

IRG Meeting
7/11/15

Lee Gratwick, David Deuel, Pat Gardner, Marta Burroughs, Dave Nagel.

#1. Minutes of IRG meeting of 6/20/15 were reviewed and approved with the change of Norm Gardner to Dean Gardner.

#2. Discussion of the economics of fracking and Compulsory Integration.

#3. Discussion of Larry's note regarding The Economist articles:

<http://www.economist.com/news/business/21656671-americas-shale-energy-industry-has-future-many-shale-firms-do-not-fractured-finances>

<http://www.economist.com/news/britain/21656718-decision-against-fracking-lancashire-puts-government-bind-seismic>

<http://www.economist.com/news/leaders/21656707-ingenuity-americas-shale-industry-admirable-state-its-finances-awful-there-will-be-blood>

Larry's note: "This week the Economist had several denigrating stories on fracking. Exaggerated results, high leveraged operators and low returns on capital. It appears that only the very best prospective sites will be drilled. The projects seem to be living on the derivatives they bought or sold in the initial euphoria. Not the oil or gas they found. Shale firms can't earn a fair return on capital. Returns are zero. In addition communities have the infrastructure of roads and bridges for existing commerce without adding the disruption of fracking."

#4. Summary of D. Nagel report to Town Board – pretesting water within 1000 ft of site, strain on waters of USA, no change with direction or focus of IRG.

#5. Valley Fest preparations.

#6. Discussion of public workshop possibly before a Town Board Meeting.

Respectively submitted,
Dave Nagel