

Kentucky *Department for Energy Development and Independence* Energy Watch

A snapshot of state and national energy issues

Obama's Plan: Allow Drilling in Atlantic, but Limit It in Arctic

The Obama administration moved Tuesday to open up a vast stretch of East Coast waters to oil and gas drilling, a decision that could have a profound impact on the economic and environmental future of states from Virginia to Georgia. The move also adds a new dimension to the legacy of President Obama. (www.nytimes.com January 28, 2015)

Unconventional benefits of energy efficiency

A recent report by the American Council for an Energy-Efficient Economy has set out to make the case for the benefits business-sector energy efficiency improvements can bring — namely addressing the indirect perks aside from a lower utility bill. By surveying experts and conducting a literature search, the study focuses on industrial, institutional and large commercial facilities to describe the current understanding of non-energy benefits that accrue to businesses. (www.statejournal.com January 23, 2015)

New MIT Study Could Deflate Hopes For Coal Plant Carbon Capture And Storage

If coal is to come up for air, the technologies to capture and bury carbon must materialize. While progress is being made, an analysis by a leading university reveals that the earth's belly can't stomach as much carbon dioxide as previously thought. Researchers at the Department of Earth, Atmospheric and Planetary Sciences at MIT have discovered that only a "small fraction" of the carbon dioxide solidifies and turns into rock after it is injected 7,000 feet below the earth's surface. (www.forbes.com January 27, 2015)

FPL proposes to almost double Florida's solar power by end of 2016

Florida's largest investor owned utility announced plans Monday to build three new solar farms that would nearly double the state's solar capacity. In its announcement, Florida Power & Light said it had found a "cost-effective" way to expand solar power in Florida and proposed to install the systems at three sites in its service area. (www.tampabay.com January 26, 2015)

Biodiesel advocates to fight for renewable fuels policy in DC

Renewable fuels supporters cheered as federal policy experts at the National Biodiesel Conference & Expo in Fort Worth, Texas, urged advocates to "write their own script" for success. (www.biodieselmagazine.com January 26, 2015)

U.S. nuclear plants post record efficiency in 2014

Nuclear generators posted their most efficient year ever, with 100 nuclear facilities in 31 states posting an estimated average capacity factor of 91.9% — besting the industry's prior record set in 2007 by one-tenth of a percentage point, according to NEI data. (www.utilitydive.com January 26, 2015)

How Fossil Fuels Cleaned Up Our Environment

Imagine we transported someone from the essentially fossil fuel-free environment of three hundred years ago to that of today, which has been fundamentally shaped by coal, oil, and natural gas. And imagine we then took him on a tour of the modern world, good and bad, clean and dirty. (www.forbes.com January 28, 2015)

Crude oil's latest slide sinks energy stocks again

Word that U.S. oil supplies hit 80-year highs pushed crude oil prices sharply lower Wednesday, sending energy and oil services stocks reeling again. (www.usatoday.com January 28, 2015)

Natural gas prices drop to lowest levels in over two years

Natural gas prices have dropped to their lowest levels since September 2012, according to an analysis released today by the U.S. Energy Information Administration (EIA). Since the end of December, both spot and futures prices at the national benchmark, Henry Hub, have hovered around \$3 per million BTU. (<http://stateimpact.npr.org> January 28, 2015)

Senate amendment to repeal RFS corn ethanol mandate

On January 16, 2015, Sens. Dianne Feinstein (D-CA) and Pat Toomey (R-PA) introduced the "Corn Ethanol Mandate Elimination Act of 2015" as an amendment to the Keystone XL Pipeline Act (S1) introduced on January 6. The amendment would abolish the corn ethanol mandate in the Renewable Fuel Standard (RFS), which requires blending increasing volumes of renewable fuels into the U.S. transportation fuel supply. (<http://breakingenergy.com> January 26, 2015)

Kentucky Retail Fuel Prices (Dollars per gallon)

Product	1/29/2015	1/22/2015	1/15/2015	1/8/2015	Year Ago
Gasoline (State avg.)	\$ 2.04	\$ 2.04	\$ 2.09	\$ 2.18	\$ 3.28
Ashland	\$ 2.11	\$ 1.99	\$ 2.06	\$ 2.17	\$ 3.34
Covington	\$ 2.24	\$ 2.17	\$ 2.16	\$ 2.24	\$ 3.28
Lexington	\$ 2.17	\$ 2.05	\$ 2.20	\$ 2.25	\$ 3.23
Louisville	\$ 2.23	\$ 2.12	\$ 2.04	\$ 2.30	\$ 3.24
Owensboro	\$ 1.92	\$ 1.85	\$ 1.87	\$ 1.98	\$ 3.18
Diesel (State avg.)	\$ 2.82	\$ 2.87	\$ 2.96	\$ 3.06	\$ 3.88
Ashland	\$ 2.97	\$ 3.07	\$ 3.17	\$ 3.20	\$ 3.93
Covington	\$ 2.95	\$ 3.02	\$ 3.10	\$ 3.28	\$ 3.83
Lexington	\$ 2.97	\$ 3.08	\$ 3.16	\$ 3.29	\$ 3.86
Louisville	\$ 2.97	\$ 3.02	\$ 3.09	\$ 3.30	\$ 3.84
Owensboro	\$ 2.60	\$ 2.63	\$ 2.74	\$ 2.88	\$ 3.86

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	1/26/2015	1/19/2015	1/12/2015	1/5/2015	Year Ago
Heating Oil (dollars per gallon)	\$ 2.38	\$ 2.47	\$ 2.49	\$ 2.56	\$ 3.54
Propane (dollars per gallon)	\$ 2.17	\$ 2.16	\$ 2.15	\$ 2.14	\$ 3.79

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

Spot Prices	1/29/2015	1/22/2015	1/12/2015	1/6/2015	Year Ago
Crude Oil (Dollars per barrel) <i>West Texas Intermediate, fob</i>	\$ 44.80	\$ 46.79	\$ 46.06	\$ 50.05	\$ 97.55
Natural Gas (Dollars per MMBtu) <i>Henry-Hub</i>	\$ 2.92	\$ 2.94	\$ 2.90	\$ 3.14	\$ 5.17
Coal Price (dollars per short ton) <i>Central Appalachia</i>	\$ 53.06	\$ 53.06	\$ 53.06	\$ 55.92	\$ 62.18
Coal Price (dollars per short ton) <i>Illinois Basin</i>	\$ 45.32	\$ 45.32	\$ 45.32	\$ 45.70	\$ 46.40

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>	1/28/2015	\$ 44.45	\$ 45.23	\$ 46.36
	1/21/2015	\$ 47.78	\$ 48.43	\$ 49.22
Natural Gas (Dollars per MMBtu) <i>Henry-Hub</i>	1/28/2015	\$ 2.84	\$ 2.83	\$ 2.86
	1/21/2015	\$ 2.94	\$ 2.91	\$ 2.93
Propane (Dollars per gallon) <i>Mt Belvieu (OPIS)</i>	1/28/2015	\$ 0.48	\$ 0.48	\$ 0.48
	1/21/2015	\$ 0.52	\$ 0.52	\$ 0.53

Source: CME Group

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