Louisiana Economic Forecast™ SM

State and MSAs: 2027 and 2028

Prepared by: Dr. Loren C. Scott, President, Loren C. Scott & Associates, Inc.

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Louisiana Economic Forecast: State and MSAs 2027 and 2028

Dr. Loren C. Scott, President
Loren C. Scott & Associates, Inc.
www.lorencscottassociates.com

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Copies of the Louisiana Economic Forecast: State & MSAs are available for purchase by contacting Dr. Scott at LScottecon@gmail.com.

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ACKNOWLEDGEMENTS

We Send an "SOS": You Always Answer

Developing the forecasts you will read about in the **Louisiana Economic Forecast** does not result from simply generating equations using Bureau of Labor Statistics data. Instead, we effectively send out an SOS starting in June to people all over the state requesting firm and area specific information. Remarkably, the ships always come to the rescue. You answer those phones and give us your valuable time and information. You have no idea how much we appreciate your input. It is one reason this document is over 120 pages long.

Even the first steps in this process could not have taken place without the generous support of our 10 sponsors. **Blue Cross Blue Shield**, **Cleco**, and **Roy O. Martin** are our stalwart Platinum Sponsors. Our seven Gold Sponsors are **BRF**, the **Cyber Innovation Center**, **Entergy**, **HomeBank**, the **Port of Baton Rouge**, **Turner Industries**, and our newest addition — **Ochsner Health System**. Thank you!

The real substance of the LEF came from phone calls with individual officials in firms, economic developers, and heads of non-profits. I have benefitted immensely this year from both economic insights and editorial support from **Dr. Scott Burns**, associate professor at SLU and special expert on tariff impacts. The staff of Secretary **Susan Bourgeois's** Louisiana Department of Economic Development figured critically in this work, and we give a special shout-out to **Michael Tepper** at LDED for the numerous calls he quickly responded to during the year. Former LDED official, and close friend, **Larry Collins** is a terrific teacher of LDED data and recruiting efforts.

It is a tricky thing to attempt to list all those who helped us out this year, but here is a non-exhaustive list: **Roy O. Martin, Bill Fontenot, Brian Keller, Paul Danos, Randy Attasso**, **Stevie Toups, Katie LeBlanc**, **Jay Hardman, Melody Lockwood, Candace Oby, Chad Hinton, Patrick Beard, Greg Albrecht, Ed Jimenez, Mike Tarantino, Anna Bellow, Craig Betbeze, Eric Chouest, Kevin Nolten, Matthew Saacks, David Broussard, Cohen Guidry, Gary Ryder, Joshua Benoit, Kayla Moore, Kate MacArthur, Russell Richardson, James Harp, David Broussard, Scott Gammel, Matt Purser, Jim Rock, Kevin Melton, Amanda DeBlanc, Rich Self, Courtney Bryan, Eric England, Zell Dudley**, **Bob Fudickar, Graig Romero, Chett Chassion, Larry Deroussell, Dale Logan, Connie Fabre, Rocky Rockett, Lane Callaway, Debra Randolph, Zell Dudley, Micah Comier, Gloria Pigner, Michelle Hall, John Paul Domiano, Creed Romano, Buck Vandersteen, Stacey Zawaki, Ginger Cangelosi, Keith Thompson, Tyler Grenzebach, Tina Callecod, Nich Cope, Mike Edwards, Stephen Nosaka, Anna Johnson, Mandi Mitchell, Sarah Hughes, Walt Thomassie,**

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The final content benefitted immensely from suggestions by my colleague **Scott Burns**. Very professional editorial work done by **Stacy Gaskin** and **Mary Jo Neathery**. We can always depend on a great visual layout of the front and back covers by master graphic designer **Steve Radcliffe**.

How lucky are we to have the professionally run, gorgeous venue of **Julio Malero's** Business Report Top 100 Luncheon to release our projections. Julio is one of those outstanding entrepreneurs who is also an out-sized, positive influencer in our community and state, and a great friend. I am especially fortunate to live with one of those great business minds, who each day fills me with vital business insights I would otherwise miss. She is my best friend — my wife **Peggy Scott**.

All of you helped make this happen. Gracias!

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EXECUTIVE SUMMARY

Item	2026	2027	2028
BASIC ASSUMPTIONS:			
Real Gross Domestic Product: Growth	2.1%	2.2%	2.3%
Inflation Rate	3.2%	2.2%	2.1%
Oil Price: Barrel	$82	$68	$64
Natural Gas Price: MMBtu	$3.60	$3.70	$3.85
STATE PROJECTIONS:			
Non-Farm Employment (000s):	2007.8	2,034.9	2,062.8
Absolute Growth Rate	14.3	27.1	27.9
Percent Growth Rate: Employment	0.7%	1.3%	1.4%
MSA EMPLOYMENT (000s)			
Alexandria	62.6	63.6	64.4
Absolute Change	0.3	1.0	0.8
Percent Growth Rate	0.5%	1.6%	1.3%
Baton Rouge	438.6	447.1	455.1
Absolute Change	7.5	8.5	8.0
Percent Growth Rate	1.7%	1.9%	1.8%
Hammond	49.8	50.2	50.6
Absolute Change	0.3	0.4	0.4
Percent Growth Rate	0.6%	0.8%	0.8%
Houma	85.8	87.0	88.5
Absolute Change	-0.5	1.2	1.5
Percent Growth Rate	-0.6%	1.4%	1.7%
Lafayette	189.0	191.3	194.6
Absolute Change	1.0	2.3	3.3
Percent Growth Rate	0.5%	1.2%	1.7%
Lake Charles	106.9	109.8	112.9
Absolute Change	1.6	2.9	3.1
Percent Growth Rate	1.5%	2.7%	2.8%
Monroe	93.3	95.3	97.5
Absolute Change	1.5	2.0	2.2
Percent Growth Rate	1.6%	2.1%	2.3%
New Orleans	473.6	476.6	479.8
Absolute Change	0.5	3.0	3.2
Percent Growth Rate	0.1%	0.6%	0.7%
Shreveport-Bossier	171.6	174.1	176.4
Absolute Change	0.4	2.5	2.3
Percent Growth Rate	0.2%	1.5%	1.3%
St. Tammany	102.9	103.4	103.9
Absolute Change	0.9	0.5	0.5
Percent Growth Rate	0.9%	0.5%	0.5%
RURAL EMPLOYMENT	233.7	236.5	239.1
Absolute Change	0.7	2.8	2.6
Percent Growth Rate	0.3%	1.2%	1.1%

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EXECUTIVE SUMMARY

Over the next two years, we expect the Louisiana economy to operate in a plodding national economy with **RGDP growth rates in the 2.2%-2.3% range**. While lower tax rates and deregulation are putting wind in the economy's sails, tariffs are weighing it down like an anchor. Modest improvements on the inflation front will consequently lead to **30-year fixed mortgage rates dropping slightly to just under 6%**.

War with Iran is making oil projections particularly tricky. Our forecasts are based on the war being resolved this fall, and the market moving from managing too little oil to managing too much oil. Our projections are based on **oil prices settling in the mid-$60s**. Greater demand from LNG exporters and power companies is expected to push **natural gas prices** slightly higher ($3.70-$3.85 per MMBtu) over 2027-28, with these price increases tempered by an ample supply. The gap between natural gas prices in the U.S. versus those in Europe and Asia is expected to attract even more LNG exporters and chemical firms to south Louisiana.

Our Projections for Louisiana's 10 MSAs (in order of size) and its rural parishes are as follows:

- The **New Orleans MSA** is projected to add 6,200 jobs over the next 2 years, a total growth rate of 1.3%. The latter would rank the MSA 9th among the 10 MSAs in Louisiana. The weaker growth can be traced to a still declining convention market post-COVID and the completion of the huge $23 billion Venture Global LNG facility. There is hope for a better record if some of the MSA's $49.9 billion projects awaiting an FID come to fruition, but the outsized power of NGOs in this region has stymied many projects.

- The fastest growing MSA in absolute new jobs is projected to be the **Baton Rouge MSA**, which is projected to add 16,500 new positions. The region has $27.5 billion in projects underway and another $13.3 billion awaiting an FID. The largest industrial contractors are headquartered in Baton Rouge, and they are all in a frenzied expansion mold. The $12.5 billion Hut 8 Data Center is also boosting this economy. This MSA is projected to rank #3 in percentage job growth.

- The **Lafayette MSA's** future received a major boost because SpaceX is coming to Vermilion Parish — a project worth thousands of jobs. Still looking skyward, the MSA also has a burgeoning drone industry and solid employment among its Big 4 players. We are estimating 5,600 new jobs (#4 in rank) over 2027-28 (+2.9%, #6 in rank.)

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- Two, and potentially three, new Amazon data centers, along with over 600 new jobs at the SLB facility, will be largely responsible for the projected 4,800 new jobs (+2.8%) in the **Shreveport-Bossier MSA**. Amazon's fulfillment center, the Port of Caddo-Bossier, the Cyber Research Park, and Barksdale AFB will also provide a boost.

- The fastest job growth rate in the state over 2027-28 is expected to be in the **Lake Charles MSA**, where a whopping $64.4 billion in industrial projects are under construction (led by 3 huge LNG export terminals) and another $63 billion are waiting in the wings for an FID. Nice growth in the area's many chemical plants, refineries, and at Chennault International Airport will be contributing to the projected 6,000 new jobs (+5.5%).

- **St. Tammany MSA** on the north shore faces an uneven future with a projected 1,000 new jobs (rank #9) and a 1% growth rate (#10). The region has little in the way of new announcements, plus both LLOG and Globalstar — with headquarters in Covington — have been purchased, so we are concerned about the long-term outlook for those units remaining on the north shore.

- Large new government contracts are spurring expected job growth (+2,700 jobs — up 3.1%) in the **Houma MSA**. Weak drilling activity in the Gulf is putting something of a brake on employment growth, though service companies still are needed to do maintenance, repair, and painting work on the 54,000 wells and 2,500 active platforms in the Gulf. Port Fourchon remains the largest servicer of offshore activities in the Gulf and is getting closer to FID on Argent LNG.

- The single largest investment project in Louisiana's history — the $50 billion Meta Data Center in Richland Parish — is expected to make the **Monroe MSA** the second fastest growth rate in jobs in the state over 2027-28. We expect this MSA to add 4,200 new jobs for a 4.5% growth rate, achieving a new record level of employment in 2027, passing a peak last set in 2003.

- Both bad news and good news was dropped on the **Alexandria MSA** when the $2.5 billion Beaver Lake Renewable Fuels project was canceled, and the $3.6 billion Applied Digital Data Center was landed. Significantly increased ICE activity and two potential new projects at England Airpark will help this MSA expand by 1,800 new jobs (+2.9%).

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- Record budget levels and enrollment at SLU, plus expansions at the huge North Oaks Health System will help add 800 new jobs (+1.6%) to the **Hammond MSA**, This MSA suffered a 450-job loss when an explosion occurred at Smitty's.

- Significant expansion at the Port of Iberia, the Acadiana Airport, Fibrebond in Webster Parish, and Louisiana Green Fuels in Caldwell Parish will help offset general population declines in other **rural parishes** to generate 5,400 new jobs (2.3%) over 2027-28. Universities in these rural parishes — especially Northwestern State and Grambling — are facing notable enrollment declines.

When everything is summed together, we are projecting **55,000 new jobs in Louisiana** over 2027-28, a growth rate of 2.7%. The state is projected to cross the 2,000,000-employment line in 2026 for the first time in its history (on an annual average basis) and continue on a faster growth path upward for the next two years. The timing and conclusion of the war with Iran can obviously torpedo these projections. Our projections assume the war will end before the mid-term elections. We hope. We hope.

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TABLE of CONTENTS

Page

ACKNOWLEDGEMENTS II

EXECUTIVE SUMMARY iv

LIST OF TABLES xii

LIST OF FIGURES xiii

UNDERLYING ASSUMPTIONS: 2027-28 FORECAST 1
- The National Economy: A Conflicting Picture 1
  - The Accelerators: Lower Taxes and Deregulation 2
  - The Brake: Tariffs 4
- Inflation: The Stubborn Road to 2% 6
  - A Warsh Nemesis: The Iranian War 7
  - Small Cuts in Rates Ahead 10
- Oil Prices: Want to Be a Trader? 11
  - How Will the War Be Resolved? 12
  - Post-War Prices: What a Quagmire 13
  - Refined Product Market: Threat from Crack Spread 14
- Natural Gas Prices: it is "Relative Prices" that Matter 16
  - LNG & Electrical Power Demand Drive Prices Up 18
  - It is "Relative Prices" that Matter 19
  - Impact of War with Iran: Added Security Threat 21

THE LOUISIANA METROPOLITAN STATISTICAL AREAS (MSAs) 24

THE NEW ORLEANS MSA 26
- Big Construction Jobs Completed: New Ones Coming? 26
  - Forecast for 2027-28: New Orleans MSA 26
  - Replacing Venture Global Construction Jobs 27
  - A Bump from Commercial Projects 33
  - Leisure & Hospitality: Still Struggling Post COVID 34
  - Enrollment Declines at LSU-NO 35
  - LIT: Bright Light at the Port of New Orleans 36
  - Michoud: Come on Artemis! 38
  - Tough News on Roads & CPRA 39

THE BATON ROUGE MSA 40
- RiverPlex + Hut 8 = Nice Boom 40
  - Forecast for 2027-28: A Robust Industrial Construction Sector 41
  - Hut 8 & the RiverPlex MegaPark 41
  - Nice Wins in Other Parishes 45

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Page

Industrial Contractors: More than They Can Say Grace Over 46
$1 Billion in Large Commercial Projects 46
LSU as an Economic Engine 48
IBM Provides Nice Bump 48
Gaming Market: Moving Onshore Jacks Up Play & Employment 49
Disappointing News at the Port 50
Public Construction Adds More 51

THE LAFAYETTE MSA 52
SpaceX: Transformative Squared 52
SpaceX Is for Real 53
Will the Drones Fly? 54
GOM Rig Count Only 12 55
A Mélange of Other Job Creators 57
Big 4 Remain Steady 57
A Reversal in Trends at ULL 58
Some Tapping on the Brakes 59

THE SHREVPORT-BOSSIER MSA 60
Give an Award to Amazon 60
Forecast for 2027-28: Huge Shot from Amazon 61
Amazing Amazon Surge 61
Hallelujah! Expect a Revival of Haynesville 62
Keep an Eye on: Port-Big Potential Ahead 63
Keep an Eye on: Cyber-Big Potential Ahead 65
Keep an Eye on: BRF-Big Potential Ahead 66
Nice Reversals in Bad Trends: Barksdale & Gaming 66
More Significant Capital Projects on the Way 68

THE LAKE CHARLES MSA 70
LNG Driving Largest Capital Investments in State 70
Forecast for 2027-28: We Repeat – Better Stand Back Folks 71
LNG Projects Behind Lofty Rankings 71
"Stick" v. "Modular" Construction 74
$63 Billion More Waiting in the Wings 74
Robust Petrochemical Complex 75
New Hanger, More Jobs at Chennault 77
Gaming a Major Employer 79
Largest Road Project in the State in Lake Charles 80
Signs of Recovery at McNeese 80

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Page

THE ST. TAMMANY MSA 82
What Will Happen with LLOG & Globalstar? 82
Bedroom Community of New Orleans 82
A Much Smaller "Bedroom" Component 83
Forecast for 2027-28: Concerns About LLOG and Globalstar 84
New Orleans + LLOG + Globalstar 84
Mixed News from the Exploration Sector 85
Nice Bumps from Ampirical, Textron & AWG 86
Stability Among Other Large Players & Road Lettings 87

THE HOUMA MSA 88
Desperate Need for Gulf Rebound 88
Forecast for 2027-28: Look to Shipyards for Spark 88
GOM Rig Count Only 12 89
Robust Service Firms 91
New Contracts = Strong Shipbuilding 91
Port Fourchon CAPEX & Argent 92
Two Projects to Watch 95
Big Bucks from CPRA 95

THE MONROE MSA 97
Largest Single Investment in Louisiana History 97
Forecast for 2027-28: A Tidal Wave Called Meta 97
Meta: 4x Larger than Central Park 98
Potentially More Significant Capital Projects Ahead 100
Other Key Players Holding Steady 100
Mixed News from the State Side 101

THE ALEXANDRIA MSA 103
Win Some, Lose Some 103
Forecast for 2027-28: Finally, A Major Economic Shot in the Arm 103
Applied Digital to the Rescue 104
Cleco: Cheers at the Headquarters 105
ICE Action at England 106
Other Major Industries Solid 106
Big Influencers "Just Outside the Gates" 107
Government Plays Outsized Role 108

THE HAMMOND MSA 110
Smitty's Deals a Blow 110
Forecast for 2027-28: North Oaks+, SLU+, Smitty's 111
Biggest Players Looking at Robust 2027-28 111

Dr. Loren C. Scott & Associates Inc.
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Page

Modest Growth at the Next Level 114

RURAL LOUISIANA 115
Keep An Eye on Iberia and St. Mary Parishes 115
New Micropolitan Area: Iberia Parish 117
New Micropolitan Area: Webster Parish 119
Fingers Crossed for Caldwell Parish 119
Central Louisiana: Fort Polk & Roy O. Martin 119
University-Intensive Ruston Micropolitan Area 120
Other Rural Investments 121
Declines Continue at NSU 122
State Road Lettings Down as Well 122

THE LOUISIANA ECONOMY: 2027-28 123
Solid Growth Keeps Above 2,000,000 123

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LIST OF TABLES

Page

Table 1: Projected Growth in RGDP 2

Table 2: CPI Forecasts 7

Table 3: Rystad Model of Oil Prices Movements: War in Iran 12

Table 4: Industrial Projects Under Construction & Announced 21

Table 5: New Orleans Convention Data 34

Table 6: Total and Out-of-Parish Earnings of St. Tammany Parish Residents 83

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LIST OF FIGURES

Page

Figure 1: Average Tax Refund Size 3
Figure 2: Estimated average US tariff rate, January 2025-April 2026 5
Figure 3: Blockades of Straits of Hormuz and Bob el-Mandab 8
Figure 4: Daily Strait of Hormuz Crossings 9
Figure 5: Oil Prices Since War Began 10
Figure 6: 30-Year Fixed Mortgage Rate 11
Figure 7: Oil Price Forecasts 14
Figure 8: 3-2-1 Crack Spread, Weekly Average, 2023-26 15
Figure 9: Price of Natural Gas: Henry Hub 17
Figure 10: U.S. Natural Gas Deliveries to Electric Power 18
Figure 11: LNG Natural Gas Demand 19
Figure 12: Henry Hub, TTF and JKM Natural Gas Prices 20
Figure 13: Fractionation Centers in the Persian Gulf 22
Figure 14: MSA Designations 24
Figure 15: Micropolitan & Rural Parishes in Louisiana 25
Figure 16: New Orleans MSA Non-Farm Employment Forecast: 2027-28 27
Figure 17: Louisiana International Terminal 30
Figure 18: Manning Family Children's Hospital 32
Figure 19: Ochsner Sports Medicine Clinic 33
Figure 20: Casino Gross Revenues: New Orleans 35
Figure 21: LSU-NO (Formerly UNO) Fall Enrollment: Fall 2000-Fall 2025 36
Figure 22: Port of New Orleans TEU Traffic 37
Figure 23: Port of New Orleans Breakbulk Traffic 37
Figure 24: Baton Rouge MSA Non-Farm Employment Forecast: 2027-28 42
Figure 25: RiverPlex MegaPark: Ascension Parish 43
Figure 26: Phase 1 of NEMO Pig Iron Plant: Ascension Parish 44
Figure 27: New LSU Residence Halls Under Construction 47

Dr. Loren C. Scott & Associates Inc.
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Page

Figure 28: LSU Enrollment: Fall 2000-Fall 2025 48
Figure 29: Casino Gross Revenues: Baton Rouge 49
Figure 30: Tonnage Handled at Port of Baton Rouge: 2005-25 50
Figure 31: Lafayette MSA Non-Farm Employment Forecast: 2027-2028 53
Figure 32: Field Ranger X50 Drone 55
Figure 33: Gulf of America Rig Count: Month of August 56
Figure 34: University of Louisiana Lafayette Enrollment Fall 2000-Fall 2025 59
Figure 35: Shreveport-Bossier MSA Non-Farm Employment Forecast: 2027-28 61
Figure 36: New Haynesville Infrastructure 63
Figure 37: Benteler Steel: Port of Caddo-Bossier 64
Figure 38: Barksdale Military, Civilian and Total Employment 67
Figure 39: Casino Gross Revenues: Shreveport-Bossier 68
Figure 40: Lake Charles MSA Non-Farm Employment Forecast: 2027-28 71
Figure 41: Louisiana LNG Under Construction 72
Figure 42: Black Bayou Energy Hub 73
Figure 43: SLCUC 18 Month Manpower Forecast 76
Figure 44: Single Bay Paint Hangar Facility Hanger I 78
Figure 45: Casino Gross Revenues: Lake Charles 79
Figure 46: McNeese State University Enrollment: Fall 2000-Fall 2025 81
Figure 47: St. Tammany MSA Population: 1970-2023 82
Figure 48: St. Tammany MSA Non-Farm Employment Forecast: 2027-28 85
Figure 49: Houma MSA Employment Forecast: 2026-27 89
Figure 50: Gulf of America Rig Count: Month of August 90
Figure 51: Arctic Security Cutter 92
Figure 52: Port Fourchon 94
Figure 53: Nichols State University Enrollment: Fall 2010-Fall 2025 96

Dr. Loren C. Scott & Associates Inc.
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Page

Figure 54: Monroe MSA Wage & Salary Employment Forecast: 2027-28 98

Figure 55: Hyperion Data Center over Manhattan 99

Figure 56: University of Louisiana Monroe Enrollment: Fall 2000-Fall 2025 102

Figure 57: Alexandria MSA Non-Farm Employment Forecast: 2027-28 104

Figure 58: Alexandria MSA Government Employment 108

Figure 59: LSU-A Enrollment: Fall 2010-Fall 2025 109

Figure 60: Hammond MSA Non-Farm Employment Forecast: 2027-28 111

Figure 61: North Oaks Health System Employment 112

Figure 62: Southeastern Louisiana University Budget: FY 1992-FY 2026 113

Figure 63: Southeastern Louisiana University Enrollment Fall 1990-Fall 2026 113

Figure 64: Rural & Micropolitan Areas in Louisiana 115

Figure 65: Non-Farm Employment Rural Parishes: 1990-2028 116

Figure 66: Louisiana Tech Enrollment: Fall 2010-Fall 2025 120

Figure 67: Grambling State Enrollment: Fall 2010-Fall 2025 121

Figure 68: Northwestern State University Enrollment: Fall 2010-Fall 2025 .. 122

Figure 69: Louisiana Non-Farm Employment: Forecast 2027-28 123

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UNDERLYING ASSUMPTIONS: 2027-28 FORECAST

It is said that the name "golf" was chosen because all the other 4-letter words were already taken. It is a tough game that the author enjoys playing with good friends. When standing on the tee box, one can typically see the green in the distance, though undulations, pin placement, and position of traps may be a bit unclear.

One day while playing, a dense fog descended on the course in Baton Rouge. We came to a par three, and the fog was so dense we could not see the green. Familiar with the hole and distance, we all took our best shot at where we hoped our ball would go.[1]

That pretty much characterizes our view of the key external drivers of the Louisiana economy for the next two years. A dense fog impairs our view. At this writing (August 2026), the nation is still at **war with Iran**, a start/stop affair with little clarity about the final outcome. That final outcome has huge implications for the future of oil and LNG prices (see below).

Despite a setback from the Supreme Court, President Trump has devised a way to impose **tariffs** through different legal mechanisms. Since "Liberation Day" the President has imposed, lowered, and reimposed tariffs on a dizzying array of countries and products. On the other hand, he has also prevented federal income taxes from rising and pursued expansive **deregulation** across many sectors of the U.S. economy. How will the economy perform under these conflicting economic policies? And don't forget, the November midterms loom ahead. How might a loss of the House and/or Senate impact economic policies over 2027-28?

The National Economy: A Conflicting Picture

The Louisiana economy is impacted by cyclical swings in the U.S. economy. Louisiana is not typically hit as hard by a national recession as many other states. That is because Louisiana has a relatively small share of its employment (3.5%) in durable goods manufacturing compared with the country as a whole (4.9%).

If you lose your job, or think you might lose it, what is the last thing you would consider buying? The answer is a house, car, refrigerator, washer, etc.—that is, a durable good. These can be postponed much more easily than nondurable goods, like food and gasoline. States with a much higher dependence on durable goods manufacturing experience deeper downswings than the country as a

[1] The author actually made a hole-in-one on that par three that day, proving once again that when a duffer makes a good score on a hole, it is 99.9999% luck.

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whole. On the other hand, when the national economy booms, these states really boom.

Where is the national economy heading over the next two years? As seen in Table 1, our expectations are for a recession-free but lackluster growth period over the next two years. Our state-level projections assume that **real gross domestic product (RGDP) will grow by 2.2% in 2027 and 2.3% in 2028**. This would be considered modest growth at best.

Table 1

Projected Growth in RGDP

Year	RGDP Growth
2026	**2.1%**
2027	**2.2%**
2028	**2.3%**

What is behind this very modest projected growth? There are some serious accelerators at work that are being offset by one very significant drag on the economy.

The Accelerators: Lower Taxes and Deregulation

President Trump gave the economy an excellent shot in the arm via two tools: (1) lower tax rates and (2) deregulation. Consider this non-exhaustive list of tax changes in the Big Beautiful Bill:

- The tax cuts in the 2017 Tax Cuts and Jobs Act were set to expire, which would have resulted in a tax increase for about 62% of filers. Not only were the cuts made permanent, but the standard deduction was also increased.
- Temporary measures were passed for "no tax on tips," "no tax on overtime," an expanded SALT deduction, expended business tax deductions, and an auto loan interest deduction (for cars assembled in the U.S.).
- Permanently restored 100% bonus depreciation for short-lived investments.
- A temporary measure was passed to allow 100% expensing for qualified business structures.
- 100% bonus depreciation of R&D expenses was made permanent.

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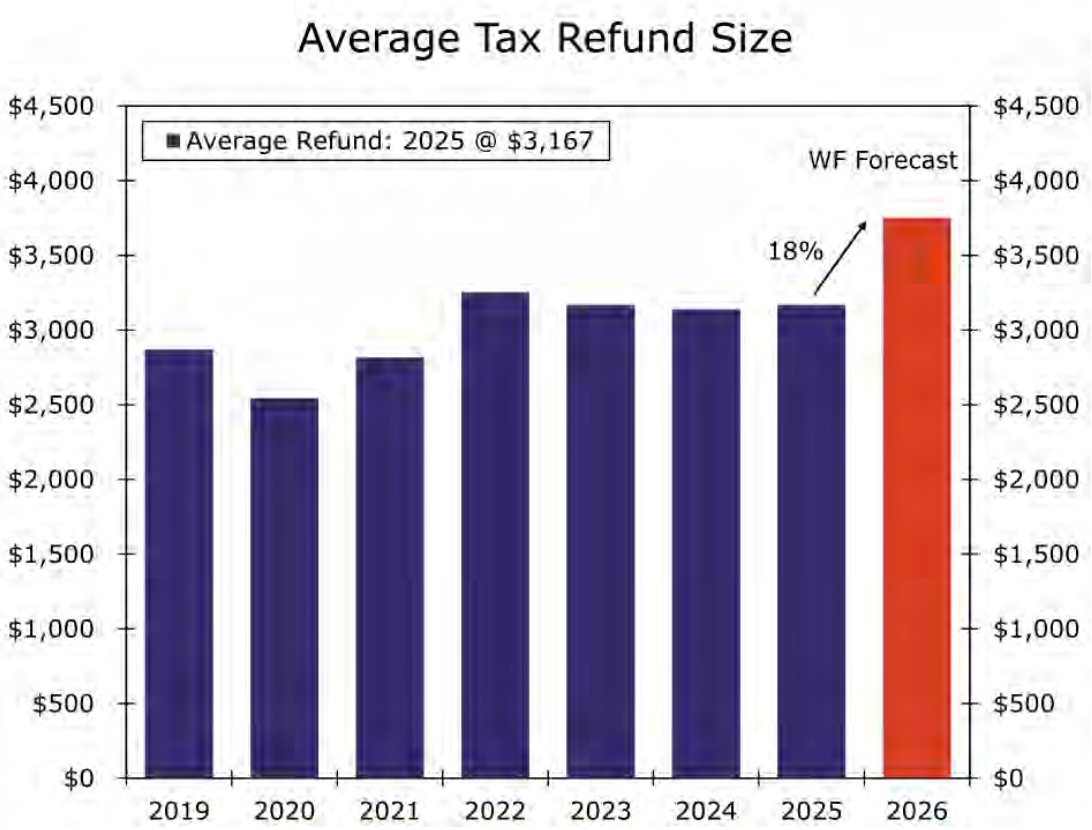
- Full deduction was passed for intangible drilling costs and development costs.
- A 10-year delay was imposed on federal fees on excess methane emissions.
- Lowered oil and gas royalty rates from 16.7%-18.7% to 12.5%-16.7%.

Wells Fargo's economics staff has estimated that the average refund size for individual taxpayers in 2026 will be $3,167 — 18% higher than in 2025. The largest component of RGDP is personal consumption spending — a category that got a significant bump from these larger refunds in 2026Q1 and 2026Q2.

Figure 1



Source: Wells Fargo Economics

Another growth-spurring move by the President was a **deregulation juggernaut** that offset the heavy-handed regulatory environment of the Biden Administration. President Biden, heavily influenced by climate alarmists, used the presidential pen to ratchet up regulations, particularly on fossil fuels. Among President Trump's key moves that were critical to the Louisiana economy were:

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- A cessation of EPA funds flowing to non-governmental organizations (NGOs) in Louisiana to fight any industrial expansions and to attack fossil fuels;
- A removal of the "pause" on new LNG projects;
- New appointees to the Federal Energy Regulatory Commission (FERC) to restore standard permitting processes;
- Increasing lease sales in the Gulf from one every other year, to twice a year (as it had been since the 1950s).

With these measures, the President had the economy poised for a period of enviable, even spectacular, growth. Then he put a very heavy lead foot on the brakes.

The Brake: Tariffs

Trump's tariffs do not represent a slight tap on the brakes; they were a full lead foot on them, as seen in Figure 2, where the Brookings Institution tracks the average tariff rate in the U.S. On April 2, 2025, the President declared "Liberation Day" and used the international Emergency Economic Powers Act (IEEPA) to jack average tariff rates up from essentially a free trade rate of 2% to 22.5%.

In response to a sharp 10-15% collapse in the stock market and flashing red lights popping up all over the dashboard of the bond markets, the President began suspending and modifying these rates, bringing the average rate down to about 11.6% by Spring 2026. Even this rate was the highest the average had been since World War II. The Supreme Court then declared the IEEPA unconstitutional in February 2026.

After the Supreme Court's decision, President Trump immediately invoked Section 122 of the Trade Act of 1974 to impose 10% tariffs. He maintained the tariffs on steel, aluminum, and copper under Section 232 of the Trade Expansion Act of 1962. Section 338 of the Tariff Act of 1930 is also still available to challenge countries that discriminate against U.S. products.

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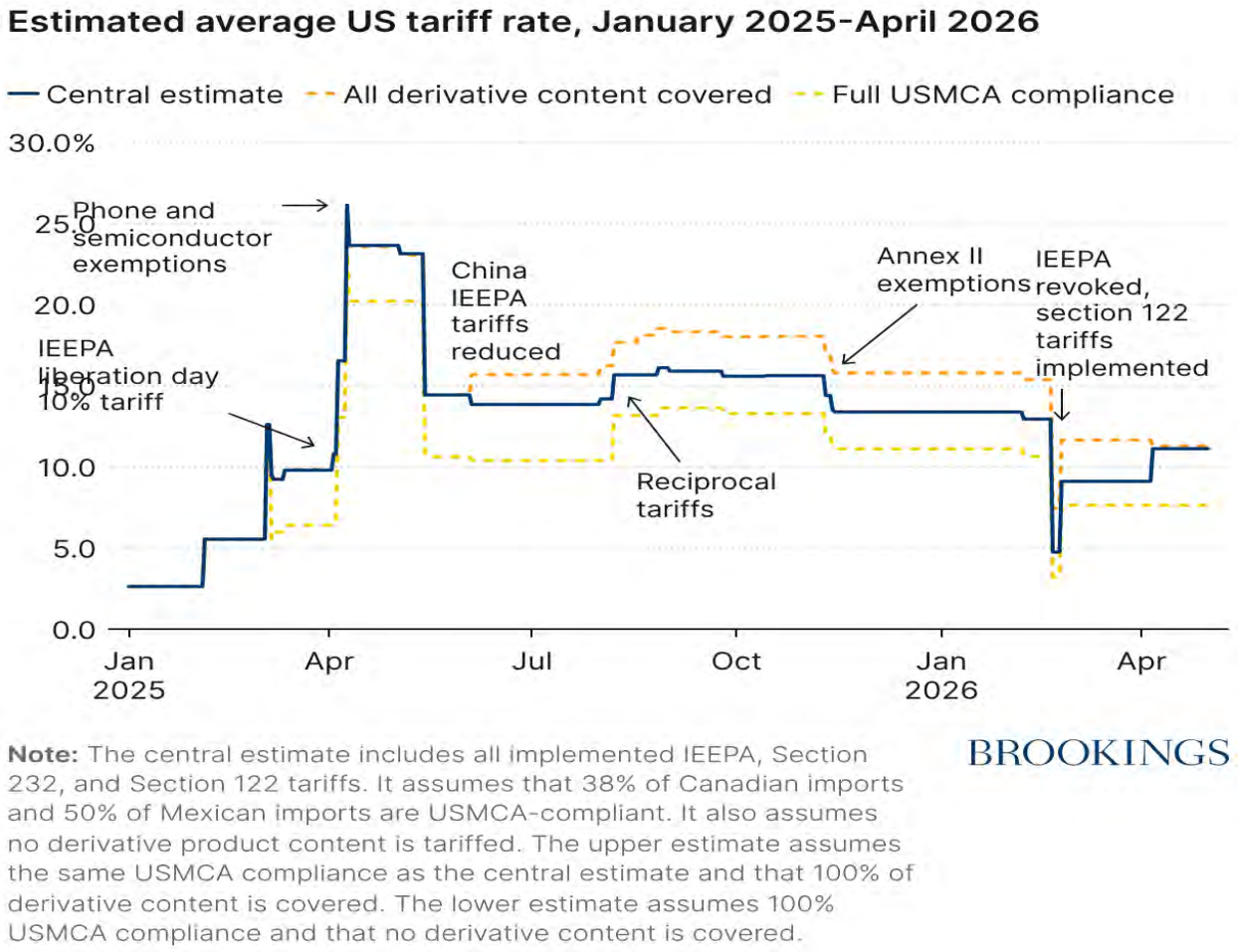
Figure 2



Note: The central estimate includes all implemented IEEPA, Section 232, and Section 122 tariffs. It assumes that 38% of Canadian imports and 50% of Mexican imports are USMCA-compliant. It also assumes no derivative product content is tariffed. The upper estimate assumes the same USMCA compliance as the central estimate and that 100% of derivative content is covered. The lower estimate assumes 100% USMCA compliance and that no derivative content is covered.

Readers should not underestimate the destructive power of these tariffs. For an excellent read on why tariffs are so bad for the economy, check out the forthcoming book "Trade Wars: Why Freedom Trumps Tariffs" co-authored by local economist Scott Burns (with Caleb Fuller) at Southeastern Louisiana University (Simon and Schuster Publishers). Among the many reasons why tariffs are bad economic policy are:

- Tariffs violate the **Law of Comparative Advantage**. It is called a "law" because there is no scientific evidence that this law has ever been violated. Basically, this law says that if you remove barriers to trade between two countries, the standard of living in both countries will rise. If you raise barriers to trade between two countries, the standard of living in both countries goes down. Thus, the impact of Trump's tariffs is very predictable — our growth rate will slow down, and our economy will be worse off than it could have been.

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- Tariffs are almost invariably passed on to the buyers (you) and not absorbed by the foreign importer. A recent analysis of Census trade data by Gita Gopinath (Harvard) and Brent Neiman (University of Chicago) found that 92% of tariffs in 2025 were **passed along to U.S. buyers**.[2] Tariffs are, in effect, a hidden tax on U.S. citizens. All those dollars the President is raising from tariffs are not coming from foreigners. They are coming from you.

- Other countries always **retaliate** by imposing tariffs on our exports to their country. One company might be helped by tariffs, while another is hurt by retaliatory tariffs.

- Most U.S. citizens were encouraged by the news that the U.S. Navy had imposed a blockade on products entering Iran. This is clearly understood to be bad for Iran. Tariffs are in effect a blockade on products entering the U.S. **We are blockading ourselves**.

This is just the tip of the iceberg when it comes to why tariffs are bad economic policy. For a more thorough analysis, get the Burns-Fuller book.

Inflation: The Stubborn Road to 2%

In the summer of 2022, the consumer price index (CPI) was rocking along at 9.2%, a level not seen since the early 1980s and a factor that played no small role in the Democrats losing the White House. While inflation has slowed it is still eating into the real income of U.S. citizens. It will likely be a major topic of debate in the November elections.

Tariffs have contributed to higher prices, exacerbating the cost-of-living issue. Two examples are indicative:

- The cost of Cohn Intermediate School in West Baton Rouge Parish rose from $18 million to $25 million due largely to tariffs on steel, aluminum, and copper.

- Louisiana LNG's new plant in Lake Charles saw its cost go from $16 billion to $17.2 billion due to those same tariff-driven increases in input prices.

[2] Gita Gopinath and Brent Neiman, "The Incidence of Tariffs: Rates and Reality," National Bureau of Economic Research, February 2026.

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As seen in Table 2, the inflation rate has improved substantially since 2022, but at 3.2%, the CPI remains stubbornly above the Fed's 2% target. New Fed Chairman Kevin Warsh appears resolute about bringing inflation back down to that 2% target, and our forecast suggests he will be successful as we enter 2028.

Table 2

CPI Forecasts

Year	CPI Growth
2026	**3.2%**
2027	**2.2%**
2028	**2.1%**

A Warsh Nemesis: The Iranian War

The war with Iran has been no small factor in the measured CPI increase in 2026. Figure 3 helps illustrate the source of the problem.

President Trump initiated the war against Iran on February 28, 2026. In response, Iran mined the **Strait of Hormuz** and launched drone attacks against any ships trying to sail out of or into the Persian Gulf. Prior to the war, about 138 ships sailed through the Strait a day. Note in Figure 4 that movement through the Strat varies significantly depending on whether the President has a memorandum of understanding (MOU) tentatively worked out with Iran, whether the Navy has tried to open the Strait, and whether hostilities have intensified. In the third week of July, transits had dropped to only 13 a day. Some 20% of the global supply of oil and LNG traverse that Strait.

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Figure 3

Blockades of the Straits of Hormuz and Bab el-Mandab

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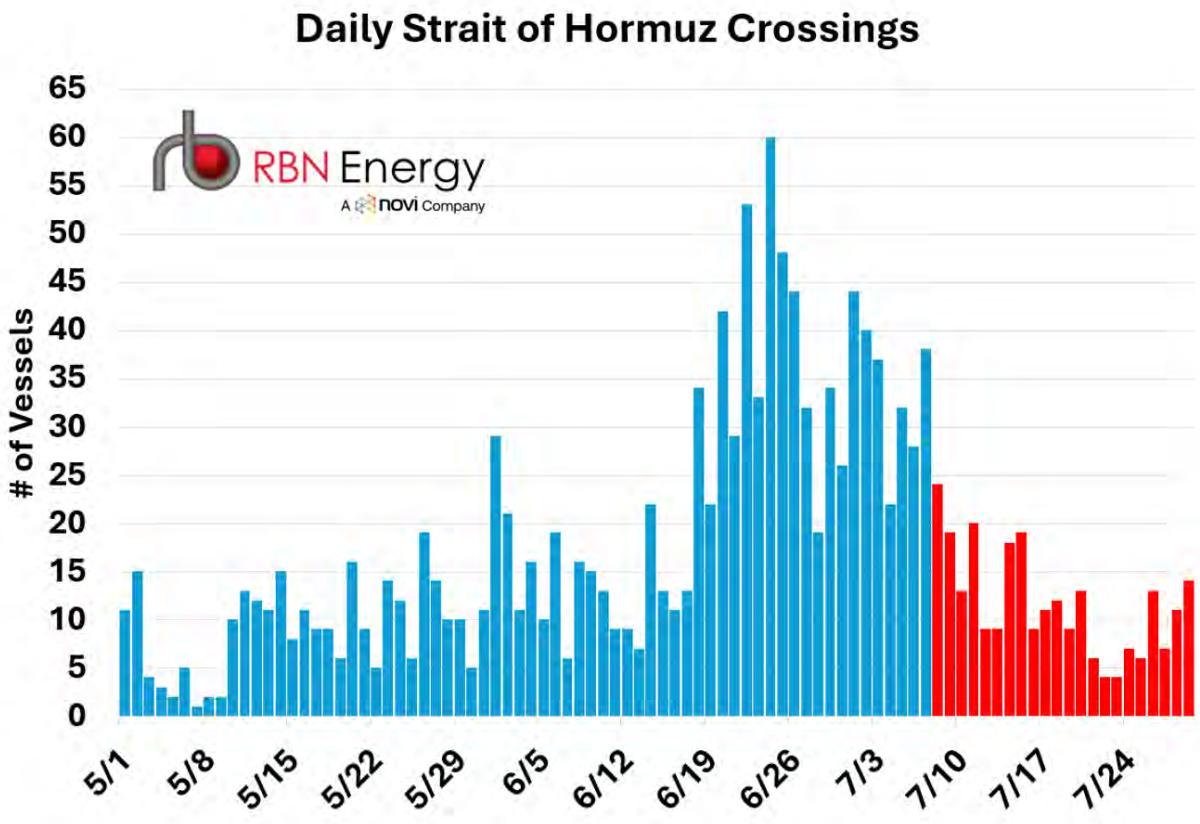
Figure 4



The supply impacts have obviously boosted oil prices, as noted in Figure 5. Pre-war the price of WTI oil was $64.50 per barrel. Note the variation in this price up to June. Within each month there has been even more variation depending on whether an MOU was in effect. For example, note in Figure 5 that on July 1st the WTI was $69 (an MOU was in effect, and the Navy was shadowing ships through the Strait), but by July 22nd, the MOU had collapsed, and transits had almost stopped.

Prices have also ticked up lately due to **another Strait closure**. Note back in Figure 3 that the Saudis had been getting more of their oil to Asian markets by shipping through its East-West pipeline to the Yanbu Port on the Red Sea, loading it on tankers at its docks there, then moving through the **Strait of Bab el Mandab** to Asia. Recently, Iran-backed Houthi rebels have used drone attacks to stop shipments through this Strait. That leaves the Saudi's only option of going north through the Suez Canal, into the Mediterranean Sea, and around the tip of Africa to Asia—a much longer (34 days, +10,000 nautical miles), more expensive trip (+$6 million). Also, very large crude carriers (VLCCs)cannot transit the Suez Canal.

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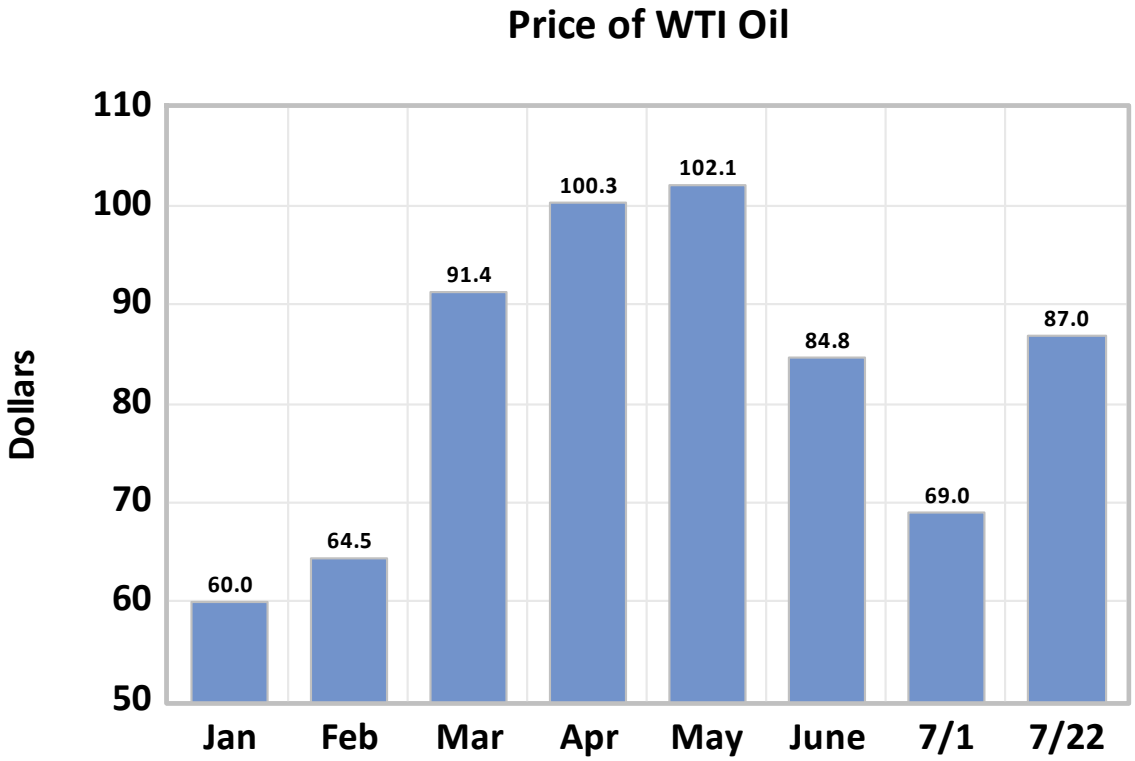
Figure 5

Oil Prices Since War Began



Source: Loren C. Scott & Associates, Inc. & EIA

Until the war is resolved, Chairman Warsh will have a problem reducing measured inflation. Higher oil prices clearly lead to higher gasoline prices, driving up the transportation costs of virtually everything we buy, especially food. Figure 5 shows that resolution of the war will almost instantly help lower prices. Much like President Trump's tariffs, the Iran War has caused a temporary, not a permanent, inflation problem.

Small Cuts in Rates Ahead

If our projections of a modest decline in inflation are on the mark (see Table 2), then we should expect a modest decline in interest rates, as shown in Figure 6.

As we covered in last year's LEF, the dramatic movements in the 30-year fixed mortgage can be traced back to lenders adding an inflationary premium to their basic and risk-based rates. The very high rate in early 1981 was due to the 18.5% measured inflation at the time. The decline since then reflects the Fed's success in wringing out inflation — and with it, the inflation premium — under the chairmanship of cigar-chomping inflation hawk Paul Volcker. It is worth noting

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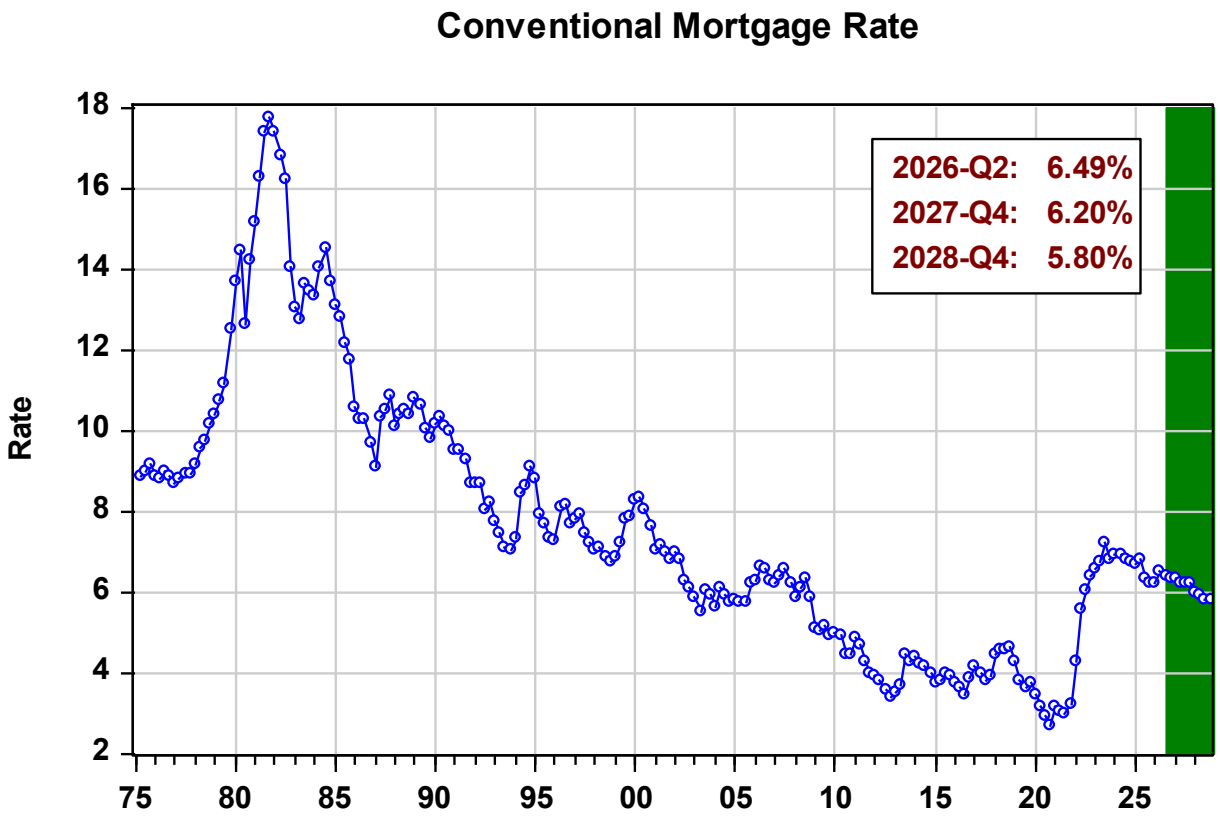
that Volcker pulled off this impressive feat because President Reagan was willing to endure a prolonged recession to vanquish inflation. Try to picture a leader from either party today who'd be willing to do the same (go ahead, we'll wait). It's hard to imagine, especially with economic populism on the rise in both parties.

Figure 6

30-Year Fixed Mortgage Rate



Forecast: Wells Fargo Economics, Julyl 2026 & Loren C. Scott & Associates. Inc.

Note that since the recent inflation peak in the summer of 2022, mortgage interest rates have steadily fallen. Even lower inflation ahead suggests rates will decline further to about 5.80% by 2026Q4.

Oil Prices: Want to Be a Trader?

Can you imagine the life of an oil trader these days, given (1) the volatile price movements shown in Figure 5, and (2) the uncertainty of when the Iran war will be resolved and the nature of that resolution? As if Tommy Norris (Billy Bob

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Thorton's character in the hit series *Landman*) didn't already have enough on his plate.

It is quite striking that oil prices have not spiked higher during the war, given the amount of oil that has been taken off the market. Why haven't prices at least exceeded $120? A partial lid has been put on price increases by countries **drawing down their strategic oil reserves**. The question is how long those drawdowns can continue until the country hits "tank bottom." Reports we have seen indicate that trigger is still months away. Other countries — especially China — have engaged in **demand suppression**, reducing their imports by 4 MMb/d by forcing citizens to use public transportation and electrifying their auto sector.

How Will the War Be Resolved?

Where prices ultimately settle in the near term will depend on how the war is resolved. Two issues are particularly important for US negotiators: (1) preventing Iran from obtaining a nuclear weapon, and (2) keeping the Strait of Hormuz open. As of this writing, there has been little movement on either front — negotiations have reached an impasse, and both sides have dug into a diplomatic version of trench warfare.

The Norwegian consultancy firm Rystad has developed a thoughtful model for thinking this through. It is illustrated in Table 3. The possibilities are as follows:

- **Full Resolution**: Nuclear deal + Open Strait;
- **Narrow Deal**: Defer nuclear resolution; managed Strait;
- **Stalemate**: neither side concedes; fragile cease fires; periodic tensions;
- **Fighting Renewed**: sustained escalation, negotiation collapse

Table 3

Rystad Model of Oil Prices Movements: War in Iran

War Resolution	Probability	Price Change (from the Feb. Base of $64)
Full Resolution	**5%**	**0-$5**
Narrow Deal	**40%**	**$5-$10**
Stalemate	**35%**	**$10-$15**
Fighting Restart	**20%**	**$15-$20**

Source: Rystad Energy Consultancy

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Rystad assigns a 55% chance on the last two outcomes — both of which are economically very costly to both countries, and problematic for Trump in the mid-terms. Either outcome would make the war seem a waste of time, money, and, most importantly, casualties. As General Douglas MacArthur famously put it, "There is no substitute for victory."

Post-War Prices: What a Quagmire

What happens once the war is resolved? What are the prospects for oil prices then? What if the war is resolved by year-end? Where will prices go in 2027-28? The consultants at RBN Energy believe we will go from **worrying about having too little oil to managing too much**. Consider all these factors:

- The **Straits of Hormuz and Bab el-Mandeb will open**, allowing 20% of global oil production to return to the market. This assumes there has been no major damage to oil infrastructure in these producing countries.

- The **UAE** has announced it is leaving OPEC. Not only does this further erode the Saudis' ability to manage prices through production cuts, but it also increases UAE output from 3.4 MMb/d to 4.5 MMb/d.

- New supplies are possible via **Venezuela's oil production** since the U.S. led ouster of President Nicolás Maduro. U.S. energy companies remain leery of investments there, which have to be sizeable to be useful, given the nature of the heavy oil deposits in the Orinoco Oil Belt. Negotiations are going slowly, but output in Venezuela has increased slightly from 937,000 b/d last year to 1,070,000 b/d in July 2026. One indication of the possibilities is that prior to Chávez's nationalization of the oil sector, the country was producing 3,400,000 b/d.

- The Yellowtail, Uaru, and Whiptail projects are about to come online offshore **Guyana** adding to that country's 900,000 b/d production (up from 660,000 b/d just two years ago).

- Production continues to ramp up offshore **Brazil**;

Offsetting these additions somewhat is production from **Russia**, where the war with Ukraine has damaged both oil-producing fields and, especially, downstream refineries. RBN Energy expects net supply additions to drive oil prices down to $60 in 2027 and $47 in 2028.

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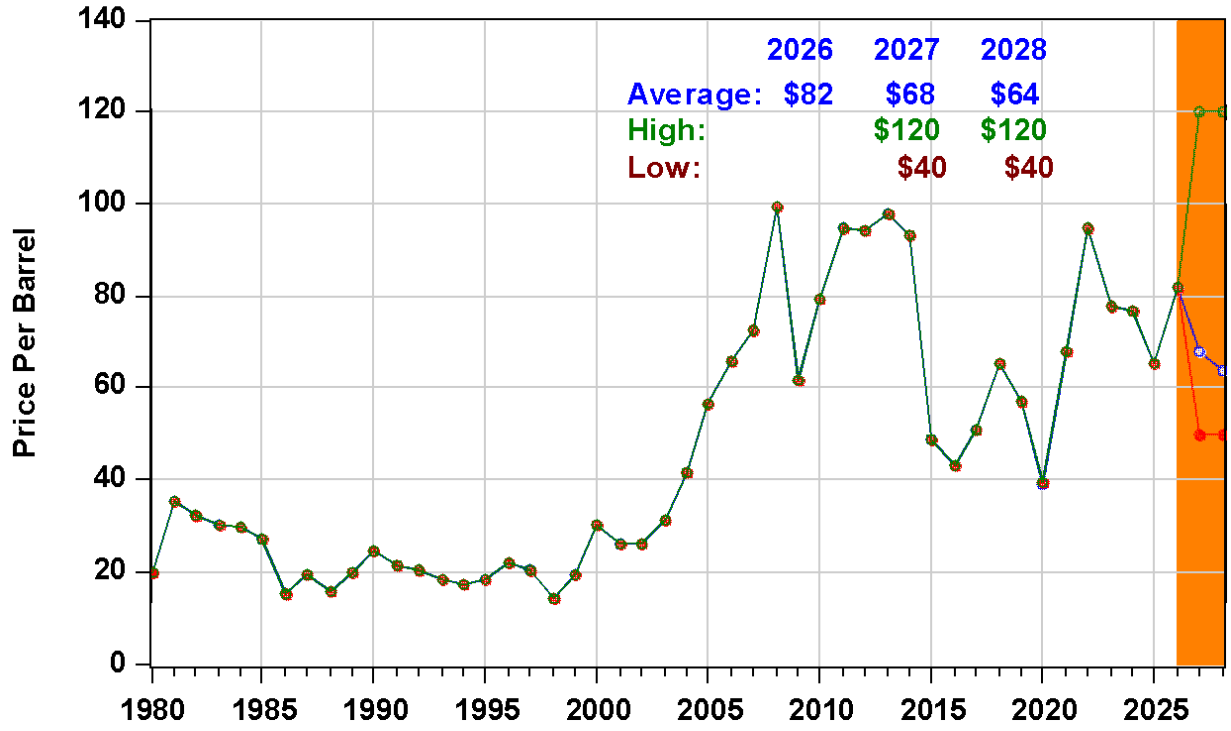
Offsetting this is power the Saudis retain via OPEC and OPEC+. The Saudis are keen to use this power to bring oil prices into the $72-a-barrel range, since that is the price on which the sovereign budget is based.

As seen in Figure 7, **our forecast for 2027-28 is based on $68-a-barrel oil in 2027 and $64 in 2028** — a compromise between RBN's projection and our wariness about the Saudi's remaining power. In deference to all the uncertainties surrounding this market, we place a very wide $40-$120-a-barrel range around our point forecast.

Figure 7

Oil Price Forecasts



Refined Product Market: Threat from Crack Spread

Louisiana is home to 15 refineries that are among the largest in the world. Indeed, about one-sixth of U.S. refining capacity is housed in Louisiana. How well is the industry doing financially? A useful indicator tool is the **3-2-1 crack spread**. This is a measure of the margin that a refinery makes per barrel of oil processed.

It is called a "3-2-1" crack spread based on three barrels of oil producing two barrels of gasoline and one barrel of distillates (jet fuel, fuel oil, etc.). The formula is:

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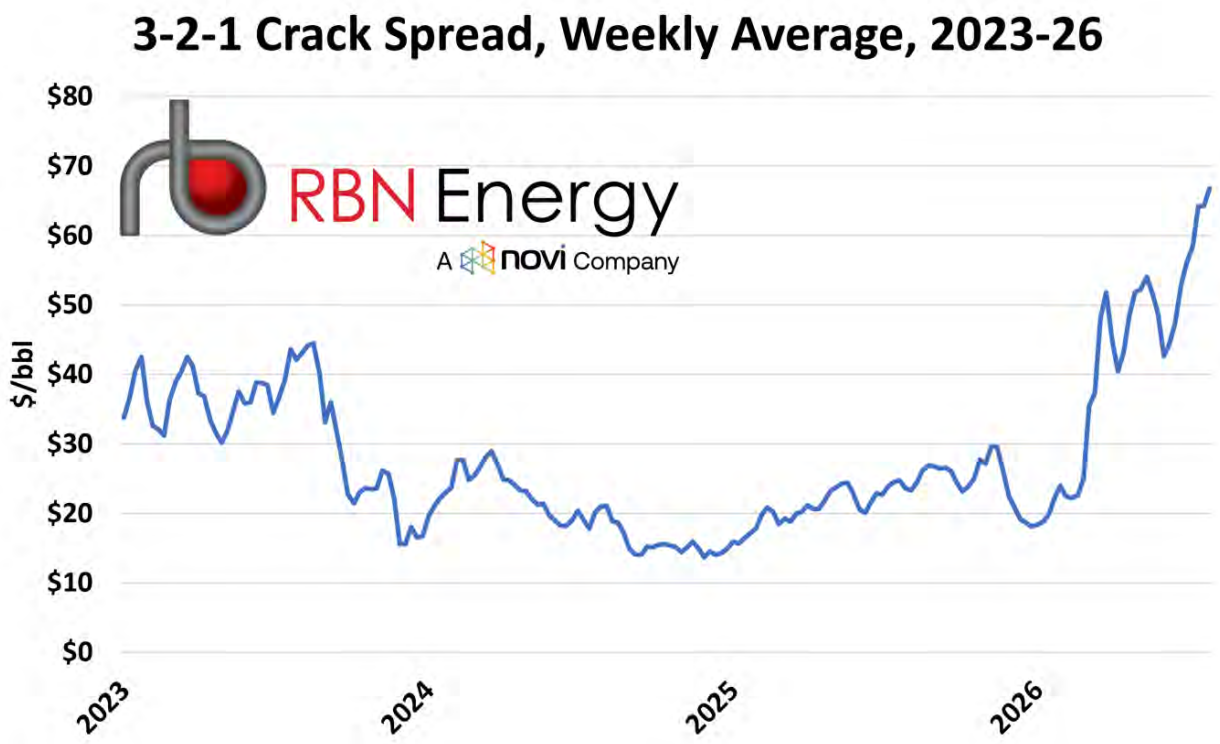
(2X gasoline price+1X distillate price-3X crude price)/3

If the price of WTI crude is $72, the gasoline price per barrel is $100.80, and a barrel of heating oil is $107.10, then the 3-2-1 crack spread is:

(2X$100.80+1X$107.10-3X$72)/3=$30.90

The crack spread indicates the refinery is making about $30.90 per barrel refined. Figure 8 shows the trend in the crack spread since late January 2023 as calculated by RBN Energy.

Figure 8



The war with Iran has caused the crack spread to spike, meaning refineries are doing very well financially at this time. Why have product prices grown faster than oil prices? Oil prices have been kept somewhat muted by drawing down inventories. However, product markets are much tighter. The tighter product market is due to several factors:

- Disruption of product vessel traffic through the Strait of Hormuz (3.2 MMb/d to 1 MMb/d)
- Damage inflicted on refineries in the Gulf
- Severe damage to Russian refining operations

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- Chinese policies limiting exports of refined products
- A lack of new refining capacity coming online
- There have been a number of permanent refinery shutdowns

At this writing, several large energy companies are reporting record profits due to the widening crack spread resulting from the war. So, why is this section entitled "threat from crack spread"? The answer is the **political response** to these earnings reports. With November elections looming large, high prices at the pump are a liability. One political ploy is to blame "price gouging." Most often this claim comes from the Democratic side of the aisle, but even President Trump has resorted to using this ploy.

What is a politicians' favorite solution to price gouging? **Price controls**. Price controls are in the same category as tariffs; they are both remarkably dumb policies. People who support price controls on oil or oil-based products should time travel back to the 1970s when President Richard Nixon imposed a $5 ceiling on domestically produced oil.[3] The result was easily predictable. There was a shortage of gasoline — just as economic theory predicts. Boomer readers of this report surely remember waiting in gas lines longer than the lines of traffic leaving Tiger Stadium. If you saw a gasoline tanker truck lumbering down the road, you followed like a personal injury attorney chasing an ambulance, hoping you could get a fill-up. Anyone who lived through these times can attest: Having no gasoline at a low price is way worse than having easily available gasoline at a higher price. Hopefully, our political leaders won't forget this lesson. But only time will tell.

Natural Gas Prices: It Is "Relative Prices" that Matter

Figure 9 tracks the price of natural gas at the Henry Hub in southcentral Louisiana from 1980 through 2026, along with our forecast for 2027-28.

The shaded area in Figure 9 demonstrates just how vital the development of **fracking** was to this sector. Between 2003 and 2008, the popular belief was that we were running out of natural gas. The shortage was so severe that fuel prices spiked above $8 per MMBtu and frequently exceeded $10 per MMBtu. There were actually LNG import terminals under construction along the coasts of Louisiana and Texas.

[3] Note we could not impose a ceiling on oil from OPEC. We were paying our U.S. companies $5 a barrel and paying the Arabs $17 a barrel. How smart was that?

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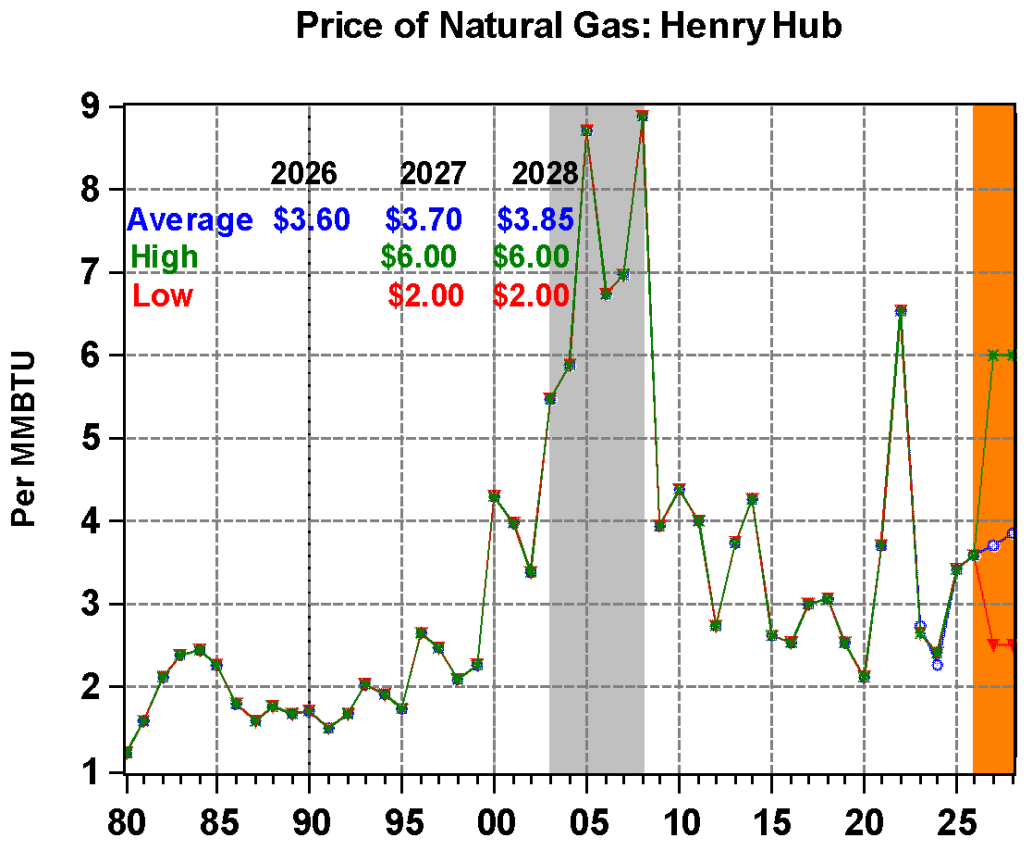
Around 2008, fracking technology began being used in the Barnett Shale dry play in north Texas. Then it moved to the Haynesville Shale in northeast Texas and northwestern Louisiana, then to the Fayetteville Shale, and then to the Marcellus in Pennsylvania. Suddenly, the country was awash in natural gas, and as illustrated in Figure 9, the price of the product dropped into the $4 per MMBtu range.

Figure 9



Then smart capitalists figured out a way to frack for oil. This was first successfully done in the Bakken Play in North Dakota, then moved to the highly prolific Permian play in West Texas and Eastern New Mexico, and from there to other areas of the country. These wet plays produced oil, but they also produced "associated" natural gas simultaneously, adding to the country's supply and driving the price down between $2-$3 per MMBtu. An unusual spike occurred in 2022, when Russia invaded Ukraine and Russian gas supplies were largely cut off to Europe, boosting Europe's demand for U.S. LNG.

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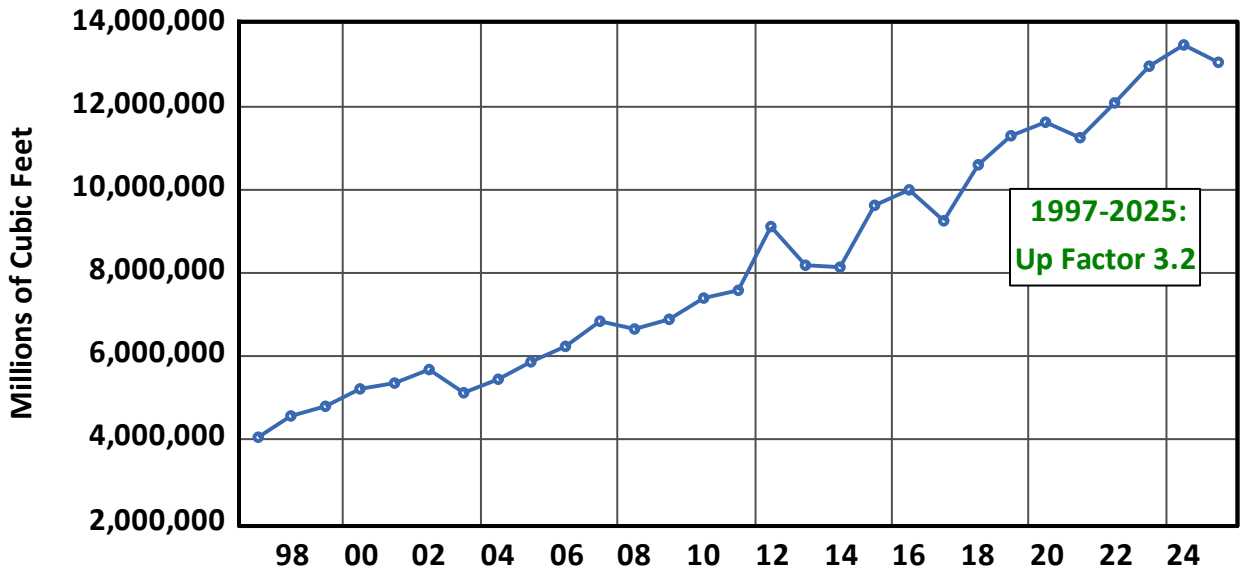
LNG & Electrical Power Demand Drive Prices Up

Our projections for 2027-28 are for a slight increase in natural gas prices into the $3.70-$3.85 per MMBtu range. Two key factors underlie this modest increase, and both come from the demand side.

One is the increasing demand for natural gas as a fuel for **electric power plants**. Note in Figure 10 that since 1997, demand from this source has increased by a factor of 3.2 as coal-fired plants have been replaced by combined-cycle gas-fired turbines. The ballooning rise in electricity-intensive data centers is expected to push this growth rate even higher. For example, Entergy is building seven natural gas-fired power plants just to service the huge Meta Data Center in Richland Parish. Entergy is also building a 7th power plant in the southern part of the state that will also service Meta.

Figure 10

U.S. Natural Gas Deliveries to Electric Power



Source: www.eia.gov

A second major growth area for natural gas will be coming from **new LNG export** facilities coming online along the Louisiana and Texas Gulf coasts. RBN Energy developed the data in Figure 11 demonstrating the remarkable, steady doubling (plus) of demand coming from this source between 2026 and 2034.

If readers can read down the list of companies along the right side of Figure 11, some familiar names should leap out. Sabine Pass, Cameron, Calcasieu Pass,

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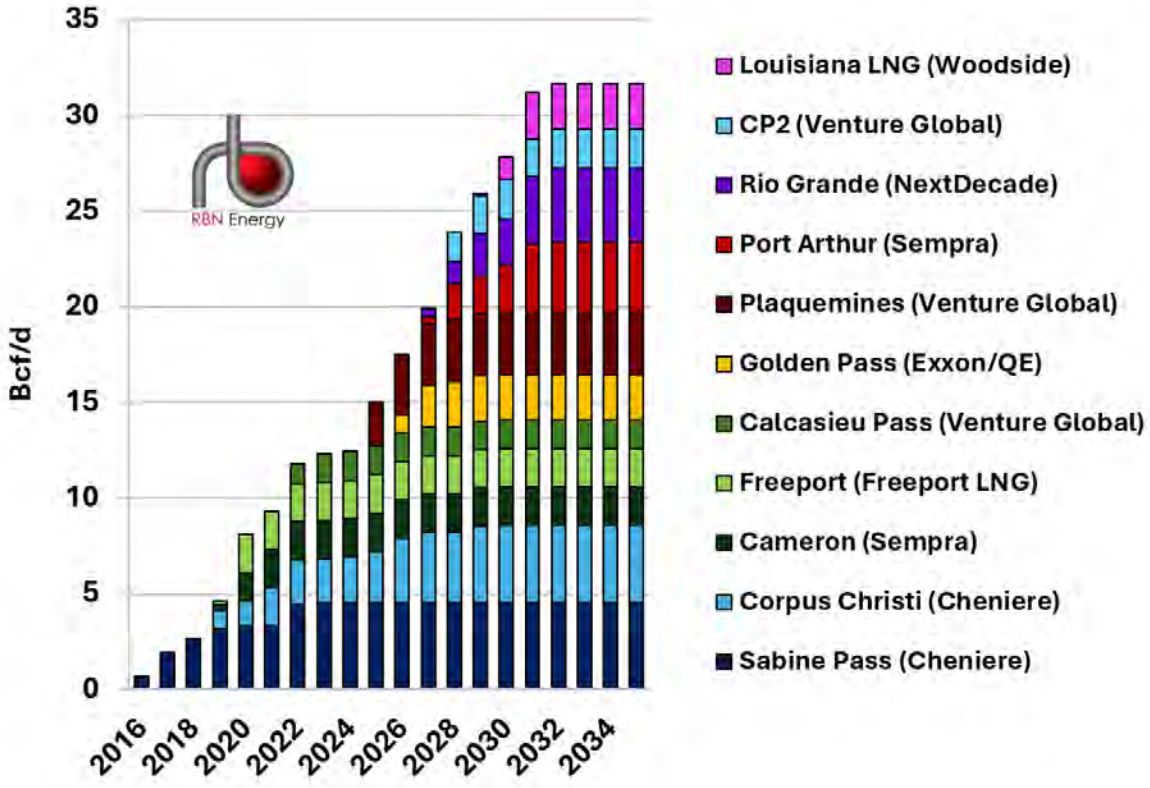
Plaquemines, CP2, and Louisiana LNG are all based in Louisiana. These huge facilities have played a major role in Louisiana's economy since construction began in 2016, as we will see when we examine the regional economies of different Louisiana MSAs.

Figure 11

LNG Natural Gas Demand



It Is "Relative Prices" that Matter

While the U.S. price of natural gas is clearly important to producers in Louisiana, what is even more critical to the state's future is the ***relative* price of natural gas** — the price of natural gas here versus in Europe and Asia, as depicted in Figure 12. Because Europe outlawed fracking and has largely cut off supplies from Russia after its invasion of Ukraine, the EU must rely heavily on imports via LNG tankers. Asia — in particular, Japan — is in a similar predicament.

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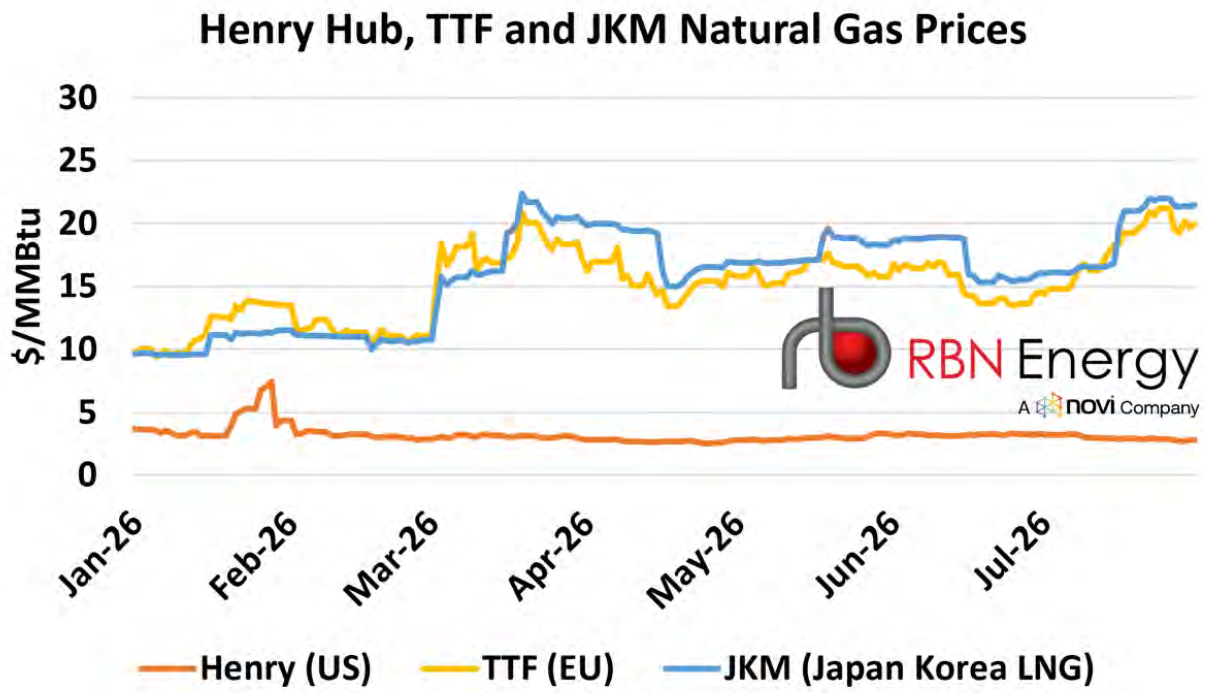
Figure 12



In June 2025 the price of natural gas was about $3.50 per MMBtu, but it was over $10 per MMBtu in Japan (JKM) and Europe (TTF). If you are a chemical firm in the EU that makes ammonia fertilizer out of $12 per MMBtu natural gas, there is no way you can compete with CF Industries in Gonzales which is making the exact same product out of $3.50 per MMBtu gas.

The result is that chemical firms in the EU and Asia have been **"chasing the cheaper molecules."** They are relocating to the U.S., especially to south Texas and southern Louisiana, where they can find a huge network of easily accessible natural gas pipelines and deepwater ports with accessibility by ship to world markets. For Louisiana, that runs along the Mississippi River from Baton Rouge to the mouth of the river and along the Calcasieu Ship Channel from the Gulf up to Lake Charles.

Table 4 documents industry projects in the Mississippi River corridor (New Orleans MSA plus the Baton Rouge MSA) and the Calcasieu Ship Channel (Lake Charles MSA) broken down into projects underway and those that have been announced but have not issued a final investment decision (FID). There are a remarkable $95.6 billion in projects underway along these two waterways, and another $126.2 billion that are awaiting an FID. For context, prior to 2012, it would

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have been considered a banner year if there were more than $1 billion in announcements across the entire state.

Table 4

Industrial Projects Under Construction & Announced (8/3/26)

Area	Under Construction	Announced: No FID
New Orleans	$4.0 Billion	$49.9 Billion
Baton Rouge	$27.5 Billion	$13.3 Billion
Lake Charles	$64.4 Billion	$63.0 Billion
Totals	**$95.9 Billion**	**$126.2 Billion**

Source: Loren C. Scott & Associates, Inc.

Impact of War with Iran: Added Security Threat

The war with Iran has had two positive side effects for the Louisiana economy. First, notice in Figure 12 how the gap in relative prices widened even more once the war commenced in late February. It has narrowed a bit since but remains wider than the pre-war gap. That means our molecules have become even cheaper to chase.

More importantly, the war has created new security risks for countries that are reliant on natural gas from the Persian Gulf. Prior to the war, about 20% of global LNG supplies came through the Persian Gulf, and there was little concern about access to those supplies.

Two things happened to disrupt supplies. First, Iran effectively closed the Strait of Hormuz both by mining the Strait and by orchestrating drone attacks on any ships trying to transit it. Many LNG tankers were trapped inside the Gulf, and many others could not enter to load LNG.

Second, in retaliation against Qatar's support of the U.S., Iran launched drone attacks against Qatar's huge LNG facility at Ras Laffan (see Figure 13). Seventeen percent of the plant was destroyed, and some estimates project that it will take 3-5 years to restore the damaged areas.

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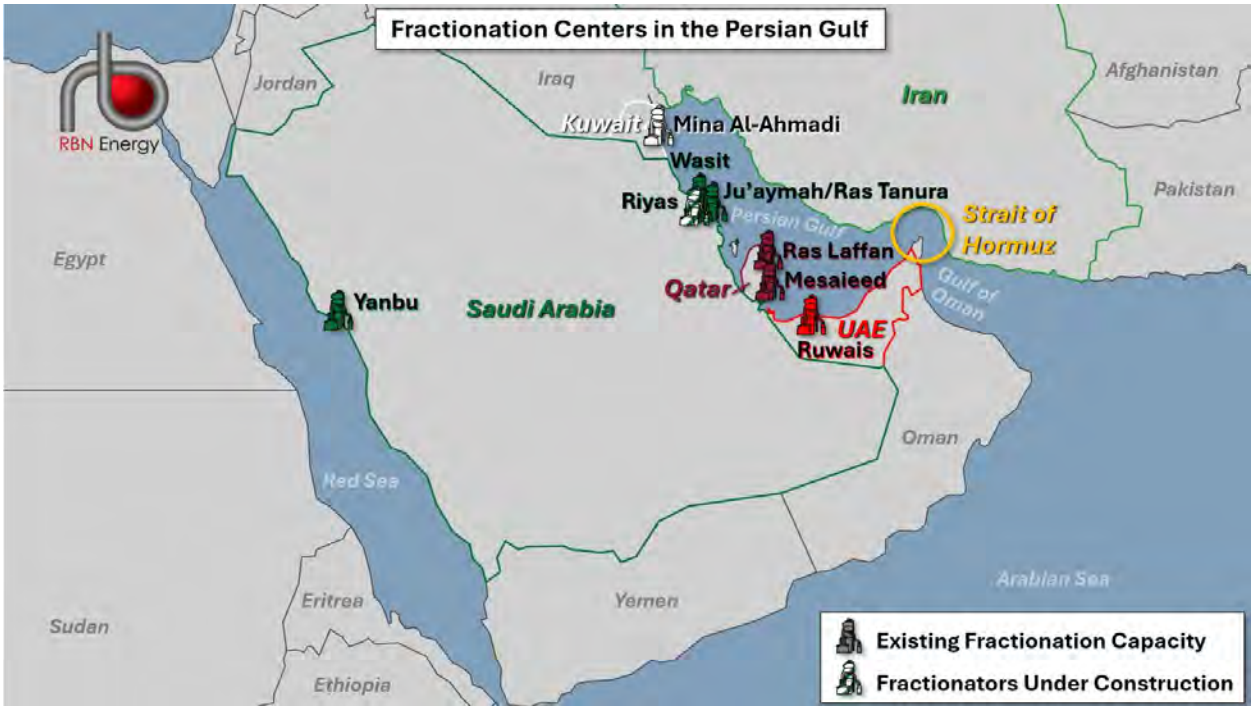
Figure 13



The new security threat to LNG supplies from the Persian Gulf makes Louisiana even more attractive from two perspectives. First, if you were thinking of building a natural gas-dependent chemical plant in your own country and just relying on the Persian Gulf for your LNG supplies, that decision just became much riskier. Why not just build in Louisiana or Texas, where there is little to no security threat?

Second, Louisiana has several companies that have announced new LNG facilities or plans to expand existing plants, but they have not pulled the trigger yet. How does a company persuade the capital market to lend $15+ billion to build such a facility? The answer is to go into the power market and persuade potential customers to sign **Sale and Purchase Agreements** (SPAs). An SPA is a contract to purchase a chunk of your LNG once the plant is constructed. By getting enough SPAs signed to purchase almost all the output, the company can go to the market and say "Give me the $15 billion. I already have the output sold."

Securing an SPA for a Louisiana plant — or for a plant anywhere — is, of course, difficult. But the ongoing turmoil in the Middle East has made projects in Louisiana and Texas considerably more attractive. Buyers are now looking at the

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security threat in the Persian Gulf and switching their purchase plans to LNG plants in the Gulf of America instead. That should incentivize moving more of the projects in column three of Table 4 over to column two.

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THE LOUISIANA METROPOLITAN STATISTICAL AREAS (MSAs)

Our focus now turns to the economic outlook for the ten MSAs in Louisiana. The ten MSAs (ranked by population) are as follows: New Orleans, Baton Rouge, Lafayette, Shreveport, St. Tammany, Lake Charles, Houma, Monroe, Alexandria, and Hammond. The U.S. Bureau of Economic Analysis (BEA), within the Department of Commerce, has designated 37 of Louisiana's 64 parishes as residing in one of these MSAs. We lump the remaining 27 parishes (in white) into the category "rural." The grouping of the MSA parishes is shown in Figure 14.

Figure 14

MSA Designations

Source: Loren C. Scott & Associates, Inc.

In reality, the U.S. Office of Management and Budget (OMB) divides our "rural" group into two subcategories: rural areas and micropolitan areas. The latter consists of parishes with populations between 50,000 and 99,999 that have

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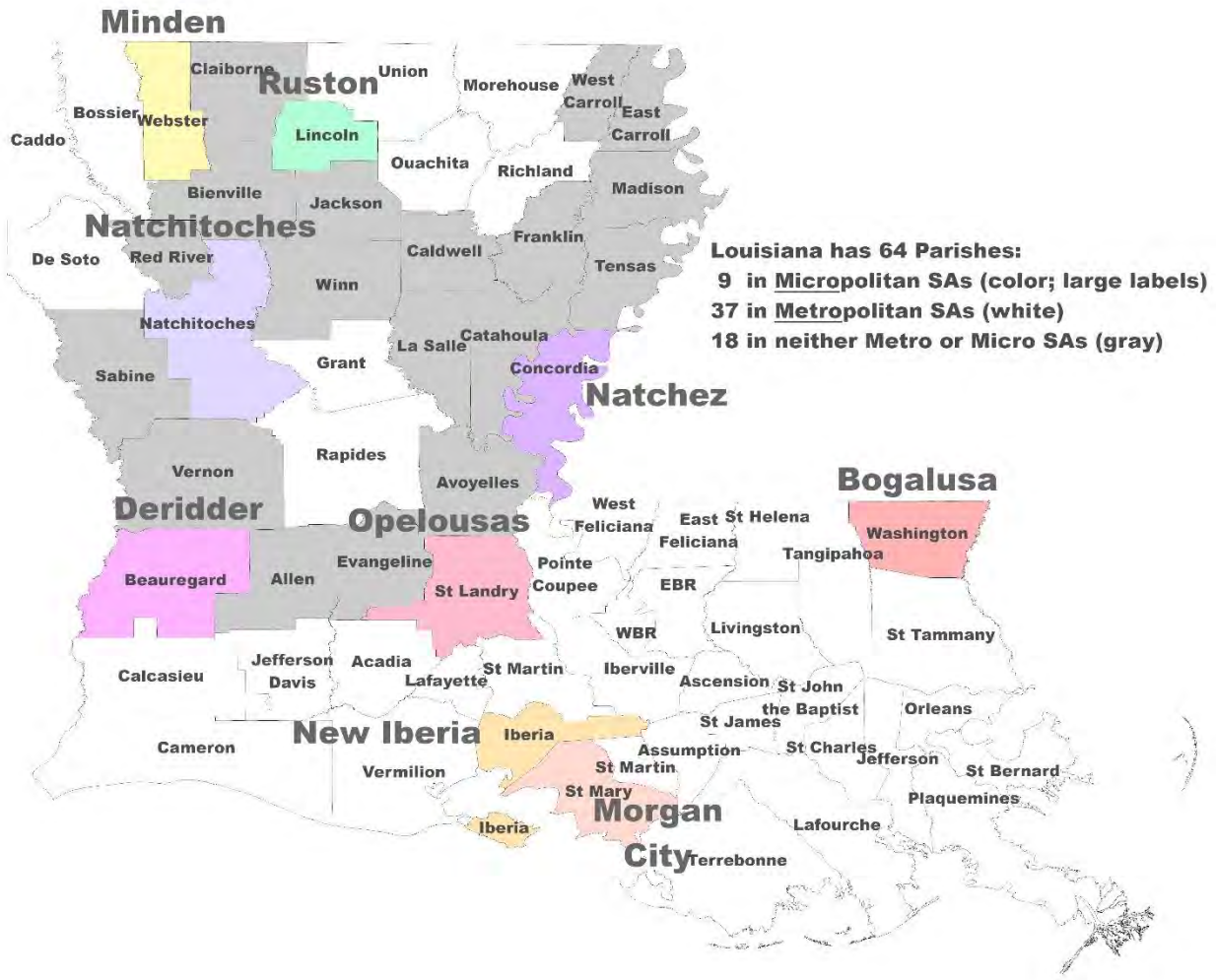
insufficient commuting ties to abutting MSAs. This includes the following nine parishes: St. Landry, Iberia, Lincoln, St. Mary, Washington, Beauregard, Natchitoches, Concordia, and Webster. These micropolitan and rural parishes are shown in Figure 15. Unfortunately, timely employment data are not broken down by the U.S. Bureau of Labor Statistics (BLS) between these two groups, so for forecasting purposes the two groups are lumped together as "rural."

Figure 15

Micropolitan & Rural Parishes in Louisiana



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Big Construction Jobs Completed; New Ones Coming?

The New Orleans MSA, located in the southeast corner of the state, is the largest MSA in terms of both employment and population. It is composed of seven parishes — Orleans, Plaquemines, Jefferson, St. Charles, St. John the Baptist, St. James, and St. Bernard. Last year, St. Tammany was removed from the New Orleans MSA and is now its own separate MSA (Covington-Mandeville-Slidell).

Because of its geographic location near the mouth of the Mississippi River, this MSA is a **major port region**, including the nation's largest by tonnage moved, the Port of South Louisiana, the huge Port of New Orleans, and the Louisiana Gateway Port in Plaquemines Parish. The river provides access to deep draft ships, and a huge mass of pipelines provides easy access to natural gas and oil, so numerous **refineries** (including the nation's second largest) and **chemical plants** line its banks. The MSA's first **LNG export terminal** is also coming online in Plaquemines Parish. Most of these plants are not behind the levee in New Orleans Proper — Orleans and Jefferson Parishes. Instead, the plants are located outside the CBD in the parishes to the west and east along the river. Numerous **exploration companies**, such as Shell, have significant locations in the area in order to direct exploration activity in the Gulf.

Its unique culture and cuisine — plus the French Quarter — have made the city proper a major **tourism/convention destination**. The Morial Convention Center is the 6th-largest in the country and the French Quarter is a major tourist draw. Tourists are also attracted by the region's **gaming industry**, comprised of three casinos and a racetrack. In addition to several community colleges, **LSU-NO, Tulane University, Loyola University, and Dillard University** are located within its boundaries.

As of 2026, there are about 473,600 people employed in the MSA. The New Orleans MSA ranks first in employment among Louisiana's 10 MSAs, having about 8% more jobs than the Baton Rouge MSA — a gap that has been narrowing for some time.

Forecast for 2026-27: New Orleans MSA

Figure 16 tracks nonfarm employment in the New Orleans MSA from 1990 through 2026, along with our forecast for 2027-28. **We are projecting 3,000 new jobs in 2027 (+0.6%) and 3,200 jobs in 2028 (+0.7%)**. By the growth rate metric, this would place the New Orleans MSA in the 9th slot among Louisiana's 10 MSAs.

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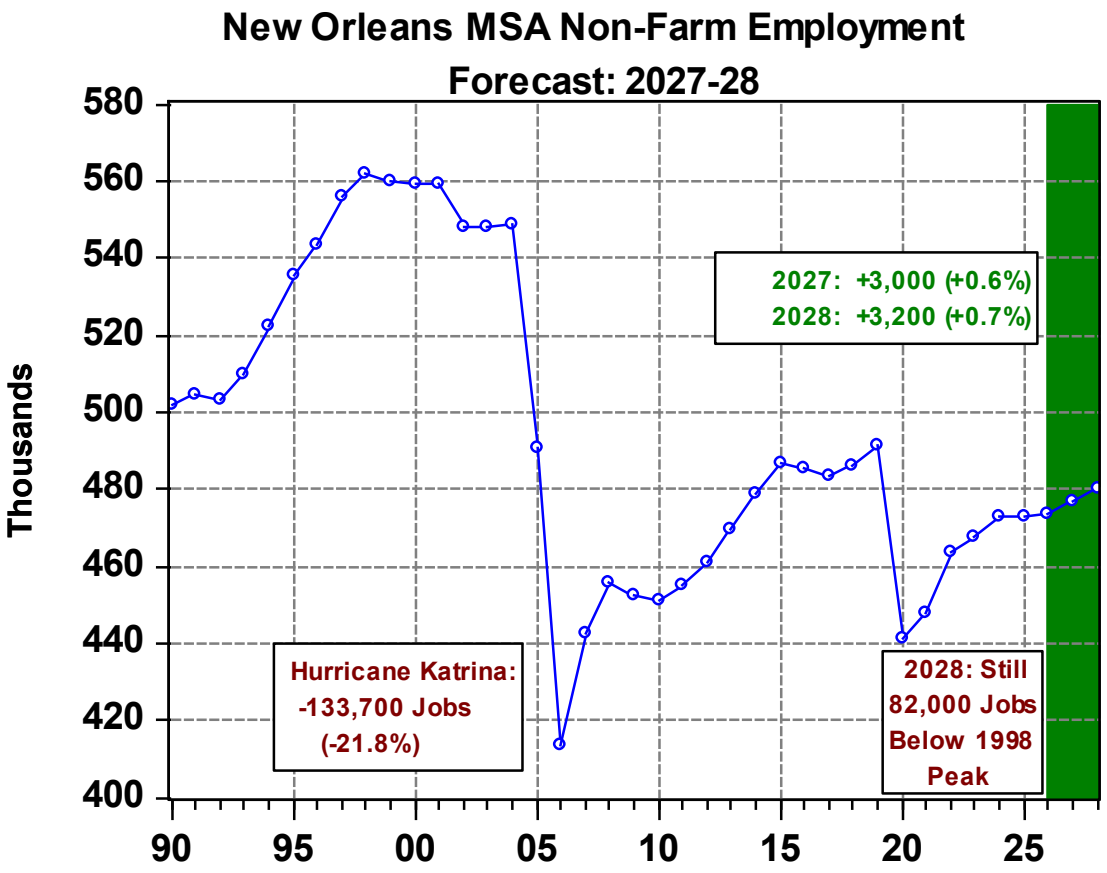
Figure 16



Source: Bureau of Labor Statistics & Loren C. Scott & Associates, Inc.

If this forecast is near the mark, note that by the end of 2028 this MSA will still not have recovered all the jobs lost from the 2020 COVID shutdown, and it will still be 82,000 jobs below its previous peak in 1998. Note that the positions of the 2027-28 dots in Figure 16 show a slightly better growth than 2025-26, but it is apparent that something, or rather some combination of factors, is holding the region back.

Replacing Venture Global Construction Jobs

Perhaps the biggest headwind facing the New Orleans economy over the next two years will be offsetting the huge loss in construction jobs at the Venture Global (VG) LNG site in Plaquemines Parish. This $23.5 billion project was by far the largest capital investment in the MSA's history, and both phases one and two should be completed this year.

There is no other industrial construction project underway that is even close to offsetting the losses from this project's completion. Note that, as shown in Table

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4, an estimated $4 billion in projects are currently under construction in the MSA. That is less than one-fifth of the VG project, which is a lot of lost construction jobs to offset.

The good news is that there are $4 billion worth of projects underway in the MSA, including:

- **Valero Refining** has started a $1.5 billion enhancement project at its refinery, a project that will be ongoing through 2030.

- Last year, **ElementUSA** issued an FID on an $850 million plant in St. James Parish to extract rare earths at the Noranda Alumina site. Construction will start next year, with the opening slated for 2028Q3. Over 200 new jobs will be created paying, on average, $90,000 annually.

- **Atlantic Alumina (Atalco)** is in the midst of a $450 million expansion in Gramercy that will enable the plant to retain its 500-person workforce.

- In St. John the Baptist Parish, the **U.S. Army Corps** has granted a $419 million contract to Pittman-Sealevel for more levee work on the West Shore Lake Pontchartrain levee project.

- **Air Liquide** is spending $350 million on a facility in St. James Parish for an air separation unit to support the new Hyundai Steel Mill.

- **Air Liquide** is also spending $200 million in St. Charles Parish to modernize and connect a new air separation unit to its existing network. Construction should be finished in early 2027.

- In St. Bernard Parish, **American Sugar Refining** is spending $200 million on the first phase of a $785 million modernization of its plant.

One might wonder why any job growth is projected for this MSA given that employment on these projects will not begin to replace the losses from the completion of the huge VG project. The answer is that **this MSA has a very healthy <u>$49.9 billion</u> in projects that have been announced but have yet to issue an FID**. They include:

- Last year, **Venture Global** began paperwork with the Federal Energy Regulatory Commission (FERC) for an $18 billion phase III of its Plaquemines

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LNG facility. Since its initial filing in March 2025, VG has increased the size of this phase by 33% to 24.8 million metric tons per year. An FID is expected mid-February of 2027, and we place a high probability on this project materializing.

- **Formosa's** $9.4 billion industrial complex proposed for St. James Parish was announced several years ago and has been battling to restore all its permits issued in 2020. Non-governmental organizations (NGOs) have been quite effective in pushing back against the project, but we sense the tide is turning in Formosa's favor. We place a positive outlook on this one finally getting the green light.

- The $4.96 billion **DG Fuels** project to produce sustainable aviation fuel from bagasse and wood waste is still viable. The company hired Samsung E&A to conduct $15.7 million in front-end engineering and design (FEED) work on the project back in December 2025 — a move that would also position Samsung well to construct the plant. We have yet to see a wood-based fuel plant reach FID, so we place a low probability on this project reaching FID.

- We are also less optimistic about the $4.7 billion **St. Charles Clean Fuels** carbon capture project in St. Rose to produce ammonia. Planned for the IMTT property, the project still needs a carbon capture partner and approval from the Army Corps for needed pipelines. We would rate this as a 50-50 probability of achieving FID.

- **Gulfstream LNG** has proposed building a $4 billion LNG export facility on the West Bank below Belle Chasse. Back in 2023, the project received permission from the Department of Energy to export to free-trade countries. At last report, an FID is expected in 2027Q1. Vivek Chanda, the founder of Texas LNG, is leading this group, lending it extra credibility.

- **Entergy** is in discussions with the Public Service Commission to build two new gas-fired power plants at its Waterford site in St. Charles Parish. A total of $3.7 billion would be spent on the two facilities, one of which is being built to service the new Meta data center in Richland Parish. We place a high probability on these two plants going forward.

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- Work is expected to commence late this year on the $1.8 billion **Louisiana International Terminal** (LIT) in St. Bernard Parish (see Figure 17). Looking ahead 3-5 years, the container terminal is projected to accept between 180,000 and 280,000 containers in its first year of operation. This is essentially a done deal.

Figure 17

Louisiana International Terminal

Source: Port of New Orleans

- **Woodland Biofuels** is proposing a 2-phase, $1.35 billion biofuels production plant at the Port of South Louisiana's Globalplex in Reserve. FEED work has been finalized. Phase 1 would cost $450 million and Phase 2 would be $900 million. The fuel would be made out of wood waste. Once operational, 100 jobs would be created at $90,000 in annual wages. We are unable to put a probability on this project.

- **Shell** has proposed a $1.3 billion refinery to produce fuel from crop oils and animal waste. The project has been delayed.

- **UBE Corporation** actually began work on a $500 million project at the Cornerstone site in Jefferson Parish. The goal was to manufacture lithium-

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ion battery components for EVs. Ground was broken in February 2025, but work was suspended in March 2026 when spiraling costs shot the project's cost to $700 million. Work has resumed at the site.

Last year we reported on a $1.4 billion **Southern Energy Renewables** project to make sustainable aviation fuels out of wood waste. That project has been canceled.

As one can see, this is an impressive list of projects, and we are particularly hopeful that the first two — VG's $18 billion phase 3 and Formosa's $9.4 billion complex — will come to FID. **Those two alone should generate enough construction jobs to replace the losses from VG's completion of phases 1 and 2**.

To this list of industrial construction jobs, we would add two other nice projects for the region. **Green Tug Towing and C&C Marine and Repair** in Plaquemines Parish were awarded a $300 million contract to design and construct four tugboats for Woodside Energy to service the company's Louisiana LNG plant in Lake Charles. In addition, the future viability of the Naval Air Station Joint Reserve Base in Belle Chasse was enhanced by the arrival of a new squadron of fighter jets in the Navy and Air Force Reserves. Twelve F/A-18 Super Hornets are arriving at the base along with additional military personnel and 100 contractors to maintain and support the jets. **Loop Linen** is spending $25.1 million on a new 62,000-square-foot commercial laundry at Avondale, a project that will allow the company to retain 125 jobs.

A Bump from Commercial Projects

To this point, our focus has been on prospects from constructing large industrial projects. The MSA will also get a boost from construction of over $2 billion in commercial projects over 2027-28, including:

- A $500 million, one-million-square-foot renovation of the old **Charity Hospital** is underway after purchase by Tulane. Plans are to make the facility into a bioscience, education, and innovation hub. Construction is to start in 2026Q4 and be completed in 2029.

- Construction is expected to start this Fall on the new $557 million, 1,000-room **Omni Hotel** across from the Convention Center. Zoning was recently approved by the City Council, and an opening date of 2030 is projected.

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- Construction is underway on the $300 million **Gayle & Tom Benson Ochsner Children's Hospital** — the largest single project in Ochsner's history. It is expected to open in late 2027.

- Construction has started on the $100 million **Manning Family Children's Hospital** (see Figure 18), previously the Children's Hospital of New Orleans. The facility is adding a 60-bed neonatal ICU which will open in 2027.

Figure 18

Manning Family Children's Hospital

- LSU has begun work on a $100 million renovation of the **LSU Dentistry School**. The university is modernizing and expanding capacity for education, patient care, and research.

- The New Orleans City Council has approved a payment in lieu of taxes (PILOT) for the **Rivana Apartment Complex** in the River District, an

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affordable housing complex for people making 20%-80% of area median income.

- In August of last year, the **Louis Armstrong Airport** broke ground on an $85.4 million express shuttle roadway to connect the airport with the south campus.

- **Ochsner** is building a $49.1 million medical complex (see Figure 19) for orthopedics and sports medicine that will create 60 new jobs. Ochsner is also investing $19 million in an Ochsner/Xavier College of Medicine and another $15 million in a clinic in Clearview.

Figure 19

Ochsner Sports Medicine Clinic

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Leisure & Hospitality: Still Struggling Post-COVID

One factor limiting this MSA's growth has been the failure of the **convention market** to fully recover from the COVID shutdown. One measure of the convention business is the number of conventions tabulated by eventsinamerica.com. Table 5 documents the number of conventions in New Orleans over 2019-26 from this source.

The data are discouraging. In 2019, there were 138 conventions that were scheduled and took place. In the COVID year of 2020, 155 conventions were scheduled, but 66 were canceled, and another 46 went virtual. Virtual conventions, of course, are of no value to New Orleans hotels and restaurants.

Table 5

New Orleans Convention Data

Conventions	2019	2020	2021	2022	2023	2024	2025	2026
Scheduled	138	155	124	100	97	85	87	60
Canceled	0	66	48	0	0	0	0	0
Virtual	0	46	42	1	0	1	0	0

Source: https://m.eventsinamerica.com/events/Louisiana/New-Orleans/2026. Loren C. Scott & Associates Inc.

By 2025, the number of conventions in New Orleans had dropped by 44% to 87. The data for 2026 may be incomplete since we are only midway through the year, but there is no indication the trend has been reversed.

While the convention data are discouraging, the same is not true for the area's **gaming industry**. Figure 20 illustrates gross gaming revenues by quarter over 2014Q1-2026Q1 from the three casinos in the area.

These do not include the gross gaming revenues from Churchill Downs Racetrack, which is the third-best-performing racetrack among Louisiana's four racetracks. The important point from Figure 20 is the nice upward bounce in the data over the last six quarters.

The improvement over the last six quarters can be traced back to two events. Perhaps the most important was the movement of the Treasure Chest Casino from a riverboat to onshore. In virtually every market in the state where a riverboat has moved onshore, the total gaming market has grown. Second, the Caesar's Casino at the foot of Canal Street underwent a major makeover and

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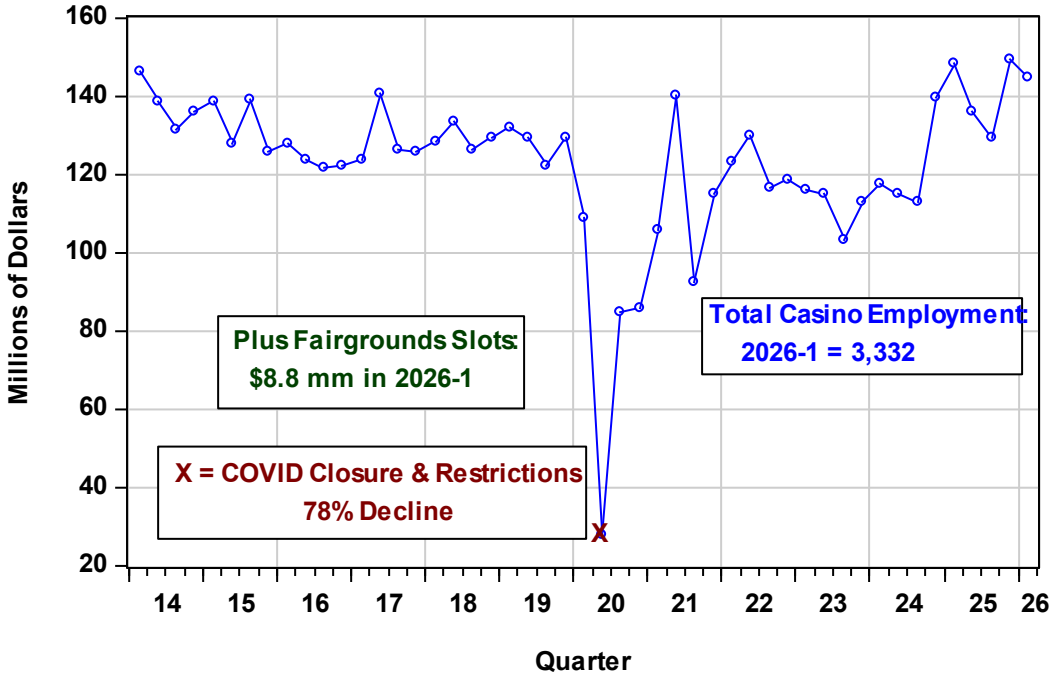
added a hotel. Another pop to gaming revenues should appear in 2029 when Boomtown Casino invests $195 million to move its casino onshore into a new 140,000 square foot facility.

Figure 20

Casino Gross Revenues: New Orleans



Source: Louisiana Gaming Control Board Reports & Loren C. Scott & Associates, Inc.

As of 2026Q1, there are now 3,332 people employed across the three casinos, one indication of the industry's importance to the region. Oddly, despite the nice bump in gross gaming revenues, employment at the three casinos is only 80 jobs higher than it was two years ago (2024Q1) before all the renovations began.

Enrollment Declines at LSU-NO

While not a major factor, the New Orleans economy certainly has not been helped by the enrollment declines at UNO, now named LSU-NO. Hurricane Katrina worked a number on this university, and it has never recovered, as seen in Figure 21. Prior to Katrina, Fall 2004 enrollment at UNO was 17,349; in Fall 2006 it was 11,744, a dramatic 32% decline. Since then, the trend has continued to decline, falling to 5,675 in Fall 2025.

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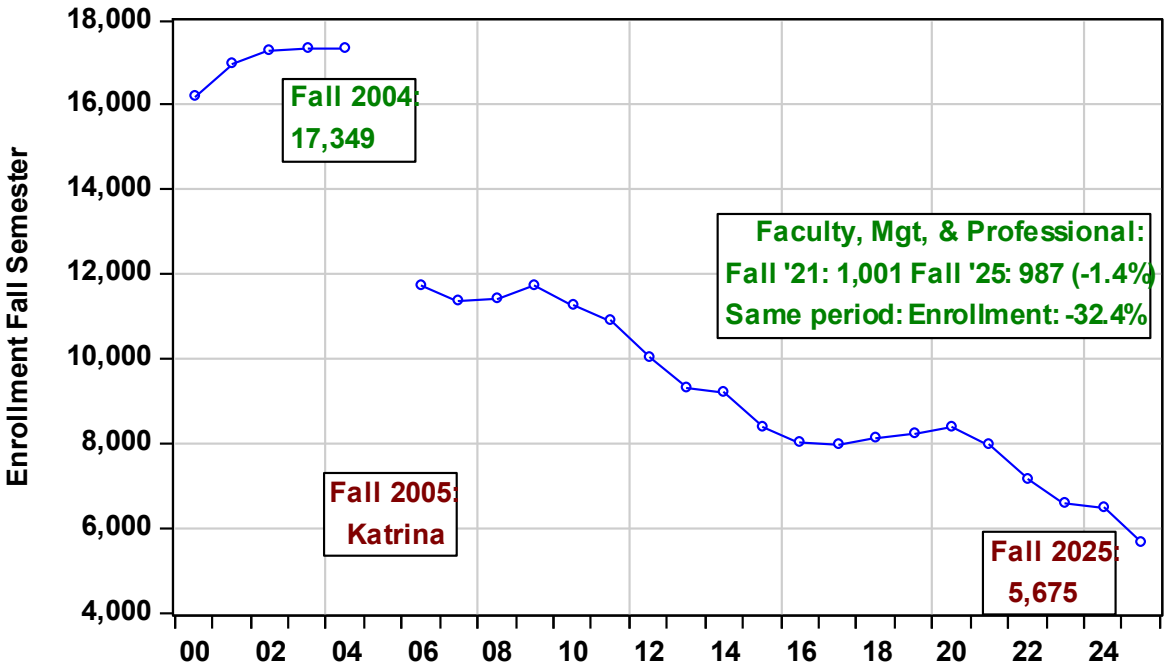
Financial issues became so difficult this past year that the university was moved back under the LSU System umbrella. Hopefully, the next few years will see a turnaround in LSU-NO's future.

Figure 21

LSU-NO (Formerly UNO) Fall Enrollment: Fall 2000 - Fall 2025



Source: University of Louisiana System Office

LIT: Bright Light at the Port of New Orleans

As noted above (see Figure 17), the Port of New Orleans is poised for a banner year. Construction should begin late this year on the new $1.8 billion **Louisiana International Terminal** (LIT). This major new container terminal in St. Bernard Parish should be completed just outside our forecast horizon.

LIT should restore the former glory the Port once held in the container traffic realm. Figure 22 tracks the volume of **containe**r traffic in TEUs (twenty-foot equivalent units—the volume of a standard 20-foot shipping container) moving through the Port since 2010. The COVID shutdown obviously hurt TEU traffic, but competition from the Port of Mobile also dealt a blow to the Port's TEU volumes. When LIT comes online, the extra 180,000-280,000 TEUs should push the Port back to new record levels.

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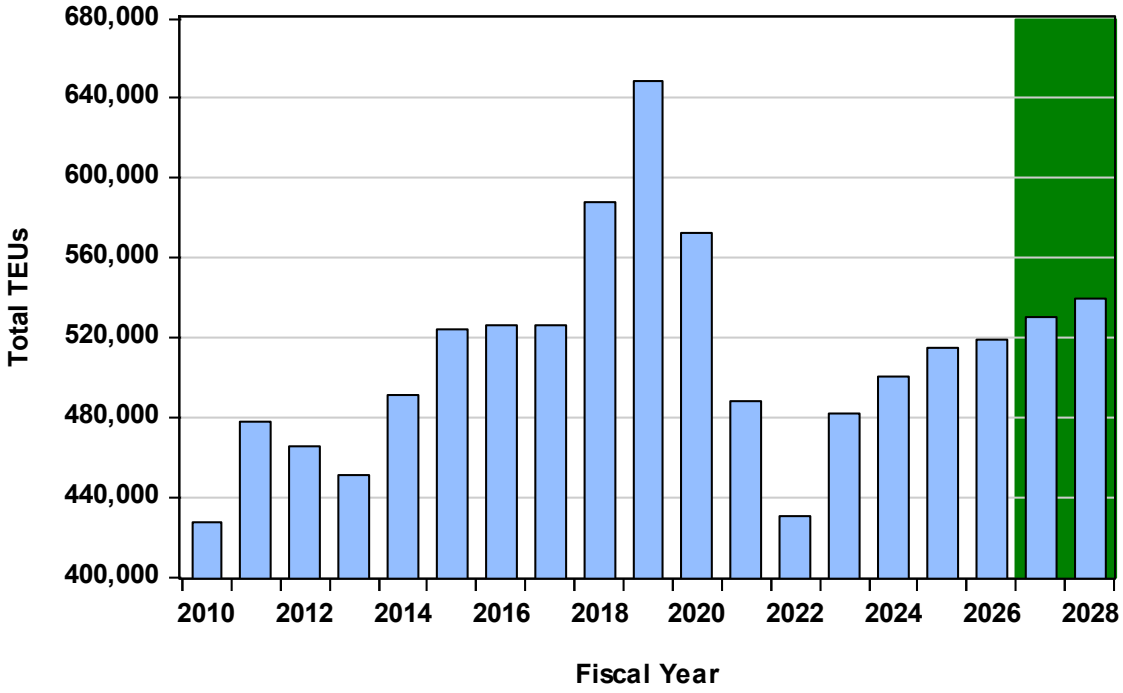
Figure 22

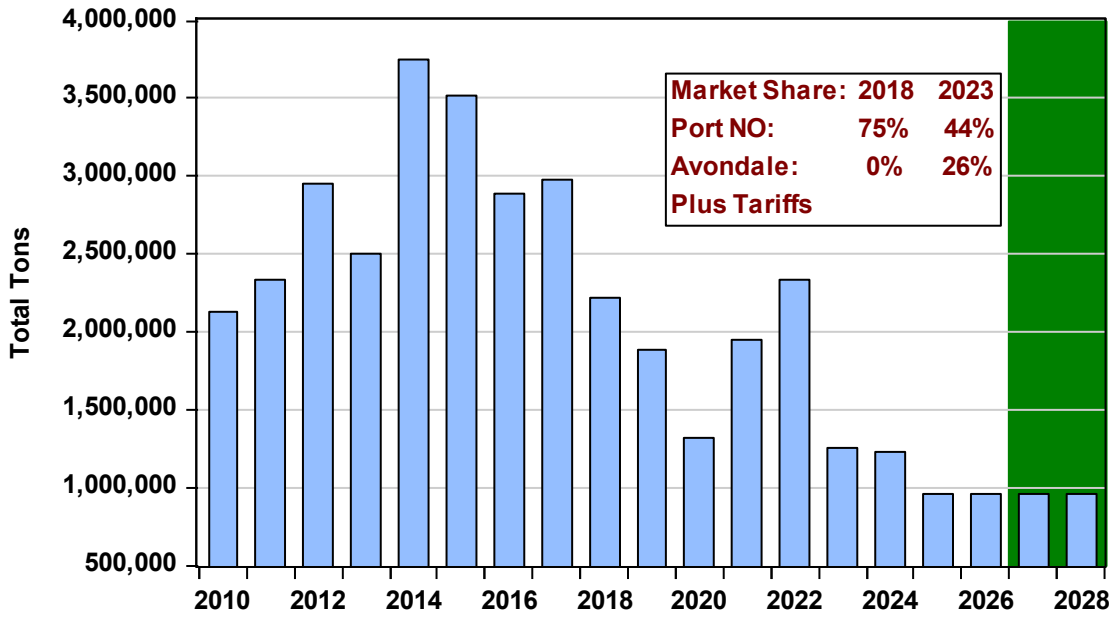
Port of New Orleans TEU Traffic



Source: Port of New Orleans & Loren C. Scott & Associates, Inc.

Figure 23

Port of New Orleans Breakbulk Traffic



Source: Port of New Orleans & Loren C. Scott & Associates, Inc.

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The same cannot be said for **breakbulk** volumes at the Port. Traffic has dropped below 1 million tons the past two years and is not expected to improve over 2027-28 (see Figure 23).

Two factors have led to the loss of breakbulk market share since 2028. The primary culprit was the **steel tariffs** levied by President Trump, which significantly reduced steel imports through the Port. Second, competition from the revived Avondale facility also took breakbulk business away from the Port.

A real success story at the Port is **cruise ship** volume, which is setting new records. About 1.2 million cruise ship passengers came through the Port in 2026, a number that is projected to steadily increase to 1.9 million by 2030. Analysis for developing a third cruise ship terminal is in the planning stage, with construction 5-7 years out.

Michoud: Come on Artemis!

A close friend once owned a sailboat which he named "Come on Wind." Parsing out the future at the Michoud Assembly Center (MAF), the phrase came to mind: "Come on Artemis."

Artemis is the name of the spacecraft whose key parts are manufactured at MAF. The core stage is built by **Boeing**, and the Orion capsule is manufactured by **Lockheed Martin** — hence MAF's nickname "America's rocket factory." Artemis 1 was launched November 16, 2022, and Artemis 2 followed on April 1st this year. Artemis 3 is scheduled to launch into low Earth orbit in Spring 2027. Then comes the big show in 2028 when Artemis 4 and 5 are to go to the moon — a trip President Trump wants to occur before he leaves office.

The key question is: What lies beyond Artemis 4 and 5? The capsules and core stages for these two rockets are at various stages of production at MAF now, but both Lockheed and Boeing have been reducing staff because of uncertainties about Artemis 6. Once at 990 employees, Boeing is down to 575. Lockheed's workforce count has dropped from 192 to 178, and S3 Systems, which provides facility support, has gone from 364 to 250. Come on Artemis! Get off the drawing board and into production!

MAF's numbers would also get a shot in the arm if all **the USDA Finance Center** operations were back on site. At one time, 998 people worked at MAF for the USDA Finance Center as the largest payroll services provider in government. A tornado in 2017 destroyed their building, a problem initially handled by moving to remote work or leasing space in commercial buildings. President Trump then

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pushed remote workers back into offices. A 25-acre space is available on MAF property, but no funds have been available for a new building.

Textron has a large facility nearby that employs 625 people to manufacture ship-to-shore hovercraft for the Navy. These air-cushioned, amphibious landing craft can hold 150 Marines or a M-1A1 Abrams tank and cost $113 million apiece. Textron has built 15 and has options on 54 more. The firm announced this April that it was adding 22 new jobs at the facility.

Tough News on Roads & CPRA

A final drag on this MSA's economy comes from a decided decline in **state road lettings** and Coastal Protection and Restoration Authority **(CPRA)** monies. State road lettings for 2026-28 for this MSA are scheduled at $398.9 million, down 36% from $626.4 million last year. The largest projects scheduled are:

- $52.1 million for the LA3213 Gramercy Bridge rehabilitation, and

- $36 million for structural, mechanical, and electrical rehab work on the US90 IHNC.

The region took a major hit last year when the $1.7 billion Mid-Barataria Sediment Diversion project was canceled. Still, there remained $1.1 billion in CPRA-funded projects. For FY27-FY28, CPRA funding for the MSA has dropped nearly fourfold to $329.8 million. The biggest CPRA project for this MSA is $141.6 million for Chandeleur Island restoration in St. Bernard Parish.

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RiverPlex + Hut 8 = Nice Boom

The Baton Rouge MSA is the second largest in the state with 438,600 jobs in 2026, just behind New Orleans (473,600 jobs). The Baton Rouge MSA contains the largest number of parishes (10): East Baton Rouge, West Baton Rouge, Livingston, Ascension, Iberville, Assumption, St. Helena, Pointe Coupee, East Feliciana, and West Feliciana (see Figure 14).

According to the Bureau of Economic Analysis, East Baton Rouge Parish had the highest population in the state at 456,781 in 2020. Interestingly, three of the top eight fastest-growing parishes in the state, in terms of population, over 2010-2020 were in this MSA — Ascension (+18%), West Baton Rouge (+14.4%), and Livingston (+11.4%).

A combination of (1) access to the Mississippi by deep draft ships, (2) access to plentiful natural gas, and (3) access to salt domes for brine made this region a haven for the **petrochemical industry**. Louisiana is the 6th largest producer of chemicals — especially first-stage bulk chemicals that can be moved via ocean-going ships — and the Baton Rouge MSA is their largest home in Louisiana. Huge national and international firms like BASF, Dow, ExxonMobil, Eastman, Westlake, Shell, and others have very large facilities located within this MSA.

Louisiana has an enormous pipeline network in the state — enough miles of pipelines to circle the globe four times. Access to those pipelines and to the river to move their products helped Baton Rouge land the nation's fourth-largest refinery (ExxonMobil) and, across the river, a smaller lube plant (ExxonMobil) and another smaller refinery (Placid).

The combination of the chemical plants and refineries is typically referred to as the petrochemical industry. These are very capital-intensive facilities located largely outdoors. A vast **industrial construction industry** — the largest in the state—resides within these plants to maintain them daily. In some cases, the number of "resident contractors" working at a plant equals the number of people wearing the petrochemical company's shirt. Huge contracting firms such as Turner Industries, Performance Contractors, ISC, MMR, and Cajun Contractors make their headquarters in Baton Rouge.

Baton Rouge is as far up the Mississippi River as deep-draft ships can go, stymied by the Huey P. Long Bridge in north Baton Rouge. This region is home to the nation's 8th-largest port, the **Port of Greater Baton Rouge**. Louis Dreyfus has a

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large grain elevator at the port, and Drax Biomass runs its wood pellets through the port heading for power plants in Europe.

Government plays an outsized role in this MSA, since Baton Rouge is home to the **State Capitol** and its vast office complexes. Two state-supported universities are in Baton Rouge, **LSU** and Southern University. Established in 1998, Baton Rouge Community College is among the more successful of the community colleges in the state. East Feliciana Parish is home to the large **East Louisiana Mental Health System** and the **Villa Feliciana Medical Complex**, which together employ 1,448 people and have an annual budget of $319 million. **Blue Cross Blue Shield** claims Baton Rouge as its headquarters, where 1,695 people work of the 2,460 people employed statewide by BCBS.

Forecast for 2027-28: A Robust Industrial Construction Sector

Figure 24 tracks nonfarm employment in the Baton Rouge MSA from 1990 through 2026, along with forecasts for 2027-28. Notice that this MSA has enjoyed solid job growth since 1990, interrupted only by national recessions or the COVID shutdown. That upward projection is the envy of most of the other MSAs in Louisiana. Only the much smaller St. Tammany MSA has enjoyed such a stellar upward growth path.

We are projecting this pattern will continue over the next two years, with the **Baton Rouge MSA adding 8,500 jobs (+1.9%) in 2027 and another 8,000 jobs (+1.8%) in 2028**. This will make this MSA the fastest growing in the state in absolute job growth and #3 among the state's 10 MSAs in percentage growth.

Hut 8 & the RiverPlex MegaPark

As has been the case for basically the past decade, this strong performance will be driven by a very robust industrial construction boom. The MSA has a remarkable **$27.5 billion in industrial projects underway and another $13.3 billion that have been announced but have not issued an FID**.

The largest of the projects underway is the $12.5 billion **Hut 8 Data Center** located just outside of St. Francisville. Sited on 611 acres off LA964, Phase 1 of this project will involve two 450,000-square-foot buildings which should be completed by early 2027. Future phases could triple the size of phase 1 and require an additional power plant. The company operates Bitcoin mining facilities. Once operational, Hut 8 will employ 50 high-wage employees. West Feliciana Parish is already benefiting from its newest industry, as Hut 8 wrote a check for $10 million

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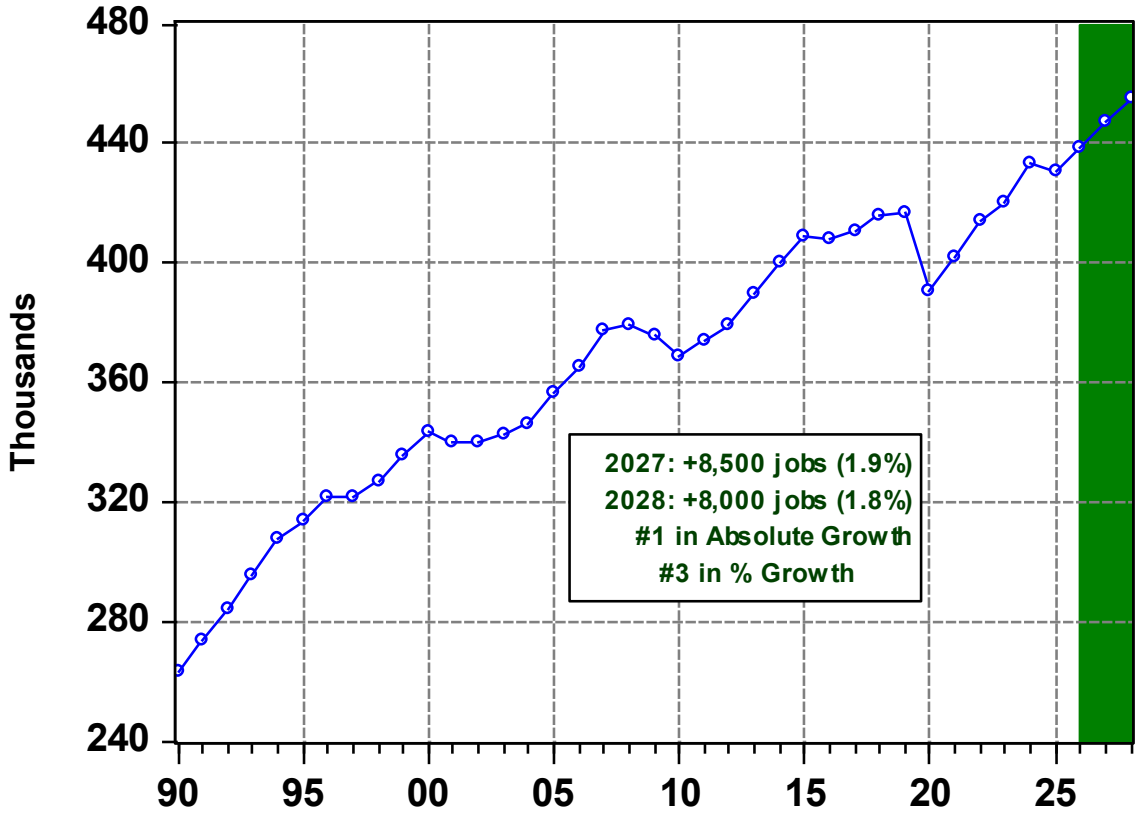
as the first payment on its Payment in Lieu of Taxes (PILOT) agreement with the Parish.

Figure 24

Baton Rouge MSA Non-Farm Employment Forecast: 2027-28



Source: Louisiana Workforce Commission & Loren C. Scott & Associates, Inc.

An extraordinary economic development success story for this MSA has been the development of, and surprisingly swift response to, the 1,700-acre **RiverPlex MegaPark** on the west bank of the Mississippi River in Ascension Parish (Figure 25). This industrial park was set up as a tax increment financing district where sales taxes from activity in the district could be used to finance infrastructure improvements on what was essentially farmland. Established only a couple of years ago, the response to its presence has been very impressive, including:

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- **Hyundai** has a $5.8 billion steel mill under construction that should open in 2029. This enormous facility will employ 1,400 workers and will produce 2.7 million tons of low-carbon steel a year to supply Hyundai's and Kia's car plants.

- **CF Industries**, in partnership with **JERA**, is building a $4 billion blue ammonia plant at the site that will employ 103 people at $110,000 annually once it opens. CF was also planning a similar project with Korea's POSCO, but we understand that project is on permanent hold.

- **Entergy** is spending $498 million on power projects to support the two projects above. The new Commodore Substation will be built to connect major voltage systems, and about 60 miles of new transmission lines will be constructed to connect this new substation to Entergy's Waterford plant in St. Charles Parish.

Figure 25

RiverPlex MegaPark: Ascension Parish

Source: https://riverplexmegapark.com/explore-our-mega-site

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- A new $400 million air separation unit will be built by **Linde** to supply oxygen and nitrogen to the CF facility.

In addition to these four major wins, there are three other large projects waiting in the wings to issue an FID to fill space at the MegaPark.

- **Ascension Clean Energy** (Clean Hydrogen Works) has awarded a FEED contract to McDermott to initiate pre-construction work on a proposed $7.5 billion clean hydrogen/clean ammonia complex at the MegaPark. The issuance of an FID for this project has been delayed a few times. Once constructed, the plant will require 350 employees earning $116,000 annually.

- **NEMO** recently announced its intention to build a Phase 1 $3 billion pig iron plant there (Figure 26). Two other phases planned by NEMO would cost $5 billion. Completion of permitting and issuance of an FID is expected in late 2027. Phase 1 would generate 350 jobs, and phases 2 and 3 (+$5 billion) would add 600 more. The plant will be driven by natural gas, not coal, and would utilize CO2 sequestration.

Figure 26

Phase 1 of NEMO Pig Iron Plant: Ascension Parish

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- **River Parish Sequestration** is in the permitting process to construct a $250 million carbon capture/sequestration project to service the MegaPark and surrounding area. The company has been hitting its milestones so far but still needs a difficult-to-acquire Class VI well permit. Construction is planned to start in 2028.

Ascension Parish has three other projects on the books that are not at the MegaPark. One is under construction — the $69 million **John H. Carter** assembly and distribution center for flow control products. Located in Gonzales, this 285,000-square-foot facility should open in 2027 and create 175 new jobs. Two others are presently on hold. **Shell Chemical** is considering a $1.4 billion expansion of its olefin facilities. The industrial tax exemption has been approved for the project, but construction has been delayed. **Capchem Technology** announced plans to build a $350 million plant to produce materials for rechargeable batteries that would create 95 new jobs. An FID on the project was issued in mid-2025, but tariffs and other issues with China have delayed the start of construction.

Nice Wins in Other Parishes

All these wonderful wins have made Ascension a shining success story in the state, but the news has not been all positive. In June this year, **Air Products** announced it was canceling its huge $8 billion Louisiana Clean Energy Project in Burnside. **Monarch Energy** also canceled its $426 million green hydrogen production plant planned for the Donaldsonville area.

Ascension is not the only big winner in the industrial expansion space. **Shintech** is continuing the expansion of its site in West Baton Rouge and Iberville Parishes with a $3.4 billion second ethylene unit and a fourth chlor-alkali/vinyl chloride unit. The project should be completed in 2030, adding 163 new jobs (paying $117,329 annually) to Shintech's present workforce of 725.

In East Baton Rouge Parish, **ExxonMobil** has two large projects scheduled. A new $516 million investment will be made at the company's refinery starting this year to help shift part of its gasoline production to higher-value products like diesel and jet fuel. Construction is underway on a $100 million chemical plant to produce ultra-pure isopropyl alcohol. This plant should open in 2027.

Shell has a $121.7 million project underway in West Baton Rouge Parish to boost its catalyst plant's production, making it the largest catalyst plant site in the world. Seventeen new jobs will be created paying $94,000 annually. Also in this Parish, **SNT Energy** is investing $59.4 million in renovations at the old Trinity Marine

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Products Building to manufacture air fin coolers, heat recovery system generators, and surface condensers. SNT will employ 100 at this site by the end of 2028. In Livingston Parish, the large **Epic Piping** plant is investing $25 million in an expansion that will create 76 new jobs when it opens in 2027.

Industrial Contractors: More than They Can Say Grace Over

From this impressive list of projects, it does not take a genius to determine that industrial contractors are in a very happy place now. What makes this special for Baton Rouge is the number of large contractors headquartered in the city. Turner Industries, Performance Contractors, MMR, ISC, and Cajun are five of the largest headquartered in the area. Because these firms work on projects all over the U.S., employment here benefits from the industrial booms in Texas and elsewhere.

Turner Industries had 19,460 employees across the country last year and is projected to have 25,000 by 2027. Not all of that growth will be local, but this MSA and others in Louisiana will pick up nice chunks. Specifically, for this MSA, Turner is expanding its Port Allen workforce from 280 to 780 to accommodate more pipe fabrication and coating and to service the emerging nuclear power market.

We do not have specific data on the other major players, but we believe all are expanding just as Turner is. One other firm indicated last year that its employment would jump from 2,000 to 4,000. It is little wonder that data from the U.S. Bureau of Labor Statistics showed Louisiana had the largest construction job spike of any state in the country.

$1 Billion+ in Large Commercial Projects

Focus to this point has been on industrial projects, but Baton Rouge also has five large commercial projects underway or scheduled, totaling over $1 billion. For example, **Our Lady of the Lake Health System** is making $250 million in upgrades between now and the end of 2027. These include renovations of the Ollie Steele Manor, expansion of ER capacity, new ambulatory properties, Tau Center improvements, additional medical office buildings, and others.

Construction is underway at **LSU** on two new residence halls that will add 1,266 beds across 650 units. The project (see Figure 27) is scheduled to open for the 2027 Fall semester. Unfortunately, the project will eliminate 697 parking spots on the campus, spaces that were already in short supply. To offset this loss, 350 new commuter slots will be created on the old front-nine of the LSU golf course.

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Figure 27

New LSU Residence Halls Under Construction

Source: LSU

Still waiting in the wings for a "Go" signal is the proposed $428 million **LSU Entertainment Arena**. This facility would replace the Pete Maravich Assembly Center as a site for LSU basketball games and gymnastics events. Our understanding is that it would not be a site for those teams to practice, but rather would focus on attracting other entertainment events**. Our Lady of the Lake** is proposing a $100 million sports medicine institute next to the new arena. The Institute would provide training, imaging, physical therapy, orthopedics, research, and mental health services.

Finally, LSU is working on completing fundraising for a new $107 million **Construction Management Building**. Some $36 million has reportedly been

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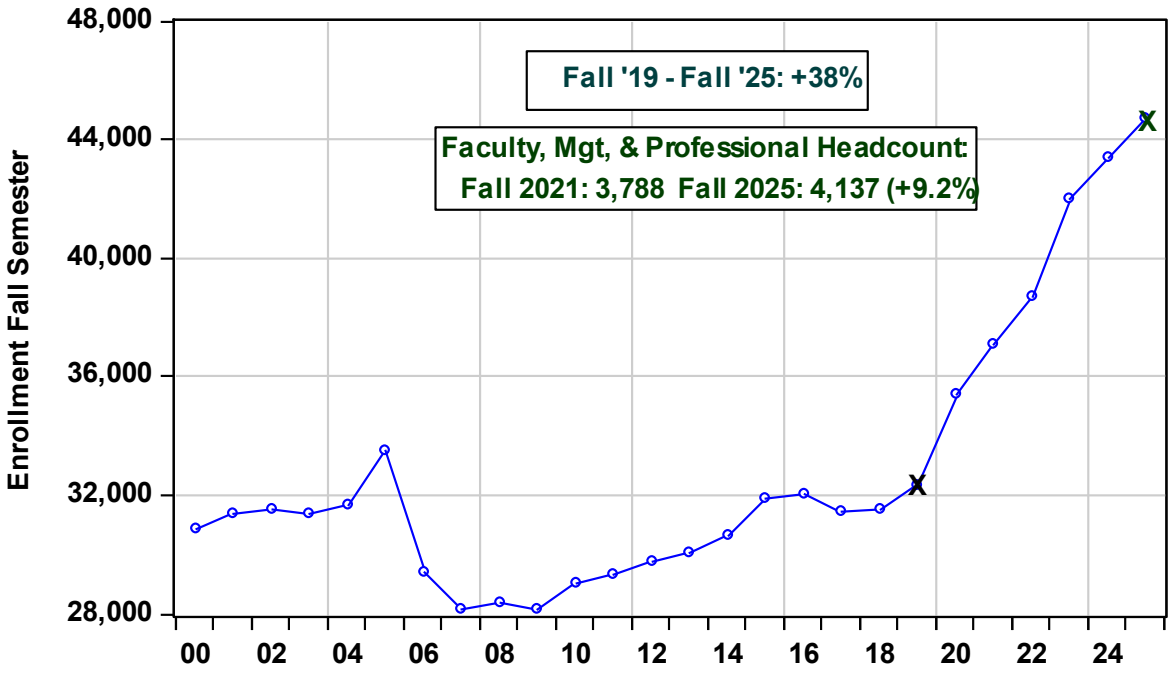
secured from donors, and the state has $35 million set aside in Priority 5 capital outlay. The latter enables the project to issue bonds to fund the project. Hopefully, additional fundraising will allow construction to start soon on the building.

LSU as an Economic Engine

The outsize importance of LSU in the construction activity discussed above gives just a peek into the role the state's largest university plays in this MSA's economy. As seen in Figure 28, LSU's enrollment has soared in the last six years. Note that in Fall 2025, there were **4,137 people employed at LSU** in faculty, management, and professional areas — a figure that is up 9.2% since Fall 2021. Enrollment in Fall 2025 was over 44,700. That is a lot of consumers to bring into the city (though some are remote learners).

Figure 28

LSU Enrollment
Fall 2000 - Fall 2025



Source: LSU Office of Institutional Research

IBM Provides Nice Bump

IBM has a large facility in downtown Baton Rouge that is about to produce a nice job jolt to the MSA's economy. This spring, the company will be adding 240 new jobs to its workforce, plus another 100 interns. On a smaller, but still

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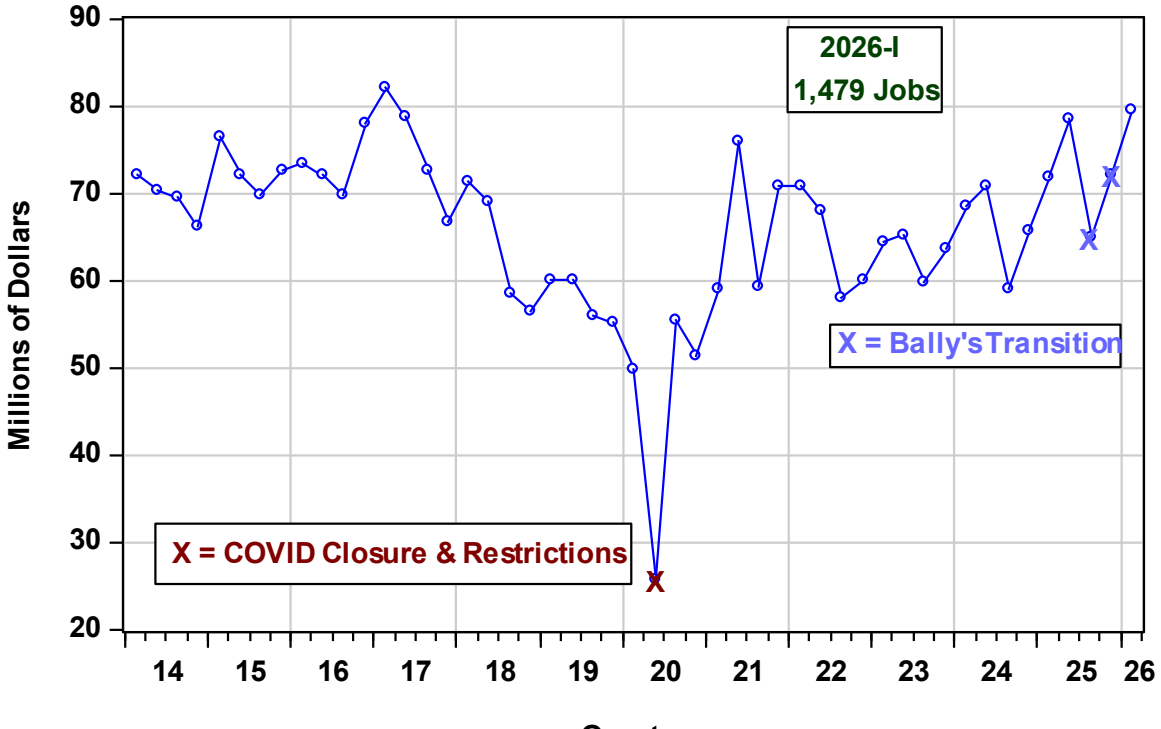
important scale, **Orion Engineers** is spending $5 million to move its headquarters from Alabama to Baton Rouge, adding 50 new, high-wage jobs to the economy. **Meta** is injecting $115 million into the region for an AI Workforce Academy — one of four being established across the country. These dollars would create a 4-5-week boot camp for people to help build infrastructure across the U.S.

Gaming Market: Moving Onshore Jacks Up Play & Employment

Figure 29 plots gross gaming revenue from this MSA's three casinos. In the past two years, both riverboat casinos in downtown Baton Rouge have moved onshore. Note in Figure 29 that the onshore move grew the gross gaming revenues.

Figure 29

Casino Gross Revenues: Baton Rouge



Source: Louisiana Gaming Control Board Reports & Loren C. Scott & Associates, Inc.

When the Belle of Baton Rouge — now Bally's — moved on shore, its revenues took a dramatic turn, going from under $1 million a month before the move to $4.4-$5.2 million per month in the first four months of 2026. Part of these gains came out of the hide of L'Auberge. But on the whole the market grew by about $15 million a quarter between 2025Q3 and 2026Q1. There are now **1,479**

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people employed in the MSA's gaming industry, up from 1,270 the same time last year.

Disappointing News at the Port

It has been a bit of a disappointing year at the Port of Greater Baton Rouge, the nation's 8th largest port in tonnage moved. As seen in Figure 30, tonnage through the Port has declined for the past four years, largely due to water levels in the Mississippi River. Still, tonnage levels remain much higher than 2012 before the Louis Dreyfus grain elevator was built and facilities for Drax Biomass were constructed.

Figure 30

Tonnage Handled at Port Of Baton Rouge: 2005-25

Source: Port of Baton Rouge & Loren C. Scott & Associates, Inc.

More disappointing is that the Gron Fuels and its subsidiary Atmos Energy projects appear to be dead. The latter was an $800 million carbon capture facility to produce clean energy out of wood trimmings and bagasse. This is a loss to the Port and the timber industry in the state, which is in a downturn now.

Another blow came via the old Inland Rivers Marine Terminal which handled 14,338 containers in 2022. SEACOR AMH was running the terminal and was bought out by Ingram Barge. Ingram is out of the project now, and venture

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capital firms are looking at the site. Only 3,642 containers moved through the terminal in 2025.

On the more positive side, the $24 million expansion of the northern liquid bulk terminal is under construction and will allow a 4th deep-draft vessel to use the Port. **CenterPoint Terminals** is spending $3 million on new equipment, and a $15 million tendril update is in the design stage.

Public Construction Adds More

Readers may recall in the New Orleans MSA write-up, that **state road lettings** took a hit in that MSA, dropping a whopping 36% compared to last year. Precisely the opposite happened for the Baton Rouge MSA, where total lettings for 2026-28 total $1,083.4 million, up a striking 43%. The largest projects include:

- $567 million for the LA1 To LA415 connector
- $41 million for the LA1 RiverPlex MegaPark railroad overpass
- $41 million for three roundabouts on LA44 at I-10.

The multi-million-dollar project to widen I-10 from LA415 to the I-10/I-12 split is still underway, but these numbers are not included in the road letting numbers above. Ascension Parish will receive $18 million from the Coastal Protection and Restoration Authority (CPRA) for pumping capacity improvements, and Ascension will share $20.3 million with St. James and St. John the Baptist Parishes for monies to reintroduce the Mississippi River into Lake Maurepas Swamp.

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SpaceX: Transformative Squared

Lafayette is the second most oil-dominant MSA in the state and is composed of four parishes: Lafayette, St. Martin, Vermilion, and Acadia (see Figure 14). This MSA is the third largest in the State by employment and is located in the south-central part of Louisiana along and below I-10. In 2026, there were about 189,000 people employed in this region, and of that amount 3.9% were directly employed in oil and gas extraction and support activities for the industry. That is three times the state average (1.3%) and is closely connected to the oil and gas exploration that goes on in the Gulf of America. For example, **Halliburton** employs over 1,300 in this region.

A distinct advantage Lafayette has over Houma (another oil-dominated MSA) is that Lafayette is far more diversified. Consider the following non-energy firms:

- **Acadian Ambulance:** 1,475 employees and a subsidiary that monitors over 200,000 alarms in 40 states and monitors businesses and houses via videos
- **Stuller Inc.:** 1,524 employees and the nation's largest jewelry settings manufacturer
- **CGI:** 750+ employees in a growing, high-tech firm
- **VieMed:** 506-person, in-home clinical care provider for post-acute respiratory patients

Lafayette is also the home of one of the state's larger public universities — the **University of Louisiana at Lafayette** — making it a significant university town.

Forecasts for 2027-28: Look Up: SpaceX & Drones Fill the Skies

Figure 31 tracks nonfarm employment in this MSA from 1990 through 2026, along with our forecast for 2027-28. **We are projecting 2,300 additional jobs in 2027 and another 3,00 in 2028**. This forecast would rank the MSA #4 in absolute job growth and #6 in percentage growth among Louisiana's 10 MSAs.

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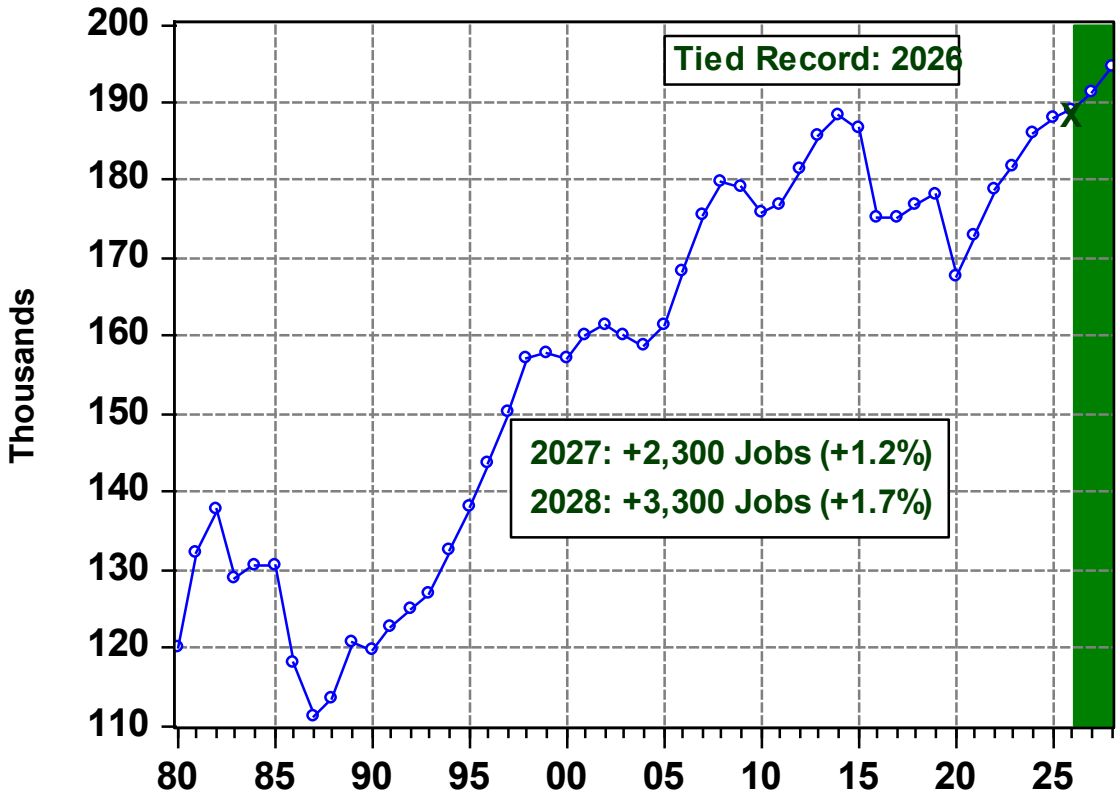
Figure 31

Lafayette MSA Non-Farm Emloyment
Forecast: 2027-2028



SpaceX Is for Real

In late August, Governor Landry made the heady announcement that **SpaceX** was coming to Vermilion Parish. Starbase Louisiana will be siting its new $100 billion launch facility on 136,000 acres of marshland on Pecan Island. Located along the Intercoastal Waterway, this canal will allow easy transport of rocket stages and launch infrastructure. That land has been donated to the State by ExxonMobil, who is prepared to give the land to the state in exchange for immunity from any coastal lawsuits. The state would then sell the land to SpaceX and use the proceeds for coastal restoration projects.

This past spring, the Louisiana Legislature passed several aerospace incentive bills for companies like SpaceX, including:

- Tax rebates for aerospace facility equipment
- Inclusion of aerospace manufacturing in the ITEP
- Legal protections for aerospace operations

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- Requirements for firms to create at least 200 new jobs and invest at least $1 billion in a site to qualify for state incentives

Regarding jobs, it is estimated that SpaceX will create over **3,000 jobs**. The facility is intended to support thousands of starship flights per year off of multiple launch pads, plus there would be a "Starfactory" for vehicle assembly. SpaceX would use only about 30,000-50,000 acres of the total of 136,000, with the remainder used as a buffer zone.

The federal government has also jumped into the incentive game. The Federal Aviation Administration has proposed waiving all requirements under the National Environmental Policy Act, the Endangered Species Act, and portions of the Clean Water Act and Clean Air Act for commercial space licenses and rocket launches and reentries.

Prior to this time, the huge $50 million Meta data center in Richland Parish was the largest single investment in Louisiana's history. At over $100 million invested, SpaceX will more than double Meta's size. If Meta was described as "transformative," SpaceX is "transformative squared."

Will the Drones Fly?

There is another key item that could make our forecast too pessimistic. Two drone-oriented companies have announced plans for operations in this MSA. The question is how fast will they ramp up? **DMR Technologies** plans to make Lafayette Parish its primary domestic production hub for the Field Ranger X50 Drone shown in Figure 32. Over a period of 10 years, the company expects to ramp up to a total of 521 jobs paying $85,000 a year.

In November 2025, the **Drone Institute** indicated it will spend $340,000 to expand its Lafayette headquarters, consolidating its operations. The Institute will host nationwide drone missions, pilot training, and development of advanced imaging software. A total of 610 new jobs is projected for the Institute.

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Figure 32

Field Ranger F50 Drone

GOM Rig Count Only 12

As mentioned in the introduction to this MSA, Lafayette is the second most exploration-dependent MSA in Louisiana, just behind Houma. No small part of this MSA's economy is tied to exploration activity in the Gulf of America.

Figure 33 paints a disturbing picture of drilling activity in the Gulf. The rig count peaked at 149 in 2000, fell through 2010, then rose to near 60 in 2014, before dropping to the 20 range for the next decade. Biden Administration limits on leasing activities and other impairments on fossil fuels exploration led to a further decline into the 10-12 range.

There is hope for some modest recovery due to more pro-fossil fuels policies of the Trump Administration. **Lease sales** are back on the 2-every-year schedule that had been in place since the 1950s, and the results are somewhat

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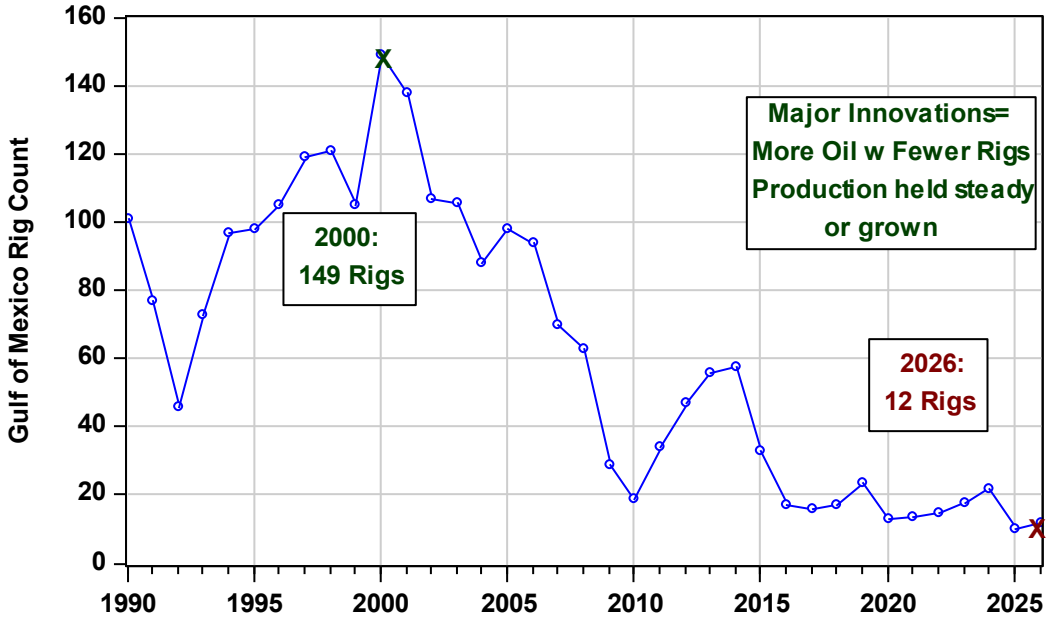
encouraging. The first sale (December 2025) under the Big Beautiful Bill resulted in $300.4 million in leases on 181 blocks and 80 thousand acres offered. In March, a second lease sale resulted in a much lower $47 million in sales, but this was on a much lower 25 blocks and only 141,000 acres. A third sale this August resulted in $87.2 million in bids on 59 blocks and 80,400 acres. A lower royalty rate of 16 2/3%, authorized under the BBB, helped motivate sales.

Figure 33

Gulf of America Rig Count:
Month of August



Source: Baker Hughes & Loren C. Scott & Associates, Inc. Data are for Louisiana & Texas

Careful observers will discover that though the rig count is well down from 2014, the same is not true of oil production in the Gulf. Production in federal waters in May 2024 was 1.4 MMb/d versus 1.9 MMb/d in May 2026.

Major technological changes have generated much more production per well. Drillships can now operate in high-pressure, high-temperature (HP/HT) environments, opening up more reservoirs and more productive reservoirs than in 2014. Drilling time for a typical well has declined between 20%-40% since 2014, pushed by rotary steerable systems, and measurement-while-drilling advancements that allow horizontal wells to be drilled 5-10 miles horizontally. The latter allows a single rig to reach multiple reservoirs from one wellbore, draining larger reservoirs from one well without relocating.

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These advances are making activity in the Gulf less vulnerable to oil price swings, because they have reduced the breakeven price in the Gulf from $68 in 2014 to $47 in 2026.

Importantly, by one measure, there are some **54,000 wells that have been drilled in the Gulf and 2,500 active drilling platforms**. That is a foundation for a great deal of maintenance, repair, and decommissioning work for firms in the Lafayette and Houma MSAs. As one example, Halliburton has 1,315 people (up from 1,116 last year) working at seven different sites in this MSA, a number expected to remain stable over our forecast period.

A Mélange of Other Job Creators

It was indicated earlier that a principal advantage that Lafayette has over the Houma MSA is the former's economy is more diversified away from the exploration sector. Several new players are coming to the region that will further this diversification wave.

MMR, an industrial contractor headquartered in Baton Rouge, is building a new $55 million modular systems assembly facility that will employ over 200 people at $85,000 apiece annually. It has been announced that **Buc-ee's** is planning a new $72 million travel center in Lafayette that will also employ over 200 people. A building permit was issued this August, and an opening is likely in 2028. **NPK Solutions** is spending $40 million on an expansion of its recyclable composite matting plant. The expansion will add 38 jobs to the existing workforce of 124.

Lightsource BP and Meta have signed a long-term purchase agreement supporting **Mowata's** $237 million solar farm in Acadia Parish. **Crest Industries** out of Alexandria will be ramping up its Lafayette workforce from 35 to over 100 employees. Finally, **Ochsner Health Systems** will be spending $21 million in Lafayette to expand its neuroscience care and another $6 million for offsite emergency care in Broussard.

Big 4 Remain Steady

Lafayette's diversity has come heavily from four large firms that have lent a steady hand to this economy over the past few years. **Stuller Settings** — the largest jewelry setting manufacturer in the country — is at 1,524 employees. Efficiencies have led to a minor drop in employment (-30 people simply because of people leaving), but business as a whole is up solidly. The large ambulance company — **Acadian Companies** — is at 1,475 people with modest growth expected over 2027-28. Nationwide, employment is up to 5,900. Recruiting EMS

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workers remains a huge challenge, with the National EMS Academy supplying some recruits.

Technology company **CGI**'s employment is holding steady at 750. The company would like to add another 150 people, but recruiting enough talent in the area is proving challenging. A new emphasis is on training existing employees on AI skills. Steady is not an adjective for **VieMed**, which is an in-home, clinical care provider of post-acute respiratory healthcare equipment and services across the country. At 422 jobs in 2024, VieMed is up to 509 in Lafayette and 1,467 nationally. Mid-to-high-teens growth should occur over 2027-28 as the company centralizes corporate functions after acquiring three companies.

A Reversal in Trends at ULL

Another good news story for the region is the reversal in the negative enrollment trend at **ULL** (see Figure 34.) Between the Fall semester of 2015 and the Fall of 2022, enrollment at the university fell by 2,414 students or -14%. While not back to 2015 levels, the past three years have demonstrated a steady upward trend. Fall 2026 data were not available at this writing, but we suspect further improvements.

Enrollment increases not only mean more customers for restaurants, rental property, haircuts, etc., but also more employees at the university to serve those students. By Fall 2025, there were **1,656 people employed as faculty, management, or professional staff at ULL**, up 8% since Fall 2021. That is more jobs than at any of the "Big 4" covered in the last section.

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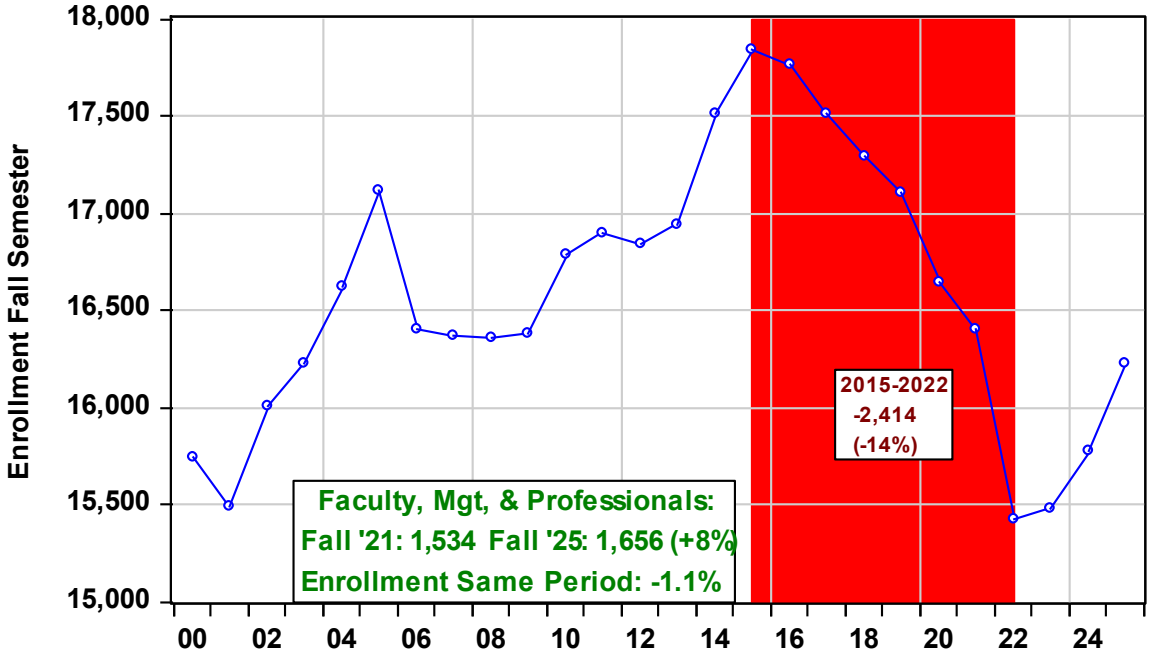
Figure 34

University of Louisiana Lafayette Enrollment
Fall 2000 - Fall 2025



Source: University of Louisiana System Office

Some Tapping on the Brakes

Unfortunately, not all the economic news in this MSA is rosy. A major blow came last September when **SafeSource Direct** closed both of its facilities in the area, resulting in the loss of at least 800 jobs. This maker of personal protective equipment could not match China's costs per unit. For example, China can produce a rubber glove for one cent, while a SafeSource glove costs 5 cents. There is some hope for reopening if federal funds are accessed or if President Trump's Buy America Initiative to federal agencies makes some inroads.

Last year, we reported on the potential **Green Fuels Operating PC** spending $110 million to transform the Evangeline Processing Facility into a net-zero-emissions refinery. That project appears to have gone dormant due to property issues. **Tides Medical**, which has a process for treating chronic or difficult wounds with amniotic tissue grafts, has been downsizing. Uncertainty has arisen over whether reimbursement for this tissue is possible under the Medicare reimbursement model. Finally, this region will experience a major decline in **state road lettings** over the next two years. DOTD records show the figure will drop from $525.7 million to $188.8 million, a staggering 64% decline.

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THE SHREVEPORT-BOSSIER MSA

Give an Award to Amazon

The Shreveport-Bossier MSA is Louisiana's fourth largest MSA and is located in the northwest corner of the state. Three parishes—Caddo, Bossier, and DeSoto—make up the Shreveport-Bossier MSA (see Figure 14). There are an estimated 171,600 non-farm jobs in these three parishes in 2026.

Unlike the other eight MSAs, a key metric for this MSA is its relatively high dependency on durable goods manufacturing employment, which makes the area much more susceptible to national recessions (and benefit more from national booms). Some of the larger durable- goods manufacturers are:

- **Sabre Industries –** (formerly, CellXion) a manufacturer of cellular towers
- **Frymaster –** a manufacturer of deep fryers and similar products for McDonalds and KFC
- **Ternium –** a steel components manufacturer
- **Benteler Steel –** a large steel plant at the Port of Caddo Bossier

Three other major players in this market are:

- The **Caddo-Bossier Port**, which is home to several firms including Ronpak, Sports South, the Ternium steel firm, the Pratt recycling company, Morris-Dickson, OMNI, Calumet Packaging, and Benteler Steel. Altogether, tenants at the Port employ about 2,267 people.
- The **Cyber Research Park** is a major new and growing player in the region with 2,035 employees at its three centers.
- **BRF** employs 614 people at its various facilities, including its incubator support for new firms. It is home to the new Center for Molecular Imaging & Therapy.

Shreveport-Bossier is also home to the **Haynesville Shale**—a very large deposit of natural gas. One of the first plays to use fracking technology, exploration companies invested $4.5 billion in new dollars (including about $3.2 billion in mineral lease payments) into the northwest section of the state in 2008. The following year, that figure rose to $7 billion (including about $1 billion in mineral lease payments). The Haynesville is poised to be a significant factor in this region's economy over the next two years.

The military plays an out-sized role in this MSA, because Bossier City is home to **Barksdale Air Force Base**, an employer of 9,335 military/civilian workers. Shreveport-Bossier is also the **state's second largest gaming market**. This MSA now

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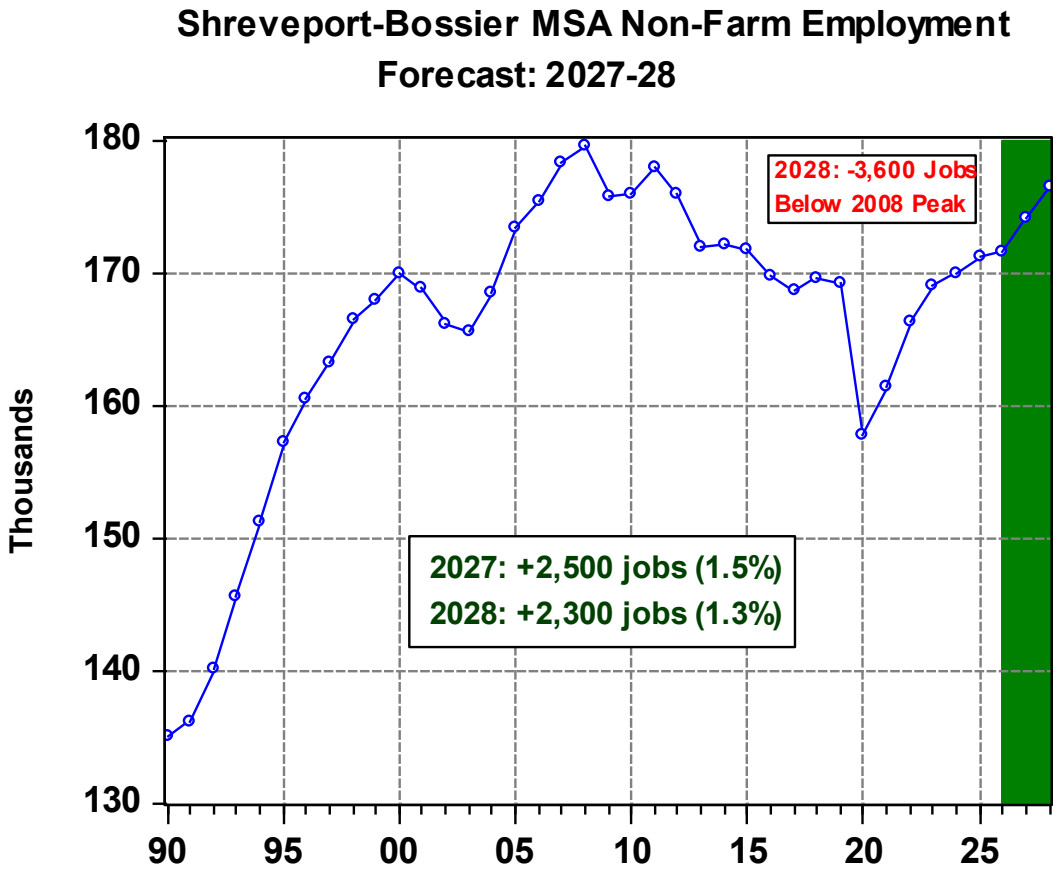
has five large river boat casinos and the newly opened, onshore Live! Casino plus the Harrah's Racetrack, which altogether employed 3,135 people in 2026Q1.

Forecast for 2027-28: Huge Shot from Amazon

Figure 35 traces nonfarm employment in this 3-parish MSA from 1990-2026, along with our projections for 2027-28. **We are projecting the Shreveport-Bossier MSA will gain 2,500 jobs in 2027 (+1.5%) and another 2,300 in 2028 (+1.3%)**. This would place this MSA at #5 in absolute growth among the state's 10 MSAs and #7 in percentage growth. While an excellent growth rate, it will still leave the MSA about 2,000 jobs below its 2008 peak.

Figure 35



Source: Louisiana Workforce Commission and Loren C. Scott & Associates, Inc.

Amazing Amazon Surge

In last year's LEF, we alleged that what this area needed for a jobs jolt was a data center. The MSA hit the jackpot when **Amazon** announced it would build three data centers at $6 billion apiece. The $18 billion total would be the largest

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capital investment in the MSA's history by far. The three units are projected to employ a total of 750 people at wage rates at or above 150% of the Louisiana average wage.

That is not the end of the Amazon story. Last year the firm completed a new **robotic fulfillment center**. Originally estimated to cost $200 million and employ 1,300, it grew in size to a $1 billion investment that is now at 2,200 jobs. We understand another 300 jobs are expected over 2027-28.

Another hefty job boost has come from **SLB** — the former Schlumberger. SLB made an $18.5 million investment in a large chunk of the old GM site (now the Shreveport Business Park). Its 660 employees produce and test components for customers that support digital infrastructure. This year, SLB announced plans to spend $30 million to double its footprint at the site, taking almost 100% of the old GM property, and hiring another 600 people.

Hallelujah! Expect a Revival of Haynesville

Our review of the Lake Charles MSA below will show a major revival in the **LNG export business**, with three large, new projects under construction and 3-4 more waiting in the wings to issue an FID.

Those projects — and the ones on the Texas coast — will need a lot of natural gas, and the Haynesville Play is the closest source. Last year, Morgan Stanley projected the Haynesville output would surge by 41% by 2027 because of its close proximity to existing and new LNG projects on the Louisiana and Texas coasts.

Pipeline and midstream companies have already been building the infrastructure to transport the gas to the coast (see Figure 36.) Momentum Midstream has just completed a new gathering pipeline (NG3 in Figure 36) to bring about 2.2 bcf/d to the Gillis Hub just above Lake Charles. Louisiana Energy Gateway (LEG) just opened its new 1.8 bcf/d pipeline to the Gillis Hub.

The Haynesville Play will also likely find new demand coming from power plants built to service the **new data centers** in north and central Louisiana. That is especially the hope for the largest of these centers, the $50 billion Meta project in Richland Parish. Because of its location in the northeast part of the state, Meta will likely source its natural gas from the nearby Perryville Hub. This hub sources its gas from the Haynesville and the Marcellus Play in Pennsylvania.

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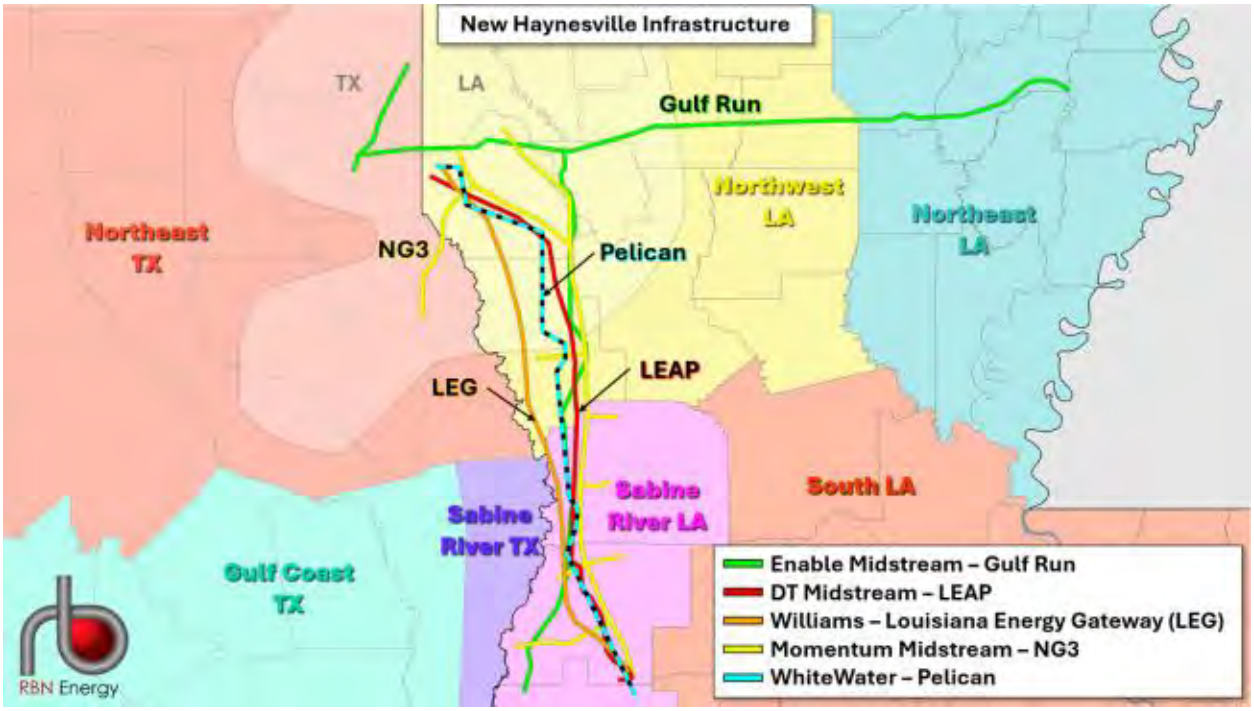
Figure 36



The Gulf of America is not the only place enjoying major technological advancements in exploration. In 2024, the average time to drill a well in the Haynesville was 45 days. **Aethon** is now drilling one in 30 days. **Comstock** has developed the new horseshoe lateral that makes a 180-degree turn in the wellbore. Two laterals of the same length cost $40 million. One horseshoe costs only $32 million. The company's plan is to convert 57% of its short Haynesville locations to horseshoes. **BP** is now drilling 15,000-foot laterals. Get in your car and drive about three miles to get a sense of what a technological marvel that is.

Keep an Eye on: Port — Big Potential Ahead

Readers should closely follow events at three of the larger players in this region's economy: (1) the Port of Caddo-Bossier, (2) the Cyber Research Center, and (3) BRF. All three have substantial workforces and all three have large potential wins hovering nearby.

Once again, the Port of Caddo-Bossier proves its bona fides as a job generator. There are **2,267 people working** at the various companies at the Port, up +120 jobs over last year, and projected to grow to 2,392 by 2028. Some **$80 million in capital expansion projects** are planned among these companies over the next two years, up from $66 million last year.

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The largest resident at the Port is **Benteler Steel** with 480 employees (see Figure 37.) This steel manufacturer will be spending $30 million over the next two years to continue two projects to add a second threadline and to expand its heat-treating capacity. The large, 360-person distribution company **Morris Dickson** expects to grow to 432 employees by 2028. The company will be adding a new $30 million expansion over the next two years. Distribution company **Sports South** has seen its job count jump from 320 employees to 433.

Figure 37

Benteler Steel: Port of Caddo-Bossier

Lubricant packing firm **OMNI** is now at 203 employees, with plans to expand to 335 by 2028. Also, the company plans $4 million in equipment upgrades over our forecast period. **Ronpak** makes packaging products for companies such as Whataburger, Five Guys, Popeyes, etc. The company is now at 243 employees, a number expected to be stable over 2027-28. Not surprisingly, steel company **Ternium** (187 workers) finds the steel tariffs are playing havoc on its supply chain. Ternium will have about 16 small capital projects over 2027-28 that will total $60,000.

Pratt Industries is part of the nation's 6th largest paper and packaging company. With 169 employees and 25 contractors at the Port site, Pratt has a $10 million capital project in progress and plans another $10 million over 2027-28.

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Odyssey Logistics is a warehousing firm with 21 warehouse workers and drivers. **Calumet Packaging** has 76 employees at the Port and plans to spend $1 million on a fuel flushing refinishing program, and Alpine Silica is up to 79 employees. We believe the latter firm will enjoy a nice growth spurt as the Haynesville Shale rebounds.

The big potential at the Port remains the **Bia Energy Project**. This $1.2 billion low carbon methanol plant recently renewed its lease at the Port. Pre-construction engineering and permitting are complete. The war with Iran has added more uncertainty to the methanol industry that may aid the firm in securing offtake agreements. The BBB eliminated the crucial 45V tax **credit unless construction on the plant begins before the end of 2027.** That means we will know soon if this is a go. There is a BRF connection to this project, because BRF head Dr. John George is on the board of Bia.

Last year, we were hopeful that the $550 million **Heirloom** direct-air-capture project scheduled for the Port would reach FID. We no longer hold a positive outlook for the project.

Keep an Eye on: Cyber — Big Potential Ahead

Another large employer with bright employment prospects is the **Cyber Research Park** in Bossier City. The CRP achieved an important milestone this year when **General Dynamics** renewed its lease at the CRP for another 10 years. GD presently employs an impressive 1,400 people in its building, a number expected to grow to 1,600 by 2028.

CRP's big potential derives from four significant projects on the drawing board, including:

- Project Think: +150 jobs
- Project Gamer: +150 jobs
- Project AF: + 50 jobs
- Project X: +500 jobs

The latter two projects would be in the Louisiana Tech Research Institute Building. Two of CRP's major operations—**Strikewerx** and **CYBER.ORG**—will add about 20 new jobs, because the CRP received $40 million in appropriations (up from $18 million last year) to support their work.

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Keep an Eye on: BRF — Big Potential Ahead

BRF is approaching what could be some major breakthroughs. First, its **Center for Molecular Imaging and Therapy** started a strategic collaboration with **Starget Pharma Inc.** to develop next-generation radiopharmaceutical therapies to treat cancer. Radiopharmaceuticals pair a targeting molecule—one that seeks out and attaches to cancer cells wherever they are in the body—with a small dose of radioactive material. Once attached, the radiation damages or destroys the cancer cells while limiting harm to surrounding healthy tissue, which is why the approach is often called precision medicine.

Starget is projected to create +100 jobs. The Louisiana Legislature passed a law declaring the state open for clinical trials. This makes it easier for companies to establish a timeline for contacting universities to start trials. Louisiana could become one of the top states for accelerated radiopharmaceutical drug development, and BRF hosts the only radio-oncology pharmaceutical manufacturer in the state.

Second, working with Air Force Global Strike Command, BRF was awarded a $100 million **Other Transaction Authority** (OTA). If the Air Force likes your project, BRF will use the OTA to get a project done more quickly than going through a normal, lengthy procurement process. However, BRF will use the vehicle only if the project is to locate in Louisiana. An announcement is expected soon on a very significant new manufacturing plant that will locate in this MSA using the OTA tool.

BRF added a new tenant this year to its InterTech Park. **Akston** is an animal health biotechnology company that will spend $7 million on a new, 31,000-square-foot manufacturing facility at the park. When built, the plant will employ 69 people at $100,000 apiece annually.

Nice Reversals in Bad Trends: Barksdale & Gaming

Two major employers have seen a nice reversal in negative employment trends for the past two years. The MSA's largest single employer — Barksdale Air Force Base — had gone from 9,745 civilian and military employees in 2012, to 9,005 in 2023. In the past two years the Base has added 330 jobs to reach **9,335 employees** (see Figure 38.)

This increase has come almost exclusively from additional civilian jobs at the base. This base is a serious economic powerhouse in this MSA. In 2025, total civilian and military pay reached $654.1 million, and there was another $573.4

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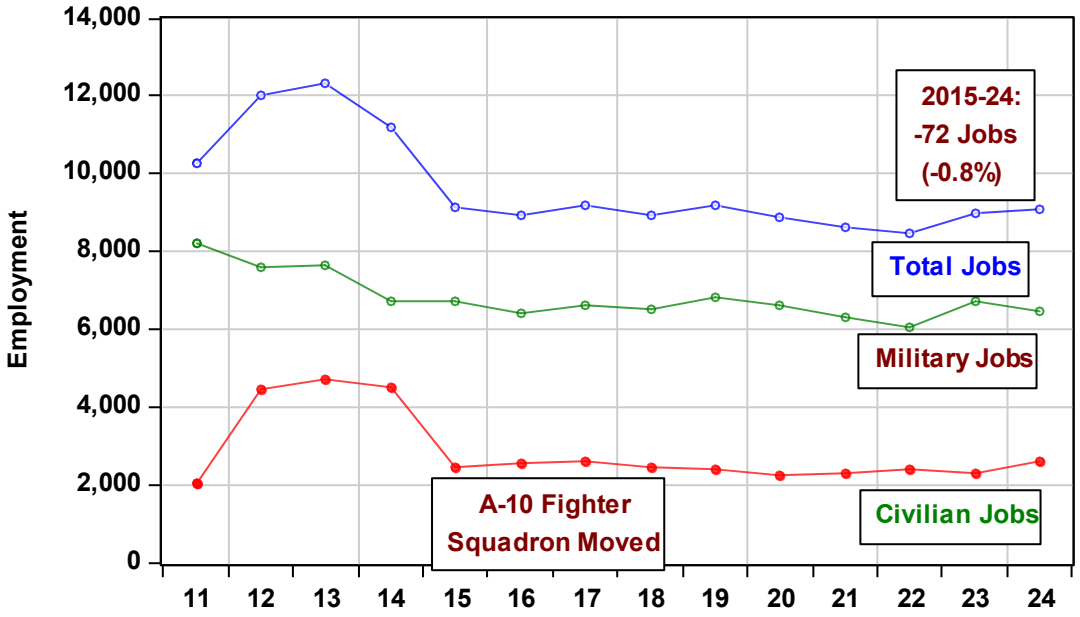
million in additional general operating expenses. That is about $1.2 billion a year in monies injected into this MSA's economy. The 2025 Defense Authorization Act allocated $18 million to the base for a weapons generation facility dorm and $2.2 million for a 13-room addition to the Child Development Center.

Figure 38

Barksdale Military, Civilian and Total Employment



Source: Barksdale AFB Economic Impact Analyses by Fiscal Year: Lane Callaway

Another notable turnaround occurred in the region's gaming industry (see Figure 39). After a decade of steady declines in gross gaming revenues from the region's six casinos (due to competition from new Indian casinos in Oklahoma), the industry has now enjoyed a year and a half of rebound, as seen in the green area of Figure 39.

This improvement can be traced to Cordish Companies buying the old DiamondJack Casino license and moving operations from a riverboat to onshore. While some of Cordish's **Live! Resort Casino's** new revenues came out of the hide of the other five casinos, on the net, the total gaming market grew. This riverboat-to-onshore impact has been duplicated in the New Orleans and Baton Rouge markets.

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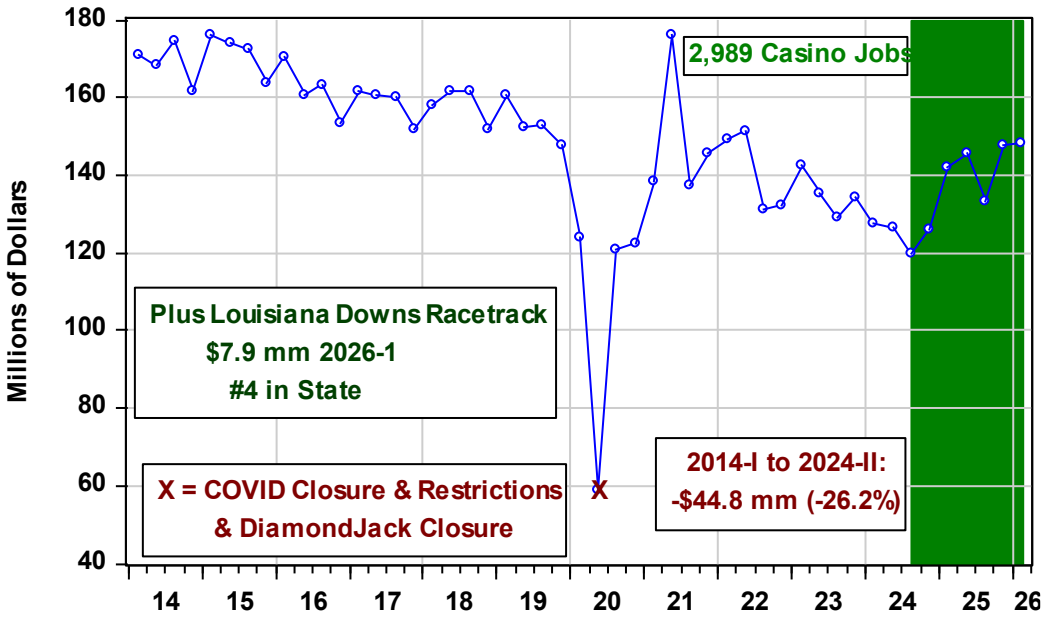
Figure 39

Casino Gross Revenues: Shreveport-Bossier



In 2026Q1 there were 2,989 people employed in the region's six casinos, plus another 150 or so at Louisiana Downs Racetrack. This racetrack ranks 4th in gross gaming revenues among the four racetracks in Louisiana.

More Significant Capital Projects on the Way

Three other significant injections of money into this area will come via planned capital projects. The largest will occur in DeSoto Parish, where **International Paper** will spend $248 million to expand and modernize its plant. While a nice capital expansion, it will add only one job to IP's 710-person workforce.

The state will be sending $186.1 million in **new state road lettings** to this MSA over 2026-28 (basically the same as last year.) The two biggest projects financed will be:

- $23.3 million to overlay LA3132 from I-20 to LA523
- $20 million to replace the UP-Railroad overpass on I-20

Ochsner-LSU Health will undertake $49 million in capital projects at Ochsner-LSU Health Medical Center and the St. Mary Medical Center. These will include

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clinic and hospital renovations and upgrades, urgent care expansions, and more pediatric services.

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LNG Driving Largest Capital Investments in State

There are three parishes in this MSA—Calcasieu, Cameron, and Jeff Davis — the latter being added to the MSA for the first time last year.

These parishes are very different from each other. Calcasieu Parish is a very industrialized and thriving parish with the fifth fastest growing population in the state between 2010 and 2020. Cameron Parish is the largest in geographic size in the state but the second least populated parish in the state. Of the 64 parishes in the state, Cameron's population change over 2010-2020 was the second worst in the state (-18.2%). The development of the LNG export industry in Cameron has radically increased its growth prospects. Jeff Davis Parish has a much bigger agricultural base than the other two.

The parishes are located in the far southwestern corner of Louisiana (see Figure 14). The **petrochemical industry** is a dominating force in this MSA. Large firms in the region produce chemicals and refinery products. It is also now home to a new type of tenant: **LNG exporters**, three of which are operating in the MSA. A huge employer, the petrochemical/LNG industry employs over 8,500 direct employees and about 4,000 contractors at its 16 different chemical plants, two refineries, three LNG export facilities, and three industrial gas processing plants. Because these are very capital-intensive firms, there is an associated huge **industrial construction** sector for maintenance, repair, and construction work for these firms.

A second key industry is aircraft maintenance, repair, and overhaul (MRO). A major source of jobs in the region is the tenants at **Chennault International Airport**. Among the larger employers there are Northrop Grumman, LandLocked Aviation, and Citadel Completions. Historically, there have been some very significant changes at the airport that caused meaningful swings in this MSA's employment.

The **gaming industry** is particularly large in this MSA. In fact, Lake Charles has the largest casino market in the state, drawing as it does from the nearby Houston market. Three casinos operate in the MSA, plus the Delta Downs Racetrack. The two largest casinos are the riverboats L'Auberge du Lac and the Golden Nugget. The Horseshoe Casino (formerly the Isle of Capri) is the smallest of the three casinos but is the only one that has moved its operations onshore. The three casinos employed 3,774 people in 2026Q1. When **Delta Downs** added slot

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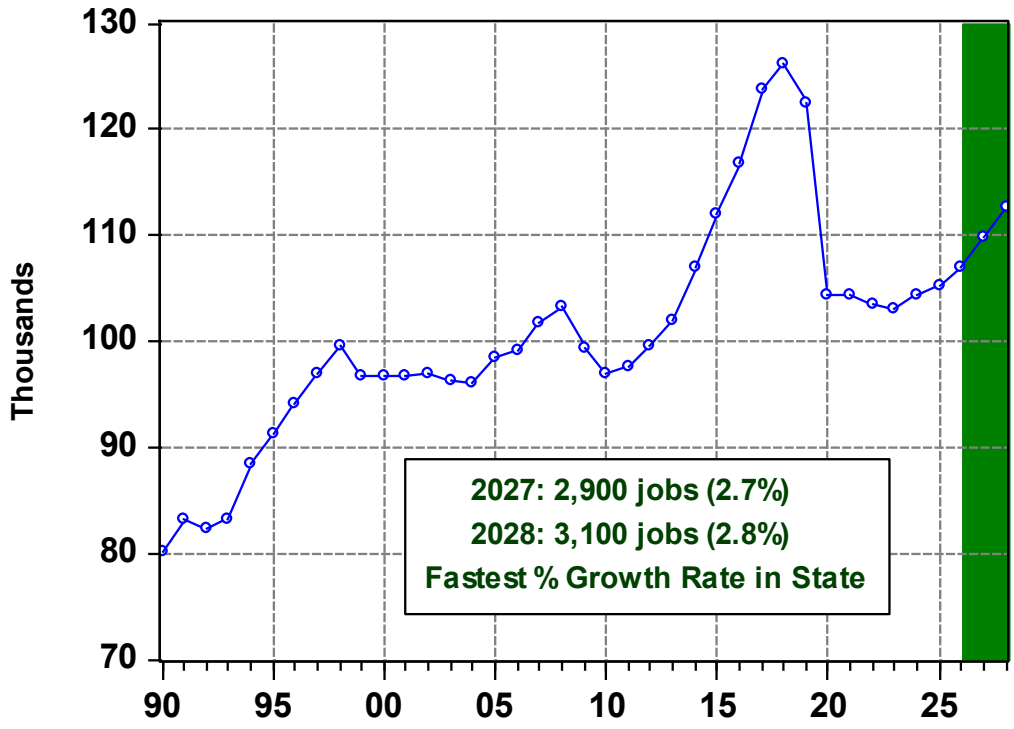
machines it became a "racino," and presently employs 493 people — making it the largest of the State's four horserace tracks.

Forecast for 2027-28: We Repeat - Better Stand Back Folks

Figure 40 shows nonfarm employment from 1990 through 2026, along with our forecast for 2027-28. **We are projecting 2,900 new jobs for this MSA in 2027 (+2.7%) and another 3,100 jobs in 2028 (+2.8%).** This would make the Lake Charles MSA the fastest growing area of the state in percentage terms and the 3rd fastest in absolute job growth.

Figure 40

Lake Charles MSA Non-Farm Employment
Forecast: 2027-28



Source: Louisiana Workforce Commission & Loren C. Scott & Associates, Inc.

LNG Projects Behind Lofty Rankings

This expected stellar performance can be traced to the three huge LNG export projects that have come to FID recently. The total capital expenditures for these 3 projects are $63.5 billion, by far the largest expenditure total in the state. They include:

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- A $33 billion investment by Venture Global in two phases of **CP2**. This project includes construction of a 91-mile CP Express Pipeline, which will bring natural gas from Texas and the Haynesville to the CP2 site. Four hundred new jobs are projected for this plant.
- In April 2025, **Louisiana LNG** issued an FID for its $17.2 billion LNG export facility (see Figure 41). The project includes three liquefaction trains, two storage tanks, two marine berths, and a 37-mile pipeline for feed gas.

Figure 41

Louisiana LNG Under Construction

- This May, **Commonwealth LNG** issued an FID on its $13 billion export facility. This project is estimated to come on line in 2030.

- Another large LNG project reached FID this year, but its construction impact will be limited, because it will be the first floating LNG in the U.S. approved by the U.S. Maritime Administration. **Delfin FLNG** has issued an FID for the first of four FLNGs to be located about 40 miles off the Cameron Parish

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coastline. An FID on the second FLNG is projected by yearend. Delfin has purchased the UTOS Pipeline, the largest natural gas pipeline in the Gulf, to source its feedstock.

- The $400 million **Black Bayou Energy Hub** (see Figure 42) is under construction in this MSA. This project is composed of four salt domes with about 8.7 bcf of storage capacity apiece. FERC has approved a pair of 27-mile, 24-inch bidirectional pipelines (parallel black lines in figure) that will interconnect with at least 10 pipelines. These storage facilities will enable LNG projects in the area to better manage natural gas price swings.

Figure 42

Black Bayou Energy Hub

- Also adding to construction activity is at least $400 million in **turnarounds** planned at various petrochemical plants in the MSA.

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- On a smaller--but still important—scale, **Aclara Resources** will start construction this year on a $277 million facility at Port Vinton to extract rare earth minerals from ore coming from Aclara's mines in Brazil and Chile. Over 140 jobs are projected for the plant when it opens in mid-2028.

"Stick" v. "Modular" Construction

Aside from the Delfin project, we have listed here a whopping $64.4 billion in projects underway in the area. Note back in Figure 40 that during the 2013-18 period when an even smaller amount was under construction, employment in the Lake Charles MSA soared. In fact, it was the fastest growing MSA in the country during that period.

Readers should expect excellent growth in the MSA for the next two years, but nothing like that 2013-18 period. During the earlier period, construction used basically the "stick construction" approach. The land was prepared, the foundation was laid, and then work began on building the plant vertically.

Now, most construction uses the "modular" technique. While the land is being prepared and the foundation poured, the vertical parts of the plant are being built elsewhere, then are transported to the site to be tinker-toyed together. Significant parts of construction that were done in Lake Charles in 2013-18 are now being done at the Port of Iberia, Amelia Island in St. Mary Parish, or other locales. The MSA still gets a large chunk, but now the total is being shared with other parishes.

$63 Billion More Waiting in the Wings

Really great news for the MSA is that there is almost $63 billion more in projects that have been announced for the MSA that have yet to issue an FID. These include:

- Venture Global seems to be moving like a runaway freight train in the LNG export market. In addition to its initial facility and phases 1 and 2 of CP2, VG has **CP3** in the planning works. CP3 would be the largest of all of VG's facilities in Louisiana, coming with a striking price tag of $44 billion. The Department of Energy has already granted the project permission to export to non-free trade countries. Given VG's track record, we place a high probability on this project coming to FID soon.

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- **Cheniere Energy** has engaged Bechtel to conduct FEED work on a 7th train at its present LNG export site. An FID is expected next year on the project, which has a price tag between $4.7 billion and $6 billion. As part of the company's pre-FID work, a contract was let to Baker Hughes for liquefaction equipment, a boil-off gas re-liquefaction unit, and fleet-wide gas turbine upgrades.

- **Cameron LNG** is going through the process to add a 4th train to its export plant in Hackberry. While no dollar amount has been attached to the project, we suspect it will be in the $4 billion to $6 billion range. Cameron asked FERC for an extension in the deadline to complete this addition, and one was granted to March 16, 2033. An FID on this project may occur outside our forecast period.

- We continue to follow closely progress on the $3.24 billion **Lake Charles Methanol** project at the Port of Lake Charles. In the works for about a decade, the project has received or is on track to secure all major permits to start construction and has renewed its option on the land at the Port. We remain pessimistic about the project.

- Because of all the industrial expansions in this region, **Entergy** is considering construction of a $2 billion natural gas-fired power plant in Westlake. The company has not gone to the Public Service Commission at this writing, but we place a high probability on it coming to fruition.

- Orion Renewable Energy is proposing a large, $1.7 billion solar farm called **Persimmon Energy Center** on 4,700 acres in the northern part of the parish.

In past LEFs, we have referred in this "potential" section to three other large projects that had potential for going forward. In a disappointing move, **Energy Transfer** scuttled its $10 billion LNG project to focus more on its pipeline business. In a project we consider dead, in January **Magnolia LNG** asked FERC for a 5-year extension on completion of its project. Magnolia still has no authorization to export to non-free trade countries. We rank this project low on the probability list. The same is true for Monkey Island LNG, which came out of nowhere this year with (1) a memorandum of understanding (MOU) with an undisclosed international company for 5.2 mmtp/a of LNG, and (2) a master services agreement with McDermott.

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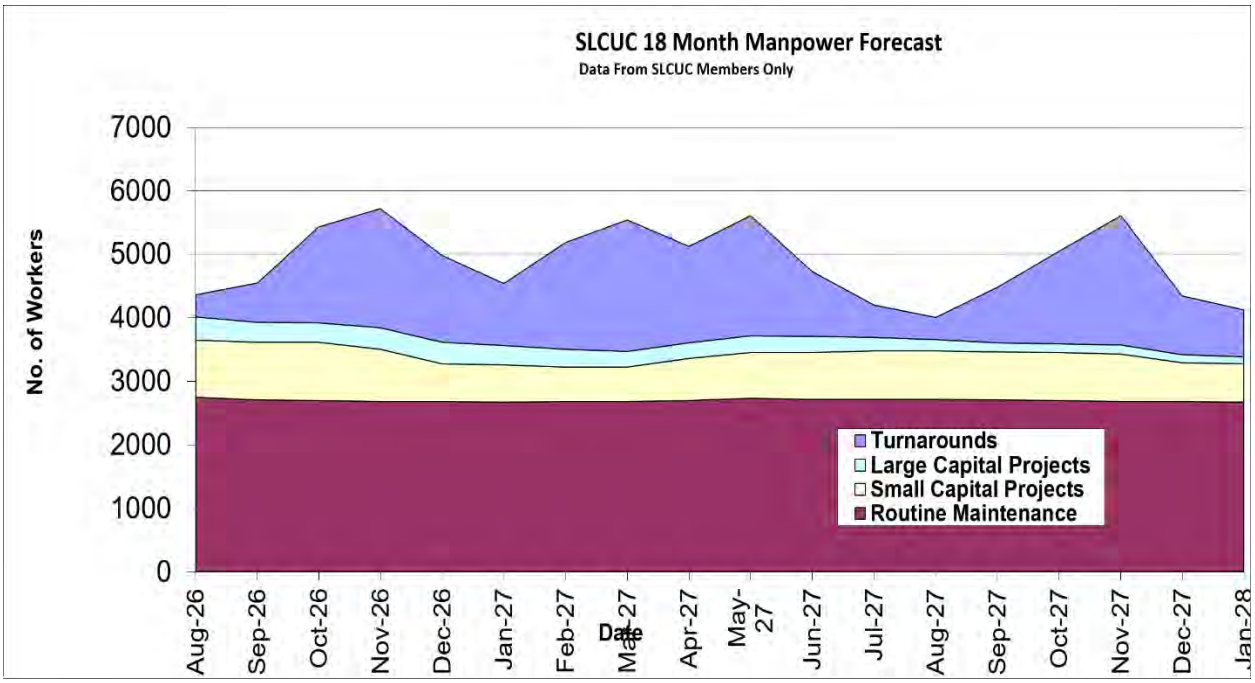
Robust Petrochemical Complex

As mentioned in the introduction to the Lake Charles MSA, the MSA's huge petrochemical industry (apart from the LNG export plants) employs over 8,500 direct employees and about 4,000 contractors at its 16 different chemical plants, two refineries, and three industrial gas processing plants. **Employment in these units is projected to grow by another 1,500 over the next two years, not counting additional resident contract workers**.

This group includes large companies such as Citgo, Westlake (and Westlake/Lotte), Sasol, Firestone, PPG, Phillips 66, BioLab, and W.R. Grace to name a few. All these companies have provided us with data, but most prefer that information be reported in aggregate, not individually. We are aware of about $400 million that will be spent by these plants on turnarounds over the next two years.

Dale Logan's group—the **South Louisiana Construction Users Council** — uses surveys from these plants to generate manpower forecasts. Their latest report is graphed in Figure 43.

Figure 43



Readers should note two key points in this chart. First, note the spikes in the blue lines associated with manpower needed for large turnarounds. Between September and November of this year, over 1,000 additional contract workers will

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be needed for a turnaround. Three other large spikes in the data will occur just in 2027.

Second, note the very narrow teal section in Figure 43, representing large capital projects. This significantly understates the entire MSA market because Logan's group does not include any of the huge LNG projects underway or potentially starting construction over the next two years. Only Cameron LNG is in his group. All the other major LNG projects described earlier are not included.

New Hangar, More Jobs at Chennault

An excellent job-creation and diversification asset for the Lake Charles economy is the **Chennault International Airport**. According to the Louisiana Department of Transportation, among Louisiana's 68 airports (including general aviation (GA) airports), Chennault ranks:

- #1 of 61 general aviation (GA) airports in all categories
- #2 (behind New Orleans) of all 68 airports in total payroll
- #3 in total employment across all 68 (commercial and GA) airports
- #6 in total output across all 68 (commercial and GA) airports

Chennault will get a nice bump over our forecast period from construction of a new **$18.6 million hangar** (see Figure 44) for LandLocked Aviation. This will enable LandLocked to add another 104 jobs to its 150-person workforce when the facility is completed in about 15 months.

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Figure 44

Chennault's largest employer (325 jobs) since 1992 is the **Northrup Grumman Center of Excellence** which performs MRO (Maintenance, Repair, Overhaul) work mainly on large military aircraft. NG will drop one contract and add another this year, moves that will basically offset job-wise. Prospects are very good for two additional contracts (one commercial) that will create the need for 50-75 new employees a year over 2027-28. In a significant efficiency move, NG now has five CNC high-tolerance machines to fabricate parts — a unit that employs 24 people.

The second largest employer at the airport is **Citadel Completions**. Operating in two hangars, Citadel focuses on providing VVIP/VIP aircraft interior modifications for large commercial-sized aircraft. Donald Trump's private aircraft was remodeled at Citadel. Now at 203 employees, the company plans to be at 280 by 2028.

Metrie (formerly, Louisiana Millworks) employs 73 people as Louisiana's largest supplier of residential interior and exterior doors to companies like Stine Lumber, Holmes Building Materials, Dufrene Building Materials, and others. Metrie plans to spend $1 million in new equipment in 2027 and move employment to 90+. The **Louisiana Air National Guard** just completed a $32 million Readiness Center at the airport and plans to spend another $8.1 million on a field maintenance shop.

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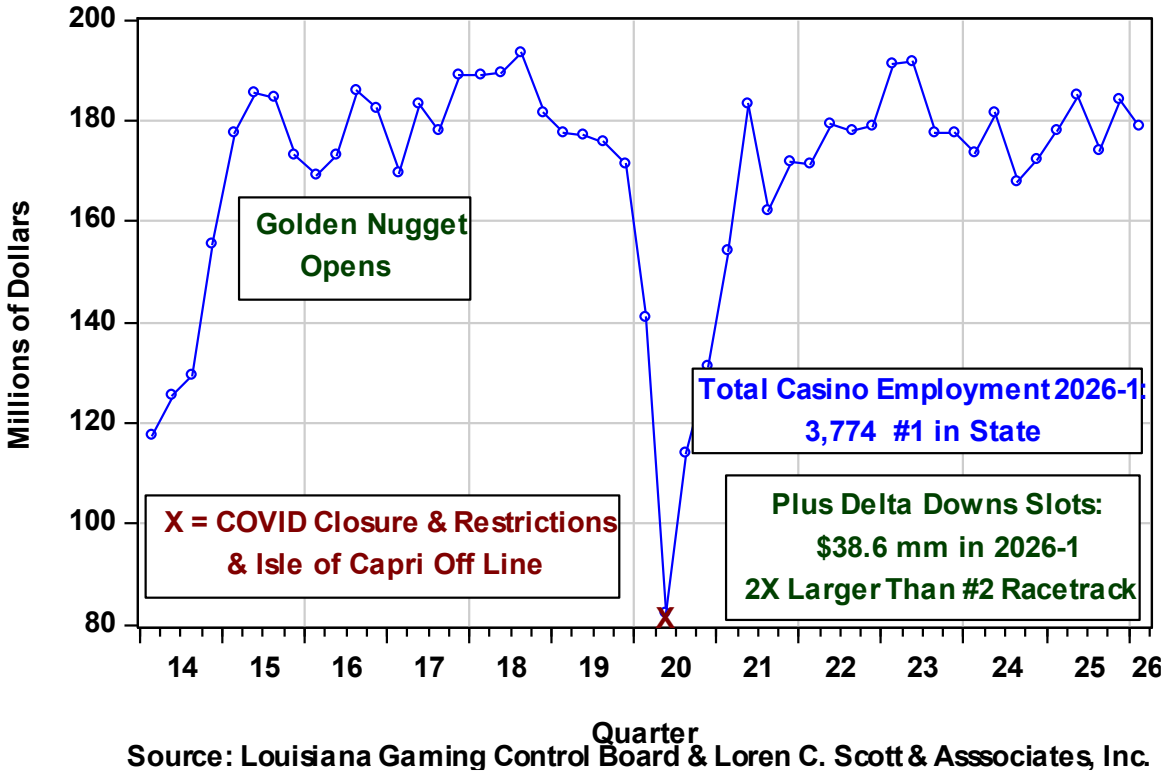
Gaming a Major Employer

Lake Charles has the distinction of being the **largest gaming market in Louisiana**, drawing as it does from the huge Houston market. Note in Figure 45 that the size of this market has remained fairly stable (except for the COVID shutdowns) at around $180 million in gross gaming revenues per quarter since the Golden Nugget opened in 2014.

This high rank comes with an impressive workforce as well. In 2026Q1, there were a lofty **3,774 people employed** at the three casinos in the area. To that number add another 488 people working at the most successful of Louisiana's four racetracks — **Delta Downs**. Delta Downs has 50% more people employed than the #2 racetrack — Evangeline Downs. Again, many thanks to those Texas gamblers. While these are excellent employment numbers, we are not expecting employment to change meaningfully at these casinos over 2027-28.

Figure 45

Casino Gross Revenues: Lake Charles



Source: Louisiana Gaming Control Board & Loren C. Scott & Asssociates, Inc.

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Largest Road Project in the State in Lake Charles

We mentioned earlier that this MSA gets the award for the largest amount of industrial construction underway in Louisiana. Lake Charles also earns another first: **largest road project in the state**. Construction began in April 2026 on the 7-year buildout, $2.3 billion **I-10 Bridge** over the Calcasieu River. About $1.2 billion of this cost will be covered by state/federal sources, with the remainder coming from tolls.

The MSA will receive $62.5 million in **state road lettings** over 2026-28, a figure comparable to last year's number. The two largest projects will be:

- $7.9 million to overlay US90 from LA165 to LA95
- $7 million on Ryan Street intersection improvements at LA385

An impressive $111.8 million will come to this MSA from the **Coastal Protection and Restoration Authority**. A small amount of this money will be shared with Vermilion and Iberia Parishes on a common project. One of the larger projects will be $25.4 million on the Cameron Interior Shoreline Protection and Marsh Creation project.

Signs of Recovery at McNeese

As shown in Figure 46, McNeese State — like most of the state-system colleges in Louisiana — went through a tough period of significant enrollment declines. Between Fall 2010 and Fall 2023, enrollments at McNeese fell a startling 32%.

The good news is the university has begun a modest recovery, adding nearly 500 students in the last two years. Enrollment data for the Fall 2026 semester were not available before print time. Note in the green box in Figure 46 that the university is a very significant employer, even at these reduced enrollment levels. In Fall 2025, there were **604 people employed at the university in faculty, management, or professional roles**.

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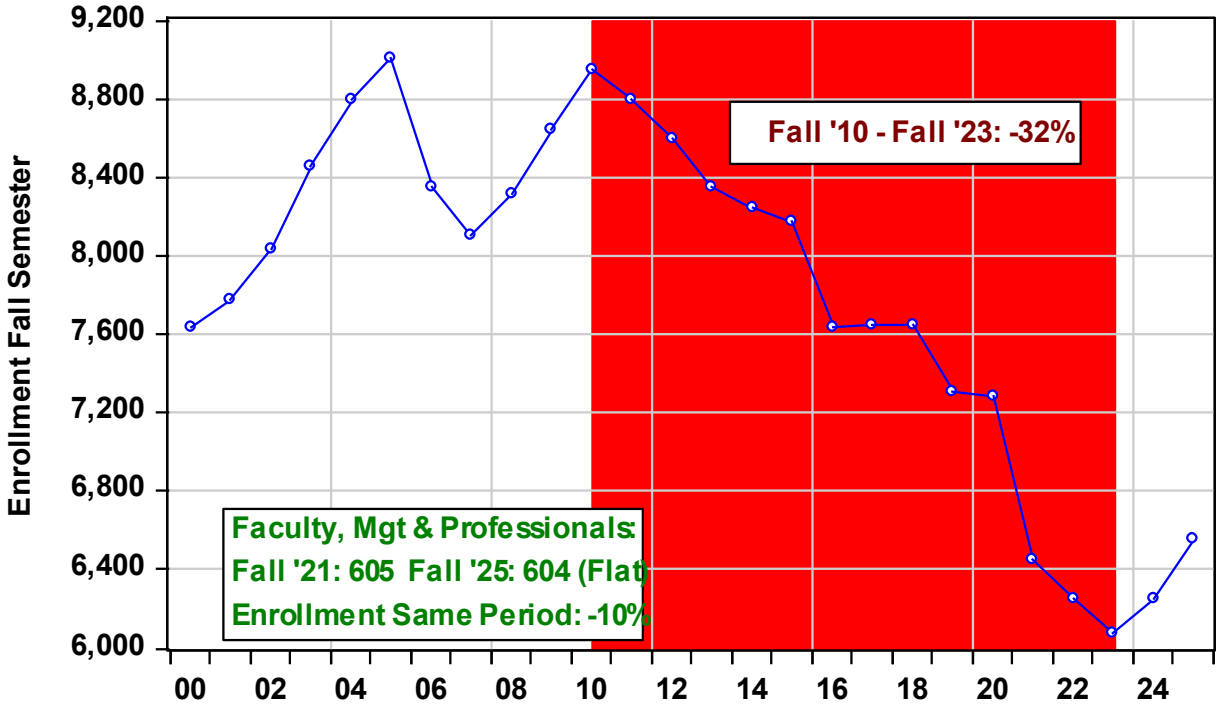
Figure 46

McNeeseState University Enrollment
Fall 2000 - Fall 2025



Source: University of Louisiana System Office

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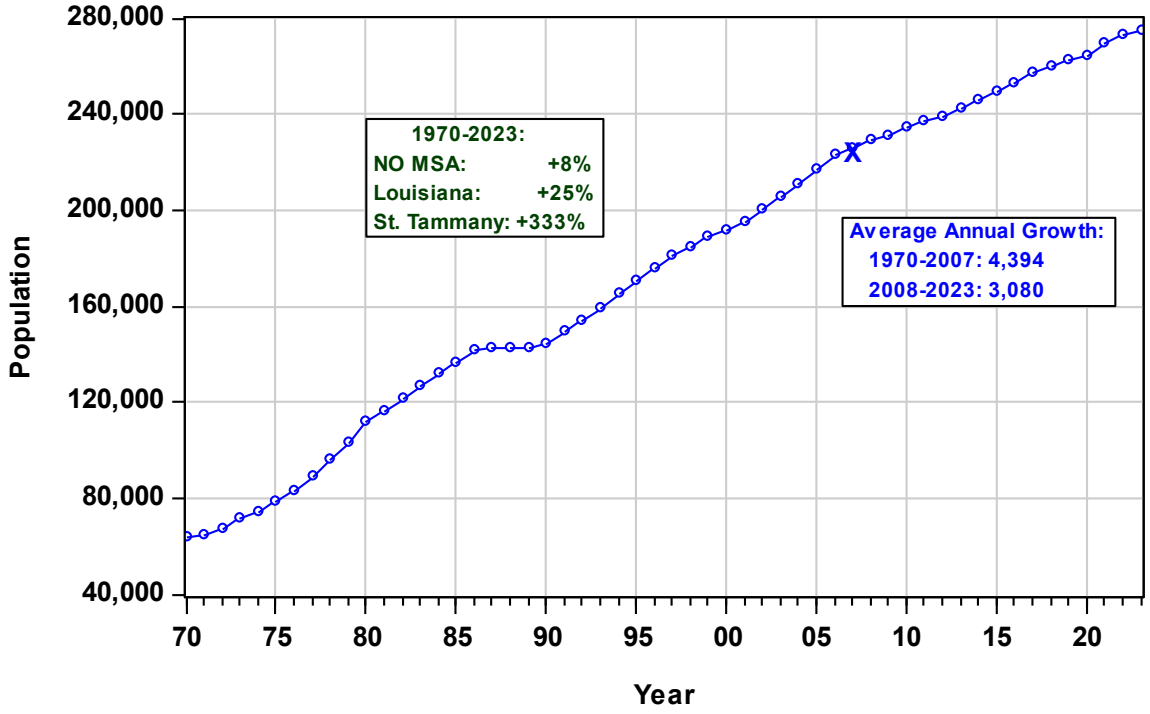
What Will Happen with LLOG & Globalstar?

This is the second year of existence for the St. Tammany MSA (formally known as the Slidell-Mandeville-Covington MSA). Since at least the 1970s, the population of St. Tammany Parish has been the fastest growing of any of Louisiana's 64 parishes. As seen in Figure 46, the Parish's population has been a freight train moving steadily upwards.

Figure 47

St. Tammany MSA Population
1970-2023



Bedroom Community of New Orleans

This remarkable growth pattern was fueled by people fleeing the greater New Orleans public schools and high crime rates for this bedroom community on the Northshore. St. Tammany households gave up their residencies in Orleans and Jefferson Parishes, but not their jobs. **While the population of the New Orleans MSA**

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expanded by only 8% over 1970-2023, St. Tammany's exploded by 333%! Over that same time period, the State's population expanded by 25%.

St. Tammany's close ties to the New Orleans economy can be parsed out in two other ways. First, readers might note an almost imperceptible change in St. Tammany's population growth rate starting in the 2006-07 timeframe. Up to this point the Parish's population was adding about 4,394 people annually. Post this time frame, the population still rose steadily, but at a slower 3,080 people annually. The source of this reduction can be easily viewed back in Figure 16, which tracks employment in the New Orleans MSA. **Hurricane Katrina** dropped the New Orleans MSA employment by a stunning 133,700 jobs (-21.8%) and its population by 346,000 (-25%) —a decline from which the MSA is far from recovering. An associated bedroom community could not avoid the negative impacts of that storm on its major income source.

A Much Smaller "Bedroom" Component

An obvious question is: Why didn't the St. Tammany population face the same calamitous fall as the New Orleans area? The answer is seen in our second point, documented in Table 6. St. Tammany Parish has become less and less dependent on the New Orleans economy for its jobs and has been steadily developing its own unique jobs cluster. Back in 1980, almost two-thirds (62.5%) of the earnings of people living in St. Tammany Parish were earned outside of the Parish. The latest data (2024) show that percentage now is 21.2%. While this figure is still high, it is clear that **St. Tammany is becoming more and more independent**.

Table 6

Total and Out-of-Parish Earnings of St. Tammany Parish Residents

Year	Total	Out-Of-Parish	% Out of Parish
1980	**$881.2 Million**	**$551.3 Million**	**62.5%**
2001	**$4,364.5 Million**	**$2,198.4 Million**	**50.3%**
2024	**$14,395.9 Million**	**$3,055.2 Million**	**21.2%**

Source: www.bea.gov & Loren C. Scott & Associates, Inc.

What evidence is there of this growing independence? **Chevron's Gulf of Mexico Business Unit**, from which it directs the company's huge operations in the Gulf, is located in Covington. The large operator of offshore service supply vessels — **Hornbeck** — is also located there. **C-Innovation**, an Edison Chouest (EC) company, manages the company's subsea operation from Covington, as does

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another EC company, **Marine Technologies**, a dynamic positioning and controls systems manufacturer.

The world's largest distributor of swimming pool supplies and equipment, **Pool Corp**, has its headquarters on the Northshore, as are two benefits coordinating companies — **Healthcomp** and **Gilsbar**. **Zeno Grain** manages its grain elevators and barges out of its Mandeville office. The large EPC firm— **Ampirical** — makes its home in Covington, and **Textron Marine** manufactures a wide assortment of vehicles at its plant in Slidell. **Globalstar**, a satellite company, has its headquarters in Covington, as does exploration company **LLOG**.

These are just a few of the firms that have moved that 62.5% figure in Table 6 down to 21.2%. As an aside, St. Tammany is the only MSA in the State without a major university within its boundaries. Its per capita income of $82,398 (2024 data) ranks it #1 among Louisiana's 64 parishes.

Forecast for 2027-28: Concerns about LLOG and Globalstar

Figure 48 tracks nonfarm employment in the St. Tammany MSA from 1990 through 2026, along with our forecast for 2027-28**. We are projecting 600 new jobs for this MSA in 2027 (+0.5%) and another 500 jobs in 2028 (+0.5%)**. This would place this MSA in 9th place among the state's 10 MSAs in absolute job growth and 10th in percentage growth rates.

New Orleans + LLOG + Globalstar

What is behind this less than stellar outlook? First, as demonstrated in the introduction, St. Tammany has very close economic ties to the **New Orleans economy**. Our lengthy discussion of the latter's economy earlier indicated a lack of substantive growth ahead. In fact, its percentage job growth forecast ranked 9th among the state's 10 MSAs. Absence of a boost from New Orleans contributes to the expected weak performance of St. Tammany.

There is a second troublesome factor that also may act as a drag on the MSA. In the past year, two large firms headquartered on the north shore were purchased. **Globalstar** employs about 230 at its headquarters in Covington. This satellite company had enjoyed some recent impressive wins, opening a new 10,000-square-foot Satellite Operations Control Center, inking agreements with SpaceX and Apple, and beginning a potentially prosperous partnership with the U.S. Army. Then, in April, Globalstar was purchased by Amazon for $11.57 billion. We are concerned that the purchase will put many of the jobs at the headquarters in jeopardy.

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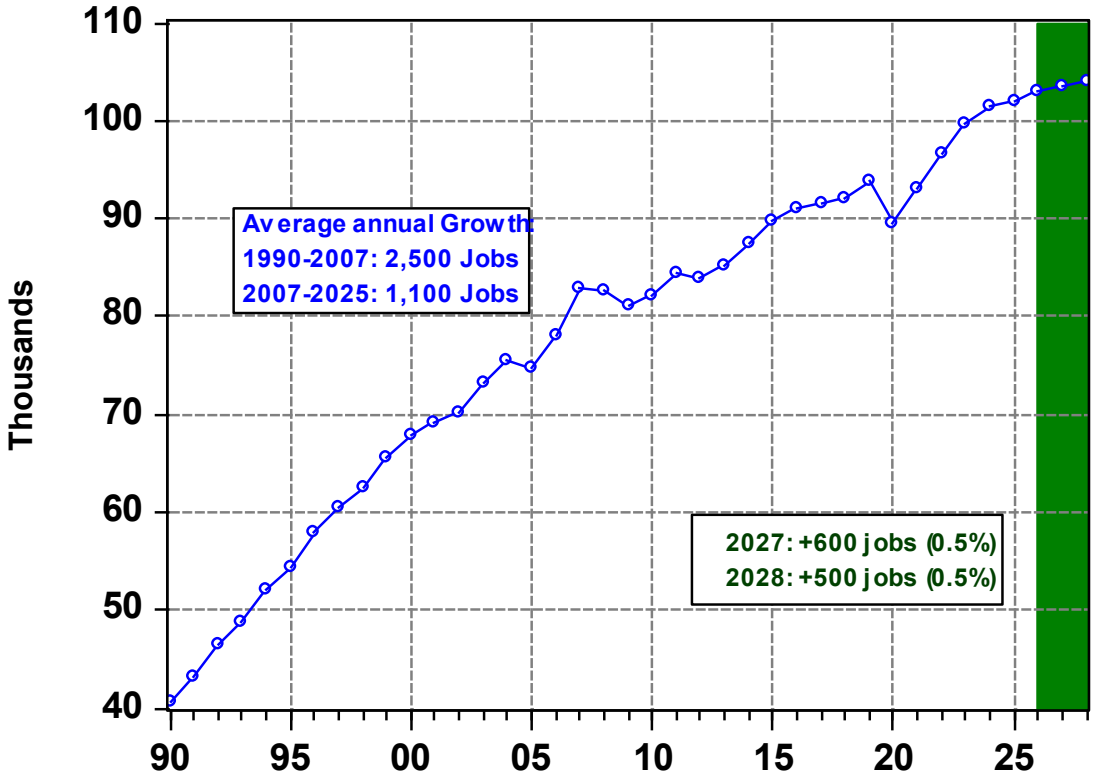
Figure 48

St. Tammany MSA Non-Farm Employment
Forecast: 2027-28



Source: Louisiana Workforce Commission & Loren C. Scott & Associates, Inc.

In addition, exploration firm **LLOG** was sold in December 2025 to the British company Harbour Energy. The threat of job loss is smaller in this case, because our understanding is that there are only 50 people employed at LLOG's headquarters. Still, that is 50 high-wage jobs. We are encouraged by reports that this headquarters operation will remain intact.

Mixed News from the Exploration Sector

Because of its proximity to the Gulf, the north shore has become the home of several players in the exploration sector. The economic future for this group is mixed. The largest of the companies is Chevron, which has a 541-person **Chevron Gulf of Mexico Business Unit** in Covington. Chevron is one of the most active players in the exploration sector in the Gulf. Last year, the company announced a company-wide restructuring expected to reduce its overall workforce by 15-

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20%, with local variances. That last phrase is important, because the reductions in force at the GMBU were not expected to be large enough to trigger a WARN notice to the Louisiana Workforce Commission.

Hornbeck, also in Covington, operates offshore vessels of all sorts servicing the offshore industry. The company has about 52 vessels operating across the world, including service vessels and multipurpose service vessels (MPSVs) or "floatels," which house mariners and third parties. Two additional boats are under construction and another is being converted to a floatel. Hornbeck employs 163 people (down slightly from last year) at its headquarters, a number expected to remain fairly stable over our forecast period.

Two other north-shore companies, both under the Edison Chouest corporate umbrella, have the potential to add significant new jobs in the Covington area. **C-Innovations** conducts surveying and other underwater activities in the Gulf using remotely operated vehicles (ROVs). About 90 people work at this site. Recently, the company acquired Kyst Design out of Norway, a purchase that could bring ROV manufacturing to the north shore—a plant that could hire up to 100 new people.

The slightly smaller Chouest firm — **Marine Technologies** — employs 50 people at its Covington site. MT is a dynamic positioning and control systems firm. We discussed earlier the Navy's move into unmanned surface vessels. Marine Technologies is one of the firms in the running to manufacture these USVs. If MT lands one of the contracts, and it is big enough, over 100 new manufacturing jobs would result.

Nice Bumps from Ampirical, Textron & AWG

Three companies are bringing a significant number of new jobs to the region. **Ampirical** is an engineering firm focusing on electrical grid and substation design, an area that is particularly hot right now. The company broke ground in January on a new $43 million, 90,832-square-foot, 5-story expansion of its headquarters in Covington. With employment at 744, the firm enjoys a large backlog of work and expects to add about 75 jobs (at $100,000 annually) a year over 2027-28.

Textron Marine & Land has a headquarters and vehicle manufacturing plant (76 jobs) in Slidell. This site manufactures vehicles in the COMMANDO family of products—armored security vehicles, the Big Dog wildland fire truck, the Common Unmanned Surface Vehicle used for mine counter measures, and the Cottonmouth 6X6 amphibious vehicle. Textron recently announced it will invest

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$5.8 million across its Slidell and New Orleans East sites, and will add 111 high-wage ($95,600) jobs at the Slidell site.

Associated Wholesale Grocers is expanding its Pearl River location via a $110 million investment to install advanced automation at its plant. No new jobs will be added to AWG's 334-person workforce. **ChillCo** in Lacombe announced it will be expanding its facility with a $4.4 million investment. These monies will expand both manufacturing and warehouse space, and comes with 38 new jobs to add to the existing 68 jobs at the facility. Also, **Ochsner and SMH** will be spending $7 million on an orthopedic clinic on the north shore over 2027-28.

Stability Among Other Large Players & Road Lettings

There are four other major players on the north shore where the job count is expected to be little changed. **Pool Corporation** is the world's largest distributor of swimming pool supplies with about 6,000 employees in 13 different countries. Pool Corporation headquarters is in Covington, where about 400 people work. Little change is projected in this number. Zeno Grain employs about 280 people when consolidating its grain and barge employees. There are a stable 60 people employed at the **Zen-Noh** site in Mandeville. About 100 people are employed at the benefits firm **Gilsbar** in Covington, and about 350+ work at benefits firm **Healthcomp**. We expect no meaningful change in these employment numbers.

The state has announced $193.7 million in new **state road lettings** over 2026-28, an 8.8% increase over last year. The largest project is $116.1 million to 4-lane LA3241 between I-12 and LA434. A modest $13.1 million will be directed to St. Tammany Parish over 2027-28 from the **Coastal Protection and Restoration Authority**. These funds will largely be used for a $10.5 million coastal storm surge and flood risk management project.

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Desperate Need for Gulf Rebound

No MSA in the State — actually no MSA in the country — is more energy dependent than this one. Of its total employment, 5.8% is directly in oil and gas exploration versus 1.3% at the state level. Located in Southcentral Louisiana on the coast (see Figure 14), it is comprised of two parishes — Lafourche and Terrebonne. Not only are there a large number of direct jobs in the exploration industry, but there are many other support companies — machinery, fabrication, shipbuilding, water-borne transportation, and a port — that feed off of extraction activities.

The fabrication industry is quite large in this region, largely founded on building components for offshore oil and gas exploration/production. Now many are busy trying to diversify into non-oil and gas related work. They also have shifted towards more maintenance and repair work on offshore facilities, led by companies such as **Grande Isle Shipyards**, **Danos**, **Gulf Island Fabricators** and **Chett Morrison**.

Shipbuilding is a major employer in the region — an industry that used to be totally focused on offshore energy work but has now diversified into other areas. Perhaps the largest of these ship-building companies is **Edison Chouest** a firm that owns and operates some 300 supply boats servicing the offshore industry but also builds boats to service the offshore wind industry and other vessels. Many of these ships operate out of **Port Fourchon**, a small city on the Gulf, which services over 90 percent of the offshore platforms and drill ships in the Gulf of America. **Bollinger Shipyards** (a subsidiary of Chouest) is another huge shipbuilding player in the region. Originally building ships for offshore work, this company now has long-term contracts with the Coast Guard to build several Fast Response Cutters. **Thoma-Sea** is a shipyard that has made the shift into non-oil and gas vessels such as research vessels, ferries, and brown-water barges.

This MSA is also home to **Nicholls State University**. Almost 6,000 students were enrolled at the university in Thibodaux in Fall 2025.

Forecast for 2027-28: Look to Shipyards for Spark

Figure 49 tracks nonfarm employment in this MSA from 1990 through 2026, along with our projections for 2027-28. **We are estimating the Houma MSA will add 1,200 jobs in 2027 (+1.4%) and 1,500 jobs in 2028 (+1.7%).** This would rank the MSA #7 in absolute job growth and #4 in percentage job growth among the state's 10

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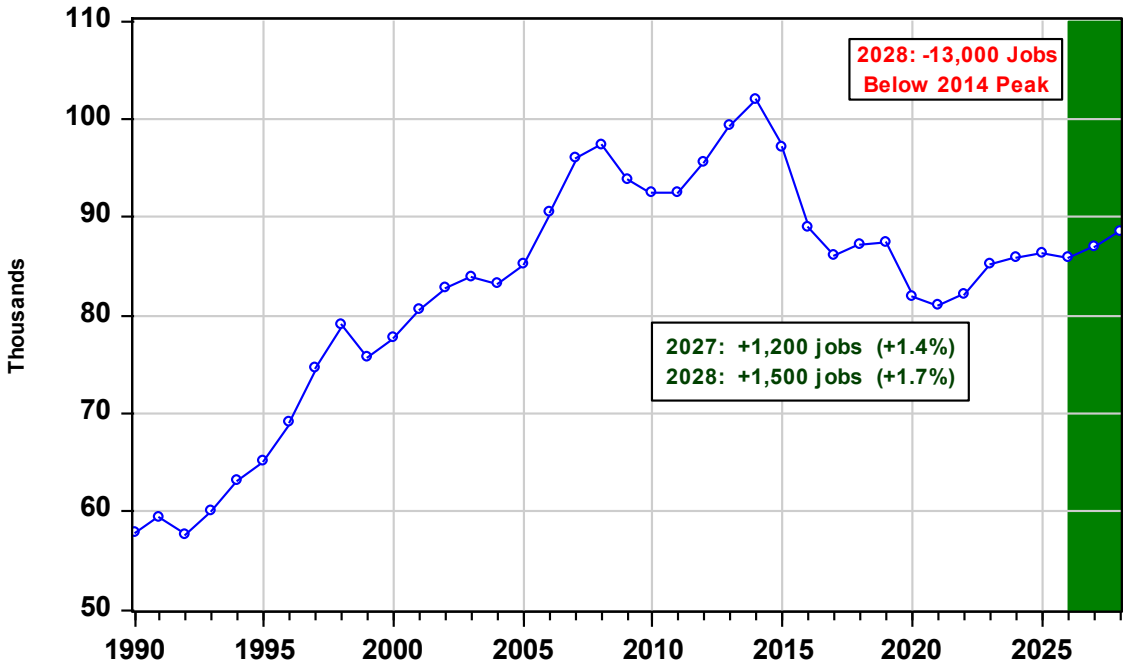
MSAs. If these projections are near the mark, in 2028 the MSA's employment would still be 13,000 jobs below its previous peak in 2014.

Figure 49

Houma MSA Employment Forecast 2026-27



Source: Louisiana Workforce Commission & Loren C. Scott & Associates, Inc.

GOM Rig Count Only 12

As mentioned in the introduction to this MSA, the Houma region is the most exploration-dependent MSA in Louisiana. A large part of this MSA's economy is tied to exploration activity in the Gulf of America.

Figure 50 paints a disturbing picture of drilling activity in the Gulf. The rig count peaked at 149 in 2000, fell through 2010, then rose to near 60 in 2014, before dropping to the 20 range for the next decade. Biden Administration limits on leasing activities and other impairments on fossil fuels exploration led to a further decline into the 10-12 range.

There is hope for some modest recovery due to more pro-fossil fuels policies of the Trump Administration. **Lease sales** are back on the 2-every-year schedule that had been in place since the 1950s, and the results are somewhat encouraging. The first sale (December 2025) under the Big Beautiful Bill resulted in $300.4 million in leases on 181 blocks and about 1.04 million acres offered. In March, a second lease sale resulted in a much lower $47 million in sales, but this

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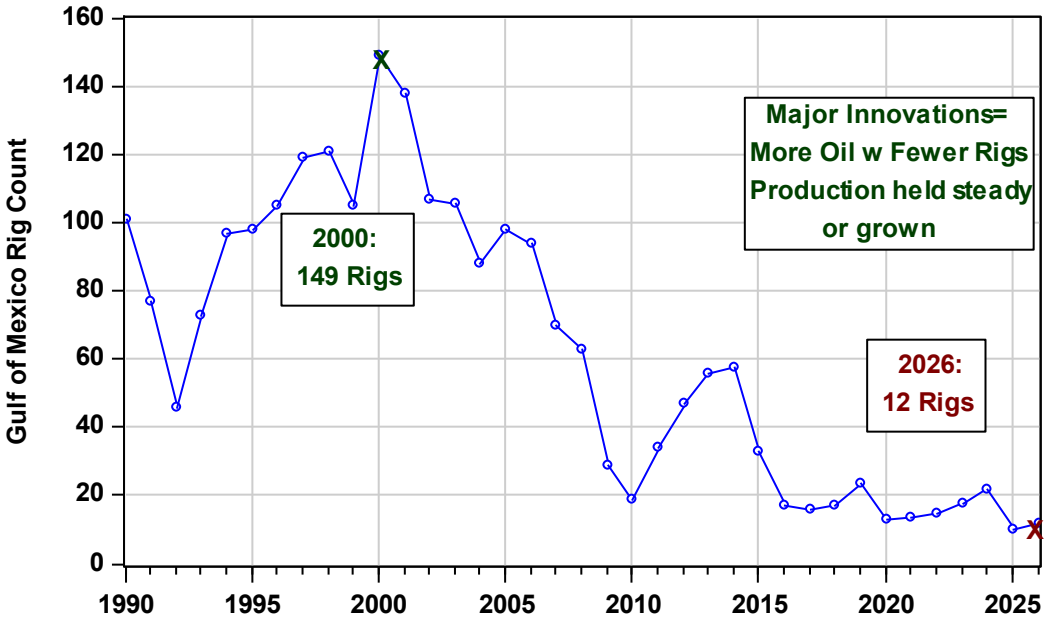
was on a much lower 25 blocks and only 141,000 acres. A lower royalty rate, authorized under the BBB, of 16 2/3% helped motivate sales.

Figure 50

Gulf of America Rig Count:
Month of August



Source: Baker Hughes & Loren C. Scott & Associates, Inc. Data are for Louisiana & Texas

Careful observers will discover that though the rig count is well down from 2014, the same is not true of oil production in the Gulf. Production in federal waters in May 2024 was 1.4 MMb/d versus 1.9 MMb/d in May 2026.

Major technological changes have generated much more production per well. Drillships can now operate in high-pressure, high-temperature (HP/HT) environments, opening up more reservoirs and more productive reservoirs than in 2014. Drilling time for a typical well has declined between 20%-40% since 2014, pushed by rotary steerable systems, and measurement-while-drilling advancements that allow horizontal wells to be drilled 5-10 miles horizontally. The latter allows a single rig to reach multiple reservoirs from one wellbore, draining larger reservoirs from one well without relocating.

These advances are making activity in the Gulf less vulnerable to oil price swings, because it has reduced the breakeven price in the Gulf from $68 in 2014 to $47 in 2026.

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Importantly, by one measure there are some **54,000 wells that have been drilled in the Gulf and there are 2,500 active drilling platforms**. That is a foundation for a great deal of maintenance, repair, and decommissioning work for firms in the Houma MSA.

Robust Service Firms

That last paragraph provides a hint for an important source of Houma's job growth. There are some very large service firms located in the Houma MSA that conduct maintenance, repair, painting, and decommissioning work on the thousands of wells and producing platforms in the Gulf. **Danos** does these maintenance chores, along with logistics support, and platform operation. At 2,200 employees in the MSA (including ones working offshore), the company recently became the primary contractor for maintenance, crane operations, and lifting services for two more companies and added a Shell warehousing contract. At least 100 jobs will be added over 2027-28.

Another large player in this field is **Gulf Island Shipyards** (GIS), with 1,000 employees in the MSA region—a number that will be increasing—and another 2,000 in other areas. Like many companies in this region, GIS is finding new business in the data center field. Attracting qualified workers remains a daunting challenge. At about 300 employees,

Serious workforce expansion over the next two years is expected at **Gulf Island Fabricators**, a firm recently purchased by IES Holdings. Now at 800 workers, GIF plans to grow to as many as 1,500 total employees by 2028. The firm's business is about 60% fabrication and 40% maintenance, repair, scaffolding, coating, etc. GIF has switched more to the fabrication side as it (1) picked up a major contract for 100+ pilings for a bridge in Maryland and (2) moved into the manufacture of generator enclosures for data centers.

Chett Morrison is more focused on onshore infrastructure maintenance — especially pipeline maintenance. Employment at CM is expected to be stable over 2027-28. **Halliburton** has a presence at eight different sites in this MSA. Its workforce of 255 employees is projected to remain stable.

New Contracts = Strong Shipbuilding

The last few months have been particularly favorable to the shipbuilding sector of the Houma economy. Unusually **large, new contracts** are creating a nice jobs spurt in this sector. The largest of these was the $2.1 billion contract awarded to **Bollinger Shipyards** for four Arctic Security Cutters (see Figure 51). The

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contract is expected to lead to as many as 1,000 new jobs. Many of the components will be built at Edison Chouest's LaShip Yard. $88 million in capital expenditures will be needed at the yards to support the project. At its Lockport yard, Bollinger's work continues on the Coast Guard's Sentinel-Class Fast Response Cutter. As of this July, 67 have been built and 18 remain.

Figure 51

Arctic Security Cutter

We mentioned above that components of the icebreaker ship will be built at **Edison Chouest's** LaShip yard, where employment is projected to rise from 800 to 1,000 to accommodate this part of the project. An even bigger boost will come to this yard if EC gets a piece of the huge Navy contract to build Medium Unmanned Surface Vessels (MUSVs). Shipyards across Louisiana are bidding on this project. If EC wins, hundreds more jobs will follow. EC's North American Shipyard employment is stable at 600, and its large repair/logistics facility (with Bollinger) at Port Fourchon employs about 1,000 people. About 650 are employed at EC's headquarters.

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Thoma-Sea Shipyard is another shipbuilder enjoying a very prosperous period. Now at 630 workers, the yard will add 100+ workers a year over 2027-28 and has a 5-year goal of reaching 1,000. Thoma-Sea is conducting the final testing of the first of four NOAA research vessels. Options exist for two more of these vessels, and several groups have been visiting the yard to see the work TS is doing on research vessels. The firm recently signed a contract to build a ferry for Galveston and is finalizing the contract for a very large ferry for Alaska. Two ferries are presently in the latter stages of construction for the Louisiana Department of Transportation. Next spring, Thoma-Sea will begin work with Austal Shipyard in Mobile on the $3.2 billion T-AGOS submarine-hunting vessel.

Port Fourchon CAPEX & Argent

The nation's most important port for servicing the vast exploration network in the Gulf is the 2,000-acre **Port Fourchon**—pictured in Figure 52.

Major monies will be spent at the Port over our forecast period. The Port has received permits for the $50 million project to **dredge Belle Pass and Bayou Lafourche** (the entrance to the Port from the Gulf) to 33 feet beginning in late 2026. Sediment dredged from these bayous will then be used by the Coastal Protection and Restoration Authority (CPRA) for a marsh creation project. The Army Corps will be responsible for maintenance of the deepened channel.

Work continues on development of **Fourchon Island** (yellow section at bottom of Figure 52). Permits are expected to be in hand by late 2026 to start (1) work on a $35 million bridge to access the island and (2) a $25 million dredging effort in support of the project. It is expected that $1 billion will be spent on development of the island, so that it can be used for offshore rig repair/refurbishment, project cargo, decommissioning, and fabrication. Leases have already been signed with C-Logistics, Bollinger, and GIS, and a $2.5 million FEED study has recently been completed.

A $1.5 million project to begin development of the **Coastal Wetlands Park** was begun in early 2026. The project involves constructing (1) a walkway along the marsh apron, (2) seating areas, (3) a parking area, and (4) an elevated view tower overlooking the newly created wetlands, tidal creek, and Port.

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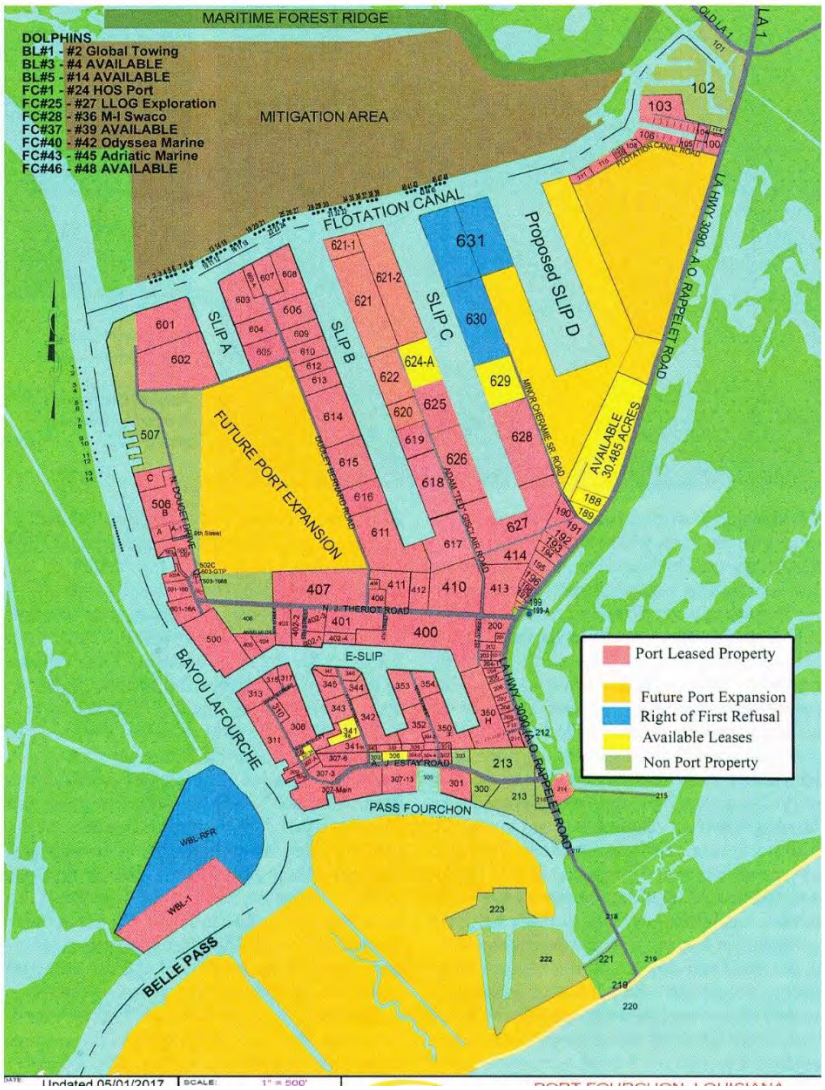
Figure 52

Port Fourchon



We have been pleasantly surprised at the progress made on the proposed $20 billion **Argent LNG** export terminal at the Port. Pre-filing steps with FERC should be completed in late summer, when the project will then enter the "full" FERC filing process — which will take about 18 months. GIS has been awarded a contract for a comprehensive marine and environmental analysis, plus site

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engineering. Permission has already been secured to export to non-free trade countries. Could an FID on the largest capital project in Houma's history be achieved in late 2028?

Two Projects to Watch

There are two significant non-exploration related projects announced for this area that bear watching. A year ago, **Neuro.io** announced it would be taking the old Houma Courier Building for an innovation campus. The firm would have a pharmaceutical manufacturing facility, a digital therapeutics training center, neuro devices manufacturing, engineering clusters, cognitive labs, and medical applications of AI. The proposed employment schedule starts with 93 employees over 2026-27, growing gradually to 1,108 in 2035. We are aware that some renovation activity has occurred, but it is slow and unclear to what extent the project is on schedule.

A more promising project is the proposed $30 million large-scale manufacturing plant announced by **NovaSpark**. Products from this plant would support commercial deployment of atmospheric hydrogen generators, backup power for data centers, and level 3 EV charging stations. NovaSpark is planning an opening in 2027 with 240 employees.

Big Bucks from CPRA

One of the largest allocations of **CPRA** monies over 2027-28 will land in this 2-parish MSA. The agency is authorizing nearly half a billion dollars ($452.3 million) for projects in the Houma area. The three largest projects include:

- $99 million for the Houma Navigation Canal lock complex
- $45.4 million for Morganza to the Gulf
- $39.3 million for the Bayou Dularge Ridge and marsh creation project.

The MSA took a slight hit in **state road lettings** as compared to last year. The amount allocated to 2026-28 is $128.4 million, down slightly from $149.8 million last year. The two largest projects are:

- $44 million to replace the Boudreaux Canal Bridge at LA56
- $19 million to rehab the Bayou Lafourche movable bridge

While on the topic of state government expenditures, we point out the rather gloomy state of enrollments at **Nicholls State University** (Figure 53). Enrollments have declined from a peak of 7,695 in 2005 to a low of 5,923 in Fall 2025 — a drop of 23%. One indicator of the importance of this institution as a job

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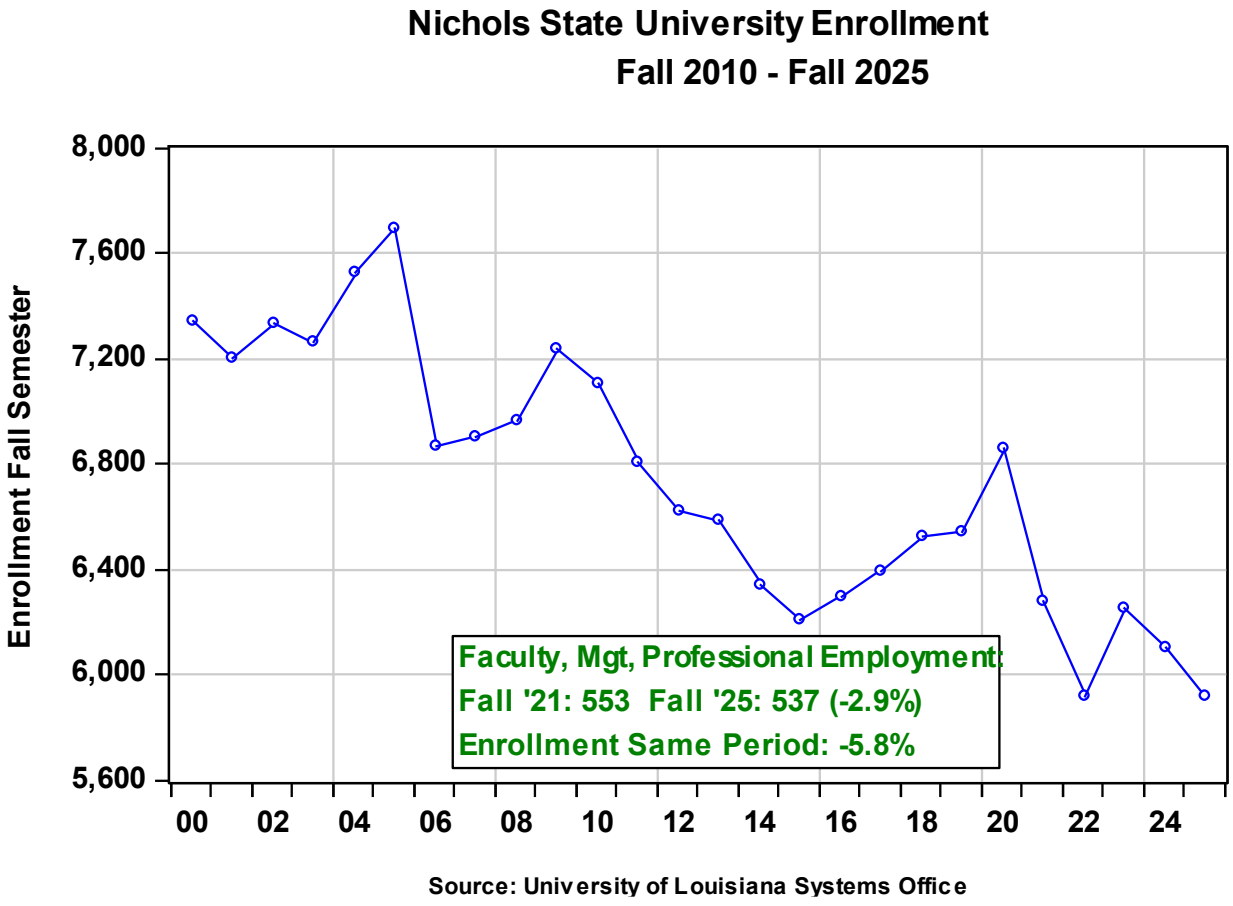
creator is the fact that in the Fall 2025 semester there were 537 people employed at the university in either faculty, management, or professional roles.

Figure 53



Source: University of Louisiana Systems Office

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THE MONROE MSA

Largest Single Investment in Louisiana History

The Monroe MSA is located in the Northeast corner of the state (see Figure 14) and is the fourth smallest MSA in Louisiana. It is composed of four parishes—Ouachita, Union, Richland, and Morehouse Parishes.

Cade Farms employs 1,600 at its chicken processing facility, and **Graphic Packaging**—a paper/carton plant—is one of the largest private employers with about 1,105 people at its two sites. Another large employer is **JPMorgan Chase Mortgage** which operates an 825-person mortgage servicing center in Monroe.

A serious loss recently was Lumen Technologies (the former CenturyLink), which used to have a 2,300-person workforce but has moved most of its operations to Denver and now has just a few remote workers in the area. Closely tied to Lumen was **IBM** whose 321-person operation has vanished as well.

These two blows are being offset at this writing by the largest single capital investment in Louisiana's history (pre-SpaceX) — the Meta data center in Richland Parish. More on this project below.

Monroe is also a university town, hosting the **University of Louisiana Monroe** with its 300 faculty members. A new medical school—**Edwards Via College of Osteopathic Medicine**—opened in fall 2020 with 150 freshmen and is now up to a full 4-year program of students.

The **Ochsner/LSU Health Sciences Center Partnership** has renovated the old E.A. Conway Charity Hospital and added clinics, raising its employment to 840 in the region. **Thomas Pumps** (formerly Gardner Denver) is a 250-person facility that manufactures pumps for medical equipment.

Forecast for 2027-28: A Tidal Wave Called Meta

In Figure 54, nonfarm employment in the Monroe MSA is plotted from 1990 to 2026, along with our forecast for 2027 and 2028. **We are projecting 2,000 new jobs for the region in 2027 (+2.1%) and another 2,200 in 2028 (+2.3%)**. This would make this rather small MSA the second fastest growing in the state in percentage terms. We estimate that this year, 2026, the region will tie its previous employment peak back in 2003, and **for the first time in over two decades, will begin to set new employment records**.

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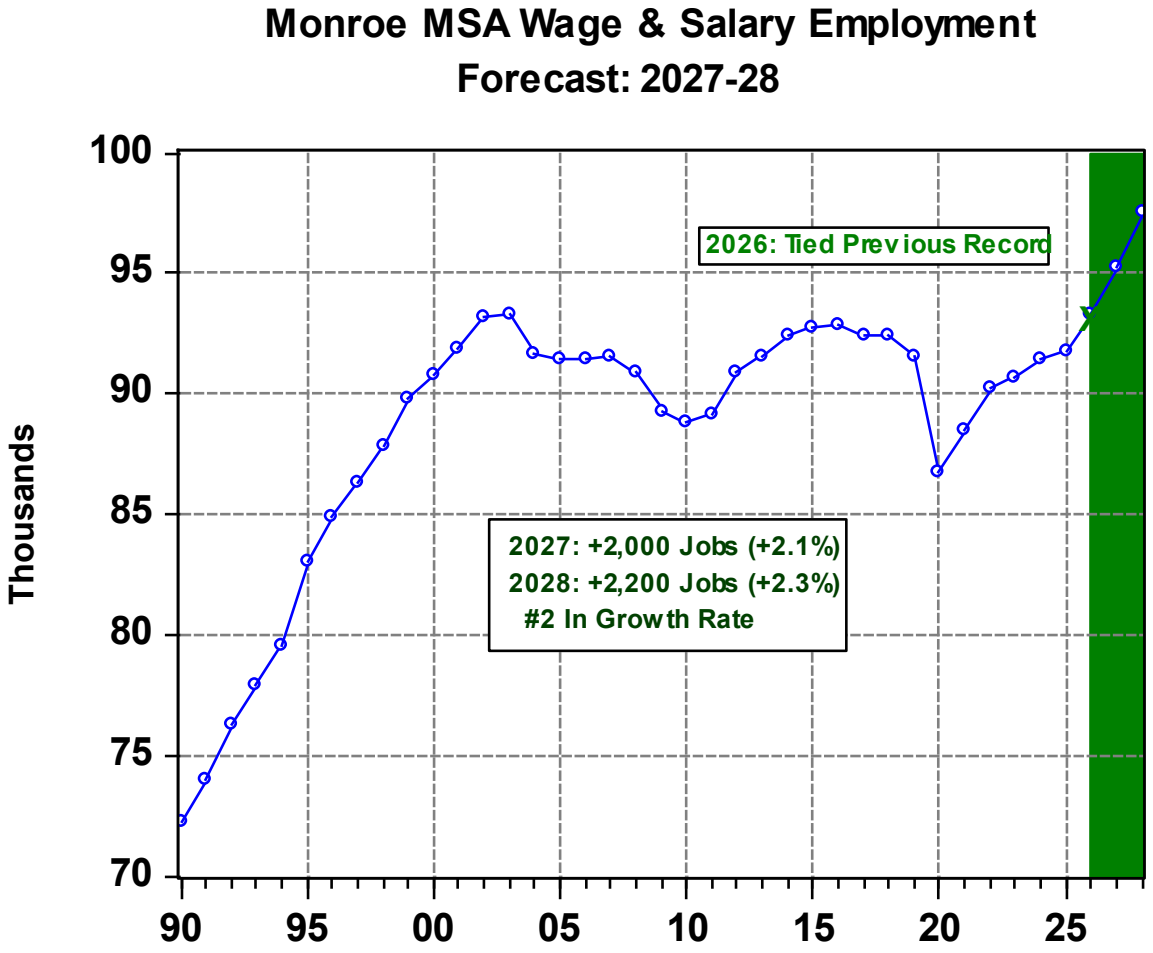
Figure 54



Source: Louisiana Workforce Commission & Loren C. Scott & Associates, Inc.

Meta: 4X Larger than Central Park

Careful readers will notice the radical change in the slope of the employment line in the Monroe MSA starting in 2026. Despite the loss of huge players like Lumen and IBM, Monroe has entered a distinctly more positive growth track.

The huge **Meta** data center in Richland Parish—30 miles to the east of Monroe—is the sole reason for this new prosperity. Nicknamed Hyperion after the Greek god of heavenly light, this project has grown fivefold to more than $50 billion, including about $10 billion in six new power plants from Entergy at the site (and a seventh power plant in St. Charles Parish). Figure 55 super-imposes the facility on Manhattan to help readers appreciate its monstrous size. It is now estimated that when completed Meta will employ 1,000 people at the facility.

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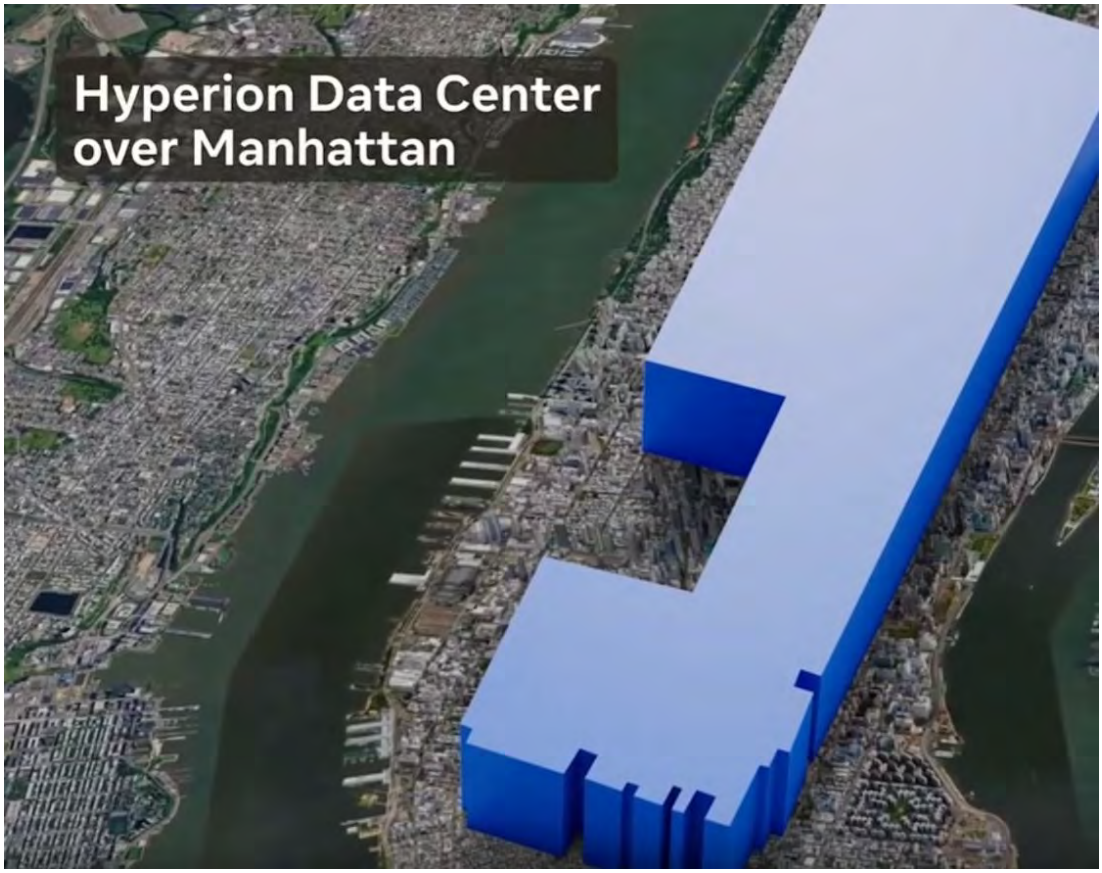
The project is scheduled to reach 2 gigawatts by 2030, with full build-out around 2032.

Figure 55



Richland Parish has historically been one of the poorest parishes in the state, ranking 46th among the state's 64 parishes in 2024. Now, from a financial standpoint, the Parish is benefitting handsomely from this new tenant. Last year, the Parish collected $26.3 million in sales taxes from all the businesses in the Parish. Recently, Meta wrote a single check to the Parish for sales taxes totaling $22.4 million—basically doubling collections in one year.

Each year, the Parish tries to write a 53rd bonus check to its school teachers and other school employees. Last year, it was a maximum of $10,200. This year, it was a stunning $50,935—in some cases doubling a teacher's salary. Other school employees got checks of up to $17,000. $5 million has been given to Louisiana Delta Community College for training of locals for jobs at the site, and

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some $1 billion is to be spent by Meta to upgrade roads, water, and waste water systems.

As one economic development expert said: "This sucker is transformational."

Potentially More Significant Capital Projects Ahead

This is turning out to be a good year for new capital investments in this region. In a normal year, they would be considered very impactful, but unfortunately, they are being dwarfed by the massive Meta project.

At the high end, **Tenaska** is at the permitting/licensing stage to construct a $2-$4 billion gas-fired power plant on 300 acres of land about a mile north of Sterlington. Called the Winding River Power Plant, it would employ 50-60 people when it opens. Union Parish officials are most hopeful a final investment decision is issued soon by Tenaska.

Over in Morehouse Parish, **Beckman Solar** announced plans in January for a $410 million solar farm to support Meta. In Ouachita Parish, **Faith Technologies** has an $80.5 million, 500,000-square-foot manufacturing facility under construction that should be completed early next year. The plant will produce modular, installation-ready electrical systems for data centers and other large-scale facilities. The firm plans to hire 200 people at the site.

Other Key Players Holding Steady

This area is fortunate in that, with one exception, other key players are generally keeping their workforces fairly stable. The huge, 1,600-person **Case Farms** poultry plant in Union Parish has bumped its entry wage to $17.50 and its average to $21.50, but still faces challenges (as do most companies in Louisiana) filling its employment needs. A good sign the plant is here to stay is a recent $34 million investment in a 4th product line.

About 1,100 people are employed at Graphic Packaging's two sites in Monroe — about 680 at its carton plant and another 420 at its paper mill. Those headcounts are not expected to change much. Modest declines may occur due to new automation and AI at **Chase Home Lending's** 825-person facility in Monroe. This is Chase's largest employee base in the state.

Long-tenured employees add stability to **Blue Cross Blue Shield's** 362-person Advantage operations in Monroe. The facility only two years ago

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employed over 610, but the company says the downsizing trend is completed. A real potential for substantial job growth is possible at **Coast Professional**, a company that runs a call center to service student loans for the U.S. Department of Education and also does collections and refunds for the IRS and Treasury. If the company lands a contract on student loan collections, its employment will swell by 300-500.

Lexicon Prospect Steel has $11 million in upgrades planned to enlarge and extend efficiencies at Plant #2 in its two-plant arsenal. Lexicon is tearing down an old office building and building a new one. At 173 employees now, the firm expects to be at 220-225 by 2028. **NovaSpark Energy**, a sustainable energy technology company, announced it is growing its workforce in West Monroe, adding 60 new jobs. **Monroe Ochsner-LSU Health** is adding five surgery beds and making $15 million in other capital improvements, such as a pharmacy expansion, additional clinic locations, and a cancer treatment center.

These are generally good news stories, but there has been one negative piece in the news lately. **Hydro Extrusions**, located in Delhi, has announced it is closing its aluminum manufacturing plant, laying off 226 people.

Mixed News from the State Side

The news is a bit mixed regarding state funded projects in the area. First, the not so good news. **State road lettings** over 2026-28 will decline nearly 14% as compared to last year. The area will receive $136.4 million in lettings, the two largest of which are:

- $34.1 million for Phase 2 of the Kansas lane extension
- $15.9 million for the Boeuf River Bridge replacement at LA561

A really nice win for the community was securing $23 million for a state-funded building at the new, 20-acre **Biomedical Research/Innovations Park**. Located near the ULM College of Pharmacy, there is space for four buildings. Roads, utilities and landscaping are all in place.

Speaking of **ULM**, after a 9.5% decline in enrollments between Fall 2017 and Fall 2022, over half of that decline has been recovered in the past three years (see Figure 56). One indicator of the importance of the university to jobs in the area is that in Fall 2025, there were 740 people employed at the university in faculty, management, or professional roles.

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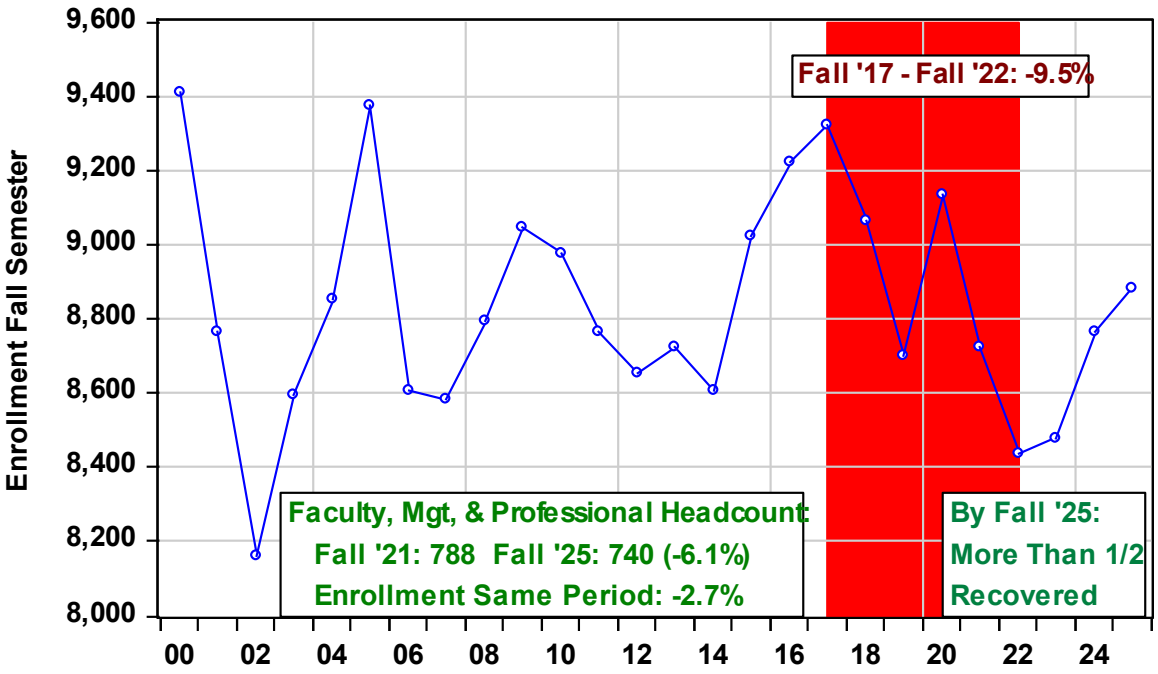
Figure 56

University of Louisiana Monroe Enrollment
Fall 2000 - Fall 2025



Source: University of Louisiana System Office

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Win Some, Lose Some

Louisiana's second smallest MSA is located in the dead center of the state (see Figure 14) and is comprised of Rapides and Grant Parishes. There were 62,600 non-farm employees in the MSA in 2026. While there are some notably large manufacturing firms in this MSA, the manufacturing and mining sectors are small compared to other MSAs in Louisiana.

Some large firms add an important private sector base to this MSA. The nearly 1,300-person **Procter & Gamble** is the largest manufacturer in the region, and nearby **PlastiPak** (nearly 350 jobs) makes the containers to hold P&G's products. Equivalent in employment size to P&G, utility company **Cleco** is headquartered in Pineville and is an important economic driver for the community. **Crest Industries** is a 1,000-person+ conglomerate (1,300 companywide) that is engineering-focused but also has a major subsidiary manufacturing equipment for the utility industry. England Airpark is host to **Union Tank Car** (about 400 employees), which manufactures railroad tank cars to primarily transport chemical products. Significant ICE operations occur at the Airpark. **Coca Cola Bottling** has a bottling, warehouse, and distribution facility in Alexandria that employs 2,120 workers.

Alexandria has a large government base (22.3% of its employment), second only to Hammond in its dependency on this sector. **Pinecrest Support and Services Center**, which provides care for the mentally disabled, **Central Louisiana Support and Services Center** and **Central State Hospital —** a facility for the mentally ill — are all located in the MSA and between them employ over 1,800 people. **LSU-A enrolls over 7,000 students and employs 384 people**.

Just outside the borders of this MSA are very large employers with close economic ties to the MSA. **Fort Polk**, in Vernon Parish to the west, is the largest military installation in the state, with nearly 14,200 permanent military/civilians on site and another 5,000 troops rotating through nine months out of the year. This makes the base the largest single employer in Louisiana. **Roy O. Martin** employs just over 950 at two wood processing sites a couple of miles outside of Rapides Parish to the north and south (plus 80 people at its headquarters in Alexandria).

Forecast for 2027-28: Finally, A Major Economic Shot in the Arm

Figure 57 tracks nonfarm employment in the Alexandria MSA from 1990 through 2026, along with our forecast for 2027-28. **We are projecting 1,000 new**

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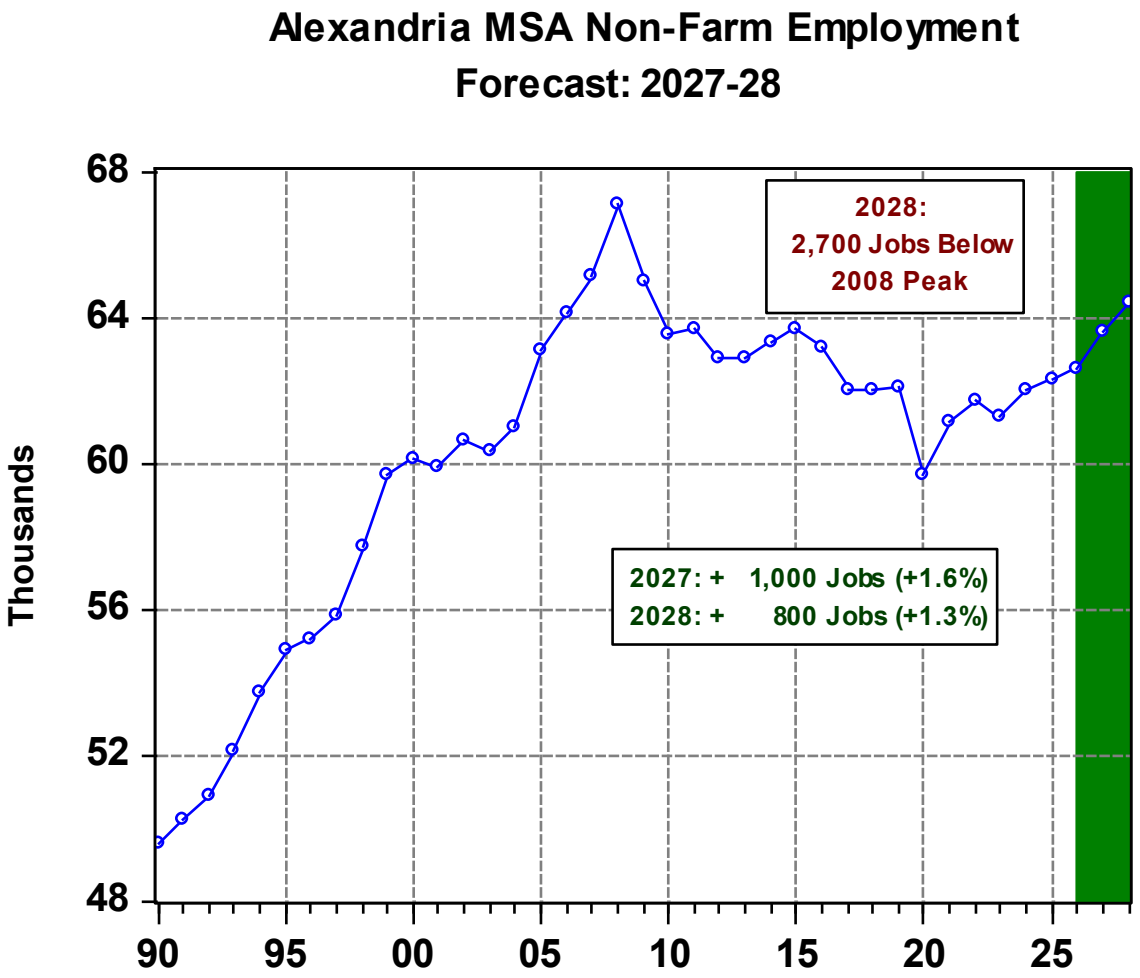
jobs for this MSA in 2027 (+1.6%) and another 800 jobs in 2028 (+1.3%.) Among Louisiana's 10 MSAs, this region's absolute job growth would rank 8th, but its percentage rank is 5th. Note in Figure 57 the distinctly improved growth rate expected over the next two years. Even with this much improved growth trend, this MSA's employment at the end of 2028 is still estimated to be about 2,700 jobs below the region's previous employment peak in 2008.

Figure 57



Source: Louisiana Workforce Commission & Loren C. Scott & Associates, Inc.

Applied Digital to the Rescue

In our Alexandria presentation last year, we remarked that to jump start this economy the region needed either (1) a new data center or (2) an FID issued on the Beaver Lake project. The great news for Alexandria is that the largest of those two possibilities came through when **Applied Digital** — a digital infrastructure

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developer — announced it would build a $3.6 billion (for Phase 1) data center called Delta Forge 1. This project will be the largest single capital investment in the region's history.

Located on 300 acres of land adjacent to the interstate near Boyce, Delta Forge 1 is scheduled for opening in mid-to-late 2027. This opening is estimated to bring 200 new jobs to the area, paying 150% of the state average. A Payment in Lieu of Taxes (**PILOT**) has been negotiated with Delta to pay the Rapides Parish School Board, Police Jury, and Sheriff Department $24 million a year, a figure that will gradually decline to $17 million a year as the assets depreciate. The previous private landowner was paying $3,900 a year.

This great announcement was partially offset by the disappointing news that the $2.5 billion **Beaver Lake Renewable Methanol** plant had been canceled. Beaver Lake is not alone in the decision. A couple of other similar plants, using wood residue or bagasse as a feedstock, have also canceled their projects.

Cleco: Cheers at the Headquarters

This MSA dodged a huge potential bullet this year when the sale of **Cleco** was announced. Owned by the investment firm Macquarie for the past ten years, Macquarie initiated its plans to sell the company and return investment monies to its investors. There was great concern that the sale might be to another utility firm (e.g., Entergy, AEP, Nextera) that would merge management responsibilities into their own headquarters, eliminating the 1,200 jobs at Cleco's headquarters in Pineville.

Cheers went up at the headquarters when it was announced that the firm was being purchased by a private equity partnership made up of Stonepeak Partners and Bernhard Capital. All indicators are that the headquarters in Pineville will remain intact. Whew.

Cleco will be examining the future construction (outside our forecast period) of a 756-megawatt natural gas-fired power plant. This new plant will be necessary to replace a plant ageing out, but also to support the new data center. Delta will require 430 megawatts and will pay full cost of infrastructure needed to connect to the grid, including new substations, upgrades to existing substations, & transmission improvements. Cleco points out this will reduce the impact on consumer bills, because Delta will contribute $3 billion over 15 years in non-fuel charges to help cover generation, transmission, storm recovery & other costs. By Cleco's estimates these extra monies will result in $700 million in net benefits to existing customers over that period that they would otherwise have to pay.

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ICE Action at England

Few people realize the magnitude of ICE operations at the England Airpark. The President has placed increased emphasis on deportation of illegal aliens. This has seriously bumped up ICE activity at the Airpark, where this activity is up dramatically this year alone. The first six months of last year, there were 1,771 ICE flights out of AEX; the first six months of this year, there were 4,786.

Both capital expansions and new jobs are accompanying this increased activity. The **LaSalle Family Foundation** is a new unit (the first in the country) that aids families agreeing to self-deport in processing their paperwork. The Foundation is spending $15 million to remodel two existing buildings and add 30 modular buildings for administration, medical, and housing needs — creating 240 new jobs at the Airpark.

The **GEO Group** is spending $5-$15 million on additional facilities on seven more acres of land adjacent to its existing 60,000-square-foot building. The company will add 50-100 new jobs to its existing workforce of 200. **CSI Aviation** is the prime contractor for ICE transportation services at England. Already at 200 employees, CSI is projected to add another 50 full-time employees.

Ucore Rare Metals should complete its $150 million building in the latter part of this year and begin hiring up to 100 new employees, ramping up over 18-24 months. **Robinson Carbon** has announced plans to spend $20 million on a new bio-char facility at the Airpark. Feedstock for the company is woodchips from local wood products companies in central Louisiana. An FID has yet to be issued on this plant that will employ 100 when it opens. **Union Tank Car** also operates on England property, manufacturing, and then leasing, rail cars primarily to transport chemical and agricultural products. Now at 300 employees, UTC is entering a period of 15% growth per annum, largely due to expansions in the chemical sector along the Louisiana and Texas coasts.

Other Major Industries Solid

The Alexandria MSA is very fortunate to have some large manufacturing firms that lay an excellent foundation for this economy. **P&G is at about 590 direct employees, plus another 700 or so contract workers**. Last year, the firm finished a $96.7 million investment to install advanced production lines to boost capacity. **PlastiPak** makes plastic containers for P&G. This firm recently announced a $53.8 million, 200,000-square-foot expansion that added five new production lines. Now at 340 employees, this expansion will add 15 more jobs at the site.

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Crest Industries is headquartered in Alexandria and has several firms under its umbrella, including DIS-TRAN Steel, DIS-TRAN Packaged Solutions, Beta Engineering, Optimal Field Services, Mid State Supply, Millennium Galvanizing, Avant Organics, and Crest Natural Resources. Crest focuses on the roaring utility steel pole and substation market. The firm employs 1,300 people company-wide with 950 of those in this MSA. The firm expects to add another 200 jobs over 2027-28.

Coca Cola Bottling announced this summer a $106 million investment in its Alexandria site. The upgrades will include advanced warehouse automation to improve efficiency, order fulfillment, and distribution capabilities. Already at 2,120 employees, this investment will result in 50 new slots at the facility.

Big Influencers "Just Outside the Gates"

Though they are not technically within the boundaries of the MSA, there are two large entities just across the edges of the MSA that significantly influence the Alexandria economy. Just over 50 miles to the west of Alexandria is **Fort Polk**. A consequential restructuring has occurred at the Fort in the past couple of years, but the facility still employs 7,359 military and 6,822 civilians, plus another 4,959 troops rotate through the Fort each month for nine months. Over 57,400 retirees and veterans live in a 5-parish area around the base.

Over our forecast period, $30 million (to add to $55 million last year) will be spent for billeting area and temporary housing for out-of-town units. Another $11.5 million will go toward a lab to integrate technologies into live training. Recent staff reductions will be reversed in October 2027 when the Multi-Role Bridge Company arrives, creating +540 military slots at the Base.

Martin Sustainable Resources has an 80-person headquarters in Alexandria. It also has two plants just over the MSA's borders — one to the north and one to the south. The Chopin plywood mill is the largest of these plants with about 750 employees, while the oriented strand board facility in Oakdale employs 200 people. Even though the housing market is in a slump, the company expects its employment levels to stay constant over 2027-28.

Government Plays Outsized Role

Employment in the government sector is unusually large in this MSA. Government jobs are about 16.2% of nonfarm jobs statewide. In this MSA the percentage is 22.3%. The data plotted in Figure 58 demonstrate that this sector experienced a major shift downward between 2015-20, losing 1,900 jobs.

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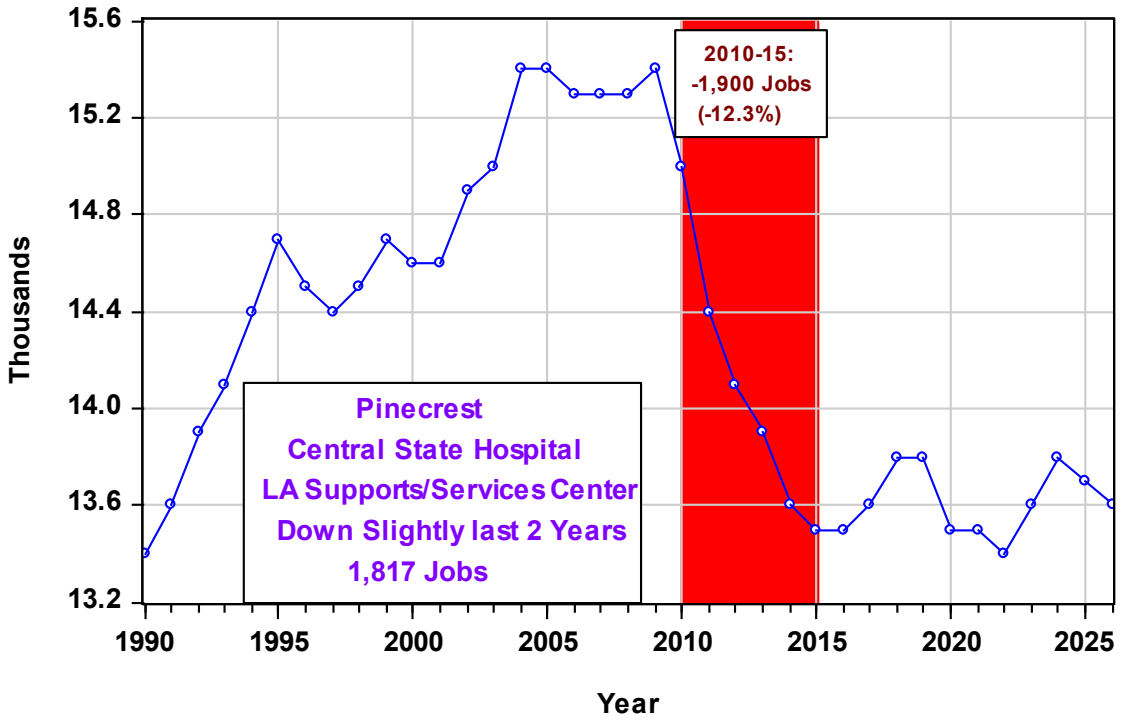
Figure 58

Alexandria MSA Government Employment



Since that period of decline, government employment has basically stabilized, with slight variations, at about 13,600 workers. Much of this variation revolves around the three large state units in the Pineville area. **Pinecrest Support and Services Center**, which provides care for the mentally challenged, employs 1,329 people (down from 1,414 last year) and has an annual budget of $143 million. **Central Louisiana State Hospital** for the mentally ill has 291 on staff and a budget of $58.6 million. The **Central Louisiana Supports and Services Center** employs 197 staff with a budget of $26.9 million. These three units employ 1,817 people — down from 1,892 in 2025 — and inject a quarter of a billion dollars in spending into the MSA's economy.

A real success story for government in the area is the resurgence in enrollments at **LSU-A** (Figure 59). Since Fall of 2021, enrollment at the university is up a remarkable 86%. As the box insert in Figure 59 illustrates, this enrollment record was composed of both online and on-campus students. About 800 more students are on campus--and in restaurants, rental units, and retail stores — since Spring of 2022. Enrollment growth like that also means more jobs at the university. Last fall there were 384 people working at the university in faculty, management, and professional positions, a number 60% higher than Fall 2021.

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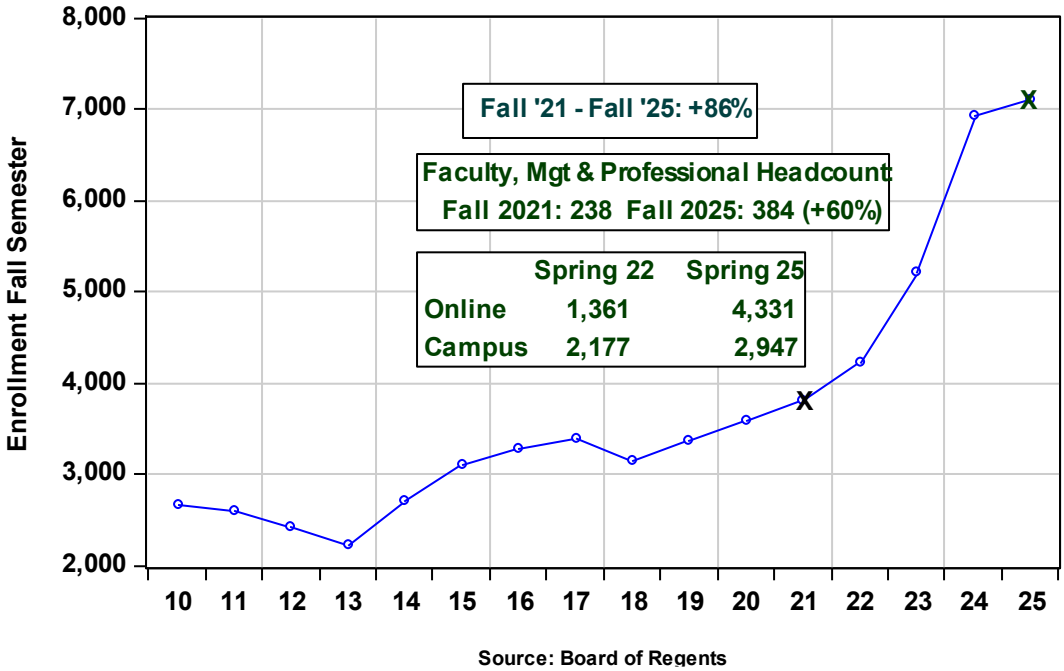
Figure 59

LSU-A Enrollment
Fall 2010 - Fall 2025



Source: Board of Regents

Finally, this MSA will get a modest extra boost from increased **state road lettings**. At $51.1 million last year, this number has increased to $68.8 million for the 2026-28 period (+35%) The two largest projects on the list are:

- $31.6 million for the Sugarhouse Road extension
- $4.9 million to replace the Big Creek Bridge at LA8

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Smitty's Deals a Blow

About 40 miles due east of Baton Rouge is Tangipahoa Parish (see Figure 14) which is the Hammond MSA. It is the smallest MSA in the state with 49,800 nonfarm employees in 2026.

Some 24% of this parish's residents earn their income outside of the Parish. This is actually higher than the percentage in 2001 (18.5%). Downtown New Orleans is a short commute away, as are the plants along the Mississippi River, the State Capitol in Baton Rouge, and St. Tammany to the east. This, plus the relative lack of underlying basic industries, has turned Tangipahoa Parish into a commuter parish.

Because it is smaller, its economy is in most ways simpler. Its largest city is Hammond, which is a college town — home of **Southeastern Louisiana University** (1,430 employees). In most cities the hospital is the largest employer, because the facility employs people 24/7, 365 days a year. This MSA is no different. Its largest employer (aside from the School Board) is **North Oaks Medical Center** (3,193 employees). Combined with SLU, these two players and associated clinics represent almost 10% of employment in this MSA. **Government employment** (24.1%) is tied with Alexandria in terms of its dominance in the economy. **North Lake Division Evergreen Life Services** (230 employees) provides services to over 200 residents with intellectual and developmental disabilities.

Distribution centers have also found a good home here, as Hammond abuts both north-south and east-west interstate highways. An 800-person **Walmart Distribution Center** is located in Tangipahoa Parish, as is the 375-person **C&S Wholesale Grocers**. **S&W Foods** is another wholesaler in the area (125 employees), supplying food to restaurants and schools. The relatively new **Medline** distribution center adds 237 jobs to the MSA.

Manufacturing is not as large an element in this MSA (5.3% of employment) as is the case at the state level (7.0%). Manufacturing is dominated by food processing such as the 600-person **Sanderson Farms** poultry processing plant and the 380-person (and growing) **Elmer's Candy** plant. **Intralox** has a 320-person facility (and expanding) manufacturing modular plastic conveyer belts, and **Southland Steel Fabricators** employs about 450 people at its three units in Amite.

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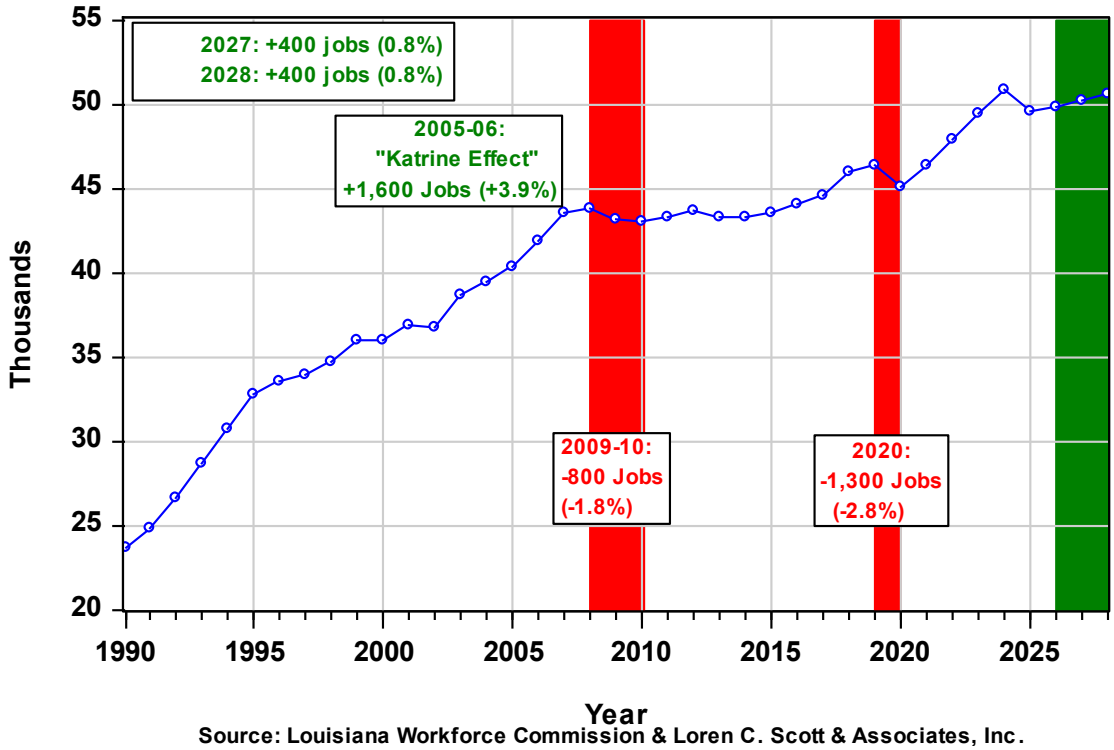
Forecast for 2027-28: North Oak+, SLU+, Smitty's-

Figure 60 tracks nonfarm employment in this MSA from 1990 through 2026, along with our forecasts for 2027 and 2028. **We are projecting 400 new jobs a year (+0.8% annually) for the Hamond MSA over the next two years**. Among Louisiana's 10 MSAs, this would rank the Hammond MSA #10 in absolute growth and #8 in percentage growth.

Figure 60

Hammond MSA Nonfarm Employment Forecast
2027-28



Source: Louisiana Workforce Commission & Loren C. Scott & Associates, Inc.

Candidly, this could turn out to be a way too pessimistic outlook for this MSA. Partially, the projection takes into account the loss of **Smitty's** when an explosion destroyed the facility last August, resulting in 450 people being laid off. Four hundred and fifty workers — plus the negative multiplier effect of that loss working its way through the economy — is non-trivial for an area the size of the Hammond MSA. Fortunately, many other sectors will be picking up the slack over 2027-28.

Biggest Looking at Robust 2027-28

Happily, for this MSA, its two biggest players are doing very well. **North Oaks Health System** is not only completing two years of excellent employment growth (see Figure 61), but it also has about 285 vacant positions to fill over our forecast

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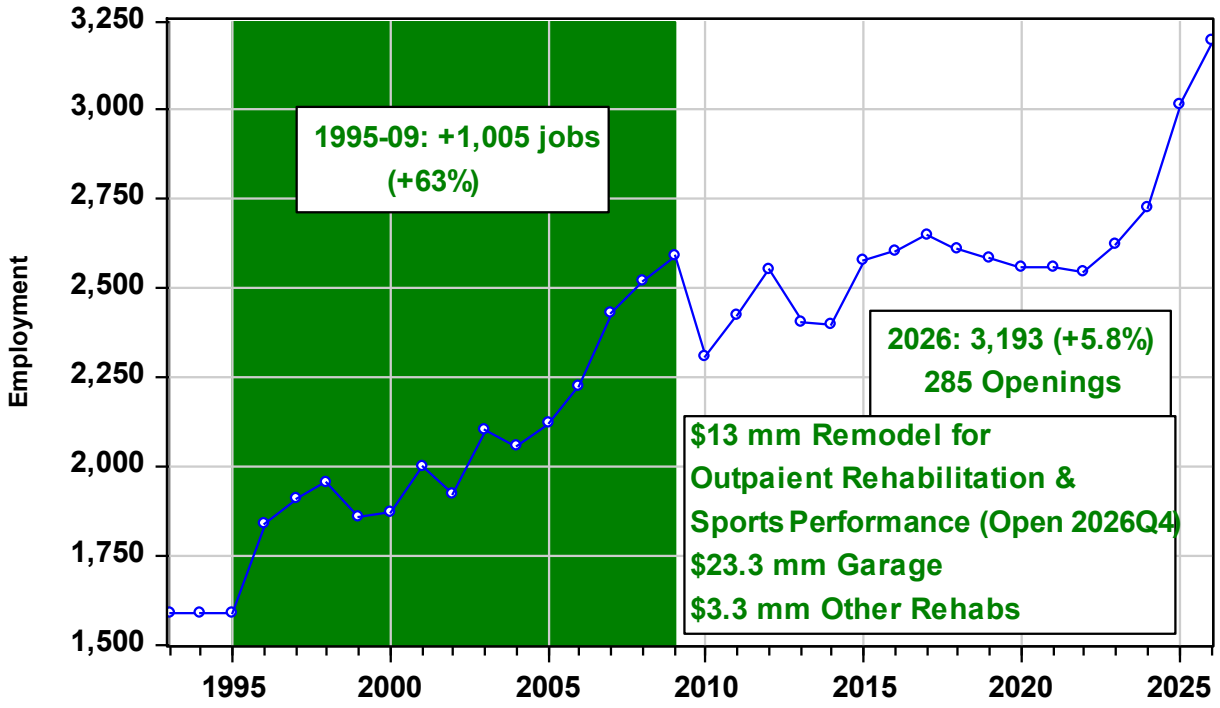
period. At 3,193 employees, North Oaks is the largest private employer in the MSA by far.

Figure 61

North Oaks Health System Employment



Source: North Oaks Health System

Capital spending by the system will also be pumping significant monies into the MSA economy. The $13 million remodeling of the Outpatient Rehabilitation and Sports Performance operations will be completed this fall. Work will begin this year on a $23.2 million new parking garage, and another $3.3 million is planned for 2027 on various remodeling projects.

As seen in Figures 62 and 63, both the budget and enrollments at **SLU** are setting new records. The university will be injecting $144.5 million into the MSA economy this year according to the latest budget estimates. The first tuition increases since 2017 permitted a nice budget increase this year over 2025.

Enrollments at SLU this fall are projected at 16,500, breaking the old peak of 16,068 way back in Fall 2005. That many students and that record budget make SLU the second largest employer in the MSA with 1,430 people working as faculty, management, and professionals, numbers are expected to rise over 2027-28.

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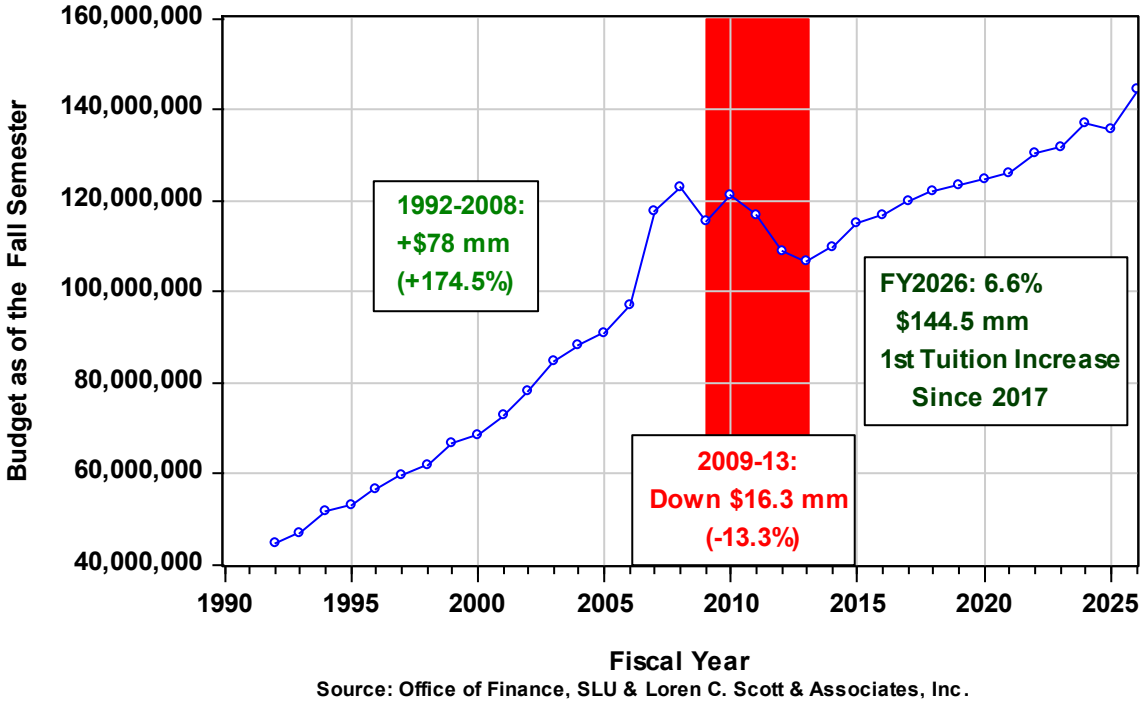
Figure 62

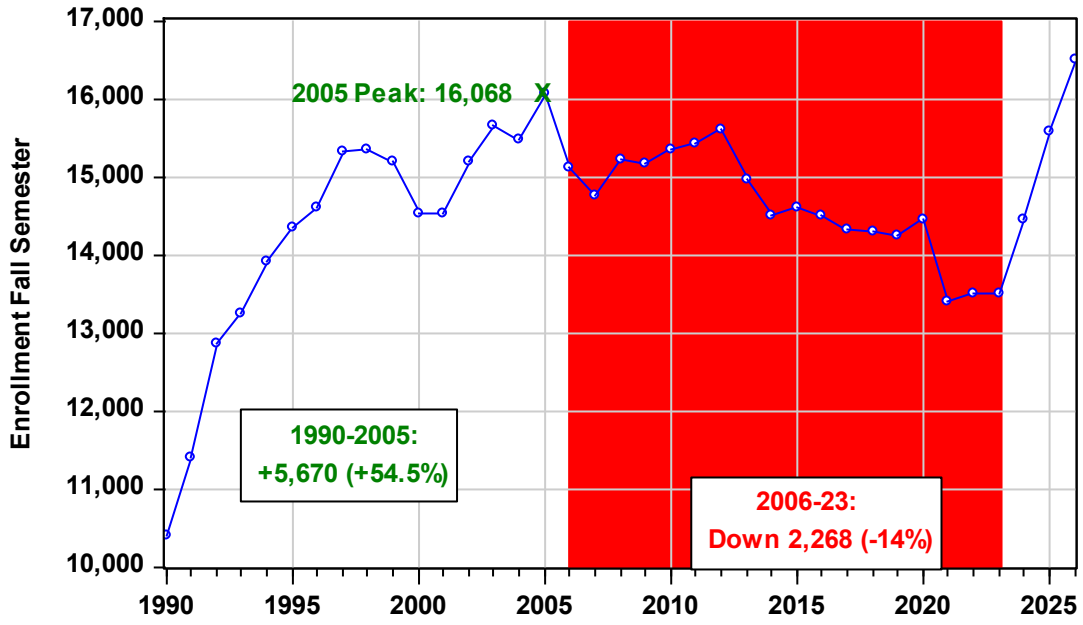
Southeastern Louisiana University Budget
FY1992 - FY2026



Source: Office of Finance, SLU & Loren C. Scott & Associates, Inc.

Figure 63

Southeastern Louisiana University Enrollment
Fall 1990 - Fall 2026



Source: SLU Office of Institutional Research & Loren C. Scott & Associates, Inc.

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Modest Growth at the Next Level

Below North Oaks and SLU are a set of ventures that will provide a solid, and slightly expanding, economic platform for the Hammond MSA. The large **Walmart Distribution Center** employs 800 wage employees and about 62 salaried people. Over the next two years, the company expects to add 50 more workers. Not much change is expected in the 600-person workforce at the **Sanderson Farms** poultry processing facility. The firm does plan to spend about $3.6 million on a new backup water supply system.

Medline Distribution is now in its 4th year in the MSA and has 237 people in its workforce. A recent hiring event was designed to increase this total to 260 by 2027, and the firm's original plan was to be at 300 by the end of 2030. **S&W Foods** distributes food to restaurants and schools with 125 people running its trucks and warehouse, a number expected to grow to 140 by 2028.

While specific data are not available, we believe the **Intralox** conveyer belt manufacturer is at about 330 employees with a schedule to add 25 jobs a year. **Graham Packaging** designs, manufactures, and sells sustainable food, beverage, household, and automotive containers. The company has an upcoming $35 million project to enhance its operations and upskill its 100-person workforce. **SNT Global** has purchased an 80,000-square-foot building for $6.2 million as an assembly plant for Hyundai. Fifty new jobs will be created.

Amite Solar's $229 million solar farm is now operational in the northwest corner of the parish. A $100 million energy battery storage facility is under construction, and another $100 million storage facility will be coming soon.

As mentioned above, the 450-person Smitty's oil packaging facility has been closed due to an explosion last year. A return to operations would be a real shot in the arm for this community. We understand there is no specific timeline for reopening, but a smaller operation is expected.

Unfortunately, the MSA will not be bolstered by **state road lettings** for 2026-28. A 17% drop is scheduled from $53.7 million last year to $46 million through 2028. The two largest projects are:

- $9.7 million to mill/overlay LA16 between LA445 and Duncan Avenue
- $6 million for a Hoover Road roundabout at LA22

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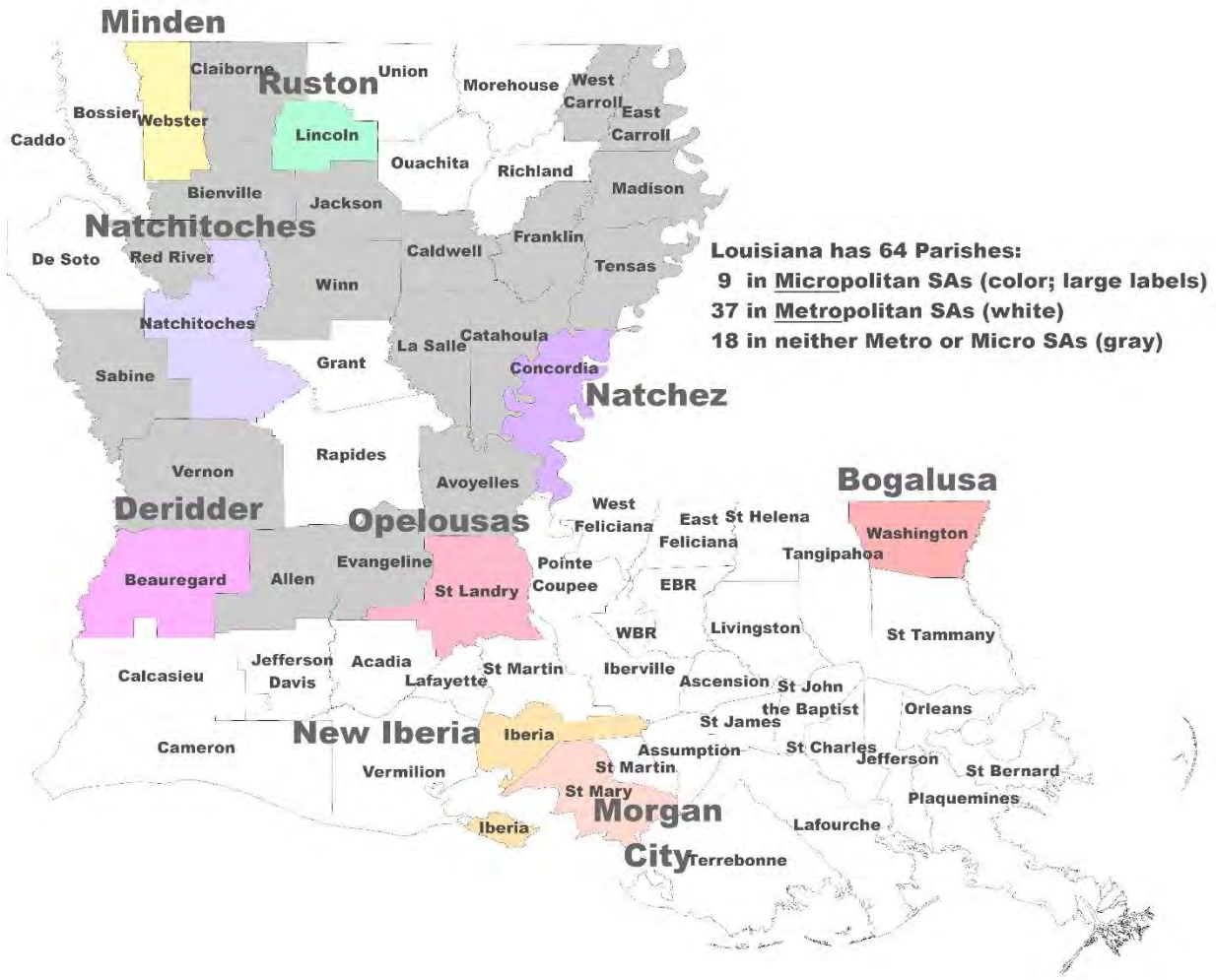
Keep an Eye on Iberia and St. Mary Parishes

There are 37 of the state's 64 parishes located in the 10 MSAs that have been covered to this point. The remaining 27 parishes we designate as "**rural,**" a title dictated by the way that the BLS publishes data. In reality, these 27 parishes are further broken down by the U.S. Office of Management and Budget into (1) micropolitan areas and (2) rural areas. Figure 64 below shows these differences. There are nine of these micropolitan areas in Louisiana.

Figure 64

Rural & Micropolitan Areas in Louisiana



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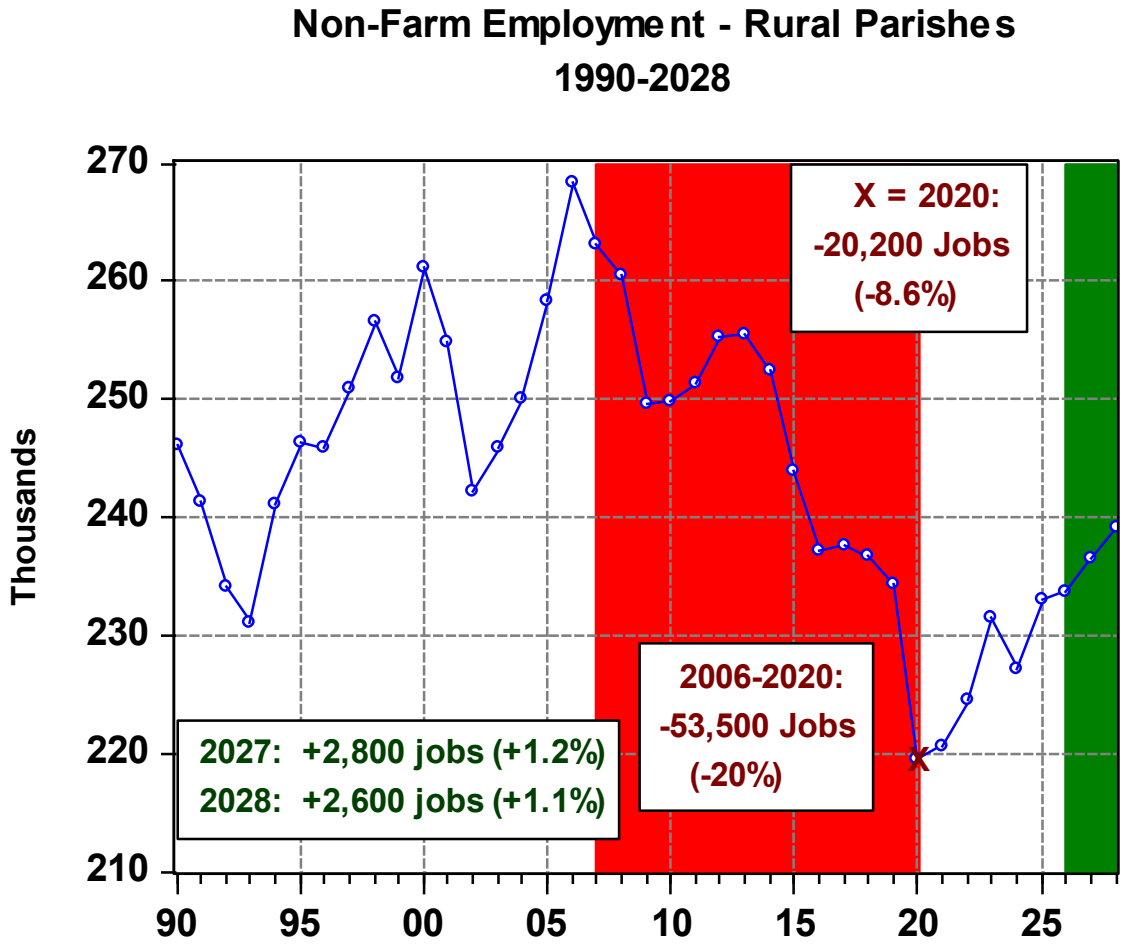
Unfortunately, the U.S. Bureau of Labor Statistics only publishes employment data on MSAs and "the rest;" no micropolitan area data are published. The result is we have to lump both rural and micropolitan areas into one group — rural.

About 11.7% of the state's employment exists in these 27 parishes (233,700 jobs) in 2026. Figure 65 shows nonfarm employment in these rural parishes from 1990-2026, along with our forecast to 2027-28.

Figure 65



Source: Louisiana Workforce Commission & Loren C. Scott & Associates, Inc.

Readers should note three key points in Figure 65. First, it is clear that this area of the state was not immune from the effects of the COVID shutdown. The region lost 20,200 jobs in 2020, an 8.6% drop. In percentage terms, this was one of the smallest losses of any region of the State. Despite this smaller magnitude drop, it will take until 2027 for the rural area to regain all those lost jobs.

Second, note that nonfarm employment in rural Louisiana had been in a decline since 2006—-dropping 53,500 jobs (-20%) over 2006-2020. Population has

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been moving from the rural areas to the MSAs for some time (all across the U.S.), and we do not expect this out-migration trend to let up over our forecast period. For example, of Louisiana's 27 rural parishes, only two experienced population gains between 2010 and 2020 — Lincoln, and Beauregard — while ten rural parishes found their populations fell by 10% or more.

Third, it is important to note that Figure 65 covers nonfarm employment in these rural parishes. The latest State Agricultural Overview indicates that in 2024 there were 24,600 farms operating in the state on about 8 million acres. Farm earnings in that year were $173.9 million (This number does not include livestock and timber). While $173.9 million is obviously no small number, total non-farm earnings in Louisiana were $180 billion. Farm earnings were 0.1% of that figure. Measured this way, farming is no longer the dominant force in the rural parish economy that many assume it to be.

What will be learned below is that though many of these rural areas are still agriculturally based and suffer from population and job losses, there remain pockets where very meaningful economic activity is underway.

New Micropolitan Area: Iberia Parish

Oddly, some of the most active of the rural areas are newly designated micropolitan areas that were previously in an MSA. By far the most vigorous of these is Iberia Parish (the New Iberia micropolitan area), which until last year was in the Lafayette MSA.

The deepening of the Acadiana Gulf of Mexico Access Channel to 16 feet has enabled the **Port of Iberia** (POI) to attract new tenants and expand existing ones. With employment exceeding 1,600, even more new jobs are ahead for the Port. **Turner Industries** is ramping up employment from 32 in 2025, to 350 this year, and 500 by 2027. Turner will use its POI site to make components for the emerging nuclear power sector, building truckable modules for Westinghouse.

Expansions in the LNG export industry are driving new business for **Chart Industries**, which manufactures cold boxes and brazed aluminum heat exchangers for the liquid LNG and other industries at the POI. At over 400 employees, Chart landed a new order for 16 cold boxes for the Louisiana LNG facility under construction in the Lake Charles MSA and is taking over the old Offshore Energy Services Yard to increase its workload. We are eagerly watching the potential closure of a Chart yard in Italy, and its possible movement to POI. Chart would need 100 more acres and as many as 1,000 new jobs if this monstrous win materializes.

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Another major job-winner for the Port could come from **Cajun Industries**, which has prepped a large new, 66-acre modular assembly yard. New contracts for modular components will activate this year and push employment to 550 by the end of 2027. **Bayou Coatings** is busy with concrete coating of pipes associated with the expansive LNG export sector. The 250-person operation is booked solid through 2028 and plans to keep its workforce at its present level. **Encore Oilfield Services** manufactures compression units for fracking activity in the Permian Basin and for LNG clients. Now at 80 employees, we understand Encore is considering tripling that number.

Gulf Coast Tactical is spending $6.1 million at the Port to enhance fabrication, assembly, and systems integration at its yard. The move will add 65 new jobs to its present workforce of 16. The Port will get another shot in the arm next year when $28 million is spent on **upgrading roads** at POI.

At Acadiana Regional Airport, the $1.1 billion **First Solar** plant opened in November and has hired 860 people, with an eye toward 1,000 by 2027. The firm had a short-term goal of manufacturing 17,000 solar panels a day, a goal which has been reached with capacity to spare. The airport is also home of **Aviation Exteriors**, a firm that does MRO (maintenance, repairs, overhaul) and exterior painting work on aircraft. A new, $74 million, 3-bay, 132,290-square-foot maintenance hangar is being constructed for AE. At 240 jobs now, AE expects to add another 200 jobs by the end of 2027.

ULL is spending about $70 million on a 2-phase project involving its primate research work. Phase 1 will be a new bio-safety Level 3 lab which is under construction. Phase 2 will be at Progress Point — a new industrial park — with more lab space to develop and manufacture pharmaceuticals and vaccines. There is a potential for 300-400 new jobs once both facilities are up and running.

We have mentioned earlier in the Lafayette and Houma MSA discussions the growing interest by the military in unmanned surface vessels. This is the bailiwick of **Metal Shark Boats** in Jeanerette. Metal Shark's 240 employees are manufacturing USVs for both the Navy and Marines. Modest growth is projected in employment. **Global Vessels and Tanks** in New Iberia is spending $5.4 million on a 30,000-square-foot expansion of its headquarters, manufacturing, and warehouse space. The result will be the addition of 50 new jobs to its 106-person workforce.

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New Micropolitan Area: Webster Parish

Last year, Webster Parish was removed from the Shreveport-Bossier MSA and became the Minden Micropolitan Area. Webster is the home of the highly successful, and growing, **Fibrebond** manufacturing facility. Fibrebond now has 1,200 people working in over a million square feet of manufacturing space. The company makes modular electrical enclosures and large modular buildings for utility companies, data centers, and the industrial sector. Sold to Eaton Corporation last year, Fibrebond is projecting double digit employment growth over 2027-28.

Fingers Crossed for Caldwell Parish

Caldwell Parish is poised for one of the largest capital investments ever in the rural parishes. **Louisiana Green Fuels** is getting very close to issuing an FID (expected 2027) for its $3.5 billion+ power plant inside a 75-acre tract at the Port of Columbia. Carbon emanating from the plant would be captured and stored underground on site. The company has already secured permission to drill a Class VI injection well — a very difficult step in Louisiana, or anywhere for that matter. The plant would be wood-fired, generating desperately needed business for the state's struggling logging and wood products industries. Because it will be wood-fired, it should open sooner, since it will not have to wait on gas turbines (which are in a serious backlog problem). Phase 2 of this project is to add a $2.4 billion sustainable aviation fuel refinery.

Central Louisiana: Fort Polk & Roy O. Martin

There are two very large entities that significantly influence the nearby Alexandria MSA especially. Just over 50 miles to the west of Alexandria in Louisiana — **Fort Polk**. A consequential restructuring has occurred at the Fort in the past couple of years, but the facility still employs 7,359 military and 6,822 civilians, plus another 4,959 troops rotate through the Fort each month for nine months. Over 57,400 retirees and veterans live in a 5-parish area around the base.

Over our forecast period, $30 million (to add to $55 million last year) will be spent for a billeting area and temporary housing for out-of-town units. Another $11.5 million will go toward a lab to integrate technologies into live training. Recent staff reductions will be reversed in October 2027 when the Multi-Role Bridge Company arrives, creating +540 military slots at the Base.

Martin Sustainable Resources has an 80-person headquarters in Alexandria. It also has two plants just over the MSA's borders — one to the north in

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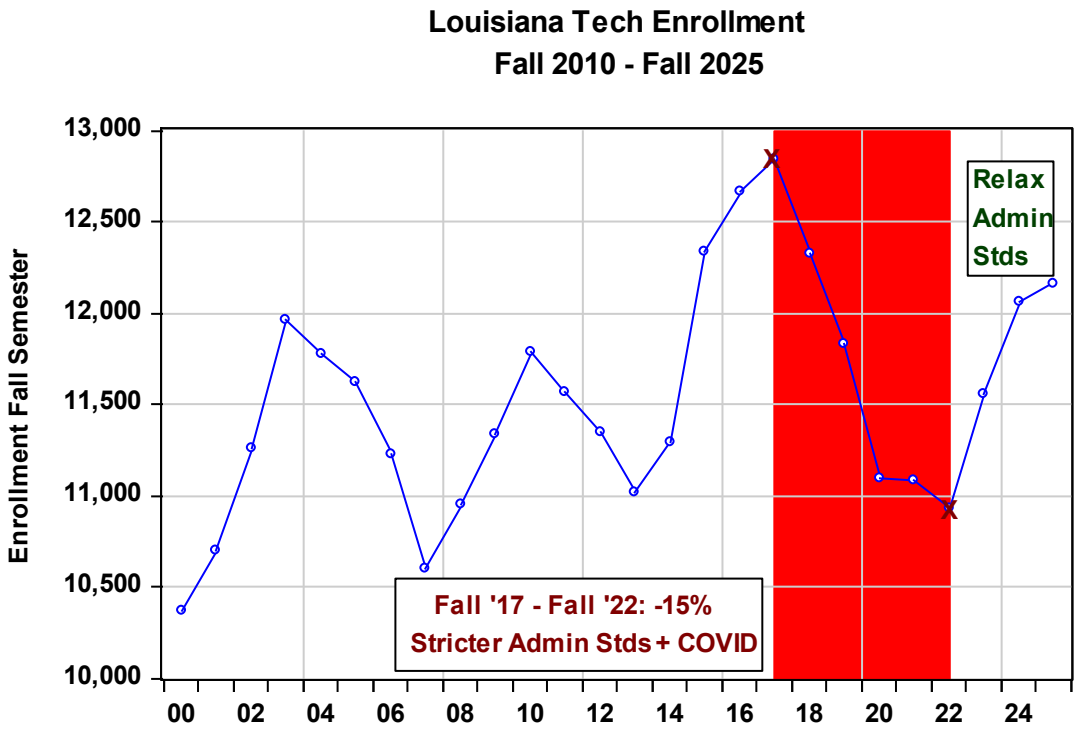
Natchitoches Parish and one to the south in Allen Parish. The Chopin plywood mill is the largest of these plants with about 750 employees, while the oriented strand board facility in Oakdale employs 200 people. Even though the housing market is in a slump, the company expects its employment levels to stay constant over 2027-28.

University-Intensive Ruston Micropolitan Area

The Ruston Micropolitan Area is composed of Lincoln Parish. Over 1,300 people work at the two universities in this Parish — Louisiana Tech and Grambling. Note in Figure 66, that after a tough period between 2017 and 2022 when enrollment at **Louisiana Tech** fell by 15%, a relaxation of admission standards has generated a recovery where almost two-thirds of those losses have been regained. There are 874 people employed at Tech in faculty, management and professional positions — a number up 7.6% since Fall 2021.

Figure 66



Source: University of Louisiana Systems Office

Enrollments at **Grambling** have gone in the opposite direction, declining 5.2% since Fall 2021 (Figure 67). Despite this drop, the faculty, management, and professional headcount is up 6.8% to 439 over that same period. Enrollments at Grambling tend to move pretty closely around the 5,200 range, as that is basically the dorm limit at the university.

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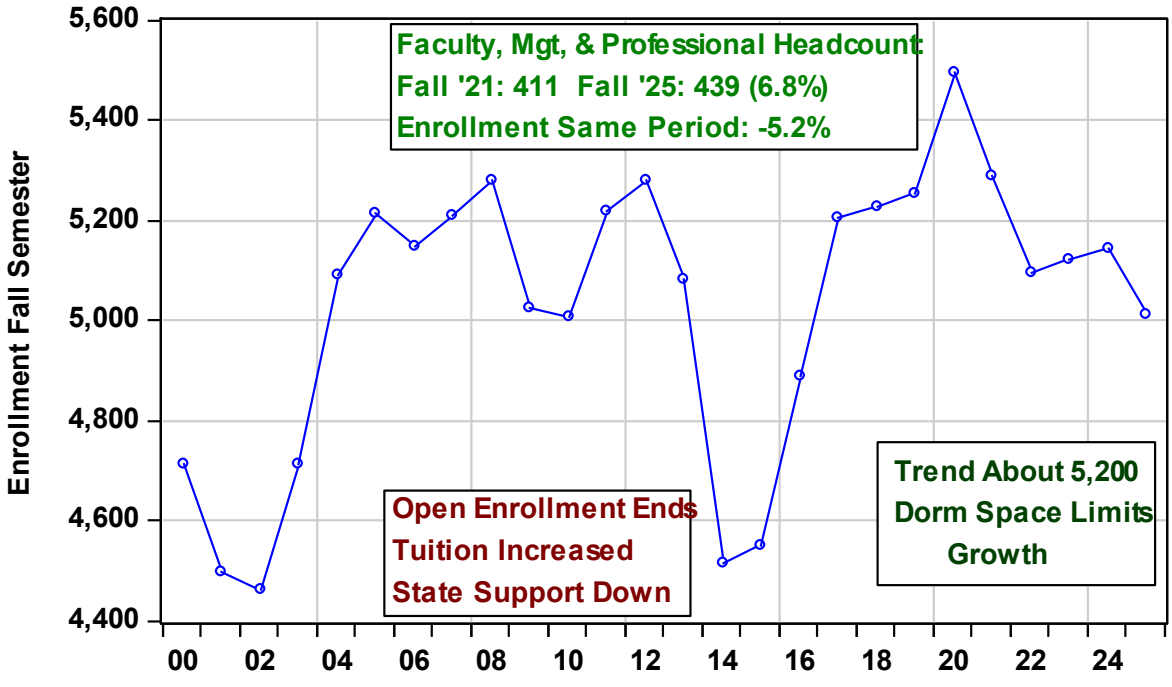
Figure 67

Grambling State Enrollment
Fall 2010 - Fall 2025



Source:University of Louisiana Systems Office

Lincoln Parish is also getting a $50 million **Buc-ee's** travel center in Ruston. Now under construction, the 200-job facility is expected to open in April 2027. **Radiance Technologies** is also expected to open its $370 million microchip packaging facility in the summer of 2027, adding 150 new jobs.

Other Rural Investments

In Concordia Parish, **Syrah Resources** has issued an FID for its $586 million phase 3 expansion of its graphite refining plant. Two other significant capital investments are scheduled for Louisiana's rural areas. In Sabine Parish, **Hollis Creek Solar** is building a $399 million solar farm to provide electricity to the Meta data center in Richland Parish. **Walmart** is making a $330 million investment to modernize its distribution center in St. Landry Parish, enabling it to double the number of cases handled. Also in St. Landry Parish, **Noble Plastics** is spending $8.5 million to increase production and warehouse capacity in Grand Coteau. The company operated robot-oriented injection molding machines to produce products for the First Solar plant in New Iberia. Twenty-nine new jobs will be created.

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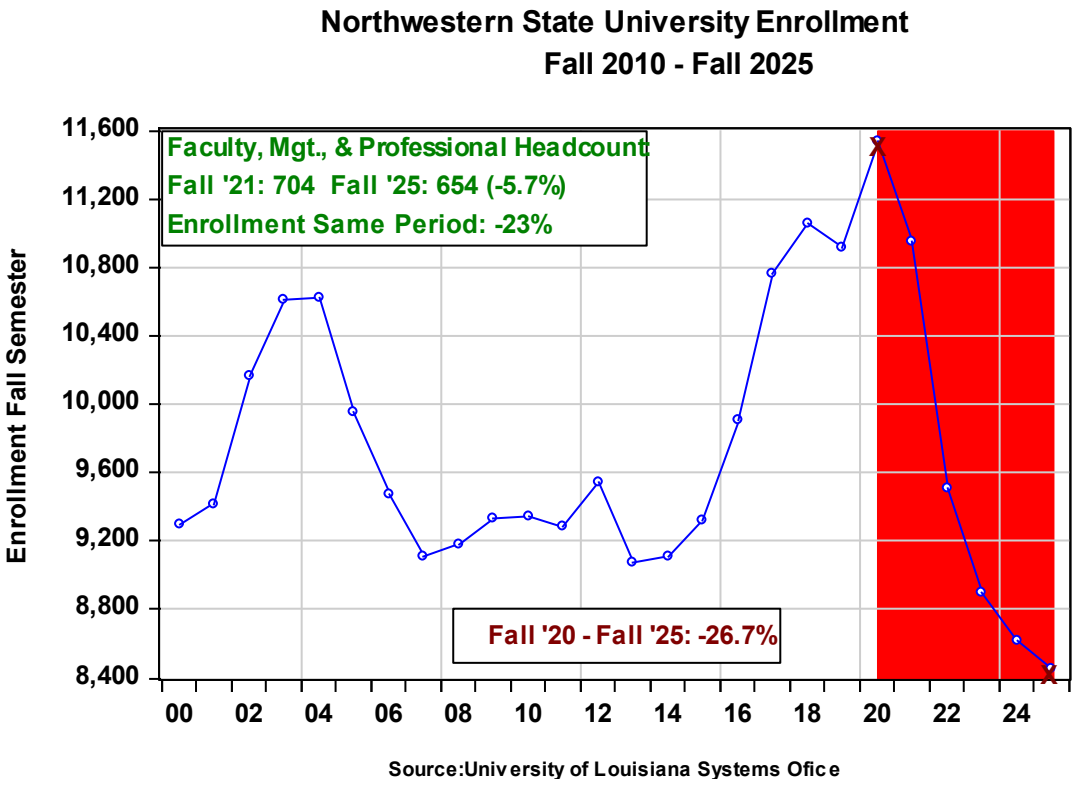
In good news for the logging industry, $21.7 million will be spent to rebuild and modernize the **Coushatta Saw Mill** in Red River Parish. The mill will retain 27 jobs and add 77. **Davis Lumber** in Beauregard Parish has a $1.9 million expansion underway. The firm will add 12 jobs to a workforce that manufactures poles and pilings for utility companies.

Declines Continue at NWS

The Natchitoches Parish economy continues to take it on the chin from **Northwestern State University**. As seen in Figure 68, enrollments have been in a freefall since the Fall of 2020, steadily dropping from 11,539 to 8,458, a 26% decline. As the green box insert shows, the enrollment fall has been accompanied by an employment decline as well. Employment in the faculty, management, and professional ranks — now at a very meaningful 654 — has fallen 5.7% since Fall 2021.

Figure 68



State Road Lettings Down as Well

Rural areas are also taking a hit from a drop in **state road lettings**. Last year lettings were about three-quarters of a billion dollars. The figure for 2026-28 is $607.7 million. The two biggest projects are $56.4 million for the Sabine River Bridge replacement and $35 million to overlay US90 from LA668 to LA318.

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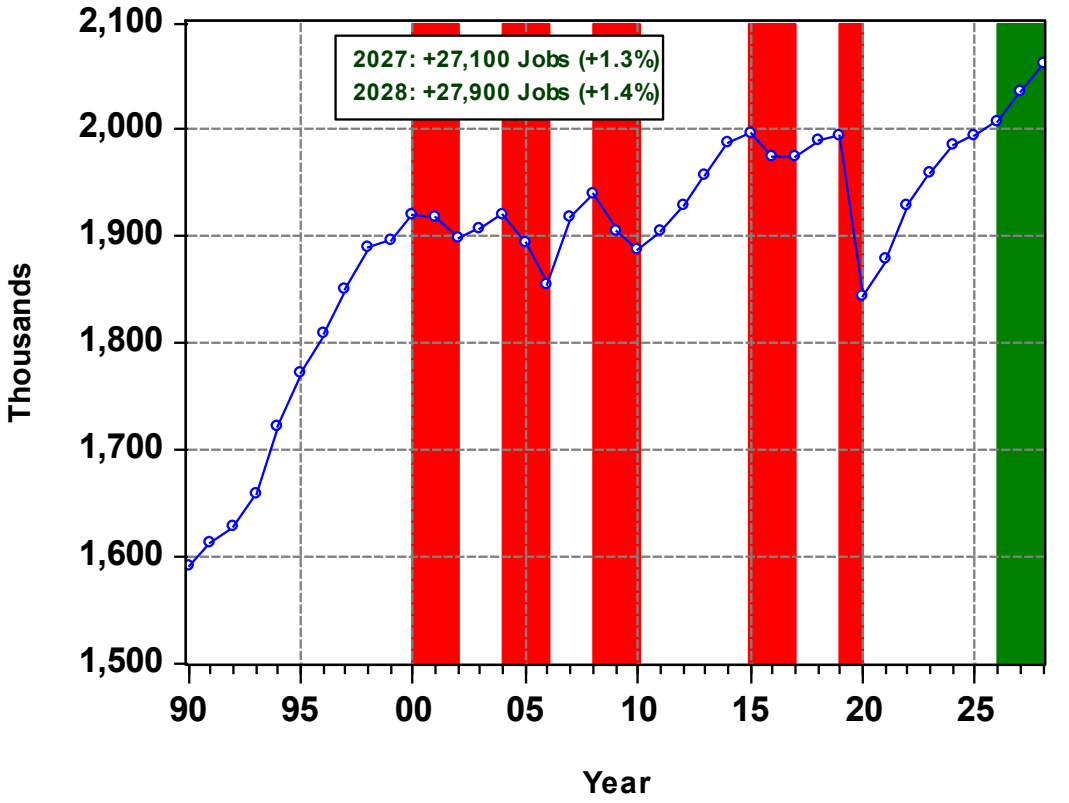
Solid Growth Keeps Above 2,000,000

In Figure 69 we sum up our history and projections across the state's 10 MSAs and its rural areas. Note that Louisiana has gone through five recessions since 1990, each resulting in the state's employment staying just below the elusive 2,000,000 mark. In 2026, we crept just over that threshold, and **we are projecting 27,100 new jobs in 2027 (+1.3%) and another 27,900 jobs in 2028 (+1.4%.)** Readers will see a slight improvement in the growth rate over 2027-28 as compared to the previous two years, a welcome sight indeed.

Figure 69

Louisiana Non-Farm Employment:
Forecast 2027-28



Source: Louisiana Workforce Commission & Loren C. Scott & Associates, Inc.

What you have read in this document is our best shot into the crystal ball, informed by conversations with hundreds of business owners, economic

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developers, and civic leaders across Louisiana. Their view, like ours, is not crystal clear. The status of the war can change everything. If it is prolonged, $120 a barrel oil is a real possibility, and history tells us how that can send us into the tank. Data centers are revitalizing north and central Louisiana. What if there is a financial collapse among several of those firms? How will this march of AI into businesses impact employment? The crystal ball is foggy. We have given you our best shot.

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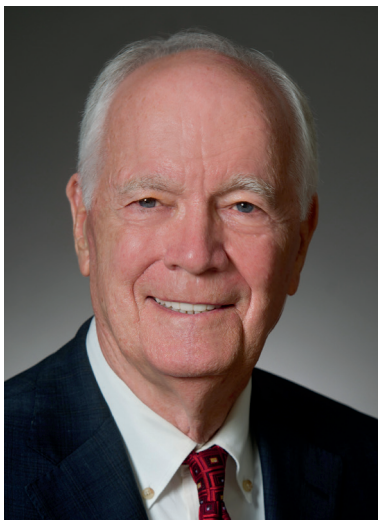

Dr. Loren C. Scott, President
Loren C. Scott & Associates, Inc.

Website: www.lorencscottassociates.com
Email: LScottecon@gmail.com
Cell: (225)-937-4283

Dr. Scott is the President of Loren C. Scott & Associates, Inc., a 45-year old economic consulting firm that currently conducts impact studies, policy analyses, and litigation support for various size private/public companies and governmental bodies. The firm's clients span diverse industries and have included national firms such as BP, Capital One Financial, Entergy, ExxonMobil, J.P. Morgan Chase, Nucor, Sasol, Chesapeake Energy. A frequent public speaker, Dr. Scott gives 50-70 speeches a year across the country on the state of the economy.

Dr. Scott is an energy specialist on the National Business Economic Issues Council. NBEIC is a 52-member council, which meets quarterly to collaborate on issues of state, national, and international interest. The group includes experts who cover international trade, Washington economic policy, retail trade, trucking, steel, chemicals, etc.

He has been interviewed on CNBC, MSNBC, and Bloomberg TV, in addition to several local TV stations, and his work has been cited in such publications as the *Wall Street Journal*, *Forbes*, the *Los Angeles Times*, the *New York Times*, *USA Today*, the *Moscow Times*, and the *Financial Times*, to name a few.

His career started at Louisiana State University in 1969 where he spent 33 years, rising through the ranks from assistant professor to the prestigious Freeport McMoran Endowed Chair of Economics and the Director of the Division of Economic Development and Forecasting. Over the thirteen-year period from 1983-96, he was the chairman of the LSU Economics Department. During that time, the Department's ranking among the 3,000 economics departments in the U.S. rose from 101st to 38th. He is presently Professor Emeritus at LSU. He received seven awards at LSU for outstanding classroom teaching and authored numerous peer reviewed publications.

Dr. Loren C. Scott
& Associates Inc.

Prepared By:

Dr. Loren C. Scott, President
Loren C. Scott & Associates, Inc.

Contact Information:

Cell: 225-937-4283
Office: 225-751-1707
Fax: 225-751-2350
Lscottecon@gmail.com