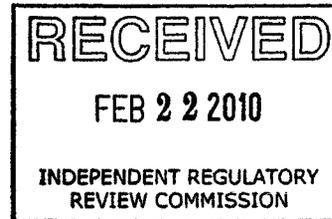




Pennsylvania Environmental Quality Board
Rachel Carson State Office Building, 16th Floor
400 Market Street
Harrisburg, PA 17101-2301



RE: Proposed Rulemaking [25 PA. CODE CH.95] Wastewater Treatment Requirements [39 Pa.B. 6467] Saturday, November 7, 2009.

Dear Members of the Board:

This letter is being submitted in regards to the Pennsylvania Environmental Quality Board's proposed rulemaking 25 Pa.Code, Chapter 95 relating to Wastewater Treatment Requirements. The proposed change would establish new standards for new sources of wastewaters containing high Total Dissolved Solids (TDS) concentrations.

I would urge the department to reconsider this rulemaking as it will have a distressing effect on the economy of Pennsylvania, particularly the Oil and Gas industry. These regulations as proposed will effectively cost the citizens of Pennsylvania, millions of dollars of lost revenue and could possibly damage the development of future oil and gas wells.

The proposed rulemaking will be extremely damaging to the Shallow gas well industry. The shallow gas wells are a much lower producer than the Marcellus Shale wells. The increase in cost to operate these wells will make many of them candidates for plugging. This will result in a loss of a valuable energy as well as a loss of revenue to landowners. Many of the landowners, who have gas wells on their property, depend on the royalties of those wells as a source of income.

The Department of Environmental Protection (DEP) should conduct more analysis on the Total Dissolved Solids in the waters of the Commonwealth. There have been records of spikes in TDS concentrations in all of the nine major rivers across the state over the past thirty years. The concentrations in the past five years during the development of the Marcellus natural gas reserves have not been abnormal. The DEP should continue to perform studies of the TDS spikes and determine what the extents of the levels are, as well as an analysis of the water that enters the state of Pennsylvania.

There is not enough analysis to prove that the limits proposed in the regulations will effectively reduce any of these TDS spikes that have been seen over the past 30 years. To set the levels of allowable discharge for TDS, Chlorides, and Sulfates at drinking

should consider sources of AMD in the water of the Commonwealth. Focusing the proposed rulemaking on one industry without looking at the larger picture will likely not achieve any meaningful improvement in water quality.

The type of water treatment options needed to be able to discharge at these levels are extremely expensive and will effectively make it more costly to continue to do business in the state of Pennsylvania. In a time, when unemployment levels are high, this will effectively make Pennsylvania uncompetitive to other states and only continue to cause the levels to rise.

It is worth noting that in the time of economic distress and high unemployment rates, one area of growth and well paying jobs is the Oil and Gas Industry. According to a report issued by the Pennsylvania State University, measurements for 2008 indicated that the Pennsylvania Marcellus gas industry had an impact on the state of PA of \$2.3 billion, 29,000 jobs, and \$240 million in state and local tax revenue. The study also finds that the future will even be brighter with 2009 estimated to generate "*\$3.8 billion in value added, over 48,000 jobs, and \$400 million in state and local tax revenues.*"

I appreciate the opportunity to provide comments on the proposed regulations.

Sincerely,

A handwritten signature in black ink that reads "Craig Neal". The signature is written in a cursive, flowing style.

Craig Neal
General Manager-Pennsylvania District
Dominion Exploration and Production

CC:

Pamela Faggert