

Energy Challenges Surrounding Natural Gas Drilling Discussion

Tuesday May 24, 2011 – National Press Building

Event Moderator and Host- Frank Maisano

Panelists- Adrian Kuzminski, Sustainable Otsego

Alan Krupnick, Resources for the Future (RFF)

Topic at hand: The needs and impacts for natural gas drilling within the Marcellus Shale region

Today's discussion focused on the positive and negative benefits of whether the United States needs to exploit their own gas. The idea to expand the extraction of natural gas has been proposed by natural gas producers, local distribution companies and major consumers to help meet the needs of the American people and domestic manufacturers. The industry believes that natural gas has the potential to lead the United States towards a low carbon future.

There are many positive arguments put forth by the industry in support of expanded development of natural gas including; the growing need for a replacement for imported oil, energy independence, providing an economic boom to depressed domestic economies, keeping farmers in business, and the belief that drilling can be done safely and effectively. The EPA has been mandated to conduct a study to gather all information concerning the extraction of natural gas from the Marcellus Shale, which isn't due to be completed and released until December 2012.

Panelist Adrian Kuzminski, representing Sustainable Otsego (a network of local activists who seek to promote sustainable practices in Cooperstown and Otsego County, New York), advocated the immediate termination of hydraulic fracking in New York and Pennsylvania. Kuzminski argued that the U.S. should put money towards renewables instead of fracking due to the recent findings of methane in the water and air supply distributed to counties in New York and Pennsylvania. There has not been any direct evidence to pinpoint the water and air contamination to the recent drillings in the Northeastern states, yet those regions had not detected any trace of toxins in their communities before. Kuzminski also argued that through the two studies conducted by Duke University and the State University of New York, hydraulic fracturing has a failure rate of 2-4% amongst thousands of wells throughout the affected region. Through cumulative assessments, Sustainable Otsego believes that there are no short or long term benefits of drilling and that there will be more harm done than good.

In response to Kuzminski's allegations, Alan Krupnick, who runs RFF's energy center, presented the possibility that extraction of natural gas would reduce U.S. oil consumption and could be achieved at a lower cost. However, his research also shows that carbon benefits are modest and relatively less cost effective when being compared to other carbon-reducing options. Through the assessment of each aspect of energy production, ranging from nuclear to solar energy, it has been determined that natural gas can be the cheapest to exploit and could lower the cost of meeting carbon dioxide reduction goals. Along with the notion that citizens will refrain from using more energy with it being offered at a lower price, the RFF believes that there are solutions to the potential risks of drilling; the need to upgrade geological and economic research, imposing a severance tax on Shale production in the state of Pennsylvania, and the need for federal requirements and regulations which can create an outline for each state to observe and apply to their own laws as they see fit.