

January 7, 2008

**To: Senate Environmental Resources & Energy Committee;
House Environmental Resources & Energy Committee**

Re: Senate Bill 1127 and Special Session House Bill 32

The Pennsylvania Environmental Council (PEC) would like to offer remarks on the issue of gas and oil drilling on state-owned land, which has again become a matter of discussion before the Department of Conservation and Natural Resources (DCNR) and the General Assembly. While PEC does not flatly advocate maintaining a ban on shallow oil and gas leasing as set forth in the 2003 State Forest Resource Management Plan, we do believe that any such resource development should be permitted only where appropriate and with strong oversight. We believe the framework for this process has already been identified and set in motion, and urge the Senate and House Environmental Resources & Energy Committees to defer any consideration of Senate Bill 1127 or Special Session House Bill 32 at this time.

Pursuant to House Resolution 394 of 2003, the Joint Legislative Air and Water Pollution Control and Conservation Committee (Joint Conservation Committee) undertook a study of DCNR's oil and gas leasing program. The report of the Joint Conservation Committee was issued in January of 2006, with the recommendation that the proposed ban be maintained in bioserve areas, old growth areas, and wild and natural areas; coupled with strict use restrictions along steep slopes and high recreation areas, as well as buffer areas as appropriate. The report recommends removing the ban on a selective basis in other state-managed areas, but only under certain controlled circumstances which would be established and enforced through lease agreements.

Currently DCNR is developing an updated State Forest Resource Management Plan that will incorporate the findings of the Joint Conservation Committee report, including allowing shallow development drilling on State Forest lands on a selective basis. PEC believes this is a balanced approach to preserving our unique natural and recreational resources – which generate significant revenue for the Commonwealth – while also providing for resource extraction where appropriate and after careful deliberation. We strongly urge the Committees to delay any consideration of legislation such as Senate Bill 1127 or Special Session House Bill 32, which run counter to the recommendations of the Joint Conservation Committee report and in fact impose significant new burdens on state lands to facilitate private drilling operations.

If you have any questions regarding PEC's position on this matter, please do not hesitate to contact me.

Sincerely,

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