



Dr. Elizabeth H. Sibolski  
President  
Middle States Commission on Higher Education  
3624 Market Street, 2nd Floor West, Philadelphia, PA 19104

Dear President Sibolski,

September 10, 2012

The Responsible Drilling Alliance, a nonprofit 501 (c) (3) organization in Williamsport, Pennsylvania, is filing a complaint against Pennsylvania State University. We are asking the Middle States Commission on Higher Education to consider this complaint in the context of the accreditation review of Penn State currently underway. Like the issue that caused Middle States to begin its investigation, this complaint centers on unethical practices and an abuse of public trust by the university.

Penn State published an advocacy for the shale gas industry on July 24th, 2009, under the guise of an independent research report. Emerging Giant, Prospects and Economic Impacts of Developing the Marcellus Shale Natural Gas Play, was followed by Update 2010, and Impacts and Future Potential, 2011. These papers were released under Penn State's name and authored by former Penn State professors but commissioned and paid for by the shale gas industry.

The papers contained a host of highly exaggerated predictions on jobs, economic development, and tax revenues. The original printing of Emerging Giant did not carry a notice of sponsorship by the shale gas industry or a disclaimer from the university. None of the three papers were peer reviewed or published in professional journals. Neither of the two lead authors have a background in the paper's primary subject: regional economics. One author being a petroleum engineer and the other a fuel market analyst. Both authors had already left Penn State's employ before the release of the first paper.

Emerging Giant and Update profoundly influenced the legislative debate on taxes and regulation in Pennsylvania in favor of the gas industry. The excessive predictions and claims are still being used to pressure legislators into making concessions. The most successful one being the defeat of the severance tax. Emerging Giant had the most extensive roll-out of any academic paper in Penn State's history. Almost immediately, the gas industry's public relations machinery brought Emerging Giant into the limelight of the national and international media. Gas industry lobbyists carried it to the legislative offices in Harrisburg as well as to the governor's mansion. The copies the lobbyists dropped off had Penn State's name and shield on the cover

and on every page but carried no acknowledgement that the work had been commissioned by the Marcellus Shale Gas Committee.

On August 5, 2009, a second printing of Emerging Giant containing an acknowledgement and disclaimer was issued without discernible fanfare. By then, however, the damage had been done. Emerging Giant, being from a prestigious research university and of apparent independent scholarship, overwhelmed the debate and validated all the shale gas industry's positions.

On June 4th, 2010, the Responsible Drilling Alliance issued an open letter to then President Graham Spanier asking him to publicly disavow Emerging Giant and the Update which had just been released. Dean Easterling of the College of Earth and Mineral Science responded. He candidly admitted that the publication had a number of faults in how it was originally presented and that the authors had overstepped into the realm of advocacy. He asserted the principle of academic freedom for the authors and defended the paper's methodology. Even prior to his defense, the Penn State Report and the authors had come under heavy criticism from economists.

Penn state's behavior is unethical and in contravention of both MSCHE principles and Penn State's own standards.

**Middle States Commission on Higher Education**

Characteristics of EXCELLENCE in Higher Education  
Requirements of Affiliation and Standards for Accreditation  
Online Version - Revised March 2009

Standard 6: Integrity

In the conduct of its programs and activities involving the public and the constituencies it serves, the institution demonstrates adherence to ethical standards and its own stated policies, providing support for academic and intellectual freedom.

**Pennsylvania State University's statement on Academic Integrity by the Council of Academic Deans**

<http://www.psu.edu/provost/integrity.htm>

Academic integrity mandates the pursuit of teaching, learning, research, and creative activity in an open, honest, and responsible manner. An academic community that values integrity promotes the highest levels of personal honesty, respect for the rights, property, and dignity of others, and fosters an environment in which students and scholars can enjoy the fruits of their efforts.

Academic integrity includes a commitment neither to engage in acts of falsification, misrepresentation, or deception, nor to tolerate such acts by other members of the community.

**Policy AD47 GENERAL STANDARDS OF PROFESSIONAL ETHICS**

<http://guru.psu.edu/policies/AD47.html>

- F. As members of the community, professors have the rights and obligations of all citizens. They measure the urgency of these obligations in the light of their responsibilities to their respective subjects, to their students, to their profession, and to their institution. When they speak or act as private persons they avoid creating the impression that they speak or act for their respective colleges or the University. As citizens engaged in a profession that depends upon freedom for its health and integrity, professors have an articular obligation to promote conditions of free inquiry and to further public understanding of academic freedom.

**POLICY: PSU**

<http://guru.psu.edu/policies/OHR/hr91.html>

Faculty and staff members of the University shall exercise the utmost good faith in all transactions touching upon their duties to the University and its property. In their dealings with and on behalf of the University, they shall be held to a strict rule of honest and fair dealings between themselves and the University. They shall not use their positions, or knowledge gained therefrom, in such a way that a conflict of interest might arise between the interest of the University and that of the individual. Faculty and staff members shall disclose to the administrative head of the college or other unit in which they are employed, or other appropriate administrative officer, any potential conflict of interest of which they are aware before a contract or transaction is consummated.

The Responsible Drilling Alliance is renewing the demand made in the original letter to Dr. Spanier for Penn State to publicly dissociate from these three discredited papers.

The accreditation review offers an opportunity for Penn State to develop procedures to insulate research from corporate advocacy. Such procedures, if well designed, would be a template for other research institutions to avoid these issues while protecting academic freedom. The University of Buffalo recently garnered a firestorm of criticism when it released a paper by the same “Penn State” authors.

Dr. Easterling, in his response letter, said that Penn State had requested that the Marcellus Shale Committee release the reports under their own name but they refused. It would be informative for Penn State and the MSCHE to review Penn State's contract with the Marcellus Shale Committee to determine how the university might better protect its reputation in the future.

Please refer to the attached case documents for further elaboration and documentation.

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Contact

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Responsible Drilling Alliance

copies: President Erickson, Pennsylvania State University  
Dean Easterling, College of Earth and Mineral Science  
Karen B. Peetz, President of Board of Trustees  
Open Letter

email: Letter and other materials also being sent as PDF files to recipients.