



(June 21, 2018) Today, the Pennsylvania Utility Commission (PUC) announced nearly \$210 million in natural gas impact fee disbursements for 2017. Locally, Potter County government received \$359,070, while individual municipalities within the county received \$593,902 in total.

According to the PUC, JKLM Energy, LLC paid \$1,651,900 in Impact Fees, nearly double its 2016 payment of \$830,400. JKLM Energy's total Impact Fee tax payments total more than \$2.5 million since drilling began in 2015.

The Impact Fee is a tax paid by Pennsylvania's natural gas producers. The tax is assessed on each well drilled and it is paid annually for 15 years of a well's lifespan. The tax directly supports communities in every county across the Commonwealth, as well as key statewide environmental and conservation programs. However, funds are distributed in a way that ensures the counties and municipalities with drilling activity receive the vast majority of Impact Fee proceeds.

Local governments are authorized to allocate these funds to support a variety of needs in the community, including emergency preparedness and public safety, public infrastructure construction, environmental programs, water preservation and reclamation projects, storm water and sewer systems, housing projects, social services, judicial services, career and technical centers, planning initiatives, records management, reducing taxes, or for deposit into a capital reserve fund.

"Potter County has benefited from the impact fee, both at the countywide and local government levels. Each dollar we receive through the impact fee is a dollar that is not coming from our local taxpayers. Our board has been able to build up a modest cash reserve, largely as a result of the impact fee revenue. That will greatly reduce the burden that otherwise would have to be borne by local taxpayers for a new 911 emergency communications system," said Potter County Commissioner Paul Heimel.

The impact fee has generated nearly \$1.5 billion in Pennsylvania since its inception 2012, and will continue to provide an important source of revenue for counties and municipalities in our Commonwealth.

###