



Clean Water for North Carolina

Clean Currents

Summer 2012

A newsletter of clean water and community environmental justice issues

Despite Override of Fracking Bill Veto, the Movement for a Frack-Free NC Spreads!

by Hope Taylor

A Year of Growing Awareness of Fracking, Some Hard Lessons on Oil and Gas Clout

In the year since the NC General Assembly passed both House Bill 242, requiring a study of shale gas potential environmental and economic impacts, and the far more aggressive Senate Bill 709, both the North Carolina public and state legislators have come to see fracking as an iconic issue. While the new Republican majority has taken unprecedented action to move the state toward an oil and gas economy with Senate Bill 820, the so-called "Clean Energy and Economic Security Act", the still-growing grassroots fracking opposition set a record for calls and emails to the Governor asking for her veto.

On July 1, Gov. Perdue vetoed S820, and it seemed likely that legislative fracking opponents in the House had the votes to sustain that veto. As expected, the Senate voted to override the Governor's veto. Then in an 11:00 PM House vote, two Democratic Representatives who had voted AGAINST S820 itself, Susi Hamilton (Wilmington) and Becky Carney (Charlotte), voted in favor of the override, passing it by one vote. While Carney's vote appears to have been a genuine goof--she rose to try to change it right away, but was outmaneuvered--the vote change by Hamilton appears to be part of a deal for \$60 million in film industry subsidies.

Last year, after Gov. Perdue vetoed S709, a study bill on fracking which also would have required the Governor to set up a compact for off-shore drilling, continued grassroots advocacy was able to fend off multiple attempts to override that veto. But several factors shifted the political winds this year: more industry money weighing in, more political deal-making in an election year, and removal of off-shore drilling from the bill to decrease opposition from coastal legislators. All these created a climate of opportunism and shifting allegiances that led to the extremely close override vote.

Oil and Gas Political Lobby Goes Way Back, NC Wakes Up With a Bad Gas Headache

It was the national economic and political clout of the Oil and Gas industry that led to long-standing exemptions from major federal environmental laws and then expanded those exemptions in the 2005 Energy Policy Act. This left a patchwork of inadequate regulatory programs in the hands

of states whose legislators and other officials were falling increasingly under industry influence. Many folks in NC are asking, "Why is it legislators from places like Mecklenburg and Burke Counties, with no shale gas at all, who are pushing these bills?" Rather than working for the interests of their local constituents, these legislators have watched the success of oil and gas money in electing and bolstering lawmakers who support an anti-regulatory agenda. More

broadly, this industry funding generally supports legislators and bills that cut back on public spending for programs on education, health, environment, and funnel more and more public resources to private interests. While proponents of fracking continue to talk about jobs, economic development, and the need for energy, the very modest NC Dept. of Commerce job projections for short term jobs, and a USGS gas resource estimate for NC nearly 8 times lower than previously touted, have made those arguments less credible over time.



Mayor Darryl Moss of Creedmoor, whose town passed an ordinance against fracking, points to need for local control, which S820 may strip.

Grassroots Groups Respond With Determination, Promise a Growing Movement

Clean Water for NC and other groups working to oppose fracking to protect environmental justice and health, landowners and local community control, understand this legislative vote does NOT reflect the will of most North Carolinians, many still waking up to the many potential impacts to water, air, local control and quality of life. The final rushed legislation does require an additional vote as early as 2014 certifying that a regulatory system is established, and allowing permits for production gas wells to be issued. While fracking supporters may think they've got a well-greased "done deal," grassroots groups are undeterred, knowing that they have engaged only a fraction of the likely opponents, and more information is coming out every week. Outreach events are increasing and opposition may actually grow faster, now that the threat is more imminent.

We're committed to increasing awareness throughout the state and growing the movement through local and regional organizing, public programs and outreach to local officials, and sharing the growing media coverage of the harms that fracking has caused. As we are now in the same bathwater with other states which allow fracking, we must become more deeply engaged in the national campaign to rein in fracking.

WHO WE ARE

Clean Water for North Carolina

Clean Water for North Carolina is a private, non-profit organization based in Asheville, NC. CWFNC works to ensure that all people have a right to live, work, and play in clean and safe communities. Together, we have the power and responsibility to work for a healthy and sustainable environment. Our staff works with an active and diverse board of directors, as well as, members to increase grassroots involvement in environmental decisions.

CWFNC spearheads action statewide and helps grassroots and environmental groups, individuals, and local governments develop strategies to address threats to the environment.

Our Mission

Clean Water for North Carolina promotes clean, safe water and environments and empowered, just communities for all North Carolinians through organizing, education, advocacy, and technical assistance.

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Who to Contact

Asheville

828-251-1291 • 800-929-4480
Katie Hicks, Assistant Director
katie@cwfn.org

Durham

919-401-9600
Hope Taylor, Executive Director
hope@cwfn.org

Maribel Sierra, Water & Energy Justice
Organizer and Researcher
Maribel@cwfn.org

Garysburg

252-537-1078
Belinda Joyner, Northeast Organizer

Welcome New Board Members!



Andrea Lloyd has been a CWFNC partner and volunteer for several years. She has been aware of environmental issues since high school and has sustained this interest throughout her undergraduate years and her time in the Peace Corps. Her work with CWFNC started in 2007 when she helped work on general grant proposals and began to go out with staff to rural NC communities for our Water Justice “listening canvass.” For her the concept of environmental justice connects the environment to the well being of people and she notes that the biggest environmental challenge we face today is the lack of understanding of how imbalances we create or worsen affect every aspect of our being – including good physical and mental health. Andrea currently studies parental behaviors to protect children from lead exposure in the Durham community. We’re glad to have her on the board!

Steve Gurley is a retired Director of Planning and Zoning for the City of Lincolnton and has worked to better his community for years. Steve’s background is in geography and geology and he has 35 years of experience in local government land use planning. With his professional background, Steve has helped his community by working on projects like the Lincolnton portion of the Carolina Thread trail, a regional network of greenways and trails that spans over 15 counties. On environmental justice, Steve believes we must work for social justice by ensuring equal access to environmental protection and opportunities for public engagement. We are pleased to welcome Steve Gurley to the CWFNC board!



Private Water Utility Acquisition Policies Across the Country

By Cooper Eben, CWFNC Stanback Summer Intern



I have spent the first few weeks of my internship at CWFNC researching water privatization in NC and around the country, specifically the details of the acquisition process when large private utilities purchase small, troubled utilities. Policies and attitudes that govern acquisition are state-specific and vary a lot. For example, state regulatory agencies handle the “excess purchase price” differently (when a private utility pays more than the small utility’s book value). North Carolina, Pennsylvania, and New York allow the utility to use the higher purchase price as part of their water and sewer rates, increasing costs to customers. Other states, like Florida, Maine, and Nevada, do not allow the utility to create rates based on the higher purchase price unless extraordinary circumstances are present. Despite these differences, in most acquisition adjustment policies, regulatory agencies demand that the acquisition be beneficial to customers. At CWFNC, we are concerned with how the NC Utilities Commission does whatever it can (actively reaching out to large private utilities first, use of an Acquisition Incentive Account that allows Aqua a greater rate increase) to convince larger private utilities to acquire small, troubled utilities, with little concern about how resulting rate increases and poor service will hurt the customers.

Cooper Eben is Duke University junior from Chicago, studying biomedical engineering and biology. He is spending his summer working with CWFNC as a Duke Stanback intern, researching water privatization policies around the country.

Water Privatization

Hands off Buncombe's Water! Residents Push for Local Control

by Katie Hicks

This spring, activists in Buncombe County pushed back against efforts by the Metropolitan Sewerage/Water System Committee led by Rep. Tim Moffitt to force the City of Asheville to surrender control its water system to the Metropolitan Sewerage District (MSD), which provides sewer service to many city and county residents. The Raleigh-led approach angered residents and local officials alike. Old disputes among the region's cities and counties over water have also resurfaced. Moffitt's bill changing the make-up of the MSD board to include two voting seats for Henderson County, and authorizing MSD to operate the water system, passed in June; MSD plans to conduct a study of the impact of absorbing the Asheville water system.

Thanks for your participation in this fight for local control! Check back for updates and ways to get involved at <http://ashevillewater.blogspot.com/>



Buncombe County and Asheville residents rally for water decisions to be made locally in April.

Private Corporate Takeover of NC Water/Sewer Utilities Continues

Aqua NC's business strategy involves aggressive acquisition of water and sewer systems. The NC Utilities Commission actually incentivizes Aqua to buy troubled systems, forcing higher rates on residents (see "Acquisition Policies Around the Country"). In a startling recent case, a Buncombe County system serving a small mobile home park was sold to Aqua at the recommendation of the Public Staff, the independent agency created to advocate for consumers' best interests in Commission proceedings. The previous owner had mismanaged the system, which resells City of Asheville water, and residents had complained of low water pressure. The Utilities Commission revoked his right to resell water after finding out he had falsely claimed he owned the property on his application form.

Without considering other options (bids from other companies, approaching the City about direct municipal service), Public Staff contacted Aqua, asking them to buy the system. Jerry Tweed, the Public Staff employee who contacted the landlord about the transfer, is the former Vice-President of Heater Utilities (now owned by Aqua). The situation underscores the extent of revolving-door politics and likely conflicts of interest present in NC's so-called "consumer advocate" branch of the Utilities Commission.

The Commission is also considering allowing another takeover by Aqua: 12 systems serving 500 customers in Warren and Northampton Counties. Residents from several neighborhoods attended a hearing in June. CWFNC has reached out to residents in both areas with an "urgent response" giving firsthand accounts of the range of problems customers have experienced. To contribute your story to this growing compilation of customer complaints, email katie@cwfn.org.



Residents Evicted by Aqua Fight Back

Aqua America's pipeline to supply water to fracking companies in PA displaced 32 families in a mobile home park on short notice. Here, residents hold signs in front of the home of Aqua America CEO Nicholas DeBenedictis, advocating for fairness for residents and support for those who must move.

Mint Hill Neighborhoods Unite for Action, Meet with Political Candidates

Mecklenburg County neighborhoods are working to address concerns about Aqua NC's service and rates through collective action. Sharon Decker, Homeowners Association President of Ashe Plantation neighborhood, says residents are being overcharged and disregarded by Aqua, and residents have experienced discoloration and sediment in water. "I could write a book about the poor service," Sharon told CWFNC. She intends to host a meeting among other Mint Hill neighborhoods serviced by Aqua and create a non-partisan committee whose mission is to make their water issues known to local politicians. The group will educate future state senators on the issues related to Aqua NC, since the legislature controls funding for Public Staff and has an oversight duty for the Commission and its nominees.

Similar efforts may soon be underway in other regions of NC. Go to <http://www.cwfn.org/what-we-do/water-justice/aqua-nc/> for more information and how you can get involved, whether you're an Aqua customer or just a concerned resident!

Building the Movement Against Fracking

A Timeline of Shale Gas Extraction and NC

- **About 2005**—high volume, “slickwater” fracking becomes widely used, no prohibitions in most states, fracking in about 34 states
- **2008**—NC shale gas areas published in geology journal, state officials begin to promote gas potential
- **2009-2010**— NC legislative discussions of shale gas, drilling companies advertising blitz starts, GasLand wins Sundance award, first NC showings and grassroots meetings.
- **2011 to April, 2012**—Shale Gas Study Bill passes; CWFNC statewide summit brings in speakers from impacted states; scientists on drinking water contamination and community impacts, legal experts; dozens of forums, presentations, meetings on fracking; DENR holds hearings and completes shale gas study.
- **May-July, 2012**—Sen. Bill 820 introduced, Senate and House hearing; bill passed, vetoed by Gov. Perdue; overridden on July 2. S820 immediately legalizes fracking, allows forced pooling, minimal landowner protections, at least two years to develop regulations. Production permits as early as 2014, additional vote by legislature required.



No Fracking in Stokes

On May 10th, Stokes County residents (Dan River Basin) packed the Walnut Cove Public Library for a community meeting about fracking and its impacts.

Welcome to Ada, 2012 Duke Stanback Intern on Hydraulic Fracturing and Environmental Justice



We're glad to have Ada Inda in our Durham office as one of our Stanback interns this summer. Ada earned a Master's Degree from Columbia University in Industrial Engineering and has extensive experience as a Design Engineer for Tooling and Equipment International, a company based in Michigan. Her

analytical background lends her a good eye in researching hydraulic fracturing impacts on local communities across the United States.

So far she has seen that there are a lot of problems and a lot of opposition to fracking in other states where drilling takes place. She's learning quickly that the rush to “frack” in North Carolina will have major impacts on our communities if we don't stop it, and she is looking at impacts gas extraction and waste injection in areas of other states with more vulnerable populations. Ada brings a new perspective and energy to our efforts at CWFNC!

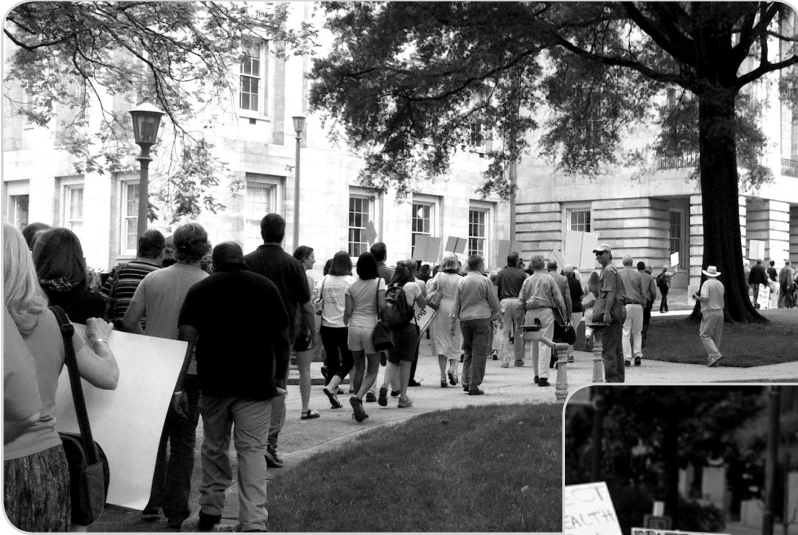


Marc Black House Concert

On May 19, NY folk singer Marc Black came through Asheville and played a benefit house concert for CWFNC! Marc's songs “No Fracking Way” and “I'll be Gone” have made him famous among frack-activists. We had a great time listening to his tunes and visiting with local members. Marc may be coming back to NC in September, and you can listen to and buy his latest album at <http://www.nimbitmusic.com/marcblack>. Thanks, Marc, for an enjoyable evening and your inspirational activist tunes!



Building the Movement Against Fracking



Lobby day participants march to the General Assembly (above and right).



Above, frustrated grassroots lobbyists wait outside a Senate hearing on S820, moved to a smaller room at the last minute.



Lee County citizens talk with House Representative Mike Stone about fracking. Stone sponsored the original DENR study bill and, despite saying he wanted to protect his county, he voted for S820, the “Rush to Frack” bill.



Rally and Press Conference at the Governor's Mansion

On June 27th, local elected officials and business leaders called on Governor Perdue to veto S820! The Raging Grannies voiced their concerns through irreverent songs (left).



Polluter Accountability & Energy Justice

Clean Water—Not Coal Ash: NC gets organized, bad coal ash amendment defeated

North Carolinians are working to raise awareness of the toxic threat of coal ash in unlined ponds around the state. On World Water Day (March 22), more than 200 people attended a “Clean Water—Not Coal Ash” rally at Lake Julian Park in Buncombe County on the banks of a Progress Energy cooling pond. French Broad Riverkeeper

Hartwell Carson, Richard Fireman of NC Interfaith Power and Light, and local residents spoke on the effects of coal ash leaching into groundwater, high hazard impoundments,

and the devastating impacts of coal extraction on communities in West Virginia and other states.

The Environmental Protection Agency took public comment on proposed new rules for coal ash in 2010 but has not come to a decision. You stepped up in response to action alerts from CWFNC, and your calls, emails and petition signatures helped stop a bad amendment on the national Transportation Bill which would have prevented EPA from ever issuing federal public health safeguards related to coal ash waste.



Aftermath of Kingston TVA Coal Plant ash dam disaster



Duke - Progress Merger Would Create Largest Electric Utility in U.S.

At the end of June, the NC Utilities Commission approved a hard-fought merger between Duke Energy and Progress Energy, the two largest electric utilities serving NC. The companies received approval from the Federal Energy Regulatory Commission just weeks before, after the agency turned down the deal twice over concerns about the resulting monopoly. The combined Duke/Progress utility would serve 7.1 million customers in 12 states. However, just after the merger was approved, Progress Energy’s Bill Johnson (who was expected to become CEO of the combined companies) was asked to step down, angering Progress shareholders and employees. The Utilities Commission and Attorney General are now launching further investigations and may reconsider the decision.

Despite claims of benefits to customers, CWFNC and our many allies remain concerned that low-income customers will not see any positive impacts from a merged utility, and that the deal will make these already influential corporations even more powerful. What’s more, new information surfaced recently about a series of secret rate agreements the utilities made with industrial and municipal power users to prevent them from opposing the merger. The Utilities Commission has not disclosed these agreements.

Your vigilance and action will be needed to keep this larger, more powerful utility in check as they seek to raise rates, build new nuclear reactors, make allegiances with fossil fuels companies and put profit over people and a clean energy future.

Report By Genetic Engineers Documents Harms of Genetically Modified Foods

Genetically Modified (GM) foods have been consumed for years, the result of processes that allow scientists to introduce a trait, like resistance to pesticides, directly into an organism’s genome. The general public has been assured that these are as safe to eat as conventionally bred foods, but such claims for GM foods have now been questioned in a new report co-authored by current and former genetic engineers. “GMO Myths and Truth,” from Earth Open Source and a team of scientists, reports that claims that genetically modified crops are safe, reduce pesticide and energy use, while reducing world hunger, are just untrue.

In fact, the authors of the report found that GM foods can be toxic, cause allergies and are less nutritious than traditionally bred foods. Such crops have actually increased the use of pesticides, without helping to increase yield potential, and are just as energy intensive as any other chemically farmed crop. Finally, GM crops have failed as a solution to world hunger, as they remove control of seed

production from poor farmers, can actually increase some crop diseases and pest vulnerability. The true causes of hunger include excessive cost and poor distribution of food as well as lack of land for growing crops, factors that genetically modified characteristics can’t change.

According to the organization “Just Label It,” GM foods have been on US store shelves since 1996. While many countries, like Australia, France, Italy, China, and Brazil require the labeling and some assessment of safety of genetically modified foods, the US does not. As consumers, we must have the right to know about the source of our food to ensure choices for our families, as well as to support local and more independent farming practices.

To read the full report, visit www.earthopensource.org. To sign a petition to the Food and Drug Administration calling for the right to know about which foods are genetically engineered, visit justlabelit.org.



Clean Water for North Carolina

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Thanks to Our Great Volunteers!

Thanks to our wonderful volunteers who have assisted at events, set up programs, created maps and visuals, helped spread the word about events and advocacy needs, participated in June 5 Frack Free NC Lobby Day, hearings, and more! Special thanks to GIS volunteer Kathy Wolfe for creating images that helped us to better understand NC's shale areas, to Nelda Holder for hosting Marc Black's house concert, and to Kira Despina for providing delicious snacks for the house concert!

Green Opportunities (GO) - Stream Monitoring



Green Opportunities-Asheville and CWFNC teamed up to monitor urban water quality again this spring. Jason Henderson (far right), one of two team leaders, says:

"My favorite part [of the program] was going out to the natural stream and learning to identify the insects, and then getting to do it with the Training Team a couple weeks later."

Thanks to Our Recent New and Renewing Members!

Darryl Silwedel, Mac Hulslander, Mitchell Jackson, Dawn Echols, Doris Graef, Charles Stohr and Donna Johnston, June Engman, Jack Saye, Ray Eurquhart, Maria-Luise and E. John Rager, Peter Lloyd, Alistair Hoehne, Unitarian Universalist Congregation of the Swannanoa Valley, Alexander Sinykin, Molly Matlock, Glenn Bozorth, Linda and Bob Rodriguez, Judy Futch and Paul Smith, Cori Maas, Ken and Betsy Schapira, Bill and Stephanie Whitesides, Rosemary Thorn, Kyle Dalton, Pablo Stone, Jennifer McGovern and Steve Unruhe, Lynn Kohn, Wanda W. Schrader, Andrae Browne, Lawrence Gilbert, Heather Deck, Martha Girolami, Jeri Gray, Steve Schewel, Ian Gibbons, Margaret Kane, Gary Phillips/Weaver Street Realty, Leah Karpen, Jean Hinson, Wayne Clark, Charlotte Goedsche and Cynthia Janes, Nancy and Ron Bryant, Laura Gordon, Tom and Barbara Coulson, Richard A. McElrath, Sr., Meg McLeod, Mary McDaniel, Joe Welsh, DeWayne Barton, Diane Van Helden, Linda Hicks, Grace Curry, Peggy Wert, and Mary Kerley

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Here is my donation to join or renew my CWFNC membership:

☐ \$25 ☐ \$35 ☐ \$100 ☐ Other ☐ I would like to volunteer

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City: _____ State: _____ Zip: _____

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Dan River Basin Activists Against Fracking!



Thank you for your action and passionate commitment to our issues and continued involvement in your communities! Our mission is to promote clean, safe water for all North Carolinians through community organizing, education, advocacy and technical assistance. We'd love to hear from you and your ideas for presentations on fracking, film screenings, music and more!

We'd like to offer a special salute to groups in Stokes and Rockingham Counties in the Dan River Basin shale area, who have organized so vigorously and effectively in recent months. You are an inspiration to us all!

Upcoming Events!

- **July 28**, Washington DC, "Stop the Frack Attack" March and rally. For details visit www.stopthefrackattack.com
- **September 14-16**, Southern Green Living Festival, US Cellular Center, Asheville. Look for CWFNC's booth!
- **September 29**, **CWFNC Annual Meeting. Fracking, water privatization, environmental health, and more. Details soon!**
- **October 19-20**, Historic Franklinton Center at Bricks in Whitakers, NC. Environmental Justice Annual Summit.