February xx, 2022

Washington County Commissioners

1115 Gilman Ave.

Marietta, OH 45750

Dear Mr. Schilling:

Congratulations on your appointment as president of the Washington County Commissioners.

When I asked about a follow-up to my presentation on the ReImagine Appalachia Resolution last month, Kevin Ritter told me that there was not majority support for the resolution at that time. I would respectfully ask, given the long-term endemic issues in the county mentioned below, what alternative plan or vision the commissioners have for our county if that resolution is unacceptable:

* + The county’s population continued inexorable pattern of aging (due to many young people leaving he area) and decline (below 60,000 for the first time in decades);
  + Relative to the U.S and to Ohio at large, our county’s high poverty rate, high unemployment, and low wages
  + Corporations headquartered elsewhere, draining wealth from the county
  + Coal companies having left their mark
  + Our county’s high opioid abuse and addiction problems
  + Limited broadband access in rural parts of the county.

People in Washington County have accepted on faith that the oil and gas industry contributes to the health of the economy in the region. For many years there has been an unfulfilled promise that fossil fuels, particularly shale gas, would enhance the economy of the county. Hydraulic fracturing of natural gas has established well pads, pipelines, processing facilities, and other infrastructure. The shale gas region comprises about 22 counties in PA, OH, and WV; these counties produce about 90% of the gas of the region yet the region trails the nation on key measures of economic prosperity. For example, jobs increased by just 1.6% in the region compared to 8% nationally; the region lost approximately 37,000 residents, while the U.S population grew by 18% in the past decade. Little of the profit from oil and gas has entered the local area; trained workers and service providers are generally from outside the area. Royalties for local families with mineral rights have declined with lower natural gas prices. The oil and gas industry is capital intensive, not labor intensive, and the revenue from local natural resources is not returning to Washington County. Oil and gas companies should at least be contributing to the local economy through severance taxes, impact fees, and other revenue-generating opportunities that will stay here, benefiting our county and offsetting the health and environmental costs these industries exact upon our population and land.

The injection-well industry, which transports and puts brine waste from hydraulic fracturing into the ground, is well established in Washington County; in fact, Ohio—and especially Washington County—can be regarded as the trash heap for the fracking industry. In 2019 Washington County had the second-highest level of injection well activity in the state, at 8.1 million barrels of brine waste disposed here, 68% of which was from out-of-state (PA & WV) sources. Our county has the highest number of wells in Ohio. In 2019 there were 1.9 million barrels of brine waste injected in our county. Fracking waste is referred to as “brine,” but much of it is radioactive and composed of water containing additional chemicals, such as lead, arsenic, formaldehyde, and mercury. Although only one percent of brine contains these chemicals, when we are dealing with a million gallons of water per well, this adds up to a significant amount of toxins injected into locally. An article in the September 5, 2020, *Columbus Dispatch*, reported on a spill at the Redbird #4 well in Washington County. The article indicated that fracking waste had seeped into nearby natural gas production wells but not into drinking water. But an article in *Consumer Reports* (December 3, 2020) stated: “The risk to drinking water comes in two major ways. First, water used in the hydraulic drilling process can leak into aquifers and other groundwater supplies. Second, the wastewater that fracking produces can contaminate supplies when waste leaks from landfills that accept oil, when waste spills from trucks or pipelines moving it, when equipment fails, or when waste leaks from unlined disposal pits.” In addition, there was a spill of “brine waste” just outside Marietta in January 2021 at a pipeline owned by Deep Rock Disposal, which is owned by a company in Pennsylvania. There was very little transparency about this spill. And in August 2021 there was a spill of raw petroleum in Veto Lake in western Washington County. The cause of the Veto Lake spill has still not been determined, but many in the area believe that the constant injection of brine waste (under pressure) is what caused this spill.

Some oil producers in Washington County have noticed that some of their production wells have been harmed or destroyed by brine waste contamination and are taking legal action to express their concerns on this matter. They can speak for themselves.

These injection wells produce very few local jobs—a few truckers to haul brine waste to injection wells in the county. But even these jobs will be reduced in number when brine waste arrives here by barge on the Ohio River—coming to a barge off-load facility just outside Marietta. While the business of injection wells provides serious environmental and health risks to the county, it provides little in the way of job growth and economic development.

An alternative to continued reliance on the oil and gas industry for economic development is to reimagine this region and seek growth opportunities of the 21st century. A study by UMass-Amherst has reported that good jobs in renewable energy could employ 250,000 Ohioans in the next 10 years! These opportunities are numerous and include the following:

* Repairing the damage done by extractive industries, e.g., plugging orphaned oil and gas wells, repairing leaks, repairing dams and levies
* Modernizing the electric grid
* Expanding manufacturing with energy-efficient facilities, e.g., repurposing coal-fired power plants
* Building sustainable transportation, e.g., railways and EV infrastructure
* Re-establishing the Civilian Conservation Corps (first created by FDR in the 1930s) for projects that might include carbon farming, and expanding forests and wetlands, which could in turn create job opportunities for former substance abusers.

There are many opportunities for the acquisition of funds to support innovative projects in economic development during these times. Federal funds for the American Recovery Act are still available and much of these funds have been distributed to the states. Funds from the Bipartisan Infrastructure Bill are currently being distributed, and the Build Back Better Bill may be revised and passed in a different from its previous version, ad that may result in more funds for economic development. Some of these funds might be offered in competitive grants, which means that the county commissioners might be well advised to hire a grant write/seeker to increase the chances of obtaining these funds..

There are 21,000 fewer jobs in the fossil fuel industry —half need re-training and re-employment. These are challenges that can be addressed by educational institutions and employee-training programs in the county.

**Centralia, Washington**

There is a case study of economic transformation for the 21st century from the small city of Centralia Washington (in Lewis county—about the same size as Marietta and Washington County, respectively). This case study has been documented by two researchers from the Ohio River Valley Institute (Hunkler & O’Leary, 2021) with the expectation of applicability to Appalachia. Their study considered the period 2016-2019, a time span of remarkable transition for this community. Before that period there were two major employers in the city, each owned by the same company: a strip mine and a coal-fired power plant, which employed 600 and 300 workers, respectively. The mine closed in 2006, and the power plant shut down was announced around the same time and is in the process of shutting down; these closings have forced the community to face a huge challenge. In responding to this challenge, the community obtained some significant investment funds and embarked on a program to transform their economy by establishing three funds: a community development, fund, an energy technology fund, and a weatherization fund. Through these funds, which totaled $55 million, provided by the previous owner of the company that had shuttered its two facilities, the community developed several labor-intensive projects including: new sources of energy (mainly renewable), renovation of residences and businesses for energy efficiency, education & training. These investments led to enrichment of local suppliers, growth in businesses such as HVAC, lighting, and window companies, lower utility bills for residents and businesses, and safe affordable living and work spaces. This initiative involved engagement from the ground up on the part of local businesses and planners rather than relying on the standard “hunting & gathering” practice of seeking a large outside employer to invest in the community. The results of this broad-based and local investment were: a rise in GDP (twice the US rate), increase in the number of jobs (to 2,800, which was an increase of 12% in the total number of jobs in the Centralia area), wage growth, increase in population (in the city and the county), improvement of community health, energy efficiency, and a reduction in the poverty rate in the community.

There are many lessons that can be applied to Washington County Ohio from the Centralia case. There are many lessons that can be applied to Washington County Ohio from the Centralia case.

There is some interest among economists at Ohio State University in working on the economies in southeast Ohio. The Ohio River Valley Institute will have information about this initiative from OSU soon.

I, and others, who have signed this letter, look forward to any discussion you might think is warranted based on this letter.

Sincerely yours,

George Banziger