

# **RESIDENTIAL** Natural Gas Market Survey **2002 DATA**

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## **RESIDENTIAL NATURAL GAS MARKET SURVEY**

**2002 DATA**

55th Annual Survey of the  
Natural Gas Utility Industry  
United States

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## **Introduction**

This year's report is the 55<sup>th</sup> annual *Residential Natural Gas Market Survey* conducted by the American Gas Association (AGA). The data collected for 2002 provide a unique and comprehensive portrait of the residential natural gas market. Detailed information is presented by state and region, including customers, market share, inventory additions from new homes, and conversions from alternative fuels. Company-specific data are reported in Appendices A, B and C. Appendix D presents natural gas market shares data for the metropolitan statistical areas.

A total of 62 natural gas utility companies responded to this year's survey. This is an increase from the 51 utilities that responded to the 2001 survey. Company-specific data were derived from the Energy Information Administration's Form 176 database. In addition, some state total data were derived from AGA's Gas Facts: 2002 survey responses.

Incorporated in the survey results are data regarding new private housing completions from the U.S. Bureau of the Census. The source of these data is different from the statistics compiled from the survey respondents and should be evaluated separately.

Our thanks go to those companies participating in the *2002 Residential Natural Gas Market Survey* information-gathering effort. Their cooperation and support are essential to making this publication a primary source of natural gas utility industry data and an important industry reference.

## **Executive Summary**

The residential natural gas customer count exceeded 61 million in 2002, or 61 percent, of total U.S. households. Eighty-four percent of these natural gas customers use natural gas for house heating purposes.

- The natural gas share of new single-family housing completions exceeded the electric share in all but one region. Gas single-family homes completed in 2002 registered at 68 percent market share, a drop of two percentage points from 2001. New gas single-family home completions have exceeded all other energy sources for at least eleven years (see Figure 1). When both single and multi-family units are considered, the gas share of new housing completions decreased to 64 percent, compared to 65 percent the previous year. The overall electric share increased by one percentage point to 33 percent in 2002.
- New additions to the number of residential customers totaled 850,000 million in 2002. This represents an increase of 1.4 percent compared to last year.
- The 2002 survey results showed that roughly 14 percent of all new natural gas customers came from homes converted from another energy source. The respondents were asked to provide a breakdown of conversions by fuel type. Based on these data, fuel oil conversions to natural gas accounted for 37 percent of all conversions. Approximately 48 percent of conversion customers had previously heated with electricity. The respondents were unable to identify the previous heating fuel for 15 percent of the homes.
- The overall market share for natural gas space heat in existing homes rose slightly to 52 percent since 1999. Natural gas water heaters have maintained a similar market share as well, while shares for gas cooking and clothes drying remained at 35 percent and 22 percent, respectively.
- During 2002, more than \$3.1 billion went to assist low-income households pay their energy bills or weatherize their homes. Most of the funding came from LIHEAP, with \$1.8 billion in normal appropriations and emergency funds. Utilities, both electric and natural gas, accounted for 25 percent (\$771 million) of the total in the form of discounts, waivers, forgiveness of arrearages, and weatherization programs.