

**News for Release: Monday, July 27, 2009**

**Report: Offshore Energy Development Could Create 6,700 Jobs and  
Bring North Carolina up to \$577 Million Annually**

*As state struggles to meet massive budget shortfall,  
report confirms huge amounts of revenue exist safely offshore*

**Raleigh, N.C.** – North Carolina could receive up to \$577 million annually in revenue sharing payments from offshore energy development, according to a report to be released today by the Southeast Energy Alliance (SEA).

The report, which will be distributed prior to a panel discussion on North Carolina's available offshore energy resources and the potential for federal revenue sharing, discusses job creation, economic growth and revenues that could come to the state if it chooses to participate in offshore energy development along the Outer Continental Shelf (OCS) and if Congress extends a royalty revenue sharing program to the state. Monies received from potential revenue sharing could ease future budget gaps, helping to fund critical health care needs, infrastructure and educational projects, such as roads, bridges and new schools, while maintaining North Carolina's pristine beaches. These funds could also ease the state tax burden for North Carolinians.

Currently, Alabama, Louisiana, Mississippi and Texas receive 37.5 percent of the revenues collected by the federal government for offshore energy production. Onshore states, such as Colorado, Montana, New Mexico, Utah and Wyoming, receive 50 percent of the royalties collected for energy development on federal lands. If the Gulf Coast revenue sharing program was extended to North Carolina, exploration and production off the state's coast could generate up to \$577 million annually to the state budget.

The panel discussion will be hosted by the North Carolina Farm Bureau, the North Carolina Chamber and SEA. In addition to the host organizations, other panelists will include representatives from the North Carolina Petroleum Council, North Carolina Manufacturers and Chemical Industry Council, North Carolina Utility Contractors Association, Piedmont Natural Gas and the National Ocean Industries Association. Participants will discuss the state's pivotal role in developing a new federal OCS exploration and production program—determining

whether the program will include areas in North Carolina's adjacent waters—as well as how the revenues generated from participation in the program could be used to strengthen North Carolina's economy and create jobs.

“This report highlights a tremendous opportunity to boost North Carolina's economy,” said Michael Whatley, executive director of the Southeast Energy Alliance, and a panelist at the discussion. “In addition to creating thousands of high-paying jobs and providing substantial benefits to the state's economy, offshore exploration and production will generate significant revenues for state and local governments.”

The report also indicates that OCS energy exploration and production in North Carolina would:

- Create more than 6,700 new jobs;
- Increase the state's gross domestic product by \$659 million annually by 2030; and
- Generate approximately \$148 billion in federal, state and local revenues. This includes \$9.68 billion in government revenues between 2010 and 2030, or \$484 million per year.

Bill Weatherspoon, executive director of the North Carolina Petroleum Council, who is also a panelist, said, “not only does offshore energy development create much needed direct and indirect jobs, we now know that royalty payments from a potential revenue sharing program would bring in millions to help fund schools and other state initiatives.”

“Nearly 7 out of 10 North Carolinians support the search for needed energy supplies; this is the time for our leaders to listen to the strong majority that support offshore exploration,” added Weatherspoon.

According to the report, the Minerals Management Service (MMS) maps and OCS assessments show that North Carolina's adjacent waters, which comprise approximately 23 percent of the total Atlantic resource base, are projected to contain as much as 1.74 billion barrels of oil and 15.29 trillion cubic feet of natural gas. However, because of current federal law, seismographic inventory has not been conducted in years.

**NOTE:** To view the executive summary, click [HERE](#)

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*The [Southeast Energy Alliance](#)*

*is a non-partisan organization of businesses, trade associations and non-profit organizations – including Farm Bureaus, Electric Cooperative Associations, Chambers of Commerce and Manufacturing Associations – across the Southeastern United States that understand the importance of the development of sound energy policies to ensure the economic viability of their organization. Utilizing grassroots, grass-tops, public advocacy and education at both the state*

*and federal levels, SEA is dedicated to projects and activities that will ensure access to affordable and reliable energy for families, farms and businesses across the Southeast. SEA is the Southeastern regional affiliate of the [Consumer Energy Alliance](#)*