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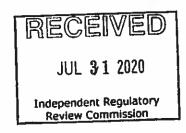
Senate of Pennsylvania

July 27, 2020

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THE CENTER FOR RURAL PENNSYLVANIA CHAIRMAN



Honorable Patrick McDonnell, Chairman Environmental Quality Board 16<sup>th</sup> Floor Rachel Carson State Office Building P.O. Box 2063 Harrisburg, PA 17105-2063

## Re: Proposed Rulemaking: Control of VOC Emissions from Oil and Natural Gas Sources (#7-544) – submitted online <u>http://www.ahs.dep.pa.gov/eComment</u>; via email to <u>RegComments@pa.gov and hand delivery</u>

Dear Secretary McDonnell:

As members of the Pennsylvania Senate Environmental Resources and Energy Committee, we write with regard to the above-referenced proposed rulemaking and to express our concerns about the Environmental Quality Board's disregard of legally mandated procedural safeguards for the conventional oil and gas industry.

The conventional oil and gas industry has safely operated in Pennsylvania for at least 150 years, since "Colonel" Edwin Drake drilled the first oil well in Titusville. Conventional oil and gas operations are distinctly different and separate from the much larger and complex unconventional oil and gas operations. Pennsylvania's conventional oil and gas producers are small businesses, typically single-employee entities or individuals. Any increased costs associated with additional regulatory requirements can be devastating to conventional oil and gas producers, especially now after the industry has been ravaged by the COVID-19 pandemic.

To promote Pennsylvania's historic conventional oil and gas industry and advocate for its future development, Pennsylvania enacted the Pennsylvania Grade Crude Development Act, known as Act 52 of 2016. Among other protections, Act 52 of 2016 provides specific procedural safeguards for small conventional operators in rulemakings by the Board. Specifically, section 7(b) of Act 52 of 2016 mandates that "[a]ny rulemaking concerning conventional oil and gas wells that the Environmental Quality Board undertakes after [June 23, 2016] shall be undertaken separately and independently of unconventional wells or other subjects and shall include a regulatory analysis form submitted to the Independent Regulatory Review Commission that is restricted to the subject of conventional oil and gas wells."

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Notwithstanding this clear legislative mandate, the Board proposed a VOC emissions rule that concerns Pennsylvania's existing conventional oil and gas wells along with, not separately and independently from, unconventional wells. The Board also failed to prepare and submit a regulatory analysis form to the Independent Regulatory Review Commission restricted to the need for and impact of the proposed rule on conventional oil and gas wells. The Board's disregard of these clear legal requirements has left the conventional oil and gas operators in the dark, which is contrary to Pennsylvania law.

In light of the fundamental legal flaws, the Board must withdraw the proposed rule as it applies to conventional oil and gas wells. Any future regulation of VOC emissions from conventional oil and gas operators must consider alternative regulatory options, the significant economic impacts to these small businesses, and must be developed separately and independently of a rule regulating VOC emissions from unconventional wells.

Sincerely,

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Hon Loe Pittman Vice Chairman

Hon. Joe Scarnati President Pro Tempore

Scott Mart

Senator

Statt & Hute

Hon. Scott Hutchinson Senator

Hon. Camera Bartolotta Senator

John Kudichak

Senator