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NATURAL GAS & PETROLEUM USAGE IN THE STATE OF PENNSYLVANIA

2026 REPORT



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INTRODUCTION

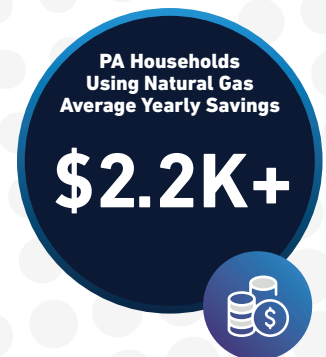
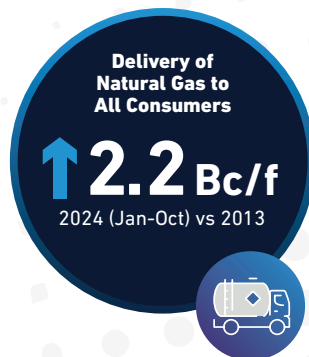
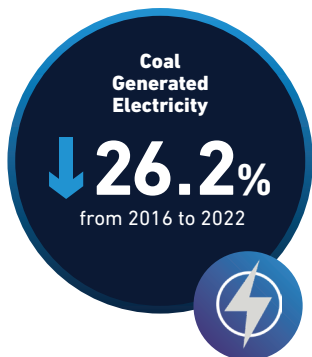
Since Edwin Drake drilled the world’s first commercial oil well in 1859, Pennsylvania has been a key player in championing domestic energy. From powering hospitals to ensuring life-saving access to healthcare to fueling academic institutions that empower future generations of scholars, natural gas and oil touch every aspect of life in Pennsylvania. The past decade has seen the Keystone State occupy a central role in natural gas production, not only facilitating American energy dominance but also generating countless economic benefits for Pennsylvanians by maintaining affordable and reliable power.

NATURAL GAS CONSUMPTION

Over the past decade, natural gas has become a staple of energy production, swiftly rising to become Pennsylvania’s chief source of electricity generation¹ [as Pennsylvania drastically lowered its coal generated electricity from 25% in 2016 to 3.8% in 2022, natural gas has seamlessly stepped in generation²³]. This transition offers dependable, cost-effective energy while also reducing greenhouse gas (GHG) emissions in the power sector.

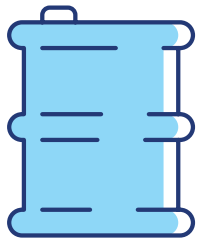
From January to October of 2024, the total delivery of natural gas to all consumers in Pennsylvania averaged a monumental 4.8 billion cubic feet (Bc/f) compared to the 2.6 billion cubic feet (Bc/f) delivered throughout all of 2013.⁴ Notably, given the prominent in-state energy production, Pennsylvania households that use natural gas average upwards of \$2,200 in savings annually compared to the average US state.⁵ Coupled with the roughly 76% decrease in the average natural gas price since 2008, more money is left in the pockets of everyday Pennsylvanians while their energy demands are continuously met.⁶

Natural gas production has not only met the pace of growing electricity demand but exceeded it – Pennsylvania boasts net positive electricity production, supplying more electricity outside state borders than any other state in the country in 2023.⁷ In fact, 2023 saw Pennsylvania rank fourth among states that consumed the most natural gas.⁸ Moreover, despite takeaway constraints that pose limits to growth potential, Pennsylvania’s natural gas production is projected to satisfy more than one half of the East Coast’s natural gas consumption through 2050.⁹



OIL CONSUMPTION

TOTAL PETROLEUM CONSUMPTION ESTIMATES, 2023 (IN THOUSAND BARRELS) ¹¹



238,330

TOTAL CONSUMPTION



149,336

TRANSPORTATION



63,306

INDUSTRIAL



17,524

RESIDENTIAL



Around
1 in 5

Households
in the US rely on petroleum
products, mostly heating
oil or propane, for home
heating



INFRASTRUCTURE AND PIPELINES

While Pennsylvania still does produce some oil, it boasts an incredible capacity to produce natural gas, ranking second in the nation for natural gas production in 2025.¹² This impressive output is in large part due to Pennsylvania's positioning over a significant portion of the Marcellus shale – the largest natural gas formation in the United States. Increased production has spurred significant infrastructure projects to efficiently harness Pennsylvania's energy potential. Industry successes such as 2024's Regional Energy Access Expansion pipeline, which added 829 million cubic feet per day of new shipping capacity, pave the way for future projects.

To accommodate the vast output, Pennsylvania houses the fourth largest natural gas storage capacity in the nation with around 763-billion-cubic feet.¹³ This large holding capacity affords Pennsylvania readily available access to gas, which plays a key role during winter months when demand for home heating spikes, especially during periods of peak usage.¹⁴ Beyond providing much-needed heat to Pennsylvanians during the cold winter months, the natural gas industry contributes significantly to Pennsylvania's economy. In 2024, per a report on impact fee collection and distribution, the revenue generated from the natural gas industry contributed \$164.5 million, a significant portion of which flow into community and state programs.¹⁵ In total, the impact fee has generated over \$2.88 billion for Pennsylvania communities since 2012.¹⁶

Despite lacking the density of pipeline infrastructure comparable to its southern counterparts, Pennsylvania's existing oil pipelines continue to be integral to its industrial economy.¹⁷ Staples of this continued support include Buckeye's Laurel pipeline, which transports heating oils, gasoline, diesel, jet fuel and other petroleum products to sites across Pennsylvania. Once transported, Pennsylvania hosts three operable petroleum refineries, process a combined atmospheric crude oil distillation capacity of 268,000 barrels per day.¹⁸ However, this refining ability reflects only a limited working capacity, as Pennsylvania operates on a reduced scale where limited in state processing perpetuates a reliance on external refineries and storage.¹⁹ Increasing the in-state refining capabilities would allow Pennsylvania to fully capitalize on its oil production and supply fuel throughout the region, while creating jobs, stimulating industrial activity, and helping provide affordable oil prices to its citizens.



**PA Houses the 4th
Largest Natural Gas
Storage Capacity
in the Nation**

**763B
cubic feet**

EDUCATION RESEARCH

Pennsylvania is home to renowned colleges and universities including Pennsylvania State University, Bucknell University, University of Pittsburgh, and more. These campuses support students with their education, housing, recreation, and more. Pennsylvania's public universities rank among the best in the nation for engineering, research output, and workforce-ready programs, offering students high-quality education at accessible costs.

PENN STATE

Penn State installed 13,645 feet (2.6 miles) of pipeline to supply natural gas to the west campus steam plant, aiming to reduce the plant's emissions by nearly 50% and support the university's goal of a 35% reduction in greenhouse gas emissions by 2020.²⁰ The Centre Area Transportation Authority (CATA) is the main provider of public mass transportation at Penn State University. Its buses run on compressed natural gas, eliminating a net 2,415 metric tons of CO₂.²¹

BUCKNELL UNIVERSITY

Bucknell University has also increased natural gas usage in an attempt to transition away from reliability on coal-fired power.

“Conserving our precious natural resources is a central component of Bucknell's commitment to sustaining the future of our region and the planet. In 1997, we converted our central power plant from coal to natural gas, achieving a 97% reduction in plant emissions (including a 96% reduction in carbon dioxide emissions and a 99% reduction in suspended particulate emissions). The plant also captures heat produced in power generation and uses it to provide steam heat and chilled water to most campus facilities.”²²

UNIVERSITY OF PITTSBURGH

University of Pittsburgh credits natural gas for its role in lowering CO₂ emissions to achieve their targets!

“Energy sources controlled by the University are the Carrillo Street Steam Plant and the Bellefield Boiler Plant. Steam is a major component of the campus energy mix— and is created by natural gas.”

“Co-owned by the University of Pittsburgh and UPMC, the Carrillo Street Steam Plant came online in 2009 and is powered by natural gas. The steam it produces is used for used for heat, hot water, sterilization, and humidity control. The Carrillo Street Steam Plant is a significant part of the University's commitment to reducing its carbon footprint.”

“When it was constructed, the facility was (and remains) one of the cleanest university heating plants in the United States, emitting relatively little exhaust or wastewater for a facility its size. It was originally expected to reduce annual carbon dioxide emissions by ~48,000 metric tons (nearly half of Pitt's baseline steam-related CO₂ emissions).”²³





AGRICULTURE

With significant contributions to both the state and national economy, Pennsylvania's agricultural industry benefits millions of Americans every year. Indeed, the Keystone State is not only 2024's eighth biggest producer of milk in the United States, but also the largest producer of mushrooms in the same year, supplying over 69% of the total volume of sales.^{24 25} Despite the high yields, the high productive output is coupled with reciprocal energy costs. In a state where more than 99% of the farms are primarily owned by families or individuals, reliable and affordable energy is paramount.²⁶ Energy costs account for a considerable percentage of a farm's expenditure, from direct energy costs like fuel and electricity, or indirect energy costs like fertilizer and pesticides. Consequently, the incomes of hundreds of Pennsylvanians are significantly impacted by energy availability and cost. In 2024, Pennsylvania produced 91.1 million bushels of corn and 27 million bushels of soybeans—as both crops rely extensively on fertilizer to match the exorbitant production, natural gas is foundational to Pennsylvania's agricultural landscape.²⁷



HEALTHCARE

Pennsylvania's healthcare industry lies at the intersection of scientific innovation, life-saving medicine, and economic growth. Having increased 67% over the past decade, the yearly \$186.5 billion contribution to state and local economies, working in tandem with the 627,255 jobs supported, hospitals reflect the vital importance of the industry.²⁸

Central to this is petroleum, which is used to support many facets of day-to-day activity in hospitals. Petroleum products are essential to support myriad medical supplies and equipment, including syringes, surgical tools, and life-saving machinery like MRI scanners.²⁹ Beyond just the walls of the hospital, petroleum is crucial for fueling emergency vehicles (ambulances, helicopters, etc.) and maintaining the constant flow of the supply chain that transports various elements of healthcare products.³⁰ Together, petroleum products are inextricably linked to the many rungs of the healthcare sphere, providing the backbone for millions of Pennsylvanians' health and wellbeing while maintaining its commitment of life saving care.

Not only is oil central to operations, but the introduction of natural gas has fueled success stories like the University of Pittsburgh Medical center (UPMC). Being the largest non-governmental employers in Pennsylvania, employing over 100,000 staff and operating through over 800 doctors' offices and outpatient sites, UPMC is powered by the local Carrillo Street Steam Plant.³¹ Importantly, natural gas is utilized to support the steam used for heat, sterilization, and humidity control, which has helped make UPMC "one of the cleanest university heating plants in the United States," originally expecting to reduce annual CO₂ emissions by "~48,000 metric tons (nearly half of Pitt's baseline steam-related CO₂ emissions)."³² Prioritizing natural gas power has paved the way for Pennsylvania's UPMC to help realize the university's goals of carbon neutrality by 2037.

TOURISM AND TRANSPORTATION

The transportation sector is Pennsylvania's second-largest end-use energy consumer, consuming around 845 trillion Btu in 2023.³³ Pennsylvania's tourism industry represents a large portion of the high energy expenditure, with Philadelphia alone attracting roughly 44 million domestic visitors in 2024.³⁴

The economic value of tourism is monumental. Tourism directly and indirectly supports over 500,000 jobs, generated roughly \$80 billion, and has been recognized by Governor Josh Shapiro as a key industry as evidenced by his suggested increase of \$18 million for tourist marketing in the 2024-2025 budget proposal.^{35 36} Petroleum has helped support tourism, enabling consistent and reliable energy for travel. In 2023, roughly \$6 billion was generated in visitor spending at gasoline stations across the state and out of the visitor spending, the highest, with \$14.4 billion, was transportation.³⁷ Recently, Governor Josh Shapiro announced the **Department of Community and Economic Development (DCED)** is awarding a \$162,461 grant to the [White Pine Country Store, Café & Lodge](#) through the Marketing to Attract Tourists program. This grant will help support increased tourism and recreation by making necessary safety upgrades to the only gas station in the area.³⁸

Key drivers of this booming industry lie in the hallmarks of American history, which scatter the state's vast geographical landscape. Among them are the famous Rocky statue, Hersheypark, the Poconos, and the historic Liberty Bell. Collectively, these attractions captivate millions of visitors a year, providing an educational and historic learning experience for those wishing to explore the Keystone State.^{40 41 42}

“ White Pine Country Store has long been a hub for residents and travelers alike — whether you're grabbing a bite to eat, stocking up on fishing gear, or gearing up to hit the ATV trails. This store sits at the heart of the Northcentral Regional ATV Trail, one of the Commonwealth's premier outdoor recreation destinations — but without a working gas pump, folks couldn't fuel up for the ride. With this investment, we're supporting a key local business and keeping the outdoor recreation economy growing here in Potter County. ³⁹ ” ~ Governor Josh Shapiro.



HOT AIR BALLOON FESTIVALS

Pennsylvania is home to more than four major hot air balloon festivals each year, showcasing over 80 balloons in total. These events attract thousands of visitors to scenic locations across the state. Hot air balloons require a significant amount of fuel—an average-sized balloon uses approximately 30 gallons of liquid propane during a one-hour flight, with larger balloons and heavier loads consuming even more.

The Chester County Balloon Festival, held from June 13 to June 15, 2025, is the largest and longest-running balloon festival in the state. Located in the Brandywine Valley, it features over 20 balloons with flights taking place twice daily. Visitors can enjoy balloon rides, glowing nighttime displays, fireworks, and explore the rich cultural attractions of the area.

Taking place the same weekend, from June 12 to June 15, 2025, is the Thurston Classic Hot Air Balloon Festival in Crawford County. With upwards of 30 balloons taking flight once each day, the festival offers a competitive morning flight contest and festivities that go into the night.

Another major event is the Lancaster Hot Air Balloon Festival and Country Fair in Bird-in-Hand, Pennsylvania, which hosts around 35 balloons and offering two flights per day, this festival combines balloon launches with family-friendly entertainment, local Amish food, crafts, and fireworks, making it a staple experience in the heart of Lancaster County.

Rounding out the year is the Spooktacular Hot Air Balloon Festival, held from September 12 to September 14, 2025, in Lehigh Valley. It is known as the largest fall laser-lit hot air balloon, music, and glow festival in North America, it features 12 or more balloons with twice-daily flights. Thanks to propane, derived from natural gas and oil, these balloons can fly and these events are successful!

An average-sized balloon uses approx

30
gallons
of liquid
propane





CONCLUSION

Ultimately, Pennsylvania is not just the Keystone State in name, but the keystone of U.S. natural gas production. Expanding more critical energy infrastructure, including natural gas pipelines, will provide a cleaner, more affordable, and reliable natural gas supply for years to come.





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