



BRADFORD CITY WATER AUTHORITY

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INDEPENDENT REGULATORY
REVIEW COMMISSION

January 22, 2014

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

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DEP Policy Office

Re: Chapter 78 Proposed Rule Changes

Dear Members of the Board:

Bradford City Water Authority is a purveyor of public water in McKean County and supplies the needs of approximately 6,100 residential, commercial and industrial customers. Service area covers the City of Bradford as well as the surrounding townships of Bradford, Foster, and Lafayette and includes sale of water to the Lewis Run Borough.

The Authority is also the steward of 12,000 acres of forested land holdings and enjoys ownership and control of the bulk of the mineral rights within its watershed boundaries.

In any conversation of ever changing regulations and oversight concerning extraction of oil and gas, such as those being presented to the Pennsylvania Environmental Quality Board via the Chapter 78 proposed rules changes, the Authority is a concerned stake holder.

Accepting input from all such stakeholders is critical if the proper balance is to be achieved of safe guarding our environment while not creating and over burden of new regulations.

It is requested that the Environmental Quality Board carefully consider all ramifications of the proposed Chapter 78 rules changes and their direct impact on conventional well producers.

Currently approximately 300 conventional oil and gas wells are incorporated on a lease within Bradford's watershed. For the past twenty-five years this lease has operated under existing conventional well standards of construction, production and plugging including crude oil storage and transportation without a negative event.

Independent oil and gas producers and stakeholders such as the Water Authority currently operate under an already daunting multitude of regulations. Chapter 78 as currently proposed would add redundant and harsh burdens more suited for unconventional deep well operations than for conventional well operations and operators that can least afford it.

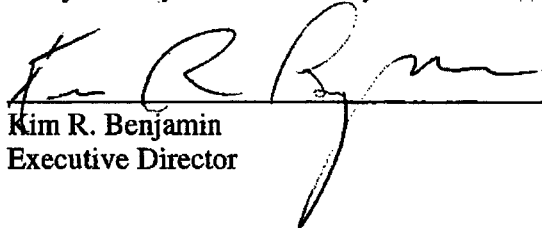
Like that of numerous small conventional well operators in the region the bulk of the crude from the Water Authority's producing wells are supplied to the American Refining Group. This local refinery is a major employer and key contributor to the economic engine of the Bradford area. Imposing additional excessive and duplicative regulations on the suppliers of crude to the refinery could have a devastating effect.

The history of the Bradford watershed providing quality water throughout the Tuna Valley dates back over 125 years. It is also a successful history of diversity of operations of all its resources including water distribution, sustainable yield forestry and conventional well extraction of oil and gas with the regulations currently in place.

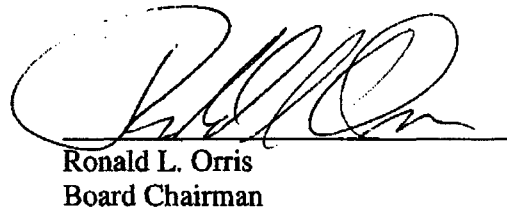
We believe this to be a representative example that natural resource development and existing standards can go hand in hand with sound environmental protection practice.

Sincerely,

Bradford City Water Authority



Kim R. Benjamin
Executive Director



Ronald L. Orris
Board Chairman