

MINUTES

**JOINT INTERIM COMMITTEE ON ENERGY
UA Community College at Morrilton
Koontz Room Business Technology Center, 1537 University Blvd.
Morrilton, Arkansas
Tuesday, November 19, 2013**

The Joint Interim Committee on Energy met Tuesday, November 19, 2013, at UA Community College, Koontz Room Business Technology Center, at 12:30 p.m., Morrilton, Arkansas.

Committee members present: Senators Linda Chesterfield, Chair; Missy Irvin, Vice Chair, and Eddie Joe Williams. Representatives David Branscum, Chair; Nate Bell, Ken Bragg, Bruce Cozart, Dan Douglas, and Betty Overbey.

Alternate members present: Representative Jon Eubanks.

Also attending: Representatives Greg Leding, Kelley Linck, Stephen Meeks, and Tommy Thompson.

Representative Branscum called the meeting to order.

CONSIDERATION TO APPROVE THE FOLLOWING MEETING MINUTES [EXHIBITS C1, C2, C3 & C4] OCTOBER 15, 2013; OCTOBER 16, 2013; OCTOBER 24, 2013; AND OCTOBER 29, 2013.

Senator Chesterfield made a motion to approve the October, 15, 2013, October 16, 2013, October 24, 2013, and October 29, 2013, meeting minutes. The motion was seconded by Representative Cozart, and without objection, the motion carried.

CENTRAL INTERSTATE LOW-LEVEL RADIOACTIVE WASTE COMPACT COMMISSION ALTERNATE MEMBER – ADVICE TO THE GOVERNOR

Senator Chesterfield made a motion to recommend Mr. Fred Allen as an Alternate to the Governor for appointment consideration to the Central Interstate Low-Level Radioactive Waste Compact Commission. The motion was seconded by Representative Cozart, and without objection, the motion carried.

FAYETTEVILLE SHALE

[ATTACHMENT 1, PwrPt]

Mr. Andy Miller, Senior Director, Government and Community Relations, Southwestern Energy Company, gave a PowerPoint presentation, “The Fayetteville Shale: An Update on Natural Gas Production”.

Mr. Miller stated the following:

- In 2007 the United States was importing a large amount of its liquefied natural gas from the Middle East and other areas; by 2011, 95% was domestically produced. Today the U.S. is essentially self-sufficient in natural gas and is expected to remain so for many decades.
- Arkansas is the 8th largest natural gas producer in the U.S., 17th in oil production, with 25 producing counties.
- In 2006, Arkansas produced less than 200 bcf (billion cubic feet) and in 2011 is producing over 1tcf (trillion cubic feet) – 88% of this is from the Fayetteville Shale and 12% from the Arkoma Basin.

Mr. Miller stated the energy in 1bcf of natural gas can produce enough electricity to power 24,315 homes for one-year or it can also power 3600 televisions for 100 years or provide enough energy for 556 trips to the moon and back.

The shale gas industry has had the following impact:

US Economic Impact

- Shale gas industry contributed \$76.9 billion to the US GDP in 2010
- 600,000 jobs to the US economy in 2010

Economic Impact in Arkansas

- 22,499 total jobs in 2011
- Average salary of employees in the oil and natural gas industry in 2010 was \$74,555
- More than \$2 billion revenue in state and local taxes
- \$109.2 million in 2008-2011 in property tax revenue
- Over \$1.5 billion paid to Arkansans in bonus and royalty payments from 2008-2012

There being no further business, the meeting adjourned at 1:45 p.m.

After the meeting adjourned the committee toured natural gas drilling wells and a compressor station.