

# COMMODORE RESEARCH

## Summer is Coming

Earlier this month, China's Ministry of Ecology and Environment issued a directive entitled "Eco-Friendly Behavioral Norm for Citizens" that outlined various activities that the central government wants citizens to take part in. Chief among them is one policy that states that all air conditioners this summer should be set no colder than 26 degrees Celsius (79 Fahrenheit) in order for citizens to consume less electricity. No enforcement regulations have been put in place, but the directive does encourage all citizens to report any activities that are damaging the environment. Overall, it is basically impossible to expect that Chinese citizens en masse will be operating their air conditioners at a balmy 26 degrees Celsius (79 Fahrenheit) this summer. Instead, the "Eco-Friendly Behavioral Norm for Citizens" directive is just another reminder that China's peak summer electricity demand season is approaching and that thermal coal burn is likely set to surge.

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