

DEPARTMENT OF ENERGY

Office of Energy Efficiency and Renewable Energy

Energy Conservation Program for Consumer Products; Representative Average Unit Costs of Energy

AGENCY: Office of Energy Efficiency and Renewable Energy, Department of Energy.

ACTION: Notice.

SUMMARY: In this notice, the Department of Energy (DOE or Department) is forecasting the representative average unit costs of five residential energy sources for the year 2003 pursuant to the Energy Policy and Conservation Act. The five sources are electricity, natural gas, No. 2 heating oil, propane, and kerosene.

EFFECTIVE DATE: The representative average unit costs of energy contained in this notice will become effective May 9, 2003, and will remain in effect until further notice.

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SUPPLEMENTARY INFORMATION: Section 323 of the Energy Policy and Conservation Act (Act) (42 U.S.C. 6291—6309) requires that DOE prescribe test procedures for the determination of the estimated annual operating costs or other measures of energy consumption for certain consumer products specified in the Act (42 U.S.C. 6293). These test procedures are found in 10 CFR part 430, subpart B.

Section 323(b) of the Act requires that the estimated annual operating costs of a covered product be calculated from measurements of energy use in a representative average use cycle or period of use and from representative average unit costs of the energy needed to operate such product during such cycle (42 U.S.C. 6293(b)). The section further requires that DOE provide information to manufacturers regarding the representative average unit costs of energy (42 U.S.C. 6293(b)(4)). This cost information should be used by manufacturers to meet their obligations under section 323(c) of the Act. Most notably, these costs are used to comply with Federal Trade Commission (FTC) requirements for labeling.

Manufacturers are required to use the revised DOE representative average unit costs when the FTC publishes new ranges of comparability for specific covered products, 16 CFR part 305. Interested parties can also find information covering the FTC labeling requirements at www.ftc.gov/appliances.

The Department last published representative average unit costs of residential energy for use in the Energy Conservation Program for Consumer

Products Other Than Automobiles on April 24, 2002 (67 FR 20104). Effective May 9, 2003, the cost figures published on April 24, 2002, will be superseded by the cost figures set forth in this notice.

The Department's Energy Information Administration (EIA) has developed the 2003 representative average unit aftertax costs found in this notice. The representative average unit after-tax costs for electricity, natural gas, No. 2 heating oil, and propane are based on simulations used to produce the November, 2002, EIA *Short-Term Energy Outlook*, DOE/EIA-0226 (02/11), and reflect the mid-price scenario. The representative average unit after-tax costs for kerosene are derived from their relative prices to that of heating oil, based on 1997–2001 averages for these two fuels. The source for these price data is the October, 2002, *Monthly Energy Review* DOE/EIA-0035(2002/10). The *Short-Term Energy Outlook* and the *Monthly Energy Review* are available at the National Energy Information Center, Forrestal Building, Room 1F-048, 1000 Independence Avenue, SW., Washington, DC 20585, (202) 586-8800. These publications can also be found on the EIA Web site: www.eia.doe.gov.

The 2003 representative average unit costs pursuant to section 323(b)(4) of the Act are set forth in Table 1, and will become effective May 9, 2003. They will remain in effect until further notice.

Issued in Washington, DC, on April 4, 2003.

David K. Garman,
Assistant Secretary for Energy Efficiency and Renewable Energy.

TABLE 1.—REPRESENTATIVE AVERAGE UNIT COSTS OF ENERGY FOR FIVE RESIDENTIAL ENERGY SOURCES—(2003)

Type of energy	Per million Btu ¹	In commonly used terms	As required by test procedure
Electricity	\$24.65	8.41¢/kWh ^{2,3}	\$.0841/kWh.
Natural gas	8.16	81.6¢/therm ⁴ or \$8.37/MCF ^{5,6}00000816/ Btu.
No. 2 Heating Oil	8.80	\$1.22/gallon ⁷00000880/ Btu.
Propane	13.25	\$1.21/gallon ⁸00001325/ Btu.
Kerosene	10.59	\$1.43/gallon ⁹00001059/ Btu.

¹ Btu stands for British thermal units.

² kWh stands for kilowatt hour.

³ 1 kWh = 3,412 Btu.

⁴ 1 therm = 100,000 Btu. Natural gas prices include taxes.

⁵ MCF stands for 1,000 cubic feet.

⁶ For the purposes of this table, one cubic foot of natural gas has an energy equivalence of 1,026 Btu.

⁷ For the purposes of this table, one gallon of No. 2 heating oil has an energy equivalence of 138,690 Btu.

⁸ For the purposes of this table, one gallon of liquid propane has an energy equivalence of 91,333 Btu.

⁹ For the purposes of this table, one gallon of kerosene has an energy equivalence of 135,000 Btu.