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FEATURED

Expanding rural power

By MATT HICKS Editor-in-Chief

Oct 22, 2021



George Stark (far left), director of external affairs for Coterra Energy, helped moderate Thursday's regional energy meeting at the Bradford County Public Safety Center. Pennsylvania Manufacturer's Association President and CEO David Taylor (middle) and Marcellus Shale Coalition President Callahan listen.

Review Photo/Matt Hicks

NORTH TOWANDA TOWNSHIP – Throughout Thursday's regional energy forum at the Bradford County Public Safety Center, speakers stressed the importance of making sure urban areas, which typically wield political power through population,

know where their energy comes from and that the infrastructure is there to make sure all of America and its allies throughout the world can take advantage of Pennsylvania's abundant natural gas resources.

The event was put on by Bradford County and America's Rural Energy Coalition, a group with roots stemming back to 2011 and a focus on giving rural areas with energy resources more of a voice and level the playing field when it comes to the influence of the more populous urban areas. The group currently has representation currently from Pennsylvania, Texas, Mississippi, New Mexico, Arizona, Utah, North Dakota and California.

Whether it's wind, solar or natural gas, America's Rural Energy Coalition Executive Director Jeff Labenz-Hough said all are being developed in rural America.

"Urban America wants the power, but they want the power generated in your back yard, not theirs. And that's fine," said Labenz-Hough. "I talk with people all around the country. They're happy it's here. But there are challenges with that, challenges that urban America benefits from."

Ultimately, the group's goal is to create sustainable rural communities by leveraging these energy resources and building partnerships with urban communities so that their representatives are more sympathetic with the needs of rural energy producers when it comes time to vote on policy.

To help those in urban areas better understand the everyday impacts on their lives from a resource such as petroleum, they compiled a list of 144 of 6,000 items produced with petroleum. This includes ink, dresses, mops, golf bags, tool boxes, antihistamines, food preservatives, hand lotion, water pipes, speakers, roofing, aspirin, and dishes.

“Half of a barrel of oil doesn’t go to making fuel, it goes to making all of this stuff,” Labenz-Hough said. “That’s the best kept secret in the world.”

According to Pennsylvania Manufacturer’s Association President and CEO David Taylor, manufacturing is a main driver of Pennsylvania’s economy, contributing \$93 billion to the state’s economy while employing 560,000 residents on the factory floors and many more jobs indirectly such as those in supply chains and distribution networks. Supporting this effort is a massive amount of energy, which Taylor said can be a top expense for many manufacturers.

“This is why my organization has been so passionate about the Marcellus Shale and Pennsylvania’s energy opportunity to maximize domestic production,” Taylor said. “This can be a key differentiator that makes it possible for Pennsylvania to reclaim our position as the best manufacturing state in Pennsylvania.”

At P&G in Mehoopany, the plant is able to use natural gas produced on site, which Taylor said has made it the most profitable plant in the entire P&G family. In turn, the plant is most likely to thrive and is first when it comes to securing money for future expansions, ensuring the local tax base and employment.

“That’s what we want and that’s what is made possible by tapping into this fuel source,” Taylor said.

However, he said Pennsylvania’s past failures to move at the speed of business have proved detrimental to manufacturing progress, such as the loss of a \$650 million project from Philadelphia-based Braskem USA, which sought to invest \$650 million to create a petro-chemical facility in Delaware County. However, because the company knew it would be unable to build a pipeline to connect with the natural gas it needed out of southwestern Pennsylvania, Taylor said the investment went to Houston, Texas.

“We did an economic metric study. Within the first two years of that facility, it would have generated over a billion dollars worth of value and we missed it because Harrisburg couldn’t move at the speed of businesses, DEP (Pennsylvania Department of Environmental Protection) couldn’t move at the speed of business,” Taylor explained. “We need to get this situation under control because if we can maximize domestic production, if we can stand up this industry and what it could be, we could have much stronger economic growth, much better energy security.”

He also said maximizing the use of domestic natural gas could make America a global energy super power and give the country and its allies more leverage on the world stage.

David Callahan, president of the Marcellus Shale Coalition, said Pennsylvania produced more than 7 trillion cubic feet of natural gas, or enough to supply every home in the U.S. for a full year. Referencing a recent outlook from the American Gas Association, the U.S. has roughly 3,500 trillion cubic feet of natural gas that’s recoverable, with a majority in the northeast region. Pennsylvania, Ohio and West Virginia make up the top natural gas producing region in the country and third on the world stage.

“You’re a part of something so big,” Callahan said. “You’re really leading the world.”

However, with New York state currently not allowing natural gas pipeline to cross through to supply New England and Canada, and the more recent halt of the New Jersey portion of the PennEast pipeline due to an inability to secure permitting,

Callahan said they are landlocked when it comes to distributing to the north and east.

“We need infrastructure to get natural gas to where it’s needed, to get it to manufacturers, to get it to homes, to get it to businesses, to get it to power plants and, by the way, to get it overseas,” said Callahan.

“We have great energy that’s going into the power grid, clean energy, reliable energy, and resilient energy as well,” Callahan added. “We all know that renewables – intermittent wind and solar – have a role to play here and there and everywhere. In some places they make sense more than others. But we all know that natural gas underpinning that grid allows that grid to function.”

Taylor called the discovery of the Marcellus Shale gas play and the work to produce natural gas from it “world historic,” and said being able to maximize this resource could restore quality of life domestically and make America a global energy super power to give the country and its allies more leverage on the world stage and bring about a safer world.

George Stark, director of external affairs for the Susquehanna County-based Coterra Energy (former Cabot Oil and Gas Corporation), noted how the company’s natural gas fueled the electric generation that cooled Olympic Village in Japan.

Although Stark said no one knows how long the natural gas resources will last, he said the technology behind it continues to improve and those who are being trained to work in the industry through institutions such as Penn College and Lackawanna College are coming in better equipped.

“It is as highly technical as landing a satellite or a rocket on the moon. That same technology that they employ at NASA, we employ from a drilling perspective and I don’t think that gets appreciated enough,” Stark said.

The forum took place at the new Bradford County Public Safety Center, which was built using around \$18 million in Act 13 natural gas impact fee money.

Bradford County Commissioner Daryl Miller remarked that 15 years ago, no one knew they were sitting on top of the natural gas resource discovered in the Marcellus Shale that has helped make Pennsylvania a net exporter of energy.

Callahan said that Bradford County is currently the fourth largest producer of natural gas in the state, making up 13.4%, and has the third largest number of producing wells with 1,308. He also highlighted how the Act 13 natural gas drilling impact fee has provided \$98.5 million to Pennsylvania municipalities, \$58 million to county governments, and \$157 million to those in Bradford County to date.

“Act 13 money is what built this,” said Commissioner Doug McLinko in reference to the new Public Safety Center. “We’ve used Act 13 money in the county to put a new, historic copper roof on our court house, bundle bridges (county bridge repair projects).”

“I’m amazed at this facility,” Callahan said about the Public Safety Center. “You should all be proud of this. I’m proud of the fact that our industry helped fund this through the impact fee and the folks in government here used those dollars to construct this state-of-the-art facility.”

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Thursday’s forum also included comments about cybersecurity and energy infrastructure from retired U.S. Air Force Brigadier Gen. Robert Spalding, former Trump administration member Drew Horn, and six candidates for Pennsylvania governor in the 2022 election. The Daily Review will have additional stories focused on them in a future edition.

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