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TIPRO Disappointed with President Trump's Decision to Impose Steel and Aluminum Tariffs

Measure will add significant costs to independent oil and gas operators and impede industry recovery efforts

Austin, Texas – The Texas Independent Producers & Royalty Owners Association (TIPRO) has expressed opposition to the regulatory proposal to increase steel and aluminum tariffs and warned of its negative implications for the Texas oil and natural gas operators on several occasions over the past year. Despite potential consequences, on Thursday, May 31, the Trump Administration announced it will proceed with imposing a 25 percent tariff on steel imports and 10 percent on aluminum imports for Canada, Mexico and the European Union. The following statement can be attributed to TIPRO's President Ed Longanecker:

“We are extremely disappointed about the decision to impose tariffs on steel and aluminum and concerned about the negative impact this measure will have on the oil and natural gas industry, a key economic driver for the U.S. economy. This decision will cause slowdown in exploration and production activity for an industry that is still in recovery mode, which will result in job loss, decreased production and related tax revenue that supports all levels of our economy. This is a net loss for the United States with repercussions that will only build over time.

As the leading producer of oil and natural gas in the country, operators in the state of Texas will see a significant increase in the cost for material used in exploration and production activities, including Oil Country Tubular Goods (OCTG) and Line Pipe (LP). If quotas were to be negotiated, the consequences will be even worse if these key products are made unavailable. TIPRO members, who are responsible for producing more than 85 percent of the oil and natural gas within Texas, and thousands of additional operators and service oriented companies in the state, would bear an inordinate financial burden, which will reverberate throughout the state and country.”

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About TIPRO

The Texas Independent Producers & Royalty Owners Association (TIPRO) is a trade association representing the interests of over 3,000 independent oil and natural gas producers and royalty owners throughout Texas. As one of the nation's largest statewide associations representing both independent producers and royalty owners, members include small businesses, the largest, publicly-traded independent producers, and mineral owners, estates, and trusts. TIPRO membership provides networking and educational forums, marketing opportunities, industry intelligence, and extensive legislative and regulatory resources.