

Fact Sheet • May 2013

ith increasingly large cuts to funding adversely impacting universities' capacity for research, more and more schools are turning to corporations and industry-sponsored organizations for financial backing to augment budgets and fund research. Universities should be reliable sources of objective and innovative information and development, but, problematically, this conflict of interest compromises the integrity of science.

An extensive review of research projects funded by "Big Oil" companies revealed insufficient academic control by universities, a lack of peer review and undue industry influence in choosing research proposals.² Not surprisingly, many oil and gas industry-funded academics are promoting shale gas development through the controversial practice of hydraulic fracturing, or fracking.

Moreover, the industry has been providing funding for studies, professorships and capital improvements and is now looking to expand even further by undertaking fracking on an increasing number of college campuses. This can cause health and environmental risks for students and the surrounding community, and also calls into question the objectivity of findings from these institutions.

Many Studies Fail to Disclose Links to the Oil and Gas Industry

There are multiple well-documented examples of pro-fracking studies where the source of funding was not disclosed or authors have professional connections to the oil and gas industry that were unknown prior to publication. Such incidents have led Cary Nelson, past president of the American Association of University Professors, to call the lack of disclosure in industry-sponsored shale gas research "troubling."³

Pro-Fracking Studies and Direct Funding From Industry

For example, Timothy Considine, a former Penn State professor, current director of the University of Wyoming's Center for Energy Economics & Public Policy and president of Natural Resource Economics, Inc.,4 is a notorious figure in the world of frackademia, often at the center of controversy with his many pro-fracking studies.5

Considine was lead author of a 2009 Penn State study that predicted a 30 percent decline in drilling if a new



severance tax on fracking and drilling was implemented in Pennsylvania.6 The study was cited in debate around the tax proposal, which ultimately failed.⁷ After Considine issued a second study in 2010, a group called both reports into question, citing inflated job estimates and the absence of sponsorship information.8 Subsequently, the dean of the Penn State College of Earth and Mineral Sciences retracted the original version of the study, acknowledging that it was funded by the Marcellus Shale Coalition,9 a pro-industry group comprising nearly every major fracking company.¹⁰ He called the omission of the sponsor a "clear error."11

Just as the Marcellus Shale Coalition funded Considine's controversial Penn State studies, in 2011 MIT released The Future of Natural Gas, a study funded by BP and Shell, among others, that concluded unsurprisingly that natural gas was a "bridge to a low-carbon future."12

Likewise, the 2012 report *An Analysis of the Economic Potential for Shale Formations in Ohio,* funded by the Ohio Shale Coalition, another natural gas industry group,¹³ and produced by faculty from Cleveland State University, Ohio State University and Marietta College,¹⁴ was loaded with "rosy employment statistics," promising over 65,000 jobs and almost half a billion dollars in tax revenues by 2014 from the development of unconventional gas resources.¹⁵

Fallacious Findings and Corporate Connections

In February 2012, a study by the University of Texas Energy Institute was released claiming that there was "little or no evidence" of a connection between fracking "at normal depths" and groundwater contamination. 16 A review by the watchdog group Public Accountability Initiative (PAI) uncovered previously undisclosed industry ties of the study's lead author, Charles Groat. 17 Groat received over \$1.5 million in cash and stock compensation between 2006 and 2011 from sitting on the board of Plains Exploration and Production Company, an organization that has a major stake in the fracking debate. 18

The PAI investigation led to an official review by a University of Texas panel, which found that the drafts of the paper were not ready to be considered for release as "fact-based" scientific work and "fell short of contemporary standards for scientific work." The panel recommended the study's withdrawal, Groat retired and the head of the Energy Institute stepped down from his position.

Then, in late 2012, the State University of New York at Buffalo shut down its newly opened Shale Resources and

Society Institute²² after it published a report that falsely claimed that improving technologies and updated regulations were making fracking safer, while failing to mention the "strong" ties of the report's authors and reviewers to the gas industry.²³

This study, also led by Considine,²⁴ claimed that the rate of major environmental violations and the total number of environmental events declined from 2008 to 2011 while, in reality, both measures increased, according to another analysis by PAI.²⁵ Moreover, the Institute's co-directors had ties to the industry: John Martin, who also coauthored the study, had his own consulting firm and was a senior advisor to another firm active in the natural gas industry; Robert Jacobi was employed by a natural gas company called EQT.²⁶

Professorships, Building Funds and Other Means of Industry Funding of Universities

Beyond funding individual studies, the industry also funds endowed professorships and capital improvements as means of influence. Chesapeake Energy gave \$2.5 million to the University of Oklahoma to renovate a student lounge and endow two named professorships.²⁷ Hess Corporation gave \$4.4 million to the University of Wyoming to help fund that school's Center for Advanced Oil and Gas Technologies Nano Resolution Imaging Laboratory.²⁸ Hess joined a coalition of donors to the center including Shell and Ultra Petroleum, both members of the Marcellus Shale Coalition,²⁹ who donated a total of \$10.9 million.³⁰ Table 1 outlines selected donations by oil and natural gas companies to universities, although this is by no means an exhaustive list.

Table 1. Selected Donations by Oil and Natural Gas Companies				
Donor	Recipient	Amount	Year	Purpose
Carriozo Oil & Gas	University of Texas-Arlington	\$5 million	2010	Construction of the Special Events Center ³¹
Chesapeake Energy	Kansas University	\$5 million	2012	"An interactive, high-tech auditorium that will anchor Kansas University's new Energy and Environment Center"32
Hess Corporation	University of Wyoming	\$4.4 million	2013	Center for Advanced Oil and Gas Technologies Nano Resolution Imaging Laboratory ³³
Chesapeake Energy	University of Oklahoma	\$2.5 million	2008	Renovate a student lounge and endow two named professorships ³⁴
Ultra Petroleum	University of Wyoming	\$2 million	2012	Center for Advanced Oil and Gas Technologies Nano Resolution Imaging Laboratory ³⁵
Chesapeake Energy	Oklahoma State	\$2 million	2011	"A state-of-the-art natural gas compression training center" ³⁶
Anadarko Petroleum	University of Wyoming	\$1.5 million	2008	Anadarko Petroleum Corporation Energy Resource Recovery Program Endowment ³⁷
ConocoPhillips	Colorado School of Mines	\$700,000	2011	Marquez Hall building project and several academic departments, faculty and programs ³⁸

Fracking on Campus: The New Shortsighted and Dangerous Frontier

Some colleges located atop shale reserves have already opened their campuses to fracking in exchange for funds from fees and royalties. This trend conceivably opens universities up to even greater control by the industry. In addition to compromising the academic integrity of these institutions, fracking on campus can pose potential public health and environmental risks — putting finite water resources and air quality in jeopardy — and could affect those on campus and in the surrounding area.³⁹

Since 2008, Carrizo Oil & Gas has been drilling on the campus of the University of Texas-Arlington,⁴⁰ and Chesapeake Energy is beginning work on a site on Bethany College (W.Va.) property.⁴¹ Meanwhile, West Liberty University (W.Va.) is hoping to pay for a new science center with an upfront payment on a drilling lease, and Alderson-Broaddus College (W.Va.) wants to fund millions in campus enhancements with its potential leasing revenues.⁴²

Ohio passed a law in 2011 allowing drilling on stateowned land, including public universities.⁴³ Although it is currently trying to maintain its power to veto fracking on campus, Ohio University reportedly has already been approached by both Chesapeake Energy and ExxonMobil about leasing drilling sites on its Eastern campus.⁴⁴

A similar bill passed by the Pennsylvania legislature and signed into law by Governor Tom Corbett in 2012 opened up the 14 universities in the state university system to drilling, including six schools that sit on top of or adjacent to the Marcellus Shale.⁴⁵ The law directs that 50 percent of all revenues go directly back to the university where the drilling takes place, with 15 percent dedicated to subsidizing student tuition and the remaining 35 percent spread across the state university system.⁴⁶

Gas companies are also looking outside the better-known Marcellus and Utica Shales in the Mid-Atlantic and are considering opportunities to expand southward into the Chattanooga shale play in Kentucky, Tennessee and Alabama.⁴⁷ For example, the University of Tennessee is considering opening up thousands of acres of its land for a fracking research project.⁴⁸ Despite protests from both inside and outside of the university community, 49 the State Building Commission unanimously approved the project in mid-March 2013,50 enabling the university to begin soliciting bids from natural gas companies.⁵¹ This situation is unique, because although there has been industry-funded fracking research at certain colleges, and others have allowed companies to frack their land in order to bring royalty money to the school, this may be the first time that a college would use money from the fracking activity to also fund research.52

If the University of Tennessee opens up fracking in the Cumberland Research Forest, which has undertaken wildlife management and ecosystem restoration projects for over 60 years,⁵³ the land clearing, air and water pollution

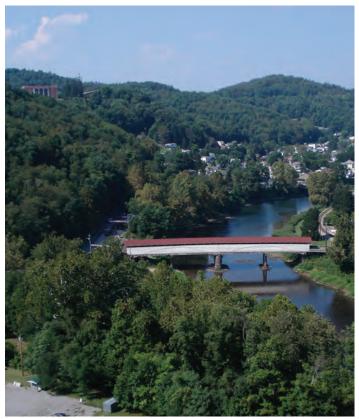


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Scenic view of Philippi, West Virginia, home to Alderson-Broaddus College.

and increased traffic that accompany fracking could have a potentially devastating impact on these long-term research efforts and could counter environmental and ecological restoration research goals conducted on university land.

Conclusion and Recommendations

Industry funding of studies and universities presents a significant challenge to academic integrity, and the latest opportunity for influence — fracking on campus — can also endanger public health and the environment. To turn back this tide of influence, Food & Water Watch recommends that:

- Universities should not allow any pro-fracking interest or organization to directly fund studies, and should not allow faculty with extensive industry ties to publish studies on fracking;
- Universities should adhere to strict academic guidelines when publishing studies about fracking, including stringent peer review, to minimize the chance for questionable studies;
- The federal government should increase funding for fracking research, so that universities do not feel obliged to produce pro-industry findings to suit the funder's agenda; and
- Fracking should be banned on all college campuses and properties.

Endnotes

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