

Planning For Impacts:
Natural Gas and Fitting
Uncertainty into
Municipal Planning

CNYAC 3rd Rural Issues Community Leadership
Conference

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Energy Development, Marketing & Supply are All in Transition

- o International markets, financing & corporations.
- o Federal & State policy decisions may drive macro-level decisions.
 - o Have you read the NYS 2009 Energy Plan?
 - o What about the Draft 2013 Update?
www.nysenergyplan.com
- o Impacts are often local.

Limitations on the Local Planning Response

- o In NYS, local governments do not have clear authority to regulate gas drilling activity; permitting is a State function.
- o Local governments do not know yet what the State permits will cover, how they will be reviewed/issued, how local municipalities may be involved or notified, or even when permits might start to be issued.
- o What might be the geographic scope of drilling activities? Just Marcellus? Utica Shale?

Shale Gas Drilling Technology is Changing

- o A fairly new industry/technology in flux.
- o Company and community expectations are still forming and change in response to new regulations, advances in technology, mistakes and incidents, new discoveries about the nature of the NE shales, and market fluctuations.
- o Even on-site best practices are changing, and vary from company to company.

What's a Municipality to Do?

- o Municipalities are charged with protecting the health, safety and general welfare of the public, but what if you don't know what the threats or opportunities might be?



Basic Planning Still Applies

- o Do you have a Comprehensive Plan?
 - o Is it current?
 - o Does it contain information about Energy, both use and development?
- o Is your training up to snuff?
 - o SEQR
 - o Subdivision
 - o Site Plan Review
 - o New tools (GIS)

Network Regionally

- o Although the regulations are different, keep an eye on PA.
- o Take advantage of the work of your County Task Force, or the work of other groups.
- o If you don't have access to a task force, working group, or ad-hoc committee, form one!

Caveats

- o There is no permitting process to respond to.
- o No much case law ... who wants to go first?
- o Discretion is required in data sources.
- o The local political situation may make dialogue more difficult.
- o Volunteers are fabulous ... and take time and effort.
- o Information overload can kill your momentum ...just like unrealistic expectations.

Some Key Opportunities

Local Tools

- o Comprehensive Plan
- o Natural Resources Inventory
- o Critical Environmental Areas designation
- o Driveway permits
- o General land use regulations that include industrial activities standards.

NYS DEC Permit

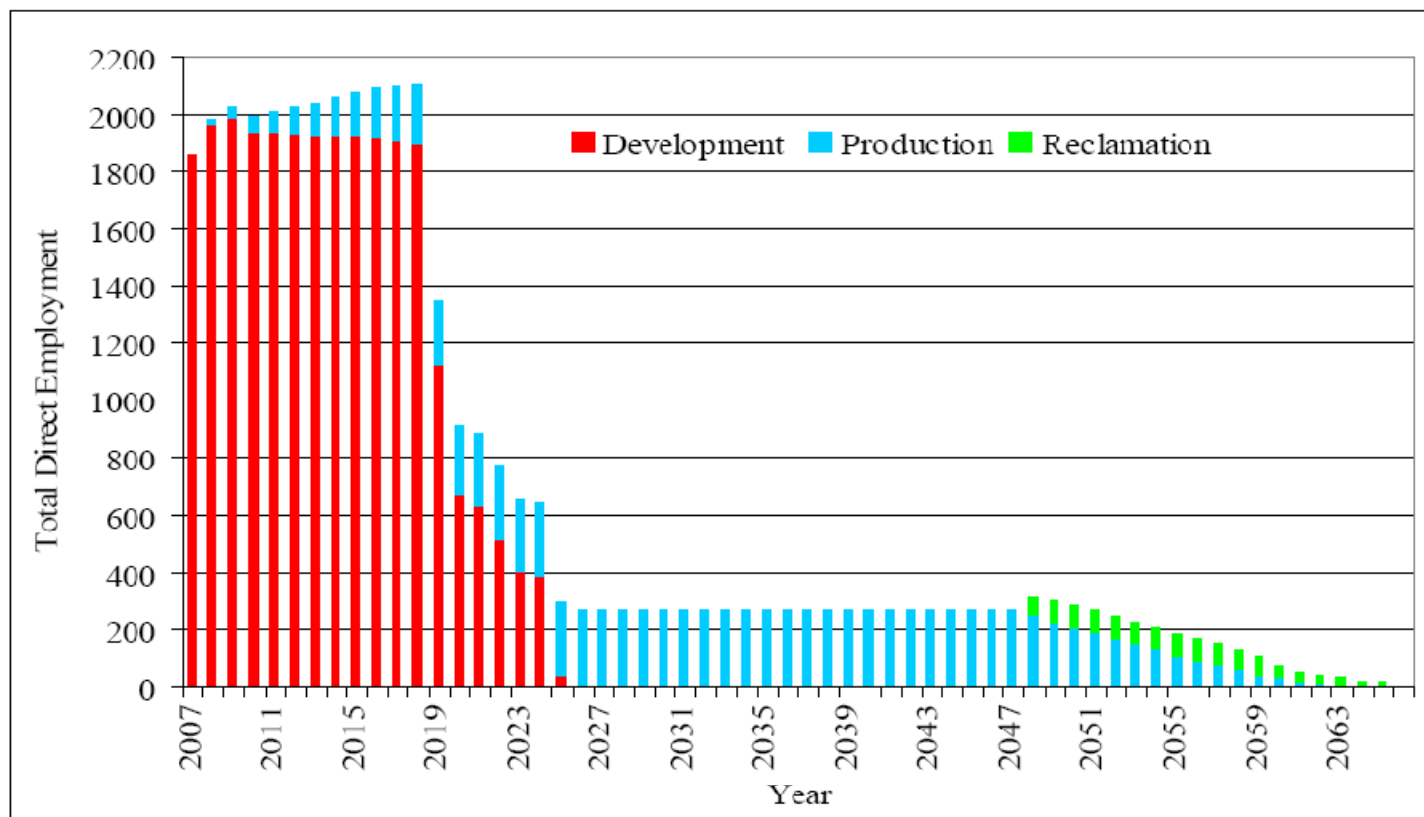
- o Companies may have to show proof of reviewing local planning documents.
- o Safety plans and 911 addresses are required.
- o Traffic and waste disposal plans will also be required, but unclear if they will be available to municipalities.

3 Phases of Industry Correlate to Phases of Community Interaction

- o Development phase
- o Production phase
- o Reclamation phase

- o However, also keep an eye on storage, transportation to markets, and processing. (Start the conversation with an update of your Comprehensive Plan).

Typical Direct Workforce Through The 3 Phases:



Boomtown Activity Means More Than Rigs

- o Are you prepared for more housing needs, and different types of housing?
 - o Apartments with housekeeping service.
 - o Temporary group housing (secured and otherwise).
 - o Requests to turn existing single-family homes into multiple units?
 - o Boarding houses, SROs, informal arrangements, RV parks.

Related Services

- o Increased Commercial and Industrial Activity
 - o Food service & hospitality, trucking, light manufacturing, gravel and stone, welding, vehicle sales and service, storage yards, general retail.
 - o With increased traffic overall, site-specific access management becomes even more important.
 - o Consider noise, lighting and hours of operation impacts.

Trends

(Taken from Sublette Co., Wyoming experience, more info available from Jeffery Jacquet, Cornell University Dept. of Natural Resources)

- o Population increasing
- o Number of housing units increasing
- o Rigs and Arrests positive correlation
- o Truck and car traffic increasing
- o Employment increasing
- o Taxable sales increasing
- o School Enrollment increasing
- o Inflation increasing

Economic Two-Sided Coin

- o High wages and high costs of living
- o “Haves” and “Have-Nots”
- o Very hard to afford unless tied to oil and gas industry
- o Fixed income residents hit the hardest

Social Impacts (Jacquet and Coburn, 2008)

- o Biggest changes perceived at beginning of boom (not at height of boom) - Similar to Krannich, et. al in Delta, UT
- o Town character perceived to have changed
- o From a sleepy town to busy boomtown, traffic, waiting in lines,
- o Large swing towards blue collar culture
- o Community satisfaction said to have decreased
- o Don't socially interact with newcomers
- o Controversial projects/decisions dividing residents

Local Government Limitations

(WY & PA)

- o Understaffed
- o Overwhelmed
- o Unprepared
- o No way to control direct causes of negative impacts
- o Revenues take a while to flow (if at all), and little control over this benefit.

Tailor Your Response to Local Concerns

- o There are so many groups, no need to re-invent the wheel. (CCE Natural Gas Resource Center, www.greenchoices.cornell.edu)
- o There's a great amount of creativity in some local responses, from local and county road access management to overall industrial regulation to concerns about water and siting of facilities.
- o Consider the other base sectors of your economy and evaluate opportunities and threats, try to avoid hyperbole.

Contact Information

Cornell Cooperative Extension, Schuyler County

Danielle Hautaniemi – dah35@cornell.edu

607.535.7161

<http://sites.google.com/site/cceschuyler>

www.schuylerenergy.org