

***Everything you need to know about the EPA's proposed rule on coal plants***

The Environmental Protection Agency on Monday proposed a rule designed to cut carbon dioxide emissions from existing coal plants by as much as 30 percent by 2030, compared with 2005 levels. The regulation has prompted heavy lobbying from industry and environmental groups, and the ensuing battle promises to become, as the Natural Resources Defense Council Climate Director Peter Altman put it, "the Super Bowl of climate politics." Under President George W. Bush, the agency argued that Congress never intended to regulate carbon dioxide and other greenhouse gases under the Clean Air Act, so it lacked authority to do so. (www.washingtonpost.com June 2, 2014)

***Kentucky's Paradise Fossil Plant Is Emblematic Of Move From Coal To Gas***

In the shadow of Paradise Fossil Plant's aging smokestacks, where white steam and carbon dioxide rise into the sky, outdated coal-fired generators are being replaced with one that runs on natural gas. The change in Muhlenberg County, once the nation's top producer of coal, is emblematic of what's been happening across the U.S. as natural gas becomes cheaper and electric utilities try to meet stiffer carbon emissions rules the Obama administration announced this week. (www.huffingtonpost.com June 4, 2014)

***TVA likely on track for rules***

While lawmakers quickly passed judgment on the federal government's announcement Monday of new greenhouse gas emission standards, the head of the largest supplier of power in southcentral Kentucky wants to stay out of the political fray. Bill Johnson, chief executive officer of the Tennessee Valley Authority, said he wanted to stay away from politicized arguments and said that the supplier would have more to say as TVA experts spend more time reviewing the new regulations. (www.bgdailynews.com June 3, 2014)

***AAA Releases Annual Green Car Guide***

Half of the top 10 highest scoring green cars were clean diesel vehicles, according to AAA's newly released Green Car Guide. Three electric vehicles and two hybrids were also in the groups' top 10. "The field of green cars this year is the most competitive ever, so the fact that clean diesels ran away with five of the top 10 ratings is a great validation that clean diesel cars are really a great choice for consumers looking to make greener transportation choices" said Allen Schaeffer, the executive director of the Diesel Technology Forum, in a press release. (www.nacsonline.com June 2, 2014)

***Natural Gas Storage Injections To Date Point To Potentially Ugly Winter***

Gas storage numbers released by the Energy Information Administration indicate that storage injections are well below historical averages. In fact, they are 922 billion cubic feet (Bcf) below the 5 year average of 2302 Bcf, and 748 Bcf lower than last year at this time. This, despite the fact that March saw the highest historic production levels of U.S. natural gas. After last year's rough winter – with extra demand driven by electricity and heating load – gas reserves were fairly well depleted. At present, the inventories have not been built up as quickly as would be necessary to reach the five year average. (www.forbes.com June 3, 2014)

***Ohio legislature approves two-year freeze on renewable energy, energy efficiency standards***

A proposed two-year freeze on the state's renewable energy and energy efficiency standards is headed to Gov. John Kasich's desk after passing final legislative votes on Wednesday. The freeze will give lawmakers time to study the mandates, which critics said are unachievable, raise Ohioans' electric bills, and intrude on the free market. Supporters of the mandates countered that freezing the mandates would also force consumers to pay more and jeopardize renewable energy investment in the state. (www.cleveland.com May 28, 2014)

***Aligning energy efficiency and securitization***

Warehouse for Energy Efficiency Loans, or WHEEL, aims to provide homeowners across the U.S. with low-cost financing for home improvements by creating a secondary market for residential clean energy loans via securitization. Launched in April, the WHEEL program, sponsored by the National Association of State Energy Officials, is designed to deliver large-scale, low-cost capital to state and local energy loan programs. (www.institutionalinvestor.com May 27, 2014)

***Ky. Senator Mitch McConnell introduces bill to try and block new emissions curbs***

Senate Minority Leader Mitch McConnell on Tuesday introduced a bill that would try to block newly proposed government regulations that seek to curb carbon emissions from power plants. McConnell, a Republican who represents Kentucky — a major coal-producing state which is reliant on coal for electricity generation — has a tight re-election battle in November and has been campaigning on a promise to protect the state's ailing coal sector. (http://triblive.com June 3, 2014)

Kentucky Retail Fuel Prices (Dollars per gallon)

| Product                      | 6/5/2014 | 5/29/2014 | 5/22/2014 | 5/15/2014 | Year Ago |
|------------------------------|----------|-----------|-----------|-----------|----------|
| <b>Gasoline (State avg.)</b> | \$ 3.66  | \$ 3.65   | \$ 3.65   | \$ 3.68   | \$ 3.62  |
| Ashland                      | \$ 3.88  | \$ 3.85   | \$ 3.85   | \$ 3.71   | \$ 3.80  |
| Covington                    | \$ 3.96  | \$ 3.90   | \$ 3.86   | \$ 3.82   | \$ 3.86  |
| Lexington                    | \$ 3.78  | \$ 3.77   | \$ 3.79   | \$ 3.71   | \$ 3.64  |
| Louisville                   | \$ 3.96  | \$ 3.96   | \$ 3.95   | \$ 3.81   | \$ 3.81  |
| Owensboro                    | \$ 3.66  | \$ 3.64   | \$ 3.59   | \$ 3.58   | \$ 3.57  |
| <b>Diesel (State avg.)</b>   | \$ 3.91  | \$ 3.92   | \$ 3.93   | \$ 3.97   | \$ 3.86  |
| Ashland                      | \$ 3.92  | \$ 3.92   | \$ 3.95   | \$ 3.97   | \$ 3.92  |
| Covington                    | \$ 3.94  | \$ 3.96   | \$ 3.99   | \$ 3.98   | \$ 3.93  |
| Lexington                    | \$ 3.97  | \$ 3.99   | \$ 3.99   | \$ 4.01   | \$ 3.92  |
| Louisville                   | \$ 3.94  | \$ 3.96   | \$ 3.97   | \$ 3.97   | \$ 3.89  |
| Owensboro                    | \$ 3.98  | \$ 3.97   | \$ 3.99   | \$ 4.02   | \$ 3.96  |

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   | 6/2/2014  | 5/29/2014 | 5/19/2014 | 5/14/2014 | Year Ago  |
|---|-----------|-----------|-----------|-----------|-----------|
| Crude Oil (Dollars per barrel)<br><i>West Texas Intermediate, job</i> | \$ 103.07 | \$ 104.78 | \$ 102.95 | \$ 100.89 | \$ 103.09 |
| Natural Gas (Dollars per MMBtu)<br><i>Henry-Hub</i>                   | \$ 4.70   | \$ 4.57   | \$ 4.54   | \$ 4.52   | \$ 4.62   |

Source: the Wall Street Journal

| Futures  |           | July 2014 | August 2014 | September 2014 |
|--|-----------|-----------|-------------|----------------|
| Crude Oil (Dollars per barrel)<br><i>Light Sweet Crude Oil</i> | 6/4/2014  | \$ 102.64 | \$ 101.93   | \$ 101.01      |
|  | 5/28/2014 | \$ 102.72 | \$ 101.99   | \$ 101.02      |
| Natural Gas (Dollars per MMBtu)<br><i>Henry-Hub</i>            | 6/4/2014  | 4.64      | 4.627       | 4.602          |
|  | 5/28/2014 | \$ 4.62   | \$ 4.59     | \$ 4.55        |
| Propane (Dollars per gallon)<br><i>Mt Behvieu (OPIS)</i>       | 6/4/2014  | 1.011     | 1.016       | 1.025          |
|  | 5/28/2014 | \$ 1.06   | \$ 1.06     | \$ 1.07        |
| Coal (Dollars per ton)<br><i>Central Appalachian</i>           | 6/4/2014  | 60.13     | 60.58       | 61.05          |
|  | 5/28/2014 | \$ 61.63  | \$ 62.07    | \$ 62.35       |

Source: CME Group



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