

## Price Responsiveness in the AEO2003 NEMS Residential and Commercial Buildings Sector Models

Table 1. Summary of Price Responses in the NEMS AEO2003 and AEO99 Residential and Commercial Buildings Models

Sector and Fuel	NEMS Model Year	Short-Run Own-Price Elasticity			Long-Run Own-Price and Cross-Price Elasticity		
		1-Year	2-Year	3-Year	Electricity	Natural Gas	Distillate Fuel
<b>Residential</b>							
Electricity . . . . .	AEO2003	-0.20	-0.29	<b>-0.34</b>	<b>-0.49</b>	0.01	0.00
	AEO99	-0.23			-0.31	0.03	0.00
Natural Gas . . . . .	AEO2003	-0.14	-0.24	<b>-0.30</b>	0.13	<b>-0.41</b>	0.02
	AEO99	-0.26			0.08	-0.43	0.02
Distillate Fuel . . . . .	AEO2003	-0.15	-0.27	<b>-0.34</b>	0.01	0.05	<b>-0.60</b>
	AEO99	-0.28			0.05	0.15	-0.53
<b>Commercial</b>							
Electricity . . . . .	AEO2003	-0.10	-0.17	<b>-0.20</b>	<b>-0.45</b>	0.01	0.00
	AEO99	-0.23			-0.24	0.00	0.00
Natural Gas . . . . .	AEO2003	-0.14	-0.24	<b>-0.29</b>	0.86	<b>-0.40</b>	0.01
	AEO99	-0.28			0.00	-0.34	0.03
Distillate Fuel . . . . .	AEO2003	-0.13	-0.23	<b>-0.28</b>	0.08	0.75	<b>-0.39</b>
	AEO99	-0.47			0.00	0.49	-0.87
<b>Commercial Electricity by End Use</b>							
Core End Uses . . . . .	AEO2003	-0.17	-0.29	<b>-0.36</b>	<b>-0.88</b>	—	—
	AEO99	-0.24			-0.31	—	—
Other End Uses . . . . .	AEO2003	-0.03	-0.05	<b>-0.06</b>	<b>-0.24</b>	—	—
	AEO99	-0.24			-0.20	—	—

Sources: **AEO2003**: Energy Information Administration, calculated from the following price path scenarios using NEMS AEO2003: regeneration of the reference case price path, ELAST03.D121203B; electricity price increase case, ELAST03.D121203G; natural gas price increase case, ELAST03.D121203H; distillate fuel price increase case, ELAST03.D121203I. **AEO99**: S.H. Wade, "Price Responsiveness in the NEMS Building Sector Models," in Energy Information Administration, *Issues in Midterm Analysis and Forecasting 1999*, DOE/EIA-0607(99) (Washington, DC, August 1999).