

The domestic drilling backlash

From New York to Texas, energy companies have come under fire as natural gas drilling gets close to big cities.

Steve Hargreaves, CNN, 12-2-09

NEW YORK -- "Drill baby drill" is so 2008.

More than a year after Republicans rallied around the now-famous call, a growing number of Americans are saying not-in-my-backyard when it comes to more oil and natural gas drilling.

At a recent drilling hearing in New York City the crowd was certainly riled up, but not in a way that might please Sarah Palin.

"We don't want more hearings, we want a total statewide ban," exclaimed one protestor, jumping on stage at the hearing's start before being escorted away by uniformed officers. The standing-room-only crowd, many carrying protest signs, erupted in applause.

Most Americans still support increased oil and gas drilling. But opposition is growing, especially when that drilling nears more populated urban areas. Currently there are natural gas booms happening around New York City, Dallas-Fort Worth, Western Colorado, the Midwest, and elsewhere. Opponents fear this new drilling will ruin the drinking water for millions of people, among other concerns.

And energy companies, accustomed to dealing with rural populations familiar with drilling and eager for jobs and lease royalties, are increasingly finding themselves at odds with a more educated and wealthy populace wary of energy development.

This is especially true outside New York City.

Just north of America's largest metropolis lies one of the country's most promising new sources of energy: The Marcellus Shale.

Running much of the length of the Appalachian Mountain range, the Marcellus is thought to hold up to 500 trillion cubic feet of natural gas - more than twice the nation's current total reserves.

In the age of global warming, natural gas as an energy source is gaining favor. Burned to generate electricity, it emits about half as much pollution as coal.

It can also be used to power cars, and some, including the oil billionaire T. Boone Pickens, are pushing this idea as a way of weaning the country off foreign oil.

Growing fear about contaminated water

New horizontal drilling technologies have made the gas in the Marcellus shale and other shales across the country more accessible. But extracting it requires breaking the shale rock with a mixture of chemicals, water and sand, blasted down the well hole. While the process, known as hydraulic fracturing, has been around for decades, it's never been done on this scale, and so close to major population centers.

The shale lies thousands of feet below the water line, and both energy company officials and state regulators across the country say the chemicals used in the fracturing process have never resulted in ground water contamination.

But across the country a few high profile mishaps have occurred, resulting in contaminated drinking wells, flammable tap water, and even houses exploding. Radiation, often naturally occurring in rocks, has also been found in drinking water.

Regulators from various states said the contamination is not due to chemical fracturing but to drilling or surface spills. And while acknowledging they are unfortunate, state officials note these incidents make up only a fraction of the hundreds of thousands of wells drilled nationwide.

The federal Environmental Protection Agency has just begun looking into the issue. EPA had been largely sidelined from regulating this practice thanks to a 2005 law exempting the drilling from the Clean Water Act and declaring the chemicals trade secrets not subject to disclosure.

"EPA is reviewing available information to determine whether hydraulic fracturing fluids have contaminated drinking water," the agency said in a statement to CNNMoney.com.

That's of little consolation to many New Yorkers.

"I consider it a grave threat to our resources," said Joe Lavine, an architect from Brooklyn with a weekend house near the drilling. "Nobody knows if [the chemicals] are migrating."

So Levine helped organize a group called Damascus Citizens for Sustainability. Named after a nearby town, its members are calling for stricter drilling regulations.

Unlike many grassroots opposition groups that are often initially unfamiliar with the nuts-and-bolts of an issue, this one has plenty of technical expertise. It includes a former head of New York City's water system and a Columbia-trained geophysicist.

"We've had a great handle on this from the beginning," said Levine.

They've networked among other grass roots groups in New York State, traveling to Ithaca, Binghamton, and other towns dealing with increased drilling.

Levine said there are now some 50 groups in New York State alone that receive emails and get their members out to sign petitions or turn up at public hearings.

This activism likely played a part in a recent decision by Chesapeake Energy, one of the country's largest natural gas companies, to not drill on any of the land it has leased in the New York City watershed.

In a press release, the company said "the concern for drilling in the watershed has become a needless distraction from the larger issues of how we can safely and effectively develop" other gas fields in New York. Chesapeake noted the watershed leases are just a tiny part of their overall holdings in the state, and that they were the only company holding leases in the watershed.

It seems clear that calls from activists seeking a complete state-wide ban are making energy companies nervous.

Beyond New York

The activism in New York is firing-up concerned citizens in other parts of the country.

In Fort Worth, Texas, hardly an area known for anti-drilling sentiment, Don Young said the number of people on his email list has gone from 200 to 400 in the last few months.

Young, a stained-glass artist who lives right across from a natural gas well situated next to a public park, started the blog FWCanDo five years ago. It acts as a sort of clearing house for information on natural gas drilling.

He said many people are now singing up from the New York area, but he's also getting inquiries from Michigan, Arkansas, Ohio and elsewhere.

In Fort Worth where the Barnett Shale is located, natural gas drilling and hydraulic fracturing has been going on literally right under the city for roughly a decade. Opposition here is getting a bit hotter, he said.

"The crowds are greater, and the hard questions are a little more frequent," said Young, "At first it was all about the money, but now it's about health, safety and the environment too."

In Western Colorado, public awareness of drilling and the potential dangers has increased as wealthy people from nearby resort towns have become interested in the cause, said Theo Colborn, president of the Endocrine Disruption Exchange, a group studying the effects of drilling chemicals on humans.

Colborn recounted the story of a nearby town where the local officials were considering allowing more drilling. Soon after, residents had their cars leafleted with pamphlets describing the associated dangers. Turns out, a local resident had hired a public relations agency to come in and run the campaign.

"A lot of wealthy people have been affected, and they can afford the lawyers or PR firms to come in and do stuff like this," she said.

Nationwide, few expect rising public concern to put a stop to new natural gas development.

"On balance, future regulation will likely attempt to accommodate industry in order to preserve the energy security and climate change policy benefits of expanded domestic gas production," Robert Johnston, director of Energy & Natural Resources at the political consultancy Eurasia Group, wrote in a recent research note.

But the days of this industry operating in relative obscurity and with little federal oversight are likely numbered.