

Work Session Summary

October 28, 2011

Attendance: Edward Coar (Chairman), Commissioner Brian Smith, Chris Barrett, Dave Messersmith, Donna Labar, Joann Hudak, Ed. D., Bob Suhosky, Bob Muller, Jeff Dexter, Jim Labar

Public Meeting – The October 18th public meeting was discussed. Dave Messersmith indicated that approximately 50 people were in attendance at the public meeting on "Understanding Methane Migration Issues in Pennsylvania", which was held at the Wayne County Park Street Complex in Honesdale. The speakers for the evening were Mr. Burt Waite, who is a Senior Geologist and Program Director at Moody & Associates, Inc. and Mr. Brian Oram, who is a licensed Professional Geologist (PG), licensed well driller (IGSHPA), soil scientist and owner of B.F. Environmental Consultants, Inc. Mr. Messersmith thought the public meeting went very well and the information was well presented by both speakers.

<u>Water Well Survey</u> – Edward Coar passed out copies of a survey that Mr. Oram would like posted on the Wayne County Oil & Gas Task Force website. A discussion took place in regard to posting this information on the Task Force website. It was decided that it has been the Task Force's policy to not post private business information and materials on the Task Force website and this policy should continue to be implemented.

DRBC Update – It was noted that the DRBC meeting originally scheduled for October 21st was postponed and the draft natural gas well drilling regulations would not be voted on until November 21st. According to information released by the DRBC, the October meeting was postponed by a month to allow time for the draft regulations to be posted online prior to the vote. The DRBC anticipates that the draft regulations will be posted on the web November 7th. It was noted that no comments will be accepted at the November 21st special meeting prior to the vote.

Sub-Committee Reports:

<u>Workforce</u> – Joann Hudak reported that Mary Beth Wood and Lindsey Birmelin were attending the legislative breakfast this morning. She noted that the sub-committee has not met since the last Task Force meeting. Mrs. Hudak reported that the first graduating class from Lackawanna College consisted of 18 gas technicians, all of whom have found employment. The school districts and Workforce Wayne have been bringing in people, such as Larry Milliken, who is the Director of Energy Programs for the New Milford campus of Lackawanna College, to speak with the students on the opportunities for education and jobs associated with the gas industry. They are also having discussions about bringing the gas compressor certificate program to the Lake Region campus.



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<u>Planning</u> – Mr. Coar reported that Senate Bill 1100, which was originally 21 pages long, has now expanded to 102 pages. He also noted that the natural gas impact fee proposal was dropped from this piece of legislation. It is understood that the impact fee legislation may be proposed separately.

Mr. Coar also passed out a <u>table</u> and a <u>pie chart</u> that illustrate the impact fee funding distribution that was proposed by Pennsylvania Governor Tom Corbett. Mr. Coar took the information that was in the Governor's press release regarding potential impact fees and placed it in chart and table form to present the information in a more easily understood format. The Task Force agreed that the table and pie chart formats allow for a clear understanding of the potential funding allocation and recommended that these two documents should be placed on the Task Force website.

<u>Outreach</u> – Dave Messersmith reported that there are no plans to conduct another Wayne County Oil and Gas Task Force public meeting until after the first of the year. Unless there is a need to conduct a meeting on a particular topic, the sub-committee will not start to plan anything until at least January. Mr. Messersmith made the suggestion that in the future, the Task Force should also consider hosting a public meeting in the northern end of the County.

Government – In regard to the proposed impact fee amounts and distribution, Commissioner Brian Smith commented that there is some concern in regard to the amount of funding that would be generated per well via the proposed impact fees when compared to the amount of money that the gas companies have already spent on road construction in other counties and what the real dollar amounts are to construct and maintain roads. For example, it was noted that, according to the Bradford County Commissioners, the gas companies have already spent approximately 200 million dollars to repair and maintain roads in Bradford County alone. The proposed amount of revenue that would be generated from the proposed impact fee legislation would not compare to the amount of money already invested in road construction by the gas companies. The concern is that the companies may perceive the proposed impact fee as an either / or situation and would not allocate the same amount of funding towards road construction that they have in the past.

<u>Environment</u> – Bob Muller reported that the sub-committee has not met recently. Mr. Muller indicated that they are planning to have a meeting soon to discuss current issues and concerns.

Economic Development – Donna Labar reported that she had just attended a joint chamber of commerce legislative breakfast for Pike County and Wayne County. There were about 130 people in attendance. The Marcellus Shale was not discussed. She noted some other issues that were discussed, such as the State budget and whether or not additional funding cuts are likely to occur. The topic of privatization of liquor stores was also discussed, in addition to concerns about economic development, legislative redistricting and the creation of jobs. Dave Messersmith noted that he attended a chamber of commerce event in Susquehanna County at which a number of local business owners that are working with the gas industry gave presentations about recent business opportunities. He felt this could be a good program to consider doing in the future. Mr. Coar inquired about the development of the online business directory that was discussed in the past. Donna Labar indicated that it has been discussed, but a website has not been developed yet. She noted that a resource was developed for the Tennessee Gas Pipeline project this past summer to establish local business connections and that worked very well.