

Coal Production Increases in Eastern Kentucky, But Overall Trend Still Grim

For the first time in a year, quarterly data shows an increase in coal production in Eastern Kentucky. But that doesn't necessarily mean the industry is rebounding. Between April and June of this year, Eastern Kentucky's coal production increased by 15 percent. Percentage-wise, this is the biggest gain in Eastern Kentucky coal production in at least 14 years. But even though the industry has seen occasional ups, overall it's been a steady downward trend. (<http://wfpl.org> Aug. 5, 2014)

Kentucky, Indiana file suit to block EPA rule on power plants

Kentucky and Indiana are among a dozen states that filed a lawsuit over proposed rules meant to reduce carbon dioxide emissions from power plants. The states claim that the U.S. Environmental Protection Agency lacks the authority to enforce the regulations, WAVE-TV reported. The regulations would apply to existing coal-fired plants, requiring them to meet state-specific emissions standards starting in 2020. (www.bizjournals.com Aug. 4, 2014)

Consumers, government both play role in energy savings

Summer is here, prompting many of us to adjust the air conditioning in our homes. However, dialing down the thermostat too much during the summer months can result in costly energy bills, and for many Kentuckians, every dollar saved can make a difference when trying to make ends meet. As your Attorney General, I've worked hard to stop more than \$1 billion in proposed rate increases by utility companies. There are also actions you can take as a consumer to cut down on utility costs not only this season, but year-round. By making a few minor adjustments to how your family uses energy in the home, you can save money on your bill and reduce your environmental impact as well. (www.floydcountytimes.com Aug. 5, 2014)

Conversion of Big Sandy Plant from coal to gas approved

The Kentucky Public Service Commission on Friday approved plans to convert one unit of the Kentucky Power Company's Big Sandy plant from coal to gas. The approval means the unit can remain on line for the foreseeable future, keeping jobs in Lawrence County and relieving some local concerns about loss of the tax base that keeps schools and other public entities running. That comes as good news to Lawrence County school officials, because in addition to electricity, the plant generates thousands in tax revenues. (www.dailyindependent.com Aug. 1, 2014)

Developer claims ownership of largest solar array in Louisville

When the latest batch of solar panels goes online later this week or early next week, Butchertown Market will have 318 panels on its roof to harness energy from the sun. "I think we have the largest solar array of any company in Louisville," said Andy Blieden, a Louisville developer and owner of Butchertown Market. "That is something we are proud of." Blieden started adding solar panels on the roof of the building at 1201 Story Ave. in December. He had 113 installed at the time. (<http://m.bizjournals.com> July 31, 2014)

1,100 layoffs planned at Alpha coal mines in W.Va.

One of the nation's largest coal producers said Thursday it expects to lay off 1,100 workers at 11 southern West Virginia surface coal mines by mid-October, citing dismal markets and federal regulation. The announcement by Alpha Natural Resources dealt another blow to Appalachia's iconic, but dwindling, fossil fuel industry. The company said 2015 industry forecasts show Central Appalachian coal production will be less than half of its 2009 output. It's due to a combination of familiar factors, Alpha said: competition from cheaper natural gas, weak domestic and international markets and low coal prices. (www.kentucky.com July 31, 2014)

W. Va. billionaire's coal mines have 266 violations in 5 states

A West Virginia coal billionaire has more than 250 pending violations at mining operations in Kentucky and four other states. The Courier-Journal (<http://cjkj.it/1k86UjO>) cited data from the federal Office of Surface Mining Reclamation and Enforcement in reporting that almost half of the citations against mines owned by Jim Justice are in Kentucky, where enforcement officials have set an Aug. 11 deadline to take corrective action. Other violations are pending at operations in West Virginia, Tennessee, Virginia and Alabama. (www.kentucky.com July 31, 2014)

Kentucky Retail Fuel Prices (Dollars per gallon)

Product	8/7/2014	7/31/2014	7/24/2014	7/17/2014	Year Ago
Gasoline (State avg.)	\$ 3.48	\$ 3.52	\$ 3.55	\$ 3.59	\$ 3.60
Ashland	\$ 3.45	\$ 3.55	\$ 3.50	\$ 3.60	\$ 3.48
Covington	\$ 3.60	\$ 3.68	\$ 3.67	\$ 3.78	\$ 3.65
Lexington	\$ 3.42	\$ 3.51	\$ 3.35	\$ 3.46	\$ 3.52
Louisville	\$ 3.52	\$ 3.74	\$ 3.65	\$ 3.84	\$ 3.66
Owensboro	\$ 3.30	\$ 3.33	\$ 3.35	\$ 3.56	\$ 3.40
Diesel (State avg.)	\$ 3.83	\$ 3.84	\$ 3.86	\$ 3.87	\$ 3.89
Ashland	\$ 3.69	\$ 3.71	\$ 3.74	\$ 3.82	\$ 3.92
Covington	\$ 3.82	\$ 3.84	\$ 3.83	\$ 3.84	\$ 3.90
Lexington	\$ 3.79	\$ 3.82	\$ 3.84	\$ 3.86	\$ 3.91
Louisville	\$ 3.81	\$ 3.81	\$ 3.83	\$ 3.85	\$ 3.87
Owensboro	\$ 3.80	\$ 3.82	\$ 3.85	\$ 3.89	\$ 3.88

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	8/4/2014	7/28/2014	7/21/2014	7/17/2014	Year Ago
Crude Oil (Dollars per barrel) <i>West Texas Intermediate, job</i>	\$ 98.26	\$ 105.68	\$ 105.34	\$ 100.56	\$ 104.41
Natural Gas (Dollars per MMBtu) <i>Henry-Hub</i>	\$ 3.87	\$ 3.84	\$ 3.87	\$ 3.97	\$ 3.39

Source: the Wall Street Journal

Futures		September 2014	October 2014	November 2014
Crude Oil (Dollars per barrel) <i>Light Sweet Crude Oil</i>	8/6/2014	\$ 96.92	\$ 96.24	\$ 95.84
	7/30/2014	\$ 100.27	\$ 99.04	\$ 98.24
Natural Gas (Dollars per MMBtu) <i>Henry-Hub</i>	8/6/2014	\$ 3.93	\$ 3.96	\$ 4.02
	7/30/2014	\$ 3.79	\$ 3.81	\$ 3.86
Propane (Dollars per gallon) <i>Mt Belvieu (OPIS)</i>	8/6/2014	\$ 1.02	\$ 1.03	\$ 1.04
	7/30/2014	\$ 1.04	\$ 1.05	\$ 1.06
Coal (Dollars per ton) <i>Central Appalachian</i>	8/6/2014	\$ 60.10	\$ 59.65	\$ 59.65
	7/30/2014	\$ 59.95	\$ 59.45	\$ 59.45

Source: CME Group



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