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Ohio's big experiment on safe shale-gas extraction

By Neal Peirce, *Syndicated columnist*

Can a state do fracking right?

Can it use the new shale-gas drilling technology to deliver thousands of jobs, revive depressed industrial zones, spark new high-tech industries, feed state coffers — and still not mess up its countryside, imperil water supplies and possibly release dangerous amounts of methane gases?

It's a big order, and environmental concerns remain real. But a strong cross-section of Ohio's leadership — political (Gov. John Kasich), business investors and think tanks such as Cleveland State University's Levin College of Urban Affairs — sees smart exploitation of shale reserves as key to a strong, opportunity-rich future.

By historic and geographic accident, the action is focused on Northeast Ohio, anchored in Cleveland, Akron, Youngstown and Canton. This was an early center of U.S. steel and the birthplace of John D. Rockefeller's Standard Oil Company in the 1870s. But the economic action shifted south and west, and the area has been in or close to recession since the 1950s — forever yearning for a new break.

Could shale be the answer? Just maybe. Massive reserves of so-called Utica shale — a source of not just natural gas but also liquid petroleum products that can be feedstuffs for specialized fuels and chemical manufacturing — have been discovered in this very area (including a swath of territory running east and southeast to the Pennsylvania and West Virginia borders).

The claims are stupendous. Though actual startup on wells in Ohio has been slow, the soon-to-come statewide impact could easily reach \$10 billion a year, plus \$500 million in tax revenue, with oil and gas development creating 65,000 new jobs with average incomes over \$50,000 a year — according to a Cleveland State study by energy expert Andrew Thomas and his colleagues released last year.

The “fit” could hardly be better for a region with an industrial heritage, a big reserve of unemployed or underemployed blue-collar workers, a related polymer industry focused in Akron, and significant scientific expertise (especially in its universities) to develop the shale for new chemical-based processes as well as fuel.

But environmental concerns are real with this new technology that digs wells thousands of feet deep and then branches out underground with horizontal drilling in processes requiring millions of gallons of highly pressurized water. Faulty well casings or surface spills raise concerns of risks to ground and drinking water.

Then there's heavy truck traffic through towns, land clearance for several wells on each “pad,” and the potential of release of methane gas — a powerful CO₂ emitter — without scrupulous oversight.

Aware of the ferocious opposition that fracking has generated in New York and Pennsylvania, the Ohio-based operators seem to be taking precautionary measures. Most supported the state's shale development control rules — hailed by some as the nation's toughest — passed last year. Critics also hail Kasich, a conservative Republican, for his decision to hire several hundred environmental regulators to track the new activity, and for pressing (despite opposition) for a state severance tax on shale production.

Now there's apparently broad support in Ohio for the remarkable new agreement between drilling interests and environmentalists, embodied in 15 model standards for safe fracking production. Developed through two years of often contentious negotiations, the accord — to be enforced by a new Pittsburgh-based Center for Sustainable Shell Development — ranges from limits on methane emissions to careful rules on wastewater disposal and seismic testing before drilling can commence.

Op-ed continued here: http://seattletimes.com/html/opinion/2021192479_peircecolumnshalexml.html