

**Comments of Dusty Horwitt, Senior Counsel, Environmental Working Group  
Before the U.S. Secretary of Energy's Advisory Board on  
Natural Gas Subcommittee to Examine Fracking Issues  
1000 Independence Avenue SW, Washington, DC 20585  
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Environmental Working Group is pleased to have this opportunity to speak before the Secretary of Energy's Advisory Board on Natural Gas Subcommittee to Examine Fracking Issues.

Fracking, also known as hydraulic fracturing, is increasingly important in natural gas and oil production across the country. Yet fracking has been linked to water contamination and property damage in many communities. Understandably, people who live and work in places where fracking operations are planned are concerned about the consequences for their lives and livelihoods. New York City Councilman James Gennaro, chair of the city council's Committee on Environmental Protection, has estimated that if drilling and fracturing for natural gas in upstate New York were to contaminate the city's water supply, the city might have to spend as much as \$20 billion dollars to build a water filtration plant – with no guarantee that the plant could purify the water. Consider the implications for water quality along the gas-rich Marcellus Shale formation, which stretches from upstate New York to Kentucky, and you begin to appreciate the gravity of the questions before this panel, which has been convened to provide President Obama with advice on how to conduct hydraulic fracturing safely – advice that is impartial and credible.

We believe that the current panel is not up to this task. Our research shows that six of the seven panel members have current financial connections to the natural gas and oil industry. The Obama administration says it takes conflicts of interest seriously. Yet the administration is spending \$700,000 in taxpayer dollars to create a panel dominated by industry. The industry has come here to speak this morning, and because of the financial conflicts on this panel, it is almost as if the industry is talking to itself.

Thousands of people in Colorado, Ohio, Pennsylvania, West Virginia, and many other states have reached out to the government to express their concerns about the environmental impacts of fracking. Yet, the Secretary's decision to appoint these members to the panel sends a clear signal that the Administration is listening to the top brass of the industry, not real people at the grass roots who are concerned and affected by fracking.

The public deserves better.

-- People from communities affected by fracking and oil and gas drilling must be represented on this panel. Their quality of life, their health, their property values are at stake. Yet there is no one here to speak for them. Why not?

-- John Deutch must step down from the panel. During a stint on the board of Schlumberger Ltd., one of the world's three largest hydraulic fracturing companies, Mr. Deutch received about

\$563,000 in 2006 and 2007, according to [Forbes Magazine online](#). He is now on the board of Cheniere Energy, Inc., a Houston-based liquified natural gas company that, according to Forbes, paid him about \$882,000 from 2006 through 2009. Schlumberger addressed the panel this morning.

-- The panel must be chaired by an impartial person and must also be expanded to include independent experts.

We share President Obama's concern over rising energy prices. But Americans' health and the safety of their drinking water are just as important. In light of the complexity of the issue and EPA's ongoing scientific study, this panel should take the time to examine hydraulic fracturing thoroughly so that it can offer constructive and credible advice.

In addition to Mr. Deutch, other panel members have these industry connections, according to our research:

- **Stephen Holditch**, head of the petroleum engineering department at Texas A&M University and a leader in the field of hydraulic fracturing designs, first at Shell Oil, later as head of his own firm, acquired by Schlumberger in 1997. Today, he is **engineering committee chairman** at [Matador Resources](#), a Dallas oil and gas exploration company.
- **Kathleen McGinty**, chair of the White House Council on Environmental Quality during the Clinton administration and a former secretary of the Pennsylvania Department of Environmental Protection, now senior vice president of [Weston Solutions](#), Inc., which consults for the oil and gas industry, including leading natural gas driller [Chesapeake Energy](#), and a [director of NRG Energy](#), a Princeton, N.J., wholesale power generation company whose [assets](#) include more than two dozen natural gas power companies. Chesapeake addressed the panel this morning.
- **Susan Tierney**, assistant secretary of the Energy department under President Clinton, now [managing principal of Analysis Group](#), which consults for utilities that use natural gas and for the [Interstate Natural Gas Association of America](#), the natural gas pipeline industry association.
- **Daniel Yergin**, Pulitzer-Prize winning author of *The Prize*, a 1991 book about the oil industry, and co-founder, chairman and executive vice president of IHS CERA, [originally called Cambridge Energy Research Associates](#), [acquired in 2004 by IHS](#), an international

consulting firm whose clients include the oil, natural gas, coal, power and clean energy communities.

- **Mark Zoback**, a geophysics professor at Stanford and [senior advisor to Baker Hughes, Inc.](#), a Houston-based oilfield services company engaged in [hydraulic fracturing](#). Zoback is [chair of GeoMechanics International](#), a consulting firm that advises on various oil and gas drilling problems and that was acquired by Baker Hughes in 2008.

A full list is available on our website at [www.ewg.org](http://www.ewg.org).