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Study: Marcellus Shale to Create Thousands of Jobs, Boost Tax Revenues

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Tiny Bradford County in Pennsylvania's northern tier created more jobs than any other county in the state in 2009. Frank Thompson, executive director of Northern Tier Regional Planning & Development Commission, said that drilling in the Marcellus Shale, a sedimentary rock formation that contains largely untapped natural gas reserves, has created an "old-fashioned boom-town atmosphere."

"We had 2,000 jobs created last year, and we expect more this year," Thompson said. "Good-paying jobs that are a direct and indirect result of Shale drilling."

A May 2010 update to a 2009 Penn State University study predicts that drilling in the Marcellus Shale in Pennsylvania has the potential to create an additional 212,000 new jobs over the next 10 years. The drilling activity, moreover, is expected to add more than \$1.8 billion to local and state coffers over the next 18 months.

Tim Considine, one of the authors of the Penn State study, *The Economic Impacts of the Pennsylvania Marcellus Shale Natural Gas Play: An Update*, anticipates that 1,700 additional wells will be drilled in the Shale in 2010, judging from an industry survey conducted as part of the study. "That's on top of the 700 drilled in 2009. . . that's a very significant increase," Considine said.

Considine added that, on average, it takes about a year from initial drilling to gas production; but as the gathering-line network matures in Pennsylvania, that one-year average should decrease. The Penn State study surveyed 35 companies, but 10 of those companies would account for nearly 80 percent of the production, according to Considine.

Overall, the Penn State study contends that, by 2011, work in the Shale is expected to deliver nearly \$1 billion in annual tax revenue to state and local governments, and contribute to a value-added total slated to exceed \$10 billion.

Other projections in the [updated Penn State report](#):

Year	Value Added	State and Local Taxes	Jobs	Projected Natural Gas Output
2011	\$10.1 billion	\$987 million	111,413	2.5 billion cubic feet/day
2015	\$14.4 billion	\$1.4 billion	160,205	7.6 billion cubic feet/day
2020	\$18.8 billion	\$1.87 billion	211,909	13.5 billion cubic feet/day

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