

Qatar's LNG projects will achieve significant reductions in greenhouse gas emissions: Al-Kaabi



Qatar's LNG projects will achieve significant reductions in greenhouse gas emissions through carbon capture and sequestration as well as the use of solar energy, noted HE the Minister of State for Energy Affairs Saad Sherida al-Kaabi.

"In all, we aim to reduce the overall carbon intensity by about 30% compared to previous generation designs," al-Kaabi said delivering the keynote address on the virtual mode at the 12th LNG Producer-Consumer Conference being held in Tokyo, Japan.

Al-Kaabi, who is also the President and CEO of QatarEnergy stressed the need for a clear roadmap with specific targets to achieve a fair and effective energy transition with a realistic and stable path towards the reduction of the global carbon footprint.

The minister said, "I would like everyone around the world

calling for a speedy energy transition to consider that the world needs a fair and effective transition with a realistic and stable path, which wisely balances humans flourishing with environmental protection, it should not continue to only focus on the needs of the rich and well-developed countries but must prioritise the needs of developing countries.

“This highlights the need for a realistic and resolute energy transition, starting with a solid integration of natural gas in the energy mix of today and tomorrow. We strongly believe that Gas will be needed as a safer reliable base load in the energy mix for most nations for decades well beyond 2050.”

Highlighting the challenges facing the energy industry, Minister al-Kaabi said, “Lack of investments in the oil and gas upstream sector remain as an unresolved and unchallenged chronic problem, contributing to greater lack of clarity, volatility, and supply uncertainty. This lack of investment will likely cause increased instability for every region around the world.”

In this context, al-Kaabi said, “Qatar is providing the world with the cleanest available hydrocarbon source of energy, which has met both the economic and environmental aspirations for a better future. By 2029, about 40% of all new global LNG supplies will be provided by QatarEnergy projects.

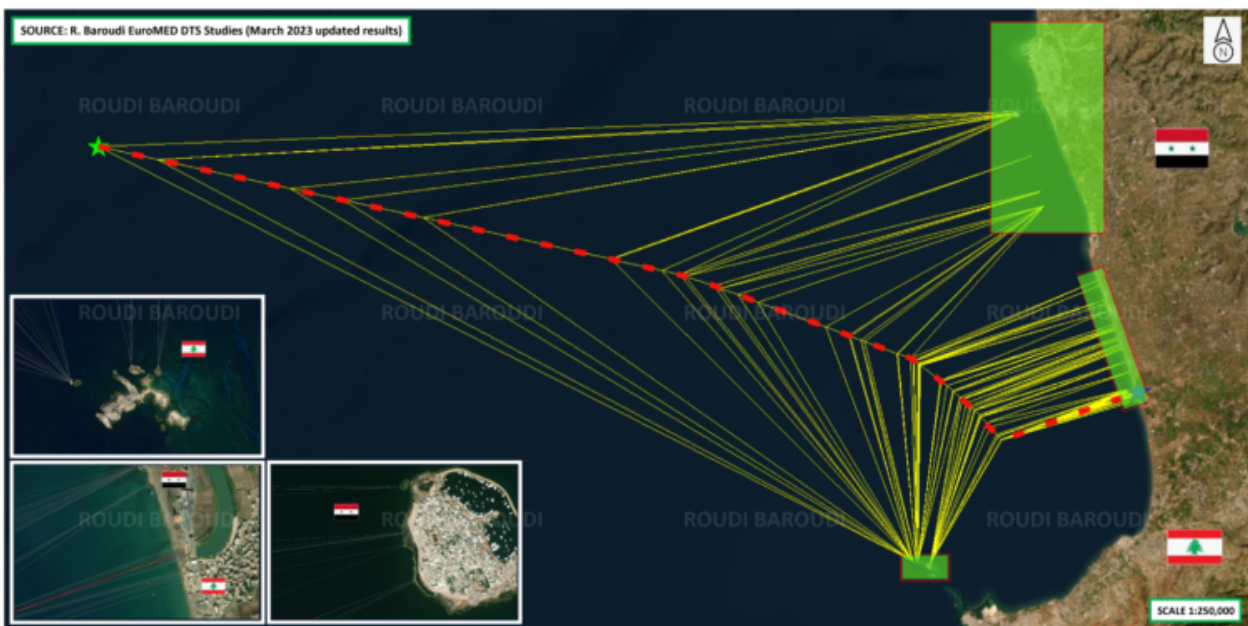
Minister al-Kaabi concluded his remarks by stressing the State of Qatar’s determination to work with its clients and partners to realise the full potential of LNG as a vital contributor to a realistic and responsible energy transition, and to continue to take concrete action across the entire spectrum of the energy industry to address the challenges of climate change.

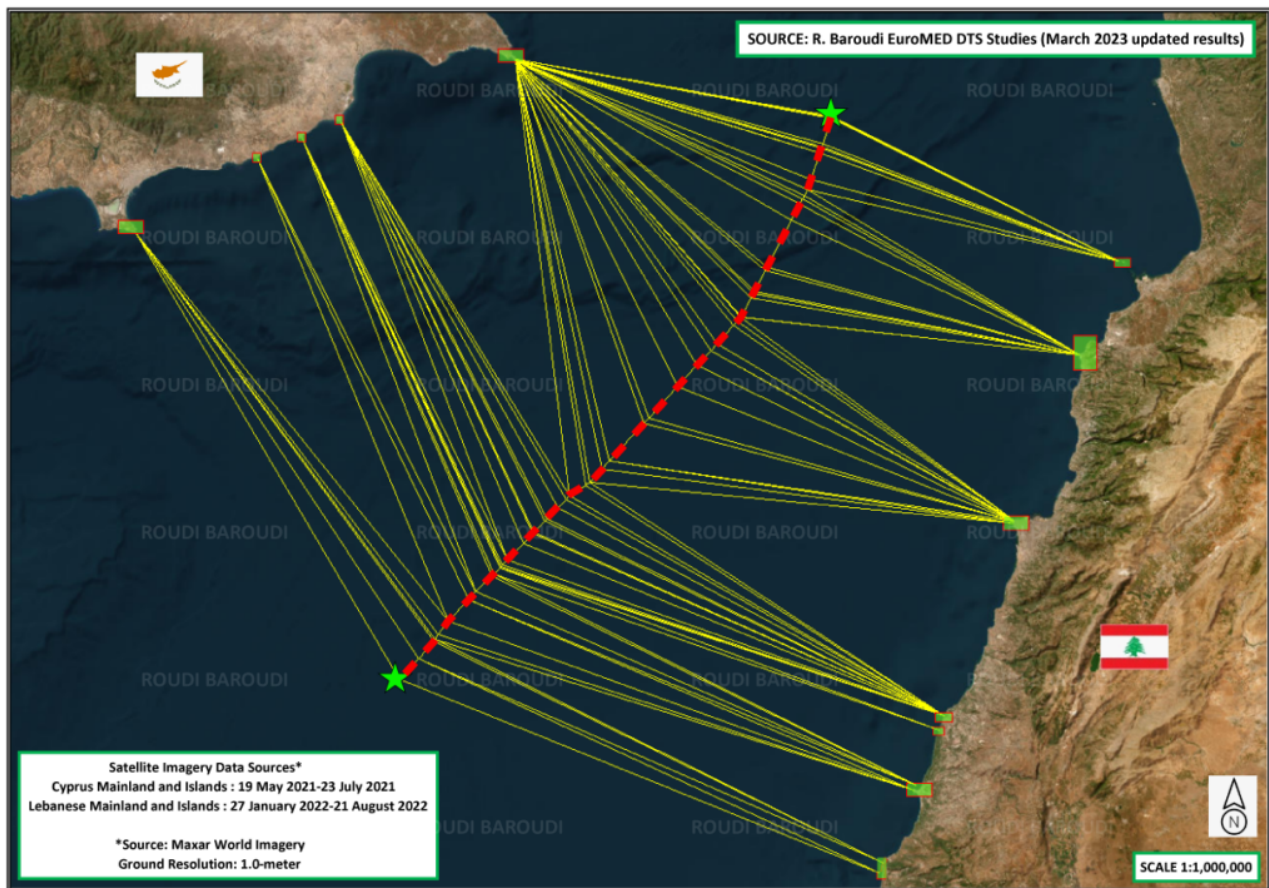
The LNG Producer-Consumer Conference is a global annual dialogue, launched in 2012, organised by Japan’s Ministry of Economy, Trade and Industry, and the Asia Pacific Energy Research Centre.

It provides ministers, heads of international organizations, corporate executives, and other stakeholders with a venue to share the latest trends in the global LNG market and discussing opportunities and challenges with a view to its

development.

Eastern Mediterranean Maritime Boundaries: Lebanon needs to complete maritime borders by striking deals with Cyprus and Syria – veteran energy expert





ATHENS, Greece – June 25, 2023: Lebanon should follow up last year’s maritime boundary agreement with Israel by seeking similar deals with Cyprus and Syria, a regional energy expert told a high-profile energy conference in Athens on Wednesday.

“Lebanon should be pursuing open and unbiased dialogues with both of these neighbors, and the parties should continue the talks until their boundaries are fully mapped and officially settled,” said Roudi Baroudi, CEO of Energy and Environment Holding, an independent consultancy based in Doha, Qatar.

Speaking to an audience of industry leaders and senior government officials at the Athens Energy Summit, Baroudi cited several reasons to prioritize such agreements, including the fact that Lebanon and Syria have each “designated offshore oil and gas blocks that overlap by considerable margins.”

“If these are not rectified, the results could mean that investors will stay away from both sides, or they will slow-

walk their exploration activities, or even that relations could deteriorate," he told the audience. "Any one of these developments would undermine the interests of all concerned."

Baroudi rooted his remarks in the need for coastal states to abide by the rule of law, in particular the United Nations Convention on the Law of the Sea (UNCLOS).

"The UNCLOS rules are available to all, their interpretation has been further defined by court verdicts, arbitration, and bilateral treaties, and the technology required to determine fair boundaries is within the financial grasp of virtually all states," he explained. "What this means in practice is that governments can know in advance what a court or an arbitrator would say about their maritime boundary claims. So long as there is good will on both sides, this radically simplifies the process." In addition to protecting their own interests, Baroudi argued, Lebanon and its neighbors would also be setting a useful example for other Mediterranean countries.

He pointed specifically to the case of Turkey, Greece, and Cyprus, where the absence of settled Turkish-Cypriot and Turkish-Greek maritime boundaries threatens to block a planned pipeline that would carry East Med gas to mainland. That project is seen as a crucial for Europe's plans to replace energy imports from Russia, which have been sharply curtailed since the latter's 2022 invasion of Ukraine, but the CEO of Italian energy giant Eni recently warned that it would not go forward without Turkish approval.

"The Turks, the Greeks, and the Cypriots disagree about many things, but they also have a shared interest in both economic development and, therefore, in the stability required to accelerate it," Baroudi said. "UNCLOS provides a reliable mechanism, rooted in science and a rules-based application thereof, which could provide the framework for them to start discussing their differences in a controlled manner."

Baroudi's presentation also included the unveiling of several exclusive maps he commissioned from one of the world's leading providers of high-precision mapping, based on satellite imagery, and other geotechnical services. The maps indicate where, following the rules laid down by UNCLOS, the future maritime boundaries are likely to be situated.

A four-decade veteran of the energy industry with experience in both the public and private sectors, Baroudi is also the author of several books on the subject, including, "Maritime Disputes in the Mediterranean: The Way Forward". That work, published in 2021 by the Transatlantic Leadership Network, rightly predicted that the Lebanon-Israel agreement could be resolved by both using the UNCLOS guidelines as a model and employing unconventional remedies to certain aspects of their boundary dispute.



QatarEnergy signs production sharing contract for Agua-Marinha block in Brazil



QatarEnergy, and its joint-venture partners TotalEnergies, Petrobras, and PETRONAS Petr leo Brasil Ltd (PPBL) signed the Production Sharing Contract (PSC) for the Agua-Marinha block,

which was awarded to the consortium in December 2022 in the 1st Cycle Permanent Offer round, by Brazil's National Agency of Petroleum, Natural Gas, and Biofuels (ANP).

Under the terms of the PSC and associated agreements, QatarEnergy will hold a 20% working interest, alongside TotalEnergies (30%) Petrobras (operator, 30%), and PPBL (20%). Commenting on this occasion, HE the Minister of State for Energy Affairs, Saad bin Sherida al-Kaabi, also the President and CEO of QatarEnergy, said: "We are pleased to sign the Production Sharing Contract with our partners and with Brazil's Ministry of Mines and Energy. This signing builds on QatarEnergy's sizeable upstream presence in Brazil, and we look forward to progressing with exploration activities on this highly prospective block. I wish to thank Brazil's National Agency of Petroleum, Natural Gas, and Biofuels and the Brazilian authorities for this opportunity and their ongoing support."

The Agua-Marinha block has a total area of 1,300sq km and is located in water depths of about 2,000m within the prolific Campos Basin. The work programme includes drilling one exploration well during the exploration period.

Qatar sees 'very big demand' for North Field expansion gas: Al-Kaabi



HE the Minister of State for Energy Affairs Saad bin Sherida al-Kaabi said Qatar potentially will run out of gas for supplies from the North Field expansion by the year-end, because of “very big demand” for long-term contracts.

“We have signed a large contract with China. We have other deals that we are working on. With so many deals lining up, we will potentially run out of gas from the North Field – both North Field East and North Field South. There is very big demand. Additional gas from the North Field will be available by 2026; all contracts have been awarded,” al-Kaabi said at a ministerial session at the Qatar Economic Forum Powered by Bloomberg in Doha Tuesday.

The expansion project will increase Qatar’s liquefied natural gas (LNG) production capacity from 77mn tonnes per year (MTPY) to 126 MTPY, through the North Field East (NFE) and North Field South (NFS) expansion projects, with first LNG expected by 2026.

Qatar will add 65mn tonnes per year of LNG to meet the growing needs of the world from its North Field expansion and its project in the United States, al-Kaabi said.

"We don't follow what others say we should do...we do what is technically possible with our fields. When it's the right time and technically we can do it, we'll definitely do more," the minister said.

Talking about the gas supply and demand situation in future, al-Kaabi said, "There is going to be a shortage in oil and gas in future, predominantly due to the push on (energy) transition. It is really aggressive without studying it. If you look at economic and environment stability, these are not mutually exclusive... we have to have both.

"And if you push some countries into doing that, that doesn't help humanity in general. The only thing that saved humanity and Europe this year was a warm winter and the slowdown in the economy worldwide. If the economy comes back in 2024, the worst is yet to come," said al-Kaabi.

"If you look at future, whether it is oil or gas, because of decade-long lack of investments, due to the push to transition of energy, there is going to be shortage for both."

Al-Kaabi emphasised the need to have a "mix" of all energy resources and said, "You need a mix of all energy sources and people need to realise that you need oil, gas and renewables. People talk about renewables as if it's a fix-all.

"If you look at renewables you can generate electricity from wind and solar, but you can't make plastics or any sort of such products. So by saying renewables generate electricity does not solve the problem, you need a proper energy mix. And it can't be driven by politics and politicians wanting to get in the seat to say this is the solution. It's a nice pitch to say energy transition, but when you dig down and look at the reality, it's not achievable."

Al-Kaabi said he was "thrilled" that the G7 final communique spoke about the need for more LNG for the world and warned the world would face a shortage of oil and gas due to a lack of investment.

"I am thrilled that finally the G7 in their final communique said they need more LNG to be supplied to the world. We've been saying this for the last 10 years," al-Kaabi noted.

India's Russian oil buying hits record high, slashes Mideast, Africa share



NEW DELHI, May 17 (Reuters) – India's oil imports from Russia rose to a fresh record high in April, further reducing the share of Middle Eastern and African grades to their lowest level in at least 22 years, data obtained from trade sources showed.

Refiners in India, the world's third-biggest oil importer and consumer, are on a Russian oil-buying binge after some countries shunned purchases from Moscow over its invasion of Ukraine in February last year.

Asia's third-largest economy imported about 1.9 million barrels per day (bpd) of Russian oil in April, about 4.4%

higher than the previous month, the data showed. That accounts for about two-fifths of the nation's overall purchases.

Higher imports from Russian raised the share of oil from the C.I.S. countries – Azerbaijan, Kazakhstan and Russia – to 43.6% of an overall 4.81 million bpd imported by India last month.

That narrowed the share of the Middle Eastern grades, which traditionally have accounted for the bulk of total oil imports, to about 44% and African oil to 3.4% last month, the data showed.

Russia remained the top oil supplier to India for the sixth-straight month in April, followed by Iraq and Saudi Arabia.

“Indian refiners have cut their spot purchases of Middle Eastern and West African grades as we are getting supply of Russian oil at lower prices,” said an Indian refining official at an Indian refinery.

Oil imports from Russia also rose as Indian Oil Corp (IOC.NS), the country's top refiner, raised the size of its annual import deal with Rosneft (ROSN.MM).

India's oil imports from Iraq in April declined by 3.1% from the previous month to a 4-month low of 928,400 bpd, while imports from Saudi Arabia fell by 11% to 723,800 bpd, the least in five months, the data showed.

Lower purchases of oil from the Middle East dragged OPEC's share of India oil imports to a record low of 46%, the data showed.

Uptick in Qatari LNG contributes to higher LNG imports in India, Pakistan in April: GECF



Qatar – Uptick in LNG imports from Qatar contributed to higher LNG imports in India and Pakistan in April this year, GECF' latest data show.

In April 2023, Asia Pacific's LNG imports continued to recover and increased by 5% (1.05mn tonnes) y-o-y to 20.50mn tonnes, which was slightly lower than the imports in April 2021.

China, India, Thailand, and Pakistan contributed to the bulk of the incremental increase in LNG imports and offset weaker imports in Japan. Asia Pacific's cumulative LNG imports from January to April this year rose by 3% (2.6mn tonnes) y-o-y to 89.12mn tonnes,

Doha-headquartered Gas Exporting Countries Forum said. China's LNG imports continued to recover in April and recorded the highest year-on-year increase since September 2021. The rebound in economic and industrial activity boosted gas consumption, driving LNG imports higher.

Pipeline gas imports to the EU increased by 3% month-on-month, to reach 14 bcm in April.

Global LNG imports surged by 10% y-o-y to 34.4mn tonnes, setting a new record high for imports in April. The increase was driven by stronger LNG imports across all regions, especially in the Asia Pacific and Europe.

In Europe, the rise in LNG imports continues to compensate for the lower pipeline gas imports into the region.

Meanwhile, the rebound in gas consumption in China, opportunistic buying in India due to lower spot LNG prices, and declining gas production and pipeline gas imports in Thailand contributed to the increase in the Asia Pacific's LNG imports.

Furthermore, Philippines joined the ranks of LNG importers in April, GECF noted.

As of April, the restocking of gas storage sites has commenced. In the EU, the average level of gas in underground storage was 59.4bcm, which amounts to 57% of the region's storage capacity.

In the US, the level of underground gas storage increased to 55.6bcm, representing 42% of its capacity.

A slower stockbuild is expected in both the EU and US this summer due to the high levels of gas already in storage. The combined LNG in storage in Japan and South Korea was estimated at 9.8bcm.

According to GECF, gas and LNG spot prices in Europe and Asia

continued their downward trend for the fourth consecutive month. In April, the Title Transfer Facility (TTF), which is the main reference virtual market for gas trading in Europe and Northeast Asia (NEA) LNG spot prices, averaged \$13.69/MMBtu and \$12.10/MMBtu, respectively, representing a 1% and 9% decrease compared to the previous month.

The TTF spot price was 57% lower y-o-y, while the NEA LNG spot price experienced a decline of 58% y-o-y. With the arrival of the shoulder season, the market witnessed a decrease in tightness as a result of ample storage levels and strong LNG supply.

However, in Asia, there was some emerging buying activity in anticipation of the summer season, which helped limit the decline in spot LNG prices, GECF said.

إطلاق شركة أدنوك في سوق أبو ظبي للأوراق المالية يوم الاثنين طرح عام أولي بقيمة 2.5 مليار دولار. الخبير الدولي رودي بارودي لوكالة الصحافة الفرنسية: "الغاز الطبيعي المسال هو أهم وقود انتقالي في

عملية الابتعاد عن الوقود ”الاحفوري“.



ستطلق وحدة الغاز التي تم تشكيلها مؤخرًا من قبل شركة الطاقة الحكومية الإماراتية أدنوك في سوق أبوظبي للأوراق المالية يوم الاثنين طرح عام أولي بقيمة 2.5 مليار دولار.

وقد شهدت أسهم شركة أدنوك للغاز ، التي دخلت حيز التشغيل في بداية هذا العام ، زيادة كبيرة في الاكتتاب حتى بعد توسيع الطرح من 4.0 إلى 5.0 في المائة من رأس المال المصدر في استجابة للاهتمام القوي من قبل الاسواق.

تم تحديد السعر النهائي للسهم عند 2.37 درهم (0.65 دولار) للسهم ، حيث جمع حوالي 2.5 مليار دولار ما يعني رسملة سوقية بنحو 50 مليار دولار.

ويعتبر غاز أدنوك الأكثر نشاطا في بورصة أبو ظبي حتى الآن ، اذ تجاوز الاكتتاب 50 مرة ، وهو أكبر طلب على الإطلاق لطرح عام أولي في منطقة الشرق الأوسط وشمال إفريقيا ، متجاوزًا الرقم القياسي العالمي لشركة أرامكو السعودية البالغ 29.4 مليار دولار قبل ما يزيد قليلاً عن ثلاث سنوات.

يأتي الاكتتاب العام الأولي المنظم بسرعة من أدنوك ، إحدى أكبر

شركات النفط في العالم ، في أعقاب التدافع العام الماضي على موارد الغاز البديلة بعد الغزو الروسي لأوكرانيا ، ويأتي في الوقت الذي تبحث فيه البلدان عن وقود أنظف للتخفيف من ظاهرة الاحتباس الحراري.

وفي هذا المجال قال مستشار الطاقة رودي بارودي ، الذي يرأس شركة الطاقة والبيئة القابضة ومقرها قطر ، إنه يتوقع زيادة الطلب عند بدء تداول الأسهم.

واضاف بارودي لوكالة فرانس برس " كل الأسباب تجعلنا نتوقع أن الزيادة الهائلة في الاكتتاب التي رأيناها ستنتقل إلى اهتمام قوي". "عندما يتم طرح الأسهم علنا

وتحتفظ شركة بترول أبوظبي الوطنية ، المصدر الرئيسي للإيرادات في الإمارات العربية المتحدة ، بحصة 90 بالمئة في الشركة التابعة التي تشكلت من وحدات معالجة الغاز والغاز الطبيعي المسال والغاز الصناعي التابعة لها.

يُوصف الغاز بأنه أنظف من أنواع الوقود الأحفوري الأخرى حيث تسعى البلدان في جميع أنحاء العالم للحد من انبعاثاتها.

وقال البارودي إن الغاز الطبيعي المسال هو "أهم وقود انتقالي في عملية الابتعاد عن الوقود الاحفوري".

من الغاز (bcm) في عام 2021 ، أنتجت الإمارات 57 مليار متر مكعب BP الطبيعي ، أو حوالي 1.4% من الإنتاج العالمي ، وفقاً لمراجعة الإحصائية للطاقة العالمية.

وقالت المجلة الإحصائية إن الإمارات صدرت في العام نفسه 8.8 مليار متر مكعب من الغاز الطبيعي المسال ، أي 1.7 بالمئة من صادرات الغاز الطبيعي المسال العالمية.

وقال بارودي: "مع تسارع وتيرة الجهود العالمية لمكافحة تغير المناخ ، من المتوقع على نطاق واسع أن ينمو دور الغاز الطبيعي بشكل عام".

تتمتع أدنوك بسمعة طيبة ، لذلك كان من المتوقع أن يجذب الاكتتاب العام في أدنوك للغاز اهتمامًا كبيرًا

UAE's ADNOC Gas to Start Trading in \$2.5bn IPO. International Energy Expert, Roudi Baroudi told AFP: "LNG is Most Important Transition Fuel in the move away from hydrocarbons".



UAE state energy company ADNOC's recently formed gas unit will launch on the Abu Dhabi stock market on Monday in a \$2.5 billion initial public offering aimed at tapping high demand for the fuel.

Shares in ADNOC Gas, which only became operational at the start of this year, were heavily oversubscribed even after the

offering was expanded from 4.0 to 5.0 percent of issued share capital in response to strong interest.

The final price was set at 2.37 dirhams (\$0.65) per share, towards the top of its range, raising about \$2.5 billion and implying a market capitalisation of around \$50 billion.

ADNOC Gas is the biggest flotation yet on the Abu Dhabi stock exchange, which opens at 9:30 am (0530 GMT).

At more than 50 times oversubscribed, it is the biggest demand ever seen for an initial public offering in the Middle East and North Africa, outstripping oil firm Saudi Aramco's world-record \$29.4 billion listing just over three years ago.

The rapidly organised IPO from ADNOC, one of the world's biggest oil firms, follows last year's scramble for alternative gas resources after Russia's invasion of Ukraine, and comes as countries search for cleaner fuels to mitigate global warming.

Energy consultant Roudi Baroudi, who heads the Qatar-based Energy and Environment Holding firm, said he expected brisk demand when the shares start trading.

"There is every reason to expect that the massive oversubscription we saw will carry over into strong interest when the shares are floated publicly," Baroudi told AFP.

– 'Transition fuel' –

Abu Dhabi National Oil Company, the United Arab Emirates' key revenue-earner, retains a 90 percent stake in the subsidiary formed from its former gas processing, LNG and industrial gas units.

Gas is being touted as cleaner than other fossil fuels as countries around the world strive to reduce their emissions.

Baroudi said Liquefied Natural Gas (LNG) was "the most

important transition fuel in the move away from hydrocarbons”.

In 2021, the UAE produced 57 billion cubic metres (bcm) of natural gas, or about 1.4 percent of global output, according to the BP Statistical Review of World Energy.

That same year, the Emirates exported 8.8 bcm of LNG, 1.7 percent of world LNG exports, the Statistical Review said.

“As global efforts to battle climate change gain pace, the role of natural gas in general... is widely expected to grow,” Baroudi said.

“ADNOC enjoys a solid reputation, so it was to be expected that the ADNOC Gas IPO would attract strong interest.”

ADNOC Gas could be the first in a series of share offerings in Abu Dhabi this year.

At least eight companies are expected to follow in fields ranging from technology to asset management and regenerative medicine, Bloomberg said, citing Sameh Al Qubaisi, director general of economic affairs at Abu Dhabi’s Department of Economic Development.

<https://www.digitaljournal.com/business/uaes-adnoc-gas-to-start-trading-in-2-5bn-ipo/article>

Aramco Weighs LNG Exports as Hydrogen Talks Prove Tough



Saudi Aramco is weighing exports of liquefied natural gas instead of blue hydrogen, as talks with potential buyers of the latter fuel prove tough.

The world's biggest oil company is investing billions of dollars in gas production. It's priority is to meet rising demand within Saudi Arabia and then convert what's left over into blue hydrogen, a fuel seen as important for the energy transition because the carbon emitted when it's made is meant to be captured.

Yet existing technology means blue hydrogen could cost the equivalent of around \$250 a barrel of oil, Aramco's chief executive officer said on Tuesday.

"It is very difficult to identify any off-take agreement in Europe" for blue hydrogen, Amin Nasser said on a call with analysts on Tuesday. "Even the customers in Japan and Korea are waiting for government incentives. Until they get these incentives, it'll be costly for them to pursue that blue hydrogen."

The company won't make a final investment decision to build

hydrogen export facilities without first signing supply deals, he said. It's so far sent test shipments in the form of ammonia to South Korea and Japan.

"This is a very expensive program," Nasser said. "It's a lot of capital and you need customers. So we will not sanction a project without securing an off-take agreement."

The kingdom has some of the world's biggest gas reserves but barely exploited them in the past. Demand for gas has boomed recently, especially since Russia invaded Ukraine and cut supplies to Europe in retaliation against sanctions.

Much of Saudi Arabia's additional gas will come from Jafurah, one of the world's largest untapped fields. It aims to spend tens of billions of dollars developing it and has started discussions with investors in midstream projects such as pipelines, said Nasser.

Sinopec and TotalEnergies SE are among companies considering investing in those projects, Bloomberg reported this month.

Nasser spoke shortly after Aramco reported a net profit of \$31.9 billion for the first quarter and announced a plan to increase its \$76 billion annual dividend.

It had decided to prioritize blue hydrogen because it's seen as a cleaner fuel than LNG, Nasser said.

Still, even if Aramco doesn't export LNG from Saudi Arabia, it's keen on investing in foreign terminals, including in the US and Australia.

"We have started discussions with our partners globally on LNG opportunities," he said, confirming a Bloomberg report from March.

China gas demand to surge in 2023 as Europe Slumps, says IEA



Rising demand for natural gas in Asia and the Middle East is set to offset a decline in other regions this year, helping to keep the global market tight, according to the International Energy Agency.

China's consumption is forecast to jump by more than 6%, underpinning an increase of almost 3% in Asia on the whole, the agency said in its quarterly Gas Market Report. Demand in Europe's advanced economies is poised to drop 5% as renewable energy takes up a larger share of power generation.

Gas markets were upended last year as Russia cut most pipeline flows to Europe amid its war in Ukraine. The continent was

spared a harsh winter as it cut demand and relied on liquefied natural gas to help fill the gap. However, supply risks still lurk, including competition with Asia, the possibility of lower flows from Russia, and a potentially hot summer or cold winter.

“Global gas supply is set to remain tight in 2023, and the global balance is subject to an unusually wide range of uncertainties,” said the IEA, which advises major economies.

Asia’s consumption – and China’s recovery from the Covid era, led by its the industrial sector – will be key for the market. The IEA expects the country’s imports of LNG to jump by as much as 15% this year, while still remaining below 2021 levels.

India’s gas demand is projected to increase by 4%, following a drop amid soaring prices in 2022.

Elsewhere, consumption of gas in the Middle East is expected to rise by 2%, in large part due to Iran and Saudi Arabia. In North America, it’s set to drop by 2%, as less of the fuel is used in heating and power generation. Global demand is forecast to remain flat.

“The improved outlook for gas markets in 2023 is no guarantee against future volatility and should not be a distraction from measures to mitigate potential risks,” the IEA said.

While the US is set to become the world’s main LNG exporter this year, global supply of the fuel is expected to increase by just 4%. That’s not enough to offset the forecast drop in Russian pipeline deliveries, according to the agency.

LNG imports in Europe’s advanced economies are forecast to decline for the remainder of the year, after posting strong growth in the first quarter. The change is due to lower needs for storage and reduced gas demand.

European gas consumption dropped 16% for the 2022 winter heating period and marked the steepest drop in absolute terms for any winter in the IEA’s records. Still, weather-related factors accounted for just 40% of the region’s decline in demand. Other factors included gas-saving policies, fuel-switching and rising energy prices.