



Untapped Potential

The Benefits of U.S. Offshore Oil and Natural Gas Development in the Atlantic

Opening the U.S. Atlantic Outer Continental Shelf (OCS) to offshore oil and natural gas exploration and production could have remarkable benefits for job creation, U.S. energy security, domestic investment, and revenue to the government.

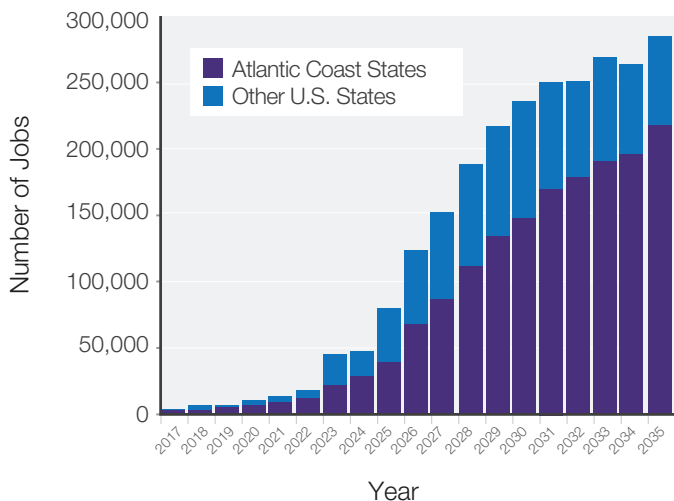
Oil and natural gas development in the Atlantic OCS between 2017 and 2035 could:

- Create nearly **280,000 new jobs** along the East Coast and across the country.
- Result in an additional **\$195 billion** in new private investment.
- Contribute up to **\$23.5 billion** per year to the U.S. economy.
- Add **1.3 million barrels** of oil equivalent per day to domestic energy production.
- Generate **\$51 billion** in new revenue for the government.

If the first lease sales in the Atlantic OCS were held in 2018, exploratory drilling could begin the following year with the first production of oil and natural gas expected in 2026. **Major capital investments, job creation, and revenue to the government would all begin years before the first barrel goes to market.**

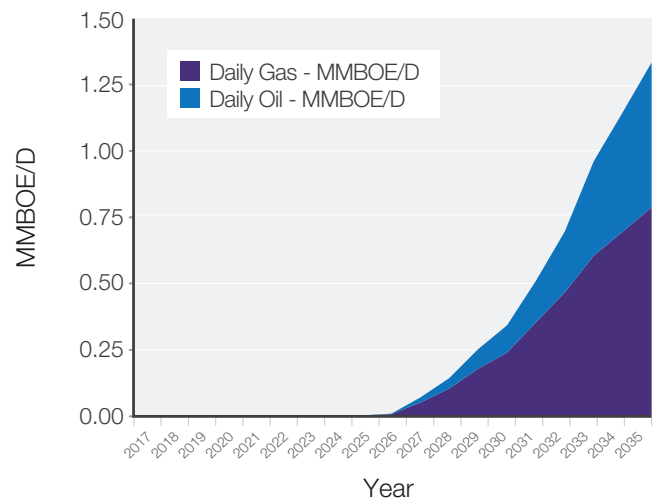
Job Creation

Atlantic OCS oil and natural gas development is expected to lead to significant employment gains, both along the East Coast and nationally. Total U.S. employment is expected to reach nearly 280,000 jobs by 2035, of which 215,000 would be in the Atlantic coast region. States outside the region would see a gain of nearly 65,000 jobs. The largest employment impact would occur in North Carolina, South Carolina and Virginia.



Energy Production

Atlantic OCS development would significantly increase domestic energy production. From just over 6,000 barrels of oil equivalent per day (BOEPD) in 2026, production is expected to rise the following year to over 65,000 BOEPD and to reach 1.34 million BOEPD by 2035. Production is expected to be approximately 40 percent oil and 60 percent natural gas.



Domestic Investment

Spending by companies involved in finding, developing, and producing oil and natural gas in the Atlantic OCS is expected to rise from an average of \$480 million per year during the first five years of initial leasing, seismic surveys, and exploratory drilling to just under \$20 billion per year in 2035. The percentage of spending expected to take place in the Atlantic coast states will progress from 48 percent in the first five years of activity to 76 percent in the last five years.

Contribution to the Economy

Spending by the oil and natural gas industry and the impact of the increase in government revenues would significantly increase U.S. GDP. Total contributions to the economy are projected to reach nearly \$23.5 billion per year in 2035, with roughly 75 percent of the total expected impact to occur in Atlantic coast states and 25 percent across the rest of the country.

Impact by State

The chart below shows the breakdown of expected increases in spending, employment, GDP, and government revenue by state.

State	2017-2035 Cumulative Spending (\$ Millions)	2035 Employment	2035 Contributions to Economy (\$ Millions/year)	2017-2035 Cumulative State ¹ Government Revenue (\$ Millions)
North Carolina	\$26,439	55,422	\$4,081	\$3,989
South Carolina	\$15,572	35,569	\$2,730	\$3,728
Virginia	\$14,214	24,979	\$2,177	\$1,874
Massachusetts	\$8,164	14,814	\$1,365	\$1,411
New York	\$9,637	12,345	\$1,250	\$869
Maine	\$3,892	10,305	\$840	\$879
Florida	\$3,998	9,222	\$694	\$1,057
Rhode Island	\$3,485	8,499	\$771	\$1,198
Connecticut	\$4,371	8,169	\$776	\$929
New Jersey	\$4,984	8,340	\$785	\$515
Maryland	\$4,159	7,236	\$632	\$499
Pennsylvania	\$4,050	7,227	\$619	\$330
Georgia	\$2,076	5,088	\$426	\$702
Delaware	\$2,430	4,790	\$466	\$475
New Hampshire	\$1,942	3,608	\$317	\$843
Other U.S. States	\$58,320	63,950	\$5,498	\$0
Totals	\$194,531	279,562	\$23,428	\$19,299

¹ For comparison of potential revenue among states only. Assumes 37.5 percent of bonuses, rents, and royalties go to the East Coast states. Actual revenue would depend on the enactment and details of a revenue sharing agreement.

Government Revenue

Atlantic OCS oil and natural gas development could significantly increase government revenue from royalties, bonus bids, and rents on leases – reaching a cumulative \$51 billion from 2017 to 2035. Assuming revenue sharing legislation similar to the arrangement in the Gulf of Mexico is enacted, coastal states could receive 37.5% of the revenue generated which is equal to \$19.3 billion.

