

Kentucky Energy Watch

Department for Energy Development and Independence

A snapshot of state and national energy issues

How Much Coal Is Really Left in Kentucky?

There is still a lot of coal in the ground in Kentucky, though it's looking increasingly unlikely that most of it will be mined and burned. (<http://wfpl.org> November 30, 2015)

GM to install large solar array at Bowling Green plant

General Motors will install a solar array at the Bowling Green Assembly plant large enough to produce about 850 Corvettes annually. (www.bgdailynews.com December 2, 2015)

Appalachia grasps for hope as coal loses its grip

The seams of coal in some of Eddie Asbury's mines in McDowell County are so thin workers can barely squeeze down them. They enter on carts nearly flat on their backs, the roof of the mine coursing by just a few inches in front of their faces. They don't stand up all day. (www.kentucky.com December 1, 2015)

East Kentucky Power Cooperative approved to purchase Oldham County generating plant

The Kentucky Public Service Commission (PSC) has approved the purchase by East Kentucky Power Cooperative, Inc. (EKPC) of the gas-fired Bluegrass Generating Station in Oldham County. The purchase price was not disclosed pending a PSC ruling on EKPC's request that the information remain confidential. (www.lanereport.com December 1, 2015)

Kentucky PSC approves Columbia Gas cost adjustment

Columbia Gas of Kentucky has received approval from the Kentucky Public Service Commission for its most recent Gas Cost Adjustment. Columbia Gas of Kentucky's gas supply cost will increase slightly from its current 20-year low price of \$2.7190 per Mcf (1,000 cubic feet) to \$2.8329 per Mcf, effective Nov. 30, according to a news release from the company. (www.kentucky.com November 30, 2015)

OMU saving on new coal contracts

Compared to what it is paying for coal now to fuel its Elmer Smith Station power plant, Owensboro Municipal Utilities expects to save a total of \$7 million over the next two years based on new contracts the utility has negotiated with four area mining companies. (www.messenger-inquirer.com November 29, 2015)

'Clean coal' technology fails to capture world's attention

The Kemper County power plant was supposed to be up and running by now, showing the world how to burn coal without spewing climate-warming carbon pollution into the air. Instead, the coal plant towering over pine trees and pastures in rural Mississippi is looking like another monument to the unfulfilled promise of carbon capture technology. (www.dailylocal.com December 3, 2015)

Will Cheap Natural Gas Box Out Investments In Advanced Coal And Nuclear Energy?

Natural gas is flowing inexorably into the power system and helping to increase the national competitiveness. But the concern going forward is whether the United States will develop an over reliance on it and by extension, whether it is shortsighted to "ignore" advanced coal or nuclear technologies. (www.forbes.com November 23, 2015)

Heavy rain could lead to savings for TVA customers

During the past four days, as much as 7 inches of rain fell across the Valley, which is the equivalent of 2 months of average rainfall, according to TVA. This flooding, however, comes with a green lining. (www.wbir.com December 2, 2015)

Coal to push for cut in severance tax in next year's session

Those leading the West Virginia coal industry are preparing to have what admittedly will be a difficult discussion with state lawmakers during next year's legislative session. That discussion will center on a proposal to cut the state's coal severance tax rate. (<http://wvmetronews.com> December 1, 2015)

A Car Dealers Won't Sell: It's Electric

More than seven years ago, President Obama called for one million electric cars to be on the road by this year, and the vehicles have gained a large fan club. Environmentalists promote them as a smart way to cut dangerous emissions. (www.nytimes.com December 1, 2015)

Kentucky Retail Fuel Prices (Dollars per gallon)

Product	12/3/2015	11/25/2015	11/19/2015	11/12/2015	Year Ago
Gasoline (State avg.)	\$ 2.05	\$ 2.06	\$ 2.12	\$ 2.20	\$ 2.75
Ashland	\$ 1.96	\$ 1.97	\$ 2.04	\$ 2.12	\$ 2.78
Covington	\$ 1.98	\$ 2.03	\$ 2.19	\$ 2.32	\$ 2.80
Lexington	\$ 1.88	\$ 1.88	\$ 2.02	\$ 2.21	\$ 2.66
Louisville	\$ 1.96	\$ 1.87	\$ 2.00	\$ 2.21	\$ 2.74
Owensboro	\$ 1.85	\$ 1.89	\$ 1.98	\$ 2.15	\$ 2.67
Diesel (State avg.)	\$ 2.41	\$ 2.43	\$ 2.46	\$ 2.48	\$ 3.56
Ashland	\$ 2.40	\$ 2.43	\$ 2.46	\$ 2.47	\$ 3.66
Covington	\$ 2.48	\$ 2.52	\$ 2.57	\$ 2.66	\$ 3.70
Lexington	\$ 2.47	\$ 2.50	\$ 2.52	\$ 2.57	\$ 3.63
Louisville	\$ 2.46	\$ 2.48	\$ 2.51	\$ 2.55	\$ 3.67
Owensboro	\$ 2.36	\$ 2.38	\$ 2.42	\$ 2.46	\$ 3.63

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	11/30/2015	11/16/2015	11/9/2015	11/2/2015	Year Ago
Heating Oil (dollars per gallon)	\$ 1.98	\$ 2.04	\$ 2.17	\$ 2.17	\$ 3.36
Propane (dollars per gallon)	\$ 1.70	\$ 1.66	\$ 1.69	\$ 1.66	\$ 2.17

http://www.eia.gov/dnav/pet/pet_pri_wfr_dcus_SKY_w.htm

Spot Prices	12/1/2015	11/18/2015	11/16/2015	11/10/2015	Year Ago
Crude Oil (Dollars per barrel) <i>West Texas Intermediate, fob</i>	\$ 40.58	\$ 41.68	\$ 41.68	\$ 44.23	\$ 67.30
Natural Gas (Dollars per MMBtu) <i>Henry-Hub</i>	\$ 2.14	\$ 2.02	\$ 2.02	\$ 1.92	\$ 4.15
Coal Price (dollars per short ton) <i>Central Appalachia</i>	\$ 43.50	\$ 43.50	\$ 43.50	\$ 49.00	\$ 56.10
Coal Price (dollars per short ton) <i>Illinois Basin</i>	\$ 32.60	\$ 32.60	\$ 32.60	\$ 32.75	\$ 44.55

Sources: <http://www.infomine.com/investment/metal-prices/coal/1-year> 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		January 2016	February 2016	March 2016
Crude Oil (Dollars per barrel) <i>Light Sweet Crude Oil</i>	12/2/2015	\$ 39.94	\$ 41.38	\$ 42.49
Natural Gas (Dollars per MMBtu) <i>Henry-Hub</i>	12/2/2015	\$ 2.17	\$ 2.22	\$ 2.25
Propane (Dollars per gallon) <i>Mt Belvieu (OPIS)</i>	12/2/2015	\$ 0.43	\$ 0.43	\$ 0.42

Source: http://www.cmegroup.com/daily_bulletin/current/Section61_Energy_Futures_Products.pdf

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