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Arlington City Council
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I support extending the mission of the Texas Railroad Commission (TRRC), in tandem with the Texas Commission on Environmental Quality (TCEQ), as the primary regulators of natural gas drilling in Texas. Natural gas exploration and production is experiencing historic growth as a consequence of enhanced technology, coupled with ongoing discoveries of shale deposits throughout the world. This market expansion is critical to the health and welfare of our country, and particularly for my city, Arlington, Texas.

The TRRC and TCEQ have a long history of collaborating with local municipalities, a collaboration that has been strengthened by the proliferation of natural gas permits. The efficacy of the professional staff at both agencies has steadily increased, refining technical and professional expertise as a consequence of steadily increasing work volumes. Leaving these two organizations in place protects their hard-earned institutional knowledge that is of tremendous value to Industry, the general public, and to municipalities.

My interest in urban gas drilling was heightened when the frequency of Special Use and Drilling Permits submitted to the Arlington City Council proliferated. While I had an intuitive grasp of the enormous potential for good intrinsic to urban drilling, I felt compelled to conduct as much due diligence as possible to ensure the health and safety of the citizens of Arlington.

As I familiarized myself with these markets, I was intrigued by the complexity and perplexity of urban drilling. Urban drilling fascinates because it encapsulates a cross disciplinary amalgam of some of the most challenging issues we face in our country today, as well as the most promising opportunities in our lifetime. Natural gas offers solutions to geopolitical challenges that have haunted us for decades. It further satisfies the admirable and justified demands of environmental stewards by providing a clean-burning source of energy, in plentiful supply, at a low relative cost.

I subsequently concluded that while urban gas drilling can be inconvenient and irritating, it is not a threat to human health or safety, it is not deleterious to the ecosystem, it does not contaminate our water tables, nor cause rampant air pollution, nor leukemia in our kids, and the entire industry has an admirable safety record.

However, these statements must seem contradictory to those who listen to the daily news. The natural gas industry is under attack, with some thinking that urban gas drilling is in a struggle for its very existence. Opponents to urban drilling question the safety of hydraulic fracturing, are suspicious of the chemical contents of fracturing fluids, and they are convinced that the drilling process itself emits tons of Volatile Organic Compounds into the environment. They are aggressive and organized, delivering a consistent message whether in western Pennsylvania or southern Texas. They understand the political game quite well, and use it to their advantage in blocking as many well sites as possible, and in slowing down urban drilling as much as possible. Most environmental groups and their supporters have repeatedly called for moratoriums on urban drilling.

Veterans of the natural gas industry admit that although they have always been the bane of environmentalists, never in their history have they been attacked so aggressively and persistently, and in an organized, well-financed manner. Most industry commentators even agree on a relative time when

this opposition began in earnest, approximately 1 ½ to 2 years ago. Since that time, the barrage of misinformation, hyperbole, and demands for moratoriums has been relentless, and public opinion has been negatively impacted, rendering citizens more reluctant to tolerate the inconvenience intrinsic to urban drilling. Consequently, the anti-urban drilling movement has instituted moratoriums on drilling in Flower Mound, Texas, Pittsburgh, Pa., New York State, & Grand Prairie, Texas. The opposition has successfully taken a matter of human inconvenience, and turned it into a matter of human life and death, health and sickness. This situation concerns me greatly, because urban drilling has presented my city with a once in a lifetime opportunity to rectify significant deterrents to our becoming the City we as elected officials and community leaders envision.

All world-class cities have endowment funds that underwrite the arts and other non-profit organizations. When one examines our sister cities of Fort Worth and Dallas, e.g., one discovers billions of dollars preserved in endowments. Yet a survey conducted by our Foundation of the financial landscape in Arlington arrived at a conclusion of great concern to me as a community leader. We lag far behind our sister cities, and while we see no need to necessarily emulate their financial prowess, we also know that we need a cushion of money that finances organizations and causes that most citizens do not want general fund tax revenue to fund.

I am privileged to serve as Treasurer for the Arlington Tomorrow Foundation, established by the Arlington City Council in 2007 as a depository for natural gas lease and royalty revenue. Within three years, our fund balance has grown to approximately \$70 million. To give you a little perspective, this is more than all of the lease payments to be paid by the Dallas Cowboys for their use of Cowboys Stadium in Arlington, for the entire 30 years of our contract with them.

It is because the Arlington Tomorrow Foundation is so critical to the future viability of Arlington that the success of urban gas drilling becomes of equal importance and worth the struggle. If I thought that urban drilling was deleterious to human health and safety to any degree, my opinion would be altered immediately. I haven't discovered that evidence. So when a constituent complains about dust on their street, or some additional but temporary noise in their neighborhood, both certainly aggravating and inconvenient, I ask them to consider that cost versus the benefits I have been describing today, and I ask for their forbearance.

The fragility of the natural gas industry is my final reason for wanting to maintain the TRRC and TCEQ as they are currently configured. In my opinion, the instability that would arise as a consequence of revamping or discarding these two agencies could have a negative impact on urban gas drilling, and this is too important an industry, to both Texas and our nation, to endure that risk.

