

# Kentucky Department for Energy Development and Independence Energy Watch

*A snapshot of state and national energy issues*

## ***Hydroelectric power could grow in Kentucky with interest in renewable energy***

The largest hydroelectric projects built in Kentucky in nearly 40 years are set to begin operation in 2016, and studies show the state has significant potential to generate even more power from its waters. ([www.energycentral.com](http://www.energycentral.com) December 30, 2015)

## ***Big Ass Solutions to expand residential division and products, add jobs***

Big Ass Solutions has announced that it is expanding its new residential division, Haiku Home. The Lexington-based manufacturer plans to add approximately 100 jobs over the next year to support the initiative, a news release from the company stated Tuesday. ([www.kentucky.com](http://www.kentucky.com) January 5, 2016)

## ***Why was methane project altered? Forum to discuss***

The final neighborhood meeting to discuss a controversial plan to build a methane plant in a western Louisville neighborhood has been scheduled ([www.courier-journal.com](http://www.courier-journal.com) January 1, 2016)

## ***The Year of the Customer: 5 demand management trends to watch in 2016***

Energy trends – any trends, for that matter – tend to bleed across arbitrary date markers without so much as a nod to the New Year. But nonetheless, calendar changes allow us an opportunity to take stock and observe direction, to broadly note the ways things are moving. ([www.utilitydive.com](http://www.utilitydive.com) January 5, 2016)

## ***Troubles Are Up In The Middle East, But Oil Prices Are Down. Huh?***

Oh, the irony. Historically, when political tensions increased in the Middle East, the price of oil rose too. Buyers of oil worried that conflicts could interrupt drilling or interfere with oil-tanker access to waterways. ([www.npr.org](http://www.npr.org) January 5, 2016)

## ***Energy Storage Costs Expected to Slide 41% by 2020, GTM Says***

The cost of installing energy-storage systems is expected to decline 41 percent over the next five years as key components get cheaper, according to a report by GTM Research. ([www.bloomberg.com](http://www.bloomberg.com) January 4, 2016)

## ***DERs in 2016: What experts expect for a booming sector***

Just before the new year, the wind and solar industries won some hard-fought extensions of vital federal tax credits in a omnibus spending bill brokered in Congress. ([www.utilitydive.com](http://www.utilitydive.com) January 4, 2016)

## ***As The World Warms To Nuclear Power, The Outlook For Uranium Is Up***

In the wake of the COP21 climate meeting in Paris, which subtly endorsed nuclear power, and the aggressive move by China to build a nuclear plant a month, the supplies of uranium are once again in the spotlight. ([www.forbes.com](http://www.forbes.com) January 4, 2016)

## ***Forty percent of vehicles will be natural gas powered***

“By 2025, 40 percent of you will be driving vehicles powered by compressed natural gas, according to projections,” said Detief Hallermann, Ph.D., associate clinical professor, Texas A&M University. ([www.agprofessional.com](http://www.agprofessional.com) January 4, 2016)

## ***Average annual natural gas spot price in 2015 was at lowest level since 1999***

Natural gas spot prices in 2015 at the Henry Hub in Louisiana, a national benchmark, averaged \$2.61 per million British thermal unit (MMBtu), the lowest annual average level since 1999. ([www.eia.gov](http://www.eia.gov) January 5, 2016)



Kentucky Retail Fuel Prices (Dollars per gallon)

Product	1/7/2016	12/17/2015	12/10/2015	12/3/2015	Year Ago
<b>Gasoline (State avg.)</b>	\$ 2.00	\$ 2.01	\$ 2.01	\$ 2.05	\$ 2.19
Ashland	\$ 1.93	\$ 1.95	\$ 1.90	\$ 1.96	\$ 2.17
Covington	\$ 1.97	\$ 1.96	\$ 1.97	\$ 1.98	\$ 2.17
Lexington	\$ 1.96	\$ 1.91	\$ 1.85	\$ 1.88	\$ 2.18
Louisville	\$ 2.02	\$ 1.88	\$ 1.82	\$ 1.96	\$ 2.29
Owensboro	\$ 1.78	\$ 1.87	\$ 1.78	\$ 1.85	\$ 1.96
<b>Diesel (State avg.)</b>	\$ 2.23	\$ 2.33	\$ 2.37	\$ 2.41	\$ 3.07
Ashland	\$ 2.23	\$ 2.33	\$ 2.38	\$ 2.40	\$ 3.20
Covington	\$ 2.31	\$ 2.38	\$ 2.45	\$ 2.48	\$ 3.29
Lexington	\$ 2.31	\$ 2.39	\$ 2.43	\$ 2.47	\$ 3.31
Louisville	\$ 2.31	\$ 2.39	\$ 2.44	\$ 2.46	\$ 3.34
Owensboro	\$ 2.20	\$ 2.28	\$ 2.30	\$ 2.36	\$ 2.89

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,

Product	1/4/2016	12/14/2015	12/7/2015	11/30/2015	Year Ago
Heating Oil (dollars per gallon)	\$ 1.78	\$ 1.81	\$ 1.88	\$ 1.98	\$ 2.56
Propane (dollars per gallon)	\$ 1.79	\$ 1.74	\$ 1.72	\$ 1.70	\$ 2.14

[http://www.eia.gov/dnav/pet/pet\\_pri\\_wfr\\_dcus\\_SKY\\_w.htm](http://www.eia.gov/dnav/pet/pet_pri_wfr_dcus_SKY_w.htm)

Spot Prices	1/4/2016	12/14/2015	12/7/2015	12/1/2015	Year Ago
Crude Oil (Dollars per barrel) <i>West Texas Intermediate, fob</i>	\$ 36.81	\$ 36.31	\$ 37.64	\$ 40.58	\$ 50.05
Natural Gas (Dollars per MMBtu) <i>Henry-Hub</i>	\$ 2.39	\$ 1.70	\$ 2.11	\$ 2.14	\$ 3.01
Coal Price (dollars per short ton) <i>Central Appalachia</i>	\$ 43.50	\$ 43.50	\$ 43.50	\$ 43.50	\$ 55.92
Coal Price (dollars per short ton) <i>Illinois Basin</i>	\$ 32.60	\$ 32.60	\$ 32.60	\$ 32.60	\$ 45.70

Sources: <http://www.infomine.com/investment/metal-prices/coal/1-year> [http://ycharts.com/indicators/natural\\_gas\\_spot\\_price](http://ycharts.com/indicators/natural_gas_spot_price)  
<https://www.quandl.com/data/DOE/COAL-US-Coal-Prices-by-Region> <http://markets.ft.com/research/Markets/Tearsheets/Summary?s=1069936>

Futures		February 2016	March 2016	April 2016
Crude Oil (Dollars per barrel) <i>Light Sweet Crude Oil</i>	1/6/2016	\$ 33.97	\$ 35.20	\$ 36.31
Natural Gas (Dollars per MMBtu) <i>Henry-Hub</i>	1/6/2016	\$ 2.27	\$ 2.29	\$ 2.34
Propane (Dollars per gallon) <i>Mt Belvieu (OPIS)</i>	1/6/2016	\$ 0.37	\$ 0.37	\$ 0.37

Source: [http://www.cmegroup.com/daily\\_bulletin/current/Section61\\_Energy\\_Futures\\_Products.pdf](http://www.cmegroup.com/daily_bulletin/current/Section61_Energy_Futures_Products.pdf)

The Department for Energy Development and Independence does not discriminate on the basis of race, color, national origin, sex, age, religion or disability and provides, on request, reasonable accommodations including auxiliary aids and services necessary to afford an individual with a disability an equal opportunity to participate in all services, programs and activities. To request materials in an alternative format, call the Department for Energy Development and Independence at (800) 282-0868. Persons with hearing and speech impairments can contact the agency by using the Kentucky Relay Service, a toll-free telecommunication device for the deaf (TDD). For voice to TDD, call (800) 648-6057. For TDD to voice, call (800) 648-6056.

