

Rules set out for gas drilling

The Delaware River Basin Commission's measures would be stricter than those of Pa.

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INQUIRER STAFF WRITERS

The Delaware River Basin Commission on Thursday proposed natural gas drilling rules in its four-state watershed that are tougher than those in the rest of Pennsylvania but that promise to do little to stem the intense wrangling over how to regulate the growing industry.

The commission anticipates as many as 10,000 wells could be drilled in the watershed it oversees, primarily in northeastern Pennsylvania and southern New York state, and its action inches those wells closer to reality.

A drilling moratorium that began in May stays in force until the rules become final, after a 90-day comment period, hearings, and likely changes.

The proposal aims to address concerns over the powerful technique called "fracking," which companies have used elsewhere in the state to extract the bountiful gas reserves trapped in a rock formation called the Marcellus Shale. With this proposal, the commissioners waded further into a debate with a raft of environmental and economic issues.

Fracking provides access to a fuel that is cleaner burning than

See **DRILLING** on A24

River basin panel proposes rules for natural-gas drilling

DRILLING from A1 coal, for example, and landowners say the lease payments from drillers enable them to maintain open space. Yet the technique, in which large amounts of water are used to dislodge gas deposits, involves the use of chemicals that can contaminate waterways.

As part of the 83-page rule proposal:

- Companies would have incentives to drill away from forested areas and farther back from stream banks.
- Contaminated wastewater from fracking would have to be held in tanks rather than open ponds, as is done elsewhere in the state.
- Drilling refuse — called “cuttings” — could not be buried onsite, as Pennsylvania allows. It would have to be “beneficially used” or disposed of properly off the site.

Moreover, the commission would require water-quality monitoring plus water and wastewater tracking to keep tabs on the volumes used and where it all goes for treatment and disposal, said Carol R. Collier, the commission’s executive director.

The rules also propose a \$125,000 fee per well as financial “assurance” for the plugging and restoration of natu-

ral gas wells.

Among the more unusual steps, the commission would allow “natural gas development plans” for broad lease areas rather than individual wells.

Collier said that would allow the commission to take a “holistic approach” to the issue and allow wells to be drilled in less environmentally sensitive areas.

The commission also proposed an approval process that would shorten the wait from up to nine months to as little as 30 days for certain lower-impact projects, such as those in a field instead of a forest, or farther from a stream.

Collier said that was because the commission meets only five times a year. Officials also wanted to “incentivize good environmental practices,” she said.

Jeffrey Featherstone, a professor of community and regional planning at Temple University and a former deputy executive director at the commission, said the expedited review made him a little nervous.

“We never had such a beast when I was at the commission,” he said. “It makes some sense. But I think, as a former regulator, you’d like to

see more teeth put in and a longer review.”

Many groups withheld comment on the plan, given its complicated nature. But the New Jersey Sierra Club called the rules “weak, ineffective, and full of loopholes.”

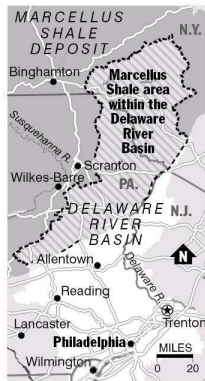
Further, “these rules are dangerous because on the surface, it looks like the DRBC is doing something when they’re not,” club director Jeff Tittel said.

The rules were proposed without an overall environmental impact study, which environmentalists had called for. And they were released in spite of pleas for more study from New York officials.

“It is a grave mistake for the DRBC to rush forward with half-baked regulations before the needed scientific analysis is done through a cumulative impact analysis,” said Tracy Carluccio, deputy director of the Delaware Riverkeeper Network.

Collier said the commission felt it was “appropriate now to start the formal review process so the public could see the direction DRBC is proposing.”

Without commenting specifically on the proposed rules, Pennsylvania Depart-



“Today marks the long-awaited start to a process that we hope will create a common-sense road map aimed at safely leveraging the Marcellus Shale’s clean-burning natural gas reserves into a supply of clean fuel and thousands of good-paying jobs,” said Kathryn Klaber, president of the Marcellus Shale Coalition.

She added that she expected the DRBC regulations “to be compatible with state regulations and avoid duplicative or conflicting requirements.”

That may be a problem, said David Mandelstam, a Philadelphia lawyer who has been working with the industry and homeowners who want to allow drilling on their land.

He said that if the new rules were substantially different from those outside the basin, “that creates a series of litigation issues in every case where the result would be different depending on the watershed in which the project is located.”

Collier defended the differences, saying many sensitive environmental areas, from the Chesapeake Bay to the Pinelands, have shown that special protections can apply.

The water in the Delaware River upstream from Trenton is clean enough to warrant special protection under several federal programs.

The rules were welcomed by Marian Schweighofer, executive director of the Northern Wayne Property Owners Alliance, which represents 2,000 Wayne County families who joined together to negotiate leases with Hess Corp. and Newfield Exploration Co.

“It’s a huge step forward that we even have draft regulations to consider,” Schweighofer said.

But she questioned whether the commission had the authority to regulate land-use issues on drilling sites, as it proposed.

The leases signed by alliance members cover 100,000 acres, and allow the landowners to maintain a certain degree of control over where drilling occurs on their land and whether new roads are built, she said. They are to receive \$3,000 an acre and will be paid royalties on any drilling, she said.

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