PA Landowners Up in Arms over PennDOT's Pipeline Deal with Chief

NYers taking notes by Sue Smith-Heavenrich Broader View Weekly, July 8, 2010

Chief Oil & Gas Company's plans to put a gathering pipeline through the sleepy borough of Hop Bottom, in Susquehanna County, PA, has left some residents riled. About two weeks ago, Chief Oil & Gas set out lines of bright orange plastic cones along State Route 2002, pounded stakes flagged with neon surveyor's tape, and laid out a line of 12-inch pipeline sections along the side of the road. The gathering line, said one resident, will transport the gas produced at three wells to a compressor station.

To get there, though, the pipeline must cross four properties. And – since January, when they learned of the proposed line – two of those landowners have been outspoken about not wanting a pipeline on their properties.

One of those unhappy landowners, Linda Lewis, faces the prospect of having a pipeline buried in front of the home she's lived in for the past 40 years. Lewis, who's seen her Dimock neighbor's water ruined through sloppy drilling said, "I didn't sign any leases for gas drilling, and I didn't lease any rights for pipelines."

Her neighbor, Lynn Butler is just as concerned – the pipeline will pass within feet of her barn.

When residents first learned about the pipeline, Chief hadn't specified where it would go. They were still trying to negotiate pipeline leases for a route to the compressor station. Lewis figured that if they followed the road they would put the pipeline in across from her, where there's been an empty field for the past 40 years. No one lives there, Lewis noted. She tried to contact Chief Oil & Gas numerous times, but they did not return her calls.

Now Lewis wonders how – and whether – she can prevent the gas drilling company from installing what she sees as a potential explosion hazard so close to her home. She also wonders how Pennsylvania Department of Transportation (PennDOT) can so cavalierly give away rights to put in a pipeline on what she clearly thinks is her land.

"The right-of-ways extend anywhere from 25 feet to 50 feet or more from the center of the road," says PennDOT spokesperson, Karen Dussinger. "Landowners often think they own that land, but the state owns it." The state, Dussinger explained, allows DOT use of the right-of-way through an easement. PennDOT, in turn, permits certain utilities – gas, water, sewer, aerials, communication and power companies – to use the land beside the state highways.

"We cannot deny anybody access as long as they meet our permit requirements," Dussinger said.

The question Lewis and others raise is whether Chief Oil & Gas actually meets the permit requirements. According to Robert Kretschmer, one of the permit managers at PennDOT, Pennsylvania Code, Chapter 459 provides regulatory guidance on issuing those permits. Its title is "Occupancy of Highways by Utilities" – and that's the very question Hop Bottom residents are asking DOT: is a drilling company putting in a gathering line considered a utility?

This is not a trivial question, because utilities may obtain property through eminent domain – something pipeline companies in Texas have been using for a number of years. But at least eminent domain would mean being reimbursed for the use of your land. It would also mean public hearings – and an opportunity to challenge the proposed pipeline.

Lewis and her neighbors had no opportunity to challenge Chief's pipeline plans. There was never any public conversation about the project. "That's because public hearings and notification of property owners along the right-of-way are not required," Kretschmer said.

New Yorkers watching gas industry operations in Pennsylvania wonder whether a similar situation might happen here, once Marcellus drilling begins in earnest. At press time, those questions posed to NYS DOT officials had not been answered. However, *BVW* will report any updates as they become available.