

Kentucky Energy Watch

Department for Energy Development and Independence

A snapshot of state and national energy issues



Europe consuming more coal

Green-friendly Europe has a dirty secret: It is burning a lot more coal. Europe's use of the fossil fuel spiked last year after a long decline, powered by a surge of cheap U.S. coal on global markets and by the unintended consequences of ambitious climate policies that capped emissions and reduced reliance on nuclear energy. The new dependence on one of the dirtiest fuels shows just how challenging it is to maintain the momentum needed to go green, analysts and officials say, and demonstrates the far-reaching effects of America's natural gas boom. (The Washington Post, February 7, 2013)

Kentucky legislature schedules hearing on 'smelter' bill

A bill in the Kentucky General Assembly that would allow two Western Kentucky aluminum smelters to buy electricity from sources other than Henderson's Big Rivers Electric Corp. is scheduled for a hearing today in Frankfort, Ky. The House Natural Resources and Environment Committee will conduct a hearing on House Bill 211, a bill being pushed by Century Aluminum, which operates a smelter at Hawesville, Ky. The committee is chaired by state Rep. Jim Gooch, D-Providence, a co-sponsor of the bill. In a statement issued Wednesday, Century said the bill, and a companion bill in the state Senate, "would allow Century to keep the plant open by permitting the smelter to purchase power on the open market where power is available at a price much lower than the current rate the smelter pays." (Evansville Courier & Press, February 13, 2013) (The Indystar, January 2, 2013)

Capitol Education Center offers information on sustainability history, geography

A new "green" learning center for students and visitors opened in Frankfort today. The Capitol Education Center features a number of interactive and multimedia kiosks and touch screen. They provide information about sustainability, history, geography, and tourism in Kentucky. Gov. Steve Beshear said in a news release, "The building offers a unique space for visitors to relax, eat lunch, and learn. The building will serve as an outstanding resource to promote energy efficiency, sustainability and more." (WDRB.com, February 8, 2013)

Corn shortage idles 20 ethanol plants nationwide

The persistent drought is taking a toll on producers of ethanol, with corn becoming so scarce that nearly two dozen ethanol plants have been forced to halt production. The Renewable Fuels Association, an ethanol industry trade group, provided data to The Associated Press showing that 20 of the nation's 211 ethanol plants have ceased production over the past year, including five in January. Most remain open, with workers spending time performing maintenance-type tasks. But ethanol production won't likely resume until after 2013 corn is harvested in late August or September. Industry experts don't expect a shortage - millions of barrels are stockpiled and the remaining 191 plants are still producing. Still, there is growing concern about what happens if the drought lingers through another corn-growing season. (Herald Leader, February 10, 2013)

Wireless energy management device can now detect power outages

PointSix™ Wireless (PSW) introduces the first WiFi version of the Point™ Pulse Counter. The device provides wireless notification to rapidly detect power outages and track energy usage for seamless energy management even during an outage. Battery or line powered the device counts, records and accumulates pulse outputs on gas, water and electric meters providing actionable intelligence. Duke Energy, the largest electric power holding company in the United States deployed the Point™ Pulse Counter to augment their innovative energy efficiency programs and services. Project Manager Bruce Hoban of Duke Energy describes the Point™ Pulse Counter as "A reliable, battery powered, wireless solution that enables us to detect power outages and determine consumption." (PRNewswire.com, February, 12, 2013)

East Kentucky Power board approves integration into regional transmission organization

East Kentucky Power Cooperative's board of directors has granted final approval to integrate the cooperative's system into the PJM Interconnection, a regional transmission organization. Valley Forge, Pa.-based PJM Interconnection LLC coordinates and directs the operation of a regional transmission grid, administers a competitive wholesale electricity market and plans regional transmission expansion improvements for an area that includes 60 million people in all or portions of 13 states and the District of Columbia. PJM dispatches 185,000 megawatts of generating capacity, and its generators produce more electricity than Canada and Mexico combined. Currently, EKPC operates its own control area, where the co-op is responsible for matching electric-generation from its power plants with members' demand for electricity on a minute-by-minute basis in the most reliable and economic manner. (The Lane Report, February 13, 2013)

Big Rivers, smelters' woes could also impact Tyson poultry processing complex

The Tyson Foods chicken processing complex near Henderson-Webster county line is facing the prospect of an increase of \$600,000 or more in its annual electric bill as part of escalating issues involving power provider Big Rivers Electric Corp. "It has a huge economic impact on us," Craig Coberly, the Tyson complex manager, told the Henderson Lions Club on Tuesday. "We're a penny business," Coberly said. "We make about a nickel per pound on our product as a company," so a six-figure increase in operating expenses is difficult to absorb. Tyson's poultry complex — a processing plant near Robards, a feed mill near Sebree and a chicken hatchery at Beech Grove in McLean County — buys power from the Kenergy Corp. rural electric co-op, which distributes Big Rivers' power. (Evansville Courier&Press, February 13, 2013)

Kentucky Retail Fuel Prices (Dollars per gallon)

Product	2/14/2013	2/7/2013	1/31/2013	1/24/2013	Year Ago
Gasoline (State avg.)	3.621	3.506	3.38	3.31	3.439
Ashland	3.706	3.592	3.583	3.383	3.456
Covington	3.72	3.648	3.514	3.296	3.452
Lexington	3.666	3.478	3.449	3.405	3.408
Louisville	3.666	3.565	3.174	3.218	3.42
Owensboro	3.506	3.423	3.314	3.18	3.403
Diesel (State avg.)	4.086	3.992	3.899	3.881	3.853
Ashland	4.2	4.051	3.988	3.932	3.873
Covington	4.131	4.014	3.868	3.87	3.778
Lexington	4.103	4.001	3.883	3.871	3.862
Louisville	4.081	3.998	3.866	3.83	3.839
Owensboro	4.056	3.987	3.97	3.974	3.884

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	2/11/2013	2/4/2013	1/28/2013	1/21/2013	Year Ago
Heating Oil (dollars per gallon)	3.706	3.63	3.541	3.553	3.503
Propane (dollars per gallon)	2.197	2.189	2.21	2.131	2.603

Source: U.S. Energy Information Administration

Wholesale Fuel Prices

Spot Prices	2/13/2013	2/6/2013	1/30/2013	1/23/2013	Year Ago
Crude Oil (Dollars per barrel) <i>West Texas Intermediate, job</i>	97.01	96.62	97.94	95.23	101.8
MMBtu) <i>Henry-Hub</i>	3.293	3.38	3.238	3.545	2.535

Source: the Wall Street Journal

Futures		13-Mar	13-Apr	13-May
Crude Oil (Dollars per barrel) <i>Light Sweet Crude Oil</i>	2/13/2013	97.01	97.6	98.14
	2/6/2013	96.62	97.09	97.55
	1/30/2013	97.94	98.38	98.77
Natural Gas (Dollars per MMBtu) <i>Henry-Hub</i>	2/13/2013	3.306	3.371	3.437
	2/6/2013	3.418	3.464	3.521
	1/30/2013	3.335	3.385	3.445
Propane (Dollars per gallon) <i>Mt Belvieu (OPIS)</i>	2/13/2013	0.25	0.25	0.25
	2/6/2013	0.861	0.867	0.873
	1/30/2013	0.87	0.88	0.88
Coal (Dollars per ton) <i>Central Appalachian</i>	2/13/2013	58.2	58.43	58.43
	2/6/2013	57.8	58.27	58.27
	1/30/2013	57.85	59.27	59.27

Source: CME Group

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