

RECEIVED/DELAWARE RIVER
BASIN COMMISSION
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January 17, 2011

Ms. Pamela Bush, Commission Secretary
Delaware River Basin Commission
P.O. Box 7360
25 State Police Drive
West Trenton, New Jersey 08628

Re: Comments on Proposed Natural Gas Development Regulations

Dear Ms. Bush:

The New Jersey State Chamber of Commerce is a leading business advocacy organization based in Trenton. For over one hundred years, our membership has always been broad-based, ranging from single person home-based businesses to Fortune 500 companies with thousands of employees. The State Chamber also links local and regional chambers on a wide range of business issues.

With that in mind, we are writing to convey our support for natural gas energy and responsible drilling of the natural gas found in the Marcellus Shale formation. The State Chamber agrees with New Jersey Department of Environmental Protection Commissioner Bob Martin's statement that clear drilling standards are essential to protecting the resources of the Delaware River.

- Natural gas is an abundant resource right here in America helping to advance a clean energy agenda. Roughly 98 percent of the natural gas we use comes from somewhere in North America. What's more, natural gas is a clean fuel source that is necessary for supporting renewable energy and an important tool in reducing our reliance on foreign sources of fuel.
- In terms of carbon emissions, natural gas is twice as clean as coal. Compared to coal, natural gas has 80 percent fewer NOx emissions and virtually no SOx, mercury or particulate pollution. Natural gas is used to fuel NJTRANSIT buses and other public transportation which emit 25 percent less carbon dioxide than conventional combustion engines on the road today.
- New Jersey's economy depends on a reliable source of affordable clean burning natural gas. Nationally, 50% of homes are heated by natural gas and a fifth of America's electricity is generated by natural gas. It is estimated that in the next 25 years, it will account for 50 percent of U.S. gas supply.

- The Marcellus Shale formation is the second largest natural gas field in the world and the largest in the United States. Hydraulic fracturing is the only drilling technique for extracting the abundant supplies of natural gas trapped within dense rock like Marcellus Shale.
- Hydraulic fracturing has a long track record of use and is proven safe thanks to the utilization of industry best practices. The technique was invented 60 years ago and has been used to drill more than one million wells in the United States. Every year over 100,000 wells are hydraulically fractured worldwide.
- A 2004 study by the US Environmental Protection Agency concluded that hydraulic fracturing poses little or no threat to underground sources of drinking water. The same 2004 EPA study confirmed that no instances were found where groundwater was contaminated by hydraulic fracturing.
- Natural gas development holds great economic potential for the entire Delaware River Basin region, bolstering local economies throughout the supply chain of businesses and services that support production. Hydraulic fracturing is essential to realizing that opportunity.
- In New Jersey, the natural gas sector supports more than 72,000 jobs and provides nearly \$7.5 billion in economic output. Supporting the safe development of local resources will help the industry grow.
- Natural gas development has been a boon to New Jersey's chemical companies, who make the chemicals needed for the fracturing process. This is an important boost to the state's economy during these tough economic times.

The New Jersey State Chamber of Commerce respectfully urges the Commission to act wisely and act quickly to establish clear drilling standards that both protect the Delaware River resources and also advance the production of affordable and abundant clean natural gas. Our economy depends on it.

Sincerely,

A handwritten signature in black ink, reading "Michael A. Egerton". The signature is written in a cursive, flowing style.

MICHAEL A. EGENTON
Senior Vice President