

Work Session Summary

September 24, 2010
10:30 AM - 12:00 PM
Wayne County Park Street Complex

Attendance: Edward Coar (Chairman), Brian Smith, Joann Hudak, Ed. D., Dave Messersmith, Michele Stahl, Mary Beth Wood, Robert Muller, Steve Price, Donna Labar, Peter Chacon, Dan Hayward, Chris Barrett, Pete Hooker

Sub-Committee Reports –

Workforce – Ms. Porter presented a section of the Workforce Wayne website that is devoted to employment and career information relating to the Marcellus Shale. The Workforce Wayne website is www.workforcewayne.org. The site contains information on the Wayne County Oil & Gas Task Force and also provides a link to the Task Force homepage. Other sections of the site include: *Workforce Information, Oil & Gas General Resources, Oil & Gas & General Career Resources, Local Training, and In the News*. The site also has links to other sites and sources of information such as the Commonwealth Workforce Development System (CWDS) (www.cwds.state.pa.us), the Penn State University Cooperative Extension (www.naturalgas.extension.psu.edu), and the Marcellus Shale Education and Training Center (www.pct.edu/msetc), to name a few.

Ms. Porter also discussed a baseline socioeconomic analysis released by The Institute for Public Policy and Economic Development, which relates to the development of the gas industry in Pennsylvania. Wayne County was one of 29 Marcellus Shale counties randomly surveyed via mail. There was an approximate 35% response rate for Wayne County. The study focused, in part, on attitudes toward natural gas drilling. Ms. Porter reported that most of the respondents had a positive outlook on natural gas drilling. The study specifically indicated that conducting training programs is a direct way to distribute the benefits of the Marcellus Shale development.

Public Safety – Steve Price indicated that the Bold Gold radio program went well. In the near future, the State Police have expressed interest in conducting a heavy truck safety outreach program. They would like an opportunity to give the haulers an opportunity to correct any problems before they are cited. The Honesdale barracks of the State Police will have a zero tolerance policy in regard to any infractions. There are personnel at the Honesdale barracks that are specifically heavy truck inspection troopers.

Mr. Price also passed out a handout from the Pennsylvania Emergency Management Agency (PEMA) that had links to various sources of information. The Wayne County Emergency Management Agency (EMA) met with officials from Chesapeake recently to discuss public safety. They are putting a program together to train first responders. Wayne County is ahead of the curve in regard to training first responders. Approximately 200 local first responders have already received training. The local trainings were conducted by personnel with first hand experience. He indicated the local responders are benefiting from shared experiences and scenarios from educators with direct experience in the field. They are trying to get the class conducted locally under the State curriculum so that the trained responders will receive certification for the training. Mr. Price also passed out a flyer, which highlighted future training sessions to be conducted in October by Well Control

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Training. The course is open to all first responders. Any first responders that are interested in the course should contact the Wayne County EMA at 253-1622 for more information.

Mr. Price indicated that six (6) additional Hess well sites received 911 addresses. He indicated that 911 addresses would also be issued for other well drillers when new wells are proposed.

Mr. Price will be attending a Department of Homeland Security and FBI sponsored training in Philadelphia that deals with bomb making awareness. This relates to well drilling from the perspective of potential domestic terrorism.

Planning – Edward Coar reported that Damascus Township has proposed an amendment to their zoning ordinance. The amendment would allow gas well pads as a principal permitted use in their Rural Residential and Industrial zoning districts. This will allow permits to be issued by the Township Zoning Officer once the required criteria have been met.

Outreach – Dave Messersmith reported that the Bold Gold radio spot was a success. He indicated the potential for other sub-committees to do radio spots in the future. The Environment sub-committee was suggested as a potential program.

Mr. Messersmith reported on the September 8th program titled ‘*Natural Gas Pipelines – Understanding the Infrastructure Development*’. The program went well and there were approximately 70 people in attendance. Mr. Messersmith passed out a handout for the next upcoming public program. The program is titled ‘*Marcellus Well Drilling 101: An in-depth discussion of state regulations and the drilling process*’. For more information on this program, which will be conducted on October 19th, 2010 at the Honesdale High School Auditorium from 7:00 pm – 9:30 pm, go to the ‘Events’ page of the Task Force website at www.wcpaoilandgastaskforce.info/events.php. Mr. Muller will meet with the Outreach sub-committee to discuss the upcoming program on October 19th and to address some specific topics that should be covered.

Government – Commissioner Smith indicated that he is frequently in touch with other County Commissioners through a task force associated with the County Commissioners Association of Pennsylvania (CCAP). He is having constant dialogue with Commissioners from Counties across the northern tier where there is a tremendous amount of drilling activity occurring. These discussions touch on all related potential impacts from housing to roads. The Commissioners continue to have discussions and input on the severance tax issue. Commissioner Smith also indicated that he is having weekly discussions with John Hines, Deputy Secretary for Water Management of the PA DEP in regard to regulation of the industry. Commissioner Smith is staying on top of the issues that arise in other parts of the State, where gas drilling is more prevalent at this time, to ensure that Wayne County and the Task Force are prepared to handle issues here as they come to the forefront.

Environment – Mr. Muller reported that he attended another Common Waters Marcellus workgroup meeting. The workgroup is working on a draft of a best management practices document for Marcellus Shale drilling. He indicated that the practices are in line with those identified by the Environment sub-committee for well site development. The best management practices deal with

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issues such as site selection and avoidance of sensitive areas. Mr. Muller commented that many of the recommendations in the document containing the best management practices are already being

implemented by the gas companies. Mr. Chacon indicated that he has met with the Common Waters Marcellus workgroup and many of the suggested management practices originated from this dialogue with the gas companies. The group is attempting to create a source of information for the gas companies with respect to these best management practices.

Mr. Muller also raised the topic of gas migration into water well systems. There is concern in regard to water well construction and an apparent lack of standards. Mr. Muller expressed the need for a water well construction / gas migration study. Ms. Wood echoed these concerns that there are many shallow water wells that are not adequately cased. Dan Hayward of Stone Energy mentioned that DEP has discussed the need for this. Mr. Muller expressed concern that the gas drillers are required to case wells better, but there are no standards for water wells. He summarized that the State needs to look into the issue of standards for water well locating and construction.

Economic Development – Mary Beth Wood reported that the sub-committee met earlier in the month and had a conference with Danielle Bloom of the Independent Oil and Gas Association. They also had a good roundtable discussion with Peter Chacon of Newfield. The sub-committee is considering how to move forward in regard to a future business expo or workforce development events in the County. They are working with Jennifer Porter of Workforce Wayne to possibly collaborate on future events. There will be four (4) to five (5) business expos / job fairs going on in the State in the next six (6) months. They are considering how to structure upcoming events. The efforts are likely to include a series of business development seminars, which would eventually culminate with a business expo and / or job fair. The plan at this time is to learn what is transpiring in other areas of the State with regard to expos and job fairs to better understand what would be most beneficial here. They will also meet with the industry to gain a better understanding of how businesses need to be prepared to meet the needs and requirements of the gas companies. This will allow businesses to take advantage of opportunities when they arise.

They are also considering how the websites from different organizations such as Workforce Wayne and the Wayne County Chamber of Commerce can be better integrated to work together. The sub-committee is working out a plan for the hosting of information and resources on the websites. The information will need to be managed to ensure that a duplication of information and resources does not occur. It was suggested that different sites could focus on disseminating different types of information and resources.

Donna Labar reported that several business expos are scheduled take place in 2011. The business expos to be held are as follows: Potter County in March; Troy, Bradford County in June; Tioga County in August and another will be held in Northwest PA in October. Peter Chacon advised that the plan and scheduling for expos in Wayne County should proceed as Mary Beth indicated. He stated that it would be best to prepare a plan for a future timeline and series of events that would take place in the future when Wayne County would be in a better position to take advantage of

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opportunities. One approach, as Ms. Wood suggested would be to showcase the region in the sense that here is what this area has to offer with respect to local business and economic development.

Wayne County would be the focal point of the showcase. Ms. Porter agreed that this would be a good approach to take. Mrs. Labar indicated that they are fielding calls from businesses and individuals outside of the area who are considering locating here. Mr. Chacon commented that the Wayne County businesses that Newfield has worked with have performed very well. He indicated

they have used many local businesses, from waste stream management to construction to support their drilling. As a whole, Wayne County businesses have outperformed companies utilized in other areas.

Industry Report –

Mr. Hayward indicated there is nothing new to report and that they are basically in a holding pattern due to the Delaware River Basin Commission (DRBC). They are working with the DEP to advocate where they stand right now and what is needed from the DRBC. He understands that a draft of the DRBC regulations may be released by early October and the final draft may be completed by the end of this year.

He indicated he is also working with a group called the Keystone Energy Forum. The Keystone Energy Forum, according to Mr. Hayward, is the education and outreach arm of the Associated Petroleum Industries (API) member companies. He specified that the Keystone Energy Forum is not an advocacy arm for the industry. There is a pool of different resources available that utilizes experts from different disciplines including traffic, land use and water quality, for example, to do education and outreach. Ms. Wood indicated that something like this has tremendous value from an economic development standpoint by educating and preparing the residents of Pennsylvania and Wayne County for this industry.