Oil and Natural Gas Stimulate Tennessee 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 Tennessee, supporting business activity across the state. This finding grows out of a new American Petroleum Institute survey of domestic oil and natural gas vendors, 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 82 businesses, spread across Tennessee’s nine 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. That study found that the oil and natural gas industry in Tennessee supports some 111,500 jobs, which is 3.2 percent of the state’s total employment. The amount of Tennessee labor income supported by the oil and natural gas industry comes to $5.09 billion annually. That’s 3 percent of the state’s total labor income.

Although Tennessee is not a top U.S. energy producer, these job and labor income figures demonstrate that the people of Tennessee enjoy significant benefits from energy development. The benefits show up in the state’s salary statistics as well. Thus, while the average annual salary in Tennessee across all industries and sectors is $44,273, the average oil and gas industry salary (excluding gas stations) is substantially higher — $62,435 annually. Overall the industry supports $8.9 billion of the Tennessee economy. That’s 3.4 percent of the state’s total economic activity.

Tennessee 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

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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.


4. Data includes NAICS code 324, which may count some coal product manufacturing jobs.
activities in Tennessee reached 13,516 in 2012. The job total is projected to climb to 23,310 in 2020 and to 27,702 in 2035.5

And Americans, including the people of Tennessee, 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.6

Vendor Profile7

SCADA Design Specialists, Inc.

SCADA Design Specialists, Inc. is a pipeline automation consultancy. The consultancy provides Allen-Bradley PLC and human machine interface (HMI) programming support for many of the major pipeline companies. The firm also has extensive experience with Allen-Bradley DF1, Ethernet/IP, and Modbus communications to peripheral devices. All of SCADA’s work is done 100 percent in the oil industry. The consultancy provides automation services for crude oil, refined product, and carbon dioxide pipelines.

SCADA has not only provided programming support, but has also designed Allen-Bradley PLC and HMI standards for numerous major pipeline companies. PC programming knowledge and experience enable SCADA to create simple and well-documented PLC programs. The consultancy pushes the limits on HMI screens to provide systems that are colorful and easy to understand and use.

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7. From the 2014 “API Onshore Oil and Gas Vendor Identification Survey” returns.
Congressional District 1
American Hardbanding
Fiber Innovation Technology, Inc
Lisega, Inc
McKinnis & Scott
Resource Paper & Plastic
Summers Taylor, Inc
Wilhoit & Kaiser

Congressional District 2
Hydrozonix, LLC
Industrial Psychologists, Inc
John R. Frazier PhD CHP
Perma Fix Environmental
Phillips & Jordan, Inc
Power Systems, Inc
System Improvements, Inc
Thomas E. Midyett
Waste Disposal, Inc
Windrock, Inc

Congressional District 3
GMB Consulting & Training Services
Heatec, Inc
Techsoft USA

Congressional District 4
Corrosion Testing Services, LLC
Hayes Instrument Co, Inc
Industrial Data Systems, Inc
Sitehawk Industrial Data

Congressional District 5
Acme Truck Lines, Inc
Bridgestone Americas, Inc
Carl Koontz Assoc
Deep South Equipment Company
Embraer Aircraft Maintenance
Hercules Bolt Co
K2 Environmental, LLC
Kristin Knoll
Scout Check Report, Inc
System Scale Corporation
Tennessee Steel Haulers, Inc
Testamerica Laboratories, Inc
VF Imagewear, Inc

Congressional District 6
Alex Henning
Commercial Credit Reports
Eggers Family Revocable Trust
ESC Lab Sciences
Global Business Management
Kodi Klip Corporation
Paul Eggers Trust
Tinsley Asphalt, LLC

Congressional District 7
3SAE Technologies, Inc
Acme Truck Line, Inc
Aquaster, Inc
Cassidian Communications
Conestoga Rovers & Assoc, Inc
Datasource Mobility, LLC
Dennis F. Dycus
Exterra Resources, LLC
FDR Safety
Leverage Creative
Premier Forest Products
Scada Design Specialists, Inc
The Lampo Group
Vaco Houston, LLC
Wright & Co, Inc

Congressional District 8
Langley Wire Cloth
Online Fm, LLC
Quad Industries
Rapac LP

Congressional District 9
Asentinel
Baker Donelson Bearman
Data Foremost Chemical Corporation
Federal Express Corporation
Floied Fire Extinguisher
George R. Douglas & Assoc, LLC
Guardsmark
LSI
Mahaffey Tent & Awning Company, Inc
Mudhorse Systems
Nexair, LLC
PMC Biogenix, Inc
Pyramex Safety Products, Inc
Radars, Inc
Sedgwick Claims Management
Terminix International Company
Tristate Transport, Inc
Trivantis Corporation