These projections of miles of mains and construction expenditures reflect five basic assumptions:[17]

1. A continuation during 1964–75 of the long term economic growth of the country.
2. Natural gas supply will be available from producers for pipelines, and from pipeline for distributors as required to meet customer demands.
3. Competitive fuel prices will maintain their same relative position to gas prices.
4. Future major technological changes in the fuel industries have not been incorporated.
5. A continuation of the general inflationary cost trend.

In preparing these projections the following factors were given consideration:[18]

1. Accommodating the growing population.
2. Supplying customers with any increased demands per customer that will develop.
3. Supplying additional customers in areas where the number of customers will increase more rapidly than population.

No projections have been made indicating growth by size of community or size of service area.

The outlook for construction expenditures as shown in table 15 is heavily weighted by the projected operations of the investor segment of the industry. The stability of the relative position of investor-owned and municipal systems in the Nation's gas industry is illustrated in table 16.

TABLE 16.—*Municipal gas distributors as percent of industry totals*

Year	Customers [1]	Sales [1]	Revenues [1]	Gas utility plant		New communities initially served with gas [2]
				All plant [2]	Distribution plant only [2]	
1958	4.4	6.8	5.4	5.7	7.5	29
1959	4.6	6.9	5.3	4.6	6.7	26
1960	4.7	6.9	5.4	5.4	7.2	9
1961	4.8	7.0	5.4	5.4	7.1	16
1962	4.8	7.1	5.4	5.4	7.7	9
1963	4.8	7.2	5.4	5.7	7.0	11
1964	4.7	7.3	5.4	5.8	7.1	(3)

[1] As percent of total gas distribution, integrated and pipeline companies.
[2] As percent of total gas distribution and integrated companies.
[3] Not available.

Source: Based upon information received from AGA and *Gas Facts*.

The investor-owned utilities are expected to finance their expansion program for the next 4 years approximately as follows: 50 percent from internal sources, 45 percent from debt issues, and 5 percent from new equity issues.[19] Assuming a continuance of the trend toward increasing use of internally generated funds and decreasing use of new equity issues, while the relative use of debt issues has remained fairly constant, there will be a slight increase in the use of internally generated funds in the latter part of the decade.

[17] Schwimmer letter, Mar. 29, 1966.
[18] *Ibid.*
[19] *Ibid.*