



2211 Norfolk Street, Suite 614
Houston, Texas 77098
P 713 337 8800
F 866 273 8998
www.consumerenergyalliance.org

April 15, 2011

Commission Secretary Pamela Bush
Delaware River Basin Commission
P.O. Box 7360
25 State Police Drive
West Trenton, NJ 08628

RE: DRBC Draft Natural Gas Development Regulations

Dear Commission Secretary Bush:

Please accept the enclosed comments pertaining to the Delaware River Basin Commission's proposed Article 7 Water Quality Regulations relating to the operation of natural gas development projects. Included in this package you will find **416 separate comment letters** from Consumer Energy Alliance supporters. In addition, Consumer Energy Alliance has submitted official comments, which is included in this package as well.

If you have any questions on these comments, their signatories, or any other matter, please contact me at njoubert@consumerenergyalliance.org or 202-778-2103.

I appreciate the opportunity to comment on this important matter.

Thank you,

Natalie T. Joubert



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RE: DRBC Draft Natural Gas Development Regulations, Article 7

Dear Commission Secretary Bush:

I am thankful for the opportunity to comment on the agency's proposed regulations for natural gas development in the Delaware River Basin on behalf of the Consumer Energy Alliance (CEA). As an organization that advocates for stable, accessible energy supplies for American consumers, CEA believes many of the proposed regulations in Article 7 could limit or prohibit natural gas exploration and production in many areas of the basin, essentially imposing a de facto ban on natural gas development in the region. Rather, CEA urges the agency to adopt sound regulations that allow a site-by-site analysis of appropriate water use and disposal – areas over the DRBC does have proper jurisdiction – and avoid regulations that could inadvertently stymie energy development and limit economic growth.

CEA is an independent, nonprofit organization that supports the thoughtful utilization of energy resources to help ensure improved domestic and global energy security and stable prices for consumers. CEA has 159 affiliated members including energy consumers – truckers, farmers, small businesses, airlines, and manufacturers – and energy producers and suppliers. CEA is further supported by approximately 300,000 individual consumer-advocates. The organization represents several natural gas producers and consumers – including mid- and large-size consumers that use natural gas to produce fertilizer, chemical goods, electricity, and other manufactured items that are central to the everyday lives of millions of Americans. Domestic natural gas production, including shale gas in the Marcellus region, has greatly contributed to the U.S. economy by producing jobs and revenues as well as stabilizing the price of natural gas for millions of consumers.

Expanded natural gas development in the Marcellus region does require proper oversight. However, I would like to note that the agency's jurisdiction over some of these operations may exceed the authority granted to the Commission if Article 7 were adopted as it stands. Rather, I advise the Commission to focus on regulating the quality and supply of water in the basin as it directly relates to natural gas development and allow the designated state authorities to oversee other exploration and production operations. Furthermore, as you are likely aware, the U.S. Environmental Protection Agency (EPA) is currently undergoing a study on the relationship between hydraulic fracturing and drinking water. I would ask the Commission to withhold implementing any regulations that are based on unproven assumptions of groundwater contamination until this study has been finalized.

CEA would further underscore the tremendous potential Marcellus shale development will have on local and national economies. In particular, job growth and increased revenue in Pennsylvania will help the state recover from its high budget deficit (currently around \$4.1 billion) and hopefully prevent the state from cutting essential state services due to revenue restraints. In a 2009 study by Pennsylvania State University, in Pennsylvania alone, expanded development of the Marcellus shale could create approximately 211,000 jobs and boost tax revenues to state and local governments by \$12 billion by 2020. Natural gas development not only support jobs at the well pad; tens of thousands of jobs in the area rely on increased economic activity from Marcellus development to support their businesses – including local restaurants, trucking companies, and accounting firms, among several others.

Additionally, CEA would like to urge the Commission to consider the importance Marcellus natural gas resources has for the energy future of the United States. The vast resource base of the Marcellus – estimated at 489 trillion cubic feet of recoverable reserves – will ensure a stable supply of energy for American consumers for decades to come. Shale gas resources will help offset declining production from conventional onshore fields and help meet increasing electricity and manufacturing demands.

In conclusion, I would recommend the Commission progress with equitable regulations that permit safe, responsible exploration and production and encourage investment in the local economies. Providing a clear regulatory framework will give greater certainty to producers, as well as the servicing companies dependent on natural gas operations, allowing them to invest in the Marcellus region and provide American consumers with vital resources.

I appreciate the opportunity to comment, and I look forward to the Commission's final rulemaking. If you have questions on any of these comments, please feel free to contact me at abrowning@consumerenergyalliance.org.

Sincerely,

A handwritten signature in black ink, appearing to read "Andrew C. Browning". The signature is fluid and cursive, with the first name "Andrew" and last name "Browning" clearly distinguishable.

Andrew C. Browning
Executive Vice President