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***U.S. 2016 oil output growth seen slowest in five years: EIA***

The U.S. government said on Tuesday it expects domestic oil output in 2016 to grow only 2.2 percent, the slowest pace in years, as the relentless rout in prices puts the brakes on the country's five-year shale boom. In its first forecast for next year, the U.S. Energy Information Administration said domestic oil production will rise about 200,000 barrels a day to 9.5 million bpd in 2016. (www.reuters.com Jan. 13, 2015)

***Obama Is Planning New Rules on Oil and Gas Industry's Methane Emissions***

In President Obama's latest move using executive authority to tackle climate change, White House officials on Wednesday announced plans to impose new regulations on the oil and gas industry's emissions of methane, a powerful greenhouse gas. The administration's goal is to cut methane emissions from oil and gas production by up to 45 percent by 2025 from the levels recorded in 2012. The Environmental Protection Agency will issue the proposed regulations this summer, and final regulations by 2016. (www.nytimes.com Jan. 13, 2015)

***PSC closes review of LG&E and KU customer service***

The Kentucky Public Service Commission (PSC) has ended its heightened scrutiny of the consumer service operations of Louisville Gas and Electric Co. (LG&E) and Kentucky Utilities Co. (KU) because the two companies have completed the improvements recommended in the final report of a management review completed in September 2011. In a letter sent today to the two utilities, the PSC said all 20 of the recommended actions have been completed, ending the need for further progress reports tied to the review, known as a focused management and operations audit. (www.lanereport.com Jan. 14, 2015)

***Ethanol thrives despite lower oil prices***

Roughly 100 grain trucks a day filled with corn continued to flow into the Green Plains ethanol plant in southwest Iowa last week — even as crude oil prices continued to collapse. Oil prices may have dipped below \$50 a barrel for the first time since April 2009, but ethanol plants across the nation continue to operate at a brisk pace in order to satisfy a domestic and export demand that hasn't weakened. The cheap oil will likely cut into ethanol profits because refiners will want to pay less for the corn-based fuel additive, but the industry is somewhat shielded by a federal biofuel mandate and the need to boost octane in gasoline. (www.poughkeepsiejournal.com Jan. 13, 2015)

***RA approves Clean Line Energy to bring wind power to TVA***

A Houston company that plans to build a \$2 billion transmission line from Oklahoma to Tennessee has gained approval from state regulators to extend the line into Memphis. Clean Line Energy Partners LLC said Tuesday the approval by Tennessee Regulatory Authority moves the company one step closer toward erecting a 700-mile line to bring wind energy from the plains of Texas and Oklahoma to the hills of the Tennessee Valley. (www.timesfreepress.com Jan. 15, 2015)

***Renewable freeze jeopardizing Ohio's leadership in clean energy, Pew report finds***

Renewable energy's growth is inevitable. Why not produce it in Ohio instead of letting other states get its benefits? So says a panel of Ohio alternative-energy executives who outlined their concerns about the future of wind, solar and other forms of energy in the state. Old and new Ohio renewable energy firms were brought together Tuesday by Pew Charitable Trusts in downtown Columbus. The organization revealed its research brief on Ohio as part of a look at eight different states' alternative energy policies. (www.bizjournals.com Jan. 14, 2015)

***Environmental concerns raised as oil companies take fresh look at fracking in Kentucky***

There's been little heat so far in Kentucky over hydraulic fracturing, or fracking, a technique of drilling for oil and natural gas that has caused division elsewhere in the country, but now the controversy has gushed up here. The potential to develop a vast underground shale layer that curves from the northeastern part of the state through Central Kentucky has sparked increased interest among oil and gas companies within the last 18 months. Companies signed hundreds of additional oil and gas leases with landowners in 2014, according to local officials. (www.kentucky.com Jan. 10, 2015)

Kentucky Retail Fuel Prices (Dollars per gallon)

Product	1/15/2015	1/8/2015	12/31/2014	12/18/2014	Year Ago
<b>Gasoline (State avg.)</b>	\$ 2.09	\$ 2.18	\$ 2.26	\$ 2.48	\$ 3.31
Ashland	\$ 2.06	\$ 2.17	\$ 2.20	\$ 2.53	\$ 3.27
Covington	\$ 2.16	\$ 2.24	\$ 2.23	\$ 2.49	\$ 3.36
Lexington	\$ 2.20	\$ 2.25	\$ 2.03	\$ 2.25	\$ 3.25
Louisville	\$ 2.04	\$ 2.30	\$ 2.22	\$ 2.19	\$ 3.36
Owensboro	\$ 1.87	\$ 1.98	\$ 1.99	\$ 2.35	\$ 3.20
<b>Diesel (State avg.)</b>	\$ 2.96	\$ 3.06	\$ 3.15	\$ 3.34	\$ 3.87
Ashland	\$ 3.17	\$ 3.20	\$ 3.30	\$ 3.45	\$ 3.91
Covington	\$ 3.10	\$ 3.28	\$ 3.42	\$ 3.55	\$ 3.85
Lexington	\$ 3.16	\$ 3.29	\$ 3.37	\$ 3.51	\$ 3.81
Louisville	\$ 3.09	\$ 3.30	\$ 3.46	\$ 3.57	\$ 3.81
Owensboro	\$ 2.74	\$ 2.88	\$ 2.95	\$ 3.29	\$ 3.85

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	1/12/2015	1/5/2015	12/22/2014	12/15/2014	Year Ago
Heating Oil (dollars per gallon)	\$ 2.49	\$ 2.56	\$ 2.84	\$ 3.00	\$ 3.47
Propane (dollars per gallon)	\$ 2.15	\$ 2.14	\$ 2.14	\$ 2.14	\$ 2.54

[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	1/12/2015	1/6/2015	12/30/2014	12/15/2014	Year Ago
Crude Oil (Dollars per barrel) <i>West Texas Intermediate, fob</i>	\$ 46.06	\$ 50.05	\$ 55.25	\$ 55.96	\$ 93.78
Natural Gas (Dollars per MMBtu) <i>Henry-Hub</i>	\$ 2.90	\$ 3.14	\$ 3.05	\$ 3.72	\$ 3.95
Coal Price (dollars per short ton) <i>Central Appalachia</i>	\$ 53.06	\$ 55.92	\$ 56.10	\$ 56.30	\$ 64.52
Coal Price (dollars per short ton) <i>Illinois Basin</i>	\$ 45.32	\$ 45.70	\$ 44.55	\$ 44.70	\$ 46.40

Sources: <https://www.quandl.com/#/c/markets/coal> [http://www.eia.gov/dnav/pet/pet\\_pri\\_spt\\_s1\\_d.htm](http://www.eia.gov/dnav/pet/pet_pri_spt_s1_d.htm) [http://ycharts.com/indicators/natural\\_gas\\_spot\\_price](http://ycharts.com/indicators/natural_gas_spot_price)

Futures		February 2015	March 2015	April 2015
Crude Oil (Dollars per barrel) <i>Light Sweet Crude Oil</i>	1/14/2015	\$ 48.48	\$ 48.96	\$ 49.62
	1/7/2015	\$ 48.65	\$ 49.08	\$ 49.72
	12/30/2014	\$ 54.12	\$ 54.53	\$ 55.05
Natural Gas (Dollars per MMBtu) <i>Henry-Hub</i>	1/14/2015	\$ 3.23	\$ 3.21	\$ 3.12
	1/7/2015	\$ 2.87	\$ 2.87	\$ 2.84
	12/30/2014	\$ 3.09	\$ 3.10	\$ 3.05
Propane (Dollars per gallon) <i>Mt Behvieu (OPIS)</i>	1/14/2015	\$ 0.48	\$ 0.48	\$ 0.48
	1/7/2015	\$ 0.45	\$ 0.45	\$ 0.46
	12/30/2014	\$ 0.51	\$ 0.52	\$ 0.52

Source: CME Group

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