Queens Civic Congress advocates efforts to avoid costly filtration plants and the proposed drilling for gas appears to make New York City residents and others who use our pristine water not only pay those enormous costs but effectively subsidize the drilling. If those who wish to drill for gas in or near our watershed lands west of the Hudson River would bear the multi-billion costs of filtration – constructing plants and annual M&O (maintenance and operations), would this be discussed?

http://www.nytimes.com/2008/12/19/nyregion/19drill.html?scp=1&sq=gas%20drilling&st=cse

New York Times, December 19, 2008:

Proposed Gas Drilling Upstate Raises Concerns About Water Supply

By MIREYA NAVARRO

For most of the 30 years that they have lived in the West Village, Buck Moorhead and his family have driven north a few times a month to their other home in the Catskills to enjoy the forests, the wildlife, the peace. And for the last several months, they have attended meetings with scores of other upstate residents who fear that those attractions will be marred by pollution, new roads and plummeting property values if ambitious plans to expand <u>drilling for natural gas</u> proceed.

"We effectively risk ruining our drinking water and turning a pristine area into an industrial landscape," Mr. Moorhead, 55, an architect, said of the effect both upstate and downstate. "The whole thing is like a nightmare."

But when Mr. Moorhead, whose second home is in Sullivan County, spoke out against drilling this month at a hearing of the City Council's committee on environmental protection, he was among fewer than two dozen private citizens who showed up and the only one to testify, even though the city has a considerable stake in such drilling north of the city line.

Upstate, the push by energy companies to explore drilling under a broad swath of western and southern New York State have provoked alarm and protest among environmentalists and others.

But in New York City, opponents say that city residents and leaders have been slow to react, despite New Yorkers' stake: not only do many have weekend homes, but the area under consideration for drilling includes the watershed that supplies most of the city's drinking water.

"In the absence of a real rallying cry coming from the city to vigorously protect the water supply, we're going to get rolled," said James F. Gennaro of Queens, chairman of the Council's environmental committee, which has been holding the hearings.

Mayor <u>Michael R. Bloomberg</u>, who has made the environment a focus of his administration, has yet to weigh in publicly on the issue. "The mayor appreciates the need for energy, but believes it must be obtained in a responsible way," said one of his spokesmen, Marc La Vorgna.

"The watershed's protection must be guaranteed before any drilling moves forward."

The City Department of Environmental Protection has held off taking a position until it hears from a consultant it hired to analyze any threats that drilling may pose to the water supply.

But Mr. Gennaro, environmental groups like the <u>Natural Resources Defense Council</u> and others are calling for an outright ban on drilling in the million-acre watershed. They say that such operations represent an inherent risk to the water, which is so pure that it does not require filtration before arriving in the taps of more than 8 million people in the city and another million residents in Westchester and other counties. Any contamination, they note, would require the investment of billions of dollars in a filtration plant and would result in higher water rates.

New York State has a history of gas and oil drilling going back to the 1800s, with 13,000 active wells now in operation. Energy companies are now showing interest in the <u>Marcellus Shale</u>, part of a sequence of layered rocks stretching from New York to Tennessee, that runs as deep as 7,000 feet below ground and requires pumping huge volumes of water laced with chemicals — one to five million gallons per well — into the earth to break the rock and extract gas.

Because the process raises new issues about the use and disposal of wastewater, the State Department of Environmental Conservation is revising its regulations to address those matters before approving any new permits.

The agency says that protecting all watersheds is a priority, but that talk of a ban is premature until every environmental effect of the expanded drilling is determined. A final plan on where and how drilling will be allowed is expected as early as spring.

Exploration in the Marcellus Shale, a step that has became more attractive because of new technology and the nation's push to find its own sources of energy, comes with such high expectations that it has unleashed a gold rush for land.

Companies are paying property owners millions of dollars for leases to drill thousands of wells if the shale in New York proves bountiful.

"It's almost like placing bets," said Val Washington, deputy commissioner of remediation for the state environmental agency, which is getting pressure from some counties to act more quickly to allow the drilling, so as not to miss an economic bonanza. "A lot of people are interested in it as a revenue source."

Robert Homovich, a member of the Delaware County Board of Supervisors, said the board opposes a ban on drilling in the New York City watershed. Not only does he trust that the state can ensure responsible drilling operations, he said, but a ban would also rob an economically depressed area of significant revenue.

"If we don't have this or something similar, New York City is going to bankrupt us," he said, noting that the city has been acquiring more and more land in the area to keep it off limits to farming or development to protect the watershed.

But environmental watchdogs say that concerns about contamination and public health should prevail in the decision.

Steven W. Lawitts, the acting commissioner of the city's environmental agency, said drilling on the scale now envisioned posed "great risks" and could hamper his department's ability to keep the water clean.

One major concern is the use of benzene and other chemicals used in drilling that have contaminated groundwater in other states. The state environmental commissioner, Alexander B. Grannis, has said that applicants for permits would have to disclose all components in drilling fluids.

But Mr. Lawitts said there were also questions about the dangers of leaks, spills, soil runoff and other contamination from the water used in drilling.

The city's moves to keep its water supply pristine by buying up more land in the watershed could also be jeopardized by competition with natural gas companies that are offering landowners lucrative deals. Most land in the watershed is privately owned, although the city and state own about one-third.

Mr. Lawitts said the city had no plans to sell drilling rights. But the state has not ruled it out, Ms. Washington said, although most of the state-owned land is a protected "forest preserve" in the Catskill Park, and off limits to drilling, said Yancey Roy, a spokesman for the State Department of Environmental Conservation.

Though state officials maintain that they have the ultimate say on drilling, Mr. Lawitts said city regulations "can still govern what activity is permissible or not permissible" on watershed lands. He rejected criticism that the city was not being assertive enough. "Our top priority is the watershed," he said. "That's unequivocal."

Among those seeking a state ban on drilling in the watershed are environmental groups like <u>Riverkeeper</u> and Earthjustice. The city comptroller, <u>William C. Thompson Jr.</u>, sent the state a letter this week warning that drilling could have "crippling implications" for customers if it reduces the quality of the unfiltered water. He said a filtration plant would cost \$6 billion to \$10 billion just to build, requiring at least a 30 percent increase in water and sewer rates.

Meanwhile, in hopes of getting more New Yorkers involved, Councilman Gennaro is gathering signatures on petition in support of a drilling ban. And Mr. Moorhead, the West Village architect, said he planned to talk to his community board and send an e-mail message to his city friends to drum up interest among the unaware. "This is a mammoth construction project," he said. "It's stunning this is under consideration, when one looks at the risks."