



Press Release

For Immediate Release

April 6, 2016

Contact: Jennifer Scott (202) 249-6512

Email: jennifer_scott@americanchemistry.com

U.S. CHEMICAL INDUSTRY INVESTMENT LINKED TO SHALE GAS TOPS \$164 BILLION *ACC Highlights Economic Benefits, Key Policies at Hudson Institute Forum*

WASHINGTON (April 6, 2016) – The American Chemistry Council (ACC) today announced that U.S. chemical industry investment linked to plentiful and affordable natural gas and natural gas liquids (NGLs) from shale formations has reached \$164 billion. Forty percent of the investment for the 264 projects – new facilities, expansions and factory re-starts – is completed or underway, while 55 percent is in the planning phase.

ACC Senior Director of Energy Policy Owen Kean revealed the new figures at a Hudson Institute [event](#), “America’s Future Natural Gas Economy: Promoting the Next Energy Breakthrough.” He appeared alongside Hudson Institute Senior Fellow [Arthur Herman](#) on a panel examining the role of natural gas in manufacturing.

“U.S. chemical manufacturers rely on natural gas for heat and power, and it contains ethane, an NGL that serves as our main feedstock,” Kean said. “Dramatic supply growth has had an equally dramatic impact on U.S. natural gas prices. It’s a stunning reversal of fortune from just a few years ago, when the chemical industry was losing market share – and jobs – to competitors abroad.

“America enjoys a robust supply outlook, expected to last for decades, and a price environment that’s the envy of the world,” Kean continued. “Our country has become the most attractive place in the world to make chemicals, and a historic wave of expansion and investment is underway.”

ACC analysis shows that \$164 billion in capital spending could lead to \$105 billion per year in new chemical industry output and support 738,000 permanent new jobs across the U.S. economy by 2023, including 69,000 new chemical industry jobs, 357,000 jobs in supplier industries and 312,000 jobs in communities where workers spend their wages. Much of the new investment is geared toward export markets, which can help improve the U.S. trade balance.

“We need the right regulatory and policy approaches in order to fully realize the potential of shale gas as an engine of manufacturing growth,” Kean said. “Policymakers must avoid unreasonable restrictions on oil and gas production on public lands; keep oversight of production on private lands in the hands of the states; and expedite the construction and permitting of infrastructure, such as pipelines, needed to move natural gas and NGLs to market.”

—more—



Shale-Related Investment Reaches \$164 Billion

April 6, 2016

Page 2

It's also important to ensure a timely, transparent and efficient regulatory permitting process for shale-related manufacturing projects such as new factories and expansions. Companies and state agencies need clarity and certainty about the process and timing for obtaining permits. Legislation [introduced](#) in the House last month would help fix longstanding problems with the implementation process for new air quality standards.

The data released today updates the ACC [report](#), "Shale Gas, Competitiveness, and New U.S. Chemical Industry Investment—An Analysis of Announced Projects." Published in May 2013, it examined nearly 100 chemical and plastics projects totaling \$71.7 billion in potential investment announced as of March 2013. The figures are growing as new projects are announced.

ACC analysis employs the IMPLAN input-output methodology, an economic model that quantifies interdependencies among industries or economic sectors. IMPLAN is used by government agencies including the Army Corp of Engineers, U.S. Department of Defense, U.S. Environmental Protection Agency, and over 20 others, and by over 250 colleges and universities, local governments, non-profits, consulting companies, and other private sector companies.

To view video of today's forum, please visit: <https://www.youtube.com/user/hudsoninstitute>

Learn More:

- [\\$164B infographic](#)
- [\\$164B fact sheet](#)
- [\\$164B slides](#)

#

<http://www.americanchemistry.com>

The American Chemistry Council (ACC) represents the leading companies engaged in the business of chemistry. ACC members apply the science of chemistry to make innovative products and services that make people's lives better, healthier and safer. ACC is committed to improved environmental, health and safety performance through Responsible Care®, common sense advocacy designed to address major public policy issues, and health and environmental research and product testing. The business of chemistry is an \$801 billion enterprise and a key element of the nation's economy. It is the nation's largest exporter, accounting for twelve percent of all U.S. exports. Chemistry companies are among the largest investors in research and development. Safety and security have always been primary concerns of ACC members, and they have intensified their efforts, working closely with government agencies to improve security and to defend against any threat to the nation's critical infrastructure.

