

***INSIGHT-In Kentucky, talk of a ‘war on coal’ gives way to hope for new economy***

When Dan Mosley became head of Kentucky’s Harlan County government this year, he promised - like those elected before him - to defend the state’s beleaguered coal industry. But Mosley also vowed to do something else for his county: help build a new economy-based on something other than coal. “The best business I’ve seen in town lately has been the U-Haul business because people are moving out,” said Mosley, a boyish-looking father of two, speaking after a community meeting in the century-old coal town of Benham. (WWW.REUTERS.COM June 4, 2015)

***Natural Gas Becoming Fuel of Choice in Traditional Coal State***

Kentucky has long been a coal state, and as such has consistently resisted efforts by the federal government to limit greenhouse gas emissions from its coal-fired power plants. A year ago the U.S. Environmental Protection Agency (EPA) issued new rules, called the Clean Power Plan, designed to reduce the country’s carbon emissions by 30 percent below 2005 levels by 2030. (www.pipelineand-gasjournal.com May 2015)

***Utilities Scrap Their Coal-Burning Units While GOP Lawmakers Fight Trend***

AEP: Coal-fueled generating unit retirements (www.forbes.com June 2, 2015)

***Lexington-based coal operator eyeing layoffs***

A Lexington-based coal company says it is temporarily idling most of its coal mining operations in central Appalachia, a region where the industry continues to struggle. Rhino Resource Partners says it gave 60-day notices to 192 employees that they may be laid off. Company President Joe Funk says it’s happening because of “persistent weakness in the coal markets.” (www.whas11.com June 2, 2015)

***It’s Official: Natural Gas is Killing Coal***

There’s no denying that natural gas is revolutionizing our energy economy, but few believed it could deal such a swift death blow to coal, the commodity that brought us into the Industrial Revolution and has been our backbone ever since. But the signs are irrefutable. Here’s what you need to know. Coal and natural gas have been going at it for a while. Traditionally, these were actually complementary energy sources. (www.fool.com May 31, 2015)

***Natural gas price drops 19.5% for Columbia Gas of Kentucky customers***

Columbia Gas of Kentucky has received approval from the Kentucky Public Service Commission (PSC) for its most recent Gas Cost Adjustment (GCA). Columbia Gas of Kentucky’s gas supply cost will decrease to \$5.2630 per Mcf (1,000 cubic feet), a 19.5 percent decrease, effective June 1. The new gas supply cost will remain in effect until the next scheduled Gas Cost Adjustment in September 2015. (www.lanereport.com May 29, 2015)

***More than a dozen coal miners laid off in western Kentucky***

More than a dozen coal miners in western Kentucky are out of work tonight. Armstrong coal officials tells us most of the employees work at the Equality boot mine in Centertown. Western Kentucky Reporter Jonathan McEmber caught up with some former mine employees who know what that feels like. It’s like many small towns in America in that most people know their neighbors and in Centertown - word travels fast. Jacob Johnson heard about the recent Armstrong layoffs earlier today. The news hits home for him. (www.kfvs12.com May 29, 2015)

***Indiana’s electric rates expected to rise in the next five years***

Indiana’s electric rates are rising faster than some neighboring states and will likely increase significantly over the next five years. But how much that will affect consumers’ bills is unknown. Rates — the cost of electricity per kilowatt hour — have been rising for the past 10 years, said Doug Gotham, director of the State Utility Forecasting Group, a state-funded research group at Purdue University that does a forecast every two years. (www.southbendtribune.com May 31, 2015)

Kentucky Retail Fuel Prices (Dollars per gallon)

Product	6/4/2015	5/28/2015	5/21/2015	5/14/2015	Year Ago
<b>Gasoline (State avg.)</b>	\$ 2.76	\$ 2.74	\$ 2.73	\$ 2.68	\$ 3.66
Ashland	\$ 2.72	\$ 2.73	\$ 2.77	\$ 2.61	\$ 3.89
Covington	\$ 2.84	\$ 2.82	\$ 2.84	\$ 2.67	\$ 3.96
Lexington	\$ 2.70	\$ 2.63	\$ 2.76	\$ 2.66	\$ 3.80
Louisville	\$ 2.83	\$ 2.91	\$ 2.83	\$ 2.77	\$ 3.89
Owensboro	\$ 2.59	\$ 2.52	\$ 2.58	\$ 2.42	\$ 3.66
<b>Diesel (State avg.)</b>	\$ 2.88	\$ 2.89	\$ 2.88	\$ 2.86	\$ 3.92
Ashland	\$ 2.81	\$ 2.80	\$ 2.78	\$ 2.75	\$ 3.91
Covington	\$ 2.81	\$ 2.82	\$ 2.82	\$ 2.78	\$ 3.95
Lexington	\$ 2.80	\$ 2.81	\$ 2.81	\$ 2.78	\$ 3.99
Louisville	\$ 2.76	\$ 2.77	\$ 2.76	\$ 2.74	\$ 3.96
Owensboro	\$ 2.74	\$ 2.74	\$ 2.75	\$ 2.70	\$ 3.98

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	6/1/2015	5/28/2015	5/21/2015	5/11/2015	Year Ago
Crude Oil (Dollars per barrel) <i>West Texas Intermediate, fob</i>	\$ 60.24	\$ 57.29	\$ 59.44	\$ 59.23	\$ 103.27
MMBtu <i>Henry-Hub</i>	\$ 2.78	\$ 2.82	\$ 3.01	\$ 2.85	\$ 4.49
Coal Price (dollars per short ton) <i>Central Appalachia</i>	\$ 52.75	\$ 52.85	\$ 52.85	\$ 52.85	\$ 60.70
Coal Price (dollars per short ton) <i>Illinois Basin</i>	\$ 40.45	\$ 40.45	\$ 40.45	\$ 40.45	\$ 46.00

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		July 2015	August 2015	September 2015
Crude Oil (Dollars per barrel) <i>Light Sweet Crude Oil</i>	6/3/2015	\$ 59.64	\$ 59.93	\$ 60.14
	5/27/2015	\$ 57.51	\$ 57.86	\$ 58.04
Natural Gas (Dollars per MMBtu) <i>Henry-Hub</i>	6/3/2015	\$ 2.63	\$ 2.66	\$ 2.67
	5/27/2015	\$ 2.85	\$ 2.87	\$ 2.87
Propane (Dollars per gallon) <i>Mt Belvieu (OPIS)</i>	6/3/2015	\$ 0.43	\$ 0.45	\$ 0.47
	5/27/2015	\$ 0.41	\$ 0.43	\$ 0.45

Source: CME Group



The Department for Energy Development and Independence does not discriminate on the basis of race, color, national origin, sex, age, religion or disability and provides, on request, reasonable accommodations including auxiliary aids and services necessary to afford an individual with a disability an equal opportunity to participate in all services, programs and activities. To request materials in an alternative format, call the Department for Energy Development and Independence at (800) 282-0868. Persons with hearing and speech impairments can contact the agency by using the Kentucky Relay Service, a toll-free telecommunication device for the deaf (TDD). For voice to TDD, call (800) 648-6057. For TDD to voice, call (800) 648-6056.

