

BEFORE THE PENNSYLVANIA DEPARTMENT OF
ENVIRONMENTAL PROTECTION

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IN RE: CHAPTER 78 AND 78A -
OIL & GAS SURFACE ACTIVITIES

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BEFORE: JESSICA SHIRLEY, Chair
Kelly Burch, Member
Kurt Klapkowski, Member

HEARING: Wednesday, April 29, 2015
5:30 p.m.

LOCATION: Washington & Jefferson College
Rossin Campus Center - Allen Ballroom
60 S. Lincoln Street
Washington, PA

Reporter: Danielle S. Ohm

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I N D E X

1		
2		
3	OPENING REMARKS	
4	By Chair	6 - 11
5	COMMENTS	
6	By John Walliser	12 - 14
7	By Ron Slable	14 - 17
8	By Joe Thompson	18 - 21
9	By James Pritt	21 - 25
10	By Raina Rippel	25 - 29
11	By Joy Ruff	29 - 33
12	By Jane Worthington	33 - 37
13	By Mark Cline, Sr.	37 - 41
14	By Steven Cleghorn	41 - 45
15	By Boyd Ramsey	45 - 49
16	By Eric Cowden	49 - 52
17	By Susan Oliver	53 - 55
18	By Charles Hunnell	55 - 59
19	By Stephanie Wissman	59 - 63
20	By Thomas Moore	64 - 66
21	By Bernadette Puzzuole	66 - 70
22	By John Atherton	70 - 75
23	By Cynthia Walter	75 - 79
24	By Melissa Hodge	79 - 83
25	By Brad Tupi	83 - 87

1	I N D E X (Cont.)	
2	COMMENTS	
3	By Michael Graham	87 - 91
4	By Christopher Marsh	91 - 94
5	By Andrea Stapleford	95 - 99
6	By Bruce Grindle	99 - 103
7	By Cathy Kirsch	103 - 108
8	By Adam Benford	108 - 111
9	By Colleen Tiberie	111 - 115
10	By Doug Mehan	115 - 119
11	By Kevin Colosimo	119 - 121
12	By Jeff Walentosky	122 - 126
13	By Dustin Kuhlman	127 - 131
14	By Mary Ann Pike	131 - 135
15	By Janet McQuaid	135 - 139
16	By Lynn Allen	139 - 143
17	By Chelsea Holmes	143 - 147
18	By Eva Westheimer	147 - 151
19	By Caitlin McCoy	151 - 155
20	By Walter Phillips	156 - 159
21	By Wendy Driscoll	159 - 161
22	By Don Zuch	162 - 165
23	By Tim Hite	166 - 167
24	By Stephanie Nowak	168 - 171
25	By Gwen Chute	172 - 174

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

I N D E X (Cont.)

COMMENTS

By Edward Chute	174 - 178
By Philip Thane	178 - 180
By Lois Houhan	180 - 182
By Laura Frano	182 - 185
By Marc Jacobs	186 - 190
By Rudy Stofer	190 - 192
By Chrystal Yost	193 - 194

CLOSING REMARKS

By Chair	194 - 195
----------	-----------

CERTIFICATE	196
-------------	-----

E X H I B I T S

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

<u>Number</u>	<u>Description</u>	<u>Page</u> <u>Offered</u>
---------------	--------------------	-------------------------------

NONE OFFERED

P R O C E E D I N G S

1

2

3

CHAIR:

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Good evening. I would like to welcome you to the Department of Environmental Protection public hearing on the Environmental Protection performance standards at oil and gas well sites. My name is Jessica Shirley. I am the executive policy specialist at the DEP policy office, and I'm chairing tonight's hearing. Joining me tonight are Kurt Klappkowski, Director of DEP's Bureau of Oil and Gas Planning and Program Management and Kelly Burch, the executive director of the Office of Oil and Gas Management. Also joining us tonight are Eric Gustafson the Southwest Oil and Gas District Manager, Nicole Rodriguez, DEP's Office of Chief Counsel, Brian Schimmel, the local government liaison for the Southwest Regional Office, and John Poister, the Community Relations Coordinator for the Southwest Regional Office. I officially call this hearing to order at 6:01 p.m.

In the event of an emergency, exits are located to your left, our right. Go down the stairs and out the front. The purpose of this hearing --- okay. At this time, please silence your cell phones.

1 The purpose of this hearing is to accept
2 testimony on DEP recommended changes to the
3 Environmental Protection Performance Standards at oil
4 and gas well sites. In addition to this hearing, DEP
5 will hold two additional hearings on the draft final
6 rulemaking on April 30th, tomorrow, in Warren,
7 Pennsylvania and on Monday, May 4th, in Williamsport.
8 Information about the specific location of these
9 hearings is available on DEP's website at
10 www.DEP.state.PA.US and click on the oil and gas
11 button.

12 The primary goal of this rulemaking is
13 to ensure that oil and gas operators employ effective
14 measures to prevent pollution while allowing
15 flexibility for the optimal development of this
16 natural resource. These rules focus on performance
17 over process and a commitment to responsible
18 environmental protection for oil and gas extraction
19 activities in this Commonwealth. The amendments are
20 designed to strengthen the environmental control
21 employed by this industry to ensure the protection of
22 public health and safety, and the environment.

23 This rulemaking modifies and updates
24 existing requirements for surface activities at
25 conventional and unconventional oil and gas well sites

1 implemented in Act 13 of 2012 and codified the
2 existing policies. The revision includes separate
3 chapters to address conventional and unconventional
4 development, Chapter 78 for conventional wells, and
5 Chapter 78a for unconventional wells. The amendments
6 are offered to improve protection of water resources
7 at public resource consideration, protect public
8 safety, address landowner concerns, and transparency,
9 and improve data management.

10 DEP requests that commentators focus
11 their comments on language that is changed from the
12 proposed rulemaking. Okay. In order to give everyone
13 equal opportunity to comment on this proposal, I would
14 like to establish the following ground rules. I will
15 first call upon the witnesses who have preregistered
16 to testify at this hearing. After hearing from these
17 witnesses, I will provide any other interested party
18 the opportunity to testify as time allows. We
19 currently have 68 people preregistered to testify this
20 evening. I will call your names three or four at a
21 time so that you can make your way to the microphone.
22 After your name is called, we ask that you come to the
23 front over here by the stenographer and wait there
24 until the person in front of you is done testifying.

25 Testimony is limited to five minutes for

1 each witness. We have a very long list of witnesses
2 to testify tonight, and I ask that you please be
3 respectful of the people that come after you and end
4 your sentence once your time is up. We have a
5 timekeeper, Abby, that will raise --- are you going to
6 do the card? She's going to raise a yellow card when
7 you have one minute left, and she's going to raise a
8 bright pink card when your time is up. For those of
9 you that might be color blind, they also say one
10 minute and time is up.

11 And I just remind you that written
12 testimony carries the same weight as verbal testimony.
13 So if you don't get the time to finish your verbal
14 comments, please provide your comments in writing and
15 we'll read them. On that note, please make sure your
16 written testimony has your name and contact
17 information on it. Organizations are requested to
18 designate one witness to present testimony on its
19 behalf. And each witness is asked to submit three
20 written copies of their testimony to aid in
21 transcribing the hearing. So when you come up to the
22 front, please give our stenographer one copy and then
23 place your two copies into the box. Please state your
24 name, address, and affiliation for the record prior to
25 presenting your testimony. DEP and our stenographer

1 would appreciate help spelling uncommon names and
2 organizations and terms that might not generally be
3 familiar so that the transcript can be as accurate as
4 possible.

5 Because the purpose of this hearing is
6 to receive comments on this proposal, DEP staff cannot
7 address questions about the rulemaking during the
8 duration of the hearing.

9 OFF RECORD DISCUSSION

10 CHAIR:

11 In place of verbal testimony presented
12 at tonight's hearing, you may also submit written
13 comment on this proposal. Again, written and verbal
14 comments hold the same weight when considered in a
15 finalization of this rulemaking. So if during the
16 hearing you need to leave before your name is called
17 to testify, please feel free to place your written
18 comments in the public comment box at any time. All
19 comments provided become part of the official public
20 record. So again, please make sure that your name and
21 address are clearly marked on your written comments.

22 All comments on this draft final
23 rulemaking must be received by DEP on or before May
24 19, 2015. Comments should be addressed to the DEP
25 Policy Office, P.O. Box 2063, Harrisburg,

1 Pennsylvania, 17105-2063. Comments may also be
2 emailed to red comments. That's R-E-D C-O-M-M-E-N-T-S
3 at PA.gov or submitted online through the
4 Environmental Regulatory Comments System accessible
5 from the DEP website. All comments received at this
6 hearing, as well as written comments received by May
7 19th, 2015, will be considered by DEP in the
8 finalization of this rulemaking and will be included
9 in a comment response document which will be prepared
10 by DEP and reviewed by the Environmental Quality Board
11 prior to the board taking this final action on this
12 rulemaking.

13 Please note that there are copies
14 available of the citizen's guide to DEP regulations.
15 Inside this document you will find descriptions of the
16 Environmental regulatory process in Pennsylvania, how
17 to submit comments and tips for submitting effective
18 comments. Anyone interested in receiving a copy of
19 the transcript of today's hearing may contact the DEP
20 Policy Office at 717-783-8727 for further information.

21 I would now like to call our first
22 commentator, Mr. John Walliser, of Pennsylvania
23 Environmental Council. On deck we have Ron Slabe,
24 Teresa McCurdy, and Joseph Thompson. Please make your
25 way over to the side.

1 MR. WALLISER:

2 Good evening. My name is John Walliser,
3 W-A-L-L-I-S-E-R. I'm with Pennsylvania Environmental
4 Council. The address is 2124 Penn Avenue, Pittsburgh,
5 PA, 15222. I'm a vice-president with the Pennsylvania
6 Environmental Council, a statewide membership
7 organization. We commend the Department for making
8 improvements to the environmental protection
9 provisions in the proposed rulemaking and for allowing
10 further public comment. Chief among those
11 improvements are more robust pre-drilling analysis to
12 prevent pollution migration, more detailed analysis
13 and reporting with respect to protection of water
14 resources, and tougher containment standards.

15 PEC will be submitted more detailed
16 written comments to the Department, but tonight I want
17 to underscore the critical importance of finalizing
18 this rulemaking proposal.

19 This rulemaking is the result of
20 enactment of Act 13 of 2012, the subsequent
21 Pennsylvania Supreme Court decision in the Robinson
22 case, December 2013, on sufficiency of that statute, a
23 series of issue workgroups convened by the Oil and Gas
24 Technical Advisory Board, a previous round of public
25 hearings and comment, and the collective management

1 and enforcement experience of the Department over the
2 past several years. At current pace, this rulemaking
3 proposal will not be finalized until 2016. That's
4 four years from the date of the authorizing statute.

5 While there remain areas where we feel
6 the rulemaking can be further improved, and again we
7 will present those details to the Department as part
8 of the additional public comment process, we must also
9 recognize that the citizens and environment of
10 Pennsylvania are best served by having regulations on
11 the books and in operation across the state. This
12 holds true of advancing updates to conventional well
13 regulations as well; particularly containment and
14 financial assurance measures to ensure that we don't
15 further add to Pennsylvania's already significant and
16 expensive legacy of abandoned well remediation.

17 PEC has long embraced the concept of
18 continuous improvement through our own advocacy and
19 involvement in efforts like the Center of Sustainable
20 Shale Development. This rulemaking proposal is a
21 strong step in that direction. While there are some
22 who seek to derail this process altogether by trying
23 to run out the procedural clock, they certainly don't
24 represent the view of a majority of Pennsylvanians or
25 the demonstration by many in the industry itself that

1 we can achieve success and high standards in both
2 oversight and operation. The people and environment of
3 Pennsylvania deserve as much, and I suspect you'll
4 hear several times tonight it's a fundamental right
5 guaranteed by our state's constitution.

6 So again, we commend the Department for
7 strengthening this rulemaking proposal, and urge swift
8 finalization after receipt and consideration of
9 additional public comment.

10 CHAIR:

11 Okay. Next up we have Ron Slabe. And
12 after Joseph Thompson, we have Jim Pritt.

13 MR. SLABE:

14 Ron Slabe, 516 Angelcrest Drive, Upper
15 Burrell, Pennsylvania, 15068. First of all, I thank
16 DEP for the opportunity to voice my views and those of
17 our organization, Citizens Against Marcellus
18 Pollution, over the proposed regulations.

19 I would characterize the proposed
20 changes as modest beginnings with the need for far
21 bolder improvements. Always of concern is the
22 notorious frack pit, without question the most
23 polluting aspect of today's gas drilling. Last year,
24 we presented you in Harrisburg with a petition and
25 letters with over 17,000 signatures to ban the frack

1 pit, these open impoundments responsible for
2 contaminating our water, soil, and the air we breathe.

3 What you are giving us, however, in the
4 proposed regulations in place of the frack pit is,
5 basically, a frack tank, a gigantic above ground-like
6 swimming pool, allowed to be open at the top for the
7 continuing evaporation of toxins like VOCs and a
8 plastic-lined bottom that will also be a continued
9 source of leakage of cancer-causing frack fluid. At
10 one such tank located at the Trax Farm in Washington
11 County, cars and trucks are dwarfed when parked next
12 to the walls of this monstrosity. Needless to say,
13 replacing the frack pit with such tanks is totally
14 unacceptable since such frack tanks are in no way the
15 closed-loop system that was demanded and not the
16 closed-loop system encouraged by the U.S. Interior
17 Department and adopted by such states as New Mexico
18 and Illinois. Instead, you are giving us an above-
19 ground frack pit. And may God help us if the walls of
20 these tanks are made of some cheap foreign material.
21 One can only envision the devastation caused by a
22 rupture of these walls. This regulatory change does
23 not provide for the safety and welfare of
24 Pennsylvanians and only a totally closed-loop system
25 will suffice in doing so.

1 Likewise, your allowing for the
2 continued existence of centralized impoundments again
3 is completely inadequate to provide and protect our
4 environment. The prohibition of these open waste
5 impoundments must take effect immediately along with
6 any open pits or tanks that are opened and plastic
7 lined. The environmental degradation caused by such
8 containments must end.

9 Insofar as conventional drillers who are
10 using unconventional fracking methods to frack shallow
11 layers of shale, such drilling must also come under
12 the same regulations pertaining to unconventional
13 drillers, since their unconventional fracking is even
14 closer to groundwater and the danger of polluting this
15 source even greater. Likewise, allowing conventional
16 drillers to use road-spreading brine for de-icing and
17 dust suppression is also unacceptable and should be
18 prohibited and another reason why unconventional and
19 conventional regulations should not be separated.

20 When it comes to drilling near schools,
21 a minimum one-mile setback on drilling near schools
22 and playgrounds is a must. To allow drilling just
23 over 200 feet from where children learn and play is
24 simply unconscionable. Allowing drilling so near to
25 such sites is flirting with disaster. Likewise,

1 failure to include any mention of polluting and noise-
2 emitting compressor stations is another area needing
3 your prompt attention.

4 Finally, I would encourage you to read
5 most carefully the Robinson Township Decision handed
6 down by the Pennsylvania Supreme Court in which the
7 Court provided valuable guidelines of what fiduciary
8 role state and local governments must provide to
9 ensure that Article 1, Section 27 of the Pennsylvania
10 Constitution is abided by. Use this enlightened
11 ruling to guide you further on the role you must play
12 in forming and providing regulations that protect our
13 environment, as all DEP regulations should conform to
14 this Supreme Court Ruling. We, the people, demand
15 that the DEP through its regulatory duties truly act
16 to provide for all the protections guaranteed under
17 the Environmental Rights Amendment. I realize you
18 have made some improvements through these regulations,
19 and for that you are to be commended. But much bolder
20 and more decisive actions need to be taken and let
21 that action begin today. Thank you.

22 CHAIR:

23 Thank you, Ron. Next we have Teresa
24 McCurdy followed by Joseph Thompson followed by Jim
25 Pritt and followed by Raina Rippel. I don't see

1 Teresa. Joseph Thompson. And after Raina Rippel, we
2 have Joy Ruff.

3 MR. THOMPSON:

4 My name is Joseph Thompson, P.O. Box
5 329, Pleasantville, Pennsylvania, 16341. Good
6 evening. My name is Joe Thompson. I am a third
7 generation representative of a family business that
8 has been in continuous operation since 1947. We are
9 conventional producers of shallow oil and natural gas
10 located in Northwestern Pennsylvania.

11 When I view the proposed regulation
12 changes to Chapter 78 by the PA DEP I am forced to ask
13 the following questions. What has changed in the
14 operations of the conventional oil and gas industry in
15 Pennsylvania since the 1960s? And the answer's
16 nothing. If the way we operate has not changed, why
17 then are the regulations which were promulgated in
18 1985 and updated in 2001 no longer adequate?

19 When we, as an industry collective,
20 implore the DEP to share with us what scientific and
21 empirical data they have gathered to justify these
22 proposed changes, what have they shown us? And the
23 answer's nothing. Instead they prey on our emotions
24 and the emotions of the citizens of the state by
25 publishing photos of spills that are already

1 violations under current legislation regulations. So
2 why impose more regulations when they cannot
3 effectively enforce those that are already on the
4 books?

5 When we, as an industry of small mostly
6 family-owned businesses ask what alternatives or
7 exemptions for small businesses have been considered
8 in incurring costs of, I think it was, \$1.5 billion in
9 implementation and then hundreds of millions of
10 dollars per year ongoing to maintain the proposed
11 Chapter 78 regulation changes, what's their answer?
12 Nothing. When asked to recognize the devastating
13 financial implications of their proposals, our
14 protestations fall on deaf ears.

15 The spirit of the bifurcation of Chapter
16 78 was meant to regulate the unconventional and
17 conventional oil and gas industries separately. The
18 conventional industry via Act 223 and the
19 unconventional act via Act 13. Instead, the PA DEP
20 has executed a word processing exercise in giving us
21 two identical sets of regulations labeled Chapter 78
22 and Chapter 78-A. They laugh in the face of our state
23 legislators who saw the need for bifurcation and
24 worked hard to push it through. The DEP scoffs at our
25 conventional industry as uneducated rural roughnecks

1 and work to implement unattainable regulation as a
2 sort of retribution for our audacity in trying to save
3 our jobs and maintain our rich heritage here in
4 Pennsylvania.

5 There is no question that the protection
6 of the pristine waters and natural resources of our
7 Commonwealth is a noble endeavor. We, in the
8 conventional industry are stewards of the environment.
9 Yet we are labelled as criminals sight unseen by many
10 in the DEP offices in Harrisburg. If our activities
11 in the conventional oil patch are so detrimental, why
12 are the fresh water aquifers, streams, creeks, and
13 rivers that course through Warren, McKean, Venango,
14 and Forest Counties among the most exceptionally
15 valued and highest quality in the state? The mighty
16 Allegheny River is an artery that the oil patch
17 follows directly from Bradford to Butler. It's a
18 national symbol of wild, uncontaminated beauty.

19 Ours is a cottage industry composed of
20 small, family owned businesses located in the rural,
21 economically depressed counties of Northwestern
22 Pennsylvania. We employ the men and women from
23 communities unknown to many, Titusville,
24 Pleasantville, Oil City, Bradford, Warren, Sheffield,
25 and Kane. In many of these communities ours is the

1 only industry left. We manage shoestring budgets and
2 invest what slim profits we make into our employees or
3 back into our businesses. We aren't J.R. Ewings. We
4 aren't Daniel Plainviews. We are the people you bump
5 into at the grocery store. Your kids are on the same
6 soccer teams as ours. Don't confuse us with the
7 Chevrans, Shells, and Senecas of the Marcellus and
8 Utica shale-plays. We are the local hardware store
9 and you're treating us like Wal-Mart.

10 Pennsylvania's conventional oil and gas
11 industry is the oldest of its kind in the world. That
12 legacy is threatened now more than it ever has been.
13 Our industry deserves its own set of regulations.
14 Those regulations were written in 1985 and updated in
15 2001, and they work. Give them back to us as written,
16 so we can do what we do best, which is work. Thank
17 you very much.

18 CHAIR:

19 Thank you, Joe. Next up we have Jim
20 Pritt followed by Raina Rippel, and then Joy Ruff, and
21 then Jane Worthington.

22 MR. PRITT:

23 Good evening, all. My name is James
24 Pritt. My address is 300 Capitol Street, Charleston,
25 West Virginia, 25301. Again, my name is Jim Pritt and

1 I represent Enervest Operating. I serve as the
2 company regulatory manager and I would like to thank
3 PA DEP and the EQB for the opportunity to make public
4 comment.

5 I'm speaking to the proposed rules as
6 they relate to Chapter 78 today as our operations
7 focuses on conventional oil and gas production
8 primarily in Northwest PA, the same area the gentleman
9 before me spoke of, Meadville, Titusville, Oil City.
10 We have 35 employees and operate about 2,500 wells.
11 As a producer, our company, and its 35 Pennsylvania
12 employees have firsthand knowledge with and put forth
13 extraordinary efforts to be good stewards to the
14 environment and good neighbors to the communities
15 where we work and live.

16 Enervest has always supported and is
17 pleased with the development of separate rules
18 governing the conventional and unconventional business
19 models since the advent of the horizontal shale
20 drilling started. We believe the size and scope of
21 operation are in such stark contrast to each other
22 that rules governing such operations should be
23 separated and developed along different paths with the
24 goal of protecting the environment. We applaud the
25 recent separation of these rules.

1 In regard to the rules as they are in
2 Section 78, we stuck to these pretty closely and we
3 got the proposed recommendations established to create
4 DEP. I'll just mention of few of them. Under Section
5 78.66, we're not sure why the oil and gas industry is
6 held to different standards. The Pennsylvania Land
7 Recycling Program Act 2 sets forth governing
8 remediation of releases greater than 42 gallons.

9 The 78.1, the definition of gathering is
10 inconsistent with the longstanding recognized rules
11 per API RP 80 as recognized by 49 CFR Part 192. We
12 believe that that definition should read a pipeline
13 used to transport oil, liquid hydrocarbons, or natural
14 gas from a production facility to a transmission line.

15 Under 78.15, well head protection areas
16 and well head protection management aren't defined and
17 should be added to the definition.

18 In 78.51, operators should not be
19 required to restore waters that do not meet PASDWA
20 standards as a result of testing and prior to spud to
21 a higher standard than we found them.

22 In 78.52, the timing of the testing,
23 regarding the wells themselves, the water wells and
24 those things that are adjacent to our drilling, we do
25 predrilling. We do pre-alteration surveys as a normal

1 course of our business and we do them in order to
2 protect ourselves from frivolous claims. So the
3 timing of tests as written --- as described in this
4 particular section need to be worked on, and the way
5 they're written there, they're contrary to really
6 business sense and what really should be done. And
7 they won't protect the operator from frivolous claims
8 not related to oil and gas activities.

9 Under Section 78.52a., the state should
10 work closely with the township to help and they
11 didn't. We found over the years that in townships and
12 counties around Pennsylvania, the records seem to be
13 --- there's pretty good records at the county and
14 township levels. We'd like to see the state work
15 closely with counties and with townships to identify
16 these oil wells.

17 Section 78.57, new centralized tank
18 batteries are rarely built for conventional wells, so
19 we're not sure why this is in here. It lacks clarity.

20 78.65, PA DEP should not vacate a change
21 agreement between operator and landowners as a result
22 of previous negotiations in regard to storing
23 equipment on land. E and S plans are developed anyway
24 and posted at the drilling sites.

25 So in conclusion, we believe there is

1 --- we believe that we have a good framework to start
2 with. But we think there's much more room for work
3 and improvement. We believe that if not amended, the
4 rules as they stand will result in further adverse
5 effects on the sustainability and continued production
6 of the conventional side of our business. The added
7 cost and administrative burden resulting from the
8 rules along with forecasted low commodity prices over
9 the next few years will result in decreased future
10 development and shut-ins. We've already seen from
11 permit activities the vertical wells, it's pretty much
12 nonexistent. We are in the process of doing our own
13 shuttings even as we speak. We're under water. We
14 operate with 35 people. Those 35 people probably
15 support another seven or eight folks. So anyway, I
16 appreciate your time and I thank you for your ---
17 thank you for your time.

18 CHAIR:

19 Thank you, Jim. Next up we have Raina
20 Rippele followed by Joy Ruff, Jane Worthington, and
21 then Mark Cline, Sr.

22 MS. RIPPELE:

23 My name is Raina Rippele and I am
24 representing the Southwest Pennsylvania Environmental
25 Health Project. Our address is 4198 Washington Road,

1 McMurray, Pennsylvania, 15317. I thank you for the
2 opportunity to testify tonight. I am personally a
3 resident of Washington County. And for the past four
4 years I have been the director of the Southwest
5 Pennsylvania Environmental Health Project. I work
6 with a team of researchers, public health
7 professionals, and healthcare providers to address
8 health concerns plausibly linked to unconventional
9 natural gas development, and related industrial
10 activities.

11 First, on behalf of EHP, I want to
12 emphasize that we see this as a positive first step
13 towards making regulations stronger. I commend the
14 DEP on the following proposed changes as you can see
15 in hearing the different speakers before me, but I
16 think it is very important to distinguish between the
17 conventional and unconventional drilling activities,
18 particularly from our perspective and a health
19 perspective. This distinction brings into focus the
20 differing emissions and public health implications of
21 the two types of extraction and production of shale
22 gas.

23 Also I am a big fan of proposing a move
24 towards electronic filing of records, and it seems to
25 us that this will be positive and important move if

1 e-filing leads to greater and more timely access to
2 permitting data and use and release of chemicals and
3 records on accidents and remediation. And again, from
4 our perspective, all such information also ought to go
5 in hard copy to relevant residents, local health
6 officials, and first responders.

7 In essence however tonight --- and I
8 will note that we will be providing more extensive
9 written comments, I wanted to say two key things. The
10 setback distances, i.e., regulations are inadequate.
11 Schoolchildren are at risk. And the reason I say
12 those two things and the reason we do the work we do
13 is that the body of evidence, we believe, proves this
14 to be true. We can now characterize the short-term
15 health impacts and we can safely predict the long-term
16 health impacts.

17 My comments tonight will focus on
18 regulatory changes particularly as they pertain to
19 schools and the protection of the health of
20 schoolchildren. This is important for several
21 reasons. Overall as of May 2013, it has been reported
22 that in Pennsylvania 147 schools were within one mile
23 of a permitted well site. Twenty-six (26) of those
24 were within a half-mile. Again, that's 2013 data.
25 Because we're here in Washington County, I want to

1 bring it back home, up to date, and say there are
2 currently 75 schools in southwestern Pennsylvania,
3 seven county-southwestern Pennsylvania, were within
4 one mile of active wells.

5 Activities on drill pads and during
6 other stages of gas production and transport emit
7 dangerous contaminants into the air and sometimes onto
8 soil or bodies of water. Children are particularly
9 vulnerable to environmental health threats. Accidents
10 can and do occur, and may pose challenges unique to
11 schools.

12 Again, my points are based on those
13 things, our setback distances are now putting school
14 children at risk. The two setbacks mentioned
15 explicitly for schools are a well site permitted
16 within 200 feet of common areas on a school's property
17 or a playground may require additional notification of
18 the public agency, and two, a minimum setback distance
19 of 300 yards would be required for a centralized tank
20 storage site. These two setbacks are inadequate to
21 protect children from routine emissions, periodic high
22 emissions, and accidents or uncontrolled events.

23 Since I am running out of time, I'll
24 skip over some of specifics on emissions. We've
25 observed DOCs, volatile organic compounds. We do

1 research of polycyclic aromatic hydrocarbons and
2 particulate matter, which is very concerning.

3 Again, school children are at risk is my
4 point. And I think the thing I really want to end up
5 on is the accidents. So given the fact that we know
6 there have been accidents, given the fact that there
7 are multiple events, we do firmly believe that a one-
8 mile setback distance --- it's imperative to protect
9 the health and safety of our children. And half the
10 population, the vulnerable populations are most at
11 risk to these nearby hazardous type accidents. Thank
12 you.

13 CHAIR:

14 Thank you, Raina. Next up we have Joy
15 Ruff followed by Jane Worthington, Mark Cline, Sr.,
16 and Stephen Cleghorn.

17 MS. RUFF:

18 Good evening. My name is Joy Ruff. I
19 represent Dawood Engineering located at 11 Grandview
20 Circle, Suite 116, Canonsburg, PA.

21 OFF RECORD DISCUSSION

22 MS. RUFF:

23 Spell it? R-U-F-F. F as in Frank.
24 Dawood Engineering is a minority-owned firm founded in
25 1992 and headquartered in Pennsylvania serving clients

1 nationally with additional offices located in West
2 Virginia, Ohio, Massachusetts, and Texas. We provide
3 civil engineering and environmental control services
4 to a wide range of industries. In the oil and gas
5 market, we provide engineering, permitting for gas
6 services. The Marcellus shale gave us a tremendous
7 opportunity in a time when we, like many other
8 engineering companies, were reeling from the great
9 recession. We knew that we could offer this new
10 industry our design and regulatory expertise. But to
11 do so required rigorous training to attain the strict
12 health, safety and environmental standards demanded by
13 our oil and gas clients.

14 Thanks to shale development, Dawood now
15 have eight office locations and employs nearly 200
16 employees. As a successful minority-owned firm, we
17 are proud of our diverse workforce of engineers,
18 surveyors, and scientists who assist in a safe,
19 responsible, and compliant development for natural
20 resources. As a business, we recognize the importance
21 of the oil and gas industry to our bottom line and
22 believe it helped us with withdraw voluntarily from
23 the disadvantaged business enterprise program. As a
24 business, we recognize the importance of oil and gas
25 to our economy and our national security. We are

1 concerned that the Commonwealth is shifting its focus
2 from upholding our high standards to creating a
3 regulatory environment that is punitive and borders on
4 government overreach.

5 DEP is required to do a full regulatory
6 analysis of any new regulation that includes a cost
7 benefit analysis. You have not yet done such
8 analysis. What is the cost to small business? What
9 will the economic impacts be to Dawood Industry? The
10 inclusion of noise mitigation far exceeds the
11 authority and capacity of DEP to regulate and enforce
12 it. The section is vague and subjective in nature.
13 It poses potential conflicts with municipal zoning
14 ordinances and may impact certain authority from those
15 who are best equipped to respond to local concerns.

16 The DEP does not have the expertise or
17 equipment needed to enforce matters pertaining to the
18 science of acoustics. We urge you to focus on hiring
19 and training qualified personnel to enforce the
20 existing regulations instead of creating a new layer
21 of bureaucracy. Please review your definition and
22 language of the new rulemaking with existing standards
23 and regulations. This will create tremendous
24 regulatory uncertainty and have negative consequences
25 that will drown companies with unnecessary mitigation.

1 For the areas of concern, your definition floodplain
2 is inconsistent with chapter 105. It creates
3 confusion with the FEMA definition of floodplain.

4 What is and where are common areas of
5 schools and playgrounds? This new language creates an
6 unfair burden because of the sheer number of common
7 areas that potentially could be identified in
8 corresponding mitigation measures that could be
9 proposed. The new definition of critical communities
10 is unrealistic standards or compliance. This sets a
11 stage for measures that do not follow the required
12 public process in fact finding that is mandated by
13 Pennsylvania law.

14 The EQB is required to develop criteria
15 upon which permit conditions would be based in order
16 to protect the rights of mineral owners while allowing
17 for optimum development of gas resources. Upon review
18 of the revisions, the criteria is missing. The DEP is
19 required to provide a comment response document. This
20 is the second time Dawood has provided comment and our
21 ability to comment is weakened without having that
22 document. We fear that the new proposed requirements
23 while meant to protect will instead provide limited
24 protection for valued resource at a significant cost.
25 This will lead to job loss, harm our company

1 financially, devastate the economy of Pennsylvania,
2 and weaken the security of America. We need to
3 support the domestic --- the development of domestic
4 dual source if we are to compete in a global economy
5 and protect the values of the United States of America
6 and the women and men who fight for our freedom every
7 day. Thank you very much for allowing me to provide
8 our standpoint.

9 CHAIR:

10 Thank you, Joy. Next we have Jane
11 Worthington followed by Mark Cline, Sr., Stephen
12 Cleghorn, and then Boyd Ramsey.

13 MS. WORTHINGTON:

14 Good evening. My name is Jane
15 Worthington. I live at 135 Main Street, Mount
16 Pleasant Township, Washington County, Fort Cherry
17 School District, Home of the Rangers, also known as
18 Home of the Dangers.

19 Although the proposals in chapter 78 and
20 78a are a good starting point, they do not go far
21 enough to address the issues involving a vulnerable
22 part of our citizens, our children, those who have no
23 environmental voice of their own. Currently Fort
24 Cherry campus has two fully operational well pads in
25 the approximately one-half mile zone from its

1 property. I have a packet of aerial pictures showing
2 how close all of the well pads are.

3 Chiarelli and Toward pads were developed
4 between 2011 and 2015. Hydraulic fraction and
5 stimulation methods have led to the rapid expansion of
6 all oil and gas development in the United States
7 coming closer and closer to our backyards. As it
8 comes closer to our backyards, it comes closer to our
9 playgrounds and particularly to our schools. Although
10 little is known about the environmental and the health
11 impact of the unconventional natural gas extraction
12 activities, including hydraulic fracking that occur
13 every day near our schools, I have included for you to
14 view the environmental health perspectives, which is a
15 reported health status of the results of the household
16 survey done right here in Washington County. This is
17 current as it was published in December of 2014, and
18 it does directly discuss the proximity of natural gas
19 and unconventional wells and reported health symptoms.

20 Their conclusion states, and I quote,
21 although these households have a ground fed water
22 supply, the proximity of a natural gas well or an
23 unconventional well may be associated with the
24 prevalence of any health symptoms, including dermal
25 and respiratory conditions in any residents or

1 students living near or being active near gas
2 extraction activities. Further studies of these
3 associations, including the role of specific air and
4 water exposures would be warranted.

5 Although you can argue when and how or
6 what it happens, it is known that children cannot
7 metabolize and process to remove toxins from their
8 system as quickly as adults. These toxins and
9 suspected air pollution emissions may be coming from
10 any number of well associated activities, such as the
11 increased truck traffic, the fracking process, or any
12 other processes used in the extraction and active
13 drilling processes that are described in the package I
14 have presented to you the process of natural gas
15 extraction as highlighted.

16 I am submitting for your examination the
17 medical records of one of the children who is at risk.
18 I am presenting my daughter, an active 11-year-old who
19 was in unremarkable health in October of 2011. Six
20 weeks later, we were at the doctors and all that
21 changed. It only began with itchy watery eyes. I
22 cannot help but mention that this was discovered to be
23 the month and the time frame that activities had begun
24 on the Chiarelli pad.

25 Please continue to examine the medical

1 records and you will see excessive bruising,
2 polydipsia, fatigue, respiratory infections, fever,
3 headaches, cough, gastro disturbances, bullseye
4 rashes, two trips to the emergency room, and finally
5 right wrist pain with swelling and inflammation of the
6 joints. And of course, the unexpected, unexplained,
7 and certainly unwelcome bloody noses that happen on a
8 regular basis. Most 11-year-olds do not endure these
9 symptoms that mine endures on a daily basis.

10 Recently on an x-ray it was revealed
11 that we have sclerotic distal changes involving the
12 right distal radial metaphysis which will cause the
13 doctor caring for my child to now consider the
14 possibility of heavy metal exposures. Testing was
15 ordered and difficult to get done. As we have just
16 recently done these tests, these results are not
17 available for tonight, but will become available to
18 you in the future. The waiting is terrifying.

19 DEP and lawmakers at the local level and
20 municipal level in the state must recognize the
21 urgency and the importance of distancing these
22 activities from the schools. Any tank farm,
23 impoundment, compression stations or operations that
24 are causing dangerous activities must be moved back.
25 DEP must adopt more aggressive standards to prevent

1 these activities from being located at least one mile
2 from our schools, our children, and my child. One
3 mile away, I ask, is this safe enough for our children
4 to stay? Thank you for this opportunity.

5 CHAIR:

6 Thank you, Jane. Next up we have Mark
7 Cline, Sr., followed by Stephen Cleghorn and Boyd
8 Ramsey followed by Eric Cowden.

9 MR. CLINE:

10 My name is Mark Cline, 1 Longfellow
11 Avenue, Bradford, PA, 16701. I am President of the
12 Pennsylvania Independent Petroleum Producers and a
13 member of the new Conventional Oil and Gas Advisory
14 Committee. Since 1985, PIPP has been the voice for
15 small, independent oil and natural gas producers in
16 northwestern Pennsylvania. Our nonprofit association
17 consists of over 350 independent producers, supply
18 companies, industry personnel, and supporters who have
19 been responsibly developing Pennsylvania's shallow oil
20 and natural gas reserves for generations. Despite the
21 tens of thousands of conventional oil and gas wells in
22 operation in our region, a full 72 percent of the
23 2,126 miles of mapped streams in the Allegheny
24 National Forest have been rated as high value or
25 exceptional value for water quality. Conewango Creek,

1 which runs through the heart of the oil industry, just
2 got voted the Pennsylvania River of the year.

3 The vast majority of our members are
4 extremely small, family-run businesses who depend on
5 the modest income derived from the conventional
6 extraction of oil and gas from new and legacy wells to
7 help supplement their incomes and feed their families.
8 Our members live in the most rural parts of
9 Pennsylvania with little or no access to the Internet.
10 In fact, approximately 45 percent of our members do
11 not even own a computer. In many ways, our members
12 have more in common with Pennsylvania's Amish
13 population than they do with large, unconventional
14 well operators whose proliferation across Pennsylvania
15 are the driving force behind the revisions to Chapter
16 78.

17 One of the key objectives of the
18 regulatory review process is to ensure that all
19 citizens who will be adversely affected by proposed
20 changes in government regulations have meaningful
21 notice of the proposed changes and a full and fair
22 opportunity to make comment. Unfortunately, a process
23 that the Department has chosen to follow to solicit
24 comments on the drafts final rule has regularly
25 prejudiced our members. Simply stated, 45 days is not

1 sufficient time for me to properly educate my members
2 on the massive changes published for the first time in
3 the Department's draft final rule and solicit
4 meaningful input from them. Time is a precious
5 commodity in short supply for my members, many of whom
6 work seven days a week and live without the modern
7 conveniences of computers and Internet access. Under
8 these conditions, a proper vetting of this draft final
9 rule requires me to contact my members either in
10 person or over the telephone in order to describe all
11 of the proposed changes and solicit their views. That
12 is simply impossible under the compressed time frame
13 dictated by the Department.

14 Compounding the problem is the
15 Department's disregard of the important role of the
16 Technical Advisory Board. This is clearly evident
17 from the language of the draft final rule, which
18 reflects a fundamental misunderstanding of
19 conventional oil and gas operations. It is also
20 evident from the Department's treatment of those TAB
21 members brave enough to offer comments to the proposed
22 regulations, if you haven't heard they were fired, the
23 addition of non-statutory members to the new TAB, and
24 the limited opportunity that the new TAB will have to
25 review and comment upon the draft final rule.

1 The fact that the Department previously
2 held nine public hearings and received over 24,000
3 comments to the proposed regulations does not cure
4 these deficiencies. The Department has yet to release
5 its written response to the comments it received to
6 the proposed regulation. What we are left with is a
7 mere 45 days to submit written comments to the draft's
8 final rule and 15 minutes over the course of three
9 additional hearings to provide verbal input to the
10 Department. This is a mere fraction of the time that
11 was allotted for written and verbal comments to the
12 proposed regulation published in 2013. If the
13 election of Governor Tom Wolf was supposed to mark a
14 new era of transparency in state government
15 operations, it is not at all evident from the
16 Department's actions with respect to the draft final
17 rule.

18 In summary, I am certain that there are
19 those high in the Department's ranks who believe that
20 the time for small, conventional oil and gas well
21 operations has come and gone. That the decreased
22 production of Pennsylvania crude oil, depression of
23 oil prices, and the illegal actions of a few rogue
24 operators warrant the eradication of an industry that
25 dates back to Edwin Drake's first oil well in 1859.

1 However, that is not a decision for the Department to
2 make. The Department can and should do better to
3 ensure that it is not responsible for the death of an
4 industry that has supported the economy of
5 northwestern Pennsylvania for generations. Thank you.

6 CHAIR:

7 Thank you, Mark. Next up we have
8 Stephen Cleghorn followed by Boyd Ramsey, Eric Cowden,
9 and Susan Oliver.

10 MR. CLEGHORN:

11 Good evening. I'm Stephen Cleghorn, 221
12 East Union Street, Apartment One, Punxsutawney,
13 Pennsylvania owner of an organic farm up near
14 Reynoldsville, Pennsylvania. And I have just a few
15 comments to make here tonight, longer than the written
16 testimony, but I'm just going to highlight the
17 particular recommendations that I think are priorities
18 for you to consider tonight.

19 First of all, close immediately, close
20 immediately all open air frack pits and impoundments.
21 We've been waiting for ten years to get rid of these
22 air polluting, water polluting facilities. Doctor
23 Boufadel at University of Pennsylvania has shown that
24 he believes these impoundments can cause a 200-year
25 legacy of water pollution. It's time to get them

1 closed now. The industry has had long enough to solve
2 this problem and they don't need another three years
3 to do it.

4 Number two, protect the children.
5 Protect the children. DEP should require, at a
6 minimum, a one-mile setback of oil and gas wells,
7 waste storage facilities, and any other infrastructure
8 from the property boundary of any school property.
9 The principle should be if the children play there,
10 stay a mile away from it. That's not a hard principle
11 to understand.

12 Number three, not only make drillers
13 responsible for identifying abandoned gas and oil
14 wells before they drill, but plug them up if they need
15 plugging. This industry has gone along for too many
16 years passing on its messes to be cleaned up at the
17 cost of the public. And I have to say, I did state
18 the opposite. I'm referring to 78a, unconventional
19 drilling here. This industry has been around for 15
20 years across the country and it's been making messes
21 everywhere it goes. If they want to drill, they
22 should tidy up the site beforehand at their cost.
23 They can afford it better than the public treasury
24 can.

25 Number four, there is an absolutely huge

1 waste issue that I don't think is getting addressed
2 well enough in these regulations. This industry
3 basically has no plans for the 1.3 barrels of waste
4 that are generated for one foot of their well bores
5 that they drill. And they drill a mile down and a
6 mile out. That's a lot of waste. They don't have any
7 place to put it. They don't have anywhere to take it.
8 They're making it up as they go along. They've dumped
9 it into our rivers, grandfathered waste treatment
10 facilities. They have voluntary compliance in some
11 cases with getting rid of it improperly. That's just
12 not right. We should not have a single day pass at
13 the end where any of this toxic waste is poured into
14 our drinking water supplies.

15 And by the way, disposal of said waste
16 in so-called injection wells in the middle of
17 neighborhoods that depend on private well water is not
18 an acceptable alternative. If the EPA says it's okay,
19 it's all right, we're the State of Pennsylvania.
20 You're DEP. You can ban it. Get rid of that. Don't
21 allow it. If your private well water systems that are
22 going to be affected, and particular affected by
23 injected wells, let's get rid of them.

24 Lastly, I want to say that transparency
25 in access information is critical. DEP ought to be

1 making sure that all of that kind of filings and
2 reports from operators are posted to the public when
3 they are completed. And DEP needs to release all of
4 its data, such as recent radioactivity study, when
5 they have it. We've got many people out there in the
6 community that don't have the data. And frankly, you
7 could use that help. So don't withhold data from us
8 saying they don't know how to handle it. We know how
9 to handle it, okay. And put the information out
10 there. If you want to be transparent, be transparent.
11 Otherwise it raises suspicions in the minds of many of
12 us. Okay.

13 Lastly, I couldn't leave this out. I
14 have to refer to the overall context of these hearings
15 and these regulations because I, like many others
16 here, am very uncomfortable trying to suggest that
17 mitigation strategies for this highly complex deeply
18 damaging, impossible to regulate, hubris-infused
19 industry can actually mitigate the worst impact and
20 making it the responsible to do given what we know
21 now. And to prove my point, I'm going to quote to you
22 from your own director, Mr. John Quigley, Secretary
23 John Quigley. He said the cumulative impacts of
24 Marcellus development will dwarf all the impacts on
25 Pennsylvania of timbering and oil and coal combined.

1 I am afraid for the future of this state, he said. It
2 is hanging in the balance. It's still hanging in the
3 balance. If all of these rules and all this
4 rulemaking and all this lawmaking and so forth does
5 not make that statement not true by John Quigley, if
6 that's still a true statement despite all that we do,
7 that this state is depending on these regulations to
8 protect our future, well, then I think the only safe
9 regulation here is to rule it out.

10 CHAIR:

11 Thank you, Stephen.

12 MR. CLEGHORN:

13 Thank you.

14 CHAIR:

15 Next up we have Boyd Ramsey followed by
16 Eric Cowden, Susan Oliver, and then Charles Hunnell,
17 Hunnell (changes pronunciation), and then Stephanie
18 Wissman.

19 MR. RAMSEY:

20 My name's Boyd Ramsey. In the interest
21 of brevity, I'm going to eliminate all that. What I
22 was really going to speak was to tell them what you're
23 going to tell them and then tell them what you told
24 them. So I'm going to tell you that your proposed
25 regulations aren't leading the curve as stated in the

1 golden regulations. You guys are missing the curve by
2 a fair amount. The good news is you can fix that. I
3 represent an industry. I'm the chairman of the
4 executive council of GMA. We make all these plastic
5 liners that everybody talks about. That's what my
6 company does also. It's about \$1 million industry,
7 about 12,000 jobs. My company is the largest supplier
8 on the planet.

9 A liquid container is our job. That's
10 what we do and that's what our products are used for
11 on a constant basis. Your container problem is very
12 simple. You want to contain liquids that are pretty
13 nasty, brines, contaminating fluids, et cetera, et
14 cetera. That's being done already around the world.
15 ASE gives this report card on America's
16 infrastructure. They don't grade America's
17 infrastructure very well, but waste containment
18 consistently gets the best rate. We're pretty good at
19 this. You have people in the Commonwealth who are
20 good at it. Two of the best people are Bob and George
21 Koerner in Folsom, Pennsylvania. They are global
22 experts in how to use these products. They're
23 lettered in the documents included in my written
24 comments. I suggest you contact them.

25 You have people in your organization,

1 Steve Socash of Pennsylvania DEP is well acquainted
2 with these materials, knows how they work, knows what
3 they can do and what they can't do. So you guys are
4 well into the curve. Your specifications call out a
5 30 mil plastic liner. I have a sample here. I'll
6 give it to you. That is woefully inadequate for the
7 job and probably not performing well at most of the
8 sites that it's installed at. I'm also giving you a
9 stack of products which is Range Resources current
10 technology indicating a rather large find. They're
11 using composite liners with leak protection and
12 protecting liner and doing liner integrity surveys so
13 they can determine the liners are functioning the way
14 they're supposed to.

15 This is what you need to be doing. This
16 is what the rest of the world is doing, and this will
17 solve your problem. A couple quick pictures and all
18 of these are contained in the written testimony. This
19 is a draft from the USEPA, there would appear three
20 composite systems or excuse me, one composite --- or
21 two composite systems and one plain membrane. You
22 have a leakage rate on wide access and timely
23 accessing. The geomembrane alone is the top line with
24 the worst performance. GMA rated clay which
25 unfortunately the Commonwealth won't have a lot of.

1 Geomembrane liner which is that piece that's trimmed
2 in orange. It's the best performing in the bottom
3 line. So the products are available. They've been
4 tested. They've been bedded. This is the result of
5 about 200 sites across the country. They work pretty
6 well.

7 This is a picture, an aerial picture of
8 the Palo Verde Nuclear Generating Station. They have
9 a lot more dangerous materials that they contain. I
10 see some of the sites on there, these ponds are all
11 composite liners. They have been verified with liner
12 integrity surveys. They have about 250 acres of
13 liner. They haven't had a leak on their site.

14 This is a picture from Texas. This is
15 Mount Belvieu. There they contain brine used to pump
16 fluids and liquids in and out of sawmills. Again,
17 very similar to the liquids that you have to contain.
18 These are slightly smaller. Each of these black and
19 white spots are probably about 20, 30 acres. Again,
20 my message to you is this has been done before. And
21 technology is well established. There are people in
22 the Commonwealth that can tell you global best
23 practice basis, use composite liners. Use liner
24 integrity surveys to verify the integrity and they'll
25 do the job you're asking them to do. Thank you very

1 much for your time.

2 CHAIR:

3 Thank you, Boyd. Next up we have Eric
4 Cowden followed by Susan Oliver, Charles Hunnell,
5 Stephanie Wissman, and then Thomas Moore.

6 MR. COWDEN:

7 Good evening. My name is Eric Cowden.
8 I'm the representative for the Marcellus Shale
9 Coalition. Our address is 24 Summit Park Drive,
10 Pittsburgh, Pennsylvania, 14275. Good evening. I'm
11 Eric Cowden, Community Outreach Manager in western
12 Pennsylvania for the Marcellus Shale Coalition, an
13 association working with regional partners since 2008,
14 and currently comprised of nearly 300 exploration and
15 production, midstream, and service companies committed
16 to developing clean-burning natural gas resources. In
17 2014, our members were responsible for 96 percent of
18 the natural gas produced here in Pennsylvania.

19 Energy development has an incredible
20 history in the Commonwealth. And indeed, natural gas
21 development can serve to enhance and improve our
22 natural resources. Significant investments have been
23 made across the Commonwealth by our industry to
24 provide needed habitat and restore lands and
25 watersheds. Partnerships with conservation groups are

1 examples of our industry's willingness and commitment
2 to voluntarily protect and preserve our natural
3 resources. And our industry has raised the bar for
4 shale development further with practices designed
5 specifically to lessen the impact on surface
6 disturbance and provide strategies to improve habitat
7 and landscapes.

8 The benefits do not end here. Take, for
9 example, the fact that the Commonwealth accounted for
10 25 percent of the nation's natural gas production in
11 recent months, according to the EIA. This has led to
12 more revenue. The natural gas industry has paid \$2.3
13 billion in taxes since 2008, and \$830 million over
14 three years to communities, counties, and the state in
15 impact taxes. More than 200,000 new hires in
16 Pennsylvania are supported by industries associated
17 with shale development, according to our L and I. And
18 despite the rhetoric, these are, myself included,
19 lifelong, tax-paying residents of this great
20 Commonwealth. In addition, there is a great cost
21 reduction in residential fuel. My grandparents,
22 married 64 years, saw their monthly budget for natural
23 gas heat be reduced by \$150 per month. That is a
24 \$1,800 per year savings to senior citizens on a fixed
25 income.

1 The benefits, unfortunately, are at
2 risk. Pennsylvania has a complex regulatory
3 environment and an uncertain fiscal climate. These
4 two issues have made doing business in Pennsylvania a
5 real challenge. Pennsylvania already has world class
6 environmental regulations and have been a model for
7 states across the nation. These regulations have been
8 reviewed and praised by the independent STRONGER
9 board. With these powerful regulations, and billions
10 paid in taxes, we need to firm up the uncertainty and
11 do business in this great Commonwealth.

12 When discussing agriculture issues
13 within the farming community, change is constant, and
14 that statement exemplifies the transformation that has
15 occurred in Pennsylvania agriculture over the past
16 several years due to the Marcellus shale activity
17 throughout the Commonwealth. All too often the
18 discussion of shale gas and agriculture center on the
19 farmer who signed a lease or had a pipeline on his or
20 her property and the immediate and future benefits
21 that individual will receive. In many cases, the
22 farmer has used this additional income to expand and
23 grow the agricultural operation, Pennsylvania's number
24 one industry.

25 People outside the shale gas play think

1 the story stops here. However, the reach of the
2 natural gas industry has gone much further and touches
3 a variety of agriculture businesses both large and
4 small across the Commonwealth. The overall benefits
5 include decreased heating and electricity costs,
6 increased sales of seed and fertilizer, and companies
7 retrofitting agriculture structures such as bins and
8 tanks to accommodate the needs of the shale companies.

9 The Cowden family was granted property
10 in Washington County before the nation's first
11 president was elected. Over 200 years later, my
12 family is still a strong steward of the land. In
13 conjunction with our production agriculture, we have
14 horizontal drilling and pipeline infrastructure on our
15 farm all working in harmony. I am proud to be a part
16 of Pennsylvania's two most historic industries,
17 agricultural and energy. We must keep up the positive
18 momentum with guaranteed certainty and sensible
19 regulations.

20 The Marcellus Shale Coalition will
21 provide detailed written comments on the Department's
22 proposed regulations in the weeks to come. Thank you.

23 CHAIR:

24 Thank you, Eric. Next up we have Susan
25 Oliver, Charles Hunnell, Stephanie Wissman, and then

1 Thomas Moore.

2 MS. OLIVER:

3 Good evening. I'm Susan Oliver. I'm
4 the Manager of Community and Government Relations for
5 WPX Energy here in the Marcellus. Our office is at
6 6000 Town Center Boulevard, Suite 210, Canonsburg.

7 WPX Energy develops and operates oil and
8 natural gas-producing properties in North Dakota, New
9 Mexico, and Colorado. We have a small presence here
10 in Pennsylvania having recently sold our Northeast
11 Pennsylvania assets to Southwestern Energy Company,
12 and we are in the process of divesting our remaining
13 physical operations in Westmoreland County, to include
14 some firm transport capacity under Transco's Northeast
15 Supply Link project.

16 We would like to thank the DEP for
17 holding these public hearings and for the efforts the
18 Department has made, and continues to make, to
19 maintain a balance between natural gas development and
20 protecting the environment in the Commonwealth. As a
21 member of the Associated Petroleum Industries of
22 Pennsylvania, and the National Trade Association, the
23 American Petroleum Institute, or API, we know the
24 effort to maintain such a balance is of mutual
25 interest among the API natural gas producers and the

1 citizens of the Commonwealth.

2 We would like to just provide some
3 general comments tonight. Since we are divesting our
4 Marcellus assets so we can focus on our operations in
5 the Western United States, we will not be providing
6 additional written comments over and above the input
7 that we provide to API-PA regarding the proposed
8 regulatory changes.

9 The non-profit organization State Review
10 of Oil and Natural Gas Environmental Regulations, or
11 STRONGER, was created by the EPA and the Interstate
12 Oil and Gas Compact Commission. STRONGER's purpose is
13 to assist states in documenting the environmental
14 regulations associated with the exploration,
15 development, and production of crude oil and natural
16 gas, sharing innovative techniques and environmental
17 protection strategies, and identifying opportunities
18 for program improvement. The STRONGER review process
19 is a non-regulatory program and relies on states to
20 volunteer for these reviews.

21 In March 2013, Pennsylvania DEP
22 volunteered to have its oil and gas regulations and
23 programs reviewed by STRONGER. The Pennsylvania
24 regulations have undergone four prior reviews by
25 STRONGER. STRONGER's 2013 conclusion is consistent

1 with prior reviews, the Pennsylvania program is,
2 overall, well-managed, professional and meeting its
3 program objectives.

4 We encourage the Department to take a
5 closer look at the proposed regulatory changes in
6 light of STRONGER's recommendations, along with
7 township and county governance rights, and realistic
8 operational timelines, and not impose changes to a
9 well-managed program just for the sake of change or
10 political pressure.

11 We look forward to continuing to work
12 with the Department as a member of API-PA, to continue
13 to balance natural gas development with environmental
14 protection. Thank you for the opportunity to speak
15 tonight.

16 CHAIR:

17 Thank you, Susan. Next up we have
18 Charles Hunnell, Stephanie Wissman, Thomas Moore, and
19 Bernadette Puzzuole.

20 MR. HUNNELL:

21 My name is Charles Evans Hunnell. I
22 reside in Greene County, Center Township, Waynesburg,
23 2248 Oak Forest Road.

24 Why does Pennsylvania continue to permit
25 operators to use open impoundments containing flow

1 back and produced water from unconventional slick
2 water deep drilling? It is well known that these open
3 pits contain hazardous chemicals and radiation, flow
4 back and produced water, part of the byproducts of
5 deep drilling, and that they do leak. The industry
6 has a serious, health and safety problem of how to
7 properly dispose of the byproducts.

8 The DEP has known since 2011 that
9 Emerald Mine, Cumberland Mine, both Alpha Resources
10 Mines, and Clyde Mine, a DEP abandoned mine, have been
11 discharging high levels of bromides, strontium,
12 chlorides, sodium, extremely high levels of electronic
13 conductivity and total dissolved solids, with elevated
14 osmotic pressures into Greene County streams. The
15 problem is that these levels are not associated with
16 mining but are associated with unconventional slick
17 water deep drilling. How have these flow back and
18 produced water contents ended up in Greene County
19 mines?

20 The newest discovery in Greene County,
21 found in tests by the DEP in April of 2014, but buried
22 by the DEP and only discovered by the Harry Enstrom
23 Chapter of the Izaak Walton League of America in
24 November 2014 through a right to know on Clyde Mine
25 and April 2015 right to know on Smith Creek and

1 Whitely Creek is the presence of high levels of
2 radiation. How interesting that the DEP chose to bury
3 this data and not to send copies in the spring of 2014
4 to the Harry Enstrom Chapter of the Izaak Walton
5 League of America who requested that radiological
6 tests be conducted at the five hot spots they monitor
7 in Greene County.

8 Radiation is one of the byproducts of
9 unconventional slick water deep drilling. We don't
10 hear that in the news, do we? The following Greene
11 County streams have been contaminated with radiation
12 as well as the chemicals from flow back and produced
13 water, Smith Creek, Ten Mile Creek, Whitely Creek.
14 The results of the radiological testing of Greene
15 County streams indicates the presence of high levels
16 of the following, radium 226, radium 228, uranium 238,
17 thorium 232. This radiation will be around for a long
18 time in our environment. The half-life of radium 226
19 is 1,600 years. The half-life of thorium 232 is
20 billions of years.

21 The results. Radium 226, radium 228.
22 Safe drinking water levels, five pCi/L combined 226
23 and 228 per liter. Smith Creek, downstream of Emerald
24 Mine discharge, 74 and 4. 001 discharge of Emerald
25 Mine, 102 and 8. Upstream of 001 discharge, 60 and 3.

1 Whitely Creek, ingress to 014, 122 and 10. Ten Mile
2 Creek, above the Clyde Mine discharge, 175 and 152.
3 Clyde Mine discharge, 301. Below the Clyde Mine, 93.
4 Uranium 238, safe drinking water levels,
5 30 ug per liter. Smith Creek, downstream of Emerald
6 Mine discharge, 54. Upstream of 001 discharge, 71.
7 Ten Mile Creek, Clyde Mine discharge, 380.

8 Thorium 232. Everything's good except
9 Ten Mile Creek above the Clyde Mine discharge, 151.

10 The streams I have identified are used
11 for fishing and usual recreations, swimming and
12 boating. Should the citizens of Greene County not
13 know that the streams in Greene County are no longer
14 the safe option for enjoyment that they have been in
15 the past but are potential chemical and radiological
16 hazard areas?

17 With the presence of radiation and
18 carcinogenic chemicals in our drinking water supplies,
19 the future does not look good for those of us who make
20 our homes in this region. When people realize that
21 there is a large explosion of cancer in this area in
22 the future, we are already able to see the beginnings
23 of the problems, the citizens will want to know why
24 this is happening. How are you going to answer that
25 question?

1 We in rural Pennsylvania are being
2 treated like a third world playground for the
3 extraction industries. You have --- you have
4 adversely affected the lives of thousands of rural
5 Pennsylvanians by appearing to operate as the proxy of
6 the gas industry and the coal industry.

7 The Department of Environmental
8 Protection's mission is to protect Pennsylvania's air,
9 land, and water from pollution and to provide for the
10 health and safety of its citizens through a cleaner
11 environment. We will work as partners with
12 individuals, organizations, governments, and
13 businesses to prevent pollution and restore our
14 natural resources. When in the name of God are you
15 going to do this?

16 CHAIR:

17 Thank you, Charles. Next is Stephanie
18 Wissman, Thomas Moore, and Bernadette Puzzuole. After
19 Bernadette we're going to take a ten-minute break.
20 After our break, we will have John Atherton, Cynthia
21 Walter, and Melissa Hodge.

22 MS. WISSMAN:

23 Good evening. My name is Stephanie
24 Catarino Wissman, Executive Director of the Associated
25 Petroleum Industries of Pennsylvania. Our address is

1 300 North Second Street, Suite 902, Harrisburg,
2 Pennsylvania, 17101.

3 API-Pennsylvania is a division of the
4 American Petroleum Institute, a national trade
5 organization that represents all aspects of America's
6 technology-driven oil and natural gas industry. Its
7 more than 625 members, including large integrated
8 companies, exploration and production, refining,
9 marketing, pipeline, and marine businesses, and
10 service and supply firms, provide most of the nation's
11 energy and is backed by a growing grassroots movement
12 of over 25 million Americans. The industry also
13 supports 9.8 million U.S. jobs and eight percent of
14 the U.S. economy, and since 2000, has invested over \$3
15 trillion in U.S. capital projects to advance all forms
16 of energy, including alternatives. Many of our
17 members, who own and operate conventional and
18 unconventional wells in Pennsylvania, have a direct
19 interest in this advanced notice of final rulemaking.

20 API is also a standard setting
21 organization. For over 90 years, API has led the
22 development of petroleum and petrochemical equipment
23 and operating standards. These standards represent
24 the industry's collective wisdom on everything from
25 drill bits to environmental protection and embrace

1 proven, sound, engineering and operating practices and
2 safe, interchangeable equipment and materials for
3 delivery of this important resource to our nation.
4 API maintains more than 650 standards and recommended
5 practices. Many of these are incorporated into state
6 and federal regulations. And increasingly, they are
7 being adopted by the International Organization for
8 Standardization. API encourages and participates in
9 the development of state regulations that provide
10 environmental safeguards and stewardship, and commends
11 DEP on their regulatory oversight program. However we
12 do have concerns with several provisions contained in
13 the draft final rulemaking. As such, we will be
14 providing comments on the Advance Notice of Final
15 Rulemaking for Chapters 78 and 78a at the three public
16 hearings. Since both Chapter 78 and 78a are very
17 similar, my comments apply to both chapters. Tonight
18 I will address several general issues. Specific
19 comments will be presented at the other hearings.

20 Due to the wide-ranging impact these
21 revisions will have on oil and gas operations, it is
22 important for industry to know if these new provisions
23 will apply to existing wells and previously approved
24 water management plans or sources. It is suggested
25 that language be added to clarify the effective date

1 for the new requirements and that wells constructed
2 prior to that date are grandfathered in for purposes
3 of the new requirements.

4 There are a number of definitions and
5 sections of text that refer the reader to other
6 statutes or regulations. This causes the reader to
7 search elsewhere to find that other statute or
8 regulation and look it up before being able to
9 understand what Chapter 78a requires. This is not
10 user friendly and does not facilitate regulatory
11 understanding and compliance.

12 A number of sections are very detailed
13 and prescriptive. It is suggested that these sections
14 be given some flexibility to allow for the use of
15 alternate methods as approved by the Department.
16 These sections include centralized tank storage,
17 impoundments, embankments, freshwater impoundments,
18 oil and gas gathering lines. There may be additional
19 sections where it would be advantageous to both the
20 Department and the operator to apply the same concept.

21 The proposed regulation does not
22 recognize landowner rights. For example, in 78a.73c
23 and d, it is presumed that the landowner will grant
24 access to the well operator to monitor orphaned and
25 abandoned wells during stimulation and to plug the

1 orphaned and abandoned well if it is altered by the
2 stimulation. The landowner is not required to grant
3 the operator access, so the operator might not be able
4 to comply through no fault of its own. It is
5 recommended that in these instances, the operator
6 should be allowed to certify the lack of cooperation
7 by the landowner, or upon certification, the operator
8 be relieved of the duty to comply.

9 There are also numerous forms to be
10 developed by DEP for use in implementing the proposed
11 regulatory changes. This regulation contains many new
12 requirements beyond those contained in the previous
13 version of 78 that was subjected to a 90-day public
14 comment period and nine public hearings. These new
15 requirements are extensive and, due to the format of
16 old additions, new additions, old deletions and new
17 deletions, difficult to read. It is recommended that
18 because of the amount of new material addressed and
19 its complexity, a similar amount of opportunity for
20 public participation be provided to the ANFR for
21 Chapter 78a, with its many newly proposed
22 requirements.

23 Thank you for the opportunity.
24 Appreciate it.

25 CHAIR:

1 Next up we have Thomas Moore and then
2 Bernadette Puzzuole.

3 MR. MOORE:

4 My name is Thomas R. Moore. I'm at 133
5 North Avenue, Waynesburg, PA. I have a private
6 consulting firm, Groundhog Professional Services, LLC
7 in Waynesburg, where I grew up and a few years ago I
8 was able to return. I worked as a geologist with a
9 wide variety of unconventional and conventional
10 reservoirs over my long career, both in North America
11 and internationally.

12 First, I'd like to commend and thank
13 those who have worked in drafting and vetting the
14 proposed regulations. I know firsthand that it's a
15 lot of work and often is a thankless and somewhat
16 painful process.

17 I have a number of minor points that I
18 would like you to consider which I have submitted. In
19 regards to section 78.51 and 78a.51, under subsections
20 D2 of both, the proposed rules say that the prior
21 pollution or if prior to pollution a water supply was
22 of higher quality than under Pennsylvania state
23 drinking water standards, the restored or replaced
24 water supply shall meet the pre-pollution quality of
25 the water. One may assume here that higher quality is

1 construed to have lower dissolved constituents and
2 higher purity. But to a consumer, higher quality is
3 sometimes a condition that is somewhat beauty in the
4 eye of the beholder.

5 As an example, there was a classic 1972
6 paper by the renowned geologist Wayne Pettijohn. This
7 was entitled Good Coffee Water Needs Body. In that,
8 he related the story of a particular water well in a
9 small town in North Dakota widely known as yielding
10 the best water around for making coffee. People would
11 drive tens of miles to fill jugs to make their coffee.
12 Dr. Pettijohn was interested and investigated the well
13 found it to be a shallow well, sunk on the prior site
14 of a livery stable. The water indeed had plenty of
15 body. In that case, the higher quality for a user,
16 perhaps with a peculiar taste, may not have met the
17 replacement source no matter how fully adequate it
18 might be or meet the Pennsylvania Drinking Water
19 standards.

20 I believe that the Department in this
21 rule is trying to assure water users that they will
22 get their same good water back. I think this is
23 unwise in that, from the water user's perspective,
24 that almost never happens. Even if they replaced the
25 water supply with an equal or even better volume and

1 quality, it will never be, quote, the same as our old
2 water. I have seen this to be the case in a number of
3 instances even when the disruption was temporary and
4 the aquifer source fully recovers to its previous
5 volume and quality. That's it. Thank you.

6 CHAIR:

7 Thank you, Tom. Next up we have
8 Bernadette Puzzuole. After Bernadette speaks, we're
9 going to take a ten-minute break. And when we come
10 back we'll have John Atherton, Cynthia Walter, and
11 Melissa Hodge.

12 MS. PUZZUOLE:

13 Thank you. My name is Bernadette
14 Puzzuole. I'm the CEO of the Pittsburgh Airport Area
15 Chamber of Commerce. We're located at 850 Beaver
16 Grade Road, Suite 101, Coraopolis, PA, 15108. The
17 mission of the Pittsburgh Airport Area Chamber of
18 Commerce is to promote economic vitality through
19 advocacy, education, and services to our members and
20 the business community. One has only to look at the
21 traffic entering and leaving the airport corridor to
22 know that there is a high level of economic vitality
23 there, due in great measure to the natural gas
24 activities located there. It is not just the
25 drillers, but the engineers, land men, surveyors,

1 laborers, transporters, office personnel, professional
2 service providers, such as accountants and lawyers,
3 hotel operators, office landlords, restaurants and
4 retail establishments, all of these groups, including
5 the landowners of property on which drilling occurs,
6 all are benefitting from this industry. The taxing
7 bodies are benefitting as well. They're receiving a
8 share of the impact fees generated through drilling
9 and a share of the sales and income tax paid by the
10 workers in the industry. Many view the Marcellus
11 shale industry as the goose that is laying the golden
12 egg in Western Pennsylvania and would challenge anyone
13 who seeks to interfere with that process, including
14 the DEP.

15 As the Chamber works to serve all of its
16 members, we certainly hope that the economic vitality
17 generated by the expansion of the energy industry in
18 our area continues, but we do not want that economic
19 vitality if it means that the operations are occurring
20 unlawfully or without adequate regulation to protect
21 the residents and other businesses in our communities.
22 Rulemaking to govern the oil and gas industry is
23 certainly proper, necessary, and authorized by
24 statute, so long as the regulations provide for
25 consistency in operation, and fairly balance the

1 interests of the public and the drillers. The problem
2 with the proposed final rules, however, is that they
3 do not meet those standards in all instances.

4 Time precludes me from addressing all of
5 the areas, so I am going to focus on two problems.

6 The first is this hearing and the short
7 comment period provided for the final rules. When the
8 initial revisions to Chapter 78 were published by the
9 EQB in December of 2013, the public had 90 days to
10 review and offer comments and over 24,000 comments
11 were received, certainly evidencing great interest in
12 the process by the public. These new final rules,
13 however, were only published April 4 and all comments
14 are due by May 19, half the time for public comment
15 from that initial draft. If the changes between the
16 initially published regulations and the current final
17 draft were minimal, such a short time period would be
18 appropriate. These final rules, however, contain
19 numerous significant changes, some of which were never
20 even mentioned in the initial proposal. Given the
21 significant changes in the proposed final rules, the
22 public should have the same length of time to respond
23 to the changes, if the entire process is not to be
24 viewed as a rush prompted more by politics or other
25 reasons, rather than sound rulemaking practices.

1 The second issue I want to address is
2 one of those significant changes. Under the final
3 rules, a company making an application for drilling
4 must not only give notice to the public service
5 agencies responsible for locations managing threatened
6 or endangered plant and animal species, but under the
7 proposed final rules they must also give notice when
8 there are other critical communities in the drilling
9 area. If you're wondering what other critical
10 communities are, they are all plant and animal species
11 not listed as threatened or endangered by a public
12 service agency. So notice must be given to the
13 agencies responsible for locations where there are
14 threatened and endangered species, and to the agencies
15 responsible for locations where there are plant and
16 animal species that are not threatened or endangered.
17 That sounds like they have to give for every plant and
18 animal species it's around. There are some examples
19 in the final rules and using terms of rare,
20 tentatively undetermined, or a candidate, taxa of
21 conservation concerns, and special concern plant
22 populations.

23 There is no place in the final rules,
24 however, that defines what these critical communities
25 are. If you refer to the PA Natural Diversity Index

1 to find that, they don't define the term critical
2 communities either. They do use the term special
3 concern plant populations, but they don't define that
4 term either, and there is no definition of special
5 concern plant population in any federal or state law
6 or regulation.

7 This is troublesome. Plant populations
8 appearing on the threatened or endangered lists only
9 appear there after there has been a thorough review,
10 public notice and rulemaking, which we would presume
11 includes the scientific support for that designation.
12 That is the same process these final rules have
13 undergone.

14 But because there's no statutory
15 procedure --- I'm sorry. I'm concerned about the
16 transparency of these regulations and thank you very
17 much.

18 CHAIR:

19 Thank you, Bernadette. Right now it is
20 7:26.

21 SHORT BREAK TAKEN

22 CHAIR:

23 We have John Atherton followed by
24 Cynthia Walter, and then Melissa Hodge and Brad Tupi.

25 MR. ATHERTON:

1 John Atherton. I live at 916 Essex
2 Drive, Greensburg, PA, 15601. I stand opposed to the
3 entire fracking system. This system includes but not
4 limited to the following, land cleared of all
5 vegetation, the daily drone of thousands of trucks,
6 drilling pads that make noise and light pollution,
7 fracking that uses toxic materials at weaponized
8 pressure levels, thousands of miles of intrusive
9 pipelines, leaking compressor stations and condensate
10 tanks every ten miles, the one-way use of millions of
11 gallons of fresh water, a resource much of the world
12 would fight to defend, and the injection of toxic
13 waste into the ground causing unprecedented numbers of
14 earthquakes in Oklahoma and Ohio. Peer-reviewed
15 research documents everything I've just said. The
16 only so-called research that questions these findings
17 is sponsored by the fracking industries and, as such,
18 cannot be trusted.

19 Let me offer an analysis. A company is
20 hired to build walls to protect a crowded population
21 on one side from a lava flow on the other. It's
22 proven that ten percent of the walls will fail the
23 first year, quickly killing thousands of people. It
24 is further proven that 50 percent of the walls will
25 fail in the next 30 years wiping out tens of thousands

1 of people who trusted the wall builders. With regard
2 to fracking, ten percent of the wells will fail in the
3 first year. Fifty (50) percent will fail in the
4 following years. If we compare these useless walls to
5 the proven failure rates of fracked wells we see the
6 only difference is that death by lava is quicker than
7 death by pollution.

8 To you continue my wall analogy, let me
9 say that regulations established to protect the
10 citizens from deep pocketed frackers resemble a picket
11 fence built to stop the tide. It can't work.
12 Frackers have hirelings whose sole task is to evade
13 protective fences. In service to their masters they
14 provide a constant tidal like pressure against the
15 wellbeing of citizens.

16 I suggest whenever a fracker argues
17 against protection with the line, it's just too
18 expensive to, stop them and say the following. It's
19 too expensive to protect the lives of American
20 citizens. Then ask yourself is it too expense to
21 protect the Americans? What profits do these
22 multinational companies justify contaminating our air
23 and our water? We built the greatest military in the
24 world to protect us from invasion. What about the
25 invasion of private industry into the backyards and

1 across fences of our schools? What about the
2 intrusion of money from multinational companies into
3 our local policies? What about the incursion of
4 fracking waste into our drinking water? If North
5 Korea had sent terrorists to do these very things to
6 our country, we would attack North Korea in a second.
7 But if the invaders wear business suits and carry
8 hollow promises of personal profits, we open the door
9 and invite them in.

10 If one of these issues is about jobs.
11 Let's say that all jobs are not created equal. No one
12 should earn a living by making it impossible for us to
13 breathe, drink clean water or live free of radiation.
14 If a person loses their job because it pollutes, that
15 was a bad job. Such is the job of a fracker. Their
16 jobs worsen our lives. They get wages and we get bad
17 air and water plus any risk anywhere in the fracking
18 system lowers the value of our property. They get the
19 wages and we get the risk. This is the very
20 definition of a bad job.

21 Gas-based energy independence is another
22 fracking myth. Realize private fracking companies own
23 the gas and will sell it to the highest bidder. This
24 is the reason that they built LNG processing plants.
25 They will liquefy the gas to compact it and then sell

1 it to China. This does not make our nation energy
2 independent. It only makes a few multinational
3 companies richer.

4 Some think fracking will bring home our
5 troops. Nonsense. Multinational fracking companies
6 owe allegiance to stockholders, not the American
7 citizens. Supporting fracking does not make you a
8 patriot. If you support fracking, it means you want a
9 few rich companies to get richer and that's all. If
10 you're an owner of a company that's in self-interest
11 to sing the glories of fracking. But if you're not an
12 owner why support fracking because it endangers your
13 health and lowers your property values. Fracking now
14 and in the future has nothing to do with war in the
15 Middle East. They're two separate issues. So to all
16 of those who wrap themselves in the American flag
17 because you support a private company, please wrap
18 yourself something in else, perhaps the fracking
19 company's corporate logo.

20 Maybe we should follow New York who
21 protected their citizens using American pragmatism to
22 ban fracking. It's in their best interest to ban any
23 industry that sickens and kills its citizens, that
24 ruins its roads and makes fresh water toxic, that
25 fills the air with constant noise and deadly

1 pollution. New Yorkers are no better than us. If New
2 Yorkers thought they could make a buck from fracking,
3 they would jump on board as long as their costs is
4 acceptable. But here's the trouble. The costs is
5 intolerable. They know as we should that it will
6 bring health crisis and the value of property will
7 plummet. The cancer of the fracking system will
8 affect us long as the shale --- long after the shale
9 is played out. Fracking invades ---.

10 CHAIR:

11 Stop.

12 MR. ATHERTON:

13 Thank you.

14 CHAIR:

15 Next up we have Cynthia Walter followed
16 by Melissa Hodge, Brad Tupi, and then Gail Neustadt.

17 MS. WALTER:

18 Before I begin, I'd like to quickly say
19 a word for --- all conventional gas drillers are gone
20 it seems. But anyway, I want to say I have a job for
21 you. We have a job for you. And geothermal,
22 abandoned mine drainage repairs. We have jobs for
23 those people who have those skills. If you need a
24 job, you don't need to produce and extract fossil
25 fuels. We need you in renewal energy and cleaning up

1 old coal fills. So we have jobs for you. Now, back
2 to my comments.

3 I'm a scientist. And I have 25 years of
4 experience in also the field of the environment --- in
5 the environmental field and I would like to comment on
6 my reviews of dozens, maybe more than that, of papers,
7 peer-reviewed scientific papers. Because I'm a Ph.D.
8 I tend to peer-review everything. And I would also
9 like to say I've been listening to a lot of your
10 comments and a lot of your statements and your
11 experts. But I am very saddened by the need to appear
12 yet again, another state agency, your state agency.
13 You were sworn to protect us. What are your
14 backgrounds? Environment or science or policy, sir?

15 CHAIR:

16 We're not allowed to speak.

17 MS. WALTER:

18 You're not allowed to speak. I just
19 like to know my audience. You have a background in
20 environment or science or policy. And so I'm sitting
21 here having to appear again because last year I was
22 just here and the first 13 pages of my comments are
23 about open frack pits, about getting more information
24 online, about having more setback for children. And
25 now here I am again saying exactly the same things.

1 Pages 1 through 13 are those requests. Pages 14, 15,
2 and 16 are those requests yet again because you
3 haven't moved on those issues.

4 Now, what I'd like to say is while these
5 organizations have been slowly tweaking those
6 regulations, they are failing to protect us the
7 following things have happened. One, people have
8 died. They were living in homes with bad water. They
9 were living in homes with bad air, and they have died
10 from unusual illnesses associated with shale field
11 toxins. Thousands of babies have been born to mothers
12 living near wells. At least two peer-review studies
13 show increased incidence of birth defects for mothers
14 living close to wells. We also have that one with her
15 child. That child will become sick while you have
16 been tinkering regulations. All right.

17 Now, several air quality measures have
18 gotten worse. And also we've seen the evidence that
19 indicates inadequate DEP documentation of the
20 industry. For example, a recent publication revealed
21 that DEP inspectors failed to properly record
22 thousands of cases of well-head failures over several
23 years. What the inspectors did was simply handwrite
24 notes instead of checking off a little box that said
25 this well head failed. And so by reading these

1 detailed tiny, tiny scribbles, they figured out that a
2 seven-to-ten percent ratio of wells failed in the
3 first year and 40 to 50 percent likelihood a well
4 failure will occur within the next few decades. That
5 information was given in those little scribbles. And
6 that is DEP's responsibility, to not have that happen.

7 In summary, here's a --- this is a
8 summary of 500 --- every one of these pages in this
9 document --- where are those --- but anyway, these are
10 summaries of 500 studies. Each one of these papers
11 represent 90,000 births that were reviewed in
12 Colorado. Another paper represents years of
13 monitoring air quality. Nearly 500 studies. Ninety
14 (90) percent of them show air pollution problems.
15 Eighty (80) percent of these peer-review studies show
16 water problems, and 70 percent of them show personal
17 health problems, human health problems. How much more
18 evidence do you need before you say we need a
19 moratorium?

20 New York has provided their moratorium.
21 You would not be alone. You are alone now. Trying to
22 say this picket fence that the previous speaker
23 mentioned, this picket fence can stop the --- it
24 cannot. So please. We'd like you to be the
25 Department of Environmental Protection, not the

1 Department of Environmental Permit. Please, please,
2 remember your mission. Remember your education.
3 Remember why you're here. You're here --- you could
4 be getting richer jobs like some of the citizens up
5 here earlier with their beautiful outfits who were
6 speaking a few minutes ago. You could be them getting
7 a much higher income. But you're here. Please listen
8 to us.

9 CHAIR:

10 Thank you, Cynthia. Next up is Melissa
11 Hodge followed by Brad Tupi, Gail Neustadt, and then
12 Michael Graham.

13 MS. HODGE:

14 My name is Melissa Hodge, 160 Gill Hall
15 Road, Jefferson Hills, PA. And I'm also here on
16 behalf of Allegheny Medical Integrated Health
17 Services, 2000 Cliff Mine Road, Pittsburgh,
18 Pennsylvania. My name is Melissa Hodge and I live in
19 Jefferson Hills, PA. I am here today testifying both
20 personally and professionally on behalf of a small
21 business in Robinson, Allegheny Medical Integrated
22 Health Services. I am here today to address my
23 personal concerns, as well as our company's fear over
24 the significant changes proposed by the DEP to Chapter
25 78. The proposed regulations would single out the oil

1 and gas industry with standards not imposed on other
2 industries. These standards will significantly
3 increase costs by hundreds of millions of dollars
4 while providing little if any environmental benefit.
5 The DEP has failed to conduct a cost-benefit analysis
6 for the proposed changes to this rule, nor has it
7 conducted an analysis on the impact to small
8 businesses, like the one I represent today. These
9 changes will negatively impact my family and my co-
10 workers and their families who rely on our small
11 business.

12 We all know that the shale gas
13 development has created well over 200,000 Pennsylvania
14 jobs. Pennsylvania residents and businesses are
15 experiencing reductions in energy prices of more than
16 40 percent since 2008. It has contributed to improved
17 air quality in Pennsylvania and has provided \$830
18 million in impact fees that have been distributed to
19 our local communities and environmental programs, as
20 well as \$2.3 billion in additional tax revenue to the
21 state.

22 My father was a steel worker, and I
23 worked in the auto industry as a manager for General
24 Motors in a plant here in West Mifflin, Pennsylvania.
25 I have witnessed the fall of both industries, and my

1 family has paid the price because of both. As a
2 single mom, I own my house, I pay my taxes, and am an
3 active member of the community in which I live and
4 work. Since I lost my job at GM with the fall of the
5 industry, it has been more than a little difficult to
6 replace that income. Two years ago, I was offered and
7 accepted a position of Director of Corporate Health
8 for our small locally owned and operated medical
9 clinic. Due to the growth of the midstream companies,
10 construction companies, environmental companies, we as
11 a small business have grown 47 percent in two years.
12 All of those businesses use drug and alcohol testing,
13 pre and post-employment physicals, annual medical
14 surveillance to ensure a healthy workforce. So as a
15 small medical provider, we have grown. We have gone
16 from 24 employees to 33 since December of 2013. These
17 jobs are doctors, medical assistants, x-ray
18 technicians, and directors, all family-sustaining
19 jobs. However, with the implementation of these
20 regulations, 70 percent of our customer base will be
21 negatively impacted causing loss of employment and cut
22 backs in service, therefore drastically impacting our
23 small business and potentially causing the same loss
24 of jobs and forced layoffs for our employees. That is
25 our business story.

1 And here is mine. Two years ago, I was
2 close to losing my home, my property taxes, struggling
3 week to week to make ends meet. I didn't know how I
4 was going to make it. My savings was close to running
5 out, and there didn't seem like there was much hope.
6 Family-sustaining jobs just weren't here. Then luck
7 would have it, I was offered a position and there was
8 potential growth opportunities because of the gas and
9 oil industry in healthcare. Two years later, my
10 income is finally at a family-sustaining level. I am
11 no longer worried about making it paycheck to
12 paycheck. And I can provide for my children. I am
13 saving money again and able to put away towards my
14 retirement. Finally, I am living again. What you are
15 proposing to do may take money from me, my family, and
16 all of our future.

17 Pennsylvania already has world class
18 environmental regulations that have been a model for
19 states across the nation. These regulations have been
20 reviewed and praised by the independent State Review
21 of Oil and Natural Gas Environmental Regulations.
22 This rulemaking will result in significant compliance
23 costs at a time of historic downward commodity
24 pressures, making Pennsylvania less competitive with
25 other shale basins while providing little if any

1 environmental impact. These regulations will create
2 job loss, business loss, for me, the customers we
3 serve, as well as within our own business. Thank you.

4 CHAIR:

5 Thank you, Melissa. Brad Tupi, Gail
6 Neustadt, followed by Michael Graham and Christopher
7 Marsh.

8 MR. TUPI:

9 Good evening. My name's Brad Tupi. I
10 live at 1470 Red Fern Drive, Upper St. Clair,
11 Allegheny County. I have two comments on DEP's
12 proposed regulations. First, the Marcellus shale
13 industry has been an overwhelming positive for our
14 region. And second, burdensome regulations should not
15 be imposed without careful evaluation and cost versus
16 benefit.

17 There's plenty of data out there about
18 the positive economic impact the Marcellus shale has
19 had on southwestern Pennsylvania. The jobs created,
20 the impact taxes paid to local municipalities, and the
21 growth in our energy supply. I'll focus on my
22 personal observations, the benefits in the industries.

23 As I mentioned, I live in Allegheny
24 County, which doesn't have much Marcellus shale
25 activity. Nevertheless, the benefits in the industry

1 can be seen every day. In Upper St. Clair where I
2 live, new housing units have been built for gas
3 industry workers who want to send their kids to Upper
4 St. Clair schools. I live near the commercial
5 corridor of Route 19 in Peters Township. Stores and
6 restaurants on Route 19 are busier than ever
7 reflecting the activity driven by the Marcellus flag.
8 Racetrack Road and the Meadowlands is booming with
9 construction. There are now several hotels there that
10 would not be necessary if it weren't for the Marcellus
11 activity nearby. Southpointe and Canonsburg are
12 showing dozens of shiny new buildings, many of which
13 house energy companies like Consol, Range Resources.
14 I gave a presentation several years ago at an energy
15 conference in San Antonio, Texas. Everyone there knew
16 about Southpointe and Canonsburg as the center of the
17 country's energy boom.

18 I work in a law firm in downtown
19 Pittsburgh. Our firm has grown from 75 lawyers to 90
20 purely as a result of Marcellus shale. We have about
21 15 lawyers who do oil and gas work, title work, full
22 time. And this growth is a direct result of the
23 Marcellus flag. In my line of work, which is
24 litigation, I'm personally involved in handling 20
25 cases directly tied to the Marcellus shale

1 development. I assume the growth in other Pittsburgh
2 firms has been similar, and if law firms experience
3 this kind of growth in the Marcellus, then so have
4 other service businesses, like accountants and
5 engineers and consultants. And for every professional
6 deriving work from Marcellus, there are clerks,
7 secretaries, and other employees.

8 You know, ten years ago we were
9 complaining that the economic conditions in Pittsburgh
10 area didn't allow our young people to stay here. They
11 had to leave home to find opportunities. That's no
12 longer the case. Pittsburgh is now a training place
13 for young people. And neighborhoods like
14 Lawrenceville and South Side are becoming more
15 affluent all the time. The industry is creating
16 economic opportunity not only for the hard-hat guys
17 who drill the wells, but also for the young
18 professionals downtown. For the first time since the
19 decline of the steel industry, Pittsburgh seems to be
20 on a growth projector. Let's not kill this growth
21 with needless regulations.

22 And that brings me to my second point.
23 DEP should not impose new regulations on the Marcellus
24 business without a careful evaluation of costs and
25 benefits. Pennsylvania already regulates the oil and

1 gas industry. Oil and gas operators already have to
2 meet permit requirements, pay inspection for their
3 work and pay fines for non-compliance. Pennsylvania's
4 existing regulations are a model for oil and gas
5 regulations in other states. So why is DEP now
6 proposing new regulations?

7 I looked over the regulations. They are
8 so lengthy and complicated as to defy reading, which
9 means energy companies will have to hire lawyers and
10 consultants to interpret the regulations rather than
11 hire workers to drill wells and develop clean energy
12 for our nation. This expense might be justified if
13 the industry posed some serious threat to health and
14 the environment. But experience tells us this isn't
15 true. Pennsylvania's been drilling oil wells and gas
16 wells for over 150 years. The industry's been
17 fracking for over 60 years.

18 Fanatical claims about fracking have
19 been shown time and again to be false based on
20 hysteria rather than fact. Regulatory burdens cost
21 money. That's why Pennsylvania law requires that the
22 Department conduct a cost benefit analysis to these
23 new regulations. My understanding is that the
24 Department has not done so. Nor has the Department
25 evaluated the impact of new regulations on small

1 business as required by law.

2 The Department's failure to perform
3 legally required evaluations leads one to believe that
4 the regulations could not withstand scrutiny. For the
5 first time in many years, southwestern Pennsylvania is
6 enjoying a measure of economic prosperity thanks to
7 the Marcellus shale industry. The industry has shown
8 that it can develop an important natural resource in
9 an environmentally friendly way. DEP should not
10 impose costly new regulations, especially now when gas
11 prices are down, without first assuring us that the
12 regulations would have measurable benefits that exceed
13 their costs. Thank you.

14 CHAIR:

15 Thank you. Gail Neustadt, Michael
16 Graham, and then Christopher Marsh. Is Gail here?
17 Gail is not here. Next up we'll have Michael Graham
18 followed by Christopher Marsh, And then Andrea
19 Stapleford.

20 MR. GRAHAM:

21 I am Michael Graham. I live at 7880
22 Steubenville Pike, Oakdale, PA. Just over near the
23 Pittsburgh Airport. The few conventional oil and gas
24 wells I own and operate are located in primarily
25 Washington and Allegheny Counties. Most of the wells

1 were drilled before 1900. These wells have provided
2 and continue to provide an income to owners,
3 operators, employees, and associated businesses.
4 Domestic gas is provided to many homeowners in
5 accordance with the terms of the original leases and
6 assignments.

7 My testimony as an independent operator
8 of conventional oil and gas wells is to again express
9 my opposition to the proposed final draft rule on the
10 subject regulations.

11 On January 23rd, 2014, I provided
12 testimony here regarding the proposed regulations and
13 I have attached those comments to my written comments
14 which I have submitted. Those comments still apply
15 since it is evident that most of the industry comments
16 and concerns did not receive consideration in the
17 final draft rule. Rather the draft rule has expanded
18 significantly and will place additional burdens on the
19 oil and gas operators.

20 The draft final rule also refers to
21 forms which are not yet available for review, and thus
22 far our experience with the Department's development
23 of forms has proven to be difficult to manage and
24 burdensome at the least without evidence of benefit or
25 usefulness.

1 I believe these regulations exceed the
2 intent of the bifurcation of the regulations law, are
3 burdensome, overly prescriptive without justification
4 for the protection of the environment, and yet have
5 not addressed the cost of compliance to those of us
6 being regulated, and therefore should be withdrawn.

7 Of particular concerns is Section 78.51,
8 protection of water supplies where if an operator
9 causes a change to the water quality of a private
10 water supply, the water must be replaced with like
11 quality water or to the standards established under
12 the Pennsylvania Safe Drinking Water Act, whichever is
13 better. My objection is that replaced water must meet
14 municipal drinking water standards even if the water
15 did not meet those standards prior to drilling. There
16 is lots of room for misuse of this provision,
17 particularly in Pennsylvania where there are no
18 domestic water well construction standards.

19 Section 78.15, application requirements.
20 In addition to requiring setbacks from public
21 resources, parks, state forests, game lands, wildlife
22 areas, scenic rivers, national landmarks, critical
23 communities, historic or archeological sites, school
24 properties, well head protection zones, the operator
25 is required to describe the functions and use of the

1 public resource. My objection is that the operator is
2 to speculate on the functions and use and that this is
3 a transfer of the permitting review process from the
4 Department to the operator.

5 Other critical communities. This
6 expands the requirement from identifying and
7 protecting threatened and endangered species to
8 identifying and protecting other critical communities.
9 Other critical communities have not gone through the
10 public listing or review process and include many
11 items that one governmental agency or another has
12 decided internally are worthy of protection. Again,
13 there is lots of room for misuse of this unrealistic
14 expansion of the intent of protecting threatened and
15 endangered species.

16 Forms. There are a dozen or more forms
17 referenced in the proposed regulations that have not
18 yet been drafted or disseminated by the Department.
19 The industry is expected to accept these forms as
20 satisfactory in the final regulations without a chance
21 to review or discuss.

22 Section 78.66, reporting and remediating
23 spills. My primary objection there is the reference
24 to the Act Two Land Recycling Program for remediation.
25 Plus the reportable quantities for brine release in

1 comparison to the EPA ---.

2 CHAIR:

3 Thank you, Michael. Next up we have
4 Christopher Marsh followed by Andrea Stapleford, Bruce
5 Grindle, and Cathy Kirsch.

6 MR. MARSH:

7 Hello. My name is Chris Marsh. I'm
8 originally from Greensburg but thought I'd like to
9 live in the country, so I bought a house in
10 Brownsville, Pennsylvania. 571 Old National Pike,
11 Brownsville, 15417.

12 In 2010, DPS Penn asked me to sign a
13 lease with them, so I met with them at their offices
14 in Washington. After their slick presentation, I
15 asked them if there were any reasons why I shouldn't
16 go ahead and sign their gas lease, and they said there
17 was no good reason not to, since the drilling was so
18 far underground. However, I left their office knowing
19 little more than when I arrived. Their brochure that
20 I have with me does mention fracturing but shows a
21 little illustration, but it says nothing about water
22 being used. Nothing, that is, about the two to five
23 million gallons it takes to frack a single well.
24 Nothing about the toxic mix of chemicals that they
25 pump into the ground. Nothing about the 1,000 or more

1 tanker truck trips. Nothing about the open wastewater
2 pits.

3 So, my introduction to the gas drilling
4 industry began with what I consider lies of omission.
5 But what did I expect; right?

6 A few years later I looked out my living
7 room window and noticed a fire burning on the horizon.
8 Not only could I see it, but I could hear it roaring
9 out there like the Eye of Sauron. Later I noticed
10 another one. And for the past several months and
11 actually longer through my living room window, along
12 with the hills and fields and trees, a huge derrick
13 lit up like a NASA launch pad.

14 When I moved to the country, little did
15 I expect that one day I would be seeing multiple gas
16 wells from the front of my house and listening to the
17 droning of a third from the rear. I've watched 100
18 trucks drive past my house in a single day. I've seen
19 a half-dozen derricks just on my commute to work.

20 And I ask myself, who has allowed the
21 beautiful rural neighborhood in which I live to become
22 what I consider an industrial zone? I can't believe
23 there was such a desperate shortage of natural gas in
24 this country to necessitate gas drilling companies,
25 unconventional natural gas drilling companies, coming

1 into our very neighborhoods. Prior to this drilling
2 frenzy, I never heard that America had a shortage of
3 natural gas. And now I'm seeing headlines like,
4 Biggest Oil Glut in 85 Years or more to the point,
5 Half of U.S. Fracking Companies Will Be Dead or Sold
6 This Year.

7 To me this whole thing was ill-
8 considered, short-sighted, and to be blunt, foolish.
9 We now see that the reason we were given, that America
10 needs to become energy independent, was a lie, since
11 Tim Murphy just voted to allow, in his words, the
12 United States to export our resources and compete with
13 OPEC, unquote. It was all about money after all.
14 Yeah, what a surprise.

15 I hate to admit it, but I feel that New
16 York was smarter than we were. They took a wait-and-
17 see attitude, letting us be the guinea pig. And after
18 seeing the results of natural gas drilling in
19 Pennsylvania, decided to ban fracking throughout the
20 entire State of New York. I figure New York must've
21 had some good reasons to make such a brave decision.
22 At this point, I understand that there are hundreds of
23 legitimate, peer-reviewed scientific studies which
24 indicate gas drilling and fracking pose significant
25 public health and environmental risks and harms. But

1 to me this isn't about science, it's about common
2 sense.

3 For who wants to live near a fracking
4 well? Not the people who live near the well over at
5 Trax Farms, who are suing not only EQT, but Trax Farms
6 itself. Not my neighbor, Terry Greenwood, who began
7 his retirement by having his cattle poisoned, his well
8 water poisoned, and then was carried off himself in a
9 short three months with a rare form of brain cancer.

10 And then there's the environmental
11 damage, the clear-cutting of woods, the disruption of
12 animal habitats, the new roads and pipelines that cut
13 up the landscape, the risks to our groundwater, the
14 risks to our streams. To me it's just not worth it.

15 Like you, I've seen the headlines, the
16 flagrant violations and record fines, the accidents,
17 leaks, and spills, the poisoned wells and polluted
18 streams, the way these gas drilling companies seem to
19 flout environmental laws and do whatever they want.
20 The accusations that the DEP hasn't done its job of
21 protecting us. From all this, it's obvious to me that
22 fracking cannot be done safely. My position is,
23 therefore, that we need to follow New York's lead and
24 put an immediate stop to fracking gas in Pennsylvania.
25 Thank you.

1 CHAIR:

2 Thank you, sir. Andrea Stapleford
3 followed by Bruce Grindle, and then Cathy Kirsch.

4 MS. STAPLEFORD:

5 Good evening. My name is Andrea
6 Stapleford. I reside at 1370 Jackson Avenue in
7 Warren, Pennsylvania. In addition to being a resident
8 of Warren, I am also a Washington, Pennsylvania native
9 and an invested interest in the entire western half of
10 Pennsylvania.

11 I am an attorney by trade, and I am also
12 part owner of a small oil and gas company
13 headquartered in Warren, Pennsylvania. Our oil
14 company drills conventional, or shallow, wells, and we
15 are a small business with less than 500 employees.
16 We, also, own the first oil well that was fracked in
17 Warren County, Pennsylvania. This particular well was
18 fracked in the early 1960s, and there have been no
19 problems with this well since it was fracked. This
20 well is located approximately 100 feet from the banks
21 of the Allegheny River, the same Allegheny River that
22 flows into Pittsburgh. No one in Warren or Pittsburgh
23 or anywhere in between has suffered any detriment from
24 this well in the 50 plus years since it has been
25 fracked.

1 In addition, my husband is also an owner
2 of another oil company, also headquartered in Warren
3 and also having less than 500 employees. The company
4 that my husband owns and operates was started by his
5 grandfather in the 1930s.

6 Despite the misguided information that
7 has been provided in the media and by various
8 regulatory agencies, the hydrofracturing process,
9 which has been used for decades, is extremely safe.
10 We, as conventional producers have achieved success
11 for many, many years without the overly reaching
12 regulations that are being proposed by the DEP.

13 Let me describe Warren, Pennsylvania for
14 you. Warren is a small city located on the Allegheny
15 River. It is also surrounded by the Allegheny
16 National Forest. We live in a beautiful,
17 environmentally rich area, and no one appreciates
18 these natural attributes more than the oil and gas
19 producers do. Despite these attributes, Warren's
20 population is shrinking, and we are experiencing the
21 departure of large industries. However, the one
22 industry that has remained constant and which has
23 historically provided secure and stable jobs, is the
24 oil and gas industry.

25 Despite this, the conventional oil and

1 gas industry is suffering as a result of the intrusive
2 and overreaching regulations which DEP is imposing on
3 conventional oil and gas producers. There have been
4 layoffs suffered in the conventional oil and gas
5 industry because the small companies are being
6 trampled by DEP regulations, regulations that are
7 suited for and were implemented to address issues
8 relating solely to unconventional drillers, not to
9 conventional drillers. We've heard the term fracking
10 and fracking loosely, used inerrantly this evening.
11 And this is misleading and also uneducated. It is
12 important for DEP to realize the difference between
13 the conventional industry and unconventional industry
14 and to treat these two industries differently. The
15 regulations that are being proposed by DEP are neither
16 appropriate nor are they tailored to address issues in
17 the conventional oil and gas industry.

18 The high cost of the new DEP regulations
19 will only add to the burden from which the
20 conventional industry is suffering. The proposed
21 regulations will have a serious impact, a negative
22 impact, on future drilling plans. For example, we're
23 already seeing that less wells are being drilled, and
24 further layoffs are planned as a result. These
25 layoffs lead to far-reaching economic problems not

1 only directly for the producers, but also to every
2 person who life is touched directly or indirectly by
3 someone employed in the oil and gas industry. This,
4 in turn, can lead to the demise of an area which once
5 thrived thanks to the oil and gas industry.

6 An interesting fact that I would like to
7 share with you and I think it's very relevant is that
8 in the late 1800s, Bradford, Pennsylvania, which is
9 just north of here, it's a town much the same size as
10 Warren, Pennsylvania, and is close to Warren,
11 Pennsylvania. In the late 1800s, Bradford,
12 Pennsylvania was the world's largest producer of oil.
13 We should all be proud to have such a viable industry
14 in our state which would enable us to be self-
15 sustaining to a large part if it were allowed to
16 operate efficiently and effectively without being
17 overregulated.

18 The 2015 regulations are overreaching
19 and burdensome to an industry which is crucial to the
20 functioning of every citizen's daily life. The 2015
21 version of the regulations is more complex. Some of
22 these regulations are difficult to interpret which in
23 turn makes them difficult to implement. The 2015
24 regulations lack a proper financial analysis and they
25 do not consider any alternatives for small businesses.

1 It was mentioned earlier that these are optimal
2 regulations. However, the complexity of these
3 regulations is unnecessary and burdens the
4 conventional oil and gas producers in a manner which
5 is anything but optimal. Thank you.

6 CHAIR:

7 Thank you, Andrea. Next up is Bruce
8 Grindle, Cathy Kirsch and then Adam Benford and
9 Colleen Tiberie.

10 MR. GRINDLE:

11 Good evening. My name is Bruce Grindle
12 representing Oil and Gas Management, 114 Royal Lane,
13 Munford, PA. I am Bruce Grindle and I'm here tonight
14 to testify as co-founder and president of Oil and Gas
15 Management and as Vice President of the Pennsylvania
16 Grade Crude Oil Coalition.

17 My partner and I founded our company in
18 1990, and we now own and operate approximately 300
19 conventional wells in southwestern Pennsylvania with a
20 staff of only seven people. We strive to be good
21 environmental stewards and corporate citizens. The
22 vast majority of conventional wells are drilled and
23 operated by small locally owned companies just like
24 ours, many of which are family owned businesses.

25 The Pennsylvania Grade Crude Oil

1 Coalition was formed in the summer of 2013 by 20
2 producers and refiners of conventional oil and gas to
3 advance local economies and energy independence by
4 promoting conventional oil and gas production in a
5 safe and environmentally sound manner. We now have
6 over 100 members, all of which are small businesses.

7 If I could point out as others have done
8 here tonight, the proposed regulations are wide-
9 ranging and extremely complex. As proposed, they have
10 created confusion as to how they will operate with
11 both the regulator and the regulating community. The
12 hallmark of good regulation is simplicity and clarity.

13 In accordance with the requirements of
14 the Regulatory Review Act, the Department is required
15 to evaluate the negative impacts to small businesses
16 that would result from proposed regulations, perform a
17 regulatory flexibility analysis that would provide for
18 the establishment of less stringent compliance
19 requirements for small businesses, and give
20 consideration to the exemption of small business from
21 all or any part of the proposed regulations where it
22 is consistent with health, safety, environmental and
23 economic welfare. Although, the Regulatory Analysis
24 Form submitted with the regulations did make some
25 estimates as to what the costs to the conventional

1 industry would be, the analysis falls woefully short
2 of the actual costs that would be incurred. In
3 addition, there are no substantive recommendations for
4 mitigating the impact on small businesses or serious
5 consideration given to the exemption of small business
6 from any or all parts of the new requirements
7 contained in the proposed regulations.

8 I submit that the procedure for
9 promulgating this new rule for conventional oil and
10 gas operations is fundamentally flawed for the
11 following reasons. The Department has not provided
12 evidence along with supportive data that would
13 demonstrate there is a compelling need for sweeping
14 regulations --- revisions to the regulations for the
15 conventional oil and gas industry. Indeed, in the
16 comments to the proposed rule provided by the
17 Independent Regulatory Review Commission, the IRRC
18 made the following recommendation under need for
19 regulations. Section D of the Preamble to this
20 rulemaking relates to the background and purpose. It
21 notes the following. The 2012 Oil and Gas Act
22 contains new environmental protections for
23 unconventional wells and directs the Board to
24 promulgate specific regulations. For these reasons,
25 the EQB initiated this proposed rulemaking.

1 Commentators representing the conventional oil and gas
2 industry believe this rulemaking will have a serious
3 negative impact on their businesses.

4 Two. The Department has not complied
5 with the requirements of the Regulatory Review Act.
6 Once again in the comments to the proposed rule, and
7 I'll go back again to the previous comments ending
8 with what the EQB had to say is the final decision of
9 what they had to say in terms of needing a valid
10 reason for doing this. As the EQB witnessed an
11 increase in environmental mishaps, for violations from
12 conventional well operators, what problems is he EQB
13 attempting to correct through this proposal with
14 respect to conventional wells.

15 The Department has not complied with the
16 requirements of the Regulatory Review Act. Again, I
17 submit from the comments to the --- IRRC made to the
18 EQB. Under Section 5(a)(12.1) of the RRA requires
19 promulgating agencies to provide a regulatory
20 flexibility analysis and to consider various methods
21 of reducing the impact of the proposed regulation on
22 small business. We ask the EQB to provide the
23 flexibility analysis. And three, the Department as
24 not complied with Act 126 of 2014. The Act requires
25 the Department to promulgate proposed rules and

1 regulations under 58 PaC.S. relating to oil and gas
2 and other laws of this Commonwealth relating to oil
3 and gas wells separately from the regulation relating
4 to unconventional wells. The Department must stop
5 this process, start from the beginning and do the
6 examination of need for financial analysis, and
7 alternatives analysis for small business. It must
8 also follow the statutorily mandated procedure for the
9 promulgation of a separate rule for the conventional
10 oil and gas operations.

11 CHAIR:

12 Thank you, Bruce.

13 MR. GRINDLE:

14 Thank you.

15 CHAIR:

16 Next is Cathy Kirsch followed by Adam
17 Benford, Colleen Tiberie and then after that is Doug
18 Mehan and Kevin Colosimo.

19 MS. KIRSCH:

20 I'm Cathy Kirsch, co-owner and vice-
21 president of Oil and Gas Management located at 14 Oil
22 Lane, Munford, PA, 15649. In 1991, Oil & Gas
23 Management was incorporated by my partner and I as a
24 Pennsylvania S corporation.

25 OFF RECORD DISCUSSION

1 MS. KIRSCH:

2 As owners of a small business, we are
3 proud of the 300 conventional gas wells that we own
4 and operate on leases and lands that we own in
5 southwestern Pennsylvania. We currently employ seven
6 full-time employees, who are all residents of
7 Pennsylvania.

8 OFF RECORD DISCUSSION

9 MS. KIRSCH:

10 During my 38 years in land management, I
11 always had ongoing lease, right of way, and well
12 permit projects for conventional well drilling
13 programs to work on until proposed new regulations
14 were published for review. The regulatory
15 complexities and compliance costs arising out of
16 Chapter 78, Subchapter C ---.

17 OFF RECORD DISCUSSION

18 MS. KIRSCH:

19 The regulatory complexities and
20 compliance costs arising out of Chapter 78, Subchapter
21 C, and the changes proposed by DEP are having a
22 devastating effect on the conventional industry.

23 With reduced drilling operations, costly
24 regulatory compliance, and low oil and gas prices, the
25 small conventional operators are struggling to stay in

1 business and retain their employees. In order to
2 reduce costs, we are not hiring new employees and
3 contractors, purchasing supplies and materials are on
4 an as needed basis, and the majority of our un-
5 operated oil and gas leases are being surrendered
6 jointly by Oil & Gas Management as the conventional
7 lessee and the unconventional lessee. The loss of
8 rental income by lessors is increasing in many areas
9 and the negative cost burden on the proposed
10 regulatory compliance on existing conventional wells
11 will eventually result in premature plugged wells and
12 loss of royalty income and free gas for home use by
13 lessors.

14 The conventional oil and gas industry
15 has been a part of the landscape for over 150 years
16 and was previously governed by oil and gas regulations
17 that made regulatory, environmental, and economic
18 sense for over 30 years. In an effort by the DEP to
19 regulate the unconventional industry, the DEP included
20 both the conventional and unconventional industries in
21 rulemaking even though DEP acknowledges the
22 differences on its website as follows. Compared to
23 conventional oil and gas development, unconventional
24 well development involves larger well sites and
25 centralized storage facilities, mobile wastewater

1 processing, large volumes of water for hydraulic
2 fracturing activities and new pipeline systems. In
3 addition, the conventional wells have production rates
4 and economic returns lower than the unconventional
5 wells, which does not justify overregulation of the
6 conventional industry.

7 The 2015 version of the new regulations
8 are harder to understand than the 2013 version. Some
9 of the sections of the 2015 version are so complex
10 that it is difficult to understand the requirements
11 for central impoundments and site restoration. In the
12 past we had regulations that were easy to follow and
13 the majority of the permitting and regulatory
14 compliance work was performed in-house. Now it takes
15 a team of attorneys to try to interpret the new
16 regulations and the inconsistencies. These outside
17 services increase the cost of operations.
18 Unfortunately we are unable to comment on the
19 financial impact because the regulations lack a proper
20 financial analysis of costs and alternatives for small
21 businesses. By letter dated July 18, 2013, the Oil
22 and Gas Technical Advisory Board advised the
23 Environmental Quality Board that the DEP has not
24 critically analyzed or accommodated the anticipated
25 impact of the proposed rules on small businesses under

1 the Regulatory Review Act. The Regulatory Review Act,
2 as amended on June 29, 2012, requires DEP to provide a
3 comprehensive analysis of the actual costs that small
4 businesses would incur as a result of the new
5 regulations, including the legal, accounting, and
6 consulting compliance costs that would be incurred.
7 Under the statute the DEP must also consider the
8 establishment of less stringent compliance
9 requirements for small businesses throughout Chapter
10 78. These omissions by the DEP should stop the
11 current regulatory process in order to do the
12 necessary examination of the need for change,
13 financial analysis, and alternatives for small
14 businesses.

15 In addition ---.

16 OFF RECORD DISCUSSION

17 MS. KIRSCH:

18 Can I just finish up? It is difficult
19 for me to understand why the DEP has not fully
20 complied with the Regulatory Review Act and Act 126,
21 other than an attempt to use costly regulations to
22 eliminate small businesses from drilling and operating
23 conventional wells in Pennsylvania. We hope that this
24 is not the case and that the DEP will comply with both
25 Acts and the law requiring regulations that allow for

1 optimal development of Pennsylvania oil and gas
2 resources.

3 CHAIR:

4 Next is Adam Benford followed by Coleen
5 Tiberie, Doug Mehan and Kevin Colosimo.

6 MR. BENFORD:

7 Adam Benford, 607 Hilton Circle,
8 Oakdale, Pennsylvania, 15071. Hello and thanks for
9 having me. My name is Adam Benford and I live in
10 Collier Township, Allegheny County, Pennsylvania.
11 I've been living and working in the Commonwealth for
12 six years. I am an avid outdoorsman and a proponent
13 of responsible industrial and resource development in
14 the Commonwealth. I am here today to express my
15 disapproval and opposition of the Chapter 78
16 revisions.

17 Presently, I am a landman with
18 PennEnergy Resources, a Pittsburgh area exploration
19 and production company. Health, safety, and
20 environmental stewardship are at the heart of our
21 company's core values. Having worked in the industry
22 for over eight years, I have found these values to be
23 consistent with most of the other operators in the
24 Commonwealth. Since our inception in late 2011,
25 PennEnergy acquired leases on 80,000 acres across

1 three counties in Western Pennsylvania, paying over
2 \$115 million to landowners. Currently, we have 22
3 unconventional wells in production with intentions of
4 turning more wells in line in the near term. Through
5 this work we have had a positive impact on the
6 infrastructure in our operated areas by rebuilding two
7 bridges and upgrading over ten miles of roads.

8 The oil and gas industry has provided me
9 personally and literally thousands of other
10 individuals with an amazing opportunity, the ability
11 to stay in the region and build a life. I can
12 remember ten years ago working at a dead-end job with
13 \$3 in my checking account. I can promise you it was
14 not a fun place to be. Through hard work and a desire
15 for knowledge, the industry has enabled me to grow
16 both personally and professionally. I have seen the
17 same effect firsthand with hundreds of locals who have
18 taken the initiative to get the necessary training to
19 jump head first into our business. My hope is that
20 these same opportunities will still be available for
21 my four-year-old daughter Tinley when she is ready to
22 enter the workforce.

23 Additionally, we have seen a hugely
24 positive impact on small businesses throughout the
25 region. Hotels, restaurants, and convenience stores

1 are all thriving. It doesn't take an economist to
2 understand that many of their successes can be
3 directly attributed to the oil and gas industry.

4 Very recently, however, I have seen the
5 scary proposition of companies slowing down due to
6 this depressed commodity price environment. I
7 personally know dozens of people sitting at home
8 without jobs right now. I am citing this situation to
9 make a plea to you to not make this unnecessarily
10 cumbersome on the industry. There is too much at
11 stake for Pennsylvanians and our country. The
12 regulations currently in place are sufficient and not
13 overly burdensome like those being proposed. I want
14 to make it very clear that I am not opposed to
15 regulating our industry. In fact, I think it is
16 extremely important to watch over the industry to
17 protect human health and our environment. My question
18 is, why don't we focus on enforcing the world class
19 regulations Pennsylvania already has in place as
20 opposed to piling on tedious and ultimately expensive
21 standards? Why has the DEP not performed the required
22 cost benefit analysis or attempted to understand the
23 impact these regulations will have on small
24 businesses? Why does it seem as though the industry
25 has to play by a different set of rules and held to

1 much higher standards? Why are we, the industry, not
2 allowed to review comments for the proposed rulemaking
3 even though it is required by law? Are you going to
4 be able to enforce all of these proposed regulations?
5 If so, from where is that money going to come? In my
6 opinion, the DEP is way out of bounds on a number of
7 issues as it relates to this rulemaking.

8 Pennsylvania is blessed with some
9 amazing layers of rock thousands of feet beneath us.
10 The Commonwealth needs to remain competitive. If the
11 industry cannot operate efficiently and effectively,
12 the major players will pack up and go elsewhere.
13 Please leave Chapter 78 alone. The cost is too great
14 for current and future working Pennsylvanians. Thank
15 you very much.

16 CHAIR:

17 Colleen Tiberie followed by Doug Mehan
18 and Kevin Colosimo. And after Kevin, you have Holly
19 Christie.

20 MS. TIBERIE:

21 Hello. My name is Colleen Tiberie. My
22 husband Dale and I, along with our son, live in West
23 Pike Run Township, Washington County, 780 Beallsbille
24 Road, Scenery Hill, PA, 15360. In 2013, we were
25 notified by Rice Energy that they would be

1 constructing an unconventional gas well pad 500 feet
2 from our house. Also, we were told that they were
3 going to be putting two gas pipelines, one production
4 and the other transmission, and a waterline on the
5 other side of our house. The production line was also
6 to run behind our property to connect to the well pad.
7 They ended up connecting it to the pad on the other
8 side of the well. So now we are completely surrounded
9 by gas wells and pipelines.

10 We were in utter shock to know that this
11 could happen to one landowner. They started in May of
12 2014 with the clearing of the woods for the pad and
13 worked seven days a week from 7:00 a.m. to darkness.
14 From the tree removal machine to the bulldozers and
15 backhoes, the noise was extremely bothersome. I
16 believe the pad was built at the end of June, and then
17 the noise continued with the drilling of the down
18 holes. It then became a 24/7 operation.

19 It was near this time when we lost our
20 water. We have a water well and an underground tank
21 but could not get the tank to fill up. So they sent a
22 guy from a company to measure it. He discovered that
23 we were only getting 6.4 ounces per minute. Then in
24 July, they started the excavating of the ground on the
25 other side of our house in order to prepare to put the

1 pipelines in. They informed us that it would be
2 completed by October, and we assumed that it was.
3 However, they came back in January and the terrible
4 noise from the machines returned again. Please
5 explain how one family is supposed to live with all of
6 these commotions, distractions, and noises going on
7 all around them from every side.

8 We have had several issues with Rice
9 Energy. When they made the access road for the
10 pipeline project, they didn't put any gravel down so
11 when the first rainstorm came, a huge mud mess was
12 created on our concrete driveway. We called them and
13 were told that they would have to get permission from
14 the landowner to put the gravel down. It took about
15 two weeks before any gravel was put down, and the mud
16 continued to collect around our driveway. They
17 finally started to sweep the road. However, this
18 would mainly consist of them brushing all of the
19 debris and mud onto our driveway instead of actually
20 removing it.

21 We have also had numerous lighting
22 issues with them. In late December, they put a
23 brighter light on the pad site next to their guard
24 station, and when we would enter our driveway from the
25 road, it blinded us as we would make the turn. We

1 called them several times and drove over to the pad to
2 talk to them about this issue as well. Also, when
3 they connected the production pipeline to the pad,
4 they had to remove part of the sound wall which left
5 an opening from the pad to the back of our house with
6 very, very bright lights shining in on the windows of
7 our house. It has just been a living nightmare for
8 the last 11 months. We couldn't enjoy any of last
9 summer or autumn. And even when we are inside, you
10 could still hear the super loud noises which disrupted
11 our lives tremendously.

12 The fracking started in early March, and
13 the noise was at 88 decibels. I contacted our
14 township about this and never received a call back. I
15 also went to them in March and asked if they would
16 change their oil and gas ordinance to set these pads
17 back further away from peoples' houses due to the
18 ruling of a State Supreme Court Justice saying parts
19 of Act 13 are unconstitutional, only to be told we are
20 not going to get into litigation. I contacted State
21 Representative Pete Daley and had him come out and
22 look at what was going on around us. And his response
23 was, and I quote, this is unbelievable, I never saw
24 anything like this before, unquote. I also contacted
25 State Senator Camera Bartolotta's office, and she sent

1 a staffer out to look at the situation too.

2 We told both of them that there needs to
3 be changes to the Act 13 law so that this doesn't
4 happen to anyone else. We understand that this gas
5 drilling isn't going to go away, nor should it. But
6 there has to more regulations protecting people like
7 us who are stuck in the middle of all this. What
8 happened to our rights as landowners? Our property
9 value has declined, the potential water quality is a
10 constant worry, and being surrounded on all four sides
11 of our property with the high pressure gas pipeline
12 has drastically changed our lives.

13 CHAIR:

14 Thank you, Colleen. Doug Mehan followed
15 by Kevin Colosimo, Holly Christie, and then Jeff
16 Walentosky.

17 MR. MEHAN:

18 Good evening. My name is Doug Mehan. I
19 live in Crawford, Meadville, Pennsylvania, Crawford
20 County, Meadville, Pennsylvania. I work in the
21 natural gas industry for PennEnergy Resources, a
22 small, private, Pennsylvania-based company located in
23 the Pittsburgh area. My personal values include a
24 strong commitment to the protection of human health
25 and the environment. I have worked in manufacturing,

1 environmental consulting, and the oil and gas industry
2 for over 30 years helping companies comply with state
3 and federal environmental regulations. I have
4 performed environmental compliance audits both
5 internally and externally throughout Pennsylvania, the
6 U.S. and internationally. I've also designed and
7 implemented environmental management systems, which
8 are designed to go beyond basic compliance
9 requirements.

10 PennEnergy has been in business since
11 2011. We have grown from 2 to over 30 employees. Our
12 activities help employ hundreds of Pennsylvania
13 citizens in good paying jobs.

14 PennEnergy insists upon 100 percent
15 compliance with all applicable rules and regulations
16 and we have an outstanding environmental performance
17 record to support this. We support responsible
18 regulations that truly protect our environment, as do
19 most of the operators in our state. Our industry is
20 already very well regulated. Pennsylvania regulations
21 have served as a model for states across the nation.
22 While there may be some operators in the past, or even
23 currently, who have not performed well with respect to
24 protection of the environment, this is not about the
25 need for more regulations, but rather compliance and

1 enforcement of existing regulations.

2 My day-to-day job for PennEnergy
3 involves the specific details of environmental
4 compliance and reporting, with the ultimate
5 responsibility of protecting human health and the
6 environment. I collect and report our operational
7 data related to waste, air emissions, and water. Most
8 of the current regulations are necessary to protect
9 the environment. However, most of the proposed
10 regulations will not provide any further protection to
11 human health or the environment.

12 For example, rock removed from the
13 borehole is required by the DEP to be analyzed for
14 specific waste chemistry with the results being
15 reported annually, and the waste descriptions,
16 volumes, and destinations being reported every six
17 months. Most of the analyses are not components of
18 the drilling fluids and do not occur naturally in the
19 environment. The proposed requirement is that the
20 waste descriptions, volumes, and destinations must be
21 reported monthly, instead of every six months. How we
22 must handle waste rock, nor the analysis, will change.
23 To put this in perspective, other industries in
24 Pennsylvania are only required to report this
25 information on an annual basis. And incidentally, the

1 drilled rock samples are generally the same as those
2 that are found on the surface.

3 The proposed regulations contain
4 standards applicable only to the oil and gas industry.
5 There is no justification for singling out one
6 industry for burdensome rules that do not apply to the
7 other industries or that provide no additional
8 protection to the environment. More importantly, the
9 details of how to comply with many of the proposed
10 regulations have not been developed by the DEP.

11 For example, the proposed requirements
12 contains a section on noise that no other industry is
13 required to meet that I'm aware of, and that
14 authorizes the DEP to shut down operations if they
15 believe that noise controls are inadequate, but there
16 are no details provided as to what those specific
17 requirements or standards --- how they would apply or
18 to what distances those determinations would be made.

19 With regard to storage tanks, rather
20 than providing an incentive to recycle and reuse our
21 wastewaters by facilitating temporary storage of those
22 waters at centralized locations, the proposed
23 requirements for those storage tank locations are so
24 extensive and beyond what is required for tank storage
25 in other industries, they will actually be a major

1 disincentive for recycling and reusing that water.

2 Conversely, the current unconventional
3 well MIA or Mechanical Integrity Program is an example
4 of a positive example of a balanced requirement where
5 inspections are required to be conducted quarterly,
6 yet the reporting is performed annually.

7 We remain committed to protecting human
8 health and the environment through the existing
9 framework of environmental regulations, and these
10 proposed new rules do very little to further that
11 commitment. Thank you.

12 CHAIR:

13 Kevin Colosimo followed by Holly
14 Christie, Jeff Walentosky, and then Dustin Kuhlman.

15 MR. COLOSIMO:

16 Good evening. I'm Kevin Colosimo,
17 Canonsburg, Pennsylvania, 1900 Main Street, 15317.
18 I'm a lawyer and the managing partner of Burleson LLP.
19 We are the largest law firm in Washington County,
20 Pennsylvania. We employ 38 lawyers and 10 staff
21 professionals at our office in Southpointe. Our
22 practice is devoted almost entirely to energy law with
23 a very heavy emphasis on shale oil and gas. We cover
24 the entire Appalachian Basin, Pennsylvania, Ohio, West
25 Virginia, and New York. We represent dozens of oil

1 and gas exploration and production companies in every
2 producing basin in the United States.

3 Myself, I served as a director of the
4 area DEP on the Shale Gas Roundtable hosted by
5 University of Pittsburgh Institute of Politics.
6 There, members of the business community, academia,
7 environmentalists, and elected officials spent over
8 two years, hundreds of hours considering the effects
9 of shale gas development on Southwestern Pennsylvania.
10 I consider myself very familiar with the legal and
11 regulatory scheme governing oil and gas development in
12 Pennsylvania. I've personally counseled dozens of
13 operators doing business in Pennsylvania, represented
14 them before various courts, various levels of
15 government, including the DEP.

16 Many tonight come before you to testify
17 about the tremendous economic impact that the
18 unconventional oil and gas development has had on our
19 Commonwealth. Others talk about the need for
20 additional regulation on the industry, moratoriums,
21 current state of regulation facing the industry.
22 Rather than contest or echo those thoughts, I'd like
23 to talk about what's working from my perspective.

24 First and foremost is safety. The oil
25 and gas industry in Pennsylvania has a stellar record

1 for safe operations. Given the amount of oil and gas
2 being extracted, the number of incidents and injuries
3 is exceptionally low. I credit this to high industry
4 standards and effective government oversight. When
5 incidents have occurred, they've been effectively
6 contained and their impacts minimalized.

7 Second, environmental protection and
8 water management is working. When development started
9 in Pennsylvania back in 2008, everyone feared a
10 widespread impact on our region's water supply.
11 There's been none. Utilizing technology, industry has
12 responded, recycling and reusing its water supplies in
13 some cases up to 100 percent.

14 Third, I feel that education is working.
15 The industry's track record on safety and
16 environmental stewardship, combined with the DEP's
17 existing oversight, is allowing Pennsylvanians to
18 better appreciate the wealth and the opportunity of
19 this tremendous resource.

20 Finally, what's working, existing
21 regulation. DEP is poised to adopt these far-reaching
22 and overly-broad changes to Chapter 78 and 78a. These
23 will serve primarily to aggravate and confuse a
24 regulatory regime that has proven itself workable.
25 Why?

1 Why do we need to treat this industry so
2 dramatically different than other industries working
3 in our Commonwealth? Why are we asking this industry
4 to take on the responsibility of the DEP with respect
5 to historic abandoned and orphaned wells? Why are we
6 saddling this industry with dozens of notification
7 requirements, facilitating numerous operational delays
8 and inefficiencies when our current regulatory regime
9 is working? Why are we treating this industry's water
10 and storage tanks so differently than any other
11 industry utilizing water and storage tanks in our
12 state? And above all, why are we plowing forward in
13 this process without conducting a meaningful cost
14 benefit analysis? These are questions I ask you to
15 consider, and I thank you for your time.

16 CHAIR:

17 Holly Christie, Jeff Walentosky, Dustin
18 Kuhlman.

19 OFF RECORD DISCUSSION

20 CHAIR:

21 Two more and then we'll take a break.

22 MR. WALENTOSKY:

23 Jeff Walentosky, 5001 Julia Lane, McKees
24 Rocks, Pennsylvania. Thank you for the opportunity to
25 speak this evening. I'm here to testify regarding the

1 advanced notice of final rulemaking for Chapter 78,
2 Subpart C. I'm a lifelong resident of western
3 Pennsylvania. I've been employed as a licensed
4 professional geologist for 25 years for a geologic and
5 environmental consulting firm which acts as an
6 unbiased third party consultant to the oil and gas
7 industry.

8 Our company maintains membership with
9 the Marcellus Shale Coalition, the Pennsylvania
10 Independent Oil and Gas Association, Pennsylvania
11 Grade Crude Coalition, and the Pennsylvania
12 Independent Petroleum Producers.

13 Despite receiving over 24,000 comments
14 during the draft rulemaking phase, it is apparent that
15 there are still significant improvements and
16 considerations that need to be made to various
17 portions of this ANFR package. Here are a few general
18 comments I would like to offer this evening.

19 While the bifurcation of these
20 regulations are certainly a step in the right
21 direction, the end result of the proposed final
22 rulemaking packages has not adequately addressed
23 previous concerns that were provided as part of the
24 draft comment period in 2014. This calls into
25 question whether or not the comments submitted as part

1 of the draft rulemaking process were given full
2 consideration as part of this ANFR. I feel that given
3 the significant volume of comments produced as part of
4 the draft rulemaking process should have provoked
5 further communications, which would have produced
6 additional dialogue and clarity between the Department
7 representatives and all stakeholders.

8 There continues to be question on
9 whether the Department considered the far reaching
10 impacts, economic impacts, that will be created by
11 these regulation packages, especially to the
12 traditional, small conventional operator.

13 The Department continues to reference
14 forms and guidance documents for completion within
15 many parts of the ANFR. These forms and guidance
16 documents should be provided for review as part of
17 this comment period.

18 Now, I have a few specific comments.
19 Regarding protection of water supplies. I personally
20 have been involved in hundreds of water supply
21 investigations related to the development and use of
22 residential, industrial, and community water supplies
23 within the Commonwealth and several nearby states as
24 part of my practice. This state is one of two in the
25 United States that has no drilling and construction

1 standards for new and existing residential water
2 supplies. Past proposed legislation in Pennsylvania
3 has not been successful in affording the residents of
4 the Commonwealth assurance that proper water well
5 installation practices and guidelines are followed to
6 minimize the risk of drinking water contaminants.
7 Without this legislation in place, it is unreasonable
8 for the Department to expect the oil and gas industry
9 to be obligated to restore water supplies back to
10 applicable safe drinking water standards if the supply
11 did not previously meet these standards or possibly an
12 improved water quality. There is a great deal of
13 potential for the misuse of this provision, given that
14 there are many parts of the Commonwealth where
15 background concentrations in groundwater do not meet
16 associated drinking water standards. The proposed
17 restoration standards should be made to meet baseline
18 water quality and water quantity.

19 Area of review, the identification
20 procedure in this section of the proposed regulation
21 outlines a very difficult process. Most operators
22 conduct due diligence in order to avoid potential
23 environmental impacts and communication with orphaned
24 and abandoned wells. The introduction of a map finder
25 identification tool would be very, very helpful to the

1 operators. However, the use of a questionnaire with
2 adjacent property owners will likely cause some issues
3 from the standpoint of property access issues, if
4 wells are identified, or lack of reliable information
5 regarding the existence of abandoned wells. Once
6 again, this issue has been discussed over the last two
7 years, yet a proposed questionnaire has not been
8 produced for review.

9 Lastly, reporting and remediation or
10 remediating releases. The Department issued the
11 existing Oil and Gas Spill Policy in 2013, September
12 2013. I feel the Department was heading in the right
13 direction in 2014 to give some clarity to the policy
14 regarding testing parameters and procedures to the
15 operators and in-house to the Departments. However,
16 it appears that the Department will likely dismantle
17 that program to have operators follow the voluntary
18 Act 2 program.

19 In addition, as part of this proposed
20 regulation, the Department has created submittal time
21 frames for the oil and gas operators within this
22 section that are not found as part of the Act 2
23 program.

24 CHAIR:

25 Thank you, Jeff.

1 MR. WALENTOSKY:

2 Thank you very much.

3 CHAIR:

4 Next up we have Dustin Kuhlman. Then
5 we'd like to take a break. And after the break we'll
6 have Mary Ann Pike, Janet McQuaid, and Lynn Allen.

7 MR. KUHLMAN:

8 Good evening. My name is Dustin
9 Kuhlman, 470 Arden Road, Pittsburgh. I am a
10 Professional Engineer licensed to practice within this
11 Commonwealth. I have 18 years of professional
12 experience and am employed by Civil and Environmental
13 Consultants, Incorporated of Robinson Township where I
14 hold the position of Vice President and manage the
15 company's Natural Gas Industry Consulting Group. I am
16 here tonight speaking as an individual citizen

17 With that said, I think that it is
18 important that I communicate to you that the natural
19 gas industry is important to me relative to my job.
20 It represents over one-third of the annual revenue
21 generated by my company. It has facilitated career
22 growth that would not have otherwise been possible for
23 me and many of my co-workers. It supports over 100
24 jobs that I am responsible for in CEC's three
25 Pennsylvania locations, and it has played a key role

1 in bridging the gap for us when practically all of our
2 other market sectors were suffering in 2008 and 2009.

3 I have worked with natural gas
4 producers, midstream companies, and those involved
5 with processing and treatment since 2008. The
6 services that my company provides are centered on
7 helping these companies conduct their activities in an
8 environmentally safe and responsible manner. We
9 perform environmental investigations and engineering
10 services. We work with the PA DEP to obtain permits
11 and assist with compliance. In this capacity, I have
12 had the unique perspective of witnessing and, for a
13 large part, living the evolution of the DEP's
14 regulatory framework for the natural gas industry
15 since the Marcellus shale became a viable production
16 option. My experience has helped me draw the
17 conclusion that Pennsylvania's regulation of the
18 natural gas industry is comprehensive and very, very
19 thorough. Furthermore, I have worked closely with the
20 staff at the DEP throughout my work in this industry
21 and have confidence in their will and their ability to
22 protect the resources of the Commonwealth.

23 It is my opinion that the regulations
24 proposed in this rulemaking go too far. They propose
25 regulation that will not result in appreciable benefit

1 to the environment, yet will have a crippling effect
2 on the industry that is so important to the economic
3 viability of our Commonwealth, this region, my
4 Pennsylvania-based employer, others like it, and me.
5 I urge the Department to reconsider this action in
6 favor of a more balanced approach that includes the
7 input of all stakeholders, including the regulated
8 community.

9 I offer the following specific points.
10 The rulemaking contains standards that are only
11 applicable to the oil and gas industry. The water
12 treatment, noise, storage tank, and waste reporting
13 standards included in the proposed document will
14 unfairly burden the natural gas industry in comparison
15 to other industries operating within the Commonwealth.

16 The rulemaking eliminates the text
17 proposed under the December 13, 2013 rulemaking
18 relative to centralized impoundments and effectively
19 eliminates impoundments from the list of available
20 facilities that can be utilized to store and recycle
21 flowback and produced water. Speaking from
22 experience, the Department, industry, and the
23 consulting community have invested vast amounts of
24 time and resources to develop design and construction
25 standards for centralized impoundments that have been

1 proven to result in the construction of safe and
2 reliable facilities. The most recent standards
3 include robust liner system and subgrade requirements,
4 groundwater protection standards, and provisions for
5 ongoing monitoring. It would be a shame to eliminate
6 this as a viable option at this stage. Unintended
7 consequences of this rule could include less water
8 recycling, more truck traffic and more earth
9 disturbance being necessary to site tank farms. I
10 speak from direct experience when I say that these
11 impoundments can and have been built and operated in a
12 safe and environmentally sound manner with proper
13 design, construction oversight, and operational
14 controls.

15 The rulemaking will result in
16 significant compliance costs at a time when the
17 industry is already facing difficulty due to slumping
18 commodity prices. The net effect of this is that it
19 will make Pennsylvania less competitive with respect
20 to its neighbors and other shale basins with little
21 additional environmental benefit.

22 And four, Pennsylvania already has world
23 class environmental standards and regulatory staff.
24 Let's let those work for us in lieu of creating new,
25 overly burdensome regulation that singles out the very

1 industry that helped carry us through the great
2 recession. Thank you.

3 CHAIR:

4 Thank you, Dustin. Mary Ann Pike
5 followed by Janet McQuaid. And then Lynn Allen and
6 Michelle Chapkis.

7 SHORT BREAK TAKEN

8 MS. PIKE:

9 Hello. I'm Mary Ann Pike. I live in
10 Washington County, 1280 Sugar Run Road, Venetia, PA,
11 15367. I actually live in Nottingham Township and I
12 live very close to one of the active fracking wells
13 that's there. Thank you for taking the time to listen
14 to my comments on the changes to the gas drilling
15 regulations.

16 I'm just going mention some of the
17 regulations that are a concern to me. 78a.15.(f)(1)
18 lists the situations under which public resource
19 agencies should be notified if the limit of
20 disturbance of the well site is located within 200
21 feet of a publically owned park, forest, game land, or
22 wildlife area, state or national scenic river,
23 national natural landmark, historical or archeological
24 site listed on the federal or state list of historic
25 places, or within 200 feet of common areas on a

1 school's property or playground.

2 The DEP should require notification and
3 not permit a well pad disturbance area to be within
4 1,000 feet of the public recreation or historical
5 properties listed, and should not allow a well pad or
6 any structures associated with it within a mile of a
7 school property, nursing home, or hospital, public or
8 private. The citizens have a right to use the
9 recreation facilities that their taxes have paid for
10 without the disturbance and possible pollution that is
11 caused by the construction or operation of a well. In
12 addition, populations that are prone to health risks
13 should not be subjected to the noise and possible
14 pollution from the drilling and operation of the well.

15 78a.56(a) says the operator shall
16 collect the brine and other fluids produced during the
17 operation, service and plugging of the well in a tank,
18 pit or a series of pits or tanks, or other device
19 approved by the Department for subsequent disposal or
20 reuse.

21 The DEP should prohibit operators from
22 using any open-air pits and tanks, regardless of size
23 or location, for storage and treatment of regulated
24 wastes, including wastewater, drill cuttings, and
25 substances like gels and cement that return to the

1 surface after fracking. Waste should be stored and
2 treated only in closed, aboveground systems. Tanks
3 used for the storage of waste should be completely
4 enclosed to reduce the possibility that polluting
5 spills and emissions that will occur, and to keep
6 wildlife from being poisoned by drinking from
7 contaminated water that come into contact with
8 contaminated soil.

9 Sections that specify restoration of
10 vegetative material such as 78a.61.(a)(8) should
11 specify that the vegetative cover consist of plants
12 native to the area rather than invasive non-native
13 species that would push out established native
14 colonies, and which would not provide the optimal
15 environment to sustain the local animal and insect
16 communities.

17 78a.41.(d) states that the operator
18 shall perform regular, frequent and comprehensive site
19 inspections to evaluate the effectiveness of any noise
20 mitigation measures. What incentive does the operator
21 have to accurately evaluate the effectiveness of noise
22 mitigation? My family lives about 1,000 feet from an
23 active Marcellus well pad. They've been drilling at
24 the pad for the last two months. The noise has been
25 loud, even with the windows all closed. You can feel

1 vibrations when you put your hands on the countertops.
2 Have you even been on a cruise ship? When you go to
3 bed, you feel the throbbing of the engines. That's
4 what it's been like sleeping in our house during the
5 drilling. As a common courtesy, operators should be
6 required to notify residents when they are preparing
7 to drill and the length of time that the drilling will
8 occur. They are bringing a noisy industry into an
9 area where people live. They should at least
10 apologize for disturbing the residents and acknowledge
11 that the residents are not living in an industrial
12 area by choice.

13 Comments on the transparency and access
14 to information. DEP proposes to require oil and gas
15 operators to file permit applications and required
16 reports electronically. This change would improve
17 data collection, efficiency, and enforcement, which is
18 laudable. DEP should also make sure that all
19 electronic filings and reports submitted by operators
20 are also available to the public on DEP's website on
21 the same day they are deemed complete by DEP. Easy
22 and timely access to information by the public is
23 necessary to ensure agency transparency and operator
24 accountability.

25 These comments are in regard to the

1 separation of conventional and unconventional well
2 regulations. The DEP should end the use of all open-
3 air production pits for the storage of waste and
4 immediate conversion to closed tanks. DEP is
5 proposing to continue to allow conventional operators
6 to store their waste in pits and to bury waste at well
7 sites. I'm trying to stick with those but I make
8 other comments. But I do think the answer people are
9 saying, the cost benefit analysis should be done. So
10 I think they're talking about the cost of following
11 your regulations compared to the benefits for the gas
12 companies. The regulations are meant to benefit the
13 hundreds of thousands of citizens of the Commonwealth
14 who are affected by the drilling. These regulations
15 allow people to live in the areas where the drilling
16 is occurring without their living conditions being
17 threatened by the irritation of constant noise plus
18 the health threats, damage to wildlife habitat, and
19 poisoning of our wonderful native ---. These are the
20 benefits that the regulations bring to us and we
21 should not look at them lightly. Thank you.

22 CHAIR:

23 Thank you, Mary Ann. Janet McQuaid
24 followed by Lynn Allen and Michelle Chapkis.

25 MS. MCQUAID:

1 My name's Janet McQuaid. I live at 142
2 Redwood Drive, Venetia, Pennsylvania, 15367. I live
3 in the house I grew up in with my father, who lived
4 there for 50 years. I can count three generations of
5 McQuaids after me and four before. I graduated from
6 Peters Township High School in 1974 and Pitt in 1978.
7 Nobody was hiring in 1978. And I took a job in the
8 oil and gas industry and moved out of state. I am
9 very grateful. The job created by the oil and gas
10 industry allowed me to move home in 2008. A year ago
11 my father who was 86 had emergency back surgery. He's
12 now confined to a wheelchair. He can still live at
13 home, but only because I live there too. But for a
14 job created in the oil and gas industry here, I would
15 be working and living far away and my father would be
16 living in a nursing home.

17 I have worked the oil and gas industry
18 now for 35 years first as an engineer and now as a
19 lawyer. I'm licensed to speak --- I'm licensed to
20 practice in five states, but I'm speaking tonight my
21 own opinions on my own behalf. I signed up to speak
22 because I want DEP to remember that this industry
23 consists of people too. We live here and serve our
24 families. We go to work every day and we do a good
25 job. Our views are informed by facts, education and

1 experience.

2 The fact is that Pennsylvania already
3 has very stringent environmental regulations over oil
4 and gas activities. I know this from experience, but
5 you don't have to take my word for it. Pennsylvania's
6 regulations were commended 2013 by STRONGER, the well
7 respected, independent organization whose review
8 committees including environmental, government, and
9 industry experts. DEP's December 2013 proposed rule
10 imposed even tougher new requirements on the oil and
11 gas industry than the rules commended by STRONGER.

12 Industry does not like everything that
13 emerged from a two-year rulemaking process. But at
14 least that process was thorough and fair. In
15 contrast, DEP's current rush to impose significant new
16 requirements via a draft final rule abuses the
17 rulemaking process. Industry is not being given
18 nearly enough time to review and comment on the
19 changes, nor will EQB, the IRRC, or the legislative
20 committees who are required to sign off on the rules.

21 Pennsylvania needs and President Obama
22 wants sensible, cost effective environmental
23 standards. Abundant, affordable natural gas is
24 fueling investment in U.S. manufacturing in
25 Pennsylvania and is helping us sustain the country's

1 few remaining steel mills. In addition, it's reducing
2 reliance on energy imports and increasing exports
3 making us stronger globally against unfriendly
4 governments like Russia and Iran.

5 That's why President Obama has
6 unequivocally stated that it is, quote, vital that we
7 take full advantage of our natural gas resources, end
8 quote. To encourage natural gas production, the
9 President issued an executive order instructing
10 federal agencies to review their own rules and ensure
11 that they set sensible, cost effective public health
12 and environmental standards. Pennsylvania produces
13 fully 25 percent of the natural gas in the U.S.
14 Taking full advantage of Pennsylvania's natural gas is
15 clearly going to be important in achieving the
16 President's energy goals. Ironically, DEP's final
17 draft rule does exactly the opposite of what the
18 President has ordered the federal agencies to do.

19 Far from being sensible and cost
20 effective, the new additions to the draft rule are
21 nothing short of punitive. They impose burdens on oil
22 and gas industry not borne by any other industry in
23 Pennsylvania, and for no discernable reason unless we
24 are to accept the personal preferences in the new
25 administration is reason enough. Everyone knows that

1 elections have consequences. But changes to agency
2 rules must be justified and fairly adopted.

3 DEP's attempt to adopt significant
4 changes to Chapter 78a as a draft final rule is
5 exactly the type of arbitrary, political whiplashing
6 the Administrative Procedures Act was enacted to
7 prevent. So who could blame the oil and gas companies
8 if they would leave Pennsylvania for fairer regulatory
9 climates? And it would be a shame if they were to go
10 for our nation or state, communities, and families,
11 including me. Thank you for your time.

12 CHAIR:

13 Thank you, Janet. Next up we have Lynn
14 Allen followed by Michelle Chapkis. Then Eva
15 Westheimer and Caitlin McCoy.

16 MS. ALLEN:

17 Okay. I'm Lynn Allen. I'm from Sugar
18 Grove, Pennsylvania, 288 Dobson Road. Recently,
19 headlines around the state touted the arrest of two
20 individuals purportedly responsible for a heinous
21 murder of a third individual. It was a ghastly crime
22 with witnesses and insurmountable evidence. I will
23 name them X and Y and return to them later.

24 My husband John and I have owned a small
25 excavating business since 1970 and been conventional

1 oil and gas well operators since 1981. We reside in
2 Warren County. We are a very small company and we are
3 also environmentalists according to Webster's
4 definition, one who advocates the preservation or
5 improvement of the natural environment especially to
6 control pollution.

7 Natural resources developed our county
8 from the time of the early settlers and they sustain
9 many of us now. It continues to serve us because we
10 have been good stewards of our resources, much of
11 which is renewable. We would never conduct business
12 in a manner which might jeopardize our beautiful
13 homeland by carelessly abandoning safe environmental
14 practices with or without regulations. We drink the
15 water, breathe the air, eat food produced from its
16 soil, the fish from its streams and enjoy the
17 recreation within our bountiful forests, waters and
18 scenery. Part of why my family loves our work is
19 because while we're out on our leases daily we see
20 deer drinking from our streams, bear leading their
21 cubs to berries, and myriad other wildlife with whom
22 we share habitat.

23 We love Warren County, love our rural
24 home and lifestyle, and have been proud Pennsylvanians
25 all our lives, raising two sons who both dream of

1 being able to return home to Warren County. Sadly,
2 opportunities do not readily present themselves due to
3 the devastating economic changes in our county.
4 Basically, with the decline in large industry and the
5 shrinking population, it is difficult for young people
6 to establish homes and to help our county grow. Once
7 our sons completed their post-graduate educations they
8 were recruited and offered good paying jobs elsewhere.
9 So for the time being, they work out of states --- out
10 of state. Our oldest son has developed a business
11 plan and a timeline so that he and his young family
12 can return to help his father ease into retirement and
13 to take over the family business.

14 However, the regulations proposed in
15 2013 and 2015 will kill our little business and put a
16 screeching halt to that plan. Why would Pennsylvania
17 want to end opportunity for hard working, intelligent
18 and educated young people? We need to attract the
19 resources young people offer to help rebuild and
20 create opportunities in Pennsylvania. These
21 regulations are not just a small business killer, not
22 just going to bankrupt some of us and place thousands
23 of people out of work. They are region killers.

24 I like to think John and I have been
25 excellent employers and community members contributing

1 to worthy causes with our resources and our time.
2 Basically we are plain vanilla, average, hard-working,
3 law abiding citizens. We have never engaged in
4 unlawful activity, been arrested or even suspected of
5 criminal behavior, and we've never polluted anything.

6 But today, we are victims of a crime
7 while simultaneously being incriminated of committing
8 unnamed crimes. Return now to the arrested
9 individuals X and Y. They were served a warrant for
10 their arrest at which time the crime for which they
11 were being arrested was clearly stated, an attorney
12 was provided, a trial, judgment and consequences to
13 follow. The point is that X and Y were given due
14 process.

15 In comparison, the Pennsylvania
16 Department of Environmental Protection has not
17 provided the conventional oil industry our due
18 process.

19 I taught school for ten years. When I
20 made an assignment for an essay to my students, I did
21 not place the same restrictions on my eighth grade
22 class as I did my seniors. My students expected their
23 grade to be comparable to their efforts. I would
24 never punish the entire class because one of them
25 failed the assignment. If I had handed back essays

1 with simply an indiscriminate grade in red ink, no
2 comments or no explanation, such as the new
3 regulations have done to the conventional well
4 businesses, the students, their parents, and my
5 principal would have been in a righteous uproar. This
6 is my uproar. And I intend to roar all the way into
7 the governor's ears. Where is the integrity?
8 Where is the common sense? Where is our due process?
9 Thanks.

10 CHAIR:

11 Thank you, Lynn. Okay. Next up we have
12 Michelle Chapkis followed by Eva Westheimer and then
13 Caitlin McCoy and Melissa Troutman.

14 MS. HOLMES:

15 Michelle actually wasn't able to be here
16 today, tonight, so I'm taking her place. My name is
17 Chelsea Holmes, C-H-E-L-S-E-A, H-O-L-M-E-S.

18 CHAIR:

19 Are you speaking on behalf of your own
20 person?

21 MS. HOLMES:

22 I am, yes. All right. Thank you for
23 this opportunity to present. I did say that my name
24 is Chelsea Holmes and I'm the program coordinator for
25 Women for a Healthy Environment, a nonprofit

1 organization headquartered in Pittsburgh. Women for a
2 Healthy Environment educates and empowers community
3 members about environmental risks that impact human
4 health. We provide educational programming for tools,
5 information, and online resources that instruct and
6 create healthy communities across the region.
7 Further, the organization advocates for policy
8 solutions that better protect human health and the
9 environment. I'm here this evening to address the
10 children's health. One of our main program areas is
11 healthy schools, which focuses on creating a green and
12 healthy learning environment for all those in the
13 school setting. Our organization recently created an
14 online mapping tool. We wanted to get a better
15 understanding of the potential environmental risks in
16 school communities.

17 To that end, the Pennsylvania's
18 Department of Environmental Protection data, we
19 amassed all conventional and unconventional active gas
20 wells within a one-mile radius of a school setting.
21 Our analysis concluded the following. There are 350
22 unconventional wells in the southwestern PA region
23 situated within one-mile radius of a school building.
24 There are 75 schools that have one or more wells
25 within a one-mile radius of the school building, and

1 there are 30 school districts that have one or more
2 wells situated within a one-mile radius of one or more
3 of their school buildings.

4 Children are an especially vulnerable
5 population that need our protection. Pound for pound,
6 children breathe more air, drink more water, and
7 consume more food than adults. Several scientific
8 studies continue to assess and report on the health
9 impacts from general operations. An article in the
10 March 25th, 2015 Environmental Science and Technology
11 publication indicated that polycyclic aromatic
12 hydrocarbon or PAHs were hiding in the air closest to
13 active wells. Those living closest to gas wells had
14 an estimated risk for maximum residential exposure of
15 2.9-10,000th, which is above the U.S.'s EPA acceptable
16 risk level. Overall, risk estimates decreased 30
17 percent when comparing results from samplers closest
18 to active wells to those farther. The results suggest
19 that natural gas extraction may be contributing
20 significantly to PAHs in the air at levels relevant to
21 human health.

22 A 2012 Columbia University study in
23 environmental health perspective found that exposure
24 to higher levels of PAH was associated with a 24-
25 percent higher score of anxiety and depression for

1 children ages six to seven than those with lower PAH
2 levels. Infants found to have elevated PAH levels in
3 their umbilical cord were 46 percent more likely to
4 eventually score highly on the anxiety depression
5 scale than those with low PAH levels and core blood.

6 Another study done in 2014 by the
7 Department of Environmental Occupational Health,
8 Colorado School of Public Health, found that babies
9 born to mothers living within areas with the highest
10 density of levels in Colorado, more than 125 wells per
11 mile, were more than twice as likely to have neuro
12 tube defects than those living with no wells within a
13 ten-mile radius. Children in those areas also have a
14 38 percent greater risk of congenital heart defects
15 than those with no wells. Neuro tube defects, such as
16 spinal bifida are a permanent deformity of the spinal
17 cord. They usually occur in the first month of
18 pregnancy before a woman knows she is pregnant.
19 Congenital heart defects are problems in the heart
20 valve, walls, veins, or arteries develop in the womb.
21 They can disrupt the normal blood flow through the
22 heart.

23 There are many human health exposure
24 periods throughout the drilling process. Chemicals
25 used in drilling operations include no carcinogens

1 such as benzene and formaldehyde. High HAP and BOC
2 emissions, especially near completion sites, can
3 impact health including links to heart and lung
4 disease. Particle pollution from the drilling
5 operation leads to increased asthma rates, heart
6 attacks, strokes, various cancers, and COPD. Diesel
7 exhaust and industrial emission, gasoline vapors, and
8 chemical solvents as well as sources in --- nitrous
9 oxide and BOC that help form ozone which is a lung
10 irritant and aggravates those with asthma.

11 Because there are many potential health
12 risks associated with drilling operations, Women for a
13 Healthy Environment is requesting that in this advance
14 rulemaking under Chapter 78, conventional gas wells,
15 and Chapter 78a, unconventional gas wells, the DEP
16 include measures that are most protective of
17 children's health, including requiring all
18 conventional and unconventional gas and drilling and
19 associated infrastructure to be located outside of the
20 one-mile radius of the school. Thank you.

21 CHAIR:

22 Thank you, Chelsea. We now have Eva
23 Westheimer followed by Caitlin McCoy, Melissa
24 Troutman, and the Walter Phillips.

25 MS. WESTHEIMER:

1 Hello. My name is Eva Westheimer and my
2 address is 8 Federal Ave., Apartment 2, Carnegie,
3 Pennsylvania, 15106. Good evening. And first of all,
4 I want to thank you all for coming to the shale fields
5 here, community members, concerning my comments this
6 evening. My name is Eva Westheimer, as I stated
7 before, and I live here in southwestern Pennsylvania.
8 The whole nation --- no, the whole world is looking at
9 Pennsylvania and not for a good reason. New York,
10 Germany, Denmark, Maryland, so many more places have
11 looked at Pennsylvania and see the impact of
12 unconventional shale gas development and have decided
13 not to subject their residents, land, and our climate
14 to this environmental health hazard, impacts of this
15 dangerous industry.

16 We must end unconventional health ---
17 unconventional shale gas development now. It's the
18 Environmental Protection's responsibility to use a
19 precautionary principle, meaning that if the proposed
20 drilling activity, it has any unknown impacts to the
21 environment or human health, which it does, the
22 activities should not be permitted until those impacts
23 are clearly understood. I appreciate the thorough
24 process for revising Chapter 78 regulations and
25 expects this much, if not much more thoroughness when

1 the state permits each well site. The current
2 permitted process for well sites is a joke. The DEP
3 literally rubberstamps shale gas well permits. It's a
4 permit application process that is less in depth than
5 a fifth-grade science fair project. Major gas
6 drilling industry are tearing our environment and
7 communities apart.

8 To address impacts the community members
9 currently experience and with the knowledge that
10 fracking won't end through this round of Chapter 78
11 revisions, the DEP must make the following revision to
12 Chapter 78 regulations to protect our environment,
13 human health, and due process.

14 So first, there must be a full and in
15 depth process of public participation in the
16 permitting process for oil and gas surface
17 infrastructure. The shale gas industry should not
18 receive special treatment that it currently does. As
19 with other extractive industries within the state,
20 there should be a full public notice, comment, and
21 public hearing period for all surface infrastructure.
22 All concerned people, not just those within 1,000 feet
23 of the proposed site, have the right to express their
24 opinion on the health and welfare of their community.

25 Second, there must be at least a one-

1 mile setback of all shale gas infrastructure from
2 school property. Young people, you've heard from many
3 people this evening, are particularly susceptible to
4 the health impacts from air pollution that
5 accompanies shale gas development.

6 Thirdly, shale gas operators should be
7 prohibited from using open pit, we know they leak, for
8 storage of contaminants.

9 Four, drillers must be required to check
10 for orphaned and abandoned wells near their drill pads
11 and paths. In addition, DEP must conduct cumulative
12 impact studies of the impact of drilling and mining in
13 the same locations. Thus far, the DEP has allowed for
14 these two industries to extract in the same locations
15 with no regard for or knowledge of the full impact in
16 these two industries extracting literally on top of
17 each other.

18 Fifth, drilling companies must restore
19 potable drinking water to those who have lost their
20 water supply through the drilling process. And
21 lastly, the DEP must implement noise controls to
22 protect the quality of life for people living near
23 drilling.

24 These are just a few of the many impacts
25 of the many changes that need to be made to protect

1 the environmental and human health of our communities.
2 Ultimately, the DEP and the Commonwealth must protect
3 our environmental and human health before corporate
4 profits. I believe in the creativity of those living
5 within the Commonwealth and I know that we have the
6 ability to create an economy and power sources not
7 based on the destruction of our communities but based
8 on the creativity and power of each and every person
9 within our community. Again, thank you for hearing my
10 comments this evening.

11 CHAIR:

12 Thank you, Eva. Next up we have Caitlin
13 McCoy followed by Melissa Troutman, and then Walter
14 Phillips and Dwight Howes.

15 MS. MCCOY:

16 Hello. Thank you for the opportunity to
17 provide comments on the Department's proposed changes
18 to the Chapter 78 regulations. My name is Caitlin
19 McCoy and I am an environmental attorney and the Legal
20 Director of the Center for Coalfield Justice, which is
21 located right here in Washington. The Center for
22 Coalfield Justice was founded in 1994 by a group of
23 individuals organizing against the destruction caused
24 by longwall coal mining. Over the last 20 years, we
25 have expanded our mission to work on issues related to

1 extractive industries generally in Washington and
2 Greene Counties. CCJ has nearly 2,000 members and
3 supporters, most of whom live in Washington and Greene
4 counties and who also live with the daily impacts of
5 fossil fuel extraction.

6 Today, I will address four main areas of
7 concern. First, the 200-foot limit of disturbance
8 distance for publicly owned parks, forests, game land
9 or wildlife areas, historical or archeological sites
10 and national natural landmark as well is too short and
11 does not provide adequate protection to these
12 important public resources. Noise and air pollution
13 and the risk of significant impacts can be far
14 reaching. We suggest this distance be amended to at
15 least a mile for such public resources.

16 DEP has added schools to the list of
17 public resources that require additional consideration
18 when permitting oil and gas wells and the longer
19 setbacks of waste storage from school buildings,
20 parks, and playgrounds. However, the 200-foot limit
21 of disturbance for common areas on a school's property
22 is far too small to even offer limited protection from
23 health risks. To improve protection from pollution,
24 noise, and light and safety from traffic accidents,
25 and explosions, DEP should require, at minimum, a one-

1 mile setback of oil and gas wells, waste storage
2 facilities, and any other infrastructure from the
3 boundary of the school property.

4 Second, public participation. Hearings
5 and comment periods should be required for all
6 proposed drilling-related activities, including well
7 pads, impoundments, and pipelines. We support the
8 proposal to require oil and gas operators to file
9 permit applications and required reports
10 electronically. DEP should also ensure that these
11 electronic filings and reports made by operators are
12 available to the public on DEP's website the day that
13 they are deemed complete by DEP. Public availability
14 of timely information is necessary to improve agency
15 transparency and operator accountability, which are
16 two issues that were revealed to be extremely
17 problematic by the Auditor General's report,
18 Performance Audit that was released in July of 2014.

19 Third, pits, impoundments and waste
20 management. Issues with frack pits have led to
21 contaminated water and resulted in the largest state
22 fines ever against a driller in Pennsylvania, both
23 over \$4 million, to Range Resources and XTO for water
24 contamination due to leaking pits. DEP should amend
25 the regulations to prohibit operators from using any

1 open-air pits and tanks, regardless of size or
2 location, for storage and treatment of regulated
3 wastes, including wastewater, drill cuttings, and
4 substances that return to the surface after fracking.
5 The new revisions prohibit the use of production pits
6 at shale well sites, which is an important change that
7 should be supported. However, huge impoundments to
8 service multiple well pads are still allowed. DEP
9 should standardize the use of aboveground closed loop
10 systems for the storage and treatment of waste.

11 We remain concerned that sections
12 78.56(d) and 78.62(a)(15) allow for residual waste
13 pits to be filled in, burying waste onsite. Under
14 section 78.62, residual waste, including contaminated
15 drill pipe, must be stored in a lined pit with the
16 bottom at least 20 inches above the seasonal high
17 groundwater table. And yet these protective
18 requirements are ultimately rendered ineffective later
19 when the operator fills in the pit. The pit then
20 should be filled at least 18 inches over the top of
21 the liner and graded to promote runoff with no
22 depressions that would accumulate or pond water on the
23 surface. This ignores the reality that soil used to
24 backfill the pit will absorb harmful constituents from
25 the waste and the soil layer on the top can shift and

1 erode.

2 DEP should require that all waste
3 impoundments to be closed immediately upon the
4 effective date of the regulations. The revisions give
5 operators three years. However, that still puts the
6 environment at risk to nearby neighbors and people
7 their communities.

8 DEP should require that tanks used for
9 the storage of waste be completely enclosed. These
10 revisions still give operators the option of using
11 tanks without lids making it more likely that harmful
12 spills and emissions will occur.

13 Finally, we remain concerned that
14 Section 78.51(b) provides procedures for notifying DEP
15 of water pollution to request an investigation.
16 However, the listed activity referenced to trigger
17 that request for an investigation is incredibly
18 limited, especially when you compare with the full
19 range of activities listed in the definition of oil
20 and gas operations, and we believe that that should be
21 clarified. Thank you.

22 CHAIR:

23 Thank you, Caitlin. Is Melissa Troutman
24 here? Okay. Melissa's not here. We have Walter
25 Phillips, then Dwight Howes, Wendy, Driscoll, David

1 Clark, and Don Zuch.

2 MR. PHILLIPS:

3 My name is Walter Phillips. My office
4 address is 104 Bradford Road, Wexford, PA. Thank you
5 for providing the opportunity for me and others to
6 speak this evening. I am General Partner of Dorso
7 Energy LP, a second generation, family owned and
8 operated conventional oil and gas company founded in
9 1977. I along with my wife and seven employees
10 operate over 200 shallow, conventional natural gas
11 wells in nine southwest Pennsylvania counties
12 stretching from the bottom of Clearfield County to the
13 edge of Greene County.

14 I'm a board member of the PGGC and our
15 company has been a member of PIOGA since its
16 inception. My father-in-law served on the PIOGA Board
17 for many years.

18 Our company is a typical, small, mom and
19 pop oil and gas company, just like most of the
20 conventional operators who are locally owned. We live
21 here, our employees live here. We would like to
22 continue to live and work here and continue to be
23 responsible producers of natural gas that serve our
24 local communities, benefit our many landowner
25 families, and other small businesses that support our

1 work efforts.

2 I'm going to skip some of my comments
3 because of the lateness of the hour. It has to do
4 with the fact that the industry being reviewed because
5 of the unconventional industry coming on. And it's
6 for good reason. It's logical. But what I wanted to
7 contrast for you today is that I'm more concerned now
8 than any time in my 37 years working for this company
9 that we may not be able to survive the current
10 commodity business we're in. And especially if these
11 regulations are adopted. I don't want to repeat the
12 specific comments made by many qualified industry
13 representatives here today. You understand what those
14 are, I'm sure.

15 I do want to point out though that the
16 shallow oil operators that you've heard from this
17 evening have experienced significant drop in well
18 price and it's affected them and they are starting to
19 feel the same economic impasse that our shale oil
20 company has felt for the last few years.

21 Our company historically has drilled
22 between 5 and 15 new wells each year since our
23 founding in 1977 utilizing local contractors, local
24 suppliers. We have no plans to drill a new well this
25 year or next. The last shallow conventional well we

1 drilled was in May of 2012, almost three full years
2 ago now. Prior to that, the only year in which we did
3 not drill a new shallow well was 1986, almost 30 years
4 ago. So the low natural gas commodity price will
5 prevent us small operators from drilling new shallow
6 gas wells anytime soon and the significant drop in oil
7 prices will severely reduce new shallow oil well
8 drilling. To add the cost of Chapter 78 regulations
9 to the conventional operations will be particularly
10 harmful to any new shallow oil and gas.

11 Again, I'm shorting my remarks. I
12 wanted to mention the fact that as this differential
13 between conventional and unconventional is recognized
14 in Harrisburg, the Act 126 of 2014 clarification began
15 to get traction and for good reason. We needed to
16 have separation of regs. Some of the administrators
17 were concerned that we wouldn't be able to do that as
18 the end of the rulemaking process has been short-
19 circuited. Why the rush?

20 I compare the rush that we're making now
21 to the passage of the Affordable Care Act by Congress.
22 The so-called Obamacare became a law that had to be
23 passed, even if few had read it or understood what was
24 in it, how it would be implemented, why it was
25 necessary, what it may cost, and how it may have

1 unintended consequences that could harm hundreds of
2 small businesses, its employees and their families.

3 I respectfully submit that the DEP must
4 step back from the current process because of the
5 foundation and imposed timeline is flawed. There is
6 no need to rush adoption of poorly understood
7 regulations that may have unknown or unintended
8 consequences. I am hopeful that the DEP and the
9 longstanding shallow well industry can start anew and
10 work together to promulgate any needed new
11 regulations, but with an appropriate timeline
12 following the proper rulemaking framework.

13 CHAIR:

14 Thank you, Walter.

15 MR. PHILLIPS:

16 Thank you.

17 CHAIR:

18 Next up we have Dwight Howes. Okay?
19 Wendy Driscoll?

20 MS. DRISCOLL:

21 Hello. My name is Wendy Driscoll. I
22 live in Bethel Park at 915 Tanglewood Drive, and have
23 been a resident of Pennsylvania for 23 years. This is
24 also the first time I've spoken in a public arena, so
25 I'm compassionate about our industry.

1 I am one of the proud Pennsylvania
2 residents that can say they have a good paying job in
3 the oil and gas industry. I was a single mom looking
4 to get back into the workforce four years ago and was
5 blessed to find this wonderful industry to work in.
6 This industry brings so many opportunities to the
7 communities they operate in and the state as a whole.
8 They have paid over \$830 million in impact fees that
9 help local communities and over \$2.3 billion in
10 additional tax revenue.

11 PA already has world class environmental
12 regulations that have been a model for states across
13 the nation. These regulations have been reviewed and
14 praised by independent boards.

15 It seems to me that the DEP is
16 sidestepping the ability of the legislative oversight
17 committee and the independent regulatory review
18 commission to formally comment on the sweeping
19 regulatory changes proposed in the advance notice of
20 final rulemaking.

21 Several standards being proposed by the
22 DEP are not authorized under law, including new
23 limitations regarding public resources, as this
24 provision was struck down by the Supreme Court.

25 Natural gas is a clean burning fuel

1 source, used for heating homes and supplying
2 electricity. It has contributed to improving air
3 quality in Pennsylvania. The activity in the
4 Marcellus is being affected by all the new regulations
5 and low gas prices.

6 I feel blessed to still have my job. My
7 company, family-owned, open shop, heavy construction
8 company with 1,400 Pennsylvania employees operating in
9 Pennsylvania, Ohio, and West Virginia. So far we have
10 not had layoffs, but I know many people that have lost
11 their jobs because of the gas companies' slow down and
12 gas prices. Please seriously consider what this
13 industry does for the communities it serves and the
14 state as a whole. Without this industry being in
15 Pennsylvania, we are looking at higher fuel costs,
16 loss of good paying jobs, and less business
17 opportunities to keep our young people in the state.
18 Thank you.

19 CHAIR:

20 Thank you, Wendy. Next up we have David
21 Clark. Okay? Don Zuch?

22 MR. ZUCH:

23 Zuch (corrects pronunciation).

24 CHAIR:

25 Zuch, okay. Get it right. Then we have

1 Tim Hite, Nicholas Andreychek, then Shawn Fleegle, and
2 Debra Borowiec. And then after that we have Stephanie
3 Novak and Gwen Chute.

4 MR. ZUCH:

5 Thank you. My name's Don Zuch. I live
6 in Pittsburgh, 295 Arden Road, 15216. Although I'm
7 testifying as a private citizen, for disclosure, I'll
8 let you know I am a consultant with 29 years of
9 experience currently working for Hull & Associates,
10 Incorporated. I am a registered professional
11 geologist and have been a resident in the Commonwealth
12 of Pennsylvania since '89. Since arriving in
13 Pennsylvania, many good things have happened to me as
14 a result of hard work, doing my best to treat people
15 right and sometimes being in the right place at the
16 right time, but mostly hard work.

17 Due to the vision of some very
18 intelligent people, and astronomical financial
19 investments by oil and gas companies, unconventional
20 oil and gas exploration and development arrived in
21 Pennsylvania, and has been one of the best things to
22 happen to my family and me. I think this is an
23 example of the Commonwealth, all of us, being at the
24 right place at the right time.

25 Because of the Marcellus shale

1 development in Pennsylvania, I was able to create on
2 opportunity to merge my company of 11 years with my
3 current employer. For past four and a half years,
4 thanks to the robust development of the Marcellus and
5 Utica shales, our Pittsburgh office has been steadily
6 growing by over 50 percent. This profitable growth
7 allows us to hire Pennsylvanians with recent
8 Pennsylvania --- with recent degrees from Pennsylvania
9 universities. Additionally, our firm is evaluating
10 further expansion into the Commonwealth.

11 Our family has benefited as well, thanks
12 to Marcellus shale development. My wife, a life-long
13 Pittsburgher, is a chemical engineer with degrees from
14 The University of Pittsburgh and Penn State. She was
15 able to return to work after having raised our three
16 children as a stay at home mom. A gas producer
17 recognized her experience and talent and hired her
18 immediately. My wife will readily admit that without
19 the robust, profitable, Marcellus shale development in
20 the Commonwealth, she very likely would still be
21 unemployed or at the very best underemployed.

22 With all three of our kids in college
23 at the same time, my wife's annual salary is a much
24 needed addition to the family finances. I know there
25 are hundreds of other similar stories about how the

1 Marcellus shale development has helped individuals,
2 saved companies and more all across the Commonwealth.

3 In the early days of the Marcellus shale
4 development people would say we have to get this right
5 in reference to not only the development of the shale
6 itself but also the development of new and expanded
7 oil and gas regulations. There was no dispute,
8 everyone agreed. Through several iterations of
9 massive collaborative efforts within the industry,
10 working with the Pennsylvania DEP and other agencies
11 the current Chapter 78 oil and gas regulations were
12 developed. In fact, these regulations have been
13 recognized as one of the very best in the whole
14 country. Not only that, but thousands of
15 professional, labor and union jobs have been created
16 from Pittsburgh to Philadelphia. And not only that,
17 but the industry has generated \$830 million in impact
18 taxes to be distributed to all PA counties and DEP,
19 \$2.3 billion in various state and local taxes, and
20 over \$1 billion in royalties and bonuses have been
21 paid from DCNR lands. Pennsylvania has been getting
22 it right already.

23 It is clear that the promise of cheaper
24 energy and the potential for large quantities of
25 feedstock are garnering national and international

1 attention from companies with the wherewithal to make
2 huge investments in the Commonwealth. Accordingly, I
3 see tremendous opportunity for years to come not only
4 for my family and co-workers, but also residents of
5 the Commonwealth. Of course, there are concerns over
6 the market pressures on the industry, my customers,
7 and my wife's employer. Already there have been lay-
8 offs and a dramatic decrease in operating rig-counts
9 in the Commonwealth.

10 So, as DEP and EQB consider
11 modifications to the Chapter 78 regulations, I ask
12 that you follow the procedures established by law and
13 listen carefully to subject matter experts who are in
14 the know to ensure decisions are based on sound facts
15 that are truly defensible. Good information, coupled
16 with policies that foster development and downstream
17 opportunities will ensure that my family, my co-
18 workers and the Commonwealth of Pennsylvania continue
19 to flourish. Thank you.

20 CHAIR:

21 Thank you, Don. Tim Hite, Nicholas
22 Andreychek?

23 MR. HITE:

24 Did you say Tim Hite?

25 CHAIR:

1 Hite, yes. Tim Hite, correct.

2 MR. HITE:

3 Good evening. My name is Tim Hite.
4 Address, 243 Whitetail Lane, Ebensburg, PA, 15931.
5 Today I speak to you as a student right here at W&J.
6 I am president of the College Republicans. I will be
7 graduating after next semester and I will be looking
8 for a job.

9 It is extremely concerning to me, as
10 well as many of my classmates, that upon graduation
11 there will not be opportunities for us to find a job
12 in today's Pennsylvania workforce. It is well
13 documented that the unions chased the steel industry
14 out of our region many years ago. I see a remarkable
15 parallel with the energy industry, except this time
16 it's not the unions. It's Obama's EPA and Tom Wolf's
17 DEP that are run by ideologues that are hell bent on
18 killing the fossil fuel-based economy.

19 The green monsters at the DEP are
20 killing precious job opportunities for everyone at
21 this school, and also students across the entire
22 Commonwealth.

23 Regarding the new regulations, both
24 conventional and unconventional operations are already
25 struggling because of the diving gas prices and the

1 current burdensome regulatory framework in which they
2 have to operate within.

3 The DEP has repeatedly failed to state
4 what is inadequate about the current regulations
5 before asking for more. Again this seems like another
6 senseless attack on job creators by environmental
7 zealots. This is not just about the big guys. This
8 is about the little guys too that are affected both
9 directly and indirectly by the over-reaching arm of
10 the DEP.

11 The proposed regulations will cost even
12 more money, and I request that the DEP stop the
13 current process and go back and do the necessary
14 examination of need for change, financial analysis to
15 see the impact that this has on small businesses.

16 I would respectfully ask Governor Wolf
17 and his gestapo DEP to stop over-regulating oil and
18 gas and the fossil fuel-based industries because I
19 would like to stay in Pennsylvania to work. I would
20 like to raise my family in Pennsylvania. And I hope
21 that will be that way for many generations to come.
22 Thank you.

23 CHAIR:

24 Thank you, Tim. Next up we have
25 Nicholas Andreychek and then Shawn Fleegle. Are you

1 Debra? Stephanie?

2 MS. CHUTE:

3 Gwen.

4 CHAIR:

5 Stephanie? If you guys could come down
6 here when I call you up next, you need to get ready so
7 we won't waste a lot of time. After Gwen we have
8 Edward Chute and then Philip Thane.

9 MS. NOVAK:

10 Stephanie Novak here on behalf of
11 Mountain Watershed Association, 1414 Indian Creek
12 Valley Road, Melcroft, PA, 15462. As the community
13 organizer for Mountain Watershed Association, which is
14 the home of the Youghiogheny Riverkeeper, I help to
15 coordinate their Marcellus Citizen Stewardship Project
16 which seeks to provide resources to communities
17 dealing with current or potential impacts from shale
18 gas development. So MWA encourages residents to be
19 self-sufficient by equipping them with the tools they
20 need to engage in public participation and social
21 change at the grassroots level.

22 MWA will be submitting more extensive
23 written comments than what I will present to you
24 tonight. So in light of that, I think it's important
25 that I talk about why the DEP should listen to the

1 advice of those here today who are asking for the
2 strongest regulations possible. Those who are in gas
3 development are directly affected by the regulations
4 and they have first-hand experience about how the oil
5 and gas industry can impact people's lives and their
6 communities. They have invested significant time and
7 resources to study the ever-growing number of reports
8 that link this industry to serious consequences on the
9 public's health, safety, and welfare. I ask that you
10 consider their comments with the full weight that
11 their personal experiences carry.

12 I would also ask the Department to
13 require, at minimum, a one-mile setback of oil and gas
14 wells, waste storage facilities, and any other
15 infrastructure from the property boundary of schools
16 as well as other locations with vulnerable
17 populations. We commend the Department for adding
18 schools to the list of public resources, but since
19 there is no scientifically established safe setback,
20 we ask the Department to implement more protective
21 measures for susceptible populations like the young
22 and the elderly. Just in the paper today, a citizens
23 group in Penn Township, Westmoreland County is
24 challenging their Zoning Hearing Boards' decision to
25 approve a well pad that will be situated just 651 feet

1 from a nursing home. So it's happening throughout the
2 state where residents are joining together and saying
3 no, this is too close. So DEP really needs to listen
4 to what the communities are telling them and implement
5 additional protections, especially for vulnerable
6 population.

7 MWA asks the Department to also require
8 closed loop systems. Our organization has worked with
9 families in Donegal Township, Westmoreland County,
10 whose water has been contaminated by a leaking
11 impoundment at the Kalp site. By engaging in direct
12 advocacy and bringing media attention to the matter,
13 we prompted the DEP to order, after months of
14 inaction, water supply replacement for those families.
15 So we ask you to require that waste impoundments close
16 immediately once the regulations go into effect,
17 rather than giving operators the three years to close
18 them or bring them into compliance. We would also ask
19 that this apply to both conventional and
20 unconventional wells due to the inherent risks of
21 spills, leaks, and accidents with open-air pits and
22 tanks.

23 As an organization focused on water
24 quality within the Indian Creek and Youghiogheny River
25 Watersheds, we are concerned with the potential

1 effects that spreading brine as a de-icer and a dust
2 suppressant on roads will have on the waterways of the
3 Commonwealth. Like many watershed groups in Western
4 Pennsylvania, MWA maintains abandoned mine drainage
5 treatment systems which remediate past damages from
6 mining activities. So we have made significant
7 investments in keeping our streams and rivers
8 fishable, swimmable and drinkable. So we ask that the
9 final regulations prohibit road-spreading of brine as
10 there is no scientific evidence that proves this
11 practice over long periods of time is safe for our
12 watersheds.

13 So thank you for allowing me the
14 opportunity to present comments on behalf of MWA. And
15 I hope that sharing some of my personal experience in
16 working with these residents will shed some light on
17 how the regulations will directly impact the
18 communities that we serve. And again, we will be ---
19 MWA will be submitting further written comments on how
20 the regulations can be revised to minimize these
21 impacts.

22 CHAIR:

23 Thank you, Stephanie. Next we have Gwen
24 Chute. And then Edward Chute and then Philip Thane
25 and then Lois Hluhan.

1 MS. CHUTE:

2 Good evening. I'm Gwen Chute, residing
3 at 904 Valleyview Road in Mount Lebanon. I am the
4 vice-chair of the Allegheny Sierra Club with over
5 5,000 members in southwestern Pennsylvania. First of
6 all, I would like to thank you, DEP, for responding to
7 the comments of residents by revising your original
8 rules and for once again providing this opportunity
9 for citizens to offer their opinions and suggestions.

10 The revised rules are definitely an
11 improvement over the original version. However, there
12 is still ample room for further improvement. One such
13 issue is the storage of fracking waste. I will
14 refrain from using the term wastewater, because
15 fracking waste has no similarity whatsoever to the
16 life-giving liquid we call water. As you know, the
17 waste returned from high pressure fracturing is and
18 should be referred to as toxic waste.

19 I am aware that the new rules disallow
20 the storage of toxic fracking waste on individual well
21 sites, but the continued storage of such waste from
22 multiple wells in huge pits off-site is, in my
23 opinion, a totally unacceptable practice. It is well
24 known that these storage pits leak, they are
25 accessible to livestock and wildlife, they threaten

1 the health of people living near them in the vicinity,
2 and they poison land and water by allowing toxic
3 fracking and flowback chemicals to permanently
4 contaminate the environment. To grasp the frequency
5 and extent to which these open pits leak and do their
6 damage, one need only look at the industry record in
7 Pennsylvania, fines in excess of \$4 million against
8 Range Resources, the largest ever against a drilling
9 company. I respectfully demand that the DEP ban all
10 open-pit fracking toxic waste storage and require the
11 waste to be stored in enclosed tanks.

12 A second issue that deserves
13 consideration as you make your rule revisions is the
14 siting of fracking activities, including drilling,
15 waste storage, diesel truck traffic, and compressor
16 stations. Allowing these highly polluting activities
17 to be placed in close proximity to schools,
18 playgrounds, and hospitals is unconscionable and
19 reckless. The industry obviously does not consider
20 the health of even our most vulnerable citizens to be
21 a priority. So it is up to you, ladies and gentlemen
22 of the DEP, to see to it that this industrial activity
23 is sited with the health of those citizens in mind.

24 Third, I read in a Post Gazette article
25 earlier this week that it has now been determined that

1 emissions from flaring release four times more methane
2 into the atmosphere than previously thought. My
3 honest response to this news was why are we not
4 surprised. Accurate monitoring of emissions is an
5 issue that citizens have requested for years, while
6 the industry and even regulatory and oversight
7 organizations, such as the DEP and the Allegheny
8 Health Department, have failed to provide it. Since
9 methane is such a potent greenhouse gas, figures range
10 from 34 to more than 80 times more potent than CO2,
11 does it not make sense to provide accurate and
12 reliable monitoring?

13 Finally, it is my opinion, though I dare
14 say not mine alone, that it should be the
15 responsibility of the industry that pollutes and
16 contaminates people's drinking water to restore clean,
17 drinkable, and otherwise usable tap water to the
18 citizens who have been deprived of it. New rules must
19 require that the fracking industry clean up the messes
20 it makes. Thank you.

21 CHAIR:

22 Thank you, Gwen. Next up we have Edward
23 Chute.

24 MR. CHUTE:

25 Good evening, everyone. I am Ed Chute,

1 and I live at 904 Valleyview Road in the Municipality
2 of Mount Lebanon, a near suburb of Pittsburgh. I also
3 am the current Chair of the Huplits Trust Foundation
4 Wildlife Grants Committee. Since 1997, the Huplits
5 Wildlife Grants Committee has dispensed approximately
6 \$1 million in annual grants to help protect animal
7 wildlife and wildlife habitat in Pennsylvania. The
8 Huplits Trust Fund, the source for our funding, was
9 created to devote and apply its annual proceeds
10 exclusively for charitable, scientific, literary, or
11 educational purposes, and for the prevention of
12 cruelty to animals.

13 I am here this evening to laud you, the
14 Pennsylvania Department of Environmental Protection,
15 for your new proposed regulations which are, in my
16 view, a long overdue major step in the right direction
17 to deal with the air, water, and hazardous waste
18 disposal aspects associated with the hydraulic
19 fracturing, unconventional well drilling process for
20 natural gas. Much more stringent regulations,
21 however, than even these new ones are needed to
22 protect Pennsylvania's citizens, our wildlife, and the
23 human, animal, and plant environmental habitats of
24 Pennsylvania from some of the worst impacts of
25 fracking. While these new regulations are on the

1 right track, they still do not go far enough.

2 For instance, these new regulations
3 still allow open pits for the storage of hazardous
4 waste from the drilling for natural gas. It is a good
5 step to ban the use of open pits at the well sites.
6 However, the new regulations continue to permit off-
7 site storage of the hazardous waste in open pits
8 serving multiple wells. The current loop hole use of
9 such open pits, which inevitably seem to leak and
10 already have led to huge fines being levied against
11 such drillers as Range Resources, simply must be
12 eliminated. Because it is evident from these fines
13 that such open pits have contaminated Pennsylvania's
14 clean, natural fresh water in our streams, rivers, and
15 drinking wells, and because open pit storage is
16 defective and insufficient, all currently existing and
17 future open frack pits should be banned, whether
18 already permitted or not. Plus, the drilling
19 companies should be required to clean up and close all
20 its current open pits as well as store its toxic waste
21 in enclosed tanks.

22 Among other problems posed by open pit
23 storage, the damage to wildlife habitat and wildlife
24 itself is considerable. Birds and other animals do
25 not recognize the danger indicated by a hazardous

1 waste sign, and they can easily confuse the toxic
2 waste in an open pit with a natural source for their
3 drinking or nesting water or habitat. However, the
4 hazardous material in these open pits is in no way
5 water. It is chemical toxic waste and, accordingly
6 should be treated and labeled as such, as well as
7 called by its appropriate name in your regulations,
8 not some industry generated, doubt intended moniker
9 such as wastewater. It isn't wastewater. It's not
10 water. It's chemical toxic waste.

11 Moreover, much more stringent regulation
12 needs to be done in order to protect our communities
13 and wildlife concerning the siting and permitting of
14 well pads and other fracking activities, especially
15 near schools, playgrounds, and sensitive human and
16 wildlife habitat. For instance, we need more than
17 fines to make the fracking industry accountable for
18 the damage already done. The industry must be
19 required to restore drinking water and breathable air
20 sources for humans and wildlife to safe drinking water
21 and safe unpolluted air and noise quality standards as
22 well as reestablish any damaged wildlife habitat to
23 its prior condition.

24 Nonetheless, these new proposed
25 regulations are certainly better than the current ones

1 which seem better designed to facilitate the natural
2 gas fracking industry than to protect our environment,
3 our citizens, and our wildlife as guaranteed by our
4 Commonwealth's Constitution. Thank you.

5 CHAIR:

6 Thank you, Edward. Next up we have
7 Philip Thane, then Lois Hluhan and then Don Rugh, and
8 then Laura Frano.

9 MR. THANE:

10 Hi. My name is Philip Thane. I live in
11 McMurray, Pennsylvania, and I recently graduated with
12 a degree in chemical engineering, so I think I have a
13 unique perspective on this as a recent college grad
14 who lives in Washington County, as well as a
15 developing engineer. The students I met at the
16 University of Pittsburgh are very excited about the
17 opportunities offered close to home due to the shale
18 gas development. They are high quality professional
19 jobs that simply did not exist. The impact pertaining
20 to young men and women, another industry consolidated
21 with natural resource to work in this area spreading
22 throughout the city as areas are revitalized and
23 economically driving.

24 More importantly, because the shale gas
25 is almost literally in our backyards, in the community

1 affecting the environmental impact development. Just
2 last weekend, I visited Peter Lake State Park in enjoy
3 the warmer weather and the sunlight for once, but none
4 of my co-workers valued the important --- the
5 wonderful environment we have here in Pennsylvania.
6 We want to keep it that way.

7 My point is that like many people in the
8 industry, I'm invested in the health of the
9 environment of Pennsylvania, and I live here in
10 Washington County and I want to continue to enjoy the
11 nice area.

12 In my job as an engineer, I work
13 carefully to design environmental protective systems
14 just navigating the rules can be challenging. In
15 fact, there are over 3,700 regulations that directly
16 impact the design of our facilities. The design is
17 also worked on and improved every year when they
18 reissue design work, more than 200 drawings. Not only
19 do we strive to design our facilities with the
20 environment in mind, but we regularly inspect or
21 existing equipment. Currently my group is working on
22 appraising one of our latest facilities to ensure that
23 the equipment is working as efficiently,
24 environmentally friendly as possible. Just as our
25 operations are a result of scientific research and

1 facts, so too are regulations. I would encourage
2 regulations utilizing the experience, knowledge based,
3 and data which you already have to ensure future
4 relations while protecting the environment are
5 consistent and allow for future development for all of
6 us here in Pennsylvania. Once again, thank you for
7 the opportunity to speak to you here this evening.

8 CHAIR:

9 Thank you, Philip. Next up we have Lois
10 Hluhan. I'm sorry. Is that right? Then we have Don
11 Rugh, Laura Frano and then Carolyn Rottman. Well, one
12 second. I just want everybody to know we're going to
13 take a short five-minute break after you're done.

14 MS. HLUHAN:

15 Lois Hluhan, 20 Rocky Lane, Eighty Four,
16 PA. I'm here speaking as a homeowner. I have only
17 one acre sitting next to a projected Marcellus shale
18 pad. I have just survived over three years of strip
19 mining on the same property. The dirt, the dust
20 clouds, the noise, being awakened by track dozers at
21 6:00 a.m., whether I wanted to be up or not, the smell
22 of kerosene. Both my sinuses and my organic garden
23 were impacted. Now I am looking forward to how many
24 more years of my life being disrupted by a projected
25 Marcellus shale pad on the same property. My water

1 comes from a well. I worry about it being
2 contaminated and after hearing testimony here today
3 I'm even more concerned about the well. I would
4 likely be under the lights, no more sleeping for me.
5 And then there's the blasting, digging, and all other
6 the noises consistent with drilling a well. Why do I
7 have no rights? These landowners and companies have
8 the rights to upset my life, but I seem to have none.
9 They are allowed to negatively impact me but again I
10 have no rights, no way to stop them.

11 I had been looking forward to my
12 retirement, having a peaceful life taking care of my
13 home and garden. All that is gone. I have instead
14 dirt, noise, and a shaking house. It is a good thing
15 I did not want to move. My home is now worth nothing.
16 Who in their right mind would want to live next to a
17 Marcellus shale pad? Even the gas under my house will
18 be basically stolen. I will receive no royalties
19 since my contract is with Range and Rice is the
20 company digging the well. I'm sure that Rice will do
21 well to pay its lawyer. Again, my rights are taken
22 away.

23 Since companies must have 600 acres to
24 place a pad, why is it not mandated for them to keep
25 the pads as far away from dwellings as possible to

1 limit the impact from the noise, the lights, the dirt,
2 and the shaking and vibrations? Please give us our
3 lives back. Thank you.

4 CHAIR:

5 Thank you, Lois. Is Don Rugh here? Is
6 he in the room? Sorry. Don Rugh? Okay. Laura
7 Frano? And then we have Carolyn Rottman, Walter
8 Schnellbach, and then Chris Chadwick.

9 MS. FRANO:

10 Good evening. My name is Laura Frano
11 and I'm here this evening speaking on behalf of Range
12 Resources. For those of you that stayed for fun facts
13 which everyone knows that Range is --- we have both
14 conventional and unconventional access, so we have
15 5,000 plus conventional and nearly 800 unconventional
16 wells. So the same rules of logic we've heard this
17 evening apply to us. We're also a commodity business.
18 And we have concerns with the rulemaking both of 78,
19 conventional site analysis and also, 78a,
20 unconventional site analysis. And I'll be speaking to
21 a couple of general points related to 78a. So also
22 this evening we've heard from more essential groups of
23 people speaking. We've had concerned citizens,
24 regulators, or past regulators, members of regulating
25 community and later job seekers.

1 Many of us, including myself, can say
2 that we fit more than one of these categories and have
3 done so at different times in our lives. I'm here
4 this evening because I am concerned for the
5 environment and I'm concerned about my ability and the
6 ability of my loved ones to prosper here in the
7 Commonwealth. And so I'm going to ask you to please
8 consider my comments regarding the regulations, the
9 importance of which should not be understated.

10 I was born in Bradford, Pennsylvania,
11 and I spent most of my childhood running wild in
12 Allegheny National Forest in my hometown of Bradford,
13 Pennsylvania or my grandparent's farm. I am a first
14 college --- I am a first generation college graduate
15 and upon graduation from my school here in Pittsburgh,
16 the only job that was sufficient to pay my student
17 loans sent me to Michigan. While working in Michigan,
18 it reached my doorstep through my family members who
19 were considering leasing their land and also through
20 the environmental news that I was following on the
21 impact from an environmental standpoint in areas of
22 concern.

23 With that I made the decision to return
24 to PA to attend law school at the University of
25 Pittsburgh School of Law and to combine my love of

1 technical writing and environment and try to make a
2 career of it. During law school, I worked for a year
3 for the Environmental Law Clinic and also with the DEP
4 Office of General Counsel. And then I spent six
5 months working for the EPA Office in Enforcement
6 Compliance studying the potential impact of
7 fracturing.

8 I admire many of the --- many of those
9 who work in the DEP and other agencies. In fact, I
10 mentioned my experiences with great pride. Since then
11 I spend my days working for oil and gas operators,
12 providing them with regulatory compliance matters. My
13 days are spent reading Chapter 78 of Act 13 day in day
14 out, line by line and applying it to specific fact
15 patterns both of the conventional side and
16 unconventional.

17 It is from that language that I ask that
18 I can present my comments and then ask you to consider
19 them. I'm concerned about portions of the rulemaking
20 package that are arbitrary, ambiguous, incomplete or
21 create unintended consequences of throwing of the
22 balance of optimal development of natural resources in
23 Pennsylvania and protecting the environment. I ask
24 that the DEP consider clarifying, streamlining and
25 integrating standards and terminology throughout the

1 rulemaking with implementation and practical
2 application. It is not an easy thing to navigate
3 through the regulatory practice. In fact, the PA
4 because of its long history of such activity has
5 already had --- has already had what most would say is
6 the most stringent regulatory program in the country.
7 We are now faced with the task of cleaning up body of
8 laws and regulations, removing redundant and
9 unnecessary reporting paper requirements and
10 clarifying the terms of how to assure compliance with
11 those regulations that are protecting the environment.

12 Some specifics. I can give some
13 specific examples this evening, but since I also think
14 in efficiency and reducing redundancy, the comments
15 that are written hold the same weight. So with that I
16 would ask that you look at my comments, two of which
17 are general and so considering landowner rights and
18 consider redundant language and then I give specific
19 examples of what that particular language should be.
20 Thank you.

21 CHAIR:

22 Thank you, Laura. Next up we have
23 Carolyn Rottman. Walter Schnelbach. Chris Chadwick.
24 Veronica Coptis. Glen Weaver left. Marc Jacobs.
25 We're at number 66. After Marc we have Rudy B.

1 Stofer, Jr. and then Ken --- it looks like Gannon.
2 And then Robert Shmecker.

3 MR. JACOBS:

4 My name is Marc Jacobs. 6608 Route 22,
5 Delmont, PA. I am a Senior Vice President with
6 Penneco Oil Company speaking on behalf of the
7 Pennsylvania Independent Oil and Gas Association.
8 Penneco is a member of PIOGA and I currently serve on
9 its Environmental Committee and several subcommittees
10 and workgroups.

11 First, I would like to thank the
12 Department for arranging this forum to hear and
13 consider the variety of public perspectives and
14 interests represented here tonight. This rulemaking
15 carries tremendous weight of consequence and we
16 appreciate the opportunity to be heard.

17 PIOGA represents over 750 members,
18 including oil and natural gas producers, drilling
19 contractors, service companies, manufacturers,
20 distributors, professional firms and consultants,
21 royalty owners, and other individuals with an interest
22 in Pennsylvania's oil and gas industry. The
23 Pennsylvania Independent Oil and Gas Association is
24 the principal nonprofit trade association representing
25 Pennsylvania's independent producers, marketers,

1 service companies, and related businesses. PIOGA
2 member companies drill and operate the majority of the
3 state's crude oil and natural gas, including the
4 Marcellus shale.

5 Penneco Oil Company is a family owned
6 and operated independent oil and gas producer based in
7 Delmont, PA, operating more than 950 conventional
8 wells throughout the southwestern region of the state.
9 As recent as last year, Penneco employed 60 workers
10 behind the desk and in the field. Numerous challenges
11 over the last several months have severely impacted
12 our viability causing us to halt exploration, reduce
13 our staff by 23 percent, and reassess our longstanding
14 business model. The factors most responsible for our
15 crisis are the downturn of the energy price
16 commodities and the heightened regulatory scrutiny
17 from spud to production. This is the first time in my
18 30 years with Penneco that we have not had a drilling
19 program. And frankly, with the prospect of additional
20 regulatory expectations looming, the light is no
21 longer visible as we peer into the darkness that has
22 become our operational future in PA. Because for the
23 moment, we have tied the knot at the end of our
24 tenuous existence, I would like to submit the
25 following regarding the Chapter 78 conventional draft

1 revisions on behalf of PIOGA and its diverse
2 membership community.

3 Regarding Protection of Water Supplies
4 and the quality of a restored or replaced water
5 supply, the requisite for restoration should never
6 exceed the Pennsylvania Safe Drinking Water Act
7 standards regardless of the pre-existing quality, nor
8 should it be the default restoration standard for pre-
9 existing supplies of lower quality than SDWA. The
10 pre-existing baseline should be the standard of
11 restoration quality.

12 Regarding Area of Review, it is unclear
13 whether the expanse of the requisite surface
14 reconnaissance is 1,000 feet centered over the
15 horizontal wellbore or if it is intended to represent
16 1,000 feet from the path of the lateral in each
17 direction. It would be good to clarify.

18 There has been no questionnaire template
19 presented as part of the rulemaking affording
20 operators the chance to review and comment on the
21 language and the scope of the inquiry. It is also
22 unclear what will be acceptable proof that a
23 questionnaire has been submitted to a landowner in any
24 number of scenarios resulting in a questionnaire that
25 is not completed and returned.

1 Regarding Temporary Storage and the
2 greater than 1,000 square feet actuation footprint
3 necessitating a two-to-one slope, the Department is
4 essentially mandating a larger location footprint to
5 accommodate the drill cuttings and fluid returns.
6 This will both displease landowners and increase the
7 cost of exploration resulting in a feasibility tipping
8 point. If the pit footprint could be enlarged to
9 2,500 square feet before the two-to-one slope
10 actuation, this would permit the conventional
11 operators to continue to appease the landowners while
12 efficiently managing their drilling returns.

13 Regarding Control, Storage and Disposal
14 of Production Fluids. To require additional, monthly
15 documentation on Department forms is an unnecessary
16 burden of recordkeeping placed on the operators. Most
17 wells are visited multiple times during a month and
18 any sign of potential appurtenance failure is remedied
19 in the course of best management practices. A more
20 practical solution would be for the operators to make
21 monthly inspections as part of their routine
22 maintenance and recordkeeping and submit a permanent
23 inspection record to the Department in an added
24 subject column, Tanks, in their annual Mechanical
25 Integrity Assessment submission.

1 This concludes my testimony and
2 comments. On behalf of PIOGA and its membership, I
3 would like to express my gratitude for your patient
4 consideration.

5 CHAIR:

6 Thank you, Marc. Next up we have Rudy
7 Stofer, Jr. And then Ken Gannon. And Robert Spencer
8 and the Reverend James Hamilton.

9 MR. STOFER:

10 Thank you for being here today hearing
11 people's noise about this stuff. My name is Rudy
12 Stofer, R.E. Stofer, Jr. I live at 626 Waynesburg
13 Road here in Washington. Grew up here, nice little
14 farm community up over the hill. 2009, I walked up on
15 the hillside and happened to turn back and lo and
16 behold there was a derrick on the other side of the
17 hill so I had to go up and investigate. Walked up.
18 There was a big hole in the ground and there was a big
19 mess on the neighbor's farmer's hillside. And I guess
20 your guys are here, so things progressed and about
21 3,000 feet from where they put that frack thing in.
22 And that was in 2009 when they started their operation
23 up there.

24 About 2011 or so, I happened to Google
25 my neighborhood. And I took a look at this frack pit

1 that they had up there. Just looked at this five-acre
2 purple thing with this 250 foot tadpole. They ought
3 to put this on Facebook. What happens when this gets
4 out? How come my neighbor's allowed to have this?
5 Guess what? The pit leaked. And where did the
6 tadpole go? Now, I've had about four or five
7 neighbors in the last five years die. They were old,
8 so I guess that's what happens. I can't walk my dog
9 up the road anymore because she gets sick and starts
10 throwing up after that.

11 That we allow people to come in to a
12 nice little state here and inject bio mutagenic ---
13 biocumulative mutagenic drugs into our water supply
14 and a world crisis of like water which is kind of
15 essential to existence. I wonder how many like
16 regulations we're going to have before we're extinct
17 because the regulations haven't helped the folks in
18 get anything. I mean, they seem to be ignoring all
19 the accidents and fraccidents and explosions and
20 earthquakes that are happening thanks to the fossil
21 fuel industry.

22 All these folks that got educations and
23 come out of college and can't use that great big thing
24 coming over the hillside every morning for energy. It
25 just blows me away. I'm retired now, so I would like

1 to just garden. But now I got frack trucks running up
2 the road to the new pit since they covered the frack
3 pit. They've got a new one off the road. And thanks
4 to the folks out in Washington, the environmental
5 guys, I got some air monitors. And those have been
6 really interesting for the last couple months because
7 I'm a mile away from this place. But the trucks come
8 right by my house. And this morning it pegged at 65.
9 That's unhealthy for us old folks. Ain't no reason.

10 This afternoon, it's gone. Who knows?
11 Drilling is just the beginning. These wells will
12 fail. That frack pit. I walked up there before it
13 was found out. Almost lost in the woods. I wondered
14 how long it would have been before they found me up
15 there because I ain't been back since. But that feeds
16 a creek. That feeds my creek. Now, there's another
17 new well up the road. It sits in the conjunction ---
18 the confluence of the creek where it starts. That's
19 the headwaters. We're going to pollute this at the
20 very beginning. Not a good idea.

21 We got future generations. Some of you
22 all here are a future generation. Good luck. I've
23 had my party. You all need to tighten this stuff up.
24 The gulf is gone. The Pacific Ocean is gone. Thank
25 you all for coming here and hearing a few stories.

1 CHAIR:

2 Thank you, Rudy. Is Ken Gannon here?
3 How about Robert Shmecker? Reverend James Hamilton?
4 Sheila Jennersick? Tom Trimmond? Ed Zalentus? Randy
5 Shannon? Jean Shut? Laura Kennedy? Chrystal Yost.

6 MS. YOST:

7 Hi. My name is Chrystal Yost. I live
8 at 288 Country Corner Road in Valentia, Pennsylvania,
9 16059. I'm a mom of three daughters. I live 1,300
10 feet from an unconventional well pad and six wells
11 have been permitted but not yet developed just over a
12 half mile from my daughters' school.

13 I sat here tonight listening to the
14 industry strong-arm the DEP by threatening to take
15 their jobs elsewhere, reminding how much they pay in
16 taxes, and pulling on their heart strings by telling
17 them how much lighter their wallets will be if you
18 implement greater safeguards for the public. Not a
19 single resident who is not connected to the industry
20 said tonight I live next to an unconventional gas well
21 or oil well, and I find your regulations burdensome to
22 my family.

23 Pennsylvania oil and gas regulations are
24 under revision because they're not working. Families
25 are harmed by pits and waste impoundments. The

1 revision to ban them will not protect the families who
2 are already harmed, but will prevent future suffering
3 from families not yet affected. Restoring water to
4 drinkable conditions is an appropriate and moral
5 solution to water contamination. It is the very least
6 the industry can provide for the families they harm.

7 The proposed limitation of disturbance
8 at a well site within 200 feet of common areas of
9 school's property or playground is an admittedly
10 arbitrary setback. What period do you study and does
11 the DEP rely on that shows accidents, fires, spills,
12 explosions, leaks, air, water contamination and
13 traffic accidents will obey a 200-foot boundary and
14 protect what is truly our most valuable resource in
15 the State of Pennsylvania, our children.

16 The DEP has been unable to protect the
17 citizens relying on compliance and enforcement alone.
18 These proposed regulations are inadequate and will not
19 protect my children or the children in the state who
20 already attend Pennsylvania's schools in the shadow of
21 this industry. You have the opportunity before you to
22 protect the remaining 500 schools from gas wells,
23 compression stations, processing plants, and related
24 infrastructure. Thank you.

25 CHAIR:

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Thank you, Chrystal. Is there anybody
else here in attendance that would like to testify?
Okay. Seeing none, with no other commentators present
on behalf of DEP, I hereby adjourn this hearing at
10:49 p.m.

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HEARING CONCLUDED AT 10:49 P.M.

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CERTIFICATE

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I hereby certify that the foregoing proceedings,
hearing held before Chair Shirley was reported by me
on 04/29/2015 and that I Danielle S. Ohm read this
transcript and that I attest that this transcript is a
true and accurate record of the proceeding.



Court Reporter