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Economic Impact of the Texas Pipeline Industry

Beneath the heart of Texas lies an infrastructure driving our economy and supporting Texas schools, teachers, roads, infrastructure and healthcare facilities

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 2020 study* conducted by 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.

"It is clear that the pipeline transportation system is a key component in the robust economic benefits that will come from the continued growth and expansion of the oil and gas industry," said Thure Cannon, President of TPA. "And, as <u>Texas' and the nation's energy</u> demands continue to grow, so does the need for an adequate pipeline infrastructure."

In 2019, the total economic impact from Texas pipeline operations and construction includes:



Over the next 40 years, the Texas pipeline industry will generate cumulative economic impacts of (in today's dollars):



^{*} Update to the <u>Economic Impacts of the Texas Oil and Gas Pipeline Industry</u> (September 2020). Conducted by the Center for Energy Commerce at Texas Tech University and commissioned by the Texas Pipeline Association (TPA).

A typical Texas county receives an estimated

\$12,350 in property taxes per year for each mile

of pipeline located in the county.

From 2013 to 2019, the economic impact of the Texas pipeline industry has grown substantially.

47% total output impact from operations and construction

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40% total employment

40% state and local government revenues



The projected statewide jobs impact from the operations and construction of pipelines will continue to grow.

2019

over **238,000**

In 40 years

over **492,000**

The number of interstate and intrastate pipeline miles in Texas is 465,025.

The number of intrastate pipeline miles in Texas is 418,823.



Railroad Commission of Texas, January 2025





The Texas Pipeline Association (TPA) 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. For more information, please visit www.texaspipelines.com.