



An affiliate of the Allegheny Conference

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May 17, 2017

Senator Patrick Toomey  
United States Senate  
248 Russell Senate Office Building  
Washington, DC 20510

Dear Senator Toomey:

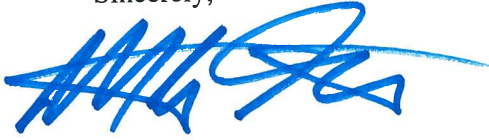
On behalf of the Greater Pittsburgh Chamber of Commerce – an affiliate of the Allegheny Conference on Community Development, I am writing to express our support for S. 1075, The Appalachian Ethane Storage Hub Study Act of 2017. This legislation directs the Secretary of Energy and the Secretary of Commerce, in consultation with other relevant federal agencies, to conduct a feasibility study of establishing a subterranean ethane storage and distribution hub in Marcellus, Utica and Rogersville shale plays. The study would include an analysis of potential locations based on favorable geology, economic feasibility and benefits, infrastructure and proximity to production sites and potential industrial consumers.

Since 2011, the Allegheny Conference and affiliates have been leading the push to utilize ethane and other byproducts from the Marcellus Shale to help spur growth of our regional downstream manufacturing sector. In June of 2016, after more than five years working on this strategy, our region received game changing news with the announcement of Shell Chemical's multibillion dollar investment in Beaver County, Pennsylvania. While Shell's decision is a major milestone in growing our downstream manufacturing base, we must continue to invest in our infrastructure to help create the synergy needed to spur additional growth in this sector.

Earlier this year, Pennsylvania Governor Tom Wolf, Team Pennsylvania Foundation, and the Pennsylvania Department of Community and Economic Development (PA DCED) commissioned a report from IHS Markit, "Prospects to Enhance Pennsylvania's Opportunities in Petrochemical Manufacturing". The report forecasts \$2.7 to \$3.7 billion in investments of natural gas liquid (NGL) assets and a potential for more downstream manufacturing. According to IHS, between 2026 and 2030, ethane production in the tri-state region could support up to four additional ethane steam crackers in the region. We must be ready to compete for these investments.

I respectfully ask for your support of this important legislation and your consideration of co-sponsorship. We must double down on support for downstream manufacturing and use Shell's investment to springboard further investment.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Matthew Smith', with a long horizontal flourish extending to the right.

Matthew Smith

President, Greater Pittsburgh Chamber of Commerce

cc: Southwestern Pennsylvania Congressional Delegation