

2806



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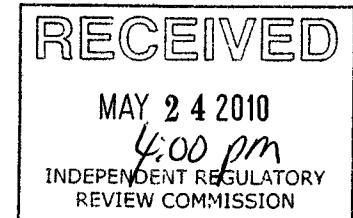
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May 24, 2010

**INDEPENDENT REGULATORY REVIEW COMMISSION**

333 Market Street, 14th Floor  
Harrisburg, PA 17101

Re: Regulation #7-446 (#2806)  
25 Pa. Code, Chapter 95



Dear Commissioners,

On May 19, 2010 the Pennsylvania Environmental Quality Board (EQB) submitted final-form regulation to the House and Senate Environmental Resources and Energy Committees (Committees), and the Independent Regulatory Review Commission (IRRC). On behalf of the Pennsylvania Independent Oil and Gas Association (PIOGA) I would like to submit my comments and concerns regarding the damaging impact this regulation will have on the conventional oil and gas (shallow well producers) industry this proposed regulation will have.

1. The regulation establishes sector based effluent standards for the natural gas industry which will significantly increase the cost of water disposal 150% to 300%. This increase will put additional financial burdens on the more than 350 independent oil and gas producers in the Commonwealth. Such financial burdens will force a large amount of these independent producers to either limit the amount of new wells from being drilled, or force the independent producers to close their business altogether. Both situations will cause a loss of much needed jobs in the Commonwealth of Pennsylvania.
2. Justifications for this new regulation have been warranted by the high Total Dissolved Solids (TDS) problem in the Monongahela River. An independent study of the Monongahela River (Evaluation of High TDS Concentrations in the Monongahela River by Tetra Tech NUS, Inc.) has shown that the cause of the elevated TDS was due to high Sulfates which are predominantly found in Acid Mine Drainage. No scientific data has been presented by The Department of Environmental Protection to prove that the Natural Gas Industry was the major contributor of high TDS in the Monongahela River.
3. Economical treatment of Frac and Production water has yet to be proven. The Department of Environmental Protection (DEP) has referenced several "New Technologies" throughout several reports. To date, these technologies are still in their infancy and have not proven an economical means to treat the water to the level outline in the new regulation. Additionally, the DEP has not addressed the issue of

disposing of the enormous amount of residual waste that will be produced from these "New Technologies". Additional landfills, disposal sites, and trucking will be needed to dispose of the residual waste. This will create new and unneeded environmental impacts throughout the Commonwealth that the DEP has failed or neglected to report.

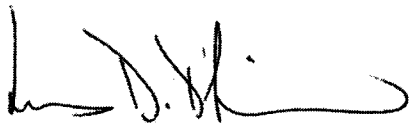
4. The new regulation will significantly reduce the expansion of both the Marcellus Shale and the Shallow or Conventional Natural Gas Production. The reduction, or in the case of most independent producers elimination, of natural gas production will eliminate much needed jobs throughout the Commonwealth.

5. PIOGA questions the legality and the constitutionality of the proposed new regulation. DEP has significantly restricted the expansion of the Natural Gas Industry in the Commonwealth. The new regulation will put gas production at a cost disadvantage compared to other shale producing states.

With unreasonable regulations such as these proposed amendments to 25 Pa. Code Ch. 95, Pennsylvania is sending the signal to the natural gas industry and the many other sectors of Pennsylvania's economy that are also impacted, that Pennsylvania's current regulators and lawmakers don't make the connection between economic growth and the regulatory climate. PIOGA strongly encourages the House and Senate Environmental Resources and Energy Committees and the IRRC to reject the final-form regulation.

Thank you for the opportunity to comment on this final-form regulation.

Sincerely,



Louis D. D'Amico  
President & Executive Director

Cc: Environmental Quality Board  
DEP Bureau of Water Standards and Facility Regulation  
DEP Bureau of Regulatory Counsel

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**From:** Danielle Boston [danielle@pioga.org]  
**Sent:** Monday, May 24, 2010 3:40 PM  
**To:** IRRC  
**Cc:** Lou D'amico  
**Subject:** PIOGA Comments Submitted for "TDS," Wastewater Treatment Requirements, EQB Final-Form Regulation #7-446 (#2806)  
**Attachments:** Comments TDS Regs Reg #7-446.pdf

*Sent on behalf of Louis D. D'Amico, President & Executive Director*

Thank you for the opportunity to submit comments for "TDS," Wastewater Treatment Requirements, EQB Final-Form Regulation #7-446 (#2806)

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