Oil and Gas News Briefs
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Oil demand not expected to recover until 2023, says energy agency

(Bloomberg; March 17) - Global oil demand won't return to pre-pandemic levels until 2023, and growth will be subdued thereafter amid new working habits and a shift away from fossil fuels, the International Energy Agency said. Fuel consumption will average just over 101 million barrels a day in 2023, fully recouping the 9 million a day lost last year when lockdowns emptied roads and grounded flights, the IEA said in its report.

But as trends like remote-working endure, and as governments seek to limit climate change, hydrocarbon use will falter. Oil demand in the middle of this decade will be about 2.5 million barrels less than the agency projected last year. Gasoline consumption has probably peaked already. "Oil demand will likely never catch up with its pre-pandemic trajectory," the Paris-based IEA said March 17 in its annual medium-term outlook. "There may be no return to 'normal' for the oil market in the post-COVID era."

A further risk for OPEC+ and other producers is that the downside for demand could be deeper than anticipated, the IEA warned. If governments move faster on environmental reforms than expected, and consumers eschew business travel and embrace recycling, about 5.6 million barrels of daily oil demand could be eliminated by 2026. Though crude prices have reversed last year's plunge, rising to almost $70 a barrel in London, it's mostly as a result of vast production cuts by the OPEC+ alliance led by Saudi Arabia.

IEA's latest forecast says global demand for gasoline has peaked

(The Wall Street Journal; March 17) - The world's thirst for gasoline isn't likely to return to pre-pandemic levels, the International Energy Agency forecast, calling a peak for the fuel that has powered personal transportation for more than a century. The Paris-based energy watchdog, in its five-year forecast, said an accelerating global shift toward electric vehicles, along with increasing fuel efficiency among gasoline-powered fleets, will more than outweigh demand growth from countries in the developing world.

The forecast comes as auto makers have pivoted recently to boost their EV fleets, after years of industry skepticism about whether car buyers would ever embrace fully electric models. General Motors said it would stop selling gas-powered vehicles by 2035. Volvo Cars of Sweden has said it would be all-electric by 2030. The world will have 60 million electric vehicles on its roads by 2026, the IEA said, up from 7.2 million in 2019.

The agency tracks EV trends closely as an important signal for gasoline and oil demand.

The shift toward electric vehicles has been driven by government regulation, hefty incentives in developed countries, and broader consumer acceptance of the technology, in part thanks to popular models like those sold by Tesla. EVs still make up a small proportion of the world's overall fleet. The IEA forecast comes as the pandemic has upended global fuel consumption, raising questions if it will change the world's energy mix more generally in years to come. Energy watchers have debated for years the timing of so-called peak oil, a point at which demand for crude will start to wane.

Energy agency doubts extended cycle of high oil prices

(Reuters; March 17) - An extended surge in oil prices is unlikely as the world rebounds from the pandemic given ample supply — but changes are seen in global demand and gasoline may have peaked, the International Energy Agency said March 17. "Oil's sharp rally to near $70 a barrel has spurred talk of a new supercycle and a looming supply shortfall. Our data and analysis suggest otherwise," the IEA said in its monthly report.

"For a start, oil inventories still look ample compared with historical levels despite a steady decline. ... On top of the stock cushion, a hefty amount of spare production capacity has built up as a result of OPEC+ supply curbs," it said. The Organization of the Petroleum Exporting Countries and its allies, a group dubbed OPEC+, have largely kept limits on production, boosting prices and causing some investors to predict a supercycle — a large, multi-year price rise.

The Paris-based energy watchdog disagrees on that prediction. "For now, however, there is more than enough oil in tanks and under the ground to keep global oil markets adequately supplied," the IEA said.

Nova Scotia LNG developer wants government financial aid

(CBC News; Canada; March 17) - The company behind a decade-old proposal to build a C$13 billion liquefied natural gas plant on Nova Scotia's Eastern Shore has seemingly requested nearly C$1 billion from the federal government to support the project. Details of Pieridae Energy's plan to request the aid are contained in a PowerPoint presentation dated Dec. 16, 2020, that was leaked to an environmental group last month.

"This is a pivotal meeting today," reads one of the slides from the presentation. "We hope to have a roadmap toward defining federal and provincial government financial support. … Due to COVID and the inability to raise funds in the current state of energy markets in Canada and the U.S., government financial support is critical to moving the project forward." The pitch comes a couple of slides later: C$925 million as a grant, repayable contribution or loan guarantee, tied to pre-determined milestones.

Pieridae spokesperson James Millar said confirmed the company is in talks with the federal government about financial support. Pieridae wants to pipe gas from Alberta to Nova Scotia, where the gas would be liquefied and exported to Europe. Pieridae needs to get confirmation of aid from Ottawa "in the next couple of months," because it must make a final decision whether to proceed with the project by the end of June, he said.

Pieridae has a deal to sell LNG to a German utility, but there is a deadline. "We need to deliver first gas to Germany by the end of 2025, beginning of 2026," Millar said. "If you back things up in order to deliver first gas, we have to start construction on the ground in Nova Scotia this summer because it's a 54-month process to build the facility."

Qatar’s LNG expansion, low prices will pressure the competition

(Reuters analysis; March 15) - Qatar Petroleum, the world's top liquefied natural gas producer, is cranking up the pressure on high-cost rivals with bold expansion plans to boost supplies over the coming decade and potentially push prices down further. As competitors struggle to break even due to lower prices, the firm last month announced it will boost LNG output by about 40% to 110 million tonnes per year by 2026 in the first phase of its North Field LNG expansion, the largest single LNG project ever sanctioned.

The company is expected to announce second-phase expansion plans this year which will lift LNG capacity by 2027 to 126 million tonnes per year. Qatar has the potential to undercut competing suppliers and has already helped put downward pressure on LNG contract prices over the past two years, Credit Suisse analyst Saul Kavonic said. "With this decision, (Qatar) will once again reaffirm its dominance as the largest LNG supplier in the world," said Chong Zhi Xin, a director at research firm IHS Markit.

"This decision to move ahead has definitely crowded out other players,” Xin said. Qatar, which accounts for a fifth of global LNG supply, is by far the lowest cost LNG producer. Its break-even price for a cargo shipped to Northeast Asia is estimated at around $4 per million Btu, compared with $5 to $8 from Russia, Mozambique, and the U.S., said Alex Dewar, senior director at the center for energy impact at Boston Consulting Group.

Qatar has shown a willingness to cut prices, as seen last month when it signed a new 10-year deal with Pakistan at 10.2% of the price of Brent crude compared with 13.37% for a 15-year deal in 2016. At 10.2%, it’s one of the lowest-priced deals ever signed.

Retail gasoline sales in U.S. down just 1% from year ago

(Bloomberg; March 15) - After a year of getting pummeled by the coronavirus, U.S. oil demand is bouncing back — and this time it looks like it's here to stay. Retail gasoline sales rose last week to just 1% below year-ago levels, just before regional lockdowns brought fuel consumption to a crawl, Patrick DeHaan, head of petroleum analysis at GasBuddy said. Gasoline's recovery comes on top of a diesel rebound that started last fall as consumers began to rely on home-delivery services more than ever.

Even jet fuel is looking up with newly vaccinated passengers eager to fly after a year of restrictions. With new coronavirus infections falling to a record low last week and vaccinations ramping up, this latest demand rebound comes with a lower threat of being set back again by new outbreaks. The timing couldn't be better for the oil industry that relies on the summer driving to buoy profits. It could mark a turnaround for fuel suppliers that since last spring have struggled with the weakest consumption in over 20 years.

Demand "will continue to improve with warmer weather and reopenings and things getting back to normal, coupled with pent-up demand," said Trisha Curtis, chief executive officer at oil analysts PetroNerds in Denver. "We definitely see some bright spots with vaccine uptake." Air passenger numbers hit a 12-month high on March 12. Global seat capacity has improved to 39% below year-ago levels.

U.S. overtakes Saudi Arabia as No. 2 oil supplier to India

(Reuters; March 14) - The U.S. overtook Saudi Arabia as India's second biggest oil supplier after Iraq last month, as refiners boosted purchases of cheaper U.S. crude to record levels to offset OPEC+ supply cuts, data from trade sources showed. The switch in supplies coincided with Saudi Arabia's voluntary production cutback of 1 million barrels per day, on top of an agreement by the Organization of the Petroleum Exporting Countries and its allies (OPEC+) to maintain lower production.

India's imports from the United States — the world's top oil producer — rose 48% to a record 545,300 barrels per day in February from the previous month, accounting for 14% of India's overall imports last month, the data obtained by Reuters showed. In contrast, February imports from Saudi Arabia fell by 42% from January to a decade low of 445,200 barrels per day, the data showed. Saudi Arabia, which has consistently been one of India's top two suppliers, slipped to No. 4 for the first time since at least 2006.

"U.S. demand was weak and refineries were running at low rates so the U.S. crude had to go somewhere, and Asia is the region which has seen rapid demand recovery," said Refinitiv analyst Ehsan Ul Haq. "China has not been taking U.S. oil because of (the) trade problem, so India is the obvious choice." Iraq continued to be the top oil seller to India despite a 23% drop in purchases to 867,500 barrels per day, the data showed.

U.S. shale production still in decline as drillers are not spending

(Bloomberg; March 15) - Shale's prudence after last year's crash is putting producers in the unusual situation of reducing oil output just as prices surge. More focused than ever on keeping spending in check, drillers haven't been boring new wells fast enough to keep up with output declines in older ones. So next month their combined production will edge lower by 47,000 barrels a day to 7.46 million, according to the U.S. Energy Information Administration. That's despite an oil-price jump of more than 30% this year.

The impact of the coronavirus on energy consumption was so bad last year that several heavily indebted shale producers went under after years of being bankrolled by Wall Street. Now producers don't seem to be in a rush to start another boom, and their backers aren't either. That's good news for Saudi Arabia, which has sought to bring prices up without unleashing a new supply glut that could overwhelm demand.

"We are still observing only about 50% of last year's rig count activity," EIA analyst Jozef Lieskovsky said. "With such a low rig count, even with the increased productivity, production declines in all regions are possible." The number of rigs drilling for oil in the U.S. plunged when the pandemic hit, reaching 172 in August, down from 683 in March 2020, according to Baker Hughes. The count is now at little more than 300.

Oil tanker profits far from shipshape

(The Wall Street Journal; March 15) - As the world went into lockdown a year ago with planes grounded and cars parked, demand for crude plunged even as it kept bubbling up out of the ground. That was devastating to the energy industry, but a huge boon to companies that ship oil and occasionally serve as storage tanks. Now that crude prices are back to pre-pandemic levels, the situation is a mirror image of a year ago.

Last March the biggest supertanker category, very large crude carriers (VLCCs) earned $279,259 a day, the second-highest level since 1990, according to data from Clarksons Research. Two forces drove the bidding. Supertankers arrived halfway across the world at refineries that had little place to put more barrels as jet fuel and gasoline piled up. They idled offshore rather than being able to come back and pick up more crude.

Meanwhile, the futures market for crude was less pessimistic about the situation several months out. That provided anyone with spare storage a sure-fire profit opportunity by buying crude and selling futures — as long as they had some place to put it. Floating storage is the most expensive way to do that, but it can work if the price spread is large enough. Floating storage stockpiles peaked at 215 million barrels last June.

With global oil demand rebounding, all those vessels came back into the market at the same time. The futures trade reversed too, making storage costly rather than profitable. Revenue and profits plunged at shippers. Daily earnings for a VLCC fell to a historic low of $826 a day recently — down by more than 99% in a year. In the first week of March, VLCC earnings were negative on some routes, according to Clarksons Research.

Enbridge asks Canada to help in its pipeline fight with Michigan

(Reuters; March 16) - Enbridge asked the Canadian government on March 16 to champion its Line 5 oil pipeline in a legal battle with the state of Michigan, which is trying to shut down the 67-year-old pipeline over concerns it could leak into the Great Lakes. Calgary-based Enbridge is also asking Ottawa to provide support for its U.S. federal court filings to continue operating the pipeline, Vern Yu, Enbridge executive vice president of liquids pipelines, told a federal parliamentary committee.

The dispute between Enbridge and Michigan is escalating as a May deadline to shut down the 540,000-barrel-per-day line looms closer. Line 5 is a key part of the Enbridge pipeline network supplying Canadian crude to refineries in eastern Canada and the U.S. Midwest. Leaders in both countries are trying to reduce their economies' dependence on fossil fuels, although Canada supports the ongoing operation of Line 5, especially after President Joe Biden canceled permits for the cross-border Keystone XL pipeline.

Late last year, Michigan Gov. Gretchen Whitmer ordered Line 5 to cease operating by May over concerns a 4-mile section running along the lakebed of the Straits of Mackinac could leak. Enbridge is challenging that order in U.S. federal court, and the company has proposed building a $500 million underwater tunnel to protect the pipeline. Canadian Prime Minister Justin Trudeau's government has already said it will look at all options to keep Line 5 operating, including invoking a 1977 pipelines treaty.

Enbridge warns Michigan pipe shutdown would threaten supplies

(Bloomberg; March 16) - Enbridge warned that refiners in central Canada and the U.S. Midwest would see crude supplies cut in half and propane costs surge for some homeowners if Michigan's governor succeeds in shutting a key oil pipeline that crosses the state. Refineries in Michigan, Ohio, Indiana, and Pennsylvania as well as those in Ontario and Quebec would have to find alternative means for securing crude oil should Line 5 shut down, requiring the building of new rail terminals and rail cars, Vern Yu, the company's president of liquid pipelines, told Canadian lawmakers on March 16.

Michigan homeowners that rely on propane to warm their homes would see prices increase by 38 cents a gallon, and airports in Detroit and Toronto would face jet fuel shortages. Michigan Gov. Gretchen Whitmer announced in November that she is revoking an easement that permitted the pipeline to cross the lake beds in the Straits of Mackinac, a move that could force the systems to shut down by May.

The governor's move has drawn protests from Canada's government, which has vowed to fight to keep the pipeline operating. The case is currently in U.S. federal court and Yu said he doesn't expect the line to be shut in May, but the risk remains that a court could take such action. Yu said the Canadian government needs to make state and federal officials in the U.S. understand that the pipeline is a very important bi-national issue.

Russia sees opportunity in fossil fuels, despite climate risks

(Bloomberg; March 14) - As the man in charge of developing Russia's Arctic, Aleksey Chekunkov faces more climate challenges than most, from permafrost sink holes to the emergence of West Nile fever in frozen tundra. Yet he's no eco-warrior when it comes to fossil fuels. "We have to be realistic," the minister for development of the Arctic and Far East said, projecting a 30-year future for natural gas as a clean alternative to coal.

Chekunkov's approach reflects Russia's dilemma: Seen from Moscow, the melting of the polar ice cap is as much an economic opportunity as a natural disaster, opening the Northern Sea Route for shipping and creating access to potentially vast new reserves of minerals, oil, and gas. Of the bigger geopolitical players — China, the European Union, India, Russia, and the U.S. — none of them risks as much from a successful transition away from fossil fuels, if that should happen. Few are as dubious as Russia that it will.

Entire regions of Russia are dependent on coal or oil for jobs and the social infrastructure that companies maintain, a legacy of the Soviet era. In recent years, the Kremlin has bet the country's economic and geopolitical future on natural gas, building new pipelines to China, Turkey, and Germany, while aiming to take a quarter of the global LNG market, up from about 8% today. Russia's strategy is to be among the last standing as others leave the market, unable to extract fossil fuels at a profit.

In Russia, fossil fuels are seen as a birthright. "What's the alternative? Russia can't be an exporter of clean energy, that path isn't open for us," said Konstantin Simonov, of the National Energy Security Fund, a Moscow consultancy. "We can't just swap fossil fuel production for clean-energy production … we don't have any technology of our own."

U.S. LNG exports in 2020 up 32% from year ago

(Houston Chronicle; March 15) - U.S. exports of liquefied natural gas grew last year despite the pandemic's economic lockdowns. LNG exports averaged 6.6 billion cubic feet per day in 2020, increasing 32% compared to 2019, according to the Energy Department. LNG exports were relatively high from January through May, dropping to record lows during the summer, and then increasing during the fall and winter months. LNG exports hit an all-time high in December, averaging 9.8 billion cubic feet per day.

Asia overtook Europe as the primary destination for U.S. LNG as economic recovery from the pandemic drove demand in China, India and Japan. U.S. exports to Asia increased by more than two-thirds from 2019 levels, with almost half of U.S. LNG exports sent to Asia. China's decision to lower its retaliatory tariffs on U.S. LNG last year helped drive the rebound, the Energy Department said.

U.S. LNG exports to several Latin American countries, including Mexico, fell because of coronavirus mitigation efforts. Brazil more than doubled its U.S. LNG imports because of drought conditions that limited its hydroelectric power generation and increased demand for the fuel at gas-fired power plants.

China's smaller LNG importers boost purchases on spot market

(Bloomberg; March 15) - China's smaller liquefied natural gas buyers are seizing on reforms that have opened access to import infrastructure to boost competition, issuing a spate of tenders for the fuel over the past month. The second-tier gas firms, including Guangdong Energy and Shenzhen Energy, are forecast to continue seeking more cargoes with spot-market LNG prices low, adding a new source of demand for global exporters, according to energy consultant FGE.

"We can expect more emerging Chinese players to be in the market for spot procurement in the coming months as China continues to open up its LNG receiving facilities," said Alicia Wee, a senior analyst at FGE in Singapore. Until recently, China imported most of its LNG through the three major state-owned energy giants, which owned pipelines, import terminals and distributed the fuel directly to smaller players.

That's changed with the formation of the China Oil & Gas Pipeline Network (PipeChina), which has consolidated the infrastructure into a single firm. It has awarded more than 10 companies third-party access to its terminals, meaning smaller players can issue tenders directly as needed, instead of going through a larger state company. A further drop in LNG prices could prompt another wave of spot cargo purchases by smaller firms this summer, said Beijing-based Wood Mackenzie research director Miaoru Huang.

LNG tanker spot-charter rates drop to record low

(S&P Global Platts; March 16) - The S&P Global Platts-assessed daily LNG tanker charter rates have dropped to an all-time low of $25,000 per day for an Atlantic Basin tanker just two months after touching an all-time high of $300,000 in January. The effective round-trip cost for an Atlantic Basin spot charter is now just $15,625 a day, given that the empty-return charge has also declined.

The previous low for Atlantic Basin charter rates was reached last summer during the peak of U.S. LNG cancellations, where the effective round-trip cost dropped to $19,500 a day. The lower day rates have dramatically reduced spot-charter tanker costs over the past 30 days, boosting U.S. Gulf Coast LNG profits on cargoes to Europe and Asia.

The collapse in charter rates is due to broadly weakening global spot trade as markets transition their regular springtime demand lull, which has been exacerbated by a large wave of newbuild LNG tankers that were put on the water this winter.

Natural gas flaring jumped during February storm in Texas

(Houston Chronicle; March 15) - Flaring at U.S. refineries reached an 18-month high in February as facilities halted operations during the bitter-cold winter storm, according to a monthly analysis. The unprecedented storm, which in Texas killed dozens and left millions of people without water and power, forced oil refineries, gas plants, and LNG terminals to burn off unusually large amounts of gas as they struggled to cope with the freezing cold, and restricted operations, Norwegian research firm Rystad Energy said.

Flared or vented gas at refineries and other downstream facilities reached a record 180.9 million cubic feet per day last month. At LNG terminals in February, flaring more than doubled as they burned off 29.7 million cubic feet of gas per day, up from 11.9 million cubic feet per day in January. At gas processing plants, flaring jumped to 87.1 million cubic feet per day, a six-month high, compared with 58.9 million a month earlier.

The increase in February flaring — which releases methane, a potent greenhouse gas — didn't last, Rystad said. Refineries resumed normal operations after the storm. “The extreme weather conditions that Texas experienced in February forced many facilities to flare gas, as there was no other exit to feed it into and just immediately closing the gas tap is not possible," said Artem Abramov, head of shale research at Rystad Energy. "However, our latest daily data suggests that non-upstream flaring has declined again, back to the moderate levels observed in January 2021.”

Oil production in Libya gains momentum

(Bloomberg; March 15) – Libya is back in the oil game after years of false starts and setbacks. Energy facilities shut or damaged during its civil war were reopened last year and the OPEC member has managed to keep its production above 1 million barrels a day since November. On March 15, the country's first unified government in seven years was sworn in, as efforts to reach a formal peace gather pace.

There are still plenty of divisions between the differing factions and those won't be easily resolved before elections set for December. Yet the unity government offers hope. It could further steady the oil industry in Libya — home to Africa's largest reserves — and reduce the chances that militias restart fighting or close down ports, fields and refineries again. Output has surged from barely anything after warring sides reached a truce in mid-2020. Libya is now pumping more than 1.3 million barrels a day, more than several of its peers in the Organization of the Petroleum Exporting Countries.

The National Oil Corp. aims to raise daily production to 1.45 million barrels by the end of 2021, to 1.6 million within two years, and to 2.1 million in four years, Chairman Mustafa Sanalla said last week. The speed of Libya's recovery took markets by surprise and caused concern within OPEC, which is trying to restrict supplies and bolster prices. Libya is exempt from the supply cuts due to its conflict. While no OPEC member is publicly calling for Libya to be given a quota, that becomes likelier the more oil it pumps.

Mexican oil company CEO touts major new discovery

(Bloomberg; March 15) - Petroleos Mexicanos (Pemex) discovered what is expected to be a billion-barrel oil field in Tabasco as it aims to reverse a decade and a half of sinking production. The new field in the southern part of the Gulf of Mexico, when combined with nearby deposits, is similar in size to other billion-barrel discoveries, Pemex Chief Executive Officer Octavio Romero Oropeza said in an interview with Jenaro Villamil, head of Mexico's state-owned broadcasting system, on March 14.

"It's a gigantic field," said Romero, comparing it to the recently discovered gas and condensate fields Quesqui with 900 million barrels of oil equivalent as well as Ixachi at 1.9 billion. He said Pemex will provide more details about the discovery on March 18, the nationally celebrated anniversary of Mexico's 1930s expropriation of oil companies.

By most measures, the state-owned oil company is worse off than at any time in its 83-year history. Its output has fallen sharply since the early years of this century and its debt — at $113 billion — is the highest of any major oil company. Its strategy to turn around production has failed to impress investors — its bonds have been downgraded to junk by Fitch and Moody's. Pemex is under pressure to prove it is increasing production under President Andres Manuel Lopez Obrador, who swept into power in 2018, promising to roll back the liberalizing energy reforms of his predecessor.

[Japan’s trading houses are moving to hydrogen energy projects]

(Asia Times; March 15) - When Warren Buffett’s investment company Berkshire Hathaway announced last August that it had acquired more than 5% of the five largest Japanese trading companies, most failed to notice that Buffet was buying into coal-fired power projects. Within three months, a group of institutional investors led by Nordea Asset Management of Finland sent a letter to Mitsubishi requesting that it abandon its coal-fired power plant project in Vietnam, Vung Ang-2. Friends of the Earth, Greta Thunberg, and Japanese environmentalists piled on, but to no avail.

In February, however, Mitsubishi announced its withdrawal from the Vihn Tan 3 coal-fired power plant project, also in Vietnam, and said that Vung Ang-2 would be its last such project. Both Itochu and Mitsui have also announced plans to exit thermal coal. Marubeni and Sumitomo plan to do so except in cases when no other source of power is available and where the most advanced emission-reduction technologies are used.

So what will they do instead? All are involved in hydrogen energy. Mitsubishi, its Japanese engineering affiliate Chiyoda and five other companies are working on development of a sustainable hydrogen economy in Singapore using Chiyoda’s hydrogen storage and transportation technology. Itochu plans to build one of the world’s largest liquid hydrogen plants in Japan with Air Liquide to supply fuel-cell vehicles.

Mitsui is working with Hiringa Energy to pursue commercial hydrogen energy projects in New Zealand, and has invested $25 million in the largest developer of hydrogen stations in California. Marubeni is working with partners to develop hydrogen and other alternative energy technologies in Abu Dhabi. Sumitomo and a partner are planning to build a facility in Australia to produce hydrogen using solar-powered electrolysis.

[Rising demand for power gives coal a boost]

(Bloomberg; March 16) - The world’s three biggest consumers of coal, the dirtiest fossil fuel, are getting ready to boost usage so much that it will almost be as if the pandemic-induced drop in emissions never happened. U.S. power plants are going to consume 16% more coal this year than in 2020, and then another 3% in 2022, the U.S. Energy Information Administration said last week. China and India, which together account for almost two-thirds of demand, have no plans to cut back coal use in the near term.

This means higher emissions, a setback for climate action ahead of international talks this year intended to raise the level of ambition from commitments under the Paris Agreement to reduce greenhouse gases. In the U.S., the gains may undermine President Joe Biden’s push to reestablish America as an environmental leader and raise pressure on him to quickly implement his climate agenda.

“We’re going to see a really marked increase in emissions” with coal consumption at U.S. power plants returning almost to 2019 levels, said Amanda Levin, an analyst at the New York-based National Resources Defense Council. The U.S. increase stems from higher natural gas prices and the economic recovery from the pandemic. For China and India, it’s a reflection of rising electricity demand that’s keeping coal as the dominant source of power generation even as they add vast amounts of solar and wind capacity.