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"Seeking to advance the dairy industry in Pennsylvania through improved productivity and profitability."



Forum facilitates communication, cooperation Where agriculture and natural gas land uses converge

By SHERRY BUNTING
Special for Farmshine

HARRISBURG, Pa.—For those who have been to Pennsylvania's Northern Tier lately, the level of activity resembles a modern-day "gold rush." Coming home on a Friday night from a recent visit to Bradford County, the scene was striking: The number of trucks on the road, the traffic, the lines of cars—especially pickup trucks—at gas pumps, the full parking lots at diners and hotels.

There's a certain energy to this new-found industry bringing jobs, revenue, and activity to the region. But the positive energy is nonetheless impactful to the region's infrastructure and to those who farm the land.

Agriculture is the connecting point for two essentials: food for life and energy to power everything else in our lives. From ethanol plants and methane digesters to wind turbines and natural gas extraction, farm owners and operators can experience both the challenges and the opportunities.

With rising costs for feed, fuel, fertilizer and other inputs—along with uncertain milk prices—the last thing dairy farmers need is to be outside the loop of communication when activities affect the land they farm due to the energy resource that lies miles below.

Communication is a two-way street, and that is why the Keystone Energy Forum partnered with the Professional Dairy Managers of Pennsylvania (PDMP) and PennAg Industries to host the first-of-its-kind Agricultural Forum last Thursday, January 12 during the Pennsylvania Farm Show in Harrisburg.

"If you are in agriculture, this is affecting your life immensely," said Glenn Gorrell, who operates a 650-cow dairy in East Smithfield, Bradford County, and is serving his third year as president of PDMP.

Gorrell participated in one of two panels presented at the Forum, which focused on Marcellus Shale development and its interaction with Pennsylvania's agricultural community. The event allowed numerous agricultural groups, natural gas industry leaders, and regulatory agencies to better understand and engage in a productive discussion about natural gas production in the Commonwealth.

"PDMP and Keystone Energy Forum have held discussions like this on a smaller, more localized scale with dairy producers, and as a result, I think both industries at the local level have a better understanding of how each other operates on the ground, and knowing who to call with questions about drilling schedules, planting schedules, and everything in between," said Gorrell.

"Agriculture has a long and proud heritage in Pennsylvania. While the natural gas industry has boomed over the past five years, its interaction with the agriculture community should focus on productive dialogue that can lead to a better understanding and future growth of both industries over the next five years and beyond," said panel moderator Bill Stewart, director of Keystone Energy Forum.



(Above) Glenn Gorrell, president of the Professional Dairy Managers of Pennsylvania (PDMP) and owner/operator of Gorrell Dairies, Bradford County, focused his comments on the importance of land use communication between agriculturists who make their living farming and the natural gas industry that has access to those lands for drilling.

During the Forum, Gorrell (left) participated on the panel discussing "Marcellus Shale and Agriculture Working Together," along with Tioga County Commissioner Erick Coolidge (center) of Le-Ma-Re Farms Dairy; Lou D'Amico (right), Pennsylvania Independent Oil and Gas Association

(PIOGA), Scott Tompkins (not pictured), Talisman Energy; and Art Cantrell (not pictured), Caiman Energy.

(Below) The first panel on "Marcellus Shale Activity in Agricultural Lands" was moderated by Bill Stewart of Keystone Energy Forum (center) with panelists from left: Art Cantrell, Caiman Energy; Dawn Hintz, Susquehanna River Basin Commission; Scott Perry, DEP deputy secretary; Rick Mykitta, Shelf Appalachia; and John Laughner, Penn State Cooperative Extension. The Forum was attended by 100 people from agriculture, industry, government, and the public at-large. Photos by Sherry Bunting



"Three groups have come together today to further that understanding and create a benchmark for future dialogue that puts Pennsylvania and its heritage first."

Highlighting the Farm Show as "a celebration of our state's foremost industry — agriculture," Ag Secretary George Greig said that, "We continue to seek ways to keep agriculture viable, and the Marcellus Shale industry has provided a much needed financial boost to many of our farm families, helping to ensure they'll be farming for generations to come."

But as pointed out by Gorrell and fellow panelist Erick Coolidge—a dairy producer from Tioga County who also serves as county commissioner—farms like theirs are dedicated to dairying for the long haul.

"Every gas company treats the agriculture sector differently," said Gorrell, explaining how installation of pipelines and the finding of remnant seismic wire through hundreds of acres of hay fields, or learning of well pad construction on acreage after a corn crop was planted, are indications of the need for better communication and cooperation, as well as respect for agriculture land use in the region.

"For someone who is still trying to make a living in agriculture, we need to be able to work hand-in-hand," said Gorrell who farms 1800 acres in the middle of the natural gas drilling activity. He said the gas companies did not realize that the person farming the land is often not the owner of the drilling rights, so there can be a severe disconnect.

In keeping with its mission to advance the dairy industry in Pennsylvania, and out of concern for dairy farmers in the Marcellus Shale regions, PDMP partnered with Keystone

Energy Forum earlier this year to facilitate better dialog between agriculture and industry.

"We're working to get that relationship built to have an understanding of what we are and who we are and what we do every day. We need to be able to do our operations and to harvest our feed for our cows," Gorrell explained. "It's important for both to happen, and both can happen, but on more fair terms than what is happening right now."

Coolidge stressed the value of the Northern Tier activity. As a dairy farmer and county commissioner, he sees the impact from all sides.

"We need one energy policy, and we are sitting on top of it," he said. "I want to send a clear message about the importance of planning, education, and commitment. We have great potential here. Let's not miss it."

Lou D'Amico of the Pennsylvania Independent Oil and Gas Association said land owners and farmers, are "partners" in the future.

"If we can't get along and solve these issues now, then we'll have problems for the next 30 to 40 years," said D'Amico. "There is a lot of opportunity here, along with the potential issues. We're excited to work together on these issues and recognize where the problems are."

Giving a glimpse at that future was Scott Tompkins of Talisman Energy. He noted that one-fourth of their global energy production is now the shale business that has developed in North America over the past two years.

He talked about meeting Gorrell and getting "an education" on dairy issues the company was never aware of. Awareness is key, he said, and so they now communicate their expectations to subcontractors, to show respect for dairy producers farming the land they impact.

Both panels fielded questions from the audience of 100 about food production and safety as well as water quality and quantity.

Gorrell stated that, "The water quality is fine. It is the same as when we started, and we have seen no drop in our milk production or any adverse effects."

"How water is managed as a resource is imperative," Coolidge added.

Dawn Hintz of the Susquehanna River Basin Commission explained that sophisticated devices measure water flow to automatically allow or disable the withdrawal of water from local rivers and streams for fracking. She also described water sampling methods, and comparisons to non-drilling reference watersheds.

Scott Perry, DEP deputy secretary, noted the use of technologies to recycle water back into use for fracking, as well as pipelines that remove some of the truck traffic from highways.

Perry demonstrated both a strong command of the facts and enthusiasm for the benefits of affordable energy independence and economic vitality the gas industry brings to the state, region and nation. At the same time, he outlined the department's working relationship with gas industry leaders for responsible drilling.

"We expect the pace to slow in 2012," added Scott Tompkins of Talisman Energy. "One of the drivers is efficiency, drilling the same number of wells in fewer days with fewer rigs."

He also noted that as the natural gas price falls below \$3, it changes the economics. While the oil price is determined by the world marketplace, the natural gas market is domestic.

Gas industry leaders also noted that Pennsylvania is now a net exporter of natural gas to the interconnected North American grid.