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Gas industry mouthpiece blows hot air Ron Bartizek **Business LOCAL**

If the natural gas industry operated with the efficiency of its public relations machine the United States would be energy independent in a matter of weeks. Or at least that's what the press release would say.

There is no more active PR operation in Pennsylvania right now than the Marcellus Shale Coalition, which, to quote its website, is "an organization committed to the responsible development of natural gas from the Marcellus Shale geological formation and the enhancement of the region's economy that can be realized by this clean-burning energy source." What it doesn't say is that MSC is funded by drillers and its idea of responsible development comes only from that perspective.

News outlets get an upbeat e-mail about the industry almost daily, filled with links to published and broadcast reports that often were written or generated by MSC itself, like the much-touted study by two Penn State professors that showed hundreds of thousands of new jobs being created, as many as 50,000 this year.

It seems not a word of good news escapes MSC's view, although the same can't be said about leaks or explosions.

Not that the coalition is entirely tone deaf. After a new state budget was passed that included a promise to take up the issue of a severance tax later this year, MSC president and executive director Kathryn Klaber offered a carefully worded response. Here's part of it:

"The MSC has said from the start that it was going to take more than hard work and favorable geology to leverage the once-in-a-lifetime opportunity of the Marcellus into jobs, revenue and long-term energy affordability for all Pennsylvanians. To do this, and do it right, we need an updated and modernized regulatory and legislative framework, and a fair tax strategy that keeps our state ahead of the curve in attracting the investment needed to bring these resources to the surface."

That's an improvement on the thinly veiled threats of the recent past that companies would pick up their drill rigs and move elsewhere if a severance tax was enacted. Just where they'd go is unclear, since every other major energy producing state has a severance tax that Pennsylvania consumers are paying within the cost of their gas.

And keep in mind, this is not an industry in need of a bailout. Higher projections of the yield from natural gas wells drilled in the Pennsylvania Marcellus Shale are flowing with regularity from the companies that stand to benefit. Range Resources on Tuesday lifted its production estimates for the both 2010 and 2011 by about 10 percent over the rates provided in February.

CONSOL Energy last week said yields “while tentative, are much higher than the standard type curve that the company has been using.”

Given results like that and the industry’s enormous and growing capital investment in Pennsylvania, it’s clear that a “fair” tax will not scare them off. What it can do, provided the money is properly allocated, is help avert or offset inevitable damage to the environment and smooth out the disparities between the have and have-not citizens and regions of the state.

While the industry may be overhyping the benefits, it’s undeniable that natural gas extraction offers great economic opportunities to individuals, communities and the state. Substituting gas for oil and coal also could help mitigate manmade climate effects while providing at least temporary relief from dependence on energy from distant and sometimes hostile nations.

But all of that doesn’t excuse the industry from paying its fair share toward the protection and improvement of society. It’s not a lot to ask, no matter how loudly the MSC protests.

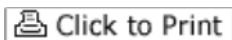
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