



March 6, 2025

Senator Art Haywood
10 East Wing
Senate Box 203004
Harrisburg, PA 17120-3004

Dear Senator Haywood:

The Marcellus Shale Coalition represents the operators, professional services and supply chain companies engaged in safely and responsibly developing Pennsylvania's unconventional natural gas resources. Our member companies and their employees are rightfully proud of their significant economic, environmental and energy security contributions that they make to our Commonwealth each day.

It was, therefore, disappointing during today's Senate Appropriations Committee to hear you refer to Pennsylvania's natural gas industry – and those citizens it employs – as “ripping off” the Commonwealth because Pennsylvania has not adopted the punitive tax rates that you and some of your colleagues have long championed.

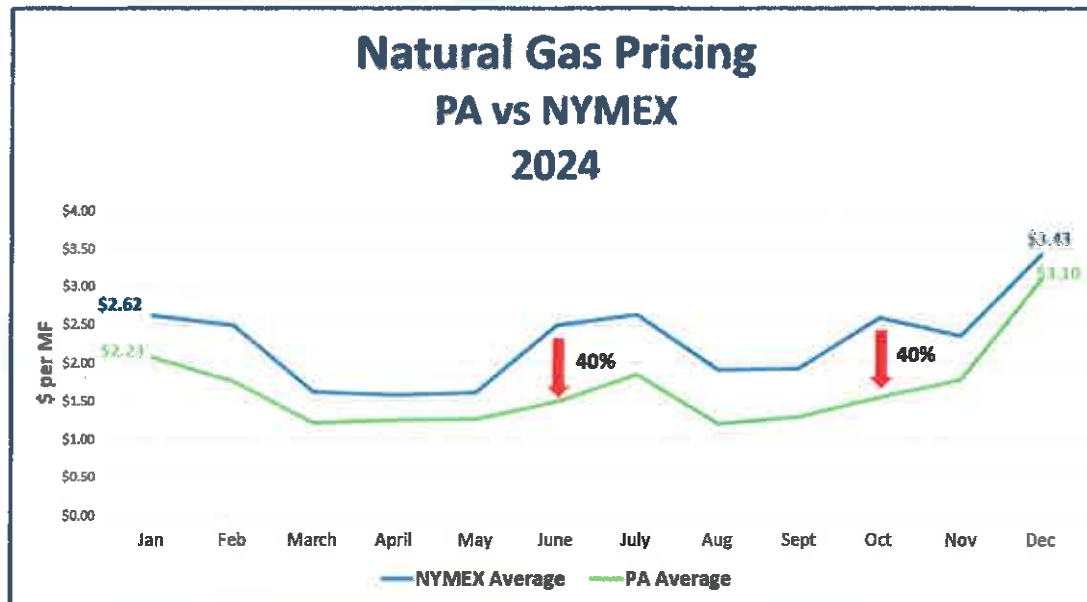
To date, Pennsylvania's severance tax – the Impact Fee – has generated over **\$2.7 Billion** for Pennsylvania communities. These benefits are in addition to the significant savings homeowners who utilize natural gas have realized. For example, a comparison of 2008 natural gas utility prices with 2023 utility prices (most recent available) show that Pennsylvania consumers saved **\$8.963 Billion** just in 2023 alone, or the equivalent of **\$3,420 per household**. And a recent economic impact analysis found that the natural gas industry supported **123,000 jobs**, contributed more than **\$41 Billion** to the state's economy, and generated **\$3.2 Billion in state and local taxes** just in 2022.

Over the past decade, numerous advocates for pro-Pennsylvania workers have pointed out the fallacy of comparing a tax structure for a state like Texas to Pennsylvania. Texas, it is worth noting, only imposes its full severance tax after an operator has recovered its up front capital investment. In some cases, the state's severance tax will be discounted from 50% - 100% for the initial years of a producing well. Texas also has no corporate or personal income tax, while Pennsylvania has both. There are a variety of other significant differences between the states that render such a simplistic comparison, as offered at today's budget hearing, irrelevant.

Unlike Texas, where operators can drill for and produce both oil and natural gas, Pennsylvania is a pure natural gas production state. This creates economic challenges not seen in competitor basins across the nation. And opposition to pipeline infrastructure – and the skilled trade jobs that come with it – has led to persistent and suppressed natural gas

prices in Pennsylvania that discourages investment and leaves royalty owners – including the state – receiving less for their natural gas than other regions.

Consider this price comparison from 2024, which highlights the significant price discount received for Pennsylvania natural gas due to the lack of pipeline capacity:



Pennsylvania's severance tax – the Impact Fee – is working for Pennsylvania communities. Significant new revenue has been infused into state agency oversight, environmental programs such as Growing Greener and the Marcellus Legacy Fund, and into the coffers of county and municipal governments across the state.

The counties you represent in the state Senate, Montgomery and Philadelphia, have received tens of millions of dollars directly from the Impact Fee, and have had hundreds of environmental and conservation projects funded entirely by the Impact Fee.

It is our hope that elected officials would never measure the value of any employer's contributions to the Commonwealth simply by how much tax revenue they fork over to government to spend. For those that still choose to do so, I am attaching a list of every environmental, conservation, recreation and infrastructure improvement project in your counties that were funded 100% by the natural gas Impact Fee.

Sincerely,


Patrick Henderson

Vice President, Government Affairs & Communications



MONTGOMERY COUNTY	
Wissahickon Creek Streambank Restoration and Stabilization	\$297,000
Tookany Creek Streambank Restoration/Central Ave-Ashmead Rd	\$300,000
Pennypack Creek Channel Modification Maintenance	\$139,226
Phase II - Veteran's Memorial Park Streambank Enhancement	\$136,126
Andorra Creek Restoration Project	\$300,000
Wissahickon Headwaters Green Stormwater Infrastructure	\$274,000
Zacharias Creek Trail Extension	\$202,428
Accessible Playground and Spray Park	\$250,000
Upper Merion Township Park and Recreation Master Plan	\$40,000
Smith Parcel Acquisition	\$30,985
Fern Avenue Trail Bridge Project	\$250,000
The River Trail at 600 Righters Ferry Road	\$250,000
Harriet Wetherill Park Improvements	\$250,000
Fischer's Park - Phase 2 Improvements	\$146,215
Franconia Community Park Rain Garden Project	\$16,161
Limerick Trail Segment 11B	\$250,000
Rapp Run Bridge Replacement	\$200,000
Upper Merion Pond Restoration Project	\$85,000
Fort Washington Cross County Trail and Road Diet	\$250,000
Meadow Park Phase II Improvements	\$200,000
Arlington Street Open Space	\$36,750
Black Rock Road Multi-Use Trail	\$196,000
Rambo-Main Street Connection	\$20,000
Schirk-Hutt and Buckman Trail	\$217,600
Miles Park Improvements	\$196,000
Harriet Wetherill Park Improvements	\$125,000
Comprehensive Park, Recreation and Open Space Plan	\$60,000
Wissahickon Park Master Plan	\$25,000
Brookdale Avenue Pump Replacement	\$100,000
St. Mary's Stream Restoration & Dam Removal	\$215,000
Whites Rd. Park Stormwater Retrofit/Floodplain Restoration	\$100,000
Ardsley Wildlife Sanctuary Water Quality Improvements	\$100,000
Fair Oaks Basin	\$200,000
Memorial Park Playground Replacement and Site Access Improve	\$200,000
Royersford Riverfront Park and Trail Phase III	\$100,000
WMUSA Hilltop Soccer Complex Site Improvements	\$100,000
Cedar Street Drainage Improvement Project	\$100,000
West Norriton Township - Act 537 Plan Update	\$68,090
Jenkintown Creek Restoration: Alverthorpe Park	\$75,000
Eaton Memorial Park Streambank Restoration	\$201,000
Betzwood Park Trail Connection	\$75,000

Fort Washington Cross County Trail & Road Diet	\$150,000
Schuylkill Trail East Construction	\$195,000
Heroes Park Improvements Project	\$125,000
Royersford Riverfront Park & Trail Phase IV	\$100,000
The Korean War America-Korean Alliance Peace Park	\$224,162
Alexander Drive Basin Retrofit	\$164,774
Witmer Road Stormwater Detention Basin	\$180,000
Reform Congregation Keneseth Israel Stormwater Improv.	\$90,000
White Pines Road Streambank Stabilization	\$290,672
Stormwater Arch Rehabilitation	\$281,884
Sawmill Creek Culvert Rehab/Replacement	\$238,650
HWP Nature Center Plaza Construction	\$75,000
Twining Valley Park Development - Phase I	\$120,000
Friendship Park Renovation	\$70,000
Victory Park ADA & Accessible Playground Improvements	\$120,000
Cedar Street Pocket Park	\$75,000
Wissahickon Creek Streambank Restoration and Stabilization-Phase 2	\$250,000
Overlook Elementary School Stormwater Improvements	\$50,000
Old Bethlehem Pike Streambank Stabilization & Enhancement Project	\$100,000
Veterans Memorial Park Master Plan	\$25,000
Main Street (SR 0063) Sidewalk Connection	\$130,000
East Plymouth Valley Park Improvements	\$250,000
Highlands Trail Development in the Musser Scout Reservation	\$100,000
Cisco Park Playground Rehab Project	\$75,000
Brookside Avenue Flood Study	\$44,200
Sawmill Run Creek Culvert Rehab / Replacement Phase 2	\$250,000
Haines Run Hydrologic and Hydraulic Study	\$76,181
Harts Lane, Whitmarsh Twp. Act 537 Planning	\$9,939
Whitmarsh Township Building Rain Garden	\$20,000
Stony Creek Park Parking Lot Paving	\$20,217
Twining Valley Park - Phase 2	\$40,000
Classroom in the Park	\$125,000
Borough of Pottstown Stormwater Arch Rehabilitation - 1200 High Street	\$140,000
GFW District, Bodenstein Channel (Sandy Run) Project	\$500,000
WWTP Flood Protection	\$116,360
Collegeville Community Park Planning and Rehab	\$63,043
Chestnut Street and South Street Parks Redevelopment Project	\$125,000
Curtis Arboretum Circulation and Accessibility Improvement Project	\$44,000
Sutcliffe Park Walking Trail Replacement	\$60,000
West Laurel Hill Cemetery Cameo Drive Planning Grant	\$55,250
Kohler Park Improvements	\$250,000

Oxford and Pen-Ambler Parks Master Plan	\$75,000
Whistlestop Park	\$125,000
Chestnut Street Park ADA Accessibility and Safety Improvements	\$172,500
Walnut Avenue Trail - Phase II	\$44,000
Solar Light Project - Wentz Run Park Parking Lot Areas	\$131,669
Robinson Park Wetland and Stream Restoration Project	\$44,000
Heroes Park Detention Basin	\$292,975
West Norriton Centennial Park Restoration Grant	\$89,893
Whitemarsh Valley Country Club Stream Restoration and Protection	\$44,000
Sawmill Run Creek Culvert Rehab / Replacement Phase 3	\$375,000
Springfield Twp Integrity Ave Flood Mitigation	\$107,500
John James Audubon Center Green Stormwater Infrastructure Project	\$78,000
Willow Manor Drainage (DCED 2023)	\$300,000
Borough of West Conshohocken Mackenzie Park Phase II	\$250,000
Curtis Arboretum Circulation and Accessibility Improvement Project (Phase 2)	\$100,000
Gwynedd Mercy Academy High School - Trewellyn Creek Crossing	\$225,000
Yoder Road Sidewalk Connections Project	\$200,000
Hickory Park Renovation Project	\$200,000
Highland-Huber Park Phase 1 Improvements	\$250,000
Pollock Park Phase 1 Redevelopment	\$75,000
Victory Park Redevelopment Project	\$92,000
Fort Washington Cross County Trail and Road Diet - Phase 3	\$125,000
Hollenbach Park Trail Project	\$200,000
Anderson Farm Park Loop Trail	\$200,000
Penllyn Neighborhood Flood Study	\$27,200
Neshaminy Basin Streambank Restoration	\$32,400
Grist Mill Drive - Two Basin Conversions	\$50,000
Donnie Brook Stream Bank Restoration Project	\$88,681

PHILADELPHIA COUNTY	
Flood Basin and Flood Wall Improvements	\$500,000
Philadelphia Gateway Marriott Infrastructure Project (H2O)	\$250,000
Wissahickon-Mt. Airy Avenue Streambank Stabilization	\$100,000
Wissahickon Tributary and Stormwater Channel Remediation	\$271,000
East Park Leadership & Conservation Center	\$300,000
Valley Green Stabilization & Sediment Reduction	\$150,000
North Gully Restoration - Lavender Trail, Wissahickon Valley	\$180,000
Pier 68 Park Development Project	\$250,000
Awbury Arboretum Conservation Easement	\$250,000
Baxter Trail	\$250,000
Wissahickon Trail Signage	\$250,000
Schuylkill River Trail South Street to Christian Street	\$225,000
Franklin Square Improvements 2013-14	\$25,000
Sheet Metal Workers Property	\$250,000
Schuylkill Crossing at Grays Ferry	\$175,000
African Plains Trail Stormwater Management Project	\$250,000
Path Restoration - Mount Pleasant Estate in Fairmount Park	\$65,089
K & T Trail	\$150,000
Queen Village Gateway Greening Project	\$50,000
Friends Hospital Conservation Easement	\$150,000
Mantua Greenway	\$100,000
FELS Early Learning Center Recreation Project	\$85,000
Reading Viaduct Project-Phase 1	\$125,000
Valley Green Road Pedestrian Trail	\$225,000
Kelly Drive/Fairmount Park Rehabilitation Project	\$180,000
The Parkway at Park Towne Place	\$200,000
North Delaware Riverfront Greenway Master Plan Update	\$125,000
Mander to the River	\$180,000
Roxborough Pocket Park	\$200,000
Veterans Triangle	\$60,000
Urban Roots Smith Playground	\$250,000
Old Tennis Court Farm Protection Project	\$225,000
Kitchen's Lane Bank Restoration Project	\$100,000
Northeast Frankford Bold Change for Kids	\$200,000
Frankford Pause Park	\$100,000
PYO Recreation Center Env. Assess. & Remedial Investigation	\$45,260
Pier 9 Park Development Project	\$250,000
Parkside Cynwyd Trail Design	\$85,000
The Parkway at Park Towne Place	\$50,000
Awbury Arboretum Pond Restoration	\$75,000

Schuylkill Banks Bulkhead Restoration	\$75,000
Carnell Community Playscape Design and Development	\$198,650
Wayne Junction Pocket Park Development	\$225,000
Bartram's Garden Dock Expansion	\$250,000
Smith Memorial Playground and Playhouse	\$100,000
Bridesburg Riverfront Park Construction	\$225,000
Winter Street Greenway Playspace Development	\$175,000
McCreesh Revitalization Project	\$200,000
Fairmount Park Stormwater Repairs	\$90,000
Beach Street Trail Acquisition	\$175,000
Martin Luther King, Jr. Drive Trail Modernization	\$120,000
Multi-purpose Room Accordion Wall Replacement	\$16,711
The Concert Garden Renovation	\$42,208
Outdoor Sculpture Garden Development	\$75,000
Cobbs Creek Environmental Center Playground Rehab.	\$250,000
Shepard Recreation Fields Rehabilitation	\$250,000
Lower Poquessing Creek Trail Feasibility Study	\$25,000
Tacony Boat Launch Design	\$182,580
Schuylkill River Park Master Plan	\$9,324
Design of Recreational Assets	\$48,965
Pennypack Creek Streambank & Riparian Forest Restoration	\$75,000
Earnest L. Tustin Recreation Center Master Plan	\$39,100
Frankford Works Greening Project	\$50,000
Greening the Waring School Yard & Park	\$64,557
Tall Trees Nature Playscape at the Schuylkill Center	\$74,570
Clark Park Restoration - Phase II - Interiors	\$142,001
Frank Glavin Playground Renovation	\$175,000
Ziehler Playground Renovation	\$87,500
Amenity Improvements to the Manayunk Towpath	\$125,000
Robert Wilson III Park Court Renovation	\$85,947
LED Lighting at 7th & Bigler Street Athletic Fields	\$68,751
Trail Park - Creating Community Connections in Philadelphia	\$250,000
Field Rehab at Ralph J. Roberts Boys/Girls Club Germantown	\$87,500
Greenspace Revitalization	\$50,000
Cobb Creek Connector Trail - Segment B1	\$85,000
Bartram's Mile Fishing Pier Construction	\$33,000
Travelways Improvement Plan Multi-Use Trail	\$50,000
Philadelphia Gorgas Park Streetscape Safety Improvements	\$101,000
Laural Hill Cemetery Natural Landscape Improvement Project	\$156,827
Schuylkill Banks Bulkhead Restoration	\$50,000
Travelways Improvement Plan Multi-use Trail	\$65,000
Kingsessing Recreation Center Playground	\$25,000

Francis J. Myers Rec Center Playground	\$25,000
Blanche A. Nixon/Cobbs Creek Library Greenspace	\$225,000
Greenways Planning Grant	\$40,000
Samuel Recreation Center Playground	\$150,000
Basketball Courts & Splash Pad at Vare Recreation Center	\$250,000
Brewerytown Garden Preservation	\$125,000
East Passyunk - Singing Fountain Improvements	\$125,000
Cobbs Creek Trail B2	\$50,000
Bartram's to Passyunk Phase II Advanced Planning	\$50,000
Smith Memorial Playground and Playhouse Preserving Play	\$40,000
Woodmere Site Wall and Fencing	\$60,000
East Passyunk Community Center Playground Improvement Project	\$75,000
Murphy Recreation Center - Outdoor Basketball Court	\$131,469
Cecil B. Moore Recreation Center - Field Drainage	\$110,000
Piccoli Playground	\$220,000
Crease Street Garden Preservation	\$210,000
Youth Development & Community Empowerment Center in North Philadelphia	\$180,000
Construction of a 4-Season Community Garden Pavilion	\$110,000
Wissahickon Valley Park Sediment Reduction Pachella Gully Restoration	\$44,000
Malcolm X Memorial Park	\$76,351
Cecil B. Moore Recreation Center Basketball Courts and Baseball Field	\$100,000
Happy Hollow Playground	\$100,000
Kendrick Recreation Center Play Area Improvement Project	\$76,351
Lawncrest Recreation Center	\$50,000
Magee Avenue Connector Trail	\$114,333
Graffiti Pier Park Project	\$50,000
Laurel Hill Cemetery Landscape Restoration Phase 3	\$223,196
Rittenhouse Square Lawn Restoration Project	\$200,000
Bartram's Garden Trail Amenities	\$250,000
Comprehensive Planning of New Wissahickon Gateway Trailhead	\$35,700
Mt Airy Playground Master Plan	\$42,500
Schuylkill Banks Rehabilitation	\$125,000
FDR Park - Franklin 5K	\$150,000
Ivy Ridge Trail Preliminary Design	\$162,770
Cherashore Recreation Center GTRP Project	\$150,000
Reading Viaduct Project - Phase 2	\$100,000
Moyer Street Park, Phase 1	\$100,000
Chesnut Hill Mermaid Park Improvements	\$88,400
Vogt Recreation Center	\$190,000
Rehabilitation of Wilson Park	\$215,137