
Covington	\$ 3.96	\$ 3.93	\$ 3.87	\$ 3.87	\$ 4.05
Lexington	\$ 3.96	\$ 3.94	\$ 3.91	\$ 3.91	\$ 4.09
Louisville	\$ 3.92	\$ 3.90	\$ 3.84	\$ 3.85	\$ 4.07
Owensboro	\$ 3.91	\$ 3.88	\$ 3.88	\$ 3.87	\$ 4.07

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	9/4/2013	8/28/2013	8/21/2013	8/14/2013	Year Ago
Crude Oil (Dollars per barrel) <i>West Texas Intermediate, fob</i>	\$ 108.15	\$ 109.67	\$ 105.08	\$ 107.37	\$ 95.34
Natural Gas (Dollars per MMBtu) <i>Henry-Hub</i>	\$ 3.69	\$ 3.56	\$ 3.51	\$ 3.36	\$ 2.88

Source: the Wall Street Journal

Futures		October 2013	November 2013	December 2013
Crude Oil (Dollars per barrel) <i>Light Sweet Crude Oil</i>	9/4/2013	\$ 107.23	\$ 106.59	\$ 105.39
	8/28/2013	\$ 110.10	\$ 109.37	\$ 107.84
MMBtu <i>Henry-Hub</i>	9/4/2013	\$ 3.68	\$ 3.77	\$ 3.92
	8/28/2013	\$ 3.58	\$ 3.69	\$ 3.85
Propane (Dollars per gallon) <i>Mt Belvieu (OPIS)</i>	9/4/2013	\$ 1.18	\$ 1.18	\$ 1.18
	8/28/2013	\$ 1.17	\$ 1.17	\$ 1.17
Coal (Dollars per ton) <i>Central Appalachian</i>	9/4/2013	\$ 50.84	\$ 50.88	\$ 50.91
	8/28/2013	\$ 51.85	\$ 51.95	\$ 25.05

Source: CME Group



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