

Oil and Natural Gas Stimulate Iowa

Economic and Job Growth

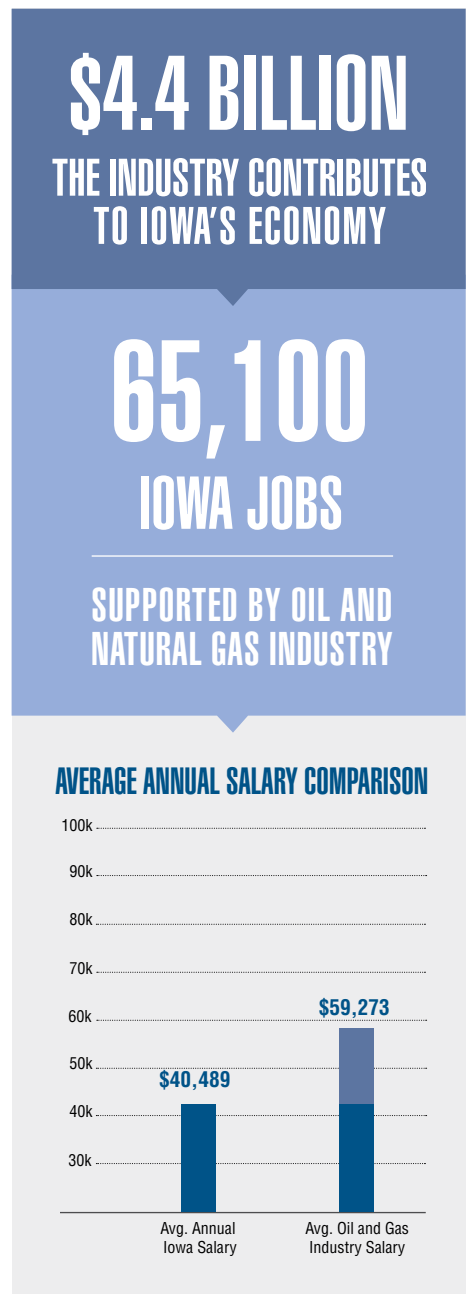
Oil and natural gas are driving the U.S. economy through a major energy boom and that boom is rippling through the economy of Iowa, supporting business activity across the state. This finding grows out of a new American Petroleum Institute survey of domestic oil and natural gas vendors,¹ which offers a glimpse into the job and business creation engine that is the current oil and natural gas industry. The survey shows that at least 38 businesses, spread across all four of Iowa's congressional districts, are part of the larger oil and natural gas supply chain.

The survey's snapshot of state-by-state activity reinforces the impressive level of industry success throughout the country that is documented in a recent PriceWaterhouseCoopers study conducted for the American Petroleum Institute.² That study found that the oil and natural gas industry in Iowa supports some 65,100 jobs, which is 3.3 percent of the state's total employment. The amount of Iowa labor income supported by the oil and natural gas industry comes to \$2.57 billion annually. That's 3 percent of the state's total labor income.

Although Iowa is not a top U.S. energy producer, these job and labor income figures demonstrate that the people of Iowa enjoy significant benefits from energy

development.³ The benefits show up in the state's salary statistics as well. Thus, while the average annual salary in Iowa across all industries and sectors is \$40,489, the average oil and gas industry salary (excluding gas stations) is substantially higher—\$59,273 annually. Overall the industry supports \$4.4 billion of the Iowa economy. That's 3.1 percent of the state's total economic activity.

Iowa also benefits from the production of oil and natural gas from shales and so-called "tight formations," energy development that uses the proven engineering technologies of hydraulic fracturing, or "fracking," and horizontal drilling. Total jobs supported by these activities in Iowa reached 8,751 in 2012.



1. American Petroleum Institute, "API Onshore Oil and Gas Vendor Identification Survey," Washington, D.C., 2014. The survey was distributed to API members in January 2014 to collect information for the period October 2012 to September 2013. Included are companies that provide goods and services for onshore oil and natural gas development, whether as operators, contractors, service companies, suppliers, or vendors.

2. PriceWaterhouseCoopers, "Economic Impacts of the Oil and Natural Gas Industry on the U.S. Economy in 2011," Washington, D.C., July 2013. Prepared for API using the IMPLAN input-output modeling system, based on 2011 U.S. Bureau of Economic Analysis data.

3. Information cited in this paragraph comes from the Bureau of Labor Statistics, Quarterly Census of Employment and Wages (preliminary data for 2013 accessed July 2014); and PriceWaterhouseCoopers, "The Economic Impacts of the Oil and Natural Gas Industry on the U.S. Economy: Employment, Labor Income and Value Added," 7/12/13 (based on 2012 IMPLAN database).

State: Iowa

Vendors by Congressional District

Congressional District	Total
Congressional District 1	17
Congressional District 2	5
Congressional District 3	11
Congressional District 4	5
Grand Total	38

18,320

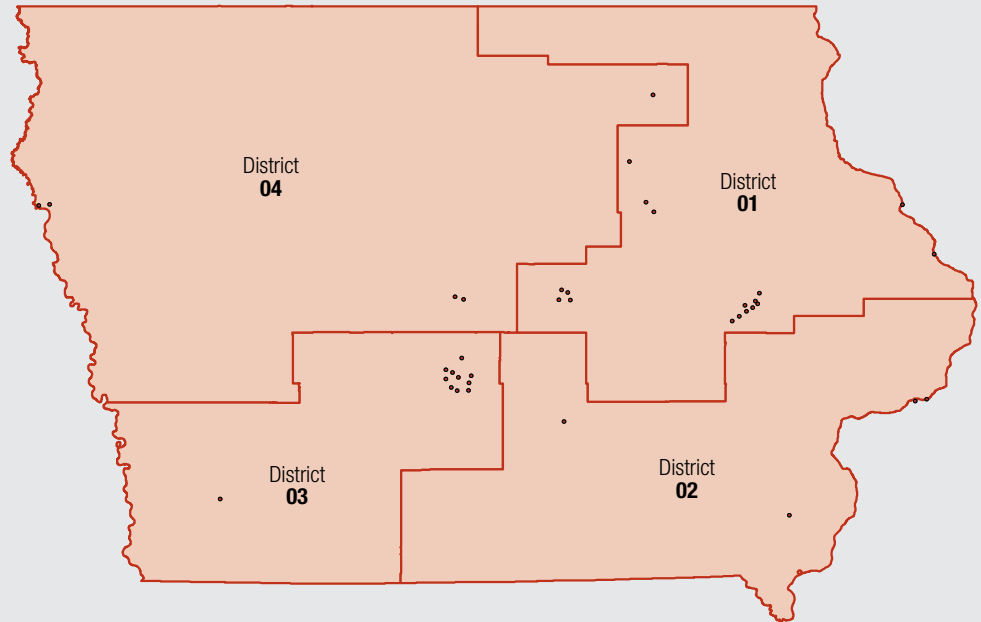
IOWA JOBS BY 2035
FROM HYDRAULIC FRACTURING
AND HORIZONTAL DRILLING

80%

OF IOWANS SUPPORT
INCREASED PRODUCTION OF OIL
AND NATURAL GAS IN THE U.S.

Iowa Vendors by Congressional District

District Location ●



Top City
Des Moines = 7

Sources: Esri, DeLorme, NAVTEQ, TomTom, Intermap, increment P Corp., GEBCO, USGS, FAO, NPS, NRCAN, GeoBase, IGN, Kadaster NL, Ordnance Survey, Esri Japan, METI, Esri China (Hong Kong), and the GIS User Community

The job total is expected to rise to 14,631 in 2020 and to 18,320 in 2035.⁴

And the people of Iowa get it. A state-wide telephone poll of 602 registered Iowa voters, conducted on behalf of the American

Petroleum Institute, found that 80 percent of them, regardless of party affiliation, support increased production of oil and natural gas resources located here in the United States.⁵

4. "IHS Inc., "America's New Energy Future: The Unconventional Oil and Gas Revolution and the U.S. Economy," Washington, D.C., December 2012.

5. "What America is Thinking on Energy Issues." <http://www.api.org/news-and-media/news/newsitems/2014/apr-2014/poll-large-majorities-of-iowa-voters-support-investments-in-oil-natural-gas>, the results of a state-wide poll conducted by Harris for API April 3-9, 2014. Click on "a new poll" to see how percentages of voters answered this and the other questions.



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IOWA - VENDOR LIST

Congressional District 1

Advanced Heat Treat
Airgas North Central, Inc
Cellsite Solutions, LLC
Crescent Electric Supply Co.
Emerson Process Management
LLP
Epmco Holdings, Inc
Esco Electric Co.
Fakespace

Fisher Controls Intl, LLC
GMT Corporation
Great America Financial Services
Great America Leasing
Corporation
James Ernst
Lattice Communications, Inc
Limolink, Inc
Mary K. Egan
Stoneriver, Inc

Congressional District 2

Allied Valve, Inc
Linda L. Geer
Marco Group Intl, Inc
Pipeline Cleaners, Inc
Real Asset Management

Congressional District 2

Chippewa Resources, Inc

Compressor Controls
Corporation
Diane D. Gregg
Dice Holdings, Inc
Electrical Power Products, Inc
Great Iowa Treasure Hunt
Iowa Tanklines, Inc
John Deere Credit
Kriz Davis Company, Inc
Office Depot

Shell

Congressional District 4

Advanced Analytical
Technologies
Concrete Foundations, Inc
Sabre Communications
Corporation
Sioux City Foundry Co
Webfilings Igc