Oil and Natural Gas Industry is the Backbone of the American Economy

- Supports more than 9 million jobs
- Supplies over 60% of our energy needs
- Generates hundreds of billions of dollars in revenues for government
A Picture of the World at Night

Energy is the engine of our economic growth. More energy means more jobs, higher incomes, greater economic growth.
Global Economic and Energy Consumption Growth (regional shares of world’s incremental growth between 2007-2035)

Source: EIA, IEO 2010
Three Priorities for Fueling Our Future

1. Consume less energy

2. Diversify supply sources

3. Invest more in new technologies
Energy Consumption per Dollar of Gross Domestic Product in 2007
(Btu/Year 2005 U. S. Dollar at Market Exchange Rates)

How much energy a country uses per dollar of economic output is a function of a lot of variables, such as wealth, weather, industry, etc.

Source: EIA
The U.S. is reducing its energy intensity by moving toward a more service-oriented society and through efficiency improvements.
Projected Changes in Indexes of GDP, Population, Energy and Carbon Intensity, 2008-2035
(Index 2008 = 1.0)

Source: EIA, AEO 2010
Structural and Efficiency Effects on Future Energy Consumption

Source: EIA, AEO 2010
Future U.S. Energy Demand
The U.S. will require 14 percent more energy in 2035 than in 2008.

Future Global Energy Demand (The world will require 49 percent more energy in 2035 than in 2007)

Source: EIA, International Energy Outlook 2010
Only One World Oil Market
U.S. Supplies of Crude and Products
(January - December 2009)

- 37% United States
- 13% Canada
- 5% Saudi Arabia
- 6% Venezuela
- 7% Mexico
- 3% Algeria
- 4% Nigeria
- 2% Angola
- 2% Brazil
- 3% Russia
- 3% Iraq
- 15% Other

U.S. Crude Oil (Bbl) and Natural Gas (Tcf) Resources
(Undiscovered Technically Recoverable Federal Resources)*

Pacific Offshore
10.5 Bbl
18.3 Tcf

Lower 48, Onshore
11.7 Bbl
145.9 Tcf

Atlantic Offshore
3.8 Bbl
37.0 Tcf

Alaska Onshore
18.8 Bbl
85.1 Tcf

Gulf Offshore/Deepwater
44.9 Bbl
232.5 Tcf

Alaska Offshore
26.6 Bbl
132.1 Tcf

116.4 billion barrels is enough oil to power over 65 million cars for 60 years.

650.9 trillion cubic feet is enough natural gas to heat 60 million homes for 160 years.

*Figures may not add exactly to total due to rounding.
Source: MMS, BLM, and API calculations
Global Oil Trade Challenges
(growth in supply and demand between 2007-2035)

Projected Oil Supply Increase (mb/d)
OPEC: 13
Non-OPEC: 13

(millions of barrels per day)

Source: EIA, IEO 2010
Unlocking shale gas now guarantees the U.S. more than a 100 year supply of clean-burning natural gas.
Global Natural Gas Trade Challenges
(growth in supply and demand between 2007-2035)

Natural Gas (Tcf)
2007: 109 Tcf
2035: 156 Tcf

(trillions cubic feet)

Source: EIA, IEO 2010
Invest in Energy Sources and Technology

NUCLEAR
SOLAR
COAL
OIL
NATURAL GAS
BIOFUELS
WIND
Policy Recommendations

- Increase energy production of all sources
- Encourage energy efficiency
- Encourage investment in advanced technologies
- Allow markets to work
- Refrain from new taxes
- Support need to participate in global energy markets
Thank You

For more information, visit

www.api.org

www.energytomorrow.org