Natural gas will account for biggest share of U.S. electricity for first time in 2016

For the first time on an annual basis, the amount of U.S. electricity generated by natural gas-fired power plants is expected to exceed coal-fired generation.

In its new monthly forecast, the U.S. Energy Information Administration said 33% of U.S. electricity will come from natural gas this year while 32% will come from coal.

The electric power sector’s use of coal this year is expected to decline by 29 million short tons or by about 4% because of both mild winter weather and continued strong competition from low-priced natural gas used as an electricity-generating fuel.

Record high U.S. natural gas production is pushing down wholesale natural gas prices which recently sank to their lowest levels in more than 17 years.

More coal-fired generating units are also scheduled to shut down this year.

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