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Chairman Beagle, Vice Chair McColley, Ranking Member Williams and members of the Senate Public Utilities Committee, thank you for the opportunity to testify on Senate Concurrent Resolution 21.

This resolution encourages Congress and various federal agencies to pass legislation, provide monetary resources and take further actions to promote the development of a natural gas storage hub in the Appalachian region, which is comprised of Ohio, West Virginia, Kentucky and Pennsylvania.

Ohio's chemical industry is the second largest manufacturing industry in the State and Ohio is the 6th largest chemical manufacturing state, employing over 44,000 people with an average wage of over \$80,000 and providing \$1.3 billion in federal, state and local taxes.

Currently there are large amounts of ethane and propane in the Appalachian regions shale formations. Both ethane and propane are important raw materials for Ohio's chemical industry, as they are the feedstock for products that Ohioans use on a daily basis.

Because of the close proximity to Louisiana's Henry natural gas storage hub and easy access to the raw materials that many chemical companies use to manufacture products, the Gulf Coast has seen a great deal of investment from the chemical industry.

By developing a storage hub the Appalachian region has the ability to attract further investment, generate additional tax revenue and most importantly create jobs. A report from The American Chemistry Council estimates that the region could see upwards of \$35 billion in new capital investment, creating over 100,000 direct and indirect jobs and provide \$2.9 billion in federal, state and local tax revenue.

Currently, West Virginia and Kentucky have introduced similar resolutions supporting the Appalachian storage hub and Pennsylvania is expected to introduce a resolution soon.

With the discovery of an abundance of natural gas and its byproducts ethane and propane, it is important that Ohio take advantage of the economic benefits of developing a natural gas storage hub. Ohio along with our partners in West Virginia, Kentucky and Pennsylvania have

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the opportunity to leverage the Appalachian region and the economic benefits that it can provide.

Thank you for allowing me to testify today and I would be happy to answer any questions you may have.

