



For Release: Tuesday, September 9, 2008

State Environmental Commissioner Welcomes City Council Questions on Gas Drilling

Grannis Notes No Applications to Drill in NYC Watershed; Assures Full Assessment of Applications

In testimony prepared for a public hearing Wednesday, New York State Environmental Conservation (DEC) Commissioner Pete Grannis advised the New York City Council that natural gas drilling in the city's watershed is not imminent. The commissioner pointed out that DEC is undertaking a full examination of potential environmental impacts of horizontal drilling in what's known as the Marcellus Shale rock formation, including the use of large volumes of water, and encouraged the Council members and other interested parties to participate.

Commissioner Grannis explained that the state has not received any applications for drilling anywhere near the city's watershed in the Catskill Mountain region, and that if any permit applications were received, a full assessment of potential environmental impacts specific to the city's watershed would be required. Grannis told the City Council's Environmental Protection Committee that the Department "will not issue a drilling permit today if a proposed well threatened the city's or any other locality's watershed, and we will not issue a drilling permit in the future if the proposed well threatens the city's or any other locality's water supply."

The "emergency" hearing was called in response to reports speculating that a "filtration avoidance determination" - the legal instrument issued by the U.S. Environmental Protection Agency that allows the city to use unfiltered drinking water -- was at risk because of potential natural gas drilling in the portion of the city's watershed located west of the Hudson River. In his testimony, Grannis reminded the

City Council that the state has been the city's partner in protecting the watershed, and that DEC in particular plays a significant role in ensuring that the city continues to avoid the costly requirement of building a filtration system. State agencies supported a federal decision granting a 10-year extension of the "[Filtration Avoidance Determination](#)" in 2007.

Commissioner Grannis emphasized the state's commitment to protecting the city's invaluable water supply, stating "as we move forward to meet our regulatory obligations under the state's mineral resources program, we will continue all of our longstanding policies of protection and vigilance with respect to the city's watershed."

The Marcellus Shale formation, which runs from West Virginia to New York's Southern Tier and Catskills region, has received a great deal of recent attention because of the potential extent of the natural gas reserves, the efforts of energy companies to sign leases with Upstate landowners, and the large amounts of water required for the hydraulic fracturing process used to release the gas.

In his testimony, Grannis pointed out that there are currently more than 13,000 active oil and gas wells in New York State, and that as a result of the state's rigorous regulatory program, these operations are conducted in an environmentally protective manner. Nonetheless, given the large amounts of water that will be required for horizontal drilling in the Marcellus Shale, Grannis said DEC will be examining issues ranging from water withdrawal and consumption, to the composition of the "frac fluids," to the safe storage, transportation and legal disposal of waste water from the operations.

Governor David A. Paterson directed DEC to address these impacts, and toward that end, this fall DEC will be holding [public hearings](#) across the state in the potentially impacted areas, and then preparing a comprehensive supplement to the generic environmental impact statement (GEIS) that governs oil and gas drilling in New York State. Commissioner Grannis invited the members of the City Council and all other interested parties to participate as the DEC undertakes this process.

The Department of Environmental Conservation is responsible for regulating oil and gas drilling in New York State. The Department has recently created a [special web](#)

[page](#) to provide information regarding the potential Marcellus Shale natural gas drilling, including the generic environmental impact statement. A copy of [Commissioner Grannis' testimony](#) is also available on DEC's website.