



# The Pennsylvania **ADVANTAGE**

## NATURAL GAS



Commonwealth of Pennsylvania  
Tom Wolf, Governor

Department of Community & Economic Development  
Dennis M. Davin, Secretary



# The Pennsylvania Advantage

Domestic and international companies alike have reaped the benefits of Pennsylvania's diverse, global economy. Our established manufacturing base, abundant natural resources and energy, world-class universities, and strategic location close to 6 of the 10 top U.S. markets have resulted in a truly attractive location for businesses. Companies big and small — including General Electric, Tyco Electronics, PECO Energy Power Company, PPL Electric Utilities Corporation, Shell, Exelon Generation Company LLC., and many more — have found a place in our business community.



## MANUFACTURING

**Manufacturing is at the heart of our economy.**

- 🏠 \$85 billion economic impact
- 🏠 8th largest manufacturing output in the U.S.
- 🏠 571,000+ employees
- 🏠 19,500 employers



## CONNECTED

**We have traditional infrastructure to keep business moving.**

- 🏠 6 international airports
- 🏠 4 Class 1 railroads
- 🏠 3 ports to the Atlantic Ocean, Gulf of Mexico, & Great Lakes



## NATURAL GAS

**We have natural gas in abundance.**

- 🏠 Largest unconventional and 2nd-largest overall natural gas field in the world
- 🏠 2nd largest natural gas producer in the U.S.



## INFRASTRUCTURE

**We are moving natural gas to market.**

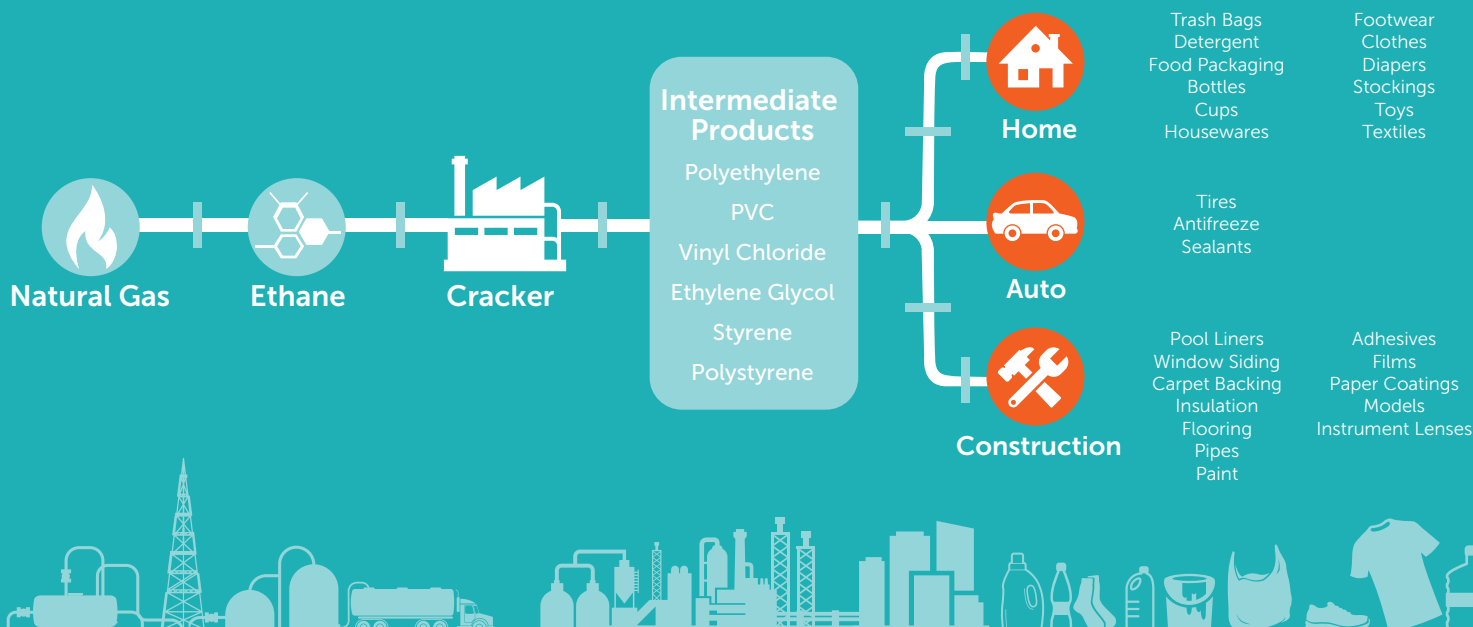
- 🏠 \$10 billion in proposed transmission pipeline projects
- 🏠 Virtual supply chains are being implemented as a quick and lower-cost alternative to high-volume pipelines.

# An Economic Engine

Pennsylvania is the second-largest producer of natural gas in the country, but our natural gas market extends beyond production. Natural gas usage drives many aspects of our economy, including energy intensive manufacturing operations, downstream petrochemical production, and electricity generation. Other natural gas uses, such as compressed natural gas, offer an inexpensive transportation fuel to companies who locate in the state.

With Royal Dutch Shell's planned ethane cracker providing a future reliable and inexpensive source of feedstock in the region, plastics products manufacturing and other downstream industries stand to grow exponentially.

## ETHYLENE CHAIN



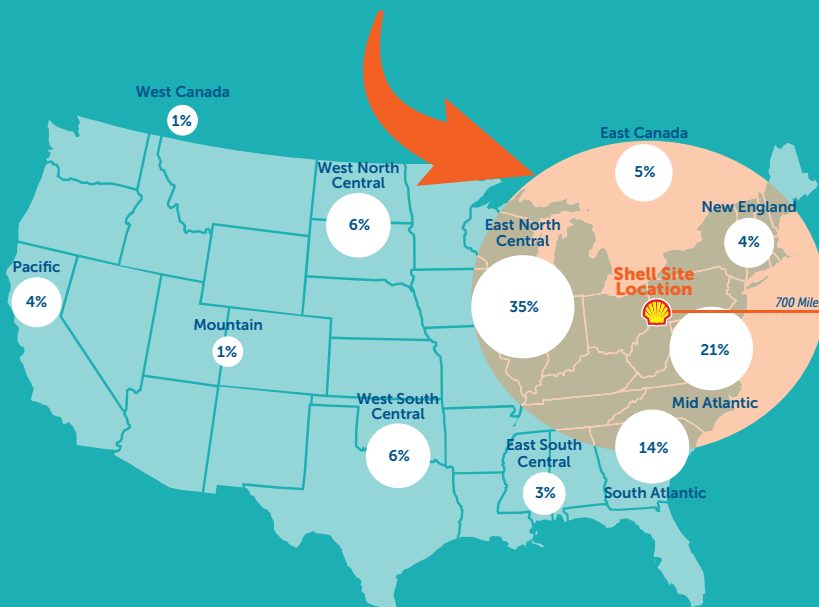
## Shell said yes to PA.

On June 7, 2016, Royal Dutch Shell made the announcement to build a major chemical plant in western Pennsylvania, Beaver County. The location was chosen because of its proximity to gas supplies, which will create a shorter and more reliable supply chain than those with comparable facilities on the U.S. Gulf Coast. The location is also within 700 miles of North American polyethylene customers.



The new cracker will make plastics from gas extracted in PA and will help attract industries that use these natural gas byproducts for their products and services. Plastics-based manufacturing in particular stands to expand significantly from downstream natural gas. With projections of employment up to 6,000 during peak construction and a commitment of 600 full-time positions in the future, Shell's announcement solidifies Pennsylvania's position as **"The Energy State."**

## 70% of the North American Polyethylene Demand is within 700 miles of Western PA.





# STRATEGIC INDUSTRY INITIATIVES

## Natural Gas Resources and Contacts

### Resources and Incentives

Pennsylvania has an unprecedented opportunity to drive a real energy and manufacturing renaissance — and to capture the broader benefits to our economy and communities that go with it. To learn more about the energy and manufacturing programs offered by the PA Department of Community & Economic Development (DCED), please visit [dced.pa.gov/programs](http://dced.pa.gov/programs).

#### Pennsylvania Resource Manufacturing Tax Credit (PRM)

The PRM program provides a powerful incentive that will revitalize Pennsylvania's manufacturing industry, create thousands of good-paying Pennsylvania jobs, and secure long-term economic benefits for Pennsylvania residents and communities.

Beginning in 2017, any manufacturer purchasing natural gas containing ethane as a petrochemical feedstock at a facility within Pennsylvania could be eligible for a PRM Tax Credit equal to five cents per gallon (\$2.10 per barrel) of ethane purchased and used in manufacturing ethylene, so long as the company makes a capital investment of at least \$1 billion and creates the equivalent of at least 2,500 full-time jobs while constructing the manufacturing facility. This is effective for ethane purchased between January 1, 2017 and December 31, 2042.

For more information and to apply for the Pennsylvania Resource Manufacturing Tax Credit, contact the Department of Revenue's Economic Development Coordinator at 717.772.3896.

#### Alternative and Clean Energy Program (ACE)

The Alternative and Clean Energy Program (ACE) provides financial assistance in the form of grant and loan funds that will be used by eligible applicants for the utilization, development, and construction of alternative and clean energy projects, infrastructure associated with compressed natural gas and liquefied natural gas fueling stations, plus energy efficiency and energy conservation projects in the state. Learn more at [dced.pa.gov/ace](http://dced.pa.gov/ace).

#### Department of Environmental Protection (DEP) Resources

DEP has dozens of grants and loans, as well as rebates, to assist individuals, groups and businesses with a host of environmental issues. To learn more, view a list of available grants, loans and rebates, a description of each program, links to applications and eligibility information below. Learn more at [dep.pa.gov](http://dep.pa.gov).

#### WEDnet

Eligible in-state businesses and out-of-state companies relocating to PA can apply to WEDNetPA to access training funds, which can be used for a wide range of training, from welding and quality assurance to software engineering and advanced manufacturing technology, and more. The program is a unique, collaborative partnership of community colleges, state system universities and other education institutions working together to be responsive to the needs of Pennsylvania's business community. Learn more at [dced.pa.gov/wednet](http://dced.pa.gov/wednet).

### Contact Us



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