

Kentucky Department for Energy Development and Independence Energy Watch

A snapshot of state and national energy issues



In first, natural gas outpaces coal for US electricity generation

New data from the U.S. Energy Information Administration shows the United States is continuing to shift away from coal-fired generation, and for the first time ever in April produced more power from natural gas. Electric Power Monthly data shows gas-fired plants around the country produced 92,516 Gwh in April, compared with 88,835 Gwh of coal. (www.utilitydive.com July 7, 2015)

More than 100 coal miners in Letcher, Harlan counties notified of pending layoffs

More than 100 employees of coal mines in Letcher and Harlan counties were notified Wednesday of pending layoffs, according to a news release from Alpha Natural Resources. The company said it expects to idle the mines in anticipation of selling them. (www.kentucky.com July 8, 2015)

New plan will fund solar energy for low-income Americans

The Obama administration is starting a new program designed to spread solar power and solar industry jobs to a wider range of Americans, including renters and low-income communities, according to a White House announcement Tuesday. (www.cnbc.com July 7, 2015)

Should Nuclear Energy Try To Fight The Natural Gas Craze?

The nuclear power industry is trying to get ahead of national energy curve — producing a study in advance of the Obama administration's Clean Power Plan to cut carbon emissions. The sector's report sets out to quantify the fuel's current economic and environmental contributions. (www.forbes.com July 8, 2015)

Bull Versus Bear: The Outlook For Oil Prices

Third, is oil demand about to get real soft? The collapse of Greece threatens to tip over all sorts of dominoes that could crash through the Eurozone and leave it in economic ruin. Wars have started with less. As Ben Hunt, Chief Risk Officer at Salient Partners wrote in his Epsilon Theory note this week: "the echoes of 1914 are getting louder and louder. (www.forbes.com July 7, 2015)

LG&E and KU make history with Kentucky's first natural gas combined-cycle unit

After more than two and one half years and more than 2 million construction hours, Louisville Gas & Electric Co. and Kentucky Utilities Co.'s new 640-megawatt natural gas combined-cycle generating unit — known as Cane Run Unit 7 or CR7 for short — is now commercially available, providing customers with another source of safe, reliable energy. (www.crittendenpress.com July 6, 2015)

Coal production using mountaintop removal mining decreases by 62% since 2008

Coal production from mines with mountaintop removal (MTR) permits has declined since 2008, more than the downward trend in total U.S. coal production. Total U.S. coal production decreased about 15% from 2008 to 2014. Surface production decreased about 21%, and mountaintop removal, one type of surface production, decreased 62% over this period. (www.eia.gov July 7, 2015)

Energy rules have Virginia weighing new nuclear reactor at North Anna

A new set of federal standards is poised to change the way electricity is made across the country, moving the nation further away from coal and toward cleaner energy sources. But in Virginia, the rules known as the Clean Power Plan already are becoming part of a larger debate over whether the state's largest utility should build another nuclear reactor. (www.dailyprogress.com July 6, 2015)

Tulsa-based coal producer buys up remaining interest in Illinois mining subsidiary

Alliance Resource Partners LP will pay \$50 million to take 100 percent control of a coal-mining operation in Illinois, the Tulsa-based company reported Monday. Alliance Resource Partners, also known by its stock symbol ARLP, is acquiring all the remaining equity interests in White Oak Resources LLC. Upon closing, ARLP subsidiary Alliance WOR Processing LLC will take over operations of the White Oak Mine No. 1. (www.tulsaworld.com July 7, 2015)

Kentucky Retail Fuel Prices (Dollars per gallon)

Product	7/10/2015	7/2/2015	6/25/2015	6/18/2015	Year Ago
Gasoline (State avg.)	\$ 2.76	\$ 2.77	\$ 2.78	\$ 2.80	\$ 3.64
Ashland	\$ 2.72	\$ 2.74	\$ 2.77	\$ 2.83	\$ 3.68
Covington	\$ 2.85	\$ 2.88	\$ 2.92	\$ 2.95	\$ 3.89
Lexington	\$ 2.58	\$ 2.70	\$ 2.75	\$ 2.64	\$ 3.60
Louisville	\$ 2.81	\$ 2.84	\$ 2.83	\$ 2.93	\$ 3.84
Owensboro	\$ 2.60	\$ 2.68	\$ 2.74	\$ 2.77	\$ 3.60
Diesel (State avg.)	\$ 2.83	\$ 2.84	\$ 2.85	\$ 2.87	\$ 3.89
Ashland	\$ 2.73	\$ 2.75	\$ 2.76	\$ 2.78	\$ 3.84
Covington	\$ 2.73	\$ 2.75	\$ 2.76	\$ 2.78	\$ 3.84
Lexington	\$ 2.75	\$ 2.76	\$ 2.78	\$ 2.81	\$ 3.88
Louisville	\$ 2.70	\$ 2.72	\$ 2.73	\$ 2.75	\$ 3.87
Owensboro	\$ 2.70	\$ 2.71	\$ 2.73	\$ 2.73	\$ 3.90

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	7/6/2015	6/30/2015	6/22/2015	6/17/2015	Year Ago
Crude Oil (Dollars per barrel) <i>West Texas Intermediate, fob</i>	\$ 52.48	\$ 58.34	\$ 60.01	\$ 59.53	\$ 104.19
Natural Gas (Dollars per MMBtu) <i>Henry-Hub</i>	\$ 2.79	\$ 2.77	\$ 2.79	\$ 2.89	\$ 4.31
Coal Price (dollars per short ton) <i>Central Appalachia</i>	\$ 54.80	\$ 53.75	\$ 52.75	\$ 41.92	\$ 59.15
Coal Price (dollars per short ton) <i>Illinois Basin</i>	\$ 40.85	\$ 40.45	\$ 40.45	\$ 40.45	\$ 44.50

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/>

Futures		August 2015	September 2015	October 2015
Crude Oil (Dollars per barrel) <i>Light Sweet Crude Oil</i>	7/9/2015	\$ 52.78	\$ 53.23	\$ 53.60
	7/1/2015	\$ 56.96	\$ 57.37	\$ 57.70
	6/24/2015	\$ 60.27	\$ 60.58	\$ 60.84
Natural Gas (Dollars per MMBtu) <i>Henry-Hub</i>	7/9/2015	\$ 2.73	\$ 2.74	\$ 2.77
	7/1/2015	\$ 2.78	\$ 2.80	\$ 2.83
	6/24/2015	\$ 2.78	\$ 2.80	\$ 2.83
Propane (Dollars per gallon) <i>Mt Belvieu (OPIS)</i>	7/9/2015	\$ 0.44	\$ 0.46	\$ 0.47
	7/1/2015	\$ 0.44	\$ 0.46	\$ 0.48
	6/24/2015	\$ 0.45	\$ 0.48	\$ 0.49

Source: CME Group



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