

February 4, 2019

**Testimony of Steven Guveyan, Connecticut Petroleum Council, in Opposition to SB-753,  
Oil and Gas Waste Ban Legislation**

The Connecticut Petroleum Council /API---whose members include many companies that produce oil and natural gas, including through hydraulic fracturing (HF)---strongly opposes SB-753 which places a permanent ban on oil and natural gas waste activity in Connecticut, including HF waste. The bill is unnecessary because no oil and natural gas wastes come to Connecticut, there is no oil and natural gas waste activity anywhere in the state (nor will there be), and because the legislature has already addressed this issue.

This bill is symbolic-only because no oil and natural gas wastes have been or will be treated, transported, stored or disposed of here. There are no developable oil and natural gas resources in New England, which means there isn't any oil or natural gas waste anywhere in the region. The real reason some want to ban oil and natural gas waste is because it's a back-door way of banning oil and natural gas production itself---a process that has significantly reduced oil and natural gas prices and greatly benefitted Connecticut residents while making the U.S. the world's energy leader. Some proponents of an oil and natural gas waste ban in Connecticut are the same groups asking for an HF ban in Pennsylvania, which is where much of our low-priced, low-carbon, domestically-produced natural gas comes from.

- With respect to HF waste, after extensive debate, the Connecticut General Assembly passed a major HF waste bill in 2014 (P.A. 14-200) which is the toughest such law in the country; it imposed a moratorium on such wastes and required them to be treated as hazardous waste---a far stricter rule than required by EPA or other states, and one that required a very significant compromise by industry. The law should not be made stricter. If the current statute does not hold, regulated industries will be dis-incentivized from negotiating in good faith and making concessions on future regulatory issues.
- That law includes a moratorium on all HF waste activities and stiff new rules for any future activities (if they ever occurred here, which they won't). The moratorium is still effective, so additional legislation isn't needed.
- There has been no showing that the current law hasn't worked, or that any HF by-products have improperly entered the Connecticut waste stream.
- A separate DEEP regulation passed in 1984 (22a-430-8) already bans Class II underground injection wells, which means no oil or natural gas waste can be buried underground anywhere in Connecticut. New England geology isn't conducive to siting underground injection wells.



- No oil and natural gas-related radioactive wastes can come to Connecticut---or anywhere in New England---because there are no low-level radioactive waste sites in this part of the country.
- The oil and natural gas producing region in the Marcellus Shale and Utica Shale (PA, OH, and WV) is just too distant to send wastes to Connecticut for treatment. Today, most of the produced water from oil and natural gas production is recycled on-site and re-used in industry operations, which is environmentally the most judicious way of handling them. The water has not, does not and will not come to Connecticut.
- This bill is inconsistent with the state's Comprehensive Energy Strategy which relies heavily on natural gas---a fuel largely produced by hydraulic fracturing. Passage of this bill would make the state look disingenuous, in effect saying: "We want low-cost, low-carbon natural gas from Pennsylvania here, but at the same time we're going to help those who want to ban oil and natural gas production there, even though it could hurt us here." In states where this is hydraulic fracturing, the issue of HF wastes has been dealt with extensively by the State Oil & Gas Regulatory Exchange (SOGRE) under its States First Initiative and the State Review of Oil & Natural Gas Environmental Regulations (STRONGER), a multi-stakeholder model which includes state regulators, environmental/ public health advocates and industry.
- Finally, the bill has unintended consequences because the definition of "natural gas extraction activities" and "oil extraction activities" includes *all* geological activities related to exploration and production. Metal from old drilling rigs or pipelines and associated parts that are disassembled and melted down or recycled could no longer be used in *any* other product (e.g. asphalt, new pipeline, car or truck parts, or any other manufactured product) and would be barred from re-use---a very far-reaching and surely unintended consequence that is at odds with the Environment Committee's long-standing support for recycling whenever feasible. [see Section 13(E) and 14 (C) of the bill]

To conclude: Overwhelmingly, various state laws on wastes require "managing" them through continuous improvement in treating waste streams, not "banning" them. Passage of this bill is symbolic-only, and would not make Connecticut any cleaner, safer or provide any additional environmental protections. Ironically, the bill comes after a week of record cold temperatures---when benefits of fracking technology are the greatest---heating our homes, powering our factories and generating our electricity. We recommend the bill not pass. Thank you for considering our comments.