

MINUTES
CITIZEN ADVISORY COUNCIL
May 18, 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	Mike Krancer, Secretary
Cynthia Carrow	Thad Stevens
Jim Clauser	Dave Strong
Gail Conner	Richard Manfredi
Jan Keim	Burt Waite
	Peter Wilshusen

Chairperson Hatala welcomed everyone. Burt Waite moved to approve the April 19, 2011, CAC meeting minutes. Thad Stevens seconded the motion. The motion was carried unanimously.

Joyce introduced Alisa Harris, Special Deputy Secretary of the Office of Eternal Affairs and asked Council members to introduce themselves.

SECRETARY'S REPORT

Joyce welcomed Secretary Mike Krancer to the meeting. In lieu of a formal report, Mr. Krancer opened the floor for questions.

Dave Strong asked about current issues regarding Marcellus shale, and where things stood with the Chesapeake Energy situation. Secretary Krancer stated that while Chesapeake is maintaining that it is not at fault, under the consent order it has an obligation to remediate and an obligation to post escrow.

Jan asked if the fine imposed was sufficient to remediate the damage. He stated that the fine is not about remediation. The fine goes to the oil and gas fund and the capping fund.

Thad Stevens asked about the damage done in the Bradford County blow out and whether it was purely equipment failure. Mr. Krancer stated that it was still under investigation but that it appeared to be equipment failure. He stated that Towanda Creek was impacted and that sampling is needed to determine the extent. He noted that the Maryland Attorney General had filed a notice of intent to file suit re: impacts to the Bay.

Richard asked if the Department was considering revising Act 537; Mr. Krancer said he would check into the status of previous discussions.

Burt asked if the request that Marcellus drillers voluntarily cease sending their wastewater to municipal treatment plants was working. The Secretary said that it appeared to be very effective and that DEP will verify on both the supply and demand side that the loophole has been closed. Burt asked if the voluntary curtailment was going to be extended to conventional drilling; Mr. Krancer stated, not at the present.

Richard asked where things were headed with regard to PAG 13 and the EPA. The Secretary responded that it is a work in progress. Rich stressed that EPA's expansion of MS4 would be very costly.

OFFICE OF EXTERNAL AFFAIRS

Alisa Harris gave an overview of the the Office of External Affairs. She stated that the office of Environmental Advocate, the regional office Local Gov. Liaisons, and the Environmental Education Center are part of her office, as well as the Small Business Ombudsman and the Governor's Green Government Council. She stated that they have been meeting with environmental groups, legislators, and federal delegations, to discuss new technology, oil and gas issues and trying to understand peoples' concerns and how they can meet their needs.

Alisa said the administration is working hard to get "back to basics." She stated that industry will be challenged with the federal rules coming down the pike and the focus is on compliance assistance to help industry meet current and future standards. She said they are looking at the different programs, making sure the right people are in the programs and expertise is lined up properly in order to meet mandates. They are looking at the technical guidance and regulations that have accumulated over the years to see what should be rescinded or updated. One hundred technical guidance documents have been identified that require some action and executive staff will prioritize the list. She will match the guidance documents with the appropriate advisory boards. She stated that Council will get a full summary and would be fully engaged in the process.

She described a new mapping tool for the oil and gas industry, where the public can go onto DEP's website and see all the active and permitted well sites and where they are located. She said a demonstration would be given to Council once the tool goes live.

Gail expressed her concerns about rescinding technical documents. She expressed the importance of old technical guidance being archived for use in documenting the decision making trail. She stated that a technical guidance document gives the business community a frame work to make decisions and wanted to know why are the documents being rescinded and if Council would get a list of these document before they are rescinded.

Alisa informed Council that this Administration wants to make everything as transparent as possible and once they come up with a prioritized list, the CAC will see the full list.

Alisa stated not all technical documents will be rescinded. Only the documents that are no longer valid and the regulations have changed and are no longer appropriate.

Dave asked if there is a plan on educating the public about Marcellus shale. Alisa stated that they will be developing a speakers bureau; people have been identified within the organization to get the right information out to the people. She also said there is discussion about reorganizing the oil and gas program to focus on getting information out to the stakeholders.

Dave asked what about the timeframe. Alisa said as soon as they have a plan and strategy she will report back to Council. She projected the end of July.

CHAIR'S REPORT

Joyce informed Council of Curtis Kratz's resignation and that there were now 3 reappointments and 2 vacancies pending action: two reappointments in the Governor's office and one reappointment and two vacancies in the Senate. Sue stated that she sent a letter to Sen. Scarnati reminding him of the openings under his jurisdiction.

Joyce stated that Sue sent emails regarding the CAC's regional trip in conjunction with CNRAC to the SW on October 3-7, 2011.

PUBLIC COMMENT

Joyce asked the audience to introduce themselves and if there was any public comments on agenda item.

Jeff Schmidt, Director of Sierra Club, PA Chapter, stated that Citizens Coal Council put together a brief statement "Ever Increasing Damage from Long Well Mining in PA, Seven Common Mining Industry Myths Exposed" which he passed out to Council. Mr. Schmidt shared that the Sierra Club and the National Environmental Advocacy organization American Rivers released a report in Harrisburg at the press conference on the Susquehanna River being the "number one endangered American river, because of the extensive gas drilling that's taking place in the Susquehanna River basin.

He shared that they are happy that DEP has taken significant action against Chesapeake Energy. He spoke about the blowout in Bradford county which caused extensive ground water contamination and affected a number of homes in several different townships. He talked about DEP's investigation and Chesapeake refusing to release the chemical used in the well that the blowout occurred in. He stated that when drilling well there is no obligation legally to provide information on the chemical used. He also stated that there should be a prohibition (not voluntary) on POTW's receiving frack waste water. EPA has asked drillers to report on where they are sending their fracking wastewater.

CNRAC Update

Kurt Leithof, Executive Director of CNRAC reported that Rick Allen has not yet been confirmed as the Secretary of DCNR. He stated that DCNR continues to track Marcellus shale development activity on State Parks. He also gave a report on the department's significant infrastructure backlogs (dam repairs, bridges, sewage treatment facilities, pools, roads, and buildings).

He stated that the Advisory Council is working on their annual report and that they are planning a business trip in October, in conjunction with CAC.

Peter asked for an update on the Department's budget process; Kurt responded that the reduction in the General Fund contribution to the DCNR budget was offset by increased monies from the Oil and Gas Lease fund.

Dave asked about pipeline issues on state land. Kurt stated that the Bureau of Forestry works with the companies to consolidate lines on existing roads and rights of way.

ACT 54 REVISITED

Tom Callaghan, Director of Mining & Reclamation shared with Council that the staff spent the last several months reviewing the Act 54 report. He stated that there has been steady improvement in the quality of the reports, but identified some areas that need improvement, such as baseline data collection and use. In addition, the last report emphasizes data gathering rather than data analysis. Finally, they plan to get the process started earlier; the contracting process has already started for the fourth 5 year report with the goal of a purchase order and a contractor in place by fall so the data gathering can start during the five year reporting period rather than after it.

They are developing new task descriptions for the contractor, including long term impact on streams and wetlands and groundwater surface water interactions as opposed to structures and damage. He briefly discussed complaint resolution timeframes, and noted that sometimes resolution has to wait on completion of adjacent mining.

To date, the focus has been on water supplies and stream segments; DEP needs to look at cumulative hydrological impacts which will require groundwater geologist expertise. He referenced a cumulative hydrologic assessment TGD.

He also shared that electronic permitting has been implemented in the California District Mining Office, requiring operators to submit applications electronically. HMR and DMR data is also submitted electronically.

Dave asked about actions we should be taking as a result of these reports. We want to be able to predict impacts which require a full understanding of the geological and hydrogeological systems. Then DEP can better prevent/minimize impacts.

COMMITTEE REPORTS

Executive Committee—Joyce reported that the committee met with John Hines, Ex. Deputy Secretary for Programs, and his Executive Assistant Marcus Kohl. She suggested that anyone with issues get active with their committee meetings and conference calls and the committee chair can take those issues to John.

Nominating Committee--Joyce asked if anyone was interested in serving on the Nominating Committee. Burt and Cynthia volunteered.

Environmental Standards Committee--Dave reported that the committee will schedule a conference call to follow up on the information received regarding the Act 54 report. Joyce asked that anyone interested in joining Dave's committee please contact Dave.

Water Committee—Thad reported that there is consideration of revising Act 537 and all thoughts on how to improve it would be helpful.

Marcellus Commission --Cynthia stated there will be a Commission meeting on Friday. The commission has been divided into 4 working groups. Each group will be formulating recommendations that will be reported back to the Commission and from that point they will determine which recommendation get into the final report, which is due the third week of July.

Joyce had concerns with solid waste issues in Lackawanna County and said she will submit her comment as a private citizen opposed to a board member. Cynthia recommended comments be made on the website.

NEW AND OLD BUSINESS

There being none, Burt motioned to adjourn the meeting at 2pm. Jim seconded the motion and it was approved.

Notice of the May 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.