

Kentucky Energy Watch

Department for Energy Development and Independence

A snapshot of state and national energy issues



Energy-Related CO2 Emissions Hit Lowest Levels in 2012

US energy-related CO2 emissions dropped in 2012 to their lowest levels since 1994, according to the US Energy Information Administration. Last year's emissions — at 5.3 billion metric tons of CO2 — represent about a 4 percent decline over 2011's 5.5 billion metric tons of CO2 emissions. With the exception of 2010, emissions have declined every year since 2007, the EIA says. The largest drop in emissions in 2012 came from coal, which the EIA says is used almost exclusively for electricity generation. During 2012, particularly in the spring and early summer, low natural gas prices led to competition between natural gas- and coal-fired electric power generators. (The Environmental Leader April 8, 2013)

WKU adds online energy kiosk, tracks savings

Western Kentucky University now has an online energy kiosk that tracks the use of electricity and the emissions of carbon dioxide around campus. The school says in a statement that the website is powered by Johnson Controls, which partnered with the school to help it reach its goal of becoming energy efficient. Western is one of around 12 universities across the nation to use the Johnson Controls kiosk. (The Herald Leader, April 2, 2013)

USDA invites applications for renewable energy system and energy efficiency improvement projects

Agriculture Secretary Tom Vilsack today announced that USDA is seeking applications to provide assistance to agricultural producers and rural small businesses for energy efficiency and renewable energy projects. Funding is available from USDA's Rural Energy for America Program (REAP). The United States Department of Agriculture (USDA) remains focused on carrying out its mission, despite a time of significant budget uncertainty. Today's announcement is one part of the Department's efforts to strengthen the rural economy. According to State Director Rural Development, Molly Lambert, "This program promotes and rewards the very best business practices in Vermont. The purpose is to reduce energy costs and reduce energy use thereby reducing the cost of production." (www.vtdigger.org April 4, 2013)

Shale gas boom offers opportunities

Cheap, plentiful shale gas is transforming the U.S. economy, potentially creating a once-in-a-lifetime realignment in energy infrastructure and industrial capabilities that Kentucky's energy and industrial sectors want in on. Brighter long-term energy cost and availability prospects are one reason U.S. manufacturing is rebounding. Tens of billions of dollars in new U.S. capital investment have been announced for projects involving gas production, transport, processing and direct use — such as by the chemical industry, which converts raw gas feedstock into everything from plastics to jet fuel. Kentucky economic development officials are adjusting their efforts in response. "Targeted industries include manufacturers that process natural gas into higher value products, such as plastics, chemicals, gasoline and distillate fuels," according to a Kentucky Cabinet for Economic Development statement. (The Lane Report, April 9, 2013)

Ky. Power files for purchase agreement for biomass plant in Perry

Kentucky Power Company, an operating unit of American Electric Power, filed an application with the Kentucky Public Service Commission for approvals related to a Renewable Energy Purchase Agreement (REPA) for biomass energy resources between Kentucky Power and ecoPower Generation-Hazard LLC. According to Kentucky Power, the REPA would be for a 20-year period to purchase approximately 58 megawatts of electricity from an ecoPower biomass power generating facility planned to be built in Perry County and to be operational by 2017. The company asked the Commission to render a decision on the application no later than Sept. 9, 2013. ecoPower plans to build the facility approximately 10 miles northwest of Hazard on 125 acres of a reclaimed coal mine in the Coal Fields Regional Industrial Park, and will produce electricity using biomass materials including sawdust, bark, woodchips, tip wood, and low-quality logs. The plant is anticipated to add up to 30 full-time positions to the local economy and hundreds of ancillary jobs in the construction, timber, and trucking industries. (www.renewablesbiz.com April 10, 2013)

House GOP starts new effort to rein in EPA regulation

House Republicans plan to hold their first hearing Friday on draft legislation that would block any new Environmental Protection Agency regulations that would raise energy prices or cost jobs, their latest bid to thwart the Obama administration's efforts to cut pollution from coal. House Energy and Commerce Energy and Power Subcommittee Chairman Ed Whitfield, R-Ky., scheduled the hearing on the draft, titled the Energy Consumer Relief Act. Announced late last Friday, the draft reflects House Republicans opposition to EPA pollution rules and proposals to limit toxics, smog-forming soot and greenhouse gas emissions from coal-fired power plants and pollution from coal mining. It would require reviews of future major EPA proposals similar to those called for in the Transparency in Regulatory Analysis of Impacts on the Nation Act of 2011 by Rep. John Sullivan, R-Okla. His bill passed the House that year over the opposition of the White House, which issued a statement saying it would "slow or undermine important public health protections." (Washington Guardian April 8, 2013)

Kentucky Retail Fuel Prices (Dollars per gallon)

Product	4/11/2013	4/4/2013	3/28/2013	3/21/2013	Year Ago
Gasoline (State avg.)	\$ 3.50	\$ 3.60	\$ 3.60	\$ 3.67	\$ 3.86
Ashland	\$ 3.51	\$ 3.61	\$ 3.66	\$ 3.76	\$ 3.78
Covington	\$ 3.66	\$ 3.75	\$ 3.77	\$ 3.85	\$ 3.91
Lexington	\$ 3.44	\$ 3.58	\$ 3.57	\$ 3.61	\$ 3.84
Louisville	\$ 3.60	\$ 3.74	\$ 3.67	\$ 3.76	\$ 3.94
Owensboro	\$ 3.39	\$ 3.46	\$ 3.48	\$ 3.52	\$ 3.87
Diesel (State avg.)	\$ 3.96	\$ 3.98	\$ 3.98	\$ 4.01	\$ 4.11
Ashland	\$ 3.99	\$ 3.98	\$ 4.07	\$ 4.10	\$ 4.12
Covington	\$ 4.01	\$ 4.00	\$ 4.01	\$ 4.02	\$ 4.14
Lexington	\$ 3.98	\$ 3.99	\$ 4.01	\$ 4.05	\$ 4.12
Louisville	\$ 3.95	\$ 3.97	\$ 3.98	\$ 4.00	\$ 4.10
Owensboro	\$ 3.99	\$ 4.03	\$ 4.02	\$ 4.04	\$ 4.14

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,

Spot Prices	4/10/2013	4/3/2013	3/27/2013	3/20/2013	Year Ago
Crude Oil (Dollars per barrel) <i>West Texas Intermediate, fob</i>	\$ 94.64	\$ 94.45	\$ 96.58	\$ 92.96	\$ 102.70
MMBtu) <i>Henry-Hub</i>	\$ 4.11	\$ 4.01	\$ 4.06	\$ 3.98	\$ 1.91

Source: the Wall Street Journal

Futures		1-May	1-Jun	1-Jul
Crude Oil (Dollars per barrel) <i>Light Sweet Crude Oil</i>	4/10/2013	\$ 94.64	\$ 94.97	\$ 95.22
	4/3/2013	\$ 94.45	\$ 94.77	\$ 95.00
	3/27/2013	\$ 96.58	\$ 96.84	\$ 96.98
Natural Gas (Dollars per MMBtu) <i>Henry-Hub</i>	4/10/2013	\$ 4.09	\$ 4.13	\$ 4.17
	4/3/2013	\$ 3.90	\$ 3.95	\$ 4.00
	3/27/2013	\$ 4.06	\$ 4.11	\$ 4.15
Propane (Dollars per gallon) <i>Mt Belvieu (OPIS)</i>	4/10/2013	\$ 0.93	\$ 0.93	\$ 0.94
	4/3/2013	\$ 0.91	\$ 0.91	\$ 0.92
	3/27/2013	\$ 0.96	\$ 0.96	\$ 0.97
Coal (Dollars per ton) <i>Central Appalachian</i>	4/10/2013	\$ 57.03	\$ 58.05	\$ 60.15
	4/3/2013	\$ 56.02	\$ 57.33	\$ 59.73
	3/27/2013	\$ 57.28	\$ 58.18	\$ 60.30

Source: CME Group



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