

TEXAS ENERGY EVOLUTION

Wind turbines in the Texas Panhandle

Texas Economic Development & Tourism Office | Office of the Governor

Texas is the energy capital of the world.

Powering global innovation and fueling America's economic engine, Texas is the top producer of energy and the top producer of electricity in the U.S. In fact, Texas provides nearly one-fourth of the entire country's domestically produced energy. Thanks to an all-of-the-above and all-of-the-below energy strategy, fossil fuels, renewables and alternative sources each play a dominant role in the state's robust energy sector.

Texas leads the nation in oil and gas production, wind-powered generation, utility-scale solar and battery storage capacity. This is thanks to the state's ideal geography, available space, abundant natural resources, strategic geographic location, robust transportation systems and highly skilled, specialized labor force. Texas is also home to the future of energy innovation in hydrogen, carbon capture, battery storage, geothermal, small modular nuclear and more. Some of the world's largest energy companies are based in the Lone Star State. In fact, 23 energy-related Fortune 500 companies call Texas home, including the headquarters for oil and gas giants Chevron and Exxon Mobil. Texas' leadership in the global energy evolution is not only important in fueling our state's economy but in helping our nation achieve energy independence.



Cargo terminal for loading gas in Sabine Pass, Texas

FUELING THE TEXAS ECONOMY



Since the discovery of the Spindletop oilfield in 1901, Texas has been a global leader in energy production. Texas leads the U.S. in the production of both crude oil and natural gas, with nearly 472,800 miles of oil and gas pipelines across the state. Globally, the Lone Star State ranks among the top five largest producers of crude oil. In 2024, Texas accounted for 43% of the nation's crude oil and 29% of its natural gas production. Oil and gas production directly and indirectly supports 1.4 million Texas jobs.

TEXAS: THE LAND OF LNG



Across the Lone Star State, there are more than 14,000 miles of natural gas pipelines. Due to the state's abundance of natural gas reserves and natural gas fields, the state produced more than one-fourth of the nation's natural gas in 2024. With liquefied natural gas (LNG) terminals in Freeport and Corpus Christi, Texas has become a top state for LNG exports, ranking #2 in the nation. Texas celebrated its first cargo shipment of LNG in 2018, which traveled from Cheniere Energy's liquefaction facility in Corpus Christi. With additional planned LNG export facilities in progress, Texas is poised to solidify our status as a top contender in the arena. In fact, of the 28 new or expanding LNG export projects proposed or under construction in the U.S., 11 are planned for right here in the Lone Star State.

HARNESSING THE POWER OF WIND



Texas continues to rank #1 in the nation for wind-powered generation, leading the U.S. for 19 years in a row. Wind energy alone produces 22% of the state's electricity. The Lone Star State also ranks first in newly installed land-based wind capacity in the nation—only four countries in the world have more wind capacity. Texas is home to nearly 19% of America's total wind power generation establishments.



Located in Upton County in West Texas, the Roadrunner solar plus storage project is one of the largest operational solar projects in Texas. (Photo: Enel Green Power)

SPEARHEADING SOLAR



Texas leads the U.S. for utility-scale solar and has invested more than \$57.7 billion in solar energy, ranking second in the nation for installed solar capacity. Texas solar power generation establishments have increased by approximately 800% since 2015. Throughout the state, there are nearly 600 solar companies, including manufacturers, installers and developers. Already producing enough solar energy to power close to 5.3 million homes, Texas is projected to increase capacity by more than 37,600 megawatts over the next five years through new solar farm construction, which would be the largest growth in the country.

IN THE U.S., TEXAS IS...

#1 FOR ENERGY PRODUCTION

#1 FOR ELECTRICITY GENERATION

#1 FOR OIL & GAS PRODUCTION

#1 FOR WIND-POWERED GENERATION

#1 FOR UTILITY-SCALE SOLAR

#1 FOR UTILITY-SCALE BATTERY STORAGE

LEADING THE FUTURE OF ENERGY INNOVATION

Texas is well-positioned to lead the future of energy innovation in hydrogen, geothermal, nuclear, advanced battery storage solutions and more. The Gulf Coast is already a national leader in clean hydrogen infrastructure. Further, Texas was selected by the U.S. Department of Energy for one of seven locations across the U.S. designated as a regional hydrogen hub with up to \$1.2 billion in funding. In June 2025, Governor Greg Abbott signed historic legislation to revolutionize Texas' growing nuclear industry and solidify our focus on leading America's nuclear resurgence from the Lone Star State. This legislation creates the Texas Advanced Nuclear Energy Office and invests \$350 million into next-generation nuclear development and deployment—the largest commitment in the U.S.

A FORTIFIED ELECTRIC GRID



Texas produces more electricity than any other state and more than twice as much as the second-highest producing state. As Texas continues to experience unprecedented growth, we have increased dispatchable power capabilities and continue to make strategic investments in critical infrastructure. In fact, Texas voters approved \$10 billion for the Texas Energy Fund for low-interest loans and grants to support the development of new dispatchable generation and grid reliability infrastructure.

Texas is also set to add new 765-kilovolt transmission lines to the Electric Reliability Council of Texas (ERCOT) system to move power efficiently and reliably across our growing state. These new extra high voltage lines will be the first of their kind in Texas.

Additionally, the weatherization requirements for critical grid and natural gas infrastructure that Governor Abbott signed into law have proven effective. Working together with innovators in tech and energy, Texas continues to increase capacity to ensure every Texan and every Texas business has the power needed to thrive. During the 87th Legislative Session, the state passed important legislation to help lessen the impact of natural disasters on the power grid and enhance the reliability and resilience of the electric grid. Senate Bill 3 requires electric companies and gas facilities to weatherize their facilities, allowing the continuation of power production during extreme weather events; creates the Texas Electric Supply Chain Security and Mapping Committee to map the state's electric supply chain; directs the Public Utility Commission of Texas to take measures necessary to ensure the reliability and affordability of the grid; establishes the Texas Energy Reliability Council to improve communication between industry and state agencies; and implements a state power outage alert system. The following measures also help strengthen the reliability and resiliency of the Texas grid to power businesses and keep residents safe:

- ★ Passed during the 87th Legislature, HB3648 strengthens the Texas power system by helping ensure that critical natural gas facilities maintain electric service during energy emergencies.
- ★ Passed during the 88th Legislature, HB1500 strengthens grid reliability requirements and HB2555 bolsters the resiliency of transmission and distribution infrastructure.
- ★ Passed during the 89th Legislature, SB6 supports long-term system expansion to keep pace with business growth and technology development.



OFFICE OF THE GOVERNOR TEXAS ECONOMIC DEVELOPMENT & TOURISM OFFICE

The Texas Economic Development & Tourism Office (EDT) serves as the state's leading economic development organization marketing Texas as the world's premier business investment destination. The division pursues business expansion and relocation prospects, with the goal of developing job creation and export opportunities for the Texas business community.

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