February 5, 2014

MEMORANDUM

SUBJECT: Project Notification: EPA’s Oversight of Hydraulic Fracturing Impact on Water Resources
Project No. OPE-FY 14-0018

FROM: Dan Engelberg
Director, Water Issues, Office of Program Evaluation

TO: Nancy Stoner
Acting Assistant Administrator for Water

The U.S. Environmental Protection Agency’s (EPA’s) Office of Inspector General (OIG) is starting preliminary research on the EPA’s and states’ ability to manage potential threats to water resources from hydraulic fracturing. This project is included in our fiscal year 2014 annual plan.

The purpose of this memorandum is to schedule a kickoff meeting to confirm our mutual understandings on the objective and scope of the evaluation and the responsibilities of the Office of Water and the EPA OIG during the project.

The OIG’s objective is to evaluate how the EPA and states have used their existing authorities to regulate hydraulic fracturing impacts to water resources. In meeting this objective, we will determine and evaluate what regulatory authority is available to the EPA and states, identify potential threats to water resources from hydraulic fracturing, and evaluate the EPA’s and states’ responses to them. We plan to perform work within the Office of Water and the EPA regions. We also plan to gather information from states with substantial hydraulic fracturing activity. In addition, we will contact environmental groups, industry groups, and gas and oil producers. The project will be conducted using applicable generally accepted government auditing standards. The anticipated benefits of this project are improved preventative and response measures and improved coordination among the EPA, states, and industry to ensure water resources are adequately protected from the impacts of hydraulic fracturing.

I will supervise this project and Johnny Ross will serve as Team Leader. We will provide updates on a regular basis through meetings and correspondence with members of your office as necessary. If you or your staff have any questions, please do not hesitate to contact me at (202) 566-0830 or engelberg.dan@epa.gov.
We will contact you within one week to arrange a mutually agreeable time to schedule our evaluation kickoff meeting to discuss our objectives and the purpose of the preliminary research phase of our project. We would also be particularly interested in any areas of concern that you may have. We will answer any questions you may have about the project process, reporting procedures, methods used to gather and analyze data, and what we should expect of each other during the course of the project.

cc: Michael H. Shapiro, Principal Deputy Assistant Administrator, Office of Water
Peter C. Grevatt, Director, Office of Ground Water and Drinking Water, Office of Water
Eric Bissonette, Acting Deputy Director, Office of Ground Water and Drinking Water,
   Office of Water
Andrew Sawyers, Director, Office of Wastewater Management, Office of Water
Sheila Frace, Deputy Director, Office of Wastewater Management, Office of Water
Marilyn Ramos, Audit Follow-Up Coordinator, Office of Water
Cynthia Giles, Assistant Administrator, Office of Enforcement and Compliance Assurance
Lek Kadeli, Acting Assistant Administrator, Office of Research and Development
Regional Audit Liaisons 1-10
Arthur A. Elkins Jr., Inspector General
Charles Sheehan, Deputy Inspector General
Aracely Nunez-Mattocks, Chief of Staff, OIG
Alan Larsen, Counsel to the Inspector General
Carolyn Copper, Assistant Inspector General for Program Evaluation
Richard Eyermann, Assistant Inspector General for Audit
Patrick Sullivan, Assistant Inspector General for Investigations
Patricia Hill, Assistant Inspector General for Mission Systems
Christine El-Zoghbi, Deputy Assistant Inspector General for Program Evaluation
Khadija Walker, Project Manager, Water Issues, OIG
Johnny Ross, Team Leader, Water Issues, OIG
Danielle Tesch, Social Scientist, Water Issues, OIG
Stacey Banks, Program Analyst, Water Issues, OIG