

Energy is one of the oldest and most diverse industries in Texas. Since the discovery of the Spindletop oilfield in 1901, Texas has embodied the production of Energy. In 2004, Gov. Rick Perry identified Energy as one of six industry clusters in his long-term, strategic job creation plan. Each cluster was selected because of its powerful potential for future economic growth.

The Energy cluster is made up of three subclusters: Oil and Gas Exploration and Production; Electric/Coal/Nuclear Power Generation; and Renewable and Sustainable Energy Generation. Texas' geography and natural resources, excellent transportation systems, skilled labor force and leadership in environmental research give the Lone Star State an advantage in Energy.

## **Oil and Gas Exploration and Production**

Oil and gas exploration and production is one of Texas' most established industries. While new oil and gas reservoirs are being discovered on an ongoing basis, the largest increment of oil yet to be produced is likely to come from existing reservoirs. Texas leads the nation in both crude oil production and refining accounting for more than 25 percent of the nation's total capacity, according to the U.S. Energy Information Administration. Texas also leads the nation in natural gas reserves and production.

## **Electric/Coal/Nuclear Power Generation**

Texas leads the nation in electricity production and consumption. The electric power industry in Texas generated over 28.7 million megawatthours (MWh) to date in 2010, representing more than 9% of the nation's capacity. Texas is the only state with its own power grid, and boasts one of the most robust, well-functioning electric markets in the world.

Texas is a major nuclear power generating state with approximately 4,800 megawatts (MW) of installed nuclear power capacity being generated at two plants: The Comanche Peak project and the South Texas Project. Texas is top-ranked for coal production and is the largest producer of lignite. Lignite coal constitutes nearly all of the near-surface coal resources in Texas and all of it is used in electric generation plants.

## **Renewable and Sustainable Energy Generation**

Texas is better known for its oil wells than its wind turbines; nonetheless, the state currently leads the nation in renewable energy potential and in wind energy production. Some of the world's largest wind farms are located in the Lone Star State. If Texas were a nation, it would rank No. 6 for installed wind capacity.

Texas is the top U.S. wind energy producer and has led the nation in the amount of installed wind capacity for the last five years, according to the American Wind Energy Association. In 2009, Texas' wind power capacity grew to 9,410 MW. Recent state legislation has laid the groundwork for large transmission lines, which will further accelerate the use of wind power in the state, and additional wind power facilities are currently under construction.

Other renewable energy technologies Texas is pursuing include solar, geothermal, wave or tidal energy, biomass and methane gas, and hydropower.

For more information visit [www.TexasWideOpenForBusiness.com](http://www.TexasWideOpenForBusiness.com) or call 1-800-888-0511.

