

Kentucky Department for Energy Development and Independence Energy Watch

A snapshot of state and national energy issues

How to prepare for crop drying season

Q. How can propane marketers better prepare for high-demand crop drying seasons, such as the one that kick-started the industry's supply issues last fall? A. Before the winter of 2013-14, retail propane marketers and their agriculture customers were complacent for a few winters about supply planning for potential crop drying needs. (www.lpgasmagazine.com August 1, 2014)

Boom in Energy Spurs Industry in the Rust Belt

Waist-high weeds and a crumbling old Chevy mark the entrance to a rust-colored factory complex on the edge of town here, seemingly another monument to the passing of the golden age of American industry. But deep inside the 14-acre site, the thwack-thwack-thwack sound of metal on metal tells a different story. (www.nytimes.com September 8, 2014)

New Maps Show How Rising Electricity Prices Will Affect Low-Income Kentucky Families

A new data mapping project from the Kentucky Energy and Environment Cabinet highlights the disparities in income and electricity prices both around the country and in the commonwealth. The Kentucky Department of Energy Development and Independence took median household income data from the American Community Survey, and combined that with federal Energy Information Administration data on electricity prices. The result is a national heat map that shows the areas where residents devote more of their household income to paying their electric bills. (<http://wfpl.org> September 11, 2014)

TVA makes \$4.5 billion bet on nuclear resurgence

One of the keys to the Tennessee Valley Authority's efforts to meet strict new rules for reducing greenhouse gas emissions lies behind walls more than a foot thick and beneath more than a half-million pounds of metal. (www.tennessean.com September 3, 2014)

Propane Industry Tells Consumers To Prepare For Winter Now

The frigid winter that struck most of the Midwest last December and January made propane delivery difficult and pushed prices to new highs. So the Propane Education and Research Council hopes a campaign launched this week will teach consumers how to most efficiently conserve their propane and coordinate with their propane retailer *before* winter begins. (<http://indianapublicmedia.org> September 10, 2014)

Nuclear option to climate change

When she headed the U.S. Environmental Protection Agency under President Bill Clinton, Carol Browner was at best uneasy about nuclear power, like nearly all environmentalists. But years later, as she became more and more convinced that time was running short to combat man-climate change, she broke ranks and changed her mind. (www.timesunion.com September 9, 2014)

Propane sellers gear up for winter

Propane marketers in western Kentucky are preparing for winter, even though the calendar still shows more than a month to go before fall officially begins. President of Paducah-based United Propane Gas, Eric Small, told The Paducah Sun (<http://bit.ly/1IHG7vP>) a shortage of gas in the winter of 2013 nearly crippled the business. (www.wtvq.com September 7, 2014)

Brent Crude Falls to Two-Year Low After IEA Demand Cut

Brent crude fell to the lowest level in more than two years, narrowing its premium over West Texas Intermediate, after the International Energy Agency cut demand forecasts. The Brent-WTI spread shrank to the smallest since July as the U.S. benchmark rebounded after failing to break below \$90. The IEA reduced estimates for this year and next following a "remarkable" slowdown in the second quarter that prompted Saudi Arabia to pare exports to a three-year low. "Demand is the big story here," said Tariq Zahir, a New York-based commodity fund manager at Tyche Capital Advisors. "Supply is so big but demand is not catching up. The IEA report is hitting Brent and the spread is going to continue to contract." (www.bloomberg.com September 11, 2014)

As Coal Jobs Leave Kentucky, Where Are the Renewable Energy Jobs?

Kentucky doesn't distinguish itself in a new report quantifying so-called "clean energy" jobs announced around the country in the second quarter of 2014. The report from non-profit Environmental Entrepreneurs said these types of opportunities are growing in the U.S.—it listed 12,500 new clean energy and clean transportation jobs between April and June. Arizona added the most jobs during that time period (3,060 jobs), with California and Michigan in second and third place (2,512 and 1,450 jobs, respectively). (<http://wfpl.org> September 8, 2014)

Kentucky Retail Fuel Prices (Dollars per gallon)

Product	9/11/2014	9/4/2014	8/28/2014	8/21/2014	Year Ago
Gasoline (State avg.)	\$ 3.42	\$ 3.42	\$ 3.43	\$ 3.44	\$ 3.56
Ashland	\$ 3.52	\$ 3.61	\$ 3.49	\$ 3.38	\$ 3.57
Covington	\$ 3.57	\$ 3.74	\$ 3.56	\$ 3.60	\$ 3.62
Lexington	\$ 3.47	\$ 3.34	\$ 3.45	\$ 3.33	\$ 3.48
Louisville	\$ 3.70	\$ 3.69	\$ 3.72	\$ 3.64	\$ 3.54
Owensboro	\$ 3.35	\$ 3.35	\$ 3.32	\$ 3.32	\$ 3.45
Diesel (State avg.)	\$ 3.79	\$ 3.76	\$ 3.80	\$ 3.81	\$ 3.95
Ashland	\$ 3.67	\$ 3.66	\$ 3.68	\$ 3.65	\$ 4.00
Covington	\$ 3.78	\$ 3.79	\$ 3.79	\$ 3.81	\$ 3.96
Lexington	\$ 3.73	\$ 3.73	\$ 3.73	\$ 3.74	\$ 3.97
Louisville	\$ 3.76	\$ 3.76	\$ 3.76	\$ 3.78	\$ 3.91
Owensboro	\$ 3.81	\$ 3.80	\$ 3.79	\$ 3.81	\$ 3.93

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	9/11/2014	9/4/2014	8/28/2014	8/21/2014	Year Ago
Crude Oil (Dollars per barrel) <i>West Texas Intermediate, job</i>	\$ 92.64	\$ 92.92	\$ 95.38	\$ 96.44	\$ 107.65
Natural Gas (Dollars per MMBtu) <i>Henry-Hub</i>	\$ 3.83	\$ 3.94	\$ 4.00	\$ 3.89	\$ 3.56

Source: the Wall Street Journal

Futures		October 2014	November 2014	December 2014
Crude Oil (Dollars per barrel) <i>Light Sweet Crude Oil</i>	9/10/2014	\$ 91.67	\$ 90.84	\$ 90.42
	9/3/2013	\$ 95.54	\$ 94.68	\$ 94.16
	8/27/2014	\$ 93.88	\$ 93.34	\$ 93.06
Natural Gas (Dollars per MMBtu) <i>Henry-Hub</i>	9/10/2014	\$ 3.95	\$ 4.01	\$ 4.09
	9/3/2014	\$ 3.85	\$ 3.89	\$ 3.98
	8/27/2014	\$ 4.00	\$ 4.07	\$ 4.16
Propane (Dollars per gallon) <i>Mt Belvieu (OPIS)</i>	9/10/2014	\$ 1.07	\$ 1.08	\$ 1.08
	9/3/2014	\$ 1.04	\$ 1.05	\$ 1.05
	8/27/2014	\$ 1.03	\$ 1.03	\$ 1.04
Coal (Dollars per ton) <i>Central Appalachian</i>	9/10/2014	\$ 56.35	\$ 55.85	\$ 56.08
	9/3/2014	\$ 56.93	\$ 56.87	\$ 56.88
	8/27/2014	\$ 57.08	\$ 57.29	\$ 57.29

Source: CME Group



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