



**Pennsylvania Manufacturers' Association**

Comments before the:  
**PENNSYLVANIA DEPARTMENT OF ENVIRONMENTAL PROTECTION**  
In support of: Atlantic Sunrise Project Pipeline, Chapter 102 & 105 Permits

June 12, 2017

Max Smith Auditorium  
Lancaster Farm and Home Center  
1383 Arcadia Rd.  
Lancaster, PA 17601

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My name is David N. Taylor and I am the President of the Pennsylvania Manufacturers' Association. We are the statewide, nonprofit trade organization that represents the people who make things here in our commonwealth; generating over \$82 billion annually in state gross product, employing 560,000 hardworking Pennsylvanians on the plant floor, and supporting supply, distribution, and retail networks that sustain millions of additional Pennsylvania jobs. I am honored to be here today, respectfully asking the Pennsylvania Department of Environmental Protection to approve Chapter 102 and 105 permits for the Atlantic Sunrise Project, without delay.

Manufacturers depend on affordable natural gas and gas byproducts to remain globally competitive. Total natural gas demand is poised to increase by 40 percent over the next decade and researchers at the National Association of Manufacturers found the key drivers of this demand will be manufacturing and power generation.<sup>1</sup> Therefore, projects such as the Atlantic Sunrise Project are so vitally important to the productive sector of our Commonwealth's economy.

Affordable gas is simply not getting to market because Pennsylvania lacks a sufficient pipeline network. It has been estimated that approximately 25-30% of the Marcellus wells drilled to date still do not have pipeline takeaway capacity. Projects such as the Atlantic Sunrise Project open and expand markets, sustaining and stabilizing the energy industry that is so important to the manufacturing industry.

Scholars at Penn State University forecast the \$3 billion Atlantic Sunrise Project to directly employ approximately 2,300 and stimulate the local and regional economies in the project area by supporting an additional 6,000 jobs and increase economic activity by \$1.6 billion in the area of the project.<sup>2</sup> But most importantly, the economic impact of this project will have lasting results, far beyond the construction of the pipeline in the manufacturing sector. According to a recent study by the National Association of Manufacturers and IHS Economics:

*"...Increased supplies of natural gas, especially at lower delivered prices, enhances the competitiveness of economies by making them more attractive to manufacturing activities that are large, and intensive users of natural gas such as chemicals, food, paper, and metals. The close proximity of existing clusters of manufacturing establishments to increased natural gas supplies can generate new pipeline-related economic development, often because of the availability of direct connections to a new or expanded gas pipeline... In a nutshell, the combination of increased access to shale gas and the transmission lines that move that affordable energy to manufacturers across America meant 1.9 million jobs in 2015 alone."<sup>3</sup>*

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<sup>1</sup> IHS Economics prepared for the National Association of Manufacturers, "The Economic Benefits of Natural Gas Pipeline Development on the Manufacturing Sector." May, 2016.

<sup>2</sup> Blumsack, Kleit, Yoo, "Economic Impacts of the Atlantic Sunrise Project." Pennsylvania State University, January 9, 2015.

<sup>3</sup> IHS Economics prepared for the National Association of Manufacturers, "The Economic Benefits of Natural Gas Pipeline Development on the Manufacturing Sector." May, 2016.

The United States federal government recognizes that pipelines are the safest method for transporting energy. Modern pipelines using cutting-edge technologies, such as the Atlantic Sunrise Project, are safest of all. While public safety and welfare are paramount, it seems that this project has been vetted time and time again. It's time to move forward as the Pennsylvania Department of Community and Economic Development commissioned a study recommending:

*"...that Pennsylvania take aggressive action to address potential developmental and infrastructure constraints proactively. This includes investing in suitable sites to accelerate pad-ready development and supporting NGL pipeline infrastructure and storage capacity. These actions are critical to ensuring that Pennsylvania is positioned to develop long-term, job creating manufacturing opportunities."<sup>4</sup>*

Pennsylvania's natural gas revolution is giving our manufacturers new momentum with abundant, cost-competitive energy. But to fully realize the potential of shale gas, Pennsylvania needs robust infrastructure for transmission. We must connect industry, consumers, and customers to the supply to open new markets and the Atlantic Sunrise Project will do just this. And again, we respectfully urge your swift approval.

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<sup>4</sup> Whitfield, Hopkins, et. al, "Prospects to Enhance Pennsylvania's Opportunities in Petrochemical Manufacturing." IHS Markit prepared for Team Pennsylvania and Pennsylvania Department of Community & Economic Development. March, 2017.

