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Marcellus Watch: Budgeting orange jumpsuits in Schuyler

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silent. Luckily, the DEC ordered the EIS anyway.

In 2011, when a couple hundred dissenters packed the Watkins Glen High School auditorium, Schuyler officials sat in uncomfortable silence before concluding that the registered alarms lacked merit. A month later, Fagan wrote the DEC to express his support for Inergy's LPG project.

In 2012, hundreds more protestors marched with bullhorns on the streets of Watkins Glen, and a few later engaged in civil disobedience and were arrested. Susan Walker willingly went to jail. Inergy's dumping of chemicals into Seneca Lake soared. Schuyler officials soldiered on in silence.

In 2013, Gas Free Seneca -- the increasingly organized opposition headed by a couple that lives lakeside in Hector -- attracted a talented pro-bono legal team and a high-profile activist, Sandra Steingraber.

Before donning her orange prison jumpsuit with Chipman in April, Steingraber taped a TV interview with Bill Moyers, which aired nationally on the PBS program "Moyers & Company" while she sat in her cell.

Given the momentum of the movement they'd been ignoring, Schuyler officials found welcome support in March when an ardently pro-industry website painted Inergy critics as ungrateful under the headline, "Natural Gas Opponents Biting the Hand That Feeds Them."

A blogger for Energy In Depth noted that while Schuyler greeted Inergy with protests, Tioga County was grateful for its presence. Gas storage facilities make the company the largest taxpayer in both counties. But Tioga has no protest movement, and its Chamber of Commerce named Inergy "company of the year" in 2012.

Fagan emailed a copy of "Biting the Hand" to his colleagues on the county legislature. Minutes after receiving it, Halpin emailed it to Taylor of Gas Free Seneca.

Energy In Depth may have provided Schuyler legislators an emotional sugar high, but it was serving intellectual junk food.

The three people who willingly did jail time in April to protest a plan to make Watkins Glen a regional natural gas storage hub reportedly ran up a \$1,600 bill for their incarceration, and Schuyler County officials are miffed about it.

"Your group may want to do the responsible thing and take up a collection to reimburse county taxpayers," Schuyler County Legislator Barbara Halpin wrote in an April 23 email to Yvonne Taylor, co-head of Gas Free Seneca, which is fighting the project.

Dennis Fagan, chairman of the Schuyler County Legislature, was more philosophical.

"It's a relatively minor amount. But it is galling that we have to pay for their political statement," he said.

Fagan and Halpin are certainly consistent.

Since 2009, when Kansas City-based Inergy applied for a state permit to store liquid petroleum gas, or LPG, in salt caverns next to Seneca Lake, they have blocked their ears to noisy dissent and averted their eyes from unpleasant facts.

Meanwhile, they've held fast to their faith in the company and its state regulators.

The problem is their faith blocks their view of the big picture: The project's potential to harm both Seneca Lake and Schuyler's tourism-driven economy.

"They're not understanding the message we're sending," said Melissa Chipman of Hector, one of the three who spent eight days in jail.

A little history:

In 2010, the dissent began as a murmur. As Inergy pleaded with the state Department of Environmental Conservation to waive an Environmental Impact Statement, Schuyler officials kept

It failed to mention, for example, that Inergy had been using Seneca Lake as a giant brine toilet or that it had gone to court in a bid to slash its Schuyler County property tax assessment by \$14 million.

Schuyler officials have been quietly negotiating terms for a compromise Inergy tax cut, and a \$7 million assessment reduction was on the table last weekend.

Cutting the county tax base wasn't the plan. In his 2011 letter to the DEC extolling Inergy's LPG project, Fagan had said, "This project will create a significant (\$20-\$30 million) increase in our tax base."

Fagan told me April 27 that he still expects a \$20-25 million bump in Inergy assessments if it ever wins its LPG storage permit from the DEC.

But even those potential gains seem speculative in light of Inergy's handling of the adjacent natural gas storage caverns and pipelines it bought from NYSEG in 2011. Before NYSEG sold those properties for \$65 million, it had been paying Schuyler County property taxes on them. NYSEG's tax bill on the key parcel was based on an assessment of \$29.2 million. Inergy wants that cut to \$15 million.

So who's biting whom's hand?

Meanwhile, Inergy repeatedly exceeded its permit for dumping chemicals into Seneca Lake throughout 2011 and 2012. In the midst of those misses, the DEC boosted the company's permitted limit for chloride discharges by 47 percent to 22 tons per day.

Then there were last summer's brine spills. In one case, witnesses reported a "geyser" on the lakeside hill where Inergy had been preparing salt caverns for gas and LPG storage. Treetops turned white, the witnesses said. Days later a swath of land turned brown.

If Schuyler officials continue to shut their ears and eyes, they better start budgeting for more orange jumpsuits.

Peter Mantius is a freelance journalist from Schuyler County who follows shale gas drilling issues. He is a former reporter for the Atlanta Journal-Constitution and editor of two business weeklies in the Northeast. This is an opinion column.

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