FACT SHEET

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: the development of clean-burning, reliable, and abundant natural gas resources that will improve our energy security and national security for generations to come.

Indeed, safe shale development 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.

A Strong Local Workforce

According to data released by the Pennsylvania Department of Labor and Industry (L&I), there are more than 240,000 employees statewide in Marcellus Shale and related industries. Overall, nearly 75% of all new hires into Marcellus-related jobs call Pennsylvania home—finding employment where they are living and raising their families.

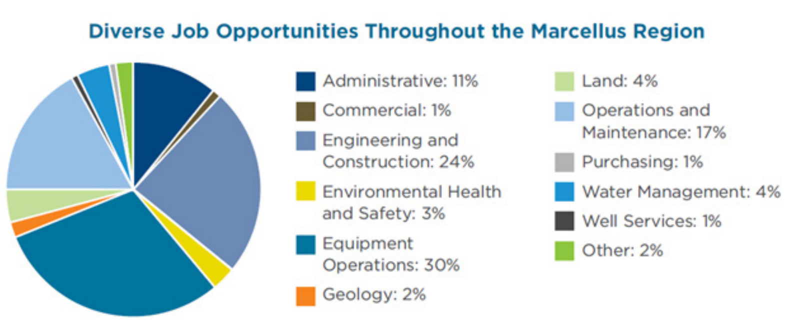
A recent survey of dozens of MSC member companies—including engineering and environmental consulting firms, water treatment experts, and energy producers—confirms the Department's data, showing 74% of all new hires since 2008 have hailed from Pennsylvania. Further, of those surveyed, 93% of Marcellus Shale hires in the region are residents of Pennsylvania, West Virginia, Ohio, Maryland, and New York. Statewide, L&I reports that nearly 3,000 jobs in core and ancillary industries related to shale gas development, many of which are available by visiting the MSC's Job Portal: MarcellusCoalition.org/job-portal.

Jobs created by natural gas development in the Marcellus deliver family-sustaining wages–far higher than the Pennsylvania average. According to state data, core industry jobs (drilling and completions, pipelining, etc.) average an annual salary of almost $90,000, more than $40,000 higher than the Pennsylvania average. And ancillary, or supply chain, jobs average an annual salary of more than $65,000, more than $17,000 higher than the state average.

To help create and keep these jobs right here in the Commonwealth, the MSC has developed a Supply Chain Recommended Practice that underscores the benefits of sourcing and hiring locally and with diversity.

Specifically, the document advises that MSC member companies should identify what materials, supplies, and/or services may be procured from local vendors. Additionally, under Pennsylvania's Act 13 of 2012, producers are required provide maximum practicable contracting opportunities for diverse small businesses, including minority, women and veteran-owned businesses.

The state's Department of General Services tracks this process, while the MSC facilitates dialogue and networking opportunities between the natural gas industry and potential supply chain partners.



MARCELLUS SHALE COALITION™

FACT SHEET

Investing in Our Communities

Recent industry averages indicate that each well drilled in the Commonwealth is between a $5 and $7 million investment–with approximately 420 individuals across 150 different occupations needed to bring a single Marcellus well online, according to the Marcellus Shale Education and Training Center at Penn State University.

Multiplied across the Commonwealth, with more than 4,500 wells drilled in Pennsylvania between from 2010 through 2012, that is an investment of approximately $31.5 billion over a three year period. These investments are confirmed by a survey of MSC members in 2012 showed that total investment by exploration and production companies in 2013 is projected at least $13.5 billion–including investments in leasing and bonuses, exploration, drilling and completion, pipelines and processing, and royalties.

Additionally, the Marcellus and Utica shale formations have proven attractive to investors as well, with a recent PriceWaterhouseCoopers analysis confirming that the total deal value from 2010 through 2012 was $7.1 billion in the Utica and $34.4 billion in the Marcellus, a total investment in the Appalachian Basin of more than $41 billion (Source: IHS, PwC).

The industry's investment does not stop at natural gas infrastructure. Producers and midstream companies are delivering significant dollars to Pennsylvanians in the form of state and local taxes, royalties, and impact fee dollars that are reaching every square inch of the Commonwealth.

Finally, consumers are saving significantly across Pennsylvania. In fact, southeastern Pennsylvania's largest natural gas utilities–PECO, NFG, PGW, Columbia, Equitable, UGI, UGI Penn, and Peoples–averaged a 41% cut in rates for consumers from 2008 to 2011, equating to nearly $3,200 in average savings per customer during that period. Similarly, savings are being realized throughout the rest of the Commonwealth, and the country, as well.

Paid by Marcellus Industry	
Overall taxes since 2006[1]	$1.1 billion
Road construction investments since 2008[2]	> $500 million
Royalty payments to state in 2011[3]	$107 million
Impact Fee Paid to Pennsylvania in 2012[4]	$204 million

[1] – Pennsylvania Department of Revenue, May 2011
[2] – Penn State University, "The Pennsylvania Marcellus Shale Natural Gas Industry: Status, Economic Impacts and Future Potential," July 20, 2011
[3] – Survey of Marcellus Shale Coalition Board Members
[4] – Pennsylvania Public Utility Commission

The "Marcellus Multiplier": A Growing, Robust Supply Chain

A recent survey of dozens of MSC members underscores the wide range 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 jobs increasingly becoming available in communities in which natural gas development 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 region.

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