



September 20, 2013

The Honorable Gina McCarthy
Administrator, US Environmental Protection Agency
1200 Pennsylvania Avenue, NW
Washington, DC 20460

Dear Administrator McCarthy:

Congratulations on your confirmation as the new administrator for the US Environmental Protection Agency (US EPA). Business leaders like us look forward to working with you to find the regulatory sweet spot that ensures economic vitality in an ever-improving environment.

We are writing to you as state chambers of commerce where high-volume, hydraulic fracturing with horizontal drilling occurs within our individual state borders. As you may know, Illinois recently became a new member of the club of states that have promulgated rules and/or passed legislative regulations ensuring that hydraulic fracturing is employed safely, transparently and with a continued commitment to environmental protection. In that light we wanted to reinforce a request that US EPA continue to allow state regulators to take the lead on hydraulic fracturing related regulations.

We all have seen the benefits of the increase in oil and natural gas supply due to the growth of this unconventional development. In addition, after years of activity in many states, it is clear that state regulatory efforts have enabled the country to enjoy the tremendous economic growth and job creation generated from this relatively new energy production, while also ensuring environmental protection is not compromised.

We are all in agreement that common sense, effective regulations are necessary to govern the use of hydraulic fracturing and we have embraced this responsibility through regulation particular to the unique characteristics of our respective states. This is why we oppose any new federal intervention that would disrupt the regulatory frameworks of the states.

Our nation's citizens and businesses have benefitted from the oil and gas boom associated with the shale plays across the country—all under the regulatory eyes of their state's Department of Natural Resources or Environmental Protection Agency. As a former state EPA director in Connecticut, you know firsthand the local expertise that exists within each state's regulatory departments. No one knows the local geology, land and water better than state agency staff and there is no doubt that different states have different areas of focus when it comes to regulating hydraulic fracturing. The current structure also allows states the wherewithal to ban hydraulic fracturing within their borders if that is the perceived collective wish of the electorate.

We are concerned that federal oversight will be too difficult to manage with such a dichotomy of environmental issues in states as diverse as Colorado, Illinois, Texas, West Virginia and others.

In addition, we recommend that the U.S. Bureau of Land Management (BLM) adhere to the same restraint when it comes to managing oil and gas extraction in federal lands. This is another example of how different areas have different needs and even within a state it makes sense to have one set of rules and regulations that protect the environment—this is easier and more effective for the state's regulators and creates more certainty for the industry.



Finally, as we look forward to new technological advances in the hydraulic fracturing industry, the individual states are more than nimble enough to react and amend the regulatory models so they provide the appropriate protections for the land and its citizens.

Our states have enjoyed or are looking to reaping the benefits of the relatively new energy development that is changing the face of our country's energy portfolio. We have a great new resource of energy, it is being done in a regulated environment that protects our air, land and water quality and it creates millions of quality jobs for Americans from sea to shining sea.

We hope you'll agree that it is unnecessary for the US EPA or BLM to generate additional rules or otherwise usurp local expertise and that prudence would dictate continuing the successful tradition of having the states protect their assets in the manner that works best for them.

Thank you for allowing us the opportunity to voice our opinion and the opinions of our members across the country.

Sincerely,

William J. Canary
President & CEO
Business Council of Alabama

Rachael Petro
President & CEO
The Alaska Chamber

Randy Zook
President & CEO
Arkansas Chamber of Commerce

Doug Whitley
President & CEO
Illinois Chamber of Commerce

Kevin M. Brinegar
President & CEO
Indiana Chamber of Commerce

Mike O'Neal
President & CEO
Kansas Chamber of Commerce

Dave Adkisson
President & CEO
Kentucky Chamber of Commerce



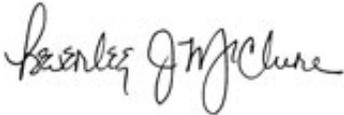
Daniel Juneau
President
Louisiana Association of
Business & Industry



Rich Studley
President & CEO
Michigan Chamber of Commerce



Webb Scott Brown
President & CEO
Montana Chamber of Commerce



Dr. Beverlee J. McClure
President & CEO
New Mexico Association of
Commerce & Industry



Andrew Peterson
President & CEO
Greater North Dakota
Chamber of Commerce



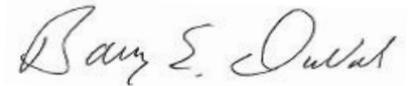
Andrew E. Doehrel
President & CEO
Ohio Chamber of Commerce



Gene Barr
President & CEO
Pennsylvania Chamber of
Business and Industry



Bill Hammond
President & CEO
Texas Association of Business &
Chambers of Commerce



Barry DuVal
President & CEO
Virginia Chamber of Commerce



Steve Roberts
President
West Virginia Chamber of Commerce

cc: Secretary Sally Jewell
U.S. Department of the Interior
1849 C Street, N.W.
Washington D.C. 20240