

Public Policy Committee
Roman Catholic Diocese of Rochester, New York
1150 Buffalo Road
Rochester, New York 14624

PUBLIC COMMENTS

Regarding
New York State Department of Environmental Conservation

**REVISED DRAFT SUPPLEMENTAL GENERIC ENVIRONMENTAL IMPACT
STATEMENT ON THE OIL, GAS AND SOLUTION MINING
REGULATORY PROGRAM - WELL PERMIT ISSUANCE FOR
HORIZONTAL DRILLING AND HIGH-VOLUME FRACTURING TO
DEVELOP THE MARCELLUS SHALE AND OTHER LOW-PERMEABILITY
GAS RESERVOIRS**

Submitted
at the
New York State Department of Environmental Conservation
Public Hearing
Dansville, NY
November 16, 2011

These comments are submitted on behalf of the Public Policy Committee of the Roman Catholic Diocese of Rochester, New York.

The Public Policy Committee is appointed by the Most Reverend, Matthew H. Clark, Bishop of Rochester, and is charged with advising the Bishop on public policy priorities at the local, state, national, and international levels based on Gospel values, Catholic Church social and moral teaching, and, our understanding and experience of human dignity and community needs, especially the needs of the poor and vulnerable among us.

While public policy issues are often complex, the Catholic Church has a substantial body of social and moral teaching that guides us in the formation of priorities and positions relative to public policy. These seven principles guide us in assessing public policies and in particular, issues related to high volume hydraulic fracturing:

- Respect for the life and dignity of the human person
- The Call to Family, Community, and Participation
- Human Rights and Responsibilities
- Special Concern for the Poor and Vulnerable
- Dignity of Work and Rights of Workers
- Solidarity
- Care for God's Creation

Previously, we expressed our support for New York State's moratorium on high volume hydraulic fracturing and asked that permits not be issued until certain concerns we raised are addressed.

We now evaluate the Revised Supplemental Generic Environmental Impact Statement based on those concerns:

- Require public input on all regulations and guidelines regarding high-volume hydraulic fracturing. Encourage the development of a comprehensive energy policy that promotes and invests public funds in renewable energy sources and conservation, and, disinvests in sources that contribute to climate change.

The Public Policy Committee of the Diocese of Rochester appreciates the opportunity to offer public comment during this period. We urge New York State to put in place a transparent licensing process with each license application triggering a comment period to allow local scrutiny. We are concerned that the gas industry has challenged the legality of bans on high volume hydraulic fracturing enacted in several localities in the state - those bans represent the will of the people at its most basic level.

We suggest that a portion of the revenues from license holders be dedicated to a state fund for *renewable energy development*. We are concerned that the desire for the short-term financial benefits of high volume hydraulic fracturing will undermine efforts to develop a renewable energy economy that could put New York State at the forefront of emerging technologies. Some economists suggest that a focus on clean, renewable, sustainable energy could create jobs for New York and the U.S. economy and reduce climate-altering emissions from gas, oil, coal that get trapped in earth's atmosphere. New York State has a strong tradition of innovation and leadership in new technologies. We could easily be left behind as we struggle to recover from the possible negative impacts that accompany high volume hydraulic fracturing.

- Promote citizen awareness of the socio-economic short and long-term costs of high volume hydraulic fracturing on families, communities, and the state - including the prospects for job creation/sustainability for local residents of the Marcellus region, concerns about drinking water contamination and human health, and the impact on tourism and agriculture.

It would be helpful for citizens and communities to have a complete cost/benefit analysis to more realistically weigh the sustainability and short/long-term economic prospects of gas extraction. It is also important to establish proactive public policies to reduce the economic and social risks and harm that could occur in rural communities who may experience a decline in tourism, agriculture, property values, damaged roads and other infrastructure costs.

The NYS DEC contracted with an outside consultant to assess the potential economic benefits, but the report does not include a complete assessment of costs or negative fiscal implications for local communities making it difficult to fully weigh the costs/benefits. Shale drilling in other states (Wyoming, Texas, Pennsylvania) appears to have had some negative economic consequences for tourism and agriculture because of the industrial nature of the process. Tourism and agriculture are intertwined in the Marcellus Shale region of our state with rolling hills, farmland, vineyards and lakes. The report makes little mention of the potential for devalued property and lower tax assessments, nor does it provide any remedies should this occur.

Reports of rising housing costs in the counties bordering northern Pennsylvania are already causing economic stress and displacement for low-income residents even before any gas extraction begins. How will this be mitigated?

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We are very concerned that housing shortages will worsen, especially in for low-income residents, as existing housing is rented for exaggerated rates to temporary gas field workers moving into the region and in light of the recent flooding in the southern tier. Chapter 6 of the Revised Statement notes this housing issue, but suggests that the negative impact will be offset by the overall positive impact of drilling and construction jobs.

We urge that the state establish a fund collected from the licensed entities to provide assistance to those directly impacted by rising rents or displaced from their homes.

The Revised Statement does not assess public health impact, despite concerns about the potential harm that air pollution and water contamination could have, especially on children, elderly, and other vulnerable people. There appears to be evidence of negative human health impact from other states where gas extraction has occurred.

- Transparency regarding all chemicals, additives and substances used in high volume hydraulic fracturing. Gas companies must bear the full cost of remediation in case of spill or groundwater/well contamination.

The Revised Statement calls for a strengthened disclosure of the chemicals used in the high volume hydraulic fracturing process, but, makes no mention about banning chemicals that are known to be toxic or carcinogenic even at very low levels. Trucks transporting these chemicals will travel yearround over hilly, winding, rural roads as well as in snow and icy winter conditions. We urge the state to ban the most dangerous chemicals and also recommend creation of an adequately-funded set-aside by the gas industry for remediation if a spill or water contamination should occur.

We are concerned that draft regulations have been released before this public comment and review process has been completed. This undermines what should be a very careful public process designed to protect human health, drinking water, rural communities and the environment of New York State.

- Adequate buffer zones/set-backs from homes, schools, hospitals, public and private water sources and other sites where public health could be compromised.

The Revised Statement proposes to expand the buffer and setback from primary aquifers, private wells, public drinking water sources. While this is positive, these buffers may not be adequate to fully protect drinking water from contamination should there be a leak or other accident. We are concerned that state regulatory agencies will be stretched thin in attempting to monitor each site, particularly without a cap placed on the number of licenses to be issued. The buffers and setback should be more substantial so as to provide the maximum protection for drinking water sources and human health. These buffers should not be waived or weakened.

- Gas companies commit to funding the reconstruction of damaged/high use infrastructure (roads etc.) and emergency response costs

Catholic Social Teaching recognizes that for every right, there are corollary responsibilities. The Catechism of the Catholic Church states: *those responsible for business enterprises are responsible to society for the economic and ecological effects of their operations.*

The Revised Statement recognizes that the current systems for funding road and bridge repair are unlikely to cover the damage incurred through the heavy truck traffic associated with high volume hydraulic fracturing and suggests that mitigation fees to defray these costs could be part of the permit process.

The license to extract gas must be accompanied by the responsibility to fully fund infrastructure damaged as a result of drilling operations and costs of any emergency response that might be required.

- Revoke compulsory integration to allow non-leaseholders to opt-out and allow home rule for local communities to regulate development.

In the Catholic tradition participation in political life is a moral obligation. The Catechism of the Catholic Church reminds us that *it is necessary that all participate, each according to his position and role, in promoting the common good. This obligation is inherent in the dignity of the human person.* We affirm human dignity by supporting the right of individuals to have a voice in how their property is used. We support the revocation of compulsory integration laws whereby New York State forces landowners to accept sub-soil gas drilling on his/her property if nearby lands have been leased and drilled. Similarly, the principle of subsidiarity in Catholic teaching, *whereby a community of higher order should not interfere in the internal life of a community of lower-order, depriving the latter of its functions, but rather should support it in case of need and help to coordinate its activity with the activities of the rest of society always in line with the common good,* compels us to support home rule for local communities to regulate the development of natural resources located within and below their own communities.

- We recommend that New York State establish a severance tax for each well drilled and dedicate a percentage to fund human needs in the Marcellus Shale region

and,

- Develop a plan to steward the use of the available gas over a long period of time and retain the gas resources to benefit the people of New York State.

The Catholic Church teaches that we show our respect for the Creator by our stewardship of God's creation. Care for the earth is a duty of our faith and a sign of our concern for all people. We should strive to live simply, to meet the needs of the present without compromising the ability of future generations to meet their own needs.

One of the key functions of government is to assist citizens in fulfilling their responsibilities to others in society and promoting the common good. In a large and complex society, these responsibilities cannot be adequately carried out on a one-to-one basis, citizens need the help of government. We thank you for the opportunity to offer these public comments.

Respectfully submitted in Dansville on November 16, 2011

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