

Natural Gas Drops Most in 11 Months on Milder Weather Forecasts

Natural gas futures fell by the most in 11 months in New York on speculation that moderating U.S. weather will limit demand for the heating fuel. Prices slid 9.5 percent, the biggest decline since Feb. 24. Temperatures from the Great Plains through Florida will be above normal over the next five days, with seasonal or higher readings through Jan. 29, said Commodity Weather Group LLC. An inventory surplus to year-earlier levels widened to a 28-month high, according to a government report last week. "We are not going to see sustained cold over the next two weeks," said Gene McGillian, senior analyst at Tradition Energy in Stamford, Connecticut. (<http://mobile.bloomber.com> January 20, 2015)

W.Va. congressional leaders talk energy day after Obama speech

U.S. Sens. Shelley Moore Capito and Joe Manchin and Rep. Evan Jenkins on Wednesday had a lot to say about energy issues brought up by President Obama in his State of the Union address. During his speech, Obama celebrated a domestic oil and gas boom based on fracking, stating "We believed we could reduce our dependence on foreign oil and protect our planet. And today, America is No. 1 in oil and gas. American is No. 1 in wind power. Every three weeks, we bring online as much solar power as we did in all of 2008." Later he vowed to veto legislation to bring the Keystone XL oil pipeline to fruition. (<http://m.register-herald.com> January 21, 2015)

Boyle looks at making county buildings more energy efficient

On Tuesday, Boyle magistrates voted unanimously to continue to engage with the Nicholasville company as it looks at ways to make county buildings more energy efficient but did not commit to spending a dime. "We may not choose to do anything, we might choose to do bits and pieces," Judge-Executive Harold McKinney said. (<http://m.centrankynews.com> January 15, 2015)

How to enhance critical facility resiliency with Energy IoT

As well all know, when the lights go out, bad things happen. When it comes to the federal government, energy resiliency challenges are not just "bad," they are critical, especially if you're talking about facilities like defense installations. In 2007 the National Science Foundation (NSF) outside of Washington DC sent workers home after a major power outage forced the entire agency to close. Given our national security posture then and now, this is a troubling event. In a recent op-ed for The Hill, Michael Wu, energy program director for the Truman National Security Project and Center for National Policy, said there were 87 power outages at domestic military bases lasting eight hours or longer in 2012. (www.federaltimes.com January 21, 2015)

PSC Grants Rate Adjustment to Cumberland Valley Electric

The Kentucky Public Service Commission (PSC) granted a rate adjustment to Cumberland Valley Electric. The electric distribution cooperative will be allowed to increase annual revenue by about \$968,000, or 2.43 percent. That is 60 percent of the \$1.6 million increase (3.95 percent) requested by Cumberland Valley This is the first base rate increase granted to Cumberland Valley since 2006, and only the second since 1980. Cumberland Valley said it needed to increase rates in order to maintain financial stability, meet the requirements imposed by its lenders and cover increased operating expenses. (www.kentuckyagconnection.com January 19, 2015)

Rare Moment of Consensus for Senate on Keystone Pipeline

The Senate on Tuesday overwhelmingly approved an amendment to the Keystone XL pipeline bill that is aimed at improving energy efficiency in buildings — a rare moment of bipartisan agreement in a tense debate that is nowhere near being settled. Lawmakers voted, 91 to 5, to add the popular energy-efficiency provision to a contentious bill that would approve construction of the Keystone pipeline. The amendment, offered by a Republican, Rob Portman of Ohio, and a Democrat, Jeanne Shaheen of New Hampshire, is backed by President Obama and has broad support among members of both parties in Congress. (www.nytimes.com January 21, 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	1/22/2015	1/15/2015	1/8/2015	12/31/2014	Year Ago
Gasoline (State avg.)	\$ 2.04	\$ 2.09	\$ 2.18	\$ 2.26	\$ 3.28
Ashland	\$ 1.99	\$ 2.06	\$ 2.17	\$ 2.20	\$ 3.31
Covington	\$ 2.17	\$ 2.16	\$ 2.24	\$ 2.23	\$ 3.28
Lexington	\$ 2.05	\$ 2.20	\$ 2.25	\$ 2.03	\$ 3.25
Louisville	\$ 2.12	\$ 2.04	\$ 2.30	\$ 2.22	\$ 3.22
Owensboro	\$ 1.85	\$ 1.87	\$ 1.98	\$ 1.99	\$ 3.19
Diesel (State avg.)	\$ 2.87	\$ 2.96	\$ 3.06	\$ 3.15	\$ 3.86
Ashland	\$ 3.07	\$ 3.17	\$ 3.20	\$ 3.30	\$ 3.90
Covington	\$ 3.02	\$ 3.10	\$ 3.28	\$ 3.42	\$ 3.81
Lexington	\$ 3.08	\$ 3.16	\$ 3.29	\$ 3.37	\$ 3.82
Louisville	\$ 3.02	\$ 3.09	\$ 3.30	\$ 3.46	\$ 3.82
Owensboro	\$ 2.63	\$ 2.74	\$ 2.88	\$ 2.95	\$ 3.87

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	1/19/2015	1/12/2015	1/5/2015	12/22/2014	Year Ago
Heating Oil (dollars per gallon)	\$ 2.47	\$ 2.49	\$ 2.56	\$ 2.84	\$ 3.54
Propane (dollars per gallon)	\$ 2.16	\$ 2.15	\$ 2.14	\$ 2.14	\$ 3.79

http://www.eia.gov/dnav/pet/pet_pri_wfr_dcus_SKY_w.htm

Spot Prices	1/22/2015	1/12/2015	1/6/2015	12/30/2014	Year Ago
Crude Oil (Dollars per barrel) <i>West Texas Intermediate, fob</i>	\$ 46.79	\$ 46.06	\$ 50.05	\$ 55.25	\$ 98.25
Natural Gas (Dollars per MMBtu) <i>Henry-Hub</i>	\$ 2.94	\$ 2.90	\$ 3.14	\$ 3.05	\$ 4.39
Coal Price (dollars per short ton) <i>Central Appalachia</i>	\$ 53.06	\$ 53.06	\$ 55.92	\$ 56.10	\$ 62.18
Coal Price (dollars per short ton) <i>Illinois Basin</i>	\$ 45.32	\$ 45.32	\$ 45.70	\$ 44.55	\$ 46.15

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		March 2015	April 2015	May 2015
Crude Oil (Dollars per barrel) <i>Light Sweet Crude Oil</i>	1/21/2015	\$ 47.78	\$ 48.43	\$ 49.22
Natural Gas (Dollars per MMBtu) <i>Henry-Hub</i>	1/21/2015	\$ 2.94	\$ 2.91	\$ 2.93
Propane (Dollars per gallon) <i>Mt Belvieu (OPIS)</i>	1/21/2015	\$ 0.52	\$ 0.52	\$ 0.53

Source: CME Group

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