

Policy Statement of
The Energy Council on
Maintaining State Regulatory Jurisdiction of
Hydraulic Fracturing Operations

Background

Hydraulic fracturing of oil and gas formations has been used for more than 50 years to stimulate production. Utilizing primarily water and sand, hydraulic fracturing techniques incorporate technologies to protect ground water and the environment.

Recent horizontal drilling technology advances, coupled with hydraulic fracturing, have made possible production of natural gas from vast shale formations throughout the United States. This new shale gas has brought down the price of natural gas to consumers.

As a function of oil and gas exploration and development, regulation of hydraulic fracturing operations has traditionally been under state jurisdiction, and exempt from the federal Safe Water Drinking Act. States regulatory programs, designed to protect drinking water during hydraulic fracturing operations, have functioned well. Under state jurisdiction, close to one million wells have been drilled with no known harm to ground water.

Extending federal regulatory oversight to hydraulic fracturing operations, under the authority of the Safe Drinking Water Act, will add unnecessary regulatory burden to activities which are currently well-managed by state regulators.

Recommendation

The Energy Council urges the United States Congress to maintain state regulatory jurisdiction over oil and gas hydraulic fracturing operations and refrain from extending federal jurisdiction, under the authority of the Safe Drinking Water Act.

Distribution

This policy statement, passed unanimously by The Energy Council on June 21, 2009, shall be distributed to the Speaker of the United States House of Representatives, Majority Leader of the U.S. Senate, and the Energy Council's Congressional delegation, as well as the Administrator of the U.S. Environmental Protection Agency, Canadian Minister of Natural Resources and the energy ministers of The Energy Council's Canadian provinces.



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