

# Kentucky Department for Energy Development and Independence Energy Watch

*A snapshot of state and national energy issues*

## ***EKPC to remove coal ash near Kentucky River***

As East Kentucky Power Cooperative (EKPC) prepares to deactivate Dale Station power plant in Clark County, Ky., in 2015, the cooperative is planning to remove coal ash stored at the plant site and transport it to a permitted coal ash landfill at another Clark County power plant. Beginning in 2015, EKPC plans to excavate the ash and transport it by truck to Smith Station, a 3,270-acre power plant site in Trapp, Ky., in southeastern Clark County. (<http://wmky.org> September 11, 2014)

## ***EPA regulations and electricity: Update on agencies' monitoring efforts and coal-fueled generating unit retirements***

The Department of Energy (DOE), the Environmental Protection Agency (EPA), and the Federal Energy Regulatory Commission (FERC) have taken initial steps to implement a recommendation GAO made in 2012 that these agencies develop and document a joint process to monitor industry's progress in responding to four proposed or finalized EPA regulations affecting coal-fueled generating units. GAO concluded that such a process was needed until at least 2017 to monitor the complexity of implantation and extent of potential effects on price and reliability. (<http://gao.gov> September 15, 2014)

## ***D.B. Wilson Power Plant to remain open***

Big Rivers officials say the D.B. Wilson power plant in Centertown, Kentucky won't be closing its doors anytime soon. The plant was slated to shut down February 2015. The Coleman facility closed its doors in May. (<http://wkms.org> September 17, 2014)

## ***Duke Energy commits \$500 million to N.C. solar power expansion***

Duke Energy corp. (NYSE:DUK) is making a \$500 million commitment to a major expansion of solar power in North Carolina. The company will acquire and construct three solar facilities-totaling 128 megawatts of capacity-including the largest solar photovoltaic facility east of the Mississippi River. The three facilities will be in Bladen, Duplin and Wilson counties. Duke also signed power-purchase agreements for five new solar projects in the state, representing 150 megawatts of capacity. ([www.bizjournals.com](http://www.bizjournals.com) September 15, 2014)

## ***USDA announces major investments to modernize service, improve the reliability of rural electric systems***

Agriculture Secretary Tom Vilsack today announced that USDA is investing more than \$518 million in rural electric cooperatives to improve the delivery of electric power to communities in 15 states. This funding is part of nearly \$50 billion that USDA has invested in infrastructure improvements since 2009. "We must invest in America's infrastructure to promote sustainable economic development in our rural and urban communities," Vilsack said during a White House summit on infrastructure financing. (<http://content.govdelivery.com> September 9, 2014)

## ***GE Hitachi's ESBWR receives NRC design certification approval***

GE Hitachi Nuclear Energy (GEH) today announced that its Economic Simplified Boiling Water Reactor (ESBWR) design certification has been approved by the U.S. Nuclear Regulatory Commission (NRC). "Achieving design certification means the ESBWR, the world's safest reactor, can now become reality," said Caroline Reda, president and CEO of GEH. "Design certification will not only benefit our U.S. customers, it marks a crucial step forward for the ESBWR's commercial advancement globally." ([www.marketwatch.com](http://www.marketwatch.com) September 16, 2014)

## ***Construction begins at a carbon-capture plant, but will it ever be completed?***

After a decade of stop-and-start efforts and a \$1 billion federal pledge, construction of the country's most hyped project for capturing carbon dioxide from a coal-fired power plant and storing it underground has finally begun. But even now, the project, called FutureGen, faces hurdles. An environmental group has brought a lawsuit against the project that threatens to undermine the additional funding needed to see the job through. Construction work began last week on a new chimney foundation that's part of a planned retrofit of an old coal plant in Meredosia, Illinois. ([www.technologyreview.com](http://www.technologyreview.com) September 15, 2014)

## ***Sun and wind alter global landscape, leaving utilities behind***

Of all the developed nations, few have pushed harder than Germany to find a solution to global warming. And towering symbols of that drive are appearing in the middle of the North Sea. They are wind turbines, standing as far as 60 miles from the mainland, stretching as high as 60-story buildings and costing up to \$30 million apiece. On some of these giant machines, a single blade roughly equals the wingspan of the largest airliner in the sky, the Airbus A 380. By year's end, scores of new turbines will be sending low-emission electricity to German cities hundreds of miles to the south. ([www.nytimes.com](http://www.nytimes.com) September 13, 2014)

## ***Electric vehicles are cleaner, but still not a magic bullet***

The Union of Concerned Scientists said on Tuesday that in 60 percent of the United States, electric vehicles are now responsible for fewer heat-trapping global warming emissions per mile than even the most efficient hybrids. In an April 2012 report titled "State of Charge: Electric Vehicles' Global Warming Emissions and Fuel Cost Savings Across the United States," the group had concluded that electric vehicles were cleaner than hybrids in only 45 percent of the country. That was because in many areas, the majority of the electric used to charge the vehicles was generated at coal-fired power plants. ([www.nytimes.com](http://www.nytimes.com) September 16, 2014)

Kentucky Retail Fuel Prices (Dollars per gallon)

Product	9/18/2014	9/11/2014	9/4/2014	8/28/2014	Year Ago
<b>Gasoline (State avg.)</b>	\$ 3.36	\$ 3.42	\$ 3.42	\$ 3.43	\$ 3.41
Ashland	\$ 3.44	\$ 3.52	\$ 3.61	\$ 3.49	\$ 3.49
Covington	\$ 3.52	\$ 3.57	\$ 3.74	\$ 3.56	\$ 3.57
Lexington	\$ 3.32	\$ 3.47	\$ 3.34	\$ 3.45	\$ 3.36
Louisville	\$ 3.52	\$ 3.70	\$ 3.69	\$ 3.72	\$ 3.52
Owensboro	\$ 3.29	\$ 3.35	\$ 3.35	\$ 3.32	\$ 3.32
<b>Diesel (State avg.)</b>	\$ 3.73	\$ 3.79	\$ 3.76	\$ 3.80	\$ 3.95
Ashland	\$ 3.63	\$ 3.67	\$ 3.66	\$ 3.68	\$ 4.00
Covington	\$ 3.76	\$ 3.78	\$ 3.79	\$ 3.79	\$ 3.96
Lexington	\$ 3.71	\$ 3.73	\$ 3.73	\$ 3.73	\$ 3.96
Louisville	\$ 3.74	\$ 3.76	\$ 3.76	\$ 3.76	\$ 3.91
Owensboro	\$ 3.77	\$ 3.81	\$ 3.80	\$ 3.79	\$ 3.93

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	9/17/2014	9/4/2014	8/28/2014	8/21/2014	Year Ago
Crude Oil (Dollars per barrel) <i>West Texas Intermediate, job</i>	\$ 92.86	\$ 92.92	\$ 95.38	\$ 96.44	\$ 108.23
Natural Gas (Dollars per MMBtu) <i>Henry-Hub</i>	\$ 3.92	\$ 3.94	\$ 4.00	\$ 3.89	\$ 3.60

Source: the Wall Street Journal

Futures		October 2014	November 2014	December 2014
Crude Oil (Dollars per barrel) <i>Light Sweet Crude Oil</i>	9/17/2014	\$ 94.42	\$ 93.20	\$ 92.50
	9/10/2014	\$ 91.67	\$ 90.84	\$ 90.42
	9/3/2013	\$ 95.54	\$ 94.68	\$ 94.16
Natural Gas (Dollars per MMBtu) <i>Henry-Hub</i>	9/17/2014	\$ 4.01	\$ 4.08	\$ 4.16
	9/10/2014	\$ 3.95	\$ 4.01	\$ 4.09
	9/3/2014	\$ 3.85	\$ 3.89	\$ 3.98
Propane (Dollars per gallon) <i>Mt Belvieu (OPIS)</i>	9/17/2014	\$ 1.09	\$ 1.09	\$ 1.10
	9/10/2014	\$ 1.07	\$ 1.08	\$ 1.08
	9/3/2014	\$ 1.04	\$ 1.05	\$ 1.05
Coal (Dollars per ton) <i>Central Appalachian</i>	9/17/2014	\$ 55.98	\$ 55.80	\$ 55.83
	9/10/2014	\$ 56.35	\$ 55.85	\$ 56.08
	9/3/2014	\$ 56.93	\$ 56.87	\$ 56.88

Source: CME Group



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