

Kentucky Department for Energy Development and Independence Energy Watch

A snapshot of state and national energy issues

US could become energy exporter in a decade

The United States could end its long reliance on foreign countries for fuel within the next decade, according to the latest federal estimates. With fossil fuel production booming in states like Pennsylvania and North Dakota, Energy Department said for the first time Wednesday that high prices for oil and natural gas could put the country's energy imports and exports in balance around 2028. (www.bostonglobe.com April 15, 2015)

House Lawmakers Squabble With EPA Over Power Plant Bill, Impacts of Carbon Rules

House Republicans acknowledge that draft legislation allowing states to opt out of the Environmental Protection Agency's carbon pollution rules for power plants was a forceful response but said such an approach is necessary given the agency's "extreme, radical" approach to redefining the electricity markets in every state. (www.bna.com April 14, 2015)

The sun shines bright on my old Kentucky home: A look at the viability of solar energy in the Commonwealth

In a December 22, 2014, press release, LG&E/KU announced that the Kentucky Public Service Commission (PSC) has approved a request by the utility company for the construction of what will be Kentucky's largest solar panel facility. Buried in their announcement was the statement that "Kentucky is not blessed with an abundance of wind and solar energy(www.leoweekly.com April 15, 2015)

What shuttering coal plants means for energy jobs

With new environmental rules looming this week, coal-driven power plants are closing all over the United States, and jobs are going with them. Utilities have been shuttering plants almost since regulatory changes were announced back in December 2011, but the number of closures has spiked recently, and several more plants are scheduled to close in the next few years. (www.cnn.com April 13, 2015)

EPA settles lawsuit over ethanol mandate

The Environmental Protection Agency (EPA) has settled an oil industry lawsuit and agreed to set the ethanol blending mandates for this year and last year by Nov. 30. The 2014 mandate under the Renewable Fuel Standard will be two years late and this year's will be one year late. But with an end to the delays finally in sight, the settlement ends a dispute that angered both the oil industry and ethanol producers. (http://thehill.com April 10, 2015)

Company to pay \$7.6M to settle Fort Knox case

Nolin Rural Electric Cooperative has agreed to pay the federal government \$7.6 million to settle civil allegations that it overbilled an Army energy-saving program at Fort Knox. In agreement announced Monday by Acting U.S. Attorney John Kuhn, the Elizabethtown-based co-op also agreed to hire a corporate ethics monitor for two years to oversee its dealings with the federal government. (www.courier-journal.com April 14, 2015)

Duke Energy gives \$1M to Indiana battery center for energy storage research

Duke Energy is contributing \$1 million for research at the Indiana Battery Innovation Center on using battery storage with rooftop solar and small wind turbines. The funding makes good on an agreement Charlotte-based Duke (NYSE:DUK) made with the Indiana Office of Utility Consumer Counselor in 2012 as part of a settlement of cost overruns at Duke's Edwardsport gasified coal plant. (www.bizjournals.com March 30, 2015)

Coal job losses more than offset by other energy gains, but not in W.Va.

As the American electricity sector transformed following the 2008 recession, job losses in the coal industry were far outweighed by job gains in natural gas, wind and solar. But, as a tour through West Virginia's southern coalfields would show, those new jobs were typically not created in the same areas where jobs were lost, a new study finds. (www.wvgazette.com April 13, 2015)

Green around the edges

POWER consumption used to march in lockstep with economic growth. As the world recovers from financial crisis, that link is weakening. Though the average conceals wide variations, in 2014 advanced industrialised countries used 0.9% less electricity than in 2013, and slightly less even than in 2007, since when their combined economies have grown by 6.3%. A new study for the UN Environment Programme concludes that two factors are at work. (www.economist.com April 11, 2015)

Kentucky Retail Fuel Prices (Dollars per gallon)

Product	4/16/2015	4/9/2015	4/2/2015	3/26/2015	Year Ago
Gasoline (State avg.)	\$ 2.41	\$ 2.40	\$ 2.40	\$ 2.42	\$ 3.65
Ashland	\$ 2.39	\$ 2.32	\$ 2.37	\$ 2.42	\$ 3.72
Covington	\$ 2.49	\$ 2.54	\$ 2.57	\$ 2.48	\$ 3.86
Lexington	\$ 2.31	\$ 2.43	\$ 2.27	\$ 2.43	\$ 3.66
Louisville	\$ 2.53	\$ 2.56	\$ 2.44	\$ 2.68	\$ 3.69
Owensboro	\$ 2.19	\$ 2.21	\$ 2.23	\$ 2.23	\$ 3.61
Diesel (State avg.)	\$ 2.78	\$ 2.80	\$ 2.82	\$ 2.85	\$ 3.96
Ashland	\$ 2.72	\$ 2.76	\$ 2.80	\$ 2.86	\$ 3.99
Covington	\$ 2.81	\$ 2.83	\$ 2.85	\$ 2.88	\$ 4.07
Lexington	\$ 2.79	\$ 2.81	\$ 2.84	\$ 2.86	\$ 4.09
Louisville	\$ 2.73	\$ 2.76	\$ 2.80	\$ 2.83	\$ 4.03
Owensboro	\$ 2.68	\$ 2.72	\$ 2.73	\$ 2.75	\$ 4.05

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	4/16/2015	4/9/2015	3/30/2015	3/23/2015	Year Ago
Crude Oil (Dollars per barrel) <i>West Texas Intermediate, fob</i>	\$ 51.95	\$ 52.08	\$ 48.66	\$ 47.40	\$ 103.71
MMBtu <i>Henry-Hub</i>	\$ 2.58	\$ 2.64	\$ 2.77	\$ 2.68	\$ 4.67
Coal Price (dollars per short ton) <i>Central Appalachia</i>	\$ 52.88	\$ 53.06	\$ 53.06	\$ 53.06	\$ 60.58
Coal Price (dollars per short ton) <i>Illinois Basin</i>	\$ 40.77	\$ 40.32	\$ 40.32	\$ 40.32	\$ 47.52

Sources: <https://www.quandl.com/#/c/markets/coal> http://www.eia.gov/dnav/pet/pet_pri_spt_s1_d.htm http://ycharts.com/indicators/natural_gas_spot_price

Futures		May 2015	June 2015	July 2015
Crude Oil (Dollars per barrel) <i>Light Sweet Crude Oil</i>	4/15/2015	\$ 56.39	\$ 57.69	\$ 58.73
	4/8/2015	\$ 50.42	\$ 51.87	\$ 52.93
	4/1/2015	\$ 50.09	\$ 51.75	\$ 53.06
Natural Gas (Dollars per MMBtu) <i>Henry-Hub</i>	4/15/2015	\$ 2.61	\$ 2.65	\$ 2.71
	4/8/2015	\$ 2.62	\$ 2.67	\$ 2.73
	4/1/2015	\$ 2.65	\$ 2.65	\$ 2.71
Propane (Dollars per gallon) <i>Mt Belvieu (OPIS)</i>	4/15/2015	\$ 0.57	\$ 0.57	\$ 0.58
	4/8/2015	\$ 0.52	\$ 0.52	\$ 0.53
	4/1/2015	\$ 0.53	\$ 0.54	\$ 0.54

Source: CME Group



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