

Protecting Communities and Special Places

e-Newsletter January 17, 2014



"If economic growth and ecological health aren't reconcilable, which do we choose?"
~ Jay Griffiths

IN THIS ISSUE

Pandering to the Marcellus Shale Industry

Proposed Regulations Do Not Offer Adequate Protection

RDA Opposes SB 411

Upcoming Events

In The News

Quote of the Day

Join RDA

SUBSCRIBE TO THE NEWSLETTER

Missed a week?
Find former newsletters [here](#)

UPCOMING EVENTS

Keep It Wild
Hike #13

The Responsible Drilling Alliance in Williamsport, Pa., calls on the Pennsylvania Department of Labor and Industry to cease issuing its deceptive Marcellus shale employment reports.

Pandering to the Marcellus Shale Industry

By JON BOGLE,
RDA Founding Member

When Marcellus Shale drilling arrived in Pennsylvania in 2006-2007, they sold themselves as an economic game changer, "The Goose that Lays the Golden Egg," according to then Governor Rendell. They commissioned a wildly exaggerated report on their economic potential, which was disseminated as independent research by the Pennsylvania State University.

The Pennsylvania Department of Labor and Industry (L&I) soon began to cooperate with the industry to track this new phenomena. The result is the monthly "Marcellus Shale Fast Facts": an extensive 20-page report designed to inflate the importance of the gas industry. In its Marcellus reports, L&I created a new statistical category, "ancillary industries." The 204,000 workers in the 30 ancillary industries are all counted as gas industry-induced jobs even though only a small fraction have any involvement with the gas industry.

John Augustine, community outreach manager for the Marcellus Shale Coalition, announced in a recent public presentation that the gas industry employs 232,000 people with an average salary of \$83,000 per year. Augustine's claim of 232,000 jobs includes the 204,000 in the ancillary industries. The \$83,000 compensation is only claimed in the core industries and even that is considerably greater than wage assessments for those occupations elsewhere in state reports.

The Marcellus industry is a kernel within the economic occupational category "Mining and Logging," which includes mining, quarrying, logging, and oil and gas drilling. The entire category of Mining and Logging employs 35,000, or only six-tenth of one percent of the state's labor force, with the Marcellus gas industry being four-tenth of one percent. The invention of "ancillary industries" has given cover to a very small industry.

Sunday, January 19
11:00 a.m.

**Pennsylvania State
Game Lands 298
Sugar Camp Road**

State Game Land 298 contains 1,140 acres of forested, mountainous terrain. The hike has several hills, including one steep and rocky 100-foot section that may be slippery. Hike along to enjoy great mountain views, babbling brooks, and a bit of history, too.

[Get directions here](#)
or check it out on
[Facebook](#)

**Public Hearings on
Proposed Oil and
Gas
Regulations**

**Missed the hearing in
Williamsport?**

Additional hearings are on the schedule, including a rescheduled hearing at Tunkhannock High School on **January 27**

at 6 p.m.

Several groups have developed **talking points**; find PennFuture's talking points [here](#) and another set of talking points [here](#).

Written comments will be accepted through February 12. For additional information, read the [press release](#) [here](#).



Film Screening

"**Triple Divide**"

Before the Marcellus unconventional drilling started in Pennsylvania, tens of thousands of conventional vertical gas wells had already been drilled by a native industry. In the rollover from the Rendell to the Corbett administration, L&I's "Fast Facts" suddenly added 7,000 new jobs to the core Marcellus industry. The existing native gas industry had apparently been quietly incorporated into the Marcellus numbers, adding to the Marcellus industry's economic weight and giving an appearance of growth. If these workers are

subtracted, the remaining Marcellus jobs number about 21,000, or only 10,000 new jobs since 2009. Along the way, L&I also shifted the statistical base year from 2008 to 2009, the low point of the great recession, thus making all the industry statistics that followed the base year look better.

The usefulness of ancillary industries is evident in this statement on the Marcellus Shale Coalition's website: "Overall, nearly 75% of all new hires into Marcellus-related jobs call Pennsylvania home." This statement needs to be read carefully, along with some background information. Unlike the impression it gives, "new hires" are not new jobs but overwhelmingly replacement workers. Under fire for bringing workers in from out of state, the gas industry cites new hires in the ancillary industries (Marcellus-related jobs) to give the appearance that they are hiring Pennsylvanians.

So how does L&I handle their "Fast Facts" for other industries? No other single industry in the state has one. Mining and logging is by far the smallest industrial category, with construction eight times larger, leisure and hospitality 15 times larger, and education and health 34 times larger. None of these have a "Fast Facts" report. Only manufacturing, with over a half million workers, has a quarterly "Fast Facts." There are state and regional "Fast Facts" reports, but no mention of ancillary industries outside the Marcellus report.

Coming into Pennsylvania, the Marcellus industry used a standard petroleum industry strategy which is to greatly overstate their economic importance, often by a factor of 10, and then use respected state organizations to drive public acceptance of those exaggerations. They are then able to con and bully legislators and regulators into giving concessions. Pennsylvania's Department of Labor and Industry has been deeply complicit in this deceptive process.

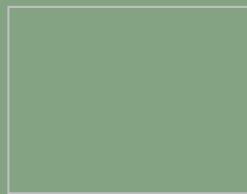
L&I's complicity has had serious consequences for state and local public policy and for developers, colleges, and universities that have committed scarce resources to this promised economic expansion. L&I, by putting its thumb on the scale, has obscured what otherwise would have been obvious, "The Goose that Lays the Golden Egg" is barely a sparrow.

**February 8
2:00 p.m.**

Campus Theater
Lewisburg, PA 17837

Screening sponsored by
Shale Justice; free
admission, donations
requested.

[Look here for more
information](#)



Pennsylvania Community Rights Workshop

Who decides what
happens in your
community, and how
did it get that way?

**February 21, 6-9 p.m.
February 22, 9-4 p.m.**

Susquehanna University

Sponsored by
Shale Justice,
presented by [CELDF](#)

Space is limited to 40
participants!

[Click here for information](#)

IN THE NEWS

This Week's Scoops

The Pennsylvania
Supreme Court decision
on Act 13 remains in the
news as [seven
municipalities filed a
response](#) to deny the
Corbett administration's
request to the court to
reconsider its decision.
Gov. Corbett again
expressed his
displeasure with the
decision during an
[interview with Radio
Pennsylvania](#), saying, "I

This graphic from the report, "Exaggerating the Employment Impacts of Shale Drilling: How and Why" (see Additional Resources below) illustrates the small sliver that shale-related employment represents in Pennsylvania.

*Graphic courtesy of the Multi-State Shale Research Collaborative.
All images in this article by Ann Pinca.*

Additional Resources

The [Multi-State Shale Research Collaborative](#) (MSSRC) brings together researchers and policy organizations from New York, Ohio, Pennsylvania, Virginia, and West Virginia to monitor the issues and impacts of Marcellus Shale drilling. The MSSRC examined employment in six states within the Marcellus and Utica Shales and released its findings in a November 2013 report. This report, "Exaggerating the Employment Impacts of Shale Drilling: How and Why," provides a clear look into the reasons why the shale oil and gas industry inflates its employment numbers. Find an [overview of the report here](#), and [download the full report here](#).

The Pennsylvania Department of Labor and Industry releases monthly [Marcellus Fast Facts](#) along with a set of Marcellus shale regional reports. The [Fast Facts](#) for the state of Pennsylvania is the only report other than the Marcellus that is updated monthly. A chart on page 13 credits mining and logging with only 13,900 added jobs since Dec. 2007. A [federal snapshot](#) from the United States Department of Labor, Bureau of Labor Statistics, provides data from Pennsylvania's labor force.

Two documents listed below are evidence of the excessive attention paid to the Marcellus industry. Pitched as an aid for job seekers, they mix statewide with Marcellus employment numbers to inflate impression of the gas industry. Recently both have been removed from L&I's website.

[Oil and Gas / Energy Career Directory. 2012 version](#)
[Marcellus Shale Occupational Compendium. 2011](#)

think it's a terrible decision." (Hear Corbett's comments beginning at 21:20.) Meanwhile, Corbett's Energy Executive Patrick Henderson did damage control by posting a letter to the editor in the Harrisburg Patriot News, noting that "Pennsylvanians can rightly be proud of the significant steps its leaders have taken to protect our environment and natural resources."

New Jersey residents had reason to celebrate when the natural gas pipeline proposed to cut across a protected Pinelands region failed to receive enough votes from Pineland Commissioners to proceed. However, West Virginia residents along the Elk River had nothing to celebrate during five waterless days of water contamination from a toxic chemical leak that left over 300,000 people without access to public water supplies. As businesses unable to function without a viable water source remained closed for days, the incident underscored not only the negative environmental impacts but also the negative economic impacts that such a disaster can bring.



WV Chemical Spill Shows Risks to Waterways

Join RDA

We welcome your active participation and are in need of help for special events, publicity,

Proposed Regulations Do Not Offer Adequate Protection

By BARBARA JARMOSKA,
RDA Board of Directors

Approximately 90 people attended the Environmental Quality Board (EQB) hearing on Chapter 78 oil and gas regulation changes held at the Pennsylvania College of Technology on Monday, January 13. RDA working group members Mark Szybist, Ralph Kisberg, and Barbara Jarmoska were among those who offered testimony at the hearing.

The proposed Chapter 78 regulations cover a broad spectrum of gas drilling activities. Although they contain some improvements to current regulations, it is RDA's position--and that of many other environmental organizations--that the proposed changes do not go nearly far enough to adequately protect human and ecosystem health.

Testimony from 24 people was presented during Monday's Lycoming County hearing. In addition to the usual canned speeches from unconventional drilling industry representatives decrying the regulations as a hindrance to economic development, conventional drillers pleaded for exemption from all the new regulations, claiming they would be put out of business if enacted.

Those who shared a myriad of concerns for human and environmental health represented seven different organizations, including: RDA, Sierra Club, Save Our Streams, Shale Justice, Audubon Society, Earthworks, PennFuture, and the League of Women Voters. Although the concerns voiced by each of these testifiers focused on a variety of issues, most prevalent was the handling of waste water from drilling operations.

Due to an exemption from the federal Resource Conservation and Recovery Act (RCRA), the flowback that comes from shale drilling is not classified as toxic waste. Rather, these millions of gallons of liquid are classified as "residual waste" and not subject to any of the stringent regulations that would apply if the "toxic" classification were in effect, as it is with other industries. Pennsylvania cannot change the federal classification, but the state does have the right to more closely regulate the storage, hauling, use, and disposal of this waste.

Written comment on the proposed regulations will be accepted until February 12. RDA invites all members to submit personal stories, concerns, and suggestions to the EQB for consideration. Additional information on upcoming hearings, key talking points, and the link to submit your comments can be found [here](#).

Read the testimony of Barbara Jarmoska and Ralph Kisberg [here](#).

Read State Impact's coverage of the meeting [here](#).

RDA Joins With Organizations to Oppose SB 411

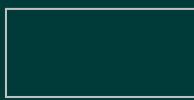
RDA joined thirty-four organizations representing members from throughout Pennsylvania in opposition of [Pennsylvania Senate Bill 411](#). A Senate vote

research, and other projects. Contact us for details.

Membership levels:
Adventurer.....\$10
Explorer.....\$20
Woodlander.....\$50
Guardian.....\$100
Naturalist.....\$500
Preservationist...\$1,000

As a 501(c)(3) non-profit organization, RDA relies on donations for the important work we do. In order for RDA to continue its valuable education and advocacy outreach in 2014, please consider a tax-free contribution to our efforts.

Please use the Donate button below to send a donation or join online, or [download the membership form here](#)



on the Bill is thought to be imminent. The Bill seeks to amend the Environmental Good Samaritan Act (EGSA) and extend immunity for those involved in withdrawing Acid Mine Drainage (AMD) in connection with oil and gas operations and other uses offsite.

A letter addressed to members of the Senate reviews the far-reaching adverse environmental and community impacts that the bill would engender and the untenable situation for harmed residents who would be left without recourse due to the grant of immunity to the companies involved. The letter also states, "The General Assembly would violate the Pennsylvania Constitution if it enacts SB 411 without any environmental impact assessment."

The organizations urge the Senate to table the bill until such a study is complete or to vote "no" if the bill is not tabled.

RDA members can contact their Senator about SB 411! Read the entire press release and letter [here](#); contact your Senator [here](#).

A stream impacted by AMD flows in Schuylkill County.

IMAGE: Ann Pinca

RDA Newsletter

Ann Pinca, managing editor

Ted Stroter, RDA Board of Directors editor

Ralph Kisberg, contributing editor

Robbie Cross, President - RDA Board of Directors

Jenni Slotterback, Secretary - RDA Board of Directors

Barb Jarmoska, Treasurer - RDA Board of Directors

Mark Szybist - RDA Board of Directors

Roscoe McCloskey - RDA Board of Directors

Jim Slotterback - RDA Board of Directors

This weekly e-letter is written and designed by the RDA consultants and Board of Directors and sent to RDA members/subscribers. Every effort is made to assure complete accuracy in each issue. This publication and the information contained herein is copyrighted by RDA and Ann Pinca and may not be reproduced without permission.

All rights reserved. Readers are invited to forward this newsletter in its entirety to broaden the scope of its outreach. Readers are also invited to comment to the managing editor regarding contents and to submit articles to be considered for publication in a future issue.

Please note: The RDA newsletter includes reporting on a variety of events and activities, which do not necessarily reflect the philosophy of the organization. RDA practices only non-violent action in voicing the organization's beliefs and concerns.

[Return to top](#)

Contact RDA with questions and comments using either the address below, by email at responsibledrillingalliance@gmail.com or by phone at 888-332-1244 (toll free).

For more information, visit the [RDA web site](#), or like us on [Facebook](#).

Donations can be sent by mail to: Responsible Drilling Alliance, P.O. Box 502, Williamsport, PA 17703
Thank you for your support!

Donate

