

INDUSTRY...AT A GLANCE

January 2026

DRILLING ACTIVITY IN PA

Pennsylvania: A World-Class Player in Shale Gas Production

- 2nd largest natural gas producer in U.S.
- Nearly 12,000 producing wells
- 7.4 Trillion Cubic Feet (2024)
- 18% of total U.S. natural gas production
- 36 of 67 counties with at least 1 producing well

Drilling Activity in PA

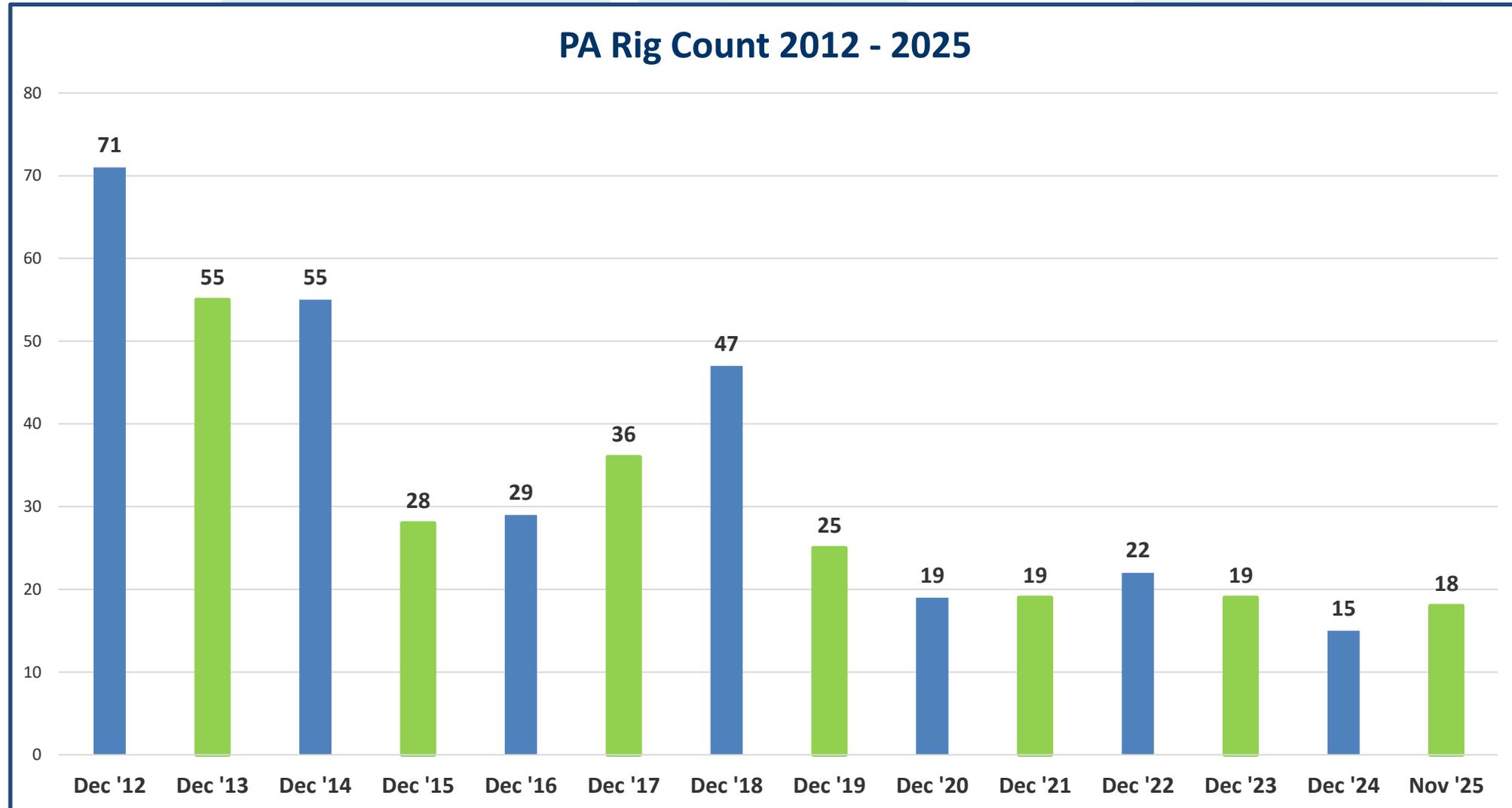
- 💧 13, 475 unconventional wells*
- 💧 11,930 unconventional wells producing natural gas
- 💧 3,927 unconventional well pads
- 💧 Nearly 21 billion cubic feet/day
 - 7.4 trillion+ cubic feet/year
 - 32% of total U.S. shale gas production



Drilling rig in Potter County, PA

* September 2025 (most recent data available)

Drilling Activity in PA



Drilling Activity in PA

Keep in Mind...

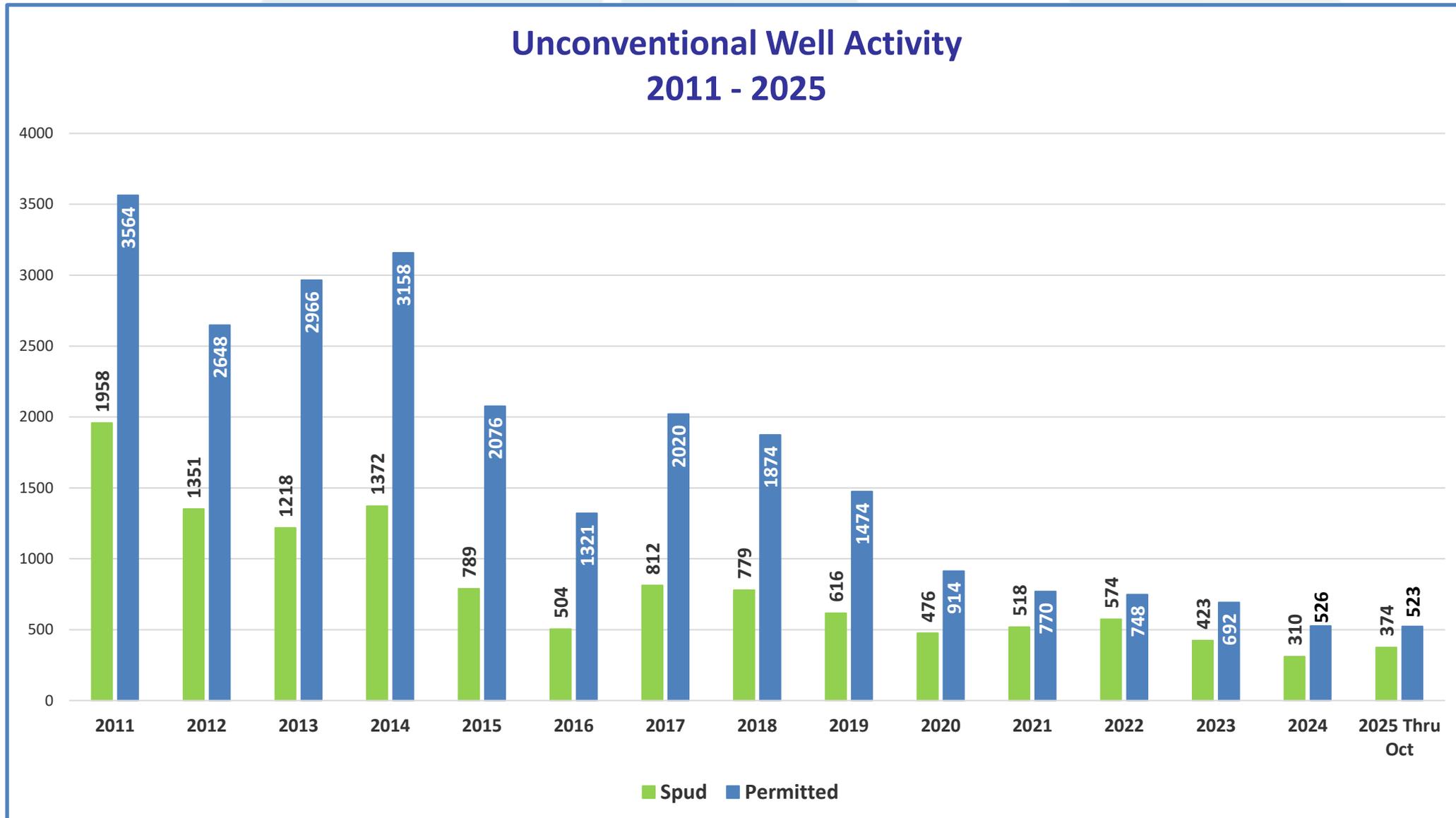
💧 Rig count not the same metric as 6-8 years ago:

- Longer laterals
- More efficient drilling
- More frac stage completions

💧 But still *an* indicator:

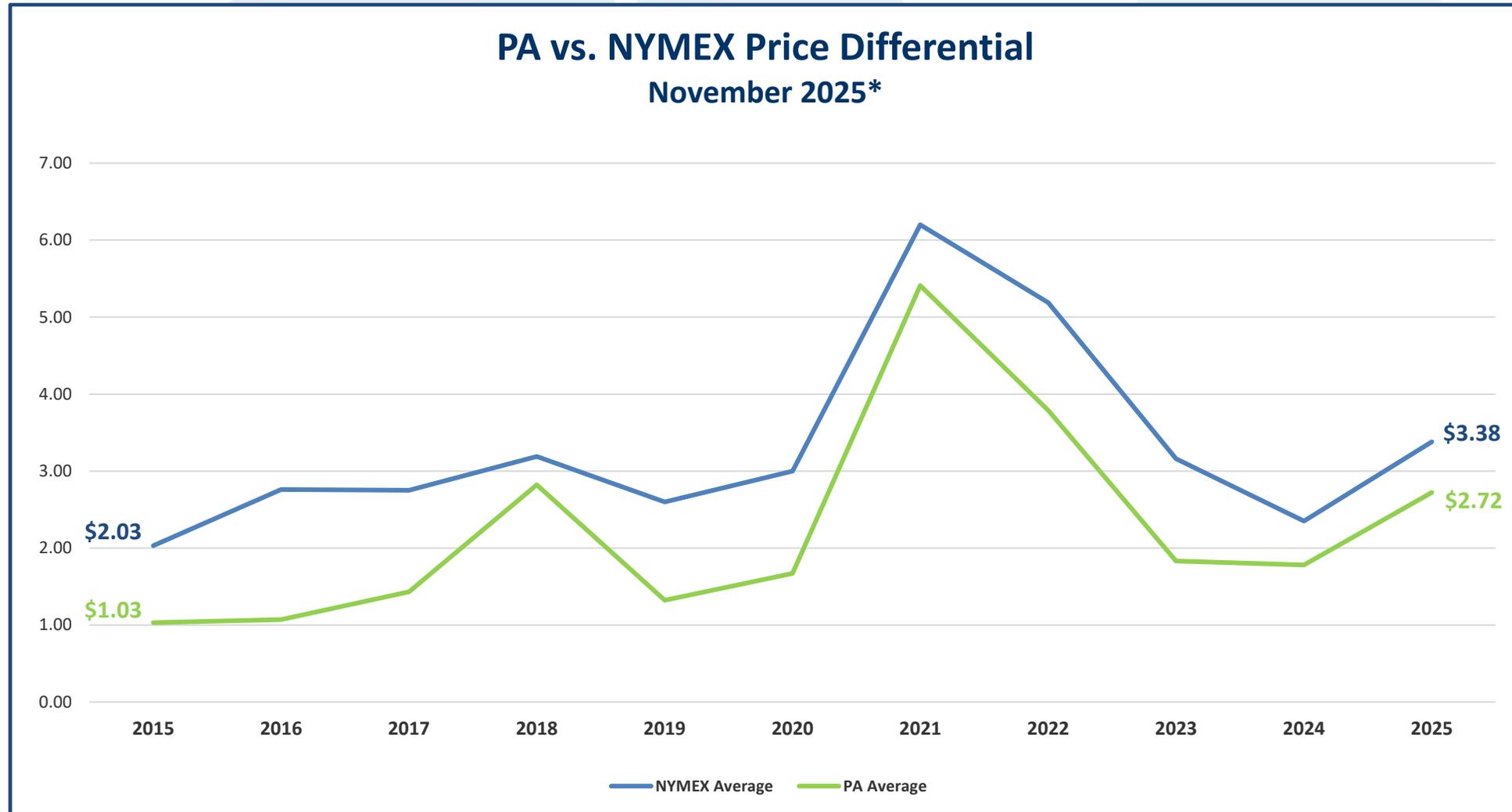
- Oil v Gas
- Wet v Dry
- Basin v Basin

Drilling Activity in PA



PRICING

PA Price Differential

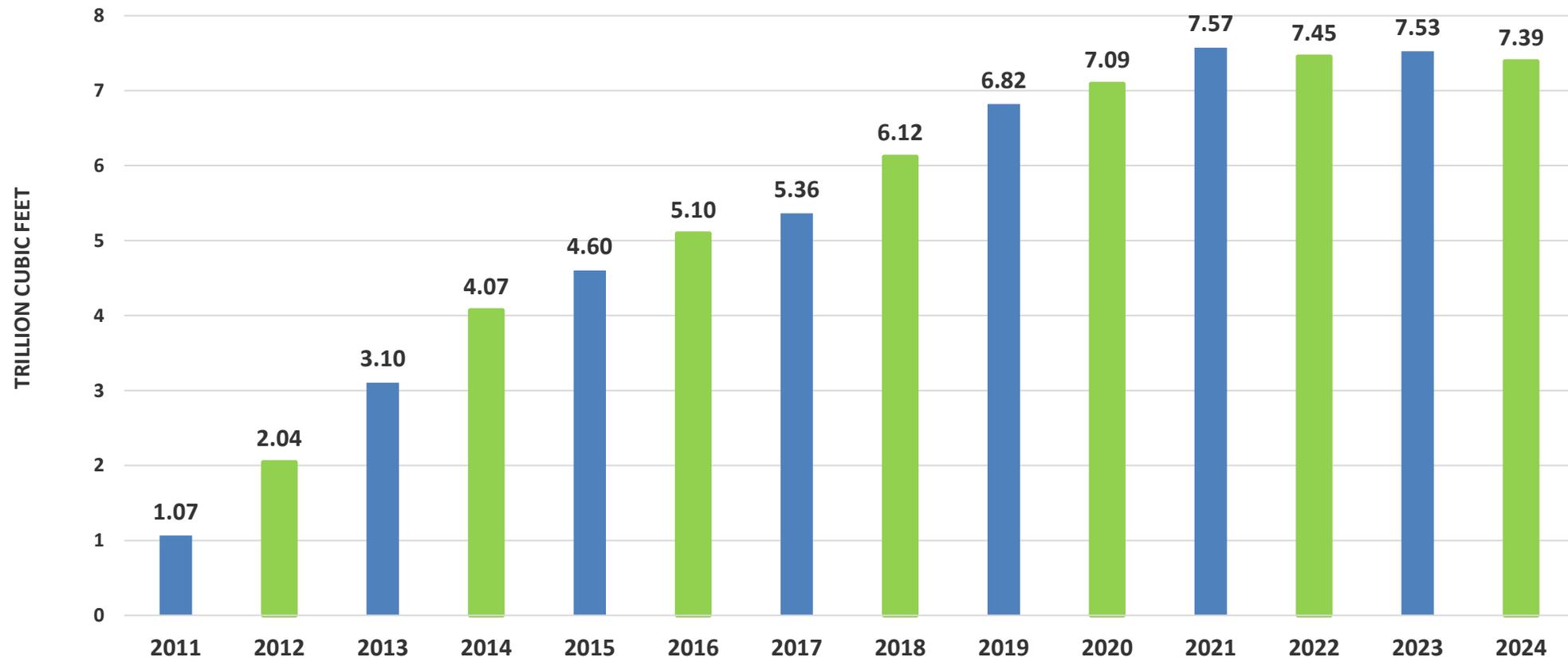


* November 2025 Monthly Bidweek Price – Platts Inside FERC
Price reflects year-over-year for current month

NATURAL GAS PRODUCTION

Fueling the Nation

PA Unconventional Shale Gas Production 2011 - 2024

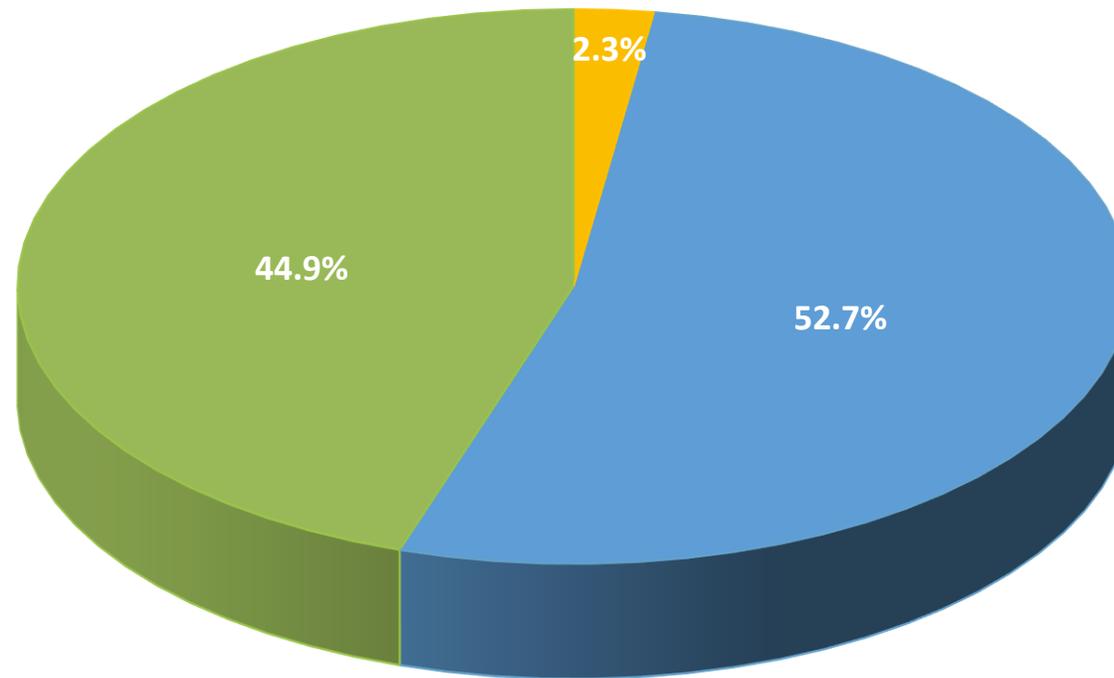


Source: Marcellus Shale Coalition & PA DEP

Top Ten Producing Counties by Volume (2024)

County	Production (MCF)	% of PA Production	# of Producing Wells
Susquehanna	1,404,527,885	18.67%	1,936
Greene	1,149,350,374	15.3%	1,452
Bradford	1,131,149,998	15%	1,458
Washington	1,100,112,241	14.6%	1,898
Lycoming	519,812,079	6.9%	981
Tioga	432,852,334	5.8%	846
Westmoreland	297,914,107	4%	337
Butler	287,297,287	3.8%	609
Wyoming	234,410,019	3.1%	320
Allegheny	167,888,189	2.2%	181

Unconventional Natural Gas Production By Region - 2024



Northwest

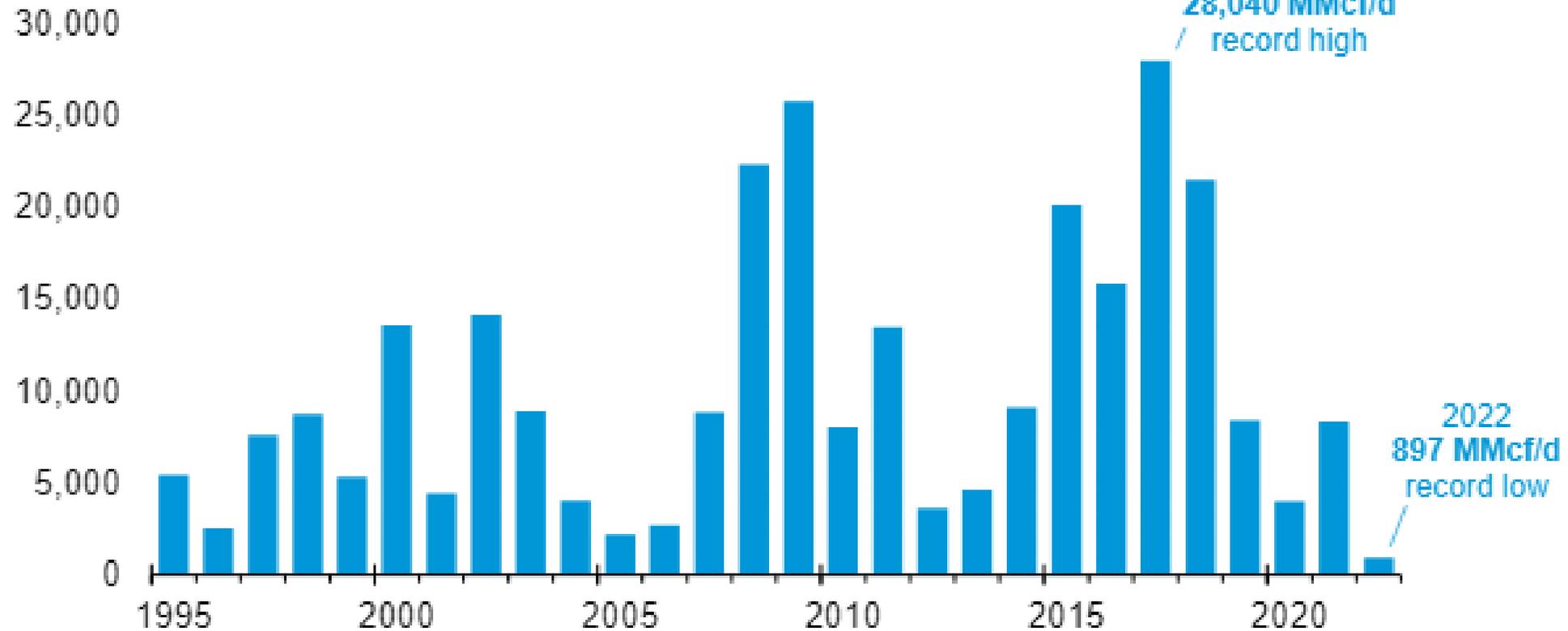
Northcentral/Northeast

Southwest

MOVING GAS TO MARKET

Slowing Infrastructure Build-Out

Annual interstate natural gas pipeline capacity additions (1995–2022)
million cubic feet per day (MMcf/d)



Source: U.S. Energy Information Administration – State to State Capacity Tracker

Slowing Infrastructure Build-Out

Natural Gas, Oil Project Delays, Cancellations				
 CRUDE OIL  REFINED PRODUCTS  NATURAL GAS				
PROJECT	COMMODITY	OPERATOR	STATUS	YEARS ELAPSED PROPOSAL TO CANCELLATION ¹
KEYSTONE XL			CANCELLED	13
PORTLAND TO MONTREAL PIPELINE REVERSAL			CANCELLED	13
DAKOTA ACCESS PIPELINE EXPANSION			PERMIT VACATED	3
BYHALIA (DIAMOND TO CAPLINE)		 	CANCELLED	2
PALMETTO			CANCELLED	2
ATLANTIC COAST			CANCELLED	6
CONSTITUTION			CANCELLED	8
MOUNTAIN VALLEY			UNDER CONSTRUCTION	9
PENNEAST PIPELINE			CANCELLED	6
JORDAN COVE ENERGY PROJECT			CANCELLED	14

Note: Based on data from Rystad Energy; For Mountain Valley Pipeline, years elapsed represents from project's proposal to today.

Source: American Petroleum Institute

Infrastructure Build-Out

Company	Proposed Pipeline	State(s)	Estimated Size in Bcfd	Possible in Service Date
Williams - Transco	Northeast Supply Enhancement (NESE)	PA, NJ, NY	0.4	Nov 2027
Williams / Coterra	Constitution	PA, NY	0.65	Q3 2027
Williams - Transco	Southeast Supply Enhancement	VA, NC, SC, GA, AL	1.6	Q4 2027
EQT - Mountain Valley Pipeline	Mountain Valley Pipeline - Southgate	VA, NC	0.55	mid 2028
DT Midstream/TC Energy	Millennium expansion	NY	0.5	Nov 2029
Williams - Transco	Power Express	VA	0.95	Q3 2030
Boardwalk Pipelines - Texas Gas Transmission	Borealis	OH	2.0	
EQT	Mountain Valley Pipeline expansion	WV, VA	0.5	

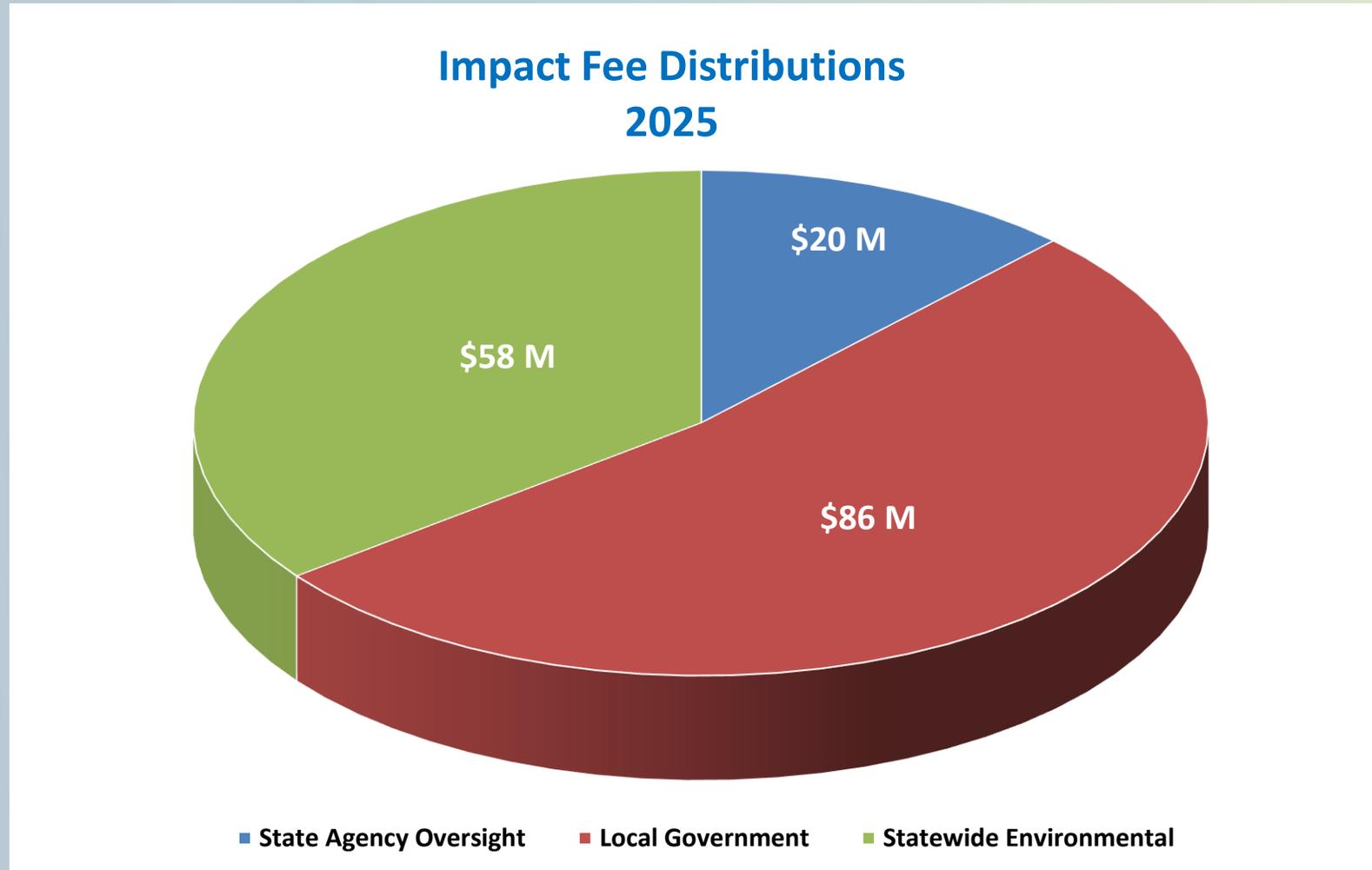
PA'S SEVERANCE TAX: THE IMPACT FEE

Impact Fee Revenues to Date



Year Distributed	Amount
2012	\$204.2 M
2013	\$202.5 M
2014	\$225.8 M
2015	\$223.5 M
2016	\$187.7 M
2017	\$173.3 M
2018	\$209.6 M
2019	\$251.8 M
2020	\$200.3 M
2021	\$146.3 M
2022	\$233.8 M
2023	\$278.8 M
2024	\$179.6 M
2025	\$164.6 M
TOTAL:	\$2.88 Billion

Benefiting PA Communities



PA'S NATURAL GAS IMPACT FEE (TAX)

NEARLY \$3 BILLION GENERATED SINCE 2012

\$1.8B

Supporting Community
Initiatives

\$1.2B

Supporting Statewide
Projects

Benefitting Communities

NATURAL GAS TAX REVENUES NEAR \$3 MILLION FOR PA

\$165 MILLION DISTRIBUTED IN 2025

\$86M

LOCAL
GOVERNMENTS

\$58M

STATEWIDE
ENVIRONMENTAL
PROGRAMS

\$20M

STATE AGENCY
OVERSIGHT

CONSUMER & ECONOMIC BENEFITS

Benefiting Consumers

Lower Prices = Customer Savings

- 💧 Wholesale electric prices generally stable since 2008
- 💧 Market transition through rate caps, fuel generation shift
- 💧 Natural gas prices for end-use customers down 35% - 86% compared to 2008 **
- 💧 Average annual natural gas savings > \$388 - \$1,082 per household

Lower Prices = Customer Savings 2008 vs 2025



Utility	PGC Rate / MCF		% Change	Annual Customer Savings**		
	2008*	2025*		2008-2025	Residential	Commercial
PECO	\$13.16	\$6.64	-50%	\$443	\$3,032	\$20,375
NFG	\$10.86	\$4.77	-56%	\$529	\$1,523	\$9,275
PGW	\$13.02	\$5.49	-58%	\$459	\$2,523	\$7,530
Columbia	\$15.94	\$7.01	-56%	\$616	\$2,661	\$33,541
UGI	\$13.26	\$6.61	-50%	\$479	\$2,095	\$8,299
Peoples/Equitable	\$15.89	\$4.09	-74%	\$920	\$3,044	\$37,170

* PUC Purchased Gas Cost (PGC) Rate in Effect Prior to Annual Review

** Based on average customer usage for each utility as reported in PA PUC Natural Gas Outlook 2024

Benefiting Consumers

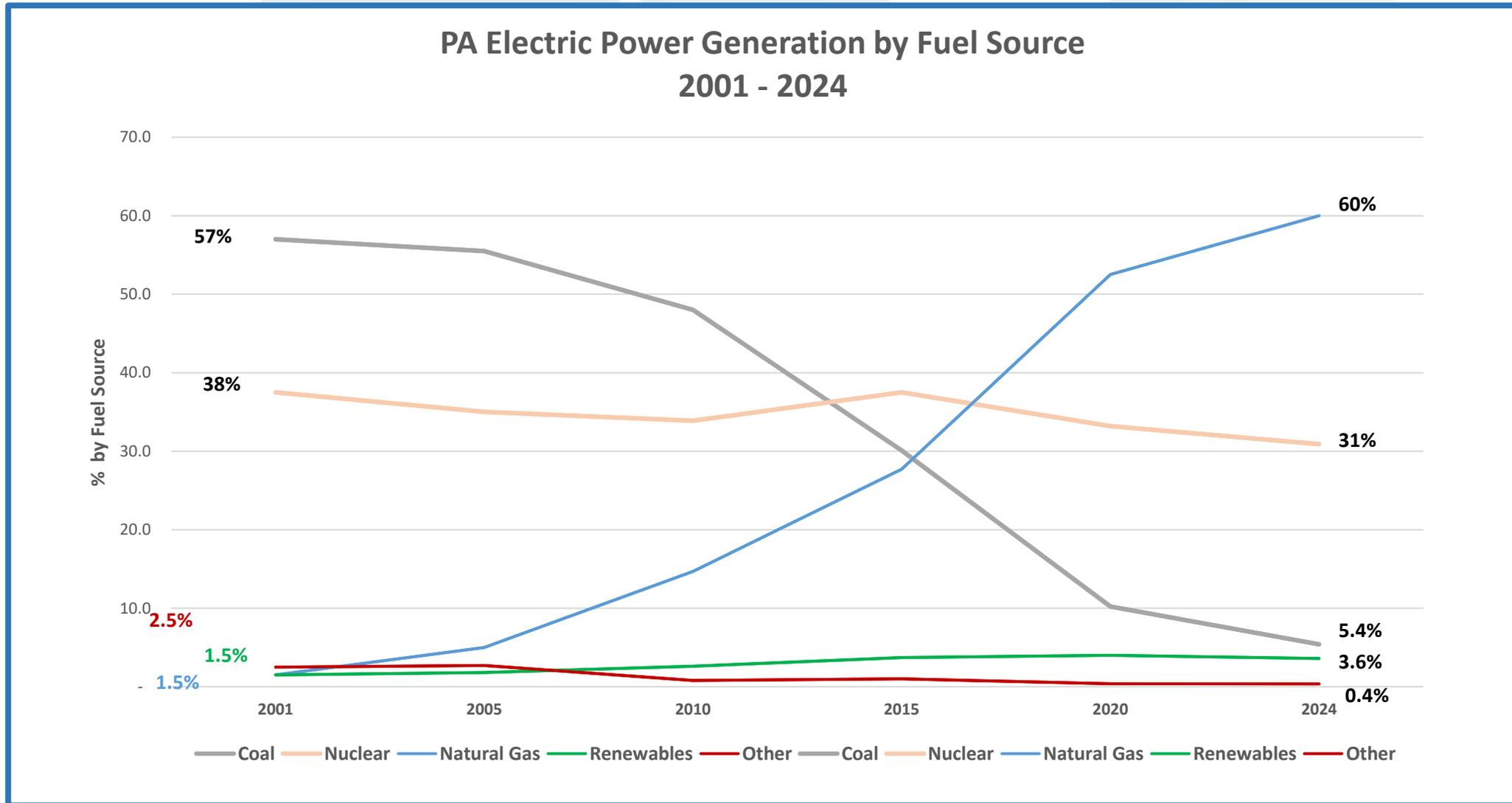


\$9,956,555,484

PA Natural Gas Consumer Savings in 2024 compared to 2008 prices

Based on average customer usage for each PA utility as reported in PA PUC Natural Gas Outlook 2024.
Savings adjusted to reflect inflation 2008-2024 (Bureau of Labor Statistics)

PA's Changing Energy Landscape

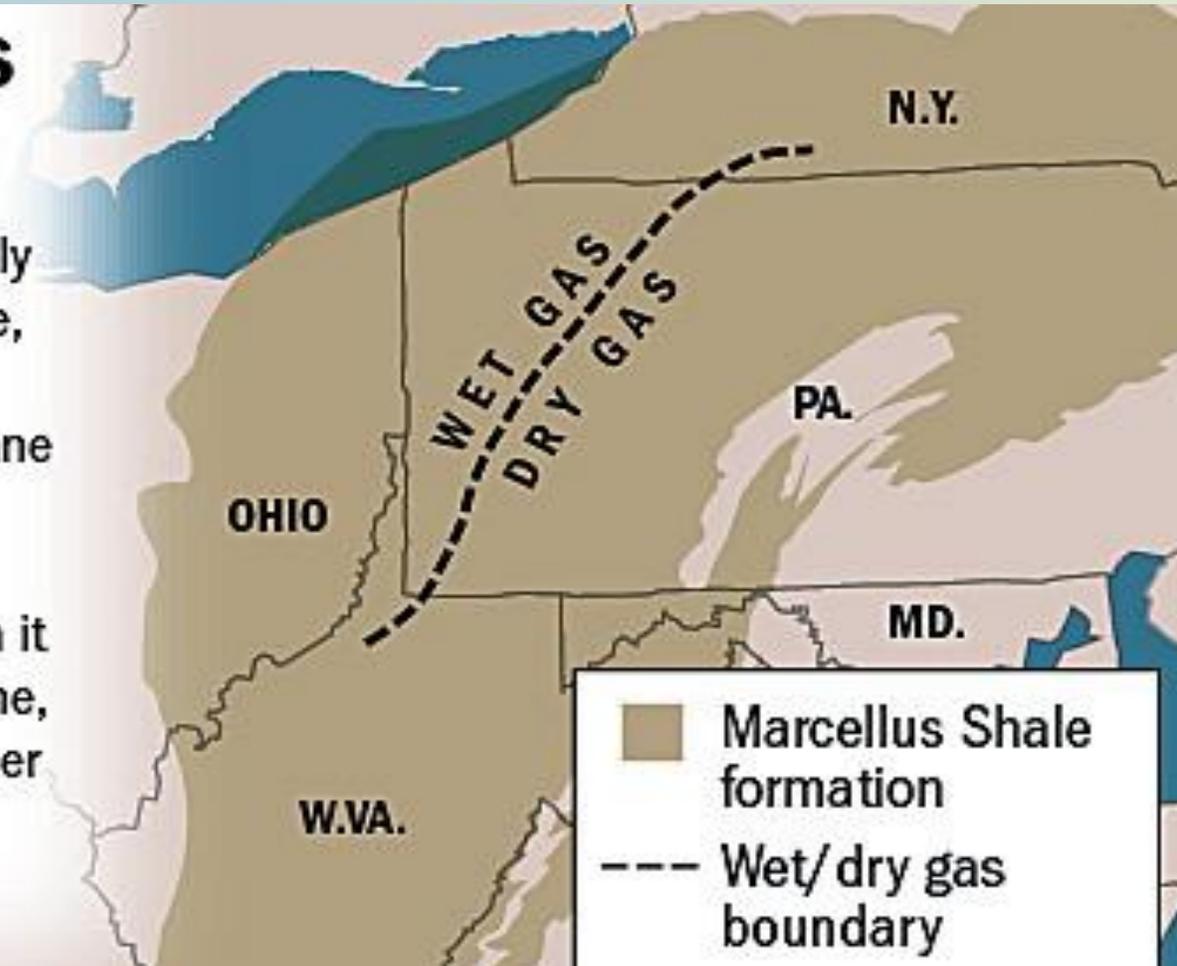


NATURAL GAS LIQUIDS

Shale Gas in PA

Wet/dry gas boundary

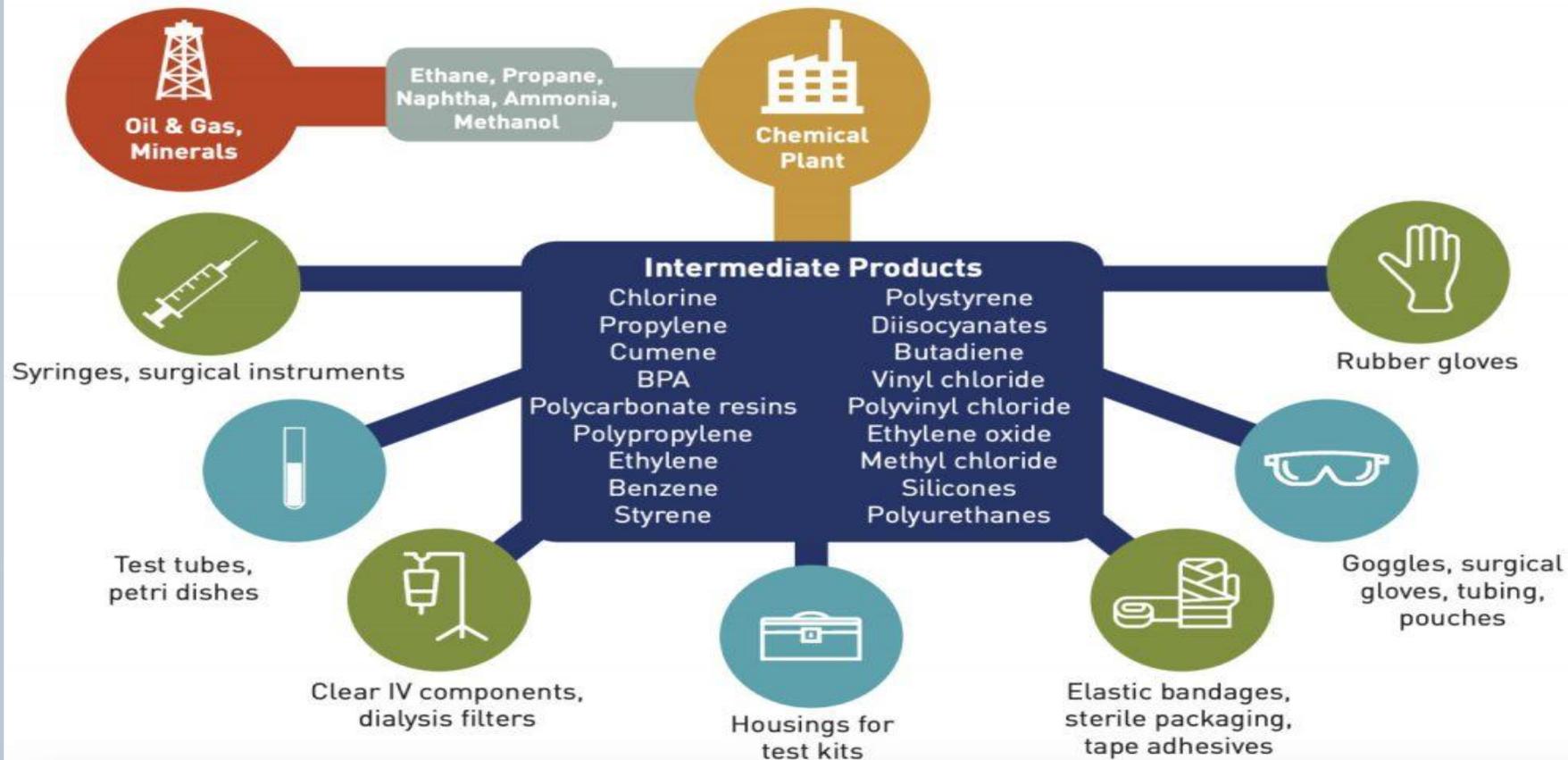
Natural gas is primarily composed of methane, and can also include ethane, propane, butane and pentane ("wet" gas). Natural gas is considered "dry" when it is almost pure methane, minus most of the other commonly associated hydrocarbons.



Natural Gas Liquids: Feedstock of Our Economy

MEDICAL SUPPLIES

Chemistry contributes 25% of the value of material inputs used to make medical supplies.



Fueling Manufacturing

💧 \$208 Billion Chemical Industry Investment Tied to Shale Gas

- \$109 Billion (completed projects)
- \$31 Billion (under construction)
- \$68 Billion (planning phase)

💧 351 Total Projects

- 786,000 total jobs
- \$61.1 Billion payroll
- \$309.5 Billion economic output



Source: American Chemistry Council. Economic contributions tied to higher chemical industry output 2010 – 2030.



“Thanks to this versatile resource, American chemistry has experienced more than a decade of growth. Our new investment boosts employment, payrolls, and tax revenue in local communities and nationwide.”

Chris Jahn, President & CEO, ACC

ECONOMIC IMPACTS

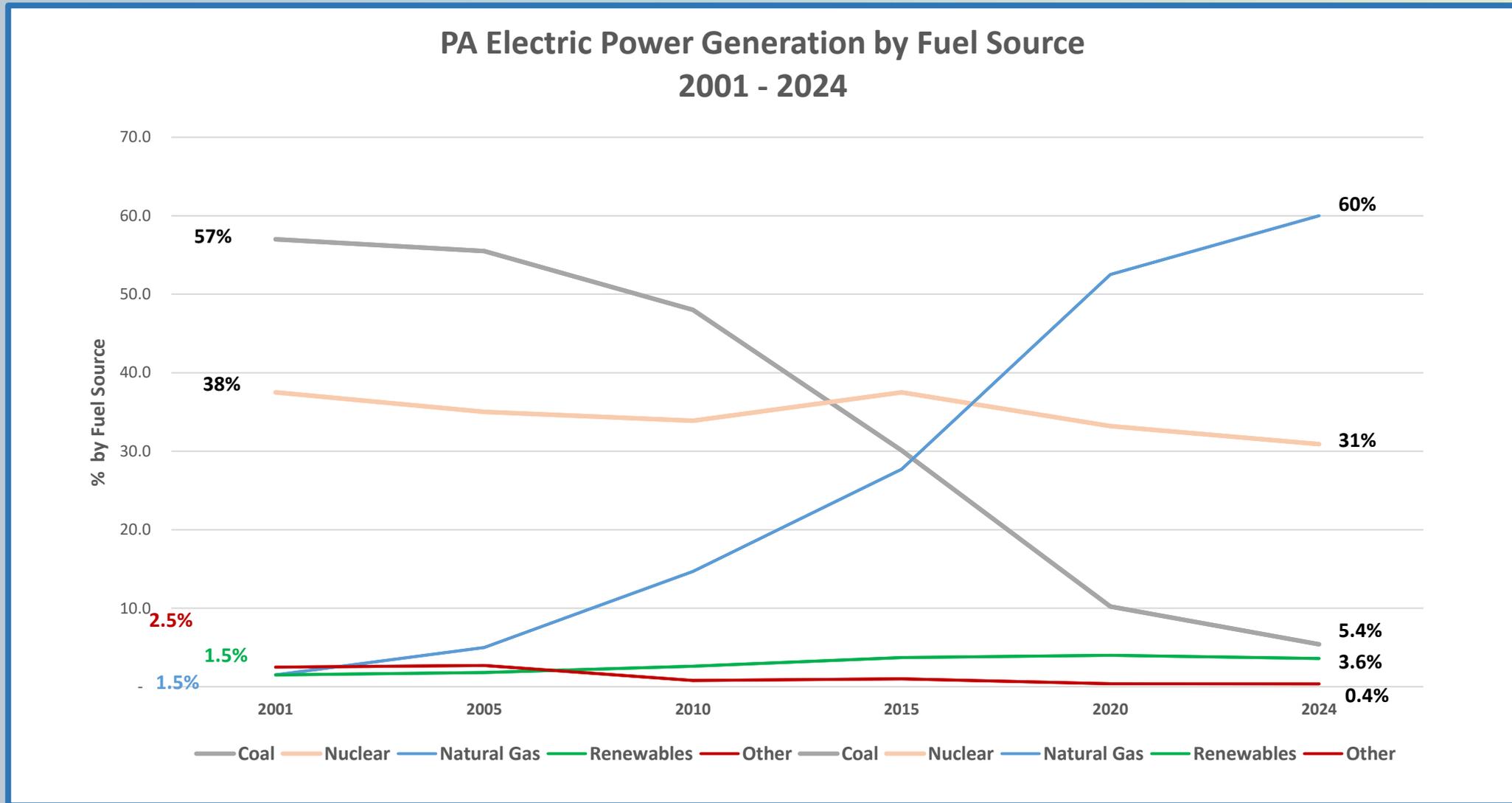
Economic Impacts

PA's natural gas industry:

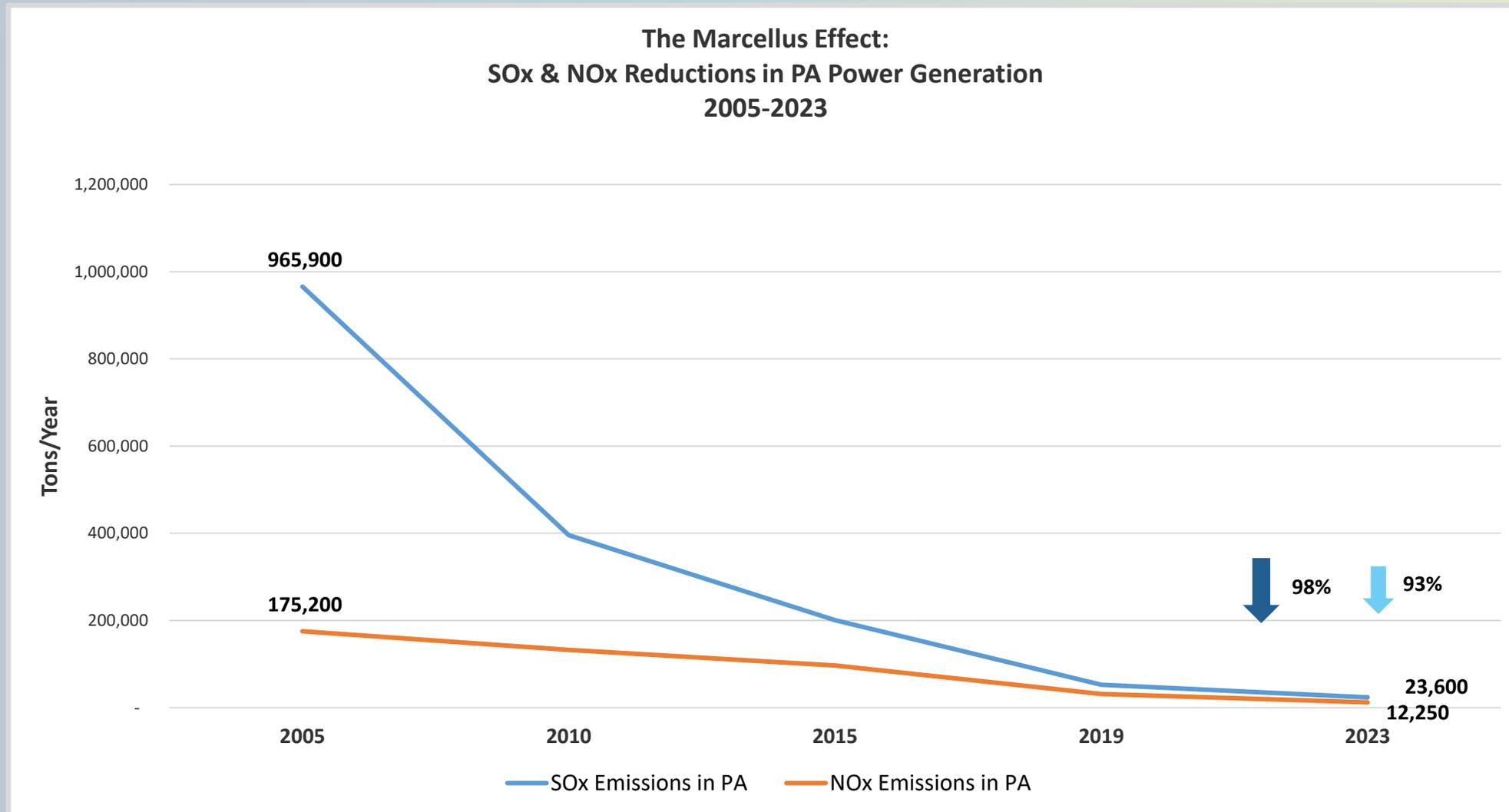
- 💧 Supports 123,000 Pennsylvania jobs
- 💧 Generates more than \$41 B in economic activity
- 💧 Pays over \$6.3 B in royalties to PA landowners, including government agencies
- 💧 Pays workers an average of \$97,000, which is 113% higher than PA's median wage
- 💧 Pays over \$5.8 B in local, state & federal taxes

ENHANCING AIR QUALITY

PA's Changing Energy Landscape

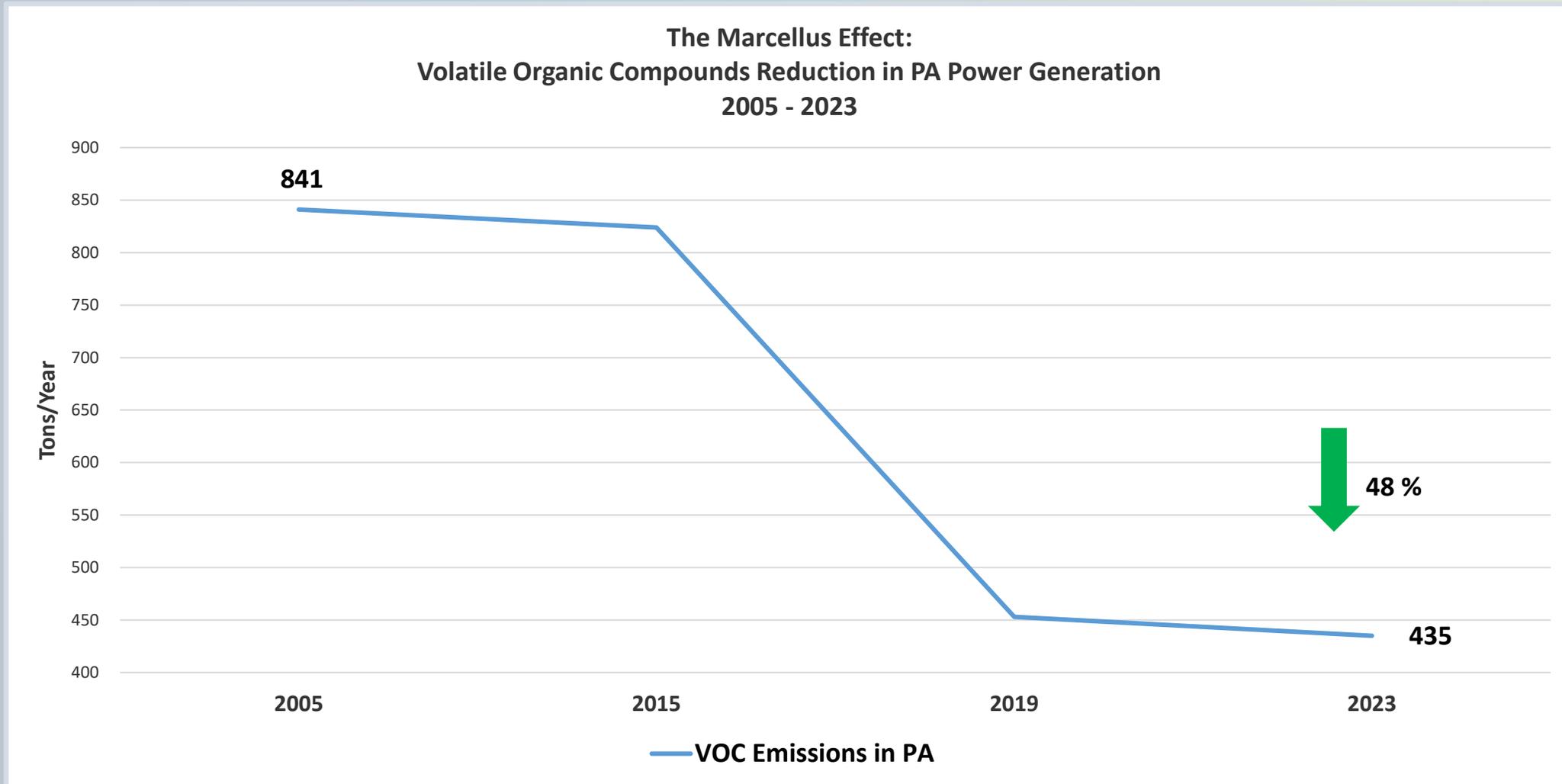


Enhancing Air Quality

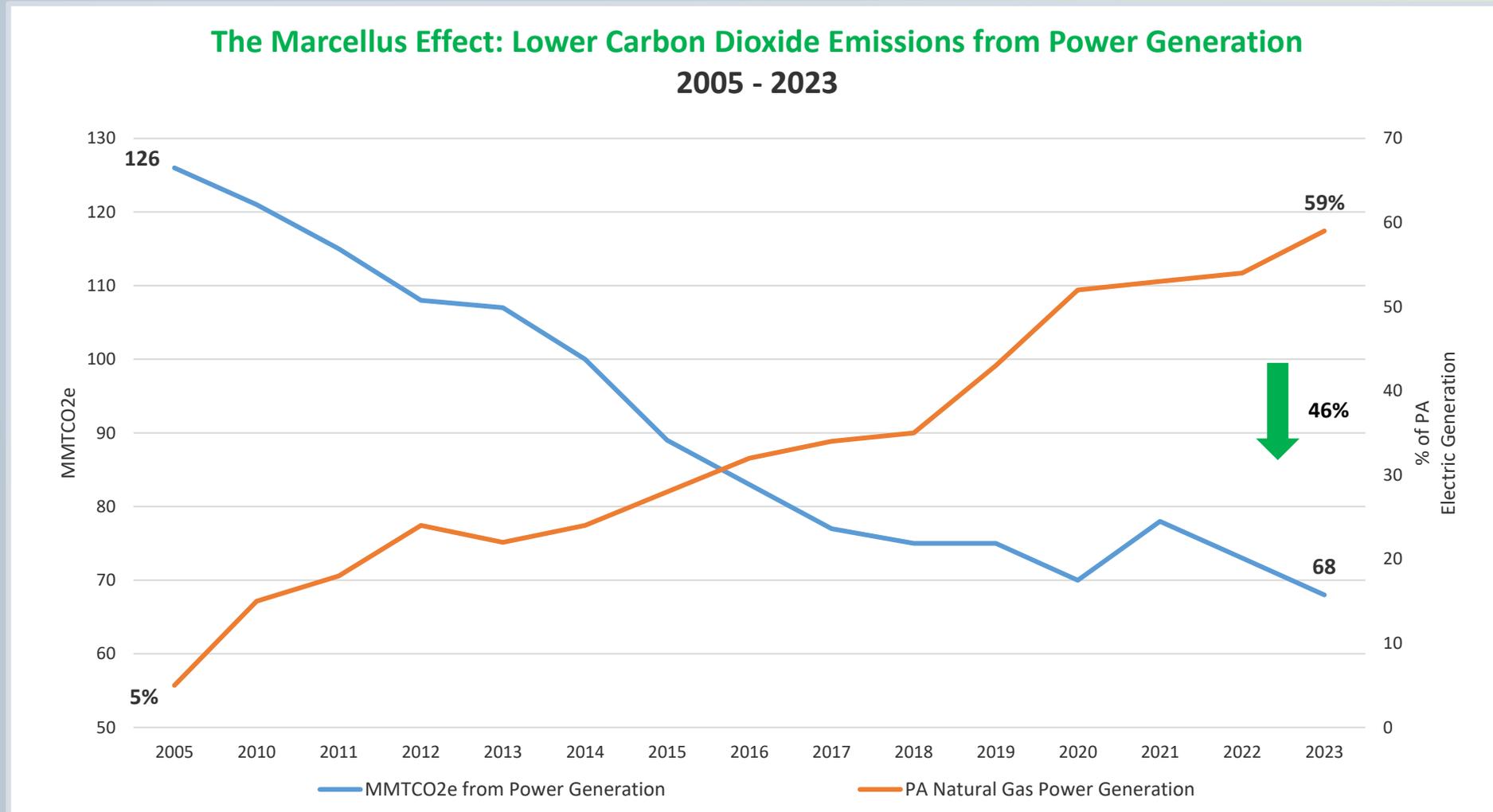


Source: PA Department of Environmental Protection – Air Emission Report (Power BI) – Accessed February 2025

Enhancing Air Quality



Leading on Climate Change



Enhancing Air Quality

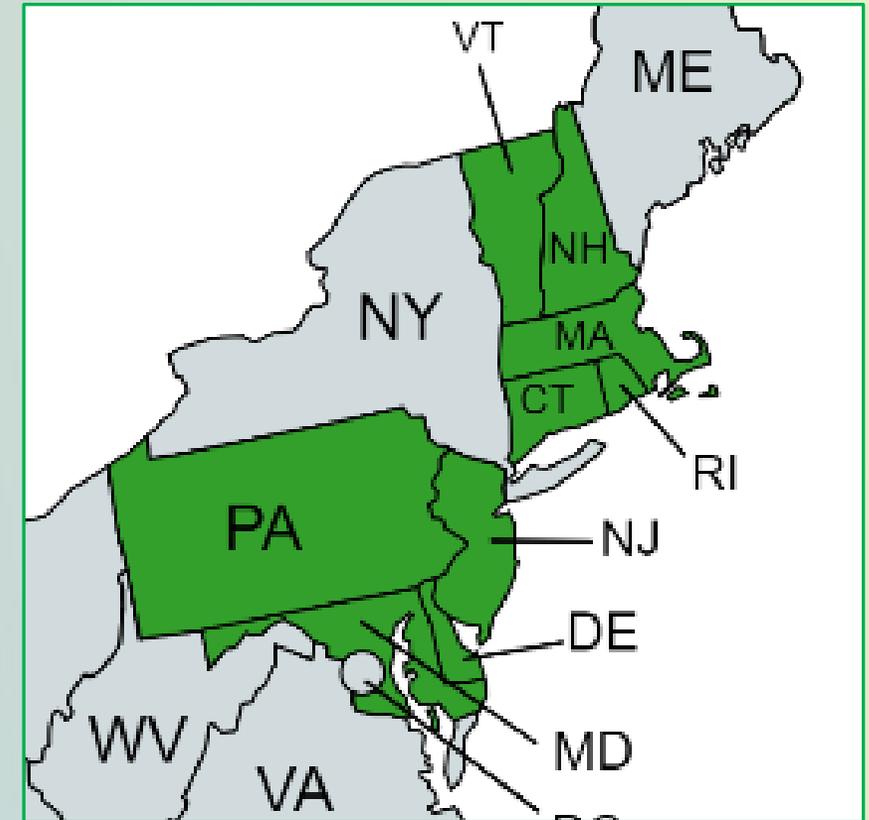
Environmental Benefits are Undeniable

Since 2005...

-  VOCs *down 48%*
-  NOx *down 93%*
-  SOx *down 98%*
-  CO₂ *down 46%*

Enhancing the Environment...Now and in the Future

- Thanks to natural gas electric generation, PA emitted 58 million metric tons fewer of CO₂ in 2023 compared to 2005.
- This is equivalent to removing **12.5 Million** cars from the road for a year.
- Or – removing every car in PA, CT, DE, MA, MD, NH, NJ, RI & VT – *combined*



Enhancing the Environment...Enhances Public Health

Since 2005

- 🔹 Natural gas electric generation has increased from 5% to 60% of all PA generation.
- 🔹 As a result, **nitrogen oxide emissions** are **down 93%** (1,480,300 *fewer* tons emitted) and **sulfur oxide emissions** are **down 98%** (12,069,800 *fewer* tons emitted) from the PA electric generation sector.
- 🔹 These emission reductions equate to public health benefits of between **\$491 Billion - \$1.13 Trillion** for Pennsylvania residents.



Marcellus Shale Coalition Contact

membership@marcelluscoalition.org