

Update April 2014

1. What's happening in NYS?

The process is on hold. Governor Cuomo has repeatedly stated that his decision depends on the outcome of a health study being conducted by the NYS Department of Health (NYSDOH), - "science, not emotion". The study was supposed to take three weeks. That was back in _____, Recently, (name), one of the three health experts contract by NYSDOH to conduct the study issued a statement saying that,

2. What about the bans and moratoria?

Currently there are about _____ bans and _____ moratoria on gas drilling in NYS towns. Two of the earliest, Dryden and Middlefield, have withstood industry challenges in court, first at the district level, and then in a unanimous decision at the appellate level. The highest level court in NYS, the Court of Appeals, has heard arguments in the industry's challenge and a decision is expected later this Spring.

3. Will Governor Cuomo approve fracking?

Good question. It's anyone's guess. He is a very shrewd politician and is obviously stalling. He is widely considered (at least in NYS) as a potential candidate for president in 2016. (He can claim to be bipartisan because his behind-the-scenes manipulation has ensured a split legislature - Republican Senate and Democratic Assembly.)

He needs to maintain his image of an effective leader, in control. The last thing he needs before the gubernatorial election this November is a messy confrontation with the anti-fracking resistance movement. But if he runs for president in 2016, the political winds could shift quickly.

4. What is the industry doing about the situation?

They do what they always do - buy politicians. The gas industry spent \$_____ on lobbying and political contributions in _____. Governor Cuomo received \$_____.

5. Some people are saying there isn't enough gas in NYS for the industry to drill. Is that true?

At the present time, because of the glut from drilling in PA, the price of natural gas is low. As long as it remains low drilling/fracking in NYS would probably not be profitable. But that can change quickly. The gas industry is buying politicians in Congress to allow export of liquified natural gas (LNG). Several export facilities have already been approved and many more applications have been filed. Exported LNG would go on the world market and be sold to the highest bidder. In Japan and China the current price of natural gas is four times that in the US and could go higher. At that price it would likely become profitable to frack NYS.

6. Does fracking make the US less dependent on foreign fossil fuels?

If LNG exporting is permitted, the natural gas would go to the highest bidder. It would not have to remain in the US.

7. The Ukraine receives most of its natural gas from Russia. Can US LNG exports be used to weaken Putin's grip on the Ukraine?

Even though the fracking industry is pushing this argument, it is flawed for several reasons:

- > The US is still a relatively small producer of natural gas relative to the world's producing countries.
- > The US is still a net importer of natural gas (mostly from Canada).
- > It will take several years to build export facilities - most likely, whatever the outcome in the Ukraine is, it will be long over by then.
- > The only current functioning export facility is in Alaska - wrong side of the country
- > Converting natural gas to LNG is an extremely energy intensive process. The gas must be cooled to -260 degrees F. This adds a significant cost to the price of the gas. Again, this would go to whoever pays the best price, not likely to be Ukraine.

8. What is happening with fracking in other states?

Fracking is becoming a very controversial issue in many other state. Here are a few recent examples:

- > Colorado, 2/28/14 A judge upheld the results of a bitterly disputed election in the city and county of Broomfield that narrowly approved a five-year ban on fracking.
- > Ohio, 2/27/14 The Ohio Supreme Court heard arguments yesterday over whether local governments have authority to regulate and approve the location of oil and gas wells.
 - > Ohio, 2/18/14 State Representatives Nickie J. Antonio (D-Lakewood) and Robert F. Hagan (D-Youngstown) today called on the Ohio Speaker of the House to hold legislative hearings to determine whether Gov. Kasich and the Ohio Department of Natural Resources (ODNR) are promoting the interests of the oil and gas industry rather than protecting the public interest. Just days ago, a memo was uncovered that detailed how the ODNR and Gov. Kasich would stifle and discredit groups and elected officials concerned about fracking by teaming up with "allied" corporations to promote this controversial drilling technique in state parks. The document —obtained through an unrelated public records request—targets Democratic legislators and environmental watch groups as part of a strategy to marginalize public concern and advance oil and gas interests.
- > Florida, 1/21/14 The Florida House Agriculture and Natural Resources Subcommittee voted 8-4 on Tuesday in support of two bills that would require disclosure of chemicals used in fracking. While not as shale rich as its neighboring states to the west, Florida contains parts of several shale formations including the Lower Sunniland and Tuscaloosa Marine Shale....Opponents of the bills claim that the appearance of disclosure will provide companies the cover needed to move forward with fracking in Florida.
- > Wyoming 12/24/13. Hundreds of abandoned drilling wells dot eastern Wyoming like sagebrush, vestiges of a natural gas boom that has been drying up in recent years as prices have plummeted. The companies that once operated the wells have all but vanished into the prairie, many seeking bankruptcy protection and unable to pay the cost of reclaiming the land they leased. Recent estimates have put the number of abandoned drilling operations in Wyoming at more than 1,200, and state officials said

several thousand more might soon be orphaned by their operators. Wyoming officials are now trying to address the problem amid concerns from landowners that the wells could contaminate groundwater and are a blight on the land.

> Texas, 12/11/13 The growing wave of local fracking bans sweeping into Texas, where the state's third largest city has put a near-total kibosh on the practice. The Dallas City Council adopted new rules on Wednesday that bar hydraulic fracturing within 1,500 feet of a home, school, church, or well. Dallas is now the largest of five Texan cities and towns that have [imposed local restrictions](#) on fracking. The city, which sits at the edge of the gas-rich Barnett Shale area, had previously imposed a safety buffer of 300 feet and banned fracking in parks and flood plains.

> West Virginia, 12/19/13 The U.S. Environmental Protection Agency and the Department of Justice announced that Chesapeake Appalachia, LLC, a subsidiary of Chesapeake Energy, the nation's second largest natural gas producer, will spend an EPA-estimated \$6.5 million to restore 27 sites damaged by unauthorized discharges of fill material into streams and wetlands and to implement a comprehensive plan to comply with federal and state water protection laws at the company's natural gas extraction sites in West Virginia, many of which involve hydraulic fracturing operations.

> Texas, 2/21/14 (This one is in the "having the cake and eating it too" category) As ExxonMobil's CEO, it's Rex Tillerson's job to promote the hydraulic fracturing enabling the recent oil and gas boom, and fight regulatory oversight. The oil company is the biggest natural gas producer in the U.S., relying on the controversial drilling technology to extract it. The exception is when Tillerson's \$5 million property value might be harmed. Tillerson has joined a lawsuit that cites fracking's consequences in order to block the construction of a 160-foot water tower next to his and his wife's Texas home. The Wall Street Journal reports the tower would supply water to a nearby fracking site, and the plaintiffs argue the project would cause too much noise and traffic from hauling the water from the tower to the drilling site.