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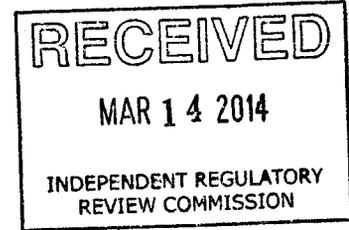
# House of Representatives

Commonwealth of Pennsylvania  
Harrisburg

**DAVE REED**  
62ND LEGISLATIVE DISTRICT

March 13, 2014

Environmental Quality Board  
P.O. Box 8477  
Harrisburg, Pennsylvania 17105



Dear Environmental Quality Board,

This letter shall serve as my comments regarding the Environmental Quality Board's request for testimony on potential Chapter 78 rulemaking affecting oil and gas activities. I appreciate both the Board and Department's responsibility for analyzing these potential changes as well as their willingness to listen to all parties offering remarks.

Act 13 of 2012 is a vital statute that further helps to protect our valuable environmental treasures here in Pennsylvania. Furthermore, it also better defines boundaries that the industry must adhere to when identifying potential drilling locations, as well as offering local municipalities the ability to create local ordinances on what areas are suitable for drilling activities.

Indiana County and the 62<sup>nd</sup> Legislative District are unique in the fact that natural gas drilling has been an industry locally for over 100 years. Due to that, our local economy is heavily impacted not only by drillers, but also additional companies that serve and supply the drilling industry. The recent development of Marcellus Shale drilling has further broadened the scope and impact on our economy. I feel our long history of drilling has helped create a healthy balance of expanding the unconventional drilling opportunities while also maintaining a high level of environmental stewardship.

While Pennsylvania has proudly protected endangered species, proposals related to "species of special concern" stray from the intent of Act 13 and this undefined list of species will likely generate uncertainty with regard to permit applicants' obligations. Similarly, the proposal to identify abandoned wells, although critically important, seems to be without a specific scope or limitation on the operators' obligations under this rule.

Concerns have also focused on the department's assessment of the costs of compliance and resulting impacts on small businesses. The oil and gas industry, and especially small conventional operators, will face significant impacts from these proposed regulations as provisions related to the use of impoundments and pits, underground storage tanks, abandoned wells, and permit conditions related to species of special concern will result in a certain competitive disadvantage for those operating here, and in many cases these hardships will far outweigh any perceived benefits. The likely resulting hardships do not seem to have been afforded proper consideration per our Regulatory Review Act.

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Moreover, these proposed changes deviate from the very spirit of Act 13 to exempt conventional operations. I have heard from numerous residents, workers, small business owners, and others who depend upon our conventional industry about this regulatory language and the effects it will have. In fact, our conventional industry differs so significantly that its operators warrant their own set of regulations specific to them, and the difficulties with these revisions further demonstrates this need.

Finally, the recent Pennsylvania Supreme Court decision in Robinson Township, (et al). v. Commonwealth of Pennsylvania (et al), invalidated the Environmental Quality Board's authority to promulgate new regulations pursuant to Section 3215(c) or 3215(e). And, as remaining portions of the law have been remanded back to the Commonwealth Court, the timeline for these regulations is problematic at best.

Again, I appreciate the opportunity to offer comments on this important issue and please feel free to contact me with any questions or concerns.

Sincerely,

A handwritten signature in black ink, appearing to read 'DR' with a stylized flourish underneath.

Dave Reed