

Louisiana Energy Fact Sheet

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Louisiana's Oil and Gas Industry

- Louisiana is a major supplier, processor, and transporter of domestic energy.
- Louisiana is home to 40 percent of the total capacity in the U.S. Strategic Petroleum Reserve.
- Louisiana has over 83,000 miles of pipelines moving natural gas, crude, and refined products.
- Louisiana is home to the Louisiana Offshore Oil Port (“LOOP”) that accounts for 13 percent of total U.S. crude oil imports. The Gulf of Mexico region, generally, accounts for 60 percent of all U.S. crude imports.
- Louisiana is home to the Henry Hub, the main trade point for natural gas commodities on the New York Mercantile Exchange (“NYMEX”). Some 22,000 annual transactions per year are traded of the Henry Hub.
- Over \$9 billion in federal royalties and fees are derived annually from offshore oil and gas activities in federal waters of the Gulf of Mexico. Louisiana does not get any of these royalty dollars.
- Louisiana is the birth place of offshore oil and gas exploration which began with the first offshore oil well drilled by Kerr-McGee in 1947.
- Louisiana ranks first in crude oil production and second in natural gas production in the U.S. (includes offshore production).
- Some 30 percent of all domestic oil production comes from the Gulf of Mexico region off Louisiana’s coast.
- Over 20 percent of all natural gas production comes from the Gulf of Mexico Region.
- Some 50 percent of total U.S. refining capacity is in the Gulf coast region.
- Louisiana ranks second in total refining capacity in the U.S. with some 2.8 million barrels per day of capacity.
- Louisiana accounts for 17 percent of total U.S. refining capacity.
- The last new modern refinery came on line in 1975 in Garyville, Louisiana.
- Louisiana accounts for over 7 percent of total natural gas storage in the U.S (the highest in the nation). The Gulf coast, overall, accounts for 17 percent of total natural gas storage.
- There is over 14.5 billion cubic feet annually of natural gas processing capacity in Louisiana for 2007.
- Louisiana ranks fourth in total oil and gas employment in the U.S.
- Louisiana ranks third in total refinery employment in the U.S.
- Louisiana is the third largest industrial user of natural gas.
- Louisiana’s combined power generation and industrial natural gas use account for almost as much as the entire country of India in one year.

Louisiana's Chemical Industry

- **There are more than 90 major chemical plants located in Louisiana with a total of 300 chemical plants.**
- **Louisiana's industrial facilities have the second largest industrial power generation capacity in the country.**
- **Louisiana industry is the third largest user of natural gas. Natural gas, and natural gas liquids, are processed into a variety of petrochemical products used in every day households applications like pharmaceuticals, cosmetics, carpets, paints, plastic milk jugs, PVC pipes, plastics, detergents, food packaging, amount others.**
- **Synthetic rubber was first developed and produced commercially in Louisiana as were a number of other petroleum-related products.**
- **Louisiana ranks 2nd in total chemical industry value output in the U.S.**
- **Louisiana is the 9th largest employer of chemical industry workers in the U.S. There are some 27,000 chemical industry jobs in Louisiana.**
- **The chemical industry in Louisiana has been estimated to create as many as 5.2 additional jobs for every job created in the chemical sector. This results in over 119,000 Louisiana jobs directly or indirectly dependent upon the chemical sector and its activity and health.**
- **The Louisiana chemical industry has a payroll of more than \$1.7 billion making it the 9th highest in the nation.**
- **Average annual wages paid in the chemical industry are close to 66 percent higher than average manufacturing wages, and over 3.19 percent higher than the statewide average.**
- **Louisiana exports close to \$4.5 billion in chemical products.**

Source: LA DNR, US DOE, Louisiana Chemical Association, Louisiana Workforce Development, Mid Continental Oil and Gas Association