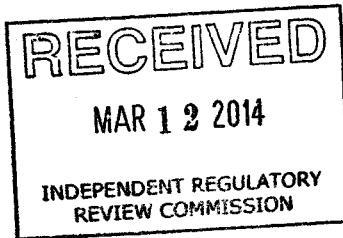


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Bradford Pipe & Supply Company
Doug Wingard
Testimony before the EQB
2-12-14

My name is Doug Wingard. I am the General Manager at Bradford Pipe & Supply. Bradford Pipe & Supply was founded in Bradford, PA, in 1907. It was originally a machine shop and supply house for the oil and gas industry. Over 100 years later Bradford Pipe & Supply continues in the oil field business. The cornerstone of our business is the supply of materials to the oil and gas industry such as tools, tubing, pipeline, tanks and so forth.

At our Bradford store we serve over 400 oil and gas customers in northwestern Pennsylvania and we employ 12 people. Bradford Pipe & Supply believes in social responsibility. Our employees are encouraged to make positive contributions to our community. Through personal involvement and contributions, Bradford Pipe & Supply supports the Boy and Girl Scout programs, Chamber of Commerce, social organizations such as the Rotary, Elks, and Kiwanis, educational institutions, and summer Little League athletic programs, plus many other activities.

Bradford Pipe & Supply is a small business, and virtually every oil and gas customer that we serve in northwestern Pennsylvania is a small business. Tonight I want to talk about how the proposed regulations fail in the small business context.

I want to read these words about small businesses: "A vibrant and growing small business sector is critical to creating jobs in a dynamic economy. Small businesses bear a disproportionate share of regulatory costs and burdens. Fundamental changes that are needed in the regulatory and enforcement culture of agencies to make them more responsive to small business can be made without compromising the statutory missions of the agencies." That quote is from the Regulatory Review Act which became Pennsylvania law a little under two years ago.

The Act goes on to say this: "The process by which State regulations are developed and adopted should be reformed to require agencies to solicit the ideas and comments of small businesses, to examine the impact of proposed and existing rules on such businesses and to review the continued need for existing rules."

To accomplish those goals the Act requires that a very specific economic impact statement be prepared. The Act requires that the statement identify the number of small businesses subject to the regulation, the impact of the regulation, and a description of less intrusive or costly alternative methods that could achieve the purpose.

The Act also requires a regulatory flexibility analysis which requires consideration of less stringent compliance methods, alternative performance standards, and even the exemption of small businesses from all or any part of the proposed regulations.

The DEP analysis that is before you does not do these things. Even though the law requires it, you will not find regulatory flexibility analysis that considers less stringent compliance methods, alternative performance standards or the exemption of small businesses from all or some of the proposed regulations.

The proposed regulations, however, impose exactly the kind of devastating threat that the Regulatory Review Act worries about. From discussions with our customers, from comments that we have seen, and from listening to testimony tonight we know that there are hundreds of millions of dollars of costs that

will be imposed on the conventional oil and gas industry that are not discussed in the DEP documents. I believe the initial costs of compliance alone is over 1 billion dollars and that year in and year out the proposed regulations will add 100's of millions of dollars of costs to the small businesses that make up the conventional oil and gas industry.

These costs have not been properly considered or presented to you as required by law. And the alternatives and the analysis that are required under the Regulatory Review Act have not been performed. I know the importance of a small business. I work in one, and every business in my community in Bradford Pennsylvania is a small business.

These proposed regulations will have a crushing effect on these small businesses. This process has to go back to the beginning in order to do the studies that the law requires for small businesses.