

Kentucky Energy Watch

Department for Energy Development and Independence

A snapshot of state and national energy issues



East Kentucky Power CEO urges Congress to rein in EPA's proposed greenhouse gas regulations

East Kentucky Power Cooperative's chief executive officer testified before a congressional subcommittee on Nov. 14, supporting legislation to provide the federal Environmental Protection Agency (EPA) with common-sense guidelines as the agency develops regulations for greenhouse gas emissions (GHG) from power plants. Tony Campbell spoke in support of a draft bill released recently by Rep. Ed Whitfield of Kentucky and Sen. Joe Manchin of West Virginia. (www.lanereport.com Nov. 18, 2013)

Kentucky coal jobs continue their record-breaking decline

The coal industry continued to shed jobs and production in Eastern Kentucky in the third quarter of 2013, tightening the screws on a region already reeling from earlier losses. Statewide, the coal industry reduced employment at mines and preparation sites by 439 workers, or 3.4 percent, during the period from July 1 to Sept. 30, according to a report released Monday by the state Energy and Environment Cabinet. (www.kentucky.com Nov. 18, 2013)

Steag Starts Coal-Fired Power Plant in Germany

Steag GmbH started Germany's first new power plant fueled by hard coal in eight years, allowing the generator and energy trader to take advantage of near record-low coal prices that have widened profit margins. The 725-megawatt Walsum-10 plant, located near Dortmund in the western part of the country, began electricity output today, the Essen-based company said in an e-mailed statement. It will probably start commercial operations later in the year after "optimization works and testing," it said. (www.bloomberg.com Nov. 15, 2013)

Kentucky ENERGY STAR schools have grown from 12 to 233, legislative panel told

Over the past six years, the number of ENERGY STAR certified schools in Kentucky has grown from 12 to 233 under the direction of the Kentucky School Energy Managers Project and others, a state legislative subcommittee was told today. Kentucky School Boards Association School Energy Managers Director Ron Willhite explained to the Kentucky General Assembly's Special Subcommittee on Energy that most, if not all, of the increase has occurred since the General Assembly's passage of school energy efficiency legislation in 2008 and 2010. ENERGY STAR is a voluntary federal program that helps individuals and organizations, including schools, conserve energy and save costs. (www.lanereport.com Nov. 15, 2013)

AG announces bipartisan brief opposing cross-state air pollution regulations

Attorney General Jack Conway announced today that Kentucky has joined eight other states in a major brief filed in the United States Supreme Court opposing the U.S. Environmental Protection Agency's new rule on cross-state air pollution. The amicus brief argues that EPA exceeded its authority under the federal Clean Air Act when the agency promulgated a rule in 2011 announcing new air pollution cuts and imposing federal implementation plans on states. The brief argues the CAA requires the EPA to give states an opportunity to decide how to meet new air pollution standards. (www.lanereport.com Nov. 15, 2013)

Attorney General's request for Big Sandy plant rehearing denied

Kentucky's Public Service Commission has rejected the attorney general's request for a rehearing on its earlier decision to allow Kentucky Power Company to purchase half interest in a West Virginia power plant. Daniel Kemp, spokesman for Attorney General Jack Conway, said the order denying Conway's request came down late Friday afternoon. He said Conway's staff had just begun to review the order. "We are reviewing it to determine our legal options," Kemp said. (www.glasglowdailytimes.com Nov. 15, 2013)

EPA's ethanol proposal slammed

Political and ethanol industry leaders slammed the U.S. Environmental Protection Agency's proposal Friday to scale back how much ethanol must be blended into gasoline, saying it would hurt the state's economy, its farmers and rural communities. Any significant reduction in the ethanol mandate — known as the Renewable Fuel Standard — could have a severe impact in Iowa, the top renewable fuel-producing state in the nation, critics said. (www.desmoinesregister.com Nov. 16, 2013)

EIA predicts power from wood, waste biomass will increase in 2014

The U.S. Energy Information Administration has released the November issue of its Short-Term Energy Outlook, predicting that the use of wood and waste biomass to generate power will increase in 2014. Across all electricity generating sectors, the EIA predicts wood biomass will be used to generate 106,000 MWh per day of power in 2013, increasing to 111,000 MWh per day in 2014. The use of waste biomass is also expected to increase, from 54,000 MWh per day to 55,000 MWh per day. (www.biomassmagazine.com Nov. 13, 2013)

Kentucky Retail Fuel Prices (Dollars per gallon)

Product	11/21/2013	11/14/2013	11/7/2013	10/31/2013	Year Ago
Gasoline (State avg.)	\$ 3.27	\$ 3.24	\$ 3.22	\$ 3.31	\$ 3.37
Ashland	\$ 3.36	\$ 3.21	\$ 3.25	\$ 3.31	\$ 3.49
Covington	\$ 3.26	\$ 3.28	\$ 3.29	\$ 3.40	\$ 3.51
Lexington	\$ 3.29	\$ 3.32	\$ 3.22	\$ 3.38	\$ 3.47
Louisville	\$ 3.31	\$ 3.24	\$ 3.19	\$ 3.30	\$ 3.16
Owensboro	\$ 3.26	\$ 3.12	\$ 3.17	\$ 3.23	\$ 3.29
Diesel (State avg.)	\$ 3.87	\$ 3.88	\$ 3.89	\$ 3.90	\$ 4.07
Ashland	\$ 3.92	\$ 3.92	\$ 3.93	\$ 3.93	\$ 4.11
Covington	\$ 3.89	\$ 3.88	\$ 3.91	\$ 3.93	\$ 4.13
Lexington	\$ 3.85	\$ 3.88	\$ 3.89	\$ 3.90	\$ 4.13
Louisville	\$ 3.83	\$ 3.83	\$ 3.84	\$ 3.85	\$ 4.06
Owensboro	\$ 3.91	\$ 3.89	\$ 3.91	\$ 3.91	\$ 4.00

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	11/18/2013	11/11/2013	11/4/2013	Year Ago
Heating Oil (dollars per gallon)	\$ 3.48	\$ 3.55	\$ 3.53	\$ 3.72
Propane (dollars per gallon)	\$ 2.27	\$ 2.21	\$ 2.21	\$ 2.08

Spot Prices	11/20/2013	11/13/2013	11/6/2013	10/30/2013	Year Ago
Crude Oil (Dollars per barrel) <i>West Texas Intermediate, fob</i>	\$ 95.28	\$ 94.11	\$ 94.44	\$ 96.62	\$ 87.08
Natural Gas (Dollars per MMBtu) <i>Henry-Hub</i>	\$ 3.62	\$ 3.67	\$ 3.47	\$ 3.57	\$ 3.68

Source: the Wall Street Journal

Futures		December 2013	January 2014	February 2014
Crude Oil (Dollars per barrel) <i>Light Sweet Crude Oil</i>	11/20/2013	\$ 93.33	\$ 93.85	\$ 94.12
	11/13/2013	\$ 93.88	\$ 94.49	\$ 94.75
	11/6/2013	\$ 94.80	\$ 95.13	\$ 95.27
MMBtu <i>Henry-Hub</i>	11/20/2013	\$ 3.67	\$ 3.71	\$ 3.72
	11/13/2013	\$ 3.57	\$ 3.62	\$ 3.62
	11/6/2013	\$ 3.50	\$ 3.57	\$ 3.58
Propane (Dollars per gallon) <i>Mt Behvieu (OPIS)</i>	11/20/2013	\$ 1.20	\$ 1.20	\$ 1.18
	11/13/2013	\$ 1.20	\$ 1.20	\$ 1.18
	11/6/2013	\$ 1.19	\$ 1.19	\$ 1.17
Coal (Dollars per ton) <i>Central Appalachian</i>	11/20/2013	\$ 53.98	\$ 55.60	\$ 55.60
	11/13/2013	\$ 53.24	\$ 53.95	\$ 53.95
	11/6/2013	\$ 54.21	\$ 55.08	\$ 55.08

Source: CME Group

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