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Experts address Marcellus Shale Drilling

By Will Dodds

The Duquesne University Law School hosted the *Regulating Marcellus Shale* panel discussion Tuesday in the Power Center Ballroom, the latest of many recent efforts to address the increasing controversy surrounding Marcellus Shale drilling in Western Pennsylvania.

The conference, fully titled *Regulating Marcellus Shale: What's the Impact of the Impact Fee?*, featured a panel of four speakers who gave their reactions to the Pennsylvania House's February 8 passing of Act 13, a law that will subject Marcellus Shale Gas wells in the state to an annual fee first due this September.

The discussion was themed by three of the speakers who felt as though Act 13 does little to address the overarching environmental concerns of Marcellus Shale drilling. They outlined water supply protection, natural resource protection, and spill containment, among other things, as the key issues of the discussion.

Panelist John Quigley, the Strategic Advisor of PennFuture, an environmental advocacy organization for the state of Pennsylvania, spoke out strongly against Act 13.

"I think there is a win-win for Marcellus Shale drilling," said Quigley. "But in my humble opinion, Act 13 does not get it close."

According to the law's description on the Pennsylvania Public Utility Commission's Web site, Act 13 gives Pennsylvania counties the option to impose an impact tax on Marcellus Shale drilling wells located within their boundaries. All funds generated by the Act will be directed towards state agencies and used to cover the local impacts of drilling. If the county government chooses not to impose the fee, local municipalities can enact it with at least a 50% vote.

For Quigley, Act 13 is too lax in the rules it writes for the drilling of Marcellus Shale in the state of Pennsylvania.

"We've privatized the [economic] profit and publicized the [environmental] cost," Quigley said. "We're defunding conservation and subsidizing the clean-up of these lands. It gives a terrible precedent that we can burn the furniture to heat the house. There's an affront to public health. Act 13 is an existential threat."

Panelist Kent Moors, Duquesne political science professor, presented his argument for strengthened environmental regulations on natural gas drilling in Pennsylvania.

"Of all the states with significant natural gas drilling, we're the only one that does not have an effective tax at the wellhead," said Moors.

For Moors, the impact fee is problematic because he says it is arranged politically and does not demand environment stewardship on behalf the drilling companies, themselves.

Although Tuesday's discussion carried a vibe of environmentalism, it was not anti-corporate.

Nick J. Deluliis, president of Consol Energy, which, according to a 2010 *Pittsburgh Post-Gazette* article, owns the third-largest amount of Marcellus Shale deposits in the United States, was part of Tuesday's speaking panel. He stressed the value of his company to the local economy. According to Deluliis, Consol, headquartered in Cecil, Pa., employs 9,000 workers and has 5,000 contractors.

"The access to light and electricity is a basic human right and this company produces energy that keeps the lights on at Wall Street," Deluliis said.

In 2010, Consol Energy was named one of Forbes Magazine's "100 Most Trustworthy Companies."

Deluliis also indicated his willingness to compromise with environmental regulators.

"The four of us working together provides better results as the end of the day," said Deluliis. "We've been here for 150 years. I want to be here. I don't want to leave. If Marcellus Shale is going to be here for years to come, we've got to learn how to deal with it."