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Gas industry execs eager to work with Corbett

By Andrew Conte and Timothy Puko

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Gas industry executives gathered in Pittsburgh on Wednesday said they are eager to work with the Republican governor-elect and next General Assembly as protesters outside demanded greater environmental protection against drilling.

Starting one day after Republicans won key elected posts across the state and country, the Developing Unconventional Gas East conference provided people on both sides of the gas production issue an opportunity to size up the changing political climate.

Attorney General Tom Corbett, the Shaler Republican who will replace Gov. Ed Rendell in January, pledged not to tax the industry as it taps the deep Marcellus shale formation for gas. The GOP will control the state House for the first time in four years and retain control of the state Senate.

"For those of you who work with us in Pennsylvania, this is a good thing for us," said Rich Weber, president and chief operating officer of Atlas Energy, based in Moon. "I know with (Corbett) as governor, we're going to get it right."

The conference drew about 2,500 industry people to the David L. Lawrence Convention Center, Downtown, to talk about technical and political issues related to gas extraction from the rock running about a mile below Appalachia. More than 250 exhibitors showed off products.

About 400 protesters marched from the North Shore through the Cultural District to a rally on Penn Avenue next to the convention center. They questioned the industry's drilling practices and demanded more protections against air and water pollution.

A confrontation occurred when two protesters tried to hang a banner from a streetlight on 10th Street and a police officer grabbed the sign, ripping it in two. Otherwise, the demonstrators, who had a permit for the march and rally, did not challenge police. No one was arrested or injured, police said.

Protesters carried a banner reading, "We can't drink money," and marched behind City Councilman Doug Shields and Josh Fox, the documentary filmmaker who produced the HBO movie "Gasland." Marchers played instruments, waved flags and chanted slogans.

"We just elected a governor who was given about a million dollars from the gas industry," Fox said. "There were unprecedented amounts of money that

corporations poured into elections all over the country, and it had an effect."

Several convention attendees said they were unaware of the protest until they stepped outside. A group of about 20 people stood on a convention center balcony watching the protesters' noon march.

Nick Delacoma, who works for a land title services company based in Fort Worth, ran into the marchers when he left the convention to get a sandwich. He took photographs with his camera phone, and said Texans rarely speak out like that against the industry.

"It's pretty crazy," he said. "I'm sure it does happen, but not that I've seen."

Industry leaders said they are eager to work with Corbett and lawmakers on legislative changes. Weber said the Marcellus Shale Coalition, a trade group, hopes to begin working with the administration and lawmakers right away.

Although Corbett promised not to increase any tax or impose new fees, Dave Porges, president and CEO of EQT Corp., based Downtown, said his company would be prepared to pay something if the money went to communities where the company drills and to protect the environment.

He agreed with John Hanger, secretary of the state Department of Environmental Protection, who said Pennsylvania needs more inspectors to keep pace with growth in deep-well drilling.

"The industry gains credibility if we embrace the idea of appropriate punishment for bad actors," Porges said. "We need to recognize that we're the new neighbor."

Some critics blame larger drilling companies for seeking taxes and regulation to keep out smaller competitors, but that isn't the case, said Randy Albert, senior vice president of emerging business for Cecil-based Consol Energy Inc., a coal and gas producer.

"There are some operators who don't have the best intentions and give the industry a bad name," Albert said. "It's incumbent on everyone here today to put pressure on those bad actors and weed them out."

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