

Kentucky Department for Energy Development and Independence Energy Watch

A snapshot of state and national energy issues

LG&E, KU think future looks bright for solar energy

Executives from LG&E and Kentucky Utilities pitched a solar-fueled facility in central Kentucky to state regulators on Monday. The executives said the time is right for the companies to get into renewable energy but also acknowledged that the proposed \$36 million project would generate less than 1 percent of customers' demand, WDRB reports. The utility companies want to build the facility on 100 acres at KU's generating station near Harrodsburg, Ky. (www.bizjournal.com November 25, 2014)

Siemens and Duke Energy Demonstrate Lower Cost Smart Charging Technology for Electric Vehicles

We know what's coming. But with any luck, it won't be nearly as severe as last winter. Siemens Energy Management Division has teamed with Duke Energy to demonstrate the results of an 18-month effort to reduce the cost and expand electric vehicle charging technologies. Held at the Duke Energy Envision Center in Erlanger, Ky., and utilizing a Ford Fusion Energi Plug-In Hybrid, Siemens provided the first Underwriters Laboratories (UL) approved residential electric vehicle supply equipment (EVSE) to demonstrate the ability to monitor status, report energy use, and be controlled locally from the local area network and from the cloud. (www.businesswire.com December 4, 2014)

Florida guts goals on energy efficiency

Under state law, Florida regulators are required to set energy-saving goals every five years for power companies. As the Tampa Tribune reports today, the point is to reduce the state's electricity consumption. For the most part, the goals established in 2009 have had a positive impact: power usage in Florida has declined, while use of renewable energy has expanded. That's good news, right? Florida utility companies don't seem to think so. (www.msnbc.com December 1, 2014)

Lemons Mill and Western elementary schools recognized for environmental accomplishments

First Lady Jane Beshear today recognized Scott County's Lemons Mill Elementary School and Western Elementary School for earning the U.S. Environmental Protection Agency (EPA) ENERGY STAR, a national symbol for protecting the environment through superior energy performance. Every school in the Scott County School District is now certified ENERGY STAR. "We're here today to recognize not only the great successes of Lemons Mill Elementary and Western Elementary, but to celebrate this important district-wide milestone," Mrs. Beshear said. (www.lanereport.com December 2, 2014)

Simmons Elementary recognized for earning ENERGY STAR certification

Simmons Elementary School was recognized by the Kentucky Energy and Environment Cabinet and the Kentucky School Boards Association for earning the prestigious U. S. Environmental Protection Agency's (EPA) ENERGY STAR certification, a national symbol for protecting the environment through superior energy performance. A certificate signed by Gov. Steve Beshear was presented to the school's principal during the Nov. 24 meeting of the Woodford County Board of Education. (<https://eec.ky.gov> November 25, 2014)

Louisville Gas & Electric and Kentucky Utilities file for rate increases

On Nov. 26, Louisville Gas and Electric (LG&E) filed with the Kentucky Public Service Commission (PSC) for \$30.3 million (2.7%) and \$14.3 million (4.2%) electric and gas base rate increases, respectively (Case No. 2014-00372), and LG&E affiliate Kentucky Utilities (KU) filed for a \$153.4 million (9.6%) electric base rate increase (Case No. 2014-00371). (<https://www2.snl.com> November 26, 2014)

Cleaning up, rather than closing down

After deciding to shut down coal-fired generation at a half dozen other power plants, the Tennessee Valley Authority appears ready to clean up, rather than close down, two more units at its aging Shawnee coal plant in Paducah, Ky. TVA directors will be asked next month to invest up to \$200 million to install pollution controls to keep units 1 and 4 at the Shawnee plant running in western Kentucky. (www.timesfreepress.com November 26, 2014)

Solar and Wind Energy Start to Win on Price vs. Conventional Fuels

For the solar and wind industries in the United States, it has been a long-held dream: to produce energy at a cost equal to conventional sources like coal and natural gas. That day appears to be dawning. The cost of providing electricity from wind and solar power plants has plummeted over the last five years, so much so that in some markets renewable generation is now cheaper than coal or natural gas. (www.nytimes.com November 23, 2014)

State officials try to head off another propane shortage

Another colder-than-average winter could cause propane shortages across Kentucky – for a second season in a row. State energy officials and a propane industry trade group told state lawmakers on Friday that they have urged consumers to fill their propane tanks early, sign up for automatic delivery and enroll in payment plans in hopes of avoiding a late-winter run on propane, also known as LP gas. (www.floydcountytimes.com November 4, 2014)

Kentucky Retail Fuel Prices (Dollars per gallon)

Product	12/4/2014	11/20/2014	11/13/2014	11/6/2014	Year Ago
Gasoline (State avg.)	\$ 2.73	\$ 2.85	\$ 3.92	\$ 2.96	\$ 3.26
Ashland	\$ 2.77	\$ 2.90	\$ 2.93	\$ 3.00	\$ 3.24
Covington	\$ 2.78	\$ 2.92	\$ 3.04	\$ 3.11	\$ 3.24
Lexington	\$ 2.64	\$ 2.78	\$ 2.95	\$ 2.98	\$ 3.17
Louisville	\$ 2.71	\$ 2.79	\$ 2.88	\$ 2.93	\$ 3.30
Owensboro	\$ 2.66	\$ 2.75	\$ 2.86	\$ 2.80	\$ 3.21
Diesel (State avg.)	\$ 3.54	\$ 3.61	\$ 3.64	\$ 3.60	\$ 3.85
Ashland	\$ 3.66	\$ 3.69	\$ 3.68	\$ 3.63	\$ 3.92
Covington	\$ 3.70	\$ 3.72	\$ 3.70	\$ 3.67	\$ 3.89
Lexington	\$ 3.62	\$ 3.66	\$ 3.67	\$ 3.62	\$ 3.86
Louisville	\$ 3.66	\$ 3.68	\$ 3.69	\$ 3.66	\$ 3.84
Owensboro	\$ 3.61	\$ 3.70	\$ 3.77	\$ 3.66	\$ 3.90

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	12/1/2014	11/17/2014	11/10/2014	11/3/2014	Year Ago
Heating Oil (dollars per gallon)	\$ 3.64	\$ 3.46	\$ 3.45	\$ 3.41	\$ 3.52
Propane (dollars per gallon)	\$ 2.17	\$ 2.21	\$ 2.20	\$ 2.22	\$ 2.26

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

Spot Prices	11/28/2014	11/17/2014	11/11/2014	11/3/2014	Year Ago
Crude Oil (Dollars per barrel) <i>West Texas Intermediate, fob</i>	\$ 68.98	\$ 75.64	\$ 77.85	\$ 78.77	\$ 96.97
Natural Gas (Dollars per MMBtu) <i>Henry-Hub</i>	\$ 4.15	\$ 4.26	\$ 4.18	\$ 3.82	\$ 3.87
Coal Price (dollars per short ton) <i>Central Appalachia</i>	\$ 56.10				\$ 62.69
Coal Price (dollars per short ton) <i>Illinois Basin</i>	\$ 44.55				\$ 46.09

Source: the Wall Street Journal

Futures		January 2015	February 2015	March 2015
Crude Oil (Dollars per barrel) <i>Light Sweet Crude Oil</i>	12/3/2014	\$ 67.38	\$ 67.46	\$ 67.56
Natural Gas (Dollars per MMBtu) <i>Henry-Hub</i>	12/3/2014	\$ 3.81	\$ 3.81	\$ 3.76
Propane (Dollars per gallon) <i>Mt Behvieu (OPIS)</i>	12/3/2014	\$ 0.64	\$ 0.64	\$ 0.64

Source: CME Group

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