Grand jury finds regulatory failures in gas drilling

Mark Scolforo ASSOCIATED PRESS

HARRISBURG – A grand jury investigation into Pennsylvania's large natural gas drilling industry released Thursday by state Attorney General Josh Shapiro found systematic failures in state departments regulating that industry.

The report, which came after nearly two years of investigation into the state's Marcellus Shale exploration industry, noted that the state's Department of Environmental Protection and State Department of Health failed to protect Pennsylvanians by not policing or investigating environmental complaints, failed to collect health data and failed to warn the public when they were at tisk.

The report included eight recommendations to better protect the public and regulate the industry in the state, including distance requirements to residences, more transparency in the chemicals used and transportation regulation for waste created by the drilling.

"The bottom line is this was a failure," Shapiro said. "Regulators were supposed to prevent abuse by the big corporations ... but they didn't."

He said grand jurors heard detailed testimony from community members who alleged health impacts from sores



Pennsylvania Attorney General Josh Shapiro holds a jar of discolored tap water during a news conference Thursday in Harrisburg. He said the sample was from the home of a state resident whose well had been tainted by nearby natural gas drilling. MARK SCOLFORO/AP

that developed from showering, constant bloody noses and rashes. They heard from farmers who alleged their horses died or their livestock became infertile as a result of what they say is water polluted by the fracking companies. A message left for a spokesman for the Marcellus Shale Coalition, an industry trade group, seeking a response to the report was not immediately returned.

Hydraulic fracturing, commonly referred to as fracking, involves injecting millions of gallons of water, sand and chemicals miles into the earth to break up layers of shale, causing oil or gas to be released. Fracking – and horizontal drilling techniques – have produced massive amounts of natural gas and oil in the U.S. over the past decade or so.

The industry has brought lower natural gas prices for consumers, jobs and royalties to Pennsylvania, but it has also generated concerns about the effect the fracking process has had on the state's environmental quality.

Shapiro said the grand jury found that state environmental regulators had failed to file violations against the industry, failed to tell the public when violations were filed and could be a risk to their health and regularly failed to refer those violations for criminal investigation. The grand jury also criticized the Department of Health for not collecting data of past issues.

"We need to admit that the government failed," he said.

Earlier this month. Shapiro. a Demo-

crat, announced a deal with Range Resources Corp., Pennsylvania's most active shale gas driller, to plead no contest to environmental crimes over its handling of contamination at a pair of well sites in the southwestern part of the state.

Last week, Shapiro's office filed felony charges against Cabot Oil & Gas Corp. and accused it of polluting residential water wells in a northern Pennsylvania communities. Shapiro also said the grand jury's probe "will result in more criminal charges."

The eight recommendations from the grand jury were to expand the no drilling zone from 500 to 2,500 feet; require the fracking companies to disclose all chemicals used in their operations; require the regulation of gathering lines used to transport the gas; more accurately assess air quality; require safer transport of chemical waste from fracking; conduct more comprehensive health responses to issues reported by the public living near drilling sites; limit Department of Environmental Protection employees' from working in the private sector immediately after leaving the agency; and give the attorney general's office criminal jurisdiction to prosecute unconventional oil and gas companies.