

MINUTES
CITIZENS ADVISORY COUNCIL
March 15, 2011

CALL TO ORDER AND APPROVAL OF THE MINUTES

Chairperson Hatala called the meeting to order at 11:05 a.m. in Room 105, Rachel Carson State Office Building, 400 Market Street, Harrisburg, PA. The following members were present:

Joyce Hatala, Chairperson	Jan Keim
Burt Waite	Jolene Chinchilli
Curtis Kratz	John Walliser
Cynthia Carrow	Richard Manfredi
David Strong	Thad Stevens
Gail Conner	Walter Heinz

The Council considered its first item of business – the February 15, 2011 CAC meeting minutes. Dave Strong moved to approve the February 15, 2011, CAC meeting minutes. Jan Keim seconded the motion, which was approved by a majority of Council members. Richard Manfredi abstained as he had been absent from the February meeting.

Chairperson Hatala welcomed and introduced Jeffrey Logan, Executive Deputy Secretary for Administration and Management and asked Council members to introduce themselves.

Mr. Logan informed Council that the continuing budget and fiscal constraints are key priorities; the DEP budget hearing before the House Appropriations committee is tomorrow.

Mr. Logan also stated that another priority of his deputate is permitting, compliance, and enforcement. They are working to document the permitting process, and identify changes to better execute the permitting process (e.g., e-permitting) including proper training for employees, engineers and developers. Mr. Logan said he will report back to Council with updates.

Richard raised a concern about the timeliness of permits, and how Mr. Logan thinks they may be able to streamline the process. He responded that the agency is inconsistent in how it implements regulations and issues permits; training is needed along with appropriate guidance.

Gail asked how the department will be able to address flooding issues that cross municipal lines; she recommended that they reevaluate the flood control program across

the board. She also noted that transparency is critical to avoid micro-politics in dealing with individual municipalities.

Jan asked Mr. Logan “what is the department’s position on wet weather flows that result in release of raw sewage into streams during storm events. Mr. Logan said he will take the questions back to the programs for answer and report back to Council.

Jolene commented that she likes the suggested approach of including trade associations in the same room with regulators for training.

Walter noted the legacy issues resulting from coal mining and stated that he hopes that Pennsylvania doesn’t repeat history in how it proceeds with gas drilling. The federal government finally imposed a fee on miners to be used for reclamation and that didn’t drive the miners away; we should do the same NOW with drillers.

CHAIR’S REPORT

Re-appointments - Joyce informed Council of the letter she received from Speaker of the House, Sam Smith reappointing both Thaddeus Stevens and Eric Conrad for new three year terms. Also, a letter was received from Gov. Corbett, acknowledging receipt of the CAC 2010 Annual Report.

PUBLIC COMMENT

Joyce asked the audience to introduce themselves and if there was any public comments on agenda items. Present were Jeff Schmidt, Director of Sierra Club, PA Chapter, and Chris Lammado, DCA. Mr. Schmidt expressed his concern regarding DCED’ ability to interfere with another agency’s lawful execution of permitting that protects public health and environment. Mr. Schmidt passed around a copy of an article by the Pittsburgh Post Gazette quoting Cabinet official, C. Alan Walker, who is waiting Senate confirmation, who is now “empowered to expedite any permit or action pending in any agency where the creation of jobs may be impacted according to the propose budget.”

Mr. Schmidt also had concerns about no advance public notice regarding the rescinding of several drilling related policies that DEP had in place as a result of the Rendell Administration. One dealt with the air quality impact from gas drilling operations and the other was a joint policy re: DCNR’s review of the impact of gas drilling on public land where the State does not own the mineral rights. Mr. Schmidt urged Council to request an advance notice from DEP of their plans to rescind existing policies and notice of plans to put out new policy for rule making for public comment.

John agreed with the concern and suggested taking the concern to Secretary Krancer in hopes of a response at the next meeting.

CNRAC UPDATE

Kurt Leitholf, Ex. Director of CNRAC reported that Cindy Dunn is still Acting Secretary for DCNR at the present time. Mr. Leitholf gave an update on DCNR's proposed budget, which will allow DCNR's 1389 employees to retain their jobs. The reduction in General Fund monies is replaced by money from the Oil and Gas Lease fund and Key 93. He also talked about the state forest land that is under lease for Marcellus shale natural gas development and the mineral rights of the DCNR.

He noted that the roll back of the joint policy will impact DCNR's ability to manage drilling and site location on lands where they don't own the mineral rights. Jolene asked if DCNR had been consulted before the policy was rescinded; he did not know.

CNRAC cancelled its February meeting as no Secretary has yet been nominated. The March meeting will be held at the Bald Eagle Nature Inn.

MARCELLUS UPDATE

Scott Perry, Director of Oil and Gas gave Council an update on well permitting and inspection activities. He stated that the new well construction regulations were finalized on February 5th. He spoke about educating the industry on the new standards. Completion reports will give DEP a better idea of how much wastewater is being recycled, etc. DEP will also now get pre-drilling data (e.g., water supplies, etc).

He stated that 2 reports were published regarding the air impact in Pittsburgh and they found no acute problems associated with oil and gas facilities. DEP is evaluating the process stations in Pittsburgh. They need to continue to study air quality to determine if there are any chronic problems, and to evaluate cumulative effects.

He noted that drillers have identified an ethane problem in the southwest; as a result, the gas has a higher BTU content, which limits how much can be put into the pipeline. A South African company wants to 'crack' the ethane out, as one solution.

Regarding the New York Times article, he noted that new discharges have to meet Pennsylvania's TDS standard; radioactivity mostly drops out with the resulting solids, and in-stream levels have been below drinking water standards. DEP was already moving to address radioactivity concerns before the article.

Sue asked if DCNR was consulted before the joint policy was rescinded; Scott did not know.

COMMITTEE REPORTS

Executive Committee - Joyce informed Council of the productive meeting they had with John Hines regarding the department's budget, budget cuts and Marcellus Shale issues.

The Committee will continue to meet with Mr. Hines every month before the CAC meetings.

Environmental Standards – Dave’s proposal for discussion was the proposed panel for the Act 54 meeting. Council discussed who would be the presenters and panelist and whether the meeting will be open to the public or restricted to invitees only. Sue stated that the legislative environment committees would be invited to the meeting and Dave suggested that DCNR’s advisory group be involved, also. After much discussion John moved to approve the proposed panel for Act 54. Thad seconded the motion. The motion was carried unanimously.

Public Participation – Cynthia informed Council of the meeting with Nora Carreras, Executive Assistant to Alisa Harris. The three main items of discussion were how the advisory committees are functioning and the sharing of information with other groups, the reinstatement of DEP roundtables and the public’s perception of the Department. Ms. Carreras would like Council’s recommendation on how to better inform the citizens about Marcellus shale and develop a better relationship with the citizens of the Commonwealth.

NEW/UNFINISHED BUSINESS

Sue passed out copies of Administrative Oversight’s permitting paper which was approved at the last CAC meeting. Sue stated that she was waiting on the Department’s response on the permitting paper before proceeding with any conference calls/meetings.

Joyce adjourned the meeting at 1:25pm.

Notice of the March meeting was published in a newspaper of general circulation in Dauphin County and mailed to individuals and offices in compliance with the Sunshine Act (1986-84). These minutes constitute the official record of the Citizens Advisory Council meeting; no official transcript is prepared.