

Kentucky Energy Watch

Department for Energy Development and Independence

A snapshot of state and national energy issues



Home Builders Association of Lexington Receives National Recognition for Leadership in Promoting Energy Efficient Homes

The Home Builders Association of Lexington received national recognition from the Residential Energy Services Network (RESNET) and Insulate America for the leadership role it has played in promoting the building of energy efficient homes in the Lexington housing market. The award was presented by Steve Baden, RESNET Executive Director at the Midwest Regional Residential Energy Conference in Lexington, Kentucky. (www.resnet.us April 12, 2013)

Sharp Decline in Coal Severance Tax Revenue Underscores Need for Economic Plan

New data showing that eastern Kentucky lost 4,000 coal jobs last year should raise alarm among public officials about the longstanding need for an economic transition plan. So should the big drop in eastern Kentucky coal severance tax receipts, which are 33 percent lower over the last 12 months than the previous year. (Kentucky Center for Economic Policy April 18, 2013)

Knott County coal jobs down 63%

The decline of the Eastern Kentucky coal industry has been a topic often discussed in Knott County during the past year. A report issued this month by the Kentucky Department for Energy Development and Independence outlines specifics of how our state, region and county have been affected from 2011 to 2012. Coal production across the state was down 16.3%, according to the report — to the lowest level since 1965. (Troublesome Creek Times April 22, 2013)

New fertilizer-from-coal-waste plant hailed

Waste products from a coal-fired Louisville power plant will be turned into fertilizer by a new facility unveiled Monday. The announcement by LG&E and Charah drew Kentucky Sens. Mitch McConnell and Rand Paul to Mill Creek Generating Station in southwest Jefferson County. (The Herald Leader April 23, 2013)

U.S. States Turn Against Renewable Energy as Gas Plunges

More than half the U.S. states with laws requiring utilities to buy renewable energy are considering ways to pare back those mandates after a plunge in natural gas prices brought on by technology that boosted supply. (The Bloomberg Report April 23, 2013)

Western Kentucky smelter plans to close Aug. 20

A Western Kentucky aluminum smelter has notified employees that it plans to shut down operations on Aug. 20 unless it can get lower electric rates. Century Aluminum has been in negotiations with its power supplier, Big Rivers Electric Corp., for more than a year. Both parties told the Owensboro Messenger-Inquirer last week that they are still trying to negotiate a deal before time runs out. (The Courier Journal April 20, 2013)

Appeals court rejects coal permitting process

Environmental groups cheered a 6th U.S. Circuit Court of Appeals ruling Monday that invalidates a streamlined permitting process for surface mines. The ruling reverses a lower court's ruling in eastern Kentucky that upheld the nationwide permitting process adopted by the Army Corps of Engineers in 2007. (The Herald Leader April 22, 2013)

A legislative perspective

When it comes to energy, less really is more if it gets the same job done. As our country works to maximize every watt, amp and BTU, it's worth noting that Kentucky is playing a major role in leading the way. Consider our schools, which have long been a pioneer in reducing energy costs. In 1992, for example, the National Society of Professional Engineers recognized one of Kentucky's elementary schools for incorporating geothermal heating and cooling in its design. (The Floyd County Times April 24, 2013)

Harshaw Trane HQ honored for LEED certification

Mayor Greg Fischer spent part of Earth Day recognizing the Harshaw Trane headquarters for winning a national environmental award. Business First reports that the mayor on Monday presented the Leadership in Energy and Environmental Design Silver certification to company officials at their Blankenbaker Station corporate office. (www.bizjournals.com April 23, 2013)

PSC will take comments on retirement of Big Sandy plant

The Kentucky Public Service Commission (PSC) will host a public meeting in Hazard next month regarding Kentucky Power Company's proposal to retire its Big Sandy generating plant in Louisa. The meeting will allow the public an opportunity to comment on the proposal, which would result in Kentucky Power purchasing a 50 percent interest in Ohio Power Company's Mitchell power plant in West Virginia for approximately \$536 million. (The Hazard Herald April 24, 2013)

Kentucky Retail Fuel Prices (Dollars per gallon)

Product	4/25/2013	4/18/2013	4/11/2013	4/4/2013	Year Ago
Gasoline (State avg.)	\$ 3.45	\$ 3.45	\$ 3.50	\$ 3.60	\$ 3.80
Ashland	\$ 3.59	\$ 3.44	\$ 3.51	\$ 3.61	\$ 3.77
Covington	\$ 3.66	\$ 3.58	\$ 3.66	\$ 3.75	\$ 3.84
Lexington	\$ 3.35	\$ 3.45	\$ 3.44	\$ 3.58	\$ 3.79
Louisville	\$ 3.65	\$ 3.51	\$ 3.60	\$ 3.74	\$ 3.82
Owensboro	\$ 3.34	\$ 3.35	\$ 3.39	\$ 3.46	\$ 3.82
Diesel (State avg.)	\$ 3.91	\$ 3.93	\$ 3.96	\$ 3.98	\$ 4.05
Ashland	\$ 3.93	\$ 3.97	\$ 3.99	\$ 3.98	\$ 4.08
Covington	\$ 3.94	\$ 3.97	\$ 4.01	\$ 4.00	\$ 4.07
Lexington	\$ 3.92	\$ 3.95	\$ 3.98	\$ 3.99	\$ 4.05
Louisville	\$ 3.90	\$ 3.93	\$ 3.95	\$ 3.97	\$ 4.02
Owensboro	\$ 3.99	\$ 3.99	\$ 3.99	\$ 4.03	\$ 4.11

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	4/24/2013	4/17/2013	4/10/2013	4/3/2013	Year Ago
Crude Oil (Dollars per barrel) <i>West Texas Intermediate, fob</i>	\$ 91.43	\$ 86.68	\$ 94.64	\$ 94.45	\$ 104.12
MMBtu) <i>Henry-Hub</i>	\$ 4.28	\$ 4.23	\$ 4.11	\$ 4.01	\$ 2.00

Source: the Wall Street Journal

Futures		1-May	1-Jun	1-Jul
Crude Oil (Dollars per barrel) <i>Light Sweet Crude Oil</i>	4/24/2013	\$ 88.76	\$ 91.43	\$ 91.69
	4/17/2013	\$ 86.68	\$ 86.97	\$ 87.19
	4/10/2013	\$ 94.64	\$ 94.97	\$ 95.22
Natural Gas (Dollars per MMBtu) <i>Henry-Hub</i>	4/24/2013	\$ 4.17	\$ 4.20	\$ 4.25
	4/17/2013	\$ 4.21	\$ 4.24	\$ 4.29
	4/10/2013	\$ 4.09	\$ 4.13	\$ 4.17
Propane (Dollars per gallon) <i>Mt Belvieu (OPIS)</i>	4/24/2013	\$ 0.94	\$ 0.94	\$ 0.95
	4/17/2013	\$ 0.94	\$ 0.94	\$ 0.94
	4/10/2013	\$ 0.93	\$ 0.93	\$ 0.94
Coal (Dollars per ton) <i>Central Appalachian</i>	4/24/2013	\$ 57.57	\$ 58.47	\$ 60.67
	4/17/2013	\$ 57.43	\$ 58.43	\$ 60.62
	4/10/2013	\$ 57.03	\$ 58.05	\$ 60.15

Source: CME Group



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