

Kentucky Department for Energy Development and Independence Energy Watch

A snapshot of state and national energy issues

Kentucky Noted as 'Most-Improved' in Annual Energy Efficiency Rankings

An energy policy non-profit today released its annual ranking of states by energy efficiency programs. Though Kentucky is still in the bottom half of the list, it was recognized as one of the “most-improved” states. Indiana, on the other hand, fell the furthest and is currently ranked 40th out of 50 states and the District of Columbia. The American Council for an Energy-Efficient Economy is a D.C.-based non-profit that works to advance energy efficient policies. Energy efficiency is widely seen as one of the best ways to reduce pollution and combat climate change; if you use less energy to produce the same benefits, that's less coal or natural gas that has to be burned. (<http://wfpl.org> October 22, 2014)

Hemp Harvested in MSU Pilot Program; Numerous Officials Take Part in National Bioenergy Day

It was observed several times Wednesday that the second annual National Bioenergy Day at Murray State University had attracted quite a large and diverse group. Perhaps it was because they came to witness history, which they did before the event officially began around midday. In the morning, as had happened a few months earlier, several busloads of observers from all walks of the bioenergy spectrum arrived at an undisclosed field somewhere in Calloway County. And there they saw what has been documented as the first industrial hemp crop legally planted in the United States since around World War II, harvested and then baled. (<http://murrayledger.com> October 23, 2014)

In Tennessee, Time Comes for a Nuclear Plant Four Decades in the Making

When the Tennessee Valley Authority first ordered Watts Bar 2, the nuclear reactor now approaching completion here, demand for electricity was growing at 7 percent a year and coal supplies were uncertain. The mercury, soot and acid rain that coal produced were simply accepted as the way things were, and many of the people who now worry about global warming had not yet been born. But that was 1970. Today nearly all of that is reversed as Watts Bar 2, the nuclear industry's version of a time traveler, prepares to begin operations. (www.nytimes.com October 19, 2014)

Kentucky utilities may add 737 MW of gas-fired power generation by 2020

Kentucky's two largest electric utilities, Louisville Gas & Electric and Kentucky Utilities, say they expect to need up to 737 MW of additional long-term capacity in 2020, when they also assume they will retire two units totaling 272 MW at the E.W. Brown baseload coal plant near Harrodsburg. Any new generation brought online at the end of this decade most likely would be fired with natural gas. (www.platts.com October 21, 2014)

Biomass proving a cost-effective energy solution

Woody biomass is quietly expanding as a viable, cost-effective energy alternative to fossil fuels in America. Though this natural, renewable and locally produced resource will never supply all of our nation's energy needs, when operated in concert with sustainable forest management, it can be an effective energy option in both rural and urban areas. Energy-efficient commercial and industrial woody biomass boiler systems of various types and sizes are gradually building an excellent track record in schools, hospitals and municipal complexes across the Northeast, mid-Atlantic and Midwest states —including at the Veterans Affairs Medical Center in Chillicothe. (www.chillicothe Gazette.com October 20, 2014)

TECO Energy sells coal subsidiary for \$170 million

TECO Energy Inc. will sell its TECO Coal subsidiary to Kentucky-based Cambrian Coal Corp., a subsidiary of the Booth Energy Group, company officials said Monday. The \$170 million sale price includes future payments of \$50 million if certain coal benchmark prices reach specified levels over the next five years, according to a TECO news release. TECO Energy CEO John Ramil said the coal subsidiary has been an important component of the energy-related holding company since the mid-1970s, operating mines and production facilities in Kentucky, Tennessee and Virginia. The division employs about 775 people. (<http://tbo.com> October 20, 2014)

Kentucky Energy Department releases virtual solar energy tour

In celebration of October as Energy Awareness month, the Kentucky Department for Energy Development and Independence has released the virtual solar energy story map. For those unfamiliar with a story map, a story map uses geography to present information and is designed for everyone. The solar energy story map takes a visitor around the state virtually to view different types of solar energy projects across different locations and applications. For example, viewers will see everything from agricultural to commercial projects along with state and federal projects. Nationwide, there are more than 15.9 gigawatts of cumulative solar electric capacity operating in the United States, enough to power 3.2 million homes. (<http://surfky.com> October 19, 2014)

Initial meeting of Kentucky Wood Energy Team to be held Oct. 22

The inaugural meeting of the Kentucky Wood Energy Team will take place Oct. 22 during Murray State University's day-long celebration of National Bioenergy Day. “Bioenergy” refers to an industry whose companies produce electricity and heat generated from wood and other organic materials. The Kentucky Wood Energy Team, led by Tim Hughes of the Kentucky Department for Energy Development and Independence, is the result of grant funding from the U.S. Department of Agriculture. According to Hughes, the team has a great deal of work to accomplish. (<http://surfky.com> October 16, 2014)

Kentucky Retail Fuel Prices (Dollars per gallon)

Product	10/23/2014	10/16/2014	10/9/2014	10/2/2014	Year Ago
Gasoline (State avg.)	\$ 3.08	\$ 3.16	\$ 3.22	\$ 3.33	\$ 3.34
Ashland	\$ 3.15	\$ 3.19	\$ 3.32	\$ 3.39	\$ 3.49
Covington	\$ 3.15	\$ 3.27	\$ 3.38	\$ 3.47	\$ 3.44
Lexington	\$ 3.03	\$ 3.00	\$ 3.18	\$ 3.34	\$ 3.38
Louisville	\$ 3.22	\$ 3.15	\$ 3.27	\$ 3.50	\$ 3.44
Owensboro	\$ 2.89	\$ 2.89	\$ 3.02	\$ 3.20	\$ 3.30
Diesel (State avg.)	\$ 3.63	\$ 3.66	\$ 3.67	\$ 3.73	\$ 3.87
Ashland	\$ 3.55	\$ 3.54	\$ 3.58	\$ 3.58	\$ 3.94
Covington	\$ 3.62	\$ 3.64	\$ 3.70	\$ 3.74	\$ 3.93
Lexington	\$ 3.60	\$ 3.61	\$ 3.65	\$ 3.67	\$ 3.92
Louisville	\$ 3.65	\$ 3.66	\$ 3.69	\$ 3.71	\$ 3.86
Owensboro	\$ 3.60	\$ 3.63	\$ 3.70	\$ 3.72	\$ 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,

Product	10/20/2014	10/13/2014		Year Ago
Heating Oil (dollars per gallon)	\$ 3.30	\$ 3.31		\$ 3.54
Propane (dollars per gallon)	\$ 2.20	\$ 2.18		\$ 2.12

http://www.eia.gov/dnav/pet/pet_pri_wfr_dcus_SKY_w.htm

Spot Prices	10/22/2014	10/14/2014	10/6/2014	9/29/2014	Year Ago
Crude Oil (Dollars per barrel) <i>West Texas Intermediate, fob</i>	\$ 82.76	\$ 81.72	\$ 90.33	\$ 94.53	\$ 96.90
Natural Gas (Dollars per MMBtu) <i>Henry-Hub</i>	\$ 3.69	\$ 3.89	\$ 3.89	\$ 3.89	\$ 3.72

Source: the Wall Street Journal

Futures		November 2014	December 2014	January 2015
Crude Oil (Dollars per barrel) <i>Light Sweet Crude Oil</i>	10/22/2014	\$ 82.81	\$ 80.52	\$ 80.13
	10/15/2014	\$ 81.78	\$ 80.94	\$ 80.36
	10/8/2014	\$ 87.31	\$ 86.59	\$ 86.19
Natural Gas (Dollars per MMBtu) <i>Henry-Hub</i>	10/22/2014	\$ 3.66	\$ 3.75	\$ 3.83
	10/15/2014	\$ 3.80	\$ 3.89	\$ 3.97
	10/8/2014	\$ 3.86	\$ 3.95	\$ 4.04
Propane (Dollars per gallon) <i>Mt Belvieu (OPIS)</i>	10/22/2014	\$ 0.85	\$ 0.85	\$ 0.86
	10/15/2014	\$ 0.91	\$ 0.92	\$ 0.93
	10/8/2014	\$ 1.03	\$ 1.04	\$ 1.04
Coal (Dollars per ton) <i>Central Appalachian</i>	10/22/2014	\$ 51.70	\$ 52.45	\$ 53.83
	10/15/2014	\$ 51.25	\$ 51.90	\$ 54.08
	10/8/2014	\$ 52.30	\$ 53.00	\$ 54.83

Source: CME Group

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