



Live Steam

Rotary Club of Pittsburgh, District 7300

Chartered in 1911 as the 20th Club. Today, one of 33,135 worldwide.

Volume LXXXX # 494 October 17, 2012

ROTARY BUSINESS CENTER & CLUB OFFICE

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Hours:

Monday–Friday | 8:30am–5:00pm

*Rotary is a leader in
making Pittsburgh
a place where every
young person has
an opportunity
to succeed.*

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LAST MEETING: 10/10/12

By: Linda Fischer

Our meeting was called to order by President Ray Amelio (VP, Marketing, Fragasso Financial Advisors) providing the invocation, followed by Dick Hodgdon (President, Franklin Electric) with the Pledge and song... "Steelers and Rotary" accompanied by Jim Hall (Retired) on the piano. Wow...we had a good group belting that song out before Dennis Gilfoyle (President/CEO of Junior Achievement of Western PA) introduced our speaker "J.R. Justus," General Manager for Shell Oil Co. to present on Shell's role in Marcellus Shale Development. To accommodate Mr. Justus' travel itinerary, we flipped our meeting protocol to begin immediately with our speaker. Following the business updates, is an overview of what was shared by Mr. Justus.

On Tuesday, 10/9/12, our Club had an excellent 2012-2013 kick-off with "Caring Habits" at South Hills Middle School presenting the case for "Be Patient and Listen" to sixth and seventh grade students. A big thanks and much appreciation to the following Rotarians who visited classrooms on behalf of the Club: Linda Fischer, Jim Ludwig, Karl Ohrman, Kishor Pokharna, Sheen Sehgal, Larry Story, Mimi Wells, Al Wells, and of special note...is the addition to the Caring Habits Team of one of our newer Rotarians, Mike Madden (who also did an excellent job as last week's reporter).

"Good News from the Floor" was lively, filled with great information from select members who shared what was happening in their world, and in Ben Luffey's case, information on his humanitarian efforts outside of Rotarian duties.

Secretary Kirk Chambers (VP of Operations for ContactPointe) announced birthdays, club anniversaries, and attending guests. Interesting note, we had three Rotarians hosting their sons as guests. We also had several visiting Rotarians and a flag was exchanged between President Ray and Paul Calder from the Rotary Club of Amherst, Nova Scotia, Canada.

"Three Minutes of Fame" was presented by Eric Giesecke, Senior VP and Corporate Banking Marketing Manager for PNC Bank. Eric provided a brief and well presented overview of two PNC public web sites to assist businesses. Go to: www.pnc.com/ideas - www.pnc.com/ceo

Winning this week's 50/50 raffle was Sally Mizerak (again!); who always steps to the plate to purchase tickets and assist us in many social activities. This was followed by President Ray adjourning the meeting with the Four-Way Test.

Overview of Shell's presentation by J.R. Justus:

Shell's commitment to drilling for unconventional gas took hold around fifteen years ago. This is a huge departure; 1/2 of Shell's production is now in 'dry' gas. The current price of gas is \$3 per mcf (1,000 cubic feet), but with 'wet' gas, it is closer to \$7-8 per mcf. This is because of the presence of

ethane, propane, butanes, and possibly some higher hydrocarbons. Shell has invested 1.5 Billion in developing gas drilling and has long term plans to continue in this development. Mr. Justus stated, "The economic impact is significant, however, we must do it right."

Shell's "Upstream Americas" portfolio spans across North and South America – all the way from Canada with Shell's oil sands operation down to Brazil with its deepwater operation. Shell has 1 Million acres that it owns or has leased in the Appalachian Basin, and is focused on consolidating and expanding three major positions in PA. Presently, there are 12 rigs operating, with 200 wells drilled since January 2011. Counties where Shell has a PA presence: Slippery Rock – Lawrence, Butler, Beaver, Mercer & Venango.

Interesting tidbits of information:

- One Marcellus well provides gas for about 10,000 homes per year in Western PA.
- Each mile of Marcellus pipeline represents near \$1 million investment into PA's economy.
- For every \$1 invested by Marcellus producers, nearly \$2 is generated in total economic output resulting in 1.2 Billion in tax revenue for 2011 in PA.
- In 2011, Marcellus drilling supported 156,000 jobs; in 2012 estimate 180,000 jobs.
- Shell contributed \$1.54+ million since 2010 to local non-profit organizations, agencies and community programs. [We're seeking membership and funding support for our club].

Shell's Appalachia Social Investment budget is presently used to support Health, Safety, Security & Environment. To become more familiarized, visit www.rationalmiddle.com. Mr. Justus assured our club that Shell wants to be known as a good environmental steward...and, while not perfect, Shell's mission is to operate wells and facilities in a safe and responsible way. Their goal in twenty years is to look back and be able to say "...We did this the right way." Another "go to" site to familiarize yourself regarding fracturing is www.fracfocus.org.

In closing, Marcellus Shale gas is estimated to be the 2nd largest natural gas find in the world stretching across NY, PA, WV, OH, and MD, and is estimated to contain more than 410 trillion cubic feet of natural gas enough to supply U.S. consumers' energy needs for hundreds of years. At present, the SW corner of PA is being developed. I think the "big elephant" in the room is assuring that "environmental stewardship" is well managed and adhered to. It is up to all of us to become knowledgeable and engaged with Shell and other gas producers to assure the impact is "beneficial to all concerned."



NEXT MEETING

Date: October 17, 2012

Speaker: Craig Davis

Title: President & CEO

Organization: VisitPittsburgh

Topic: "Best of the World in 2012"





It's a Great Day for Rotary!

UPCOMING EVENTS & MEETINGS

Event: New Citizens Reception
 Date: October 19th
 Time: 10:30 – 11:30 am
 Location: Lawrence Welk Room

Event: Chuck Tanner Committee Meeting
 Date: October 25th
 Time: 11:00 am
 Location: Rivers Club

FUTURE PROGRAMS

(subject to change)

WEDNESDAY OCTOBER 24TH
 Michelle Wright
 News Anchor
 WTAE-TV

WEDNESDAY OCTOBER 31ST
 Mark Patrick Flaherty
 Political Analyst

WEDNESDAY NOVEMBER 7TH
 Jon Delano
 KDKA Political Analyst



Club President Ray Amelio (l) exchanges banners with Paul Calder (r) visiting Rotarian from Amherst, Nova Scotia, Canada



Saturday November 17, 2012 at
 The Rivers Club

Cocktail Reception at 5:30 pm
 Dinner and Banquet at 7:00 pm
 Silent and Live Auctions
 Commemorative Lithograph Print
 by Artist Kevin-John

Master of Ceremonies: Paul Alexander
 Auctioneer: James Roddey
 Featuring a Roast of Manny Sanguillen
 Contact the Rotary Office for more info

BIRTHDAYS

Lou Walsh.....October 19
 Karl Ohrman.....October 20

ANNIVERSARIES

Jim Hall.....48 years
 Kishor Pokharna.....3 years

For more information about the Rotary Club of Pittsburgh or if you're interested in joining, visit our website at www.pittsburghrotary.org or call the Rotary office at (412) 471-6210.



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