

1 SUPPLEMENTAL GENERIC ENVIRONMENTAL IMPACT STATEMENT
2 DRAFT SCOPING MEETING ON DEC'S OIL AND GAS
3 REGULATORY PROGRAM FOR THE MARCELLUS SHALE
4 _____

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6 HELD ON: December 4, 2008

7 HELD AT: Sullivan County Community College
8

9 BEFORE: HELENE GOLDBERGER
10 Administrative Law Judge
11 NICOLE M. ROCKWELL
12 Hearing Reporter
13

14 DEC APPEARANCES:
15 BRADLEY FIELD
16 KATHLEEN SANFORD
17 WILL JANEWAY
18 JOHN HARMON
19 JACK DALH
20 CARRIE FRIELLO
21 TED LOUKIDES
22 BILL RUDGE
23 HALINA DUDA
24 JENNIFER HAIRIE, ESQ.

1 ALJ: Good evening everyone,
2 welcome to the public comment hearing
3 on the draft scope regarding the
4 proposed Supplemental Generic
5 Environmental Impact Statement on the
6 oil and gas solution, mine and
7 regulatory programs to evaluate
8 potential environmental impacts of
9 horizontal drilling and high-volume
10 hydraulic fracturing to develop
11 natural gas reserves in the Marcellus
12 shale and other low permeability gas
13 reservoirs.

14 I'm Administrative Law Judge
15 Helene G. Goldberger for the New York
16 State Department of Office of
17 Hearings and Mediation Services. My
18 role at this hearing tonight is
19 simply to facilitate your comments.
20 According to the Department's State
21 Environmental Quality Review Act
22 handbook, scoping is a process that
23 identifies environmental effects of
24 an action to be addressed in a Draft

1 Environmental Impact Statement. The
2 purpose of scoping is to identify
3 issues so that the Draft
4 Environmental Impact Statement will
5 be a concise, accurate and complete
6 document that is available for public
7 review. Your comments at this
8 session, in writing and those given
9 orally, will assist in this process
10 as staff reviews them in finalizing
11 the scope.

12 While this is the last of a
13 series of hearings on the draft
14 scope, written comments will have the
15 same weight as those provided orally,
16 may be submitted to the Department
17 through December 15, 2008. After the
18 Department staff reviews your
19 comments, a final document will be
20 produced outlining the factors that
21 must be included in the supplemental
22 EIS. The draft supplemental EIS will
23 be made available next year for
24 additional public comments. Thus,

1 this is only the first stage of a
2 review process that will involve
3 further public input. I'm sure you
4 already know if you wish to make a
5 public comment tonight please fill
6 out -- and you haven't done so
7 already, please fill out a
8 registration card so that I can call
9 you up here. I'm going to call
10 everyone in the order that I have
11 received the cards with the exception
12 of elected officials and also, I have
13 noted that there are several people
14 here who did speak at one of the
15 prior hearings and I'm going to put
16 those people last, obviously because
17 it's only fair that those who have
18 not had an opportunity to speak yet
19 be given priority. If you have your
20 comments in writing and can provide
21 them to us, that will be helpful in
22 assisting the transcription of your
23 comments and also I am going to ask
24 people to please limit your comments

1 to five minutes if possible so that
2 everyone does have an opportunity to
3 speak. If you have lengthy comments
4 and they're in writing, if you could
5 summarize them when you come up to
6 speak that would be very helpful.
7 Please speak slowly and distinctly so
8 the court reporter can take down your
9 testimony verbatim.

10 I have a few house keeping
11 measures that I've been asked to
12 announce. Please also as a courtesy
13 to everyone, all cell phones please
14 put on vibrate or shut them off. The
15 bathrooms, if anyone needs them, are
16 outside in the hall, mens and ladies.
17 There are emergency exits behind me
18 and on the other side of that
19 partition. The weather, I'm told may
20 be a little treacherous tonight, if I
21 get a report I will let you know and
22 you'll have to make your own
23 determination as to whether or not
24 you need to depart. I'm also told,

1 for the first time at any of the
2 hearings I've presided over, that
3 there is a concession stand that will
4 be open for the duration if you need
5 to get something to eat.

6 I'm going to introduce now
7 Brad Field who is the Director of the
8 Department of Division of Mineral
9 Resources.

10 MR. FIELD: Thank you, Judge,
11 I would like to say welcome everyone
12 and good evening. Before we get
13 started with a brief presentation on
14 the process we will be following
15 here, I would first like to introduce
16 Will Janeway, who's the regional
17 director in our region three office
18 in New Paltz.

19 MR. JANEWAY: Hello, I'm Will
20 Janeway, thank you all for coming
21 out. I would like to extend a
22 special thanks to our Department
23 staff and their experts in this area
24 and I'd also include a special thanks

1 to your comments. I also want to
2 thank Judge Goldberger for coming out
3 this evening to hear discussions, we
4 appreciate that. That's all I have
5 to say because I'm looking forward to
6 your comments tonight. Thank you.

7 MR. FIELD: Before we get
8 started with the presentation, I'd
9 like to identify a few folks here
10 that you've been talking out in the
11 lobby and they're here tonight to
12 answer questions throughout the
13 course of the evening. First of all
14 I would like to introduce John Harmon
15 who is the Assistant Director of the
16 Division of Mineral Resources, most
17 of our folks are over there. That's
18 John. Also Jack Dalh who's the
19 Director of Bureau of Oil and Gas
20 Regulation Division. Also I'd like
21 to introduce Carrie Friello and Ted
22 Loukides who are mineral service
23 specialist with us. Also I would
24 like to recognize and introduce

1 Willie Janeway who's from our Region
2 three office, a hydro specialist and
3 Bill Rudge from Region three, he's
4 our National Research Development.

5 So with that, I'd like to call
6 Kathy Sanford up to the presentation
7 area. She's going to walk through a
8 brief presentation on the scoping
9 process and how we're going to gather
10 comments and we'll go forward.

11 Thanks again.

12 MS. SANFORD: Thank you, Brad
13 and Judge Goldberg. Good evening and
14 I thank you for being here tonight to
15 share with us your input on how the
16 Department should regulate shale gas
17 development in New York. We will
18 spend most of our time tonight taking
19 your comments, but before we get into
20 that I'm just going to go over the
21 process in a little more detail and
22 tell you a little bit about the draft
23 scope, that is the topic of tonight's
24 meeting. It's a draft scope for a

1 Supplemental Generic Environmental
2 Impact Statement on the Department's
3 oil and gas regulatory program. So I
4 will explain what a Generic
5 Environmental Impact Statement is and
6 tell you a little bit about an
7 existing Generic Environmental Impact
8 Statement that covers oil and gas
9 drilling in New York. Then we will
10 go over why the Department is
11 preparing a supplement and we'll
12 review the objectives of this scoping
13 process that we're into tonight and
14 then I'll very briefly go over some
15 of the key points that are in the
16 draft scope. I think everybody saw
17 that we have copies of it here
18 tonight and many of you probably have
19 already read it. So, let's get
20 going.

21 A Generic Environmental Impact
22 Statement is a way to address the
23 potential environmental impacts of
24 separate actions that have common

1 potential impacts. Most of the
2 potential impacts of drilling in oil
3 or gas wells are the same regardless
4 of where the well is drilled, how
5 deeply it is drilled or whether it is
6 drilled horizontally or vertically.
7 An individual site-specific
8 Environmental Impact Statement is not
9 necessary unless a project has unique
10 or non-generic characteristics. The
11 Generic Environmental Impact
12 Statement that the Department
13 prepared on oil and gas regulatory
14 programs in 1992 is available on the
15 Department's website at
16 www.dec.ny.gov/energy/45912.html.

17 Now even with this generic
18 statement in place, the department
19 does review each application to drill
20 a well individually. We look at the
21 proposed location and the proposed
22 methods and we determine on a
23 site-specific basis what permit
24 conditions and requirements are

1 necessary to protect the environment.
2 If everything is consistent with the
3 generic statement, then there will be
4 no significant environmental impact.
5 We may find that other department
6 permits are necessary, such as for a
7 stream or a wetlands permit. In
8 cases like that, we must consider
9 that before we determine the
10 environmental significance of the
11 proposed drilling project. Further
12 site-specific environmental
13 assessment is always required for any
14 proposed drilling location in state
15 parklands or if the proposed well
16 site will disturb more than two and a
17 half acres in an agricultural
18 district. The same is true for any
19 proposed drilling within 2,000 feet
20 of a municipal water supply well.
21 Now those are the findings that were
22 made in 1992, other circumstances
23 could arise that require further
24 review. For example the 1992 Generic

1 Statement does not address drilling
2 in the vicinity of underground water
3 supply tunnels. It does cover
4 drilling in watersheds and aquifers.
5 Many, but not all aspects of shale
6 gas development are covered by the
7 generic statement. Most of the
8 events will be the same no matter
9 where the well is drilled. For these
10 reasons the department is preparing a
11 Supplemental Generic Environmental
12 Impact Statement to address the new
13 potential common impacts. I am going
14 to refer to that tonight as the
15 supplement. Most of the new
16 potential impacts that we'll be
17 looking at will relate in some way to
18 the large volumes of water that will
19 be used for hydraulic fracturing of
20 the shale.

21 So having reviewed the use of
22 the Generic Environmental Impact
23 Statement and the fact that we're
24 preparing a supplement, we'll talk

1 more specifically about the process
2 we're here for tonight which is
3 scoping. Scoping is the way that we
4 determine what topics will be
5 included in the supplement. This is
6 the sixth meeting that we've had
7 across the state to get public input
8 on that. We're receiving verbal
9 comments and written comments at the
10 meeting or you may submit written
11 comments through December 15th. We
12 will consider all comments received
13 before we finalize the scope which is
14 like the table of contents for the
15 supplement. Specific objections of
16 the scoping process include, first of
17 all the identification of potential
18 impacts of the proposed activity.
19 The activity that we're looking at
20 now is high-volume hydraulic
21 fracturing and the Department has
22 identified some impacts that are
23 described in the draft scope.
24 Examples include the visual impact of

1 potentially larger well sites or the
2 noise associated with fluid pumping,
3 large water withdrawals and adverse
4 effects. These are discussed --
5 presented in the scope and will be
6 discussed in the supplement.

7 Another objective of scoping
8 is to eliminate any concerns that are
9 actually irrelevant or insignificant
10 and would not need to be included in
11 the supplement. Third, scoping helps
12 the Department identify what
13 additional information we need in
14 order to complete the supplement. We
15 have identified some additional
16 information we need. One example
17 listed in the scope is the result of
18 radioactivity testing of the
19 Marcellus shale that's currently
20 underway. Another example is the
21 information that we are collecting
22 regarding the chemical composition of
23 hydraulic fracturing additives. The
24 fourth objective of scoping is to

1 identify ways to minimize or avoid
2 potential impacts that we've
3 identified, this would include a
4 review of any alternatives to the
5 proposed activity. And finally
6 again, scoping is the way that we get
7 the public input on these topics.

8 The draft scope document, as I
9 said, is like an outline or a table
10 of contents for the supplement. The
11 Department prepared it and released
12 it for your reviews so you could
13 comment on our ideas about what
14 should be in the supplement and give
15 us your own ideas. As I mentioned,
16 we have copies here. If we happen to
17 run out give any one of us your name
18 and mailing address or you can
19 download from our website at
20 www.dec.ny.gov/energy/47554.html.

21 So again, just to recap the
22 purpose of tonight's meeting is to
23 get your comments on the draft scope.
24 Your input will help us to prepare a

1 final scope and the scope will serve
2 as the outline or the table of
3 contents for the Supplemental Generic
4 Environmental Impact Statement. I'm
5 going to briefly go over a couple of
6 the key points in the draft scope.

7 High-volume hydraulic
8 fracturing is not adequately
9 addressed by the 1992 Generic
10 Statement. The supplement will
11 generically address the common
12 impacts of this activity,
13 nevertheless even after the
14 supplement is finalized, we will
15 continue to review each application
16 to drill individually. One well at a
17 time we will determine whether or not
18 the proposed project is consistent
19 with both the generic statement and
20 the supplement. One well at a time
21 we will determine whether a project
22 has unique characteristics that
23 require other department permits or
24 that perhaps even require some

1 modifications to the way the activity
2 is proposed so that the environment
3 is protected. Last, but not least,
4 we will make sure that every permit
5 we issue has the conditions and
6 requirements on it that are necessary
7 to protect the environment. One
8 specific activity that is not covered
9 in the 1992 Generic Statement is the
10 withdrawal of large volumes of water
11 from water bodies that will be
12 necessary for hydraulic fracturing.
13 This could potentially affect stream
14 flow. For example taking too much
15 water out at the wrong time or at the
16 wrong place can affect availability
17 for other uses, such as public water
18 supplies or recreation. The
19 Department must consider the water
20 needs of fish and wildlife as well.
21 As is reflected by the scope, we will
22 adjust these concerns in the
23 supplement. The scope -- the draft
24 scope also discusses how hydraulic

1 fracturing has been managed under the
2 existing generic statement. So the
3 Department will use the supplement to
4 evaluate unique issues related to
5 shale gas development. One example
6 is high volume water storage at the
7 well site. Another is the
8 transportation of water to and from
9 the well site. Others are the
10 available options for fluid re-use,
11 treatment and disposal. I would
12 encourage you to look through the
13 draft scope for a more complete list
14 than that of the activities and
15 topics that the Department is
16 reviewing.

17 These activities can affect
18 the environment in several ways,
19 without adequate control, water
20 resources could be impacted. There
21 will be visual and noise effects,
22 there may be potential air quality
23 impacts. The Department will look at
24 community impacts, cumulative impacts

1 and any environmental justice
2 concerns. We expect to hear many
3 comments from you tonight on the
4 potential impact and your input will
5 help us refine the scope before we
6 finalize it.

7 Ultimately, the supplement
8 will answer these questions about
9 high-volume hydraulic fracturing:
10 What are the potential impacts and
11 how can they be minimized or
12 prevented. When will the generic
13 statement and the supplement together
14 adequately support issuance of a well
15 drilling permit and when will further
16 site specific supplemental
17 environmental impact statement beyond
18 the generic one be required.

19 We plan to release the final
20 scope next month after reviewing all
21 the comments received at the meetings
22 and in our office by December 15th.
23 Then the draft supplement will be
24 released in the spring of 2009.

1 There will be a notice so that you
2 will know when that's available for
3 further review and comment. Once we
4 consider your comments on the draft
5 supplement, we will publish the final
6 supplement, we're aiming for the
7 summer 2009. After that is
8 published, the Department will
9 release its findings and these
10 findings are what will guide our
11 environmental review from that point
12 forward of individual well drilling
13 permits.

14 So we are encouraging public
15 participation. We have had six
16 meetings across the Southern Tier and
17 here in the Catskills to collect
18 verbal comments. You may also hand
19 in written comments tonight and I'd
20 like to reiterate this is not your
21 only chance to comment as I think
22 Judge Goldberger said and as I've
23 said, there will be a chance to
24 comment when the draft supplement has

1 been released. If you don't have
2 your written comments ready to hand
3 in tonight, you can mail them or
4 e-mail them to our office. The
5 addresses are on the front page of
6 the scope, we need to receive them by
7 December 15th. We'd like you to
8 include your name and return address
9 so that we can notify you directly
10 when the final scope is ready and
11 when the draft supplement is
12 available for review. If you send an
13 e-mail, please send it by the end of
14 the business day on December 15th.
15 Use scope comments at the subject
16 heading and e-mail it to
17 dmnog@gw.dec.state.ny.us. This is
18 the address for mailing comments,
19 again we need to receive them by the
20 end of the day on December 15th, put
21 it to the attention of scope comments
22 and please send it to the Bureau of
23 Oil and Gas Regulation and the
24 Division of Mineral Resources, 625

1 Broadway, third floor, Albany,
2 12233-500. With that I will turn it
3 back over to Judge Goldberger so that
4 we can begin taking comments. Thank
5 you.

6 ALJ: Thank you. Assemblyman
7 Gunther, followed by Dr. William
8 Pammer.

9 PUBLIC: Thank you all for
10 coming here tonight and make sure you
11 get home safe because the weather is
12 not that great. I'm glad that our
13 Commissioner Pete Grannis, who I
14 certainly have much respect for and
15 all of the staff from the DEC is here
16 tonight and is having these public
17 scope meetings to discuss the draft
18 scope for the Supplemental Generic
19 Impact Statement.

20 We had a meeting in Sullivan
21 with the DEC and our town to lay out
22 the issues regarding the permitting
23 process. The DEC heard your concerns
24 and committed to working on the draft

1 scope for the Supplemental Generic
2 Impact Statement. Over a month ago
3 New York State Assembly held a
4 hearing on the environmental concerns
5 regarding gas drilling. Some of the
6 concerns that were mentioned were the
7 impacts of truck traffic on our roads
8 and bridges, notifications to
9 municipalities. Also we talked a lot
10 about the large volumes of water, how
11 we can contain the fracking fluid.
12 Tonight you all have the opportunity
13 to comment on the draft. I value and
14 know that your concerns will be
15 listened to here. Thank you to the
16 DEC for coming here tonight and thank
17 you each and every one of you.

18 ALJ: Thank you. Dr. William
19 Pammer.

20 PUBLIC: Thank you. Good
21 evening my name is Dr. William
22 Pammer, I'm on the planning
23 commission for Sullivan County. I
24 just want to highlight a couple of

1 observations that the county
2 legislature in conjunction with
3 planning and the county attorney's
4 office and also other members of our
5 professional staff put together
6 regarding some of the scoping
7 documents. I'm not going to go
8 through every aspect of the letter,
9 but we will submit it tonight and it
10 will also be submitted via e-mail as
11 well.

12 Everyone is aware that
13 Sullivan County has three major
14 environmental sensitive areas which
15 includes the New York City Watershed,
16 Catskill Park Area and also the Upper
17 Delaware Scenic Byway. We are
18 particularly concerned with issues
19 related to impacts associated with
20 pipelines and compression stations.
21 We're aware of the fact that the
22 scoping document mentioned that the
23 Public Service Commission has
24 jurisdiction over that, but we would

1 like to see a little more analysis
2 and evaluation to avoid the issue of
3 segmentation as it relates to that
4 kind of review. Secondly when gas
5 exploration does take place in our
6 region, we don't want there to be a
7 rush to avoid appropriate impacts of
8 pipelines and also compression
9 stations as well. So we'd like that
10 analyzed and addressed.

11 The fracking fluids, which
12 Assemblyman Gunther also mentioned
13 here, and we'd like to see
14 independent science as it relates to
15 the content of that fluid and also
16 the appropriate evaluation of storage
17 and transportation of that as well.
18 Everyone is well aware that our
19 county has suffered significant
20 flooding and that if there is going
21 to be any kind of development, that
22 there be an evaluation and analysis
23 of appropriate qualities in that area
24 as well because they're estimating,

1 the conservation laws are written
2 right now, there isn't a local
3 review, this will be reviewed
4 ultimately at the state level, so
5 hence we would like there to be some
6 precautions in there as well. That
7 leads us to a couple of other things
8 that relate to New York State as a
9 strong home state, the Environmental
10 Conservation Law preempts a lot of
11 local review in this region -- in
12 this area. So what we would like to
13 see happen is an evaluation and
14 analysis of municipal input, we would
15 like to have some consideration and
16 analysis by local municipalities and
17 interested agencies. That doesn't
18 mean that we're saying that
19 municipalities must sign off, but
20 municipalities should provide input
21 on appropriate impacts that which as
22 it picks up, as to what is going to
23 happen locally and an opportunity for
24 municipalities and companies to also

1 sit down and discuss appropriate
2 measures for mitigation.

3 Just a couple of final points,
4 I know I'm close to my time. Also
5 it's been mentioned here the impacts
6 on aquifers and I'd like to applaud
7 the DEC for bringing that up, but
8 we'd also like to look at that more
9 closely as it relates to the impacts
10 on private wells. Also looking at
11 the cumulative impacts as it relates
12 to public health, economic impacts,
13 particularly the impacts on schools,
14 emergency facilities, adjacent
15 property values and also what's going
16 to be the benefit to New York
17 taxpayers as a result of gas
18 development. Finally, what are going
19 to be the impacts on municipal
20 services and how are those going to
21 impact the locals as well. That
22 should be addressed under cumulative
23 impacts.

24 As I mentioned before our

1 county has submitted a detailed
2 letter, it's a nine page letter with
3 nine points that have been outlined
4 in very specific fashion which was
5 submitted electronically. I will
6 submit a physical copy tonight. Any
7 individuals that are interested in
8 looking at this can go to the county
9 website under the Division of
10 Planning and Environment Management
11 and download it off our oil and gas
12 drilling. I want to thank the DEC
13 and I hope that there's careful
14 analysis and independent science as
15 we proceed. Thank you.

16 ALJ: Thank you. Someone left
17 their lights on in the parking lot, a
18 Mercedes, LG731. Town Supervisor Ben
19 Johnson, followed by Town Supervisor
20 Johnson --

21 Town Supervisor Johnson, not
22 here?

23 (NO VERBAL COMMENT.)

24 ALJ: Councilwoman Frangipane.

1 PUBLIC: Good evening, my
2 name is Denise Frangipane and
3 actually our council person left, but
4 I'm here. Our town supervisor also
5 submitted some comments which I will
6 refer to this evening, he couldn't be
7 here in person. I just want to give
8 a little background to say that I've
9 lived in this community my entire
10 life and I've been active as a
11 volunteer attending planning board
12 meetings, serving on the town's
13 comprehensive planning committee and
14 working on community and economic
15 development projects. I mention this
16 because I believe that my experience
17 on the town council gives us a good
18 understanding of the issues
19 surrounding gas development and the
20 potential environment and community
21 impacts.

22 The two areas of the draft
23 scope that I'd like to address this
24 evening are limited to community

1 character and the public and local
2 government participation.

3 The scope addresses -- the
4 scoping document intends to evaluate
5 whether the gas drilling activities
6 would expect to change the GEIS's
7 conclusion that major long-term
8 changes in land use patterns and
9 other potential positive and negative
10 community impacts, it also addresses
11 environmental impact. It's true that
12 responsible gas development has the
13 potential to result in economic
14 development in terms of individual
15 property owners, financial gain,
16 employment opportunities, housing and
17 rental and retail sales. However,
18 let there be no doubt that gas
19 exploration will also bring with it
20 and result in negative impacts on our
21 community. We need to ask how this
22 impact can be eliminated or mitigated
23 in some way. The balance must be in
24 favor of preserving community

1 character, environmental and natural
2 resources and of course quality of
3 life because the environmental
4 impacts and the consequences such as
5 deforestation, habitat fragmentation,
6 impact on the quantity and quality of
7 water resources, these are not
8 temporary impacts.

9 We're a unique region that has
10 worked very hard, often along with
11 our partners at the DEC, to protect
12 and preserve natural resources and so
13 we should have the ability to
14 continue to work in partnership with
15 the DEC during this critical process.
16 The current land use of our region
17 does not include additional
18 activities such as gas drilling. We
19 are primarily a farming and tourism
20 community, with the increased in
21 outdoor recreation and cultural
22 activities. We can easily conclude
23 that there are -- there will be major
24 long-term changes to land use

1 patterns. The very nature of gas
2 drilling operations contradict the
3 effects that thousands of volunteers
4 have been working to achieve and
5 thousands more find solace when they
6 choose to relocate to our community.
7 Therefore, measures should be taken
8 to provide direct information to
9 either achieve or surpass the current
10 community position.

11 The scope mentions
12 environmental justice which when you
13 research it is defined as the fair
14 treatment and meaningful involvement
15 of all people with respect to
16 development, implementation and
17 enforcement of environmental laws, as
18 well as equal access to decision
19 making which leads to a discussion
20 about public and local government
21 participation. People believe that
22 as -- that when they come into a
23 meeting it will show proper procedure
24 and protection and that council will

1 reflect and I know I speak for the
2 town supervisor as well, we're in a
3 position to protect the health and
4 safety of our community and our
5 residents. The current Environmental
6 Conservation Law deny us the
7 resources and authority to do that
8 indicates we in gas development.
9 This is a major industrial activity
10 that has the potential to alter the
11 community character and quality of
12 life in our rural towns and I'd like
13 to add my voice to that of the County
14 Legislator Jonathan Cooper who asks
15 for some mechanism for notification
16 involved in the local municipalities.
17 New York is a home state and local
18 municipalities must have the latitude
19 to ensure their communities are
20 protected both today and into the
21 future, yet despite this
22 responsibility determined on the
23 support the oversight that we may
24 need for responsible development.

1 Neither the town board nor any other
2 rural community that I'm aware of is
3 in the position to police the
4 activities, such as gas drilling
5 after the fact. I've been to
6 countless hearings and heard people
7 talk about sometimes strained
8 relations between communities and the
9 industry.

10 We are asking that the
11 Department create a better mechanism
12 to incorporate municipal oversight
13 that brings with it the benefit of
14 local knowledge. Allowing local
15 government to be involved with
16 discussions and planning at the
17 earliest possible stage will go much
18 further to ensuring successful
19 relationships and gas development.
20 We're asking to participate as part
21 of the planning and permitting
22 process where our knowledge can be
23 utilized as a resource.

24 Thank you.

1 ALJ: Ed Jackson, followed by
2 Sheila Shultz.

3 PUBLIC: Good evening, mine
4 will be very short. I would like to
5 speak to the DEC about the inspecting
6 the drill sites. Presently New York
7 State has 16 inspectors in the field.
8 They're required to do a pre-site
9 inspection, pre-drilling inspection,
10 a site shutdown inspection, this is
11 all on the books. On the other hand
12 if you put a sewer line in, there's a
13 daily inspection by some sort of
14 agency. The environmental impact
15 comes no where near what we have at
16 the drilling site. Also covered in
17 Section 2.2.2, the fluid removal.
18 What is the reason when it comes to
19 injection wells to store used fluids,
20 why would you want to store
21 industrial waste forever in our
22 countryside. The scoping draft and
23 inspections must be reviewed and
24 guidelines put in. Thank you.

1 ALJ: Thank you. Sheila
2 Shultz, followed by Ben Johnson, if
3 you've come back.

4 PUBLIC: My name is Sheila
5 Shultz, I've been involved in
6 Environmental Odyssey for the
7 Catskills for about 30 years and for
8 the last decade or so I've been
9 involved in local community with land
10 use planning issues. Currently I
11 have served as chairman of the Zoning
12 Board in the Town of Rockland in
13 Sullivan County.

14 I want to thank the DEC for
15 recognizing the many characteristics
16 of the Catskills and developing this
17 special relationship pertaining to
18 this region. This is very special to
19 this region where many towns in this
20 area the eco system is our economy
21 and plus we supply good quality
22 drinking water to millions of
23 residents in downstream communities.
24 So protecting the environmental

1 resources in this area is very
2 important to local residents. For
3 many communities protecting and
4 preserving water quality, air and
5 landscapes in the watersheds are
6 extremely important to our local
7 residents, to our visitors and to our
8 secondary land owners, many of whom,
9 in my particular community,
10 constitute more than 50 percent of
11 the land owners and those properties
12 reflect significant amounts of
13 resources to the community. The
14 prospect of an industrialized east
15 Texas kind of development is
16 extremely threatening to the
17 well-being of the economic viability
18 of the Catskills, where our scenery,
19 our clean air, our clean water, our
20 money and our homes and with that in
21 mind I want to just speak very
22 briefly about five points, some of
23 which have been raised by others and
24 will be raised by subsequent

1 speakers.

2 The issue of these rules are
3 important to us New Yorkers and on
4 the low to low site plan view aspect
5 of our land used that's very highly
6 valued. I strongly urge that the
7 local officials be partnered with gas
8 companies very early on in the
9 process of site selection and it is
10 well known, internationally
11 published, that we are a very flood
12 prone region. In the last decade
13 we've had five significant floods and
14 they've gotten worse. In the last
15 two years we've experienced losses of
16 life, severe damage to property and
17 to public infrastructure and because
18 local officials know the particular
19 vulnerable areas of our community, it
20 is really very important for them
21 that they be involved in the process
22 early on in the selection of the
23 sites.

24 On a related topic, the draft

1 scope refers to distances from water
2 bodies and unfortunately particularly
3 the terrain, the topography, the soil
4 circumstances from site to site. You
5 can't make a formula at 500 feet from
6 the water source is suitable because
7 the terrain, the soils are different
8 from site to site. I think there
9 needs to be a lot of reflection on
10 those distant parameters when you're
11 dealing with the Catskills.

12 My third point addresses the
13 fracking fluids and the interaction
14 with the radioactive quality of our
15 Marcellus shale formation. Documents
16 from NYSERDA say the Marcellus shale
17 is highly radioactive. So not only
18 is the community faced with
19 potentially carcinogenic chemicals,
20 but with that they're faced with
21 radioactivity. Open pit storage with
22 these chemicals is just unacceptable
23 to be in an area that's vulnerable to
24 heavy rain falls and flash floods.

1 Even high terrains, from what we've
2 learned on recent flood, is that our
3 sites are not safe, they can
4 collapse.

5 My fourth point has to deal
6 with training and equipment. There
7 has to be adequate training for first
8 responders, as well as medical
9 training and equipment suppliers and
10 so on in the region because this
11 industry has accidents. There are
12 fires, there are spills and our first
13 responders have -- will be exposed to
14 these kind of things. The industry
15 must be rewired to provide the
16 financial resources whereby the
17 county and its people and our first
18 responders are protected.

19 Lastly I want to say that while the
20 DEC is a marvelous agency, it doesn't
21 have enough staff to deal with all
22 the implications that gas drilling
23 entails. They're really -- I know
24 this is going to be need some kind of

1 resources that bulk up the staff of
2 the DEC because this process is so --
3 requires inspections so much along
4 the line. I will be giving more
5 detailed comments in my written
6 remarks. Thank you.

7 ALJ: Thank you. Supervisor
8 Johnson.

9 PUBLIC: Good evening, my name
10 is Ben Johnson, I'm Supervisor from
11 the Town of Tusten. Earlier this
12 year the topic of gas drilling was --
13 at least in our township, the
14 residents who showed voiced their
15 many concerns. They're not just a
16 few uninformed residents, they're
17 residents that came forward with real
18 concerns that they had developed and
19 educated themselves in the process of
20 drilling for natural gas. They voice
21 concerns of an environment which
22 becomes polluted, they voice concerns
23 of noise pollution, the way that
24 fracking fluids will be stored and

1 the effects on our landscape and
2 wildlife, the dangers of drilling
3 equipment, the contamination of
4 drinking water and aquifer bodies of
5 water and the inspection process of
6 the well sites themselves. Suffice
7 to say that I was also worried about
8 the same issues, but as a public
9 official could not control the areas
10 of their concerns due to a loss of
11 all the laws. They became even more
12 worried. It took time for me to
13 explain to them about our 23 year old
14 New York State Conservation Laws and
15 the fact that the only part of
16 government left to govern was our
17 roads from this law and our real
18 property law. The Town Board in the
19 Town of Tusten has taken no stand for
20 or against natural gas drilling, but
21 does realize that we have an
22 obligation to all of our residents to
23 protect those areas that we still may
24 under our remaining polluting wells

1 law.

2 I'm here today that we call
3 upon you the importance of our
4 remaining local authority and ask for
5 the assistance of the DEC with the
6 issue of road assessment and greenery
7 prior to drilling. There's no
8 municipality that I know of that can
9 afford excessive and uncompensated
10 damage to their infrastructure and
11 remain solid. The cost to repair
12 large damage to our roads and such
13 events we are unprepared to pay for.
14 This can be testified to on the many
15 requests for public assistance that
16 the Town of Tusten has applied to
17 FEMA over the last decade when severe
18 weather happens. We cannot afford to
19 have this bond in place that does not
20 fully address the risk of damage and
21 then leave us unable to complete the
22 full repair of our infrastructure.
23 Our neighbors in the Town of
24 Cochection are experiencing firsthand

1 what happens when the bottom of a
2 damn is insufficient, as they try to
3 repair a million dollars worth of
4 damage with a bond worth one quarter
5 of that, in an attempt to have the
6 company make good on the rest of the
7 repair.

8 Our roads are a part of our
9 community, our school buses carry our
10 children on them, we travel to work,
11 our fire and medical services travel
12 around to save our property and our
13 lives. We must keep them in a state
14 of good repair. Road assessment
15 agreements are one way to assist the
16 town to protect our roads. When they
17 become damaged the town will have a
18 rigorous source of funding to begin
19 the repair. Road assessment rates
20 address the true impacts on local
21 infrastructure based upon justified
22 technology in an efficient manner and
23 will assist the county to recover the
24 cost of repair in a timely fashion

1 and keep the infrastructure in a good
2 state of repair.

3 In paraphrasing for Dr.
4 Colburn who testified before the
5 State Assembly Standing Committee on
6 environmental conservation, we need
7 to be able to establish a framework
8 of cost recovery and require gas
9 companies to abide by these
10 parameters for road impact prior to
11 drilling. As a small municipality we
12 cannot afford a prolonged litigation
13 to recover damages and justify
14 technology impacts of a system of
15 road assessment and grievance to
16 avoid such litigation. Agreements
17 like these should be in place prior
18 to approval for permits, so that
19 municipalities are protected from the
20 onset. I've heard the argument that
21 we would then be singling out a
22 particular industry and that is
23 illegal. I disagree with this and
24 base that upon the fact that when

1 these companies were exempted from
2 Federal Acts and local law they were
3 given preferential treatment that
4 allowed them to circumvent our local
5 authority and because of such
6 circumvention, I believe they are
7 subject to such agreements. I base
8 that on the news of such an event
9 that took place in Texas. If this
10 was any other industry then they
11 would be required to appear before
12 our local planning board in such
13 issues of road damage and use would
14 be addressed and litigated with that
15 company, as what intentions they
16 have. They have circumvented this
17 process.

18 In closing, Article 23
19 entitled New York State Environmental
20 Conservation Law gives local
21 municipalities the authority over
22 roads and we must be able to utilize
23 this authority to the fullest extent
24 to assist municipalities in the

1 recovery process of damage. Thank
2 you.

3 ALJ: Thank you. Tracy
4 Carluccio, followed by George Manno.

5 PUBLIC: Good evening, I'm
6 speaking on behalf of Delaware
7 Riverkeeper Network, we have many
8 members that live throughout the
9 Delaware River Watershed from the
10 headwaters of the river in New York
11 State, through Pennsylvania, New
12 Jersey and Delaware down into where
13 Delaware Bay meets the Atlantic Ocean
14 331 miles away. Delaware Riverkeeper
15 Network considers the environmental
16 changes that will accompany the
17 natural gas industry here to have the
18 potential to redefine the very nature
19 of the Upper Watershed and by
20 extension the entire Delaware River.

21 The arrival of the gas
22 industry may be the biggest, most
23 far-reaching change to the river
24 since New York City began building

1 its water supply reservoirs in 1937
2 which allows the city to take a large
3 percentage of the river's flow every
4 day.

5 Forces driving this industry
6 go far beyond the region and are
7 inextricably tied to economic,
8 geopolitical and climate/energy
9 factors leading to global issues, not
10 local issues. Tonight, however we're
11 going to try to get a handle on a
12 piece of that by focusing on the
13 SGEIS. We will be providing
14 additional comments and I will give
15 you a copy of what I'm saying here
16 tonight and to be brief, I will just
17 cover, verbally, a few points.
18 First we think it's clear that more
19 hearings are needed in order to
20 solicit meaningful input from those
21 who have significantly been impacted
22 by the outcome of this process. No
23 hearing is being held in New York
24 City or in New York City Watershed

1 that provides the water for 8,000,000
2 residents there and yet they have no
3 known local hearing. There is also
4 the receiving end of the Delaware
5 River, 7,000,000 people rely on the
6 Delaware River downstream for water
7 and they have no official hearing to
8 speak their mind. That is wrong.
9 Hearings need to be set in these
10 locations and the comment period
11 needs to be extended beyond December
12 15th for at least 30 to 60 days to
13 accomplish their goal of broad public
14 participation in this process.
15 We believe that there should be a
16 process of construction and
17 development and extraction
18 requirement of GEIS. We appreciate
19 that the Department is updating the
20 final GEIS, but the development and
21 extraction procedures has failed and
22 the Upper Delaware watershed are very
23 different with potential as this is
24 regulated this new natural gas

1 industry and transforming the powers
2 for our involvement and the scope of
3 development technology in this
4 industry is expected and yet nothing
5 touches what we may be saying. For
6 all this, the area, 1,000 to 3,000
7 that need to be evaluated and
8 reevaluated in the SGEIS to include
9 water quality, water quantity and air
10 quality and climate change, land-use
11 change from temporary and permanent
12 activities and facilities, storm
13 water runoff, nonpoint source
14 pollution, wildlife habitat, eco
15 system changes, noise, light and
16 scenic pollution, community character
17 and other cultural and historic
18 changes, public health and
19 environmental justice. Due to time
20 constraints we will just mention
21 three at this moment, water quality,
22 water supply and storm water.

23 Water quality impacts will
24 occur from the hydraulic fracturing

1 process which hydraulic chemicals and
2 also produce water from flowback. I
3 have more information and comments
4 that I will share the details of
5 that. But suffice it to -- to
6 summarize that the Department of
7 Energy has found that flowback of
8 natural gas operation is about 10
9 times more toxic than those from
10 offshore well drilling.

11 In the scoping document it
12 states that the Department has no
13 documented record of groundwater
14 contamination, but we have -- have we
15 looked. The answer is no. Presently
16 monitoring wells and continuous well
17 water monitoring is not required by
18 the state when a gas or an oil well
19 becomes an issue. Further, there are
20 documented instances of water
21 pollution near gas wells in the state
22 but because no water well and aquifer
23 testing is requiring before gas well
24 construction, it is nearly impossible

1 to prove causation. The Department
2 needs to require pre and post water
3 well testing within the zone of
4 influence of all natural gas wells
5 and require monitoring wells to be
6 installed and regularly tested and
7 reported as a permit condition.
8 Otherwise, pollution will go
9 undetected and polluters will never
10 be identified or accountable.

11 Water quality will be impacted
12 by the discharge of wastewater from
13 the industry. We have only to look
14 next door to Pennsylvania to find out
15 how. The discharge of wastewater
16 from gas development in the Marcellus
17 shale in Pennsylvania has contributed
18 to a currently unfolding
19 contamination emergency for the
20 Monongahela and this has affected the
21 water supply for 325,000 customers.
22 The same thing will happen in New
23 York if the Department does not
24 require the treatment and proper

1 disposal of natural gas wastewater at
2 facilities that can process it and
3 sewage treatment plants cannot do
4 that. In fact, until the Department
5 is certain that adequate treatment
6 facilities exist to process this
7 wastewater to clean water standards
8 and remove all contaminants, no
9 permit should be issued by the
10 Department.

11 The Department states in the
12 draft scope that it will consider
13 injection of wastewater into the
14 ground as a disposal option. For the
15 record, we do not consider injection
16 of wastewater underground a solution,
17 injection simply moves pollution to
18 another place and another time.
19 Geologists have long opined that
20 future generations may have to rely
21 on ancient waters that lie deep below
22 the surface for water supply. Can we
23 afford to jeopardize that water
24 supply? We also consider the risk of

1 pollution to great to allow open pits
2 to store used wastewater on natural
3 gas sites. We advocate for all
4 fluids and waster water to be
5 contained on site in containers only,
6 fitted with air vent filters to
7 capture pollution, open pits should
8 be outlawed.

9 Water supply. It takes
10 between 2,000,000 and 9,000,000
11 gallons of water to frack a well in
12 the Marcellus shale and all of this
13 consumed, depleted, used up. We
14 outline an environmental impact over
15 -- we have written comment on this,
16 but one of the biggest problems is
17 that the Department does not have
18 data about the amounts water that can
19 safely be withdrawn from our streams
20 and aquifers. We're working in the
21 dark. Rivers and streams in
22 Pennsylvania are being continuously
23 pumped and some of them are dry from
24 natural gas fracking in the last

1 three weeks. How is New York going
2 to prevent the same thing from
3 happening here. Only through knowing
4 what we have and then regulating to
5 protect it. We cannot sacrifice
6 water for gas, it's as simple as
7 that.

8 Complicating the natural
9 system here is the fact that the
10 Delaware River Watershed States and
11 New York City have agreed under a
12 supreme court decree to maintain a
13 flow target at Hancock in order to
14 meet Philadelphia, New Jersey and
15 other down river water supply needs.
16 A fact that Chesapeake which put
17 their first water application in and
18 well application in the Delaware
19 River Watershed, will run head on
20 into very quickly with its poorly
21 located east branch application. The
22 Department must be aware as it
23 assesses water resource impacts that
24 the Delaware River is part of four

1 states, all which lay claim to
2 portions of those resources through
3 decades of argument, litigation,
4 negotiation and agreement. The water
5 wars of the Delaware River have laid
6 out a complex and litigious playing
7 field for any newcomer who has
8 designs on its flow.

9 We can consider storm water
10 runoff and nonpoint source pollution
11 as the third item which I quickly
12 want to mention a key, vital
13 important issue because tremendous
14 changes of land use and land covering
15 and habitat that will change this
16 forever. To put it safely our
17 streams will be ruined if storm water
18 and runoff of polluted of nonpoint
19 source pollution is not managed and
20 our critical habitats will simply be
21 destroyed.

22 The draft scope references the
23 upper Delaware River Wild and Scenic
24 corridor, but is not just a corridor.

1 The Upper Delaware River is a wild
2 and scenic river with a inextricably
3 connected watershed blessed with vast
4 expanses of unbroken forest,
5 agriculture, rural landscapes, trout
6 streams, historic settlements and
7 towns. Even if the Department were
8 to address all water quality, all
9 water quantity and storm water issues
10 and the myriad of other issues
11 involved, the scale of natural gas
12 development that is aspired to by the
13 industry is staggering in its
14 implications for these unique and
15 outstanding values. We point out
16 that some of these areas are simply
17 too vulnerable and irreplaceable to
18 allow any gas drilling, such as
19 floodplains and riparian areas,
20 wetlands and buffers, threatened and
21 endangered species critical habitat,
22 water supply reservoirs and lake
23 drainage areas such as New York
24 City's impoundments, public parks,

1 such as Catskill Park, well heads and
2 deep forests. These areas must be
3 designated as No drill areas in order
4 to protect them, exposing these
5 outstanding values to degradation is
6 an unacceptable risk.

7 The draft scope is filled with
8 assumptions, wrong assumptions,
9 incorrect assumptions, upon which the
10 Department is relying. Incorrect
11 water volumes are assumed for
12 fracking process, the use of fresh
13 water for fracking is assumed when
14 assessing pollution risks of frack
15 water, but the Department says they
16 are considering using sewage effluent
17 or cooling water, saline aquifers and
18 they even mentioned using recycled
19 frack water instead of fresh water.
20 Assumptions fill page after page of
21 the draft scope and they include a
22 long list that I'm willing to share
23 my comments with anybody. But given
24 these incorrect assumptions and the

1 lack of discussion of standards of
2 review and exactly how the assessment
3 that the draft scope discusses will
4 be performed. We suggest and join
5 with our colleagues in stating that
6 the Department should consider all
7 public comment and then return to the
8 public arena with a second draft
9 scope that removes these wrong
10 assumptions and examines in more
11 depth the issues to be re-examined
12 and how they can be evaluated and
13 then ultimately addressed through
14 regulation. In other words we ask
15 that the Department start fresh,
16 after all comments are evaluated and
17 re-issue the draft scope for further
18 public consideration. Thank you.

19 ALJ: Thank you. George Manno
20 followed by Mary Ann Sweeds.

21 PUBLIC: Good evening. There
22 are 13,000 active horizontal and
23 vertical oil and gas wells in New
24 York State. There are no instances

1 of groundwater contamination that
2 were confirmed from these drilling
3 operations. There has been a lot of
4 misinformation and outright scare
5 tactics that are being used by
6 certain groups both in and out of New
7 York State, to abstract and frustrate
8 gas drilling in New York State. Some
9 of these people oppose any type of
10 energy development such as wind
11 power, coal, nuclear, water, oil and
12 gas. Some have resorted to outright
13 threats of landowners in attempt to
14 silence them. They are all well
15 financed, articulate and are well
16 organized. They are also adept at
17 using political pressure and the
18 media to obtain their goals.

19 I now refer to the gas drilling
20 recommendations submitted to the
21 Department of Environmental
22 Conservation by the Sullivan County
23 Legislature. I want it put in this
24 record that I oppose the

1 municipalities of new drilling
2 applications, rather than waiting
3 until the applications have been
4 approved. Determining how to require
5 drilling companies to notify
6 municipalities of a permit approval
7 and coordinate on local permitting.
8 Evaluate methods to include within
9 drilling applications, statements
10 from affected municipalities
11 regarding potential impacts and ways
12 to address these impacts.
13 Sullivan County government does not
14 have the expertise or the manpower
15 nor were they charged by the New York
16 State Legislature with this
17 oversight. Do they not trust the DEC
18 in doing its lawful job. Can you
19 imagine any gas company in even
20 wanting to drill in New York State if
21 they have to follow both local and
22 state permitting and all of the
23 affected counties in New York State.

24 As one who has enforced an

1 administrative code in a major city,
2 I see the ambiguity and danger in
3 approving these gas drilling
4 recommendations submitted by the
5 Sullivan County Legislature. I have
6 been to several gas drilling meetings
7 in the county and one of the members
8 of the Sullivan County Gas Drilling
9 Task Force has already be accused of
10 "poisoning the well." There were no
11 positives for gas drilling at the
12 presentations that I attended. One
13 recommendation; Access the social,
14 public health and economic impacts
15 during and after drilling. Look at
16 the implications that are involved in
17 this recommendation. Some residents
18 in this County have been saying that
19 local incidents of brain cancer are
20 associated with cell towers that are
21 located in Sullivan County. These
22 recommendations as submitted by the
23 Sullivan County Legislature are so
24 convoluted it would take months to

1 untangle and evaluate them. These
2 recommendations would imposed such a
3 burden on prospective gas companies,
4 they will not enter into gas leases
5 in Sullivan County or other counties
6 in New York State.

7 At a Sullivan County
8 legislature meeting I heard the
9 phrase "we want to slow the train in
10 regard to gas drilling." The
11 legislature is not looking to slow
12 the train, but to derail it. Energy
13 independence is a national security
14 issue. Our economy went into a
15 tailspin because of high oil and
16 diesel cost. Hundreds of billions of
17 dollars are going to foreign
18 countries that seek to destroy us.
19 In this state thousands of well
20 paying jobs and billions of dollars
21 in tax revenue can be achieved
22 through oil and gas production.

23 ALJ: Thank you. Bruce
24 Ferguson followed by Kate Bowers.

1 PUBLIC: Thank you, Judge
2 Goldberger. My name is Bruce
3 Ferguson and I represent Catskill
4 Citizens for Safe Energy. We are a
5 newly formed, not-for-profit, all
6 volunteer organization that was
7 formed in response to the prospect of
8 imminent gas extraction in this
9 region. We see the devastation that
10 drilling has caused over much of the
11 country and we don't want the same
12 thing to happen here. We believe
13 that New York can and must do better.
14 As Ms. Carluccio pointed out
15 17,000,000 people depend on this area
16 for water and Catskill Preserves is
17 the largest contiguous wilderness
18 areas in New York and the
19 Northeastern United States. As Ms.
20 Shultz says, our eco system is our
21 economy here, agriculture and tourism
22 are the principal economic sectors.
23 We have a vibrant second home market
24 that comprises of our housing stock

1 and an even greater portion of our
2 property the tax base.

3 We're going to submit detailed
4 written testimony, but I want to
5 touch on a few points here today.

6 Ms. Sanford said that hydraulic
7 fracturing was not adequately
8 addressed in the '92 GEIS and that's
9 correct. But the issues go well
10 beyond the content of fracking fluids
11 and fluid storage, water volume and
12 waste. The basic assumption that is
13 being made here is that hydraulic
14 fracturing is a safe method of
15 extracting this shale gas is
16 completely unavoidable. The gas
17 industry claims that there have been
18 over 1,000,000 instances of fracking
19 without adverse consequences, but
20 this assertion is not supported by
21 science. It merely represents the
22 industry's own assessment, nothing
23 more. Over the last year we've heard
24 the New York State DEC parrot this

1 same claim without offering credible
2 evidence to establishing its
3 veracity. Independent investigators
4 who have studied the matter tell a
5 very different story. They have
6 uncovered and continue to uncover
7 numerous instances of health and
8 environmental problems linked to
9 fracking.

10 There's only one full-scale
11 investigation of a hydraulic
12 fracturing. A 2004 report by the EPA
13 which concluded that the process is
14 safe and doesn't warrant further
15 study. However, it's clear that this
16 study was shaped by politics, not by
17 science. Damaging information was
18 redacted from the final report,
19 apparently at the urging of the
20 office of Vice President Dick Cheney,
21 who, of course, is a former CEO of
22 Halliburton, that's the company that
23 perfected fracking and still profits
24 from its use today.

1 Representative Henry Waxman, who will
2 be chairing the Energy of Commerce
3 Committee in the next congress said
4 that the EPA made and I quote, "it's
5 faith based leap to conclude that
6 injecting toxic chemicals underground
7 posed little or no threat." He
8 concluded that, "the unanswered
9 questions in the EPS's report cry out
10 for further study." We agree with
11 Representative Waxman, hydraulic
12 fracturing needs to be properly
13 studied. Peer-reviewed scientific
14 studies that assesses its health and
15 environment risks should be made a
16 part of the SGEIS and these studies
17 should be completed before drilling
18 gets underway.

19 Second point. Instead of
20 attempting to identify to safest way
21 to extract gas, the draft scope seems
22 to be concerned with identifying
23 minimal acceptable standards of
24 operation. As a case in point,

1 consider the draft scope's treatment
2 of fluid handling at the well site.
3 There can be no doubt that storing
4 toxic fluid in enclosed containers or
5 employing closed loop drilling, are
6 safer alternatives to the open pits
7 that are subject to leaking and
8 flooding, and inevitably release
9 cancer-causing volatile organic into
10 the atmosphere. Nevertheless, the
11 draft scope suggests that open pits
12 should be considered as allowable in
13 most, if not all, circumstances.

14 Natural gas consumption may be
15 safe and reliable, but natural gas
16 extraction is inherently dangerous
17 and always polluting. The health and
18 welfare of New Yorkers should not be
19 endangered so that foreign owned and
20 out-of-state gas companies can
21 extract natural gas on the cheap.
22 The draft scope should be amended to
23 require identification and
24 implementation of best management

1 practices in all phases of gas
2 extraction.

3 Third, the draft scope is
4 flawed in its consideration of
5 cumulative impact and I'll discuss
6 two points here. One was alluded to
7 by Dr. Pammer, it explicitly excludes
8 the impact of the construction of
9 hundreds of miles of pipelines. The
10 Public Service Commission has that
11 responsibility of oversight there.
12 Clearly, pipelines and pipeline
13 construction have the potential to
14 negatively impact our environment in
15 any number of ways and this must not
16 be ignored. The regulatory role of
17 the PSC is not a reason to exclude an
18 important component of gas extraction
19 from review, it may be a reason to
20 partner with the PSC in developing
21 the data for the SGEIS.

22 Second, the draft scopes
23 discussion of community character is
24 sketchy and does not seem to

1 recognize the need to consider the
2 impact of concentrated industrial
3 activity on local communities. One
4 of the lessons to be learned from
5 shale gas extraction in Western
6 states is that rapid, intense
7 industrialization could wreak
8 environmental havoc and economic
9 dislocation. The SGEIS must consider
10 the level of activity that small
11 communities can sustain without
12 suffering undue harm.

13 My final point will be one
14 that several people have alluded to.
15 The draft scope fails to address the
16 lack of resources that will prevent
17 the DEC from properly regulating the
18 Marcellus gas shale gas play. Last
19 summer we asked the DEC to schedule a
20 meeting here in Sullivan County, we
21 were told they didn't have the
22 resources to do that. So the public
23 weren't able to hear material from
24 the DEC on this important subject. I

1 submitted pertinent questions on the
2 subject on behalf of our group and
3 was told they didn't have the time to
4 answer the submitted questions and in
5 that conversation the DEC director I
6 spoke to, by the way of explanation,
7 complained how pressed they were and
8 didn't have the money to cap the
9 thousands of uncapped wells in the
10 state.

11 This is the last thing for the
12 draft scope meeting. Requests have
13 been made to have additional meetings
14 in such critical areas as the New
15 York City Watershed and New York City
16 itself, but they've been denied.
17 Why, you guessed it, the DEC lacks
18 the resources to hold the hearings.
19 In 2007 the DEC had just 19 well
20 inspectors who were responsible for
21 regulating 14,000 oil and gas wells,
22 as well as handling 600 permits for
23 new wells. With the advent of the
24 Marcellus shale gas play it is widely

1 anticipated the number of permit
2 applications and the number of new
3 wells, is going to rise dramatically.
4 There is no indication that DEC will
5 have the resources to safely regulate
6 this increased drilling activity.
7 The draft scope must take a hard look
8 at what resources the DEC will need
9 to regulate the Marcellus gas play
10 without putting New Yorkers at risk.
11 Thank you.

12 ALJ: Thank you. I have about
13 40 more people who want to speak, so
14 I have to urge everyone please be
15 courteous and keep their
16 presentations to five minutes, thank
17 you. Ms. Bowers.

18 PUBLIC: Hello, my name is
19 Kate Bowers and I'm one of the
20 founding members of the Catskill
21 Christians for Safe Energy. We
22 started this group -- we're all
23 concerned about the gas drilling
24 safety situation. I wanted to share

1 with you -- my husband, Dan Bowers
2 isn't here this evening, he worked on
3 oil and gas rigs out in Wyoming.
4 He's always said that there is no
5 such thing as a clean home. He knows
6 about what could happen on this site
7 and I'd like to comment on this.

8 The chemicals. For me this is
9 a troublesome issue with a gas
10 company because at first we were told
11 that it was only going to be sand and
12 water and soapy solution. Now they
13 solicit these chemicals that we know
14 cause serious health problems and
15 illnesses. My husband has seen
16 accidents on site with chemicals,
17 surface spills with workers not
18 knowing what they're handling. How
19 are volunteer emergency responders
20 going to be able to help or protect
21 themselves and their families if
22 they're exposed to these chemicals.
23 Will they get the training, who will
24 pay for it? How fast will these

1 spills be addressed in this rural
2 area and how fast will they be
3 cleaned up? Will every spill be
4 recorded and reported?

5 Open pit. We know from
6 research that the Marcellus shale is
7 very high in normal occurring
8 radioactive materials. These
9 materials release the chemicals in
10 the water are supposed to be stored
11 in open pits. This is unacceptable.
12 I live in the Town of Fremont in
13 Sullivan County, on a tributary,
14 South Creek, to the Delaware River.
15 There are several of my neighbors,
16 that have signed or are planning to
17 sign. We have had four floods in
18 five years. These floods have broken
19 ponds, overflowed ponds and stream
20 beds. Now if we had these open pits
21 in my backyard or my neighbors that
22 would be the end of our eco system as
23 we know it. I don't know if the gas
24 companies have said to our county

1 leaders that closed containers are an
2 option and this is unacceptable.

3 As far as the community
4 impacts, the traffic from the trucks
5 on the roadways -- I'm very worried
6 about this because I live in a very
7 small dirt road and we cannot handle
8 hundreds of trucks that it will take
9 to drill each well. We all have seen
10 the accidents from the pipeline
11 workers. I'm also concerned with the
12 influx of workers that come and go --
13 that have come and gone with pipeline
14 and I have a story from one of my
15 neighbors who had a terrible
16 experience over the summer with the
17 pipeline workers. One of the things
18 that happened was they drove over --
19 she lives right next to the pipeline
20 and she had to put up with work all
21 summer long. They drove over each
22 field and so all summer she had open
23 sewage running right next to her
24 house. They did not provide toilets

1 for the workers, so the workers
2 defecated on the side of the roads
3 and this is what she had to live with
4 all summer. This is something that I
5 think we need to think about if we're
6 going to have all these workers out
7 in rural areas and this is something
8 that I wouldn't want to live next to.

9 Another concern is pipeline
10 to pipeline. How will this be
11 accomplished? The landowners that do
12 not want these pipelines or have not
13 signed leases for wells on their
14 property? These are just some of the
15 issues that I'm concerned with, taxes
16 and much more than is in the scope.
17 Thank you.

18 ALJ: Thank you. Tina Palecek
19 followed by Lawrence Kennedy.

20 PUBLIC: Good evening, my name
21 is Tina Palecek. I'm Supervisor for
22 the Town of Highland, I will keep
23 this short. Like many people know I
24 have been very active and very vocal

1 regarding the gas drilling industry.
2 The Town of Highland was the first to
3 enact a moratorium against active
4 drilling in our community. It wasn't
5 a moratorium to punish anybody or
6 getting out of leases, it was to get
7 an opportunity to take some time, to
8 take a step of pause, so that we can
9 make sure that we care and we take
10 all the necessary precautions that we
11 need to make sure that it's safe, to
12 make sure that all of the potential
13 impacts that it could bring to our
14 communities are looked at. We
15 invoked the moratorium to look at
16 safety issues. We've looked at
17 noise, our students on the school
18 busses, our water, pollution,
19 contamination and general impacts it
20 will have on the community, on our --
21 not just this generation, but future
22 generations.

23 I'm not here to say that we do
24 not respect the ability of the DEC.

1 My comments tonight are to ask the
2 DEC to respect the responsibilities
3 of local officials to protect the
4 citizens that are put in our
5 position. We need to make sure that
6 we have the opportunity to have home
7 rules, that we can take care of
8 issues that we know. We know the
9 area best, we know what's done, we
10 know the terrain, we know what
11 different impact, that you may not
12 know, and it's not your fault, it's
13 that we know the area and you don't.
14 I am asking that the DEC look at
15 everything and that we should have
16 home rule on this and allow local
17 officials to protect people, this
18 generation and all the other
19 generations to come in this regard.
20 This could be a positive thing, but
21 if we don't take the necessary
22 precautions we can't go back and fix
23 it later. Thank you.

24 ALJ: Thank you.

1 PUBLIC: Hello. My name is
2 Lawrence Kennedy --

3 ALJ: We can't hear you, sir,
4 please address the mic.

5 PUBLIC: I have a bachelor's
6 and a master degree in chemical
7 engineering and at a pharmaceutical
8 company I was an executive director
9 of process engineering for bulk
10 chemical productions and in that
11 capacity I served as director of
12 safety and the environment and when I
13 look at the draft document of the DEC
14 my question is, any plan that you
15 design requires control? I do not
16 see anything in the document that
17 would require the gas companies to
18 apply their petroleum officer. In
19 fact there's been talk about green
20 technology for refracking. I think
21 it's incumbent that both the DEC and
22 all communities demand that a cost
23 benefit analysis be done for the
24 current process that uses hazardous

1 chemicals versus the old
2 technologies. Look at green
3 technology and then come to a mutual
4 understanding, what is the cost
5 benefit of doing this? Also when we
6 look at the amount and volumes toxic
7 chemicals have, I can see no mention
8 of the need to do an environmental
9 quality statement. The calculation
10 of compounds that will be admitted
11 and affect on the environment. When
12 you look at Fort Worth, Texas recent
13 studies at a university of gas
14 drilling operations in Fort Worth,
15 has shown that toxic chemicals
16 submitted in -- not only exceed the
17 amount of -- with a clean house so
18 they now have toxic chemicals that
19 are tremendous. They need to be
20 involved in how much technical
21 chemicals will be admitted in a
22 perfect control technology. It is
23 very important to have in the
24 community.

1 Additionally, when we look at
2 the transportation and spill control
3 and the risk analysis for the
4 minimum/maximum number of hazardous
5 VOC truck trailers to determine the
6 impact of any spills on surface water
7 and New York City Watershed supplies,
8 will this be based on predefined
9 transit routes determined by DEC?
10 There should be a notice in the
11 cleanup of the various response
12 teams. I really encourage that when
13 you look at this type of operation
14 and the materials, that the
15 appropriate technical analysis be
16 done, it is a very generic statements
17 that people look at. There are
18 methods, there are procedures and
19 science, we must know the science, we
20 must see the results for the
21 communities to best understand what
22 is going to happen to our community,
23 our environment, our aquifers. So in
24 my mind before there are any approval

1 of gas permits, make sure that there
2 are proper analysis, so the community
3 fully understands their risk of
4 assuming this and then let them make
5 the judgment if it is a benefit for
6 them to proceed. Thank you.

7 ALJ: Thank you. Dr. Kennedy
8 followed by Brad Gill.

9 PUBLIC: Thank you for this
10 opportunity to speak with you about
11 this oil and gas drilling. My name
12 is Dr. Susan Kennedy and I'm a
13 clinical psychologist with over 35
14 years experience in dealing with
15 stress and mental health. I grew up
16 in Monticello, New York and while I
17 briefly moved away to go to college,
18 now many years later my husband and I
19 have the honor to live in Rock Hill,
20 New York. I would like to respond to
21 the draft scope, particularly on page
22 45 there is a chapter entitled 4.8
23 Community Character. The scope
24 states that the GEIS concluded that

1 major long-term changes, land use and
2 the need for public services are not
3 anticipated as a result of gas well
4 development. I beg to differ with
5 this statement. Wherever there has
6 been gas well development, similar to
7 what is planned for the Marcellus
8 shale, in areas such as Colorado,
9 Wyoming, Fort Worth, Texas, Arkansas
10 and Alberta, Canada, there have been
11 short and long-term consequences
12 affecting virtually every area of
13 community life. The problems are
14 multiple. Evidence found that -- all
15 of this is going to be in my written
16 statement that is going to list what
17 they are to you, but we have evidence
18 of the following effects. There is
19 indication of significant transient
20 workers. In that case whenever new
21 workers come in the following has
22 occurred. There is increased noise,
23 traffic that shakes houses, increased
24 crime. In one county in Wyoming the

1 sheriff states with the influx of 15
2 percent more people to their
3 population in one year there was a 30
4 percent increase in crime. There are
5 increased drugs that came into the
6 community. There was increased drug
7 and alcohol use among workers. The
8 drugs that come into these
9 communities are primarily meth and
10 cocaine. There is increased domestic
11 violence. There is increased stress
12 and fear and increased demand for
13 more hospital services, emergency
14 personnel, more firemen, more police.
15 Housing becomes scarce and rent sky
16 rockets. One of the major claims
17 that I want the DEC to address is
18 that there is a cumulative effect to
19 all these factors. People that live
20 in these communities, where this kind
21 of drilling has gone on, feel like
22 they're living in a war zone.
23 Children in Fort Worth, Texas vomit
24 before they go to bed at night.

1 There's helicopters flying overhead,
2 there's so much noise, so much
3 traffic and so much water pollution
4 that these children are going to bed
5 sick. I don't know how you put a
6 cost/benefit analysis on the well
7 being of children. Drug use rises
8 among the workers, drug use is
9 epidemic. The sheriff of Colorado
10 has many stories about this and
11 Business Week itself on November 24th
12 published a new article saying, "Are
13 These Gas Companies Poisoning Wells?"
14 November 24th article in Business
15 Week. So people who live in these
16 communities are afraid, this is not a
17 fear that goes away tomorrow.
18 Mothers are fearful of what they are
19 giving to their children, the water
20 that they're bathing their children
21 in. So you have increased stress on
22 all matters in the community. I
23 want to talk a little bit about
24 economic benefits. There was a study

1 done by the Joint Urban Studies
2 Center in Scranton, Pennsylvania,
3 when they looked at Denton, Texas and
4 one county in Arkansas and they
5 measured 1990 and 2006, they measured
6 two things, how many people have
7 their income level gone up, that was
8 the first thing and what they found
9 was that 50 percent of all people who
10 earned under \$100,000 in 2006,
11 they're the ones that -- their amount
12 of money had gone down. People that
13 earned above \$100,000 their personal
14 wealth increased. So that's 50
15 percent for inner community and
16 \$100,000 is pretty high standard. So
17 this does not necessarily reap
18 economic benefit to the community or
19 to individuals, it brings significant
20 wealth to the wealthy.

21 The final thing I want to talk
22 about, I want to quote you. This is
23 from a rancher in Wyoming and this
24 rancher has lived in this gas

1 drilling for a number of years now
2 and this is what he said. He said --
3 I don't have it exactly, I give the
4 government an F minus for the way
5 they handled the situation. They
6 ripped the boots off the very thing
7 they say they care about, community
8 values, family values, property
9 values. The way I look at it, the
10 whole soul of the place has been torn
11 out and for what? We don't get soul
12 back into a place once it's gone.

13 The final thing that I have is
14 a question for the DEC and for all of
15 us. The oil and gas companies are
16 restless, they're always looking for
17 the next new fix. They're always
18 looking for the next mineral to
19 control them on and in water. Water
20 in South America and in the west and
21 increasingly around the globe, clean,
22 pure water is going to become the new
23 mineral worth, worth its weight in
24 gold. We have this mineral right at

1 our doorstep. Let us never
2 underestimate one of the real
3 consequences of water to our
4 communities. Someday our children
5 are going to need that precious
6 commodity, someday maybe they repay
7 us, if we treasure it and honor it
8 and don't squander it or pollute it
9 or destroy it. Can the DEC use its
10 wisdom and its strength to simply say
11 to the oil and gas companies, go
12 home. We have the real riches
13 underground and we're going to
14 treasure them and so can you honor
15 our communities safeguarding its
16 precious, value the watershed region
17 and protecting food production, our
18 homes, our environment, our
19 children's future and our way of
20 life.

21 ALJ: Thank You. Mr. Gill
22 followed by Josh Fox.

23 PUBLIC: Good evening, Judge
24 and everyone here. My name is Brad

1 Gill and I am executive director of
2 the Independent Gas and Oil
3 Association of New York. I am a
4 certified petroleum geologist and
5 also serve as president of Earth
6 Energy Consultants. I thank you for
7 the opportunity to address the DEC,
8 as well as the concerned citizens who
9 are here tonight. The Independent
10 Oil and Gas Association of New York
11 was founded in 1980 to protect,
12 foster and advance the common
13 interests of oil and gas producers,
14 professional and related industries
15 in the State of New York. We have
16 over 335 members and represent
17 companies from very small operators
18 to the very large oil and gas
19 industry. As local residents and
20 business people who work in the
21 natural gas drilling profession, our
22 membership understands the concerns
23 that many members of the community
24 have about potential natural gas

1 exploration. Throughout the scoping
2 process we have listened intently to
3 the public concerns and I would like
4 to address some of those as I comment
5 on the scoping document.

6 First I'd like to point out
7 our members fully intend to comply
8 with regulatory requirements that the
9 DEC has or puts in place in the
10 future to protect New York's
11 environment. Drilling for natural
12 gas is not new to New York. In fact
13 the first New York's first natural
14 gas well was dug in 1821 in Fredonia
15 and since then more than 75,000 oil
16 and natural gas wells have been
17 drilled. About 13,000 of these are
18 still active today. New York which
19 imports 95 percent of its natural gas
20 from other states and regions,
21 including the southwest, has never
22 been a big player in the natural gas
23 market, but the Marcellus shale
24 formation provides outstanding

1 potential for New York to become a
2 larger presence in the natural gas
3 market and become more self-reliant
4 by tapping this low-priced, clean and
5 efficient fuel.

6 I want to point out that
7 exploration will be gradual, it won't
8 be like a gold rush and there will
9 not be drill rigs on every street
10 corner and on every piece of
11 property. Here's why. There isn't
12 enough equipment, most large
13 companies will allocate equipment
14 based on economics and lease timing.
15 Drilling costs 2,000,000 to 3,000,000
16 per site, a major investment.
17 Manpower is limited. What can people
18 expect over the next several years,
19 it will be a slow orderly
20 development, it won't just be a long
21 time before it looks like Fort Worth
22 or Dallas, it never will. This
23 region of the state sites on the
24 outer most edge of the Marcellus

1 shale formation, there has not been
2 much interest in drilling in this
3 region because of its shallowness and
4 narrow profile. I dont believe
5 anyone has filed a permit to drill in
6 this county. That said, natural gas
7 is the nations fastest growing energy
8 source, with demand forecast to
9 increase by about 22 percent between
10 now and 2030. But going back on the
11 environment.

12 If we were to rank the
13 public's concern, the concern on New
14 York's water supplies would have to
15 be at the top of the list, so I
16 wanted to share a few facts about
17 water usage in the fracturing and
18 drilling process. The vast majority
19 of wells in the U.S. require some
20 form of stimulation, such as
21 hydraulic fracturing, better known as
22 fracking, to be economical. This
23 process involves using a fluid
24 injected under pressure to crack or

1 fracture the shale reservoir
2 formation to better connect it to the
3 wellbore casing. For the average
4 conventional well in New York State,
5 it has been necessary to perform a
6 frack treatment before it could be
7 economically productive. There are
8 two principal keys that work together
9 have resulted in greater productivity
10 from shales, horizontal drilling and
11 slick water hydraulic fracturing.
12 Horizontal drilling allows for a
13 single surface location to access a
14 much larger piece of the subsurface
15 with a minimal surface footprint. A
16 horizontal well pad consisting of
17 many horizontal wells has only one
18 site at the surface, but accesses a
19 large lateral resource at depth in
20 the shale. Once the vertical part of
21 the drilling is completed, well below
22 the surface of the ground, the
23 wellbore then adjusts to a more
24 horizontal position and drilled in a

1 direction that allows it to take
2 advantage of the pre-existing
3 fractures in the shale. This makes
4 fracking much more productive.

5 Just to be clear, companies in
6 New York, predominately in New York's
7 Southern Tier, have drilled through
8 the Marcellus for years to access
9 many other reservoirs such as Medina,
10 Theresa and others, this is not new.
11 This is basically a closed system, as
12 compared to an industry such as
13 agriculture, where it is necessary to
14 apply various pesticides, herbicides
15 and fertilizers directly to the
16 environment. In natural gas,
17 hydraulic fracking fluids are
18 isolated from the environment by
19 cemented steel casings and only touch
20 the rock at significant depths. Once
21 the cement cures, the drilling
22 process resumes with a smaller hole
23 penetrating the target rocks at
24 depth. Thereafter, there is an

1 analysis of the rock properties by
2 electronic tools lowered into the
3 wellbore. After analysis the
4 decision will be made to complete or
5 plug and abandon the well. The
6 cement is designed in a laboratory
7 and mixed to specifications at the
8 well site by purpose built oilfield
9 cementing units. This cementing
10 process should not be confused with
11 the ready mix process that is used
12 for roads or construction purposes.

13 The significant points about
14 fracking are, it occurs deep in the
15 ground. Frack water will not come in
16 contact with well water or the fresh
17 water aquifer. The fresh water
18 aquifer is protected by multiple
19 steel casings and then reinforced
20 with cement. Groundwater and
21 aquifers are protected from
22 contamination from downhole
23 stimulation because of the New York's
24 current regulations and depth of the

1 natural gas zone as compared to the
2 water bearing aquifers. Stimulations
3 will occur in still cased wellbores,
4 much deeper than the existing fresh
5 water aquifers. Hydraulic fracturing
6 has been used for decades in New York
7 without incident. IOGA New York
8 members have exemplary safety and
9 environmental records. Of the
10 fracturing fluid 99 and a half
11 percent is water and sand. The
12 remaining .5 contains three primary
13 additives, a friction reducer,
14 similar to canola oil which thicken
15 the fluid and a bactericide, such as
16 the chemical chlorine to control
17 bacteria growth, in the same way
18 chlorine is used in our drinking
19 water supply. The fluid also
20 contains a .1 percent portion of a
21 micro emulsion element, similar to
22 those found in personal care products
23 and cutting oils. This additive
24 ensures coating of the formation and

1 effective fracture fluid recovery.
2 Benzene, xylene or toluene are not
3 and will not be used in well
4 stimulation or drilling of the
5 Marcellus or other shales in this
6 area. Last, all the chemicals used
7 in the hydro-fracking process are
8 currently being disclosed to the DEC
9 in the permitting application and
10 therefore the DEC will have a full
11 opportunity to evaluate the chemical
12 composition. Regarding the amount of
13 water needed in the fracking process,
14 we all know it is New York's most
15 important natural resource and our
16 members take great pride in
17 protecting it. The volume of water
18 intended to be used by the entire oil
19 and gas industry is relatively small
20 compared to the existing water uses
21 of power generation and recreation.
22 For example in New York the average
23 precipitation is 90 billion gallons
24 per day. One half of this is

1 returned to the air through
2 evaporation. 27 to 31 billion
3 gallons per day run off into the
4 surface waters and flow to the sea.
5 14 to 18 billion gallons per day seep
6 into and replenish groundwater
7 supply. Although 19 billion gallons
8 is currently withdrawn from the
9 surface and groundwaters in the
10 state, remember between 40 billion
11 gallons is recharged daily, only
12 784,000,000 gallons is actually
13 consumed or, by definition, does not
14 return directly to the water cycle.
15 This equates to 1.75 percent. Some
16 of the major consumers of water are,
17 the public, 318,000,000 gallons per
18 day. Cooling for fossil nuclear
19 power electrical generation,
20 340,000,000 gallons per day.
21 Agriculture uses 49,000,000. By
22 comparison it has been estimated that
23 the natural gas industry could
24 require a maximum of 27,000,000

1 gallons per day across the three
2 states, New York, Pennsylvania and
3 West Virginia, where the Marcellus
4 appears to be developable. This is
5 the equivalent of 3,700 to 4,000
6 wells per year being drilled which as
7 I mentioned earlier, is unlikely in
8 the foreseeable future.

9 Nevertheless, if we were to assume
10 that one third of the need would come
11 from New York, this would equate to
12 12,000,000 to 13,000,000 gallons per
13 day, 1.7 percent of the total
14 consumptive use and only .027 percent
15 of what is returned to the state
16 through precipitation. Although this
17 is a relatively small number, the
18 industry is fully aware of the need
19 to respect the availability of this
20 precious resource and we agree
21 completely with the current
22 regulatory process in place to ensure
23 this water cycle is kept in balance.
24 The River Basin Commission regulates

1 water withdrawal and industry does
2 and will continue to comply with
3 their requirements to protect
4 groundwater. It is the oil and gas
5 industry's goal to minimize the
6 consumptive use of large volumes of
7 water by exploring the re-use of
8 stimulation fluids. We are also
9 exploring whether water can be pumped
10 or piped in when feasible to minimize
11 truck traffic, but if hauling is
12 necessary, planning is used to
13 minimize truck impacts. Regarding
14 roads and other municipal
15 infrastructure, equipment used in the
16 oil and gas industry is permitted or
17 licensed to use the roads just like
18 any other vehicle or piece of
19 equipment. Traffic patterns are
20 usually designed to utilize roads and
21 bridges meant to handle these loads.
22 Companies work with municipalities to
23 protect the roads and repair them as
24 needed. Moreover many companies

1 provide bonding to assist in
2 providing any capital needs that are
3 not covered by the repairs made by
4 the operators. Most companies will
5 try to use local people for long term
6 jobs and the contractors utilized are
7 temporary to the area.

8 Moving on, its very difficult
9 to predict the economic impact of an
10 exploration play, but based on the
11 existing drilling being done in
12 Pennsylvania and the reported
13 results, we can make some assumptions
14 that clearly define the dramatic and
15 positive impact of this opportunity.
16 For example estimated annual property
17 tax revenues to the individual
18 counties, towns and schools would be
19 in excess of \$19.8 million per every
20 300 wells drilled. Landowners could
21 also expect to receive annual
22 royalties in the range of
23 \$100,000,000. The state would
24 receive more than \$6.7 million

1 annually on the taxes of these
2 royalties. This is a significant
3 value and only touches the
4 development of this resource. In a
5 comparative sense, this would be the
6 equivalent of a property owner who
7 has 1,500 acres of land paying
8 \$18,000,000 a year in property taxes.
9 If you're a residence in one of these
10 communities, but you dont have a well
11 on your property, you should expect
12 the tax burden on your property to go
13 down.

14 Now, Im just going to close my
15 commentary discussion and talk about
16 some of the concerns versus benefits.
17 A lot of people oppose drilling
18 natural gas in New York --

19 ALJ: Mr. Gill, its time,
20 we've got to open the spot.

21 PUBLIC: Some people are in
22 favor of it. There has been a lot of
23 information thrown out here. There
24 are reports that I can refer to, but

1 if I can hope for anything, anything
2 at all tonight, it would be a
3 willingness to the open-mindedness of
4 your constituents, but for people to
5 know the relevant facts surrounding
6 New York's oil and gas industry and
7 have the acceptance of the proven
8 track record and the recognition of
9 the successful measures that are in
10 place. Thank you.

11 ALJ: Mr. Fox followed by Kate
12 Sinding.

13 PUBLIC: Wow, sounds great, so
14 not true. I've heard the speech
15 before and I've heard it repeated
16 back to me verbatim from people in
17 Colorado and Wyoming, Texas as the
18 lies the gas promoters tell to hide
19 the truth. Pardon me, a tough act to
20 follow. My name is Josh Fox, I'm a
21 film maker. When I first heard about
22 the gas drilling in the Upper
23 Delaware River Basin and the scope of
24 it I didn't sleep for a month. I

1 decided to get in my car and take my
2 cameras and go out west where the
3 drilling had been happening for 12
4 years or so and in some areas about
5 three or four years. I wanted to see
6 for my own eyes. What I believe -- I
7 didn't believe what the environmental
8 groups were telling me. I didn't
9 believe that there was 20,000 wells
10 along 75 miles of the valley. I
11 really didn't want to wrap my hands
12 around it. So I traveled about
13 100,000 miles, I interviewed hundreds
14 of people, I documented hundreds of
15 well gas sites. All of my tapes and
16 findings are at waterunderattack.com,
17 you can look at them and I encourage
18 the DEC to take a look at them. Take
19 a look at waterunderattack.com and
20 you will see the testimonials of all
21 the people. I want to keep my
22 comments short, but basically what I
23 saw and I want to stress again every
24 single person that I talked to had

1 heard this line, this line we just
2 got sold or almost sold, that it's
3 not going to be that impact, that it
4 won't hurt your land, it won't hurt
5 your health, you're going to make a
6 lot of money. What I heard was
7 absolutely devastating health effects
8 on populated areas, health effects on
9 forests, health effects on water.

10 I want to talk about human
11 health, human health for anybody
12 within 2,000 feet of a well pad
13 because it's probably about eight
14 percent of this room. I saw fracking
15 done that was being sprayed over
16 landscapes, in groundwater, in
17 aquifers and thousands and thousands
18 of trucks. Trucks swarm every 30
19 seconds, you can stand on any corner
20 -- well, there will be a lot of new
21 corners, but you will see a truck go
22 by you every 30 seconds. None of the
23 sites I filmed in Wyoming, Texas or
24 Colorado, I filmed hundreds that

1 didn't have inspectors at all. They
2 were completely overrun. The states
3 cannot keep up without the Federal
4 Acts protecting this or monitoring or
5 regulating as you heard. 16

6 inspectors in New York State to
7 monitor 20,000 wells, it's impossible
8 to do that.

9 I want to talk to you again,
10 like I said, about health effects.
11 I'm going to bring up the case of Kim
12 Weber, she's on the tape, you can
13 listen to her entire interview. She
14 lives on the banks of the Colorado
15 River which has gotten exactly what
16 they're proposed to do here. Her
17 land was contaminated by the water
18 and she suffers from brain lesions
19 that are from the toxic poisoning. A
20 lot of the poisoning happens through
21 the air. There are organic compounds
22 come off the containers that the gas
23 that comes up, whatever the name is,
24 I can't think of it right now, they

1 are injected right into the air, this
2 causes brain lesions, it causes
3 something called peripheral
4 neuropathy which is kind of a brain
5 damage. It can happen very, very
6 quickly. It happens to workers which
7 is regrettably painful, tingling in
8 the extremities. When fracking
9 fluids there is not three compounds,
10 it's over 275 chemicals. 50 percent
11 of it is a cacogenic, 60 percent of
12 it is mutagenic and all of them cause
13 skin and eye irritation, respiratory
14 failure, internal organ failure. One
15 guy can no longer sell his property
16 because his property is contaminated
17 with toxic fluids. His blood in his
18 body tested positive for
19 ethylbenzenes, toluene and for
20 several other compounds.

21 So in closing, it is very,
22 very important that the DEC
23 Supplemental GEIS includes an
24 extensive report on human health

1 because people in the area where the
2 drilling is happening, they're
3 exposed to all the organic compounds
4 in the air, in the water, it's
5 devastating and it's immediate. I'm
6 not even worried about cancer, cancer
7 is long term. I'm worried about
8 brain damage that happens to people
9 in the immediate area. You can see
10 all of that at underwaterattack.com.
11 Thank you very much.

12 ALJ: Thank you.

13 PUBLIC: Good evening, my name
14 is Kate Sinding. I'm a senior
15 attorney with the Natural Resources
16 Defense Council, we're a national
17 environmental organization with over
18 200,000 members and activists in New
19 York State alone. I have some
20 significant concerns regarding the
21 potential environmental impact of
22 drilling in the Marcellus shale and
23 we're committed to assuring it takes
24 place only in appropriate areas and

1 only with most stringent regulatory
2 requirements to protect human health
3 and environment. Make no mistake,
4 this is a major new industrial
5 activity that we're talking about.
6 No matter how often it's repeated
7 that New York has already has tens of
8 thousands of natural gas wells
9 drilled, the fact is that what's
10 being proposed for the Marcellus is
11 not regular in nature or in the scope
12 as any drilling that we've seen today
13 in New York State. With all due
14 respect to Mr. Gill, drilling through
15 the Marcellus with traditional
16 vertical wells to access reservoirs
17 below the Marcellus is not the same
18 as what's being proposed with
19 horizontal drilling and hydraulic
20 fracturing using millions of gallons
21 of water in the Marcellus shale. The
22 experience in other states with
23 similar gas drilling techniques that
24 are used in similar formations

1 without first having adequate
2 assessment of the potential impacts,
3 including establishment of baseline
4 water and air quality, emissions as
5 proof of the absolute necessity in
6 determining that this activity which
7 has turned rural and sensitive
8 ecological areas into industrial
9 landscapes. We need to get this
10 right in New York State. We need to
11 make sure that we can fully analyze
12 and identify all necessary regulatory
13 and statutory provisions to ensure
14 that gas drilling in the Marcellus
15 shale formation does not proceed
16 without fully protecting public
17 health and environment.

18 Tonight I'm going to limit my
19 comments to the draft scope. We'll
20 be submitting lengthy technical
21 comments, so I'm just going to focus
22 right now on a few main issues.
23 First of all we're really concerned
24 about the description of the proposed

1 action as it's reflected in the
2 PowerPoint that we saw this evening.
3 The draft scope suggests treating the
4 proposed action as a set of distinct
5 projects where each well pad is a
6 separate project and all the DEC is
7 going to look at is the generic
8 impact of separate well pads. This
9 needs to be treated as a programmatic
10 GEIS, a new program of permitting on
11 a statewide or regionwide basis. In
12 effect the cumulative impacts of all
13 the individual well applications that
14 are going to come in under this
15 program are the impacts of the
16 proposed action. The proposed action
17 is the permitting process throughout
18 the state for this type of drilling.
19 We would propose that the potential
20 impacts therefore be analyzed on
21 three levels. First would be what's
22 currently covered by the draft scope,
23 looking at the potential generic
24 impacts and an individual well

1 drilling pad. Second would be
2 looking at the cumulative effects
3 within the region because that's
4 what's going to happen here, the
5 company's not to come in and say one
6 drill, one well and one location.
7 There's going to be multiple wells
8 within any given geographic region
9 where gas is thought to exist. That
10 needs to be done for all the
11 different types of regions where
12 drilling is being proposed. For
13 example potential regional impacts in
14 the New York City Watershed are not
15 going to be the same as they are in
16 rural areas, so you need to look at
17 areas to be examined.

18 Finally, the impacts need to
19 be evaluated on a statewide basis.
20 Just some examples of what needs to
21 be looked at on a statewide basis are
22 how much methane and natural gas will
23 be leaking from all wells throughout
24 the state and what that impact will

1 have. How much water, especially
2 groundwater will have to be withdrawn
3 in the fracturing process on a
4 statewide basis. Similarly for air
5 quality and so on. In addition, the
6 proposal seems not to consider
7 pipelines and other storage
8 facilities that would be necessary to
9 develop natural gas in the Marcellus
10 shale. That proposed action needs to
11 be considered. All activities that
12 will be necessitated by gas drilling
13 in the Marcellus shale. Third, we
14 believe that the draft scope menses
15 an undue reliance on the 1992 GEIS.
16 Not only analysis which GEIS is still
17 valid and it is simply not okay to
18 say we are going to look at impacts
19 from aspects of drilling in the
20 Marcellus that we didn't look at for
21 drilling in other formations. We've
22 got to go back and look at the
23 analysis that were done in '92 GEIS
24 and see if the assumptions that were

1 made there still hold valid for this
2 technology. In many cases we would
3 submit that they are not. Just as
4 one example, the air quality has
5 changed significantly since 1998 or
6 since 1992 and the number one reason
7 is not that this area has changed,
8 but modern techniques have improved.
9 We can't just rely on the air quality
10 assessment that was done on the 1992
11 GEIS which was I believe the
12 equivalent of about a paragraph and
13 say that you've looked at it for
14 what's being proposed here. In
15 addition and this has also been
16 noted, there is no information in the
17 draft scope of any of the specific
18 methodologies that would be used to
19 analyze the impacts that were stated
20 that you're going to analyze. As
21 others have called for, we think
22 you've got to come back with a
23 revised draft scope that covers the
24 methodologies that you're going to be

1 using here. So that we the public,
2 has the opportunity to say, yes those
3 sound like the right methodologies or
4 no there's better methodologies out
5 there that will better disclose the
6 full range of protection. Similarly
7 and for the same reason, we need the
8 conclusion that you're going to
9 revise the draft scope, there are
10 critical analyses -- impact
11 categories that are not included in
12 the draft scope at all. One clear
13 example is traffic. We do know that
14 there will be hundreds of trucks
15 associated with every single well pad
16 or drilling site, particularly if
17 water needs to be trucked in.
18 Traffic impacts are not apparently
19 going to be analyzed at all, only the
20 impact on the quality of the roads.
21 Analyses are being done all over the
22 country now, they can be done and
23 they need to be done as a part of the
24 GEIS and for it to be valid.

1 The final point I'll make in
2 respect to the draft scope is that we
3 think that the proposed -- no action,
4 not doing any drilling is not
5 sufficient. Other alternatives need
6 to be evaluated. Two that I would
7 suggest are approaching the issue of
8 gas drilling in the Marcellus from a
9 statewide planning perspective.

10 Let's step back, let's do planning
11 for how natural gas drilling in New
12 York State should take place. Let's
13 evaluate potential impacts and the
14 context of that type of planning,
15 something like the New York State
16 Energy Plan.

17 Secondly, we've got to look at
18 an alternative that would put certain
19 critical ecological areas permanently
20 off limits in our county and that
21 includes perhaps most sited, but not
22 exclusively, New York City Watershed
23 and other watersheds, we need to have
24 zero risk quality when it comes to

1 our drinking water quality. We can't
2 benefit to the economy against the
3 risk of contaminating our drinking
4 water.

5 The last thing I will say is
6 just to reiterate that for these very
7 reasons the fact that drilling is
8 being proposed in New York City
9 Watershed that additional scoping
10 hearings must be scheduled in New
11 York City and in the watershed areas.
12 Thank you.

13 ALJ: Thank you. Daisy Smith
14 followed by Joel Kupferman.

15 PUBLIC: My name is Daisy
16 Smith. I would like to thank the DEC
17 for allowing us to express our
18 concerns about potential gas drilling
19 in our area. A significant portion
20 of the Federal Upper Delaware River
21 and a portion of the Delaware River
22 Basin lie within the borders of our
23 town. Within these two unique
24 tourist attractions are such an

1 important part of the economic
2 activities affecting water of
3 Sullivan County. It's extremely
4 important that our assessment of the
5 economic impact be completed. How
6 will visitors or expected visitors
7 view this area in light of projected
8 truck traffic, noise, air and
9 potential water pollution. The town
10 is very concerned about the impact
11 heavy truck traffic will have on our
12 rural roads and the following
13 questions that the county would like
14 answered. Will we be notified before
15 new drilling applications are
16 approved and will we know where the
17 drilling will take place? How will
18 we know the amount and type of truck
19 traffic to expect at the site and the
20 truck route of each of these sites?
21 How can we be sure that the gas
22 company will talk to the town?
23 We know the DEC is aware of severe
24 flooding that has taken place in the

1 Town of Cochection and neighboring
2 towns in recent years. The potential
3 of flooding well pads must be
4 thoroughly examined and storing
5 potentials, contaminated water in an
6 open pit is troubling. Emergency
7 service responders must be made aware
8 of potentially hazardous substances
9 that they may encounter in the
10 answering of a call for help. While
11 we recognizes the nation's need for
12 new sources of energy and we
13 recognize the significant monetary
14 gain that may be realized by certain
15 individuals, the gain for others
16 cannot be borne on the backs of those
17 who have chosen not to permit
18 drilling or those who were not
19 fortunate enough to have purchased
20 the right piece of property. On
21 behalf of the Cochection Town Board,
22 thank you.

23 ALJ: Thank you.

24 PUBLIC: Good evening, I'm

1 Joel Kupferman from the National
2 Lawyers Guild Environmental Justice
3 Committee and New York Environmental
4 Law and Justice Projects and New York
5 Freedom of Information Center. I
6 deal with cases and they get calls,
7 about 5, 10, 15 a day from other
8 departments around the country and I
9 just want to take the last case I did
10 upstate was brought by a group in
11 Woodstock. It was a local group and
12 they wanted to make sure that the
13 post office placement had to deal
14 with the floodplain, they brought up
15 the issue of floodplains and the
16 state kept saying we can't -- we're
17 not going to listen to you, we don't
18 have to, this is a federal law. Lo
19 and behold they built the post office
20 and the day that it was supposed to
21 open, the grand opening was
22 rescheduled because of flooding, the
23 parking lot was flooded. It is
24 really important to reiterate the

1 need for local involvement.

2 We need to deal with something
3 called environmental injustice and
4 that's the part that seems to be
5 missing in this scope hearing.

6 Environmental justice basically is a
7 lot of people who get less resources
8 when it comes time for them to be in
9 need. Basically, they get the short
10 end of the stick. But what I'm
11 concerned about, as a seasoned
12 attorney, that there is no way of
13 ending this, where do people go,
14 where do they get information? What
15 also concerns me is the right to
16 know. You have a short section here
17 on page 13 about Trade Secret or
18 Confidential Commercial Status of
19 Additive Formulas or Constituents.
20 Basically what this little comment is
21 telling us is that companies don't
22 have to tell you what chemicals they
23 use because it might increase
24 competition or lessen competition,

1 but they trust the DEC. I was
2 heavily involved personally with what
3 happened after 9/11 when those towers
4 went down. I went down and grabbed
5 samples and I found out that there
6 was 5 percent asbestos and 95 percent
7 fiberglass. The 9/11 EPA said told
8 us that the air was safe, go back to
9 your homes and everything is okay,
10 but thousands of people who have
11 gotten ill have proven otherwise.
12 What concerns me about this little
13 paragraph in the draft is we need
14 FOIL, we asked the city in writing,
15 we asked for the information from the
16 state and city and the feds gave us
17 hundreds of pages and they told us
18 that there were problems. There was
19 dust, there was benzene, there was
20 asbestos. New York State took 68
21 days before they gave us a document
22 and they told us due to ongoing
23 criminal investigation we can't give
24 you this document. I deal with

1 doctors all the time, especially
2 first responders and the first thing
3 a doctor wants to know is when
4 somebody comes in with chemical
5 burns, what were they exposed to?
6 They don't want to hear, we're
7 waiting for the DEC to have a legal
8 committee and they will decide in 68
9 days, they have to know right away,
10 as fast as possible, that's the
11 problem.

12 New York State must be
13 concerned -- in fact people mentioned
14 the word traffic and diesel. The oil
15 and gas industry told us that the
16 trucks are running clean. New York
17 State has 2,300 diesel-related deaths
18 all over the state, not just New York
19 City, that's all of New York State.
20 So for us to be told that the
21 trucking is not a problem is
22 ridiculous, bogus and it should be a
23 major concern of New York State. How
24 do you control the diesel fumes?

1 The second thing I was concerned
2 about, for consideration, is that the
3 analysis should be looked at again.
4 It was seven years ago the EPA said
5 60 to 65 percent more dangerous than
6 they thought it was and what they did
7 is they went back to all of the
8 evaluations and they said, our past
9 prognosis was wrong, we have to do it
10 all again. So since then the EPA has
11 determined that children are 10 times
12 more vulnerable than we thought. So
13 between the DEC and children we have
14 to reevaluate all of those harmful
15 effects that take place.

16 After 9/11 and all of that,
17 all we can get out of the DEC is more
18 -- after all those buildings went
19 down and also we've learned that
20 there's a bunch of vacancies at the
21 DEC, they're not hiring any new
22 people. So in every region when
23 someone retires other people have to
24 pick up the slack. So the basic

1 increase that we're facing, when
2 seasoned workers retire the DEC is
3 going to be decreasing.

4 We were also told that the oil
5 companies are people that we can
6 trust. The last thing I saw on TV
7 before I came up here was GM and Ford
8 asking for more money, saying they
9 can't make a profit, they're going
10 broke and not only people are asking
11 for environmental exemptions. I'm
12 also concerned about defects, what is
13 a property owner to do when there is
14 a problem, is the state going to step
15 in. The problem is the insurance
16 provider. People need insurance, if
17 people have damage to their homes
18 they need things replaced and I've
19 dealt with a lot of cases and there
20 are a lot of cases out there and the
21 first people to check out of town
22 were insurance companies. So people
23 working who are getting all these
24 promises, are getting faced with a

1 lot of difficult times and a lot of
2 problems. There is physical and also
3 some financial. It would be nice to
4 have people protected.

5 Also in New York we have homes
6 that are contaminated in Binghamton
7 from IBM and the reports basically
8 said that -- DEC reports and Public
9 Health that basically these chemicals
10 can get in homes and you just can't
11 test outside of people's homes, you
12 have to test underneath your home.
13 It's been found to be 100 times more
14 concentrated underneath that home
15 than 20 feet away. So now we're
16 being told that when they're doing
17 their testing, we can test up to 14
18 counties away that will tell us
19 what's below your home and what's
20 coming up, that's just bad science.
21 Not only that, people just mentioned
22 health, a really good environmental
23 assessment health space. It
24 shouldn't be the DEC that listens to

1 you, it should be Public Health and
2 what you do is you do health graphs
3 and what happens in many cases --
4 I've dealt with the state and the
5 locals and both never bother paying a
6 pediatrician to see what's wrong. It
7 was up to community groups to go out
8 and find a pediatrician to say that
9 kids were getting the same rashes on
10 their skin that was coming from a
11 yard. They think it's really, really
12 avoidable that this should be
13 examined because the people have the
14 right to know. So the first thing
15 that you have and basically all we
16 get is two paragraphs in here that
17 basically is like trust us. We don't
18 want this thing to go any further, I
19 think we have the right to know for
20 protection and especially not just
21 for themselves and their neighbors,
22 but even further workers that come in
23 and do their jobs. New York City
24 post 9/11 has thousands and thousands

1 of workers that are sick and they're
2 not getting any protection and I
3 think the way this state is set up
4 now, we're basically telling these
5 people to take a hike and when these
6 workers take a hike it affects the
7 economy. So I just ask everyone to
8 be vigilant and to keep our presence
9 in the state. Thank you.

10 ALJ: Thank you. Arnold
11 Froyel and then Barbara Arrindell.

12 PUBLIC: Good evening,
13 everyone. I would like to thank you
14 for the opportunity to speak on the
15 issue of natural gas hydro-fracking.
16 I'm from New York City, I've come up
17 here just for this meeting because
18 our 8,000,000 stakeholders in the
19 City have been excluded from this
20 hearing and I urge the commissioner
21 to bring these hearings down to the
22 City so that our people can convey
23 --

24 I should say that I'm

1 representing the Atlantic chapter of
2 the Sierra Club and I am a member of
3 Common Cause. Seven or eight years
4 ago I was at an I Love an Ethical New
5 York dinner where Pete Grannis was
6 given an award for his Statute of
7 Ethics and I do hope that he
8 maintains his standards and his
9 reputation in confronting this issue.
10 I don't know if it's an ethical
11 issue, but his stance, his
12 reputation is good with a lot of
13 people and I would like to see him
14 maintain it.

15 The City of New York consumes
16 1.2 billion gallons of water a day
17 and from the figures that I've gotten
18 this process of hydro-fracking for
19 natural gas, there are 10,000 wells
20 to be opened in the Catskill
21 watershed or the Catskill-Delaware
22 watershed, each one taking three to
23 five million gallons of water and I
24 wonder who's going to win out on this

1 whether it's going to be New York
2 City and the communities upstate who
3 consume that water or whether it's
4 going to be the natural gas producers
5 and everybody else just find your way
6 out, move to another area, move out
7 of the country, who knows. Water is
8 the root, the staff of life. If
9 there's not water, there's no life
10 and we have to protect it.

11 I urge the commissioner, I
12 urge our New York State officials to
13 follow the precautionary principles
14 and I'm referring to all of these
15 chemicals, now I find out it's 275
16 chemicals to be used in this process,
17 the figure before was 300 that I got.
18 I'm sure these are not known pure
19 substantives, therefore we have to
20 observe the precautionary principle.
21 We know the consequences in other
22 areas of the country, individual
23 cases that people have described and
24 because we know that we don't want

1 that here. I urge that -- I think
2 that an entirely new scope document
3 has to be prepared and not using old
4 stale information from the past
5 years. This is a radical change in
6 our approach to this issue and when
7 they talk about -- they always talk
8 about creating jobs, politicians like
9 to talk about creating jobs for this
10 and that and everything. That's
11 always mentioned and they expect the
12 public to grab on to it and I have to
13 say that a lot of people take this
14 and they're shooting themselves in
15 the foot. That's what they end up
16 doing.

17 The environment -- I should
18 say the economy is a subsystem of the
19 environment and I think we have to
20 consider, maybe in the new scope we
21 should consider the replacement costs
22 of the environment. In other words,
23 what's the dollar cost for replacing
24 what we lose in this process? That's

1 really economics. I had another
2 thought to add to that -- there has
3 to be consideration by the numbers
4 given to me before I buy the
5 representative of the association of
6 oil and gas, forgive me, I wasn't
7 able to follow them all, but the
8 conditions vary in this state,
9 droughts and floods, changeable
10 conditions and I don't know whether
11 their figures cover those situations.
12 Usually when people say numbers like
13 that they cherry pick them, pick out
14 the ones that best support their
15 case. We live in a climate of
16 irrational exuberance when it comes
17 to the wealth that's to be gained by
18 this process of natural gas
19 extraction. I say the rationale
20 because with all this water that
21 they're going to use and all the
22 possible damage to the environment,
23 how many years worth of energy are we
24 going to get from this? I understand

1 it's something like five years worth,
2 where as the damage could be forever
3 after.

4 ALJ: Mr. Froyel, please wrap
5 up.

6 PUBLIC: I appreciate -- thank
7 you very much for giving me this
8 opportunity.

9 ALJ: Thank you. After Ms.
10 Arrindell, Joe Levine.

11 PUBLIC: My name is Barbara
12 Arrindell, I'm speaking from Damascus
13 Citizens. Damascus citizens are
14 working with the DCS in part of the
15 coalition group speaking from their
16 homes, from the grassroots. We don't
17 want our environment and our lives
18 and our communities further ruined by
19 an irresponsible approach to resource
20 management. Sustainability is
21 recognized that there are other ways
22 of getting needed energy. DCS is
23 concerned with health and
24 sustainability of life for people and

1 the water all those downstream depend
2 on. We have to work together to
3 ensure that this protection is safe.
4 Right now the safeguarding of our
5 future is not what is happening and
6 that's what we want changed. In
7 terms of the future, we ask what is
8 the total cost of the gas hydraulic
9 fracturing and we want these costs to
10 be considered both now and in the
11 future. I ask the DEC to consider
12 the total cost of drilling with
13 hydraulic fracturing before this
14 activity is authorized. The cost
15 evaluations must include degradation
16 of the community, the water, the air,
17 the environment itself as a
18 tremendous scale of this is like
19 nothing else that has ever happened
20 in New York. An aquifer cannot be
21 restored once it's contaminated. In
22 Colorado contamination is now being
23 measured, as it's gone up over 30
24 percent over three years. More than

1 1,000 cases of water contamination
2 are documented. Water contamination
3 in Colorado, Mexico, Wyoming,
4 Alabama, Iowa and Pennsylvania from
5 hydraulic fracturing are documented.
6 The Monongahela River in Pennsylvania
7 is now contaminated from gas
8 drilling. So look forward to better
9 help the residents who are served by
10 water supplies during the gas
11 drilling process. The water from the
12 river is used for cooking, drinking
13 and bathing. Children bathed in
14 water with a small part of
15 contaminants are burdened with
16 problems later in life. What is the
17 cost of a child's future.

18 With no clean water you
19 cannot improve, you cannot keep
20 animals, you cannot even process food
21 growing somewhere else. What is the
22 value of this loss.

23 This scope should include --
24 based on testing of water, ground and

1 aquifer water, testing of air quality
2 this scope should include mapping of
3 underground geology and underground
4 water resources. The DEC regulatory
5 arrangements are inadequate. Does
6 the scope of the GEIS address the
7 regulatory insufficiency? Will there
8 be new personnel, enough necessary to
9 adequately oversee the wells? Will
10 the overview of all the activity be
11 considered? Can the assumptions in
12 the draft be questioned, can they be
13 corrected.

14 More hearings are necessary,
15 not allowing the downstate millions
16 of people to comment on what will
17 affect their future is not
18 acceptable. Some of the things that
19 are the result of gas drilling must
20 be addressed, casings and failures,
21 human error, lack of oversight,
22 inadequate personnel. Even what you
23 do with the water, I mean they put it
24 in injection well and then there is

1 tremendous pollution, there's even
2 earthquakes from the injection wells.
3 I would like all of this to be
4 addressed in the draft, in some
5 fashion and we would like to know
6 what that fashion would be. Damascus
7 citizens have a web-site
8 damascuscitizens.org and on that
9 web-site there is research papers
10 right on the home page and I would
11 like the DEC to look at them and to
12 understand that there are real
13 concerns, far beyond what the gas and
14 oil industry proposes to ignore. We
15 will be submitting additional written
16 testimony. Thank you for your time.

17 ALJ: Thank you. Joe Levine
18 and then Jane Cyphers.

19 PUBLIC: Good evening, my name
20 is Joe Levine and I represent --

21 ALJ: Can you use the mic, sir.

22 PUBLIC: Pardon?

23 ALJ: Can you use the mic,
24 please.

1 PUBLIC: I am an architect
2 practicing in New York and
3 Pennsylvania. The work of my
4 practice includes urban
5 infrastructure restoration and
6 upgrading, urban planning and
7 environmental subdivision design. I
8 will briefly mention just a few of
9 many issues that must be addressed if
10 the NYS EIS is at least meaningful
11 and at best might achieve regional or
12 maybe even national recognition for
13 environmental and economic
14 leadership. I see this as possible
15 because in New York State, we are
16 somewhat unique nationally with
17 respect to the Marcellus gas drilling
18 campaign, in that most other regions
19 have not been able to substantially
20 address this issue and develop
21 regulations until after very
22 significant damage has occurred.

23 Now is the time to achieve
24 this, it might even become

1 politically correct, but it will
2 require a new GEIS, one that looks at
3 the science. So first and foremost I
4 ask the DEC to encourage the
5 best-known independent experts to
6 study the regional macro planning of
7 the Marcellus Shale Drilling Project.
8 Presently it is not apparent that
9 substantial independent science
10 review has been engaged. The
11 Marcellus Project is daunting in
12 scale and dangerous in its
13 application and requires the best
14 scientists and planners to confirm
15 its viability. The draft SGEIS does
16 not ask for any significant studies
17 of the underground hydrology and
18 specific designation of sensitive or
19 off limit areas to mention just a few
20 of the issues that must be included
21 in this study.

22 Second. It is imperative that
23 a comprehensive investigation is
24 performed in order to measure and

1 evaluate the cumulative impacts that
2 the Marcellus Project will bring.
3 This SGEIS is meaningless if it does
4 not take into account the cumulative
5 impacts aspect of the Marcellus
6 Project. This means that a
7 comprehensive Marcellus macro plan
8 must be submitted by industry
9 indicating their long-term goals and
10 the DEC must take the time to
11 adequately review and evaluate the
12 ramifications and totality of the
13 cumulative impacts. This must be
14 done because it is meaningless to
15 evaluate, approve or permit one or
16 even 100 wells if there are to be
17 thousands, and based on industry's
18 models there will be thousands.

19 Third. The goal of the
20 Environmental Impact Study must be to
21 avoid the kind of environmental
22 damage, pollution and detrimental
23 health effects that have occurred in
24 so many parts of the U.S. as a result

1 of gas drilling. The EIS should be
2 as comprehensive and meaningful as
3 possible in order to protect and best
4 manage our natural resources and more
5 importantly our health and should
6 include the following: A countrywide
7 water and air baseline testing survey
8 in order to gauge potential changes
9 in water and air quality. Had this
10 been required in the earlier,
11 outdated GEIS, we would be able to
12 evaluate what impacts existing wells
13 have had. Proprietary information
14 regarding practices must be disclosed
15 in order for environmental
16 regulations to be implemented. There
17 must be full disclosure and
18 evaluation of the chemicals and
19 possible sources of contamination
20 involved in the hydraulic fracturing
21 process, including proposed storage
22 and transport of water and materials
23 involved in the process.
24 Comprehensive engineering plans of

1 the Marcellus gas fields must be
2 available for public review. Plans
3 must include a description and
4 location of all planned construction
5 of roadways, pipelines, well pads,
6 staging areas and compressor
7 stations, spacing requirements and
8 geographical restraints. We must
9 understand the scope and scale of
10 this project, so that informed
11 decisions can be made. I don't think
12 anybody really has a clue. The study
13 must report projected influence on
14 ground and sub-grade resources such
15 as aquifers, wetlands and critical
16 habitats, the impact of increased
17 water withdrawals, waste water and
18 storm run-off. There are no plans in
19 place for this study. The study must
20 report on the projected influence on
21 local and regional infrastructures,
22 including roads and increased truck
23 traffic, community infrastructure and
24 emergency resources related to the

1 public health and safety because
2 fires, explosions and hazardous
3 materials spills have been frequently
4 reported.

5 These are some, but not all of
6 the issues that must be studied if we
7 are determined to protect our health
8 and the health of our natural
9 environment, but the issue of the
10 cumulative impacts cannot be
11 mishandled. Approval of one well at
12 a time might seem like a manageable
13 project, but this is not about one
14 well or even 100. The scope of this
15 project is anticipated to include as
16 many as 25,000 wells and based upon
17 the industry's models, eventually
18 50,000 wells in our region,
19 eventually creating a landscape few
20 of us will be able to recognize or
21 live in.

22 I'm the first one and maybe
23 the only one with a problem here
24 tonight. These are images of --

1 these are Google Earth images of
2 Lunas, New Mexico which is eastern
3 New Mexico, showing a typical gas
4 drill. If you put 100 of these pages
5 together you'll get a realistic view
6 of what's happening out in Mexico.
7 And as you can see, Lunas is caught
8 inside this gas field, this is a gas
9 and oil field, so obviously this is a
10 massive macro-planning industrialized
11 gas and oil production zone and if
12 you can anticipate anything about the
13 energy extraction industry, it's
14 about maximum extraction. If it's
15 not today or the next few years or
16 even ten, this is probably what the
17 plan is for vast extraction.
18 Is there a plan, 25,000 wells means
19 the following; it's 200 to 250
20 billions of water that would be used
21 in the initial drilling. All of this
22 water is mixed with toxic chemicals
23 required in the drilling process.
24 About 70 percent of the water is

1 brought back up and requires
2 treatment at special treatment
3 facilities and the rest is not
4 recovered and can infiltrate our
5 aquifers. This water is essentially
6 taken out of the fresh water supply
7 system we have. A rule of thumb by
8 the way, is one gallon of toxic
9 chemicals will contaminate 1,000,000
10 gallons of water. In our region a
11 reasonable plan would be 150,000
12 acres of watershed land would be
13 cleared or deforested and would
14 become a storm water run-off
15 condition.

16 Each well requires at least
17 600 tanker truck trips, 15,000,000
18 trips on marginal county roads,
19 expanded network of roads and traffic
20 and truck traffic pollution. Once
21 again this is proposed in this region
22 by the gas industry is of \$150
23 billion construction project.
24 Minimum permitting due to evaluation

1 and permitting of individual wells,
2 known as segmentation or
3 piece-mealing because industry is not
4 required to disclose a master plan
5 which might look like this. Dr.
6 Colborn who's a renowned
7 environmental health expert has
8 reported that the air pollution and
9 ozone produced by these wells will
10 have a serious detrimental impact on
11 health and air quality affecting New
12 York City, 200 miles away.

13 I think that zoning laws and
14 regulations must be reviewed within
15 the parameters of the Marcellus
16 shale. There is no question if
17 Marcellus Projects happens, the
18 present residential and agricultural
19 environment upstate will be turned
20 into an industrial zone. There is
21 now a track record of exactly this.
22 The industry has a master plan and it
23 should be made public. They're not
24 installing \$100,000,000 worth of

1 infrastructure in this region without
2 a master plan. They know how many
3 wells and how much extraction is
4 required to make investment
5 profitable. We have the right to
6 know what our region will look like
7 if we proceed with the Marcellus
8 Project, we can choose something like
9 this if we want.

10 The industry has invested --
11 the second issue I'd like to discuss
12 is a comprehensive EIS should include
13 a comprehensive study of all
14 pertinent information related to gas
15 extraction. This must include all of
16 the responsible independent research
17 and literature, including reports and
18 reporting, testimonies and impact
19 studies from other states where there
20 has been horizontal drilling and
21 high-volume hydraulic fracking in
22 shale for many years. Real models
23 exist and these sites should be
24 visited. The EIS must document their

1 sources.

2 In October 2007 a renowned
3 Environmental Health Analyst, Dr.
4 Theo Colborn testified before
5 Representative Henry Waxman's
6 congressional committee on the
7 applicability of federal requirements
8 to protect public health and the
9 environment from oil and gas
10 development. Dr. Colborn received
11 Time Magazine's 2007 Hero of the
12 Environment Award and was the
13 recipient of the 2008 Goteborg Award.
14 At 82 years old she is one of the
15 leading scientific experts on the
16 health effects of natural gas
17 drilling. This committee should
18 invite Dr. Colborn to share her
19 knowledge with them. She's been
20 invited to seminars across the
21 country because of her expertise on
22 the subject and this committee should
23 engage this expert in that
24 discussion.

1 I ask the DEC to do a new
2 GEIS, not a supplement to a GEIS that
3 is totally out of date and
4 irrelevant. The current draft scope
5 of work is flawed in many ways,
6 including that it never mentions
7 research methodology or how DEC is
8 going to study any of the topics.

9 The only reason to drill is
10 for money. The notion that it will
11 provide energy independence or
12 national security is a charade, even
13 as we speak, U.S. extraction
14 companies are selling their assets to
15 foreign companies that will benefit
16 from the exemptions given to
17 extraction in the name of national
18 security. But the potential
19 environmental downside of this
20 project is devastating. Just in the
21 last few weeks the water supply in
22 Pittsburgh was contaminated as a
23 result of disposal of drilling
24 wastewater.

1 I hope New York State will
2 show leadership on this subject
3 because that must and will be the
4 trend, it makes sense not just
5 environmentally, but also
6 economically. We really do have to
7 reverse course and look at the big
8 picture. The human health and
9 environmental cleanup costs must be
10 factored into the equation or we are
11 not capable planners. And lastly,
12 the Upper Delaware and New York City
13 -- hearings in the watershed area and
14 absolutely in New York City are
15 required. Thank you.

16 ALJ: Thank you. Ms. Cyphers.

17 PUBLIC: Good evening,
18 everyone. I would like to read to
19 you something from Albert Appleton.
20 He was an -- I'm Jane Cyphers, I'm
21 from Damascus Citizens for
22 Sustainability. Albert Appleton is
23 an international consultant on water
24 resource management, the sustainable

1 use of watershed landscapes and the
2 economics of sustainable development.
3 As New York City Commissioner of
4 Environmental Protection from 1990 to
5 1993, he designed and initiated the
6 world renowned New York City Catskill
7 Watershed protection program. He has
8 been a senior fellow at the Regional
9 Plan Association in New York City and
10 a visiting fellow at the City
11 University of New York Institution of
12 Urban Systems. In addition to his
13 consulting work he currently teaches
14 seminars in sustainability at the
15 Irwin S. Chanin School of
16 Architecture of the Cooper Union and
17 in the Hunter College graduate
18 program in politics and public
19 policy. Damascus Citizens for
20 Sustainability has retained Al
21 Appleton as a consultant.

22 A statement on Marcellus gas
23 drilling to Marcellus managers. New
24 York State DEC; The Marcellus shale

1 is a natural gas rich formation that
2 underlies 12,000,000 acres of Upstate
3 New York. Until recently the cost of
4 extracting its natural gas was
5 prohibitively expensive. Now natural
6 gas drillers see a potential
7 multi-billion dollar bonanza.
8 Environmental and local landowner
9 groups see even greater billions in
10 environmental and public health
11 damage.

12 The controversy felled this
13 summer when Governor Paterson signed
14 legislation to facilitate state
15 permitting of natural gas drilling
16 and ordered the preparation of a new
17 Environmental Impact Statement on
18 Marcellus shale natural gas drilling.
19 But is there any real prospect that
20 the proposed EIS can successfully
21 address the complexity of issues
22 natural gas drilling presents and
23 spare New York years of bitter
24 controversy? Unless all parties

1 start by recognizing two basic
2 realities, the answer is no.
3 First, without real enforcement of
4 its findings the best EIS is nothing
5 more than a feel-good piece of paper.
6 The dimensions of the Marcellus
7 drilling enforcement problem are
8 staggering. If just 20 percent of
9 the 12,000,000 acres of the Marcellus
10 shale was developed at an extremely
11 low density of one well pad every 100
12 acres, one every 25 acres is common,
13 New York would have to oversee 25,000
14 wells pads. That will require permit
15 administrators, field inspectors,
16 emergency responders, groundwater
17 hydrologists, drilling technology
18 experts, public health specialists,
19 testing lab workers, hearing
20 officers, lawyers, accountants,
21 environmental police, land use
22 planners and administrative support
23 personnel. When New York City
24 staffed up its Catskill watershed

1 protection program in the '90s it
2 hired 400 new staff to do a less
3 complicated task in an area only 10
4 percent of the size of the Marcellus.
5 Proper oversight of the Marcellus
6 drilling will ultimately require far
7 more personnel.

8 The only way the state, given
9 its current fiscal crunch, can fund
10 such an army of new staff would be a
11 system of annual permit fees for
12 natural gas drilling. Such a fee
13 structure must be created and initial
14 staff must be hired before the EIS is
15 completed and permits begin to be
16 issued. Otherwise, the inevitable
17 result will be regulatory and
18 landscape disaster.

19 Second, the Marcellus EIS is
20 charged with answering the question
21 of how to balance the economic and
22 environmental concerns of Marcellus
23 gas drilling. But that assumes that
24 the critical issues are environmental

1 ones. Yet the most prominent issue
2 Marcellus drilling presents is risk
3 to drinking water. Risks to drinking
4 water are not just environmental
5 issues, first and foremost they are
6 public health issues.

7 It is absolutely essential
8 that the Marcellus EIS managers
9 understand the distinction and its
10 implications for the Marcellus EIS.
11 For the standard for assessing public
12 health risk is not the environmental
13 standard of balancing environmental
14 risks against economic benefits. The
15 public health norm for drinking water
16 management is, no risk is
17 permissible. Thus the threshold
18 question is whether Marcellus
19 drilling proponents can prove it will
20 be completely without risk to
21 drinking water resources. In any
22 area where they cannot, that settles
23 the question, even before reaching
24 any of the environmental issues that

1 Marcellus drilling also present.

2 The threat to drinking water
3 from shale drilling is indisputable.
4 Each drilling site injects millions
5 of gallons of fracturing fluid to
6 force out the natural gas.
7 Fracturing fluid is a witch's brew of
8 water and toxic chemicals. A major
9 portion of it winds up underground
10 where the toxics are free to migrate
11 into the groundwater that provides
12 base flow for private wells and the
13 surface streams that feed drinking
14 water reservoirs. And there will
15 also be many spills of toxic
16 fracturing fluids that get washed
17 directly into surface streams.
18 Does this mean that the state may
19 have to ban most Marcellus shale
20 drilling. It is too early to
21 conclude that it will have to take
22 such an unwelcome course, but it is
23 also too early to conclude that it
24 won't. Much will depend on the

1 natural gas drillers. They need to
2 constructively embrace an effective
3 regulatory program and prove that
4 shale drilling will present no risk
5 to drinking water. That will involve
6 supporting an EIS that assembles
7 detailed information on subsurface
8 hydrology, addresses the implications
9 of fracturing fluid composition and
10 verifies proposed safety measures
11 through impartial experimentation.
12 It means accepting a several years
13 EIS process which is time the natural
14 gas industry also needs.
15 Industry PR about clean burning
16 natural gas has obscured the dirty
17 and damaging process of extracting
18 it. The industry has the profits to
19 do better and the need to do better
20 if it is to operate successfully not
21 only in New York, but in all the
22 America's shale basins. Once the
23 toxins fracturing fluids get into
24 water sources it will be virtually

1 impossible to get them out.
2 Prevention is the only effective
3 strategy. The natural gas industry
4 must reengineer itself to extract
5 natural gas as cleanly as it claims
6 it burns, with the no-accident
7 standards of airlines and the
8 housekeeping ethic of a microchip
9 clean room. A Marcellus EIS process
10 that includes a clear commitment to
11 effective enforcement of its findings
12 and that maintain the unassailable
13 American public health norm, of no
14 risks allowed to drinking water, has
15 the best chance of spurring that
16 development and keeping the potential
17 of the Marcellus shale from being
18 lost in bitter economic, political
19 and legal controversy. Thank you.

20 ALJ: Thank you. We're going to
21 take a 10 minute break.

22 (OFF RECORD.)

23 ALJ: I have about 27 more
24 cards, so I'm going to request that

1 people keep their comments to about
2 five minutes, so that we can get to
3 everyone tonight. Michael Lebron
4 followed by Robert Laurence.

5 PUBLIC: Good evening and
6 thank you for this opportunity to
7 comment on the draft scope and
8 present my viewpoint on the potential
9 impact of natural gas drilling in the
10 Marcellus shale. People arguing the
11 pro's and con's of natural gas.

12 My name is Michael Lebron, my
13 wife Elizabeth has held an executive
14 position at Presbyterian Hospital of
15 New York for 12 years. I am a
16 creative at Ogilvy Advertising. My
17 perspective springs from 20 years of
18 experience in marketing and primarily
19 helping pharmaceutical and medical
20 device companies product their
21 products to both physicians and
22 patients.

23 Years ago, when I was at Bates
24 Worldwide, I worked on the promotion

1 for Rezulin, a new miracle drug
2 manufactured by Parke-Davis Warner
3 Lambert that was designed to allow
4 millions of diabetes sufferers to
5 control their blood sugar levels
6 without taking recourse to injecting
7 themselves with insulin. It passed
8 FDA safety trials over a period
9 encompassing roughly a decade, was
10 approved and enjoyed a hugely
11 successful launch. But trials are
12 populated with a couple thousand
13 volunteers at most. While that is
14 usually enough to fairly indicate how
15 a product will perform in the mass
16 market, sometimes these trials fail
17 to capture side effects that only
18 emerge in a patient population
19 encompassing hundreds of thousands.

20 In this case, Rezulin
21 effectively treated 750,000 diabetes
22 sufferers, but 63 people died from
23 liver failure as a consequence of
24 taking these drugs. With a mortality

1 risk ratio that exceeded permissible
2 FDA regulation at .0084 percent, the
3 drug was ordered off the market.
4 Keep in mind that pharma pays for the
5 trials it is expected to pass. After
6 an investment of hundreds of millions
7 of dollars, Parke-Davis Warner
8 Lambert had to write it off.

9 In Binghamton last week, we
10 heard Jilda Rush, a 24-year associate
11 transportation engineer testify that
12 50 percent of all gas well casings
13 fail in 15 years. Not .0084 percent,
14 50 percent. Once drilling chemical
15 pollutants enter the water table
16 pursuant to a well casing failure,
17 they are nearly impossible to get
18 out. Among these pollutants is
19 benzene, a chemical which is known to
20 cause bone marrow damage, a decrease
21 in red blood cells, a weakened immune
22 system, low birth weight, leukemia
23 and cancer. With this in mind, the
24 FDA strictly limits the amount of

1 benzene in municipal drinking water
2 to five parts per billion.

3 Now it's my turn to take out
4 my props. Okay, what we have here
5 are two bottles of Perrier. They
6 look identical. Most would be hard
7 pressed to tell if one of them had
8 benzene in it, at 19.9 parts per
9 billion, four times the FDA limit, as
10 happened some 15 years ago. This
11 forced a recall of 160 million of
12 these bottles. So the question I
13 would like to put to Halliburton,
14 Chesapeake, Cabot, Eastern and the
15 others is, can you guarantee that you
16 will limit exposure of our drinking
17 water to benzene to five parts per
18 billion. If you cannot, do you have
19 effective designs drawn up for the
20 recall of our water table. Thank
21 you.

22 ALJ: Thank you.

23 PUBLIC: Good evening, ladies
24 and gentleman. My name is Bob

1 Laurence. I own Hudson Valley
2 Railroad Company and other properties
3 in Sullivan County. I'm going to
4 take a look tonight -- I want to try
5 and present some remedies of what's
6 going to happen. I've been watching
7 everybody's reactions tonight, but I
8 want to break it down to four
9 categories. Number one is property
10 rights, which I'm an expert at.
11 Number two is the scope of the
12 authority of the DEC and the scope of
13 the authority of the county and who
14 is going to pay or be responsible for
15 this project. To first time property
16 owners, property rights is a
17 constitutional right, it supersedes
18 the DEC, it supersedes the Federal
19 government. So basically, ladies and
20 gentlemen, you are in control. The
21 thing that I would do as the property
22 owner -- I'm going to recommend some
23 other things that I can. Get a good
24 environmental attorney, there are

1 several in this room. The
2 environmental groups that are here
3 tonight have organized themselves,
4 hire three or four of the best
5 environmental attorneys and sue
6 everyone, starting with the DEC.
7 What I would like to ask the DEC,
8 directly, is what gives you the right
9 to take our freshwater, let a mining
10 company or oil company contaminate
11 that water and then inject it back
12 into our environment at no recourse.
13 As a realtor if I drop a couple drops
14 of gasoline or we have contamination
15 in our houses they're all over us
16 with major fines, but they seem to
17 allow these big companies to pollute
18 our environment, that's where the
19 problem is.

20 The other thing I'd like to
21 talk about is why the DEC is here
22 tonight. Let's make it perfectly
23 clear, they're here for one thing and
24 that is to clean up the environment,

1 but there's another issue here and
2 that's clean air and health. That's
3 where I believe that the county has
4 to be very, very strong right now and
5 they have to take the lead agency
6 through their health department
7 because the biggest resource really
8 in this county is the people that
9 live here. The other thing is after
10 this contamination or potential
11 contamination, who's going to pay?
12 I'm very afraid for New York City.
13 Delaware County and Sullivan County
14 have a history of being threatened by
15 New York City for contaminating the
16 water supply. If the DEC sets the
17 standards for permitting or allowing
18 well contamination getting through
19 our environment, I wouldn't believe
20 that they should put it in writing,
21 that they are going to hold the
22 county not at fault or any of the
23 property owners and take on that
24 responsibility. I don't think that

1 they can come into a county and
2 dictate to the taxpayers of this
3 county and then make us responsible
4 for any pollution that's caused.

5 Let me give some solutions,
6 to the county, and the planning.
7 Immediately, immediately require all
8 private wells, because by the way the
9 DEC is only authorized on the
10 municipal well systems, they really
11 do not care about you private
12 wellers. 95 percent of the fresh
13 water that you drink in this county
14 is private wells. So immediately on
15 a county level I would ask the
16 planning board to require chemical
17 testing on all existing wells and all
18 new constructing that goes down.
19 This will give us a monitoring system
20 of the contamination or potential
21 contamination that will be caused by
22 these gas companies because I will
23 tell you something, ladies and
24 gentlemen, the only way you're going

1 to stop this company is sue them and
2 I would ask the county to go along
3 with that lawsuit and get rigid.
4 The last thing, I'll talk about
5 economics for a minute. When I buy a
6 product in this county there is a
7 sales tax imposed. To the County
8 officials, are these gas companies,
9 for every foot of gas that's pumped
10 out of the ground, are these
11 companies going to be required to pay
12 the sales tax. I think that's most
13 important because it's money we can
14 use. We can re-establish the
15 environment and we can put the money
16 back into the average property.
17 Thank you very much.

18 ALJ: Thank you. Glenn
19 Portier followed by Judith Osterman.

20 PUBLIC: My name is Glenn
21 Pontier and I live in Kohlertown in
22 the Town of Delaware and I work for a
23 foundation whose purpose is to
24 improve the quality of life of

1 Sullivan County through various
2 programs and activities. I'm
3 speaking as a private citizen and as
4 a resident. I'll be brief.

5 There is a compelling need for
6 transparency in this process and I
7 quote very quickly from Mr. Demond,
8 the reason there is a compelling need
9 for transparency is because the gas
10 drilling industry has been exempted
11 from the federal laws. So that means
12 it falls to New York State to do what
13 used to exist under the federal law.

14 Point two, I'd like to echo
15 the comments made by the Sullivan
16 County Legislature. It was a
17 unanimous ruling by our elected
18 officials that said, these are our
19 concerns and this isn't disputable.
20 It's not an argument, it's no
21 political debate. This is a
22 statement made by Dr. Pammer, it
23 represents the collective wisdom of
24 the people that it represents.

1 Number three. There should be some
2 backing of the DEC to require to
3 create a legacy fund to protect
4 against the potential long-term and
5 unexpected impacts of the gas
6 drilling activity. Some kind of
7 legacy fee. There are incidents in
8 New York where industrial uses have
9 resulted in unintended environmental
10 consequences. So these safeguards
11 and assurances could come with some
12 kind of legacy fund that's funded
13 out.

14 Number four. The work I do is
15 focused on a community beautification
16 and revitalization program and I am
17 compelled to raise the issue of
18 aesthetics and how it relates to
19 these gas drilling activities. I'd
20 like to ask that during the
21 exploration, drilling and operation,
22 that the well sites, the access
23 roads, the staging areas, that the
24 companies be required to adhere to

1 the strictest sense of aesthetic
2 standards, including screening and
3 general tidiness. We are uplifted by
4 the way our world looks and if this
5 thing is going to come, there is no
6 reason why we should not have a
7 requirement that uplifts us to the
8 purest. This includes things like
9 temporary signage should meet minimum
10 requirement standards, litter
11 prevention and removal strategies
12 should be developed in the drilling
13 site and staging areas. Ever been
14 around a construction zone?
15 Reclamation of the sites should
16 employ native and non invasive
17 species and green building techniques
18 and practices should be employed if
19 possible. This is just some of the
20 basic aesthetic things that should be
21 added. I haven't seen any of this
22 listed in the scoping document, at
23 least not in any specificity.

24 The last idea I'd just like to

1 make is that there should be some
2 honest broker, whether it's the
3 Sullivan County Legislature or some
4 local foundation that could establish
5 a forum that would deal with the
6 ongoing dialogue that would have to
7 exist between the municipal
8 governments and industry.

9 Issues arise, where will people go to
10 remain safe? Are we really going to
11 make everybody go to work? Is there
12 some law that can be conducted and
13 set up by an honest broker and that's
14 it. Thank you very much.

15 ALJ: Thank you. Judith
16 Osterman.

17 PUBLIC: Thank you. Can
18 everyone hear me?

19 PUBLIC: Yes.

20 PUBLIC: My name is Judith
21 Osterman and I'm a private citizen,
22 I'm not an expert and I don't
23 represent anyone except myself.
24 First of all, I'd like to

1 congratulate all of this evenings
2 speakers. I agree with almost
3 everything that was said and I admire
4 your expertise and particularly I
5 believe the undesirability of turning
6 this into an industrial area. We
7 have to protect our air, water and
8 land and all our soil. The gas
9 companies must not be allowed to not
10 take account of the harm to the
11 environment and the community. An
12 honest evolution of that, plus a risk
13 analysis must be done.

14 This meeting has been convened
15 because there are conflicts of
16 interest regarding the presence of
17 large quantities of methane in the
18 earth beneath us. To illustrate what
19 these conflicts are, suppose that the
20 extraction of the industries were
21 nationalized, socialized, not Wall
22 Street or auto makers terms or atomic
23 energy or ethanol industry in terms
24 that would be subsidization and

1 proper prevention of -- to private
2 owners gas has been subsidized to
3 this project. Do you think that the
4 environment infrastructure can manage
5 it as Halliburton did, I don't think
6 so. The health environment must be
7 taken into account and decision must
8 be made for Delaware and others. The
9 conflict of interest generated by the
10 profit owner will disappear with the
11 extraction of energy, it will affect
12 the whole community and we don't need
13 these problems.

14 The other effect for this area
15 is drinking water. At this time the
16 scientific community predicts that
17 severe life threatening drought -
18 that the present technology,
19 methodology to be involved -- we need
20 not worry because 24/7 chemicals will
21 be used in the fracking process and
22 there is no way that is of a company
23 that cares for the community. The
24 aquifers will be contaminated by the

1 enormous amounts of wastewater
2 produced at the well site. The
3 question is, who is paying this
4 lawyer?

5 I have another question about
6 the recent number of properties that
7 have been repossessed, will the banks
8 be able to sell these to gas
9 companies and if so, how can these
10 people regain control of their land?
11 Another question is to the
12 politicians who were advocating --
13 not objecting to the proposed
14 drilling, are you receiving capital
15 contributions from these gas
16 companies. Thank you.

17 ALJ: Thank you. Jonathan
18 Hyman followed by Jane Luchsinger.

19 PUBLIC: I am John Hyman, I'm a
20 documentary photographer. Some of
21 you have seen me at many of these
22 meetings and workshops surrounding
23 the gas drilling issue in Sullivan
24 County. For some time now I have

1 been documenting gas drilling. My
2 photographs have been published in
3 local periodicals about this issue.
4 I'm doing something this evening that
5 I've never done before and that is to
6 speak publicly about my work. I'm
7 doing this because the gas drilling
8 issue is so vital to my town's future
9 and the future of Sullivan County.
10 I'm speaking today on behalf of the
11 organization of which I am the
12 director. I do so tonight because
13 the assistant director and the
14 secretary are unable to be here.

15 Judge Goldberger and the DEC
16 representatives, thank you for
17 holding this public hearing and thank
18 you for considering my remarks. I'm
19 commenting tonight concerning the use
20 of environmental qualities, involving
21 the Draft Supplemental Environmental
22 Impact Statement on the Oil and Gas
23 Solution Mining Regulatory Program by
24 the Department of Environmental

1 Conservation. I am deeply concerned
2 about the impacts of natural gas
3 extraction in the Delaware River
4 Watershed and in particular in the
5 Town of Bethel, Sullivan County. It
6 is of great interest and concern to
7 me and my neighbors as to how the DEC
8 will be regulating this activity,
9 natural gas drilling, development,
10 extraction, delivery and all of the
11 many other ancillary activities
12 associated with the business of gas
13 drilling that will directly impact
14 the quality of life in Bethel and
15 Sullivan County.

16 I am a member of a citizens'
17 organization in Bethel that has
18 carefully and thoughtfully raised
19 questions about various development
20 projects in my neighborhood and we
21 have received and gotten good results
22 from our efforts. Our group along
23 with other citizen groups have also
24 successfully advocated for specific

1 and relevant zoning changes that
2 would go a long way toward
3 sustainable development and
4 maintaining the community caliber of
5 our town, as we face necessary and
6 inevitable growth and development.
7 We have been successful because we
8 have been able to work closely with
9 town officials and accomplish a lot
10 by using local and state laws to make
11 our case and prove our points.
12 The members of the group that I
13 represent preserves a small country
14 life, are aware of the many, many
15 exemptions to state and federal law
16 that the gas industry is currently
17 entitled to and we aren't bound by
18 this. Everyone knows, for or against
19 gas drilling, with its benefits and
20 its drawbacks, it is an invasive and
21 potentially dangerous proposition if
22 not evaluated for overall impact as
23 part of the DEC GEIS. Then on a
24 case-by-case basis prior to drilling

1 and is monitored scrupulously and
2 professionally on a daily basis. The
3 potential for destruction to the
4 environment in terms of air quality
5 and water quality is staggering and
6 of course no less important is the
7 type of damage that can affect the
8 social factor of the community. So
9 how did this happen in a state that
10 is a stronghold of local town boards
11 and planning boards with real power
12 and influence on its citizens. Like
13 me and citizens groups like the one I
14 belong to, are currently by law
15 pretty much disenfranchised from
16 having any say. As a life altering
17 event, it depends on the town and
18 county I live in, gas drilling
19 companies do not have to come before
20 my town's planning board before they
21 begin work, that's unthinkable. No
22 site plan review from my town's
23 planning board for gas drilling
24 sites, that's unimaginable.

1 Compulsive integration for the
2 purpose of horizontal drilling of the
3 land under people's property is
4 outrageous, maybe unconstitutional.
5 My town's fire department does not
6 have the training or the equipment to
7 fight the types of fires caused by a
8 well blowout, that scares me.
9 Flooding is a major issue in the town
10 of Bethel. We're a town of great
11 water, our water is an intricate part
12 of the Delaware River Watershed. No
13 requirement for steel holding tanks,
14 steel holding tanks for fracking
15 fluids. In a town with much
16 flooding, in a town that feeds the
17 Delaware River, that millions of
18 people downstream drink from. Then
19 my town's own planning board could
20 not require steel tanks, so now I'm
21 really scared. Real important to
22 consider major changes in the way gas
23 drilling will be subject to the state
24 environmental quality review. If

1 changes are not made that allow
2 citizens and their representatives to
3 have a say in how gas drilling is
4 conducted in their community, I ask
5 why we have the SEQRA law at all, why
6 even bother with government for the
7 people by the people. We urge you,
8 at the very least, to strenuously
9 regulate gas drilling and do what's
10 right and allow individual
11 communities to have a voice in what
12 happens in their towns and also to be
13 able to participate and negotiate in
14 whatever health benefits are possible
15 and needed.

16 And lastly, I'd like to say
17 this, I take the pictures regardless
18 of ideology or political philosophy.
19 If anybody needs documentation or
20 pictures regarding this issue,
21 whether you're pro gas drilling or
22 against, please contact me and I'll
23 be happy to give you some
24 photographs. That's what this is

1 about. Well, now that's all I have
2 to say.

3 The last thing I want to say
4 is this, I will commend everybody for
5 the dignified and civilized way which
6 this entire issue is being discussed
7 tonight and the way the people have
8 subjected themselves to be very
9 careful about criticizing other
10 people in public. I want to thank
11 the DEC for their willingness to do
12 that and everybody else, thank you
13 and good night. Contact me if you
14 need pictures.

15 ALJ: Thank you.

16 PUBLIC: Good evening, my name
17 is Jane Luchsinger and I reside in
18 the Town of Tuscan. First of all,
19 I'd like to thank all fellow citizens
20 that are here and I have been heard
21 tonight. I'm really very impressed
22 by all the issues that have been
23 brought up. And I agree tonight with
24 two issues that are important to me

1 and you brought one and I thank you
2 for that.

3 My two issues, one of which
4 has been discussed and one that has
5 not. So I'll start with the last
6 one. The first issue that I wish to
7 discuss is that of accountability and
8 by that I mean the accountability of
9 the fracking fluid retrieved after
10 use and transported to a waste center
11 for nucleus and purification or
12 whatever it is. Our county is a very
13 rural county and therefore there are
14 many areas available for dumping if
15 no one is looking. I don't like to
16 dwell on the dark side of human
17 nature, but in this instance I feel I
18 must for safety. To prevent dumping
19 at the very least I believe a flow
20 meter or some sort of flow device
21 should be used to measure the amount
22 of fluid that goes into the well and
23 the amount of fluid that is
24 retrieved. As a physicist, this is a

1 simple measure, we measure fluids all
2 the time and to insure the amount
3 retrieved must equal the amount
4 transported to the waste center.
5 Strict recordkeeping must be kept,
6 both at the well and the waste
7 center. This will provide a check
8 and balance system to assure that
9 these products are delivered to waste
10 plants.

11 Furthermore, I'm aware that
12 the volume of fluids that goes into a
13 well would differ substantially from
14 the volume of fluids that will be
15 retrieved and it's dependent on
16 individual wells. I still believe,
17 however, this important information
18 should be recorded. It may prove
19 valuable to others at a future point.
20 This information is also helpful to
21 learn how our wells behave from
22 influence of fluid to a retrieval
23 ratio. Eventually a bell curve will
24 develop. A scientist will tell you

1 and this information will also serve
2 to add to the check and balance
3 system established above.

4 My second issue I want to
5 address is that of extraction tax,
6 which I have heard several people
7 comment about, extraction tax from
8 the grounds. It is my understanding
9 for instance that our DEC may not be
10 up for the job responsibility and the
11 responsibility of oversight and on
12 site inspection frequently at the
13 well drilling. Additional revenue
14 from the extraction tax will cover
15 the cost of supplemental additions to
16 DEC manpower that needs to go where
17 there is demand. This tax may also
18 be used for research purposes to find
19 a neutralized position after the
20 fracking companies are used or monies
21 made put in escrow for road repair,
22 traffic, accidents, etc. There will
23 be many uses for revenue once
24 drilling begins and the gas

1 companies, as they stand today, will
2 do very well financially in our
3 region and they should be responsible
4 for these additional expenses. Thank
5 you for your consideration.

6 ALJ: Thank you. Trish
7 Adlesic followed by Tim Greenberg.

8 PUBLIC: I'm a resident of
9 Callicoon and I wanted to say that
10 one of the biggest joys of my life is
11 enjoying the natural beauty around
12 me. What is our ethical and legal
13 responsibility to one another in
14 regards to DEC property and what is
15 the responsibility of DEC to those
16 individuals who would be adversely
17 affected by their choice of building
18 permits. Let's remember the DEC
19 statements that this exposes, the
20 quality of our environment is
21 fundamental to our concern to the
22 quality of life. It is our concern,
23 the quality of life. The State of
24 New York should consider to protect

1 its natural resources and the
2 environment, to protect our air and
3 pollution, to enhance the health,
4 safety and welfare of the people of
5 this state. Let's ensure that this
6 mission remains true and does not
7 waver from big business. The DEC
8 should be held accountable when our
9 water supply is greatly compromised.
10 Again, where would the water come
11 from. I was told by a high level DEC
12 official that they could not convey
13 to help us.

14 Chemicals are used throughout
15 the process, drilling, fracturing,
16 gas extraction. In Wyoming a gas
17 drilling company claimed it was using
18 clean water, they were given a list
19 of the chemicals at that site, 26
20 were highly toxic. If gas companies
21 can do this elsewhere, why should we
22 believe them here in New York.

23 My husband is a Type I diabetic, his
24 doctors tell him he cannot be exposed

1 to toxins of this nature. Should we
2 pack up our belongings where we've
3 been for seven years and have enjoyed
4 in the process or should we wait to
5 see if there is property damage, but
6 that won't be a life.

7 Historically the Catskill region is
8 comparable to that in New Jersey and
9 five other states where drilling is
10 taking place, great problems have
11 occurred to the point of destroying
12 properties and adversely overall
13 health. In Pennsylvania, a well fire
14 spiked over 200 feet into the air for
15 over two weeks and the contractor
16 hired was sought out by the oil and
17 gas company to put the fire out, as
18 the local police and fire departments
19 were unable to handle such a major
20 disaster. Water and air are our most
21 precious resource, we certainly take
22 it very seriously.

23 I hope we hear the same from
24 our New York officials. In

1 researching and speaking with the
2 same high level official at DEC, I
3 asked if she could guarantee our
4 safety, I was told no. I asked how
5 many DEC agents are in place to
6 enforce, I was told 16 versus
7 thousands of wells that we are being
8 told would like to be seen in New
9 York. I asked this official if she
10 has seen any of the wells and she has
11 not visited any gas drilling sites
12 and said that she had no knowledge of
13 any major health effects. How can
14 that be possible when there is so
15 much information readily available.
16 Can we honestly trust oil and gas
17 companies to conduct themselves
18 responsibly? I was also told by the
19 same high level official DEC that
20 just because all the other states
21 have had no severe problems that here
22 in New York we would do it
23 differently. Are we so arrogant that
24 we turn a blind eye to the harsh

1 reality and think that some company
2 can do it better than the rest. How
3 can we have renewable energy, when we
4 continue to see in the public manner,
5 drill baby, drill. I say to this,
6 no, baby, no. Drilling will not
7 sustain us in the long-term, it will
8 only act as a band-aid to a wound
9 that requires exceptional care. I
10 realize that people want to make
11 money and find new wealth, however,
12 at was expense. What price will we
13 pay and place ourselves in and our
14 communities, if one purchase of land
15 is important to this kind of use
16 perhaps drilling is not a solution.
17 As we know there are real risks and
18 we know there are, there should be no
19 drilling allowed and I would be happy
20 to have a wind tower on my property.
21 I believe that if every home in this
22 great Nation of ours was required to
23 have a solar panel there would be no
24 need for this discussion tonight.

1 Thank you.

2 ALJ: Thank you. Mr.
3 Greenberg followed by Grace
4 VanHulsteyn.

5 PUBLIC: Thank you very much.
6 I'd like to thank the DEC for staying
7 and I know there is a lot to this.
8 My name is Tim Greenberg, I have a
9 home on east end of the Delaware
10 River in Hancock, New York. I
11 recently learned, just a short ways
12 downstream from my home somebody had
13 applied to build a well that will
14 take millions of gallons of water a
15 day out of the Delaware. So I am
16 concerned about what that means.

17 What I want to talk about here
18 today is the idea, is the same almost
19 as a lot of others, is chemicals and
20 what is happening right now. I don't
21 know a lot about the chemicals under
22 the ground or what the specs are or
23 the actual sciences, but across the
24 way from us a road was recently put

1 in and I was told they were building
2 an access road to do some work on the
3 millennium pipeline. It will only
4 last a month or two that the trucks
5 would be there, so maybe they're no
6 big deal. So that was in August,
7 since then there have been trucks
8 there seven days a week. They come
9 and go at all hours, we wake up in
10 the morning, they're there. When I
11 go fishing, they're right along the
12 road making noise. When we go out
13 and eat, to barbecue, they're there.
14 I got up the other night at 1:00 a.m.
15 and they were still there. From what
16 I've been told, they're not allowed
17 to be doing this, but they're doing
18 it because there's nobody to stop
19 them. My neighbor was not going to
20 take it, going out and yelling at
21 them last Sunday night at 10:00, hey,
22 could you please stop doing whatever
23 you're doing there.

24 When I read this document I

1 actually found it pretty good, but is
2 this how you are going to enforce
3 this. More importantly, what do you
4 do, write all of this and come up
5 with all of your little laws and
6 rules -- here is the question, how
7 does that get applied? For example,
8 let's say if they were going to take
9 1,000,000 gallons of water out of the
10 stream everyday and that's going to
11 cause X amount of traffic and this is
12 the direction they can go. You can
13 continue your scheduling and
14 excavating and then in three months
15 or six months into it or a year later
16 then we know what the effects are and
17 it seems to me that just it's a
18 provision in this case, they were
19 going to review not just this
20 document, but also each site to see
21 how things are going. It seems to
22 make perfect sense to ask for vocal
23 input at that point so you can say to
24 the neighbor who is having to stand

1 out there at 10:00 p.m. and yell at
2 the trucks that are going about, he
3 is somebody to give you some feedback
4 because without that the document is
5 going to sit there. And we don't
6 really know that much about it at
7 this point, so it just seems to me
8 that the cases that are written right
9 now, you go back there for whatever.
10 Maybe it won't be as bad or maybe
11 there will be a lot of I don't know
12 or unheard of.

13 The last thing I wanted to say
14 about stuff happening around here is
15 ironically my brother is on the other
16 side of the lake and he says natural
17 gas wells in Ohio and the Marcellus
18 shale are alike. I was just talking
19 to him yesterday about one of the
20 drill sites and how they had started
21 drilling in August and got a drill
22 bit stuck down there and they've been
23 trying to get that out ever since.
24 They want to get that drill bit.

1 They're not doing this because they
2 want to protect the environment, they
3 want to get that out so they can get
4 the gas out so they can make their
5 money. Even then, they can't know
6 exactly how this thing is going down,
7 so the idea that we're going to tell
8 them how to do it and everything is
9 just going to occur in the way they
10 promised, we're just going in blind.

11 In terms of codes for well
12 water and you living by the water as
13 I'm sure that everybody has seen,
14 when the flood comes, I've found
15 picnic benches, giant plastic things
16 that could contain toxic chemicals, I
17 don't know what, tires from trucks it
18 looks like, and a six foot Minnie
19 Mouse. So the idea that's in my yard
20 and I don't know what was in my
21 neighbors. Where these came from I
22 have no idea where. I can't believe
23 where the Minnie Mouse came from.
24 Any new thing that gets into the

1 river gets downstream and that really
2 needs to be taken into account, the
3 very complex nature of nature.

4 Thanks again to the DEC people and I
5 hope that you think, not just over
6 this document and the job you have is
7 not easy and how it can be -- you've
8 got to this and look at that. Thank
9 you very much.

10 ALJ: Thank you. After Ms.
11 Van Hulsteyn followed by Donald
12 Downs.

13 PUBLIC: Thank you for the
14 opportunity to speak. I am a retired
15 attorney and I live in Cochection, New
16 York. The DEC is right to be proud
17 of New York's progressive history in
18 the energy development and
19 environmental protection fields. We
20 are proud of that, too, but that
21 reputation may be coming to an end if
22 this draft scope or anything close to
23 it is allowed to define New York's
24 regulation and management of

1 high-volume hydro-fracture gas
2 extraction in the Marcellus shale.
3 Indeed, the DEC has shown itself in
4 this document to be uninformed about
5 the extraction process and its
6 impacts. Moreover the reprehensible
7 industry friendly stance about which
8 I wrote to the commissioner two
9 months ago, continues to be reflected
10 here. I will get to that.

11 New York is in a position to
12 learn from the mistakes made by
13 Wyoming, Colorado, New Mexico, Texas
14 and other states when they allowed
15 the gas companies virtually free rein
16 and as a result suffered
17 environmental degradation and
18 presently incalculable public health
19 consequences. There is no sign that
20 the DEC is even looking in that
21 direction or doing any homework at
22 all. If it were, they would not be
23 seeing the naive and false
24 assumptions of fact in the draft

1 scope that are cited in support of
2 nonsignificant impact findings. One
3 of these relevant findings and I
4 quote, "The practice of standard
5 casing and cementing eliminates the
6 possibility of fracturing fluids or
7 naturally occurring contaminants
8 contacting fresh groundwater during
9 any phase of operations." No it
10 doesn't. In Colorado gas entered
11 people's water supplies because a
12 cementing job had developed cracks.
13 The functional life of such cementing
14 is demonstrably shorter than the
15 production life of many wells.
16 Additionally, because deep-shale gas
17 is under particularly high pressure,
18 its upward thrust can overwhelm the
19 pressure of downward drilling and
20 escape through seams that way. So
21 that statement is totally false and a
22 reputable engineer would know that.

23 At any rate, I'm going to
24 comment on pollution. Cementing

1 which was also touched on by
2 applicants of the gas drilling
3 industry who still call cementing
4 safe. It is the reality that deep
5 well gas drilling which is under such
6 high pressure could overwhelm the
7 force of downward drilling and
8 escape, it can come back. So many
9 critics of the gas industry say it
10 does not last as long as the well
11 head and further there is certain
12 gases that escape bad work and
13 hydraulic fracturing where the
14 wellbore comes to the surface. In
15 other words, fracturing is wrong. So
16 there is emissions and pollutants
17 into the atmosphere or into the
18 ground and surface water will only
19 occur as a result of violations or
20 accidents. Volatile organic
21 chemicals in storage pods and tanks
22 evaporate and create a harmful
23 ground-level ozone. That would have
24 not been a violation or an accident.

1 Anyway, violations and
2 accidents at wellheads are far from
3 rare. In Colorado over 900 spills of
4 gas wells have been recorded, 20
5 percent of those surveyed got into
6 groundwater or surface water. That
7 is mentioned in the Oil and Gas
8 Accountability Project, if you want
9 to check it out.

10 Another one which I think --
11 in the section of noise, the draft
12 scopes observes, "gas well production
13 sites are described by the GEIS as
14 very quiet," that's on page 18.
15 Production from deep shale wells
16 require constant use of compressors
17 which are the loudest of wellsite
18 equipment. I was told this by the
19 mayor of Rifle, Colorado whose town
20 is surrounded by 5,000 gas wells
21 drilled in the past four years.
22 Production can go on for 30 or more
23 years. The noise has been described
24 by someone who experienced it as bone

1 vibrating.

2 Secondly, I mentioned that I
3 thought that the DEC's position was
4 reprehensible. I wrote a letter to
5 the Commissioner, with a copy to Mr.
6 Jack Dahl, criticizing the agency's
7 pro-development posture on the
8 Marcellus gas play in light of its
9 statutory mandate. I believed then
10 and believe now that the first order
11 of business of the Department of
12 Environmental Protection should be to
13 ensure that the environment and its
14 people will not be set back in any
15 meaningful way by this gas play
16 before it permits the process to get
17 underway and out of the control, that
18 the money to be realized by the state
19 from extraction must be secondary to
20 this. The DEC's response to my
21 letter was by way of a printed flyer
22 advertising to the availability of
23 the draft scope on its website. I am
24 not appeased.

1 I'm going to skip a lot of
2 what I have here. We need to protect
3 New York, the goal of the regulation
4 must be turned around. The reality
5 is that our regulation of -- our
6 program needs to control the
7 development of gas companies. They
8 choose the sites, they decide which
9 sites to exploit first, they decide
10 what they will put in our water, they
11 decide who they contract, subcontract
12 and there are many subcontractors.
13 They decide how much clean water they
14 will use and what they will put into
15 our water and our air, they decide
16 how long they will stay. I submit
17 the development which is led by the
18 gas companies is bad development for
19 anyone, but the gas companies. And
20 that the net gain from development
21 that the state is banking on likely
22 will not even be there useless the
23 scenario is starkly changed. We need
24 to preserve its historic reputation

1 and to avert the damage to health and
2 the environment that have accompanied
3 the gas play in other states. In
4 order to preserve the State's
5 reputation, the state must adopt a
6 more proactive role in determining
7 the speed and order of gas
8 development. I believe that it has
9 the opportunity to do this task under
10 its permitting authority, but if the
11 DEC claims it is backed by law it
12 takes years for the legislature to
13 change in this respect.

14 There are many reasons -- I
15 think the largest for us, is the DEC
16 to limit the number of initial sites
17 to be developed at locations which
18 are distant from the water sources
19 and from homes. I don't know a lot
20 about it, but it has been suggested
21 at least 2,000 and more than that in
22 a downstream direction. This would
23 accomplish many goals.

24 If we had such programs it

1 will allow the state's few inspectors
2 to concentrate their monitoring
3 efforts while gaining --

4 ALJ: Could you please wrap it
5 up.

6 PUBLIC: Yes, I am wrapping
7 up. -- while gaining a first-hand
8 understanding of the stages of the
9 new process. Second, it will allow
10 the various agencies having
11 jurisdiction time to devise a plan of
12 cooperative regulation. Third, it
13 will allow water and air in and
14 around sites to be thoroughly tested
15 and monitored, wildlife patterns to
16 be studied and e.g., methods of
17 mitigating noise pollution to be
18 devised. Fourth, it will allow the
19 state to make timely regulatory
20 revisions based upon the initial
21 plays so that its studies will become
22 binding on later plays. Fifth, it
23 will allow more time for ongoing
24 health impact studies which owing

1 mainly to the lag time between
2 exposure and the development of
3 symptoms, are presently incomplete to
4 the mature and produce useful data.
5 Sixth, it should deter an angry
6 revolt on the part of many frightened
7 people who now see the gas play as
8 the devastation of their region and
9 their own well being. The gas
10 companies should be made to wait for
11 the profits that necessitate risks to
12 that greatest of all resources, our
13 water and damage to lives,
14 livelihoods and the integrity of the
15 environment. You can tell them that,
16 provided they pass the initial tests,
17 the wait will be short-term, a term
18 that gets used a lot. Thank you.

19 ALJ: Thank you. Donald Downs
20 and then Pat Shearer.

21 PUBLIC: The microphone keeps
22 getting higher, is this okay. I'm
23 Donald Downs, I'm a director and long
24 time member of the Delaware Highlands

1 Conservancy. The conservancy is a
2 nonprofit land trust dedicated to
3 conserving the ecological health,
4 natural beauty and cultural heritage
5 of the Upper Delaware River region of
6 both Pennsylvania and New York. We
7 focus our efforts on protecting the
8 exceptional water quality and
9 watersheds, recreational
10 opportunities, scenic beauty,
11 productive forests, working farms and
12 maintaining bio diversity in the
13 region. We are invested in
14 supporting property owners and local
15 governments in their efforts to
16 maintain the high quality
17 environment, ecological health and
18 natural splendor that are
19 irreplaceable economic and quality of
20 life attributes for the citizens who
21 live and visit here. We have been
22 doing this since 1984 when our land
23 trust was started by dedicated
24 individuals in order to preserve the

1 environment qualities of this area.
2 This year we opened an additional
3 office in Monticello to better serve
4 Sullivan County and to supplement our
5 existing office in Hawley,
6 Pennsylvania.

7 Today we have over 500 active
8 members and have conserved over
9 10,000 acres of land by working with
10 willing landowners, all this was
11 accomplished with conservation
12 easements, all this land is still in
13 private ownership and remains on the
14 local tax roles. In the fifty
15 conservation easements that we hold,
16 landowners have agreed not to
17 subdivide and develop their land in
18 order to preserve them forever as
19 open space. The conservancy is
20 responsible for the oversight and
21 stewardship of these easements.

22 The prospect and activity of
23 gas drilling in this region has
24 raised many concerns related to

1 potential environmental impacts
2 including threats to water, open
3 space and general quality of life.
4 As an organization that works to
5 protect these very things we urge the
6 New York State DEC to take a very
7 close and hard look at the activity
8 before us. This region is unique and
9 not at all like other parts of New
10 York State.

11 The cumulative impact of gas
12 drilling, including individual well
13 pads, transmission lines and traffic
14 should be examined carefully. The
15 DHC believes that these impacts
16 cannot be separated from individual
17 activities and should be carefully
18 examined at every juncture. This is
19 the essence of our work, efforts to
20 preserve open space and protect
21 natural resources do not happen in
22 isolation, they build on each other
23 for a larger good. In much the same
24 way environmental impacts, when

1 considered cumulatively, potentially
2 pose grave danger to our natural
3 resources and quality of life and
4 must be examined in that way.

5 The DHC understands the value of
6 local knowledge. We consider it a
7 resource enhancing our ability to do
8 our work and whenever possible we
9 utilize this resource through
10 collaboration and partnerships. We
11 work with local planning and town
12 boards, as well as conservation
13 groups. The idea that local
14 governments do not have a more active
15 role in the knowledge and review of
16 gas drilling permits seems
17 counterintuitive. The DEC as a
18 statewide agency could certainly use
19 the local knowledge of municipalities
20 to help understand the potential
21 impact of gas drilling activities in
22 this unique region. We encourage you
23 to reevaluate how towns and their
24 boards can be engaged early on in

1 this process.

2 In other states when drilling
3 occurs on public lands a bond is
4 required to ensure that there is
5 recourse should any activity lead to
6 environmental degradation. As a land
7 trust that plans for stewardship with
8 each easement that we undertake, we
9 encourage New York State DEC to
10 consider this same option for
11 protecting individual communities and
12 the region as a whole. This is not
13 unreasonable to ask and will go a
14 long way to easing the trepidation of
15 communities who are rightfully
16 concerned with their ability to
17 reclaim any environmental damages.

18 In conclusion, the Delaware
19 Highlands Conservancy actively
20 supports property owners and local
21 governments in their efforts to
22 maintain the high quality
23 environment, ecological health and
24 natural splendor that are imperative

1 economic and quality of life
2 attributes for the citizens who live
3 and visit here. While we are not
4 opposing gas drilling as an activity
5 in this region, we urge the New York
6 State DEC to take caution and utilize
7 whatever measures necessary to
8 protect this unique region, its
9 inhabitants, both human and wildlife
10 and the communities of which they are
11 part of. Thank you.

12 ALJ: Thank you.

13 PUBLIC: I'm Pat Shearer, can
14 you hear me. Some land owners want
15 gas drilling and other land owners
16 don't. The oil and gas companies
17 have been known to ultimately lie and
18 twist promises, anything they say is
19 a potential lie. The gas companies
20 have used any tactic to obtain
21 people's lands, what makes us think
22 they won't lie to us here. The DEC
23 should be involved 24/7 at the
24 beginning of the operation, no matter

1 the cost. Once drilling has gone on,
2 there should be procedures intact
3 that show the DEC will show up
4 unexpectantly, no matter what hour.
5 There needs to be a guarantee that
6 the New York Watershed is going to be
7 protected. How can the DEC assure us
8 that all procedures are being
9 followed, how else can they look at
10 the pool liner filled with 1,000,000
11 gallons plus of toxic fluids that's
12 not going to be torn or compromised
13 in any way to prevent the pollution
14 of groundwater. The DEC needs to
15 validate and measure the amount of
16 water being used on every well, the
17 DEC needs to see where the water is
18 coming from in each well, the DEC
19 needs to monitor where the water is
20 going, the water has to be measured
21 and signed off by the DEC to assure
22 no contamination or illegal dumping
23 has occurred along the way. I
24 understand right now there are only

1 19 inspectors for the entire state,
2 19. That makes this whole thing seem
3 like a sham, how can they possibly
4 assure us that this process can go
5 untainted, unless New York State can
6 regulate every aspect of water
7 extraction removal and transport,
8 then there is no guarantee of our
9 air, our water or our land.

10 Protocols means nothing unless they
11 are adhered to and enforced. If the
12 DEC fails to protect our water, air
13 and lands now we are left with
14 nothing. Thank you.

15 ALJ: Thank you. Joanne
16 Wasserman followed by Wes Gillingham.

17 PUBLIC: I'm speaking on
18 behalf of the Upper Delaware
19 Preservation Coalition which is a
20 nonprofit organization helping to
21 protect the Delaware River. It's the
22 UDPC's position that gas drilling is
23 not a harmless activity and that such
24 an activity should not take place in

1 the Delaware River Watershed, an area
2 that is unique in preserving special
3 treatment for many reasons. The
4 watershed provides drinking water to
5 70,000,000 people and it supports a
6 healthy ecosystem for fish and
7 wildlife habitat, including all
8 people. The region is a famed
9 historic area, the Upper Delaware
10 River is also federally designated as
11 the wild and scenic river and under
12 the protected management of the
13 National Resource Service. It is and
14 never should become an industrial
15 zone. It has been well documented by
16 various sources that gas drilling has
17 major effects on shale and that the
18 fracking process cannot be confined
19 within the boundaries of such
20 property. The state needs to
21 consider polluting effects of open
22 vaporization, vapor pits and water
23 tainting chemicals and ear splitting
24 noise from non-stop diesel engines,

1 tractor trailer traffic. All of this
2 may not be able to be contained, so
3 that the river and its residents and
4 wildlife habitat aren't adversely
5 affected. Who can know what the
6 long-term cumulative effects will be
7 of putting gas oils in such a
8 sensitive river basin. Gas drilling
9 in the watershed will cause a serious
10 disruption of the region. It would
11 subject the water to possible
12 chemical contamination and especially
13 in the floodplain areas. It will
14 compromise wetlands, have potential
15 soil and air pollution, depreciate
16 home values, compromise the health of
17 the ecosystem, subject residents and
18 wildlife to its excessive noise and
19 light and diminished quality of life
20 in the region.

21 If the fracking fluids are
22 harmless and do not pose pollution
23 and contamination risks, then why is
24 that guessed it -- except for the

1 clean air and water. Why won't the
2 gas industry disclose the -- to
3 differentiate processed and shipped,
4 the state demand this information.
5 Accordingly contaminated groundwater
6 at drilling sites has been reported
7 in several states. The DEC should
8 review all of the current reports,
9 especially at watershed areas. The
10 UPC DEC suggests energy and long-term
11 solutions, such as wind, solar
12 geothermal and bio-fuels, as well as
13 energy efficiency conservation
14 distributed generation and demand
15 site management. Drilling in the
16 Marcellus shale is unacceptable and
17 it should be off-limits to gas
18 drilling. The Delaware River
19 Watershed should be left clean and
20 vibrant and unsettled by major
21 industries. Thank you.

22 ALJ: Martin Springhetti
23 followed by Dave Celanito.

24 PUBLIC: Thank you, I am the

1 program director for Catskill
2 Mountainkeeper, I would like to thank
3 you for this opportunity to address
4 the scope and thank the DEC and all
5 the staff that came out here
6 throughout the state for these
7 meetings and to the citizens here and
8 the neighbors. We are presenting
9 extensive written comments and
10 technical aspects of the draft scope.
11 Today I'd like to focus on the issues
12 in the document itself and a couple
13 of areas. This is a draft scope and
14 I believe and the Catskill
15 Mountainkeepers believe, it's an
16 inadequate document and it's far
17 reaching and it's important as they
18 develop the Marcellus shale. This
19 draft scope needs to be modified to
20 specify what of the final DGEIS
21 analysis of what will be used and
22 what will be updated to reflect
23 today's methodology for regulations.
24 The draft scope does not specify

1 methodology in these areas. To say
2 that particular technical area would
3 be examined does not constitute of
4 the scope of the work. The study
5 area needs to be redefined in the
6 context of the analysis from air
7 quality and noise as examples, must
8 be used. Key parameters must be
9 selected, methodology is very
10 dependent on the analysis. These
11 methodologies must be examined at
12 different levels of the analysis
13 which needs to be done. It needs to
14 be approved regional and statewide,
15 cumulative to the local expert
16 contemplated one localizing effect
17 throughout this perspective. New
18 York State DEC can determine what
19 impacts would develop. However,
20 local laws do not disclose regional
21 or cumulative impacts and development
22 in the Marcellus shale.

23 With the development of a
24 Generic Environmental Impact

1 Statement a worst-case scenario area
2 of the Marcellus shale as a
3 particular gas section as identified
4 and then developed over periods of
5 several years and then it needs to be
6 looked at in terms of reproduction
7 and refracturing over time. The last
8 analysis and cumulative and statewide
9 basis regional is expected on the
10 Marcellus needs to be developed and
11 the impacts disclosed. The impacts
12 need to include many different
13 things. Such as gathering pipelines
14 and gas treatments which will be used
15 in the Marcellus shale, the process
16 must be disclosed. The Public
17 Service Commission, not the DEC, have
18 the permitting authority, but with
19 the GEIS the project will not take
20 into account full potential. The DEC
21 needs to clarify on all lines,
22 there's a question as to whether low
23 pressure lines are under the
24 jurisdiction of the PSC, the PSC

1 isn't watching those lines and the
2 DEC is not watching the pressure.
3 Who's going to keep a record and
4 where do those exist and across the
5 landscape these gathering lines will
6 not be monitored.

7 For the interest of time I'll
8 skip a lot. The citizens here
9 brought up really good points that
10 are going to be addressed. A
11 different infrastructure approach for
12 an alternative that must be announced
13 or analyzed by New York State.
14 Currently permits on a more logical
15 bases on a programmatic basis against
16 when a gas company submit its
17 application for wells in close
18 proximity to each other. These
19 applications needs to be analyzed and
20 have separate analyses, instead of
21 relying on the SGEIS. The wells do
22 not have the same infrastructure at
23 the same time, you consider one
24 project. Say a company wants to

1 build 20 wells 50 square miles of the
2 watershed, they'd have to build over
3 a two year period, they would have to
4 have an analysis done, rather than
5 these forms.

6 Technical areas, I'm just
7 going along my list. The surface
8 withdrawal, groundwater withdrawal,
9 wastewater treatment and disposal.
10 This seems to be lacking, there are
11 issues there that need to be looked
12 at with quantity of water coming and
13 going and where it is treated in.
14 But there is also other aspects such
15 as sludge that can potentially grow
16 in the waste treatment facility. We
17 need to address such things as NORMS
18 that could build up in waste
19 treatment facilities. Natural
20 resources, the DEC needs to -- as
21 part of this process we have to have
22 complete resource analysis of all
23 natural areas and really
24 comprehensive inventory and that

1 should be in the permit. I would ask
2 the DEC to take the responsibility
3 for that.

4 What we need here is a huge
5 draft scope, we need a scope that is
6 up to date on science. If you look
7 at the scoping document plus the
8 Generic Environmental Statement from
9 the past, '98, there is a lot of
10 maybes and probablys and for
11 something of this scale that can have
12 an effect on such a huge level of New
13 York State. In other parts of the
14 country maybes and probablys need to
15 be taken out. We need a scope not
16 based on assumptions, outdated rules
17 and anecdotal information, but New
18 York State residents need the DEC
19 Division of Mineral Resources to stop
20 saying there's a lot of
21 misinformation out there and show us
22 detailed, not vague, maybes and
23 possibilities and probabilities when
24 it comes to the largest industry

1 project that is as complicated as the
2 experimental extraction of gas from
3 the Marcellus shale and other similar
4 formations. We're talking about
5 affecting some of the most vibrant
6 and cumulative areas New York State
7 has.

8 I would lastly encourage the
9 DEC to take this honor and find the
10 resources to have a clean and
11 comprehensive analysis and so far
12 that has not happened. Thank you
13 very much.

14 ALJ: Thank you.

15 PUBLIC: I'm concerned about
16 the long-term effects -- long-term
17 liability and risks of drilling in
18 the Marcellus shale. Extracting
19 industries have had a long history in
20 the United States, they go back 150
21 years to places like Lennonville,
22 Colorado or pre-Colorado they had
23 very active mining going on, at the
24 time everybody had a job and

1 everybody was making money and
2 everybody was happy and then mining
3 slowed down over the years. What's
4 happened is the groundwater has gone
5 into those mines and you're now
6 pulling out of the mines down the
7 Rockies into Colorado, places like
8 that -- that's an unintended
9 consequence. The people that dug the
10 mine, they didn't plan that, they
11 didn't really deliberately do this.
12 So what we need to do in this case is
13 really try to analyze what long-term
14 impacts we may be creating here, what
15 long-term timebombs may be waiting
16 here for the future. What I would
17 suggest is that the DEC start a study
18 of the risks that are involved and
19 the long-term timeframe, like maybe
20 for 15 to 150 years, where all of the
21 potential risks could be really
22 analyzed long term, by independent
23 geologists, by independent
24 hydrologists because if you know

1 water moves very slowly underground,
2 so it may take 50 or even 100 years,
3 it may take a long time for the
4 problems that are happening now or
5 may happen for them to actually
6 surface. So what happens with the
7 liability at that case. Down in
8 Colorado the companies that dug the
9 mines are long gone and in fact
10 there's a big liability for the State
11 of Colorado and the cost of cleaning
12 up the mess up there is going to be
13 multiplied factors of how much gold
14 and silver they've got.

15 Another timebomb for children,
16 the next generation to come because
17 you can prevent it by initiating a
18 study right now for a long-term
19 analysis of what the effects of this
20 drilling will be over the long term
21 and how it affects the geology of the
22 Marcellus shale as a unique feature
23 and nobody really knows for sure
24 what's going to happen when they

1 start blasting away on that and
2 nobody really understands the ability
3 of hydrology of the bases. We don't
4 really know except for all of the
5 water that comes from down there ends
6 up going -- eventually either into us
7 or down river into Philadelphia. So
8 I would say let's not make any more
9 timebombs, gas is going to be there
10 whether we dig up this year or in 100
11 years from now. If we should do it,
12 we should do it safely now,
13 absolutely safely now, no risk to
14 future generations, then we should
15 wait until a time when we can extract
16 the resource without doing any damage
17 to our environment. Thank you.

18 ALJ: Dave Celanito followed
19 by Candice Grosch.

20 PUBLIC: Hi, my name is Dave
21 Celanito. I'm going to refine my
22 remarks to two areas. First how this
23 industry reacts to the communities
24 and secondly this idea of compulsory

1 regulation, the implications for it
2 and mindset behind it. I'll start
3 with how the industry reacts with the
4 communities and I'd like to cite a
5 reference for the record, please.
6 The November 27th edition of our
7 local newspaper. The River Reporter
8 has an article in it titled "Gas
9 industry threatens to pull out of
10 Pennsylvania," I won't read the
11 whole article, but I'll read a couple
12 excerpts. If industry
13 representatives are to be taken at
14 their word, that shale might not be
15 developed if Pennsylvania does not
16 make it easier and quicker for the
17 industry to ramp up its harvesting
18 activities. Speaking at the Senate
19 Majority Policy Committee public
20 hearing on Tuesday, November 18th, at
21 Misericordia University, gas industry
22 officials complained about the
23 lengthy application and delays in
24 getting permits. They advocated that

1 Pennsylvania adopt a one page
2 application form and create a gas and
3 oil manual that they could follow.
4 "I have great hopes for what the
5 Marcellus shale play might still hold
6 for Pennsylvania. Unfortunately, my
7 experience to date does not lead me
8 to be very optimistic." Wendy
9 Straatman, president of Exco-North
10 Coast Energy Inc. She said the
11 Akron, Ohio based company has moved
12 drilling equipment to West Virginia
13 and delayed its plan to transfer a
14 significant number of employees into
15 Pennsylvania because of Department of
16 Environmental Protection permitting
17 delays that are unlike anything we
18 have seen in any other state in which
19 we operate. Scott Rotruck of
20 Oklahoma City based Chesapeake Energy
21 Corp, had the same argument said,
22 there's going to be ominous
23 consequences for Marcellus
24 development if Pennsylvania

1 regulatory environment doesn't become
2 more welcoming. I have to say when I
3 read that -- for reasons that are not
4 only optimist, but were compounded
5 when I read it. I don't want to go
6 through all these companies, I just
7 think it -- anybody can go and look
8 at these companies and you can look
9 at their "corporate responsibility
10 policies." This is Chesapeake web
11 page, I'm not going to read the whole
12 thing, just a few clips. Human
13 rights, while governments have the
14 primary responsibility to promote and
15 protect human rights, Chesapeake
16 shares this goal and will support and
17 respect human rights where we conduct
18 our operations. Environmental Health
19 and Safety. Chesapeake is committed
20 to protecting the health and safety
21 of all individuals affected by our
22 activities, including our workforce
23 and the public. We will not
24 compromise the health and safety of

1 any individual in the conduct of our
2 activities. We will provide a safe
3 and healthy working environment and
4 will expect our workforce to comply
5 with the health and safety practices
6 established for their protection.
7 We will safeguard the environment and
8 will operate in a manner consistent
9 with recognized American industry
10 standards in environment, health and
11 safety. Chesapeake is supposed to be
12 in business for 50 years, they want
13 partnerships in those communities
14 which we live in, work and they want
15 to assist with local community. They
16 want to give a positive contribution
17 to the committees which we live in,
18 in which the region we operate. Your
19 sister DEC in Pennsylvania has passed
20 the same issue that our DEC here is
21 looking at, public health, public
22 trust. Now there is a severe
23 disadvantage between corporate
24 responsibility and policy statements

1 of these companies and how they
2 began. If this article is to be
3 believed I would encourage and ask
4 for the record that the Department
5 spend some time, if they have not
6 already, with your colleagues in
7 Pennsylvania. I also suggest, if you
8 haven't already, that you spend some
9 time with folks in Colorado and
10 Wyoming to try to get a feel for how
11 this industry interacts with the
12 community because I want to
13 underscore the low letters in the
14 scope, I don't know how we would
15 accomplish this but in no certain
16 terms should any industry be
17 permitted to apply political pressure
18 to the agencies that are attacking
19 and safeguarding public trust.
20 One final remark from the article
21 that I just referenced. Seemingly
22 sympathetic GOP senators pressed
23 Department of Protection Acting
24 Secretary John Hanger to streamline

1 the process, warning that
2 Pennsylvania can't afford to scare
3 off an industry that has promised to
4 create tens of thousands of jobs.
5 Representatives from the Delaware
6 River Basin and the Susquehanna River
7 Basin Committee were identically
8 pressed. That is outrageous. Again
9 I don't know how we would deal with
10 that, but in no uncertain terms
11 should political pressure be applied
12 by an industry to the agency for
13 doing their job in putting the public
14 first.

15 Now, I think there should be a
16 SEQRA review -- PEIS energy folks.
17 If someone wanted to subdivide their
18 property -- if I want to subdivide my
19 property I have to do a SEQRA review,
20 but this industry does not, they're
21 doing a Generic Environmental Impact
22 Statement. I mention that because
23 things are really out of whack here.

24 Now let me talk about --

1 tonight and I don't think anyone else
2 did. I drove my car, I consumed
3 gasoline, but my point is New York
4 State needs a comprehensive plan, a
5 plan that in a compulsory way
6 integrates not just state agencies,
7 but also the private sector and the
8 business community into the
9 conservation and renewals and if
10 we're going to have a policy, a
11 policy integration seems to me that
12 would be much more in a public good.
13 That plan, if it were to exist, that
14 could show us how to get from where
15 we are today and where we need to be
16 which is as you know an introduction
17 of gas issues to a level that helps us
18 chronic change, if it existed we
19 could look at possibly this gas
20 drilling business in a different way,
21 it might make some sense.

22 I understand that a farmer
23 who's strapped for cash and assumed
24 it was a definite revenue from a

1 leasing option, may have little
2 options. If we had a plan and we all
3 stick together it might make more
4 sense, but in the absence of that
5 plan all laws should not suggest that
6 gas drilling is in greater public
7 good when it is not, it is not. So I
8 don't know if that plan, whether it
9 would take too long to put such a
10 plan together, but I think without it
11 what we're really looking at is sort
12 of business as usual, "free market"
13 exercise particularly in the current
14 fiscal environment, repetitive here,
15 as I mentioned earlier, for any
16 reasonable person that has to do with
17 the DEC, it is severely understaffed
18 with the current budget situation of
19 the state, I don't know how we could
20 possibly expect to manage it and I
21 don't think we should pass that law
22 if we can't. I think we need to get
23 the point across to policymakers that
24 some of these laws are really fast

1 backwards. Thank you.

2 ALJ: Thank you. Candice
3 Grosch followed by Matt Wallach.

4 PUBLIC: My high school is
5 located right next to the Delaware
6 River, obviously no amount of DEC
7 regulation is going to stop our water
8 from being contaminated by
9 aqua-chemicals which we don't know
10 what they are because it's considered
11 a trade secret. We have the cleanest
12 water in the state and as a society
13 it will have a tremendous affect and
14 I just want to say that I feel that
15 our community, we should be ashamed
16 if we allow this to happen. Thank
17 you.

18 ALJ: Thank you. Matt Wallach
19 followed by Mary Handler.

20 PUBLIC: Hello, my name is
21 Matt Wallach, I am the program
22 coordinator for Citizens Campaign
23 Environment, CCE. Thank you for the
24 opportunity to comment today, I will

1 be submitting formal written comments
2 at the end of the public comment.
3 CCE is committed to protecting New
4 York drinking water quality and our
5 water resources as oil and gas well
6 exploration regulations and
7 procedures are developed. CCE also
8 commends the Department's for
9 recognizing the increasing interest
10 in drilling not covered by the GEIS
11 in the Great Lake region, water
12 basins in New York City's watershed.
13 CCE recommends that the usual
14 consultation for these wells and
15 water resources in the draft scope
16 which sets the limit of watercress
17 and requires that -- watershed. This
18 omission underscores the fact that
19 the public needs interagency
20 cooperation to protect our water
21 resources. CCE further recommends
22 that whenever transporting water
23 outside it should not be about the
24 policy of New York State DEC, all

1 steps should be taken to use water
2 within the watershed and extracted
3 water upon use. Transported
4 wastewater to or from wells should
5 not be an impractical policy, but New
6 York State DEC all water should be
7 returned to the watershed as --
8 regardless of whether or not this has
9 been recommended. The CCE urges the
10 Department to require safe water
11 return to this formation, this
12 practice will create uniformly across
13 basin lines and provide a uniform
14 regulation that does not conflict
15 with any of the major watershed
16 mentioned. CCE agrees that water
17 withdrawal standards should include
18 impacts to public water supply,
19 potential denigration of a streams
20 designated best use, potential impact
21 to wetlands, fish and wildlife and
22 strange preventative measures to
23 guard against the transfer of
24 invasive species. The Department has

1 solicited comments on fluid handling
2 and removal at the well site. CCE
3 agrees that pit liner specifications
4 should be detailed and believes that
5 steel tanks should be required for
6 drill pads near Class A and 303d list
7 waterbodies, as well as sole source
8 aquifers. CCE commends the
9 Department for requiring all waste
10 fluids are removed before pits are
11 reclaimed. CCE is extremely
12 concerned about underground injection
13 control of wastewater fluids, as it
14 does not adequately address treatment
15 and return of water. CCE supports
16 the Department's decision to collect
17 the information from operators
18 regarding volume and composition of
19 the spent fracturing fluids. CCE
20 advocates the Department also
21 discloses this information to the
22 public. CCE does not believe that
23 the Department should allow
24 confidential/proprietary information

1 to keep the Department from publicly
2 disclosing what chemicals are used
3 for hydraulic fracturing. The public
4 has the right to know what is in the
5 soil, the water and air while
6 drilling. CCE also supports a
7 feasibility study requiring
8 reuse/recycle of fracturing flowback
9 fluids. CCE recommends that the
10 Department fully evaluate using
11 nitrogen as an alternative to water
12 for natural gas extraction and
13 include potential implications to the
14 climate, public health and water
15 quality in its analysis of this
16 alternative.

17 Finally, we believe that New
18 York State should set up a public
19 water protection fund, funded by oil
20 and gas drillers. Public water
21 protection fund should be used to
22 provide for an unforeseen problems
23 with drinking water and natural gas
24 resource damages associated with

1 natural gas drilling. Finally, we
2 believe that DEC should require, as
3 condition of the permit, the
4 establishment of a public water
5 protection fund. Again thank you
6 very much.

7 ALJ: Mary Handler.

8 PUBLIC: Thank you very much.
9 I did bring something and it
10 disappeared, but I'm just going to --
11 one of the things that I'm thinking
12 of is ditto to everyone that talked
13 about how the drilling will be, it's
14 not a maybe, it will be the same as
15 what Josh told you. There's
16 absolutely no reason, no reason to do
17 the drilling when they only use
18 poison. I've been with babies who
19 are born healthy and I've been with
20 people while they were dying. If
21 this does happen there will be
22 catastrophic accident, I don't know
23 if anybody's been in medical care,
24 I've seen -- none of them have been

1 in critical catastrophic places
2 because of something like this. They
3 were in it because of natural
4 disaster or natural disease.
5 I envy you for your job, there is
6 serious questions, there is no way
7 even the most careful person can
8 oversight all of these and I don't
9 know if it's something that can be
10 part of your job, but if it is it's
11 to look at the integrity of the
12 people who are doing the drilling.
13 They've lied and they've caused
14 tremendous harm and I'm very afraid.
15 People say that if the drilling
16 happens then we'll have to take steps
17 to prevent disasters. I moved here
18 because of how the environment was
19 because I do suffer from -- I'm very
20 sensitive to the environment and to
21 pollution. My first time in the
22 river I couldn't believe how valuable
23 it was and I've brought children with
24 special needs there with me and just

1 to see the healing. To the
2 psychologist who spoke beautifully,
3 told me about the soul of the place,
4 that there are these feelings and so
5 the water needs to be clean and the
6 air needs to be clean and I hope I'm
7 making sense, but I will explain it
8 as much as I can and if we can help
9 you in any way -- thank you.

10 ALJ: John Wilson.

11 PUBLIC: I'm definitely a
12 minority here. I have been 28 years
13 in the oil and gas industry, I'm
14 director of Edison Energy and former
15 president and CEO of that company.
16 Edison drilled six wells in
17 Susquehanna County, Pennsylvania,
18 three horizontally. We've been
19 active in Steuben, Chemung and Tioga
20 Counties in New York, we've been in
21 the Trenton Black River for the last
22 eight years and my company has
23 invested millions of dollars in those
24 counties and participated in dozens

1 of wells with no catastrophic
2 consequences.

3 I admire everybody that was
4 here and those that remain passion
5 for this area and for your
6 communities. In my time in the oil
7 and gas business I have participated
8 in hearings such as this first in
9 Michigan with the Antrim shale which
10 was the first shale project in the
11 United States, later in the coal-bed
12 play out in the Colorado basin, in
13 the Fayetteville shale play and in
14 Texas in the Barnett shale play. So
15 I have a fair amount of experience at
16 these hearings and frankly they are
17 good thing and I thank the DEC for
18 this honor.

19 Interestingly enough we
20 believe that Sullivan and Delaware
21 Counties will not be productive in
22 the Marcellus shale, we believe the
23 area is too thermally mature and
24 those wells will not produce gas. It

1 was unfortunate that your communities
2 have been scared by a frenzy play at
3 the very height of oil and gas
4 business in July when praises were a
5 good caliber in nature, bunch of
6 companies ran out to your communities
7 and attempted to lease all the land
8 and as a result we have this hearing
9 here. I possibly could be wrong, but
10 I don't believe those areas are very
11 productive, I don't believe you're
12 going to see hundreds of thousands of
13 wells, as a matter of fact I think
14 maybe three or four wells would
15 pretty much solve the question and it
16 would be done. So I think to ask the
17 DEC to prepare the kind of document
18 that people here have asked for and
19 frankly I understand why you're
20 asking, but it doesn't make a lot of
21 sense for them to look at the
22 cumulative impact for 10,000 wells in
23 the Delaware River Wastershed area,
24 when in fact it's very possible that

1 there will be no wells drilled or
2 maybe three or four dry wells and
3 that will be it. So I would ask the
4 DEC as opposed to expanding the scope
5 of this document, but to limit the
6 drilling in the Delaware River basin
7 to a very few number of wells, until
8 you get the results from those wells
9 and determine whether there is even
10 anything to the height that hit your
11 counties this summer and I'm frankly
12 pretty certain there isn't.

13 In the meantime -- my company
14 has invested many millions of dollars
15 and imagine our surprise when after
16 operating here for a number of eight
17 years we're unable to obtain a permit
18 and we're unable to maintain any of
19 our leases in an area where we have
20 already invested in infrastructure,
21 we're already producing gas and now
22 there is a moratorium on the permits.
23 So I would ask that the DEC consider
24 limiting permitting in those areas

1 where oil and gas would be explored
2 and may be very limited permission
3 and in what we're discussing tonight
4 in the scope, until we have an idea
5 whether there is gas in the
6 Marcellus. Thank you.

7 ALJ: Thank you. Ben --

8 PUBLIC: I pass.

9 ALJ: Peter Rottler.

10 PUBLIC: Good evening, I just
11 have a brief statement. I'm Peter
12 Rottler, I'm here representing
13 Schlumberger, I just have a brief
14 statement. Schlumberger would like
15 to provide the following statement in
16 regards to fracturing operation, most
17 importantly within the Marcellus
18 shale, -- research and engineering
19 facilities, as well as our well site
20 operating on a private -- it is a
21 safe and environmental manner --
22 compliance regulatory environment is
23 it realistic to internal policy and
24 procedures. We look forward to

1 working closely with the New York DEC
2 and the private citizens here and the
3 industry. Schlumberger is led by the
4 example of operation in the State of
5 New York and throughout the U.S. we
6 will conduct our services in a safe
7 and environmentally sound manner.
8 Once again Schlumberger appreciates
9 this opportunity to comment, thank
10 you.

11 ALJ: Stephen Sautner followed
12 by Susan Sullivan.

13 PUBIC: Thank you for the
14 opportunity to comment on the draft
15 scope for the Draft Supplemental
16 Generic Environmental Impact
17 Statement on the oil, gas and
18 solution mining regulatory program.
19 As a homeowner in Delaware who
20 declined a gas lease that could have
21 paid off the remainder of my
22 mortgage, I am greatly concerned
23 about the potential impacts of
24 horizontal drilling and high volume

1 hydraulic fracking on the
2 environment. DEC should draft an
3 entirely new Environmental Impact
4 Statement and a new draft scope of
5 work with key topics under review and
6 the methodology they intend to use,
7 as required by SEQRA regulations.

8 The new Environmental Impact
9 Statement should address the
10 following issues and questions: Use
11 of water. What specific data and
12 methodology will DEC use to protect
13 the public from the untold millions
14 of gallons of chemicals laden water
15 that will be pumped into the ground
16 over a period of decades? How can
17 DEC be expected to adequately monitor
18 each and every well and what goes
19 into them when they are already
20 inadequately staffed? What sort of
21 emergency response team does DEC have
22 to address potential spills, leaks or
23 other environmental damage that
24 inevitably will happen as a cost of

1 large scale development and the
2 potential negative impacts on
3 infrastructure and tourist based
4 economies? What about the impacts of
5 noise, traffic, air and light
6 pollution to human health and the
7 environment? I understand that one
8 well can use 9,000,000 gallons of
9 water which translate to a staggering
10 1,440 truck trips. Some of the roads
11 where drilling is being proposed may
12 currently see a truck or two per day.
13 Have the impacts of turning a quiet
14 dirt road into the New Jersey
15 Turnpike overnight been addressed, if
16 so how?

17 How will habitat fragmentation
18 and disturbances affect endangered or
19 threatened species or species of
20 special concern? Will gas drilling
21 cause certain species to slowly slip
22 into endangered status, thus
23 preventing traditional uses of the
24 land like hunting, fishing, logging

1 and farming? What data and
2 methodologies will be used to monitor
3 and prevent impacts?

4 It's hard to predict the
5 future, but there is enough evidence
6 in the states like Colorado, Wyoming,
7 New Mexico and even neighboring
8 Pennsylvania, where large scale gas
9 drilling has taken place, that
10 clearly shows serious, significant
11 impacts, including massive
12 groundwater pollution, big city air
13 pollution and wrecked infrastructure.
14 This is far from a benign activity
15 despite what the gas companies may
16 say.

17 Clearly there is considerable
18 risk here for the gas companies who
19 have already laid out large sums of
20 money for leases, their risk is
21 losing thousands when they bought
22 these from landowners. But for the
23 rest of the public, the ones that
24 live in the Catskills and surrounding

1 areas or hunt or fish here, the risk
2 is far greater. The risk is
3 irreparable harm to their homes,
4 property and health which is
5 something that should never be
6 speculated because unlike money, it
7 can never be replaced. Thank you
8 again for the opportunity.

9 ALJ: Susan Sullivan.

10 (NO VERBAL RESPONSE.)

11 ALJ: Richard Frednar.

12 (NO VERBAL RESPONSE.)

13 ALJ: Laurel Buchmaster.

14 PUBLIC: Good evening. I live
15 in Delaware County, on Sullivan
16 County's west boundary. I am a
17 member of the Sullivan/Delaware
18 Landowner Association. My family has
19 suffered as much as anyone here in
20 New York, so you might expect me to
21 stand here and urge the DEC, as
22 others have, that we need to expedite
23 this process, but in fact I'm going
24 to urge the opposite. The only other

1 option that will -- the GEIS on page
2 42, coalition of the -- in the shale
3 by high volume hydraulic fracturing.
4 Comments on this are in the draft
5 scope. First of all the idea of 16
6 -- by patching all the supplements is
7 questionable. I notice that there's
8 a difference in the character between
9 the SGEIS and the original GEIS. The
10 original GEIS is pretty good on this
11 stuff, what can go wrong will go
12 wrong. Where the draft scope kind of
13 seems to gloss over a lot of stuff.
14 We've got 16 years of -- since 1992
15 which will be studied in preparation
16 of a new GEIS that is comprehensive.

17 For example this brings me
18 to my first concern. Hydraulic
19 fracturing has enough fracture to
20 frack off a caseload in the Marcellus
21 shale remain thousands of chemical at
22 the surface. There's a incredible
23 amount of pressure, that's like a
24 nuclear explosion, that's the

1 difficulty of controlling something
2 of this magnitude. I realize that
3 some of you drillers like to say that
4 these are safe techniques they use --
5 but look at Chesapeake and Texas.
6 The problem is that fracture
7 stimulation is a precise science and
8 doesn't always collect the shale in
9 equal portions, it's not easy. You
10 may plan on fracturing a whole 1,000
11 feet and it might go 2,000 or 4,000
12 -- especially to bedrock technology,
13 it's unpredictable. Hydraulic
14 fracturing can be used more to the
15 examination of technology
16 disturbances above a formation. It's
17 estimated there are weaknesses in the
18 Marcellus to do vertical fracturing,
19 thus creating an addition to which
20 substances start to -- I would like
21 to know if this can be contributed to
22 the existence that led to the
23 following -- deep gas well, gas is
24 bubbling out of the ground and into

1 drilling the wells and pond. We keep
2 being told that this can't happen and
3 yet it just seems to be happening.

4 Second point, the GEIS
5 discussed injection, predisposal for
6 more fluids. The deep well injection
7 is now being considered -- to deep
8 well injection. I guess since 1992,
9 we've had 16 years of official data
10 -- I don't think the geology change
11 can go across the state. The new
12 GEIS needs to collect this.

13 I just have a very interesting
14 little document here from the web,
15 injection wells -- in 1984 22 out of
16 172 deep conduction wells
17 contaminated water supplies. From
18 the American Geological Institute in
19 Ohio township, liquid waste injected
20 into deep wells imposed earthquakes
21 of this very -- whether waste
22 disposal stopped there will be no
23 waste, they don't say this because
24 they overestimate the importance of

1 some mild case, they say this because
2 it illustrates -- as someone else was
3 saying, the law -- we just many times
4 do not know what we're dealing with.

5 On page 13 of the draft
6 scope, examination of each of the
7 above disposal option along with
8 others that may be suggested during
9 scoping, I'm suggesting that there is
10 no acceptable exposure method at this
11 time and that high volume hydraulic
12 fracturing should be halted until it
13 is thoroughly examined.

14 Page 11 of the draft begins
15 with a paragraph that reads; to date
16 no spill or discharge of chemical
17 fracturing fluid additives in their
18 pure, undiluted liquid or solid form
19 has ever seen reported to the
20 Department. I'm not surprised, now
21 has the Department documented any
22 environmental degradation that could
23 be attributed to such an event.
24 Well, when you only have less than 20

1 inspectors that's not surprising
2 either. I have to wonder with that
3 same level of intellectual is it
4 possible for -- 1,000,000 fracked
5 jobs that groundwater -- yet I'm very
6 concerned the DEC does not employ
7 enough inspectors necessary to
8 investigate that statement. Before
9 they use any power -- unless they're
10 trying to convince local officials
11 that everything is going to be fine.
12 The -- has no record of any
13 documented instance of groundwater
14 contamination. The intellectual
15 figures are missing, as well as the
16 documentation is vague. In fact I
17 have here from the Chicago Health
18 Department many many -- if you want
19 to you can document this, it's real.

20 A little further down the
21 page, information about fracturing
22 fluid additives collected from
23 service companies and chemical
24 suppliers. I am astounded by the

1 scope of that, why do we not ask
2 independent researchers, this is a
3 notoriously secretive industry. I've
4 heard them say so many things that
5 were just improvable, amazing to me.
6 So why are we not adding that to that
7 list, GEIS, that we are going to talk
8 to the informant and there is no
9 database of chemicals -- that is
10 completely without consulting her,
11 she has testified before house
12 committee, she is very well
13 respected. I beg you, DEC, do not
14 simply listen to the gas companies
15 without -- I was at a presentation
16 last week where IOGA representatives
17 were trying to convince the local
18 politician or county board that these
19 chemicals, the fracking chemicals are
20 benign, so highly diluted, they
21 pointed out, that they use biocide as
22 a solution of one quarter down to one
23 millionth per gallons. That's what
24 made of fracked fluid is, it's not

1 very toxic because it's so diluted.
2 What are they handling at this site,
3 something that is infected with
4 biocide -- I don't think this to even
5 exist in Delaware County.

6 ALJ: Ms. Buckmaster, if you
7 could wrap up.

8 PUBLIC: Yes, I will, I move
9 to the end of my notes. I am glad
10 that so many people have covered so
11 many excellent points, so I'll get to
12 the conclusion. On the nature of
13 these hearings I would like to
14 comment that it is not DEC's job to
15 elicit people to rush through this
16 process -- own financial institutes
17 and the environment is not somebody
18 else's problem, it's ours. I thought
19 the other gentleman pointed it out
20 nicely when he said, under no
21 circumstances should people --
22 brought upon DEC -- energy dependence
23 is a separate subject also, it should
24 not have bearing on this discussion.

1 A need for a full assessment
2 environmental bliss -- it gives a
3 false choice of substantial evidence
4 and cumulative -- worldwide willing
5 to do just that, we get to export
6 natural gas construction wherever the
7 market is the best -- nationally
8 we'll get no particular bargain
9 anymore than gas -- there is no
10 separate entity. What's more it's
11 just -- we need to learn how to live
12 at our energy means and one of the
13 reasons we have so much trouble with
14 that is because we need to take out
15 the greedy government -- did you know
16 the years 2000 to 2006 Chesapeake
17 Energy has paid three tenths of
18 percent, if those taxes had been
19 collected in real energy independence
20 operation you and I would have --
21 options you name -- we now had to
22 bailout the auto industry for decades
23 of their loses. So DEC please do not
24 accept the false choice that we need

1 to sacrifice even a little bit of our
2 environment, let alone as much as
3 this exploitation really well cost
4 us, for a few years getting another
5 polluting global war worsening
6 hypothermic energy source. Thank
7 you.

8 ALJ: Dan Arthur.

9 PUBLIC: Thank you, I'm glad
10 there's still a few people here. My
11 name is Dan Arthur, I'm president of
12 ALL Consulting, my purpose here is
13 really two fold. First, I'm offering
14 to bring consideration from our U.S.
15 Department of Energy Research
16 Project, we are conducting a analysis
17 for Groundwater Protection Council on
18 modern gas development in the United
19 States. Some of you have already
20 seen the results of our research, we
21 have provided papers to the DEC and
22 elsewhere. We've been studying a
23 number of shale plays around the
24 country, including the Marcellus,

1 Barnett, Antrim, Fayetteville and
2 Haynesville and others located --
3 impacts and operations of the
4 information.

5 One aspect this research
6 followed was hydraulic fracturing in
7 shale formations related to
8 fracturing fluids in the processes
9 used, that's what one of the things I
10 would like to talk about.

11 Additionally, I've been asked to
12 represent the Groundwater Protection
13 Council by making comments to the DEC
14 on the draft scope for development in
15 the Marcellus in New York.

16 First with respect to
17 Groundwater Protection Council,
18 please understand this is a nonprofit
19 organization with members from state
20 and federal groundwater agencies and
21 district representatives,
22 environmentalists and concerned
23 citizens all of who come together to
24 mutually work toward the protection

1 of the nations groundwater supply.
2 The purpose of the GWPC is to promote
3 the use of best management practices
4 and fair, but effective laws and
5 regulations regarding comprehensive
6 groundwater protection. The GWPC has
7 been involved with the analysis of
8 risks for hydraulic fracturing for
9 many years.

10 The GWPC concluded that there
11 is no evidence to support documented
12 claims that public health is at risk
13 as a result of hydraulic fracturing
14 of coalbeds used in production of
15 methane gas. GWPC believes that the
16 risk of drinking water contamination
17 from hydraulic fracturing of shale
18 gas wells is less than that of
19 coalbeds. Shale gas formations in
20 New York are located thousands of
21 feet below drinking water aquifers.
22 This vertical separation makes the
23 existence of exposure pathways and
24 the possibility of contamination

1 highly unlikely. Based on our
2 survey, EPA's conclusions with
3 respect to CBM wells and this
4 additional geologic separation, this
5 practice is considered safe.

6 Shale gas waste fluids are put
7 into Class II injection wells. Such
8 wells have been subject to Federal
9 Underground Injection Control Program
10 regulation for over 25 years. These
11 regulations are specifically design
12 to ensure safe disposal of wastes
13 from oil and natural gas operations.
14 Today there are approximately 170,000
15 Class II injection wells located in
16 31 states. All Class II injection
17 wells are regulated by either a state
18 agency which has been granted
19 regulatory authority over the program
20 or by US EPA. Class I wells are
21 subject to a regulatory process which
22 requires a technical review to assure
23 adequate protection of drinking water
24 and an administrative review defining

1 operational guidelines. The wells
2 surface and subsurface conditions are
3 evaluated to make sure their
4 operation will keep the fluids out of
5 drinking water sources. The wells
6 must be constructed to protect USDWs
7 and wells are tested and monitored
8 periodically to ensure no drinking
9 water is being negatively impacted by
10 the operations. Deep underground
11 injection is a safe method of
12 disposing of waste water from
13 multiple shale gas development.

14 State regulation of the
15 environmental practices related to
16 shale gas development can more easily
17 address the regional and state
18 specific character of the activities,
19 compared to a one-size-fits-all
20 regulation at the federal level.
21 State agencies such as DEC have many
22 tools at your disposal to assure that
23 shale gas operations do not adversely
24 impact the environment. The

1 regulation of shale gas drilling and
2 production is a cradle to grave
3 approach. DEC has broad powers to
4 set requirements, issue permits and
5 enforce regulations governing all
6 activities from drilling and
7 fracturing the well, to production
8 operations, to managing and disposing
9 of wastes and to abandoning and
10 plugging the well. These authorities
11 and regulatory and permitting
12 activities are appropriately
13 described in the draft scoping
14 document and the GEIS. Now with
15 respect to the information I was
16 provided a recap of our recent study
17 and this is relatively short. There
18 a few points I want to make. First
19 large volumes in hydraulic fracturing
20 uses greater volume of fresh water
21 for fracturing than conventional gas
22 wells, I think we all understand
23 that. From our research -- hydraulic
24 fracturing needs different shale gas

1 basins then -- public witnesses a
2 number hydraulic fracturing wells.
3 Through that analysis of hydraulic
4 fracturing fluids, additives in water
5 and through that we concluded that
6 fracturing in shale gas formation
7 generally throughout the United
8 States consisted of about 95 percent
9 fresh water. The overall liquid used
10 in shale gas plays are generally
11 higher volumes, meaning more
12 pollution, less concentration and
13 various additives.

14 Furthermore these less
15 concentrations and less -- exist in
16 the EIS. So for example when we look
17 to biocides you may think that's
18 something to worry about, it probably
19 isn't, but we put biocides in
20 swimming pools to control fungicides
21 of course. Because of the
22 configuration -- there's more active
23 production formation intercepted by
24 the wells site, rather than 50 to 100

1 feet of formation in a vertical well,
2 for example, it can be thousands of
3 feet in horizontal wells. Again a
4 typical vertical well volumes of
5 about 800 gallons of water fracturing
6 from additives are used per foot,
7 however in a multi-stage hydraulic
8 fracture treatment of a Marcellus
9 well about 600 gallons of fracking
10 fluids are used, about 200 gallons
11 per foot less than what's considered
12 in the EIS as it exists now.

13 Transporting fracking fluids
14 to a well site is regulated by the
15 Department of Transportation in
16 approved containers in either
17 chemical transport trucks or flat bed
18 trucks. When wet additives are used
19 the storage tanks are strapped in
20 place and hoses are used to make
21 connections when fluid transportation
22 is necessary. Dry additives are
23 typically transported in containers
24 or on pallets. Currently there are

1 no horizontal wells in New York and
2 few of the thousands vertical well
3 states -- an opportunity is needed to
4 fully evaluate using recycling
5 opportunities, as well as water
6 treatment alternatives. Furthermore,
7 well management typically requires
8 having the opportunity to evaluate
9 and possibly use a variety of
10 alternatives of managing water,
11 unnecessarily eliminating
12 alternatives may be viable in state
13 and key development. Also they have
14 to take the opportunity to --
15 beneficial long term that they're
16 never going to use. DEC should keep
17 in mind that multi well drilling
18 pads, water produced from multiple
19 wells is commonly mingled and they
20 need to be mingled to effectively be
21 reused and recycled. Managing water
22 on a quality basis may not only be
23 challenging, but it also limits the
24 use of recycled compounds. I say

1 that -- one of the projects I was
2 working on a long time ago was the
3 largest water use in the United
4 States, it was in Petersburg, Florida
5 and as part of that they had a water
6 reuse system and disposal as part of
7 that, so it's an absolute necessity.

8 The last comment I want to
9 make, I heard comments on this,
10 environmental justice. I encourage
11 the DEC to look closely at that, we
12 looked at that briefly, in a number
13 of places that we were working in,
14 including New York and I provided
15 some information and as we did that
16 analysis, we looked at both from
17 impacts of development occurring, as
18 well as impacts of development to
19 occur and taking essentially
20 impacting potential jobs that may
21 occur. Thank you.

22 ALJ: Thank you. That is the
23 last card that I have. I am also
24 adjourning these proceedings, thank

1 you very much for coming.

2
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4 * * * *

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6
7
8 C E R T I F I C A T I O N

9
10 I hereby certify that the proceedings and
11 evidence are contained fully and accurately in the
12 notes taken by me on the above cause and that this
13 is a correct transcript of the same to the best of
14 my ability.

15
16 _____
17 NICOLE M. ROCKWELL

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