

Kentucky Department for Energy Development and Independence Energy Watch

A snapshot of state and national energy issues

Dryers waste \$4B a year in energy costs, report says

U.S. consumers are wasting \$4 billion annually to power clothes dryers that, unlike other common household appliances, have barely improved their energy efficiency since the 1970s, a report says. A typical electric dryer may now consume as much energy per year as the combined use of an efficient new refrigerator, clothes washer and dishwasher, reports the Natural Resources Defense Council, an environmental group. Homes pay more than \$100 annually to run an electric dryer and \$40 for a gas one, its report finds. (www.freep.com June 12, 2014)

Pickens: Push for Natural Gas Will Target Foreign Oil, Not Indiana Coal

The opening of a new liquid natural gas facility in Beech Grove, Ind. is intended as a step toward reducing dependence on foreign oil. But oil isn't the only energy source gas will be competing with. Oil billionaire T. Boone Pickens has spent a quarter-century lobbying for natural gas as a cheap and clean alternative to fuel cars and trucks. He says that would reduce oil consumption by 70%, and says facilities like the one operated by Citizens Gas subsidiary Kinetrex are indicators he's making progress. Indiana has 25 natural-gas fueling stations, the fourth-most in the U-S. (www.wibc.com June 12, 2014)

Exporting U.S. natural gas isn't as "clean" as you think

One of the rallying cries in favor of liquefying and exporting U.S. natural gas has been to help reduce greenhouse gases in other countries, by crowding out coal in Asia and Europe. Yet tucked into an Energy Department report on LNG exports is a different view: That U.S. exports of LNG to China could end up being worse from a greenhouse gas perspective than if China simply built a new power plant and burned its own coal supplies. The report also says that the climate benefits of exporting LNG to other countries are modest. (www.washingtonpost.com June 9, 2014)

2013 paper could show how officials will meet EPA demands to reduce carbon emissions

Kentucky officials laid out a potential path to nearly meet the proposed EPA carbon emission standards within 6-years, according to a state white paper sent to the EPA in 2013. Kentucky officials have two years before they have to announce a plan to reduce carbon emissions in the state 18 percent by 2030. The national target is 30 percent reductions by 2030. But Kentucky's share is 18 percent. And the state energy cabinet's report produced in 2013 showed how the state could cut carbon emissions 17 percent by 2020. (http://mycn2.com June 9, 2014)

Though Not Quietly, Kentucky Moves to Cut Reliance on Coal

The E. W. Brown power plant rides like an ocean liner on a rolling ridge in Kentucky, its smokestacks and plumes visible across fields of corn and cattle for miles around. The coal-fired plant has lighted homes since Dwight D. Eisenhower was in office. But under the Obama administration's plan to fight global warming, its days could be ticking down. Two of its three coal-fired generating units are among the oldest and least efficient in the state, and concerns that the plant could close are making residents of this small town deeply anxious. (www.nytimes.com June 8, 2014)

Big Rivers taking steps to reduce carbon footprint

The Obama administration's self-described "unprecedented" push to cut carbon emissions from existing power plants has coal-heavy electric utilities such as Big Rivers Electric Corp. squarely in its cross hairs. In fact, Forbes.com recently identified Big Rivers as being the most carbon-dense utility in the country -- a claim that Big Rivers disputes. Forbes said that according to a recent study, the Henderson-based generation and transmission co-op emits 2,267 pounds of carbon dioxide for every megawatt-hour of electricity it generates, nearly double the national average and "the highest concentration of carbon pollution of any of America's top 100 utilities." (http://investing.businessweek.com June 8, 2014)

Under attack, coal maintains its political muscle

The coal industry is shedding thousands of jobs and facing the government's most severe crackdown on carbon emissions yet. But king coal still flexes its political muscle in Kentucky and West Virginia, where Republicans and even Democrats try to out-coal one another by cozying up to the industry and slamming President Barack Obama. In other coal-producing areas such as Ohio and Virginia, Democrats have been able to win even with the industry against them. That's not an option for politicians in the heart of Appalachia. (http://m.washingtonpost.com June 8, 2014)

Kentucky Retail Fuel Prices (Dollars per gallon)

Product	6/12/2014	6/5/2014	5/29/2014	5/22/2014	Year Ago
Gasoline (State avg.)	\$ 3.65	\$ 3.66	\$ 3.65	\$ 3.65	\$ 3.63
Ashland	\$ 3.82	\$ 3.88	\$ 3.85	\$ 3.85	\$ 3.54
Covington	\$ 3.95	\$ 3.96	\$ 3.90	\$ 3.86	\$ 3.91
Lexington	\$ 3.80	\$ 3.78	\$ 3.77	\$ 3.79	\$ 3.57
Louisville	\$ 3.96	\$ 3.96	\$ 3.96	\$ 3.95	\$ 3.84
Owensboro	\$ 3.65	\$ 3.66	\$ 3.64	\$ 3.59	\$ 3.72
Diesel (State avg.)	\$ 3.90	\$ 3.91	\$ 3.92	\$ 3.93	\$ 3.86
Ashland	\$ 3.90	\$ 3.92	\$ 3.92	\$ 3.95	\$ 3.88
Covington	\$ 3.95	\$ 3.94	\$ 3.96	\$ 3.99	\$ 3.91
Lexington	\$ 3.96	\$ 3.97	\$ 3.99	\$ 3.99	\$ 3.91
Louisville	\$ 3.91	\$ 3.94	\$ 3.96	\$ 3.97	\$ 3.88
Owensboro	\$ 3.94	\$ 3.98	\$ 3.97	\$ 3.99	\$ 3.97

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	6/12/2014	6/2/2014	5/29/2014	5/19/2014	Year Ago
Crude Oil (Dollars per barrel) <i>West Texas Intermediate, job</i>	\$ 105.09	\$ 103.07	\$ 104.78	\$ 102.95	\$ 95.98
Natural Gas (Dollars per MMBtu) <i>Henry-Hub</i>	\$ 4.73	\$ 4.70	\$ 4.57	\$ 4.54	\$ 3.78

Source: the Wall Street Journal

Futures		July 2014	August 2014	September 2014
Crude Oil (Dollars per barrel) <i>Light Sweet Crude Oil</i>	6/11/2014	\$ 104.40	\$ 103.62	\$ 102.69
	6/4/2014	\$ 102.64	\$ 101.93	\$ 101.01
	5/28/2014	\$ 102.72	\$ 101.99	\$ 101.02
Natural Gas (Dollars per MMBtu) <i>Henry-Hub</i>	6/11/2014	\$ 4.51	\$ 4.50	\$ 4.49
	6/4/2014	\$ 4.64	\$ 4.63	\$ 4.60
	5/28/2014	\$ 4.62	\$ 4.59	\$ 4.55
Propane (Dollars per gallon) <i>Mt Behvieu (OPIS)</i>	6/11/2014	\$ 1.01	\$ 1.02	\$ 1.03
	6/4/2014	\$ 1.01	\$ 1.02	\$ 1.03
	5/28/2014	\$ 1.06	\$ 1.06	\$ 1.07
Coal (Dollars per ton) <i>Central Appalachian</i>	6/11/2014	\$ 59.43	\$ 59.73	\$ 60.08
	6/4/2014	\$ 60.13	\$ 60.58	\$ 61.05
	5/28/2014	\$ 61.63	\$ 62.07	\$ 62.35

Source: CME Group



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