



U. S. Department of the Interior
Bureau of Ocean Energy Management
Gulf of Mexico OCS Region

Technical Announcement

Date: March 2017

Contact: Caryl Fagot
(504) 736-2590

MAG-PLAN GOM 2016: Economic Impact Model for the Gulf of Mexico

[OCS Study BOEM 2016-072](#)

BOEM uses MAG-PLAN GOM to estimate the economic impacts (such as employment, labor income, and value-added) of offshore oil and gas activities in the Gulf of Mexico. MAG-PLAN is a two-stage input-output model used to estimate employment, personal income, and similar economic impacts from OCS activities. The previous version of MAG-PLAN GOM was developed in 2012; the 2016 version incorporated improved data and methodologies into MAG-PLAN GOM. For example, in order to more precisely estimate economic impacts, the 2016 study developed sector-specific profiles of the various expenditures on goods and services associated with geological and geophysical analysis; subsea systems; floating, production, storage and offloading vessels; production operations and maintenance; and decommissioning. The 2016 study also developed improved estimates of where these expenditures occur. This entailed developing individualized geographic distributions for sectors that are particularly important to the oil and gas industry (e.g., drilling oil and gas wells; oil and gas machinery manufacturing; support activities for oil and gas operations), and more general methodologies for broader classes of industries (e.g., ancillary services; production inputs). This also entailed updating the methods MAG-PLAN GOM uses to estimate where labor spending occurs, for example by incorporating recent data regarding where drilling employees reside. Finally, the 2016 study developed an improved approach for dealing with gaps in multiplier data provided by IMPLAN (IMpact Analysis for PLANning), a commercially available input-output analysis (I-O) software package with modeling and data components. These improved methodologies will help BOEM to better estimate the costs and benefits of decisions related to offshore oil and gas development.

This report is available on CD from the Bureau of Ocean Energy Management, Gulf of Mexico OCS Region, for \$15.00, and free of charge as a pdf file downloaded from the BOEM Website. Copies can also be viewed at selected Federal Depository Libraries.

To order a CD, use the Gulf of Mexico OCS Region contact information below and reference OCS Study BOEM 2016-072. To download a pdf copy, use the [Environmental Studies Program Information System](#) (ESPIS) and search on the study report number. This report can also be obtained from the National Technical Information Service; the contact information is below.

U.S. Department of the Interior
Bureau of Ocean Energy Management
Gulf of Mexico OCS Region
Public Information Office (GM 335A)
1201 Elmwood Park Blvd.
New Orleans, Louisiana 70123-2394
Phone: (504) 736-2519, 1-800-200-GULF

U.S. Department of Commerce
National Technical Information Service
5301 Shawnee Rd.
Alexandria, Virginia 22312
Phone: (703) 605-6000, 1-800-553-6847
Fax: (703) 605-6900
Email: bookstore@ntis.gov
Website: <http://www.ntis.gov/>

BOEM Main Website: <http://www.boem.gov/>