

## **Aqua America, Inc. position paper on Marcellus Shale**

### **Submitted for the record on behalf of the Senate Environmental Resources Committee**

**January 27, 2010**

As both a responsible user of the Pennsylvania's precious water resources and a recognized leader in water treatment infrastructure, Aqua has been dedicated to sustainable water and wastewater resource management for over 125 years. As a result, Aqua has been encouraged by the drilling industry, the Pennsylvania Department of Environmental Protection (DEP), and other state and regional regulatory agencies to lend its expertise to analyze the challenges presented by the development of the Marcellus Shale, specifically in the management and treatment of production and flow-back water resulting from drilling operations into the shale formation.

At Aqua Pennsylvania, we have been following the developments of the Marcellus Shale with great interest. All the research and reporting we have seen validates the Marcellus opportunity as a very real and viable economic opportunity that may last up to fifty years. While we recognize the significance of this domestic energy resource for the country, as well as the potentially substantial economic benefit for Pennsylvania, we also share the Commonwealth's deep and justifiable concerns over responsible development of this resource. Aqua CEO, Mr. Nicholas DeBenedictis who is a former Secretary of the DEP himself, recently met with DEP officials to discuss the impacts of high Total Dissolved Solids (TDS) from flow back on our surface water supply. As a result, the DEP has invited Aqua to participate in their TDS Taskforce which is focused on the proposed 2011 TDS standards. Aqua has been involved in these meetings and will continue to monitor any progress with this endeavor.

Aqua appreciates that the health and well-being of our business, and that of Pennsylvania, is linked to this government's ability to successfully balance the economic and energy needs of the Commonwealth with the need to protect our waters and environment. It is not only in Aqua's best interest, but also in the interest of the Commonwealth, to ensure that any technical solution to treating the flow back water from these operations:

- Protects our Aquifers and waterways from pollution or impacts of drilling, as much of the state's population depends on groundwater as their source of drinking water;
- Prevents high TDS flow-back water discharge by drillers into surface water, whether directly or through a wastewater treatment plant. Drillers and municipal wastewater authorities should be strictly permitted in order to discharge into surface water that is used for the water supply.
- Provides professional supervision and operation throughout the water and flow-back water treatment process – from initial diversion through to disposal or discharge. The facilities will be owned and operated over 50 years. As such, all

- supplies have to be well capitalized and professionally staffed to preserve the Commonwealth's precious environment for future generations; and
- Reduces the number of trucks on our highways by investing in treatment technology to recycle and re-use flow-back water from one well to the next.

Although this is not our typical business model, we believe it is in Aqua's best interest, in conjunction with the DEP, to develop the capability to provide the services which would allow for the continued exploration of natural gas in an environmentally responsible and safe manner. Aqua shares the Commonwealth's commitment to fully engage in the development and implementation of responsible strategies for water supply delivery, treatment, and recycling of flow-back water produced by development of the Marcellus Shale, Aqua wishes to remain involved in the ongoing dialogue on this issue.