

Rep(s). By Representatives Allen, Buskey, Guin, Scott, McClurkin, Mask and Harper

HJR254

ENROLLED, House Joint Resolution,

REQUESTING CONGRESS TO PRESERVE THE PRIMACY OF THE STATE OIL AND GAS BOARD OF ALABAMA TO REGULATE HYDRAULIC FRACTURING IN COMPLIANCE WITH DECADES OLD STATE REGULATIONS AND NOT TO ENACT ANY FUTURE LEGISLATION THAT WOULD REMOVE THIS PRIMACY.

WHEREAS, the regulation of oil and gas exploration and production activities, including hydraulic fracturing, has traditionally been the province of the states; and

WHEREAS, approximately 35,000 wells are hydraulically fractured annually in the United States and nearly 1,000,000 wells have been hydraulically fractured in the United States since the technique's inception, with no known harm to groundwater; and

WHEREAS, production of coal seam natural gas, natural gas from shale formations, and natural gas from tight conventional reservoirs is increasingly important to domestic natural gas supply and will be more important in the future; and

WHEREAS, Alabama was a pioneer in both the development of coal seam natural gas and the hydraulic fracturing technology necessary to make production economic; and

WHEREAS, coal seam gas now accounts for about 40 percent of all natural gas produced in Alabama because of successful implementation of hydraulic fracturing; and

WHEREAS, domestic production of natural gas will ensure that the United States continues on the path to energy independence; and

WHEREAS, hydraulic fracturing plays a major role in the development of virtually all unconventional oil and gas resources and, thus, should not be limited in the absence of any evidence that hydraulic fracturing has damaged the environment; and

WHEREAS, the United States Congress passed the Safe Drinking Water Act, 42 U.S.C. § 300h (SDWA) to assure the protection of the nation's drinking water sources; and

WHEREAS, since the enactment of the SDWA, the United States Environmental Protection Agency (EPA) has never interpreted hydraulic fracturing as constituting "underground injection" within the SDWA; and

WHEREAS, in 2004, the EPA published a final report summarizing a study to evaluate the potential threat to underground sources of drinking water (USDWs) from hydraulic fracturing of coalbed methane (CBM) production wells and concluded that "additional or further study is not warranted at this time" and that "the injection of hydraulic fracturing fluids into CBM wells poses minimal threat to USDWs"; and

WHEREAS, the United States Congress, in the Energy Policy Act of 2005, explicitly exempted

hydraulic fracturing from the provisions of the SDWA; and

WHEREAS, the Interstate Oil and Gas Compact Commission (IOGCC) conducted a survey of oil and gas producing states and found that there were no known cases of ground water contamination associated with hydraulic fracturing; and

WHEREAS, hydraulic fracturing is currently, and has been for decades, a common operation used in exploration and production by the oil and gas industry in all the member states of the IOGCC without groundwater damage; and

WHEREAS, the SDWA has never intended to grant to the federal government authority to regulate oil and gas drilling and production operations, such as "hydraulic fracturing," under the Underground Injection Control Program; and

WHEREAS, the member states of the IOGCC have adopted comprehensive laws and regulations to provide for safe operations and to protect the nation's drinking water sources, and have trained personnel to effectively regulate oil and gas exploration and production; and

WHEREAS, regulation of hydraulic fracturing as underground injection under the SDWA would impose significant administrative costs on the state and substantially increase the cost of drilling oil and gas wells with no resulting environmental benefits; and

WHEREAS, the United States Department of Energy recently studied the impacts of subjecting hydraulic fracturing to the EPA Underground Injection Control Program and projected it would add an average of more than \$100,000 in costs to each new natural gas well requiring fracturing, resulting in billions of dollars in deferred investment, reductions of 35 percent to 50 percent in new drilling for unconventional natural gas, foregone reserve additions of as much as 50 trillion cubic feet of natural gas, and foregone royalties from gas of nearly 50 billion dollars over 25 years; and

WHEREAS, regulation of hydraulic fracturing as underground injection under the SDWA would increase energy costs to the consumer; now therefore,

BE IT RESOLVED BY THE LEGISLATURE OF ALABAMA, BOTH HOUSES THEREOF CONCURRING, That the Alabama Legislature hereby declares its support for the State Oil and Gas Board of Alabama maintaining primacy for the regulation of hydraulic fracturing and urges the Congress of the United States not to pass legislation that would remove state primacy for hydraulic fracturing by regulating the practice under the Safe Drinking Water Act.

BE IT FURTHER RESOLVED, That copies of this resolution be sent forthwith to the President of the United States, to the President of the Senate, and the Speaker of the House of Representatives of the United States Congress and to the members of the Alabama Congressional Delegation.