

Natural Gas Advisory Committee Meeting Minutes, August 26, 2008

Members Present

Peter Flanagan-Supervisor & Chairman
George Coates, Supervisor
Rick Chase, Supervisor
Richard Schlag, Supervisor
Donna M. Jones, Planning Director
Rena M. Doing, Planner
Steve Palmatier, CC Gov. Affairs
Bradd Vickers, Chenango Farm Bureau

Members Absent

Ross Iannello, Supervisor
James Bays, Supervisor
James McNeil, Supervisor
Carl Ivarson, C. Norwich DPW

Guest(s) Present

Todd Barnes, CNY Coalition
Charles Rowe, CNY Coalition
Melissa DeCordova, Evening Sun

The meeting began at 8 a.m. in the County Board room.

Chairman Flanagan stated one of the primary goals for this committee is to investigate what we can do with County owned land in respect to gas leasing. The legal issues and leasing concerns must be thoroughly addressed if County owned lands are leased.

At this time a small portion of County owned land, in the Town of Preston, has been incorporated by Compulsory Integration in relation to "Blood Gas Well 1". There is a possibility additional County owned land could be involved in Compulsory Integration in the future, if the trend continues. It is up to the Board of Supervisors to consider their options:

- Negotiate a bonus and lease package with a gas company
- Wait for possible integration, which could result in minimal royalties for the County

County owned land comprises approximately 1500 acres, which includes reforestation, County farm (idle land at Preston Manor), County Highway lands. New York State owns 15% of the County (85,000+acres) Mr. Flanagan asked Dave Sinclair, NYSDEC Cortland office, what is the prospect that NYS land will be leased for gas exploration? At this time Mr. Sinclair stated there may be "nominations" for local state land but they are not seeking leases. There has been some seismic testing on Broome/Tioga state leases. Mr. Vickers stated that gas leasing negotiations should be handled by the NYS Comptrollers office, not NYSDEC. It is important that groups push NYS to negotiate properly to get the best deal for the taxpayers.

Mr. Chase asked if the County would consider joining a Coalition? This may not be legally feasible as the County is required to request bids and questionable if they could enter into an agreement with a private group. It may be possible to form a coalition with Towns/Municipalities or adjacent Counties. Suggestion was made to: **Ask all Supervisors/Mayors if they would be interested in pooling any municipal land with the County, if this is legally feasible.**

Concern was expressed about liability issues. Mr. Palmatier stated his personal lease with "Nornew" required the company to accept all liabilities for the gas well and the pipeline agreement he has negotiated. Mr. Vickers recommends the County draft a lease to include all liabilities. Mr. Chase inquired about future land use and concerns. Mr. Vickers recommended any lease should include bonding and money set aside to address any potential future problems.

Mr. Flanagan stated a "Nornew" representative attended the Town of Preston Board meeting in July to advise them of a recent accident at the "Blood Well 1" drilling site. A subcontractor was injured, filed the proper notification and forms with Workers Compensation. "It is a work site and accidents will happen." Mr. Flanagan voiced concern about pipelines and the need to identify and mark their location. Lack of identification and location could be a major safety issue for road crews and emergency personnel this is something that must be addressed.

Mr. Coates questioned how does the County address every conceivable liability to protect the County taxpayer? It was suggested we contact other Counties, such as Sullivan County, and other states that have prepared leases. We could use their lease information as a template to prepare a County lease agreement. We should not have to "reinvent the wheel". Mr. Schlag suggested each County owned property should be evaluated separately. Mr. Palmatier added "Nornew" will eliminate any portion of land requested.

Discussion continued about surface vs. sub-surface (mineral rights) gas rights. Mr. Chase questioned if any County owned properties should not be considered for leasing? The general consensus of the committee members is not to exclude any County owned properties as a parcel could benefit from subsurface rights. Mr. Flanagan asked Ms. Jones, to prepare a map highlighting all County owned land, NYS owned land, in addition to the current and proposed gas well locations.

Mr. Vickers added that all leases should include reinstating any drilling or pipeline sites back to their original state (soils, seeding, etc.) Mr. Schlag suggested preparation of a list identifying all County owned properties; areas to exempt; pipelines/wells separately and potential liabilities. Mr. Flanagan requested County Planning Department to prepare a list identifying all County owned property, the current usage and acreage.

Ms. Jones stated she has been reviewing some model ordinances and regulations from Colorado, Montana and New Mexico that the County or Towns may want to consider. A "Noise Ordinance" has been passed in areas where compressors for gas pipelines run non-stop maintaining line pressure. The gas companies will be here for a long time and we must look at the future affects of this long term relationship and require upfront money to address unforeseeable problems.

The committee voiced concern about the lack of NYSDEC oversight. The NYSDEC is very short staffed and technical expertise is limited. The County Planning Department has filed a request with NYSDEC for all well spacing unit maps issued for Chenango County, as well as the prospect of making this information available online.

Discussion continued about the increase in the price of property at the recent County Tax Sale, some counties have starting the practice of retaining the mineral rights on properties sold at tax sale. There are many property tax issues resulting from the natural gas leases: mineral rights vs. production; surface vs. mineral property tax. Mr. Palmatier added that "Smith Barney Financial Institute" is considering a purchase of "payment rights" plan to offer individuals, enabling them to receive money in lump sum instead of long term. This could be enticing to the elderly or individuals with major health problems.

Mr. Vickers commented that Sullivan County has been very progressive in looking to the future. Mr. Flanagan provided copies of information to be addressed at the Sullivan County meeting scheduled August 26, 2008: "Eight (8) Point Strategy Plan for Preparing for Gas Drilling"; "Natural Gas Task Force Sample Agenda/Questions for Industry Representatives" ; "Inter-Municipal Natural Gas Task Force Agenda"; Memorandum "Concerning Seismic Testing in Highway Rights of Way". Mr. Vickers will be attending:

Discussion continued on liability of County/State/Town giving permission for seismic testing along these routes without the landowner's permission. There is currently "condemnation of mineral rights" litigation in process regarding seismic testing. The issue is not the use of the road right of way it is the subsurface mineral information that is sold by the seismic testing company with no compensation or access to the mineral information by the landowner. Mr. Vickers also provided a copy of the August 12, 2004, "Road Damage Assessment Study" prepared for the City of Denton, Texas, associating road damage from the extensive truck traffic relating to gas drilling.

The issue of gas companies applying for a permit to seismic test along roads has been addressed by the towns of Preston and Norwich, there is some concern about permitting 3-D seismic testing on private property. A permit process would provide adequate time for individual's to test water prior to the 3-D charged testing. Issuing a permit requires a Public Hearing per Town Law Article 64, Subpart 7.

The County Planning & Development Department was designated as the County resource for gas exploration issues. Mr. Ivanson, City of Norwich DPW, will be asked to attend the next meeting to discuss water use for well drilling and wastewater issues.

The committee is referring the following concerns to the County Attorney, requesting a response prior to next committee meeting:

- **Is it legal to lease land designated as a park, ie "Cook Park"**
- **Identify all concerns regarding liability issues relating to leasing County owned land.**

In addition it was suggested we contact the NYS Attorney General for a legal opinion relating to seismic testing as it relates to right-of-ways.

The next meeting is **Tuesday, September 30th at 8:00 a.m.** in the County Supervisor Board room.

Natural Gas Advisory Committee Meeting Minutes, September 30, 2008

Members Present

Peter Flanagan-Supervisor & Chairman
George Coates, Supervisor
Richard Schlag, Supervisor
Ross Iannello, Supervisor
James Bays, Supervisor
Donna M. Jones, Planning Director
Rena M. Doing, Planner
Steve Palmatier, CC Gov. Affairs
Bradd Vickers, Chenango Farm Bureau
Carl Ivarson, C. Norwich DPW

Members Absent

James McNeil, Supervisor
Rick Chase, Supervisor

Guest(s) Present

Charles Rowe, CNY Coalition
Melissa DeCordova, Evening Sun

The meeting began at 8 a.m. in the County Board of Supervisors room.

Supervisor Schlag made a motion to approve the August 26th minutes, second by Supervisor Coates, motion approved.

Chairman Flanagan introduced Carl Ivarson, City of Norwich DPW Superintendent. Mr. Ivarson provided the following information relating to water usage for natural gas drilling and provisions available for disposal of wastewater from the drilling process:

- SRBC (Susquehanna River Basin Commission) controls the ground and surface water in Chenango County, requiring drilling companies to acquire a permit for water usage. No one shall sell water to gas drilling companies without a permit. Municipalities considering sale of water must follow the SRBC guidelines as well as the allowable amount of water permitted by NYSDEC.
- Municipalities with wastewater systems are required to be permitted and perform testing on wastewater to determine the organic and inorganic chemicals present or TCLP (Toxicity Characteristic Leaching Procedure). The City of Norwich requires a \$ 1 Million maintenance bond from the Natural Gas companies, once a year. The sewer use law includes a confidentiality clause which requires the waste water plant chief operator to keep confidential the “fracing” materials used in the drilling process. The permit requires composite samples of normal drilling residue and any parameters the chief operator requests. The City of Norwich requires sampling from each geological formation in the drilling process. Other wastewater plants may not be as specific.
- NYSDEC requires the SIU (Significant Industrial User) to follow additional regulations.
- There has been some concern expressed about the solid settlings in the settling ponds at the drilling sites possibly posing the potential of contamination to the drinking water aquifers and cone of influence that recharges the aquifers. The waste from these pits should be considered as hazardous waste and shipped to proper disposal facilities.
- Permits are issued to the water user and wastewater generators. They are responsible for the actions of the subcontracted haulers. It is important to know where wastewater is dumped, especially if the proper permits are not in place and a load is rejected at a municipal wastewater plant. Some type of tracking system should be in place for waste loads. This should be a consideration for the new GEIS (Generic Environmental Impact Statement) regulations that are currently being revised.
- At this time the main problem associated with drinking water wells near natural gas drilling sites has been excess air and turbidity. Mr. Ivarson recommends testing private water wells at least 3 years or more, especially if they are in close proximity to a drilling site. Testing should be conducted by a certified laboratory and include tests for heavy metals, nitrates, nitrites, benzene and toluene at the minimum.
- Supervisor Schlag asked about Radon emissions which are generally emitted from shale formation. The Radon gas is generally not a problem as it dissipates readily in the air.

General Discussion:

Supervisor Bays: Commented on the importance of Natural Gas Exploration companies communicating with the jurisdictional governing body not just the Highway Superintendents, especially as issues of increased transportation and noise associated with the gas wells becomes more evident they may require adoption of ordinances by the governing body.

Ms. Jones: Provided input on the increased environmental issues, and setback regulations, that have become evident during the development of the Barnett Shale exploration in Fort Worth, Texas. She provided a list of “Gas Drilling Ordinance Comparisons” generated by various jurisdictions as a result of the Barnett Shale exploration

Supervisor Iannello: Expressed concern about future follow-up in respect to pipelines, etc.

Chairman Flanagan:

- Commented on the concern of potential issues associated with pipelines. Noise from the compressor units necessary to move the gas in the lines, has proven to be a problem in other gas development areas.
- "Park land" leasing is not feasible. At this time NYS Legislation would be required before a lease could be initiated. There still remains the concern that County land, such as Gaius Cook Park could be integrated. Question if mineral rights can be leased or sold in lieu of surface rights to side step liability issue?
- Recent press release reported on major natural gas discovery in the "Herkimer" rock formation in Central NY, possibly Towns of Smyrna and Coventry.
- Texas requires 440ft. setback as a lease condition which allows for spacing to accommodate other drilling companies.
- The concept of using natural gas as a resource for powering co-generation plants to increase the demand for more electricity downstate was discussed as an alternative to the proposed NYRI power line project from Canada. This concept would be beneficial to all the residents of NYS by utilizing our resources instead of continued dependency on foreign resources. This idea will be presented to Congressman Arcuri today during his visit to Norwich.
- On October 15, 2008 Chairman Flanagan, Supervisor Bays, Madison Co. Supervisor James Goldstein will be attending a Public Hearing at the NYS Assembly, in Albany, regarding Environmental Impact issues and concerns relating to Natural Gas Exploration. The committee feels the following issues should be stressed at the hearings: water consumption for drilling; disposal of drilling tailings; demand for a closed loop system at well drilling sites to reduce water usage by recycling and cleaning wastewater at the site; funds for private water well testing; reinforcement of Home Town Rule authority; and tying proposed NYRI project to Gas Rush.

Mr. Palmatier & Mr. Vickers: Commented on a meeting at Sullivan County which focused primarily on road issues. At this time Sullivan County and individual Towns have adopted a moratorium on seismic testing along their roads. The discussion also involved encouraging the Natural Gas companies to step up and reduce the burden on Towns, and there was some consensus that the gas companies were agreeable. Mr. Vickers advised committee members there will be an opportunity for Landowners' to meet with representatives from the NYS Attorney General's Office on Wednesday, October 15th, Norwich High School at 7:00PM, to discuss "Oil & Gas Leases: Landowners' Rights". This event is sponsored by Chenango County Farm Bureau.

The committee members commented that it would be beneficial to have the County Attorney attend these meetings.

The next meeting is scheduled for: **Tuesday, October 28th at 8:00 am, Board of Supervisors Room.**

Minutes prepared by: Rena M. Doing, County Planner

Natural Gas Advisory Committee Meeting Minutes, October 28, 2008

Members Present

Peter Flanagan-Supervisor & Chairman
George Coates, Supervisor
Richard Schlag, Supervisor
Ross Iannello, Supervisor
Rick Chase, Supervisor
Donna M. Jones, Planning Director
Steve Palmatier, CC Gov. Affairs
Bradd Vickers, Chenango Farm Bureau
Rena M. Doing, Planner

Members Absent

James McNeil, Supervisor
James Bays, Supervisor
Carl Ivarson, C. Norwich DPW

Guest(s) Present

Charles Rowe, CNY Coalition
Melissa DeCordova, Evening Sun

The meeting began at 8:20 a.m. in the County Board of Supervisors room.

Supervisor Schlag made a motion to approve the September 30th minutes, second by Supervisor Coates, motion approved.

General discussion:

Conversation relating to co-mingling issues relating to the migration of natural gas from one formation to another. There is considerable variation in the formation depths. The Marcellus is geographically deeper in the southeastern portion of NYS compared to the southwest. Chairman Flanagan and Mr. Palmatier have been trying to acquire geological maps of the soil formations. Nornew has a set of visuals depicting the various geological formations.

There continues to be the issue of establishing the spacing units, as required by NYSDEC, especially if there is no exact geological formation data available a well core boring or 3-D seismic testing. A gas company may be permitted to retrieve gas in a designated formation and unknowingly the gas may have migrated, due to underground erosion.

Assembly Standing Committee on Environmental Conservation (October 15, 2008, Albany):

Chairman Flanagan reported that Supervisor Bays (T. Smyrna), Supervisor Goldstein (Madison Co.), Supervisor Salka (Madison Co.) attended the Albany hearing. Chairman Flanagan provided the following overview:

- The meeting was very lengthy. The Chenango/Madison County delegation were not on the agenda until late in the day. They had little opportunity to speak but left prepared statements.
- Supervisor Salka, T. Brookfield, Madison Co., testified on the water well incident when the aquifer was destroyed as a result of improper drilling procedures in the T. Brookfield. The authorities indicated they were not familiar with the incident.
- Chairman Flanagan questioned why horizontal drilling in the Herkimer formation is uncased and what proof is there to confirm the gas is from the designated spacing unit.
- The Marcellus formation will be cased. This formation was the primary focus of conversation however it is important to address all formations.
- A representative from New York City spent considerable time on the importance of protecting the NYC watershed.
- Representatives from four (4) gas companies voiced their opinions but provided no specifics.
- There was considerable discussion relating to water issues.
- Discussion about formation water treatment. Formation water is a major concern due to considerable natural chemicals (organic, brine). There have been several drilling sites where the drilling process and gas production has been slowed due the large quantities of water. Wells must be de-watered for production. Deep gas pocket areas (Black River, etc) have found natural heavy metals to be a concern. The water problem brings up the issue of siting plants in NYS to treat the formation water before discharging back into the environment.
- Commission Grannis stated the NYSDEC will be adding additional staff to oversee natural gas exploration, as well as requiring disclosure of materials used in the hydro-fracing process.
- There was a brief discussion on seismic testing.
- Representatives of State Museum and Cornell University geologists had questioned spacing units but non-committal response.

3-D Seismic testing Town of Preston:

Chairman Flanagan discussed the recent 3-D seismic testing incident on property adjacent to his private property in the Town of Preston. There was no notification to Supervisor Flanagan, as the Town representative, or the landowners as to when the testing would occur. Some property owners were advised "their well water could be cloudy" for a few days. Mr. Flanagan approached a member of the testing crew about a Town permit. They referred to their supervisor, whom in turn indicated they had permission. This was untrue as Supervisor Flanagan is the designated authority for signing permits and he had not been contacted. This incident exemplifies the concern and mistrust that has developed from

miscommunication between the gas companies, their subcontractors, landowners and the local jurisdictions.

Proposed Chenango County Pipeline and general pipeline issues:

Nornew Gas Company is considering installation of a 12 inch transmission line. If a 12" line is installed with low pressure it must be a shared line. The Chenango County Public Works Committee invited a Nornew representative to attend their October meeting to discuss pipelines in relation to right-of-way issues on highways, as well as the importance of knowing where or when they will be installed. Unfortunately a Nornew representative did not accept the invitation.

The County has received a request to lay pipeline. The County Attorney's opinion was to advise against approval. If a company is a utility then legislation has provided right-of-way authority.

Discussion:

- Supervisor Schlag suggested this committee should provide information, to each jurisdiction in the County, relating to gas exploration issues. This would enable the jurisdictions to understand the problems associated with gas exploration. In addition it would be a useful tool, if it was deemed necessary, for jurisdictions to pass comparable laws associated with the drilling process.
- Mr. Vickers commented that the Attorney General's Office has been conducting meetings around the area. Lease violations, improper leasing language have been the primary topics of concern. The inclusion of terminology, "as long as" in a lease could keep a lease on-going indefinitely if a hole has been drilled on the property.
- Mr. Vickers provided the agenda for a meeting on Wednesday, October 29, 2008, 7-9pm, West Middle School Binghamton NY, on "Getting it Right: Health, Land, Law and Natural Gas Production"
- Chairman Flanagan and Mr. Palmitier will be meeting with Nornew on Wednesday, October 29th, to discuss pipeline issues, boring lead time, how to deal with road boring, and as well as any questions the committee members may have.
- Susquehanna River Basin Commission (SRBC) recently approved the use of treated wastewater for consideration in the gas drilling process.
- Supervisor Chase requested any bonding information relating to town roads.

Topics for the November meeting:

- Pipeline issues. Research if any NYS regulations. If no specific regulations addressing local concerns/issues, prepare a pipeline protocol outline for presentation to the Board of Supervisors. If the County considers adoption of a pipeline protocol, suggest Towns also adopt.
- Chairman Flanagan will invite a Nornew Representative to attend the meeting, to address any questions or concerns.
- Invitation to Matt Beckwith, Deputy Emergency Management Director/Fire Coordinator.

The meeting was adjourned at 10:00 a.m. The next monthly meeting is scheduled for:

Monday, November 24th at 8:00 a.m., Board of Supervisors Room.

Minutes prepared by: Rena M. Doing, County Planner

Natural Gas Advisory Committee Meeting Minutes, November 24, 2008

Members Present

Peter Flanagan-Supervisor & Chairman
George Coates, Supervisor
Richard Schlag, Supervisor
Ross Iannello, Supervisor
Steve Palmatier, CC Gov. Affairs
Carl Ivarson, C. Norwich DPW
Bradd Vickers, Chenango Farm Bureau
Rena M. Doing, Planner

Members Absent

James McNeil, Supervisor
James Bays, Supervisor
Rick Chase, Supervisor
Donna M. Jones, Planning Director

Guest(s) Present

Charles Rowe, CNY Coalition
Melissa DeCordova, Evening Sun

The meeting began at 8:05 a.m. in the County Board of Supervisors room.

Chairman Flanagan advised the committee a "Nornew" representative opted not to attend the meeting. Matt Beckwith, County Fire Coordinator was not available to attend this month.

Meeting with Nornew;

Chairman Flanagan and Mr. Palmatier recently met with Nornew to discuss natural gas pipelines. The Nornew representative stated installing pipelines is their primary goal, as soon as possible in 2009. Nornew is still acquiring easements from property owners for under the road boring.

General Discussion:

- The question still remains as to the size and maximum pressure (psi) proposed for the "gathering lines". The Committee concurred it is important for Matt Beckwith, County Fire Coordinator to be aware of all the gas line locations in the County, as well as be familiar with the NYSDEC requirements relating to "Wildcat" wells.
- Research relating to pipelines in NYS has resulted in no definitive agencies regulating the "gathering lines" from the well head to the main transmission line.
- Committee has expressed a genuine concern there should be some regulation of the "gathering lines" if not at the County level of government then encourage each governing jurisdiction to enact a permitting system for oversight of the gas lines.
- Committee will contact Madison County, Garfield Co. Colorado and any agency that may have developed "gathering line" regulations to consider as a model ordinance.
- Mr. Ivarson commented he is submitting comments to NYSDEC Scoping Committee on the proposed changes to the GEIS. He is expressing his concerns regarding water issues relating to potential change in the quality and quantity of water resulting from gas drilling. Mr. Ivarson has agreed to provide a copy of his comments to the committee.

Proposed Permit Recommendations:

Committee members discussed the prospect of developing a permit process for the natural gas "gathering lines". This would be recommended for adoption by the County and the Towns. At a minimum it was suggested the permit should include:

- GPS coordinates for pipeline locations at road crossings.
- Mapping of the current and proposed gas gathering lines to the transmission lines.
- Visible Markings
- Burial depth
- Road Boring depth
- Size and material of the pipe
- Maximum pressure (psi) of each line

The suggestion was made to recommend to Randy Gibbon, County DPW, to update the infrastructure permit to include the new proposed permit specifications.

Proposed Noise Ordinance:

There has been concern expressed about the noise emitted from the compressor stations used to push/pull the gas in the transmission lines. Currently there are two active compressor stations located in, the Towns of Lebanon, Madison County and Plymouth, Chenango County. The County Planning Department has model noise ordinances available for the County and Towns to consider adopting.

Town of Coventry Pipeline:

The Town of Coventry has been approached by Nornew to grant an easement to install gas lines on town property. The issue of easements is a new concept to many government agencies and guidelines from the County Attorney would be helpful.

The Committee requested sending a memo to the County Attorney for an opinion relating to gas companies requesting an easement of County owned land as well as boring under County/Town roads. What is the process for granting easements if this is an option?

Supervisor Iannello questioned if utility easements have been used?

Chairman Flanagan suggested any agreements by the County, allowing a gas company to use County owned land for a pipeline, should include language to insure the County has access rights to the pipeline. This would insure access to the pipeline, under reasonable terms, by another gas company drilling a gas well on County owned land adjacent to a pipeline.

It was suggested the committee invite Doug Stebbins, Nornew Safety Compliance Officer to attend a meeting. Matt Beckwith, Fire Coordinator, will be contacted to ask him if he has had contact with Mr. Stebbins.

A representative from Chenango County Soil and Water will be asked to attend the December meeting to discuss any agriculture issues relating to pipelines, etc.

The meeting was adjourned. The next monthly meeting is scheduled for:

Monday, December 8th at 8:00 a.m., Board of Supervisors Room.

Minutes prepared by: Rena M. Doing, County Planner

Natural Gas Advisory Committee Meeting Minutes, December 8, 2008

Members Present

Peter Flanagan-Supervisor & Chairman
George Coates, Supervisor
Richard Schlag, Supervisor
Ross Iannello, Supervisor
James Bays, Supervisor
Rick Chase, Supervisor
Bradd Vickers, Chenango Farm Bureau
Donna M. Jones, Planning Director
Rena M. Doing, Planner
Shane Butler, Planner

Members Absent

Steve Palmatier, CC Gov. Affairs
Carl Ivarson, C. Norwich DPW

Guest(s) Present

Rob DeClue, Soil & Water
Randy Gibbon, CCDPW
Matt Beckwith, Fire Coordinator

The meeting began at 8:05 a.m. in the County Board of Supervisors room.

Chairman Flanagan introduced Randy Gibbon, Director of Chenango County DPW. Mr. Gibbon was asked to provide information on the permit process relating to installation of natural gas lines along County and Town roads.

Mr. Gibbon provided a copy of Article 6 section 136 of the NYS Highway Law which references work within a County road right-of-way. In 2000 Chenango County developed a standard permit to address requests for work in the County right-of-way. The requirements for issuing a permit are determined by the action requested. Mr. Gibbon stated at this time one permit has been issued for boring under County Road 16, Town of Plymouth to install a gas pipeline by Nornew. The permit requires boring at a minimum depth of 3 ft. below the existing ditch. In some cases this could result in burying a pipeline at 7ft. or greater.

Mr. Gibbon was asked about responsibility for the natural gas "gathering lines"? The lines must be buried a minimum depth of 4ft. in the right-of-way, parallel to the highway. Property owners may grant permission and the County Highway can not deny permission.

Mr. DeClue commented on notification to "Dig Safely New York" (DSNY formerly UFPO) prior to any digging. In a conversation with Jim Flynn, DSNY representative, stated when they receive a call about digging they contact all utilities to confirm location of any buried lines. Their records indicate no information on "gathering line" installation or location, probably because the gas exploration companies, such as Nornew are not considered a utility. It may be beneficial to follow-up on more "Dig Safely New York" involvement, especially considering Nornew's goal to acquire right-of-way to connect to the Dominion and Millennium pipelines.

Chairman Flanagan stressed the County's primary concern is where and how to locate the pipelines along the County and Town roadways and intersections. Assuming the pipelines are plastic has marker wire been laid during installation to locate the lines? There appears to be no oversight by any agency relating to the gathering line installation. Mr. Gibbon stated prior to issuing any permits a site visit is conducted to confirm the location and proposed action.

Mr. Iannello suggested County Code Enforcement could be instrumental in a gathering line permit process. They would inspect the project, primarily to confirm depth, markings and location, but no certification of the gas line would be issued. This information would be then centrally located. The general consensus of the committee is to refine the permit requirements including as much specificity for pipeline installation as possible, then approach each of the Town Boards for their input.

Mr. Gibbon stated if there is anything you need from Highway let them know and they will follow-up.

Chairman Flanagan and Mr. Vickers suggested it may be helpful to meet with NYSE&G to discuss gas pipeline requirements and compressor units. In addition Mr. Iannello suggested in Madison County, Town of Lebanon, the Patco Property, has been pumping gas for 30+ years, it may be beneficial to research the pipeline requirements at this site.

Discussion continued regarding the road boring process. Mr. Gibbon will be contacting Guss Kull, NYSDOT Right-of-Way Department, regarding right of way permit requirements and under highway boring. Nornew utilizes a water "jetting" process for boring. The County had been contacted about land filling the waste dirt from the "jetting" process but Mr. Gibbon stated there has been no further correspondence from Nornew regarding this, probably because of the expense to test the dirt for heavy metals prior to taking it to the landfill.

Mr. Gibbon suggested the committee contact the Association of Towns regarding the effect of local laws and how they could relate to gas pipelines on private property.

Rob DeClue, Chenango County Soil and Water provided information relating to Agriculture and pipelines. Mr. DeClue provided three (3) handouts: NYS Ag/Markets: "Guidelines for Agricultural Restoration at Natural Gas Well Drilling"; "Subsoil Characteristics of New York Soils"; NYS Ag/Markets: "Pipeline Right-of-Way Construction Projects-Agricultural Mitigation Through the Stages of Project Planning, Construction/Restoration and Follow-up Monitoring". Mr. DeClue provided a summary on the pipeline right-of-way construction which is referenced on page 7 of the handout. The

regulations clearly state the pipeline is to be buried a minimum of 2ft., with any variances stated in documentation which could include detailed drawings for special areas or crossings, but it appears this procedure has not been followed or enforced.

If the pipeline requirements are based on land use this could be ever changing from plowed crop land to vacant abandon land. In addition the method of placing pipeline will affect all types of soil profiles which could result in a hydrologic conduit. There is always the question "what is the definition of Agriculture Land" and the relationship to Agriculture Districts?

Draft SGEIS Scoping:

The deadline for the Draft SGEIS comments is December 15, 2008. The committee felt it is important to send additional comments to the NYSDEC Scoping Committee emphasizing: the concern about the lack of oversight and available data relating to the "gathering pipelines" on private property; proximity and potential damage to County/Town roads; request an element of local control in the siting process and an opportunity to provide input prior to issuing permits. In addition the committee feels it would be pertinent to propose that the natural gas generated in NYS destined for the Millennium pipeline should be utilized to generate electricity in lieu of the proposed NYRI project. This would benefit NYS economy in addition to improving upstate/downstate relations. Chairman Flanagan has agreed to prepare written comments voicing the committee's concerns.

Mr. Vickers commented that Sullivan County has submitted County Resolutions relating to natural gas exploration and sent them to the NYSDEC Scoping Committee. He also stated he will be attending a meeting in Albany at which time he will stress the concerns presented by this committee.

The City of Norwich has submitted comments to the Draft SGEIS Committee. Mr. Vickers has a copy of their comments which he will share with the committee.

Leasing County Property:

Chairman Flanagan received a response from the Chenango County Attorney relating to leasing or easements of County owned property to gas companies. Mr. Breslin pointed out that County Law 215 may prevent the County from leasing or granting easements due to the structure of our County government which is composed of Town Supervisors, not a Legislative governing body. Mr. Breslin suggested it may take an act of legislature to allow the County to lease or give easements on County owned land. In addition the County is limited to granting 5 year leases which could prove difficult for a pipeline or well on County owned land.

Mr. Gibbon stated NYSAC has been looking into some of the gas exploration issues and he suggested we contact "NYSAC" for their interpretation of County Law 215 and how it impacts easements/leasing by the County. In addition ask NYSAC if they are aware of any counties in New York State that have leased land to gas companies.

Mr. Vickers stated that Broome County has a geologist currently mapping the geology of County owned land. This could be a beneficial tool should there be a leasing/easement opportunity. Mr. Vickers will contact the geologist for more information.

Evening Sun Article:

The December 5, 2008 issue of the Evening Sun featured an article relating to natural gas drilling in Chenango County:

Nornew in "preservation mode" The article summarized the companies quarterly report and a move toward partnering with other companies to develop the Marcellus and Utica shale formations. Nornew representative Dennis Holbrook was reported to have commented on the difficulty Nornew is having procuring right-of-ways for the approximately 30 mile proposed transmission line due to lack of cooperation from municipal authorities to lay pipeline parallel to roadways. To quote Mr. Holbrook "It's common in other parts of the state for municipalities to allow us to run lines parallel. We haven't been able to secure it over in Chenango County, which is odd". After reading this article this Committee feels it is important that the County respond to these allegations of lack of municipal cooperation when Nornew has been invited to several meetings at the County to discuss their intentions but they have repeatedly refused to attend any meetings. Mr. Iannello stated it would be beneficial to respond and suggested we contact Ms. DeCordova, reporter at the Evening Sun, and have her contact Chairman Flanagan to respond to the December 5th article. A response would make the County residents aware of the County position and confirm there is no lack of support for installing a pipeline, as well as emphasize that the County and this committee is working to protect the taxpayer from any long term adverse affects.

General Discussion:

- Chairman Flanagan suggested the committee members should take a road trip to the Town of Smyrna to check out the density of the wells in the area in just 1-1/2 years.
- The SRBC was contacted regarding the permit issued to gas companies to withdraw water in 25 Counties for drilling. They have not responded to our questions after contacting them twice. Mr. Iannello had received a comment that this permit allowed water withdrawal from any public access or permission granted by an owner.
- Supervisor Bays arrived and provided information on pipelines under Smyrna Town roads. At this time there

- are four (4) locations where Nornew Gas Company has bored under the road at a depth of 8-10 ft.
- Supervisor Bays also expressed his concern that NYS Ag & Markets has not been more involved in the gas exploration issues. He feels there should at least be more oversight from the Division of Weights and Measures.

Matt Beckwith, County Fire Coordinator arrived. Mr. Beckwith was asked about his relationship with Nornew. He stated their Safety Officer, Doug Stebbins, has been very helpful in providing training for local fire departments. The training involves an overview of what is at the well site, what the fire department should or should not attempt to do in the event of an accident, and contact information for the valve control experts.

Mr. Vickers questioned if Fire Control has any idea how Nornew's response time would be in the event of an accident at a well site? Chairman Flanagan asked Mr. Beckwith about Nornew's safety capabilities. Mr. Beckwith stated Fire Control, the local fire chief, and residents in the area of the well are notified prior to any flaring. He also stated Fire Control is encouraging Nornew to report any events that may occur at a well site to Fire Control, especially accidents. Chairman Flanagan expressed concern about the lack of information and marking of the pipelines, especially at road crossings and information on depth. The committee has repeatedly expressed the need to establish a master mapping system for well sites and pipelines. Supervisor Schlag asked what entity would house the mapping data? The general consensus this could be shared by the County Planning Department and Fire Control.

Mr. Beckwith was asked if he was aware of any wire markers in the pipeline corridors so the lines could be located. He did not know.

Mr. Beckwith was asked if he was aware of the NYSDEC "Wildcat" Supplemental Permit requirements. He was not aware of them. A copy was provided to Mr. Beckwith highlighting the role of the County as it applies to the Wildcat fields.

Mr. Vickers asked Mr. Beckwith if any emergency plan has been developed with Chenango County Public Health should there be a major emergency event. Mr. Beckwith stated no specific plan has been prepared at this time but he does work closely with Public Health.

The meeting was adjourned at 10:05 a.m.

The next meeting is scheduled for:

Tuesday, January 27, 2009 at 8:00 a.m., Board of Supervisors Room

Minutes prepared by: Rena M. Doing, County Planner