

Impact Analysis of the Marcellus Shale Safe Drilling Initiative

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**Regional Economic
Studies Institute**



TOWSON UNIVERSITY

Introduction

- Team
- Approach
- Tools
- Questions

Team

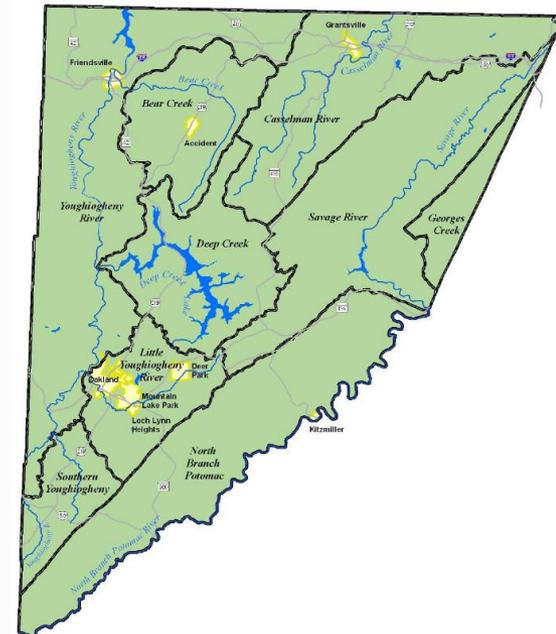
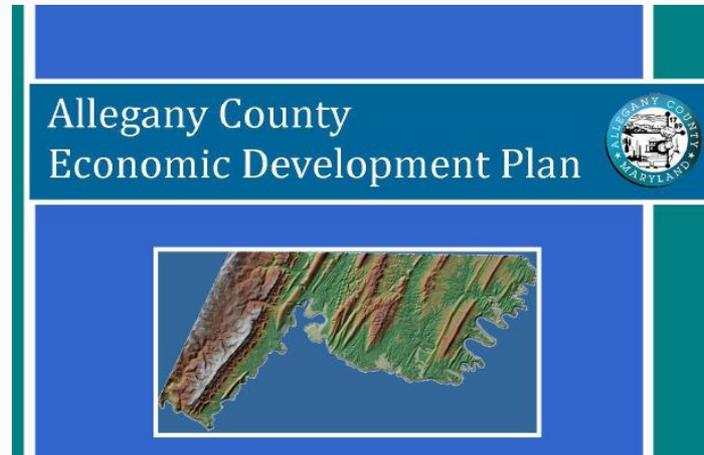
- **Daraius Irani, Ph.D.**, Executive Director
- **Jessica Daniels Varsa, AICP LEED AP**, Senior Research Associate
- **Susan Steward, MS**, Economist

Approach

- Community Impacts
- Economic and Fiscal Impacts
- Market impacts
- Non-market Impacts

Community Impacts

- Background document review
- Evaluate existing conditions
- Engage local stakeholders
- Spatial and qualitative analysis



Engage Local Stakeholders

- Background document review
- Evaluate existing conditions
- Engage local stakeholders
- Spatial and qualitative analysis

Community Impacts

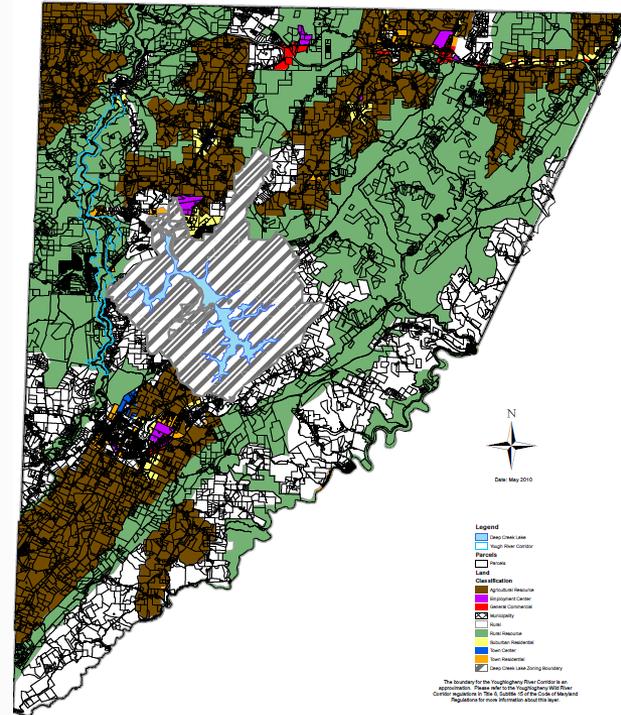
- Housing
- Transportation
- Recreation/tourism
- Land use
- Rural character
- Habitat
- Wildlife



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Garrett County Land Classification Map



Economic and Fiscal Impacts

- Economic Impact Analysis
 - Three key factors will be reviewed
 - Employment
 - Wages
 - Output
 - Factors such as land price values, and values associated with recreation will be used to determine the impacts from Shale.
- Fiscal Impact Analysis
 - State and Local tax impacts
 - Construction phase
 - Operation phase

Market Impacts

- Values that can be readily observed
- Measures the reduction or benefit from Shale Drilling in the area



Non-Market Impacts

- Values cannot be readily observed
- Measures the reduction in environmental goods resulting from natural gas production
- “Willingness-to-pay”



Analytical Tools

- IMPLAN
- REMI PI+
- Contingent Valuation
- Hedonic Price Analysis

Questions