

Kentucky Department for Energy Development and Independence Energy Watch

A snapshot of state and national energy issues

UK announces \$24 million research effort to diversify Kentucky's energy economy

The University of Kentucky announced a \$24 million effort Wednesday to harness the brain power of Kentucky's eight public universities to diversify and develop the economies of the state's struggling coalfields. The National Science Foundation's Experimental Program to Stimulate Competitive Research awarded \$20 million to UK, and the state's EPSCoR program threw in \$4 million to support the project, called "Powering the Kentucky Bioeconomy for a Sustainable Future." (www.kentucky.com August 27, 2014)

Plugging into the sun: Grayson RECC unveils alternate energy

Tucked quietly on the hillside next to Grayson RECC is change. Grayson Rural Electric unveiled a 10 kilowatt solar electric project on Friday, a 40-panel installation that will mean \$1,200-1,500 in savings for the cooperative. "As the needs of our members change, we have to keep up with that," RECC President Carol Ann Fraley told the crowd. "As things change and we grow, we have to embrace new technology. We hope that people will come in and learn more about it." (www.journal-times.com August 27, 2014)

7 schools in Oldham County get federal energy star rating

Seven schools in Oldham County have been recognized by the state for energy efficiency. The Kentucky Energy and Environment Cabinet and the Kentucky School Boards Association say the schools have earned an energy star rating. The district's most recent renovation project at Centerfield Elementary has netted an almost 50 percent reduction in energy usage. To earn the rating, a building must receive at least 75 out of 100 points in the EPA's national energy-performance rating system. (www.greenfieldreporter.com August 27, 2014)

US data centres waste 'vast amounts of electricity'

Data centres in America are consuming massive amounts of energy in a wasteful manner by running computer servers that do little or no work most of the time, according to research. The Natural Resources Defense Council (NRDC) analysed energy use by data centres and found that, on average, they were using only 12% to 18% of the electricity powering their computer servers. Another 30% of servers are still powered on when they're longer needed, while 80% of organisations said that the department responsible for data centre management has no contact with the department paying electric bills. (www.cbronline.com August 26, 2014)

U.S. Court Upholds FERC Rules On Electric Grid Planning

A U.S. court on Friday upheld rules from the Federal Energy Regulatory Commission calling on utilities to take various actions, including increased planning of large transmission projects. The U.S. Court of Appeals for the District of Columbia Circuit affirmed FERC's "Order 1000," a series of measures from 2011 that requires large-scale regional planning of the nation's electric grid designed in part to create greater access to renewable energy. The case addressed whether states could be forced to coordinate on transmission planning, carbon standards and paying for actions to create new transmission capacity. (www.businessinsider.com August 15, 2014)

US coal fundamentals weak, natural gas demand to increase in 2015: Barclays

Investment bank Barclays Tuesday said most market participants believe it will be another year before any improvement is seen in the seaborne metallurgical coal market, while the bank expects US natural gas demand to pick up "significantly" in 2015 as a number of coal-fired power plants are shuttered. Barclays detailed its near-term outlook for the US coal and natural gas markets in its Global Energy Outlook for August. Fixed income analyst Matthew Vittorioso said US coal companies are a challenging place to find value due in part to weak met and thermal coal prices. (www.platts.com August 26, 2014)

Congratulations to Fayette County, Scott County schools featured in federal, state energy conservation best practices

Three Fayette County Schools and two in Scott County recently hosted a delegation of state and federal officials who came to see firsthand how those schools are becoming more "green" through energy efficiency and sustainability best practices. Rosa Parks Elementary School, Wellington Elementary School and Locust Trace Agriscience Farm in Fayette County and Georgetown Middle School and Northern Elementary School in Scott County were chosen for the U.S. Department of Education's "Healthy Schools, High-Achievement Students" tour earlier this month. (www.ksba.org August 26, 2014)

Wave of layoffs sweeps North American coal industry tour

Virginia-based Alpha Natural Resources—the second-largest US coal producer—announced last month that it intended to lay off approximately 1,100 coal miners and support staff at 11 affiliated coal mining operations in southern West Virginia by mid-October. These job cuts are only the most drastic in a wave of layoffs sweeping through the coal industry this year. In a press release, Alpha President Paul Vining noted that in the last three years the company has idled about 35 million tons of coal production in an effort to cut costs. (www.wsws.org August 22, 2014)

Kentucky Retail Fuel Prices (Dollars per gallon)

Product	8/28/2014	8/21/2014	8/14/2014	8/7/2014	Year Ago
Gasoline (State avg.)	\$ 3.43	\$ 3.44	\$ 3.47	\$ 3.48	\$ 3.55
Ashland	\$ 3.49	\$ 3.38	\$ 3.47	\$ 3.45	\$ 3.51
Covington	\$ 3.56	\$ 3.60	\$ 3.64	\$ 3.60	\$ 3.58
Lexington	\$ 3.45	\$ 3.33	\$ 3.45	\$ 3.42	\$ 3.51
Louisville	\$ 3.72	\$ 3.64	\$ 3.64	\$ 3.52	\$ 3.73
Owensboro	\$ 3.32	\$ 3.32	\$ 3.31	\$ 3.30	\$ 3.58
Diesel (State avg.)	\$ 3.80	\$ 3.81	\$ 3.82	\$ 3.83	\$ 3.89
Ashland	\$ 3.68	\$ 3.65	\$ 3.70	\$ 3.69	\$ 3.94
Covington	\$ 3.79	\$ 3.81	\$ 3.82	\$ 3.82	\$ 3.92
Lexington	\$ 3.73	\$ 3.74	\$ 3.78	\$ 3.79	\$ 3.94
Louisville	\$ 3.76	\$ 3.78	\$ 3.80	\$ 3.81	\$ 3.89
Owensboro	\$ 3.79	\$ 3.81	\$ 3.79	\$ 3.80	\$ 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	8/28/2014	8/21/2014	8/11/2014	8/4/2014	Year Ago
Crude Oil (Dollars per barrel) <i>West Texas Intermediate, job</i>	\$ 95.38	\$ 96.44	\$ 98.09	\$ 98.26	\$ 110.17
Natural Gas (Dollars per MMBtu) <i>Henry-Hub</i>	\$ 4.00	\$ 3.89	\$ 4.00	\$ 3.87	\$ 3.58

Source: the Wall Street Journal

Futures		October 2014	November 2014	December 2014
Crude Oil (Dollars per barrel) <i>Light Sweet Crude Oil</i>	8/27/2014	\$ 93.88	\$ 93.34	\$ 93.06
Natural Gas (Dollars per MMBtu) <i>Henry-Hub</i>	8/27/2014	\$ 4.00	\$ 4.07	\$ 4.16
Propane (Dollars per gallon) <i>Mt Belvieu (OPIS)</i>	8/27/2014	\$ 1.03	\$ 1.03	\$ 1.04
Coal (Dollars per ton) <i>Central Appalachian</i>	8/27/2014	\$ 57.08	\$ 57.29	\$ 57.29

Source: CME Group



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