For more than a decade, shale gas helped put a cap on electricity costs. Then came 2022.

BY JEFFREY WINTERS

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The cause was a price increase in natural gas, which fuels around 40 percent of the national generating output. After averaging less than $3.70 per million Btus in the mid-2010s due to production from shale formations, gas prices jumped from $5.57 per million Btus in December 2021 to $9.12 a year later.

Natural gas prices have come down from their 2022 highs. If those price cuts get passed along to consumers it will go a long way toward reducing the pinch of inflation in all sectors.

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ELECTRICITY COSTS JUMP

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