AFFORDABLE U.S. ENERGY AND U.S. NATURAL GAS AND OIL

energy API

Advances in hydraulic fracturing and horizontal drilling have made natural gas and refined petroleum products, such as gasoline, more affordable to U.S. consumers. Furthermore, lower energy costs increase U.S. competitiveness in manufacturing sectors and enhance national security.

BACKGROUND:

For the American consumer, the nation's energy renaissance has meant lower energy costs. The average family has saved significantly when it comes to the price of gasoline and other energy goods and services and the cost to heat and cool their homes.

Furthermore, lower energy prices give U.S. industries a crucial competitive edge and are attracting more business investment back to the U.S. by lowering the cost of energy and manufacturing feedstocks. A strong supply of domestic oil and natural gas has helped to cut energy and materials costs for American manufacturers, particularly producers of steel, chemicals, refined fuels, plastics, fertilizers and numerous consumer products.

The cost of American energy has consequences beyond our borders. American energy leadership could help improve the lives of millions of families in countries and continents thousands of miles away, by providing an affordable and cleaner-burning fuel to heat their homes and cook their meals.

FAST FACTS:

- A recent report by IHS estimates that due to increased oil and natural gas production through the use of hydraulic fracturing, average U.S. disposable household income increased by $1,337 in 2015 because of lower home energy costs and other savings. Savings could rise to more than $3,500 by 2025. [1]
- Prices paid for natural gas by U.S. residential consumers have decreased by 27 percent since the shale revolution began. [2]
- For the American consumer, the nation's energy renaissance has meant lower energy costs, an average of more than $550 saved on gasoline, according to the American Automobile Association (AAA). [3]
- U.S. industrial electricity costs are 30 to 50 percent lower than those of our foreign competitors, according to a 2015 study from the Boston Consulting Group (BCG). [4]
- American manufacturing costs are now 10 to 20 percent [ii] lower than those in Europe and could be 2 to 3 percent lower than China's by 2018. [5]
- 1.2 billion people, or 14 percent of the world's population, lack access to electricity, and twice that many, 2.6 billion, live without clean cooking facilities. [6]

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