Energy Cost Impacts on American Families

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Background

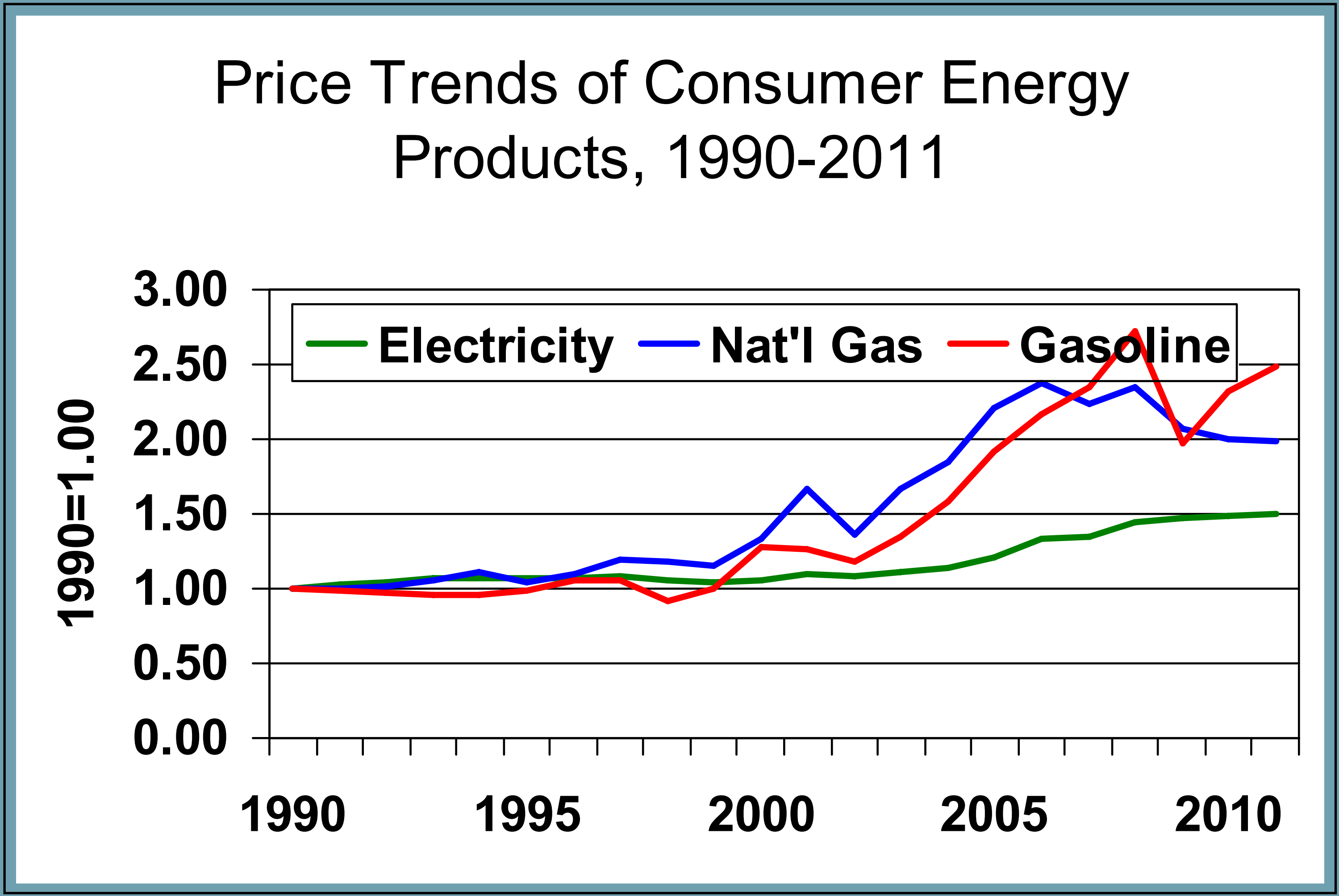
The American Coalition for Clean Coal Electricity has sponsored a long-term series of studies on consumer energy price impacts.

Study approach

Determine average family incomes using U.S. Census Bureau data.

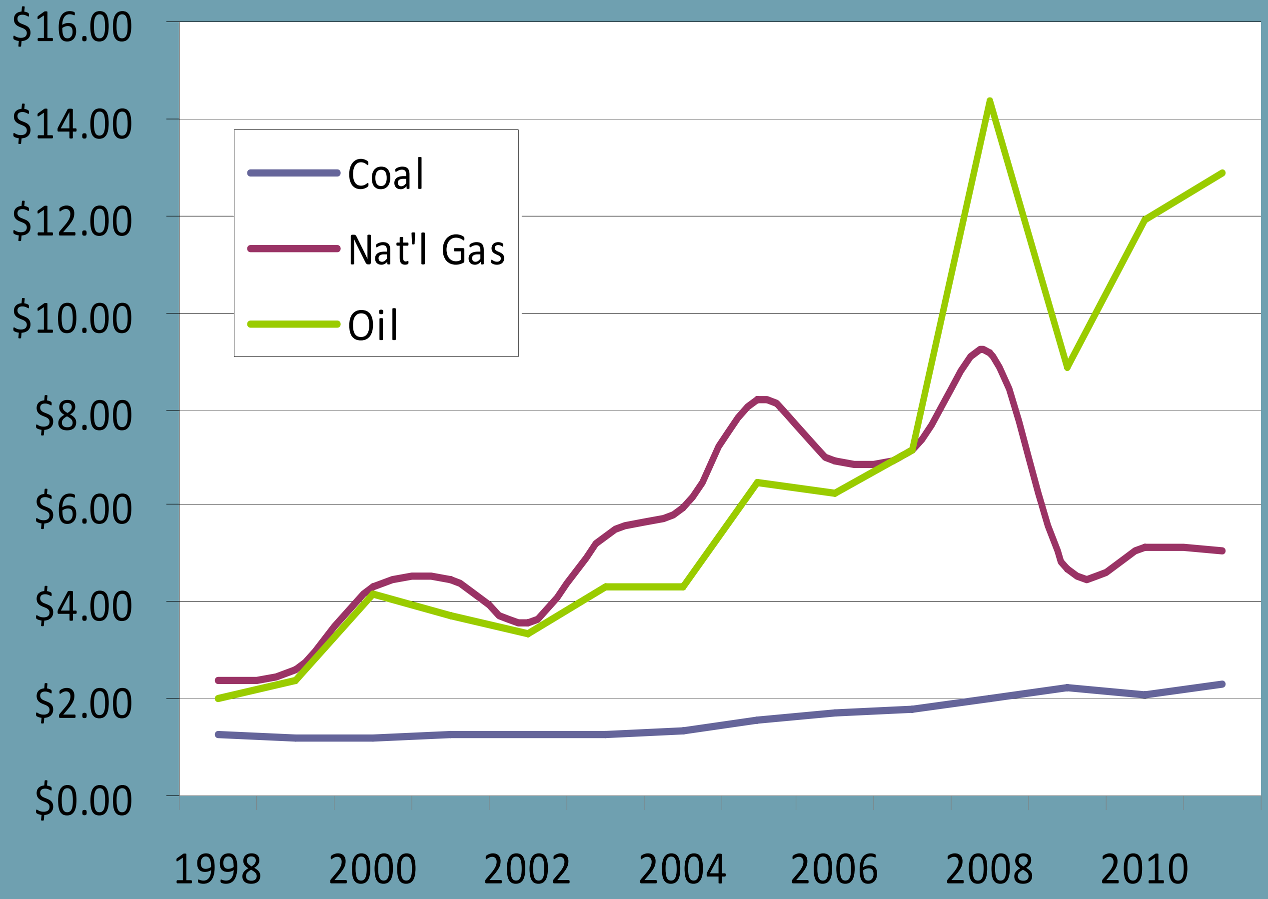
Calculate energy costs by household income group, using 2005 U.S. Department of Energy survey data updated with DOE/EIA energy prices for 2011.

Electricity is the bargain among consumer energy products



DOE 2011

Fossil-fuel prices at electric generating units, 1998-2011 ($ per Million BTU)



* DOE 2011

Energy price impacts in brief

One-half of U.S. households have average pre-tax annual incomes less than $50,000. The average take-home income of these families is ~$1,900 per month.

In 2001, these families spent an average of 12% of their after-tax income ($21,834) on residential and transportation energy.

In 2011, these households will spend an estimated 20% of their after-tax income ($22,727) on energy.

Principal factors driving energy costs

Increased gasoline costs account for nearly three-fourths of average household energy cost increases since 2001.

The findings presented here are based on DOE/EIA's January projection of $3/gallon gasoline in 2011.

Questions …

Wind?

Gas?

Solar?

Coal?

Nuclear?

Conservation?

Answer …

All of the above are needed for a balanced energy portfolio, ensuring diversity of supply, reliability, and affordable power

Thanks to …

ACCCE for supporting this long-term research project, and this presentation.

MARC for the invitation to present here today.

Views expressed are mine, along with any errors or omissions …