

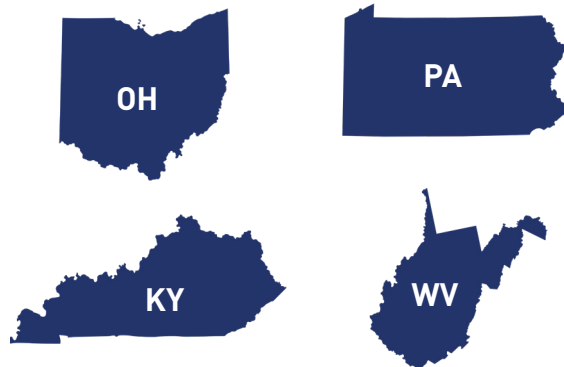
APPALACHIAN REGION COULD BECOME A PETROCHEMICALS & PLASTICS MANUFACTURING HUB

SHALE-RELATED INVESTMENT COULD GENERATE NEW JOBS, WAGES, AND TAX REVENUE



ACC REPORT

Report examines the potential economic impacts of new petrochemicals and plastics manufacturing capacity in the quad-state region of West Virginia, Pennsylvania, Ohio, and Kentucky. Abundant and affordable energy raw materials from shale formations are attracting new investment.



POTENTIAL ECONOMIC BENEFITS OF AN APPALACHIAN PETROCHEMICAL INDUSTRY (Permanent, by 2025)



\$36 billion

in capital investment

\$32.4 billion in petrochemicals, resins, and derivatives
\$3.4 billion in plastics products



101 thousand

jobs created & supported

68,706 direct + indirect jobs
32,112 payroll-induced jobs in local communities



\$28 billion

economic expansion

\$23.0 billion in chemicals + plastic resins
\$5.4 billion in plastics compounding + plastics products



\$2.9 billion

in tax revenues annually

\$1.7 billion in federal tax revenues
\$1.2 billion in state & local tax revenues

NEW ENERGY INFRASTRUCTURE

- Natural gas liquids (NGLs) such as ethane and propane are key feedstocks for chemical making in the United States.
- Developing a robust Appalachian chemical and plastics industry will require a storage facility and pipeline network for NGLs and chemicals.
- A timely and efficient regulatory permitting process is essential.

POLICY PRIORITIES

- Uncertainty around financing is a key barrier to the development of Appalachian energy infrastructure. Policymakers can help by affirming that NGL storage and distribution projects are eligible for existing private-public financing programs.
- As Congress and the Administration consider infrastructure modernization legislation, the Appalachian Hub must be a priority.
- The *Appalachian Ethane Storage Hub Study Act of 2017* will inform efforts to maximize America's domestic energy and manufacturing potential.

*Published in May 2017, ACC's report presents a hypothetical scenario that includes five ethane crackers and two propane dehydrogenation facilities. Three of the crackers would produce polyethylene and two would supply downstream petrochemical derivatives. Each PDH facility would contain a polypropylene resin plant. These capital investments are underway and will likely continue through the mid-2020s.