

Kentucky *Department for Energy Development and Independence* Energy Watch

A snapshot of state and national energy issues

Gasoline guzzled 8.4 percent of our income in 2011

It's been 30 years since gasoline took such a big bite out of the family budget. When the gifts from Grandma are unloaded and holiday travel is over, the typical American household will have spent \$4,155 filling up this year, a record. That is 8.4 percent of what the median family takes in, the highest share since 1981. Gas averaged more than \$3.50 a gallon this year, another unfortunate record. And next year isn't likely to bring relief. In the past, high gas prices in the United States have gone hand-in-hand with economic good times, making them less damaging to family finances. Now prices are high despite slow economic growth and weak demand. (AP Energy, Dec. 19, 2011)

Kentucky hospital installs sustainable energy

Rockcastle Regional hospital in Kentucky has installed 210 solar modules on top of its Outpatients Services Center. It has become the first hospital in that state to have solar power. The modules are expected to produce around 290 watts each (60.9 kW total), which is enough energy to power eight to ten homes annually. Kentucky Utilities will purchase the power generated. Rockcastle Regional is a not-for-profit community healthcare founded in 1956. It features an emergency service, 26-bed inpatient acute beds and outpatient acute care programs, a 93-bed long-term care program for patients dependent upon mechanical ventilation and a medical office complex. (JustMeans.com, Dec. 21, 2011)

GM meets EPA challenge and Saves \$50 million at 30 North American plants

General Motors has cut energy intensity at 30 North American plants by an average of 25 percent – equivalent to the emissions from powering 97,000 U.S. homes – to meet the U.S. Environmental Protection Agency's Energy Star Challenge for Industry. Collectively, the manufacturing facilities avoided more than 778,380 metric tons of greenhouse gas. It would require the planting of 20 million trees that grow for 10 years to mitigate the same amount. The efforts saved GM \$50 million in energy costs. EPA's program challenges manufacturing companies to reduce greenhouse gas emissions by improving their energy efficiency by 10 percent within five years. The GM plants agreed to establish an energy intensity baseline normalized by production volume. (SustainablePlant.com, Dec. 20, 2011)

EPA orders mercury cut at power plants

The U.S. Environmental Protection Agency on Wednesday took its biggest step ever to curb emissions of mercury and other toxic pollutants from power plants. In its announcement, the agency asserted that the changes will save lives and reduce health care bills – but also raise electric rates. EPA Administrator Lisa M. Jackson said the benefits will greatly exceed the costs, rejecting some industry claims that the rule could threaten as many as 1.4 million jobs. "This is a great victory for public health, especially for the health of our children," Jackson said at an announcement at Children's National Medical Center in Washington, D.C. The rule will especially affect Kentucky and Indiana, where the dirtiest power plants – those that burn coal – supply more than 90 percent of the two states' electricity. (Courier Journal, Dec. 21, 2011)

Oil rises for fourth day as U.S. supplies drop most in a decade

Oil gained for a fourth day in New York after U.S. crude inventories declined the most in a decade, adding to signs that the world's biggest consumer of crude may avoid a recession. Futures rose as much as 0.7 percent after gaining 1.5 percent yesterday as Energy Department data showed stockpiles fell 10.6 million barrels, the largest decrease since February 2001. New York oil will average a record \$100 a barrel next year as the U.S. averts recession, while London-traded Brent will decline from the 2011 mean, according to a Bloomberg News survey of analysts. Crude for February delivery on the New York Mercantile Exchange climbed as much as 72 cents to \$99.39 a barrel, the highest since Dec. 14, and was at \$98.39 at 12:02 p.m. London time. The contract yesterday increased \$1.43 to \$98.67, the highest close since Dec. 13. Prices have risen 8.3 percent this year after climbing 15 percent in 2010. (Bloomberg Businessweek, Dec. 22, 2011)

Google changes green energy formula

Google is changing its formula for how it invest in renewable energy. The big question among those in the green sector is whether the new strategy will last in the current political environment. Google, which has invested \$915 million in green energy projects, has said that it will focus on funding the ventures of others -- not on trying to invent clean energy forms that can replace coal power. That tack is a better way to make money for its shareholders than trying to solve the world's energy problems. The globe's largest internet search engine must feed the voracious appetite of its data centers. It is vocal about doing so with the use of green energy. But it has found that sustainable fuels cannot be produced in large enough quantities to do the job. So, it has tried to use its brain power to make such inventions real. (EnergyBiz.com, Dec. 21, 2011)

Autodesk inventor helps bring greater energy efficiency for building retrofits

Autodesk, Inc. has named UK-based Green Structures as Autodesk Inventor of the Month for December 2011, citing the company's use of Autodesk Inventor software and a range of other Autodesk Digital Prototyping technology in transforming the way energy systems are planned, designed, constructed, maintained and operated within the built environment. As a member of the Autodesk Clean Tech Partner Program -- an initiative that provides Autodesk Digital Prototyping software to emerging and established clean tech companies for a small fee -- Green Structures has rapidly created award-winning energy efficiency systems, particularly in the areas known as passive heat recovery ventilation and thermal energy storage. (Market Watch, Dec. 22, 2011)

Kentucky Retail Fuel Prices (Dollars per gallon)

Product	12/22/2011	12/15/2011	12/8/2011	12/2/2011	Year Ago
Gasoline (State avg.)	3.184	3.19	3.259	3.237	2.974
Ashland	3.311	3.331	3.36	3.251	3.028
Covington	3.231	3.238	3.253	3.24	3.037
Lexington	3.27	3.19	3.301	3.245	3.004
Louisville	3.109	3.113	3.222	3.237	3.026
Owensboro	3.161	3.189	3.252	3.216	2.854
Diesel (State avg.)	3.794	3.866	3.918	3.939	3.187
Ashland	3.817	3.89	3.941	3.964	3.217
Covington	3.828	3.911	3.928	3.942	3.223
Lexington	3.801	3.855	3.918	3.941	3.199
Louisville	3.787	3.866	3.915	3.946	3.17
Owensboro	3.873	3.965	3.99	3.989	3.139

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	12/19/2011	12/12/2011	12/5/2011	11/28/2011	Year Ago
Heating Oil (dollars per gallon)	3.823	3.866	3.894	3.896	3.26
Propane (dollars per gallon)	2.855	2.852	2.847	2.846	2.676

Source: the U.S. Energy Information Administration

Wholesale Fuel Prices

Spot Prices	12/22/2011	12/5/2011	12/8/2011	12/2/2011	Year Ago
Crude Oil (Dollars per barrel) <i>West Texas Intermediate, fob</i>	98.67	94.95	100.49	100.2	90.48
Natural Gas (Dollars per MMBtu) <i>Henry-Hub</i>	3.035	3.073	3.436	3.47	4.01

Source: the Wall Street Journal

Futures		12-Jan	12-Feb	12-Mar
Crude Oil (Dollars per barrel) <i>Light Sweet Crude Oil</i>	12/22/2011	97.22	98.67	98.85
	12/14/2011	94.95	95.14	95.37
	12/8/2011	100.49	100.68	100.86
Natural Gas (Dollars per MMBtu) <i>Henry-Hub</i>	12/22/2011	3.155	3.198	3.239
	12/14/2011	3.136	3.187	3.223
	12/8/2011	3.421	3.458	3.47
Propane (Dollars per gallon) <i>Mt Belvieu (OPIS)</i>	12/22/2011	1.353	1.342	1.301
	12/14/2011	1.367	1.355	1.305
	12/8/2011	1.449	1.435	1.369
Coal (Dollars per ton) <i>Central Appalachian</i>	12/22/2011	68.75	68.87	69
	12/14/2011	67.83	68.02	68.23
	12/8/2011	69.05	69.15	69.28

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