

Steve Israel: State wants specifics on fracking's effects

By [Steve Israel](#)

Published: 2:00 AM - 01/30/11

New York sure isn't gung-ho about gas drilling.

First, Gov. Andrew Cuomo picks the former head of the state's premier anti- drilling group to lead the agency that decides the fate of drilling in New York.

Now State Comptroller Thomas DiNapoli wants one of the nation's largest gas companies, Cabot Oil and Gas, to say how it would deal with the possible dangers of the horizontal drilling method of hydraulic fracturing or "fracking."

DiNapoli joined a group of socially conscious shareholders from across the country who are asking industry giants like Cabot, Exxon Mobil and Chevron how they plan to manage "water pollution, litigation and regulatory risks." The state's pension fund has stock in Cabot, which has been criticized for drilling accidents in Dimock, Pa.

"Oil and gas firms are being too vague about how they will manage the environmental challenges resulting from fracking," said DiNapoli. "The risks associated with unconventional shale gas extraction have the potential to negatively impact shareholder value. I urge companies working in this field to share their risk mitigation and management strategies with investors and the public."

Other investors filing the resolutions include Domini Social Investments, As You Sow Investments, Trillium Asset Management, Miller/Howard Investments and the Sisters of St. Francis of Philadelphia.

The spillover effect of drilling

The state might not be sending positive signals about drilling, but one of its counties sure is pleased with it.

Chemung County, which includes Elmira, just reported the state's largest increase in sales tax receipts — an increase its county executive largely attributes to drilling across the border in Pennsylvania.

Chemung's increase for 2010 was 13.2 percent — compared to the state average of 8.3 percent.

County Executive Tom Santulli says a large part of that growth is from "all these side industries from drilling."

Room tax receipts were up a record 27 percent last year - from all the drilling folks staying in the county's motels.

Its airport grew faster than any outside the New York City metropolitan area — because of all the gas-drilling folks flying in and out. Talisman Energy is building a headquarters in the county corporate park. And a drilling technology company, Schlumberger, is opening a headquarters that will employ 400-500 people.

No wonder Santulli calls all this growth from drilling "an absolutely good thing."

"The jobs they create, the money they spend," says Santulli. "I know they have problems, but I look at it and say if done right, this could be the salvation of this country, to get us off oil and onto clean energy."

Wanted: Pro-drilling hero

One thing that riles many pro-drilling folks is all the publicity Sullivan County actor Mark Ruffalo and Honesdale, Pa. director Josh Fox get for their anti-drilling stances. That publicity is sure to increase now that they've both received Academy Award nominations — Ruffalo for his supporting actor role in "The Kids Are Alright" and Fox for his documentary, "Gasland."

When one of the pro-drilling folks again complained about them, I suggested they get their own celebrity spokesmen.

Just one problem, she said.

"There are no John Waynes or Charlton Hestons left."

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