North Carolina is projected to see the highest levels of spending, employment and contributions to its economy if Atlantic OCS oil and natural gas resources are developed. Annual spending on Atlantic OCS oil and gas exploration and development activity in North Carolina could reach nearly $3.3 billion in 2035. North Carolina benefits from the large amount of project activity expected off the state due to the large potential reserves in nearby waters and a relatively long coastline. North Carolina’s extensive port infrastructure at Morehead City and Wilmington is expected to be heavily involved in offshore oil and natural gas activities.

**Employment Opportunity**

Employment due to offshore oil and gas development in North Carolina is expected to reach over **55,000 jobs in 2035**, with direct employment of over 20,000 jobs and indirect and induced employment of over 35,000 jobs.

Employment gains are not expected to be limited to those industries directly tied to oil and natural gas production, with a broad spectrum of businesses expected to benefit. Some of the industries expected to benefit most by 2035 include:

- Retail with over 3,500 jobs
- Administrative and waste management services with around 3,000 jobs
- Healthcare and social assistance with nearly 3,400 jobs
- Food services with 2,600 jobs

**Benefits for North Carolina’s Economy**

Atlantic OCS oil and natural gas exploration and production is also expected to cause a significant increase in North Carolina’s gross state product with contributions to the state economy expected to reach over **$4 billion in 2035**.

Additionally, if the Gulf of Mexico state/federal revenue sharing arrangement is enacted for Atlantic coastal states, North Carolina could see significant incremental government revenues. Under a 37.5% revenue sharing structure, North Carolina state government revenues from bonuses, rents and royalties are projected to reach **$385 million per year by 2035** and the cumulative effects on the state budget from 2017 to 2035 are projected to be nearly **$4 billion**.

**NC’s Manufacturing Sector Attracts Spending**

North Carolina’s economic makeup coupled with its proximity to developments is expected to attract manufacturing of oilfield equipment, **rising to nearly $600 million of spending per year by 2035**. North Carolina is already home to many high tech manufacturing suppliers to the oil and gas industry such as General Electric and ABB power systems as well as companies like DSM Dyneema, which provides mooring and lifting ropes to the offshore industry. North Carolina’s workforce is well placed to take advantage of the high tech nature of oil and gas manufacturing and other activities, drawing on the same workforce that has led companies such as Caterpillar, John Deere and Volvo to place significant manufacturing operations in the state, especially in and around the Raleigh, Durham, and Chapel Hill triangle.

To find out more, visit [API.org](http://www.API.org) for more information and follow us on Twitter [@EnergyTomorrow](https://twitter.com/EnergyTomorrow).