

**PACD Policies on the Distribution of
Unconventional Gas Well Funds (UGWF) for FY 2014/2015**

***These four policies were approved by PACD Executive Council on July 9, 2014.
We are including them here for reference.***

1. Flexibility

PACD supports the ability of the conservation districts to use the Unconventional Gas Well Funds within any of the categories in the current Conservation District Fund Allocation Program Statement of Policy, with the percentage to be determined annually by each local conservation district board. These categories include District Manager cost share, Erosion and Sediment Technician and/or Agriculture Technician cost share, Easement Support (such as farmland preservation activities) General Administrative Support, and Special Projects (including environmental educators).

2. Long-term Decision

PACD supports a long-term decision regarding the distribution of the UGWF, which will stay in effect for three full fiscal years, to be re-evaluated every three years beginning in fiscal year 2018-2019.

3. Percentage/Formula for Distribution to Impacted and Non-impacted Districts

PACD supports the annual distribution of the UGWF with sixty (60) percent of the funding to be distributed equally among the 66 conservation districts and forty (40) percent to be distributed to impacted conservation districts.

4. State Conservation Commission “Statewide Special Projects” Funds

PACD recommends that the State Conservation Commission allocate funding for “Statewide Special Projects” (i.e. ACT Boot Camp, Leadership Development, Ombudsman) from the UGWF prior to determining allocations to conservation districts.

~ See next page for proposed policy ~



The following proposed policy was vetted by all six regions during the 2014 PACD Fall Region Meetings and approved by the PACD Executive Board. The only change made as a result of the region meetings is the last line (in red). Please take this policy to your local board meeting for review, so that your voting delegate is prepared to vote on it during PACD Executive Council on February 10, 2015 during the PACD Winter Meeting.

5. Distribution of UGWF Among Districts with Wells

PACD respectfully recommends that the State Conservation Commission distribute UGWF among those districts with wells as follows:

- Each district with wells will receive a base amount of \$15,000.
- A per well credit will then be determined by dividing the remainder of the allocated funding by the average number of new wells spudded statewide, as provided by the PUC, over the prior three years. (For example, to determine funding for FY 2015-2016, staff would use the data provided by the PUC on wells spudded from 2012 to 2014. To determine funding for FY 2016-2017, staff would use the data provided by the PUC on wells spudded from 2013 to 2015, and so on.)
- Each conservation district will then receive the per well credit based on the average number of new wells spudded, as provided by the PUC, in each respective county over the prior three years.
- There shall be no cap on funds to be distributed to any one district with wells.
- **PACD shall review this policy annually.**

