

Big drop in coal-fired electricity generation during first half of 2016

The amount of U.S. electricity generated by coal continues to decline in 2016, as power plant operators turn to more natural gas to produce electricity.

In its new monthly forecast, the U.S. Energy Information Administration estimated that electricity generation by coal during the first half of this year fell 20% from the same period in 2015. By contrast, power generation by natural gas is nearly 7% higher so far this year.

Sustained low natural gas prices resulting from high natural gas production and growing gas inventories have led to increased use of natural gas for electricity generation.

For the second half of 2016, EIA forecasts that natural gas generation will grow at a slower rate of 3.4%, while the amount of electricity generated by coal is expected to be about the same as during the second half of last year.

Jonathan Cogan, for EIA, Washington