

**Draft Comments from the Great Lakes and St. Lawrence Cities Initiative on the Shale Gas industry,
submitted to the BAPE**

November 10, 2010

The Cities Initiative is calling for effective and responsible management of the shale gas industry, which will ensure the protection of the environment and residents, and respect the role and authority of municipalities. The Cities Initiative is also calling for greater transparency and communication, from Government and companies, throughout the development of this industrial activity.

The Cities Initiative is all the more concerned with the potential impacts of the shale gas industry given the evidence of adverse impacts on water quality where the shale gas industry is active in the US, and in particular in Pennsylvania, New York, and Wyoming.

It is essential that there is an understanding of the potential impact of shale gas extraction on the quantity and quality of water. For municipalities, we need assurances that there will be no adverse impact on the drinking water that we provide to our residents and businesses. It should also be noted that only 11 municipalities have the capacity to treat wastewater generated from a typical shale gas project.

The Cities Initiative also has concerns over the residual products from the industry, notably liquid natural gas, propane and butane. The impact of this activity on air quality, and the contribution to greenhouse gases should also be considered. The impact on soil and agricultural lands and the stability of fragile sediment structures from drilling should also be noted.

Recommendations:

I With respect to the protection of the environment

1. An independent scientific study on the impact of the shale gas industry should be conducted, similar in scope to the study announced last March 18th by the USEPA.
2. Require that companies engaged in extraction provide a list of chemicals used for hydraulic fracking, and details of their storage.
3. Assure consistency between any new legislation and regulation that are introduced concerning shale gas extraction, and the existing law on sustainable development and related regulations.

4. At the point of applying for a certification for authorization,
 - a. require companies to submit plans for each site, on the exploration and extraction process, as well as wastewater treatment;
 - b. require municipal notification of the application
5. Exercise, where required, the authority found in article 304 of the Mining Act, which provides the Minister of the Environment authority to prohibit natural resource exploration on sites that are particularly sensitive.

II With respect to municipal responsibilities

6. Revoke section 246 of the Mining Act to allow municipalities to exercise their authority in matters related to planning and development within their boundaries in an unimpeded fashion, to protection the quality of life of its residents and to assume some level of control over the number of drilling holes within close proximity to residential, agricultural, commercial or industrial zones.
7. Establish a formal information sharing process, involving companies, the Quebec ministries, and municipalities concerned. A public commission would be established to oversee this formal process, with representatives from industry, independent experts, municipal elected officials and the provincial government. The BC Commission on Oil and Gas could serve as a model for this body.
8. Allow a municipality or group of municipalities to require public hearings and or a study of local impacts from shale gas activity. These hearings and studies could, among other things, cover the quality and levels of groundwater, the capacity for wastewater treatment, the use of local roads, the anticipated noise level, etc.
9. Establish a participatory process between the companies and the municipalities to ensure public safety. For each shale gas project, such a process would include identification of the risk of fire, explosion or spills, preventative measures, response plan, and other appropriate measures.
10. Create a mitigation and compensation fund for municipalities in the event of negative impacts within their territory as a result of shale gas exploration or extraction activity. Managed by provincial government, this fund would be financed by fees paid for by the industry.