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Louisiana Energy Topics

Department of Natural Resources
Assessment Division

Technology

A Supplement to LOUISIANA ENERGY FACTS on Subjects of Special Interest

LOUISIANA AN ENERGY CONSUMING STATE AN UPDATE USING 1996 DATA

There have been some notable changes in energy consumption in Louisiana. Coupled with an overall increase of 5% in total energy use in Louisiana, there has been a decrease of 5% in coal use. This coal is used primarily in the production of electricity. More than offsetting the drop in coal use is increased importation of electricity and the use of petroleum-based fuels.

This increased total reflects the overall trend of energy use in the United States. As energy prices remain stable and to a degree relatively low, it is expected that energy use and energy use per capita will continue to rise. It is important to note that these 1996 statistics reflect a period when oil prices were considerably above where they are today.

The 9% increase in petroleum fuels reflects a 12% increase in residual and other categories. This would suggest, to a degree, low-priced residual and other "bottom of the barrel" fuels are making some inroads. This apparently is heavily used in the industrial sector of Louisiana's economy.

These statistics show a mix of fuels used in the generation of electricity. The state imports Wyoming Powder River Basin coal for the Big Cajun Two facility, and nuclear fuel for its Waterford & River Bend generating plants. These displace natural gas which traditionally had been used in power generation. Ultimately the direct importation of electricity, though a domestic power source, further increases Louisiana's dependence on outside energy.

Energy in the United States is the driving force of our industries. The same is true in Louisiana. Louisiana ranks fifth in total energy use when compared with the other fifty states in the union. This is a long way behind two of the most populous states California and Texas, who are the top two energy users. Louisiana also ranks second in per capita energy use this time behind Alaska, but in front of Wyoming and Texas.

Total energy use by Louisianians was 3994.9 trillion Btu's in 1996. Industry used 2617.3 trillion Btu's or 65.5 percent of this. Louisiana used 829.0 trillion Btu's in its transportation sector, of this 70.8 trillion Btu's were natural gas. The Energy Information Administration reports: "Transportation use of natural gas is gas consumed in the operation of pipelines, primarily in compressors ...". There also has been an addition to these natural gas uses in some motor vehicles. This is a minor component, but it has been growing slightly since the early 1990's.

Our perennial theme is that regardless of Louisiana's heritage as an energy producing state, we also are an industrial energy consuming state. Low energy prices affect our economy two ways; when outside markets are strong, low energy prices benefit manufacturing while at the same time hammering the core energy producers. There continues to be a delicate balance between these two major sectors in the Louisiana economy. As more overseas oil is imported, Louisiana will be importing its share for processing and redistribution throughout the nation. Louisiana, and the rest of the United States, use much more energy than we actually produce.

LOUISIANA ENERGY PRODUCTION AND CONSUMPTION - 1996

<u>ENERGY SOURCE</u>	<u>PRODUCTION</u>	<u>CONSUMPTION</u>	<u>NET STATE ENERGY PRODUCTION BY SOURCE</u>	
			<u>Excluding OCS</u>	<u>Including OCS</u>
PETROLEUM	STATE OIL*	781.1 TBTU (134.8 MMBBL)	-831.1 TBTU	1193.7 TBTU
	LA. OCS OIL*	2024.8 TBTU (349.1 MMBBL)		
NATURAL GAS	STATE GAS **	1677.5 TBTU (1.621 TCF)	-60.2 TBTU	3895.3 TBTU
	LA. OCS GAS **	3955.5 TBTU (3.822 TCF)		
COAL	LIGNITE	48.1 TBTU (3.293 MMSTON)	-157.5 TBTU	-157.5 TBTU
NUCLEAR ELECTRIC POWER		167.5 TBTU (15.765 Billion KWH)	0.0 TBTU	0.0 TBTU
HYDROELECTRIC, BIOFUELS & OTHER		117.9 TBTU	0.0 TBTU	0.0 TBTU
NET INTERSTATE PURCHASES OF ELECTRICITY INCLUDING ASSOCIATED LOSSES			154.3 TBTU (45.234 Billion KWH)	-154.3 TBTU
NET STATE ENERGY PRODUCTION ALL SOURCES			-1203.1 TBTU	4,777.2 TBTU

This balance indicated that in 1996, Louisiana was a net consumer of energy if OCS production were not credited to the state. Louisiana imported 1,203.1 TBTU more energy than it produced. In 1996, the total Louisiana energy production was 8,772.4 TBTU (2792.1 TBTU if OCS is excluded), and consumption totaled 3,994.9 TBTU)

* Includes Condensate

** Includes Gas Plant Liquids

all units are in TBTU except where noted

DEFICIT(-)/SURPLUS(+)

TCF = Trillion Cubic Feet

TBTU = Trillion BTU's

MMBBL = Million Barrels

OCS = Outer Continental Shelf

KWH = Kilowatt hour

MMSTON = Million Short Tons

Data Sources: 1. Louisiana Department of Natural Resources
2. U.S. Department of Energy, Energy Information Administration, February 1999
3. U.S. Department of Interior, Minerals Management Services

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