

Highlights

This issue of the *Natural Gas Monthly* (NGM) contains estimates of natural gas data through January 2003 for many data series at the national level. National-level natural gas prices are available through December 2002 (electric utilities), or January (residential, commercial, industrial, and wellhead). State-level data generally are available through January 2003, although underground storage data are available through February 2003.

Recent analyses of the natural gas industry are available on the Energy Information Administration (EIA) web site, www.eia.doe.gov, under “Featured Topics” to the right side of the home page. The first two reports listed below are updated regularly. These reports are:

- Weekly Natural Gas Storage Report — a weekly report containing estimates of natural gas in underground storage for the United States and three regions of the United States released each Thursday at 10:30 a.m. at the EIA Web site, except for certain weeks with Federal holidays. The report, first released on May 9, 2002, contains estimates of storage for the current and prior week and comparisons to previous periods. Links are provided to papers describing survey Form EIA-912, “Weekly Underground Natural Gas Survey,” and the estimation methodology.
- Natural Gas Weekly Update - a current analysis of the industry each week, including information on natural gas spot and futures prices and storage activities. This page also provides links to numerous other EIA sites dealing with natural gas.
- Short-Term Energy Outlook - projections of energy consumption, supply, and price by type of fuel, including natural gas, for the next 18 months.

Other natural gas data and analyses may be found through the “Natural Gas” section of EIA’s web site. In the center section of the home page, the user should place the cursor on “By Fuel,” then click on “Natural Gas” in the drop-down menu.

Changes in Data Series, Tables, and Figures

The April 2003 issue of the *Natural Gas Monthly* (NGM) contains substantially changed data series and

data presentations in tables and figures. One source of change is the annual update of 2001 and earlier year data based on the more complete collection effort performed for the *Natural Gas Annual*. The annual updates are part of the current issue. However, the *Natural Gas Annual* 2001 introduced a number of changes to the concepts and sources of natural gas series for the period 1997-2001. The concept changes are being introduced to the NGM for different time periods depending on the availability and completeness of monthly source data or estimates. The changes in concepts and sources include:

Change to definitions and sources for the industrial and electric power sectors

To address changes in the Nation’s electric power sector, EIA has recently made changes in its industry accounting classifications and data sources affecting how it collects, estimates, and reports fuel use for facilities producing electricity. The changes are discussed in Appendix D of the *Monthly Energy Review*. This issue introduces the changes to the NGM.

Two changes are key for the NGM. First is the introduction of a new consuming sector called the electric power sector that includes gas used by the electric utility sector and the gas used by a large portion of nonutility generators previously reported in the industrial sector. The electric power sector is defined as consisting of electricity-only and combined heat and power plants whose primary business is to sell electricity, or electricity and heat to the public - i.e., North American Industry Classification System 22 plants. Combined heat and power plants that identify themselves as primarily in the commercial or industrial sectors are reported in those sectors. One coincident effect of developing and defining the new consuming sector is to redefine the industrial sector, causing the volumes consumed in that sector to be smaller than previously presented.

Second is the change in the source of data on fuel used by components of the electric power sector. The NGM is now using data obtained from EIA’s surveys of electric power generators (EIA-860B and

EIA-906) as the measure of gas used by all electricity generators, not just electric utilities. In the past the *NGM* used data reported by pipelines and local distribution companies about gas delivered to customers the respondents identified as nonutility generators. The effect of the new data sources is to increase total natural gas consumption for 2001 and 2002 by approximately 6 and 11 percent respectively, compared to estimates with the old accounting system and data sources.

Prices of gas consuming sectors are also affected by the new definitions and data sources. EIA has recalculated industrial sector prices in the months of 2001 and 2002 for this issue of the *NGM* by omitting revenue and volume data submitted on the gas surveys for nonutility generators. The recalculations resulted in very little change in price estimates for most States. The *NGM* will also replace the current data series on prices paid for gas consumed by electric utilities with a data series on prices paid by electricity generators when this series is available. For the present the price series remains a measure of prices paid by electric utilities.

New source data for natural gas consumed as vehicle fuel

Small quantities of compressed natural gas and liquefied natural gas are consumed as vehicle fuel. EIA recently standardized its estimates of natural gas consumed by vehicles by adopting a single source for all publications and models. EIA adopted annual estimates prepared by the Office of Coal, Nuclear, Electric, and Alternate Fuels. For the *NGM* and other EIA publications, the annual estimates are converted to monthly estimates using average daily rates of consumption. In previous *NGM* issues, the annual estimate for vehicle fuel use was derived from the EIA-176, an annual survey of all natural gas suppliers. The change in data sources accounted for an increase of about 4 billion cubic feet for 2001 and comparable quantities in previous years. Previously the annual estimate was included in the commercial sector and vehicle fuel estimates were not included in monthly sector data series. In the new format vehicle fuel estimates will be presented annually and monthly.

Changes to tables and figures include:

Tables

Table 3. Natural Gas Consumption in the United States, 1997-2003

- Revised estimates of deliveries to the industrial sector (corresponding to the new definition);
- New estimates for the electric power sector to replace electric utility sector estimates; and
- Introduction of data on natural gas consumed as vehicle fuel.

Table 4. Selected National Average Natural Gas Prices, 1997-2003

- Revised estimates for U.S. industrial sector prices for 2001 and 2002

Table 5. U.S. Natural Gas Imports and Exports, 2001-2003

- New format presenting monthly and year-to-date imports and exports on one table;
- New subtotals for LNG imports and exports; and
- New detail on the countries of origin for LNG shipments.

Table 6. Summary of U.S. Natural Gas Imports and Exports, 1997-2001

- Revised format presenting annual imports and exports on one table
- New totals for LNG imports and exports
- New detail on the countries of origin for annual LNG shipments

Table 17. Natural Gas Deliveries to Industrial Sector Consumers, by State, 2001-2003

- Revised estimates for many States as a result of the new definition for the sector and annual adjustment of sample data.

Table 18. Natural Gas Deliveries to Electric Power Consumers, by State, 2001-2003

- New estimates for the electric power sector using new data sources.

Table 25. Percentage of Total Deliveries Represented by Onsystem Sales, by State, 2001-2003

- Because data for onsystem sales to the industrial sector were revised as a result of the new definition of that sector, the estimates for industrial sector price coverage are revised.

Figures

Figure 1. Production, Consumption, and Net Imports of Natural Gas in the United States, 2001-2003

- Net imports have been added to Figure 1.

Figure 2. Natural Gas Deliveries to Consumers in the United States, 2001-2003

- Data for the electric power sector are presented instead of data for the electric utility sector and data for the industrial sector have been revised according to the revised definition of the sector.