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Energy Inc.

Drillers in Pa. more forthcoming, study finds

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Companies operating in Pennsylvania are among the most transparent in the United States in disclosing chemicals used in hydraulic fracturing.

A new study by Harvard researchers finds those in California, Pennsylvania, Alaska, Mississippi, and West Virginia are most forthcoming about fracking chemicals.

At the opposite end of the spectrum are companies in Arkansas, Colorado, Utah, Ohio, and Alabama.

In all, though, companies are getting worse about disclosures, the study found.

“We find that rates of withheld chemical information have increased since 2013, and appear unaffected by different legal requirements” state to state, according to Harvard Ph.D. candidate Archana Dayalu and Kate Konschnik, who directs Harvard Law School’s Environmental Policy Initiative.

Their study, “Hydraulic Fracturing Chemicals Reporting: Analysis of Available Data and Recommendations for Policymakers,” — to be published in the journal Energy Policy — looks at more than 96,000 disclosure forms filed by companies participating in unconventional natural gas drilling. The forms

were filed between March 2011 and April 2015 with FracFocus, a national registry designed as a one-stop website for information about which chemicals companies use in fracking.

FracFocus was born in 2011; funded by the Department of Energy, it allowed oil and gas operators to voluntarily disclose which chemicals were used.

Questions about chemicals used in fracking have been potent among environmentalists since 2005, when Congress exempted fracking from federal Safe Drinking Water Act requirements. The process of fracking involves injecting chemical-laden water into shale layers thousands of feet beneath the earth's surface.

Companies for years resisted disclosing the chemicals used in frack water, claiming the chemical blend was proprietary. After the BP oil spill in 2010 grabbed the country's attention, there were national calls to hold it and the rest of the gas industry accountable for its effects on water sources.

While the country as a whole seems to be getting less transparent about its frack water, states like Pennsylvania are setting a standard.

Companies here disclosed about 88.9 percent of the chemicals in frack water, the researchers found. That's not as good as California — in which companies disclosed 100 percent — but not as bad as Arkansas at 75 percent. The difference, said researcher Konschnik, was that regulators in states like Pennsylvania and California tended to take an interest.

"Pennsylvania is one of the states that doesn't only direct companies to report to FracFocus," Konschnik said. "They also require companies to report to the state."

In fact, Pennsylvania's Department of Environmental Protection is getting ready to launch its own version of FracFocus on its website.

What this shows, she said, is that if companies face state regulators that seem uninterested, they'll be less likely to divulge the chemicals they're using. It's

like a psychological exam for the natural gas industry.

“States need to be active participants in this disclosure exercise,” she said.

“Ultimately the point of this is that regulators, the public, investors and insurers need to have this information to be able to make informed decisions.

“If states feel that this is out-of-sight, out-of-mind — that someone else is taking care of this disclosure — then this isn’t really fulfilling its purpose,” she said.

Does that make Pennsylvania a leader in transparency on this issue?

“It certainly seems that way,” Konschnik said.

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