Harvard Electricity Policy Group
Sixty-seventh Plenary Session

Does Price Suffice? Natural Gas Prices and Resource Choices
June 1, 2012 • Cambridge, MA

Sharon Reishus, IHS CERA Senior Director
Natural Gas Price Outlook At Henry Hub

Source: IHS CERA.
Note: April 2012 North American Natural Gas Monthly Briefing.
Coal to Natural Gas—US Coal Basin Breakeven Economics

Breakeven compares a coal-fired generator with a heat rate of 10,500 Btu per kWh with a natural gas–fired combined-cycle generator with a heat rate of 7,500 Btu per kWh.

Source: IHS CERA.
Unprecedented Scale of US Coal Retirements

Source: IHS CERA.
Data source: Ventyx Energy Velocity.
Notes: Based on net summer capacity and excluding units burning petroleum coke as primary fuel. Retirements include plants converted from standalone status to combined-cycle configuration.
Share of US Power Generation is Changing

Source: IHS CERA and US Energy Information Administration.
Renewables and Natural Gas Dominate Future Capacity Additions in US

Capacity Mix, 2011
1,032 GW

- Coal: 31%
- Gas CC: 20%
- Gas CT: 12%
- Gas/Oil-ST: 10%
- Oil CC/CT: 3%
- Nuclear: 10%
- Hydro: 7%
- Wind: 4%
- Other: 3%
- Solar: 0%

Capacity Additions, 2012–20
169 GW

- Coal: 4%
- Gas CC: 25%
- Gas CT: 14%
- Nuclear: 6%
- Hydro: 0%
- Wind: 36%
- Solar: 11%
- Other: 4%

Source: IHS CERA.
Fall 2011 Global Redesign Scenario.
Notes: CC = combined cycle; CT = combustion turbine; ST = steam turbine.
US Power Sector CO₂ Emissions Grow Even as Gas Displaces Some Coal

Source: IHS CERA and EIA.
US Retail Power Price Outlook: Rates will Rise Despite Lower Cost Natural Gas Supply

Source: IHS CERA.
For more information about this presentation or IHS CERA in general, please contact

Sharon Reishus
+1 617 866 5181
Sharon.Reishus@ihs.com

55 Cambridge Parkway
Cambridge, Massachusetts 02142, USA
IHSCERA.com