

HOW PIPELINES CAN SPUR IMMEDIATE POST-COVID ECONOMIC RECOVERY



LOUISIANA



### **If Bayou Bridge Opponents Had Succeeded:**

- Louisiana would have lost \$17.8 million in sales tax
- Over \$420 million in payroll for 2,500 construction jobs would have evaporated
- Nearly \$35 million would not have been spent for materials from Louisiana firms

Louisiana is one of America's oil and gas hubs, making it a favorite target of anti-energy activists who don't concern themselves with the economic impact and costs to consumers their actions can cause. Fortunately, the state avoided that kind of problem with the successful building of the Bayou Bridge pipeline, but 28 similar infrastructure projects underway will be forced to run a similar gauntlet before they can bring tangible, job-creating economic benefits to Louisiana in a time of need.

### **CURRENT ECONOMIC CHALLENGES**

The pandemic hit Louisiana from two directions. One blow came from the public health side, making the state among the worst-hit in the first wave of infections. The second came from the economic fallout.

Louisiana's economy was the second hardest hit in the country with businesses in all parts of the state directly affected by the shutdown and workers having limited ability to carry out their jobs remotely.<sup>87</sup> And that happened in a state where 18.6% live in poverty already – well above the national average – and the median household income is \$47,942.<sup>88</sup>

And it has hurt Louisiana's African-American population disproportionately. In April and May, 40% of the unemployed were African-Americans, although they are less than a third of the total workforce.<sup>89</sup>

Fortunately, the state's unemployment rate is starting to decline, landing at 9.7% in June, versus a peak of 15.1% in April.

Louisiana's energy policies offer good solutions for families and businesses. The state already has very low residential electric rates – almost 43% below the national average – and a regulatory climate that promotes energy infrastructure, regulatory transparency and sensible energy and environmental policies.<sup>90</sup>

87 <https://wallethub.com/edu/state-economies-most-exposed-to-coronavirus/72631/>

88 <https://www.census.gov/quickfacts/LA>

89 <https://www.labudget.org/2020/06/race-unemployment-and-covid-19-in-louisiana/>

90 [https://www.eia.gov/electricity/monthly/epm\\_table\\_grapher.php?t=epmt\\_5\\_6\\_a](https://www.eia.gov/electricity/monthly/epm_table_grapher.php?t=epmt_5_6_a)

Unfortunately, even the pandemic and unemployment have not deterred activists from trying to shut down or protest one of the state's 28 natural gas infrastructure projects, many of which will help supply American's burgeoning LNG exports. Anti-energy activists appear to have no concern that their activities could harm Louisianans or the financial and environmental health of the country by slowing economic recovery even further.

And they do not stop, even after infrastructure is up and running safely, and built in accordance with the highest environmental and safety standards in the world – exactly how Bayou Bridge was built.

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### **BAYOU BRIDGE**

Although the Bayou Bridge pipeline is now complete, had activists succeeded, they would have destroyed \$17.8 million in sales tax from the project, \$420 million in payroll for 2,500 construction jobs and eliminated the addition of permanent jobs that average \$77,000 in annual salary. That is nearly \$30,000 more than the median Louisiana income.<sup>91</sup>

Still, in late March of 2020, a federal judge ruled against activist groups that were still trying to shut down the recently completed Bayou Bridge project. Nearly 90% of the project ran in parallel to the right-of-way of existing infrastructure corridors, creating minimal disruption to other land. Bayou Bridge was built with Louisiana-made pipe.<sup>92</sup> The groups petitioned the court in a federal challenge, weaponizing the National Environmental Policy Act, Clean Water Act, and other laws to demean the work done by the U.S. Army Corps of Engineers. The judge ruled in favor of the pipeline.

Again, had these groups been successful, it would have shut off access to approximately 480,000 barrels of domestic energy for Louisiana families and businesses and the economic opportunity it creates. Energy overall in Louisiana generates a staggering \$20.5 billion in household income across the state and \$2.9 billion into the state treasury.<sup>93</sup>

That's what is really at stake when activists attack infrastructure – jobs, continuing economic benefit, the affordable energy prices that benefit Louisianans, and ultimately the very environment they claim to protect.

91 <https://bayoubridge.com/docs/BBP-Economic-Benefits-7-19-18.pdf>

92 [https://bayoubridge.com/docs/Bayou\\_Bridge\\_fact\\_sheet\\_2-1-19.pdf](https://bayoubridge.com/docs/Bayou_Bridge_fact_sheet_2-1-19.pdf)

93 <https://bayoubridge.com/>