



February 14, 2011

Dear Member,

At the December 9, 2010 Board of Directors meeting of Cooperstown Chamber of Commerce, a motion was passed to take a formal position in opposition to vertical and horizontal hydrofracking in our region and to prepare a draft public statement for circulation to our members for input.

The Board recognizes the potentially divisive nature of this issue, but also believes that we have a responsibility on behalf of our membership to take a leadership position in the community. There are also very real time pressures that make prompt and concrete action necessary.

We received input from 48 members, in addition to 15 member businesses represented by our Board, for a total of 63 members responding or 11% of total membership. Of those responding, 55 members (87%) support the statement as written, 8 (13%) either oppose the proposed statement entirely or with specific items identified as points of disagreement.

Based on this response, the Board of Directors passed a motion at the February 10 meeting to release the attached document as a final position statement.

Thank you, on behalf of the Cooperstown Chamber of Commerce, to all members who took the time to respond to our request for input.

Sincerely,

Andrew Marietta
President, Board of Directors

Susan O'Handley
Executive Director



Hydrofracking for Shale Gas in Otsego County

Feb 11, 2011 Statement by Cooperstown Chamber of Commerce

1. **WHEREAS...**The gas industry has secured broad exemptions from Federal regulation under the Clean Water Act and the Safe Drinking Water Act in 2005 (the "Halliburton exemption"). Under New York State law, horizontal drilling is now stalled pending completion of a Supplemental Generic Environmental Impact Statement (dSGEIS), which could be finalized at any time. In the interim, drilling of vertical wells with hydrofracking is proceeding in our County under an outdated 1992 Generic Environmental Impact Statement. Thus, gas companies are now drilling and fracking in our County without substantive local review and both state and federal regulatory investigations into the risks of the process are mired in political delays.
2. **WHEREAS...**Land-lease development in the region has already reached a high level without any meaningful regulatory control and with limited public awareness of the issues. Over 60,000 acres have already been leased by gas-drilling companies or their land agents and active drilling projects have started in Otsego County (principally by Gastem, a Canadian lease/exploration company).
3. **WHEREAS...**The relative contribution of natural gas from hydrofracking to either the economy or the energy needs of the region is minimal and development does not materially contribute to a sustainable national or regional energy policy.
4. **WHEREAS...**The number of documented spills, blowouts, leaking wells and other environmental accidents is significant and the environmental and human consequences have been serious in a number of states, including TX, PA, WY, and WV.
5. **WHEREAS...**The withdrawal of huge quantities of fresh water estimated at 2-5 million gallons of water per frack cycle and the heavy impact of thousands of truck trips per well hauling water and chemicals to and from the drill pads on local infrastructure cannot be sustained in Otsego County. Effective technologies for the treatment of the millions of gallons of polluted processing waste do not exist and there are no locations for waste disposal in New York capable of supporting the proposed scale of drilling.
6. **WHEREAS...**The most critical threat to the local area is contamination of the aquifers and surface water resources found directly above the Marcellus shale. Current plans for drilling present a strategic risk to the entire Otsego County water supply and the Susquehanna watershed. The New York City watershed has already been protected, which represents the clearest evidence that NY State already understands a potential risk.
7. **WHEREAS...**On Jan 1, 2011, NY State Governor Andrew Cuomo continued 2010 Executive order 41 (issued by past Governor David Paterson) directing the NY DEC to publish a revised draft SGEIS, accept public comment on the revisions, and schedule public hearings on the revisions. The order says no horizontal hydrofracking permits may be issued prior to the completion of a final SGEIS. This is in effect a moratorium on any new horizontal hydrofracking drilling, but does not stop vertical hydrofracking drilling, nor does it stop further land leasing, seismic testing, or other actions that may lead to future drilling.

WE CONCLUDE THEREFORE, THAT:

The plans for drilling pose a direct and material threat to the interests of the Chamber membership. Industrial-scale hydrofracking in the upstate region will irreparably damage the essential qualities that make the Cooperstown area an excellent place to live, raise families, farm and work. It puts at risk much of the local economy, ranging from hotel and tourism to restaurant and retail businesses, most of which are driven by the hundreds of thousands of tourists who choose to visit the region every year.