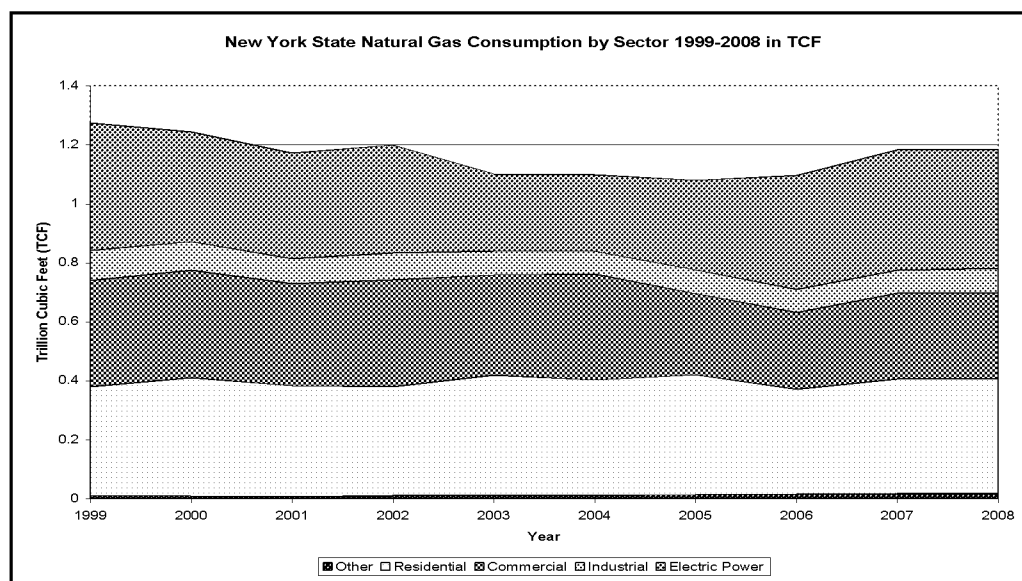


Natural Gas Assessment
New York State Energy Plan 2009

December 2009

Figure 4. New York State Natural Gas Consumption by Sector

Source: EIA. *Natural Gas Consumption by End Use*. 2009. http://tonto.eia.doe.gov/dnav/ng/ng_cons_sum_dc_u_SNY_a.htm

Although the total number of residential and commercial natural gas customers has increased, particularly in the downstate market area, overall statewide gas consumption has remained relatively flat for these sectors. This can be attributed to decreased customer usage due to conservation measures and increased efficiency for new natural gas appliances.¹¹

Natural gas use in New York's industrial sector accounts for about 83 billion cubic feet or seven percent of total consumption in the state. Industrial consumption has decreased over the historic period due to both the industrial manufacturing capacity leaving the State and the continued movement away from energy intensive manufacturing processes towards less energy intensive processes. New York's industrial sector natural gas use is a much smaller percentage of overall State natural gas demand than that of the national industrial use to total national gas demand.

In 2008, the electric generation sector used about 404 billion cubic feet of natural gas or 34 percent of the State's total natural gas consumption. Consumption of natural gas for electric generation has fluctuated during the historic period 1999 through 2008. Much of this fluctuation can be attributed to economic fuel switching by older, dual-fuel oil/gas steam plants and peak demand weather related variances. Natural gas has become and will continue to be the fuel of choice for new and replacement generation in New York for the next several years due to its economic, operational and environmental advantages. In general, natural gas-fired generation plants have lower capital costs, are cleaner burning, are more energy-efficient, and have a greater degree of operational flexibility than other fossil fueled alternatives. Between 2001 and 2007, approximately 5,000 MW of new natural gas-fired combined cycle and combustion turbine capacity was built in New York. During the same period, about 3,000 MW of older dual-fuel (oil and natural gas) units were retired. About 31 percent of electricity generated in New York was fueled by natural gas in 2007.¹²

¹¹ Note: historic consumption has not been normalized for weather

¹² 2007 was latest available EIA generation statistics by energy source. http://www.eia.doe.gov/cneaf/electricity/epa/generation_state.xls