

Senate Committee on Environment and Natural Resources Testimony on HB 2623 – Prohibits use of hydraulic fracturing

April 17, 2019

Dear Senators,

## Bill Harvey Commission Chair

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Baker County opposes the passage of HB 2623. Once again, this legislature is putting a damper on potential economic opportunities that could benefit rural Oregon and significantly infringing on private property rights and federal regulations that promote energy development on federally-managed lands. The State already has existing regulations through DOGAMI that help to keep the process safe and monitored.

Remove the emergency clause. The Oregon Constitution gives citizens the right to challenge legislation through referendum. The inclusion of this indefensible clause illustrates that the supporters of the bill do not want those in opposition to have a chance to refer the bill to the voters. This is not an emergency as there are no pending application approvals.

The geologic formation Snake River Basin, to which southern Baker and northern Malheur counties are connected, is believed to be a conventional gas resource, where the gas is contained in sandstone that can *probably* be developed without hydraulic fracturing (DOGAMI, 2017). This area was not identified in the USGS study of the potential for unconventional oil and gas potential. Limiting the extraction process without scientific reasoning and disregarding professional studies is absurd.

Hydraulic fracturing (fracking) is a complex science that, like climate change, is controversial. Facts have fallen by the wayside as data has been misinterpreted into doomsday scenarios.

For rural areas in Oregon hydraulic fracturing means:

Fracking in rural areas creates jobs, both at the well and in support industries.
 Fracking can generate millions of dollars in revenues for cities, counties, states, and the federal government – taxes that can be used for schools, highways, and to stabilize property taxes.

3) Domestic production through fracking reduces foreign reliance on energy products.

4) Promotes a return on energy investments to benefit retirements, investment accounts, and saving efforts

5) The EPA has testified that there are no proven cases of fracking affecting water.

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6) The water intensity which is used for fracking is relatively low.
7) The fracking process occurs under most groundwater tables and contamination is very low when proper casings and safety concerns are adhered to.
8) It is an extraction process that is stable. Tens of thousands of wells have been drilled in the US and the number of earthquakes that have occurred are minimal and are thought to be triggered along faults that would have shifted anyway.
9) Fracking is a temporary process that leaves a minimal amount of required reclamation on the land surface.

10) Potential emissions reduction technologies exist and have enormous potential to capture emissions and particles as they are produced.

Baker County takes exception to "Revenue Impact of Proposed Legislation" as published. It states that there is a "Notice of <u>No Revenue Impact</u>". "The Legislative Revenue Office has reviewed the proposed legislation and determined that it has No Impact on state or local revenues analyzed by this office." Absolutely nothing could be further from the truth. Hydraulic fracturing has the potential for billions of dollars in revenue that will improve not only the local economic conditions, but those of the State and Federal governments.

Baker County stands strongly against prohibiting hydraulic fracturing, HB 2623, as it violates private property rights and overrides federal regulations allowing energy production. Simply, HB 2623 is proposing a solution that does not have a problem with the result being a huge government overreach.

Sincerely,

Bill Harvey, Chair Baker County Commission