



Insight

N.Y., start hydrofracking: Jobs await, and we all need cleaner, homegrown energy

JULY 14, 2011

Americans are tired of deficits, a sluggish economy and international energy markets that keep us reliant on foreign oil. It was troubling to see that the [U.S.](#) posted a \$238 billion trade deficit for the first four months of this year, driven by energy imports, and that the [Federal Reserve](#) just cut its outlook for U.S. economic growth, in part due to higher oil prices.

Most days it seems as if the U.S. is caught between a rock and a hard place in its trade, growth and energy ambitions. It is, just not the way you think.

The rock at issue is shale. Due to the density and depth of shale gas, it was virtually impossible to extract until engineers in [Texas](#) combined a technique called horizontal drilling with one known as hydraulic fracturing (aka “fracking”) just a decade ago. Seemingly overnight, this technological breakthrough put more than 2,119 trillion cubic feet of natural gas in the U.S. in play.

A good bit of that’s in [New York](#). Politicking in [Albany](#), however, has delayed progress on shale for three years. [Gov. Cuomo](#)’s been attacked recently – mainly by environmentalists who fear any fracking whatsoever – for “lifting” the fracking moratorium in New York.

But he didn’t lift anything. Rather, the moratorium – put in place out of extreme caution – was ordered in 2010 by [Gov. David Paterson](#). It expired exactly when it was scheduled to.

Back in 2008, when Paterson asked the state Department of Environmental Conservation to complete an Environmental Impact Study on natural gas development. In conjunction with the review, all natural gas production stopped.

The first draft of the EIS was released in 2009. Paterson decided it was not thorough enough and ordered a second draft. He placed a moratorium on fracking in December 2010 and set it to expire on July 1, 2011.

So here we are in July 2011. Just last week, the DEC released its second EIS draft.

The good news: It reports that as long as precautions are in place, fracking can be done safely and won’t contaminate our drinking water. Remember, this was not an industry report. It was issued by an environmental watchdog in a very liberal state.

The bad news: Opponents cling to their knee-jerk opposition. Already, New York has lost jobs and economic benefits as a result of its intransigence. At this point, realistically, natural gas development won’t begin until the latter half of 2012. A recent [Manhattan Institute](#) study found that such foot dragging could come at a cost of

over \$11.4 billion in economic output and \$1.4 billion in tax revenues. And some 15,000 to 18,000 jobs could be created in the Southern Tier and [Western New York](#), where 48,000 jobs were lost between 2008 and 2010.

The high stakes at play in this debate go well beyond the state's borders: There's over 2,000 trillion cubic feet of gas reserves in the U.S.

Take, for example, my home state of [Pennsylvania](#) – which has a significant portion of the [Marcellus Shale](#). In 2009 alone, natural gas development generated over 44,000 new jobs and \$389 million in tax revenue, according to a [Penn State](#) study.

New York could see much the same kind of benefit. But despite the extensive domestic benefits of natural gas development and technological advances to improve its safety, environmental activists remain hell-bent on stopping it.

The opposition is as hypocritical as it is histrionic. Many members of the anti-fracking movement have spent decades calling to end U.S. energy imports and develop cleaner domestic fuels. That's exactly what shale gas is.

All those concerned about energy sources, the environment and jobs for our middle class should welcome fracking in New York.