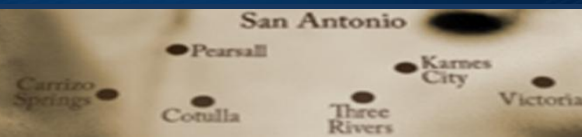


Ongoing Impact of the Eagle Ford Shale on South Texas

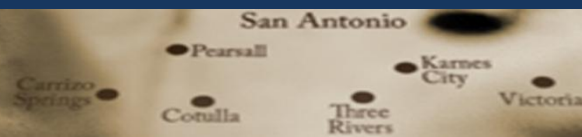
Thomas Tunstall, Ph.D.
Research Director, Institute for Economic Development
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thomas.tunstall@utsa.edu

Institute for  **Economic** Development
The University of Texas at San Antonio



University of Texas at San Antonio Institute for Economic Development

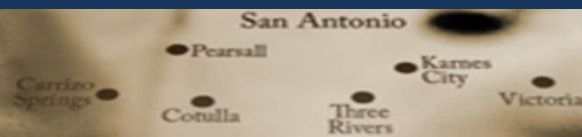
- Eagle Ford Shale Community Development Program (14 Counties in South Texas)
- Small Business Development Centers - SBDC (79 Counties in South Texas)
- Rural Business Program (79 Counties in South Texas)
- Startech (Texas)
- Contracting Resource Center (Texas)
- Veteran's Assistance Center (Texas)
- Southwest Trade Adjustment Assistance Center (TX, OK, LA)
- SBDC National Information Clearinghouse (National)
- Minority Business Center (National)
- **Community and Business Research (National, Int'l)**
- International Trade Center (Mexico, Central/South America, Caribbean, North Africa)



UTSA Institute for Economic Development

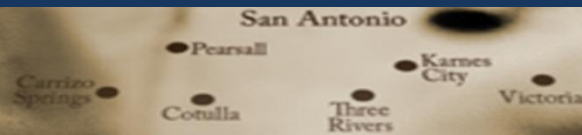
Research at the Institute focuses on research projects that help business and policymakers plan for a dynamic future:

- Economic Impact Studies
- Community Development Studies (I-35, SH 130)
- EB-5 Immigrant Investor Regional Center Impact Studies
- Analysis on Various Topics:
 - Eagle Ford Shale
 - San Antonio Missions
 - South Texas Medical Center
 - University of Texas System
 - Targeted Industry Recruitment / Workforce Analysis
 - Repurposing of Military Bases for Commercial Use



In theory,
there is no difference
between theory and practice;
in practice,
there is.

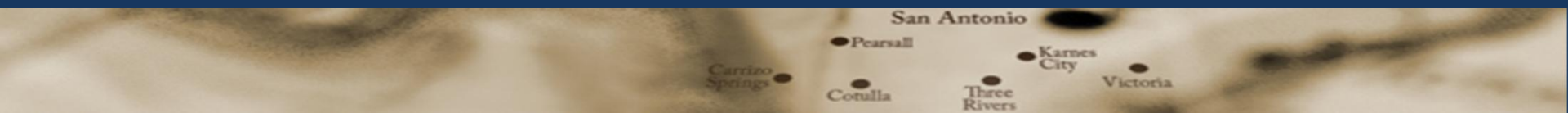
- Yogi Berra

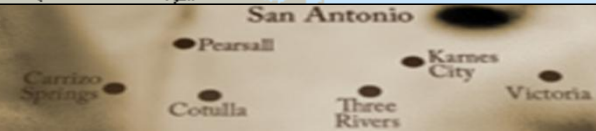
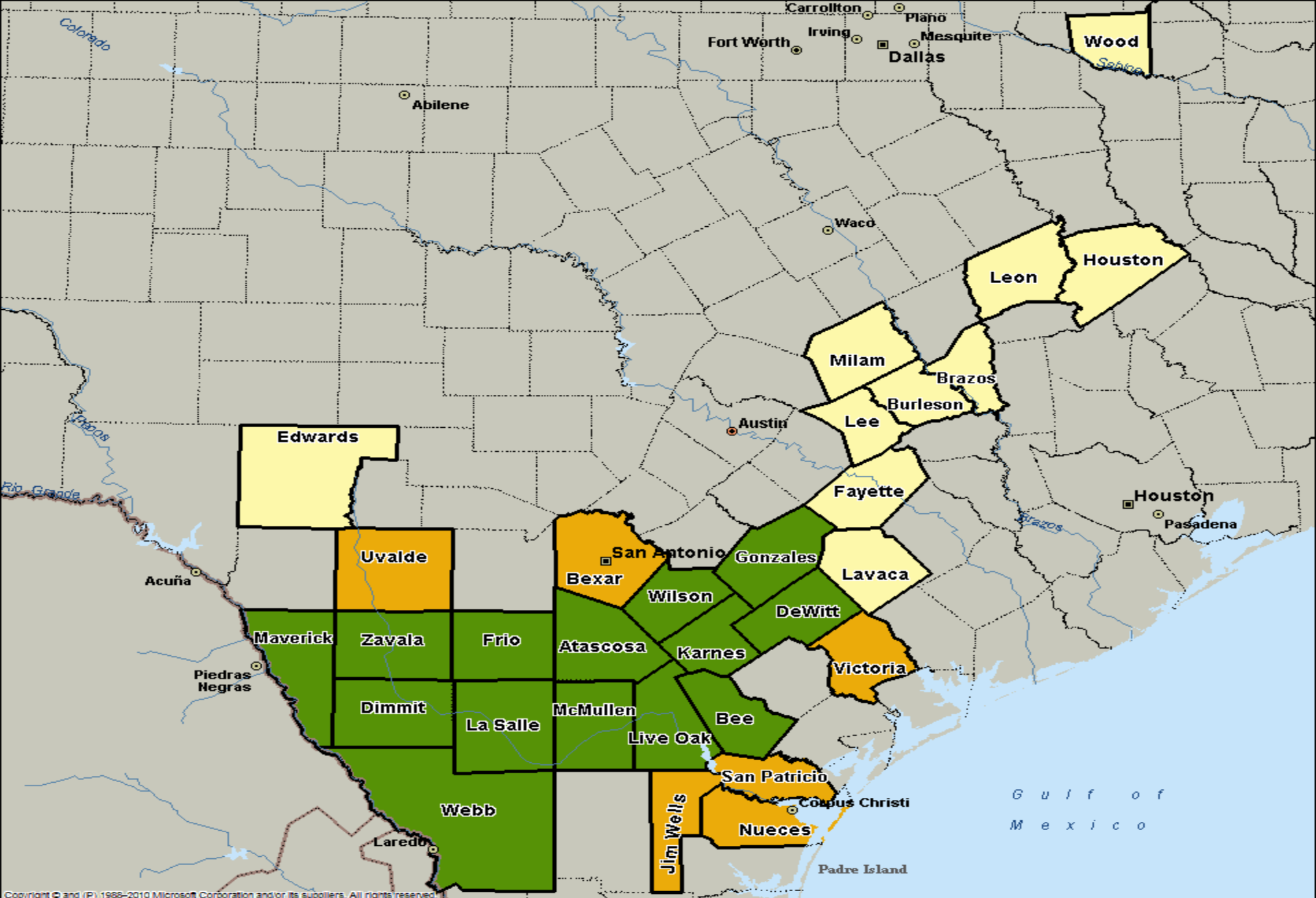


2012 Economic Impact Study Scope

Primary Counties		Adjacent Counties
Atascosa	La Salle	Bexar
Bee	Live Oak	Jim Wells
DeWitt	Maverick	Nueces
Dimmit	McMullen	San Patricio
Frio	Webb	Uvalde
Gonzales	Wilson	Victoria
Karnes	Zavala	

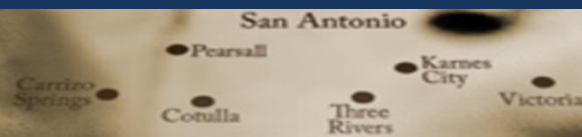
Counties not included in the analysis are Leon, Milam, Brazos, Burleson, Lee, Fayette, Lavaca, Edwards, Houston, and Wood





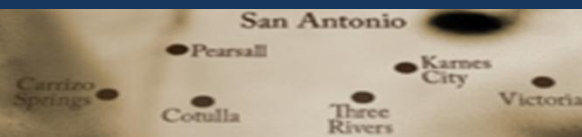
2012 EFS Baseline Study Components

- Part I (May 2012 Release)
 - Information on production, drilling, and related activities
 - Economic impact on adjacent counties
- Part II (October 2012 Release)
 - Detailed analysis of occupations affected by the shale area
- Part III (October 2012 Release)
 - Specific impacts at the county level with breakout reports for each county
- Updated Economic Impact Scheduled for March 2013 Release



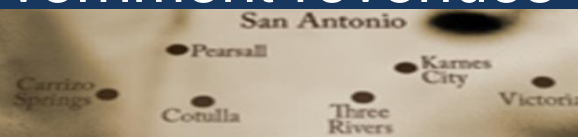
Total Economic Output Impact in 2011 20-county study region

- Over \$25 billion in economic output
- 47,097 full-time jobs supported
- \$3.1 billion in salaries and benefits paid to workers
- \$12.63 billion in gross regional product
- \$358 million in state revenues
- \$257 million in local government revenues

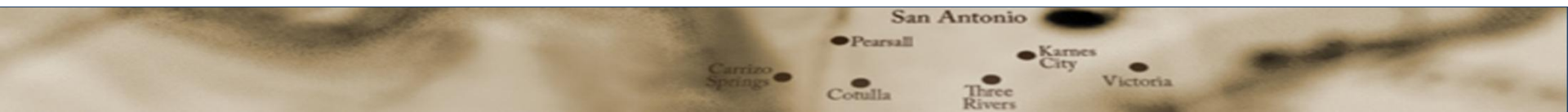
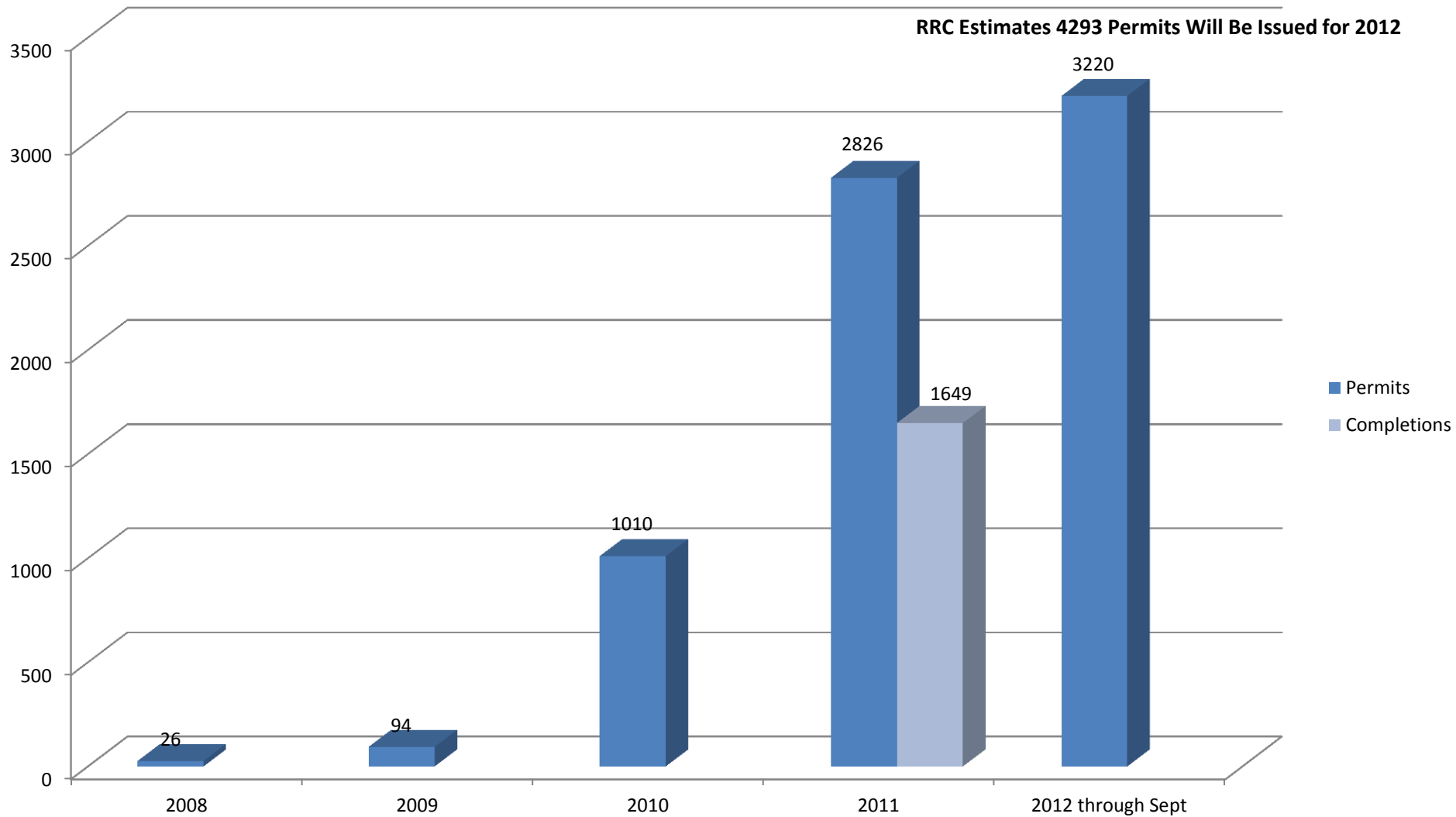


Moderate Scenario Estimated Combined Impacts for 2021 (20-County Area)

- More than \$90 billion in total economic output
- 116,972 full-time jobs supported
- \$7.7 billion in salaries and benefits paid
- \$42.0 billion in gross regional product
- \$1.76 billion in state revenues
- \$1.09 billion in local government revenues



Drilling Permits and Completions



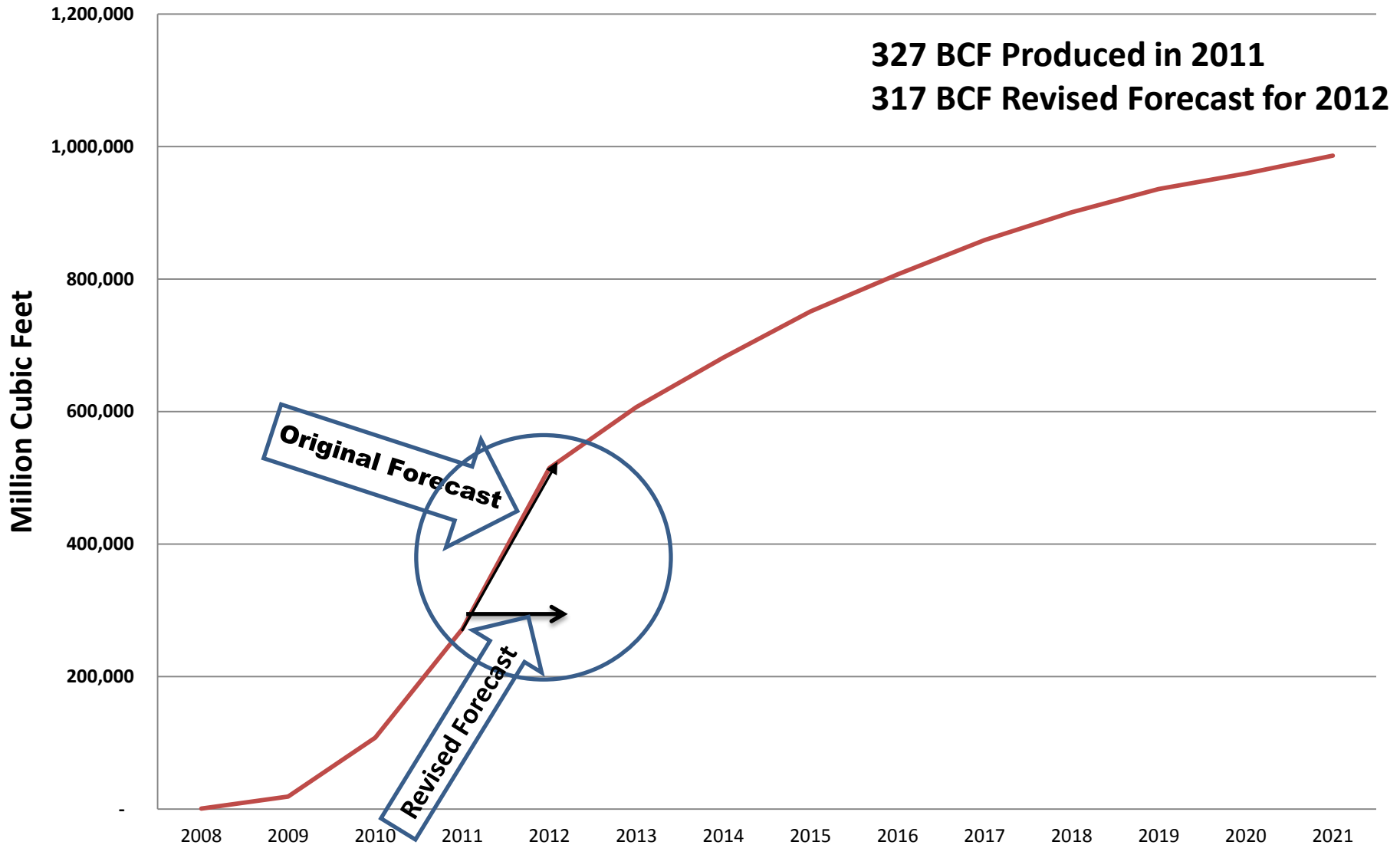




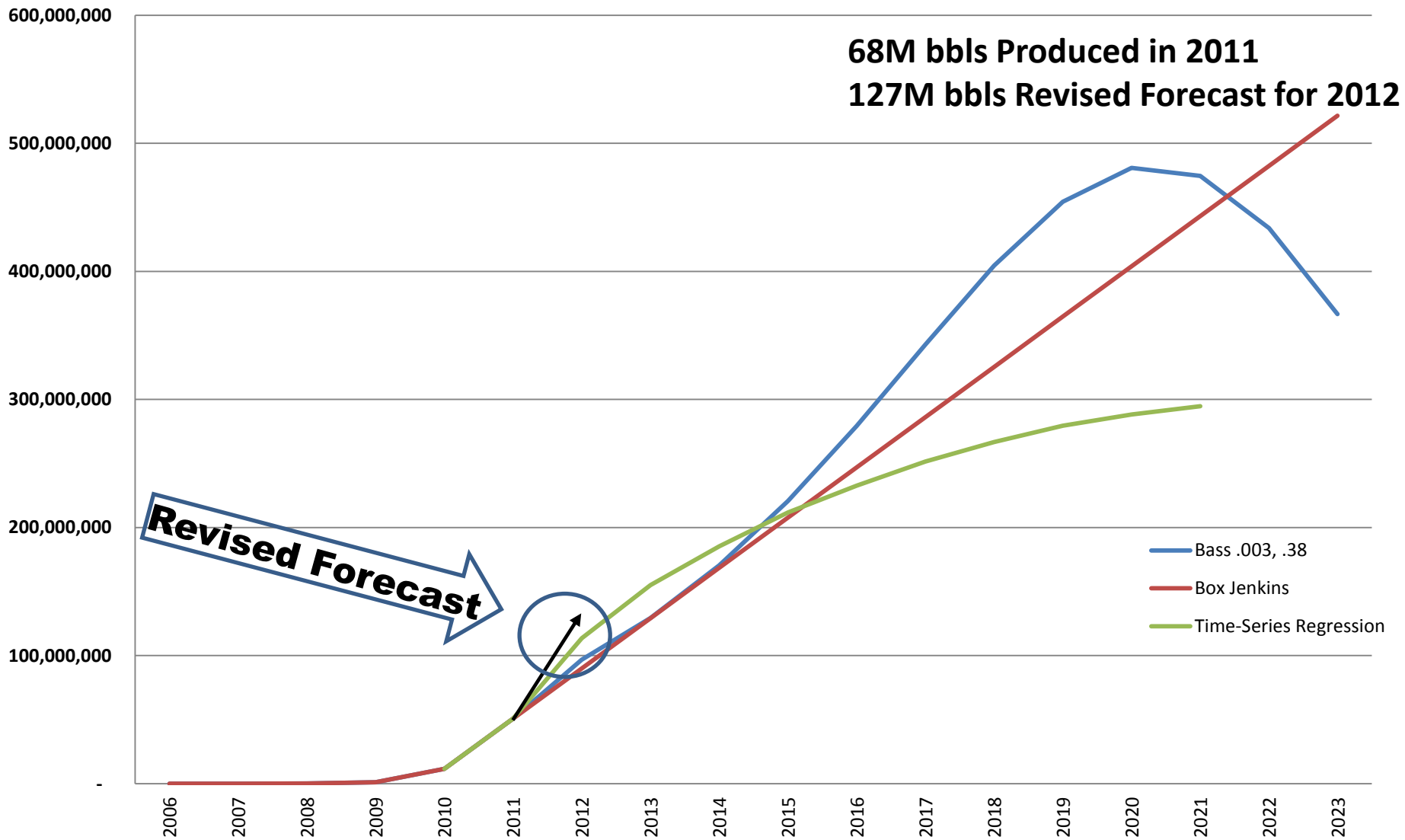
San Antonio

- Pearsall
- Carrizo Springs
- Cotulla
- Three Rivers
- Karnes City
- Victoria

Natural Gas Annual Production Forecast



Eagle Ford Shale Oil/Condensate Annual Production Forecast (bbls) Scenarios

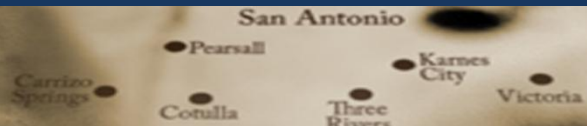
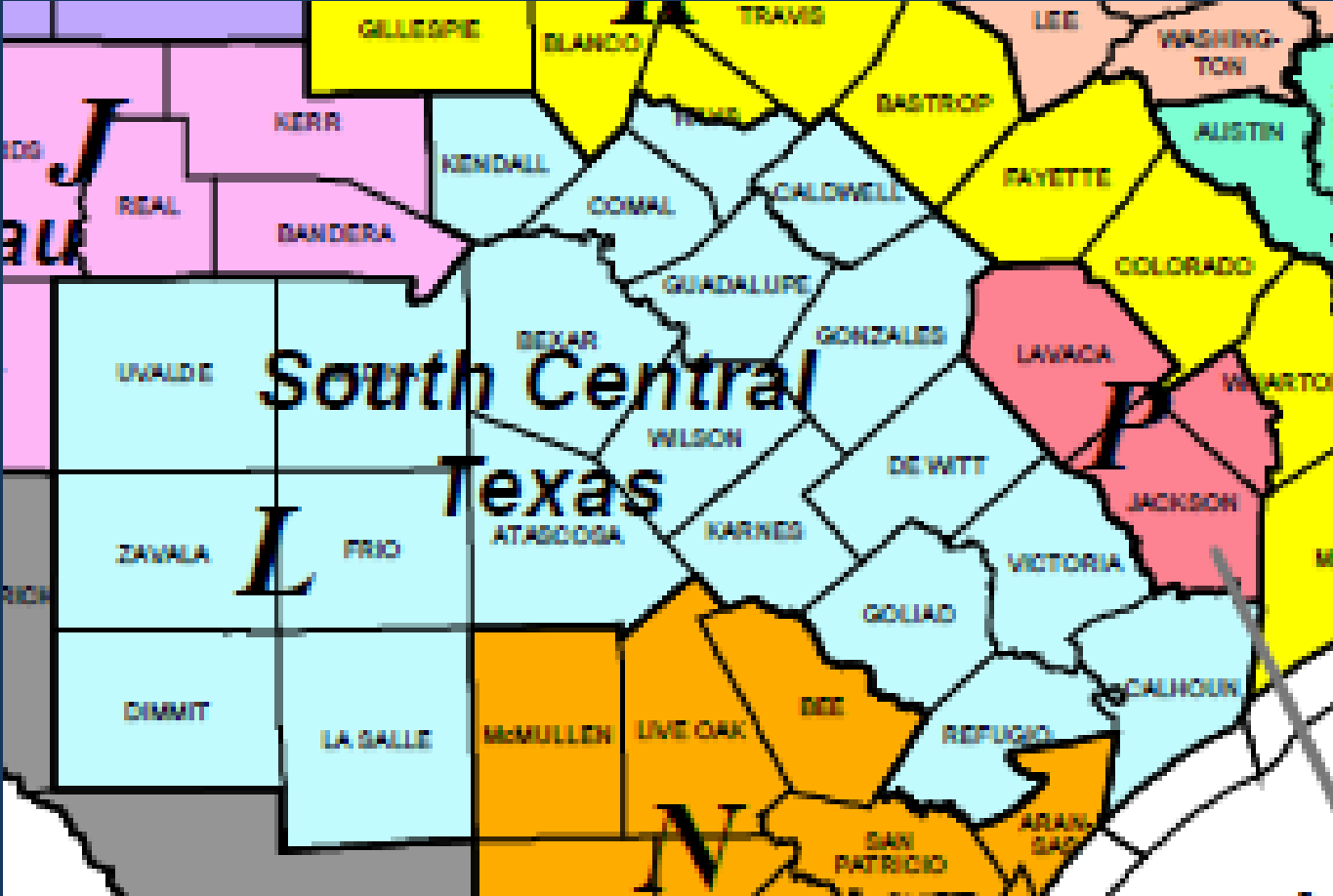


Population Projection

- Addresses SARA's need to forecast population for the Region L water area.
 - Current State Demographer Population Projections reflect the period of 2010-2050
 - Used in residential water usage projections
 - Region L counties (Atascosa, Bexar, Caldwell, Calhoun, Comal, DeWitt, Dimmit, Frio, Goliad, Gonzales, Guadalupe, Hays (southern half), Karnes, Kendall, La Salle, Medina, Refugio, Uvalde, Victoria, Wilson and Zavala)



Region L Counties



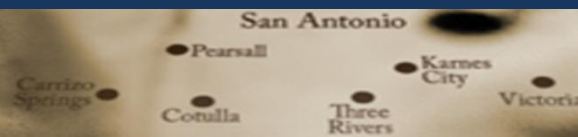
Population Projection Study

- Current population projections based on U. S. Census Data
 - Calculated by the State Demographer
- Question about Eagle Ford Shale Impacts on population growth
 - Possible increase in residential population over current projections
 - Specific impacts at county levels
- Additional Population Projections can be compared to Current Population Projection for significant differences



Population Projection Study Method

- Eagle Ford Shale workforce Analysis includes 12 of the Region L counties
 - Atascosa, Bexar, DeWitt, Dimmit, Frio, Gonzales, Karnes, La Salle, Uvalde, Victoria, Wilson and Zavala
 - Goliad and Guadalupe workforce estimate will be developed
- Three population projections will be calculated using standard population multipliers
- Each will be compared to the Current population projection to assess significant differences
- Data is dependent on publically available sources



Population Projection Components I & II

- Projection I: Region Population projection based on UTSA Eagle Ford Shale workforce forecasts, and historic BLS employment figures
 - County level data for affected counties (Atascosa, Bexar, DeWitt, Dimmit, Frio, Goliad, Gonzales, Karnes, La Salle, Uvalde, Victoria, Wilson and Zavala)
 - Uses CCBR EFS workforce analysis (2008-2012)
- Projection II: Population projection based on housing units
 - Uses data from U. S. Census (different numbers from “population”), and other related data



Population Projection Components III & IV

- Projection III: Population projection based on public school enrollment
 - Uses Texas Education Agency records (2000-2012)
- Comparison: Each projection will be compared to each other and to the Current projection produced by the State Demographer to assess significant differences.
- Estimated time: 8 weeks; Report will contain results, methods, inferences, summary in print and digital formats



Thank you!

Ongoing Impact of the Eagle Ford Shale on South Texas

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