

Work Session Summary

June 24, 2011

Attendance: Edward Coar (Chairman), Commissioner Brian Smith, Chris Barrett, Michele Stahl, Dean Jamieson, Bob Muller, Pete Hooker, Dan Hayward, Josh Snyder, Bob Suhosky, Mary Beth Wood, Donna Labar, Jennifer Porter, Sgt. Sean Georgia, Jeff Dexter

Websites – Chairman Edward Coar opened a brief discussion on the participating member organization websites. All of the websites have been updated. There are just a few minor items remaining with the Emergency Management Agency (EMA) website. Pete Hooker indicated that EMA is working on the addition of a calendar to the site to announce upcoming trainings and other EMA activities. Commissioner Brian Smith commented on how busy EMA has been lately. He commended EMA and the Planning Department on the work they have done to get the website up and running.

Keystone Energy Forum Presentation – Mr. Coar introduced and welcomed Dan Hayward and Josh Snyder of the American Petroleum Institute (API) who were present to give the Task Force a presentation on the ‘Keystone Energy Forum’. Mr. Hayward passed out some handouts of information on the Keystone Energy Forum (KEF). According to Mr. Hayward, the Keystone Energy Forum is a collaboration of the API member companies of Pennsylvania and the Pennsylvania Independent Oil & Gas Association (PIOGA). The two organizations came together for the purpose of education and outreach on the topic of Marcellus Shale development. According to Mr. Hayward, the Keystone Energy Forum is a science and fact based outreach organization. He encouraged everyone to visit their website at <http://keystoneenergyforum.com/>.

Mr. Hayward indicated that KEF focuses on putting the facts on the table and they do not advocate for or against specific issues. They have met with a number of coalition groups and county oil & natural gas task forces throughout the State to gain a better understanding of the type of information that might help local groups address current issues. They provide experts on the topics that are most important to the local community at a given time. Mr. Hayward indicated that they have met with more than 100 groups to provide outreach assistance on various topics or to present an overview of their services. He gave some examples of groups they have partnered with, such as the PA Federation of Sportsmen’s Clubs (PFSC), first responders, economic development councils and the Professional Dairy Managers of PA, to name a few.

Mr. Hayward highlighted their relationship with the PFSC in an opinion editorial that was jointly released by the PFSC and KEF. They will be hosting a forum for all sportsmen and outdoor groups in State College in the fall of this year prior to the hunting seasons to discuss the issues that are important to these organizations and their members.

Work Session Summary

Mr. Hayward was questioned as to whether or not the organization was funded by the industry. He stated that they were funded by the industry and they are very up front about where the funding comes from since their outreach efforts are based on facts and science. He indicated that the KEF is a response to the API member companies and PIOGA realizations that there is a need for basic communication, outreach and education on the industry.

Mr. Snyder advised reaching out to the Governor's Marcellus Shale Advisory Commission with any concerns and also advised the Wayne County organizations that comprise the Task Force to utilize the knowledge and experiences of neighboring counties that have had more extensive drilling take place, in order to assess what can be expected. Mr. Hayward added that they have had discussions with the County Commissioners Association of Pennsylvania (CCAP) in regard to a statewide forum where ideas and experiences can be shared among County Task Forces and other related groups. This would provide a forum where interested organizations from counties that have not experienced drilling could learn from those counties that have had experience with the industry in regard to how to prepare and what to expect. Commissioner Smith indicated that the County has reached out and had dialogue with other counties on various topics. However, he stressed that it is important to have factual and accurate information, because at times the information gathered on a specific topic can be very diverse depending on who is providing it. Commissioner Smith also made the point that the economic benefits associated with the emergence of the industry here can provide a means to sustain the agricultural community and protect open space.

Mr. Hayward asked the Task Force to have some discussions in regard to the types of topics that are desired by the Wayne County community. The KEF offered to provide speakers for the topics that are of most interest to the community at this time. Chairman Coar and Commissioner Smith thanked Mr. Hayward and Mr. Snyder for the presentation.

Sub-Committee Reports:

Workforce – Jennifer Porter indicated that the sub-committee is scheduled to meet on August 19th and that meeting will feature a presentation from Henkels & McCoy. A handout was circulated to the group on economic modeling and jobs associated with the natural gas industry. This report can be viewed by clicking [here](#). According to Ms. Porter, nine of the top 11 fastest growing jobs in 2010/2011 were in the oil and gas industry. According to the handout, in Pennsylvania more than 3,000 wells were drilled in the past three years and more than 15,000 jobs have been added in the oil and gas / mining and extraction industries. This increase in jobs amounts to a 41% increase since 2008 in Pennsylvania. Pennsylvania ranks behind only Texas and Oklahoma in terms of oil and natural gas / mining and extraction industry job creation during this time period. Ms. Porter also pointed out the large increase in the use of 1099 workers in the industry. She indicated that approximately 53% of the workforce are 1099 workers. This is important to note when comparing different sources of data in regard to employment in the oil and gas industry. Inclusion of the 1099 workers, in addition to the W-2 workers, provides a more complete indication of the size and changes in the workforce associated with the oil and gas industry.

Work Session Summary

Michele Stahl raised the point that there is a need for a local employment listing for job openings associated with the oil and gas industry. Ms. Porter indicated that development of such a listing has been a topic of discussion at the Economic Development Sub-Committee meetings. Dean Jamieson of Hess mentioned that there is not a need for this listing right now since there is a lull in the activity in the area. However, it was pointed out that now would be a good time to work on the development of such a listing to be prepared when there is drilling occurring locally. Mr. Coar mentioned that we should not wait to promote business and employment opportunities since there is still drilling occurring in other nearby counties and local companies are taking advantage of opportunities to grow their operations and workforce.

Public Safety – Pete Hooker reported that the next meeting of the Public Safety Sub-Committee is scheduled for the 20th of July at the Wayne County Emergency Operations Center. The Wayne County Emergency Management Agency has been working with the Tennessee Gas Pipeline Company and El Paso Corp. in regard to the construction of the new gas pipeline in the County. He reported that there have been only a few minor incidents to date. They are at a standstill as far as any work or dialogue with the gas drilling companies.

Planning – Edward Coar reported that another impact fee bill has been proposed. The newly proposed legislation is House Bill 1700 and it has been sponsored by State Representative Marguerite Quinn of Bucks County. Locally, State Representative Mike Peifer is one of the co-sponsors. Mr. Coar will distribute proposed HB 1700 and a summary of the key points to the Task Force members via email. Mr. Coar pointed out some of the differences between this proposed bill and SB 1100, which also dealt with impact fees. Copies of the bills can be viewed by clicking [here](#).

Mr. Coar reported that the Planning Sub-Committee had a meeting last month. As part of the meeting the sub-committee viewed the Penn State Cooperative Extension webinar titled “*The Pennsylvania Marcellus Shale Short-Term Ambient Air Sampling Project*”. Information on this and other webinars can be obtained by clicking [here](#). Mr. Coar pointed out that the PA DEP tests for 45 different parameters and the tests are conducted at two different time periods during the day. The testing was conducted in different areas of the State. Regionally, Susquehanna, Bradford and Tioga Counties were part of this air quality sampling project. The results of the short-term air quality sampling project indicated there were no emission levels observed that would constitute a concern to the health of residents living near these operations, but DEP made no predictions for the long term, and indicated that more studies need to be completed in this regard.

Outreach – Michele Stahl reported that there was no meeting this month. The next public meeting will be held in late summer. It was reported that Dave Messersmith has arranged for Tim Kelsey from Penn State to speak on the topic of the community and economic impacts of the oil and gas industry at the meeting. The sub-committee will further discuss the entire format and program agenda for that future public meeting.

Work Session Summary

Government – It was announced that Damascus Township Supervisor Jeff Dexter, who recently joined the Task Force, would serve on the Government Sub-Committee.

Environment – Bob Muller reported that the Environment Sub-Committee did not meet last month. They are scheduled to meet next month. The issue that continues to be at the forefront of their discussions is gas migration into the water supply. He reported on conversations he has had with the Bradford County Conservation District Director, Michael Lovegreen. Mr. Lovegreen stated to Mr. Muller that there is not a single road in Bradford County that has not been driven on or impacted in some way by the gas industry. In regard to gas migration, Mr. Lovegreen indicated that there were many water wells in the County that had issues with gas migration prior to gas drilling. Mr. Muller reported that an issue that continues to emerge from the discussion of gas migration is private water well standards. Currently, there are no standards for private water well construction. The construction standards involved with the drilling of a private water well are largely dependent on the contractor who drills the well. A discussion took place on the topic of water well testing by the gas companies prior to natural gas well drilling. Dean Jamieson of Hess pointed out that testing is not required, but there is liability if something goes wrong.

Economic Development – Bob Suhosky reported that the sub-committee has not met recently. He also mentioned that Mary Beth Wood is scheduled to attend an economic development / business trade show in Troy, Pennsylvania on the 25th of June.

Other Business – There is nothing new to report on the Delaware River Basin Commission (DRBC) draft natural gas regulations. It was reiterated that news is expected in September on the proposed regulations.