

For Immediate Release: October 23, 2012

Contact: Daphne Magnuson Daphne.Magnuson@ngsa.org (202) 326-9314

IHS Report Shows Unconventional Natural Gas Boosting Economy *Tremendous Growth Foreseen in Manufacturing, Employment and Revenues*

(Washington, D.C.) -- Over the next two decades, the benefits derived from developing U.S. shale and "tight" natural gas will flow throughout the economy, creating jobs and revenues and contributing to a revitalization of the manufacturing sector, according to a new study conducted by IHS and co-sponsored by the Natural Gas Supply Association (NGSA).

The IHS report, *"America's New Energy Future: The Unconventional Oil and Gas Revolution and the US Economy,"* finds that the benefits of unconventional natural gas activity will be dispersed throughout the economy and the natural gas supply chain, including the U.S. manufacturing sector.

"The main take-away from this study is that 94 percent of the jobs accrue to our customers, with just 6 percent of the jobs accounted for by producers. That's why people are justified in calling unconventional gas a renaissance for the entire U.S. economy," said R. Skip Horvath, president and CEO of NGSA.

Jobs: Across the board, employment related solely to natural gas development is expected to grow from more than 900,000 workers in 2012 to exceed 1.6 million workers by 2020. (Direct employment, indirect employment and induced employment combined.) Highlights:

- Construction jobs related to unconventional natural gas are expected to increase from more than 56,000 jobs in 2012 to 99,000 jobs in 2020.
- Primary metal manufacturing jobs tied to unconventional natural gas are expected to increase from over 10,000 in 2012 to more than 18,000 in 2020.
- Chemical manufacturing jobs related to unconventional natural gas are expected to nearly double from 7,000 jobs in 2012 to over 13,000 jobs in 2020.
- Fabricated metal product manufacturing jobs tied to unconventional natural gas are expected to increase from almost 22,000 in 2012 to nearly 38,000 in 2020.

GDP: The valued-added contribution to the nation's Gross Domestic Product (GDP) made by unconventional natural gas activity is estimated at over \$121 billion in 2012, growing to \$225 billion in 2020.

Revenues to federal, state and local governments: Revenues related to the development of unconventional oil and natural gas are forecasted to grow from more than \$61 billion in 2012 to \$111 billion in 2020.

For the complete "American's New Energy Future" report, please visit the IHS website at http://www.energyxxi.org/sites/default/files/pdf/americas_new_energy_future-unconventional_oil_and_gas.pdf. The American Petroleum Institute, the Institute for 21st Century Energy and the American Chemistry Council also co-sponsored the report.

NGSA represents integrated and independent companies that supply natural gas. Established in 1965, NGSA encourages the use of natural gas within a balanced national energy policy, and promotes the benefits of competitive markets to ensure reliable and efficient transportation and delivery of natural gas and to increase the supply of natural gas to U.S. customers. More information at www.ngsa.org and www.naturalgas.org

Clean Natural Gas: *Smart, Secure and Essential*