

Ohio Senate Energy Committee  
Opposition Testimony  
Senate Bill 219  
Kat Finneran

Chair Chavez, Vice Chair Landis, Ranking Member Smith, and Members of the Senate Energy Committee,

Thank you for the opportunity to submit testimony regarding Senate Bill 219, which would create the Oil and Gas Resolution and Remediation Fund (OGRRF), along with several other changes to Ohio law regarding oil and gas operations.

By and large, I oppose this bill. The aspects of the bill which outline mechanisms to set up a second fund to hold money to be used to plug orphan wells in Ohio are vague and deeply interpretive. We believe they potentially create an opportunity for abuse of funds. As you know there are up to 20,000 orphan wells that need to be plugged, and we fully support additional funding for remediating abandoned wells. However, attaching vague rules for a fund to deregulatory measures around well permitting is not just counterproductive, it is dangerous.

Orphan wells are a consistently underestimated source of pollution yes, however our main concern is the danger that they present to both the communities they reside in, but specifically for the workers tasked with plugging them. A couple months ago when an abandoned well was being capped in the Wayne National Forest, a flash fire broke out that critically injured five workers with one of them ultimately succumbing to their injuries and passing away a month later in the hospital; after suffering more than three heart attacks from injury induced blood clots.

It is precisely bad policy around the permitting and maintenance of oil and gas wells that led to 20,000 plus abandoned wells and an estimated 150,000 plus abandoned ghost wells in the state in the first place. If the core aim of this bill taken at face value is to plug abandoned wells, then we must request a reconsideration of the many details of this bill that recklessly proliferate and expediate the permitting process in a way that ultimately sets the state up for another wave of future abandoned/stranded well assets.

Provisions in SB 219 that lead us to oppose this bill:

- Eliminating the authority of the Chief of the Division of Oil and Gas Resources Management at the Ohio Department of Natural Resources to refuse requests for expedited reviews of drilling permit applications. As stated in multiple places in Ohio law, ODNR has sole authority to regulate fracking operations in Ohio. Removing the chief's authority to make basic decisions such as whether to expedite an application cuts into this authority. If an oil and gas company can get expedited review on demand, what else can they get? Who is regulating whom?

- Relieving the owner of a well from obligations and liabilities upon transfer of the well if the owner files required information with the Division of Oil and Gas Resources Management, instead of maintaining those obligations and liabilities until the transferee takes control of the well. As part of a bill to address orphan wells in Ohio, this provision would create more orphan wells. If the owner of a well that is no longer producing can get rid of it simply by transferring it to DOGRM, who will be held liable if the new owner never takes over? The answer is we, the citizen taxpayers will have to pay for it – including if a well is a dangerous liability. What is to prevent an unscrupulous company from transferring such a well to a shell company, which either never claims it or goes out of business? Nothing – then the people are left holding the bag. This provision needs to be stricken from SB 219.
- Eliminates the requirement that a horizontal well permit applicant enter into road maintenance agreements with local governments, instead making these voluntary agreements that would end after three years – and exempting the requirement for a horizontal well permit holder to obtain a special regional heavy hauling permit if the load size or weight exceeds legal limits. These provisions are a slap in the face to the local communities where most fracking takes place. Already people in these communities can sit near a fracking operation and count dozens of heavy trucks hauling in fresh water and hauling out toxic wastewater every single day. The roads where these heavy trucks travel are usually rural and small. These communities deserve the right to decide which roads can handle this traffic and which cannot – and any loads over weight and size limit should require a permit so that local authorities are aware these trucks are coming into their area and can prepare. These local communities are already bearing the brunt of the noise, air pollution, and taking of millions of gallons of their fresh water for fracking. They are also on the frontlines whenever there is an accident or incident at one of the horizontal wells – or when one of the heavy trucks coming through their communities rolls over and spills a load. The least we can do is allow local leaders to decide which roads these trucks can use and be informed when a truck exceeding load limits is coming through their communities.

We appreciate the opportunity to testify about SB 219. While we support the intent of safeguarding funds to plug Ohio's many orphan wells, so many other provisions in this bill are a liability to the people of Ohio, particularly for those workers tasked with actualizing its effects. We ask that members of this committee either amend SB 219 to remove these provisions, or vote no on this bill.

Kat Finneran