



DEPARTMENT OF THE ARMY
U.S. Army Corps of Engineers, North Atlantic Division
Bldg 302, General Lee Avenue
Brooklyn, NY 11252

November 24, 2010

Honorable Maurice D. Hinchey
Office of Representative Hinchey
House of Representatives
2431 Rayburn H.O.B.
Washington, DC 20515

Dear Congressman Hinchey:

It was my pleasure to receive your September 30, 2010, letter concerning my views on natural gas drilling within the Marcellus Shale formation in the Delaware River Basin and my role as the federal representative on the Delaware River Basin Commission (DRBC). This is an extremely important dialogue for the commission, addressing vital topics for the Delaware River Basin. Please be assured that I take my role as the federal commissioner very seriously and I am dedicated to representing the administration to the very best of my abilities.

While I serve as the DRBC federal commissioner based on my position in the U.S. Army Corps of Engineers, I must clarify that those are two different roles. As an Army officer, I report to senior Army officers. As federal commissioner, I report to and seek advice from other federal agency representatives who have an interest in the actions of the Commission. I can assure you that I and my staff conferred with these representatives in forming the administration's position that I shared with you in my previous letter.

I can also assure you that although the federal agencies I represent are varied, the communication among them is strong -- and we are seeking to make it even stronger by creating a federal-interagency team that will make recommendations to the federal commissioner on DRBC-related issues.

As departments within the Executive Branch, these federal agencies must act in accordance with the statutes and regulations set upon them. Although the creation of the commission was not based on a law to aid the Basin in creating new clean energy jobs, it is my belief that all administrations since the creation of the Commission have sought to support the economic and energy needs of the country while protecting the environment. This was the context behind my comments in that previous letter to you.

The letters you referenced from the National Park Service and the U.S. Fish and Wildlife Service were discussed with representatives from each agency prior to the September 15, 2010, Commission meeting. Those agencies agreed to vote against a moratorium on regulation development pending the completion of an impact study. The same type of coordination took place before voting to approve the Stone Energy Water Withdrawal Docket (D-2009-01301).

As to following the requirements of the National Environmental Policy Act, I can confirm that the federal agencies have been and still are consulting with the Council on Environmental Quality, which was established by title II of the Act to assess the effect of federal activities on the environment and on the conservation, development and utilization of natural resources.

In terms of natural gas drilling, my own parent agency has not conducted any environmental or economic study on the effect of drilling in the Basin. My staff has, however, extensively coordinated with the National Park Service, the U.S. Fish and Wildlife Service, the U.S. Department of the Interior, the U.S. Environmental Protection Agency, and the U.S. Geological Survey as well as with environmental

interest groups such as Friends of the Upper Delaware, The Delaware RiverKeeper Network, NYH2O and the Damascus Citizens for Sustainability. We always consider the input of all interested parties in forming the administration's stance on DRBC issues.

At a recent DRBC Federal Agency Summit in October, representatives from many federal agencies discussed topics pertinent to natural gas drilling in the Marcellus Shale. I led these agencies in a discussion of the importance of the proposed cumulative impact study and asked them to identify available resources to support the study. The administration's position is to continue fully supporting the need for a cumulative impact study.

Simultaneously, all these agencies support the DRBC's decision to develop and release draft natural gas regulations. The administration views the development and release of these regulations as complementary to the completion of an impact study. These regulations, like the impact study, would be important in preserving the environmental conditions of the Delaware River, as they could constructively aid in determining the extent of natural gas in the area, which would help frame the scope of the proposed cumulative impact study by allowing for fewer assumptions and more facts. The public discourse that will result from the publication of these draft regulations will greatly help the Commission and the administration in forming a better picture of the public's stance on the issue, and I am sure that you and other active and committed legislators will remain involved.

Once we have a schedule of when regulations will be released and when the public comment period will be open, I will certainly inform you. We have a new draft circulating among the commissioners as of November 23, 2010.

I again welcome the chance to engage with you regarding the federal programs and oversight activities related to natural gas energy development in the Marcellus Shale and the Delaware River Basin and how we are representing these agencies in the activities of the Commission. You or your staff may contact me or my administrative assistant anytime at (347) 370-4500 to set up a meeting.

Sincerely,



Peter A. DeLuca
Brigadier General, U.S. Army
Division Engineer/DRBC Federal Commissioner

Happy Thanksgiving!