Washington County, Pennsylvania

Marcellus Shale Development
Shale Development in Pennsylvania
“Drilling is just the beginning.”

... this Range Resources slogan explains it all!
Chartiers Township
2007

• Educate

• Communicate

• Legislate

• Build Relationships
Chartiers Township
Construction Phase

• Truck Traffic on Roads
• Noise
• Dirt
• Lighting
• Fresh Water
• Housing (Bunk Houses)

• Increased Demands: Police, Zoning, Tracking of Employees & Supervisor Involvement
Chartiers Township
Production Phase

• Reclaimed Well Sites
• Buried Pipelines
• Compressor Stations (Sound Proofed)
• Preserved Green Space
• Farmland Updates
Chartiers Township
2014

• MarkWest Processing Plant
• 68 Marcellus Shale Wells
• 4 Compressor Stations
• Pipelines ?????
Chartiers Township
Economic Benefits

• Road Paving: Over $10 M to date, $1.6 M planned in 2014

• Township’s Earned Income Tax, $591,000 to $1.1 M, an 81% increase in 6 years.

• Non-Resident EIT averaging $200,000 annually

• Over 20 oil & gas related companies have employees in the township.
Chartiers Township
Economic Benefits (continued...)

- Property transfer taxes on sales
- Property rentals
- Support of township, fire department & local non-profits
- Lease of township property & royalties

**Act 13 Revenues**
- 2013 - $578,165
- 2012 - $682,016
Act 13: Impact Fee
Pennsylvania
Act 13 Impact Fee

Impact Fee Allocations 2011 & 2012
$400MM+

- Local Government
- Marcellus Legacy Fund
- Natural Gas Energy Development Program
- Department of Environmental Protection
- County Conservation Districts & Conservation Commission
- Fish and Boat Commission
- Public Utility Commission
- Department of Transportation
- PA Emergency Management Agency
- State Fire Commissioner

$216,409,200
$144,272,800
$7,500,000
$12,000,000
$17,500,000
$2,000,000
$1,500,000
Act 13 Impact Fee Local Government

Impact Fee Payment 2011 & 2012
County and Municipal Government
$200MM

Boroughs & Cities
$12MM

Counties
$75MM

Townships
$112MM

Excludes Housing Affordability and Rehabilitation Fund
## Revenue for Pennsylvania

<table>
<thead>
<tr>
<th>Paid by Natural Gas Industry</th>
<th></th>
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</thead>
<tbody>
<tr>
<td>1. Overall taxes since 2006</td>
<td>&gt; $1.8 billion</td>
</tr>
<tr>
<td>2. Road Construction investments since 2008</td>
<td>&gt; $1 billion</td>
</tr>
<tr>
<td>3. Royalty payments to state in 2011</td>
<td>$107 million</td>
</tr>
<tr>
<td>4. Permitting &amp; Enforcement fees to increase DEP personnel</td>
<td>$11 million</td>
</tr>
<tr>
<td>5. Impact Fee in first two years</td>
<td>&gt; $400 million</td>
</tr>
</tbody>
</table>

2. On-going survey of Marcellus Shale Coalition Members
3. Pennsylvania Department of Environmental Protection
Washington County, Pennsylvania
Marcellus Shale Impacts

- Demand on Services
- Housing Availability
- Hotel Expansion
- Increased Traffic

- Addressing Concerns of Constituents
Washington County
Economic Impact

• Over 1,200 wells drilled throughout the county

• Tourism gains from hotel taxes

• Investment dollars from Act 13 revenues

• “Trickle Down” effect: rentals, restaurants, stores, truck sales
Washington County
Economic Impact (continued...)

- Landowners
- Leases & royalties of county properties – $13,518,975
- Act 13 - $9,711,369
- Job creation from gas industry & related businesses
# Act 13 Revenues for Local Government

<table>
<thead>
<tr>
<th>Washington County Act 13 2011 &amp; 2013</th>
<th>Impact Fee</th>
<th>Marcellus Legacy Fund</th>
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</thead>
<tbody>
<tr>
<td>County</td>
<td>$8,755,812</td>
<td>$935,556</td>
</tr>
<tr>
<td>All Washington Townships</td>
<td>$13,277,351</td>
<td>$0</td>
</tr>
<tr>
<td>All Washington Cities</td>
<td>$415,302</td>
<td>$0</td>
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<tr>
<td>All Washington Boroughs</td>
<td>$1,470,273</td>
<td>$0</td>
</tr>
<tr>
<td>Washington County 2-year Total</td>
<td>$23,918,738</td>
<td>$24,854,294</td>
</tr>
</tbody>
</table>
REMEMBER HOW ALL THIS DRILLING, DIGGING AND FRACKING WAS ABOUT SECURING OUR ENERGY INDEPENDENCE?
Marcellus Shale
The Future

- Develop businesses that utilize natural gas
- Regulate the industry
- Continuing education
- Legacy Funds: “Invest in the Future.”
Photo Credits:

1. Washington County
2. Marcellus Shale Coalition
4. Washington County
5. www.bing.com
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13. Marcellus Shale Coalition
14. en.wikipedia.org & Washington County Authority
15. pittsburgh.ettrations.com & www.chartierstownship.com
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17. Marcellus Shale Coalition
18. www.washcochamber.com
19. www.observer-reporter.com
21. Washington County
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Washington County Commissioner

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