

## Scope of Work

### Centre, Clinton and Mifflin Counties

#### Regional Gas Utilization

Development of the Marcellus Shale gas extraction industry has led to an influx of intense well development and supporting well service activity in predominately rural areas of the state. As with the expansion of shallow gas extraction in the 1950's, and the rise of earlier timber, coal mining and steel industries in Pennsylvania, there is a struggle to balance rapidly expanding extraction activities with long term activities and interests that will create long term employment opportunities and lasting economic benefits for the region and the state.

Focusing on the short term needs of this new industry has overshadowed the importance of also investing in the region's infrastructure that will provide a stable employment base for regional residents after the initial development and extraction phase has ended. These investments are needed to help create a long term consumption that will bolster demand for the gas extracted, and foster a sustainable expansion of industry and alternative fuel usage that will continue to benefit the region long after Marcellus Shale operations transition from creating new sources to long term production.

The focus of this project is to identify key investments that will help sustain existing industrial activity and facilitate the expansion of new activity by providing increased access to natural gas utility service, to establish a decision-making body tasked with finding, and constructing these investments, and to identify a funding mechanism for implementing these investments on a continuing basis.

#### Key Goals Include:

- Identify the legal, operational and funding requirements to create a municipal authority, cooperative, corporation or other body charged with facilitating and expanding natural gas utility service and usage throughout the project area
- Identify early opportunities for providing gas utility service to existing industrial parks and residential areas
- Identify potential new industrial sites and parks in close proximity to other supporting infrastructure for development by county IDC groups in both the short and long term that will serve as attractive locations for manufactures utilizing gas as both an energy source and feedstock for their operations.
- Identify priority locations that would also provide gas service to residential areas at the same time so as to significantly reduce energy costs to residential users and increase disposable income which is a key to stimulating local consumption and demand so critical to sustaining a vibrant regional economy.
- Identify as least one potential demonstration project in each of the county's that could be undertaken in the near term in order to test the commercial viability of this approach to regional economic development

- Identify the infrastructure needed to make natural gas fueling a viable alternative for locally operated vehicle fleets in the private and public sector, and facilitate projects for construction of said infrastructure

Successful completion of this project will result in the formation of a body of local stakeholders, tasking them to identify investments in infrastructure vital to attracting and sustaining economic development, and developing a funding mechanism sufficient to shepherd those investments through construction and into reality. This will serve to build the market demand required to sustain Marcellus Shale gas extraction, and foster the investments required to secure sustainable benefits as extraction moves into long-term production.