



TEXAS PIPELINE  
ASSOCIATION

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## Economic Impact of the Texas Pipeline Industry

Beneath the heart of Texas lies an infrastructure driving our economy

Pipelines, like roads, are for public benefit – through them we are able to access, safely transport and utilize Texas' abundant supply of oil and natural gas. As highlighted in a study\* conducted by multiple departments at Texas Tech University, the oil and gas pipeline industry, through expenditures related to ongoing construction and operations, is an important driver of economic activities in the state of Texas and beyond. The industry's activities generate and sustain jobs, income and output, and contribute to state and local government revenues. The industry also provides substantially to the gross state product of Texas.

Depending on economic conditions, conservative estimates covering the period from 2014-2024 indicate that the pipeline industry will contribute:



\* *Current And Future Economic Impacts Of The Texas Oil & Gas Industry* (July 2014). Prepared for the Texas Pipeline Association by multiple departments at Texas Tech University; including Area of Energy, Economics & Law, Jerry S. Rawls College of Business; Bob L. Herd Department of Petroleum Engineering and the Department of Construction Engineering and Engineering Technology, Edward E. Whitacre Jr. College of Engineering, Lubbock, Texas.

The economic benefits of the pipeline industry derive from the transportation of hydrocarbons from sources of exploration and production to refineries and end-users.

## DRILLING AND PRODUCTION ACTIVITY AT A GLANCE

Texas plays and reservoirs will help sustain economic activity and growth in the coming years.

Texas has the greatest rig count of any U.S. state or world region [48 percent of the total rigs running in the U.S. and 17 percent of the total world rig count].

*Source: Baker Hughes*

A rapidly increasing number of wells in target plays and reservoirs being drilled are horizontal.

Texas' individual well productivity has improved dramatically since 2011 due to improved technology in horizontal drilling and hydraulic fracturing.



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Texas Pipeline Association is the largest state trade association in the country representing solely the interests of the intrastate pipeline network. TPA is the primary resource for information regarding the Texas pipeline industry and provides advocacy on issues related to pipeline safety, environmental regulations, taxation and legislation. Member companies and their representatives commit to conducting their business in accordance with integrity, honest communication, fair right-of-way acquisition, respectful construction and safe operations.

As of Aug. 18, 2016, based on information provided by the Railroad Commission of Texas, total intrastate miles in Texas were 394,598 (regulated and non-regulated)\*.