

## BY-LINED ARTICLE

### Petrochemical Plant Has Pa., Other States Competing for Jobs

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*Marcellus Shale Law and Policy Update*

Pennsylvania is competing with Ohio and West Virginia for the location of a Shell petrochemical plant that would, according to one report, bring 10,000 construction jobs, hundreds of full-time plant jobs and thousands of additional spin-off jobs to the winning state.

"The chemical industry association ACC (American Chemistry Council) has done studies that estimate a 'multiplier effect' of 5.5 for induced and indirect jobs," wrote Kayla Macke, media relations coordinator for Shell.

The plant will tap into natural gas and liquids from the Marcellus Shale, which lies beneath parts of western Pennsylvania and the state's Northern Tier. By using a molecular cracking process, the plant will convert natural gas liquids into other chemicals, including ethylene, one of the building blocks for plastics and other synthetics.

A Department of Community and Economic Development (DCED) representative said the office was working "vigorously" with Shell officials to encourage them to choose Pennsylvania.

"We are working on the state level and with local economic development groups as part of the process," said Steve Kratz, DCED press secretary.

When asked whether that meant the groups were putting together an incentive package that includes possible locations for the plant, Kratz said the administration preferred not to go into details while talks were ongoing.

"We feel, though, that the governor's commitment to position Pennsylvania as a pro-business state is a powerful message to Shell and others that this is the place to do business," Kratz said.

Shell's interest in building the plant brings other good news as well, according to Geoffrey Styles, a well-respected consultant to the oil and gas industries.

"Shell is very meticulous in its planning," Styles said. "And wouldn't be considering this magnitude of a plant unless it really believed supplies would be there for the long term."

Macke of Shell wrote that in addition to the cracker, Shell is looking into building a polyethylene (PE) unit (or two) at the site.

"We are now also considering including a monoethylene glycol (MEG) unit, as we have a strong technological position in this as well as a being a market leader in MEG. We expect growth for MEG in the North American market in the coming years. End uses for MEG fall broadly into three categories: fibers (polyester, fleece fabric, upholstery, carpets, etc.), PET (plastic drink and food containers, bags, etc.) and automotive products (engine coolants and anti-freeze)," she wrote.

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