

# Kentucky Department for Energy Development and Independence Energy Watch

*A snapshot of state and national energy issues*

## ***Views on coal mining clash in Senate hearing on stream protection rule***

An ongoing cultural battle between coal mining and environmental groups played out in a Senate hearing Wednesday over an Obama administration proposal to mitigate the impacts of coal mining activity on streams. The hearing, in the Senate Environment and Public Works Committee, afforded an opportunity for mining interests and their mostly Republican supporters to hammer administration officials over the Stream Protection Rule, though the proposed rule itself isn't to blame for coal's troubles. ([www.kentucky.com](http://www.kentucky.com) February 3, 2016)

## ***GE Will Stop Making CFL Lightbulbs Because LEDs Are Better***

GE just announced that it no longer make or sell compact fluorescent lamp (CFL) lightbulbs in the US. The company will wind down the manufacturing of CFL bulbs by the end of 2016, and it will begin to shift its focus on making the newest and most energy-efficient lightbulbs, LEDs. This is good news for a few reasons. Figuring out exactly which one to buy can be a pain: Incandescent bulbs are cheap, but burn out easily. (<http://gizmodo.com> February 1, 2016)

## ***High inventories help push crude oil prices to lowest levels in 13 years***

Several factors have played a part in pushing U.S. crude oil prices below \$30 per barrel (b), including high inventory levels of crude oil, uncertainty about global economic growth, volatility in equity and nonenergy commodity markets, and the potential for additional crude oil supply to enter the market. Crude oil and petroleum product inventories, both domestically and internationally, have been growing since mid-2014 and are above five-year averages for this date. ([www.eia.gov](http://www.eia.gov) February 4, 2016)

## ***U.S. oil, gas industry sheds 100,000 jobs in slump: Kemp***

The number of people employed in oil and gas extraction and support activities across the United States has fallen by around 100,000 since October 2014. Between October 2014 and November 2015, the number of people on the payroll of oil and gas extraction firms and support services fell by almost 87,000, according to the U.S. Bureau of Labor Statistics (BLS). ([www.reuters.com](http://www.reuters.com) February 4, 2016)

## ***Coal continues its deep dive in Kentucky***

Kentucky coal mines produced their lowest tonnage since 1954, and it could fall even more in the next few years, according to a new report from the Kentucky Energy and Environment Cabinet. Preliminary data put statewide production at 61.4 million tons, a decrease of 21 percent from 2014 and the lowest level since 1954, the state agency's latest quarterly coal report said. ([www.courier-journal.com](http://www.courier-journal.com) February 1, 2016)

## ***Coal jobs and production fell sharply in Eastern and Western Kentucky in 2015***

Coal production in Eastern Kentucky plunged in 2015 to a level not seen since the low point of the Great Depression in 1932, costing more than 2,000 people their jobs in the state's beleaguered eastern coalfield. Production and jobs also dropped sharply in Western Kentucky, according to a report issued Monday by the state Energy and Environment Cabinet. ([www.kentucky.com](http://www.kentucky.com) February 1, 2016)

## ***Kentucky Draws Mixed Scores for Solar Policies***

Kentucky has gotten mixed grades in a nationwide report card of states' solar energy policies. The report from nonprofit advocacy group Interstate Renewable Energy Council grades each state on two factors: solar net metering and interconnection policies. Net metering allows customers to get a credit for generating electricity and sending it to the grid, while interconnection refers to the technical logistics involved in connecting renewable energy projects with the grid. (<http://wfpl.org> January 31, 2016)



Kentucky Retail Fuel Prices (Dollars per gallon)

Product	2/4/2016	1/28/2016	1/21/2016	1/14/2016	Year Ago
<b>Gasoline (State avg.)</b>	\$ 1.77	\$ 1.82	\$ 1.70	\$ 1.81	\$ 2.11
Ashland	\$ 1.66	\$ 1.71	\$ 1.77	\$ 1.83	\$ 2.26
Covington	\$ 1.73	\$ 1.72	\$ 1.80	\$ 1.91	\$ 2.30
Lexington	\$ 1.64	\$ 1.66	\$ 1.64	\$ 1.79	\$ 2.27
Louisville	\$ 1.66	\$ 1.65	\$ 1.69	\$ 1.86	\$ 2.34
Owensboro	\$ 1.54	\$ 1.59	\$ 1.63	\$ 1.69	\$ 2.08
<b>Diesel (State avg.)</b>	\$ 2.04	\$ 2.07	\$ 2.08	\$ 2.17	\$ 2.80
Ashland	\$ 2.00	\$ 2.06	\$ 2.08	\$ 2.16	\$ 2.96
Covington	\$ 1.99	\$ 2.04	\$ 2.10	\$ 2.26	\$ 2.90
Lexington	\$ 2.03	\$ 2.06	\$ 2.12	\$ 2.25	\$ 2.92
Louisville	\$ 2.00	\$ 2.04	\$ 2.07	\$ 2.25	\$ 2.94
Owensboro	\$ 2.03	\$ 2.05	\$ 2.08	\$ 2.14	\$ 2.59

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	2/1/2016	1/25/2016	1/18/2016	1/11/2016	Year Ago
Heating Oil (dollars per gallon)	\$ 1.63	\$ 1.71	\$ 1.72	\$ 1.76	\$ 2.39
Propane (dollars per gallon)	\$ 1.83	\$ 1.84	\$ 1.82	\$ 1.83	\$ 2.18

[http://www.eia.gov/dnav/pet/pet\\_pri\\_wfr\\_dcus\\_SKY\\_w.htm](http://www.eia.gov/dnav/pet/pet_pri_wfr_dcus_SKY_w.htm)

Spot Prices	2/1/2016	1/25/2016	1/19/2016	1/11/2016	Year Ago
Crude Oil (Dollars per barrel) <i>West Texas Intermediate, fob</i>	\$ 31.62	\$ 30.31	\$ 28.47	\$ 31.42	\$ 49.25
Natural Gas (Dollars per MMBtu) <i>Henry-Hub</i>	\$ 2.26	\$ 2.16	\$ 2.23	\$ 2.47	\$ 2.96
Coal Price (dollars per short ton) <i>Central Appalachia</i>	\$ 43.50	\$ 43.50	\$ 43.50	\$ 43.50	\$ 53.06
Coal Price (dollars per short ton) <i>Illinois Basin</i>	\$ 32.60	\$ 32.60	\$ 32.60	\$ 32.60	\$ 45.32

Sources: <http://www.infomine.com/investment/metal-prices/coal/1-year> [http://ycharts.com/indicators/natural\\_gas\\_spot\\_price](http://ycharts.com/indicators/natural_gas_spot_price)  
<https://www.quandl.com/data/DOE/COAL-US-Coal-Prices-by-Region> <http://markets.ft.com/research/Markets/Tearsheets/Summary?s=1069936>

Futures		March 2016	April 2016	May 2016
Crude Oil (Dollars per barrel) <i>Light Sweet Crude Oil</i>	2/3/2016	\$ 32.28	\$ 33.86	\$ 35.39
	1/27/2016	\$ 32.30	\$ 33.76	\$ 35.07
Natural Gas (Dollars per MMBtu) <i>Henry-Hub</i>	2/3/2016	\$ 2.04	\$ 2.12	\$ 2.18
	1/27/2016	\$ 2.16	\$ 2.23	\$ 2.29
Propane (Dollars per gallon) <i>Mt Belvieu (OPIS)</i>	2/3/2016	\$ 0.36	\$ 0.36	\$ 0.36
	1/27/2016	\$ 0.34	\$ 0.34	\$ 0.34

Source: [http://www.cmegroup.com/daily\\_bulletin/current/Section61\\_Energy\\_Futures\\_Products.pdf](http://www.cmegroup.com/daily_bulletin/current/Section61_Energy_Futures_Products.pdf)

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