

# The SAVINGS Spark

Cost Control  
Associates, Inc.

Cost Control Associates helps your organization reduce and better manage your energy, waste removal and telecom expenses. This monthly newsletter shares industry-related news, tips and updates.

November 2021



## Rising Energy Prices: Explained

This winter's demand for energy is beating out supply and sending prices skyward. Businesses that need energy to run their operations, heat facilities and get their products and services to market are challenged by quickly rising prices. [Why is it happening and what can your business do about it?](#)

### 4 Factors Making Energy Prices Go Up

## Happy 30th Birthday to CCA!



Cost Control Associates was established in October 1991 when Keith Laake opened doors for business. The company's first client was a local motel in the Adirondack Mountains that wanted to save money on utilities. Cost Control expanded to include telecom and waste removal expenses for businesses across North America. Our recent merger with SIB Fixed Cost Reduction not only added more services but also strengthened our ability to serve business customers while still providing the same great service and unmatched expertise.

## Energy Procurement Report: November 2022

## Electricity

The [EIA](#) reports that the share of electricity generation produced by natural gas has dropped in 2021 due to the increase in natural gas prices. In response, electricity generation from coal is up to 24% in 2021, from 20% in 2020. That reflects an increase of 18% in total consumption of coal in the U.S. for 2021. However, low coal stocks are contributing to lower price responsiveness for coal, thus putting additional upward pressure on natural gas prices.

Natural gas made up 39% of electricity generation in 2020, but based on price, EIA is forecasting a drop to 36% in 2021 and 35% in 2022. Renewables are expected to account for 20% of generation this year, with no change from 2020.

## Wind and Solar

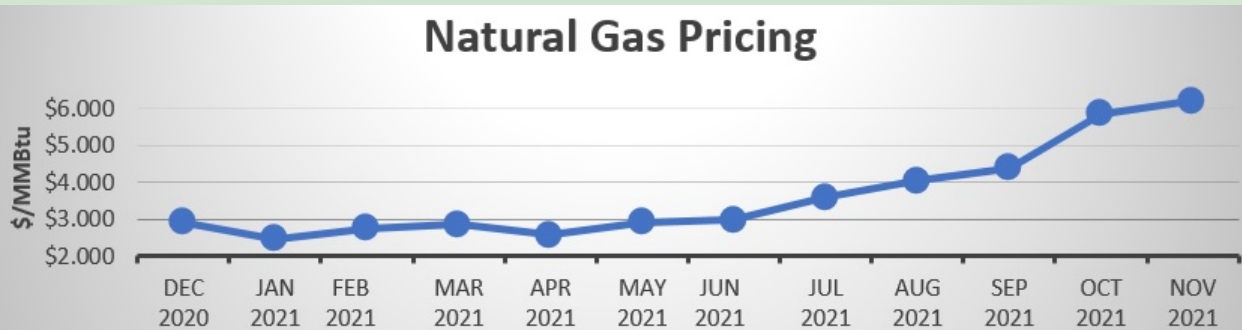
The EIA expects the U.S. to add 17 gigawatts of wind capacity this year plus another 6.9 gigawatts in 2022. It also predicts an addition of 15.7 gigawatts of solar capacity in 2021 and 18.2 gigawatts in 2022.

## Natural Gas

Natural gas spot prices have gone up significantly since the first half of the year. Prices averaged \$3.25 per MMBtu through June; October and November settled at \$5.841 and \$6.202, respectively. The drastic change in price is largely due to supply constraints and the performance of U.S. liquefied natural gas (LNG) globally. As Europe and Asia continue to see prices rise as a result of supply constraints, the conditions are set for U.S. LNG exports to remain strong.

In terms of storage, the U.S. ended injection season 3% behind the five-year average. Recent storage levels have closed the gap some, but based on winter demand, EIA expects the U.S. to end winter (through March) 4% behind the five-year average.

The following graph shows pricing over the past year:



## How the Future of EVs Will Affect Business



### If You Missed Last Month's Blog....

Research indicates that battery-electric vehicles will account for 81% of all new cars sold globally by 2030 with the U.S. holding 14%.

But it can't happen without a broad expansion of the national charging infrastructure. Corporate businesses will play an important role in what may be a multi-billion-dollar private/public capital investment. [Learn more about BEVs and why supporting the electric charging infrastructure is good for business.](#)

## Get the Energy Edge

Cost Control Associates has the energy industry expertise you need to be on the leading edge of your competition. Our independence from suppliers and installers helps your business pay less and understand more about its utility expenses including energy, water/sewer, waste removal, telecom and [so much more](#). We've been doing it for 30 years, and our experience shows. Client satisfaction is our top priority!



For more information on any of our services,  
please get in touch with [Brandon Sisson](#) at 770-307-7413  
or complete the [contact form](#) on our website.



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