



News Release

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U.S. CHEMICAL INVESTMENT LINKED TO SHALE GAS REACHES \$100 BILLION

Manufacturers Welcome President's Pledge to Expedite Permitting of Projects

WASHINGTON (February 20, 2014) – The American Chemistry Council (ACC) announced today that potential U.S. chemical industry investment linked to plentiful and affordable natural gas and natural gas liquids from shale formations has topped \$100 billion. As of this month, 148 projects valued at \$100.2 billion have been announced. These projects – new factories, expansions and process changes to increase capacity – could lead to \$81 billion per year in new chemical industry output and 637,000 permanent new jobs by 2023. More than half of the investment is by firms based outside the U.S.

“This is a historic milestone for America’s chemical industry and proof that shale gas is a powerful driver of manufacturing growth,” said ACC President and CEO Cal Dooley. “Thanks to the shale gas production boom, the United States is the most attractive place in the world to invest in chemical and plastics manufacturing. It’s an astonishing gain in competitiveness.”

Chemical makers are transforming domestic energy into a stronger economy and new jobs. Between 2010 and 2023, \$100.2 billion in increased capital spending can create an estimated 55,000 permanent new chemical industry jobs, 314,000 jobs in supplier industries and 267,000 payroll-induced jobs in communities where workers spend their wages, ACC’s analysis showed. Additional, temporary jobs will be created during the capital investment phase, which peaks in 2016.

“Given the enormous benefits of shale-related manufacturing, we are encouraged by President Obama’s pledge to help make sure these projects happen,” Dooley continued. “We’re glad the White House agrees that regulatory permitting issues must not be a roadblock to new U.S. investment, and we are excited to get these projects approved and built.” [The President highlighted](#) shale gas and the need for prompt approval of manufacturing projects during his State of the Union Address.

Companies investing in large-scale manufacturing projects such as new factories and expansions face a complex permitting process that includes federal, state and local requirements. To go forward, these companies need certainty as to the processes and timing for obtaining permits. Other policies key to realizing the shale gas opportunity include access to domestic natural gas resources; responsible, state-based regulation of production; and rapid development of infrastructure to transport supplies.



Today's announcement provides an update to the [ACC report](#), "Shale Gas, Competitiveness, and New U.S. Chemical Industry Investment – An Analysis of Announced Projects." Released in May 2013, the report analyzed nearly 100 chemical and plastics projects totaling \$71.7 billion in potential investment that had been announced through March 2013. Cumulative potential investment is growing as new projects are announced.

ACC's analysis employed 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.

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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 a \$770 billion enterprise and a key element of the nation's economy. It is one of the nation's largest exporters, 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.

