

Kentucky Department for Energy Development and Independence Energy Watch

A snapshot of state and national energy issues

Natural gas use for power generation higher this winter

So far this winter, natural gas consumption in the electric power sector (gas burn) has been higher than in any previous winter. According to Bentek Energy, gas burn in the electric power sector has averaged 25.0 billion cubic feet per day (Bcf/d) so far this winter (November 1 through February 8), up 17% from last year's average of 21.4 Bcf/d during the same period and significantly higher than the 18.8 Bcf/d average of the past five years. (www.eia.gov February 9, 2016)

The Consensus Has Ruled: Data Is Energy

Information is power, it turns out. Consumers can potentially trim their electricity consumption by 6% to 18% when they, or service providers on their behalf, have access to utility meter data, according to a report from More Than Smart and Mission: Data that surveyed the results from twelve studies conducted since 2010. (www.forbes.com February 5, 2016)

Spanish Energy Company Considering Kentucky Site for Hydropower Project

A Spanish energy company is considering a site in Kentucky for a hydroelectric power project. Energy Resources USA has filed an application with the Federal Energy Regulatory Commission to study a site in Warren County as a possible location for a hydropower plant. The location of the project would be at the U.S. Army Corps of Engineers Green River Lock and Dam No. 5. The application is for a preliminary permit. (<http://wkyufm.org> February 8, 2016)

Sunverge Energy to roll out solar management system

As the solar power market evolves, it is becoming less dependent on the vagaries of the sun. Battery storage and intelligent controllers are enabling solar power to be used more flexibly, enhancing the value of the resource for customers. One of the latest entries into the field is Sunverge Energy's next generation solar integration system. (www.utilitydive.com February 11, 2016)

Obama's Clean-Power Plan Put on Hold by U.S. Supreme Court

A divided U.S. Supreme Court blocked President Barack Obama's sweeping plan to cut emissions from power plants, putting on hold his most ambitious effort to combat climate change. The 5-4 order Tuesday halts the Environmental Protection Agency's Clean Power Plan until at least the final months of Obama's presidency -- and casts doubt on its ultimate fate before the nation's highest court by suggesting concern among a majority of the justices. (www.bloomberg.com February 9, 2016)

Oil seen falling in days to \$25 a barrel

Crude prices may be days away from hitting \$25 a barrel or even lower as weakening technicals put more pressure on a market already staggering from oversupply, chartists said. U.S. crude's West Texas Intermediate (WTI) futures settled at \$27.45 on Wednesday, slightly more than \$1 above 12-year lows hit last month. U.K.'s Brent was at \$30.84 a barrel, more \$3 above its 12-year low of \$27.10 hit on Jan. 20. (www.reuters.com February 10, 2016)

Obama budget backs off proposal to sell TVA

The Obama administration apparently has given up on selling the Tennessee Valley Authority. President Barack Obama's \$4.1 trillion proposed budget, submitted to Congress on Tuesday, makes no mention of putting the public utility under state and local control -- the first time in four years such language has been missing from the president's spending plan. (www.energycentral.com February 10, 2016)



Kentucky Retail Fuel Prices (Dollars per gallon)

Product	2/11/2016	2/4/2016	1/28/2016	1/21/2016	Year Ago
Gasoline (State avg.)	\$ 1.70	\$ 1.77	\$ 1.82	\$ 1.70	\$ 2.21
Ashland	\$ 1.59	\$ 1.66	\$ 1.71	\$ 1.77	\$ 2.34
Covington	\$ 1.59	\$ 1.73	\$ 1.72	\$ 1.80	\$ 2.38
Lexington	\$ 1.53	\$ 1.64	\$ 1.66	\$ 1.64	\$ 2.39
Louisville	\$ 1.51	\$ 1.66	\$ 1.65	\$ 1.69	\$ 2.42
Owensboro	\$ 1.49	\$ 1.54	\$ 1.59	\$ 1.63	\$ 2.13
Diesel (State avg.)	\$ 2.01	\$ 2.04	\$ 2.07	\$ 2.08	\$ 2.81
Ashland	\$ 1.92	\$ 2.00	\$ 2.06	\$ 2.08	\$ 2.95
Covington	\$ 1.96	\$ 1.99	\$ 2.04	\$ 2.10	\$ 2.86
Lexington	\$ 2.01	\$ 2.03	\$ 2.06	\$ 2.12	\$ 2.89
Louisville	\$ 1.95	\$ 2.00	\$ 2.04	\$ 2.07	\$ 2.92
Owensboro	\$ 2.03	\$ 2.03	\$ 2.05	\$ 2.08	\$ 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	2/8/2016	2/1/2016	1/25/2016	1/18/2016	Year Ago
Heating Oil (dollars per gallon)	\$ 1.64	\$ 1.63	\$ 1.71	\$ 1.72	\$ 2.45
Propane (dollars per gallon)	\$ 1.84	\$ 1.83	\$ 1.84	\$ 1.82	\$ 2.15

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

Spot Prices	2/8/2016	2/1/2016	1/25/2016	1/19/2016	Year Ago
Crude Oil (Dollars per barrel) <i>West Texas Intermediate, fob</i>	\$ 29.71	\$ 31.62	\$ 30.31	\$ 28.47	\$ 48.80
Natural Gas (Dollars per MMBtu) <i>Henry-Hub</i>	\$ 2.28	\$ 2.26	\$ 2.16	\$ 2.23	\$ 2.88
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
<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>	2/10/2016	\$ 27.45	\$ 29.66	\$ 31.52
	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>	2/10/2016	\$ 2.05	\$ 2.11	\$ 2.17
	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>	2/10/2016	\$ 0.36	\$ 0.36	\$ 0.36
	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

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