

RESIDENTIAL NATURAL GAS MARKET SURVEY 2001 DATA





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2001 DATA

54th Annual Survey
Natural Gas Utility Industry
United States

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INTRODUCTION

This year's report is the 54th annual *Residential Natural Gas Market Survey* conducted by the American Gas Association (AGA). The data collected for 2001 provides 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 1, 2 and 3. Appendix 4 presents natural gas market shares data for the metropolitan statistical areas.

A total of 51 natural gas utility companies responded to this year's survey. This is an increase from the 43 utilities that responded to the 2000 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: 2001 survey responses. Individual company data are listed by region and state in Appendices 1, 2 and 3. Market share data by metropolitan statistical area are presented in Appendix 4. Please note that some tabular data may not add up to the totals shown due to rounding.

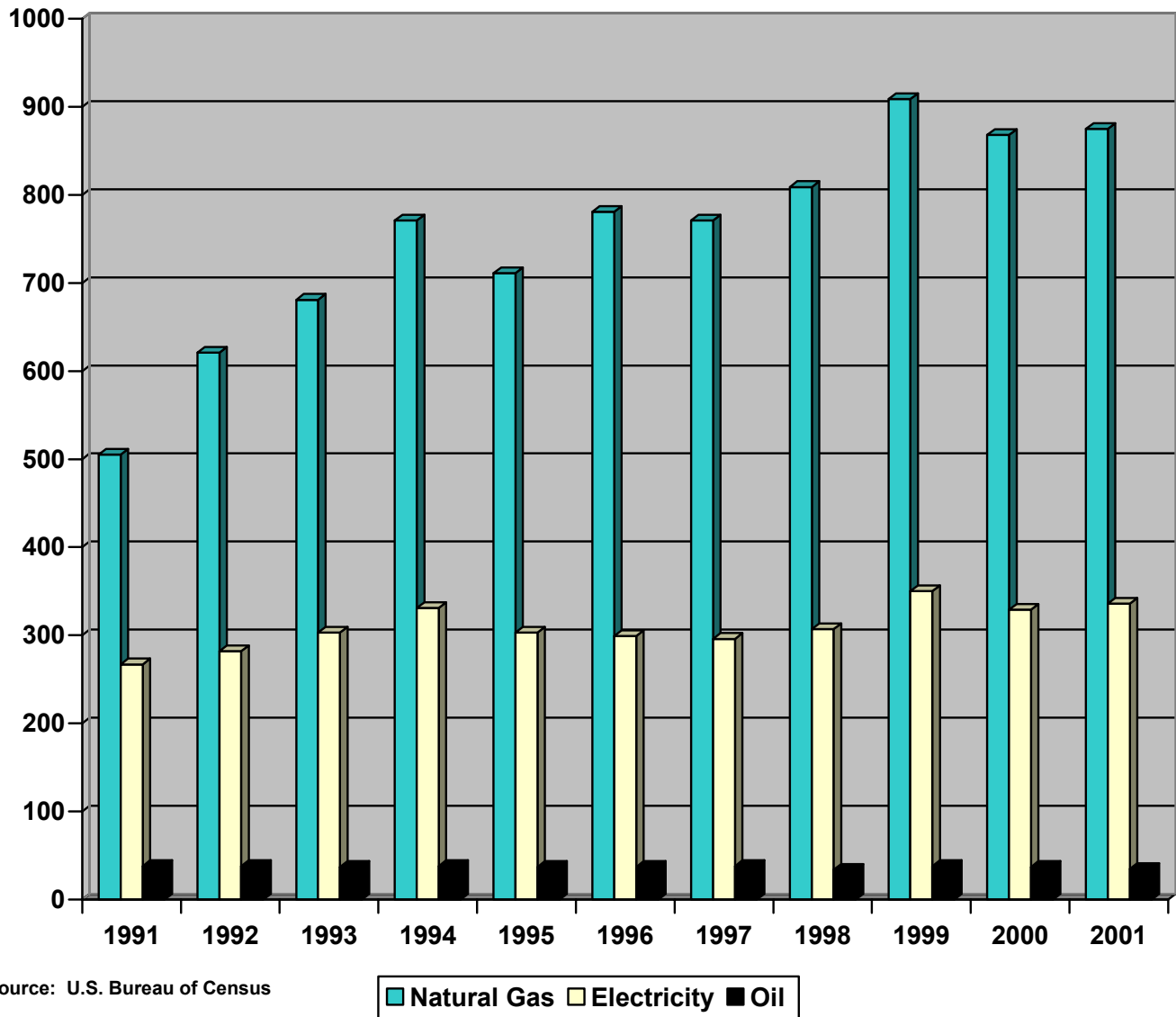
Incorporated in the survey results are data regarding new private housing completions from the U.S. Bureau of the Census. The source of these data is different from the statistics compiled from the survey respondents and should be evaluated separately.

Our thanks go to those companies participating in the *2001 Residential Natural Gas Market Survey* information-gathering effort. Their cooperation and support are the essential elements that have made this publication a primary source of natural gas utility industry data and an important industry reference.

I. EXECUTIVE SUMMARY

- The residential natural gas customer count reached 60 million in 2001, or 61 percent of total U.S. households. Approximately 83 percent of these natural gas customers use natural gas for house heating purposes.
- The natural gas share of new single-family housing completions matched or exceeded the electric share in all regions. Gas single-family homes completed in 2001 registered a 70 percent market share, the same as in 2000. New gas single-family home completions have exceeded all other energy sources for at least ten years (see Figure 1). When both single and multi-family units are considered, the gas share of new housing completions increased slightly to 65 percent compared to the previous year. The overall electric share fell to 32 percent in 2001.
- New additions to the number of residential customers totaled one million in 2001. This represents an increase of three percent compared to last year.
- The 2001 survey results showed that roughly 18 percent of all new customers came from homes converted from another energy source to natural gas. 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 52 percent of all conversions. Approximately 33 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 2001, more than \$2.8 billion went to assist low-income households pay their energy bills or weatherize their homes. Most of the funding came from LIHEAP, with \$1.7 billion in normal appropriations and emergency funds. Utilities, both electric and natural gas, accounted for 25 percent (\$700 million) of the total in the form of discounts, waivers, forgiveness of arrearages, and weatherization programs.

Figure 1
Natural Gas vs. Electricity and Oil
Single Family Home Completions 1991-2001
(Thousand Homes)



II. UNITED STATES HOUSING MARKET IN 2001

New Housing Completions

Additions to the U.S. housing market stayed roughly the same from 2000 to 2001, with new completions totaling 1,571,000.

Natural gas continued to dominate the new single-family home market. According to the U.S. Bureau of the Census, new gas single-family completions numbered 875,000 in 2001, up from 868,000 in 2000. This one percent increase in gas units was about the same increase for all single-family home completions, resulting in the same gas market share of 70 percent in 2001 as it was in 2000. The 2001 electric market share of new home completions remained at 27 percent. Gas single-family home completions exceeded electric completions for the sixteenth consecutive year.

In the new multi-family housing arena, gas market share increased two percentage points, from 45 to 47 percent. The total number of multi-family units completed in 2001 decreased to 315,000 compared to 332,000 in 2000. Market share for electricity fell by one percentage point compared to 2000, reaching 53 percent in 2001. Natural gas multi-family units numbered 147,000 compared with 166,000 electric units in 2001.

When both single and multi-family units are considered, gas house heating market share of new housing in 2001 stayed at 65 percent. The overall 2001 electric house heating market share also did not change, remaining at 32 percent.

Tables 1 and 2 present the regional breakdown of units completed by type of fuel. Gas single-family home completions matched or outnumbered electric completions in all of the four regions. The gas market shares in the Northeast, Midwest, South and West regions were 67 percent, 91 percent, 50 percent and 90 percent, respectively. Market share for natural gas increased two percentage points in the Northeast compared to 2000. In the multi-family sector, gas completions were higher than electric in all regions but the South. In addition, all but the South region exhibited growth in market share in this sector compared to 2000.

Table 3 shows new housing market share data from 1991 to 2001. The Census data show that overall, new housing market share of gas has been higher than electric for at least the last eleven years. The market share went from 56 percent gas and 37 percent electric in 1990 to 65 percent gas and 32 percent electric in 2001.

TABLE 1

2001 PRIVATE HOUSING COMPLETIONS BY HEATING FUEL
(Thousands of Units)

Single-Family	Share	Units	Northeast	Midwest	South	West
Gas ^a	70%	875	77	238	290	272
Electricity	27%	336	5	21	287	24
Oil	3%	35	32	1	2	Z
Other	1%	9	Z	2	Z	6
Subtotal	100%	1,256	114	261	578	303
Multi-Family						
Gas ^a	47%	147	31	40	27	49
Electricity	53%	166	Z	15	121	30
Oil	Z	Z	Z	Z	Z	-
Other	-	-	-	-	-	-
Subtotal	100%	315	31	55	148	80
Combined						
Gas ^a	65%	1,022	108	278	317	321
Electricity	32%	502	5	36	408	54
Oil	2%	35	32	1	2	Z
Other	1%	9	Z	2	Z	6
Total	100%	1,571	145	316	726	383
Heat Pump^b						
Single-Family	23%	295	5	18	249	24
Multi-Family	33%	105	3	6	79	18
Combined	25%	400	13	22	319	37
Manufactured Homes^c						
		192	12	38	113	30

^aIncludes liquefied petroleum gas

^bSubset of electricity. Share information reflects total market

^cNot included in the totals for Single-Family, Multi-Family, or Combined. Heating fuel information not available for manufactured homes. Source: Census Bureau Website

Z = Less than 500 units

NOTE: Components may not add to totals due to rounding and withheld data (see note S).

Source: U.S. Bureau of the Census, *Characteristics of New Housing: 2001*.

TABLE 2

**A COMPARISON OF 2000 & 2001 PRIVATE HOUSING COMPLETIONS
(Percent of Market)**

	TOTAL U.S.		NORTHEAST		MIDWEST		SOUTH		WEST	
	2000	2001	2000	2001	2000	2001	2000	2001	2000	2001
Single-Family										
Gas*	70%	70%	65%	67%	92%	91%	50%	50%	91%	90%
Electricity	27%	27%	6%	4%	7%	8%	50%	50%	8%	8%
Oil	3%	3%	28%	28%	Z	Z	Z	Z	Z	Z
Other	1%	1%	Z	Z	1%	1%	Z	Z	2%	2%
Multi-Family										
Gas*	45%	47%	94%	98%	69%	73%	21%	18%	59%	61%
Electricity	54%	53%	3%	1%	31%	27%	79%	82%	39%	38%
Oil	Z	Z	4%	1%	Z	Z	Z	Z	-	-
Other	-	-	-	-	-	-	-	-	-	-
Combined										
Gas*	65%	65%	71%	74%	88%	88%	43%	44%	84%	84%
Electricity	32%	32%	5%	3%	11%	11%	56%	56%	14%	14%
Oil	2%	2%	24%	23%	1%	-	1%	-	-	-
Other	1%	1%	-	-	-	-	Z	Z	2%	2%

*Includes liquefied petroleum gas

Z = Less than 500 units

Source: U.S. Bureau of the Census, *Characteristics of New Housing: 2000 & 2001*.

Figure 2
Market Share for All Housing Completions
1991-2001

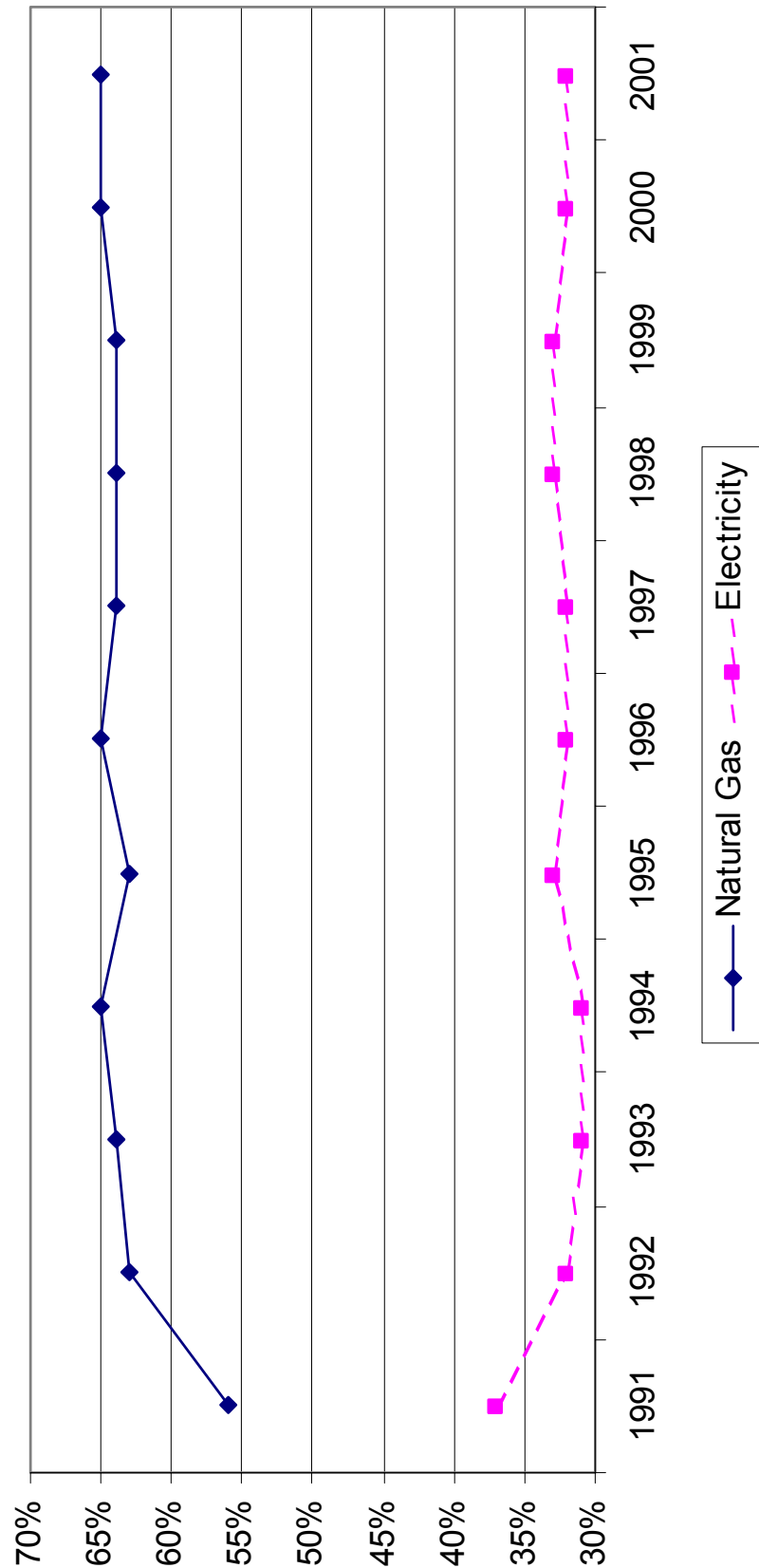


TABLE 3

MARKET SHARE OF PRIVATE HOUSING COMPLETIONS BY HEATING FUEL

1991 - 2001

	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001
Single-Family											
Gas ^a	60%	65%	66%	67%	67%	69%	69%	70%	70%	70%	70%
Electricity	32%	29%	29%	29%	28%	26%	26%	26%	27%	27%	27%
Oil	4%	4%	3%	3%	3%	3%	3%	3%	3%	3%	3%
Other	4%	2%	2%	1%	1%	1%	1%	1%	1%	1%	1%
Multi-Family											
Gas ^a	41%	52%	52%	52%	47%	48%	45%	44%	43%	45%	47%
Electricity	55%	44%	45%	46%	51%	52%	54%	55%	55%	54%	53%
Oil	1%	1%	0%	0%	1%	S	S	1%	1%	S	Z
Other	4%	3%	3%	2%	1%	S	S	1%	S	S	Z
Combined											
Gas ^a	56%	63%	64%	65%	63%	65%	64%	64%	64%	65%	65%
Electricity	37%	32%	31%	31%	33%	32%	32%	33%	33%	32%	32%
Oil	4%	3%	3%	3%	3%	2%	3%	3%	2%	2%	2%
Other	3%	2%	2%	1%	1%	1%	1%	1%	1%	1%	1%

^a Includes liquefied petroleum gasSource: U.S. Bureau of the Census, *Characteristics of New Housing: Various Years*.

S = did not meet publication standards on the basis of response rate, associated standard error or consistency review.

Z = Less than 500 units

Existing Housing

According to the U.S. Department of Census, slightly more than half of the existing housing units in 2000 used natural gas to heat their homes, accounting for 54 million of the total 105 million housing units in the U.S. (see Table 4).

Natural gas holds the largest market share in the Midwest, where 71 percent of the homes in that region have natural gas heating systems. Natural gas has the lowest market share in the warmer climate of the South. About 35 percent of the houses in the South used natural gas space heating in 2000.

Natural gas heating also beats out the competition in the Northeast and West regions of the country. Natural gas house heating market share in the Northeast was 49 percent, while the natural gas share was 60 percent in the West.

TABLE 4
2000 Household Space Heating Market Share

	<u>NATURAL</u> <u>GAS</u>	<u>PROPANE</u>	<u>ELECTRICITY</u>	<u>FUEL</u> <u>OIL</u>	<u>COAL &</u> <u>COKE</u>	<u>WOOD</u>
UNITED STATES	51%	7%	30%	9%	0%	2%
NORTHEAST	49%	3%	11%	34%	0%	1%
<i>NEW ENGLAND</i>	<i>33%</i>	<i>4%</i>	<i>11%</i>	<i>49%</i>	<i>0%</i>	<i>2%</i>
Connecticut	29%	2%	15%	52%	0%	1%
Maine	3%	5%	4%	80%	0%	6%
Massachusetts	44%	3%	12%	39%	0%	1%
New Hampshire	18%	11%	8%	58%	0%	4%
Rhode Island	46%	3%	8%	42%	0%	1%
Vermont	12%	14%	5%	59%	0%	9%
<i>MIDDLE ATLANTIC</i>	<i>55%</i>	<i>3%</i>	<i>12%</i>	<i>28%</i>	<i>1%</i>	<i>1%</i>
New Jersey	67%	2%	10%	19%	0%	0%
New York	52%	3%	9%	33%	0%	1%
Pennsylvania	51%	3%	16%	25%	1%	2%
MIDWEST	71%	9%	15%	3%	0%	1%
<i>EAST NORTH CENTRAL</i>	<i>73%</i>	<i>8%</i>	<i>14%</i>	<i>3%</i>	<i>0%</i>	<i>1%</i>
Illinois	81%	5%	12%	1%	0%	0%
Indiana	65%	9%	22%	3%	0%	1%
Michigan	78%	9%	7%	3%	0%	1%
Ohio	69%	6%	18%	5%	0%	1%
Wisconsin	66%	11%	11%	8%	0%	3%
<i>WEST NORTH CENTRAL</i>	<i>64%</i>	<i>12%</i>	<i>18%</i>	<i>3%</i>	<i>0%</i>	<i>2%</i>
Iowa	67%	16%	13%	2%	0%	1%
Kansas	71%	9%	17%	0%	0%	1%
Minnesota	68%	10%	12%	6%	0%	2%
Missouri	57%	13%	25%	1%	0%	4%
Nebraska	68%	10%	18%	1%	0%	1%
North Dakota	43%	16%	29%	9%	1%	1%
South Dakota	48%	22%	20%	7%	0%	2%
SOUTH	35%	8%	51%	4%	0%	1%
<i>SOUTH ATLANTIC</i>	<i>27%</i>	<i>7%</i>	<i>57%</i>	<i>7%</i>	<i>0%</i>	<i>1%</i>
Delaware	37%	10%	26%	26%	0%	1%
District of Columbia	65%	2%	24%	7%	0%	0%
Florida	6%	4%	87%	1%	0%	0%
Georgia	49%	11%	38%	1%	0%	1%
Maryland	46%	3%	33%	16%	0%	1%
North Carolina	24%	13%	49%	12%	0%	2%
South Carolina	26%	9%	58%	5%	0%	1%
Virginia	34%	5%	44%	13%	0%	3%
West Virginia	48%	6%	32%	7%	1%	6%
<i>EAST SOUTH CENTRAL</i>	<i>39%</i>	<i>12%</i>	<i>45%</i>	<i>1%</i>	<i>0%</i>	<i>2%</i>
Alabama	38%	14%	46%	0%	0%	1%
Kentucky	44%	10%	39%	3%	1%	3%
Mississippi	37%	21%	40%	0%	0%	2%
Tennessee	36%	7%	52%	2%	0%	2%
<i>WEST SOUTH CENTRAL</i>	<i>46%</i>	<i>7%</i>	<i>45%</i>	<i>0%</i>	<i>0%</i>	<i>1%</i>
Arkansas	49%	14%	33%	0%	0%	5%
Louisiana	47%	5%	47%	0%	0%	1%
Oklahoma	60%	11%	26%	0%	0%	2%
Texas	43%	6%	49%	0%	0%	0%
WEST	60%	4%	29%	2%	0%	3%
<i>MOUNTAIN</i>	<i>59%</i>	<i>7%</i>	<i>29%</i>	<i>1%</i>	<i>0%</i>	<i>3%</i>
Arizona	37%	5%	54%	0%	0%	2%
Colorado	75%	6%	16%	0%	0%	1%
Idaho	45%	6%	34%	5%	0%	8%
Montana	59%	13%	16%	3%	0%	8%
Nevada	56%	5%	36%	2%	0%	1%
New Mexico	68%	15%	12%	0%	0%	5%
Utah	85%	3%	10%	1%	0%	1%
Wyoming	64%	11%	19%	0%	1%	4%
<i>PACIFIC</i>	<i>60%</i>	<i>3%</i>	<i>29%</i>	<i>2%</i>	<i>0%</i>	<i>3%</i>
Alaska	46%	2%	10%	36%	0%	4%
California	71%	4%	22%	0%	0%	2%
Hawaii	3%	3%	48%	0%	0%	0%
Oregon	34%	2%	49%	7%	0%	7%
Washington	33%	3%	53%	6%	0%	5%

SOURCE: U.S. Department of Census, www.census.gov

Table 5 illustrates the changing nature of household space heating energy. In the 1940s and 1950s, coal or coke was the dominant fuel with wood enjoying a large market share – currently, use of those fuels in homes has dropped dramatically. Fuel oil gained its largest market share in the 1960s, but its popularity has declined since. Propane has gained in market share somewhat over the time period. Electricity increased significantly since 1950, particularly after 1970 when the heat pump became popular. Natural gas’ popularity increased substantially over the time period – the advent of the interstate pipeline system and the expansion of local distribution networks increased the availability of this fuel. Natural gas has been the preferred home heating energy source since 1960.

Table 5
Historic Household Space Heating Market Shares

<u>Year</u>	<u>Utility Gas</u>	<u>Bottled, Tank, or LP Gas</u>	<u>Electricity</u>	<u>Fuel Oil, Kerosene, Etc.</u>	<u>Coal or Coke</u>	<u>Wood</u>	<u>Other Fuel</u>	<u>No Heat</u>
1940	11.3%	N/A	N/A	10.0%	54.7%	22.8%	0.4%	0.8%
1950	26.6%	2.3%	0.7%	22.6%	34.6%	10.0%	1.8%	1.4%
1960	43.1%	5.1%	1.8%	32.4%	12.2%	4.2%	0.4%	0.9%
1970	55.2%	6.0%	7.7%	26.0%	2.9%	1.3%	0.4%	0.6%
1980	53.1%	5.6%	18.4%	18.2%	0.6%	3.2%	0.2%	0.7%
1990	51.0%	5.7%	25.8%	12.2%	0.4%	3.9%	0.4%	0.6%
2000	51.2%	6.5%	30.3%	9.0%	0.1%	1.7%	0.6%	0.6%

III. RESIDENTIAL NATURAL GAS CUSTOMERS IN 2001

Total Residential Customers

Based on the Energy Information Administration's Form 176 database, the total number of residential natural gas customers reached 60 million in 2001. This represents a three percent increase over 2000.

House Heating Customers

Based on survey responses, Census information, and AGA's Gas Facts: 2001 data, approximately 84 percent of all residential natural gas customers used gas to heat their homes (see Table 6). The East North Central region of the country had the highest penetration, in excess of 92 percent, while the New England region had the lowest penetration, around 69 percent.

Natural Gas Customer and Unit Additions

The number of natural gas customers increased one million in 2001. The Mountain region had the highest percentage increase in customers, with the South Atlantic and the Pacific regions registering very small increases.

Most of the additions were estimated to be from new construction. Of the total additions reported by the survey respondents, 18 percent were from conversions of customers from another fuel. Other factors that should be considered include reductions in the number of customers (demolition, conversion to another fuel, etc.) and reclassification of customers from master-metered apartments to individual meters.

House Heating Conversions

In 2001, companies responding to the survey reported that 41,437 new customers came from homes converted from another fuel to natural gas. 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 52 percent of all conversions. Approximately 33 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.

Table 6
2001 GAS CUSTOMERS AND UNIT ADDITIONS

Region, Division and State	GAS CUSTOMERS			GAS UNIT ADDITIONS		
	Total ¹	House Heating ²	Percent Heating ²	Total ¹	Reported Conversions ³	Reported Conversions as a % of Total Reported Additions ³
UNITED STATES	60,252,745	50,612,306	84.0%	1,000,017	41,437	17.9%
NORTHEAST						
NEW ENGLAND	2,089,419	1,448,950	69.3%			
Connecticut	458,105	355,031	77.5%	(283)	N/A	N/A
Maine	17,302	11,358	65.6%	191	N/A	N/A
Massachusetts	1,283,008	808,295	63.0%	4,227	297	66.1%
New Hampshire	84,760	76,293	90.0%	1,947	N/A	N/A
Rhode Island	216,781	177,054	81.7%	2,307	N/A	N/A
Vermont	29,463	20,919	71.0%	931	N/A	N/A
MIDDLE ATLANTIC	9,222,625	8,203,740	89.0%			
New Jersey	2,436,771	2,266,197	93.0%	72,713	8,497	56.7%
New York	4,243,130	3,649,092	86.0%	80,680	12,326	72.3%
Pennsylvania	2,542,724	2,288,452	90.0%	22,930	2,082	24.2%
MIDWEST						
EAST NORTH CENTRAL	12,975,214	11,839,651	91.2%			
Illinois	3,670,693	3,046,675	83.0%	38,931	20	33.3%
Indiana	1,613,373	1,435,902	89.0%	8,917	N/A	N/A
Michigan	3,011,205	2,800,421	93.0%	11,468	1,736	N/A
Ohio	3,195,407	3,131,499	98.0%	16,567	1,080	10.8%
Wisconsin	1,484,536	1,425,155	96.0%	25,577	160	4.8%
WEST NORTH CENTRAL	4,958,050	4,469,608	90.1%			
Iowa	818,313	761,031	93.0%	5,990	143	N/A
Kansas	836,486	660,824	79.0%	2,824	3	N/A
Minnesota	1,249,748	1,162,266	93.0%	27,351	933	N/A
Missouri	1,326,160	1,193,544	90.0%	1,878	263	4.9%
Nebraska	476,275	457,224	96.0%	602	100	0.7%
North Dakota	106,758	101,954	95.5%	1,098	N/A	N/A
South Dakota	144,310	132,765	92.0%	2,235	N/A	N/A
SOUTH						
SOUTH ATLANTIC	6,246,180	4,885,770	78.2%			
Delaware	122,829	112,389	91.5%	4,984	N/A	N/A
District of Columbia	138,412	117,650	85.0%	160	N/A	N/A
Florida	590,221	88,533	15.0%	18,249	N/A	N/A
Georgia	1,737,850	1,442,416	83.0%	57,101	N/A	N/A
Maryland	959,772	863,795	90.0%	18,388	N/A	N/A
North Carolina	891,227	717,438	80.5%	33,223	N/A	N/A
South Carolina	501,161	380,882	76.0%	11,821	N/A	N/A
Virginia	941,582	828,592	88.0%	33,727	N/A	N/A
West Virginia	363,126	334,076	92.0%	2,655	N/A	N/A
EAST SOUTH CENTRAL	2,987,613	2,578,838	86.3%			
Alabama	807,245	653,868	81.0%	1,556	N/A	N/A
Kentucky	749,106	734,124	98.0%	4,290	133	16.0%
Mississippi	437,899	319,666	73.0%	3,398	282	3.5%
Tennessee	993,363	871,179	87.7%	23,826	500	49.2%
WEST SOUTH CENTRAL	6,112,043	4,626,746	75.7%			
Arkansas	552,716	547,189	99.0%	(7,339)	N/A	N/A
Louisiana	952,753	752,675	79.0%	(11,380)	N/A	N/A
Oklahoma	868,314	859,631	99.0%	8,363	N/A	N/A
Texas	3,738,260	2,467,252	66.0%	33,759	726	1.4%
WEST						
MOUNTAIN	4,552,002	3,835,121	84.3%			
Arizona	884,789	637,048	72.0%	38,773	1,609	2.1%
Colorado	1,365,594	1,215,379	89.0%	49,975	162	N/A
Idaho	251,004	208,333	83.0%	10,605	N/A	N/A
Montana	226,171	187,722	83.0%	1,387	N/A	N/A
Nevada	550,850	457,206	83.0%	30,617	N/A	N/A
New Mexico	485,969	403,354	83.0%	6,075	N/A	N/A
Utah	657,728	618,264	94.0%	16,617	N/A	N/A
Wyoming	129,897	107,815	83.0%	623	N/A	N/A
PACIFIC	11,109,599	9,365,467	84.3%			
Alaska	93,896	77,934	83.0%	2,599	N/A	N/A
California	9,600,493	7,776,399	81.0%	229,696	N/A	N/A
Hawaii	30,794	0	0.0%	43	N/A	N/A
Oregon	542,799	797,853	94.8%	18,847	8,080	45.7%
Washington	841,617	713,281	87.7%	28,298	10,304	31.2%

N/A = Insufficient data available due to lack of survey response.

¹ = Derived from Energy Information Administration Form 176 Database (see Appendix 3)

² = Derived from survey responses, Gas Facts 2001 data, and Census information

³ = Based on survey responses only, does not reflect entire population

IV. NATURAL GAS APPLIANCE MARKET SHARE AND CONSUMPTION

Market Share of Natural Gas Appliances in Residences

The Department of Commerce's Bureau of the Census reports the number of residences in the United States by region, along with type of fuels in various applications. This report, American Housing Survey, is released every two years and reflects the number of existing households at a particular time. Therefore, the data does not represent the beginning or end of a year.

TABLE 7

MARKET SHARE OF NATURAL GAS SPACE HEATING FROM 1987 – 2001								
	2001	1999	1997	1995	1993	1991	1989	1987
NORTHEAST	46%	45%	45%	43%	43%	42%	40%	40%
MIDWEST	71%	70%	70%	70%	70%	70%	71%	70%
SOUTH	35%	35%	36%	35%	36%	36%	37%	38%
WEST	64%	63%	62%	62%	61%	60%	61%	62%
TOTAL US	52%	51%	51%	51%	51%	50%	51%	51%

According to the U.S. Department of Commerce's Census Bureau, the market share of natural gas in the residential space heating sector has remained at 50 to 52 percent over the last 14 years. The largest gain in market share for natural gas furnaces was in the Northeast region, where gas grew by six percentage points. The largest loss in market share was in the South, where gas dropped three percentage points.

TABLE 8

MARKET SHARE OF NATURAL GAS COOKING FROM 1987 – 2001								
	2001	1999	1997	1995	1993	1991	1989	1987
NORTHEAST	48%	48%	48%	49%	48%	48%	49%	50%
MIDWEST	38%	39%	39%	39%	40%	40%	41%	40%
SOUTH	22%	22%	23%	23%	24%	24%	25%	26%
WEST	42%	41%	41%	41%	40%	40%	39%	39%
TOTAL US	35%	35%	36%	36%	36%	36%	37%	37%

Despite the fact that the West region increased its market share three percentage points for gas cooking, the overall market share for gas cooking has decreased from 37 percent in 1987 to 35 percent by 2001. The largest losses were in the South region, where gas fell by four percentage points. The Northeast and Midwest regions followed the South in market share losses by dropping two percentage points.

TABLE 9

MARKET SHARE OF NATURAL GAS WATER HEATING FROM 1987 – 2001

	2001	1999	1997	1995	1993	1991	1989	1987
NORTHEAST	49%	49%	49%	47%	47%	47%	46%	44%
MIDWEST	66%	65%	65%	66%	67%	67%	68%	67%
SOUTH	33%	33%	34%	35%	36%	36%	36%	38%
WEST	68%	67%	67%	67%	66%	67%	66%	66%
TOTAL US	51%	51%	51%	52%	52%	52%	52%	52%

The largest gain in market share for gas water heaters was in the Northeast, where gas grew by five percentage points. However, natural gas has the lowest market share of water heating in the South region, where gas fell by five percentage points. The Midwest has seen a slight decline in market share as well. Overall, the natural gas share for water heating has declined slightly over the last 14 years.

TABLE 10

MARKET SHARE OF NATURAL GAS CLOTHES DRYING FROM 1987 – 2001

	2001	1999	1997	1995	1993	1991	1989	1987
NORTHEAST	28%	28%	28%	27%	27%	28%	27%	27%
MIDWEST	31%	31%	32%	32%	32%	32%	33%	33%
SOUTH	8%	9%	9%	9%	9%	9%	10%	10%
WEST	31%	31%	31%	29%	28%	28%	28%	27%
TOTAL US	22%	22%	23%	23%	22%	22%	22%	23%

Approximately 22 percent (23 million) of all residences use natural gas to dry their clothing. The market share for clothes dryers has remained relatively steady from 1987 to 2001. The largest gain in market share was in the West region, where gas grew by four percentage points.

TABLE 11

MARKET SHARE OF NATURAL GAS, 2001

	All Homes	Homes With Gas Service			
	Has Gas Service	Gas Space Heat	Gas Water Heat	Gas Cooking	Gas Clothes Drying
NORTHEAST	63%	73%	78%	76%	30%
MIDWEST	76%	94%	87%	50%	33%
SOUTH	43%	82%	78%	51%	15%
WEST	74%	85%	91%	57%	31%
TOTAL US	61%	84%	84%	57%	27%