

Oil and Natural Gas Stimulate Maine

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 Maine, 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 11 businesses, located across Maine's two 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 Maine supports some 28,800 jobs, which is 3.6 percent of the state's total employment. The amount of Maine labor income supported by the oil and natural gas industry comes to \$1.15 billion annually. That's 3.2 percent of the state's total labor income.

Although Maine is not a top energy producer, these job and labor income figures demonstrate that the people of Maine 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 Maine across all industries and sectors is \$38,782, the average oil and gas industry salary (excluding gas stations) is higher—\$45,861 annually. Overall the industry supports \$2.4 billion of the Maine economy. That's 4.2 percent of the state's total economic activity.

Maine 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 Maine reached 2,769 in 2012.

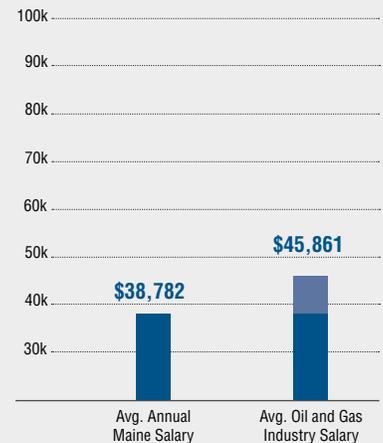


\$2.4 BILLION
THE INDUSTRY CONTRIBUTES TO
MAINE'S ECONOMY

28,800
MAINE JOBS

SUPPORTED BY OIL AND
NATURAL GAS INDUSTRY

AVERAGE ANNUAL SALARY COMPARISON



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: Maine

Vendors by Congressional District

Congressional District	Total
Congressional District 1	7
Congressional District 2	4
Grand Total	11

5,007

MAINE JOBS BY 2035

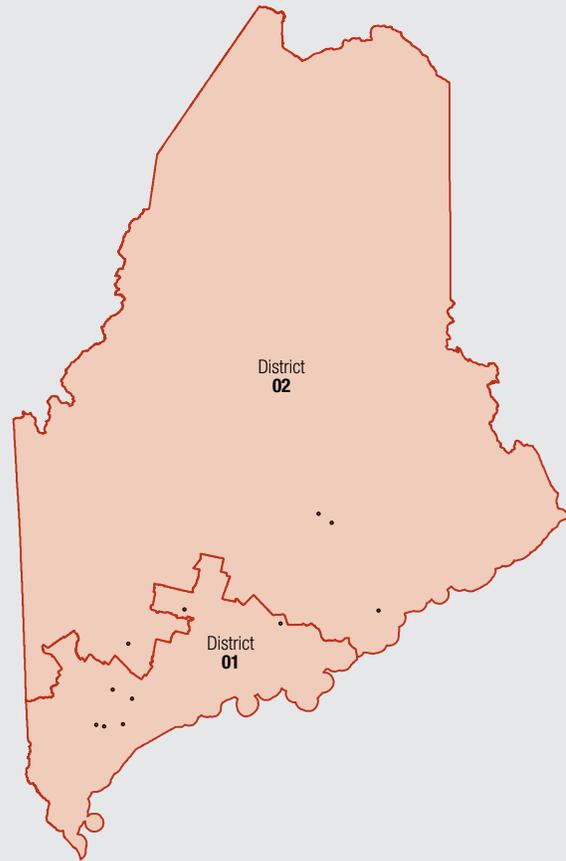
FROM HYDRAULIC FRACTURING
AND HORIZONTAL DRILLING

77%

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

Maine Vendors by Congressional District

District Location ●



The job total is projected to climb to 4,571 in 2020 and to 5,007 in 2035.⁴

And Americans, including the people of Maine, get it. A telephone poll of 1,012 registered voters across the country,

conducted on behalf of the American Petroleum Institute, found that 77 percent of Americans, regardless of party affiliation, support increased production of oil and natural gas resources located 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/july-2014/voters-say-us-should-do-more-to-develop-oil-natural-gas> the results of a national poll conducted by Harris for API July 10-13, 2014. Click on "national poll" to see how percentages of voters answered this and other questions.



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Congressional District 1

Blue Marble Geographics
Delorme Publishing Co, Inc
Forristall Ocean Engineering, Inc
Kardexremstar
Kepware Technologies
Nestay, Inc
Strategic Maintenance Solutions,
Inc

Congressional District 2

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Robichaud Alberic Jr
Senior Flexonics Pathway
Metroflex Dampers
Wisco, Inc