Testimony of State Representative Phyllis Mundy Environmental Resources and Energy Hearing Marcellus Shale April 7, 2010

Good afternoon. I'm proud to welcome you to Kingston Township, a beautiful section of the 120th Legislative District. We are very grateful to Chairman George and the members of the House Environmental Resources and Energy Committee for accepting my invitation to hold this hearing in Kingston Township. Chairman George is providing invaluable leadership in Harrisburg on protecting our residents and our natural resources during the drilling of the Marcellus Shale, and I very much appreciate his bringing the committee here to listen to our concerns.

I requested this hearing because I and many of the citizens I represent have serious concerns about the potential impact of Marcellus Shale drilling on our streams, our land, and especially our drinking water. We believe we must take as proactive an approach as possible to prevent environmental damage from occurring in the first place. We see the reminders all around us here in the Wyoming Valley of the ravages of the coal industry on our region: the ruined landscape, the public health issues, and the overall negative image that heaps of coal refuse give to our communities. One only has to drive through the Boroughs of Swoyersville and

Exeter to see the results of our failure to protect ourselves from the coal mining industry. Yes, the industry provided jobs to our citizens. But now the jobs are gone and we and our children and grandchildren will live with the results of not having put in place adequate law and regulation. The owners of the coal mines reaped their profits and have left the citizens and taxpayers to foot their bills. Just as one example here locally, Pennsylvania taxpayers spent over \$600,000 to put out a fire in a culm bank in Exeter Borough in 2002. And how the smoke and the ash in the air affected our citizens' health as the culm burned for weeks, we will probably never be able to quantify. How much has it cost taxpayers to put out the mine fire in Centralia? And what has been the cost of the pollution of the Susquehanna River from the incident in the Butler Mine tunnel? Could at least some of these costs, financial and otherwise, have been prevented if we had enacted stronger legislation, provided additional department regulation and oversight, and sufficient funding for enforcement? Could we have asked the mine owners to contribute some of their profits to an environmental impact fund to mitigate the future cost to taxpayers?

As we sit here today, there is still time to put safeguards in place to protect the environment and the public health from the negative impacts of Marcellus Shale drilling. The contamination of drinking water in Dimock Township in

Susquehanna County, as well as the recent mud spill in Sproul State Forest in Clinton County, have shown that accidents can and do occur despite the best of intentions by drilling companies. That is why I strongly support Chairman George's HB 2213, the Land and Water Protection Act, which would, among other things, require state inspections of well sites during each drilling phase and require full disclosure of the chemicals used in hydraulic fracturing.

The Huntsville and Ceasetown reservoirs of the Pennsylvania American Water Co. provide drinking water to many of my constituents. Huntsville supplies water to 30,000 people, in Dallas, Kingston Township, Swoyersville, Wyoming, and West Wyoming. Ceasetown serves 67,000 people, including Courtdale and Pringle, Ashley, Cunningham Township, Edwardsville, Hanover Township, Humlock Township, Larksville, Nanticoke, Newport Township, Plymouth, Plymouth Township, Salem Township, Shickshinny, and Wilkes-Barre. Both reservoirs are in close proximity to proposed Marcellus Shale drilling sites. I can only imagine the cost and the effect on human health if either or both of these reservoirs were to become contaminated from the drilling process. We must do all in our power to prevent that.

We must also ensure that the companies reaping the benefits from Marcellus Shale drilling provide the Commonwealth with portions of their profits to compensate for potential environmental damage. As companies are providing landowners with large, often life-changing amounts of money to lease their land – there have been reports of \$5,750 per acre – these companies also have the means with which to pay a severance tax. Such a tax could generate millions to be dedicated to mitigating environmental damage.

As a state representative and as a longtime steward of our environment, I am deeply concerned about the potential for harm from the drilling process. While I certainly recognize the benefits that Marcellus Shale drilling is bringing to landowners and to our local economy, I also recognize the threat of irreparable harm that it poses without appropriate legislative, regulatory, and monetary safeguards.

We have some testifiers with us today who will share their expertise and personal experiences with regard to the drilling of Marcellus Shale. I very much appreciate their joining us, and it is my hope that they will be able to shed more light on how to better protect our environment and public health during this process.

Mr. Chairman, thank you again for the opportunity to discuss this extremely important issue here in my district.