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## News for Immediate Release

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### **Auditor General DePasquale Launches Audit of PUC's Administration of Shale Gas Well Impact Fees Under Act 13**

*Audit to review PUC fee calculation, distribution; use of fees, reporting by counties, municipalities*

**HARRISBURG** – Auditor General Eugene DePasquale today announced the start of a performance audit of the Pennsylvania Public Utility Commission's administration of the collection and disbursement of the unconventional shale gas well impact fees provided for in Act 13 of 2012.

"In 2014 alone, shale gas well impact fees totaling more than \$223 million were distributed to counties and municipalities for projects and programs to improve the quality of life for their residents and reduce the local tax burden," DePasquale said.

"It has been several years since these fees were implemented, so now is an appropriate time to do this audit to ensure this money is being monitored by the PUC and the counties and municipalities are using the funds as Act 13 intended."

Under Act 13, counties may impose an impact fee on unconventional gas wells started in a shale formation, employing hydraulic fracturing methods and producing more than 90,000 cubic feet per day.

Counties and municipalities may use the impact fees for a variety of initiatives, including affordable housing projects; roadway and bridge maintenance and repair; water, storm water and sewer maintenance, repair and construction; delivery of social services; local tax reduction; emergency preparedness; local planning; and assistance to county conservation districts.

The audit period begins Feb. 14, 2012, and focuses on three initial objectives:

- Determining whether the PUC has accurately calculated and distributed the unconventional gas well fees in accordance with Act 13 of 2012;
- Determining if all required reports have been filed by the counties and municipalities and appropriately processed by the PUC; and
- Determining if the counties and municipalities have properly used the unconventional gas well fees.

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