

Update on Hydraulic Fracturing Review

The provincial hydraulic fracturing review committee continued its work to identify policy and technical reports from other jurisdictions for consideration as part of the review. External consultants have been engaged to help coordinate the jurisdictional review. Committee members also participated in onshore exploration training and development opportunities in areas such as water management, drilling technology and hydraulic fracturing practices.

In August 2011, the Sierra Club Atlantic released a report about hydraulic fracturing in Atlantic Canada. It looks at the potential risk of hydraulic fracturing to Atlantic Canadian air, water and economies. Concerns identified about water included the depletion of fresh water resources and water contamination. It also includes the potential impacts on air quality due to increased truck traffic, construction of drill pads and roads, as well as running of diesel engines to power drilling rigs. The report also calls for a more complete, independent analysis of the economic benefits because they believe they are often overstated. To read more about report visit: <http://atlantic.sierraclub.ca/>

The Canadian Association of Petroleum Producers (CAPP) released new guiding principles for hydraulic fracturing on September 8. The new principles will provide guidance to natural gas producers for water management and improved water and fluids reporting practices for shale gas development in Canada. CAPP's guiding principles for hydraulic fracturing apply in all Canadian jurisdictions. They were created with the understanding that some provinces are working on regulation and that the principles would complement potential future regulatory requirements. For more information about the guiding principles visit: <http://www.capp.ca/getdoc.aspx?DocId=195096&DT=NTV>

Duke University published a study of methane contamination of drinking water accompanying gas-well drilling and hydraulic fracturing (April 2011). The study finds that aquifers overlying the Marcellus and Utica shale formations of northeastern Pennsylvania and upstate New York have evidence for methane contamination of drinking water associated with shale gas extraction. The study found no evidence of contamination of drinking water samples with deep saline brines or fracking fluids. It concludes that greater stewardship, data and possibly regulation are needed to ensure a sustainable future of shale-gas extraction and to improve public confidence in its use. To view this study visit: <http://www.nicholas.duke.edu/cgc/pnas2011.pdf>

The US Department of Energy released a '90-day' shale gas production report (August 2011) to identify measures that can be taken to reduce the environmental impact and improve safety of shale gas production. The key findings and recommendations include improved: public information about shale gas operations, communication between state and federal regulators, air quality measures, protection of drinking water, and disclosure of fracturing fluid composition. It also calls for reduced use of diesel fuel, managing short term and cumulative impacts, applying best practices and more research and development. This report will be followed up with a 180-day report on November 18, 2011. To view the 90-day report visit: http://www.shalegas.energy.gov/resources/081811_90_day_report_final.pdf