



P.O. Box 103  
Fremont Center, NY 12 736

December 29, 2011

Mr. Joseph Martens, Commissioner  
Department of Environmental Conservation  
625 Broadway  
Albany, NY 12233-1011

Dear Commissioner Martens:

I was pleased to read that the Department of Environmental Conservation has asked Ecology & Environment (E&E) to expand its study of the socioeconomic impacts that hydrofracking will have on New York State. As you know, many of us think that the E&E report included in the Revised Draft SGEIS is more than "a little thin". Along with two other economists, I recently sent you a letter detailing some of its flaws including:

- A failure to identify *all* the costs and benefits that shale gas extraction will entail.
- A failure to clearly identify all the winners *and losers* who will be impacted by fracking.
- A failure to consider all the phases of shale gas extraction - from the activities of landmen and leasing, up to and including the build out of transmission systems, including compressor stations and pipelines, that may seize land by eminent domain.
- A failure to consider the cumulative effect of an industrial activity that could radically transform much of the western part of the state.
- A failure to consider the long term effect that shale gas extraction will have on New York State. (The E&E study does not look beyond the period supposed to be required to extract the gas.)
- A failure to consider worst case scenarios.
- The absence of common oil and gas industry discounted cash flow analysis.
- A failure to fully account for environmental costs, and the loss of "next best use" of the land that will be industrialized by the gas extraction.
- The use of inappropriate economic models, and a sole reliance on input/output analysis.
- The use of arbitrary estimates of how local labor will replace transient labor.

- An assumption that shale wells will produce for thirty years, which does not seem to be grounded in reality.
- A vague and undeveloped description of how shale gas extraction will impact real estate values.
- A failure to consider the fact that proximity to gas wells might violate conventional home mortgages and make it impossible to refinance homes, or to obtain home insurance.
- The losses that will be incurred by other industries, including tourism, outdoor recreation and agriculture, are not quantified.
- Tax revenue estimates appear to be based on overstated gas production estimates and an overestimate of New York's recoverable shale gas reserves.
- Adjustment costs, such as the estimated \$226 million it will cost to build out the DEC are completely ignored.
- The NYS Department of Transportation estimate that infrastructure improvements and repairs will cost hundreds of millions of dollars a year is ignored.
- The cost of mitigating environmental damage is ignored.
- The cost of mitigating adverse health impacts is ignored.
- The costs to local communities for increased demands on first responders, law enforcement and medical services are ignored.
- A "one size fits all" approach to the impact that shale gas extraction will have on communities ignores the actual impacts that might be felt by some communities.

Clearly New York State should not move forward with shale gas extraction until these many defects have been addressed by a thorough and competent socioeconomic analysis. It is equally clear that such an analysis will be very different than the E&E study in the Draft SGEIS. A satisfactory assessment may require the input of experts beyond those available at E&E.

We believe the public must be permitted to read and comment upon the revised socioeconomic report before its findings are incorporated into a final version of the SGEIS. Because of the potential impact on the Revised Draft SGEIS, the SGEIS comment period should be extended until after the expanded report is released. We ask that when the Department receives the expanded report from E&E it release it to the public, and commence a public comment period of not less than ninety days.

Sincerely,

Jannette Barth, Ph.D.  
Catskill Citizens for Safe Energy

Lynn Ellen Marsh, President  
The Advocates for Cherry Valley, Inc

Harry Levine, President  
Advocates for Springfield

Leigh Melander, Ph.D., Chair  
Andes Works!

Jan Quarles, Chair  
Back To Democracy

Paula Medley, President  
Basha Kill Area Association

Hilary Baum  
Baum Forum

Karen Feridun, Founder  
Berks Gas Truth

Larysa Dyrszka, MD.  
Bethel Concerned Citizens

Robert J. Castelli  
Member of the NYS Assembly, 89th District

Kenneth Fogarty, Chairman  
C-CARE (Chenango Community Action for Renewable Energy)

Wes Gillingham, Program Director  
Catskill Mountainkeeper

Heather Carlucci-Rodriguez  
Chefs for the Marcellus

Joan Tubridy  
Citizens Energy and Economics Council of Delaware County. (CEEC)

Kate Bartholomew, Leadership Council Member and Treasurer,  
Coalition to Protect New York

Melanie Steinberg, Outreach Coordinator  
The Committee to Preserve the Finger Lakes

Robert Oswald, Professor of Molecular Medicine, Cornell University, and Michelle  
Bamberger, DVM  
Concerned Citizens of Ulysses

June Abele  
Concerned Worcester Citizens-NY

Fay Muir, President  
Croton Watershed Clean Water Coalition, Inc.

Barbara Arrindell, Director  
Damascus Citizens for Sustainability

Carole Marner , Founder  
Delaware Action Group

Caroline Martin, Founder  
Delaware County Neighbors

Tracy Carluccio, Deputy Director  
Delaware Riverkeeper Network

Marie McRae  
Dryden Resource Awareness Coalition

Steven J. Levy, President  
Federated Conservationists of Westchester County

Martha F. Ferger, President  
Social Justice Council  
1st Unitarian Society of Ithaca,

Claire Sandberg, Executive Director  
Frack Action

Brian Brock, Board President  
Franklin Local

Albert Crudo  
Friends of Sustainable Sidney

Pat Roberts  
Friends of Vestal

Sheila Cohen, Outreach Coordinator  
Gas Drilling Awareness for Cortland County (GDACC) ,  
SUNY Cortland Center for Gender and Intercultural Studies, Chair Environmental  
Justice Committee

Yvonne Taylor, Co-Founder  
Gas Free Seneca

Cindy Kurpil Gieger  
Sullivan County Legislature (Elect), District 5

Patti Wood, Executive Director  
Grassroots Environmental Education

Jack Kupferman, Co-Convener  
Gray Panthers, NYC Network

Carol Roig, Cofounder  
Highland Concerned Citizens

Dr. Lisa Barr, Owner  
An Iron Daisy CSA

Laurie McFadden  
Keep Cochection Green

Joe Hoff, Chairman  
Keuka Citizens Against Hydrofracking

Edward C. Kokkelenberg, Ph.D.  
Research Fellow, School of Industrial and Labor Relations, Cornell University

Liz Krueger  
New York State Senate, 26<sup>th</sup> District

Julie A. Edgar  
Lehigh Valley Gas Truth

Barbara Lifton,  
New York State Assembly, 125<sup>th</sup> District

Caroline Akt  
Lumberland Concerned Citizens

Gary Thomas Smith, Executive Director  
MICAH-Cortland (*an affiliate of the PICO National Network*)

Barb Monroe  
Milford DOERS

Timothy Mount, Ph.D.  
Professor of Economics, Cornell University

Nancy Moen  
New Lisbon Neighbors

Lea Kone, Assistant Director  
Northeast Organic Farming Association of New York (NOFA-NY)

Maria Grimaldi, Regional Representative  
NOFA-NY Catskill/Hudson Region

Joe Levine, Director  
NYH2O

Anita Williams, President  
Otisco Lake Preservation Association

Nicole A. Dillingham, President, Board of Directors  
Otsego 2000

Beth Rosenthal  
Otsego County Representative, District 7

Darla M. Youngs  
Otsego County Conservation Association

Marie Terlizzi, Cofounder  
PAUSE

Peter Hudiburg, Spokesperson  
Plymouth Friends of Clean Water

Kathy Shimberg  
Protect Laurens

Paddy Lane  
Protect Pittsfield

Otto Butz  
Residents of Crumhorn

Allegra Schecter, Founder  
ROAR (Roseboom Owners Awareness Response) Against Fracking,

Karen London, Cofounder  
SACRED

Mark Levinson, President  
Sand Lake Beach Club

Kathy Klopchin  
Sanford-Oquaga Concerned Citizens

Sara Hess, Treasurer  
Shaleshock

Roger Downs, Conservation Director  
Sierra Club Atlantic Chapter

Gusti Bogok, Co-Chair  
Sierra Club Atlantic Chapter Drilling Task Force

Geri Chapman Aird, Co-Coordinator  
Environmental Health and Justice Team,  
Sierra Club Atlantic Chapter Gas Drilling Task Force

Mary Menapace  
Skaneateles Citizens Committee on Hydrofracking

Paul F. Torrasi, M.D., President  
Skaneateles Lake Association, Inc.

Holley Atkinson, Board of Directors and Communications Co-Chair  
Slow Food NYC

Michael Chojnicki, President  
Sullivan Alliance for Sustainable Development (SASD)

Adrian Kuzminski, Moderator  
Sustainable Otsego

Martha Robertson, Chair  
Tompkins County Legislature

Will Burbank  
Tompkins County Legislator

Kathy Luz Herrera  
Tompkins County Legislature, District 5

Pat Pryor  
Tompkins County Legislator, District 6

William J Engle, Vice Chairman  
Town of Callicoon Democratic Committee

Irene Weiser, Town Board Member (elect)  
Town of Caroline

Rosie DeCristofaro, Member  
Town of Delaware Planning Board.

Brad Walrod, Member  
Town of Delaware Zoning Board of Appeals

Linda Lavine, Board Member  
Town of Dryden

Andy Boyar, Supervisor  
Town of Highland

Keitha Capouya, Supervisor  
Town of Meredith

Ronald Bailey, Councilman,  
Town of Meredith

Dan Birnbaum, Councilman  
Town of Meredith

Penelope R. King, Town Clerk  
Town of Meredith

Alan Davino, Member  
Town of Meredith Planning Board

Don Statham Member  
Town of Meredith Planning Board

William Turick, Member  
Town of Meredith Planning Board

Julie Huntsman, Councilwoman  
Town of Otsego, Otsego Neighbors

Rick Keyes, Town Board Member  
Town of Skaneateles

Roxanne Marino, Supervisor  
Town of Ulysses

Kevin Vertrees  
Tusten Concerned Citizens

David Braun  
United for Action

Lorraine, McNulty, President  
Upper Unadilla Valley Association

Sue Rapp  
Vestal Residents for Safe Energy (VeRSE)



James R. Dean, Trustee of Village and Chairman of Environmental Conservation  
Committee  
Village of Cooperstown

Susan Van Dolsen, Co-organizer  
Westchester for Change

Steve Zerby  
Westford Neighbors

David Buchwald, Member  
White Plains Common Council

Marriot Sheldon  
Youth Now

Attachment: Letter to Governor Cuomo from Jannette Barth, Ph.D., Edward C.  
Kokkelenberg, Ph.D., Timothy Mount, Ph.D. dated December 14, 2011

---

CC: The Honorable Andrew Cuomo

Deputy Commissioner Eugene Leff