

Natural Gas Drilling

Who Really Benefits?

They tell us that natural gas drilling is a boon to the upstate economy. FACT OR FICTION?

WINNERS

- Multi-national gas companies
- Large trucking, pipeline, drilling, & chemical companies like Halliburton
- Some large rural landowners.
- Some retail stores, motels, restaurants and services
- A few local contractors
- State tax coffers *if* severance taxes are collected (and extracted gas is reported honestly). There will be revenue from the leased state forests.
- U.S. natural gas supply, controlled by multi-national corporations, increases by just 2.5%

LOSERS

- Majority of people** in the community (90 or more % of total population)
- Local governments & agencies, taxpayers** who pay for emergency services and transportation infrastructure; the tax base is reduced from falling property values
- Small landowners** • some leased owners unable to use their property as they wish or are host to pipelines, storage wells, compressors that generate \$0 royalties • adjacent un-leased landowners
- Residents** of towns, villages, communities
- Agriculture, farmland, crops and livestock**
- Hunters, fishermen, outdoor sportsmen, hikers, skiers**
- Tourist industry, wineries, orchards, ski resorts**
- Wildlife, forests, native plants and animals affected by invasive species or air, soil or water pollution**
- Air quality** as pollution and ozone levels increase
- Water resources**—streams, lakes, ponds, rivers, water wells, and aquifers that are essential to all life

THE BOTTOM LINE

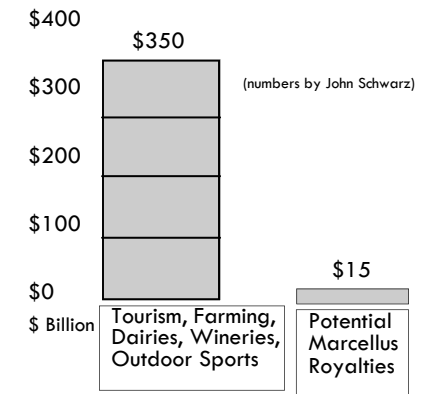


- **THERE IS NO FREE LUNCH**
- **GAS DRILLING BENEFITS A SELECT FEW**
- **COSTS TO THE COMMUNITY CAN BE FAR REACHING & LONG LASTING.**
- **YOU CAN'T DRINK GAS**
- **MOST BELIEVE THE TRADE-OFFS ARE UNACCEPTABLE**

Adverse socio-economic impacts include:

- Increased expenses for road & bridge repair, law enforcement, medical costs, emergency response to injuries, spills, explosions, and fires.
- Decreased revenue from tourism, hunting & fishing, outdoor sports
- Declining property values over time and lower property tax revenues as area becomes industrialized and buyers are unable to obtain mortgages and/or insurance.
- Decreased value of farming and winery products due to the perception of air, soil, and water contamination.
- Long-term impacts to water resources including costly cleanups.
- Ozone and air pollutants lead to decreased crop yields, increased negative health effects and lower workforce productivity.

THE REAL UPSTATE ECONOMY



Gas drilling counties compared to other rural counties:

- Economies that grew more slowly
- Less economic diversity & resilience
- Less educated workforce
- Greater gap between high- and low-income households
- Less ability to attract investment and retirement dollars.
- Higher rates of crime, arrests, court cases
- Increased demands on medical facilities
- Significant inflation leading to higher rent & housing costs, driven by influx of transient, out-of-state workers
- Long-term residents report lower satisfaction with their community and quality of life.

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• Kay, David. Economist Cornell Cooperative Extension. <http://www.tcgasmap.org/media/DavidKayandJeffreyJacquetCommentsonDraftSGEIS.pdf>

• Headwaters Economics. 2009. "Fossil Fuel Extraction as a County Economic Development Strategy: Are Energy-focusing Counties Benefiting?" http://www.headwaterseconomics.org/energy/HeadwatersEconomics_EnergyFocusing.pdf

GDACC Gas Drilling Awareness
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