

Change The Public Conversation On ‘Unwanted’ Infrastructure

BY MEGAN HARMON | SPECIAL TO HART ENERGY

Historically, waste management landfills have been the infrastructure everyone loves to hate. Today, the public has the same view concerning oil and gas drilling in the Marcellus and Utica shale formations.

Perceptions of waste are that no good can come from landfills, processing facilities, transfer stations or even recycling facilities. The thought of garbage and what happens to it after it leaves the curb makes most people cringe, if not worse. While these facilities are necessary for industrial, commercial and residential sustainability and growth, few people appreciate their technology, engineering and sophistication.

Although conventional oil and gas wells have been around for decades, the general public is in a frenzy over this so-called “new” technology of “fracing.” The technology is hardly new. The lack of understanding of the process, its risks and rewards and the claimed lack of transparency by the industry are among the causes of the anti-drilling sentiment. The oil and gas industry can learn from the trials and tribulations of the waste industry, which has faced and continues to face similar public opposition.

In 1991, the regulations issued under Subtitle D of the Resource Conservation and Recovery Act took effect, regulating the disposal of non-hazardous solid waste. Subtitle D became the defining legislation for the modern solid waste industry. It requires solid-waste operators to entomb the waste in an engineered formation; provide a liner for the bottom and top of a landfill; and provide a leachate (water impacted by garbage) collection and removal system. It also created owner and operator responsibility for the closure of landfills and a 30-year post-closure care-and-maintenance obligation. All new sites had to be constructed based on the new standards and so-called “grandfathered” facilities were phased out.

The waste industry has undergone a huge transformation in the last 30 years. Now instead of “garbage guys” or “junk yard dogs” those involved in waste processing, treatment, disposal and recycling include engineers, land-use planners, environmentalists and business developers. The evolution of the modern waste industry can serve as a guide for the oil and gas industry as it seeks public acceptance of its operations and facilities. With the explo-

ration of the shale formations, the industry is taking on a much higher profile.

Grass roots objection to shale activity continues to gain momentum. The mainstream media constantly sensationalizes the dangers of fracing and the environmental harms and public health impacts claimed to be caused by oil and gas operations. Perpetrating the myth that fracing causes explosive gas flames to run from the kitchen sink helps sell newspapers. Well-funded opposition groups want to support more unconventional renewable energy sources and do not see natural gas as a solution to energy dependence. The tide will not change unless the industry does something. The oil and gas industry has to step up to the plate and counter all the negative press and public sentiment.

Here are some ideas:

1. Understand the needs and concerns of the communities in which activities are planned.

First, the oil and gas industry must understand the needs and concerns of the communities in which they are active. Land-use planners know community education concerning a perceived undesirable operation is key to acceptance. Prior to making any public announcement of operations, the oil and gas industry should get the lay of the land including:

Do the legwork to determine the specific issues related to public opposition. This may include one-on-one meetings with public officials, industry leaders and even environmental groups.

Talk to the local rotary and other business groups. Compile information regarding opposition and develop a strategy for overcoming the opposition.

A well thought-out community education campaign, including a media presentation can usually counter grass roots attacks. Educate the public concerning the benefits of the proposed activity, whether it is a well pad, a compressor station, pipeline or an office complex.

Community concerns are not surprising and should be expected. They usually involve noise, truck traffic, environmental impacts and public health issues, property values and other “soft” quality of life issues. Not every community wants development and prosperity. Be creative and address the issues.

Historically the waste industry has addressed these issues in part by entering into host community or community-impact agreements. Such agreements are common practice in the waste industry. Under such agreements, the waste operators contract with either a host community or a community that may be negatively impacted by the proposed industrial activity.

These contracts can address the perceived impact of these facilities and strive to mitigate any negative impacts. By addressing individual concerns, these agreements can allay unsupported fears of industry spoiling or destroying the resources of local municipalities or its citizens. Not all local municipalities have the same issues and concerns. Find out what is key to your local community. Each agreement should address the issues specified during the community education process.

2. Address the concerns directly.

If truck traffic is the issue—investigate, determine and address the specific traffic issue. Is it avoiding truck traffic near schools, churches or parks; or is it an infrastructure or maintenance issue? Be creative and come up with solutions. Commit to use alternative truck routes to avoid the local schools, churches, parks or cemeteries. If this cannot be done, limit the use of certain roads during certain hours. Such a restriction includes not accepting deliveries during school drop-off and pick-up, limiting deliveries during church services or routing traffic around cemeteries during funerals.

Have contractors servicing the site commit to utilize these alternative routes and observe these limitations. If they fail to do so, use alternative contractors. If infrastructure is the concern, have transporters agree to use specified roads, or post maintenance bonds for the local roads. Post weight limits on the roads. Agree to wash truck tires before the trucks use the local roads. Find a way to address these concerns head-on.

3. Be prepared to deal with the aesthetic.

Operators should address eyesores. If the proposed site is unsightly, commit to making it more attractive by adding berms, tree lines or limit the use of lights at night. Place natural screening around facilities. Replace what has been removed – replant trees, grass and other natural vegetation. Disrupt as little land as possible. Place access roads where there is less visual impact. Stay away from streams, creeks and other water bodies when possible. Use pipes of natural color or other means of making facility or structure less visible. These efforts can be made cost effectively.

Moreover, little things, at minimum cost, can be a great hedge against future challenges.

4. Do not ignore the fact that industrial operations have environmental impacts.

Disclose to municipalities the actual activity to be undertaken (construction vs. operation vs. maintenance). Disclose the constituents of the chemicals used in processes. You do not have to give up the secret recipe but hiding the obvious does not help either. Educate the public on the advances being made in using non-toxic, environmentally friendlier chemicals. Commit to contain the chemicals to a certain area, have an emergency response plan and to limit them to a certain quantity. Agree to test the water around the drilling area or other operations. (In addition to providing useful information to the landowner, this may protect operators from unfounded future claims.) Share this information. If you are presumed to have created the problem, you should have a defense by establishing a base line.

5. Agree to hire employees from the local community.

Jobs are only important to the local community if an unemployed neighbor is hired, not a laborer or service provider from out of town. Make it personal. Commit to job training for the local residents and hire from the local community college or jobs program. Show the community the employment numbers in terms of jobs, salaries and expenditures. Make the public aware of the amount of money spent in the community. If a welder, a mechanic or a driver is needed, hire locally. Buy locally. Procurement should be done locally rather than at the corporate level. Put the money back into the local economy. In the end, this will serve the operator well when an analysis is made of the harms related to the operations versus the benefits of these operations.

6. Address property value issues head on.

Decreases in property values are usually a perceived or an exaggerated issue. Property value issues can be addressed by agreeing to pay the reduction in property values attributed to the industrial activity. Values can be guaranteed based on current appraised market values and fair market values upon the sale of the property. The parameters of the area impacted have to be negotiated. Improvements to local infrastructure can increase property values. There is any number of ways to address property value issues.

For community support, the little things do matter. Support the local little league team. Support the purchase of a police car or fire truck. Have your employees join the rotary, the Chamber of Commerce and other business related groups. Pay for local education programs. Permit schools to visit the site and learn about the industry. Have a face and a name. A little time and effort to be involved with the local community can save money and possibly legal expenses.

Community-host agreements or community benefit agreements are a means of addressing the concerns of local communities. These agreements can be vehicles for a true public-private partnership. Each side benefits from the relationship and contentious litigation can often be avoided.

These are new concepts for the oil and gas industry, as they were years ago for the waste industry. This is a whole new world for the oil

and gas industry and grass-roots organizations and individuals will continue to exert pressure on local and state legislative bodies to regulate operations and to oversee the industry. Regulation is acceptable based on science, but not on perception. The industry is here to stay. Reasonable accommodations can be reached. If the waste industry did it, so can the oil and gas industry.

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