

Kentucky Energy Watch

Department for Energy Development and Independence

A snapshot of state and national energy issues



Proven result: Warren school produces more energy than it consumes

When it was completed a few years ago, Richardsville Elementary School, located in a small Warren County community near Bowling Green, was officially designated as the first “net-zero school” in Kentucky, but claims by the building’s designers and school officials that the school would actually produce more energy than it used had more than a few doubters. And why not? After all, the then-new \$12.1 million school housing 550 students had over 72,000 square feet of space to heat and cool. How could it possibly do that without costing the Warren County Public School District thousands of dollars a year? Well, the building’s designers were not just blowing hot air when they bragged about how efficient the school would be. If anything, the school has exceeded its expectations, and in so doing, it has established a precedent that other school districts are eager to follow. Not only did Richardsville Elementary not cost the school district a penny to heat or cool in 2012, but the Tennessee Valley Authority paid the Warren County district a little more than \$37,000 for the electricity produced by Richardsville Elementary. State Rep. Jim DeCesare, R-Warren County, said, “We’re seeing a savings of millions of dollars in energy costs” at the school, and he has the numbers to back that up. (Daily Independent, Ashland – Jan. 3, 2013)

Sparking Advanced Battery Innovation and Economic Growth in Kentucky

The new Kentucky-Argonne Battery Manufacturing Research and Development Center in Lexington, Ky., could be an important step in powering both innovation and economic growth across the state. The Kentucky-Argonne Center, which opened its doors in August, is one of the largest, most advanced open access labs of its kind in the United States. And Kentucky has big plans for this facility. The hope is that it will support cutting-edge research, enable collaborations between a variety of users, and foster innovation in accelerating advanced battery technologies. “Research centers such as ours have been shown to attract high-tech companies that license technology and bring it to market. The result is an overall increase in the number of high-value businesses and higher paying jobs,” says Tony Hancock, special assistant to the secretary of Kentucky’s Energy and Environment Cabinet. (AreaDevelopment.com – Jan. 9, 2013)

TVA settlement grants awarded to 13 Kentucky organizations, totaling \$11.2 million

Governor Steve Beshear today announced that 13 organizations are receiving grant funding under the 2011 settlement agreement between the U.S. Environmental Protection Agency and the Tennessee Valley Authority (TVA). The recipients include education, housing, agricultural and economic development organizations and projects. “These projects represent many innovative initiatives in schools, universities, private industry, agriculture, non-profits, and local government and will help us to further the state’s energy and environmental goals, and provide long-term benefits to the citizens of the Commonwealth,” said Gov. Beshear. “Many of the projects build upon existing programs that have already demonstrated the value of investments in energy efficiency technologies and practices.” The settlement is a result from alleged violations of the Clean Air Act that requires TVA to invest in new and upgraded state-of-the-art pollution controls that will reduce pollution, save energy and protect public health and the environment. More information on the settlement can be found at <http://www.epa.gov>. (Kentucky.gov – Dec. 19, 2012)

Oil prices rise to over \$94 a barrel as China trade rebounds, US earnings show improvement

The price of oil rose Thursday to above \$94 a barrel, propelled by a rebound in China’s trade growth and an encouraging start to the U.S. corporate earnings season. By early afternoon in Europe, benchmark crude for February delivery was up \$1.04 to \$94.14 a barrel in electronic trading on the New York Mercantile Exchange. The contract slipped 5 cents to end at \$93.10 per barrel in New York on Wednesday. Data released Thursday showed China’s export growth in December more than quadrupled from the previous month’s level to 14 percent. Imports rose 6 percent, after failing to grow at all in November, in a sign of increasing domestic demand. Analysts also pointed to an 8 percent year-on-year rise in China’s imports of crude oil in December and a 6.8 percent increase for all of 2012. The data was a boost for energy prices, since a pickup in economic activity in the world’s second-largest economy could boost demand for oil. (The Washington Post – Jan. 10, 2013)

Safety measures, layoffs contribute to lower mining fatality rate, officials say

Mining fatalities are down in Kentucky. But does that mean the coal industry is getting safer? Four Kentucky coal miners were killed in 2012 - a 50 percent drop from the previous year when the Commonwealth led the country with eight. “I think we’ve really concentrated on reducing injuries and fatalities,” said Dave Blankenship, the mine safety director for TECO Coal Corp. “I think it’s due to a lot of the improved training, improved management strategies and of course I think the equipment continues to get safer and safer.” (WKYT.com - Jan. 3, 2013)

LEEDing the way: Wilmore Elementary looks to become first LEED EB-certified school in Kentucky

It could take as long as a year, but when it’s completed, the LEED certification process that Wilmore Elementary in Jessamine County is piloting could serve as a framework for other schools. Volunteers with the Kentucky chapter of the United States Green Building Council are working with the district and its partners toward LEED (Leadership in Energy and Environmental Design) certification in the Existing Building category, making Wilmore the first K-12 school in Kentucky with LEED EB certification. (Ky School Advocate - Jan. 2013)

Kentucky Retail Fuel Prices (Dollars per gallon)

Product	1/10/2013	1/3/2013	12/13/2012	12/6/2012	Year Ago
Gasoline (State avg.)	3.316	3.292	3.244	3.376	3.408
Ashland	3.286	3.354	3.301	3.398	3.501
Covington	3.337	3.342	3.309	3.464	3.415
Lexington	3.374	3.267	3.218	3.405	3.437
Louisville	3.26	3.328	3.285	3.428	3.417
Owensboro	3.224	3.222	3.187	3.253	3.425
Diesel (State avg.)	3.919	3.941	4.056	4.133	3.783
Ashland	3.946	3.967	4.062	4.122	3.804
Covington	3.952	3.996	4.12	4.206	3.744
Lexington	3.916	3.954	4.091	4.181	3.769
Louisville	3.901	3.934	4.023	4.143	3.765
Owensboro	3.974	3.986	4.047	4.101	3.847

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	1/7/2013	12/24/2012	12/17/2012	12/10/2012	Year Ago
Heating Oil (dollars per gallon)	3.562	3.563	3.667	3.735	3.379
Propane (dollars per gallon)	2.138	2.077	2.095	2.078	2.605

Source: U.S. Energy Information Administration

Wholesale Fuel Prices

Spot Prices	1/9/2013	1/2/2013	12/12/2012	12/5/2012	Year Ago
Crude Oil (Dollars per barrel) <i>West Texas Intermediate, fob</i>	93.1	93.12	86.77	87.88	100.87
Natural Gas (Dollars per MMBtu) <i>Henry-Hub</i>	3.12	3.274	3.331	3.405	2.775

Source: the Wall Street Journal

Futures		13-Feb	13-Mar	13-Apr
Crude Oil (Dollars per barrel) <i>Light Sweet Crude Oil</i>	1/9/2013	93.10	93.56	93.99
	1/2/2013	93.12	93.55	93.97
	12/12/2012	87.31	87.89	
Natural Gas (Dollars per MMBtu) <i>Henry-Hub</i>	1/9/2013	3.113	3.131	3.182
	1/2/2012	3.233	3.255	3.294
	12/12/2012	3.412	3.426	
Propane (Dollars per gallon) <i>Mt Belvieu (OPIS)</i>	1/9/2013	0.83	0.834	0.838
	1/2/2013	0.881	0.883	0.884
	12/12/2012	0.76	0.765	
Coal (Dollars per ton) <i>Central Appalachian</i>	1/9/2013	57.93	58.25	60.7
	1/2/2012	58.5	58.78	61.32
	12/12/2012	61.12	61.5	

Source: CME Group



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