

BEFORE THE
ENVIRONMENTAL QUALITY BOARD

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IN RE: PROPOSED CHAPTER 78
ENVIRONMENTAL PROTECTION PERFORMANCE STANDARDS
AT OIL AND GAS WELL SITES

* * * * *

BEFORE: LAURA EDINGER, Chair
COLLEEN CONNELLY, Member
JESSICA SHIRLEY, Member
KURT KLAPKOWSKI, Member
ELIZABETH NOLAN, Member

ORIGINAL

HEARING: Monday, January 27, 2014
6:04 p.m.

LOCATION: Tunkhannock Area High School Auditorium
135 Tiger Drive
Tunkhannock, PA 18657

Reporter: Randyll P. Lloyd

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WITNESSES: Kate Gibbons, Emily Krafjack,
John Augustine, Diane Ward,
Stephanie Wissman, Craig Stevens,
Peggy Maloof, Vera Scroggins,
Kristin Landon, Mark Cline, David Buck,
Thomas J. Shepstone, William Ferullo,
Howard Hannum, Epifanio Bevilacqua,
Victoria Switzer, Melissa Troutman,
Joshua Pribanic, Adrienne Panuski,
David Wasilewski, Charles Spano,
Wendy Lynne Lee, John Trallo,
Duke Barrett, Scott Miller, Ann Pinca,
Jeremy Connor, William Huston,
Nicolas Katkevich, Deirdre Lally,
Alex Lotorto, Adam Hughes, Caitlin Myers,
Barbara Clifford, Jay Sweeney,
Richard Ide, Laura Rigell, Sherrie Andre

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P R O C E E D I N G S

CHAIR:

Good evening. I would like to welcome you to the Environmental Quality Board's public hearing on the Environmental Protection Performance Standards at Oil and Gas Well Sites, proposed rulemaking. My name is Laura Edinger. I am chairing tonight's hearing on behalf of Pennsylvania's Environmental Quality Board.

Joining me tonight are Elizabeth Nolan, from DEP; Kurt Klapkowski, from DEP's Office of Oil and Gas Management; Jessica Shirley, with DEP's Policy Office, and Colleen Connelly, Community Relations Coordinator for the Northeast Regional Office.

I officially call this hearing to order at 6:04 p.m.

At this time, please silence all cell phones. A little bit of housekeeping, exits right to the back and on either side of the auditorium. And restrooms are located out the back and all the way down the left of the hall.

The purpose of this hearing is to formally accept testimony on the proposed regulations, Environmental Protection Performance Standards at Oil

1 and Gas Well Sites.

2 In addition to this hearing, the EQB
3 will hold two additional hearings on the proposed
4 regulations on February 10th in Troy and February 12th
5 in Warren. Please note that the two hearings in
6 February are additional to the original seven hearings
7 that were scheduled. Throughout this hearing and
8 comment process, we heard from commenters that we
9 should hold additional hearings and extend the comment
10 period. Given the importance of public participation
11 in crafting these regulations, we agreed that
12 extending the comment period and adding two hearings
13 would be beneficial to the rulemaking process.
14 Information about the specific locations of these
15 hearings is available at DEP's website at
16 www.dep.state.pa.us.

17 There are also copies available of the
18 Citizen's Guide to DEP Regulations. Inside this
19 document you will find descriptions of the
20 environmental regulatory process in Pennsylvania, the
21 Environmental Quality Board's role, how to submit
22 comments and tips for submitting effective comments.

23 The proposed rulemaking, which was
24 adopted by the EQB on August 27th, 2013, would amend
25 25 Pa. Code, Chapter 78 to update the requirements

1 related to surface activities associated with the
2 development of oil and gas wells. EQB adopted the
3 proposed rulemaking with the recommendation for a 60-
4 day, now 90-day, public comment period, in at least
5 six hearings across the state. This represents a
6 heightened level of public participation, as there is
7 usually only a 30-day public comment period held for
8 the typical Department rulemaking.

9 Additionally, public hearings are held
10 on the basis of public interest. And for some
11 regulations there are few or even none that are held
12 if there is no request for hearings. Due to the
13 increased public interest in this rulemaking, EQB
14 initially scheduled seven public hearings, and as
15 previously mentioned, increased the number of hearings
16 to nine in order to allow for ample opportunity for
17 public comment on this proposed rulemaking.

18 The proposed regulatory amendments would
19 address recent statutory changes in Act 13 of 2012 and
20 codify existing practices. This rulemaking would
21 allow for the implementation of key provisions of Act
22 13, including further consideration of impacts to
23 public resources, such as parks and wildlife areas,
24 the prevention of spills, the management of waste and
25 the restoration of well sites after drilling.

1 The proposed rulemaking also includes
2 standards affecting the construction of gathering
3 lines and temporary pipelines, and includes provisions
4 for identifying and monitoring abandoned wells close
5 to proposed well sites.

6 In order to give everyone an equal
7 opportunity to comment on this proposal, I would like
8 to establish the following ground rules. I will first
9 call upon the witnesses who have preregistered to
10 testify at this hearing. After hearing from these
11 witnesses, I will provide any other interested parties
12 with the opportunity to testify as time allows.
13 Testimony is limited to five minutes for each witness.
14 Please note that if you run out of time for your
15 spoken testimony, please don't worry. Written and
16 spoken testimony both carry the same weight. That's
17 why we requested written copies of your testimony, so
18 if you run out of time, we will read the rest of your
19 comments and your written testimony.

20 Organizations are requested to designate
21 one witness to present testimony on its behalf. Each
22 witness is asked to submit three written copies of his
23 or her testimony to aid in transcribing the hearing.
24 Please place two copies in the box marked public
25 comments and please hand one copy to our stenographer

1 prior to presenting your testimony. When you come to
2 the microphone, please state your name, address and
3 affiliation for the record prior to presenting your
4 testimony. The EQB would appreciate your help by
5 spelling names and terms that may not be generally
6 familiar, so that the transcript can be as accurate as
7 possible.

8 Because the purpose of the hearing is to
9 receive comments on the proposal, EQB or DEP staff
10 cannot address questions about the rulemaking during
11 the duration of the hearing, but may address any
12 questions after the conclusion of the hearing. In
13 addition to or in place of verbal testimony presented
14 at today's hearing, interested persons may also submit
15 written comment on this proposal. Again, written and
16 verbal comments hold the same weight when considered
17 in the finalization of this rulemaking. All comments
18 provided become a part of the official public record.
19 All comments must be received by the EQB on or before
20 March 14th, 2014. Comments should be addressed to the
21 Environmental Quality Board, P.O. Box 8477,
22 Harrisburg, PA, 17105-8477. Comments may also be
23 e-mailed to reg comments, that's R-E-G,
24 C-O-M-M-E-N-T-S @pa.gov or submitted online through
25 the EQB's regulatory comment system, accessible from

1 DEP's website.

2 All comments received at this hearing,
3 as well as written comments received by March 14th,
4 will be entered as part of the formal record and
5 considered by the EQB and will be included in the
6 comment response document, which will be prepared by
7 the Department and reviewed by the EQB prior to the
8 Board taking its final action on this regulation.
9 Anyone interested in receiving a copy of the
10 transcript of today's hearing may contact the EQB at
11 (717) 787-4526 for further information.

12 I would now like to call for the first
13 commenter. I have Kate Gibbons.

14 MS. GIBBONS:

15 Good evening. My name is Kate Gibbons,
16 and my working address is PennFuture, 8 West Market
17 Street, Suite 901, Wilkes-Barre, PA, 18701. And my
18 title is Northeastern Pennsylvania Outreach
19 Coordinator at PennFuture.

20 PennFuture is a statewide public
21 interest organization with members across this region
22 and Pennsylvania, working to create a just future
23 where nature, communities and the economy thrive. And
24 I appreciate the opportunity to comment here tonight
25 on the proposed oil and gas regulation changes, and

1 will add that PennFuture will submit comprehensive reg
2 comments in addition prior to the new extended March
3 14th deadline.

4 Oil and gas extraction operations are
5 intensely industrial, inherently hazardous activities
6 that can threaten water, air and land resources and
7 public safety if proper regulations with vigilant
8 oversight aren't in place. PennFuture supports
9 aspects of the proposed regulations by DEP. Among
10 other things we support DEP's decision to regulate
11 wastewater pipelines and to regulate drilling
12 operations installing pipelines under streams.

13 As a plurality of the Pennsylvania
14 Supreme Court Justices just recognized in their
15 Decision in Robinson Township versus the Commonwealth,
16 also known as Act 13, our Commonwealth has a history
17 of prioritizing resource extraction over citizens'
18 health and long-term preservation of its environment.
19 By adding the Environmental Rights Amendment to the
20 Pennsylvania Constitution, the people of Pennsylvania
21 determined that their well-being and the well-being of
22 future generations should never again be less
23 important than the short-term benefits that can bring
24 with them damage like, for example, here in my region
25 of Northeast PA, orange streams and still burning

1 underground mine fires.

2 So I'll comment on two specific areas
3 that we believe need to be strengthened in the
4 proposed regulations. First, the DEP should prohibit
5 the disposal of residual waste at well sites. The
6 draft regulations would allow well operators to
7 dispose of residual waste in pits, or essentially mini
8 landfills, on well sites as long as they comply with
9 certain minimum requirements.

10 Because oil and gas site waste is exempt
11 from hazardous waste regulations, the result is that
12 this hazardous waste can be managed as residual waste
13 and disposed of onsite with a single synthetic liner
14 and no long-term groundwater monitoring. These
15 minimal protections are inadequate. Given the high
16 risks posed by these many landfills, DEP should
17 prohibit well site disposal of residual waste
18 entirely.

19 Second, we recommend the DEP should
20 entirely prohibit operators from using open pits and
21 impoundments to store flowback, brines and other
22 drilling wastes and instead require that such wastes
23 be stored in tanks and other closed-loop containment
24 systems. Pits and impoundments, as we know, that are
25 used to hold flowback and other wastewaters have

1 repeatedly leaked due to holes in liners, faulty
2 design and construction and human factors. In one
3 case involving an impoundment operated in Bradford
4 Company with a company --- Bradford County, excuse me,
5 it was discovered that chunks of cement or rock had
6 been tossed in the pit and had caused numerous tears
7 in the liner. Tears are also caused by the use of
8 backhoes and other heavy equipment.

9 These pit and impoundment failures
10 routinely lead to the contamination of both
11 groundwater and surface water. With leaks, sites are
12 supposed to be cleaned up and restored to background
13 standards under Act 2, which is Pennsylvania's Ground
14 Fills Law. But because of limited personnel and
15 resources, DEP usually relies on operators and their
16 consultants to verify the cleanup and verify
17 elimination of the source of contamination. And even
18 when sites are cleaned up to the legal standards, the
19 long-term impacts are unclear.

20 It is true that tanks can and do leak
21 and overflow as well, but when tanks leak, it is clear
22 that they are leaking, which is not the case with
23 pits. For all these reasons, we recommend DEP
24 completely eliminate the use of pits and impoundments
25 to contain drilling waste and require operators to use

1 closed-loop systems.

2 That concludes my comments. Thank you
3 to the EQB for your consideration tonight of what is
4 one of the most essential parts of our democratic
5 process, citizen input into decisions that affect us
6 all. Thank you.

7 CHAIR:

8 Next we have Emily Krafjack.

9 MS. KRAFJACK:

10 My name is Emily Krafjack and I'm
11 speaking tonight on behalf of Connection for Oil, Gas
12 & Environment in the Northern Tier. My address is
13 1155 Nimble Hill Road, Mehoopany, Pennsylvania.

14 Good evening. My name is Emily Krafjack
15 and I'm providing comments in my purely voluntary,
16 uncompensated role as President of Connection for Oil,
17 Gas & Environment in the Northern Tier. C.O.G.E.N.T.
18 focuses on the five-county region of Bradford,
19 Sullivan, Susquehanna, Tioga and Wyoming Counties.
20 C.O.G.E.N.T. is the resources for landowners and
21 communities alike striving to find and advocate for a
22 balance that supports public health and safety,
23 community and the environment, with the needs of
24 industry.

25 There are approximately 183,000 souls in

1 our five-county region. Unconventional gas well sites
2 and facilities have been located within and around our
3 rural farmland and forested communities, nearby family
4 homes, schools and local hospitals. Because of these
5 facts, we take a keen interest in this long awaited
6 rulemaking.

7 Through the 2013 year end, our region
8 hosts 43 percent of the Commonwealth's unconventional
9 spud wells. Of the total wells inspected in the
10 state, 50 percent of those are located in our region
11 and are responsible for 54 percent of the violations
12 recorded by DEP. Here are just a few examples why we
13 need more stringent regulations and how they may be
14 improved.

15 78.15(f)(1). We recognize that Sullivan
16 County is home to some of the most scenic vistas and
17 viewsheds in our region. Every county within the
18 Northern Tier has public lands that may be subject to
19 exploitation. These public lands and more are home to
20 threatened and endangered species, critical
21 communities, species of special concern, scenic vistas
22 and viewsheds, high quality and exceptional value
23 streams and wetlands, and are well-known for
24 recreational opportunities and support regional
25 tourism.

1 The 15-day comment period does not
2 provide public resource agencies a sufficient time
3 frame for adequate consideration of the public
4 resource and to provide sufficient response, therefore
5 we recommend this comment period be changed to 30
6 days. The 200 foot notification zone is inadequate.
7 Further discussion of this provision will be included
8 in our submitted written comment.

9 The poor siting of a well pad along the
10 Loyalsock Trail, at some points within 30 feet of the
11 cleared well pad area, indicates the need for better
12 planning. An adequate notification zone, coupled with
13 adequate comment period of 30 days provides
14 opportunities to properly mitigate and avoid such
15 siting problems in the future. We recommend revisions
16 to provision 78.15(f)(1).

17 78.51(d)(2). Private water supplies in
18 Wyoming County, as well as the Northern Tier Region
19 have experienced gas migration issues. C.O.G.E.N.T.
20 supports the interpretation as based on Act 13,
21 guaranteeing that those with private water supplies
22 whom had pre-drilled tests which were superior to the
23 Safe Drinking Water Act Standards, that in the event
24 they are subject to a replaced or restored water
25 supply, that the water supply must be comparable to

1 the quality of that superior pre-drill water supply.

2 C.O.G.E.N.T. supports that those water
3 supplies is guaranteed by Act 13, which failed to meet
4 Safe Drinking Water Standards, that those water
5 supplies are to be replaced or restored to Safe
6 Drinking Water Standards. The inconvenience, worry
7 and additional stress placed on a family necessitates
8 that they be justly compensated with the same superior
9 water quality their pre-drill test reveals or when
10 deficient to the Safe Drinking Water Standards
11 accordingly. The operator is addressing the water
12 supply, therefore, it is the responsible action to do
13 so entirely.

14 78.52(a). Tioga County experienced a
15 serious situation with an abandoned well issue due to
16 a hydraulic fracturing communication. This incident
17 caused environmental harm and caused the operator a
18 great deal of time and money. Based on information
19 shared at the TAB subcommittees this summer, we
20 recommend that DEP not only continue to collect data,
21 creating a database, but also that an assessment be
22 done after spudding a well. We recommend that a fact
23 sheet regarding orphaned and abandoned wells be
24 included in the landowner notification certified
25 mailings.

1 78.56. As a better environmental and
2 community-friendly practice, we support the use of
3 modular above-ground containment structures. One
4 operator in Susquehanna County has utilized such
5 structures already. These structures are a viable
6 method to replace the lingering practice of flowback/
7 wastewater earthen impoundments still utilized by an
8 operator within our region. We recommend the
9 provisions related to modular, above-ground
10 containment structures, as they can assist operators
11 in their recycling methods and water storage and are a
12 better environmental practice near our homes.

13 78.66. Due to events that have
14 occurred, such as those in Bradford County's Rome and
15 Wilmot Townships and throughout our region, we
16 recommend the codification of these provisions as
17 written, but provide more stringent requirements
18 regarding the reporting and corresponding remediation
19 at well sites that many times are located near homes
20 and schools. One operator in our region is
21 voluntarily complying with Act 2 for their remediation
22 practices. We encourage this procedure and desire to
23 see it used by all operators.

24 We've been anxiously awaiting many years
25 for the regulations to be enacted. Some of these

1 provisions are policies that are around four years
2 old, while others are based in Act 13 almost two years
3 old. Thus, we ask that with attentive consideration
4 given to the information provided during the comment
5 period that these regulations move forward
6 without ---.

7 CHAIR:

8 I'm sorry. Thank you. We'll read the
9 rest of your written comments. Thank you. Next we'll
10 call John Augustine.

11 MR. AUGUSTINE:

12 Good evening. I'm John Augustine. I'm
13 the Community Outreach Manager in northeastern
14 Pennsylvania for the Marcellus Shale Coalition, an
15 association working with regional partners since 2008,
16 and currently comprised of nearly 300 exploration,
17 production, midstream and service companies committed
18 to developing clean burning natural gas resources.
19 In 2012 our members were responsible for 96 percent of
20 the natural gas produced here in Pennsylvania.

21 Energy development has an incredible
22 history in the Commonwealth. And indeed, natural gas
23 development can serve to enhance and improve our
24 natural resources.

25 Significant investments have been made

1 across the Commonwealth by our industry to provide
2 needed habitat and restore lands and watersheds.
3 Partnerships with conservation, agriculture and
4 outdoor groups are examples of our industry's
5 willingness and commitment to voluntarily protect and
6 preserve our natural resources. And our industry has
7 raised the bar for shale development further with
8 practices designed specifically to lessen the impact
9 on surface disturbance that provide strategies to
10 improve habitat and landscapes.

11 The natural gas industry has paid over
12 \$1.8 billion in taxes since 2008, and \$406 million
13 over two years to communities, counties and the state
14 in impact fees across the Commonwealth. More than
15 200,000 new hires in Pennsylvania are supported by
16 industries associated with shale development,
17 according to and tracked monthly by the Pennsylvania
18 Department of Labor & Industry. Last year the
19 International Union of Operating Engineers Local 66
20 noted their 7,000 member union was very close to full
21 employment, with much of that work being a direct
22 result of Marcellus shale. And despite the rhetoric,
23 the majority of those leading the shale revolution
24 here in Pennsylvania, like myself, are lifelong tax-
25 paying residents of this great Commonwealth.

1 Just think of some of the other benefits
2 that may go unnoticed by many.

3 Shale development has led to a great
4 cost reduction in residential fuel. In recent years
5 my grandmother saw her monthly budget for natural gas
6 be reduced by hundreds of dollars, a huge savings to
7 seniors who live on a fixed income. Within the
8 farming community, change is constant. And that
9 statement exemplifies the transformation that has
10 occurred in Pennsylvania agriculture over the past
11 several years due to the Marcellus shale activity.
12 Benefits include decreased heating and electricity
13 costs and increased sales in seed and fertilizer.
14 Farmers are using this new income stream to expand and
15 grow the farming operation and, in many cases, save
16 their farm.

17 Increased partnerships with the National
18 Wild Turkey Federation and other sportsmen's groups
19 are resulting in more access to hunting lands,
20 specifically designed feed plots and increases to the
21 wildlife, like the pheasant population with some of
22 the highest numbers in years.

23 Even more locally, for over 50 years the
24 Old Forge borehole has dumped an average of 65,000,000
25 gallons of water per day into the Lackawanna River and

1 is the largest point source of pollution in the
2 Chesapeake Bay. And now the process has begun to
3 clean up this problem, thanks to Marcellus shale
4 development and the Act 13 Impact Fee.

5 Another important development to be
6 noted, the U.S. EPA confirmed in October of 2013 that
7 carbon emissions are at their lowest since 1994,
8 thanks to the increased use of natural gas.

9 While these are just a few of the
10 positives of having Marcellus shale, imagine a world
11 without oil and natural gas, where electricity prices
12 skyrocket and becomes unaffordable; where home fueling
13 prices increase and affect the poor and elderly;
14 removal of everyday products, like rubber for our
15 tires and shoes, paint, plastics and pharmaceuticals;
16 and increased fertilizer costs, raising the price of
17 agriculture production and food consumption.

18 And while it's nice to talk about
19 renewables as the main source of energy, and we do
20 believe the proper energy policy should include every
21 option, it's just not practical at this time.

22 One of the most cost-effective ways to
23 heat your home is with natural gas, used by more than
24 half of all American households. These savings can
25 make a difference between life and death for elderly

1 or poor deciding to purchase medications and put food
2 on the table. And so instead of talking about
3 moratoriums and bans, we should be discussing safe
4 ways to work together in bringing affordable, clean-
5 burning natural gas to everyone's home and business.

6 Our overarching message is
7 straightforward. Instead of undermining our strong,
8 consistent and predictable regulatory framework, we
9 should work cooperatively to revise these proposals,
10 to maintain a balance between strong environmental
11 protections and a competitive economic climate.

12 Thank you for the opportunity to provide
13 this testimony. And remember, it does not need to be
14 a false choice between environment and economics. It
15 can be beneficial to both. And we urge the DEP to
16 continue working with our industry and stakeholders
17 across the Commonwealth on a reasonable, competitive
18 path forward. Thank you.

19 CHAIR:

20 Next I'd like to call Diane Ward.

21 MS. WARD:

22 I'm Diane Ward, 902 Grove School Road,
23 Wysox, PA, 18854, Bradford County, PA resident and
24 landowner, and also Wyoming County, PA landowner and
25 former resident.

1 Thanks for the opportunity to provide
2 testimony tonight. I will focus my comments on the
3 proposed standards regarding abandoned, orphaned and
4 inactive wells in 78.52(a), 78.73, 78.103 and 78.105.

5 My understanding of the issues regarding
6 drilling near legacy wells dates back to 2009, when I
7 realized that the planned Lundy horizontal 2H well in
8 Standing Stone Township, Bradford County was in close
9 proximity to the legacy Harold W. Lundy well, plugged
10 in 1991. At that time I provided input relative to
11 the permitting of the Lundy wells, wrote letters to
12 Oil & Gas, Technical Advisory Board and Chesapeake,
13 amongst others. I provided input on the 2010 advanced
14 rulemaking, and again during the public comment
15 period, a final determination of the regulations in
16 2010. I am providing copies of the comments I made
17 and the response that I got.

18 Although no regulations regarding
19 abandoned wells were enacted by DEP at that time, my
20 efforts were not in vain. The Harold W. Lundy legacy
21 well, which was ascertained as inactive, okay, at the
22 time, did get evaluated and ultimately was plugged in
23 March of 2011, prior to the fracking of the new Lundy
24 2H.

25 I think facts around that particular

1 case show that Chesapeake and the DEP did, indeed,
2 agree that although this well was just an inactive
3 well that had been plugged, there was a necessity to
4 plug that well. And we've not heard any data to the
5 contrary since then from any organization, and we feel
6 good that that was plugged.

7 Although I am pleased to see the DEP
8 addressing this issue at the time, I am more than
9 disappointed at the lack of strength of the
10 regulations, specifically regarding the abandoned and
11 orphaned wells. These regulations only deal with a
12 limited set of wells, the officially abandoned and
13 orphaned, and do not include identification of
14 inactive wells in the area of proposed new wells.
15 Given the Harold W. Lundy well experience, there is
16 clearly a need to identify inactive wells also.
17 I have attached my testimony, the facts concerning the
18 Harold W. Lundy well, so that you can reacquaint
19 yourselves with the particular well and kind of the
20 evidence as to why you should be including inactive
21 wells in this regulation.

22 Identification of the wells is not
23 enough. All wells in the area of a planned horizontal
24 well must be evaluated, even if previously plugged.
25 In Bradford County there are currently five orphaned

1 and abandoned wells. By my last count from DEP fact
2 records, when the site search for inactive wells was
3 still operational online, Bradford County has 23
4 inactive wells. The potential hazard to our
5 environment from fracking near these wells is
6 potentially much greater than from the orphaned and
7 abandoned wells. I assume there is a similar
8 situation statewide. And I understand the numbers
9 are huge statewide just for abandoned and orphaned,
10 but we need to include the inactive wells also.

11 The similar situation statewide, the wells must be
12 plugged or replugged, if necessary, prior to fracking.

13 The visual monitoring at unspecified
14 frequency in your proposed 78.73 is insufficient. The
15 concept of allowing fracking until changes in the
16 monitored legacy well are noted is unacceptable.
17 Requiring plugging after the changes occurs is
18 requiring plugging too late to prevent impact to the
19 environment. This approach is not proactive and does
20 not protect our water.

21 My proposal is to adopt the Alaskan
22 proposed regulations which were reviewed by the DEP
23 and commented upon in the regulatory analysis
24 associated with these standard changes for the
25 identification piece and for the actual standard that

1 would provide meaningful change. I have twice
2 provided the DEP with the standard which would require
3 the actual assessment of these wells in the area, not
4 just the monitoring of them. And this standard that I
5 have twice submitted to you before, I am submitting
6 again, because as I would hope that you would review
7 the standard because it goes much further in terms of
8 allowing the assessment to occur prior to fracking,
9 such that plugging can occur prior to fracking.

10 I'm not going to go through all the rest
11 of this, because I realize I only have one minute.
12 But in addition to that, I just want to make you aware
13 of a specific concern in our area around Wyoming
14 County's glacial lakes. Encroachment of drilling
15 toward glacial lakes, such as Lake Carey and Lake
16 Winola threaten these special resources and current
17 standards do not adequately deal with the special
18 needs of this area.

19 CHAIR:

20 Thank you, Diane. We'll read the rest
21 of your written comments.

22 MS. WARD:

23 Thank you.

24 CHAIR:

25 Thank you very much. Next we have

1 Stephanie Wissman.

2 MS. WISSMAN:

3 Good evening. I'm Stephanie Wissman,
4 300 North 2nd Street, Harrisburg, Pennsylvania, 17101.
5 I'm the Executive Director of the Associated Petroleum
6 Industries of Pennsylvania, a division of the American
7 Petroleum Institute, a national trade association that
8 represents all segments of America's oil and natural
9 gas industry. Its more than 580 members provide most
10 of the nation's energy.

11 API is also a standard-setting
12 organization. For 89 years, API has led the
13 development of petroleum and petrochemical equipment
14 and operating standards. These standards represent
15 the industry's collective wisdom on everything from
16 drill bits to environmental protection. API maintains
17 more than 650 standards and recommended practices.
18 Many of these are incorporated into state and federal
19 regulations.

20 API supports strong environmental
21 safeguards in stewardship, and commends DEP on the
22 regulatory oversight program, however, we do have
23 concerns with several provisions contained in the
24 proposed rulemaking that we plan to outline in detail
25 in our formal written comments.

1 In the interest of time, I will
2 highlight some general comments that we have, and also
3 provide a few suggestions on how to better define some
4 of the terms included in the proposed rulemaking.

5 We suggest language be added to clarify
6 the effective date for the new requirements and that
7 wells constructed prior to that date are grandfathered
8 in. There are a number of definitions and sections of
9 texts that refer the reader to other statutes or
10 regulations. This causes the reader to search
11 elsewhere to find the other statute or regulation and
12 review it before being able to understand what Chapter
13 78 requires. This is not user-friendly and does not
14 facilitate regulatory understanding and compliance.
15 Also, a number of sections are very detailed and
16 descriptive. We suggest that the sections be given
17 some flexibility to allow for the use of alternate
18 methods as approved by the Departments.

19 There are eight definitions contained in
20 the proposal that we would like to see better defined.
21 Definition one, approximate original conditions. The
22 definition talks about original land uses. Land use
23 is outside of DEP's jurisdiction to regulate and is
24 largely an issue to be resolved between the lessor and
25 the operator.

1 Definition two, centralized impoundment,
2 number two. This definition talks about the escape of
3 which may result in air, water or land pollution. It
4 is interesting to note that the oil and gas program
5 regulations propose to contain air pollution controls.
6 This reference to air pollution should be deleted or
7 should be carefully considered, especially in light of
8 recently promulgated federal air rules, which will be
9 implemented by the Air Quality Program via QGB5, the
10 Air Quality Permit Exemption List, categories 33 and
11 38.

12 In addition, we suggest that language be
13 added to clarify that this definition does not include
14 secondary containment or impoundment at well sites.
15 This language should also clarify a centralized
16 impoundment does not include freshwater impoundments.

17 Definition three, gathering pipelines.
18 This definition is not consistent with the Department
19 of Transportation definition of the gathering line.
20 To avoid confusion, we suggest that DEP rules simply
21 use the Department of Transportation definition.

22 Definition four, mine influenced water.
23 We suggest that the second sentence be deleted. The
24 first sentence captures any relevant discharges to
25 surface waters from mining activities.

1 Definition five, oil and gas operations,
2 number five. The definition talks about earth
3 disturbances associated with the oil and gas
4 exploration, production, processing or treatment
5 operations or transmission facilities. These
6 activities, under the construction phase, do not
7 involve earth disturbances. We suggest that this be
8 changed to read, earth disturbances associated with
9 oil and gas exploration and the construction of
10 facilities for production processing.

11 In addition, it is noted that this
12 definition differs slightly from the same definition
13 in the Oil and Gas Act. We suggest that the
14 definition be kept consistent with the statutory term,
15 rather than create confusion of what that term means
16 when it is used by the Department.

17 Definition six, pits. We recommend that
18 language be added to clarify that this definition does
19 not include secondary containment or impoundments at
20 well sites.

21 Definition seven, temporary pipelines.
22 This definition is unclear what differentiates a
23 temporary pipeline from any other pipeline.

24 Definition eight, water source. We also
25 have a suggestion for that definition.

1 Thank you for the opportunity to testify
2 this evening. API and its member companies stand
3 ready to continue to work with DEP on striking a
4 balance between environmental protection and economic
5 development. Thank you.

6 CHAIR:

7 Thank you, Stephanie. Next I'd like to
8 call Craig Stevens.

9 MR. STEVENS:

10 Good evening. My name is Craig Stevens.
11 I live in Silver Lake Township.

12 I'm a sixth generation Pennsylvania land
13 owner. And in reading the new regulations that you're
14 proposing and the overview here, I just want to remind
15 everybody in this room that we have a Constitution in
16 the Commonwealth of Pennsylvania. It's quite clear
17 how we're supposed to protect the environment. It
18 says that people have a right to clean air, pure
19 water, the preservation of the natural scenic,
20 historic and aesthetic values of the environment.
21 Pennsylvania's public natural resources are the common
22 property of all the people, including generations yet
23 to come. As trustee of these resources, the
24 Commonwealth shall conserve and maintain them for the
25 benefit of all the people.

1 I'm reading your regulations and I'm
2 hearing the ---. It doesn't sound like the earlier
3 speakers that are representing the oil and gas
4 industry were doing anything constructive towards
5 these. It just sounded like a commercial that I'm
6 seeing on TV all the time. So I will just let you
7 know, some of us live here in the areas where this is
8 going on. And the industry is making it quite easy
9 for us to have questions about it.

10 When I moved here four-and-a-half years
11 ago, I was very pro the industry being here. I have a
12 large piece of property that I'm a shared owner in.
13 We have a gas lease. I let them put a pipeline across
14 my property. And what I've seen so far is nothing but
15 problems. There's the DEP's own information that had
16 to be extracted from you by right-to-know, by Laura
17 Legere's article, Drilling Killing Water. I have 161
18 documents here that are all clearly stated on each one
19 that natural gas drilling contaminated private water
20 wells. What was most interesting was, one of them
21 says Dimock. I have documents on me right here that
22 were signed by the CEO of the corporation three times,
23 of Dimock --- of Cabot Oil and Gas in Dimock, that 19
24 water wells were found to be contaminated, but only
25 one document.

1 So I ask here while the DEP is here and
2 the public, is the multiplier on these documents one
3 times 161, or is one 19, and one 6, and one 3? We're
4 confused.

5 Secondly, I experienced the ---. I see
6 a regulation on boring and putting in pipelines. My
7 own creek in my backyard on my ancestral property was
8 blown out eight times in a row over two-and-a-half
9 months.

10 The industry told all of us when they
11 came here they're experts. They've been doing this
12 for 70 years on fracking. They've been putting
13 pipelines in everywhere. If they're such experts, why
14 couldn't they get a piece of pipe going under a simple
15 creek in my backyard done without damming the entire
16 creek?

17 Then we caught them dumping what looked
18 like 100,000 gallons of liquid unknown --- of unknown
19 origin on my private property. By the way, the DEP
20 later found them guilty of doing it and so did Fish
21 and Boat. They fined them and then did not have them
22 come and clean up the spills on my own property.

23 We're getting tired of watching the
24 commercials and listening to the oil and gas industry
25 come here. I am especially getting tired of it as a

1 constitutional conservative. If you want to make us
2 feel better about your industry here, if the industry
3 does want us to feel better about them, stop sending
4 predatory land men in signing old ladies up in nursing
5 homes like my grandmother was done. Stop ripping off
6 your landowning partners by taking high production
7 costs out of their checks. And everyone in this room
8 that works for the industry knows that they're being
9 sued by thousands of people.

10 So stop the activities. Stop putting in
11 compressor stations and have them blow up all down the
12 line here. We've had at least six in the area. So my
13 focus is, you can put every regulation you want on
14 this industry and without proper enforcement and
15 without taking the landowner into consideration ---
16 and my many neighbors nearby who live with plastic
17 water tanks where their water wells used to produce
18 water ---. And I know, you know, we've got a whole
19 denial industry. This is an addiction. It's an
20 addiction. And the first thing people have to do is
21 admit they have a problem before they can get it
22 fixed.

23 I would love to see the industry be able
24 to come in here and do this properly and get the gas
25 out from underneath my property, and oil. But it

1 doesn't look like they're proving themselves wrong
2 every single time with their own actions. So I ask
3 them to stop running the commercials. Instead of
4 spending \$150 million a year trying to convince us all
5 this is the best thing since sliced bread ---.

6 And the next person that tells me it's
7 America's fuel can please explain to me why there are
8 33 export terminals going in, in North America, right
9 now? Four have already been approved. If this is
10 America's fuel, why are we shipping it all overseas?
11 It's going to cause the price to go up. So the price
12 for natural gas and for heating oil and for propane is
13 the highest level it's been. So I would appreciate if
14 DEP not only puts in new regulations but actually
15 enforces them. That would be a real novel concept.
16 Thank you very much.

17 CHAIR:

18 Next we have Peggy Maloof.

19 MS. MALOOF:

20 My name is Peggy Maloof, 703 Heart Lake
21 Road, Montrose, Pennsylvania. I am a member of the
22 Susquehanna County League of Women Voters and the
23 League of Women Voters of Pennsylvania for whom I
24 speak.

25 The League applauds the Environmental

1 Quality Board for extending public hearings on this
2 proposal. This is consistent with our ongoing
3 commitment to inform citizen participation in
4 government decision-making.

5 Tonight we focus on the protection of
6 public resource provisions of the proposed oil and gas
7 regulations. Based on our national position, we
8 believe that government policies should promote
9 environment beneficial --- an environment beneficial
10 to life through the protection and wise management of
11 natural resources in the public interest. In concert
12 with the Pennsylvania Constitution, our advocacy stems
13 from Article 1, Section 27 that assures us the right
14 to clean air, pure water and the preservation of
15 natural resources, today and for generations to come.

16 Based on our statewide study, consensus
17 and position, we recognize that the production of
18 natural gas significantly impacts the environment and
19 the economy. However, such environmental development
20 should not come at the expense of our natural
21 resources and public recreation areas.

22 Given these positions, we address
23 Application Requirements. The inclusion of mandatory
24 notification of well permits within close proximity to
25 public resources, and the identification of parent

1 subsidiary business entities are most helpful.

2 The following League recommendations
3 strengthen the protections of public health and the
4 environment: Post the entire text of all well permit
5 applications when submitted and grouped by watersheds
6 and political subdivisions. This should be in an
7 easily-accessible location, written in a user-friendly
8 format to facilitate public review.

9 Extend proof of adequate investigation
10 and assessment regarding state, federal, threatened or
11 endangered species with respect to all ecologically-
12 significant species and communities. Given the
13 rapidly increasing rate of environmental degradation
14 and evolving issues related to climate change, a
15 broader purview will offer greater protection for our
16 Constitutional rights.

17 Trigger the initiation of the
18 application process when permit modifications and
19 renewals occur, while still avoiding other permit
20 duplication.

21 Expand minimum required distances around
22 proposed surface locations. The proposed distance of
23 200 feet from these site is inadequate. Degradation
24 from noise, light and air pollution extend beyond such
25 limits. The proposed distance of 1,000 feet from a

1 drinking water source is inadequate. Homeowners have
2 a 3,000 foot distance from water wells and springs for
3 required notification. Taxpayers deserve the same
4 protection for their public resources. Based on the
5 Duke University study, a distance of a mile or more is
6 needed to safeguard public health.

7 Extend the 15-day period to 30 days for
8 a public resource agency to make recommendations based
9 on a comprehensive review, analysis and response. The
10 national park review should be the minimum standard
11 used to protect Pennsylvania public sites.

12 Allow the public, not the applicant, to
13 determine a description of the function and uses of
14 public resource required by the permit.

15 Include conditions for cumulative as
16 well as site-specific modifications to avoid and
17 mitigate impacts to public resources. The rights of
18 Pennsylvanians should take precedence over the optimal
19 development of oil and gas resources. It should be
20 industry's responsibility to prove their actions will
21 not be harmful. And their executives should be held
22 financially and criminally responsible for damages to
23 public resources.

24 Post permit renewals consistent with the
25 recommendation for all permit applications.

1 Finally, we support the addition ---.
2 We support the addition of disposal and enhanced
3 recovery well permits to the proposed regulations.
4 However, we suggest these relatively new hazards be
5 examined with greater scrutiny, consistent with the
6 environmental impact studies of the National
7 Environmental Policy Act.

8 The League appreciates your
9 consideration of our comments this evening. Thank
10 you.

11 CHAIR:

12 Thank you, Peggy. Next we have Vera
13 Scroggins.

14 MS. SCROGGINS:

15 I'm Vera Scroggins, and I live in
16 Bradley, Pennsylvania, Silver Lake Township,
17 Susquehanna County. And I'm the Director of Citizens
18 for Clean Water.

19 I've been documenting the
20 industrialization, the heavy industrialization, of our
21 county since 2008, showing what is happening right
22 next to homes, within 300 feet of homes, and what is
23 happening on school grounds and on farms where we
24 produce our food.

25 Five school districts in our county ---

1 they are all leased. One school district has two gas
2 wells and high pressure gas pipelines. And now we
3 even had consideration in the paper recently by the
4 superintendent of Elk Lake Schools ---. Mr. Bush, has
5 said that he would consider a compressor station and a
6 dehydrator, a processing situation, right there on the
7 school grounds, which I find absolutely appalling and
8 disturbing.

9 I would like to say that we have
10 continuing contamination of water in our county,
11 besides the rest of Pennsylvania. You're now
12 proposing 40 more regulations. How are you going to
13 enforce them? Where are the inspectors? From what
14 I've been told recently by an inspector, there's only
15 three oil and gas inspectors for the Northeast Region,
16 and we have two inspectors for water quality. How is
17 that going to be able to help us? We need many more
18 inspectors. We need a Governor that is truly wanting
19 to enforce and regulate and he needs to supply
20 hundreds of inspectors.

21 I just looked at a site ---. I just
22 looked at a gas site near my home in Silver Lake, the
23 Ftorkowski (phonetic) Farm. This is a farm. They
24 have two gas pads on this farm. It is presently being
25 fracked. Ftorkowski South is being fracked. Then

1 when I looked up the amount of inspections, there's
2 only one, and they're already fracking. One
3 inspection for a whole gas pad where there are four
4 wells. This I considered absolutely unacceptable,
5 even disgraceful. I do not feel protected in my own
6 township in my own county.

7 So, therefore, you now are proposing 40
8 more regulations. What is the point? And why are you
9 proposing them? What are you trying to tell us? You
10 mean there are problems? We need to do more
11 regulations? We need to have more oversight? You
12 mean things are not working out perfectly like the
13 industry likes to tell us? All the ads in the
14 industry, every time they hear an industry rep speak,
15 everything is fine, there are no problems. I even
16 heard one man this morning on a radio station, and he
17 said, there's no contamination. He had the nerve to
18 say that.

19 Meanwhile, we have at least 161 cases in
20 our state that we know of. I am asking for stricter
21 proposals even. I would like to expand the liability
22 distance from the gas wells. Right now it's 2,500
23 feet. If there's contamination within 2,500 feet from
24 the gas pad, the industry is automatically liable. I
25 say we need to go at least a mile or a mile and a

1 half.

2 We have cases right now that are to me
3 explicitly clear that they have been contaminated
4 since drilling and fracking. And they are a mile or a
5 mile and a half away.

6 We also have leaking wells. We still
7 have leaking wells. The industry tells us they know
8 what they're doing. Why do we still have migration of
9 methane and heavy metals in our communities? We have
10 a leaking well right now on State Route 3023. The
11 Cabot Oil and Gas has been working on it, starting
12 next month in February it will be a year. One year
13 trying to repair it. They put millions into it. They
14 don't want to admit that it could be a problem.

15 I would like to see a limitation of how
16 long they can repair or fix a leaking well. One year
17 is totally unacceptable. The people that live there
18 have to be exposed to the noise, the lights, the
19 traffic now for a year. And they still haven't fixed
20 it. And DEP has told us several times it's going to
21 be plugged. Meanwhile, Cabot resists and they keep
22 trying to fix it. So I would like to see that
23 changed.

24 And I would like to see more transparent
25 records. Every time there's a contaminated well and

1 DEP has determined it, I want to see that on the DEP
2 site. I want to know when my neighbors are
3 contaminated and I have to really start to check my
4 water even more closely and get it tested. We need to
5 have that on the DEP site every time you've determined
6 a site. Thank you.

7 CHAIR:

8 Thank you. Next is Kristin Landon.

9 MS. LANDON:

10 Hi. I'm Kristin Landon, 11 Baker Hirkey
11 Road, Tunkhannock, Pennsylvania.

12 Good evening. My name is Kristin
13 Landon, and I am a lifelong resident of Wyoming
14 County. Currently I live in Lemon Township. I hold a
15 degree in electrical engineering from Wilkes
16 University, and I have spent 20 plus years of my
17 career working for the wireless telecommunication
18 industry on siting towers and other infrastructure for
19 the industry.

20 I'm a natural gas leaseholder, a stay-
21 at-home mother of two young children, and I work full
22 time as an engineering consultant. I've been
23 observing and experiencing firsthand the Marcellus
24 shale development over the past four years. Within a
25 two mile radius of my home I have six active well pads

1 and approximately 16 spudded wells, the Hirkey
2 Compressor Station, and one freshwater impoundment.
3 The closest well is within 3,500 feet of my house. I
4 want you to know that I actually feel, hear, see and
5 breathe Marcellus development 24 hours of every day.

6 I'm here to state my support for the
7 quick passage of revisions to the Chapter 78 Oil and
8 Gas Wells Code. I've read reports on both industry
9 and environmental comments from hearings in other
10 parts of the state. Industry states the proposed
11 regulations kill jobs. Environmentalists state the
12 regulations are not strong enough. As I see it, these
13 regulations will help create jobs in the local
14 environmental and engineering firms that currently
15 exist in Pennsylvania. The industry will not stop
16 drilling because of the regulations. They are not
17 prohibitive, so the argument about job loss is
18 unfounded, in my opinion.

19 On the other side, the environmentalists
20 want strict regulations that may impede industry. The
21 proposed regulations are much better than what we have
22 currently, which is nothing. So it is of benefit to
23 the environment to enact these regulations.

24 We need compromise in the middle, which
25 is what I think these proposed regulations represent.

1 It is my understanding that both industry and
2 environmental groups work on roundtable subcommittee
3 discussions about these regulations over this past
4 year. That was the time to debate and fight it out.

5 I want to use my five minutes this
6 evening to express how critical it is to me as a
7 resident and leased landowner in the development area
8 to have these regulations in place to better protect
9 the health, safety and welfare of my community. I
10 live in a county and the township has no zoning or
11 protections for landowners on any of these issues. I
12 feel regulations are extremely important when you have
13 an industry that has a large amount of operators, 73,
14 according to the DEP executive summary document.

15 Speaking for residents of the shale
16 region, we need action now, and I urge no further
17 delay.

18 I would like to speak specifically on
19 three of the revisions being proposed. First, Section
20 78.15, Application Requirements. I'm very heartened
21 to see that the natural gas industry will be required
22 to consult with the Pennsylvania Natural Heritage
23 Program, as well as be required to notify about the
24 impacts to public lands.

25 While it is not as encompassing or as

1 protective as it should be, it is a start. And these
2 regulations need to be approved quickly to afford some
3 type of endangered species and public land protection.

4 In addition, I recommend that DEP look
5 at added provision to the section that a company
6 planning for a well, pipeline or compressor station or
7 other gas-processing facility should only be allowed
8 to apply for a permit if they have a current lease in
9 place or a letter of authorization from the landowner.

10 Currently, the above-described
11 applications can be submitted to the DEP for review
12 without a lease in place with the landowner. It would
13 save DEP's time and resources and allow the public to
14 have accurate information on the facility prior to the
15 installation, instead of receiving amendments to the
16 permit after the fact.

17 Second, Section 78.51, Protection of
18 Water Supplies. This section has brought quibbling
19 from both industry and environmental groups. I
20 understand this section to mean if my private water
21 supply was a superior supply to the Safe Drinking
22 Water Standards pre-drill, then it needs to be
23 returned to that superior level, not just safe. By
24 means of example, if my pre-drill fluoride level is at
25 a hundred milligrams per liter, and Safe Drinking

1 Water Standards is 250 milligrams per liter, and my
2 post-drilling water supply rises to 600 milligrams per
3 liter, I expect that this section will require the
4 industry to return my water supply back to a hundred
5 milligrams per liter, not 250.

6 If something happens to the quality of
7 my water as a result of drilling, it is only fair and
8 just that the quality of my water be put back to the
9 same high quality that existed before drilling. If
10 the industry or environmental groups feel this
11 language is ambiguous as written, then DEP needs to
12 make it clear in its language, perhaps by listing
13 examples as given above.

14 Third, Section 78.59, Centralized
15 Impoundments. I recommend these centralized
16 impoundments be eliminated entirely and not permitted.
17 This section was the lengthiest in the proposed
18 Chapter 78 changes, ten pages of regulations on this
19 section alone. The storing of flowback fluids in an
20 impoundment area provides inadequate protection of
21 groundwater resources. The industry can do better and
22 has done better. Many operators do not even use
23 centralized impoundments. The industry should be
24 required to use the above-ground containment systems
25 outlined in Section 78.57 of the Code.

1 Protection of groundwater and other
2 water resources should be one of the Commonwealth's
3 greatest concerns. Leaks can go undetected in these
4 centralized impoundments. Why take the chance? Since
5 there are other methods available to the industry, why
6 not require them to do the safer alternative? I thank
7 you for the opportunity to speak before you this
8 evening and provide my input.

9 CHAIR:

10 Thank you, Kristin. Next we have Mark
11 Cline.

12 MR. CLINE:

13 Good evening. My name is Mark Cline, 1
14 Longfellow Avenue, City of Bradford, in McKean County.
15 I'm a fourth generation oil man, and I'm also on the
16 Board of Directors of the Pennsylvania Independent
17 Petroleum Producers.

18 These new Chapter 78 regulations, the
19 way they are now written, will destroy the
20 conventional oil and gas business. I would like to
21 read to you the first sentence of the DEP handout
22 given at these hearings.

23 In 2012 Governor Corbett signed the 2012
24 Oil and Gas Act, Chapter 32, Act 13 of 2012, which
25 significantly revised Pennsylvania's oil and gas laws

1 to address unconventional well development in the
2 Commonwealth. I believe that sentence alone says it
3 all. Conventional operators were not meant to be in
4 these regulations, but here we are fighting to save
5 our industry because we were included in regulations
6 that were not written for us.

7 The conventional industry should never
8 have been included as we are not a new industry. We
9 have been here for over 150 years. Our two industries
10 both drill wells, but we are completely different.
11 The conventional industry drills shallow vertical
12 wells. The unconventional industry drills deep
13 horizontal wells. Their drill cuttings have
14 contaminants in them, ours don't. They have very high
15 pressures in their wells, ours don't. The
16 unconventional frack job sometimes uses 100,000
17 barrels of water. The conventional frack job uses
18 about 1,000 barrels. The amount of traffic going to
19 and from a Marcellus drill site and frack job is about
20 50 to 1 compared to a conventional well being drilled
21 and fracked.

22 The well site for an unconventional well
23 is around five acres. A conventional well site
24 averages 100 feet long by 50 feet wide. We leave a
25 very small environmental footprint.

1 I would like to tell you that we support
2 the Marcellus industry, but we should not be regulated
3 the same.

4 In 2010 the conventional industry had
5 7,280 operators of oil and gas wells in Pennsylvania.
6 There are over 100,000 oil and gas wells in PA. Most
7 of these wells produce less than a barrel of oil a
8 day, but when you take the sum of them all, they
9 produce quite a bit of oil. The year 2011 was the
10 most current year that I could find for production
11 records for conventional wells in PA. We produced
12 2,270,500 barrels of oil and 249,323,980 mcfs of
13 natural gas.

14 A study done in 2008 said that
15 Pennsylvania conventional oil and gas industry
16 supported more than 26,000 jobs and generated over
17 \$7 billion each year, with an additional \$200 million
18 in annual royalty payments to landowners.

19 These conventional wells produce Penn
20 Grade Crude oil, which is the best lubricating oil in
21 the world. There are two refineries that refine Penn
22 Grade Crude oil. One is in Bradford, PA and the other
23 is in West Virginia.

24 American Refining Group in Bradford is
25 the oldest continually running refinery in the world.

1 They are now operating at 2,000 barrels a day less
2 than they would like because of a shortage of oil.
3 Fewer wells are being drilled because of Act 13, and
4 now these Chapter 78 regulations are going to make
5 things impossible for conventional operators to drill
6 new wells and operate their older wells.

7 Most of the 7,280 conventional operators
8 will be put out of work. The jobs lost from companies
9 that deal indirectly with the conventional industry
10 will be many times that in people out of work.

11 What the conventional industry is asking
12 for is to revert back to the regulations of the 1984
13 Oil and Gas Act and have our own inspectors. The
14 Marcellus industry should have their own regulations
15 and inspectors. The reason we are asking for separate
16 inspectors is there are too many regulations to learn,
17 and enforcing the right regulations to the right
18 industry would be complicated.

19 On behalf of the conventional operator,
20 I am asking the Environmental Quality Board to not
21 pass these regulations as they are now written. Thank
22 you.

23 CHAIR:

24 Thank you, Mark. Next we have David
25 Buck.

1 MR. BUCK:

2 Are you ready? Thank you. Thank you
3 for letting us be able to speak tonight here in
4 Tunkhannock.

5 Dear members of this hearing, I am David
6 A. Buck of 7417 Route 187, Sugar Run, ZIP Code 18846.

7 I live and my occupation is on the
8 Susquehanna River. I own a canoe and kayak livery
9 business, and we are in the 15th year of business.
10 The Susquehanna River is a national recreation water
11 trail, and is a national historic water trail. It's a
12 connector trail to the Captain John Smith historic
13 trail in the Chesapeake Bay.

14 The river has national recognition, but
15 it's not a scenic designation. The water quality of
16 the river is also the quality of life of the
17 Chesapeake Bay.

18 On January 23rd, 2014 our water quit
19 flowing into our house from our well. Our water lines
20 had frozen. It's a simple problem, but it was a short
21 time without water that makes me realize how important
22 our water really is.

23 The contamination of the river in West
24 Virginia was a large wake-up call when thousands of
25 people lose their water to a chemical spill. How long

1 after an event like this does it take before one can
2 allow their children to drink or bathe in once-
3 contaminated water.

4 A methane leak from a gas well being
5 drilled almost two miles from my home contaminated the
6 water wells near my residence and my neighbors. I
7 have two residential wells that were contaminated that
8 Chesapeake Energy had to install expensive water
9 treatment systems on. I want to sell both of these
10 properties and having had a water problem reduces the
11 value and the possibility of buyers.

12 The methane problem seems to be going
13 away, the methane --- excuse me. The methane problem
14 seems to be going away. The methane bubbles in the
15 river have diminished, but the threat lingers. A
16 neighbor, Ed Bidlack, who owns the business, Ed's
17 Heating, is not as fortunate. His water well is
18 polluted so bad he does not have any water that's safe
19 to use. He has water bottles brought to his
20 residence. He spoke to me about this problem. I'm
21 sure those of you sitting on this Board know about
22 this.

23 Here's a home and business with no
24 water. How does that diminish the value of his
25 investment property? Who makes up the difference of

1 the money? Are there others --- buyouts of improper
2 drilling activities that have had total polluted water
3 supplies? If the chemicals are in the aquifers of our
4 drinking water, it is only a matter of time before it
5 is in the Susquehanna River.

6 DEP was proud to release a short
7 documentary last week about the research they are
8 doing on the lower Susquehanna to maybe find out what
9 is causing the smallmouth bass to be scarred with
10 sores and black marks. If you have not seen this
11 link, it's interesting.

12 I think that DEP should be ashamed to
13 even show this. I've heard from scientists that have
14 been studying the river, this is a piece of crap that
15 I've seen about the Susquehanna. If it is
16 antibacterial soaps and personal hygiene cleansers
17 that are polluting the river, then ban them from use
18 in our watershed. Little mention of sewage that is
19 being released every day into the river.

20 Now, on top of that, drilling chemicals
21 are left in underground areas all throughout Northern
22 Pennsylvania. It will surface someday and may go
23 undetected in our drinking water and in the river
24 until it's detected by sickness or death.

25 Our forefathers who burned and destroyed

1 the Indian villages along the beautiful Susquehanna
2 River did, when the dust settled, guarantee the
3 residents of this state clean air, clean water. You,
4 the Department of Environmental Protection, are not
5 doing your job.

6 Whether you are staffed, understaffed,
7 reregulated or somewhere along the line bought out,
8 the citizens can only throw their hands up in the air.
9 Environmental Protection, do your job.

10 When the big --- excuse me, the big gas
11 corporations have drilled and gone away, who pays the
12 Pennsylvania citizens for the loss of clean water?
13 With that being said, not to weaken proposed
14 regulations and our standards of living by pressure
15 from the gas and oil industry, 200 feet is not enough
16 distance from the important lands or structures.

17 The legislation is even now up in the
18 House to reduce riparian distances between our
19 waterways. If I would stand in this room, I would say
20 I'm probably not too far from 200 feet from that
21 corner of this room to this corner. It's not far
22 enough. Thank you.

23 CHAIR:

24 Thank you, David. Next I'm calling Tom
25 Shepstone. Thank you.

1 MR. SHEPSTONE:

2 Good evening. My name is Tom Shepstone.
3 I'm from Honesdale, Pennsylvania, 100 Fourth Street.
4 I'm a planning and research consultant and I've
5 consulted with numerous municipalities throughout
6 Northeastern Pennsylvania gas region, and I've
7 assisted some of them in drafting some regulations
8 having to do with certain aspects of the industry.
9 I also have consulted with some gas companies. I'm a
10 leased landowner myself, and I publish a blog called
11 NaturalGasNOW.

12 I support most of what is in the
13 proposed new version of the Chapter 78 regulations,
14 because they strike a reasonable balance of economic
15 and environmental concerns, and address some of the
16 details that need to be addressed to keep
17 Pennsylvania's regulatory program where it needs to
18 be.

19 Nonetheless, I remind you,
20 Pennsylvania's existing regulations were reviewed in
21 the fall of 2013, just last year, under the State
22 Review of Oil & Natural Gas Environmental Regulations,
23 or STRONGER program. It was determined the
24 Commonwealth's oil and gas regulatory program, even
25 before the currently proposed revisions, was well-

1 managed, professional and meeting its program
2 objectives. Moreover, this followed an earlier
3 STRONGER report that called Pennsylvania's hydraulic
4 fracturing regulations one of the nation's most
5 stringent.

6 So the system is hardly broken. We
7 don't need to fix anything, although upgrading and
8 tweaking to keep up with technology are always
9 warranted, provided Pennsylvania avoids the temptation
10 to fall into mission creep, that horrible disease of
11 all governments that has paralyzed our neighboring
12 state of New York and resulted in job stagnation, and
13 sales tax decline just over the border. We don't need
14 their zero job growth across the Southern Tier or
15 recently announced 8.7 percent sales tax decline in
16 the Binghamton area.

17 What we do need is a balanced set of
18 regulations, not unlike the ones we have now, that
19 have protected the environment, allowing our economy
20 to compete with that of other states. The proposed
21 revisions to these regulations include a few troubling
22 things in that regard. Most important is the addition
23 of a new category of protected species, an action that
24 will empower special interests to throw up regulatory
25 obstacles to any and all development for what are

1 purely speculative concerns of no substance.

2 Section 78.15(f)(iv) refers to critical
3 communities and special concern species, neither of
4 which is defined, except to say they're the same. We
5 already have federal and state-listed threatened and
6 endangered species list. We already give more rights
7 to some species than we do to people in this
8 Commonwealth.

9 While the industry has supported
10 protective measures for endangered and threatened
11 species and will continue to do so, there's absolutely
12 no basis for designating species this way. It is a
13 loophole just waiting to be exploited by unscrupulous
14 opponents of development as a delaying tactic. It is
15 vaguer than the morning fog in some parts of Route 6.

16 How would any such list be generated?
17 Will environmental special interests be effectively
18 making it up for DEP by challenging every application
19 with form letters objections based on the possible
20 existence of some relatively rare but non-threatened
21 plant? What criteria will be used to determine
22 whether there's an impact to a species and to mitigate
23 it? This is a recipe for unending uncertainty, which
24 is what is killing New York. We don't need this in
25 Pennsylvania. I urge you to revise the proposed

1 regulations to eliminate this and other unwarranted
2 extensions of legislative authority. Thank you.

3 CHAIR:

4 Thank you, Tom. Next we have Carolyn
5 Nepp (phonetic). Carolyn Nepp?

6 MR. FERULLO:

7 Carolyn isn't here tonight, but she said
8 I could speak in her place.

9 CHAIR:

10 Okay. We need to get your information,
11 then.

12 MR. FERULLO:

13 Huh?

14 CHAIR:

15 We'll have to get your information.

16 MR. FERULLO:

17 Yeah, okay. I have it here. My name is
18 William Ferullo.

19 CHAIR:

20 Can you spell that, please, for us?

21 MR. FERULLO:

22 Yeah. It's F-E-R-U-L-L-O. Okay? My
23 name is William Ferullo. I live at 4834 Leraysville
24 Road, Bradford County, Warren Center, Pennsylvania.

25 I could really rattle on here for quite

1 a long time, especially since my friend there, Tom
2 Stepstone (sic) has just spoken, who he knows me by
3 --- online I've talked to him, and I think I've met
4 him a couple times. Actually, he's a person that
5 really doesn't know what's going on, in my opinion,
6 but I won't go there. Okay.

7 After experiencing natural gas drilling
8 and extraction in my area of Northeast Bradford
9 County, PA for the last four years, and seeing raised
10 issues related to gas drilling go unregulated or just
11 plain ignored by the State of Pennsylvania, I have
12 made it my point of concern to propose the following
13 regulations for the extraction of natural gas in this
14 state that uses the process of hydraulic --- hydro-
15 fracking.

16 Although natural gas drilling will never
17 be totally safe or predictable, due to the process
18 itself, possibly these proposed mandatory regulations
19 will help improve the conditions the public involved
20 will have to endure in the future here in
21 Pennsylvania. Number one, the water supply should be
22 restored to the standard of the Safe Drinking Water
23 Act at a minimum, with emphasis on being more
24 concerned for the public having issues caused by the
25 natural gas extraction process and speeding up the

1 resolving of such issues related to the drilling,
2 which is not being done right now. I know people that
3 it's over a year and they have no response from the
4 DEP at all, not even a call or a letter.

5 Number two, the DEP should establish
6 standards to protect people in drilling areas with
7 mandatory pre-drilling and after-drilling regulations
8 throughout the State of Pennsylvania.

9 Number three, testing of all drilling
10 cuttings and waste from natural gas drilling processes
11 should be made mandatory and comply to safe standards
12 for the public.

13 Number four, establish strict standards
14 and regulations for silica sand dust contamination
15 from fracking on sites near people's homes that's only
16 a few hundred feet away. This is not being addressed
17 at all. And I have called the DEP a number of times,
18 and they tell me I should contact my legislators. And
19 the legislators kind of pass the buck to the DEP. So
20 it's just a constant game here, you know what I mean?

21 All right. Let's see, number four ---.
22 Number five, establish mandatory regulations using the
23 best technology known to eliminate pollution from all
24 natural gas-related operations and facilities.

25 Number six, create a statewide

1 information and response program throughout the State
2 of Pennsylvania to inform and protect all residents
3 from possible dangers caused by natural gas
4 operations.

5 Number six, increase all air-monitoring
6 sites close to sources of pollution and facilities of
7 natural gas extraction, protecting local residents
8 from sources of pollution and inversion caused by the
9 local mountainous terrain that we have here in
10 Northeast Pennsylvania and in other spots of the
11 state. In other words, inversion. Okay?

12 Number seven, the use of Halliburton
13 CleanStim should be made mandatory for all future
14 fracking done anywhere in the State of Pennsylvania,
15 mandatory. CleanStim is a cleaner ---. Not that I
16 promote it, but at least it's a step towards doing
17 something. I have lived with this here now four
18 years. And I hear all of these people from the
19 industry talk about how wonderful. I watch
20 commercials. I see all these guys with all this ---,
21 I mean, they got papers here. I've seen them flip
22 through papers here and they're all in the jobs and
23 all that stuff.

24 I spent the day today down at Bradford
25 County Commissioners with a person who has been out of

1 his house for almost a year and the DEP has done
2 nothing. I talked to the head counsel. I've done
3 everything. This person had to leave his house
4 because of methane in his water and fumes in his home.
5 Him and his wife left his house. They left everything
6 there. They rent a place now in Johnson City, New
7 York for a thousand dollars a month. Nobody's done
8 nothing for them. The State, the DEP has done
9 nothing, nobody. So today I went to the Bradford
10 County Commissioners.

11 Okay. That's all I've got to say. I
12 hope this doesn't just pass in the wind and something
13 is really done. Thank you.

14 CHAIR:

15 Thank you, Bill. I just wanted to make
16 a quick note. And just to be respectful of everybody
17 in the room, please do not reference anybody
18 personally in your comments. We respect everybody's
19 opinion and we know that this is a very interesting
20 and at times contentious process. So we just want to
21 be respectful of that. Thank you. Next we'll call up
22 Howard Hannum.

23 MR. HANNUM:

24 Howard Hannum, H-A-N-N-U-M, Sidney
25 Center, New York, which is located in the Southern

1 Tier of New York, about 50 miles north of Montrose,
2 where we currently have 5.6 percent job growth, the
3 cleanest air in the world, the cleanest water in the
4 world, and the best organic farms in the world.

5 As a good neighbor policy, on behalf of
6 the Concerned Citizens of the Southern Tier of New
7 York, I would like to comment on the new proposed
8 regulations.

9 78.51 and 78.52. We would like all
10 current and future water quality tests to be done by
11 an independent lab to include the required
12 certification. We do not think it's appropriate to
13 have the lab of choice be selected by the operator.
14 Therefore, we'd like to see the DEP put a halt to this
15 policy.

16 78.52. We'd like to see the Department
17 identify spent wells and enter each one into a
18 database to make for easier identification. We would
19 like any and all spent wells to be capped before any
20 future work begins.

21 78.70. We would like to see brine
22 spreading on roadways to be discontinued. We would
23 like to see harsh penalties for any operator that
24 spreads brine on any roadway, and especially those
25 near schools, bus stops, churches, as well as

1 hospitals and any roadway that is used for walking
2 pets, hiking and biking.

3 In general, we'd like to see any and all
4 gas drilling operations, including gathering lines,
5 pipelines, transportation, operations and compressor
6 stations prohibited within a mile from all schools,
7 churches, bus stops, parks and hospitals as well as
8 any public place used for congressional ---
9 congregational purposes. We'd also like to see these
10 same listed operations banned from all State Forests
11 and State Game Lands.

12 We would like to see the Department put
13 a halt to mountaintop removal. We would like the
14 Department to put a halt to open air pits for produced
15 water and wastewater, as well as drill cuttings. We'd
16 like to see onsite burial of these same items
17 prohibited. We would like to see the prohibition of
18 open air pits with liners as well.

19 Here at the Concerned Citizens of the
20 Southern Tier of New York, we would stand with the
21 Clean Air Council in favor of green completion
22 technology used for any existing and future gas
23 drilling operations to include well pads, compressor
24 stations, pipelines and gathering lines and
25 fibulators, ventilators and dehydrators, LNG

1 processing facilities and fertilizer manufacturing
2 facilities.

3 And finally, while we stand with the
4 Clean Air Council on the issue of green completion, we
5 think the best course of action is to enact a
6 statewide two-year moratorium on any current and
7 future gas drilling exploration in order to sit down
8 at a table for intelligent discussion with members of
9 the DEP, the gas drilling industry and concerned
10 citizen groups across the State of Pennsylvania.

11 CHAIR:

12 Thank you, Howard. Next we have
13 Epifanio Bevilacqua. I apologize if I mispronounced
14 that.

15 MR. BEVILACQUA:

16 Hello. How are you doing? We've been
17 mostly talking about putting a compressor station to
18 put --- and well pads to put computerized monitors.
19 And I've also called DEP of Pennsylvania. If they
20 hang up the phone in Pennsylvania, what are we going
21 to do in New York when they start coming? So we don't
22 want them in New York, period. We have too much to
23 lose in New York. We have too many people depending
24 on the water that's being brought down to the five
25 boroughs and people up here. The Susquehanna River is

1 already enough polluted.

2 And I have family in Sidney also. I
3 have a grandchild coming along, so we don't need to
4 have people have cancer from all kinds of ingredients
5 that they put into these things and we just keep
6 polluting the air and everything else.

7 We also need to have them do less
8 pollution. And we have to maybe get Homeland Security
9 to oversee all of it. It's our homes. It's homeland.
10 Homeland gets involved with terrorists. We have
11 terrorists right in our backyard, the oil companies
12 and all the industries. So we need Homeland Security
13 to come in and clean up house the way they clean up
14 houses and organizations in Manhattan and all over the
15 place. And I've seen it done. People that don't do
16 their jobs, people that are participators, so we need
17 Homeland Security in this. Thank you.

18 CHAIR:

19 Next we have Reverend Dr. Ellen Silvilo
20 (phonetic).

21 MR. HANNUM:

22 Dr. Silvilo is not with us today, ---

23 CHAIR:

24 Thank you.

25 MR. HANNUM:

1 --- because of the weather.

2 CHAIR:

3 Thank you. Okay. Well, next we will
4 have Kathy McNulty.

5 MR. HANNUM:

6 Kathy's not with us either, because of
7 the weather. It's snowing in New York.

8 CHAIR:

9 Oh. Thank you. We'll move on to
10 Victoria Switzer.

11 MS. SWITZER:

12 Victoria Switzer, Dimock, Pennsylvania.
13 On November 18th, 2008, I attended the Senate Majority
14 Policy Committee hearing, held at the College
15 Misericordia in Dallas, Pennsylvania. It was
16 advertised as a public hearing to better understand
17 and manage the opportunities and challenges posed by
18 the development of the Marcellus Shale Play.
19 Industry, elected officials, representatives of DEP
20 and DCNR, as well as others, were slated to speak. It
21 seemed like an opportunity for citizens to learn more.
22 I was particularly interested, since we already had
23 over a dozen unconventional gas wells drilled near my
24 home.

25 To summarize that first hearing, the gas

1 industry representatives complained about the
2 burdensome paperwork Pennsylvania required,
3 demonstrating with a huge pile of papers and the
4 delays it cost in obtaining permits. One by one
5 industry reps warned of ominous consequences if DEP
6 did not become more welcoming. They would move
7 drilling rigs to West Virginia and delay transfer of a
8 significant number of employees into PA because
9 permitting delays were worse than any other state.
10 Texas had a seven-day permit wait and Pennsylvania had
11 a 45-day process in place at the time.

12 With new wells going in monthly in my
13 neighborhood in 2008, I wondered what delays had
14 occurred there.

15 The GOP Senators were very sympathetic,
16 nodding their heads and went further to expound on the
17 importance of thousands and thousands of jobs, and
18 even denounced the danger of killing the Golden Goose.

19 When the newly appointed Secretary of
20 DEP, John Hanger, concluded his remarks with the
21 emphasis on the need to protect Pennsylvania's
22 environment, he was directed to streamline the
23 process.

24 Fast forward to now. That Goose has
25 been very busy in the past six years, \$800 million

1 plus at the wellhead, and over \$4 billion and some
2 change for residential price. And that's just from
3 one Goose in a four-mile radius of Dimock.

4 I'd say we are well past the point of
5 worry that the industry will not set up drills or
6 bring their workers to Pennsylvania. In fact, I would
7 say we know a lot more of what they will bring. That
8 train has left the station and it is loaded. Where
9 that train is heading remains the challenge.

10 Regarding (sic) the regulations and
11 proposed revisions to Chapter 78 is almost as
12 difficult to get through as the Affordable Healthcare
13 Act. Try as I may to be a participant and not a
14 victim in the process of submitting the suggestions, I
15 focused on the section on pits. I know a little about
16 pits.

17 There are pages of requirements and
18 directions on how to do the pits. How about no pits?
19 The idea to allow any pits to be buried on a
20 landowner's property without having to obtain his or
21 her consent was dropped because the industry protested
22 and DEP determined such restrictions were not
23 practical.

24 Each morning, faithful to my commitment
25 to never again be ignorant regarding natural gas, I

1 read the gas news. Invariably the morning headlines
2 proclaim yet another ban in another city, another
3 community, another country, no fracking. Other
4 headlines announce the liquification and exportation
5 of our resource. Exclusive world buyers line up to
6 buy U.S. natural gas, China, Japan, India. Even
7 Forbes Magazine published an article with the lead-in,
8 Billionaire Father of Fracking, George Mitchell, Says
9 Government Must Step Up Regulations.

10 We know all too well that the necessary
11 sacrifice will be allocated to areas of poor, rural,
12 nonzoned communities. Certain areas, areas with
13 affluence and influence will be exempt from the
14 massive industrialization of their backyards, front
15 yards and even their school yards.

16 DEP, Department of Environmental
17 Protection, I suggest you no longer regulate or
18 mitigate what harm is allowed but do everything in
19 your power to prevent it. And if you do not have the
20 ways, the means to do so, then stop issuing new
21 permits. You are the foot soldiers, boots in the
22 field. You were hired to protect Penn's Woods.

23 As for the elected officials, DEP, hit
24 the pause. There is no rewind for this, only a fast
25 forward into a disastrous future for the children,

1 your children, our children.

2 CHAIR:

3 Next we have Melissa Troutman.

4 MS. TROUTMAN:

5 Hi. My name's Melissa Troutman. I'm at
6 122 Billy Lewis Road, Coudersport, Pennsylvania in
7 Potter County. Apologies for exceeding the five
8 minutes at the last hearing. I'm going to try to be
9 extra brief tonight.

10 At the last hearing in Indiana, Ron
11 Slabe, from Westmoreland County, testified about
12 shallow fracking in his township of Upper Burrell by a
13 small conventional driller born and raised in
14 Pennsylvania --- Penneco. And I was reminded of that
15 shallow fracking, shallow fracking by a conventional
16 driller.

17 DEP defines conventional and
18 unconventional not by methods used or the amount of
19 pressure used, but by what formation is being drilled.
20 Or in fracking, in this case, last part. And please,
21 somebody interrupt me and even shout at me if I'm
22 wrong, but I don't remember seeing anything --- any
23 mention in the proposed regs of pressure at all. And
24 so I'd just like to propose that, you know,
25 considering that some conventional drillers are doing

1 shallow horizontal fracking now, that maybe the
2 regulations conventional and unconventional
3 definitions are revisited to incorporate more of the
4 methods used, the amounts of pressure, yada, yada,
5 yada, rather than just the formation that happens to
6 be.

7 Like I said, I saw no ---. I saw really
8 no mention of pressure in the regs at all. And in the
9 documentary, Triple Divide, I submitted at my last
10 testimony, Jim Harkins, who is a resident in Potter
11 County, his well water turned brown two days after
12 fracking, and that was attributed to the movement of
13 pressure underground. The company provided water
14 until it cleared up, but, you know ---. And, again,
15 in the film, Triple Divide, we have hydrogeologist Bob
16 Haag, who explains the pressure bulb effect from
17 fracking. And I'm also including Mr. Haag's report
18 about the pressure bulb in my --- with my testimony.
19 And I urge you to take into consideration the pressure
20 bulb and other factors when you revise these
21 regulations, hopefully.

22 I know we cannot stop oil and gas
23 production cold turkey, but we can certainly put on
24 the brakes. Conventional drilling is not without its
25 own legacy of pollution in some parts of the state,

1 but it's nothing like the high volume slick-water
2 bores in hydraulic fracturing or modern fracking going
3 on today.

4 The industry wants to do an estimated
5 over 100,000 frack bore holes underneath three-
6 quarters of Pennsylvania. And does anyone know what
7 the net effect of that will be, you know, on the
8 bedrock of our state, really? A hundred thousand new
9 holes and there's an estimated 250,000 old and
10 abandoned ones that still need to be plugged. We
11 don't have any cumulative figures on what this is all
12 going to mean for our water and our soil and our
13 public land and our climate.

14 I mentioned at the last hearing that
15 Pennsylvania has more freshwater resources than any
16 other state, except Alaska. And meanwhile DEP hasn't
17 denied a single stream setback. 87,000 miles of
18 streams in this state and there has not been an
19 opportunity to enforce a stream setback?

20 We are all here nitpicking the new regs
21 and the old ones aren't even being enforced. So where
22 does that leave us? Why are all the people taking our
23 time to do this? Everyone whom the Department is
24 supposed to be looking out for, it leaves us right
25 where we should be, I guess, paying attention. And

1 all over the state people are waking up more and more
2 every day and saying, hell, no, I do not want this,
3 it's not being done right.

4 And what do our great protectors do in
5 return? The DEP and the informative administration
6 are trying to trump the State Constitution by taking
7 away our verbal rights to say no. This is America,
8 land of the free and home of the brave; right?

9 I want to leave you with two quotes,
10 both by Pennsylvanian's I greatly admire. The first
11 is Dr. Stephen Kleghorn. And I promise I'm not giving
12 away the end of Triple Divide when I say he has these
13 last lines, but Dr. Kleghorn says, you do not scare
14 me. You ought to be scared of me and what I'm capable
15 of nonviolently to resist you, because this is my life
16 and you don't get to take away my life without a
17 fight.

18 And the second quote is by Ralph Abele,
19 who served many state conservation posts, including
20 head of the Pennsylvania Fish and Boat Commission for
21 15 years until 1987. And Ralph pretty famously said,
22 do your duty and fear no one. So thank you.

23 CHAIR:

24 Thank you, Melissa. Next we have Joshua
25 Pribanic.

1 MR. PRIBANIC:

2 Good evening. My name is Joshua
3 Pribanic. I'm here to submit comment as an
4 investigative journalist for the nonprofit news
5 organization, Public Herald and as the co-director of
6 the documentary on fracking, Triple Divide.

7 My comments today will focus on Section
8 78.62 of the proposed rulemaking regarding pre-drill
9 testing, prealteration surveys.

10 On February 23rd, 2012 a resident of
11 Windham Township in Wyoming County called in to
12 complain to DEP, stating that their water had changed
13 since drilling occurred. The call is documented in
14 DEP water complaint files under the number 287194. A
15 month later DEP responded, conducted post-drill tests
16 of the water supply. During the testing, the resident
17 voiced concerns to DEP about drinking their water.
18 DEP field staff stated in the complaint file, I
19 further explained to the property owner, I'm not
20 making an assessment whether or not the water is safe
21 to drink. I explained that sampling I will conduct is
22 an attempt to determine if changes were the result of
23 drilling activity, end quote.

24 Post-drilling test results by DEP found
25 elevated levels of iron, manganese and aluminum.

1 Arsenic tested at .463 milligrams per liter, which is
2 46 times above the safe level for human consumption.
3 The investigation notes that pre-drill test results
4 found no technical levels of methane in the drinking
5 water, whereas post-drill test results found methane
6 above levels --- alert levels and in some cases 14,000
7 micrograms per liter, approaching explosive levels for
8 a home.

9 These tests all proved the drinking
10 water supply had changed from pre-drilling conditions.
11 However, DEP concluded that natural gas drilling did
12 not impact this drinking water supply. This story is
13 not uncommon. So far there have been over 60 fracking
14 complaints in Wyoming County submitted to DEP. Here's
15 what happened to a few of them.

16 Complaint number 282615 found explosive
17 levels of methane at 30.6 milligrams per liter.
18 Complaint number 297422 saw contamination after
19 fracking. Complaint number 282558 found methane at
20 25.8 milligrams per liter after fracking. Yet these
21 complaints from legitimate pre-drill data were poorly
22 investigated by DEP in Wyoming County, then received
23 non-impact determination letters. In fact, they're
24 not included in that 161 number that's been mentioned
25 many times in the state.

1 In Triple Divide, we spent nearly 15
2 minutes to show how DEP mishandled pre-drill testing.
3 In April 2011, Chesapeake Energy experienced a blowout
4 at the Atgas 2h well in Leroy Township. Chesapeake
5 hired SAIC, who studied seven residential water wells
6 near the blowout, which included pre-drill water tests
7 for each well.

8 In October 2011, SAIC sent DEP their
9 conclusions, which showed one water well named RW04,
10 1,200 feet directly downhill from the blowout, had a
11 tenfold increase in methane and other contaminants,
12 and ethane and arsenic that were not found in pre-
13 drill tests showed up in post-drill tests.

14 Regarding this well's significant change
15 in water quality after the blowout, Chesapeake
16 concluded their own pre-drill water tests did not
17 reveal the well's true water quality, that the water
18 quality was always this way before the drilling.

19 In the final consent order, DEP
20 neglected to address the failed pre-drill test
21 scenario and allowed Chesapeake Energy to go
22 unquestioned.

23 A decision like this not only changes
24 the water quality history of this state, but it
25 establishes a preexisting condition that can be used

1 by industry to avoid liability in other cases. For
2 multiple pre-drill tests to go through a DEP-certified
3 lab and later be discarded by industry, draws into
4 question the validity of baseline data collected as a
5 whole from both DEP and industry.

6 DEP has been aware of these cases long
7 before these hearings were scheduled. They're aware
8 of the pre-drill scandal, yet have done nothing in
9 these updates to correct it.

10 In conclusion, based on the science
11 available to DEP and to the EQB Board, Section 78.62
12 on pre-drill testing is a failure to both resources of
13 Pennsylvania and to the Americans that have protected
14 these resources for decades prior to fracking.

15 If you do not change this section by
16 including specific testing parameters and exactly how
17 many pre-drill tests represent the drinking water
18 supply, more Pennsylvania residents will go
19 unprotected not by the result of failed science, but
20 by a criminal negligence on your part to establish
21 comprehensive laws based on available data. In
22 essence, your lack of action is forcing more residents
23 to drink contaminated water by no fault of their own.
24 Use the science, study the data and change this
25 section to protect Pennsylvania drinking water sources

1 for generations to come. Thank you.

2 CHAIR:

3 Thank you, Joshua. Next we have
4 Adrienne Panuski.

5 MS. PANUSKI:

6 Hello. My name is Adrienne Panuski and
7 I am from Luzerne County, Pennsylvania. I am a
8 citizen concerned about the current impacts of oil and
9 gas drilling operations throughout Pennsylvania.

10 I believe the best way to protect
11 Pennsylvania citizens and our natural resources are
12 through transparency and accountability. Every
13 Pennsylvania citizen has a right to their health,
14 clean water and clean air. I believe and urge the
15 Pennsylvania Department of Environmental Protection to
16 make as much information as possible from gas drilling
17 operations available to the public online so the
18 public can have all the information necessary to
19 choose where they would like to live.

20 For each recommendation that I mention,
21 I would highly urge that the DEP create an online
22 database available for free to the public so the
23 public may have access to that information at any
24 given time.

25 First, I highly urge the DEP to make all

1 drillers conduct pre-drill water testing and air
2 testing at sites and not at the cost of the property
3 owners or those living within the area. I highly
4 recommend this testing be completed by a neutral third
5 party that has no ties to the gas industry or even the
6 DEP. If water should become contaminated after
7 drilling has occurred, it should be up to the driller
8 to pay the costs and return the water quality to the
9 highest standards available for drinking water.

10 Secondly, I urge the DEP to make it
11 mandatory for all drillers to provide a list of
12 chemicals they use in their drilling process, and the
13 dangers to humans and the environment. It should be
14 prohibited to not list a chemical because it is
15 considered proprietary. With public health and safety
16 in mind, if a disaster were ever to occur, how would
17 the public know how to prevent exposure or treat
18 exposure to these chemicals if they are not known?
19 How would our emergency room personnel know how to
20 treat citizens as they come in with varying symptoms?
21 This is why it is critical that a regulation be passed
22 to make these chemicals available to the general
23 public, first responders and medical personnel.

24 Third, since the technology already
25 exists to contain contaminants in closed-loop systems

1 and tanks, then I urge DEP to propose in their
2 regulations the requirement for closed-loop systems.
3 All open pits should be banned, including temporary
4 pits. The suggested nine-month allowance is also too
5 long for temporary storage pits, and these should be
6 prohibited.

7 I agree with the DEP to have freshwater
8 impounds be registered with the Department, and I
9 suggest this information also be made available
10 online, along with open pits, temporary open pits and
11 underground partially buried storage tanks, et cetera.
12 Obviously though we would like all of those
13 prohibited, but if they are not, then we should have a
14 database.

15 I highly recommend DEP prohibit the use
16 of brine for dust suppression and de-icing and road
17 stabilization. We need to pass all regulations
18 possible to stop these chemicals from entering our air
19 and waterways and adding to the already heavy air
20 pollution we experience, especially in the winter
21 months.

22 The DEP acknowledges that public
23 resources are a major economic contributor to
24 Pennsylvania. Therefore it is absolutely necessary
25 that the strictest regulations are put into place to

1 protect these resources.

2 These regulations should also extend
3 into other areas of the gas drilling industry, such as
4 pipelines, compressor stations, gate and metering
5 stations, dehydration stations, et cetera. DEP's
6 current proposal of the Chapter 78 provisions requires
7 applicants to notify appropriate agencies when
8 applying for permits within 200 feet of a public
9 resource. I highly urge DEP to increase this distance
10 to at least a half a mile around the public resources,
11 including publicly-owned parks, forests, game land or
12 wildlife area, national natural landmarks or
13 historical or archeological sites. These areas must
14 be protected and preserved so present and future
15 generations may be able to enjoy them.

16 I live near Frances Slocum State Park in
17 Luzerne County. There are already vast stretches of
18 land that have been clear-cut for pipelines very near
19 the park. I can't bear the thought to think that well
20 pads or open pits, et cetera, can next be placed so
21 close to this State Park if stricter regulations are
22 not put in place.

23 In closing, I would like to urge the DEP
24 to extend the public comment period to the full 120
25 days. I would like to urge the DEP to hold more

1 public hearing comment sessions in other counties. I
2 live in Luzerne County, and I had to drive an hour
3 today to this hearing, since it was the closest for
4 me. And also, it seems many other people have driven
5 quite farther.

6 I believe a public hearing comment
7 session should have been held in each county across
8 Pennsylvania. I also find it extremely inconvenient
9 for the public comment period to be held during the
10 holiday season, and these public hearings to be held
11 during the dead of winter, when weather and travel is
12 so difficult. This meeting had to be rescheduled due
13 to weather, and it is not fair for those citizens who
14 now cannot make the meeting. I also feel five minutes
15 is not a sufficient amount of time for each citizen to
16 speak on a matter that greatly affects their health
17 and everyday life.

18 So I would like to thank you for the
19 opportunity to comment on the proposed revisions to
20 Chapter 78. And I highly urge you to please take the
21 comments that you hear tonight into serious
22 consideration. Thank you.

23 CHAIR:

24 Thank you, Adrienne. Next we have David
25 Wasilewski.

1 MR. WASILEWSKI:

2 Good evening. My name's David
3 Wasilewski. I live in Hunlock Creek, Luzerne County.

4 Currently for the moment, my home is on
5 the safe side of what Terry Engelder has referred to
6 as the line of death. But it might not stay that way.
7 There's another shale that they want to exploit called
8 the Utica. And the rules that govern exploiting the
9 Utica shale provide even more leverage to the
10 drillers. So I am concerned for myself, for my own
11 health and welfare.

12 But that's not really why I'm here
13 tonight. Tonight we're talking about putting in place
14 regulations to be able to help those people who are
15 stuck in gas land right now. Now, we have heard
16 representatives from the industry refer to practices
17 as well-managed. I fail to see how one can refer to
18 something as well-managed in light of the testimonials
19 that we've heard here tonight regarding water.

20 Also, we have heard another industry
21 representative refer to the industry as representing
22 the best collective wisdom. I fail to see how an open
23 air pit used to collect massive amounts of poison
24 represents collective wisdom.

25 Here's what we get from the industry.

1 We get water plagues. We get, fracking doesn't cause
2 pollution. Oh, right. The one minute during which an
3 explosion occurs has not been directly linked to
4 pollution occurring in, what, a 30-second time frame.
5 Is that what they mean? Probably.

6 They cling to their little word plays
7 and they want to be the people who enforce regulations
8 and develop regulations. Look, it's common sense.
9 Open air pits should be illegal. Burying the waste on
10 sites should be illegal. These are two things that
11 you can do to help these people whose homes and health
12 have been compromised by an industry that spends
13 millions of dollars on political campaigns and public
14 relations. They can spend that money putting the
15 waste in tanks, keeping it out of these open air pits,
16 to try and protect the people who live near these
17 places. Let them spend the money to try to do
18 something reasonable for the people who are suffering
19 now.

20 And we need regulations that don't have
21 wording such as, the industry will oversee itself and
22 report on itself. We need DEP and the State of
23 Pennsylvania to get serious about regulating this
24 industry, to put the boots on the ground, to spend the
25 money which, of course, they can get from the industry

1 if there was any kind of reasonable tax in place.

2 Thank you.

3 CHAIR:

4 Thank you, David. Next we have Charles
5 Spano.

6 MR. SPANO:

7 Good evening. Thank you for allowing me
8 to testify. My name is Charlie Spano. I live at 718
9 Stafford Avenue in Scranton, 18505. I'm a former
10 Director of the Lackawanna River Corridor Association,
11 an environmental citizens group, and a former member
12 of the Governor's 21 Century Environmental Commission.

13 I'm asking you tonight to not enact any
14 regulations that would hurt the natural gas production
15 in Pennsylvania.

16 Over the course of the last five years,
17 Pennsylvania's natural gas production has increased
18 dramatically. Our state has gone from an importer of
19 natural gas to a net export. The natural gas industry
20 is supporting hundreds of thousands of Pennsylvania
21 jobs. And in this economy, that's nothing to sneeze
22 at.

23 Not only is natural gas production
24 helping Pennsylvania businesses and workers, but it's
25 also helping to provide revenue for public services.

1 Since 2008 the natural gas industry has paid over \$1.7
2 billion in taxes. Increasing access to our energy
3 resources, continuing to work with the industry on
4 what can be done will increase this revenue stream for
5 years to come.

6 Through the Act 13 impact fee, over \$400
7 million in revenue has been provided to local
8 communities. Specifically, the impact fee shared with
9 communities go toward road, bridge, water and sewer
10 system maintenance and lessen the burden on local
11 taxpayers, especially seniors, who, in the absence of
12 impact fees, would likely have to pay higher taxes for
13 maintenance and improvement.

14 With the right regulations, these
15 benefits can continue for decades. The strong
16 framework in place under the PA DEP will be made
17 stronger with reasonable regulations.

18 It is vital that regulations provide no
19 unnecessary barriers to further growth of this
20 resource. As Pennsylvania's on track to exceed the
21 output of Saudi Arabia, the decades long policy goal
22 of the United States, to decrease foreign energy
23 dependence, is within reach, and it can come from the
24 state where the Declaration of Independence was
25 written.

1 While some areas of the Marcellus shale
2 are currently in development, recent studies show
3 increased access to create, again, thousands more jobs
4 that help stimulate the economy. A study by Timothy
5 J. Considine shows increased access in the Marcellus
6 shale formation could create 280,000 jobs and produce
7 over \$6 billion in government revenue. A similar
8 study in the Manhattan Institute found that a well
9 drilled generates about \$4 million in economic
10 opportunities from shale gas development activity.

11 Marcellus shale gas production has been
12 a huge benefit to Pennsylvania. Our state's
13 regulations provide a welcoming climate for energy
14 production. And for the sake of our economy and our
15 public services, this must continue.

16 Please keep this in mind as you revise
17 the state's oil and gas regulations. Thank you.

18 CHAIR:

19 Thank you, Charlie. One more time I
20 just want to let you know there are many strong and
21 sometimes conflicting perspectives on these
22 regulations. And I'd like to thank you for being
23 respectful of the process and of each other.

24 Next I'd like to call Eleanor Harding.
25 Eleanor Harding? Okay. How about Bill Burgo

1 (phonetic)? Okay. No problem. Wendy, I only have
2 Wendy.

3 MS. LEE:

4 Wendy Lynne Lee.

5 CHAIR:

6 Wendy Lynne Lee. Could you spell your
7 last name? Spell it. Thank you.

8 MS. LEE:

9 My name is Wendy Lynne Lee. I care
10 about and am a citizen of Pennsylvania. I live at
11 1811 Main Street, Bloomsburg, Pennsylvania, Columbia
12 County, 17815. So I drove quite a ways to be at this
13 hearing tonight.

14 I'm also on the Executive Board of the
15 Shale Justice Coalition, who supports not merely a
16 moratorium, but a clear-headed thinking ban on all
17 hydraulic fracturing, mountaintop removal,
18 unconventional oil extraction and tar sands.

19 I'd like to begin by reiterating that
20 the public comment period must be expanded to 120 days
21 minimum, with more hearings in frack-effected
22 counties. And, indeed, I reiterate in all counties.
23 This expansion is crucial, not only to ensuring that
24 affected people and communities get to be heard, but
25 because being heard is a bulwark of a democracy,

1 however much this state and its agencies routinely
2 ignore it, just as they ignore the science relevant to
3 the hazards posed by fracking and its associated
4 infrastructure.

5 As opposed to commenting on each of the
6 stipulated changes proposed for Chapter 78, I'd like
7 to address the very idea that hydraulic fracturing
8 from wellhead to compressor, to pipeline, to export
9 depot, to transport tanker can be regulated
10 sufficiently to guarantee the ecological integrity,
11 species diversity, human health, property value or the
12 Constitutional right to clean air and water.

13 While perhaps no regulation can offer a
14 guarantee against accidents, the now well-documented
15 hazards posed by fracking have clearly been shown to
16 be substantial, whether or not accidents occur.
17 Hence, it is equally clear that no regulation can be
18 adequate to make this process of industrialized
19 extraction safe.

20 We know that the intent of the industry
21 is not to make fracking safe, but to make it as
22 inexpensive, expeditious and profitable as possible.
23 A few days ago the hearing on Senate Bill 411,
24 legislation that would render immune to liability the
25 use of acid mine drainage as frack water, SB 1047,

1 that would gut and politicize the process by which
2 species are listed as endangered, or SB 259, that
3 would allow old leases to be treated as newly
4 negotiated even if the leaseholder declines to permit
5 fracking on her property or didn't know there was an
6 old leak, all of these, each of these, make plain that
7 regulation in Pennsylvania is written by and crafted
8 for the oil and gas industry.

9 Because fracking is inherently unsafe,
10 the proposed changes to Chapter 78 are inconsistent
11 with Article 1, Section 27 of the Pennsylvania
12 Constitution. Given moreover the clear legislative
13 pattern, we must assume that the intent of the changes
14 --- of these changes is consistent with SB 411, 1047
15 and 259. In other words, to act to facilitate the
16 interests of oil and gas.

17 What the proposed changes really
18 encapsulate, therefore, are the negotiated terms of
19 our surrender to these industries. We at Shale
20 Justice have no interest in acceding to this
21 forfeiture of our autonomy as citizens or our recently
22 reaffirmed right to clean air and water. We would
23 like to publicly thank Chief Justice Castille for his
24 role in overturning significant parts of Act 13 as
25 unconstitutional.

1 To accede to any of these proposed
2 changes runs directly contrary to that 4 to 2 Supreme
3 Court Decision. Here's why. To wrestle over the
4 details of changes to Chapter 78 presumes that
5 fracking will continue. Many are resigned to this
6 grim possibility. Otherwise, we'd not be haggling
7 over who is responsible for pre-drill water testing,
8 the use of open pits for frack wastewater, the
9 definition of freshwater, the disposal of brine or the
10 status of orphaned wells. Make no mistake, the
11 industry will cry foul, that such regulatory changes
12 will cost them too much money, that they are somehow
13 the injured parties.

14 But the facts are that these proposed
15 changes are nothing but crumbs offered to appease us,
16 to convince us that the agencies charged with
17 protecting our air and water actually act to do so
18 when they do not.

19 CHAIR:

20 Thank you, Wendy. We'll read the rest
21 of your written comments.

22 MS. LEE:

23 Okay.

24 CHAIR:

25 Thank you, Wendy.

1 MS. LEE:

2 The last sentence that I'd just like to
3 conclude with, many things are negotiable. Some
4 things aren't. Just as there can be no compromise on
5 apartheid or slavery, there can be none when the
6 stakes are climate change.

7 CHAIR:

8 Thank you, Wendy.

9 MS. LEE:

10 My yard is a special place, so is yours.

11 CHAIR:

12 Next, we have John Trallo.

13 MR. TRALLO:

14 Thank you. My name is John Trallo. I'm
15 a resident and home owner, teacher, small business
16 owner in Davidson Township, Sullivan County,
17 Pennsylvania. I'm also a father and a grandfather.

18 Before I continue with my prepared
19 statement, I just ---. I have to say this. As far as
20 those representing the industry, talking about the
21 jobs, please, you know, it serves you no purpose to be
22 disingenuous and mislead people. Direct industry-
23 related jobs are about 10,000 in this state, that's
24 all. Also, you're not taking into account the jobs
25 that have been lost in forestry, agriculture, new home

1 building and tourism in this state, which is about
2 100,000.

3 Bottom line, Pennsylvania went from 7th
4 in job creation, minus the Marcellus, to 49th in job
5 creation.

6 Okay. After carefully reading DEP
7 proposed amendments to the Pennsylvania oil and gas
8 regulations, it's clear that the primary intention of
9 these regulations is to encourage the expansion of oil
10 and gas in Pennsylvania and not to protect the
11 environment and unique ecology of Pennsylvania, our
12 valuable forests and state lands or the people who
13 live in the communities in the shale regions. I hear
14 the usual code words, such as minimizing and
15 acceptable practices, lessening impact, et cetera,
16 et cetera, but nowhere in the rules and regulations do
17 I see any measures or provisions for shutting down
18 what are commonly referred to as the bad actors in
19 this industry.

20 The only consequences for any violations
21 caused by either negligence, intent or by accident are
22 scandalously low and inadequate fines. There is no
23 mention of any measures that the state would impose
24 upon any operators to justly compensate or restore the
25 quality of life to those who have been negatively

1 impacted. On the contrary, these rules are clearly
2 slanted in the industry's favor.

3 To date, more than 1,600 Pennsylvania
4 residents have come forth and have avowed that
5 drilling has --- drilling operations in their area has
6 made them ill and impacted their quality of life.
7 161 of those cases have been documented and confirmed
8 by the DEP, the Right to Know Request. There have
9 been studies done by the Colorado School of Public
10 Health that indicate persons who were within one half
11 mile of unconventional gas drilling operations have an
12 increased risk of disease, both cancerous and
13 noncancerous, and also chronic diseases such as
14 neurological disease, hematological diseases,
15 respiratory effects, developmental effects. Cornell
16 University found that decreased birth weight went up
17 in areas, you know, where hydro was concentrated by 25
18 percent.

19 Furthermore, what I'd like to say is, by
20 its very definition, regulation means to adjust,
21 organize or control something or the rate of
22 something. You're controlling the rate, you're not
23 controlling the quantity of it. That's all you're
24 doing by this.

25 I'd like to conclude that there's no

1 such thing as a regulation that will adequately or
2 sufficiently protect the people or ensure the safety
3 and protect the health of our children. If there are,
4 I would like to know what regulatory model the DEP has
5 been following and looking at, and where this has
6 worked. What state has this worked, where there have
7 not been serious health consequences?

8 Therefore, all regulations and the
9 amendments to current regulations you propose do
10 nothing more than attempt to adjust the rate of damage
11 to the environment, our public health and safety and
12 security of our community and our children. The
13 majority of Pennsylvanians, although divided evenly,
14 who support drilling and those who oppose it, 73
15 percent have asked this administration to enact a
16 common sense moratorium on all new unconventional gas
17 drilling activities until independent, comprehensive
18 public health, safety and environmental studies can be
19 completed, peer reviewed, publicized and publicly
20 discussed before the industry expands and puts more
21 people at risk. Because, after all, the industry is
22 not here because of, you know, workable regulations.
23 They're here because the gas is here, no other reason.

24 Therefore, the only responsible and
25 acceptable solution, since our Governor and its

1 administration has refused to consider any reasonable
2 option to employ precautionary principles that would
3 best protect the people of Pennsylvania, then, you
4 know, I suggest that in this state we initiate a
5 moratorium, hopefully leading to a ban on this
6 dangerous and invasive practice of extreme fossil fuel
7 extraction and move towards developing renewable and
8 sustainable energy policy, which will create
9 permanent, sustainable family-friendly jobs in this
10 state.

11 CHAIR:

12 Thank you, John. We'll read the rest of
13 your testimony. Next I'd like to call Duke Barrett.

14 MR. BARRETT:

15 Hi there. I'm Duke Barrett. I'm from
16 Dallas, Pennsylvania, 4 Fox Hollow Drive.

17 A lot of the speakers tonight have taken
18 a lot of my thunder, but I'd like to point out that
19 drilling tens of thousands of holes in the ground,
20 pumping tons of poison into it where you have an
21 initial well piece failure, which is a little cement
22 that protects the aquifers failed immediately seven
23 percent of the time ---. And the industry projects
24 it's going to fail 60 percent of the time over 30
25 years and a hundred percent of the time over a hundred

1 years, when you're drilling tens of thousands of wells
2 over two-thirds of the state, this is an ecological
3 disaster in the making, which few people are
4 considering, because we're all going to get rich.

5 I was a member of the Citizens Marcellus
6 Shale Commission. We had hearings all over the state.
7 John was a member, too. And at these hearings we
8 asked, is --- the technology to do this safely for the
9 100-year mark very acceptable, low incidence of
10 contamination, is that currently available? And the
11 answer is no. Is it in the pipeline literally? The
12 answer is no. Is it even conceptionalized? The
13 answer is no.

14 I think the DEP, at a minimum, might
15 want to track the plague of poison going across the
16 state from this industry. You don't have to go back
17 and track all the oil stuff that's already happened,
18 but going forward. And along with the water
19 contamination, which DEP said 398 complaints were
20 filed, drilling --- bad water, plus the DEP confirmed
21 incidents of it, that you might want to track the
22 progress of whose homes were contaminated and where
23 they are, and also a new species, called water
24 buffalos, a herd that is evidently growing, so that we
25 can see where we want to live and choose where we want

1 to get our food from, at a minimum. Thank you.

2 CHAIR:

3 Thank you, Duke. Next we have Scott
4 Miller.

5 MR. MILLER:

6 Good evening. My name is Scott Miller.
7 I'm a community relations representative for WPX
8 Energy in the Marcellus Basin.

9 WPX Energy is one of the largest natural
10 gas producers in the country and has been in the
11 Marcellus Basin since 2009. Many of our employees
12 have over 30 years experience in the natural gas
13 industry.

14 Our team of experts has been actively
15 involved from the start of the public review of the
16 Chapter 78 regulatory proposals. Along with our trade
17 associations, we have engaged with the DEP, DCNR, TAB
18 and all of the environmental working groups involved
19 in this labor-intensive process. We respect and
20 appreciate all those who have given up their time,
21 energy and efforts in vetting the proposed
22 regulations.

23 Prior to providing comments on proposed
24 changes to Chapter 78, we would also like to encourage
25 DEP to recognize their well-managed and professional

1 oil and gas regulatory program, one that is meeting
2 the Commonwealth's program objectives. This is not a
3 distinction just in our words. It's a program
4 evaluation determined by an independent, national,
5 nonprofit organization called the State Review of Oil
6 & Gas Environmental Regulations, STRONGER.

7 Upon the DEP's invitation, STRONGER
8 conducted an assessment beginning in May 2013, and
9 released its final evaluation of the Pennsylvania
10 regulatory program in September 2013. STRONGER
11 commended the DEP for many of its initiatives and
12 regulations, and determined that the Commonwealth's
13 oil and gas program is one of the strongest in the
14 nation.

15 WPX asks this Board to recognize
16 STRONGER's assessment and not make regulatory changes
17 just for the sake of change. As the Board is here
18 tonight to receive comments on proposed regulatory
19 changes in Chapter 78, we will only comment on a few
20 items and WPX will submit a technical paper before the
21 March deadline.

22 There are many challenges in the
23 Commonwealth in regards to private water wells,
24 especially the lack of construction standards. Our
25 experience with pre-drill testing and several studies

1 independent of natural gas development have also found
2 that a large number of private wells are poorly-
3 constructed. Many contain iron, manganese, coliform
4 and methane, and many do not meet the criteria of the
5 Safe Drinking Water Act.

6 The Pennsylvania legislature needs to
7 pass legislation to require property owners to
8 construct private water wells properly and to test
9 their water. We request if an operator impacts a
10 private water supply, the DEP should require the
11 operator to bring the private water supply back to the
12 pre-drill test water quality, whatever that may be.

13 Regarding waste and water management at
14 a well site, the natural gas industry has been
15 recycling and/or reusing water and minimizing fresh
16 water use for quite some time now. And unfortunately,
17 the proposed regulations are forcing operators to
18 rethink this option. In order to increase the amount
19 of water being reused and recycled in the
20 Commonwealth, the regulations need to provide an
21 avenue for the operator either through permits or DEP
22 approvals to document, move or reuse water from one
23 site to another.

24 Additionally, the Oil and Gas Division
25 must have its own regulations concerning water

1 management and not be conflicted with or confused with
2 that of the Waste Management Division.

3 Finally, the proposed requirement to
4 identify active, inactive, plugged, abandoned and
5 orphaned wells prior to hydraulic fracturing may be
6 something that the industry can work with the DEP, but
7 not to the level of the proposed regulations, which
8 may lead to never-ending obligations for operators for
9 wells that are not even ours.

10 We thank you for your efforts and desire
11 to continue to seek better and more efficient ways to
12 regulate the oil and gas industry and safeguard
13 Pennsylvania's environment. WPX Energy is also
14 committed to this regulatory review process. We do
15 appreciate and respect the communities in which we
16 operate and are dedicated to protecting Pennsylvania's
17 environment.

18 We look forward to continuing to work
19 with the DEP and other interested parties to finalize
20 these Chapter 78 provisions. Thank you for your time
21 this evening.

22 CHAIR:

23 Thank you, Scott. Next we have Ann
24 Pinda. Oh, I'm sorry, Ann Pinca.

25 MS. PINCA:

1 Hello. My name's Ann Pinca. Thank you
2 for the opportunity to testify. I live at 2154
3 Cloverfield Drive in Lebanon, but I'm also a leased
4 landowner in Sullivan County. And that's a decision I
5 regret daily or even right now.

6 And I'm glad this hearing was postponed,
7 because it gave me time to finally get through all of
8 the proposed regulations because it's a tough read.
9 But as I read through them, all the detailed
10 instructions, I just couldn't help but think how much
11 time they spent developing these regulations and the
12 others that we have. And I also kept in mind the
13 expense that's going to be involved for the
14 operators --- that they will protest --- to be sure
15 that they are in compliance.

16 So as I read all of it, it became even
17 more clear to me how little sense it makes to even
18 pursue this expensive activity that will reduce a
19 large swath of our state from productive wooded and
20 rural farmland to a network of industrial zones
21 producing tons of barrels of waste products harmful to
22 all living things.

23 Our time and dollars should go, instead,
24 to truly clean, renewable energy, not invested into
25 mile-long or longer holes that open pathways into an

1 unknown future. For we still have no definitive study
2 that says absolutely the practice of hydraulic
3 fracturing is foolproof and safe. What we do know is
4 that the leaks, spills, blowouts and failed well
5 casings that hydraulic fracturing bring pollute the
6 water we drink. And that the compressor stations,
7 processing plants and pipelines have polluted the air
8 we breathe. No amount of regulation will change those
9 problems, only a ban on any future hydraulic
10 fracturing will truly mitigate the impacts of this
11 industry.

12 That said, since the purpose of this
13 meeting is to comment on the proposed regulations, I
14 will do so, though I suspect it will have little
15 impact, since we already have regulations that are not
16 adhered to or adequately enforced.

17 But I would insist that no open pits be
18 allowed anywhere. Michigan and Ohio don't allow them.
19 Why should Pennsylvania? Years ago my land man touted
20 to me how his corporation used only closed-loop
21 systems because they were so much safer. So that is
22 how it should be for all operators in Pennsylvania.

23 Onsite burial or spreading of drill
24 cuttings should absolutely be prohibited. Why on
25 earth would we leave a legacy of buried landmines for

1 our future generations?

2 And likewise, brine should not be used
3 for dust suppression or de-icing of roads. This only
4 allows to achieve a convenient means for operators to
5 dispose of a pollutant we don't need or want to have
6 running off our roads into our creeks and streams or
7 draining into our aquifers. And let's be sure fresh
8 water really means fresh water.

9 Finally, the varying setbacks are
10 mind-boggling; 200 feet here, 500 here, 100 feet here.
11 To think that a five acre industrial site can be a
12 hundred feet from a blue line stream, or 200 feet from
13 a natural landmark, less than a football field away,
14 it's ridiculous. Make all setbacks a truly meaningful
15 distance. A mile sounds good to me. And make it away
16 from everything.

17 Or better yet, let's just not do
18 hydraulic fracturing at all. We already have better
19 ways to generate the energy we need. Let's work on
20 those. Our future depends on it. Thank you.

21 CHAIR:

22 Thank you, Ann. That concludes our list
23 of registered participants. Is there anyone in the
24 audience tonight who would ---? Okay. I saw a person
25 in red first.

1 We'll need to get your information after
2 the hearing, your address and all of that, so if you
3 wouldn't mind hanging around. Okay. And please state
4 your name for the record.

5 MR. CONNOR:

6 I'm Jeremy Connor. I was born here 35
7 years ago, beyond any of my own doing. My parents
8 brought me here, so I consider myself a seed. And I
9 have two seeds of my own at home. I'm a gardener and
10 I know what it's like to put a seed into the ground.
11 And I'm learning more and more about the soil every
12 year and how important that is to us and how connected
13 we are to everything that we see, breathe, think
14 about, everything, like breathing in your sweat right
15 now.

16 I am connected to you right now. I am
17 connected to everything else and everybody in this
18 room, in this world right now. Scientists are
19 discovering that more and more every day.

20 I have a sign on my front fence that
21 says no fracking. I have friends in Australia who
22 are, you know, very close with the damages that have
23 been done. I know somebody who told me about the
24 truckers, and he's a trucker. And I told him I really
25 don't appreciate him being a trucker for the water.

1 And he said how the truckers --- he knows how some of
2 them just dump their stuff all over ---.

3 I love, love, love, love Pennsylvania.
4 I swim in the waterfalls. I spelunk in the caves. I
5 jump off the cliffs, I ice climb, I rock climb. I get
6 into it. I do the Susquehanna River on my canoe.
7 There's this place that is very dear to me called
8 Tionesta, and it's the most beautiful place in
9 Pennsylvania as far as I'm concerned, over 3,000 acres
10 of old growth. There's this huge swath going through
11 it of a pipeline. And there was a day I walked by and
12 I'd say like up to a year or two ago, and there's
13 bubbles coming up from nastiness. You can't even find
14 the place and I'm sure they want you to not find the
15 place because of that, because of the gas that's
16 coming up underneath the most beautiful place in
17 Pennsylvania. And it's like marked like years ago in
18 red. Like, oh, geez, this is something we need to
19 deal with.

20 The Gulf of Mexico deal, it's still
21 happening. Fukushima, it's still happening. I mean,
22 I love, love my kids. I would die right now to give
23 them a better future. Would you do the same? I hope
24 so. I don't live for me, I live for my kids. I want
25 my child to have the same opportunity that I have to

1 go outside and to breathe and to live and to be. And
2 I'm afraid that if you don't do your job, my kids, my
3 seeds, are going to have rotten soil.

4 Please do your job. I'm freaking
5 begging. Please do your job. Until we know ---. I
6 mean, it's like, do we care more about me and my life
7 now and my economy and my freaking money or do you
8 care about your kids? Because you know what, if we
9 sit on this land, the value's going to go through the
10 roof. Because every other place in the world is going
11 to screw it up. And if we don't screw this up,
12 there's a gold mine right here if you don't touch it.
13 It is gold.

14 I swam in it. I've gone underneath it.
15 I dig my hands in it. And you know what, if you don't
16 honor the soil and the things beneath you, it's going
17 to come and bite you. If it doesn't bite you, it's
18 going to bite your children.

19 I love my kids. We are all connected.
20 Don't screw this up.

21 CHAIR:

22 Thank you, Jeremy. I'm going to go from
23 left to right. I'm trying to get everybody in. So I
24 saw you, sir. Again, anybody who hadn't preregistered
25 and is speaking, please stay after the hearing so we

1 can get your contact information.

2 MR. HUSTON:

3 Hi there.

4 CHAIR:

5 Please state your name.

6 MR. HUSTON:

7 My name is William Huston. I live in
8 Broome County, New York. And most of my living
9 relatives are in Bradford County, PA.

10 And I've taken some aerial surveys of
11 Bradford County and Susquehanna County. And I want to
12 tell you that the amount of physical scarring that
13 this industry is causing is unimaginable unless you
14 see it from the air. And I encourage you all to do
15 that.

16 And I am sickened by what this industry
17 is doing and I want to ditto and --- everything that
18 Dr. Lee said and John Trallo said. I agree, it is
19 absurd to suggest that any regulations can make this
20 industry safe. This industry is proven to be
21 inherently unsafe. It is toxic and deadly to living
22 things.

23 I've done analysis. I didn't bring the
24 data with me, but it's on my blog. The amount of
25 forests, the amount of forest land, that has been

1 already destroyed, Pennsylvania is two percent
2 developed. That's what Dr. Ingraffia (phonetic) says.

3 At two percent development we've already
4 --- hence the Commonwealth has already lost, in my
5 best recollection ---. Like I said, I just was
6 reminded moments before this hearing that it was going
7 on tonight, so I'm a little unprepared. I believe
8 it's on the order of 5,000,000 trees. If you include
9 edge effects, it's 11,000,000 trees have already been
10 permanently destroyed. They aren't coming back.
11 These rights-of-way, the pipelines, the well pads,
12 they are not going to be ever reclaimed. Massive
13 scarring and damage has already been done to the
14 Commonwealth of Pennsylvania.

15 Okay. So I'm looking at these
16 regulations. First of all, I think it's absolutely
17 unconscionable that you did not have these hearings in
18 the counties that have the largest impacts, i.e., this
19 area, Bradford County, Tioga County and ---. Maybe
20 there might have been a hearing in Tioga County, I'm
21 not sure. But Bradford County and Susquehanna County.

22 OFF RECORD DISCUSSION

23 MR. HUSTON:

24 What's that?

25 CHAIR:

1 There will be one in Bradford.

2 MR. HUSTON:

3 There will be one. Okay. That's very
4 good. It might be good to have one in Susquehanna
5 County, because they've had a lot of impact there.
6 I'm looking at these regulations and I see 200 feet,
7 publicly-owned park, 200 feet; 1,000 feet from a water
8 well. Are these numbers scientifically-derived,
9 scientifically-determined or are they picked out of
10 somebody's hat? Let's say hat. I was expecting that
11 would get a laugh or two.

12 Because we have examples. I know of ---
13 there are three homes on Paradise Road in Terry
14 Township, Bradford County, not far from here where
15 they have ---. It was determined by a court or it
16 might have been this Board, I'm not sure, but it was a
17 determination that three homes have been abandoned,
18 bought out by Chesapeake, because of water
19 contamination. That's Terry Township. The homes were
20 4,000 feet from the vertical well bore.

21 We have cases in Franklin Township,
22 Susquehanna County, massive contamination. We've got
23 the highest methane readings I've ever seen, and I've
24 looked at a lot of these well tests, 81.3 milligrams
25 per liter. That was a Duke study in Franklin

1 Township. Industry people say it's naturally-
2 occurring. Lisa Molofsky and GSI Environmental did a
3 pre-drilling survey of Susquehanna County and their
4 reading ---. The highest reading that they measured
5 was --- and this was 10,000 times greater than that,
6 10,000 times.

7 When you get a pressure difference of
8 10,000 times, we don't call that naturally-occurring,
9 we call it an explosion. There is an explosion of
10 methane in Franklin Township. And there is no way
11 that that --- thank you. There's no way that that's
12 naturally-occurring.

13 And it's not just methane. There's
14 heavy metals, total dissolved solids, chlorides, which
15 my understanding can be salt and it also can be
16 hydrochloric acid.

17 There is one lady in --- Gerri Kane,
18 Bradford or Susquehanna?

19 MS. SCROGGINS:

20 Susquehanna County.

21 MR. HUSTON:

22 Susquehanna County, PA, where she
23 has ---. She can run a magnet. She has this --- in
24 my ---. She can hold a magnet to her water and it
25 pulls iron filings out of it. In my opinion, this is

1 proof of fracking fluids. And I can explain that
2 technically, and I will give you detailed comments
3 later, why I think this is conclusive proof that
4 fracking fluids have contaminated drinking water.

5 So in conclusion, these limits are
6 absolutely inadequate. We need to at least expand
7 this to the Act 13 distances of 2,500 feet. But since
8 they're doing the vertical --- or horizontal laterals
9 that are 5,000 feet, it seems to me that you need to
10 be going out at least a mile. Thank you.

11 CHAIR:

12 Thank you, William. Okay, going from
13 left to right, in the back there. Oh, sorry. Did you
14 have your hand up? Okay. Sorry about that. It's
15 hard to see.

16 MR. KATKEVICH:

17 Hello everybody. My name is Nick
18 Katkevich and I'm from the future. I'm from the
19 future and they sent me back here to Pennsylvania
20 because there were some unfortunate decisions made
21 here in Pennsylvania which made the future a dark
22 place.

23 We heard earlier from my opponent from
24 the oil and gas company about definitions. So to this
25 Board I would like to talk about defining your legacy.

1 Because in the future, we look down upon you all.
2 We're sad that you made the wrong decisions and did
3 not regulate and stop fracking. So as we talk about
4 definitions, you have to think in your own mind what
5 you want --- how you want your legacy to be defined.

6 Next, to my fellow human beings who
7 happen to work for the oil and gas companies, I'd like
8 to talk about defining one's life. Your great, great,
9 great, great grandchildren are my friends in the
10 future and they're ashamed of you all working for the
11 oil and gas companies that wrecked our planet,
12 poisoned people and gave people cancer. They're not
13 proud to talk about you all. And I say that with love
14 and with compassion, because as fellow human beings, I
15 want the best for you all. That's real talk. All
16 right?

17 Excuse me a moment. So I would fully
18 encourage the Board ---. You know, since I'm from the
19 future and we're back here now, you know, things can
20 change. I would encourage you all to change what your
21 legacy is going to be and work towards banning
22 fracking.

23 And to my friends from the oil and coal
24 --- excuse me, oil and gas companies, I have a message
25 from your ancestors to be. They asked me to tell you

1 to please join the resistance to stop oil and gas and
2 to quit your jobs and fight for what's right.

3 So I'm from the future. I've got to
4 head back in a couple days. But those messages are
5 from your all ancestors to really think about the
6 future. And, again, my friends from the oil and gas
7 companies, it's not too late. You need to think about
8 what you're doing. You need to quit your job and join
9 us. We're a fun group over here. We make lots of
10 vegan food, you know, it's a good group. So please
11 join us. And thank you, everybody.

12 CHAIR:

13 Thank you, Nick. Thank you. The person
14 behind you.

15 MS. LALLY:

16 My name is Deirdre Lally. I live in
17 Benton, Pennsylvania, Columbia County. I also had to
18 drive an hour to come here. My only other alterative
19 was Williamsport, which is also almost an hour. So I
20 do appreciate the comment earlier about having a
21 hearing in every county.

22 So basically I wish that you all would
23 go door to door and talk to people impacted by
24 fracking, like a lot of people in this room do, and
25 hear why people signed gas leases. My family, being

1 one of those people. And it's because there are no
2 economic alternatives in this state. And it's time to
3 explore how to keep young people in our beautiful
4 state through implementing community resiliency and
5 sustainability projects. Rather than extracting
6 fossil fuels, we should be finding alternative and
7 locally-based economies that will sustain themselves
8 and create healthier lives for the generations we're
9 leaving this place for.

10 I am a seventh generation Pennsylvanian
11 and I have no interest in bringing the eighth into the
12 world that I was left by my family and that you all
13 are responsible for leaving behind. And I think that
14 the regulations you're proposing should lead to an
15 immediate ban, otherwise you're allowing the slow
16 death and painful illness of this state and the people
17 living in it.

18 On a more personal note, in addition, I
19 just spent \$450 fixing my car due to a rusted cooling
20 system, which the garage owner attributed to road
21 brine spreading and said that he's been seeing it more
22 and more these days. So if you care about the
23 economic well-being of people here, if not their
24 health, put a halt on brine spreading. Let me know
25 where to send my repair bill to, because I never asked

1 for that.

2 And also the guy from WPX earlier said
3 that they are here to protect our environment, but
4 they forgot about that objective when they drilled the
5 Martin well two miles from my farm that got clogged
6 and none of the fracking fluids were ever recovered
7 from the ground. They didn't offer water tests or
8 water-quality alerts for those of us that live around
9 it. And so now I'm constantly terrified of the water
10 coming out of my tap. And when people visit my home,
11 they ask me if I have poisoned water because I live in
12 Northeastern Pennsylvania.

13 I think you'll regret all of these
14 permits that you all have been rubber stamping,
15 because you live here, too. And if you don't already
16 know what it's like to live like myself and other
17 people in this room do, you will soon enough, so ---.

18 CHAIR:

19 Thank you, Deirdre.

20 MR. LOTORTO:

21 My name is Alex Lotorto. I'm from
22 Milford, Pennsylvania in Pike County. I work as a
23 consultant with the group Energy Justice Network and
24 I'm also a union delegate for the Industrial Workers
25 of the World, so some of my comments will pertain to

1 labor.

2 I'd like to --- and by trade I'm a
3 grounds technician and I install and have installed
4 miles of erosion and sediment controls, hay bales and
5 silt fence. And so I would also like to speak to that
6 regarding birms and things.

7 The first thing I'd like to urge you to
8 look at is the DEP's new authority that was not
9 overturned at the Act 13 ruling, and Section 3211, the
10 bad actor clause of Act 13. Under that new statutory
11 authority, DEP has the ability to deny a permit to any
12 driller with an outstanding violation that had not
13 been resolved to DEP's satisfaction. And the
14 Environmental Quality Board, you know, helps determine
15 what is satisfactory remediation.

16 And I'd like to use the case of
17 Southwestern Energy, who --- just on the other side of
18 the river here there's the Tunkhannock islands and the
19 river, which is a core habitat for endangered species.
20 Pennsylvania Sedge Grass grows there. When it's
21 washed out with the high waters, any contaminants in
22 the river will contaminate the designated highest
23 endangered species habitat.

24 There's a well permit to start drilling
25 on February 10th at the end of Margrove (phonetic)

1 Road. One of the properties in the parcel listed is
2 Don Sherwood, who is our unfortunately renowned
3 Congressman who was fired for beating his mistress or,
4 you know, we fired him, got him out of there. But
5 he's one of the property owners.

6 As well as on the Dziuba --- it's called
7 Dziuba 2H. I filed a 78 page public comment with a
8 woman there --- and her doctor --- who is on oxygen
9 and will be. And was notified under Act 13's
10 notification requirements that the well was coming.
11 We followed through the 45 day, filed the comment with
12 the doctor statements from a Stanford and Harvard-
13 educated doctor that states that she cannot ---.
14 She's on oxygen, cannot withstand diesel soot. And
15 the trucks will be lined up all the way to 29 on this
16 road going past --- you know, Union Township is the
17 township. The well will maybe be flared. Condensate
18 tanks be vented for the life of the well. The best
19 management practices, in short, are not being followed
20 by the industry, who identifies them and is so proud
21 of them. The API identifies them as best management
22 practices, but they're not even being followed.

23 The statement I --- you know, DEP filed
24 my letter. That's the response, in a nutshell, that I
25 got from DEP.

1 So we filed an appeal with the
2 Environmental Hearing Board, which is everyone's right
3 if you live within a distance that you feel you may be
4 harmed, or a habitat that you care about, a class A
5 trout stream that you fish in will be impacted by a
6 Marcellus or any DEP action or permit, you can file an
7 appeal with the Environmental Hearing Board. So we've
8 been working through this system. We are seeking a
9 Supersedeas, an injunction, on the well that the cost
10 of expert testimony and affidavits is at least \$250 an
11 hour for the experts that are required. The
12 Pennsylvania Bar Association has acknowledged that
13 there are hardly any attorneys in this part of the
14 state, they're all downstate where the drillers
15 headquarters happen to be, for environmental law
16 attorneys. And we're --- you know, attorneys are very
17 hard to come by.

18 And so we're --- so many objections I
19 made. And I'll just read one. And I want to
20 acknowledge that you're under a lot of pressure. And
21 I want to acknowledge a man who is not with us this
22 evening but owns the Keystone Sanitary Landfill in
23 Throop, Pennsylvania. On April 30th, 2013,
24 Southwestern was disposing of a fluid that was
25 transported by tanker truck to the Keystone Sanitary

1 Landfill and disposed of its E10 drill cuttings, which
2 should have been labeled fluids. And we all know, if
3 you live around and in Scranton and you've talked to
4 people who grew up there, stories about Mr. Louis
5 DeNaples, who is accepting millions of dollars to make
6 the waste disappear as landfill cover on top of his
7 landfill.

8 At a Throop land screening that was
9 sparsely attended with a few of us last year, I had
10 them admit that the solids that are taken out of the
11 recycling process are also disposed and mixed with
12 drill cuttings and wood chips from the logging
13 operations. And I have pictures and photo
14 documentation from Lakewood Township of pits being
15 dredged and the waste being hauled. I have another
16 violation --- Southwestern drove a truck down I-81
17 with a valve open and it got pulled over and, you
18 know, they had to clean up all the way up and down.

19 You know, in short, you know, these are
20 bad actors. You have your authority given to you and
21 I had stories and things to tell you, but, you know,
22 please, you know, Doreen Dougherty's (phonetic) got
23 --- you have to really, you know ---. I'm not going
24 to say do your job because I know what your job is.
25 And I hope that you'd be proud of that, you know, own

1 up to it and do the right thing. I don't know,
2 whatever you're going to do, but Southwest ---.

3 CHAIR:

4 Thank you, Alex. Okay, the gentleman in
5 the ---. Okay. Thank you.

6 MR. HUGHES:

7 Hello. My name is Adam Hughes. I come
8 from Seymour, Connecticut. And I want to thank
9 everyone on all sides of this issue for the
10 opportunity to come and speak. I come for several
11 reasons. One, because my family in Connecticut faces
12 a pipeline expansion that would bring radon-carrying
13 fracked gas through Connecticut, cancer-causing gas.

14 And I also come because I've had the
15 opportunity to meet so many wonderful people from this
16 Commonwealth, some who I'm honored to call my friends,
17 some who I haven't been fortunate enough to meet yet.
18 And I worry.

19 I understand that perhaps I can't come
20 and set or urge you to set a particular policy. But
21 all I can do is do my own research, look up the facts
22 on this issue and simply urge you to consider them.
23 As we think about these regulations which would
24 require permit applications within a thousand feet of
25 a water well, I urge you to consider a Duke University

1 study that says methane concentrations for any water
2 well within a whole mile of a fracking site has six
3 times higher methane concentrations, 23 times higher
4 ethane concentrations and the health benefits --- or
5 health risks associated with that.

6 As we hear people talk about the
7 uncertainty of what would happen to the bedrock when
8 all of this thousands --- hundreds of thousands of
9 gallons of water is injected, I urge you to consider
10 the case in Oklahoma. The New York Times reports that
11 until the last few years, Oklahoma averaged 50
12 earthquakes a year. That number has gone into the
13 thousands, 2,600 last year, including the largest
14 earthquake in the history of the state.

15 And as we think about the economic
16 impact of imposing these regulations, and we hear
17 these numbers of jobs the industry can bring in, which
18 I believe Mr. John Trallo adequately described as
19 maybe being misleading, I also urge you to consider a
20 study reported in The Economist that looked at 19,000
21 properties in Washington County, Pennsylvania. It
22 showed a net decrease of 13 percent in value for homes
23 within 1.25 miles of a fracking site that get their
24 water from the groundwater, 13-percent decrease in
25 value.

1 As we think about the possible costs
2 that government regulation can have on the economy,
3 just consider that you could tax these homes ten
4 percent of their value, you could burn that money and
5 they'd still be better off than they would be being
6 within 1.25 miles of the fracking site. Thank you so
7 much for having me today.

8 CHAIR:

9 Thank you, Adam. In the green.

10 MS. MYERS:

11 Okay. So I didn't actually ---.

12 CHAIR:

13 Please state your name.

14 MS. MYERS:

15 Sorry. It's Caitlin Myers. People call
16 me K-ditto (phonetic). I didn't prepare an actual ---
17 so I'm sorry if I ramble a little bit. I just wanted
18 to tell quickly a story of the mountains that are
19 around us. They're really, really old. They are, I
20 think, possibly the oldest mountain range in the
21 world.

22 So once upon a time, before the asteroid
23 hit back when all the continents were all like mixed
24 up together and there weren't any national borders or
25 anything like that or nations or presidents or

1 whatever, there was just like dinosaurs tromping
2 around, this was a shallow tropical sea. It was
3 swimming with lakes and like those cool little like
4 --- I don't know, like all the cool fish that you see
5 in like natural history museums, you know, with like
6 all the like different weird spines and like ---. It
7 was really awesome.

8 So gradually all that changed because
9 things changed. That's the way geology works. The
10 earth changes. It is not a static place. The
11 mountains rose. They got to be higher than the
12 Himalayas. And then they shrank again because that's
13 what happens. The winds just like ground them down
14 and down and down over the ions. And the continents
15 shifted and what was once part of the Appalachian
16 Mountains actually became the Atlas Mountains in
17 Morocco. So we have a sister mountain range in
18 Morocco, which is really, really cool, I think.

19 All of the living things that lived in
20 that shallow sea lived before the asteroid and so on
21 and so forth got buried under the ground and they
22 gradually became fossils and liquefied, whatever.
23 They became fossil fuels.

24 We are sitting on the dead. We are
25 extracting the dead to fuel our cars and our

1 industries. So, yeah, this mountain range is older
2 than any of us can even begin to imagine. It's older
3 than the Himalayas and it was once higher than them.

4 And even if we strip every last tree and
5 we drain every last drop of natural gas and whatever,
6 the mountains will still be here when we are gone. So
7 just to give like a little sense of perspective, let
8 the dead rest and let the mountains live. What's
9 buried is buried. Thank you.

10 CHAIR:

11 Thank you, Caitlin. I'm going to move
12 to the middle section here. Thank you for patiently
13 waiting. Thank you.

14 MS. CLIFFORD:

15 Good evening. My name is Barbara
16 Clifford. I live in Montrose, Susquehanna County.
17 Because I find your technical papers difficult to pare
18 down to what they really mean in real life, I'm going
19 to attempt to give you my wish list, partial wish
20 list, and ask that you word your regulations so as to
21 fulfill a safe result for the natural environment we
22 all depend on for our health and well-being.

23 Please require a separate ---. I'm
24 going to list a few items.

25 Please require a separate marker for

1 every oil and gas well. Without a marker determining
2 where leaks travel, we will be forever obliged to
3 spend tax dollars for tests and legal costs, and in
4 the end be unable, in many cases, to prove the source,
5 which in most cases is actually obvious but cleverly
6 --- currently cleverly unprovable.

7 Sorry, I can't read this. Is this light
8 on?

9 Please undo the wording that allows a
10 landowner to say yes to the burying of drill cuttings
11 on the landowner's land. Landowners may either not
12 know enough about hazardous burying of such material,
13 or they may not even care. Either way, the
14 containment is bound to release the material over time
15 and can eventually leach to another person's land.

16 Please make clear that the distance
17 between a pad and a residence and other areas under
18 the regulation mean the outside perimeter of the
19 entire working area of the operation, not the well pad
20 itself. Since leases state that the leasee will be
21 responsible for restoring quality and quantity of the
22 resource water, please find a way to write a
23 regulation holding the leasee to that. DEP does not
24 permit what can do harm without making sure it can be
25 fully restored.

1 Please do not allow any waste pits of
2 any kind. Please require decibels from compressor
3 station properties and at the compressor station
4 property perimeter. Chesapeake Gas Company advertised
5 on film how they can close the door of their operating
6 compressor station and no sound would be heard. After
7 wells lose pressure, we will begin to experience
8 compressors on well pads, which are very close to
9 where people live. They need to be soundproof and
10 emission-proof so close to homes, schools and public
11 places.

12 Please require the use of the most
13 current, best technologies to catch all possible ---
14 to capture all possible emissions from the production,
15 processing and transportation of shale, gas and oil.
16 Please do not fall for industry arguments that these
17 technologies and their operating measures are too
18 costly. Many are cost-effective.

19 In addition, as safer methods come
20 along, require their use on all future and existing
21 equipment. In addition, it is imperative that
22 emissions from production processing and
23 transportation operations be considered in aggregate
24 when being considered for permitting. Not doing this
25 is detrimental to our air, water and agricultural

1 soils.

2 Please adopt OSHA's recommendation to
3 Halliburton regarding the capture of silica dust in
4 the process of fracturing. While a recommendation is
5 aimed at protecting workers on the pad, it is also
6 applicable for area residents, as videos of the
7 process show plumes of white dust not confined to the
8 pad, but blowing to surrounding homes.

9 Another item not being addressed is a
10 monetary item; is the problem of gas being extracted
11 from under unleased land. There are landowners who do
12 not want the land under their surface fracked or other
13 landowners who might want to save their gas for the
14 future. But if a landowner's land is surrounded by
15 active wells, fracturing reaching their underground
16 boundary allows their gas to drain away with a
17 tremendous pressure created by these gas wells.

18 I understand Pennsylvania allows
19 citizens to drill for their personal water supply and
20 use the water that comes up that water well, whether
21 it originates from under their property or beyond, but
22 the law of capture that allows this for water should
23 not be taken advantage of by a for-profit corporation.
24 Please address this problem and at least require an
25 estimate for fair compensation for this loss. It is

1 not right for people who want nothing to do with this
2 industry to have what is theirs stolen and sold.

3 I will end by saying that I feel
4 citizens living in gas fields of Pennsylvania
5 sacrifice enough simply having the operations of shale
6 gas --- shale oil and gas here at all. On top of
7 that, we are left with land unusable because it is now
8 industrial. Restore paths. Field with stone for
9 industrial trucks will not grow crops. Fragmented
10 forests cause a much wider loss for its native plants
11 and animals ---

12 CHAIR:

13 Thank you, Barbara.

14 MS. CLIFFORD:

15 --- than a swath open for pipeline. Can
16 I just one last ---.

17 CHAIR:

18 We'll read your comments. We have to
19 respect the process and we have to respect the time
20 limits. I'm sorry, Barbara, but we have to move on.

21 MR. SWEENEY:

22 Hi. My name's Jay Sweeney. I'm from
23 Falls Township, Wyoming County and I would like to say
24 that if the money that's behind this industry, the tax
25 subsidies, the tax breaks, the subsidies from our

1 government, this had been applied to solar and wind
2 and geothermal, we would not be here tonight and
3 Pennsylvania would be on a sustainable path and a far
4 less stressful place to live.

5 I would also like to say that the recent
6 Supreme Court Decision on Act 13 upheld Article 1,
7 Section 27 of the Constitution of the Commonwealth of
8 Pennsylvania. The people have a right to clean air,
9 pure water, and for the preservation of the natural,
10 scenic, historic and aesthetic values of the
11 environment. Pennsylvania public natural resources
12 are the common property of the people, including
13 future generations, generations yet to come.

14 As trustee of these resources, the
15 Commonwealth shall conserve and maintain them for the
16 benefit of all the people. All people, not just the
17 people with gas leases, all the people. Not the gas
18 industry, the people.

19 In addition, the Department of
20 Environmental Protection's mission is to protect
21 Pennsylvania's air, land and water from pollution, and
22 to provide for the health and safety of its citizens
23 through a cleaner environment. To achieve this
24 mission, DEP must uphold the Safe Drinking Water Act
25 and see that our water does not fall below its

1 standards. To achieve its mission, DEP must prohibit
2 the use of brine in any beneficial manner and treat it
3 as the hazardous waste material it is. To achieve
4 this mission, DEP must prohibit the treatment --- I'm
5 sorry, the treatment of brine at municipal water
6 treatment facilities. And to achieve this mission,
7 DEP must prohibit the processing, storage or exposure
8 of drilling cuttings onsite and treat it as the
9 hazardous waste it is.

10 DEP must establish adequate bonding to
11 address abandoned wells and future environmental
12 problems. DEP must also prohibit the application of
13 any water or solid waste to any Commonwealth soil.
14 Thank you.

15 CHAIR:

16 Thank you, Jay. To the left? Thank
17 you.

18 MR. IDE:

19 Listening to all this tonight, it gives
20 me a little problem.

21 CHAIR:

22 Sir, could you state your name for the
23 record?

24 MR. IDE:

25 I'm sorry. I'm sorry. Richard Ide,

1 I-D-E, 103 Warren Street, Tunkhannock, Pennsylvania.
2 Listening to all this, it gives me a little problem
3 tonight, because I, together with my daughter, own 300
4 acres on top of the Mehoopany area. The drilling
5 stops at the bottom of our land, not far from where
6 our property begins. And that driller and myself and
7 my attorney, which have spent a good deal of money
8 over a period of a year or two, went back and forth
9 four, five, six times, never getting a lease
10 satisfactorily ---. Finally the driller just threw up
11 their hands and went to Ohio.

12 This is the same driller today that a
13 number of people that signed to in many counties, and
14 that driller is not paying its royalties and is the
15 subject of a class action suit. So maybe that was a
16 good thing. I don't know.

17 Now we have a driller who is, I'm told,
18 going to drill a test well further on down the
19 mountain toward the line of death that was discussed
20 before. If it turns out that we have gas under our
21 land, we are going to be subject to more negotiations.

22 After what I've heard tonight, do I
23 really want to do that? Are you sure? I'm not sure.
24 I mean, what if they offer me \$10 an acre or even
25 more. What am I going to do? I don't know. Will I

1 get paid? Will I get my royalty? These other people
2 are in court or they're going to be in court. It may
3 get settled. I don't know what's going to happen.

4 So the more I hear, the more I wonder.
5 Maybe it's fortunate we didn't do anything. The same
6 driller, now that we're talking about that's been
7 mentioned here before ---. I'm not going to mention
8 who it is. But they are guilty of having open pits
9 all over the place, including, I believe, flowback
10 water out of the wells, which is highly toxic. And I
11 believe they have been storing flowback water
12 aboveground. You can check on that.

13 They also, with the same driller that
14 was involved in the Elexco, Kilmer case, they were the
15 so-called defendant. And due to their work in this
16 case, we now have the problem that the first driller
17 is exploiting the net back, which wipes out your
18 royalty and you don't get it, because the poor
19 drillers --- we've heard from these other people who
20 take care of you --- need that 1/8th guaranteed
21 minimum royalty to cover their overhead.

22 The poor fellows don't have enough
23 overhead to drill. So they need to take your royalty
24 back. That's what it looks like. That was part of
25 the argument, I think, with the Supreme Court, though

1 I wasn't there. The Supreme Court was very
2 sympathetic to the driller's problems. They
3 overlooked a lot of things, but we're stuck with that
4 now. And I don't know how it will be settled. I hope
5 it settled well.

6 I don't have much more to say. You
7 know, I'm weary. I'm weary listening to all of this.
8 I don't want you folks to do anything. The oil and
9 gas industry is powerful. They've got you completely
10 outclassed. They've got me outclassed. They've got
11 lawyers that I've hired outclassed. For two or three
12 or four lawyers I hire, they've got 40. They're
13 smart. They've been at this for 40 years. They know
14 all the angles. They can twist any little phrase into
15 meaning something else.

16 I've got one minute left and I don't
17 think I need it. I'm tired. I'm worn out. I don't
18 know what to do. I tried my best. I'm nowhere.
19 Neither is my daughter. We have a lovely place on the
20 mountain. But she lives up there. I live in the
21 town. So what do I do? You tell me. You think about
22 that. Thank you.

23 CHAIR:

24 Thank you, Richard. On the left.

25 MS. RIGELL:

1 Hi. My name is Laura Rigell and I'm a
2 student at Swarthmore College. Fossil fuel extraction
3 is incompatible with health and climate stability. I
4 want gas drilling to stop by 2015. I want to live in
5 a world without the oil and gas industry. I ask the
6 DEP to work to eliminate this industry as quickly as
7 possible and facilitate a transition to a just and
8 renewable energy-based economy.

9 CHAIR:

10 Thank you, Laura. I'll work my way back
11 to you. Is there anybody over here? Okay.

12 MS. ANDRE:

13 Hi. My name is Sherrie Andre and I'm
14 from Rhode Island. And I know that anything I have to
15 say doesn't affect your decision, but a group of us
16 that drove up here, I want you all to know, those of
17 you who are standing against oil and gas and fracking,
18 that I feel like a lot of you may think that your
19 voices aren't heard, but we hear you. I hear you. We
20 drove over nine hours to hear you and we're going to
21 continue to listen to you. And I want you to know
22 that we want to stand with you and we want you to keep
23 talking to us, because we are afraid of the same
24 things happening. And that's all I really wanted to
25 say.

1 CHAIR:

2 Thank you, Sherrie. Is there anybody
3 else who would like to speak tonight? Okay, then.
4 With no other commentators present, on behalf of the
5 EQB, I hereby adjourn this hearing at 9:15 p.m.

6 Thank you very much for your
7 participation. We appreciate having you here.

8 * * * * *

9 HEARING CONCLUDED AT 9:15 P.M.

10 * * * * *

CERTIFICATE

I hereby certify that the foregoing proceedings, hearing held before Chair Edinger was reported by me on 1/27/2014 and that I, Randyll P. Lloyd, read this transcript and that I attest that this transcript is a true and accurate record of the proceeding.


Court Reporter