

# Fracking rules nearly complete

## Safety proposals to get final look before public hearings, review

By JOHN MURAWSKI  
jmurawski@newsobserver.com

**RALEIGH** The N.C. Mining and Energy Commission is set to hold its last regular meeting Wednesday before the state's proposed safety standards for fracking are taken to public hearings in community auditoriums this summer.

Wednesday's meeting will culminate a year-and-a-half of intense, technical review that fracking critics considered too rushed and advocates praised as meticulously thorough. By the end of the meeting, the commission will have produced about 120 safety rules, setting the stage for packed public comment sessions in August that are likely to be heated.

"It's quite possible they could influence, in a minor way or a major way, some of the tweaks that we ap-

ply to the rules," said Commission Chairman James Womack. "They could catch something we've missed. They could cause us to rework some aspect of our rule writing."

Shale gas exploration remains under a de facto moratorium in North Carolina, but as the legal process winds down, horizontal drilling and hydraulic fracturing could be less than a year away. Womack said the first fracking permits could be issued as early as next spring, once

the state legislature approves some form of the safety rules the commission has labored over.

The prospect of energy exploration frustrates Therese Vick, a community activist with the Blue Ridge Environmental Defense League, who has attended almost every commission meeting in person and listened to several by Web audio since they got underway in 2012. She said the energy industry cast a long shadow at the commission's

SEE **FRACKING**, PAGE 5B

proceedings, at which commissioners chipped away at regulations that could be criticized as onerous and seen as an impediment to drilling.

### Higher standards sought

But Commissioner Vikram Rao, a former chief technology officer for the Halliburton energy services conglomerate, said the commission is striking the right balance. He noted that all but one of the panel's votes was unanimous, indicating unity on complex issues.

"It does mean there was a consensus," said Rao, executive director of the Research Triangle Consortium. "When I was appointed, I never dreamed we'd get that kind of result."

Opponents of fracking see the potential for chemical spills and other harmful byproducts of industrialization. Supporters envision economic development, job creation and a relatively clean energy source in the form of natural gas.

The 15-member volunteer commission expects to conclude its technical duties Wednesday by writing the last 20 safety rules relating to such issues as waste management, surety bonds, tank construction and permit applications.

As in previous monthly discussions, this session will offer an opportunity for public comment, which so far have featured consistent concerns from environmental organizations that the commission is being too lax with the energy industry.

On Tuesday, Clean Water for North Carolina, Haw RiverKeeper and five other groups sent a letter to the commission, urging improvements to safety standards scheduled for Wednesday's discussion. The organizations said the surety bond and financial protections are inadequate as proposed, exposing the state to financial risk in the event of a serious accident.

"These shortcomings constitute a potential significant subsidy to an industry that is unlikely to contribute to the general economic well-being for even a limited region of NC, and could introduce significant new costs for local governments, individuals and our shared environment," the groups said in their letter.

### Contentious issues

The commission will meet again in May and in June to review and fine-tune all the safety rules as a complete set, but it is not expected to produce new rules.

Much of the commission's grunt work has been done by staffers at the N.C. Department of Environment and Natural Resources, who collated laws and regulations from other states and came up with the most workable options for North Carolina.

Most of the issues debated since 2012 have not attracted a great deal of attention. Womack said the most pivotal safety issue the commission discussed is well construction, including specifications for multiple layers of cement and steel required for well-shaft integrity. "Those are the rules almost no one talk about, no one challenged," he said.

Contentious topics have included letting companies use a trade secret exemption to prevent public disclosure of fracking chemicals pumped into the ground, as well as forcing property owners to allow fracking under their land if enough neighbors agree to drilling.

In addition, commission study groups are writing a half-dozen study reports on key issues for the legislature to take up, including an overview of a single permit to comply with all the safety rules, and limits on the ability of local governments to restrict or ban fracking in their communities.

Both of those issues are designed to remove obstacles to energy exploration in North Carolina, which is at a disadvantage to states that have vaster gas reserves and an existing infrastructure of pipelines and compressor stations to make drilling feasible.

Murawski: 919-829-8932

## Fracking timeline in North Carolina

*The N.C. Mining and Energy Commission has completed most of its technical work and is now preparing for the next phase of creating a safety program for fracking. Here's an overview of the state's fracking timeline.*

**Wednesday:** Discussion and revision of remaining eight rule bundles, including waste management and surety bonds.

**May 15-16:** Review of complete proposed rule set.

**June 5-6:** Review and approval of complete rule set.

**Aug. 19:** Public hearing in the Triangle.

**Aug. 22:** Public hearing in Sanford.

**Aug. 25:** Public hearing in Rockingham County.

**Sept. 5:** Review of public comments and resulting rule changes.

**Oct. 3:** Approval of complete rule set, with changes prompted by public comments. Fracking rule package to be forwarded to the state legislature for final approval.