



# Untapped Potential

## The Benefits of U.S. Offshore Oil and Natural Gas Development in the Pacific Coast

Opening the U.S. Pacific Coast Outer Continental Shelf (OCS) to offshore oil and natural gas exploration and production could have significant benefits for job creation, U.S. energy security, domestic investment, and revenue to the government.

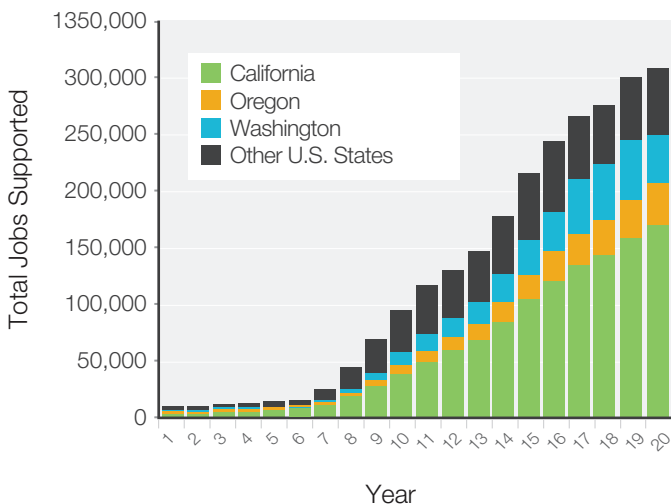
### Oil and natural gas development in the Pacific Coast OCS within 20 years after initial lease sales could:

- Create nearly **300,000 jobs** in the U.S.; **240,000** on the Pacific Coast.
- Result in an additional **\$20 billion** per year in private investment by the end of the forecast period.
- Contribute up to **\$26 billion** per year to the U.S. economy by the end of the forecast period.
- Add **1.5 million barrels** of oil equivalent per day to domestic energy production by the end of the forecast period.
- Generate **\$8.7 Billion per year** in new revenue for the government by the end of the forecast period.

If the first lease sales in the Pacific Coast OCS were held in 2020, exploratory drilling could begin the following year with the first production of oil and natural gas in 2025. **Major capital investments, job creation, and revenue to the government could all begin years before the first barrel goes to market.**

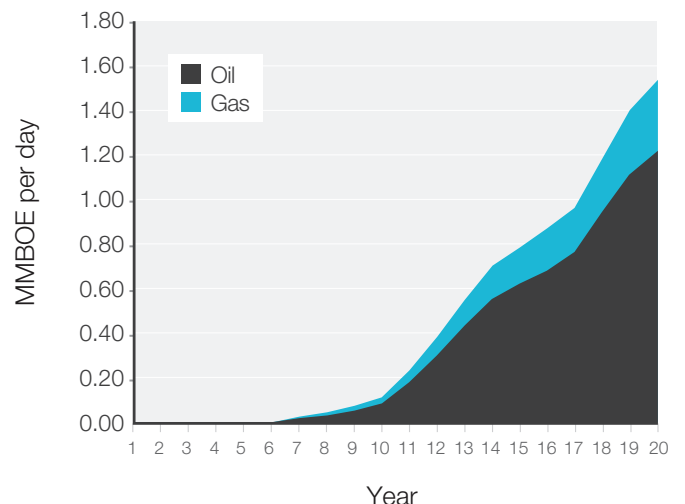
### Job Creation

Pacific Coast OCS oil and natural gas development could lead to significant employment gains, both along the Pacific Coast and nationally. Total U.S. employment could reach over 300,000 jobs within 20 years, of which 240,000 is projected to be in the Pacific coast region. States outside the region could see a gain of nearly 60,000 jobs. The largest employment impact is projected to occur in California, Washington and Oregon.



### Energy Production

Pacific Coast OCS development could significantly increase domestic energy production. From just over 225,000 barrels of oil equivalent per day (BOEP/D) within 10 years of production, production is projected to reach 1.5 million BOEP/D by the end of the forecast period. Production is projected to be approximately 79 percent oil and 21 percent natural gas.



## Domestic Investment

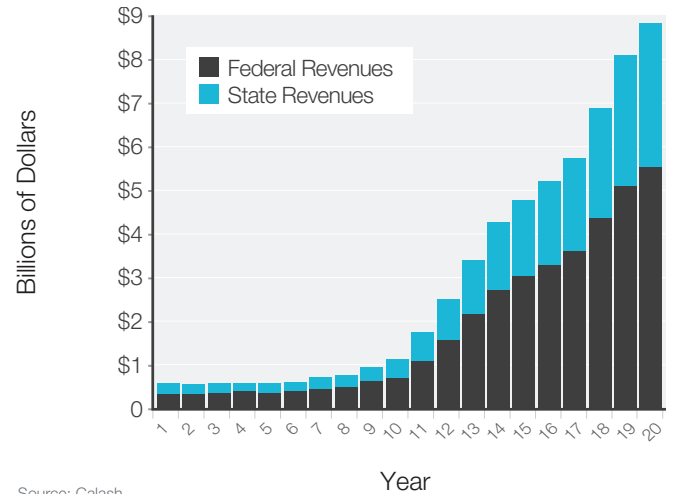
Spending by companies involved in finding, developing, and producing oil and natural gas in the Pacific Coast OCS could rise from an average of **\$425 million** per year during the first five years of initial leasing, seismic surveys, and exploratory drilling to over **\$20 billion** per year 20 years after leasing begins. Over 70 percent of domestic spending from Pacific Coast oil and natural gas developments is projected to take place in the Pacific Coast states.

## Contribution to the Economy

Spending by the oil and natural gas industry and the impact of the increase in government revenues could significantly increase U.S. GDP. Total contributions to the economy are projected to reach nearly **\$26 billion per year** by the end of the forecast period.

## Government Revenue

Pacific Coast OCS oil and natural gas development could significantly increase government revenue from royalties, bonus bids, and rents on leases – reaching a cumulative **\$57 billion** throughout the forecast period. Assuming revenue sharing legislation similar to the current arrangement in the Gulf of Mexico is enacted, coastal states could receive 37.5% of the revenue generated which is equal to **\$21 billion**.



Source: Calash

## Employment Impacts by State

The chart below shows the projected employment increase for Pacific coast states and other U.S. states.

State	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20
California	3,219	3,657	4,688	5,406	6,181	7,252	9,995	16,329	25,784	36,668	46,995	56,668	65,576	80,962	100,441	117,918	129,949	139,454	153,099	165,581
Oregon	914	967	1,125	1,202	1,308	1,510	2,041	3,127	4,750	6,825	8,963	11,128	13,779	17,183	20,450	24,555	26,836	29,555	32,375	35,097
Washington	483	525	645	708	783	1,008	1,758	3,491	6,388	11,653	15,016	17,095	19,332	23,883	30,644	33,456	47,426	48,418	52,028	42,160
Pacific Coast	4,616	5,149	6,457	7,316	8,272	9,769	13,794	22,948	36,922	55,146	70,974	84,892	98,687	122,028	151,535	175,929	204,212	217,427	237,502	242,838
Other U.S. States	1,094	1,420	1,979	2,460	2,918	4,282	9,093	19,371	29,500	36,709	40,690	40,697	42,626	51,911	60,433	63,167	55,860	51,054	55,310	57,952
<b>Total</b>	<b>5,710</b>	<b>6,569</b>	<b>8,436</b>	<b>9,775</b>	<b>11,190</b>	<b>14,051</b>	<b>22,887</b>	<b>42,319</b>	<b>66,422</b>	<b>91,855</b>	<b>111,664</b>	<b>125,588</b>	<b>141,313</b>	<b>173,940</b>	<b>211,968</b>	<b>239,096</b>	<b>260,071</b>	<b>268,481</b>	<b>292,812</b>	<b>300,789</b>