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# On Drilling, Paterson Pleases Both Sides

By **PETER APPLEBOME**

On the surface, it looked as if Gov. [David A. Paterson](#) threaded the needle over the weekend when he addressed one of the most far-reaching environmental and economic issues facing New York: the future of [natural gas](#) drilling upstate.

On Saturday, [Mr. Paterson vetoed legislation](#) that would have placed a moratorium on drilling that uses a technique called hydraulic fracturing, which involves injecting millions of gallons of chemically treated water underground to crush shale and release the gas inside. Instead, he issued an executive order instituting a longer moratorium that extended until July 1, 2011, but that more narrowly defined the types of drilling to be restricted.

In apparent contradiction of the laws of physics, both the gas industry and the environmentalists seemed pleased.

“IOGA of N.Y. praises Governor David Paterson for courageous veto of moratorium bill,” began the statement from the Independent Oil and Gas Association of New York.

“We’re hopeful that the governor’s veto today will set the stage for a more reasoned and rational public discussion about these issues going forward,” said the group’s executive director, Brad Gill.

The environmental group Catskill Mountainkeeper called the same action a “historic victory for the citizens of New York State.” Kate Sinding, a senior lawyer with the [Natural Resources Defense Council](#), said it was the first time a state imposed a moratorium on the industry. “I think it sets the tone for the next administration that New York is not going to get rolled like other states have been,” she said.

Beneath the surface, things were not so balmy. The industry deems any moratorium unnecessary and misguided. Environmentalists were almost as hyperbolic about what they did not like — allowing vertical rather than the more obtrusive horizontal hydrofracking in emerging gas fields upstate — as they were about what they did.

Still, the basic dynamic showed two things: the future of gas drilling in New York remains up for

grabs, and the issue has now been tossed into the lap of the incoming governor, [Andrew M. Cuomo](#).

To noncombatants, gas drilling remains an impenetrable and distant issue, an inherent my-eyes-glaze-over topic. But increasingly, for the industry, upstate landowners, farmers, environmentalists, for people concerned with water, food and the state's economy, it is becoming inescapable. When New York's oil and gas industry emerges from decades of total obscurity and the Park Slope Food Co-op feels obligated to weigh in with its policy statement on hydrofracking, you can assume the issue is reaching critical mass.

NEW YORK has already taken steps to bring down the temperature of the debate by limiting (but not eliminating) the opportunity to drill in the New York City Watershed. Yet the economic and environmental stakes remain enormous. And to many, natural gas remains a more palatable option than other available energy sources.

Still, it's not at all clear how much long-term economic activity gas exploration would bring.

Susan Christopherson, an economic geographer at Cornell, said that almost 70 percent of the economic gains would go to upstate landowners and that most of the industry jobs and long-term economic gains would go elsewhere.

"The oil and gas industry is much more like financial services than manufacturing," she said. "You don't have continuous jobs and long-term production. What you usually get is a boom and bust cycle."

Economic and environmental doubts are unlikely to derail drilling in the Marcellus Shale, the rich gas fields in New York, Pennsylvania and nearby states. But industry critics say they are an argument for going slow and ensuring best practices in drilling to avoid some of the environmental degradation experienced across the border in Pennsylvania.

The next big issues will be the future of the environmental review process that has produced a draft policy environmentalists would like to scrap, and calls for extending the moratorium pending a federal review that could take two years. Both seem like uphill battles in a state desperate for more economic activity and tax revenue.

Mr. Paterson on his way out the door found an issue in which he was able to split the difference and make everyone happy. Mr. Cuomo should be so lucky.

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