



## Introduction

- Development of U.S. oil shale resources will generate significant employment opportunities and substantial government revenues.
- Oil shale production could help reduce the trade deficit and enhance domestic energy security through increased domestic energy production.
- As the global economy and global demand for liquid fuels have returned to growth, there has been corresponding upward pressure on the costs of petroleum-based transportation fuels. A U.S. oil shale industry can help to mitigate such price increases.
- With more than 70% of the Western U.S. resource on public lands, oil shale development can provide a significant and consistent federal revenue stream for decades.<sup>1</sup>

## Our Economy: Increased Tax Revenues and Reduced Deficits

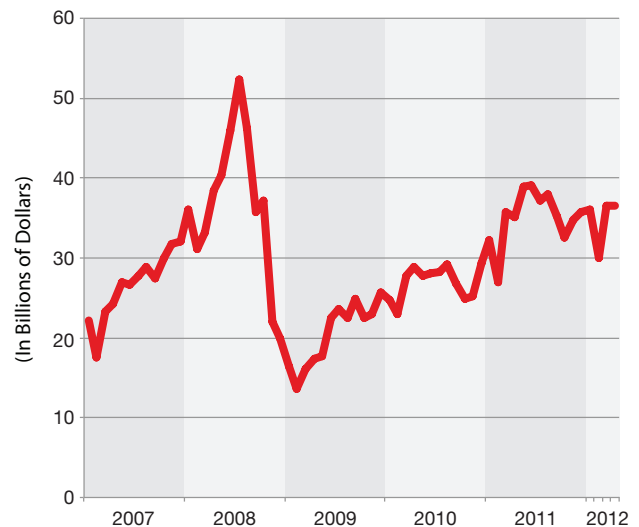
### How can oil shale development increase tax revenues?

- A robust U.S. oil shale industry can yield significant economic benefits to our country in the form of taxes and royalty payments. The U.S. Strategic Unconventional Fuels Task Force estimated that the initial 25-year period of oil shale production could yield cumulative public sector revenues in excess of \$400 billion.<sup>2</sup>

### How can oil shale production help reduce the trade deficit?

- In 2011, total U.S. petroleum products supplied was 18.8 million barrels per day, while total U.S. petroleum production was about 10.2 million barrels per day.<sup>3</sup>
- In 2011, the price tag on petroleum-related products from foreign suppliers was about \$421 billion, or 75% of the U.S. goods and services trade deficit of nearly \$560 billion.<sup>4</sup>

Figure 1. Cost of U.S. Imports of Energy-Related Petroleum Products



From 2010 to 2011, the average cost of crude oil imports rose by 31.5%.<sup>5</sup>

- Access to and development of oil shale resources on U.S. federal lands can help to materially reduce the trade deficit.

1 U.S. Bureau of Land Management – [http://www.blm.gov/wo/st/en/prog/energy/oilshale\\_2/background.html](http://www.blm.gov/wo/st/en/prog/energy/oilshale_2/background.html)

2 The U.S. Strategic Unconventional Fuels Task Force, 2007 Strategy and Program Plan, Volume 2, Page II-3, as mandated by congressional passage of the Energy Policy Act of 2005

3 Energy Information Administration, May 2012 Monthly Energy Review, Table 3.1, <http://205.254.135.7/totalenergy/data/monthly/archive/00351205.pdf>

4 U.S. Census Bureau Foreign Trade Statistics, FT 900: U.S. International Trade in Goods and Services - April 2012, <http://www.census.gov/foreign-trade/Press-Release/2012pr/04/ft900.pdf>

5 CRS Report for Congress, "U.S. Trade Deficit and the Impact of Changing Oil Prices," April 13, 2012 (James Jackson), <http://www.fas.org/sgp/crs/misc/RS22204.pdf> and U.S. Census Bureau Foreign Trade Statistics, FT 900: U.S. International Trade in Goods and Services

## Our Jobs: Quality Jobs and Quality Plans



- A new U.S. oil shale industry could create up to 100,000 new jobs and contribute \$1.9 trillion to the U.S. GDP.<sup>6</sup>
- While these benefits are clear, it is important to recognize and appropriately plan for the activity that can accompany such growth.

### What are some of the potential impacts on the community?

- In addition to significant revenues being generated by development for local communities, greater demand for services associated with increased economic activity may require additional budget outlays.
- Home valuations and housing demand and market conditions are likely to improve with the establishment of a growing and well-paid local workforce.
- Service industry jobs are likely to be in great demand as primary employee needs increase.
- Local growth may lead to the need to enhance general public services, such as fire and police protection, education and utility services.

### How can desirable social and economic impacts be achieved for local communities?

- Comprehensive front-end planning, public education and effective communication with local stakeholders, including identifying various solutions for meeting local infrastructure needs.
- Engaging and informing the public about the potential timing, the length of development projects, and all potential impacts.
- Oil shale developers are committed to engaging with local communities to address and effectively prepare for these challenges in advance of commercial development.

<sup>6</sup> The U.S. Strategic Unconventional Fuels Task Force, 2007 Strategy and Program Plan, Volume 2, Page II-4, as mandated by congressional passage of the Energy Policy Act of 2005