

FREQUENTLY ASKED QUESTIONS

1. What is the U.S. Chamber of Commerce and the Institute for 21st Century Energy?

The U.S. Chamber of Commerce is the world's largest business federation representing the interests of more than 3 million businesses of all sizes, sectors and regions, as well as state and local chambers and industry associations. The U.S. Chamber of Commerce's Institute for 21st Century Energy was established in 2007 to unify policymakers, regulators, business leaders and the American public behind common sense energy strategy to help keep America secure, prosperous and clean. Through policy development, education and advocacy, the Institute is building support for meaningful action at the local, state, national and international levels.

2. What is the Shale Works for US campaign all about?

The United States is blessed with one of the largest supplies of energy resources in the world. Since its inception, the Institute for 21st Century Energy has been focused on advocating for policies that harness all of our domestic energy sources, from coal and natural gas to renewables and nuclear, to fuel economic growth and secure our energy future.

In 2012 as part of this effort, the Institute launched the Shale Works for US campaign. This campaign gives a voice to the U.S. businesses and industries that believe in promoting the production of natural gas and oil from shale formations to boost our economy, create jobs and secure America's energy future. Businesses large and small, will stand to gain from tangible economic growth, not to mention energy security, promised by shale development.

**BY 2020
SHALE ENERGY
DEVELOPMENT
COULD SUPPORT**



**JOB
3 Million**



**GOVERNMENT REVENUE
\$113 Billion***



**ECONOMIC GROWTH
\$417 Billion***



**LABOR INCOME
\$215 Billion***

* annually

Based on analysis published by IHS in America's New Energy Future: The Unconventional Oil and Gas Revolution and the US Economy, Volume II. This study quantifies economic benefits derived solely from extraction, or "upstream," activities. Subsequent analysis will include all activities including consumption or "downstream."

3. What is shale energy?

Shale is a type of rock found in at least 22 onshore shale basins in more than 20 states across the U.S. Oil and natural gas resources are released from this very dense rock through the hydraulic fracturing process. In the past several years, shale energy production has increased significantly and additional formations are beginning to be developed around the country. Due to technological advancement we can now recover enough domestic natural gas to meet America's needs for at least 100 years at current consumption rates.

4. What is hydraulic fracturing?

Hydraulic fracturing is a proven, safe technology that uses water pressure under tight controls to create fractures in rock thousands of feet below the surface to allow the oil and natural gas it contains to escape and be captured in a well. Hydraulic fracturing, which has been used for more than 60 years to complete more than one million wells, has made it possible to produce oil and natural gas in places where conventional technologies are ineffective.



INSTITUTE FOR 21ST CENTURY ENERGY
U.S. CHAMBER OF COMMERCE

SHALE
Works For US

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5. Why is shale production important?

Production from shale resources is revolutionizing the U.S. energy outlook. Shale deposits have long been known to contain large quantities of oil and natural gas, but the resources were not either technologically or economically unrecoverable until recently. Shale resources have become commercially viable in the last decade because of innovations in horizontal drilling and hydraulic fracturing technologies that allow access to more resource rock from each well. In 2012, shale oil made up 32 percent of U.S. oil production and shale gas 50 percent of total natural gas production. By 2035, that share will grow to 63 and 80 percent respectively.

6. How will my community benefit from shale energy production?

Production of natural gas and oil from shale formations has tremendous economic benefits, creates millions of jobs, and helps improve our domestic energy security. New government revenues from shale energy production are benefiting communities across the country by allowing the state and local governments to invest in critical needs such as schools, infrastructure and public safety. By 2020, shale energy development will provide nearly \$113 billion in government revenue, with more than half going to state and local governments.

7. What is the economic impact of shale energy production? How is this projected to change in the future?

Shale energy provides more than affordable energy. Shale development has brought millions of jobs and billions of dollars to our nation's economy, all while significantly improving our energy security. The shale energy contribution to GDP was more than \$237 billion in 2012, and is projected to increase to \$350 billion by 2015 and double to \$475 billion in 2035.

8. Will shale energy production improve the job outlook in the U.S.?

In 2012, shale energy extraction supported 1.75 million jobs. If shale production is allowed to move forward and reach its projected potential, this number will grow to nearly 2.5 million in 2015, and to 3.5 million in 2035.

A key reason for this profound impact is the shale gas industry's "employment multiplier," which measures the contribution jobs make to the economy. For every job created in the shale energy sector, more than three jobs are added, representing one of the larger employment multipliers in the U.S.

The shale energy industry is also unique in that the quality of jobs created within the industry and among its suppliers is very high. Americans working in the shale energy sector are paid an average of \$51.00 per hour, more than double the national average of \$23.70 per hour.

