

ShaleNET Initiative Underway

This column is presented weekly by the Public Education sub-committee of the Clinton County Natural Gas Task Force in an effort to provide accurate, up-to-date information on activities surrounding the Marcellus Shale formation and the natural gas exploration industry. For more information on Task Force activities, visit the Task Force page on the Clinton County government website at www.clintoncountypa.com.

Over the last three years the interest in developing a skilled Pennsylvania workforce for Marcellus Shale exploration and development has been a high priority of local economic development efforts, government at all levels and businesses involved in development, service and support of natural gas exploration.

One of the key efforts to develop a local workforce with knowledge of natural gas exploration is ShaleNET. ShaleNET involves a \$4.96 million grant from the United States Department of Labor focused on the natural gas occupations in highest demand. These occupations are: general laborer (roughnecks and roustabouts), heavy equipment operators, and commercial truck drivers with a valid commercial driver's license. Almost half of all the jobs directly related to bringing a Marcellus natural gas well on-line fall into these three occupation groups.

Although Pennsylvania has been producing natural gas and oil since 1859, most of the knowledge in Pennsylvania was developed around lower pressure formations at shallower depths like shallow oil, gas or even coal-bed methane. With the development of deeper and higher pressure natural gas reserves, the new technology and equipment required new skills. Some of the skills include understanding gas forces and pressures, the need for specialized welding processes, high pressure well control practices, horizontal drilling, directional drilling, and more.

With more than 420 different individuals across 150 different occupations required to bring a single Marcellus well into production, Pennsylvanian's with knowledge of deep gas development and experience working with natural gas were in very short supply. In fact, three different workforce reports have been released over the last few weeks all indicating significant workforce growth as a result of Marcellus development. What is important to note is each of these reports approached workforce estimates in very different ways and while the reports do not agree on the magnitude of the workforce, all the reports do agree there has been tremendous growth in jobs directly related to bringing a well into production.

In addition to the workforce reports, we can also find evidence of an industry on the upswing by looking at the Pennsylvania Department of Environmental Protection (DEP) drilling activity reports and the overall Pennsylvania rig count. Both the DEP well start report and industry reported rig count data appear to show a trend where 40-60% more Marcellus wells will be drilled in 2011 than were drilled in 2010, for a 2011 well start total of 1700-1900 Marcellus wells (duplicates removed). These large increases in shale gas development only heighten the need for a skilled local workforce.

The purpose of ShaleNET is to help meet the new job demand with a skilled local workforce.

Westmoreland County Community College, in partnership with the Pennsylvania College of Technology, provides the leadership for ShaleNET. As the Marcellus Play is

larger than just Pennsylvania, three other states have participating colleges including West Virginia, Ohio, and New York.

ShaleNET just completed its first year which was designed to set-up the grant infrastructure and develop a talent matching system. Even with the logistical set-up being the focus of the first year, the ShaleNET system still reached 1,512 participants with 288 people employed.

While off to a great start the ShaleNET directors realize they have a long way to go to meet their goals of serving 4,500 workers throughout the Marcellus region, providing 850 natural gas industry-related certificates, on-the-job training for 110 workers, and placing 3,000 workers with some natural gas-related training into employment in the industry.

To reach their goals, over the coming year the program plans to expand significantly by officially launching a talent matching system through the Pennsylvania CareerLink System. In part, the system will provide an entry point for the unemployed, dislocated, incumbent and low income workers to find realistic job previews and basic natural gas development information. The Talent Match System will also offer ways to connect participants with potential jobs and/or additional training opportunities.

The goal of ShaleNET is to be the central point of curriculum development and sharing across the Marcellus Play. To reach this goal the program offers regular regional meetings between industry and education in Southwestern and Central Pennsylvania, curriculum development and curriculum sharing, the opportunity for other colleges to become certified providers, and the chance to partner with colleges across the country to share and develop new curriculum for the Marcellus Shale.

Finally, the ShaleNET Workforce Forum has already become the largest natural gas workforce conference in the country by bringing together education at all levels, workforce trainers, government and industry to discuss opportunities and challenges in creating a skilled Marcellus workforce.

ShaleNET is a constantly evolving program designed to help Pennsylvanian's and those in the Appalachian Basin develop skills needed to become employed in natural gas exploration and development. For more information about ShaleNET direct your browser to www.shalenet.org or contact Byron Kohut, Director, ShaleNET Western Region at 724-696-4593 or David Pistner, Director, ShaleNET Western Region at 570-327-4775.

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