



PENNSYLVANIA STATE ASSOCIATION OF TOWNSHIP SUPERVISORS

**TESTIMONY BY
THE PENNSYLVANIA STATE ASSOCIATION OF
TOWNSHIP SUPERVISORS**

**BEFORE THE
PUBLIC UTILITY COMMISSION**

CONCERNING

**MARCELLUS SHALE EN BANC HEARING
ON PUC JURISDICTIONAL ISSUES
DOCKET NO I-2010-2163461**

PRESENTED BY

**DAVID M. SANKO
EXECUTIVE DIRECTOR**

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Chairman Cawley and Commissioners:

Good afternoon. My name is David M. Sanko, and I am the Executive Director for the Pennsylvania State Association of Township Supervisors. Thank you for the opportunity to appear before you today on behalf of the 1,455 townships in Pennsylvania represented by the Association. We appreciate this opportunity to provide input on the issues that have arisen for townships as a result of drilling in the Marcellus Shale region that we believe are relevant to the jurisdiction of the Pennsylvania Public Utility Commission.

Townships comprise 95 percent of the commonwealth's land area and are home to more than 5.4 million Pennsylvanians — nearly 42 percent of the state's population. These townships are very diverse, ranging from rural communities with fewer than 200 residents to more populated communities with populations approaching 70,000 residents.

The Marcellus Shale impacts a major portion of Pennsylvania, from Greene County to Wayne County and townships across the commonwealth are facing the impacts of gas well drilling like never before. While gas has the potential to economically benefit many communities, drilling is not without an impact on townships and their residents.

Truck Transport

Truck transport related to Marcellus Shale development has had, and will continue to have for years to come, a major impact on municipalities within the Commonwealth of Pennsylvania. The truck transport affects not only those municipalities hosting well sites, but also those that serve as an access route to the well drilling site. Truck traffic and the damages it inflicts on local roads is the number one concern for township officials affected by drilling in the Marcellus Shale region.

Gas well drilling requires transporting significantly overweight and oversized equipment and materials, including hundreds of water-filled tanker trucks for fracking, stone trucks for site development, and pipe trucks for the actual drilling and that doesn't even talk about pipeline construction. Most of the drilling is taking place in rural areas with access via low-volume roads, many of which are dirt and gravel and not paved, that are often located in mountainous and rural areas. These roads were not designed to withstand the punishment from the overweight and oversize vehicles now frequenting them. In most cases, these rural roads – both local and state – are significantly damaged, if not destroyed, in the course of well drilling.

When these roads are damaged, it is not simply surface damage. Instead, the very foundations of the road are damaged and total reconstruction is frequently required. In many cases, gas well companies are working with the municipality, as well as the state, to promptly rebuild these damaged or completely destroyed roads.

PSATS encourages its members to post and bond its roads. Doing so ensures that the entity damaging the roads pays for the damage, particularly if an excess maintenance agreement is used as the permit instrument. However, if the well driller or hauler fails to make repairs to the road, the township must pull the bond, which is limited by state law to a maximum of \$12,500 for a paved road, while the cost to reconstruct a mile of road can easily exceed \$100,000. While

some haulers are more generous, residents can be left to foot a significant part of the cost to repair the damage.

Under current law, municipalities are not specifically notified when a permit is issued for a new gas well or when the company is ready to start drilling. Instead, the first notice many townships receive is when a caravan of heavy trucks suddenly appears in their township, disrupting traffic on formerly quiet country roads. We believe that the gas well companies and their haulers should be required to notify the host municipality and any municipalities along the principal access roads 30 days before drilling activity takes place, giving these municipalities sufficient time to prepare for this activity.

Oversight of Gathering/Non-jurisdictional Transmission Pipelines

While our area of expertise does not include pipeline requirements, we believe that there is a need for oversight by either the PUC or the U.S. Department of Transportation for the many new gathering lines that will certainly be built to transport natural gas from the well site to interstate or intrastate transmission lines. We believe that some oversight is needed to limit the proliferation of gathering lines, and intrastate transmission lines, to no more than necessary. In addition, oversight should be provided to ensure that these lines are compliant with the relevant federal requirements and best practices and to minimize potential danger from leaks and explosions, including burying lines at a depth sufficient to avoid damage from routine road maintenance activities.

In some cases, gathering lines will be located within the state or local right-of-way. Since gathering lines are not currently classified as utilities, they must purchase easement rights on public or private property. If these lines are classified as utilities, they will be exempt from making right-of-way payments.

Similar to utility gas lines and transmission lines, owners of gathering lines should be required to communicate the location of their pipelines with local officials and emergency responders, for both planning and emergency response purposes, as well as to help assure that emergency responders have the necessary training and equipment to properly respond to related emergencies.

Requirements for Registration with PA One Call

From a public safety perspective, the Association believes that all underground pipelines should be required to register with Pennsylvania One Call as a facility owner. There appears to be a gap in current state law concerning certain gathering lines and we believe that for safety reasons, owners of these facilities should register with Pennsylvania One Call.

While many of these pipelines are located in rural areas, drilling activities will lead to additional development in these areas, which will lead to more digging and increase the potential for damage and injury. Participating in the One Call system will facilitate communication between the facility owners and contractors and will help to minimize damages.

Thank you for this opportunity today to speak about an issue that is affecting many of our members across the commonwealth.