
**TESTIMONY OF MARK VOLK
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**TESTIMONY ON “AMERICAN ENERGY JOBS: OPPORTUNITIES FOR EDUCATION”
BEFORE THE U.S. HOUSE OF REPRESENTATIVES COMMITTEE ON NATURAL RESOURCES,
SUBCOMMITTEE ON ENERGY AND MINERAL RESOURCES
TUESDAY, JUNE 24, 2014**

Chairman Thompson, Ranking Member Holt, and Members of the Committee, I welcome the opportunity to testify today on the important steps we are taking to prepare men and women, both recent high school graduates and returning adults, to take advantage of the opportunities that surround America’s exciting energy boom. My name is Mark Volk, and I am the President of Lackawanna College, based in Scranton, Pennsylvania. I have overseen the development and growth of our School of Petroleum & Natural Gas, which is located in New Milford, Susquehanna County, Pennsylvania – the heart of Pennsylvania’s Marcellus shale country.

Our College’s mission, since its foundation in 1894, has always been to train future generations of hard-working professionals. In its earliest days, Lackawanna worked to train managers for the emergence of Scranton, Pennsylvania – where the college’s main campus is located – as the hub of the nation’s coal industry during the late 19th century. An open-enrollment, two-year private institution, we function much like a community college offering degree, certificate and professional development courses to meet the needs of students at all levels of educational ability. Today, we are proud to be providing new programs and courses of education that help prepare our students for the demands of the 21st century energy-based workforce – and, in so doing, furnishing opportunities for local men and women to access jobs at wage levels never before imagined for our area.

I strongly believe that what we have successfully built in Susquehanna County should serve as a model of how educational institutions can, through innovation and collaboration with industry, respond to the needs of a changing economic landscape and create entirely new job prospects for students that can help lift the communities in which they live.

Early in the development of the Marcellus Shale resource play in Pennsylvania, Lackawanna College identified the technical human resource needs of the oil and natural gas industry – and began to position the school to take a leadership position in educating future workers according to those needs. The demand for Petroleum Technologists and Compression Technicians was identified as initial and immediate core employer needs.

Creating these programs quickly in response to industry demand required focus, determination and creativity – many of the same characteristics, in fact, that have allowed the energy industry itself to achieve such startling growth in the U.S. over the past several years. Lackawanna executives and program staff studied, contacted and visited an array of colleges around the country, including established and successful programs at schools in Texas, New Mexico, Oklahoma and Wyoming.

We then forged ahead on our own to physically and academically start a program from scratch. We evaluated the region's labor resources and determined that the needs for qualified petroleum and natural gas field technologists and compression technicians in Eastern Pennsylvania were very high – and positioned only to get higher – due to the lack of any existing oil and gas operations in the area. We then tailored our Petroleum & Natural Gas Technology Associates of Science degree to address this need. We created a draft curriculum and shared it with several major exploration and production (E & P) and service companies throughout the state, and then incorporated their feedback into the initial program. Industry representatives also committed to working with the College to periodically review and revise the program as needs changed and as the industry developed.

With industry consultation, we determined that companies needed technicians in the field who possessed practical, experienced-based, skills learned through exposure to industry-experienced professionals in addition to the knowledge acquired in learning traditional academic subject matter. Based on this feedback, our faculty developed a curriculum that includes both traditional classroom work as well as extensive field time and required internships. Coupled with fundamental, general and petroleum engineering materials, subject matter courses were carefully reviewed and implemented. With this in mind, the College aggressively sought and intentionally hired faculty from industry, including experienced engineers and professionals, rather than the traditional halls of academia.

We then plunged in where it counts, making a significant financial commitment to the future of the oil and gas industry by investing over \$1 million to build and grow a brand-new, dedicated campus in Susquehanna County, PA. The location was selected in the north Pennsylvania and New York Marcellus Shale area so that graduates would be within close proximity to the jobs popping up in the Appalachian Basin and beyond. Additionally, by purposely choosing to develop our curriculum to focus both on petroleum and natural gas related concepts, our graduates have the option and ability to work locally, regionally, nationally, and even internationally.

The location makes us neighbors to E & P, Mid-stream and Service companies including Anadarko, Baker Hughes, Cabot Oil & Gas Corp., Chesapeake Energy, Cleveland Bros., EXCO, Exterran, Halliburton, J-W Operating, Noble Energy, PDC, Southwestern Energy, Talisman, Weatherford, Williams and WPX, and others. We partner with each of these companies – and others – on the placement of interns and gaining access to drilling sites, field production operations, service company sites, measurement, regulation and compression facilities – all the

elements that make our program work and, in the end, make our graduates attractive prospects who can make an immediate and successful impact in their new occupations.

Our results speak for themselves. Lackawanna College today is placing students at a near 100% rate within the industry – in positions paying well above salaries typically seen in our region. These are not just jobs for today, but jobs that will be with us for generations. Not just family-sustaining-wage positions, but jobs that are reigniting the American Dream of providing better opportunities for our children.

The industry has taken notice – and responded. Just a few months ago, Lackawanna College and Cabot Oil & Gas Corporation announced a unique collaboration, with Cabot making an investment of \$2.5 Million in our School of Petroleum & Natural Gas – \$1 million to grow our endowment, and \$1.5 million toward equipment, internships and other support. Cabot's contribution not only enhances the financial strength of the College, it also provides future funding to help offset the tuition for economically challenged students. It ensures that our students will have opportunities to work with the latest technologies in use – a key factor in our school keeping pace with the dynamic technological developments that define America's energy industry.

This commitment has many benefits for many people, not just for Lackawanna College and the Marcellus region. As has already been seen, the growth of the industry, still in its initial stages, has had a tremendously positive impact on our entire region.

In Pennsylvania alone, there are an estimated 239,474 jobs that are directly employed in the natural gas industry (30,369 jobs) or its related industries (209,105 jobs). From 2009 to 2012, a total of 33,415 jobs were added within the core industries (18,181 jobs) and within related industries (15,234 jobs). These numbers indicate that for every \$1 million of gross output created by natural gas production in the Pennsylvania Marcellus, 6.2 jobs are created. Correspondingly, 11.4 jobs are created for every \$1 million of value added generated by Marcellus activity.

Our region will benefit from the impacts of the oil and gas industry for well over a century. And as the industry continues to grow, we will begin to see an influx of high-energy-use companies that will relocate to take advantage of easy access to inexpensive energy, feeding a cycle of positive economic growth and job creation in the region.

Our school is not going to sit tight as this new regional economic driver blossoms. We will begin offering two new degree programs in our PNG School this fall: Measurements and Technologies Specialist, and a Business degree with a focus on the petroleum and natural gas industry. Additionally, we are poised to address workforce readiness needs that are anticipated to meet the demands of an expanding regional economy as companies relocate to take advantage of the low cost energy, as well as the resultant infrastructure growth. Over the next five years, we

have plans to offer or expand degree programs in the following areas, among others, to help with the high demand for employees:

- Nursing and Allied Health (Occupational therapist assistant, respiratory tech)
- Engineering
- IT Technology
- Architectural Design & Drafting
- Logistics

The proof is in the pudding when it comes to job gains. Thanks to the opportunities brought to the area by Marcellus Shale, Susquehanna County's unemployment rate is one of the lowest in the Commonwealth at just 5.4% – down from 8.2% in 2009. According the U.S. Bureau of Labor Statistics, average employment in Pennsylvania between 2007 and 2012 dropped 1.3 percent while oil and natural gas industry employment increased nearly 260 percent. Meanwhile, the state's average annual pay increased by 11.9 percent to \$48,397 during that period, while wages in the state's oil and natural gas industry rose by \$22,104 (36.3 percent), to \$82,974.

Lackawanna College is proud to play an important role in our nation's energy renaissance. By helping develop the academic programs necessary to prepare local students for these life-changing careers, we are deeply aware of the difference we are making in individual lives. We are also grateful to our many corporate partners for the collaboration and support that helps ensure our students are fully prepared to step into this exciting new wave of challenging, technical and rewarding jobs.

I'll conclude on a personal note. As a retired Army Colonel who served on active duty for 26 years, I have long been proud of this country and of the opportunities it provides to those willing to adopt the discipline and hard work that it takes to forge ahead in this world. Since entering this new chapter of my life and taking on the challenges of academia, I have come to recognize that many of the personal traits that I value most – agility, innovation, willingness to take a risk, dedication – are what have allowed our country's energy industry to thrive. And as our energy industry thrives, so too does our country's energy security, making our country ever stronger and more independent.

To serve our communities best, educational institutions must embrace that same commitment to prepare the next generation for opportunities generated by constant innovation and improvement. And I believe that the growth and vitality that we see in so many ways today in Pennsylvania points to a continuing dynamic future for America. As I sit before you today, I am more proud and optimistic about this country than ever before.

Thank you.