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NET ENERGY ANALYSIS: HANDBOOK FOR COMBINING PROCESS AND INPUT-OUTPUT ANALYSIS

By
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Peter S. Penner
David A, Pilati

October 1976

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# NET ENERGY ANALYSIS: <br> HANDBOOK FOR COMBINING PROCESS AND INPUT-OUTPUT ANALYSIS 

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## ABSTRACT

Methods are presented for calculating the energy required, directly and indirectly, to produce all types of goods and services. Procedures for combining process analysis with input-output analysis are described. This enables the analyst to focus data acquisition effects cost-effectively, and to achieve a specified degree of accuracy in the results. The report presents sample calculations and provides the tables and charts needed to assess total energy requirements of any technology, including those for producing or conserving energy.

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## 1. INTRODUCTION

When we consume anything, we consume energy. It takes energy to manufacture, deliver and sell all types of goods and services. It is possible to add up the energy required at each step of the production process to determine the total "energy cost" of particular goods and services.

The concept also applies to facilities that produce or conserve energy. It takes energy to construct and operate oil wells and pipelines, and this must be compared to the energy output. Similarly, it takes energy to manufacture insulation for homes and efficient capital equipment for industry; these energy costs must be compared to the energy savings.

Consumers demand energy in two ways: directly and indirectly. Energy is consumed directly in the form of gasoline, electricity, natural gas, or fuel oil. It is consumed indirectly as energy used elsewhere in the economy to produce the other goods and services purchased by consumers. Indirect energy is by no means negligible; the average consumer demands more energy indirectly than directly (Herendeen and Tanaka, 1975).

To clarify the concept of energy cost, consider aluminum as an example. A certain amount of energy is consuned directly in the ore reduction process. But energy is also required to mine the bauxite and transport it to the smelter. Additional energy is needed to manufacture the mining and transportation equipment, and to make the inputs to those industries. All these energies have to be summed to detemnine the total energy cost of aluminum.

The purpose of this report is to provide a practical guide for calculating the energy cost of any item. Two methods are described. One is tedious and involves adding all the energy inputs individually and is subject to error because some inputs are inevitably neglected. The other is a simpler one-step operation that has inaccuracies due to the level of aggregation at
which goods and services are defined. We describe both methods, and then show how to combine them to minimize the effort required to obtain a predetermined degree of accuracy in the result. Appendix A gives most of the data needed for any application. Appendix B contains an extensive bibliography, organized by subject category, covering the theory and application of both process and input/output analysis.

The range of possible applications is quite broad. Energy analyses have been used to determine the overall energy efficiency of systems as varied as beverage containers (Hannon, 1973) and nuclear power plants (Rotty, et al., 1975). Published results of energy analyses (particularly net energy analyses) vary for a host of reasons, due to differences in computational techniques, system boundaries, types of fuels and energy, etc. (Bullard, 19Tb, Pilati, 1977). This report is limited to treating the computational issues involved in such analyses. The methods and results presented are consistent with a forthcoming set of ERDA guidelines for net energy aralysis (Perry, 1977).

### 1.1 Definitions and Conventions

The data and methodologies described in this report permit calculation of five types of energy "embodied" in a particular goods or service. One calculation determines the coal required, directly and indirectly, to produce a unit of aluminum. Parallel calculations yielc the total crude oil. and gas, refined oil, electricity, and natural gas requirements. All these inputs are useful for certain purposes, but they are not directly additive to obtain a "total energy requirement." For example, due to the direct plus indirect nature of the calculations, there would be some couble counting of electricity and the coal used to produce electricity.

To obtain a total energy figure, we adopt the convention employed historically by the U.S. Bureau of Kines to combine U.S. fuel and electricity
consumption. This convention views coal, crude oil and crude gas as pmimary fossil energy resources, and expresses physical quantities (tons, bbl, cu. ft.) in terms of their total enthalpy. ${ }^{*}$ Similarly, hydro and nuclear electricity are viewed as primary energy resources, whose enthalpies are evaluated in terms of their fossil fuel equivalents using the prevailing heat rate for fossil electric power plants. These enthalpies are then added to define a total primary energy requirement, and double-counting is avoided.

Similarly, we define a total primary energy intensity as the energy required directly and indirectly to produce a unit of goods or services for final comsumption. It is calculated by adding the (direct plus indirect) coal intensity, crude oil and gas intensity, and the fossil fuel equivalent of the hydro and nuclear electric intensity. It is useful to compare the total energy intensities of goods and services for broai-based analyses of conservation options, such as substituting fiberglass for steel in a manufacturing process. In specific instances where options for fuel substitution are limited (e.g. aluminum production), it is more useful to retain the individual fuel intensity detail. In particular, net energy analyses often require that the distinction between fuels be maintained, because the object of the analysis is often a a facility (e.g. a power plant) for converting one form of energy to another. "Viewing all Btu's as equal" obscures the sconomic purpose of the facility (Bullard, 1976).

[^0]Energy intensity and energy cost arc used interchangeably in this report.

## 2. METHODOLOGY

### 2.1 General.

The energy cost of any economi= activity can be measured by either of two general methods: Process analysis or input-output (I-0) analysis. As will be shown, both theoretically require the same data and would yield the same result if a fully disaggregate data base were available. In the real world, each technique is most useful for a particular type of problem. Aggregated, nationwide problems are well suited to I-O analysis because the data base for this analysis is a 363 -sector model of the entire U.S. economy. Process analysis is more suited to specific processes, products, or manufacturing chains for which physical flows of goods and services are easy to trace.

### 2.2 Process Analysis

Process analysis begins by identifying one particular product as the object of study. This target product may be either a good or a service. One then examines the industry which makes the product and asks, "What goods and services were required directly by this manufacturer to produce the target product?" When the list of such input; is obtained, it will include some fuels (direct energy) and some non-energy goods and services from other industries. The direct energy use is tallied while each non-enerey input is further examined to determine the energy and non-energy inputs required for its production. This process continues, tracing back fron the target product through each stage of the production process. (fig. 1). Each successive step in the analysis typically identifies smaller and smaller eaergy imputs, and all these energy inputs are summed to obtain the total enersy intensity of the zarget product. The first energy input is called the direct energy requirement, the remainder is

called the indirect energy requirement. It is often the case that certain items appear as both inputs and outputs several places in the production tree, reflecting feedback loops of economic activity.

In stage 2 and beyond, the indirect energy inputs are identified and summed. Note that indirect energy inpats include the energy consumed in energ producing industries.

In fig. l, there are four inputs to the production of the target product. Suppose input $A$ is energy an $B$ B , C, and D are nonenergy goods and services. The direct energy requirement is simply input A. Indirect eneres inputs to the target product are the sum of energy inputs to all the production processes in stages 2, 3, and beyond.

In practice, a large number of terms is never computed, and the analysis is terminated at a point where the input is believed tc add a negligible amount to total energy use. At the secone stage only the most significant inputs are considered, and of those, only a subset is further broken down into its components. Unfortunately, diminishing contributions from each stage provide no guarantee that the truncated infinite number of terms actually sum to a negligible quantity.

Performing a process analysis requires extensive data on the production of the target product and similar (but usually less detailed) data on any secondary, tertiary, and other inputs not truncated. For aggregated production sectors, data are obtained from government statistics on economic activity. For induvidual production process, information must often be collated directly from manufacturers, trade associations, and consultants. If all flows can be measured in physical units, there is usually no reason to introduce dollar values in the ana-ysis, so the resulting energy intensity is expressed in physical terms (Btu/unit of target product).

As an example, we shall calculate the energy intensity of cars in a simple 3-sector economy.* This hypothetical economy consists cnly of energy (measured in Btu), cars and another aggregate industry composed of all other goods and services. We shall simply labe- this aggregate industry "goods" and presume its output is measured in dollars due to the heterogeniety of its output. Assume that census data for all three sectors in this hypothetical economic. system identify the inputs for each industry's production precess. A typical production facility in the car industry uses .6 car, . 01 Btu energ and $\$ .25$ worth of goods to produce one car. (In this entire example, the numbers are chosen arbitrarily). Tr.e final stage of production is shown in Figure 2.

.25 \$ worth of goods

Figure 2: Production of Cars

Similarly, typical energy and goods production facilities use inputs as shown in figures 3 a and 3 b . Energy extracted from the earth does not aopear in fig. 3a, only purchased energy inputs are shown.
(Battelle, 1975) and (Teasley, 1974) provide excellent examples of practical process analyses.


Figure 3: Production of Energy and Goods

We now have most of the data recessary to calculate the energy intensity of cars using process analysis. The production "tree" is shown in fig. 4, where dashed lines denote inputs that are ignored, and rapresent the truncation points for the analysis. Values for input flows exactly match figures 2 and 3 in the first production stage where the output is one unit. Outputs at all other stages are less than one unit and treir inputs are scaled accordingly. For example, in the second stage, 0.6 cars are produced, so scaling the inputs in fig. 2 gives (.6)(.01) Btu, (.6)(.6) cars, and (.6)(.25) \$ goods.


Figure 4. Hypothetical 3-Sector Frocess Analysis

In fig. 4, the direct energy input to car production is $0.010 \mathrm{Btu} / \mathrm{car}$. There are an infinite number of indirect inputs, all b'dt three of which are neglected. They sum to $.006+.100+.036=.142$ Btu/car. Thus process analysis yields a total (direct plus indirect) energy intensity of 0.152 Btu/car. The truncation error is unknown.

In this simple 3-sector example it is clear that we have sufficient data to carry the process analysis on for an indefinite number of steps. In a real problem, however, a process is truncated to reduce the data acquisition effort. For example, in an economic system with hundreàs of sectors, a process analyst may follow only the largest branches on the tree to limit data acquisition efforts to those sectors most important to the particular target product.

In Table l, the inputs shown in figs. 2 and 3 are arranged in matrix form, normalized to one unit of output. This matrix is one way to represent the technologies for all goods and services in our hypothetical economy. :iote
that it shows only interindustry flows, not resource flows from Earth to producing industries.

| input $\downarrow$ to production of $\rightarrow$ | energy | cars |  |
| :---: | :---: | :---: | :---: |
| energy | .0881 Btu/Btu | .01 Btu/car | $.4 \mathrm{Btu} / \$$ |
| cars | .5 cars/Btu .6 cars/car | .1 cars $/ \$$ |  |
| goods | .2 | $\$ /$ Btu | $.25 \$ /$ car |

Table l. Specification of Production Technologies

Entries on the diagonal show the amount of self-input required to produce 1 unit of output. For example, each Btu of energy output requires .0881 Btu of energy input. This representation of the data, as we shall see belcw, is useful for input-output analysis.

### 2.3 Input-Output Analysis

Input-output analysis is a moleling technique used extensively in economic research since its introduction in 1941 (Leontief, 1941). It has been adapted to analyze energy and labor intensities (Bullard and Herendeen, 1975). The structure of the model, a large linear network, remains the same for any variable. Initially the economy must be disaggregated into $N$ major sectors, each producing a unique good or service and each characterized by a node in the network equations. Examples of these sectors might be primary metals, retail trade or petroleum products. Figure 5 shows the energy flows entering and leaving each sector.


Figure 5. Energy Balance for a Producing Sector

Energy embodied in inputs from other sectors enters at the left and can be expressed as $\varepsilon_{i} T_{i n}$, energy intensity of product $i$ times the input of sector i to sector n. Energy embodied in the sector's output is shown exiting at the right and is expressed as the product of the energy per unit of sector $n$ output $\left(\varepsilon_{n}\right)$ and its output $\left(X_{n}\right)$. If in fig. 5 , sector $n$ denotes the energy sector, a nonzero amount $\mathrm{E}_{\mathrm{n}}$ is extracted from the earth. The energy balance equation becomes:

$$
\sum_{i=1}^{N} \varepsilon_{i} T_{i n}+E_{n}=\varepsilon_{n} X_{n}
$$

or, in matrix notation we have:

$$
\begin{equation*}
\underline{\varepsilon} \underline{\underline{T}}+\underline{E}=\underline{\varepsilon} \underline{\underline{X}} . \tag{2}
\end{equation*}
$$

The above set of $\mathbb{N}$ equations can be solved for the $N$ uniknowns, $\underline{\varepsilon}$. $\hat{\underline{X}}$ is the diagonal matrix whose elements represent the total output from each sector.

For a typical product, $n$, the production technologr is represented by a vector $A_{n}$ where a typical element $A_{i n}$ represents the amount of product $i$ needed directly to produce a unit of product $n$. The $N \times N$ matrix $\underline{\underline{A}}$ then provides a linear representation of the technology of producing all goods and services. From this definition of $A$ we have:

$$
\begin{equation*}
\underline{\underline{T}}=\underline{\underline{A}} \underline{\underline{\underline{X}}} \tag{3}
\end{equation*}
$$

and eq. (2) becomes:

$$
\begin{equation*}
\underline{\varepsilon}=\underline{e}(\underline{\underline{I}}-\underline{\underline{A}})^{-1} \tag{4}
\end{equation*}
$$

where $e$ is a unit vector which identifies the energy sector row of $(\underline{\underline{I}}-\underline{\underline{A}})^{-1}$ as the energy intensities.* For a multi-fuel economy, this analysis can be repeated for each type of energy (coal, oil, etc.) and the total primary

[^1]energy intensities can be calculated (Bullard and Herendeen, 1975).
Though I-O is a simple and elegant technique, it would hardly be useful without large amounts of data. The U.S. Department of Commerce has reported economy - wide data separated into 368 sectors of economic activity for 1963 and 1967. From these data, the $\underline{\underline{A}}$ (technological coefficients) and $\hat{\underline{X}}$ (total output) matrices are determined. Physical data for the $E$ (energy) vector are available from a variety of sources (see Bibliography) and are equal to the output, $X_{n}$, of the primary energy-producing sectors. Thus, eq. (4) can be solved for an $\varepsilon$ (energy intensity) vector containing 368 values for the entire economy in the year studied.

This pure I-O approach implicitly assumes that the target product is typical of a certain sector's output. (The same assumpion was made for "cars" in the process-analysis example.) Treatment of atypical products is duscussed in section 2.3.4.

### 2.3.1 3-Sector Example

In the following example, input-output analysis is used to compute the energy cost of goods in our hypothetical 3-sector economy. Both the data base and the result should be compered to the process analysis example given in the previous section.

The technology of producing energy, cars, and goods, is given by the same matrix presented in Table 1.

$$
\underline{A}=\left[\begin{array}{lll}
.0881 & .01 & .4 \\
.5 & .6 & .1 \\
.2 & .25 & 0
\end{array}\right]
$$

For this matrix:

$$
\begin{aligned}
&(\underline{\underline{I}}-\underline{\underline{A}})=\left[\begin{array}{ccc}
.9119 & -.01 & -.4 \\
-.5 & -.25 & -.1 \\
-.2 & 1.0
\end{array}\right] \\
&(\underline{I}-\underline{\underline{A}})^{-1}=\left[\begin{array}{lrl}
1.472 & 3.432 & .632 \\
2.041 & .903 & 1.143 \\
.805 & 1.42
\end{array}\right]
\end{aligned}
$$

To obtain energy coefficients, the above must be multiplied by $e$, the unit energy vector. This vector is the energy extracted from the earth by each sector per unit output; in this example it is (lllll $\mathbf{1} 0$ ). Finally the product of $\underline{e}$ and $(\underline{\underline{I}}-\underline{\underline{A}})^{-1}$ gives:

$$
\underline{\varepsilon}=[1.472 \mathrm{Btu} / \mathrm{Btu} \quad .432 \mathrm{Btu} / \mathrm{car} \quad .632 \mathrm{Btu} / \$]
$$

We now have the total energy required per unit output for each sector in the hypothetical 3-sector economy. In the previous section a truncated process analysis was used to calculate the energy cost of cars in this economy. The previous result of $.152 \mathrm{Btu} / \mathrm{car}$ is about one-third of the result obtained from I-O analysis (. $432 \mathrm{Btu} / \mathrm{car}$ ). We therefore find that in this example the truncation error was not negligible.

### 2.3.2 A Simple I-O Example

Now we consider a more practical application of input-output analysis. It makes use of a 357 -sector description of the U.S. econcmic system in 1967. It includes detailed information on consumption of five forms of energy by each sector, and is based on data from the U.S. Bureau of Mines and the U.S. Department of Commerce Bureau of Economic Analysis (BEA).

In this example we shall calculate the energy cost of a typical large computer. We assume that the price (to the ultimate consumer) was $\$ 1,000,000$ in 1970. The first step is to determine which of the 368 BEA economic sectors produces computing machines. Refer to Table A-l in Appendix A and notice that sector 51.01 is denoted "computing and related machines." The table also lists the SIC (Standard Industrial Classification) industries included in BEA sector 51.01. Thus for a more detailed description of 51.01 , one could check either the 1967 SIC manual or the 1967 Census of Manufactures (see Bibliography) to insure that the correct sector is used.

[^2]Having identified the appropriate sector, the corresponding energy intensity can be obtained from Table A-5, and it is multiplied by the quantity of computers to obtain the total energy cost. The total primary energy intensity given in the table is 47,116 Btu per 1967 dollar's worth of computers. The Department of Commerce data used to construct the I-O tables in 1967 measured that sector's output, in dollars because of the aggregation within the computer industry; that is why the energy intensity is given in those terms. This is true for all nonenergy sectors in the US input-output tables; only the five energy sector outputs are expressed in physical units (Btu).

However, due to inflation between 1967 and 1970, there is a difference between one million 1967 dollars' worth of computers and one million 1970 dollars' worth, even though we're talking about exactly the same machine. If we convert the $\$ 1$ million price tag in 1970 to 1967 prices, we can remove the effects of inflation, and the "1967 dollars" unit of measurement becomes a surrogate for a physical unit of measurement.* Using price indices (deflators) from Table A-2 we calculate the quantity of computers in units of 1967 dollars:

Value of a million
dollar $(1970)$ computer $=\$ 10^{6} \frac{(1967 \text { price index for } 51.01)}{(1970 \text { price index for } 51.01)}=\left(10^{6}\right) \frac{1.0}{1.015}=$
in 1967 dollars

$$
\left(10^{6}\right) \cdot 99=\$ 990,000(1967)
$$

This figure is multiplied by the total primary energy intensity ( $\varepsilon$ ) for
Sector 51.01, found in Table A-5:
$\begin{aligned} & \text { Energy cost of } \\ & \text { computer }\end{aligned}=\$ 990,000(1967): 47,116 \mathrm{Btu} / \$ 1967=46.64$ Billion Btu

## *

Note that if we were to use purely physical units we could avoid the problems of dollar cost deflation. If physical quantities are known, these can often be energy-costed directly. The ene:gy intensities in Table A-5 can be converted to (Btu/physical unit) using the 1967 implied prices of many goods and services. For a few additional materials, energy costs/physical urit are given by Perry (197

This example demonstrates hcw energy costs can be found quite simply using I-O. However, anyone emplcying this method should have a good understanding of the limitations and uncertainties inherent in it.

### 2.3.3 Uncertainty Associated with I-O Analysis

One source of uncertainty which has been mentioned already is the change in price levels over time. Due to inflation, price levels change while physical quantities (and energy cost) may not. Price level changes can be approximately corrected using deflators as above, though deflators áre sometimes inaccurate and may not strictly conform to BEA sector definitions. Measuring quantities in terms of constant (1967) dollars is a surrogate for using physical units. For some products the correspondence between physical units and 1967 dollars is known. The average 1967 price data in Table $A-6$ can be used to express many energy intensities directly in terms of Stu per physical unit.

Another source of uncertainty is change in the structure of the economy, the technology of producing goods and services, as represented by the matrix A. Energy intensities are a function of $A$ alone, and as technological change occurs over time, the uncertainty in $\varepsilon$ will increase. Recent studies have identified the parameters in $\underline{\underline{A}}$ which are most important for energy analysis and work is now underway to update them to reflect the latest technological advances (Bullard and Sebald, 1975).

Some of the uncertainty in $\varepsilon$ is due to sector aggregation. Ideally, each product would be a unique output of a BEA sector, and therefore would have a unique energy coefficient. Because millions of different goods and services are produced by the U.S. economy, it would be infeasible to collect data on $\mathbb{N}^{2}$ technological coefficients at that level of detail. In practice,
many similar products or services with a range of energy costs are grouped in a single sector. The question one wants to ask prior to calculation is: How much of BEA sector $X$ is devoted to making the target product $X_{I}$ ? To answer this question, it is possible to go back to the original Department of Commerce data base and examine the composition of each sector. We have done this and list in Table A-6 some common BEA sectors and their major products. To the extent that the target product is typical of the sector's output, the sector energy intensity is a relatively accurate measure of its energy cost. This table provides a basis for estimating the certainty in an energy intensity, as applied to a particular product. If the target product were a very minor output of a large or diverse sector, there is little the user can do to correct the error using input-output analysis. There is a way to eliminate this problem, and it will be discussed in section 2.4.

A number of economic and accounting conventions also cause problems. Since data are collected from firms rather than consumers, they are based on the firm's value of the product, or producer's price. However, consumers pay not only this price but also the wholesale and retail margins, transportation costs, insurance, etc., required to market the product. In the previous example of the energy cost of the computer, these margins were ignored. Taking them into account, the calculation proceeds as follows:

The total price (to the purchaser) of the computer is $\$ 1,000,000$ in 1970. Of this, the margins can be obtaine from Tables $A-3$ and $A-4$, and a more accurate energy cost can be determined as follows:

[^3]| Sector | \% of purchase <br> price (Table A-4) | allocated <br> share of total <br> cost (\$1970) | $\begin{aligned} & \text { deflator } \\ & \text { (\$1967/\$1970) } \\ & \text { (Table A-2) } \end{aligned}$ | Energy intensity Btu/\$1967 (Table A-5) | $\begin{aligned} & \text { Primary } \\ & \text { energy } \\ & \text { cost } \\ & \left(10^{9} \mathrm{Btu}\right) \end{aligned}$ |
| :---: | :---: | :---: | :---: | :---: | :---: |
| $\begin{aligned} & 65.01- \\ & 65.06 \end{aligned}$ | 0 | - | - | - | - |
| 69.01 | 5 | \$50,000 | . 91 | 39,636 | 1.8 |
| 69.02 | 1 | 10,000 | . 84 | 39,372 | . 3 |
| 51.01 | 94 | \$940,000 | .99 | 47,116 | 43.8 |
| TOTAL |  | \$1,000,000 |  |  | 45.9 |

Table 2. Energy Cost of a Computer.
This result compares to $46.64 \times 10^{9}$ Btu in the previous example where the margins were not explicitly accoun=ed for. The favorable comparison is fortuitous in this example because the energy intensity of computers hapoens to be approximately equal to that of trade. For a more energy-intensive commodity (e.g. steel), the impact of including margins explicitly could be quite significant.

Another economic convention is that purchases of capital goods are counted as net outputs of the economic system, rather than as inputs to production vrocesses. This means that ordinary =-0 energy intensities (Bullard and Herenieen, 1974) do not include the energy required to build the factories or machines used be each sector. A correction ${ }^{*}$ has been performed using capital requirements data from Fisher (1971), so the energy intensities presented in Table

This correction is described by Putnam, et al. (1975). Since capital data were only available at the 90-sector level of detail, it was assumed that individual processes within those categories are equally capital-intensive.

A-5 include the energy required to make capital equipment.
Finally, there is uncertainty in the results due to errors in collecting and processing the basic data on the technology of producing goods and services. These errors include those due to, more specifically, incomplete census coverage, reporting errors due to misunderstanding, false reports, sampling errors inherent in surveys of firms, transcription or key punching errors, the possibility that forms are lost, classification errors, and the problems of separating companies from establishments in processing returns from surveys or census (Bullard, 1976). Considerable effort has been expended in trying to estimate these stochastic errors, and their effect on the resulting energy intensities (see Bibliography). Briefly, results indicate that the energy intensities are approximately normaly distributed with more than a $99 \%$ likelihood that the actual value falls wi.thin the error bounds shown in Table A-7. It is assumed that these values, computed at the aggregated 90 -sector level, can be applied directly to the 357 -sector intensities. However, these figures do not include uncertainty due to changes in the technology of producing goods and services since 1967. Where significant process changes have been made, the error bounds should be increased.

## Tajle 3

Limitations of Input-Output Analysis

## Problem

Treatment

1. Price level changes
2. Technology changes (since base year)
3. Aggregation: Typical and atypical products
4. Producer's vs. purchaser's prices
5. Including energy cost of capital
6. Uncertainty in base year data
7. Physical flows assumed proportional to dollar values
8. Errors due to secondary products and linearity assumptions

Use Tables A-2 and A-6
Updated energy intensiご not yet available
Use Table A-6
Use Tables A-3 and A-4
Use Table A-5
Use Table A-7
Use a more disaggregated model
None

Table 3 summarizes the error treatment in energy input-output analysis and points to two errors that are unresolvable using this technique.

The last two items in Table 3 result from the fact that the U.S. inputoutput tables are aggregated to such a level that it is not possible to express each sector's output in terms of a single physical unit, and the data are collected on establishments not directly on processes. Methods for eliminating these problems are discussed by Bullard and Herendeen (1975).

### 2.4 Combining Process and Input-Output Analyses

As shown above, the energy cost of any good and service can be determined by either process analysis or input-output analysis. In theory, both methods require identical input data and provide identical results.

For most applications, however, the complete set of input-output data (the $N \times N$ matrix $A$ ) are not available at the necessary level of detail. It exists only at a more aggregated lerel of about 368 sectors for the United States economic system, and is much smaller for most other nations.

Because of this lack of data, input-output results give only the average energy intensity of a sector's output. Accuracy is limited by the level of aggregation: the energy intensity of aluminum castings would apply to both pressure cookers and aluminum tools because both are included in sector 38.11 . Process analysis does provide a framework for determining the energy intensity of atypical products within a sector. The chain of inputs can be traced back to the point where all inputs are sufficiently "typical" or until the inputs are so small that the aggregation error is tolerable.

The errors associated with truncating a process analysis can be minimized using the results of input-output analysis. The truncation error is replaced by a smaller aggregation error assoviated with energy-costing the higher indirect order inputs. The combination of these techniques is called "hybrid analysis" and
the procedures are described below.
Theoretically, each step in a process analysis may be viewed as an expansion of the system boundary (arcund the item being analyzed) into the economic system, tabulating direct energy inputs at each step (see fig. 4). The results of input-output analysis nay be used to estimate the energy embodied in flows crossing the system boundary at any level, by associating each gcod or service with one of the 368 sectors of the I-0 model. These I-O results are indifferent to the location of the system icundary. Regardless of the number of process analysis steps taken, the boundary looks the same from the I-O side. Thus in theory, it does not matter at which stage of the process analysis you correct for the truncation error. In practice, by carefully choosing the number of stages, hybrid analysis can reduce the error in both techniques and produce the most accurate result possible. The truncation error is eliminated from the process analysis and the aggregation error is minimized in the I-O analysis.

### 2.4.1 Procedure

To perform a hybrid analysis, begin by doing the first one or two steps in a process analysis. Select the target product and carefully determine the energy and materials required for its production. * Some of the input materials may be typical products of I-O sectors; I-O can be used to determine their total energy costs with only a single additional calculation. Thus the only input materials requiring further process analysis are atypical products not easily classified in an I-O sector. The technology for producing these items must be

Obviously, if the target product is "typical" of an I-O sector's output, no hybrid analysis is needed.

Figure 6. System Boundaries for Process and Input-Output Analyses
examined to identify their inputs which must in turn be energy-costed with either I-0 or further process analysis, depending on whether they are typical or not. Hybrid analysis is best suited for large atypical problems such as determining the energy cost of a power plant, since there is no I-O sector corresponding to power plant construction.

### 2.4.2 Example

We will now calculate the energy cost of a large prototype coal-fired power plant (Pilati and Richard, 1975). Assume that information on this plant is available from either a line-item plant budget or an expert consultant on the project. Our objective is to calculate this energy cost in the easiest manner within an uncertainty of $\pm 10 \%$. A sequence of approximations will be used, starting with the simplest assumptions. The sequence can be terminated as soon as the error tolerance is less than $10 \%$.

As a first approximation, we could multiply the dollar cost of the power plant ( $\$ 88$ million ${ }^{*}$ at 1970 prices, $\pm 15 \%$ ) by the average intensity for all goods and services in $1970(68,690 \mathrm{Btu} / \$)$. ${ }^{* *}$ This coefricient is simply the ratio of total U.S. energy use to gross national product in 1970. When used to approximate the energy intensity of a particular item such as a power plant, this coefficient has an extremely large uncertainty (say a factor of two: $+100 \%,-50 \%$ ). The total energy cost and error terms are given by the formula:

$$
(a \pm \Delta a)(\varepsilon \pm \Delta \varepsilon)=a \varepsilon \pm a \Delta \varepsilon \pm \varepsilon \Delta a \pm \Delta \varepsilon \Delta a
$$

[^4]where $a$ is the budget figure and $\varepsilon$ the energy intensity, and $\Delta a$ and $\Delta \varepsilon$ represent the uncertainties. Values for $\Delta a$ and $\Delta \varepsilon$ are obtained by simply multiplying a and $\varepsilon$ by their respective percentage errors. This first approximation yields an energy cost of $6.04 \times 10^{12} \mathrm{Btu}$, while the first-order errors are clearly far outside the desired tolerance interval:
\[

$$
\begin{aligned}
& +(\varepsilon \Delta a)+(a \Delta \varepsilon)=+6.9 \times 10^{12} \mathrm{Btu}(+114 \%) \\
& -(\varepsilon \Delta a)-(\mathrm{a} \Delta \varepsilon)=3.9 \times 10^{12} \mathrm{Btu}(-65 \%)
\end{aligned}
$$
\]

For some applications, however, errors such as these may be acceptable, and the analysis could terminate here.

The second approximation begins by identifying the major single expenses in the budget. Assume that an expert consultant provided a list of such purchases shown in column I of Table 4. Care must be taken to identify each expense with its appropriate BEA sector, as defined in the S.I.C. Manual (U.S. Department of Cormerce (1974)).

The energy cost calculation for these purchases, including removal of transportation and trade margins and price deflation, is shown in columns II thru VII of Table 4. Energy used directly (on-site for construction) should be included in every energy cost calculation, because it may be significant even if it is not a large dollar expense. The energy embodied in the remaining (miscellaneous) inputs to the plant is estimated using the energy/GNP ratio as an average energy intensity as was jone in the first approximation.

Column VIII contains the error due to budget uncertainty ( $\varepsilon \Delta a$ ), which is assumed in this example to be $15 \%$ for all items. Column IX reflects the uncertainty in the energy intensity ( $a \Delta \varepsilon$ ). The magnitude of the uncertainty in

[^5]Table 4
Second Approximation Enerey Cost

| inputs | $\left\lvert\, \begin{gathered} 1970 \text { price } \\ \left(\$ 10^{3}\right) \end{gathered}\right.$ | $\begin{gathered} \text { II } \\ \text { BEA } \\ \text { Sector } \end{gathered}$ | ```III $1970 to $1967 deflator``` | $\begin{gathered} \text { IV } \\ 1967 \text { price } \\ \left(\$ 10^{3}\right) \end{gathered}$ | $\begin{gathered} \text { price less margins }{ }^{@} \\ \left(\$ 10^{3} 1967\right) \end{gathered}$ | ```VI energy intensity (Btu/$)``` | $\begin{gathered} \text { VII } \\ \text { energy } \\ \left(10^{9} \mathrm{Btu}\right) \end{gathered}$ | $\begin{gathered} \text { VIII } \\ \text { budget } \\ \text { uncertainty } \\ (\varepsilon \Delta a)\left(10^{9} \mathrm{Btu}\right) \end{gathered}$ | ```IX energy intensity uncertainty* (a\Delta\varepsilon ) (100}\textrm{Btu}``` |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| structural steel | \$25,000 | 40.00 | . 90 | 22,500 | 18,950 | 105,582 | 2001 | 306 | 60 |
| turbines | 10,000 | 43.00 | . 87 | 8,600 | 7,995 | 81,114 | 648 | 97 | 19 |
| construction machinery | 2,500 | 45.00 | . 86 | 2,150 | 1,957 | 82,534 | 162 | 24 | 39 |
| transform- ers | 3,000 | 53.00 | . 92 | 2,765 | 2,516 | 65,401 | 165 | 25 | 5 |
| energy | $\begin{aligned} & 5.77 \times 10^{11} \\ & \text { Etu } \\ & \begin{array}{c} 7.20 \times 10^{6} \\ \text { Btu } \\ 9.69 \times 10^{8} \\ \text { Btu } \end{array} \end{aligned}$ | $\begin{aligned} & 31.01 \\ & 68.01 \\ & 68.02 \end{aligned}$ | - - - - | - - - | - - - | 1.219 <br> Btu/Btu <br> 4.064 <br> Btu/Btu $\begin{gathered} 1.126 \\ \text { Btu/Btu } \end{gathered}$ | $\begin{gathered} 703 \\ <1 \\ 1 \end{gathered}$ | $105$ | 21 |
| misc. | \$42,401 | - | . 87 | 37,594 | 42,192 | 73,382 | 3096 | 464 | $\begin{aligned} & +3096 \\ & -3448 \end{aligned}$ |
| TOTAL | - | - | - | 73,609 | 73,609 | - | 6,776 | $\begin{aligned} & +358 \\ & -205 \end{aligned}$ | $\begin{aligned} & +53 \% \\ & -30 \% \\ & -3 \% \end{aligned}$ |

[^6]$\varepsilon$ is based on Table A-7.* An exarination of Table A- 6 can indicate whether an input is typical of a particular sector's output. Assume that, based on careful classification and data from the consultant, all inputs except construction machinery ( 45.00 ), are believed to be typical sector outputs. Typical inputs can use the figure from Table $A-7$ for their $\Delta \varepsilon$ terms. To account for the atypical construction machinery, an additional $20 \%$ is added to the construction machinery uncertainty from Table A-7.

The result of calculating the second approximation is a total energy cost of $6.78 \times 10^{12} \mathrm{Btu}$ with error bounds of $+53 \%,-30 \%$. This is an improvement but it still does not fall within our desired $\pm 10 \%$ limits.

In the next approximation fewer inputs are classified as miscellaneous in order to further reduce the error. Assume that we instructed the consultant to write down every significant budgeted expense classified in BEA sectors $36.00,38.00,40.00,42.00,43.00,45.00,46.00,49.00,53.00,62.00$, and 75.00 . These sectors were chosen because they contain most of the materials commonly used for power plant construction; the amounts appear in column I of Table 5 . As in Table 4; computing the energy cost of these purchases is straightforward and the remaining expenses are costed with the average energy/GNP ratio as before. The error analysis proceeds as in the previous step, and this time the error is $+15,-13 \%$ for an energy cost of $7.19 \times 10^{12}$ Btu. This still does nct meet our accuracy requirements so the analysis must prozeed another step.

From Table 5 it appears that two of the largest errors are due to budget uncertainties for sectors 43.00 and 40.00 . Assume that we have no way of *These uncertainties apply to the energy intensity of goods in 1967. If we assume the power plant will be built in 1980, the total energy cost will be higher or lower, devending on trends in energy-related technological change throughout the US economy during the 1967-80 period. This correction may be applied after the final result is obtained, and may be approximated by anticipated changes in the aggregate energil GNP ratio.

Note that for each input, the first order budget and energy coefficient errors are tabulated. We assume errors on each input item are independent, and therefore the total error in any approximation is the square root of the sum of the squares of each input error.

| Third Approximation Energy Cost |  |  |  |  |  |  |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| I | II | III | IV | $\begin{gathered} \text { V } \\ \text { price } \\ \text { less } \\ \text { margins }{ }^{\dagger} \\ \left(\$ 10^{3} 1967\right) \end{gathered}$ | ```VI energy Intensity (Btu/$)``` | VII$\begin{gathered} \text { energy } \\ \left(10^{9} \mathrm{Btu}\right) \end{gathered}$ | BEFORE IMPROVEMENT |  | IMPROVED |  |
| $\begin{gathered} 1970 \text { price } \\ \left(\$ 10^{3}\right) \end{gathered}$ |  |  | $\begin{aligned} & 1967 \\ & \text { price } \\ & \left(\$ 10^{3}\right) \end{aligned}$ |  |  |  | $\begin{gathered} \text { budget } \\ \text { uncertainty } \\ (c \Delta a)\left(10^{9}\right. \text { Etu) } \end{gathered}$ | energy intensity uncertainty $(a \Delta c)\left(10^{9} \mathrm{Btu}\right)$ | $\begin{gathered} \text { budget } \\ \text { uncertainty }{ }^{+} \\ \left(\text {(an) }\left(10^{9} \mathrm{Btu}^{\mathrm{B}}\right)\right. \end{gathered}$ | $\begin{gathered} \text { energy } \\ \text { Intensity } \\ \text { uncertainty } \\ (a \Delta \varepsilon)\left(10^{9} \mathrm{Btu}\right) \end{gathered}$ |
| 2,144 | 36.00 | . 87 | 1865 | 1.343 | 177.176 | 238 | 36 | 7 |  |  |
| 1,746 | 38.00 | . 82 | 1431 | 1,317 | 158,600 | 209 | 31 | 6 |  |  |
| 38,319 | 40.00 | . 90 | 34,487 | 28280 | 105,583 | 2986 | 896 | 90 | 448 |  |
| 2.932. | 42.00 | . 89 | 2322 | 1881 | 95,035 | 179 | 27 | 7 | . |  |
| 18,562 | 43.00 | . 87 | 16149 | 25019 | 81,114 | 1218 | 183 | 37 |  |  |
| 3.989 | 45.00 | . 86 | 3343 | 3042 | 82,534 | 251 | 38 | 60 |  |  |
| 1,497 | 46.00 | . 87 | 1302 | 1224 | 69.959 | . 86 | 13 | 3 |  |  |
| 3.580 | 49.00 | . 88 | 3151 | 2967 | 72,460 | 215 | 32 | 4 |  |  |
| 4.358 | 53.00 | . 92 | 4009 | 3648 | 65,406 | 239 | 36 | 7 | $\checkmark$ |  |
| 1,850 | 62.00 | . 90 | 1665 | 1248 | 54,545 | 68 | 10 | 3 |  |  |
| 3,239 | 75.00 | . 86 | 2785 | 2785 | 74,525 | $2 Q 8$ | 31 | 23 |  |  |
| $\underset{\text { Btu }}{5.77 \times 10^{11}}$ | 31.01 | - | - | - | 1.2194 | 703 | 105 | 21 |  |  |
| $\underset{\text { Btu }}{7.20 \times 10^{6}}$ | 68.01 | - | - | - | 4.0643 | - | - | - |  |  |
| $\begin{gathered} 9.68 \times 10^{8} \\ \text { bะu } \end{gathered}$ | 68.02 | - | - | - | 1.116 | - 1 | - | - . |  |  |
| 1,263 | misc. | . 87 | 1098 | 3050 | 73,382 | 224 | 34 | $\begin{array}{r} +!24 \\ -112 \end{array}$ |  |  |
| ärade Marelve | 69.00 | - | - | 7806 | 45,824 | 357 | 54 | 36 | - |  |
| TOTAL | - | - | 73,609 | 73,609 | - | 7185 | + . . 962 | $\begin{aligned} & (15 x) \\ & (13 x) \end{aligned}$ | +56 +55 | $\begin{aligned} & 8(8 \%) \\ & 4(7 \%) \end{aligned}$ |

- Trede margine are listed separately. Reciaining aargins are aselgned to miec.

Budget uncertainty $\pm 158$ on all expenees except 40.00 ( $\mathbf{2} 30 \%$ ).

- All inpute aseumed typicel except $45.00(224 x)$.
improving the $15 \%$ accuracy of the expenses in sector 43.00 , but note that the budget figure in sector 40.00 has an unusually large ( $\pm 30 \%$ ) error. Assume that, with a small effort, the consultant could improve the error term on structural steel expenses to $\pm 15 \%$. This reduces the $\varepsilon \Delta$ a error in that sector and reduces the error bound for the entire power plant to $+8,-7 \%$. This is within our error specification and the analysis can now be terminated.

To give an idea of how much effort was saved by these approximations, a complete computation from a line-item budget for the plant is shown in Table 6. Column I lists all inputs deflated to 1967 dollars with margins already computed and assigned to the appropriate margin sectors. This is why for example, sector 65.01 (rail transport) shows an expense of $\$ 883,1.54$ even thoush the plant budget may not actually show any money allocated to direct purchases of rail transport. This complete I-O analysis eliminated the large errors due to use of the average energy/GNP ratio as an energy intensity. It can be seen that accuracy has been slightly improved by this method; total energy cost is $7.36 \times 10^{12}$ Btu $\pm 7 \%$.

If a greater degree of accuracy were desired, it would not have been necessary to perform, the arduous task of itemizing all infuts, especially the smallest ones. The effort might have been better spent reducing the budget uncertainty on some of the inputs contributing the largest errors. For examole; reviewing design details to reduce the budget uncertairty on inputs from sectors 40.00 and 43.00 to $\pm 5 \%$ could have improved the estimate in Table 5 to $+5 \%,-3 \%$.

If, in this example, there were significant inputs not typical of their sector, similar reductions in the $L \varepsilon$ errors may have been achieved by performing a one-or two-step process analysis on several of trem.

In closing, we return to the questior of the unquentified uncertainty due to the fact that the technologies for proacing goods and services changed

Table 6
Sample Hybrid Analysis

| BEA <br> Sector | $\begin{gathered} \text { Expenses } \# \\ (\$ 1967) \end{gathered}$ | ```II energy intensity (Btu/$)``` | III $\begin{aligned} & \text { energy } \\ & \left(10^{6} \mathrm{Btu}\right) \end{aligned}$ | $\begin{gathered} \text { IV } \\ \text { budget } \\ \text { uncertainty } \\ \left(10^{6} \text { Btu) }(\varepsilon \Delta a)\right. \end{gathered}$ | V energy intensity uncertainty $(a \Delta \varepsilon)\left(10^{6} \mathrm{Btu}\right)$ |
| :---: | :---: | :---: | :---: | :---: | :---: |
| 3101 6801 6802 200 400 900 1200 1600 1700 1800 1000 2000 2200 2300 2400 2600 2700 3000 3102 3103 3200 3500 3600 3700 3800 4000 4900 4290 4300 4500 4600 4900 5000 5200 5300 |  |  |  | 105541 4 162 76 33 284 17 29 110 2 1 8434 348 611 2 1362 1576 1035 1906 2364 543 35688 19258 313 4 |  |
| TOTAL | \$73,608,500 | - | 7357052 | 518,8 | 6 ( $\pm 7 \%$ ) |

\# Budget uncertainty $\pm 15 \%$ on all items.

* All inputs essumed typical except 45.00 ( $\pm 24 \%$ ).
between 1967 (the model base year) and the time construction of the power plant in 1980. This will have the effect of increasing $\Delta \varepsilon$ for all goods and.services. Rather than speculating on each production technology individually, it may be easiest to lump the uncertainty in a single factor that attempts to average these effects for all goods and services. The energy/GIP ratio may be used for this purpose since it is essentially a weighted average of the energy intensities of all production technologies. The ratio has been relatively stable, changing by no more than $\pm 5 \%$ for about 20 years, so its impact has been negligible in the past. Anticipating a downward trend in response to post-embargo energy prices, one might wish to adjust the $\Delta \varepsilon$ values accordinjly. For our purposes we have neglected this effect; for longer range application, it must be considered explicitly.


### 3.0 DISCUSSION

The preceeding example outlined the basic steps that must be taken to calculate the energy cost of any item. In the trivial case where the item is a typical output of a sector of the economy, its energy cost can be read directly from Table $A-5$. The example considered an atypical item, an electric power plant, and showed how to perform a one-stage process analysis to obtain a $\pm 10 \%$ estimate of its energy intensity.

The foregoing example was structured to hignligit the payoffs obtained by focusing attention on a few primary inputs -- the most significant element in the first stage of the process analysis. It was seen taat it is not always necessary to obtain a detailed breckdown of exact quantities of all input materials in order to obtain a reasonable accurate final result. This technique yields considerable cost savings over conventional analyses (e.g. Just, 1975) that
rely on a compilation of accurate and detailed lists of input materials and services.

In the interest of simplicity, the example did not include any two-stage process analyses, because the method is identical to that shown for the first-order step. In practice, the presence of large atypical inputs (e.g. the pressure vessel for a nuclear plant) may result in some of the largest uncertainties being associated with the $\Delta \varepsilon$ terms; it may prove more fruitful to perform crude process analyses on these inputs than to seek more accurate data on input quantities.

The methods developed here can be applied to calculating the energy cost of any good or service within a specified degree of accuracy. This report was written to support energy analyses of energy supply and conservation systems in particular, but applications are not restricted to that area. Detailed guidelines for using this method for net energy analysis are presented by Perry (1977).

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## APPEIDIX A

Tables for Computing Indirect
Energy Requirements

## Industry Classification of the 1967 Input-Output Tables

The titles in bold face represent the groupings of induntries used for the summary version of the 1967 tables und it were also used in the 1958 and 1963 input-output? tables prepared by the Bureau of Economic Analysis.

|  | Industry number and title | Related CensusSIC codes (1967 edition) |
| :---: | :---: | :---: |
| AGRICLLTURE, FORESTRY, AND FISHERIES |  |  |
|  | 1 Livestock and livestock products |  |
| 1. 01 | Dairy farm products.-...- | 0132, pt. 014. |
| 1.02 | Pouliry and eggs | $\begin{aligned} & 0133,0134, \text { pt. } \\ & 014 . . \end{aligned}$ |
| 1.03 | Meat animals and miscellanenus livestock products. | $\begin{aligned} & 013 .)^{0} 0136,0139, \\ & \text { pt. 014, 0193, } \\ & \text { pt. } 0729 . \end{aligned}$ |
|  | 2 Other agricultural products |  |
| 2. 01 | Cotton. | 0112, pt. 014. |
| 2.02 | Food feed grains and grass seeds...- | $\begin{aligned} & 0113, \text { pt. } 0119 \text {, } \\ & \text { pt. 014. } \end{aligned}$ |
| 2.03 | Tobacco. | pt. 0114, pt. 014. |
| 2.04 | Fruits and tree nuts | 0122, 12. 014. |
| 2.03 | Vegetables, sugar, and miscellaneuus crops. | $\begin{gathered} 0123 \text {, pt. } 0119 \text {, } \\ \text { pt. } 014 . \end{gathered}$ |
| 2. 06 | Oil bearing crops...-------.------. -- | pt. 0113, pt. |
| 2. 07 | Forest, greenhouse, and nursery products. | 0192, pt. 014. |
| 3.00 | 3 Forestry and fishery products Forestry and fishery products. | $\begin{aligned} & 074,081.082,084 \\ & 086,091 . \end{aligned}$ |
|  | 4 Agricultural, forestry, and fishery services |  |
| 4. 00 | Agricultural, forestry, and fishery services. | $\begin{aligned} & 071,0723.073 . \\ & \text { pt. 0729, 08J, } \\ & 098 . \end{aligned}$ |
| Mining |  |  |
| 5. 00 | 5 Iron and ferroslloy ores mining Iron and ferroalloy ores, mining. | 1011, 106. |
| 6.01 | 6 Nonferrous metal ores mining Copper ore hining......... | 102. |
| 6. 02 | Nonferrous metal ures mining, except copper. | $\begin{gathered} 10.3,104,10 . \\ 108,109 . \end{gathered}$ |
| 7.00 | 7 Coal mining |  |
| 7.00 |  | 11, 12. |
| 8. 00 | 8 Crude petroleum and natural gas Crude petreleum and natural gas. | 1311 |
|  | 9 Stone and clay mining and quarryin |  |
| 9. 00 | Stone and elay minuing und quarrying. | $\begin{aligned} & 141.142,144,1 \cdot 15, \\ & 148,149 . \end{aligned}$ |
|  | 10 Chemicals and fertilizer mineral mining |  |
| 10. 00 | Chenical and fertilizer muneral mining. | $14 \overline{7}$ |
| CONSTRUCTION |  |  |
|  | 11 New construction |  |
| 11.01 | New comstruction, residential build. ing. (nonfarm). | $\begin{aligned} & \text { pt. } 1 . i, ~ p t .16, \\ & \mu t .1 \frac{1}{2}, 1 t . \\ & 6561 . \end{aligned}$ |
| 11.02 | Nex con-truction, nonro.dential building-. | pt. 15, pt. 17. |
| 11.03 | New ennstruction, public mitities..- | pt. 15, pr. 16, |
| 11. 04 | New con-trartion, highways | $\text { pe. if. pt. } 17 .$ |
| 11.0.) | Niw comiruction, all othere. | pt. li, pt lt, pt. $17, \text { pt. 1:3. }$ |
| 12.01 | 12 Maintenance and repair construction Maintenance and repiar cont-truction, reidential building: ( 13 onfarm). | pt. 15, pt. 17. |



Table A-1 (continued)
Industry Classification of the 1967. Input-Output Tables-Continued


Table A-1 (continued)
Industry Classification of the 1967 Input-Output Tables-Continued


Table A-I (continued)
Industry Classification of the 1967 Input-Output Tables-Continued


PRICE INDICES
(1967 = 1.00 )

| BEA Sectors | 1970 | 1971 | 1972 | 1973 | 1974 |
| :---: | :---: | :---: | :---: | :---: | :---: |
| (1.01)...(1.03) (2.01) |  |  |  |  |  |
| (2.03)...(2.07) | 1.114 | 1.127 | 1.337 | 2.031 | 2.059 |
| (3.00)(4.00) | 1.206 | 1.280 | 1.374 | 1.467 | 1.670 |
| (5.00)(6.01)(6.02) | 1.685 | 1.434 | 1.532 | 2.388 | 2.347 |
| (7.00) | 1.421 | 1.460 | 1.590 | 1.846 | 2.579 |
| (8.00) | 1.017 | 1.007 | 1.104 | 1.192 | 1.685 |
| (9.00)(10.00) | 0.994 | 1.169 | 1.212 | 1.350 | 1.729 |
| (11.01)...(11.05) |  |  |  |  |  |
| (12.01)(12.02) | 1.349 | 1.473 | 1.603 | 1.779 | 1.984 |
| (13.01)...(13.07) | 1.132 | 1.175 | 1.209 | 1.252 | 1.394 |
| (14.01)...(14.32) | 1.123 | 1.150 | 1.209 | 1.449 | 1.619 |
| (15.01)(15.02) | 1.130 | 1.157 | 1.191 | 1.238 | 1.368 |
| (16.01)...(16.04) | 1.040 | 1.042 | 1.104 | 1.237 | 1.393 |
| (17.01)... (17.10) | 1.015 | 1.017 | 1.055 | 1.151 | 1.299 |
| (18.01)...(18.04) | 1.122 | 1.143 | 1.161 | 1.208 | 1.307 |
| (19.01)(19.02)(19.03) | 1.027 | 1.023 | 1.098 | 1.143 | 1.302 |
| (20.01) ... (20.09) | 1.142 | 1.292 | 1.468 | 1.819 | 1.877 |
| (21.00) | 1.174 | 1.212 | 1. 300 | 1.575 | 1.741 |
| (22.01)... (22.04) | 1.116 | 1.148 | 1.171 | 1.227 | 1.358 |
| (23.01)...(23.07) | 1.138 | 1.164 | 1.196 | 1.305 | 1.542 |
| (24.01)... (24.07) | 1.078 | 1.087 | 1.115 | 1.188 | 1.486 |
| (25.00) | 1.079 | 1.113 | 1.156 | 1.246 | 1.466 |
| (26.01)... (26.08) | 1.162 | 1.212 | 1.245 | 1.296 | 1.376 |
| (27.01)... (27.04) | 0.992 | 1.013 | 1.025 | 1.075 | 1.471 |
| (28.01)... (28.04) | 0.969 | 0.962 | 0.963 | 0.983 | 1.210 |
| (29.01)(29.02)(29.03) | 1.037 | 1.064 | 1.066 | 1.080 | 1.173 |
| (30.00) | 1.113 | 1.148 | 1.175 | 1.222 | 1.570 |
| (31.01)(31.02)(31.03) | 1.003 | 1.059 | 1.080 | 1.406 | 2.125 |
| (32.01)...(32.04) | 1.059 | 1.081 | 1.104 | 1.152 | 1.393 |
| (33.00) | 1.089 | 1.117 | 1.407 | 1.591 | 1.512 |
| (34.01)(34.02)(34.03) | 1.110 | 1.140 | 1.221 | 1.299 | 1.390 |
| (35.01)(35.02) | 1.209 | 1.279 | 1.316 | 1.359 | 1.490 |
| (36.01)...(36.22) | 1.128 | 1.210 | 1.255 | 1.304 | 1.491 |
| (37.01)...(37.04) | 1.140 | 1.225 | 1.292 | 1.337 | 1.695 |
| (38.01)...(38.14) | 1.223 | 1.158 | 1.161 | 1.270 | 1.688 |
| (39.01)(39.02) | 1.125 | 1.218 | 1.290 | 1.350 | 1.652 |
| (40.01)... (40.09) | 1.117 | 1.175 | 1.21 .4 | 1.261 | 1.586 |
| (41.01)(41.02) | 1.175 | 1.216 | 1.277 | 1.347 | 1.630 |
| (42.01)...(42.11) | 1.129 | 1.184 | 1.226 | 1.264 | 1.484 |
| (43.01)(43.02) | 1.148 | 1.200 | 1.239 | 1.271 | 1.431 |
| (44.00) | 1.125 | 1.166 | 1.211 | 1.245 | 1.410 |
| (45.01)(45.02)(45.03) | 1.164 | 1.221 | 1.267 | 1.318 | 1.550 |
| (46.01)... 46.04 ) | 1.147 | 1.195 | 1.226 | 1.264 | 1.428 |
| (47.01)...(47.04) | 1.125 | 1.157 | 1.177 | 1.245 | 1.439 |
| (48.01)... (48.06) | 1.158 | 1.206 | 1.236 | 1.303 | 1.516 |
| (49.01)... (49.07) | 1.139 | 1.185 | 1.215 | 1.260 | 1.474 |
| (50.01)...(50.05) | 1.217 | 1.296 | 1.337 | 1.400 | 1.611 |
| (51.01)...(51.04) | 1.015 | 1.030 | 1.038 | 1.047 | 1.067 |
| (52.01)...(52.05) | 1.071 | 1.114 | 1.124 | 1.132 | 1.232 |
| (53.01)...(53.08) | 1.085 | 1.114 | 1.120 | 1.147 | 1.329 |

Table A-2 (continued)

## PRICE INDICES (continued) $(1967=1.00)$

|  | 1970 | 1971 | 1972 | 1973 | $\underline{1974}$ |
| :---: | :---: | :---: | :---: | :---: | :---: |
| (54.01)... 54.07 ) | 1.057 | 1.071 |  |  |  |
| (55.01) (55.02) (55.03) | 1.105 | 1.16 | 1.075 1.182 | 1.084 1.213 | 1.73 |
| (56.01)... 56.04$)$ | 1.064 | 1.106 | 1.129 | 1.2130 | 1.414 1.180 |
| (57.01)(57.02)(57.03) | 0.983 | 0.989 | 1.129 0.979 | 1.988 | 1.180 1.064 |
| (58.01) ... 58.05 ) | 1.133 | 1.198 | 1.221 | 1.238 | 1.064 1.360 |
| $(59.01)(59.02)(59.03)$ $(60.01) \ldots(60.04)$ | 1.094 | 1.158 | 1.195 | 1.212 | 1.321 |
| (60.01)... (60.04) | 1.132 | 1.175 | 1.209 | 1.252 | 1.394 |
| (62.01)... 62.07 ) | $1.16 ?$ 1.115 | 1.207 | 1.238 | 1.311 | 1.481 |
| (63.01)(63.02)(63.03) | 1.012 | 1.154 | 1.170 | 1.198 | 1.302 |
| (64.01)... (64.12) | 1.081 | $\underline{1.121}$ | 1.012 | 1.027 | 1.086 |
| (65.01) | 1.172 | -.121 -.359 | 1.155 1.389 | 1.200 | 1.355 |
| (65.02) | 1.165 | 1.359 1.356 | 1.389 1.555 | 1.422 | 1.517 |
| (65.03) | 1.12? | 2.182 | 1.25 1.203 | 1.983 | 2.101 |
| (65.04) | 0.967 | 0.930 | 0.972 | 1.155 0.961 | 1.272 |
| (65.05) | $1.10{ }^{4}$ | 1.203 | 1.266 | 1.384 | 1.051 |
| (65.06) | 1.069 | 1.068 | 1.171 | 1.232 | 1.494 |
| (65.07) $(66.00)$ | 1.083 | 1.173 | 1.109 | 1.228 | 1.275 |
| (66.00) $(67.00)$ | 1.020 | 1.062 | 1.107 | 1.136 | 1.164 |
| (68.01)... (68.03) | 1.039 | 1.101 | 1.205 | 1.271 | 1.252 |
| (69.01) | $1.09{ }^{\prime}$ | 1.120 | 1.174 | 1.214 | 1.475 |
| (69.02) | 1.197 | 1. 1.268 | 1.163 | 1.278 | 1.502 |
| (70.01).. (70.03) | 1.336 | 1.297 | 1.280 | 1.327 | 1.447 |
| (70.04) | 1.135 | 1.318 | 1. 344 | 1.484 1.355 | 1.647 |
| (70.05) | 1.115 | 1.221 | 1. 306 | 1.355 1.285 | 1.420 1.381 |
| (71.01)(71.02) | 1.122 | 1.160 | 1.201 | 1.265 | 1.381 1.342 |
| (72.01) | 1.138 | 1.228 | 1.200 | 1.271 | 1.342 1.413 |
| (72.02)(72.03) | 1.15? | 1.178 | 1.218 | 1.275 | 1.413 1.358 |
| $(73.01)(73.02)$ $(73.03)$ | 1.139 | 1.192 | 1.221 | 1.339 | 1.374 |
| $(73.03)$ $(75.00)$ | 1.18\% | 1.314 | 1.353 | 1.440 | 1.552 |
| (75.00) $(76.01)$ | 1.160 | 1.238 | 1.289 | 1.307 | 1.552 1.454 |
| (76.01) $(76.02)$ | 1.144. | 1.165 | 1.212 | 1.239 | 1.381 |
| (77.01) (77.02)(77.03) | $1.18 \%$ | 1.241 | 1.282 | 1.336 | 1.405 |
| (77.04) | 1.229 | 1.286 | 1.341 | 1. 395 | 1.520 |
| (77.05) | 1.215 1.186 | 1.277 | 1.397 | 1.529 | 1.698 |
| (78.01)... (78.04) | 1.343 | 1.307 | 1.364 | 1.367 | 1.454 |
| (79.01)... (79.03) | 1.187 | 1.419 | 1.623 | 1.377 | 1.800 |
| (80.01)(80.02) | 1.114 | 1.175 | 1.323 | 1.402 | 1.500 |
| (81.00)(82.00)(83.00) | 1.193 | 1.267 | 1.256 | 1.461 | 2.063 |
| Construction Cost Index | 1.277 | 1.469 | 1.5.97 | 1.385 1.769 | 1.501 |

Source: Phillip Ritz, US Dept. of Comrerce, Bureau of Economic Analysis and Several Issues of Engineering News Record



 PIPELINE
TEAASPORT
$(65.06)$
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MARGINS ON GODDS_AND SERVICES SOLD TO PINAL EEMAND


MARGINS ON GOODS AND SEAVICES SOLD TO FINAL DEMAND


margins on goods and services sold to final cemand

Table $A-4$ (continued)
MARGINS ON GOUDS AND SERVICES SOLD TO FINAL DEMAND

Table A-4 (continued)








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Table A-б:
Major Products of Common BEA Sectors
1967
BEA
Implied
Sector* Source ${ }^{* *}$ Major Products ${ }^{* * *}$


Includes sectors providing more than $1 \%$ of the capital costs or more than $5 \%$ of the non-energy operating costs for any of the six energy facilities in Just, et al., New Energy Technology Coefficients and Dynamic Energy Models.
See Code at end of table.
A major product is one accounting for $\geq 5 \%$ of the control total for the sector considered unless noted. See code for explanation of control total.
n.e.c. = not elsewhere classified
n.s.k. = not specified by kind

Table A-6 (continued)
1967
BEA
Implied
Sector
Source
Major Products
Price

|  |  | 2893- Printing Ink2895- Carbon Black28993 Essential Oils, Fireworks, and$\quad$Pyrotechnics and Chemicals and Chemical <br> Preparation | .54 S/1b. <br> .07 ミ/さb. $.28 \text { \&/lb. }$ |
| :---: | :---: | :---: | :---: |
| 36.01 | C | 3241011 Portiand Cement 94\% | 3.20 \$/bbls.of |
| 36.10 | C | 3271013 Lightweight Aggregate Structural Block <br> 3271016 Heavyweight Aggregate Structural Block <br> 32710 00,02 Concrete Block and Brick n.s.k. 18\% | . 20 \$/Block |
| 36.12 | C | 32730 ll Ready-mix Concrete 100\% | $14.40 \mathrm{~s} / \mathrm{cu} . \mathrm{yd}$. |
| 36.17 | C | 32922 Asbestos Friction Materials $26 \%$ <br> 32926 Vinyl Asbestos Floor Tile 27\% <br> 32927 Asbestos Textile and other Asbestos and Non-asbestos Cement Products | 1.07 \$/sq.yd.. |
| 36.19 | C | 32950 11 Lightweight Aggregate <br> 32950 20 Dead-burned Magnesia or Magnesite <br> 32950 $10 \%$  <br> 31 Crushed Slag $14 \%$  | 1.78 S/short |
| 36.20 | C | 32961 -- Mineral Wool for Structural Insulation <br> 32961273.0 to 4.4 inches thick Building Batts, Blankets and Rolls; <br> 32961332.0 to 2.9 inches thick Blankets $5 \%$ (flexible including Fabricated pieces, rolls, and batts: <br> 3296271 Acoustical Pads and Boards <br> 3296298 Other Mineral Fibers for Industrial Equipment, and Appliance Insulation such as loose fiber (shipped as such) granulated fiber felts, insulating and finishing cements, etc. | .04 \$/sq.ft. <br> .04 \$/sq.ft. <br> .05 \$/bd.ft. <br> .31 s/ln.ft. <br> .22 \$/sq.ft. |
| 36.21 | C | 3297015 Magnesite and Magnesite-chrome Brick and Shapes <br> 3297021 Chrome and Chrome-magnesite Brick and Shapes | .96 \$/9" eq .85 \$/9" eq |

Table A-6 (continued)

| BEA Sector | Source | Major Prozucts | $\begin{aligned} & 1967 \\ & \text { Impliea } \\ & \text { Price } \end{aligned}$ |
| :---: | :---: | :---: | :---: |
|  |  | 3297035 Carbon refractories; brick, blocks and shapes, excluding those containing natural graphite <br> 3297065 Basic plestic refractories and ramming mixes, wet and dry types <br> 3297092 Nonclay gumming mixes | $\begin{aligned} & 1.62 \text { \$/9" equiv. } \\ & 113 \text { \$/short ton } \\ & 86.30 \text { s/short ton } \end{aligned}$ |
| 37.01 | C | 33121 pt. Coke Oven and Blast Furnace Products, except Ferroalloys <br> 33122 Steel Ingot and Semi-finished Shapes 11\% 33123 Tin Mill Products, Hot-rolled Sheet \& Strip <br> 33124 Hot-rolled Bars and Barshapes; Flates 19\% |  |
| 38.10 | C | 33571 <br> 33521 Aluminum anıả Aluminum-base Alloy Wire and Cable <br> 33572 Copper and Copper-base Alloy wire, including Strand and Cable, Sare and Tinned for Dectrical Transmission | 714 \$/short ton <br> 1070 \$/short ton |
| 40.04 | C | 34410 Fabricated Sitructural Metal n.s.k. $9 \%$ <br> 34411 Fabricated sitructural Metal for Buildings <br> 34412 Fabricated Structural Metal for Bridges $11 \%$ <br> 34413 Other Fabricated Structural Metal 19\% | 337 \$/short ton 363 \$/short ton 438 \$/short ton |
| 40.06 | C | 34431 Heat Exchangers and Steam Condensers $13 \%$ <br> 34432 Fabricated Siteel Plate, including Stack and Weldments <br> 34433 Steel Power Boilers, Parts and Attachments (over 15 p.s.i. steam working pressure) <br> 34437 Metal Tanks, Complete at Factory (standard line, non-pressure) <br> 34438 Metal Tanks and Vessels, Custom Fabricated at the Factory <br> 34439 Metal Tanks and Vessels, Custom Fabricated and Field Erected | $\begin{aligned} & 45800 \text { \$/unit } \\ & 231 \text { \$/unit } \end{aligned}$ <br> 273 \$/unit |
| 41.01 | C | 3451- Screw Machine Products <br> 34521 Bolts, Nuts, and Other Standard Industrial Fasteners <br> 34533 Special Industrial Fasteners <br> 34523 Headed Products Other than Industrial Fasteners |  |

Table A-6 (continued)
1967

| BEA <br> Sector | urce | Major Products | $\begin{aligned} & 1967 \\ & \text { Implied } \\ & \text { Price } \end{aligned}$ |
| :---: | :---: | :---: | :---: |
| 41.02 | C |  |  |
| 42.08 | C | 34941 Automatic Regulating and Control Values 9\% 34942 Valves for Power Transfer (pneumatic and hydraulic) <br> 34943 Other Metal Valves for Piping Systems and Equipmert (except plumbing and heating valves) <br> 34945 Metal Fittings, Flages, and Union for Piping Systems <br> 3498013 Iron and Steel Fabricated Pipe and Pipe Fittings | $\begin{aligned} & 308 \text { \$/unit } \\ & 216 \text { \$/short } \end{aligned}$ |
| 43.01 | C | 35111,2 Steam, Gas and Hydraulic Turbine and Turbine Generator Set Units and Parts 80\% |  |
| 43.02 | C | 35191 Gasoline Engines under $11 \mathrm{~h} . \mathrm{p}$. except Aircraft, Auto, Truck, Bus and Tank <br> 35192 Gasoline Engines $11 \mathrm{~h} . \mathrm{p}$. and Over, except Aircraft, Automobile, Truck, Bus and Tank <br> 35193 Diesel Engires (except for trucks and Buses) <br> , 7 Outboard Motors and Tank and Con- <br> 35195, 7 Outboard Motors and Tank and Con- verted Internal Combustion Engines <br> 35199 Parts and Accessories for Internal Combustion Engines | 50 \$/unit <br> 2690 \$/unit |
| 45.01 | C | 35313 Parts and Attachments for Tracklayingtype Tractors, Contractors, Contractors' Off-highway Wheel Tractors, and Tractor Shovel Leaders <br> 35314 Power Cranes, Draglines, Shovels, and <br> 35317 Tractor Shovel Loaders, Exceluding Parts Parts and Attachments <br> 35318 Scrapers, Graders, Rollers, and Offhighway Trucks, Trailers and Wagons 10\% <br> 35319 Other Construction Machinery and Equipment, including Parts |  |
| 45.02 | C | ```35321 Underground Mining and Mineral Bene- fication Machinery and Equipment 19% 35322 Crushing, Pulverizing, and Screening Machinery``` |  |

Table A-6 (continued)

| BEA Sector | Source Major Products |  | $\begin{aligned} & 1967 \\ & \text { Impliea } \\ & \text { Price } \end{aligned}$ |
| :---: | :---: | :---: | :---: |
|  |  |  |  |
| 45.03 | C | 35331 Rotary Oil and Gas Field Drilling Machinery and Equipment <br> 35332 Other Oil and Gas Field Drilling Machinery and Equipment <br> 35333 Oil and Gas Field Production Machinery and Equipment (except pumps) <br> 35334 Other Oil and Gas Field Machinery and Tools (except pumps) including Water Well <br> 35330 Oil Field Machinery n.s.k. |  |
| 46.02 | C | 35351 Conveyors and Conveying Equipment <br> (except hoists and farm elevators) <br> 35352 Parts, Attachments, and Accessories for Conveyors and Conveying Systems 18\% <br> 35350 Conveyors and Conveying Equipmert n.s.k.9\% |  |
| 46.03 | C | 35361 Hoists  $38 \%$ <br> 35362 Overhead Traveling Cranes and Monorail   <br> Systems  $56 \%$ <br> 35360 Hoists, Cranes and Monorails n.s.k. $7 \%$  | 14 million§/uni |
| 48.06 | C | 35591 Chemical Manufacturing Industries Machinery and Equipment and Parts <br> 35592 Foundry Machinery, and Equipment, <br> excluding patterns and molds <br> 35593 Plastics-working Machinery and Equipment excluding patterns and molds <br> 35594 Rubber-working Machinery and Equipment excluding the molds <br> 35595 Other Special Industry Machinery and Equipment <br> 35590 Special Industry Machinery n.s.k. | 20400 \$/urit |
| 49.01 | C | 35611 Industrial Pumps, except Hydraulic <br> Fluid Power Pumps <br> 35612 Hydraulic Fluid Power Pumps and Motors and Vacuum Pumps <br> 35613 Domestic Water Systems and Pumps, Including Pump Jackets and Cylinders | 91000 S/unit |

Table A-6 (continued)
1967
BEA
Implied
Sector Source
Major Products
Price

|  |  | 35614 Air and Gas Compressors, except <br> Refrigerator Compressor <br> 35615 Pumps and Compressors n.e.c. except Refrigerator Compressor <br> 35616 Parts and Attachments for Pumps and Compressors, n.s.k. | 851000 \$/unit |
| :---: | :---: | :---: | :---: |
| 49.03 | C | 35641 Industrial Fans and Blowers <br> 35642 Dust Collection, Air Purification <br> Equipment and Air Washers |  |
| 49.05 | C | 35661 Plain Bearing <br> 35662 Speed Changers, Industrial High Speed Drivers, and Gears <br> 35663 Other Mechanical Power Transmission Equipment |  |
| 49.06 | C | 35671 Electric Industrial Furnaces and Ovens, Metal Processing <br> 35672 Fuel-fired Industrial Furnaces and Ovens, Metaj. Processing <br> 35673 High Frequency Induction and Dielectric Heating Equipment and Parts, Attachments and Componerts | 22 \$/unit |
| 49.07 |  | No Subclassifications |  |
| 51.01 | C | 35731 Electronic Computing Equipment, except Parts and Attachments <br> 35733 Parts and Attachments for Electronic Computing Equipment <br> 35741 Calculating and Accounting Machines, including cash registers, except parts and attachments |  |
| 52.05 | C | 35891 Commercial Cooking and Food Warming <br> Equipment $29 \%$ <br> 35892 Service Industry Machinery and Parts 57\% <br> 35890 Service Industry Machines n.e.c., n.s.k 9\% |  |
| 53.02 | C | 36121 Natural-draft Type Transformers (specialty transformers) <br> 36122 Power and Distribution Transformers, except Parts <br> 36123 Power Regulators, Boosters, Reactors, Other Transformers, and Transformer Parts. | 3.06 \$/unit <br> 447 \$/unit |


| $\begin{aligned} & \text { BEA } \\ & \text { Sector } \end{aligned}$ | Source | Major Products | $\begin{gathered} 1967 \\ \text { Impliea } \\ \text { Priee } \\ \hline \end{gathered}$ |
| :---: | :---: | :---: | :---: |
| 53.03 | C | 36131 Switchgear, except Ducts and Relays $29 \%$ 36132 Power Circuit Breakers, All Voltage 13\% 36133 Low Voltage Panelboards and Distribution Boards and Other Switching the Interrupting Devices, 750 Volts and Under $24 \%$ 36135 Molded Circuit Breakers, 750 Volts and Under <br> 36137 Relays, Control Circuit $\begin{aligned} & 11 \% \\ & 12 \% \end{aligned}$ |  |
| 53.04 | C | 36211 Fractional Horsepower Motors <br> 36212 Integral Horsepower Motors and Generators (except for land xpo equipment <br> 36213 Land xpo Motors, Generators, and Control Equipment and Parts <br> 36214 Prime Mover Generator Sets, except <br> Steam or Hydraulic Turbine <br> 36215. Motor-Generator Sets and Other Rotating Equipment <br> 36216 Parts and Supplies for Motors, Generator Generators, Motor Generator Sets except for Land Transportation Equipmert | $\begin{aligned} & 6600 \text { \$/unit } \\ & 209 \text { \$/unit } \\ & 1590 \text { \$/unit } \\ & 3280 \text { \$/urit } \end{aligned}$ |
| 53.05 |  | No Subclassifications 100\% |  |
| 53.06 | C | 36231 Arc Welding Machines Components, and Accessories, except Electrodes <br> 36232 Arc Welding Electrodes, Metal <br> 36233 Resistance Welders, Components, Accessories and Electrodes <br> 36230 Welding Apparatus n.s.k. | $\begin{aligned} & 338 \text { \$/unit } \\ & .22 \text { \$/lit. } \end{aligned}$ |
| 55.03 | C | 36430 Current Carrying Wiring Devices, Including Lightning Rods <br> 36441 Pole Line and Transmission Hardware $10 \%$ 36442 Electrical Conduit and Conduit Fitting 23\% 36443 Other Non Current Carrying Wiring Devices and Supplies | . 20 \$/1上. |
| 62.02 | C | 38211 Aircraft Engine Instruments Except Flight <br> 38212 Integrating Meters, Nonelectric Type $14 \%$ 38213 Industrial Process Instruments 55\% <br> 38214 Motor Vehicle Instruments except Electric <br> 38216 Other Mechanical Measuring and Controlling Instrunents | 55 \$/unit <br> 1600 \$/unit |

Major Products


Table A-6 (continued)

| $\begin{aligned} & \text { BEA } \\ & \text { Sector } \end{aligned}$ | Source Major Products |  |  | $\begin{gathered} 1967 \\ \text { Implied } \\ \text { Prices } \end{gathered}$ |
| :---: | :---: | :---: | :---: | :---: |
| 73.02 | G | 7311 Advertising Agencies | 93\% |  |
| 73.03 |  | No Subclassification | 100\% |  |
| 75.00 | G | 751 Car, Truck Rental Leasing, Without Drivers <br> 752 Automobile Parking <br> 7531 Top and Body Repair Shops <br> 7534 Tire Retreading and Repair Shops 7539 Automobile Repair Shops, n.e.c. <br> 754 Automobile Services, except repair | $\begin{array}{r} 29 \% \\ 7 \% \\ 12 \% \\ 6 \% \\ 10 \% \\ 5 \% \end{array}$ |  |

A Census of Mineral Industries, reports for SIC sectors comprising BEA sector. Table 5 or 6 depending on aggregation level. Control table is

B Internal C.A.C. documentation. Control total is gross domestic output.

C Census of Manufacturers, reports for SIC sectors comprising BEA sector, Table 5B or 6A depending on aggregation. Control total is value of shipments.

D Census of Business, Vol. 3 Tabie D: Sales of Merchant Wholesalers, by kind of business.

E Census of Business, Vol. l, Table l: Sales of specified Merchandise Lines. NOTE: Major products here are defined as any line representing $\geq 3 \%$ of total sales.

G Census of Business, Vol. 5, part 1. Table 2: Receipt of All Establishments is control total.

F Total Insurance Written in 1967 is control total from Best's Insurance Reports - Life/Health 1975 p. vii and "Best's Insurance News," PropertyLiability Edition, Vol. 69, No. 6, p. 38. Percentage breakdowns are made directly for property-liability from the latter reference and are based on "sales" for life from "Best's Insurance News," Life Ed., Vol. 68, No. 2, p.2.

H Based on 1966 statistics from the Interstate Commerce Commission. Control total is total operating revenue for the entire railroad system ( $\$ 11,163$, 422, 895 from Table 109, Transport Statistics 1966.) Major Products listed is a subjective list of identifiable classes of real service from various tables in Transport Statistics, 1966, Part 1.



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[^0]:    For the types of energy considered here, total enthaloy is approximately equal to Gibbs' free energy. The latter is viewed by many as the "ultimate" measure of energy consumption because it is truly consumed and cannot be recycled. For practical purposes in these calculations, the two are equal.

[^1]:    * This unit vector appears algebraically because $E \equiv X$ for the energy sectors; their output defined to equal what they extract from the earth.

[^2]:    * In reality, the energy sectors are not perfectly efficient and so require more than one Btu per Btu output because of indirect inputs. This is reflected in the value of $\varepsilon$ for the energy sector.

[^3]:    Sectors listed are those producing major inputs to construction and operation of facilities for energy production, processing, and transportation.

[^4]:    * This is the cost of all purchased inputs to power plant construction -materials, services, etc. Wages and taxes are excluded to be compatible with the system boundary of the I-O model which corresponds to GNP (See Bullard, (1976)). Using this convention, energy to produce items bought with wages are charged to the wage earner, not the employer.

    If the energy/GNP ratio for the appropriate year were not known, construction costs could be deflated to the year for which it is known. A construction cost index is given in Table A-2.

[^5]:    *For convenience, a 90 -sector level of aggregation is used in this example. Generally, more accuracy (less aggregation error) can be achieved with the 368 -sector level of detail. Tables in the Appendix are 368 -order, so the numbers in the example will differ slightly from the figures in those tables.

[^6]:    * all inputs assumed typical except those in 45.00 ( $\pm 24 \%$ )
    @ the margins removed from all sectors are added to misc. expenses

[^7]:    | CUAL MINING |
    | :---: |
    | CRUDE PETRU, GAS |
    | PETRO REFII: PROD |
    | ELECTRIC UTIL |
    | GAS UTILITIES |
    | LIVESTOCK |
    | MISC AG PRODUCTS |
    | FOREST FISH PRID |
    | A' FOR F FISH SER |
    | IRON URE MINING |
    | HONFERR MINING |
    | Stone Clay min |
    | CHEM MINERAL MIN |
    | AEW CONSTRUCTION |
    | BAINT, RTP COISST |
    | URDINAIICE |
    | F OOD |
    | TOEACCO |
    | FABRIC \& MILLS |
    | TFXTILE GOUOS |
    | APPAREL |
    | FAS TEXTILE PROD |
    | WOOD FRUDUCTS |
    | WOOD CONTAINERS |
    | H'HCLD FURVITURE |
    | FURİ, FIXTURES |
    | FADER PRODUCTS |
    | Paperronrd cont |
    | PRINTING, PUBL |
    | CHEA FPODUCTS |
    | PLASTICS |
    | DRUGS.TOIL PREP |
    | PAINTS |
    | PAVING |
    | ASTHALT |
    | RUEUER PROD |
    | LFATHER PKJOUCTS |
    | FCUTWEAR |
    | GLASS PRODUCTS |
    | STONE Clay prod |
    | PRIM IRE,STL YANU |
    | PRIM NOIVFER MET |
    | METAL COP:TAINEKS |
    | HEATING.PLIMSING |
    | SCFEW MACH PROD |

    IOCODE
    

