

# Pa.'s controversial windfall

By William C. Kashatus

The state legislature hasn't even passed the controversial Marcellus Shale severance tax, and there's already disagreement over how to spend it.

Environmental groups want funding to prevent underground water supplies from being contaminated by drilling. Agencies like the Fish and Boat Commission and the Game Commission want to protect the land, air, and water around drilling areas. And municipalities want to repair roads damaged by heavy trucks and other drilling equipment.

Interesting how something that was supposed to be such a windfall for Pennsylvania is proving so controversial.

When Gov. Rendell began leasing state forest land to gas companies, property owners were told that deposits trapped miles beneath the bedrock hold enough natural gas to supply the United States for 15 years. According to the sales pitch, drilling would free the country from dependence on foreign energy sources, help balance the state budget, and create jobs for and reward property owners who leased their land with more than \$1,000 an

acre plus a cut of the profits.

Drilling was a no-brainer for Harrisburg, especially after the gas industry spent more than \$7 million on lobbying and campaign contributions to Rendell and legislators. Shortly afterward, thousands of new well permits were issued by the state Department of Environmental Protection.

Since then, some streams and underground water deposits have been contaminated by fluid used in the drilling process. The most notable incident occurred last September, when the DEP reported that an estimated 8,000 gallons of fracking fluid spilled into a creek near Dimock, Susquehanna County. Two months later, several Dimock residents sued Cabot Oil & Gas Corp., claiming its drilling caused gastrointestinal sickness and reduced property values.

Such incidents have pitted property owners who have leased to the drillers against neighbors who haven't. In fact, some who have leased their land now realize the environmental dangers and have unsuccessfully attempted to extricate themselves from contracts.

Now comes the shale tax bill, which, if Rendell and the

gas companies have their way, will include a provision for "forced pooling." That would require property owners to surrender mineral rights to private drilling companies that have similar rights nearby. The owners may or may not be compensated. It's yet another way for the state to manipulate eminent domain to replenish its coffers and, in this case, those of the gas industry.

If forced pooling is enacted as part of the severance tax, the next governor had better hope that there are no more accidents like Dimock. The gas industry is protected from any liability because the Safe Drinking Water Act prevents the U.S. Environmental Protection Agency from regulating the fracking process.

Instead, the commonwealth, which is responsible for ensuring the safety of drinking water, will find itself buried in class-action suits. That will be yet another way for the state to spend the \$100 million generated by the shale tax.

William C. Kashatus is a writer, historian, and homeowner in the Marcellus Shale region of Northeast Pennsylvania. He can be reached at [bill@historylive.net](mailto:bill@historylive.net).

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