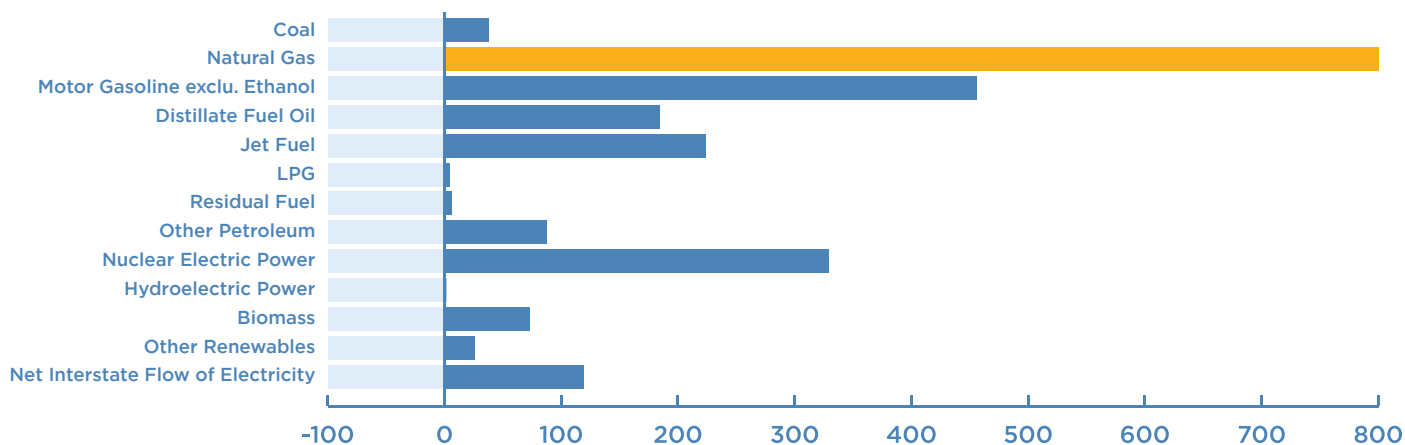


NEW JERSEY



The U.S. oil and natural gas industry provides energy security and economic benefits to our nation, supporting more than 9.8 million jobs and contributing \$1.2 trillion in added value to the economy.

NEW JERSEY ENERGY IS ALL OF THE ABOVE



U.S. ENERGY INFORMATION ADMINISTRATION CONSUMPTION ESTIMATES, 2014
Trillion Btu



FOCUS: SHALE ENERGY

"North American shale is creating an energy renaissance and helping the U.S. get closer to achieving energy security. Phillips 66 is leveraging advantaged crude oil from shale plays to lower refining production costs, increase utilization and grow. We are seeking new opportunities to bring lower-cost crude, both domestic and foreign, into our U.S. refineries."

Dennis Nuss, Phillips 66



NEW JERSEY ENERGY OVERVIEW



238,000:

The number of barrels of crude oil per day that can be processed by the Bayway Refinery, one of the largest refineries on the East Coast.

The state is home to three major refineries and a vast pipeline network, and its coastal location makes it a major distribution center for petroleum products for the Northeast. Gasoline, jet fuel, propane, bunker fuel oil, butane and the ingredients for plastics come from the refining of crude oil.



THE IMPACTS OF ENERGY POLICY CHOICES

Oil and natural gas innovations and investments have moved the U.S. from an era of energy scarcity to one of energy abundance in a few short years. Washington can make energy policy choices that will either continue or hinder America’s energy renaissance.

| POTENTIAL IMPACT ON U.S. (BY 2035) | MORE | |
|---|---------------------|------------------------|
| | PRO-ENERGY POLICIES | REGULATORY CONSTRAINTS |
| Oil & Natural Gas Production (MMboed) | +8.0 | - 3.4 |
| Total Jobs supported | +2.3 million | -830 thousand |
| GDP / Year | +\$443 billion | - \$133 billion |
| Total Government Revenue / Year | +\$122 billion | - \$18 billion |
| Cumulative Government Revenue from 2016 | +\$1.08 trillion | - \$500 billion |
| Total Household Income / Year | +\$118 billion | - \$43 billion |
| Average Household Energy Expense | -\$360/ year | + \$242 / year |

Source: <http://www.eia.org/~/media/Files/Policy/Jobs/Wood-Mackenzie-Report-2015.pdf>
MMboed = Million Barrel Oil Equivalent Per Day

LESS



FOCUS: DOMESTIC OIL AND U.S. REFINING

“The new rail rack will allow us to directly supply U.S. domestic crude to Bayway, displacing imported crude, and is a key part of our strategy to maximize advantaged crude runs.”

Darren Cunningham, Bayway Refinery manager

