

Kentucky Department for Energy Development and Independence Energy Watch

A snapshot of state and national energy issues



Kentucky lost more than 1 in 10 coal jobs during first three months of 2015

The number of coal jobs dropped sharply in both Eastern and Western Kentucky in the first three months of the year, hitting the lowest total on record. Preliminary data show mines cut more than 1,200 jobs statewide during the quarter, according to a report released Thursday by the Kentucky Energy and Environment Cabinet. That was a drop of 10.6 percent, the steepest quarterly decline in more than two years. (www.kentucky.com April 30, 2015)

The Path From Coal to Renewable Energy Can Be Difficult

For the past decade, the Navajo reservation here has struggled to navigate the change from coal to green power. It's still struggling. The effort began when environmental activists filed a federal lawsuit that helped result in the closure of a nearby coal plant, which ended up costing many Navajos their jobs. Activists said they would try to help the tribe develop clean-energy jobs. (www.wsj.com May 5, 2015)

Refuse trucks that run on natural gas saving Lexington money, helping environment

Lexington's 13 compressed natural gas trucks the city began using in August 2014 are saving \$1.50 to \$2 over the cost of a gallon of diesel fuel. Add in the maintenance costs, savings amount to about \$6,500 per truck. A tune-up lasts about 50,000 miles and oil changes are good for an extra 25,000 miles. Lexington, which uses 128 refuse fleet vehicles, has ordered seven more natural gas trucks that are expected to arrive in the fall. (www.lanereport.com May 1, 2015)

Pipeline meeting to focus on landowner rights

A joint venture's plans for an ethane cracker plant in West Virginia has been paused. A community pipeline meeting focusing on landowner rights and public safety will be held 7 p.m. Thursday in the community room of InterCounty Energy, 1009 Hustonville Road. The meeting, led by Kentucky Resources Council attorney Tom FitzGerald and Danville attorney Mark Morgan, will offer residents options in Kinder Morgan's plan to repurpose a line of the 70-plus-year-old Tennessee Gas Pipeline to carry natural gas liquids. (www.centrankynews.com May 5, 2015)

Oil rally snaps as ample supplies outweigh U.S. stock draw

Oil fell 2 percent on Thursday, wiping out gains from the past two sessions, as euphoria from the first U.S. inventory drawdown in months faded and focus returned to oversupplies in crude and gasoline. A stronger dollar also weighed on the energy complex, making raw materials became less affordable to holders of the euro and other currencies. (www.reuters.com May 7, 2015)

Indiana Gov. Pence signs utility energy-efficiency bill

Indiana Gov. Mike Pence has signed a new law to reduce state oversight of the energy efficiency programs of major utilities. Pence approved a measure Wednesday to allow major utility companies to develop their own efficiency programs and charge customers to implement them. The Indiana Utility Regulatory Commission will have final approval over the programs. (www.washingtontimes.com May 6, 2015)

Pipeline politics: Virginia's Keystone?

Call it the Keystone next door. A core group of Virginia Republicans and other landowners is leading the charge against a proposed natural gas pipeline near their backyards and using tactics similar to the environmental crusade against the Keystone XL oil pipeline — the very project Republicans in Congress have elevated into a matter of national economic survival. (www.politico.com May 4, 2015)

US coal stockpiles at 165.6 million st, up 29.2% from a year ago: Bentek

US coal stockpiles totaled an estimated 165.6 million st for the week ended April 30, up 1.6% from the prior week and 29.2% from a year ago, Platts unit Bentek Energy said Friday. Utility coal consumption totaled 13.4 million st as it increased 2% with gains in the MISO and ERCOT regions, Bentek said. While recent coal consumption has been increasing, consumption is still 7% off from the same period last year. (www.platts.com May 1, 2015)

Fort Knox becomes the first U.S. military post that can operate on its own without external power

Green and off the grid. Fort Knox has achieved energy independence. Following a 2009 ice storm that left Fort Knox and others without power, the post decided to come up with a plan to make sure the area will not be without power again. With a ceremonial ribbon cutting celebrating energy security, Fort Knox becomes the first U.S. military post that can operate on its own without external power. (www.wdrb.com May 6, 2015)

Kentucky Retail Fuel Prices (Dollars per gallon)

Product	5/7/2015	4/30/2015	4/23/2015	4/16/2015	Year Ago
Gasoline (State avg.)	\$ 2.65	\$ 2.58	\$ 2.49	\$ 2.41	\$ 3.67
Ashland	\$ 2.67	\$ 2.57	\$ 2.42	\$ 2.39	\$ 3.70
Covington	\$ 2.67	\$ 2.56	\$ 2.53	\$ 2.49	\$ 3.85
Lexington	\$ 2.52	\$ 2.57	\$ 2.45	\$ 2.31	\$ 3.75
Louisville	\$ 2.78	\$ 2.62	\$ 2.61	\$ 2.53	\$ 3.77
Owensboro	\$ 2.51	\$ 2.46	\$ 2.31	\$ 2.19	\$ 3.59
Diesel (State avg.)	\$ 2.84	\$ 2.81	\$ 2.79	\$ 2.78	\$ 3.95
Ashland	\$ 2.74	\$ 2.72	\$ 2.71	\$ 2.72	\$ 3.99
Covington	\$ 2.77	\$ 2.77	\$ 2.79	\$ 2.81	\$ 4.02
Lexington	\$ 2.77	\$ 2.76	\$ 2.78	\$ 2.79	\$ 4.03
Louisville	\$ 2.72	\$ 2.71	\$ 2.72	\$ 2.73	\$ 4.00
Owensboro	\$ 2.70	\$ 2.70	\$ 2.69	\$ 2.68	\$ 4.04

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	5/7/2015	4/29/2015	4/20/2015	4/16/2015	Year Ago
Crude Oil (Dollars per barrel) <i>West Texas Intermediate, fob</i>	\$ 58.92	\$ 55.56	\$ 55.58	\$ 51.95	\$ 101.06
MMBtu <i>Henry-Hub</i>	\$ 2.72	\$ 2.50	\$ 2.59	\$ 2.58	\$ 4.73
Coal Price (dollars per short ton) <i>Central Appalachia</i>	\$ 52.85	\$ 52.88	\$ 52.88	\$ 52.88	\$ 60.58
Coal Price (dollars per short ton) <i>Illinois Basin</i>	\$ 40.45	\$ 40.77	\$ 40.77	\$ 40.77	\$ 46.02

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		June 2015	July 2015	August 2015
Crude Oil (Dollars per barrel) <i>Light Sweet Crude Oil</i>	5/6/2015	\$ 60.93	\$ 62.00	\$ 62.56
	4/29/2015	\$ 58.58	\$ 59.86	\$ 60.52
Natural Gas (Dollars per MMBtu) <i>Henry-Hub</i>	5/6/2015	\$ 2.78	\$ 2.83	\$ 2.85
	4/29/2015	\$ 2.61	\$ 2.66	\$ 2.68
Propane (Dollars per gallon) <i>Mt Belvieu (OPIS)</i>	5/6/2015	\$ 0.52	\$ 0.52	\$ 0.53
	4/29/2015	\$ 0.56	\$ 0.57	\$ 0.57

Source: CME Group



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