



WATER RATE COMMITTEE

Rate Committee meeting was held on February 7, 2012. Meeting was called to order at 7:22 PM by Robert Stevens.

Present: Thomas Evans, William Foster, Merle Prentice, Robert Stevens, James Tornatore, and Kathy McCall as committee secretary.

Guest: Speaker George Franz, Municipal Planner (freestyle), and Adjunct Professor Regional Planning, Cornell; invited Board members Fred Blee, Dennis Carlin, Morgan Inderwies.

Minutes for January 3rd meeting approved (with two minor changes) with a motion M. Prentice, with a second by T. Evans. Carried.

Mr. Franz spoke of his knowledge and research regarding hydrofracking, with most information pertaining to drilling in Pennsylvania. Areas that were conducive to drilling, both in Pennsylvania, and areas in NYS closer to this region were reviewed.

Mr. Franz reviewed how pockets of naturally occurring methane pockets can migrate when disturbed and disrupted, whether by hydrofracking process or simply drilling home wells. The resulting migration can contaminate ground water, such as by appearing in streams or residential home wells.

Drilling pad sites with respect to acreage (2 -3 acres, on up to 4-5 acres), and number of wells on each pad (1 pad up to 10 wells 20' apart, with 6-8 wells being average), and the types of heavy equipment, trucks, noise level involved with pad sites reviewed. There are "gathering lines" at the compressor station which are about two (2) feet deep for the gas transmission – attention to them being further below the frost line, i.e. four (4) feet was discussed. The compressor station further compresses the gas for loading, and can be barn size, i.e. 50' x 100' (or 120') w/up to six (6) compressors in them; usually station is insulated, with noise 30-40 decibels heard outside.

Fracturing process takes a few days, with up to 3.6 million gals per well, with recycling of the water during the process; an estimated 28 million gals daily out of river source was initial number, but in reality 30-40% lower. The Marcellus is salty, and flushing out the salt with pumping weakens the formation, so reusing water and sending back more salty water two – three times in the process keeps 40-60% of the water in the ground, with balance of water coming up w/gas.

Susquehanna River Basin Commission's aggressive vigilance to protect the Susquehanna River and tributaries was reviewed, with respect to regulating amounts of water drawn, and how treated water disposed of; and how well pad designs are approved and inspected. The SRBC has levied fines against illegal water withdrawal, and has enforced withdrawal amounts via metered water systems.

Mr. Franz spoke of how the Clean Air & Water Act in PA and NYS is more stringent than the Federal Act. Problems with educating fracking companies of the state regulations of state they are drilling in, versus their regulations of the state they come from has been an issue.

Alternatives to storing water, such as that which comes up with the gas and could be separated; storing water to be used for drilling; and using above-ground piping from higher elevation drilling down to the pad were discussed.

Mr. Franz reviewed five (5) year process to secure gas or lease expires; it is a common practice for one well to be drilled, thus securing the lease, and moving on; problem with this is that the land is not restored and the agricultural use is not returned to the farmer, who has to wait to grow again. There are state regulations that restore the land wherein the casings stay but the pad and gravel removed, and top soil restored. Recycling of the used gravel taken away has shown to be beneficial, as well as stockpiling the topsoil removed in order that it can be used for reclamation of site.

Once a well is drilled, there is lifetime use. If companies cannot get the permit lease fulfilled within five (5) years due to state regulations, they can invoke "force majeure".

PAGE 3/February 7, 2012

Mr. Franz stated the Bradford County Pennsylvania Planning Committee website shows maps of gathering lines and drilling pads. Mr. Franz and students visually traveled to PA areas of drilling to see impact on land, and to ask questions on-site.

Group discussion of how local municipalities need to be aware of factors such as: noise levels, and enforcement of such; lights (24/7); DEC staff not present due to inadequate numbers of staff to inspect/police; dangers of fracking due to intense pressure (6000 -8000 psi); casings fail (NYS wants 3 casings); pouring concrete for pads (24/7); 24/7 crews - experience level and knowledge? (Oklahoma and Texas crews are very experienced); random testing policy? overworked?

Mr. Franz cautioned that initially industry can be an economic boom but some regions found it does not last.

Meeting adjourned at 9:04 PM, by T. Evans, seconded by M. Prentice.
Carried.


Kathy McCall
Account Clerk/Typist

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