

Consumption

Total natural gas consumption in 1997 reached 22 trillion cubic feet, virtually unchanged from the 1996 level but among the highest annual levels ever recorded. Natural gas has accounted for 25 percent of total energy consumption in the United States since 1992, and this share was maintained in 1997. Increases in consumption in the commercial and electric utility sectors were offset by declines in the residential and industrial sectors. Commercial consumption set a new record, 3.2 trillion cubic feet, surpassing the previous record high from a year ago by 2 percent. Deliveries of gas to industrial consumers, which include deliveries to cogenerators, represented 44 percent of total deliveries to natural gas consumers.

Residential and Commercial

Consumption in the residential sector is driven primarily by weather-related space-heating requirements. It dropped

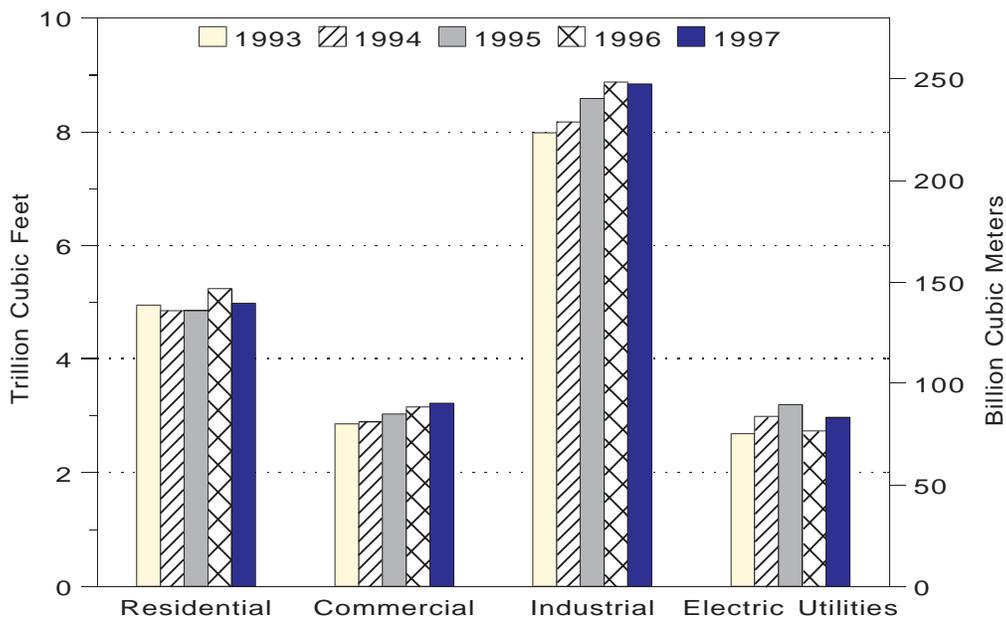
by 5 percent from the 1996 level to 5.0 trillion cubic feet. Warm weather during the first quarter of 1997 explains most of the decline in residential consumption from year-ago levels. Temperatures in March 1996 were very cold, resulting in heating degree days that were 14 percent below normal. March 1997 was warmer than normal and had 20 percent fewer heating degree days than March 1996.

Despite the decline in residential consumption, it was still among the highest recorded annual levels.

As in 1995 and 1996, nearly one million new consumers entered the residential natural gas market in 1997, reaching 56.2 million, 2 percent above the number in 1996. Average consumption per consumer during 1997 was 89,000 cubic feet, 6 percent less than in the previous year.

Consumption in the commercial sector is also driven by space-heating requirements. Despite the warmer-than-

Figure 10. Natural Gas Delivered to Consumers in the United States, 1993-1997



Source: Energy Information Administration (EIA), Form EIA-176, "Annual Report of Natural and Supplemental Gas Supply and Disposition", and Form EIA-759, "Monthly Power Plant Report."