

Section 1. Overview

The Technical Notes document data sources and procedures used to develop the price and expenditure estimates in the State Energy Data System (SEDS). Information is provided for each of the major energy sources: coal, natural gas, petroleum, wood and waste, and electricity. The last section describes adjustments for consumption of industrial process fuel and intermediate products and other uncosted energy sources.

Price Estimation Methodologies

Price data in the SEDS price and expenditure tables are expressed in dollars per million Btu. If the source data are in physical units, they are divided by the appropriate conversion factors to create the Btu prices. Estimated prices are used only when specific State-level prices are not available for a given energy source and sector. In some cases, prices for energy consumed in one sector in a State are assigned to another sector in the same State. Specific examples are: industrial steam coal prices are assigned to the commercial and transportation sectors' steam coal use; industrial lubricants prices are assigned to transportation lubricants uses; and transportation motor gasoline prices are assigned to commercial and industrial use of motor gasoline.

In addition, there are a few cases where State-level prices could not be identified for any economic sector for a given energy source for some or all years. In these instances, a national-level price is used for all States for a given year. The procedures for estimating these national-level prices are presented in the body of the Technical Notes under each energy source as appropriate. The cases where a national-level price is assigned to all States in all years are: transportation use of aviation gasoline; industrial and transportation use of lubricants; and some components of other petroleum products used in the industrial sector.

Finally, within a given energy source and sector where price data are usually available, there are some cases of missing prices. Two general approaches are used to assign or estimate prices in cases where consumption occurs but no price is directly available from the data sources. The first approach is to assign an adjacent State price or the simple average of adjacent States' prices. When this approach is not feasible, the consumption-weighted price from the Census division or region or the Petroleum Administration for Defense district or subdistrict in which the State is located is assigned.

Three State groupings used in the report—U.S. Census regions and divisions, Federal regions, and Petroleum Administration for Defense districts—are shown in Figures TN1, TN2, and TN3, respectively, on the following pages. States are often designated by their two-letter postal code abbreviations shown in the map legends. Throughout the Technical Notes, the term “State” includes the District of Columbia.

Expenditures

Full documentation of the data sources and the methods used to estimate energy consumption are described in the SEDS consumption Technical Notes, located on EIA's website at <http://www.eia.doe.gov/emeu/states/seds.html>.

To calculate energy expenditures, SEDS consumption is adjusted to remove quantities of process fuel and intermediate products used in the industrial and transportation sectors that are not purchased directly by end users. Electricity exported to Canada and Mexico are excluded from expenditure calculations. Use of hydroelectric, geothermal, wind, and solar energy sources are also removed from SEDS expenditure calculations since there are no direct fuel costs for those energy sources. SEDS consumption of wood in the residential sector and wood and

waste consumption in the industrial and commercial sectors are adjusted to remove estimated quantities that were obtained at no cost. Adjusted energy consumption estimates used to calculate expenditures are explained in detail at EIA's website: http://www.eia.doe.gov/emeu/states/sep_prices/notes/pr_consum_adjust.pdf.

Energy expenditures, in million dollars, are calculated by multiplying SEDS prices for each fuel in dollars per million Btu by the SEDS adjusted consumption in billion Btu.

Figure TN1. U.S. Census Regions and Divisions



**Region 1
Northeast**

**Division 1
(New England)**
Connecticut (CT)
Maine (ME)
Massachusetts (MA)
New Hampshire (NH)
Rhode Island (RI)
Vermont (VT)

**Division 2
(Middle Atlantic)**
New Jersey (NJ)
New York (NY)
Pennsylvania (PA)

Region 2 Midwest

**Division 3
(East North Central)**
Illinois (IL)
Indiana (IN)
Michigan (MI)
Ohio (OH)
Wisconsin (WI)

**Division 4
(West North Central)**
Iowa (IA)
Kansas (KS)
Minnesota (MN)
Missouri (MO)
Nebraska (NE)
North Dakota (ND)
South Dakota (SD)

Region 3 South

**Division 5
(South Atlantic)**
Delaware (DE)
District of Columbia (DC)
Florida (FL)
Georgia (GA)
Maryland (MD)
North Carolina (NC)
South Carolina (SC)
Virginia (VA)
West Virginia (WV)

**Division 6
(East South Central)**
Alabama (AL)
Kentucky (KY)
Mississippi (MS)
Tennessee (TN)

**Division 7
(West South Central)**
Arkansas (AR)
Louisiana (LA)
Oklahoma (OK)
Texas (TX)

Region 4 West

**Division 8
(Mountain)**
Arizona (AZ)
Colorado (CO)
Idaho (ID)
Montana (MT)
Nevada (NV)
New Mexico (NM)
Utah (UT)
Wyoming (WY)

**Division 9
(Pacific)**
Alaska (AK)
California (CA)
Hawaii (HI)
Oregon (OR)
Washington (WA)

Figure TN2. Federal Regions



Region 1

New England

Connecticut (CT)
Maine (ME)
Massachusetts (MA)
New Hampshire (NH)
Rhode Island (RI)
Vermont (VT)

Region 2

New York/New Jersey

New Jersey (NJ)
New York (NY)

Region 3

Mid Atlantic

Delaware (DE)
District of Columbia (DC)
Maryland (MD)
Pennsylvania (PA)
Virginia (VA)
West Virginia (WV)

Region 4

South Atlantic

Alabama (AL)
Florida (FL)
Georgia (GA)
Kentucky (KY)
Mississippi (MS)
North Carolina (NC)
South Carolina (SC)
Tennessee (TN)

Region 5

Midwest

Illinois (IL)
Indiana (IN)
Michigan (MI)
Minnesota (MN)
Ohio (OH)
Wisconsin (WI)

Region 6

Southwest

Arkansas (AR)
Louisiana (LA)
New Mexico (NM)
Oklahoma (OK)
Texas (TX)

Region 7

Central

Iowa (IA)
Kansas (KS)
Missouri (MO)
Nebraska (NE)

Region 8

North Central

Colorado (CO)
Montana (MT)
North Dakota (ND)
South Dakota (SD)
Utah (UT)
Wyoming (WY)

Region 9

West

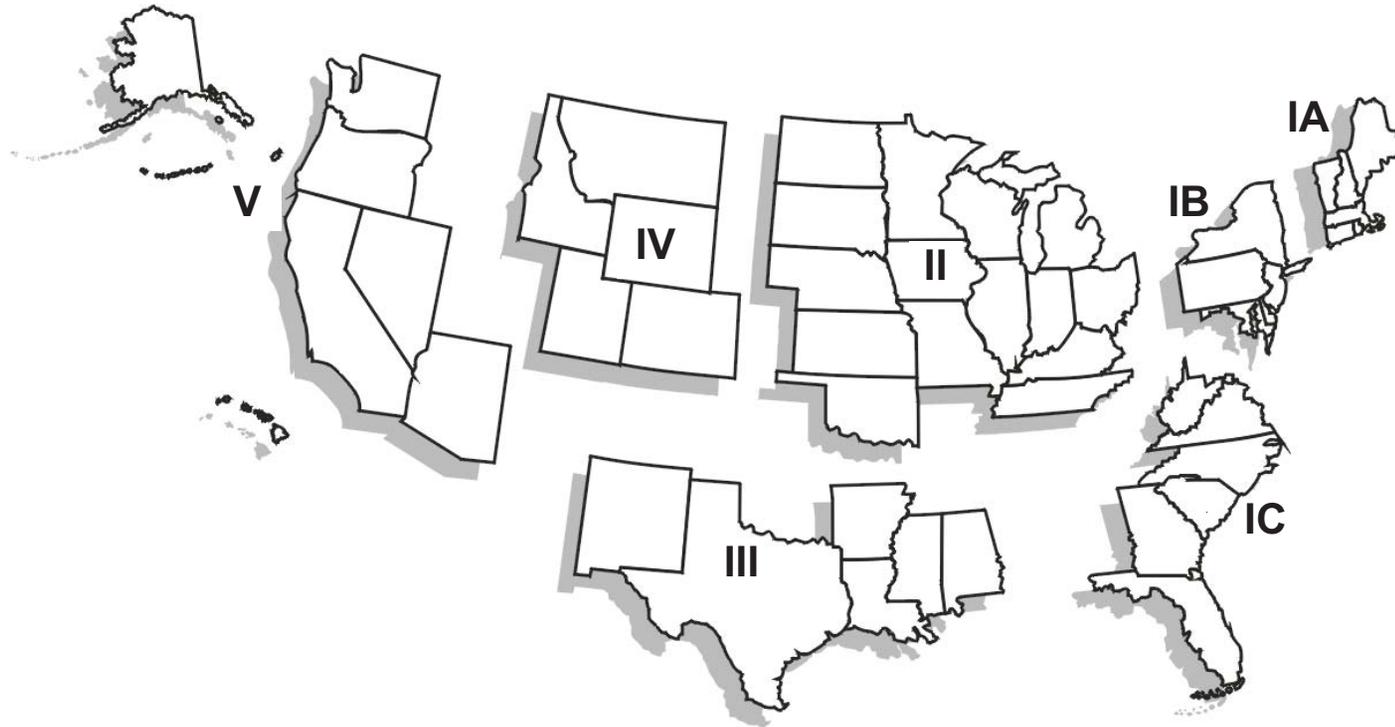
Arizona (AZ)
California (CA)
Hawaii (HI)
Nevada (NV)

Region 10

Northwest

Alaska (AK)
Idaho (ID)
Oregon (OR)
Washington (WA)

Figure TN3. Petroleum Administration for Defense Districts and Subdistricts



Subdistrict IA

Connecticut (CT)
 Maine (ME)
 Massachusetts (MA)
 New Hampshire (NH)
 Rhode Island (RI)
 Vermont (VT)

Subdistrict IB

Delaware (DE)
 District of Columbia (DC)
 Maryland (MD)
 New Jersey (NJ)
 New York (NY)
 Pennsylvania (PA)

Subdistrict IC

Florida (FL)
 Georgia (GA)
 North Carolina (NC)
 South Carolina (SC)
 Virginia (VA)
 West Virginia (WV)

District II

Illinois (IL)
 Indiana (IN)
 Iowa (IA)
 Kansas (KS)
 Kentucky (KY)
 Michigan (MI)
 Minnesota (MN)
 Missouri (MO)
 Nebraska (NE)
 North Dakota (ND)
 Ohio (OH)
 Oklahoma (OK)
 South Dakota (SD)
 Tennessee (TN)
 Wisconsin (WI)

District III

Alabama (AL)
 Arkansas (AR)
 Louisiana (LA)
 Mississippi (MS)
 New Mexico (NM)
 Texas (TX)

District IV

Colorado (CO)
 Idaho (ID)
 Montana (MT)
 Utah (UT)
 Wyoming (WY)

District V

Alaska (AK)
 Arizona (AZ)
 California (CA)
 Hawaii (HI)
 Nevada (NV)
 Oregon (OR)
 Washington (WA)