



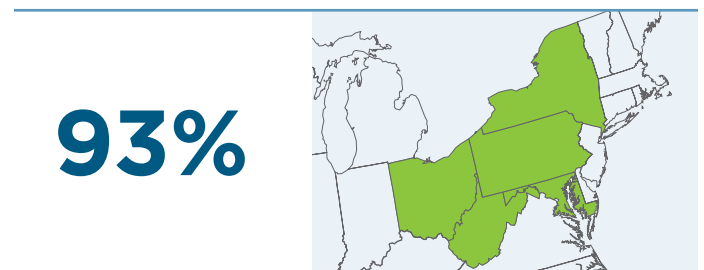
THE MARCELLUS SHALE: A LOCAL WORKFORCE WITH A NATIONAL IMPACT

In line with our Guiding Principles, the Marcellus Shale Coalition (MSC) works to attract and retain a talented local workforce to become a part of history: the development of clean-burning, reliable, and abundant natural gas resources that will improve our energy security and national security for generations to come. Covering five states, the Marcellus Shale natural gas play is providing new opportunities for family-sustaining employment in a variety of fields impacted by the natural gas industry. And MSC member companies are filling these positions with a local workforce—men and women who are putting their skills to use in the communities they call home. Nowhere is this local workforce more evident than in Pennsylvania, the heart of the Marcellus region.

Employing a Local Workforce

According to data presented by the Pennsylvania Department of Labor and Industry to the Governor's Marcellus Shale Advisory Commission, there are some 218,200 employees statewide in Marcellus Shale and related industries—representing nearly three percent of the statewide workforce. Of those, nearly 72,000 new hires have been made into Marcellus jobs since the end of 2009. Overall, more than 70% of these new hires call Pennsylvania home—finding employment where they are living and raising their families.¹ A recent survey of dozens of MSC member companies—including engineering and environmental consulting firms, water treatment experts, and energy producers responsible for drilling more than

60 percent of all Marcellus wells in 2010—confirms the Department's data, showing 74% of all new hires since 2008 have hailed from Pennsylvania. Further, of those surveyed, 93% of Marcellus Shale hires in the region are residents of Pennsylvania, West Virginia, Ohio, Maryland, and New York.²



Statewide Impacts

This influx in new hires is having a noteworthy and welcome impact on the unemployment rolls in Pennsylvania counties with high Marcellus production. The greatest reduction in unemployment in recent months, in fact, has been felt in the Commonwealth's Northern Tier, as well as its north central, central, and southwestern counties—each of which are in the heart of the Marcellus Shale production footprint. Furthermore, Marcellus counties have witnessed strong tax benefits compared to their non-Marcellus counterparts, according to a March 2011 study by Pennsylvania State University. Among its findings: major Marcellus counties in Pennsylvania have

seen an 11% increase in state sales tax receipts since 2007, while also experiencing stronger realty transfer tax collections and individual taxable income among residents as well.³

The economic benefits are not confined to Marcellus counties alone, however. According to data released in May 2011 by the Pennsylvania Department of Revenue, companies engaged in and related to natural gas drilling activities in Pennsylvania have paid more than \$1.1 billion in state taxes since 2006. Those taxes came on top of the billions of dollars of infrastructure investments, royalty payments, and permit fees paid by the industry. Taxes collected during the first three months of this year, in fact, exceed all of 2010 tax collections by \$20 million, demonstrating the breadth and depth of economic benefits to the state attributable to Marcellus Shale production.⁴

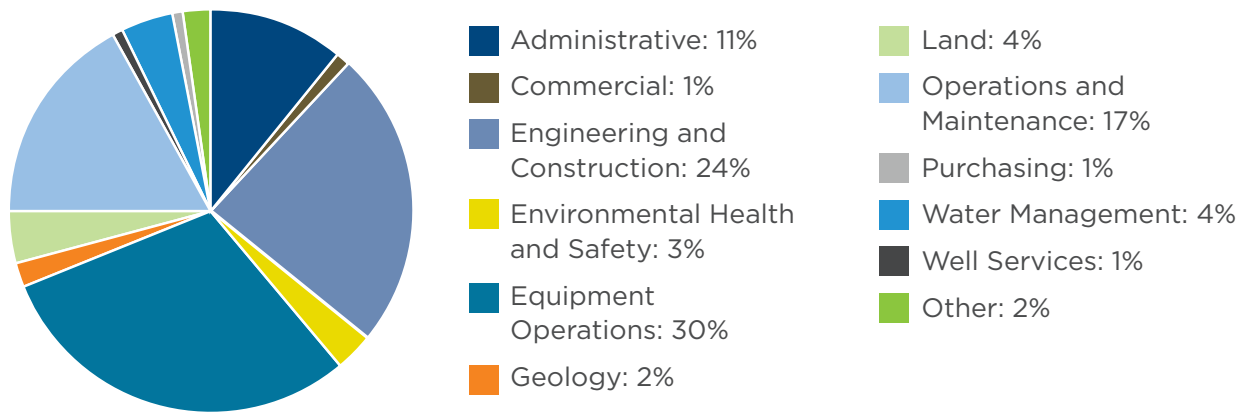
Family-Sustaining Jobs

The recent survey of dozens of MSC members underscores the vast types of job opportunities that exist because of Marcellus Shale production. While jobs in engineering, construction, and equipment operations are most plentiful, positions also are being staffed by those with strong backgrounds in environmental health and safety,

geology, and administration and purchasing. This does not even take into account non-Marcellus jobs increasingly becoming available in communities in which natural gas production is increasing the demand for more food and lodging, entertainment, and support services. In short, the Marcellus Multiplier is alive and well—and making its impact felt across the Marcellus region. In fact, the Department of Labor and Industry estimated that some 2,700 Marcellus Shale job opportunities are currently available in Pennsylvania. Many of these opportunities are available at the MSC Job Portal, found at www.marcelluscoalition.org.

While the energy and environmental benefits of clean-burning natural gas cannot be overlooked, development of the Marcellus Shale is expected to have significant employment impacts for decades to come. Educational institutions in the region are beginning to develop a sophisticated and comprehensive workforce training system to ensure that Marcellus jobs go to residents of Marcellus states first and foremost. Marcellus states are seeing the economic benefits of natural gas production firsthand. And MSC member companies remain committed to the Guiding Principle of attracting and retaining a local workforce—a principle that will lead to a bright future for generations to come.

Diverse Job Opportunities Throughout the Marcellus Region



1: "Marcellus Shale Fast Facts", August 2011 Edition. Pennsylvania Department of Labor and Industry.

2: Survey of Marcellus Shale Coalition members. February - April 2011.

3: State Tax Implications of Marcellus Shale: *What the Pennsylvania Data Say in 2010*. March 2011.

4: "Department of Revenue: Drilling industry paid more than \$1 billion in state taxes since 2006." Press Release. May 2, 2011.