Shale Gas and Brownfields - Is There a Connection?

A County-Level Perspective
Setting the Brownfield Stage

- US EPA Assessment Grant—2007
- PA DEP Grant—2009
- US EPA Targeted Brownfield Grant—2010
- PA DCED Grant—2011

Results
- Over 80 sites identified
- 20 Phase I ESAs Performed
- Phase II ESA for Future Residential Project
- Phase II ESA for Municipal Facility
- Additional Characterization for Forthcoming Project
Commonwealth of Pennsylvania
Department of Environmental Protection
Bureau of Oil and Gas Management

Marcellus Shale Formation
Getting Ready

Community Natural Gas Task Force—Kick-off Feb 2008

“identify key issues, research facts, and review and propose public policy regarding the positive, economic impact of gas exploration of the Marcellus Shale in Lycoming County”

Task Force visits Barnett Play In Texas
Getting Ready

- Open Penn College Training Center for Gas Site Ops
- Amend County Zoning Ordinance
  - 20 Month Collaborative Effort
  - Community—County—Industry
  - “Fair & Balanced”
  - Covers 18 Municipalities
  - Adopted February 2011
- Develop Gas Services Energy Park
Community Leaders Outreach

- 2 April 2012 Event In Williamsport
- Over 110 leaders invited
- Act 13 Defined & Explained
- Impact Fee Provisions Outlined
- $10M anticipated—1st Checks
- Questions Captured & Posted
Land Use Planning—Ordinances

- Lycoming County Zoning Ordinance Updated Collaboratively With Community & Industry – Feb 2011

- Prepared Additional Update To County Ordinance To Align With Act 13 Provisions—now Held In Abeyance

- Lycoming County Can Respond Rapidly To Adopt Needed Changes Pending Supreme Court Ruling
One of the First Gas Drilling Rigs in Lycoming County—October 2007
PVR’s Ogontz East Compressor Station
Range Resource’s Lone Walnut Drill Pad
Compressor Station:

Intake Systems—Exhaust Fans—Compressors—Dehydration Unit—Metering & Transmission
30 Inch Diameter Gas Gathering Lines rising up Bobst Mountain
Treating & Recycling
Well-Field Waste Water
Lycoming County Land Leased to Oil & Gas Industry
June 2012

- Marcellus Shale Boundary
- Leased Land (private & State)
Needs & Resources

Lycoming County’s Marcellus Shale Local Impact Study

Lycoming County’s Infrastructure Assessment

PA Act 13 Implementation
Impact Fee Distribution

$23M Off the Top

40% To State

$2.5M Off the Top

36% to Counties with Wells

37% to Municipalities with Wells

27% to All Municipalities

60% To Local
Balanced Gas Development

Core Principles

• Strike a Balance…
  – Preserve Rural Nature of County & Quality of Life
  – Provide for Industrial Growth
• Amend Zoning Ordinance as appropriate – Provide for rail served industrial sites
• Listen to the public and industry
• Advocate Brownfields Development
Getting Prepared

Our Brownfields Steering Council—An EPA Funded Initiative
Why Push Brownfields?

- Current zoning is generally consistent with intended use
- Public infrastructure in-place -- upgrades more affordable
- Brownfields ALL located in designated growth areas
- Reinvigorates the Community
- Start up time for new companies substantially reduced
MS Business in the Brownfields

- Sand Depot
- Gravel yard/Quarry
- Pipe coatings and threading
- Railroad depots & yards
- Mud Plants
- Frac Water Recycling
- Trucking-Water Delivery
- Hotels
- Housing
- Restaurants

- Engineering Firms
- Specialized Lawyers
- Security Companies
- E&S Control Companies
- Seismic Testing
- Surveyors
- Water Quality Testing Firms
- Air Quality Test Firms
- Gas Field Service Companies
First Steps

1. Identify potential Brownfield Sites so Marcellus Gas business can quickly see what’s available

2. Reach out to current Brownfield owners

3. Conduct necessary environmental due diligence early
Montgomery Mills Site

Abandoned Building in Montgomery Borough

Two New Marcellus Shale Gas Companies at the Same Site
Kennedy King Site

**Kennedy King** – former public housing complex—blighted and vacant

**MiSwaco Corporation** — natural gas products—$50M invested
Kennedy King Site

KENNEDY KING PUBLIC HOUSING COMPLEX

2929 King Court
City of Williamsport
TAX ID - 67-007-200
KOHL’S
Opens Its First Downtown Store on Former Brownfield Site
PA DEP put Brodart on the national map during the Philadelphia-hosted National Brownfields Conference in April 2011.
Brodart Building –
Efforts are underway to provide affordable and market rate housing
Results to Date

Over 120 New Businesses or Plants
Expanded due to Shale Gas since 2008
Economic Growth

- Williamsport Metropolitan Statistical Area (MSA) had a GDP growth rate of 7.8%
- The national average was 2.5%
Sustaining the Momentum

- Estimates for Marcellus Shale Gas Development range from 25-40 years
- Utica Shale Development on Horizon
- Secondary Industries
  - Gas Powered Generating Plants
  - CNG Vehicle Operations
- Get Ready—Be Prepared to Revitalize Brownfields
- Lycoming County Will Launch 2013 EPA Program!