



THE OHIO STATE UNIVERSITY

Adapting to Shale-Based Development through a Countywide Approach: Lessons Learned from Jefferson County, Ohio

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Outline and Overview

I. Jefferson County in Historical Context

Methods

II. Re-visioning Development in the County

III. Arrival of Shale

IV. Strategic Planning

V. Lessons Learned



Jefferson County in Historical Context



Methodology

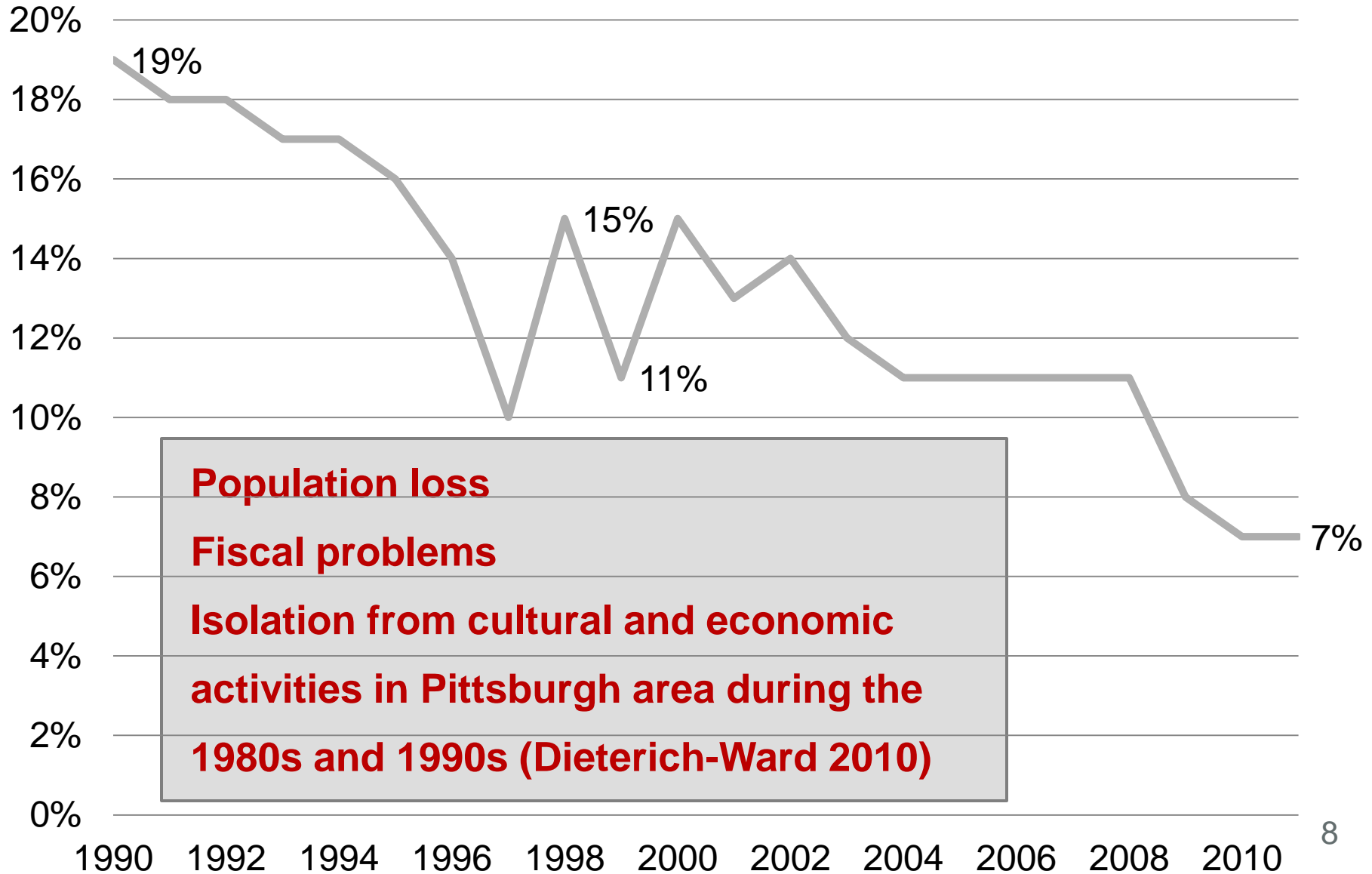
1. Analyzed government economic and fiscal data
2. Historical research and document analysis
60+ newspaper articles, meeting minutes
3. 19 interviews and meeting attendance
All levels of government, NGOs, former elected officials, active citizens, business leaders







- ## Steubenville is county seat
- 40 minute drive from Pittsburgh
 - County population: 69,709
 - Steubenville population: 19,015
 - Part of Weirton-Steubenville Metropolitan Statistical Area (MSA)

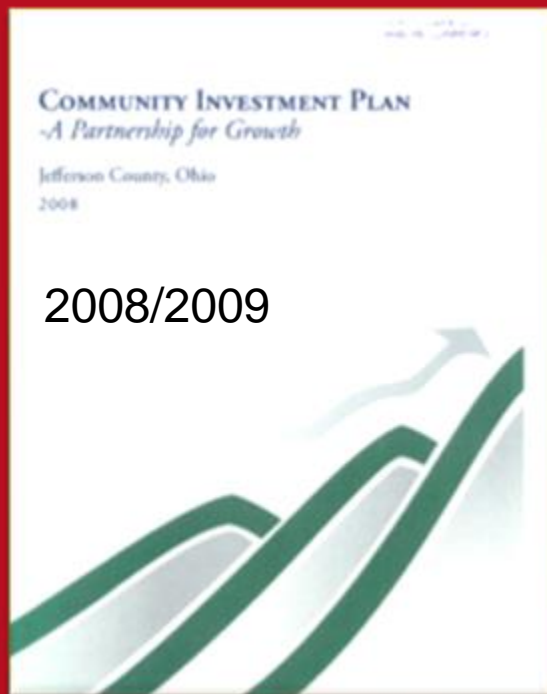




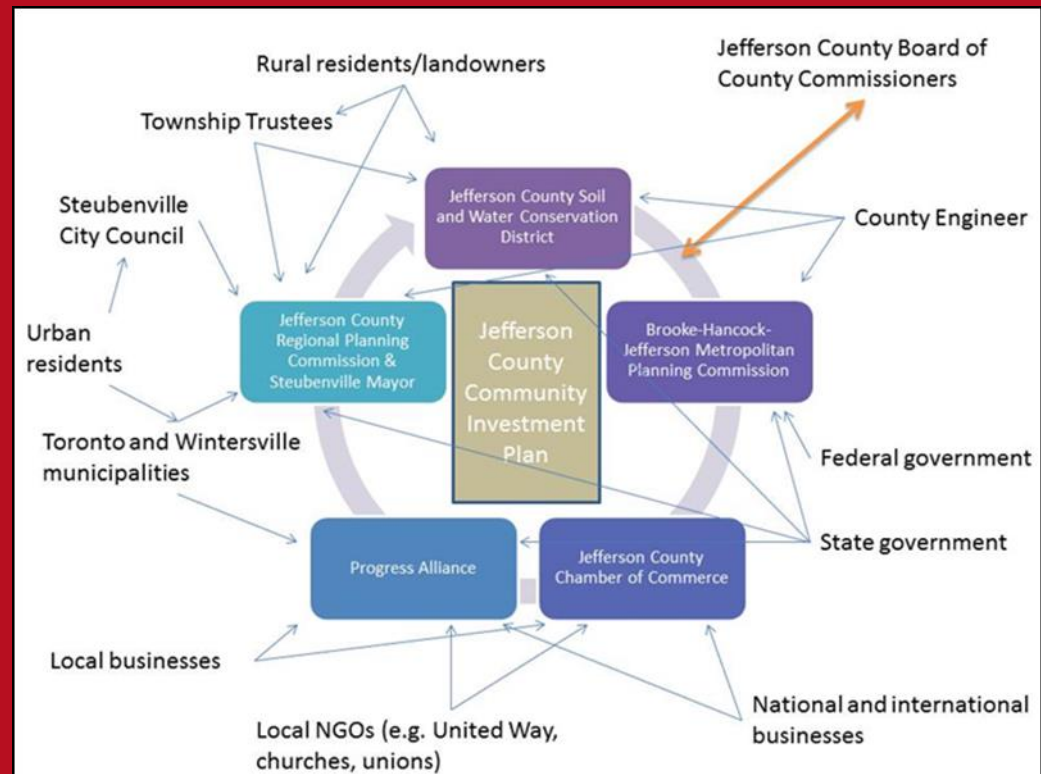
Re-Visioning Development

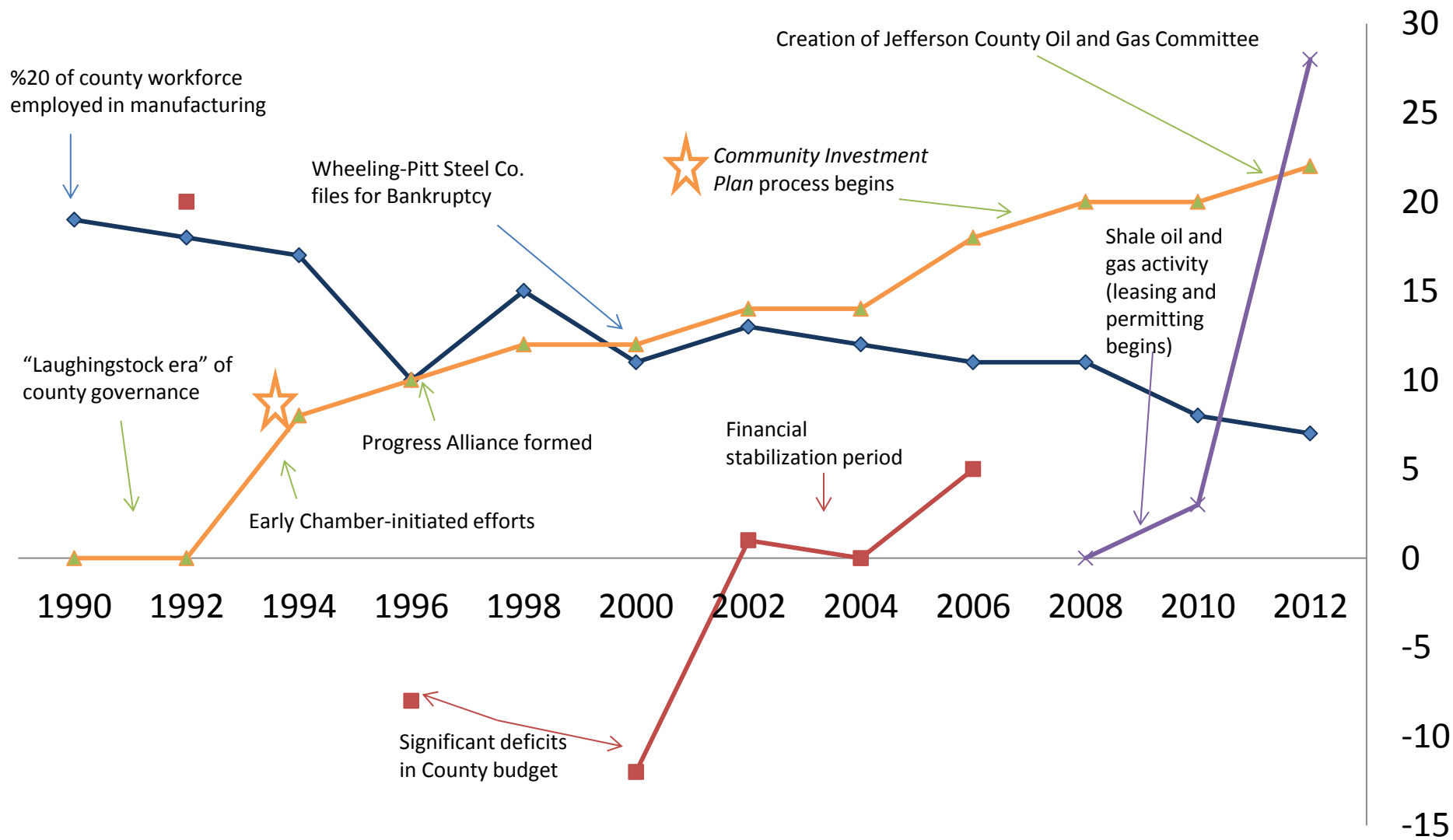


2012 Countywide Leadership Network



2008/2009





- ◆ % of Workforce employed in manufacturing
- County revenues to expenditures gap (in \$millions)
- ☆ Social infrastructure events (qualitative scale)
- ✕ ODNR approved horizontal drilling permits



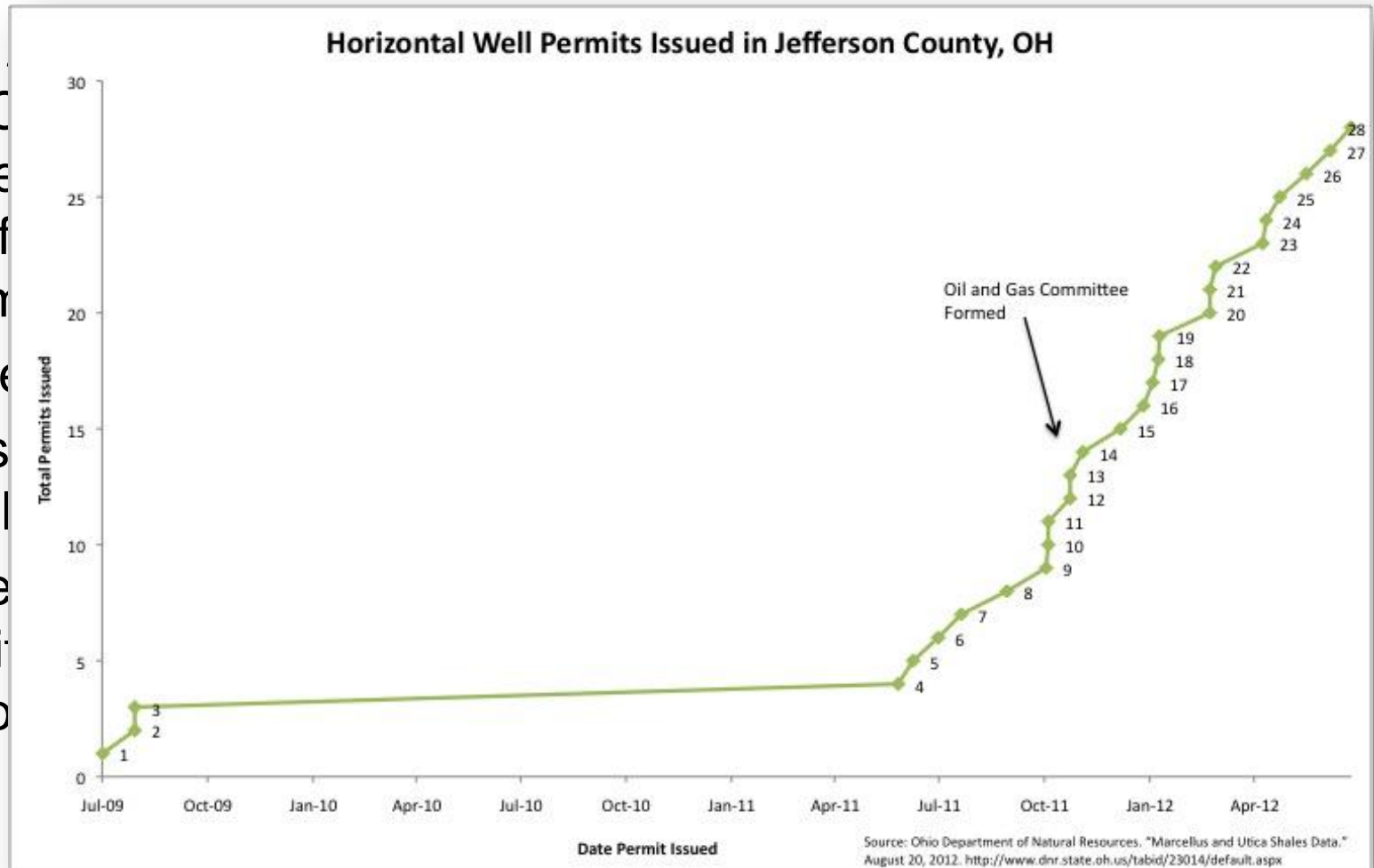
October 2011 the Board of County Commissioners nominate representatives to form “Jefferson County Oil & Gas Committee” to:

- create awareness
- assess challenges related to growth
- develop communications within the industries and government



October
County C
nominate
form "Jef
Gas Com

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15 citizen committee representing:

real estate
environment
emergency services
hotel and lodging
professional services
oil and gas industry
workforce development
education
hospitals
infrastructure
municipalities
townships
three at-large citizen representatives



“Support group” created from:

Chamber of Commerce
Public/private economic
development agency
Regional Planning
Commission
County Engineer
Job and Family Services
Water and Sewer Department
911 Call Center
Community Action Council
Educational Services Center

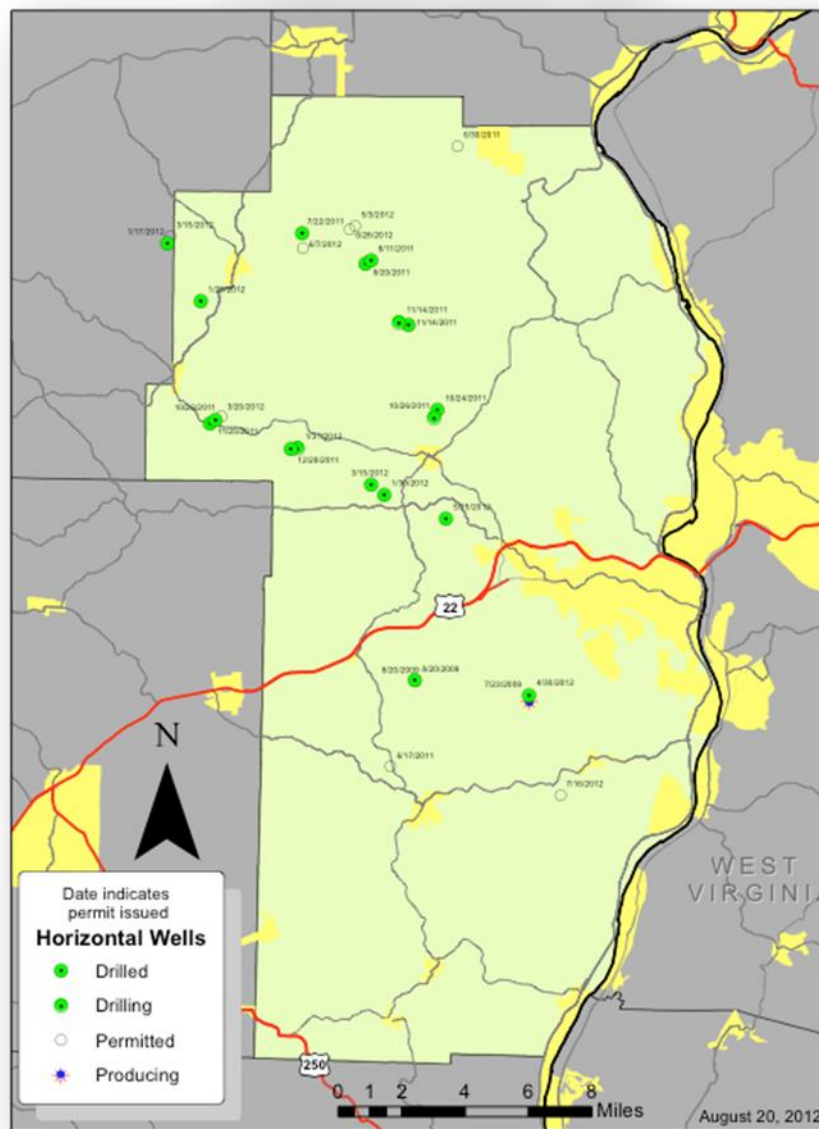
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Marcellus and Utica/Point Pleasant Shale Wells in Jefferson County, Ohio

August 2012





Early Outcomes

- Gap Assessment activity lead to identification of areas of high impact/low effort: communication & education
- Reduced “knowledge gap” and “leveled the playing field”
- Cross-county networking
- Built shale development into land use plan
- Project UNITE grant (2012)
 - \$50,000 grant award from State of Ohio’s Local Government Innovation Fund
 - To provide unified system for service-delivery to allow multiple sectors (e.g. industry, education) to communicate and collaborate as “an online public matchmaker”

“The context and process remain constant; only the content changes. Today it is gas and oil. Tomorrow it may be purchasing fuel, tires, or whatever.”



2015 Update

Jefferson County is 8th highest county in Ohio for Utica/Pt. Pleasant

Significant lag behind neighboring counties

Port Authority replaced Progress Alliance

Funding difficulties

Committee on temporary leave

Expect re-formation in next two years (as drilling picks up?)

Committee crucial to uniting the townships, county and city on even playing field

Relationships paved the way for positive interactions with pipeline companies



Adapting to Shale-Based Development Through a Countywide Approach: Lessons Learned from Jefferson County, Ohio

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Chris Hogan, Ohio State University Extension

Introduction

This fact sheet shares lessons learned from the planning efforts undertaken within Jefferson County, Ohio, between fall 2011 and summer 2012 and provides recommendations to county governments and other local leaders experiencing, or soon to experience, the early stages of oil and gas development in the Marcellus and Utica/Point Pleasant Shale plays in Ohio. The research is based on interviews conducted in spring 2012 with Jefferson County residents, including elected county, city and township officials, local government agency representatives, business and community leaders and citizens at large, in addition to an analysis of over 60 documents related to oil and gas development and planning initiatives within the county. In late 2009 the first horizontal well permits in the county were approved, and drilling activities began in fall 2011. This research finds that efforts undertaken by community leaders to engage in strategic planning during the early stages of shale development can have an impact on a community's readiness and its ability to diversify the positive impacts of the anticipated "boom" of oil and gas development and mitigate the potential for future "busts" within their communities.

This fact sheet is best used in conjunction with the Ohio State University Extension fact sheet titled, *Natural Gas Drilling: Questions Residents and Local Leaders Should Be Asking* available at ohioline.osu.edu/cd-fact/pdf/1282.pdf, based on research conducted by Penn State University. It addresses the impact oil and gas development is likely to have on a variety of public and private sectors, such as housing, emergency services, population migration, schools and education, workforce development, finance, landowner considerations, local

businesses, roads and infrastructure, wildlife and forests, water quality and quantity and other public service and pollution-related issues. It also suggests some of the key steps community leaders should take in addressing those issues.

Adapting to Oil and Gas Development in Jefferson County

Jefferson County lies over at least two different shale plays with the potential to be developed for oil and natural gas: the Marcellus Shale and the Utica/Point Pleasant Shale. The county began to experience the early signs of shale-based oil and gas development in 2009, and in July of that same year the Ohio Department of Natural Resources (ODNR) approved the first horizontal well permit. Permit applications slowed temporarily in 2010, followed by a significant increase in activity in summer 2011. Drilling activity began in the latter half of 2011.

As industry activity increased over the summer of 2011, the Board of County Commissioners met in the fall to discuss the formation of an advisory committee to steer community planning around the oil and gas development occurring in the county. From the beginning, it was evident to the commissioners that local governments had little direct control over drilling operations from a regulatory or zoning standpoint. However, they believed that community leaders could and should take action to manage other indirect impacts, both positive and negative, that were likely to result from the increased drilling activity in their county. The commissioners benefited from a variety of proactive community leaders and government officials who took the initiative to learn from the impacts increased drilling was having in neighboring Pennsylvania. These local leaders encouraged



Identify the networks that link your key stakeholders and community leaders

Local governments *can* affect education and communication

Which can get local government, business and community residents onto the same page

This is important, because...
"The industry is a Ferrari, and we're in a 1980 Ford F-150."



Build shale development into pre-existing and future economic development and land use plans

This can help
communicate with one
voice to industry and
higher level government