# COMMONWEALTH OF PENNSYLVANIA DEPARTMENT OF ENVIRONMENTAL PROTECTION

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IN RE: IN RE: PROPOSED CHAPTER 78

ENVIRONMENTAL PROTECTION PERFORMANCE STANDARDS

AT OIL AND GAS WELL SITES

\* \* \* \* \* \* \* \* \*

BEFORE: WILLIAM FINK, CHAIR, PA EQB

SCOTT PERRY, ESQUIRE, Member, PA DEP

HAYLEY BOOK, Member, PA DEP

LAURA EDINGER, Member, PA DEP

ELIZABETH NOLAN, Member, PA DEP

HEARING: Monday, January 13, 2014

6:00 p.m.

OR C. NAL

LOCATION: Pennsylvania College of Technology

Klump Academic Center

1 College Avenue

Williamsport, PA 17701

WITNESSES: Mark Szybist, Esquire; John Augustine;

Scott Miller; Martha Donahue; Laurie Barr;

Jim Erb; Ralph Kisberg; Naudia Steinzor;

Reporter: Lindsey Powell

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WITNESSES: Gary Hovis; Glenn Weaver; Mark Cline;

Jack Miller; Al Sever; Deb Nardone;

John Trallo; Barbara Jarmoska; Wendy Lynne

Lee; Sue Laidacker; Teresa McCurdy;

Dan Alters; Commissioner Doug McLinko;

Bryan Hammerstrom; Michael Ochs;

Senator Scott Hutchinson; Alison Rupert

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	NONE OFFERED	
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#### PROCEEDINGS

# CHAIR:

Good evening. Can you hear me fine?

AUDIENCE MEMBER:

Yes.

# CHAIR:

Environmental Quality Board, the public hearing on the Environmental Protection Performance Standards at Oil and Gas Well Sites proposed rulemaking. My name is Bill Fink, I'm a representative of the Pennsylvania Environmental Quality Board. Joining me tonight are Scott Perry with the DEP's Office of Oil and Gas Management, Hayley Book and Laura Edinger for the DEP ---. And Dan Spadoni. Where's Dan --- he's in the back of the room --- community relations coordinator for the Northcentral Region Office.

I officially called this hearing to order at 6:00 p.m. In the event of an emergency, the exits are located in the four corners. And once you get out in the hallway there are signs everywhere. So hopefully we won't need to use them. The purpose of this hearing is to formally accept testimony on the proposed regulations, Environmental Protection

Performance Standards at Oil and Gas Well Sites.

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In addition to this hearing, the EQB will hold five additional hearings on the proposed regulations: January 15th in Meadville; January 16th, Mechanicsburg; January 22nd in Washington; January 23rd in Indiana and January 27th in Tunkhannock.

Information about the specific locations for these hearings is available on the DEP's website. That website is www.dep.state.pa.us. There are also copies of A Citizen's Guide to DEP Regulations available. Inside this document you'll find descriptions of the environmental regulatory process in Pennsylvania, the Environmental Quality Board's role and how to submit comments and tips for submitting effective comments.

The proposed rulemaking, which was adopted by the DEP on August 23rd, 2013, will amend 25 PA Code Chapter 78 to update the regulations related to surface activities associated with the development of oil and gas wells. EQB adopted the process, proposed rulemaking with the recommendations for 60 day public comment period and at least six public hearings to be held across the State. This represents a heightened level of public participation, as there is usually only 30 day public commenting periods of a

typical department rulemakings. Additionally public hearings are held on the basis of pubic interest for some regulations, and a lot of regulations are not held at all, so this is pretty important.

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Due to increased public interest in the rulemaking, the EQB has decided to hold seven public hearings to allow ample opportunity for the public to express comments on each proposed rulemaking. The proposed regulatory amendments would address recent statutory changes in Act 13 of 2012 and codify existing practices. This rulemaking will allow the implementation of key provisions in Act 13, including further consideration of impacts to public resources such as parks, wildlife areas, prevention of spills, the management of waste and the restoration of well sites after drilling. The proposed rulemaking also includes standards affecting the construction of gathering lines, temporary pipe lines and include provisions for identifying and monitoring abandoned wells close to well sites.

In order to give everyone an equal opportunity to comment on the proposal, the following ground rules will be established. I will first call upon the witnesses who have preregistered to testify at this hearing. After hearing from these witnesses,

I will provide other interested parties with the opportunity to testify, as time allows. Testimony will be limited to five minutes for each witness.

Organizations are requested to designate one witness to present testimony on its behalf. Each witness is asked to submit three written copies of his or her testimony. If you could put two copies in the box and one beside the box is what we'd like you to do with your written testimony. Please state your name prior to presenting your testimony for the record and your affiliation. The EQB would also appreciate you spelling your names. And terms that are difficult or specific, we'd appreciate if you could spell those terms out, especially names. That would be real helpful, especially last names a lot of times.

Because of the proposed --- we receive comments on the proposal, DEP and the DEP staff cannot answer questions about the rulemaking during the duration of the hearing, but may address questions about the commenting process at the end of the hearing. In addition to our ---. In addition or in place of verbal testimony presented today, hearing witnesses, interested persons may also submit written comments on a proposal. Written/verbal comments hold the same weight and are considered to final

1 rulemaking.

All the comments provided become part of the official public record. All the comments must be received by the DEP on or before February 12 of 2014.

Comments should addressed to the Environmental Quality Board, P.O. Box 8477, Harrisburg, PA, 17105-8477.

Comments may also be e-mailed to regcomments@pa.gov or submitted through EQB's regulatory comment system, accessible from the DEP website.

will be --- as well as written comments received by February 12th, will be entered as part of the formal record to be considered by the EPA --- EQB and be included in the comment response docket, which will be prepared by the Department and reviewed by the EQB prior to the Board taking final action on the regulation. Anyone interested in receiving a copy of today's transcripts, hearings may contact EQB at (717) 787-4526 for further information.

Now, with that said, I'd like to call the first commenter and --- Mark Szybist.

#### ATTORNEY SZYBIST:

Thank you. For the record, the name is pronounced Szybist (corrects pronunciation).

CHAIR:

# Szybist (changes pronunciation)? ATTORNEY SZYBIST:

Yeah, Mark Szybist is the name. I'm a staff attorney for Citizens of Pennsylvania's Future, PennFuture. I work out of the Wilkes-Barre Office.

I'm also on the board of directors of Responsible Drilling Alliance, or RDA, which is based here in Williamsport. I'm speaking tonight on behalf of PennFuture.

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First, I'd like to thank you all for the opportunity to comment and for all the hard work that obviously went into this rulemaking. The rulemaking runs to 74 pages, so five minutes is not a lot of time to comment, and for that reason PennFuture will be submitting detailed comments on the particular provisions and regulations. Tonight in the four minutes or so that are remaining to me, I'd like to do two things.

First, because I'm the first person speaking, I'd like to kind of place this rulemaking in a larger legal context, as much for the benefit as the rest of the people here as for the Board. And then I'd like to offer a couple particular comments.

First, I weighed context. As most people in the audience know tonight, on the federal

level, oil and gas operators are exempt from important sections of many important federal laws, hydraulic fracturing stemming from the Underground Injection Control Program under the Safe Drinking Water Act. Oil and gas stormwater discharges are exempted from NPDES permit requirements under the Clean Water Act. Most oil and gas wastes are exempt from regulations under the Resource Conservation and Recovery Act. As a result, the DEP has to rely largely on state law to regulate oil and gas drilling operations. And the remaining state law, of course, is Act 13, as has been pointed out.

Now as many folks here know tonight, Act 13's problematic in many respects. In December, the Pennsylvania Supreme Court struck down important sections of the law as unconstitutional. But there are other laws, too, the DEP uses to regulate oil and gas operations, including the Pennsylvania Clean Streams Law as well as the Waste Management Act. And together these and other laws give the DEP significant power to protect public health and the environment and to make some of the bad features of Act 13 less bad.

One example is bonding. Act 13 sets particular requirements for bonds for oil and gas well operators. The DEP, EQB cannot provide regulation

increasing the amounts of those bonds, but the DEP can establish processes to make sure that well sites are not released from bonds until they are adequately restored.

Now, in many respects the DEP is to be commended for the proposed regulations in this ruling. For example, PennFuture supports proposed water quality requirements in Section 78.51 concerning the replacement of water supplies affected by gas drilling. We also support the DEP's decision to promulgate regulations, for the first time, for above-ground pipelines carrying gas or wastewater, for fresh water components, for horizontal directional drilling for oil and gas pipelines and for water rights. However, there are many particular problems with the regulations.

I mentioned bonding and that's a problem. Subchapter G of the proposed regulations does not ensure that well sites will be adequately restored before they're released from the bond. As far as we can tell, the release is determined on providing a certificate of plugging only. Release from liability should also be conditioned on a demonstration that the well site, or impounded site, is adequately restored or the last well has been

plugged.

left.

of restoration. Act 13 requires two stages of restoration of well sites ---. By the way, would somebody let me know when my time is almost going to be done?

# CHAIR:

We'll let you know when there's a minute

# ATTORNEY SZYBIST:

Okay. Thank you. Act 13 requires two stages of restoration for well sites. On one hand, Section 3216(c) requires partial restoration at the conclusion of drilling fracturing operations. Section 3216(d) requires final restoration after the last well on the site has been plugged. The DEP is proposing to implement these sections in proposed regulation 78.65, which requires that a well site can be considered restored if it's returned to its approximate original contours, including preconstruction contours, and can support the original land uses to the extent practical. Similar language appears in the DEP's proposed regulations ---

# CHAIR:

One minute.

# ATTORNEY SZYBIST:

impoundments and centralized wastewater impoundments, which also contain restoration requirements. A return to original conditions, contours and use is a commendable goal for the restoration of well sites, both post-drilling and post-plugging and impoundment sites.

However, the DEP's general restoration standards are now practically unenforceable because they fail to require environmental baseline site assessments. They fail to require site-specific standards and criteria for restoration. They fail to require environmental professionals to sign off on state restorations. And they establish no process by the DEP defining approved or disapproved restoration. The DEP should require site-specific baseline assessments and restoration plans for all well and impoundment sites, should require professional certification that restoration goals have been met and should require DEP approval before a well site can be considered restored.

One final thing, PennFuture was among several groups that requested that the EQB extend the commentary for these regulations and include hearings

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   in places like Bradford County and Butler County,
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   which have a large development but currently have no
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   hearings. We repeat that comment here. Thank you
   very much.
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                  CHAIR:
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                  Thank you. Did you leave your comments
   there?
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                  ATTORNEY SZYBIST:
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                  I just have the notes. We're going to
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   be submitting detailed written comments, ---
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                  CHAIR:
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                  Thank you.
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                  ATTORNEY SZYBIST:
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                  --- so we can provide something in
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   writing.
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                  CHAIR:
                  Thank you. John Augustine.
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                  MR. AUGUSTINE:
                  Good evening. I'm John Augustine. I'm
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   the Community Outreach Manager in Northeastern
   Pennsylvania for the Marcellus Shale Coalition. We're
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   an association working with regional partners since
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   2008 and currently comprised of nearly 300
   exploration, production, midstream and supply-chain
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   companies committed to developing clean-burning
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natural gas resources. In 2012, our members were responsible for 96 percent of the natural gas produced here in Pennsylvania.

Responsible shale development has been among the most transformative turning points in our Commonwealth's history. And, indeed, natural gas development can serve to enhance and improve our natural resources.

Significant investments have been made across the Commonwealth by our industry to provide needed habitat and restore lands and watersheds. Partnerships with conservation groups are examples of our industry's willingness and commitment to voluntarily protect and preserve our natural resources. And our industry has raised the bar for shale development for the practices designed specifically to lessen the impact on surface disturbance and provide strategies to improve habitat and landscapes.

The benefits do not end there. Take, for example, the fact that the Commonwealth accounted for 18 percent of the nation's natural gas production in recent months according to the EIA. This has led to more revenue. The natural gas industry has paid over \$1.8 billion in taxes since 2008 and \$406 million

over two years to communities, counties and the state in impact fees. Through jobs. Over 200,000 new hires in Pennsylvania are supported by industries associated with shale development. Less costly heating fuel. According to the Associated Press, about two-thirds of Pennsylvanians who heat their homes this winter will pay the lowest prices in decades. And cleaner air. The U.S. EPA confirmed in October 2013 that carbon emissions are at their lowest since 1994, thanks to increased use of natural gas.

These benefits, unfortunately, are at risk. Pennsylvania has a complex regulatory environment and an uncertain fiscal climate, which has resulted in the Commonwealth falling behind. And there's even less certainty in the wake of a decision of the Pennsylvania Supreme Court to reject portions of Act 13 of 2012 that established a statewide standard for oil and gas development. Moreover, a plurality of the Court ruled to roll back many of the environmental protections under Act 13, including more stringent well setbacks. Nevertheless our industry, at the Governor's request, will voluntarily comply with these setbacks.

Other regulatory provisions spurred by Act 13, and the Chapter 78 revisions that follow,

added to the Commonwealth's strong regulatory framework, which the State Review of Oil & Natural Gas Environmental Regulations, or STRONGER, a national nonprofit organization dedicated to assessing states' regulations, referred to last fall as well-managed, professional and meeting its program objectives. And for that we applied both the General Assembly and the Pennsylvania DEP.

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At the same time, many of DEP's proposed regulatory changes to Chapter 78 stretched beyond legislative intent and will undercut the Commonwealth's ability to compete for capital while providing little or no additional benefit with regard to safe and secure oil and gas development. These include: Establishment of special concern species, which raises questions about how any such list is generated, what criteria is used to determine whether there's an impact to these species and how DEP proposes to mitigate impacts. Treatment of abandoned wells, which would lead to open-ended obligations for identifying these wells, and the better than standard, which requires the oil and gas industry to upgrade private water supplies, at industry expense, beyond that which existed pre-drilling despite the Technical Advisory Board's recommendations otherwise.

The Marcellus Shale Coalition will provide detailed written comments on the Department's proposed regulations in the weeks to come. Our overarching message, though, is straightforward, instead of undermining our strong, consistent and predictable regulatory framework, we should work cooperatively to revise these proposals to maintain a balance between strong environmental protection and a competitive economic climate. It does not need to be a false choice between the two and we urge the DEP to ---

#### CHAIR:

One minute.

# MR. AUGUSTINE:

--- continue working with our industry and stakeholders across the Commonwealth on a reasonable, competitive path forward. Thank you for the opportunity to provide this testimony.

#### CHAIR:

Thank you. Scott Miller.

### MR. MILLER:

Good evening. My name is Scott Miller.

I'm a Senior Community Relations Representative for

WPX Energy in the Marcellus Basin. Our offices in the local area are in Nicholson, Pennsylvania in Wyoming

County. WPX Energy is one of the largest producers in the United States and is active in many of the nation's basins. We've been in the Marcellus basin since 2009 and to date have drilled 100 wells in the Commonwealth. Individually and in concert with trade associations, we have engaged with the DEP, DCNR, TAB and all of the environmental working groups involved in this labor-intensive process. Thank you for allowing WPX to comment on items WPX believes are important.

Regarding the Chapter 78, Section 15 regulations. Section 3215(e) of Act 13 requires the Department to develop regulatory criteria that protect public resources while ensuring optimal oil and gas resource development and respecting oil and gas owner property rights. However, the proposed regulations in Chapter 78, Section 15 do not adequately implement or address these requirements. The regulatory criteria for conditioning a permit has not been provided and the draft regulations only frame the Department's authority to implement the conditions. If industry is required to avoid or mitigate potential impacts to these resources, the criteria used to assess impacts must be established and provided.

Regarding the issue of water

replacement. The main concern that we have is that DEP is proposing the industry replace a water supply to Safe Drinking Water Act standards or better, even when the results of pre-drill testing of water supply showed the water did not meet these standards in the first place. There are many challenges in the Commonwealth with regards to private water wells, especially the lack of construction standards. Our experience with pre-drill testing, and several studies independent of natural gas development, demonstrate that a large number of private wells are poorly constructed and may contain iron, manganese, coliform and methane, and many do not meet the criteria of the Safe Drinking Water Act.

Until such time as the Pennsylvania legislature passes legislation to require property owners to properly construct private water wells, and ensure they meet the Safe Drinking Water Act, it is unreasonable for the DEP to require the industry to restore a private water supply to better standards than what originally existed. We're requesting that if the operator impacts a water supply, the DEP requires replacing the water supply to the pre-drill test results.

Regarding wastewater management at a

1 well site. The natural gas industry has been 2 recycling and reusing water and minimizing fresh water 3 use for quite some time now. Unfortunately, the new 4 regulations would force operators to rethink this 5 option. In order to increase the amount of water being reused and recycled in the Commonwealth, the 7 regulations need to provide an avenue for the 8 operator, either through permits or DEP approvals, to document, move and reuse water from one site to 10 another. In addition, the Oil and Gas Division must 11 have its own regulations concerning water management 12 and not be conflicted and confused with those of the 13 Waste Management Division.

Regarding orphaned and abandoned wells. Identifying active, inactive, plugged, abandoned and orphaned wells prior to the hydraulic fracturing may be something that the industry can work with the DEP, but not to the level of the proposed regulations --- as previously stated by Mr. Augustine --- as that may lead to non-ending obligations on behalf of the industry for wells that are not ours.

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It's well-known that the State Review of Oil & Natural Gas Environmental Regulations, also known as STRONGER, a national nonprofit organization charged with assessing states' oil and gas

regulations, reviewed Pennsylvania's oil and gas regulatory programming in May 2013 at DEP's request.

#### CHAIR:

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One minute.

#### MR. MILLER:

SRONGER released its report in September 2013 and Found that Pennsylvania's program is overall well-managed, professional and meeting its program objectives. STRONGER lauded DEP on many of its initiatives and regulations. WPX asked this Board to recognize STRONGER's assessment and credits the DEP for employing STRONGER to review our environmental regulations in light of the natural gas industry's operations and economic growth for all.

WPX appreciates and respects the communities in which we operate and we're dedicated to protecting Pennsylvania's environment. We thank you for your efforts and desire to continue to seek better and more efficient ways to regulate our industry and safeguard Pennsylvania's environment.

#### CHAIR:

Thank you. Martha Donahue.

#### MS. DONAHUE:

Thank you. I am Martha Donahue,

25 speaking for the League of Women Voters of

Pennsylvania. The League thanks you for this opportunity to comment and our testimony tonight will focus on the Environmental Protection Performance Standards in the proposed regulations.

Under our Constitution, we have a right to clean air, pure water and the preservation of natural resources. The Commonwealth serves as a trustee to conserve and maintain these assets for generations yet to come. Based on our statewide study, consensus and resulting position, the League supports the maximum protection of public health and the environment in all aspects of Marcellus Shale natural gas operations by requiring use of best practice and adopting strong, comprehensive regulation with adequate staffing to assure enforcement.

The control and storage of production fluids is vital, given the toxicity and unknown nature of production fluids. The prohibition against the use of open-top structures to store brine and other produced fluids during and after the operation of the well is of utmost importance. The League strongly advocates that open-top structures be prohibited for the containment of all produced fluids, flowback, volatile organics and other wastes. This should be without exception. No pit should be allowed, even

1 under the Clean Streams Law, except for a very limited 2 time, no more than 30 days, during an emergency. All liners and waste products must be disposed using best 4 practice at off site locations certified for hazardous 5 materials. In addition to the secondary containment 6 and additional safeguards around tanks to prevent 7 unauthorized access, all tanks must be installed above 8 ground for easy access and monitoring. Supplemental 9 precautions must be added to avoid consequences, like 10 those from the January 2014 chemical tank leak in West Virginia.

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Online processing is ---. I'm sorry. Onsite processing is unacceptable. Processes, such as aerating fluids, should not be done at all in an open-storage unit, pit or other unenclosed structure since it has the potential of adverse health impact on humans, animals and possibly crops growing nearby. Methods of processing drill cuttings here and elsewhere in the document must address impacts on air, land and water and mandate best practice techniques. Because of federal loopholes that categorize oil and gas wastes as nonhazardous, the Sold Waste Management Act fails to provide adequate protection.

Further, the Department cannot assess the risks involved due to the unknown results of

combining injected solutions with heavy metals, radioactive materials and other substances from deep below the earth. The League supports full disclosure of pollution data.

#### CHAIR:

One minute.

#### MS. DONAHUE:

Given expanding number of wells, the magnitude of unknown products and the numerous processing techniques, more staff must be given to monitor and enforce all the proposed rules.

Freshwater impoundments must not be used for the storage of mine-influenced waste. If used, this mine drainage, or mine-polluting water, must be stored in closed tanks. Operators should be required to pretest these hazardous fluids to determine their composition and radioactivity. Tracers should be added so that liability can be assigned when contamination occurs.

In addition to pollution hazards, impoundments result in significant compaction of the soil due to the weight of stored liquids. The embankments, as specified, are problematic in the draining of streams to downstream locations.

CHAIR:

Time, ma'am.

#### MS. DONAHUE:

Thank you.

#### CHAIR:

Thank you. Laura Barr. Laurie Barr.

## MS. BARR:

Hi, my name is Laurie Barr and I'm here on behalf of Save Our Streams PA. And I'm here tonight to talk about a family who lives in Duke Center, McKean County, Pennsylvania. The Thomases, when they look out their windows, they see abandoned wells, oil tanks. A large number of these wells are leaking oil and natural gas. There are puddles of oil, acres of contaminated soil, pump-jacks and abandoned wells, brine pits, plastic and metal pipelines, et cetera.

The Thomases recently discovered another abandoned well on their property, bringing the number of found wells up to 32. Some of the wells have had their wellheads removed and their entire related infrastructure removed. In areas where the vegetation is heavy, locating the wells has been very difficult. Sometimes there's a light sheen of oil going downstream. In times of rain and flood events, the sheen gets heavier.

The situation recently took a turn for the worse when a large oil storage tank filled with oil failed, sending its contents downstream. Another well, one of the 32 that had not leaked in the past, started to drip oil the other day. Thirteen (13) of the wells don't have API numbers. None of the 32 wells are identified on DEP's online map, even after many reports to the DEP officials.

In addition to the DEP, Representative
Martin Causer, many individuals and officials from
local on up to the Governor's office, organizations
including the McKean County Conservation District, the
Fish and Boat Commission, the National Response
Center, the EPA and many others have been contacted
about this.

An administrative order was issued several months ago by the DEP to the administrator of the deceased operator's estate. It doesn't seem worth the paper it's printed on.

None of the 19 wells that are identified in the order has made it to the DEP's online map either.

Despite e-mails, phone calls and many pleas for help, oil from these wells continue to enter the watershed many Pennsylvanians and New York

citizens rely upon.

Currently, operators are required to post bonds equal to only small fractions of the actual cost of plugging. This increases the likelihood of improper well abandonment.

Regulations which require operators to post bonds equal to the approximate cost of plugging their wells would immediately reduce these risk associated with improper well abandonment.

Some operators have accrued large numbers of inactive wells. In some cases, these represent a great percentage of their well inventories.

Limiting the number of inactive wells and also the percentage of inactive wells operators are permitted to accrue in their inventories by setting regulatory limits will minimize the risk of inheritance these wells represent to surface owners, stakeholders and, more importantly, the Commonwealth.

Requiring operators through regulations to plug orphaned, abandoned and inactive wells in their inventories before authorizing new permits to drill and operate wells will encourage operators to plug their depleted wells and would also provide much needed protection for the environment, surface owners

and other stakeholders.

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Allowing operators who have accrued large numbers of depleted, inactive wells, that may never be commercially viable to apply for Act 13 impact funds to be used to plug depleted wells would go a long way to addressing the risk while providing employment opportunities. Allowing surface owners to apply for Act 13 impact funds to be used to plug legacy wells on their property would enable ---

#### CHAIR:

One minute.

## MS. BARR:

--- would enable citizens to take a proactive role in reducing contamination and the Commonwealth's greenhouse gas emissions.

Conservation districts and other organizations that have refused to assist or have chosen not to respond to oil and gas related contamination incidents, should not be eligible to receive Act 13 impact funds. This would encourage conservation districts and other organizations to take a proactive role in remediating oil and gas related impacts on the Commonwealth's natural resources.

This was one of the intended uses of Act

13. The organizations that would use Act 13 funds for

pet projects while turning their backs on the needed remediation is an insult to the spirit of Act 13.

Thank you for the opportunity.

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Thank you. Jim Erb.

## MR. ERB:

Good evening, my name is James Erb. I'm speaking on behalf of the Associated Petroleum Industries of Pennsylvania, API-PA. API-PA is a division of the American Petroleum Institute, or API, a national trade association that represents all segments of America's oil and natural gas industry. Its more than 580 members provide most of the nation's API is also a standard-setting organization. energy. For 89 years API has led the development of petroleum and petrochemical equipment and operating standards. These standards represent the industry's collective wisdom on everything from drill bits to environmental protection. API maintains more than 650 standards and recommended practices. Many of these are incorporated into state and federal requirements.

API-PA strongly supports environmental safeguards and stewardship and commends DEP on their regulatory oversight program. However, we do have concerns with several provisions contained in the

proposed rulemaking that we plan to outline in detail in our formal written comments. In the interest of time, I will highlight some general comments we have and provide comments that address temporary supporting impoundments, freshwater impoundments and centralized waste storage impoundments.

be added to clarify the effective date of the new requirements and that wells constructed prior to that be grandfathered in. There are a number of definitions and sections of text that refer the reader to other statutes or regulations. This causes the reader to search elsewhere to find other statutes or regulations and review it before being able to understand Chapter 78. This is not user-friendly and does not facilitate regulatory understanding or compliance. It would be better to state, as defined in Pa. Code whatever section and repeat the definition or the requirement.

Also, a number of sections are very detailed and descriptive. We suggest these sections be given some flexibility to allow for the use of alternative methods, as approved by the Department.

Temporary storage impoundments, Section 78.56(a)(1) should have language that state, or

impoundments which are used or anticipated to be produced.

:8:

78.62(a)(2) should have language added to clarify the designed approval process for modular, aboveground containment structures so that once they have been approved by DEP subsequent assembly of the approved structure at another site does not require an approval.

Section 78.56 (a) (9) (iv) should have language added to allow for visual inspection of a liner as a means to satisfy the liner integrity requirement.

Section 78.56 (a) (14) should have language added to allow for the reuse of storage liquids if the liner's compromised, instead of requiring the contents of the pit, tank or structure to be managed and disposed as a residual waste.

Freshwater impoundments. Section 78.59b(g)(1)(i) includes the requirement to demonstrate that the impoundment will prevent air pollution. It is suggested that since air pollution control falls within the jurisdiction of another program that this reference to air pollution be deleted.

Centralized impoundments.

1 CHAIR: 2 One minute. 3 MR. ERB: Section 78.59c(e)(2)(iv) requires an 4 5 authorized representative of the liner manufacturer to 6 supervise installation of the liner and then requires a Department-approved quality assurance and quality control plan to be implemented during construction. 8 9 This is overkill. It would be more reasonable to 10 require either the manufacturer supervision or a 11 Department-approved plan, but not both. 12 The same comment applies to 78.59c(h)(4)(vi). 13 14 78.59c(h)(6)(iv) requires monitoring 15 wells to be filter-packed with chemically-inert materials. It is recommended that the term 16 filter-packed be defined or more descriptive text 17 18 should be used. 19 78.59c(h)(4)(i) should be written more 20 clearly. First, it requires monitoring well 21 casings ---. 22 CHAIR: 23 Time. 24 MR. ERB:

Thank you.

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# CHAIR:

Ralph Kisberg.

## MR. KISBERG:

Thank you for the opportunity to address the Board. My name is Ralph Kisberg of Williamsport. In preparation I attended both days of the Technical Assistance Board meetings in State College back in August. There I listened to and talked with a number of small conventional drillers. They were upset about the costs of some of the proposed amendments. I was empathetic at first, but in studying the Regulatory Analysis Form completed by the DEP, it is clear that the estimated figures are not unfair or uncompetitive expenses, given the volume and value of the hydrocarbons produced in the Commonwealth currently and for the foreseeable future. I respectfully suggest you study that well-crafted form thoroughly.

Yes, some small conventional well operators will go out of business. But if they cannot afford to comply with the very limited number of proposed regulations DEP has deemed applicable to them, the harsh reality is that their resource production in the current era is insignificant, whereas their industry's history and legacy of environmental degradation, unfortunately, is not. As

the DEP phrased it, the cost of reasonable environmental protective measures are relatively small compared to the costs associated with cleaning up a release of pollutional substance into the environment and restoring the impacted area.

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As far as the unconventional operators go, you've heard from three representatives how they feel about these regulations and you're going to hear a lot more.

Let's take Mr. Augustine's testimony. He talked about 200,000 new jobs created by his industry. This figure is such a manipulation of statistics that it is nothing but an outright lie. And I urge you to look at the work of Dr. Timothy Kelsey, Penn State workforce development, tells if we put the payday budget and the policy center and get a realistic figure of just how many direct jobs the industry creates, it's about 22,000, I believe. And that includes the unconventional well --- the conventional well industry also.

This lie came about from an industry page on a study that was called the emerging giant that was done by two Penn State professors back in the very beginning of this. And it has been a very damaging document, not just in the Commonwealth but

nationwide and even around the world. We have to get this lie wiped out. These people --- I mean, it is unbelievable.

You heard today ---. Let's talk about
Section 78.51(2) regarding the restoration and
replacement of contaminated water supplies. Now that
is a proposed standard all Pennsylvanians can be proud
of and support. And those that are paying attention
appreciate the DEP. I'll quote it, the quality of a
restored or replaced water supply will be deemed
adequate if it means the standard established under
the Pennsylvania Safe Drinking Water Act or as
comparable to the quality of the water supply before
it was affected by the operator, if that water supply
exceeded those standards. We hope you can hold firm
to those standards in the onslaught that you're going
get from the industry against it.

Laurie Barr did a good job talking about Section 78.52a, abandoned/orphaned well identification. That's an example of a very good start on rules to address a problem that we've seen in this area twice actually. In Forks Township in Sullivan County, a 7,000 foot abandoned well from the 1950s had to be plugged in 2012 after DEP detected combustible gas at the surface of the ground above the

BJ Broschart well and in a number of homes and a stream in the vicinity. I won't go into ---. Its details are in my testimony.

In Section 78.59c(g)(2) ---

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One minute.

### MR. KISBERG:

--- the draft regulations appear to require one monitoring well hydraulically upgradient from a centralized impoundment and a minimum of three monitoring wells downgradient. The catastrophic failure of the impoundment liner, on the Phoenix Resources property on the landfill in Duncan Township in Tioga County, provides a fine example of why --let's just say for me --- liners is ridiculous. Monitoring wells are necessary and can provide alerts to toxic infiltration of groundwater from underneath liners. These liners do leak and the 75 to 100 holes discovered upon draining of the liner on the Phoenix Pad S impoundment also shows that, due to the allowable definition of freshwater to contain pollutional substances, these ponds built to lesser construction standards, should, too, require the minimum monitoring wells described for the higher standard of construction centralized impoundments.

Thank you.

## CHAIR:

Time. Thank you. Naudia Steinzor.

## MS. STEINZOR:

Good evening. Thank you very much for having me. I'm the Eastern Program Coordinator of Earthworks, which is a national nonprofit founded in 1988 to protect communities and the environment from the negative impacts of mineral development. I commend the EQB and the DEP for this process.

We have been part of the growing group of organizations who asked them to call for an extended comment period and look forward to the response of the DEP on that.

Five years into Pennsylvania's shale gas boom, it is high time for a full overall Chapter 78.

Both field experience and emerging science made it clear that gas development poses hazards to health and air and water quality by virtue of the products used, substances produced and operative practices. These realities are faced every day by communities statewide and nationwide and should persuade the Board and the DEP to adopt the most protective regulations possible.

And we do commend you on your efforts around pre-drill testing and replacement water as well

as orphaned and abandoned wells and other aspects. We will be submitting those technical comments. So tonight I'll just focus on some aspects of the waste issues in particular, with which we're very concerned.

The challenge that operators face in dealing with growing volumes of solid and liquid waste should not be an excuse to allow dangerous substances to harm health and the environment. It can be very inconvenient and difficult to deal with waste, but that's not the issue at hand.

Others have mentioned the federal loopholes, to which the oil and gas industry alone enjoys, including a special exemption to the U.S.

Resources Conservation and Recovery Act regulating hazardous materials. Since Pennsylvania's not looking to follow RCRA standards, which it could on its own if it chose to, at the very least you can propose Chapter 78 regulations should address risks posed by waste, which the current regulations, as proposed, do not.

We advocate strongly for production pits and any open impoundment tanks and modular structures, which should be prohibited if they're at all open, and those who use the temporary containment of regulated substances. Only a covered, closed-lid system should be allowed.

Freshwater must be clearly defined --others alluded to this --- for the purposes of
regulation. Otherwise operators, which they're
already trying to do and pushing legislation to do so,
will improperly use processes using substances, such
as effluent mining water and flowback.

The requirement that pits and impoundments be only 20 inches above the seasonal high groundwater table gambles with local quality --- water quality in the state and many shallow groundwater sources. If pits are allowed --- which we obviously said they should not be, but if they are to continue to be allowed, the separation distance must be expanded. And I'd like to draw your attention to looking at other states' standards, such as five feet in Louisiana and four feet in Michigan.

The burial and land application of drill cuttings should be prohibited. Different regulations have been proposed for cuttings above and below the KCC, but both pipes contain the same chemicals, and as demonstrated by ones continually going off of Pennsylvania landfills, potential radioactivity. The burial production using residual waste in pits and storage tanks should be prohibited. This is an out-of-sight, out-of-mind practice that made it really

convenient for operators and made the permitting and oversight process easier for the DEP. But waste burial is nothing more than a toxic legacy, which the public will have to deal with in the future while operators get to literally walk away from it. We strongly urge the DEP to not issue waivers to waste disposal regulations.

### CHAIR:

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One minute.

## MS. STEINZOR:

There is no evidence the DEP actually checks whether these alternative waste management practices are equivalent to Chapter 78 regulations or in practice, again, anything that could be used for operators.

And in closing, I'll just say that obviously accidents, spills and equipment failures occurred even during routine operations and in properly-permitted facilities, yet the vast majority of active wells continue to go uninspected, operators violating the same rules at different locations year after year. The weight of enforcement actions has actually gone down for violation. It is tragically clear that, at current funding and staffing levels, DEP is not able to keep pace with an expansion of

drilling facilities. And that's no slack at the DEP, it's about the resources that fund it.

So the Board and the DEP have a lot of work ahead to develop and adopt strong regulations.

So we'd hope that in doing so you also look at what it takes to ensure that those regulations are followed.

Thank you very much for your time and for this process.

## CHAIR:

Thank you. Gary Hovis.

### MR. HOVIS:

Good evening. My name is Gary Hovis.

I'm the president of the PIPP organization, which is an acronym for the Pennsylvania Independent Petroleum Producers. Thank you for this opportunity to present the following remarks from the perspective of the Shale Conventional Oil & Gas Industry in Pennsylvania. We extend that welcome to other industry representatives here this evening, sister oil and gas organizations, local legislators and all those in attendance.

Our organization was founded in 1985, 29 years ago, in response, at that time, to the state's legislative Act 223. We've been working with the industry during that time. Our current membership is

just over 300 members today. at one time it was a lot larger, when we had a lot more people in the field.

energy formation was discovered deep below the surface in Pennsylvania, extending across the state, from the Northeast to the Southwest. An exploration frenzy began and after several years of development the state legislature realized it needed to develop regulations, new regulations, to cover the exploration, development and production of this new found source of energy from the Marcellus and Utica Shales.

This exploration, drilling, stimulation and development was much more involved than that of the conventional vertical stripper wells already existing across Central and Western Pennsylvania. Consequently, new procedures and regulations were generated to cover these new nonconventional wells, and that effort became law, Act 13, in February of 2012.

Other than the bonding requirements, all the new regulations under Act 13 designed to control this new breed of unconventional wells, essentially wells with horizontal legs, is being considered to also apply to the traditional stripper wells in Pennsylvania. This legacy class of conventional

shallow wells is an entirely new animal than the unconventional well this Act 13 set out to regulate.

Shallow wells can be drilled and stimulated in a matter of days; require a fraction of the surface area disturbance; require less than a fraction of a percent of the frack water. Uses minimal truck traffic to the well site of that required by the Marcellus-type well. And really doesn't require stoned and topped access roads due to excessive truck traffic. And well sites can be restored in a matter of days.

Let's look now, specifically, to a couple of these points. Item 2, surface area disturbance. A typical well bed, or shallow well, is somewhere in the range of 50 --- 50 feet by 50 feet, maybe the extreme case might be a hundred by a hundred, or somewhere around 2,500 square feet.

Typical Marcellus well sites are five acres or about 200,000 square feet or can sometimes be even greater. And that doesn't include space required for storing frack water, big difference.

Item three, the typical well requirements for fracking a shallow well is around 25,000 gallons. The minimum water requirement for a ---

#### CHAIR:

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One minute.

## MR. HOVIS:

--- Marcellus well is 4,000,000 gallons, more than 160 times that of a shallow well. And the shallow well can be fracked in less than a day, where the nonconventional might take weeks or even months.

One of the most onerous threats to the shallow stripper well industry today is the proposed change of Chapter 78 regulations under the new Act 13. These regulations, as we well know, are now out for comment.

We recommend separate regulations for the two very different types of wells. The new regulations can apply to the unconventional and the previous Chapter 78 regulations can apply to the conventional oil and gas wells that have been produced for, in some cases, over a hundred years, going back to the first well drilling in Titusville, Pennsylvania. If this doesn't happen, it could sign the death warrant to conventional shale, oil and gas industry.

#### CHAIR:

Time.

MR. HOVIS:

Thank you.

## CHAIR:

Thank you. Glenn Weaver.

# MR. WEAVER:

My name is Glenn Weaver. I'm a fourth generation oil producer. My son, who is in business with me, is a fifth generation. These Chapter 78 regulations, if enacted as written, will be the end of the shallow oil and gas industry in Pennsylvania.

They were written to regulate the Marcellus and Utica drilling boom that has taken place in PA in the last four-and-a-half years. The cost of an average shallow well in Northwestern Pennsylvania is one percent of the cost of a Marcellus well.

The permit application has become a nightmare. The application for a permit has gone from two pages a couple years ago to 17. The notification of all adjoining townships or municipalities bordering the township or municipalities who are applying for a permit is ridiculous for a shallow well.

The truck traffic for an unconventional well is terrific. For instance, a frack job on an unconventional well will be hundreds of trucks for water, sand and so on. One frack job ---. On a frack job there'll be 20 pump trucks alone.

On our shallow wells, one cement truck once and our frack trucks, possibly three or sometimes two for four and five hours.

I understand the need for these adjourning (sic) townships or municipalities to be notified of this kind of traffic on their roads. But we, the shallow operators, certainly don't need held up on our permits with our small amount of traffic.

An issue we recently dealt with is silly. A year ago, when we started excavation of our drill sites, which are approximately at least a hundred by a hundred, and the unconventional site is five acres, we were required to post our E & S plan before we moved dirt. Now they want the E & S plan, the drilling permit and the casing permit posted at the first earth moving. In the past, we did not post the last two until we began to drill the well. From location building to drilling can vary from days to months. We just got a fine for not having the cement plan on location when I know it was there in the mailbox. This is ridiculous.

The unconventional companies have full-time people to do all the paperwork but we don't. We would like to be legal but all this goes beyond reason. If we don't see changes, there will be no

small operators left within two years. Thank you.

CHAIR:

Thank you. Mark Cline.

MR. CLINE:

Good evening. My name is Mark Cline and I'm a fourth generation oil man. These new Chapter 78 regulations, the way they are now written, will destroy the conventional oil and gas industry. The unconventional industry and the conventional industry are very different and should not be regulated the same.

The conventional industry drills shallow, vertical wells that produce oil and gas under low pressures. Our well locations average around 100 foot long by 50 foot wide. The unconventional locations average five acres. The wells are drilled deep vertically and then horizontally for a long distance. Most unconventional wells have many wells branching off the vertical shaft in many directions. They can cover a square mile underground.

The unconventional and conventional wells are environmentally safe. Both industries work very, very hard at this. People that do not believe this statement are not very well informed with the truth or are just completely uninformed.

I would like to speak about some of these regulations, such as regulation 78.57, which is called Control, Storage and Disposal of Production Fluids. This regulation says the bottom of the pit must be at least 20 inches above seasonal high ground water. That must be determined by a soil scientist or someone we have paid to have trained.

I checked into how they determine seasonal high ground water and it is complicated and expensive. When the new regulation called for a 30-mil liner, what chance is there that anything would ever get to the water table? We have been drilling oil wells for 155 years in Pennsylvania without checking for seasonal high ground water or 30-mil pit liners and have not heard one thing. Our drill cuttings and production fluids are very different than the unconventional industry.

as, the pit is structurally sound and the inside slopes of the pit are not steeper than a ratio of two horizontal to one vertical. The conventional operator usually digs a pit that is 30 foot long by 10 foot wide and 8 foot deep. This new regulation will make the area that we have to dig up to be 62 feet long by 42 feet wide and 8 foot deep. We make most of our

drilling locations only 100 foot long by 50 foot wide so we disturb as little of the environment as 2 3 possible.

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With this regulation, we will have to double the size of our locations to accommodate the pit. And that is on flat ground. If the location is on the side of a hill, we might have to disturb three times that much so that we can get the two to one slope you require. This new regulation will never benefit the environment.

I would like to say that even though I do not have a college degree, I have something that is much more valuable. I have over one hundred years of experience through my family in the oil and gas business and I can say without a doubt that these regulations will do more environmental harm than good. I would also say without a doubt that it will destroy our conventional oil and gas industry.

There are over 7,200 conventional oil and gas operators in Pennsylvania that employ over 26,000 people in good paying jobs. We contribute over \$7 billion a year, along with \$200 million going to rovalty owners. We are a very valuable industry in this state and we should be receiving help to stay in business instead of being put out of business.

We must be excluded from these regulations and go back to the regulations before Act 13, also have our own inspectors, as it is too much for them to learn and use regulations from both industries. Thank you.

### CHAIR:

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Thank you. Jack Miller.

## MR. MILLER:

My name is Jack Miller. I'm here as just a regular citizen of the state. I will say I'll be here to represent Grant, Ella and Audrey. They're my grandchildren.

I would like to begin by reminding everyone that the corporations fracking for natural gas are motivated by profit only. The welfare of our state and its citizens are not their concern. Despite the industry spending millions of dollars to claim otherwise, there is nothing clean about natural gas from the beginning of the extractive process to its combustion. It may be cleaner than coal but it isn't clean.

The citizens of this state should not have the quality of their life negatively affected by this industry now or in the future. It is very clear that for many Pennsylvanians this is not the case. It

is your responsibility to protect the environment and all our citizens. Your responsibility is not the promotion of this profit-driven industry. Article 1, Section 27 of the state's constitution demands that you protect our citizens and the environment.

A pre-drilling test is necessary to determine that water quality has not been affected by drilling. It is very important that DEP establish standards for pre-drilling testing so that the testing includes all relevant contaminants. If a resident's water supply has been affected then the resident should receive safe drinking water. This is the minimum requirement and in no way should be weakened.

The storage of wastewater should not occur in open pits or impoundments. Tanks should be used, and there must be a backup system for containing any leaks. West Virginia is proving that right now. Drill cutting wastes must be tested for naturally-occurring radioactive material and in most cases should be disposed of at low-level radioactive disposal sites.

Current DEP regulations do not ensure that the spreading of wastewater brine from conventional oil and gas wells will prevent problems. There must be assurance that this brine doesn't

contaminate soil, vegetation, groundwater or streams and rivers. This is especially true near drinking water supplies.

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A paper review of maps and questionnaires is not sufficient to prevent gas migration in old gas and oil fields with old unplugged and abandoned wells. There must be an on-site inspection and assessment to identify any orphaned or abandoned wells prior to drilling.

Climate change and attendant climate disruption present a great risk to our country, a conclusion which even the Pentagon has drawn. While carbon dioxide is a primary concern in climate change, methane is a powerful greenhouse gas and a major constituent of natural gas. While natural gas has been promoted because it creates lower levels of carbon dioxide at combustion than some fuels, it still produces carbon dioxide. Any advantage it may have over coal in these regards may be more than offset by fugitive methane leaks at the well site, pumping stations or pipelines.

Some studies show that this may be up to 8 percent of the produced gas. The industry must control these fugitive emissions. We must reduce our combustion of all fossil fuels if we are to give our

grandchildren a climate similar to what we have now. Thank you.

#### CHAIR:

Thank you. Al Sever.

### MR. SEVER:

Good evening, my name is Al Sever. I represent Sever Engineering. I have comments on certain sections of the proposed regulations. First one is Section 78.15, application requirements.

Subsection (f) is proposed to be added to outline a process for the Department to consider the impacts to public resources when making a determination on a well permit.

Subsection (f) also proposes to require well permit applicants to identify when the proposed well site or access road may impact a, quote, listed public resource, quote (sic).

I can't find anywhere a list of public resources, but I believe it should be recognized by Pennsylvania DEP that, quote, public resources, include the lands as defined by the term submerged lands of the Commonwealth, which are Commonwealth property under waterways designated by the Pennsylvania state legislature as public highways.

The Pennsylvania DEP has issued and

continues to issue permits to drill nonvertical wells through such Commonwealth lands and to hydraulically fracture those lands without first determining if the applicant has either obtained a Submerged Lands License Agreement for a drill pipe to develop an unvertical well or determining if the applicant has obtained a valid lease to hydraulically fracture this Commonwealth property.

All lands under waterways declared to be public highways are Commonwealth property. In Lycoming County, for example, such waterways include Beaver Run, Cedar Run, Harris Run, Larry's Creek, Little Pine Creek, Loyalsock Creek, Lycoming Creek, Mill Creek, Mill Run, Muncy Creek, Otter Run, Pine Creek, Plunketts Creek, Susquehanna River, Tombs Run, Trout Run, Upper Pine Bottom Run and Wallis Run.

These Commonwealth lands might consist of thousands of acres in individual counties. For example, the six waterways in Bradford County, designated as public highways, are very large waterways and the acreage of Commonwealth land in the beds of these waterways is estimated to be greater than 25,000 acres. At the normal lease payment of Commonwealth land of \$4,000 per acre, the land under each waterways alone might produce \$100 million of

revenue.

My recommendation is that the regulations say that DEP shall not accept any permit application to drill a nonvertical well through or to hydraulic fracture lands under waterways designated as public highways until the applicant leases such lands or obtains a Submerged Lands License Agreement.

The next point is on disposal of drill cuttings. Every day sites in Ohio and New York are taking thousands of pounds of drill cuttings from gas wells drilled in Pennsylvania. New York State, for example, considers drill cuttings to be construction waste and they can go to landfills. Instead of having other states collect enormous amounts of money for disposal of drill cuttings, Pennsylvania DEP should make it easier for gas companies working in Pennsylvania to dispose of drill cuttings in our state.

We have thousands of acres of abandoned coal strip mines that could be reclaimed using drill cuttings. I've seen many samples of drill cuttings and I have no idea why people think this stuff is toxic. No agency has indicated that drill cuttings contain any pollutants of concern that would make drill cuttings unsuitable for filling of abandoned

mines. The DEP should at least allow the use of drill cuttings, which are mixed with coal ash from coal refuse power plants, to be used to fill abandoned mines.

78.65, site restoration. This section refers to post-construction stormwater as part of the restoration on the site. And while that's all well and good, I don't believe that a single landowner in Lycoming County that knows it's going to affect him. Part of the facts ---.

### CHAIR:

One minute.

# MR. SEVER:

Okay. Specifically, 102.8 number five has a permittee or co-permittee shall remain jointly and severally responsible with the landowner for long-term operation and maintenance of the post-construction stormwater BMPs located on the property. That's your ponds and your ditches and whatever. I don't think any landowner knows that and I think DEP should tell them. Thank you.

#### CHAIR:

Thank you. Deb Nardone.

## MS. NARDONE:

Good evening. Thank you for the

opportunity to submit public comment tonight. I am a native Pennsylvanian. I am a Centre County resident and my family has spent an excessive amount of time in the woods and on the water in Pennsylvania, where we, hunt, hike and fish.

Tonight, though, I am here on behalf of the organization I work for, the Sierra Club, where I oversee a national campaign that works on oil and gas drilling issues all across the country. We work to ensure that we're minimizing our reliance on dirty, dangerous fossil fuels, like natural gas, and increase our reliance on clean, renewable energy.

So with that I would like to spend some time talking a little bit about what we're going to be putting in the more technical extensive comments that we'll be submitting with our allies, but I'll hit just a few main points now. And, again, we'll be submitting more extensive technical comments.

Well first let me start by saying that no fracking can be made entirely safe. We know that well casings will fail over time, more significant over the hundred year time frame. Having grown up in the northeastern part of Pennsylvania, I'm all too familiar with the fossil fuel legacy of dirty coal banks and orange streams. I can only imagine the

legacy that I'm leaving for my son as oil casings fail over time, contaminating our well water and other people's drinking water.

We also know that there's significant amounts of spills and leaks that have been documented extensively through investigations and newspapers and through DEP reports. Surface disturbance to our wild land is significant, impacting both water quality and our air quality and the diversity of species that reside there.

So, again, we need more policies that decrease our reliance on fossil fuels and increase our reliance on clean energy. Having worked with states all over the country and the grass roots, I have seen multiple places where regulations do provide some better protection for public health and the environment than in Pennsylvania. So if Pennsylvania is going to drill, then we need to ensure that we're increasing or maximizing public health protection or environmental protections and pollution impacts that occur because of shale gas development.

To run down a list of some of the high points for the technical comments; well permit applications. We would like to see electronic comments, electronic submission of well application

permits available to the public in advance of drilling and fracking. These should identify the full range of cumulative impacts that may occur on that site, not only from the well pad but from storage tank area to the ponds to the pipelines and roads that come in.

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We also need to ensure that homeowners are treated fairly. The presumption of liability should always reside with the industry and should include liability for the pollution and the degradation from all aspects of the production process. All contaminated water should be restored back to Safe Drinking Water Act standards. When a homeowner's water is impacted, baseline monitoring should be required. It should be done prior to It should be made available to the general drilling. public so that we can adequately have our well water tested to ensure that there is no contamination because of the fracking process. So the monitoring should be done in advance. It should be done by certified labs. It should include no trade secrets and it should include no contaminates that we've seen in other people's drinking waters like methane, methane benzenes, a full range, which will be in our technical comments. It should identify existing and working wells in advance prior to drilling and

fracking.

### CHAIR:

One minute.

## MS. NARDONE:

Thank you. With a greater distance than more than a thousand feet. We believe that PPC plans should be available to all state agencies, including residents, and made available to the public. The storage of chemicals, wastes and liquids, we should have no open pits. We should have closed-pit recycling. And the use of production fluids and reuse of flowback and produced water should be strictly regulated under RCRA and not be allowed to be used for things like dust suppression on roads.

Last, all oil and gas development, whether it's pipelines, pads, et cetera, should have to comply with NPDES so that we don't see our high quality, exceptional-value waters degraded any further. We also would like to see a larger extension of this public comment period so that we can have more people have the opportunity to make comment on these important rules. Thank you.

#### CHAIR:

Thank you. John Trallo.

MR. TRALLO:

Thank you. My name is John Trallo. I'm a resident, homeowner and small business owner in Davidson Township, Sullivan County, PA. I want to thank you for this opportunity to speak. I'm also a teacher, a father and a grandfather. After carefully examining the DEP proposed amendments to the PA Law gas regulations, it is clear that the primary intention of these regulations is to encourage the expansion of the oil and gas industry in Pennsylvania and not really to protect the environment, unique ecology of Pennsylvania, our valuable forests, state lands or the people who live in the communities of the shale regions.

I hear the usual code words such as minimizing acceptable practices, lessening the impact, et cetera, but nowhere in the rules and regulations do I see any measure for shutting down what are commonly referred to as bad actors in this industry. The only consequence with any violations caused by either negligence, intent or by accident are scandalous result and inaccurate fines. There is no mention of any measures that the state would impose upon any operator to justly compensate or restore the quality of life of those who have been negatively impacted. On the contrary, the rules are clearly slanted in the

industry's favor.

On the issue of public health, to date more than 1,600 Pennsylvania residents have already submitted complaints, you know, about when after drilling operations began in their area that they had become available. There have been 161 documented cases filed with DEP that have already been made public. Research from the Colorado School of Public Health indicates that persons who live within one-half mile of drilling operations have increased risk of disease, both cancers and noncancers, due to exposure to toxic chemicals used in the industry.

Dr. John Adgate, Colorado School of Public Health, defined health risks near drill areas were high for neurological disease, hematological disease, respiratory effects and developmental effects.

A study recently released by Cornell
University found a decreased birth weight for babies
of mothers who carried some pregnancy near
unconventional gas drilling operations. The research
on the effect to developing babies is absolutely
horrifying. There has been shown to be a 25 percent
increase prevalence of low birth weight if a mother
lived within one-and-a-half miles of an unconventional

gas well.

Dr. Currie, Princeton University, looked at the Pennsylvania birth records from 2004 to 2011 of infants born within one mile of unconventional gas drilling sites and found that the weight --- their birth weight increased by more than one half.

Research out of Duke University found that water wells within one mile of unconventional gas wells had 17 times the methane as in sites outside of that area.

Another Duke study found that methane was six times higher and ethane 23 times higher if a home was within one-quarter of a mile of a gas well.

Dr. Warner of Duke University expressed concerns about the natural gas leaks that might allow gases and chemicals from gas wells to put drinking water supplies at risk.

Dr. Kevin Sharp of the University of
Texas found elevated levels of arsenic and selenium in
water closest to extraction sites.

Avner Vengosh of Duke University found that brine from the Marcellus Shale contains bromide and radon, in which case is radioactive.

### CHAIR:

One minute.

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### MR. TRALLO:

words --

Thank you. Over 40 percent of the chemicals used in unconventional gas drilling have been found to be endocrine disrupters. Regulation by its very definition means the adjusting, organizing or controlling of something, or state of being adjusted, organized or controlled or to regulate the flow.

In closing, I must conclude that there is no such thing as regulations that will adequately and sufficiently protect the people or to ensure safety and protect the health of our children, but there are other ways than what regulatory monitoring the DEP and the EQB have been setting. Therefore, all regulations and amendments to current regulations you propose are nothing more than an attempt to adjust the rate of damage that the environment, public health, the safety and security of our communities and of our children.

Finally I would like to echo the wise

## CHAIR:

Time.

MR. TRALLO:

Thank you.

CHAIR:

Thank you. Barbara Jarmoska. Sorry, I butchered your name.

## MRS. JARMOSKA:

It's okay. It's Jarmoska (corrects pronunciation). Good evening. And thank you for the opportunity to provide this testimony.

My name is Barbara Jarmoska and I will be submitting these comments in writing, so I won't bother to spell my name. I am a member of the board of directors of the Responsible Drilling Alliance, however, I am speaking tonight on my own behalf.

I live on 20 acres of rural land in Montgomery County. And within a ten-mile radius of my unused land, my best estimate is that there are between 20 and 30 gas wells, with more to come. It no longer feels like a safe place to live.

In reading over the details of these proposed Chapter 78 regulations, I do not feel less vulnerable.

I have a Master's degree in Special Education and 30 years of daily study and experience in the field of human health. In both molecular biology and pharmacology, small molecule is a term used for a molecule with a low molecular weight, ten to the minus ninth. At this size, minute beyond what

you can imagine, a substance is able to activate a receptor site on a human skeleton brain and in so doing alter gene expression, which can then signal the cell to die, multiply or mutate.

Thus the center dogma of receptor pharmacology is that the effect of any substance is directly proportional to the number of receptors occupied, and the smaller the molecule the greater the capacity to occupy and affect receptor sites.

On the membranes of your cells, dilution does not count. When it comes to pollutants and toxins, less is truly more. It is my understanding that these principles of orthomolecular biology that cause my trepidation, when reading the proposed Chapter 78 regulations, for there is an inherent flaw that can be found throughout. And because I have only five minutes, I will compress my concerns to a single overarcing alarm, which is the classification for which you are not responsible, and the regulation for which you are, of potentially having toxic material classified as residual waste.

The word residual sounds benign. It's that which is left over, not unlike a meatloaf in the refrigerator. It's what remains after the main event. Residual waste is an enormous challenge to the gas

industry, and one they will do everything in their power to minimize. The industry would like permission to dispose of this waste in the most inexpensive, unregulated and unobserved way. The exemptions they enjoy make this possible. The proposed regulations outline the conditions under which waste, that when generated by other industries is classified as toxic, can be stored in open pits and left behind at the site for perpetuity as long as operators follow very minimal requirements. I propose that no residual waste should ever be stored in pits or permitted to remain behind when the well site is abandoned.

Section 78.65 says that within 60 days after the restoration of a well site, the operator will provide DEP with a description of the method used for disposal or reuse of the waste, including the name of the hauler and disposal facility, if any. We know for a fact that much of this waste is unaccounted for, there being no laws in place to require an accounting. We know, for example, that residual waste was spread on corn fields in Muncy. We know this only because those folks got caught.

I have personally witnessed five tank trucks, each labeled residual waste, leaking from the rear valve as they drove down the road, creating a

black line in the middle of the lane, in all likelihood spreading those small molecules I referred to, of their toxic contents to nearby lawns, streams and playgrounds.

I propose a closely-regulated cradle to grave chain of custody for every gallon of residual waste generated, with no exceptions.

### CHAIR:

One minute.

## MS. JARMOSKA:

Section 78.70 would authorize the road spreading of brine from conventional wells for dust control on dirt and gravel roads. How very convenient for the industry. Not only is there no chain of custody requirement here but the risk of spreading this produced brine on roads so far outweighs the benefits that this permissibility is ludicrous, except of course to the gas industry's bottom line in the disposal cost column. I propose that no brine should be spread on any road ever, with no exceptions.

Today the gas industry has been caught violating existing regulations 4,685 times. And the operative word there is caught. I do not believe the current fines levied are by any means an adequate deterrent for beginning to cover the real costs of

pain and suffering and ecological damage that these thousands of violations represent.

Finally, I would want to add my voice, as well as that of the Responsible Drilling Alliance, to request for an extension beyond the current February 12th ---

# CHAIR:

Time.

# MS. JARMOSKA:

--- deadline for public comment on this

11 regulation.

## CHAIR:

Thank you. Wendy Lee.

## MS. LEE:

My name is Wendy Lynne Lee of the Shale Justice Coalition. As opposed to commenting on each of the stipulated changes proposed for Chapter 78, I'd like to address the very idea that hydraulic fracturing, from well lines to compressors to pipeline to export depot to L & D transport tanker can be regulated sufficiently to guarantee the ecological integrity, species diversity, human health, property value or the Constitutional right to clean air and water.

Well, perhaps no regulation can offer

guarantee against accidents. Well-documented hazards posed by fracking have clearly been shown to be substantial whether or not accidents occur. Hence it is equally clear that no regulation can be adequate to make this process of industrialized extraction safe. We know that the intent of the industry is not to make friends but to make it as inexpensive, expeditious and profitable as possible.

Today a hearing on Senate Bill 411, legislation that would render immune to liability the use of acid mine drainage as frack water; Senate Bill 1047, that would guide and codify the process by which species are listed as endangered, or Senate Bill 259, that would allow old leases to be treated as newly negotiated, even if the leaseholder declines the pertinent fracking on her property or didn't know it was an old lease, these made plain that regulation in Pennsylvania is written by and crafted for the oil and gas industry.

Because fracking is inherently unsafe, the proposed changes to Chapter 78 are inconsistent; Article 1, Section 27 of the Pennsylvania Constitution. Given moreover the clear legislative pattern, we must assume that the intended changes is consistent with SB 411, 1047 and 259, to facilitate

the interest of oil and gas.

What the proposed changes really encapsulate, therefore, are the negotiated terms of our surrender to these industries. We at Shale Justice have no interest in acceding to this forfeiture of our economy as citizens or our recently reaffirmed right to clean air and water.

Castille for his role in overturning important parts of Act 13. To accede to any of these proposed changes was directly contrary to that 4 to 2 Supreme Court Decision. Here's why. To wrestle over the details of changes to Chapter 78 presumes the fracking will continue. Many are resigned to this grim possibility, otherwise we'd not be haggling over who's responsible for pre-drill water testing, the use of open pits for frack waste, the definition of fresh water, the disposal of brine or the status of orphaned wells.

Make no mistake, the industry will cry foul, this much regulatory change will cost them too much money; that they are somehow the injured parties. But the facts are that those proposed changes are nothing but crumbs offered to appease us to convince us that the agencies charged with protecting our air and water actually act to do so. The language here

follows the pattern of 411 that aims to convert acid mine drainage into beneficial use, even though its primary effect is to relieve the industry from reliability for contaminated water. It follows 1047's absurd argument that the danger is best determined via economic matrices. It follows 259, that empowers the industry to access more land for drilling under the guise of making royalties more transparent.

We cannot afford to accede one more inch to oil and gas drilling in Pennsylvania. Can you imagine what our countryside, forests, rivers and trout runs will look like if the proposed Dominion export depot at Cove Point, Maryland is completed.

7,000 wells will become 100,000. And with it we will become a fossil fuel extraction colony owned and operated ---

# CHAIR:

One minute.

#### MS. LEE:

--- by international corporations. I urge you to say no to more regulation. Why on earth should we surrender our economy, our communities and our health to a rate of harm. Just as there's no such thing as a little pregnant, there's no such thing as a little cancer, a little asthma, a little brain damage.

Many things are negotiable, some are not.

Just as there could be no compromise on apartheid or slavery, there could be none when the stakes are climate change. Whether we like it or not, our responsibilities are local, hence there is also no such thing as a special place, unless what we mean is the planet. My yard is a special place, so is yours. Thank you.

# CHAIR:

Thank you. Sue Laidacker.

# MS. LAIDACKER:

Good evening. My name's Sue Laidacker and I'm on the executive board of Shale Justice but today I'm here as a private citizen. And I just want to take this opportunity to point out some of the glaring flaws that I found in the proposed provisions in gas regulations. After combing through these provisions and Chapter 78 several times, there are these areas that I think I need to address.

On the area of public resources: I agree that the areas of tourism, fishing, hunting and recreations are major economic contributors to Pennsylvania's coffers but the DEP must surely know that any gas development in the beautiful areas of Pennsylvania's back woods will drastically jeopardize

these very resources that are so important to Pennsylvania's future and well-being.

The setbacks proposed by the provision of 200 feet of publicly-owned lands and wildlife areas, and historical and natural landmarks are simply token distances for the Department to tell the citizens of Pennsylvania that they are indeed regulating the drilling of new wells. These distances are not even as long as my driveway, and that's ridiculous.

Okay, now I've lost my place. A thousand feet from a private water well has been proven so many different times to be totally inaccurate that this distance is a moot point at this point. The DEP isn't prepared to have water provided to the whole of Pennsylvania once their water has been contaminated, which it surely will be if this industry's allowed to continue with such woefully poor regulations.

The problem of water contamination must be solved as this is the biggest issue of the many, many, many problems with this industry. And it is in the forefront of many of the catastrophes associated with gas extraction. The only reasonable solution to this destructive, catastrophic industry is a total ban

of the activities in Pennsylvania. This is the only true and accurate way that we can be sure our water, air and land will not be polluted for us and for future generations.

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Now on the subject of unplugged, abandoned wells: again, a thousand feet is the allowable distance for drillers to drill new wells when the provisions admit that abandoned wells have been known to be altered and contribute to methane migration when new wells are drilled. And with horizontal hydraulically fractured wells, what difference will a thousand feet make from the original vertical well bore? And the provisions proposed that visual monitoring and plugging is required by the operator of the well drilling. We all know from past experience that that is simply a ridiculous notion on all fronts because the dream of huge amounts of money, which almost never materializes, are far too strong a draw for them to follow regulations. And fines are simply tokens and not even a slap on the fingers if they're not followed. Again, the solution for this problem is a total ban of this industry in Pennsylvania.

Containment practice: These should all be monitored by a third party that has absolutely

nothing to do with gas extraction and is not beholding to them in any way. This is the only way that any data can be trusted at all and even then it's on the periphery as how can we be sure the gas companies aren't lining the pockets of these third parties as they're doing with our elected officials?

The industry simply cannot police themselves because that just does not happen. They simply cannot be trusted in any way, shape or form. Now to stop this type of criminal activity, there must be a complete and total ban.

Protecting water resources and land reclamation: Currently restoration practices are really inadequate. Most of what we are seeing at the well pads and pipelines are simply greenwash.

Planting grass does not restore a hundred-year-old forest that has been decimated. The ecosystem has been totally destroyed by the creation of well pads, pipelines and compressor stations. The forests have been fragmented and planting grass won't restore that. We are left with predator species of insects and wildlife that wasn't there before the industry infiltrated our once beautiful areas. So to that end, the only solution to this problem is a complete and total ban.

This is just promoting an environmental disaster ---

CHAIR:

One minute.

# MS. LAIDACKER:

--- much worse than anything we've seen in the last couple hundred years. I keep hearing how environmentally-friendly this industry is and they are using best practice techniques and they want to be good neighbors, but the only way any of that will work in Pennsylvania is if this industry is totally and completely banned from doing its business within our borders. Thank you.

#### CHAIR:

Teresa McCurdy.

### MS. MCCURDY:

Hi. It's Teresa McCurdy (corrects pronunciation). That's okay. I'm here on behalf of pretty much myself. I own a small public relations, government relations firm and do a lot of work with the industry. And, you know, I prepared a long speech and I think a lot of it was already covered, though. I guess I'll, you know, start with, you know, I represent a lot of clients that's in energy businesses, but it doesn't matter whether it's coal or

generation of power or what, but there keeps seeming
to be a resounding voice out there to not want to have
or use any type of fossil fuel for energy and it's
simply not practical. You can't ban everything. We
use windmills, we use solar. They don't work all the
time ---.

In working with one of my clients who does treat wastewater and has a wastewater treatment facility, part of my job, then, too, is to also monitor legislation, attend DEP meetings and the TAB water group meeting. I had a lot of conferences that educate industry on best management practices. I also ended up attending a lot of conferences that the associations themselves have, such as some Marcellus Shale Coalition or PIPP or Pennsylvania Grade Crude Coalition out there. They're all trying to bring in both the DEP or scientists or other people to provide them technical information to be a good citizen.

It's kind of out there that everyone says all lawyers are bad or all doctors are bad because you hear about the ones that do something bad. It doesn't mean you should throw everybody out because there are people wanting to do something that's wrong. The general industry is very environmentally-conscious.

Wanted to make, though. One of the differences that I've come to find with the circulation is the fact that it is unfair to conventional operators with respect to the cost that's incurred and some of the different requirements that they have.

One of the press conferences I was at where the PGCC had ---. I love the guy who said --- or the legislator, actually, he was talking about the fact that you wouldn't take construction standards for a single-dwelling house and apply them to a nursing requirement, and that's kind of what this regulation tends to do, because there's not enough specifics of where --- which sections apply and overlap.

I also love the one gentleman who was a fifth generation operator out there too as well, who hung up a pen and he hung up a wrench. And he said when I have the wrench, I'm making money, and when I have a pen, I'm usually losing money. It's not that he's against regulation, it's just that it comes to a point where it can be so burdensome to fill out all of the required paperwork that you can't make money and you can't continue to be able to do your job. Doctors complain about it all the time with all the Medicare or all the requirements they have to go through, and

malpractice insurance, et cetera, so it's not just this industry but many different industries.

One of the things that I support, many associations are reaching out about and talking about the PA Supreme Court case that was just held. It was found to be unconstitutional and, you know, we're asking that DEP not be including that into the Chapter 78 regulations until either pertinent legislation or something ---.

#### CHAIR:

One minute.

## MS. MCCURDY:

Thank you. Specifically under 78.57(f)

--- I'm sorry, 78.58(f) for onsite processing of sludges, filter cake. One of the things that we do want to make sure that ---. How it's worded right now is somewhat confusing, and we've spoken about that concern before, that you should do a couple analyses on what's going for disposal and where it's going to, where it's being treated for reuse. And that's all I have for my testimony. Thank you.

#### CHAIR:

Thank you. Dan Alters. Alters (changes pronunciation).

# MR. ALTERS:

1 Good evening, members of the 2 Environmental Quality Board and alternates. My name 3 is Dan Alters. I'm the chairperson of the 4 Conservation Committee of the Lycoming Audubon 5 Society. Our organization's a chapter of the National 6 Audubon Society and represents members primarily in 7 Lycoming and Clinton Counties, Pennsylvania. 8 Myself, I have a degree in Biological 9 Sciences as well as a Master's degree in Environmental 10 Protection. And I've also had 35 years experience as 11 an environmental regulator. After reviewing the 12 proposed regulations under your consideration, I offer 13 the following comments. 14 On December 19, 2013, not quite a month 15 ago, the Pennsylvania Supreme Court struck down key 16 provisions of the 2012 Oil and Gas Act, also known as 17 Act 13. In addition to key portions of the Act being

provisions of the 2012 Oil and Gas Act, also known a Act 13. In addition to key portions of the Act bein declared unconstitutional, Commonwealth Court was directed to address whether remaining provisions of Act 13, to the extent that they are valid, are severable.

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This Act is the primary basis of the proposed regulations that you are considering. I submit to you that in light of the Supreme Court's determination of the unconstitutionality of Act 13,

the ongoing review by Commonwealth Court, and the prospect of many months of legal wrangling, that there is no current basis for the adoption of regulations under Act 13, there is no law.

You have already heard numerous problems with these new regulations from engineers, the environmental community and from conventional oil and gas well operators. I believe these regulations are far from being acceptable. I urge the Environmental Quality Board to return the proposed regulations to the Department of Environmental Protection until such time as a legal basis exists for such promulgation and the problems identified have been fully addressed.

I also have some specific comments on these regulations. I'm going to skim through these very quickly.

All fluids related to oil and gas development should be contained in engineered facilities, not natural depressions or open pits as some people would call them.

The definition of seasonal high ground water table should be retained in the proposed regulations because the term continues to play a key role in regulating oil and gas activities.

The permit applicant, not the DEP,

should be responsible for determining whether proposed oil and gas operations would affect threatened or endangered species.

The DEP should respond to comments received about a permit that may affect an important public resource.

The DEP should not compromise its obligation to protect the environment by balancing the citizens' constitutional guaranteed right against private interests in oil and gas.

The DEP's duty to investigate water pollution should extend to all oil and gas activities.

The prohibition on construction of fluid storage areas within 100 feet of certain water bodies should be extended to all water bodies. That would include wetlands.

The DEP should stop promoting the disposal of residual waste at well sites and on dirt roads.

The DEP should not allow natural springs to take the place of engineered monitoring wells used to measure the effects of fluid storage areas.

The DEP should strengthen its regulatory mechanisms for ensuring that wells --- I'm sorry, that pits and impoundments are constructed in a

1 structurally sound manner and according to 2 regulations.

## CHAIR:

One minute.

## MR. ALTERS:

Any disposal of waste materials at well sites should require that representative samples of the material be taken and analyzed and submitted to the agency to demonstrate that those drill cuttings are not contaminated or that the residual waste meets the regulatory standards.

In addition to these comments, I'll be providing some additional comments and providing far greater details to the comments I've made this evening. I thank all of you folks for hearing our comments this evening.

#### CHAIR:

Thank you. Ella Forsyth. Ella?

Carmalene Charba? Doug McLinko. I butchered most of the names tonight. I'm doing really well with some.

## COMMISSIONER MCLINKO:

Actually you did pretty good with that.

I've been everything. I'm a Commissioner for Bradford

County. We're the most drilled-out county in the

state and we're proud of it. And we're --- you know,

we're paying you guys for what you're doing here. And Bradford County, thanks to oil and gas, we've been able to eliminate all our county debt, cut taxes for every Bradford County resident. It's been terrific and we're very blessed.

We do demand safe, responsible drilling of our natural resources. I support development of our natural resources. County Commissioners are resident a hundred percent ---. And I'm glad you guys are there to oversee it with oversight. And I believe in state-based regulations because I think you guys do a really good job.

Bradford County has 36,000 parcels of property. 14,000 of those are one acre and under. Seventy (70) percent of our population sees ten acres or under. This is not about large property owners, however, it's been terrific for our farms, but it affects every working family and every retired person. It's terrific. We're not talking about great sums of money in oil fees but we're talking about a bunch of people who are proud to contribute to the United States of America for energy development, for national security. We're proud that we contribute money to state coffers of Pennsylvania as well as the complete economic blessings that we've seen locally.

We have 50 freshwater withdrawals on our lakes ---. I screwed it up. It's our rivers, the streams, the creeks. We have a hundred freshwater impoundments with a thousand miles of installed permitted gathering lines. We have 500 plus oil pads. We have 2,000 drilled wells. We have 20 built and ready compression stations. If any of you folks are aware of ---. We're approaching 800 billion cubic feet of gas to be produced out of Bradford County, and I'll tell you, we're proud of it.

The jobs that grow from prosperity you can't ignore because what you folks do with the oversight of natural gas is a result of that. And we thank you very much for it. We've seen things happen in our county beyond our wildest dreams.

Heard someone talking about roads.

We've seen \$300 or \$400 million worth of full-depth reclamations put in our roads in Bradford and close to the surrounding ---. That is an environmental blessing to all of us because that's berms and ditches and drainage. And you folks know that's asphalt --- seven inches of asphalt that our township could never ever have done through natural gas.

We've seen increased growth to our tax base, to our local economy, filling, again, the state

1 coffers through the Marcellus region. We've seen new
2 hospitals and healthcare grow as a result of this.
3 The good news just goes on.

We appreciate what you folks do for water testing, when it comes to our water wells, through your casing and grouting standards you implemented a few years ago. It has just been terrific.

And I'm going to tell you something right now as a County Commissioner. I personally am tired of the chicken little naysayers that go around spewing misinformation about what goes on in Marcellus. The industry does a great job. You guys do a great job of oversight. But I will tell you it hurts counties and businesses when people get misinformation. We have had more people visit our county ---. We take them on pickup truck tours. And when they leave, their words are --- carpenter locals, from all over New York came down and went on a tour; this isn't what we're told.

We've had film crews from Norway. We've had Japan. We've had them all over the place. And because of what they hear outside the Marcellus region from chicken little naysayers they walk away saying, this is beautiful. Good job on what you folks do, the

reclamation, the pipeline. The wildlife is flourishing up there. You know, the industry will plant food plots for wildlife. People need to go and look.

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You know, record high gas prices, high coal heating fuel prices, our seniors and working families are having to struggle today. What we do in Pennsylvania to help fuel this country is ever --- of most importance. And real quick, Dan Yello (phonetic) is here. I was in New Mexico trying to learn as much as I can about natural gas. He called me because we had people at a County Commissioners meeting that were coming to Pennsylvania to put in sand reclamation off wellheads, a new procedure that they do. Dan called me up to say, the DEP can help you with these people to get them here in Pennsylvania. We will help ---. I've never had that. One time in ten years of being a Commissioner. My hat's off to you.

It's safe, responsible to science and law first. Let's get the job done. It's a great way to do it and I'd like to thank you folks for the work that you do. And I believe you keep state-based regulations to make sure that unconventional drillers are taken care of as well as conventional. Thank you very much.

CHAIR:

Bryan Hammerstorm.

MR. HAMMERSTROM:

Bryan Hammerstrom (corrects

5 pronunciation).

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CHAIR:

Bryan Hammerstrom (changes

8 pronunciation).

# MR. HAMMERSTROM:

That last County Commissioner obviously
doesn't speak for the renters in Bradford County.

12 He's retired now, but the previous --- Tioga/Bradford

13 Housing Authority had a long interview in the

14 Wellsboro Gazette about the harm done to more renters

15 because the rents were unaffordable because some

16 Section 8 housing money could not bridge the jacked-up

17 rents that landlords were getting with what the

18 families could pay. So there are losers in this, sir,

19 and the biggest losers may be our children and

20 grandchildren.

21 My name is Bryan Hammerstrom. I am vice

22 president of Tioga County's Pine Creek Headwaters

23 Protection Group and I'm also co-clerk of the

24 Wellsboro Friends Meeting Religious Society of

25 Friends, but my remarks are my own. Given the

comments already made by the first as well as many subsequent speakers, we know that we have no federal protection for Pennsylvania's citizens for our land, air and water from the exploitation of our oil and natural gas. With that fact, you and other Pennsylvania public employees are Pennsylvania's citizens only protection from the harmful effects of hydraulic fracturing.

Pennsylvania's constitution guarantees all citizens the right to clean air and clean water yet we have an industry hell bent on energy exploitation exempt from all laws and regulations. If someone doubts this, you just have to look at the Halliburton loophole driven through a Republic in Congress by vice president Chaney under the Bush oil presidency. Yet every private industry speaking here tonight gave repeated lip service to their company's commitment to the environment. Their record proves otherwise.

As officials bound by and operating under the Pennsylvania Constitution, I ask that you mandate no further oil/gas exploration or exploitation unless and until the hydraulic fracturing industry is put back under the Federal Clean Air and Clean Water Acts.

I'll quote from a statement adopted unanimously on behalf of Quakers in Delaware, Eastern Pennsylvania, Maryland and Southern New Jersey. This statement calls for a moratorium and was adopted unanimously by a number of groups speaking on behalf of all Friends. It calls for a moratorium on continued exploitation by hydraulic fracturing until it is reregulated under the Federal Clean Air and Clean Water Acts, until adequate training staff are available to the Department of Environmental Protection to monitor these activities.

I'll use the rest of my time to remind you of known harms already suffered from hydraulic fracturing. The massive water consumption by fracking converts the clean water disseminating from numerous towns and cities, as well as the Chesapeake Bay, downstream into polluted, even toxic, wastewater.

Two, the use of deep well injection to get rid of return water has been churning costs --- in both neighboring Ohio as well as in Oklahoma.

Three, the industry-wide use of subcontractors distances the big man, Shell, Exxon Mobil, Chesapeake, et cetera, from the frequent intentional criminal and toxic actions of their pirates. These actions have been caught and

prosecuted from Allegheny National Forest to Bradford County and to the Williamsport area. And we all know far more ---

## CHAIR:

One minute.

# MR. HAMMERSTROM;

The history of old oil wells and mine shafts in Tioga County has already led to a huge methane water geyser in the southeastern corner of our county, which necessitated five separate gas wells be flared for two months to reduce the methane pressure caused by fracking and released by the known but ignored 80-year-old oil well.

Five. The leaking of return water and water pond --- frack water pond, return water pond near Wellsboro, which was owned by the Johnson family, beef cattle, led to a Pennsylvania Department of Agriculture quarantine on their cattle for up to 18 months. Last year the 18-month quarantine on their calves was lifted. And as Mrs. Johnson asked rhetorically, do you think I should just sell these cattle? And I ask you, would you want to eat their meat? Thank you.

CHAIR:

Are there any additional commenters?

2 Yes, sir?

## MR. OCHS:

Five minutes ---?

#### CHAIR:

Yes. It's five minutes. If you could state your name and ---.

# MR. OCHS:

Thank you. Michael Ochs, O-C-H-S --member of the Pennsylvania Green party, however I'm
speaking on behalf of myself. I just happened to read
in this weeks <u>Guardian Weekly</u> from the United Kingdom,
an article by Suzanne Goldenberg.

The cover article title says, meet the frackers. And inside it's fracking hell, what it's like to live next to a shale gas well. Nausea, headaches and nosebleeds, invasive chemical spills, constant noise. Welcome to Ponder, Texas, where drilling has overtaken the town. Could Britain be facing the same dire fate? It ends with comments by Caroline Lucas, whose a Green Party Member of Parliament.

Quickly, just half a dozen comments based on what I've heard tonight. One, this handout I could dismiss it right away because I read under

- written comments and verbal comments that below that
  it's dated August 27, 2013 and then you say proposed
  regulations can be commented on for 60 days this fall.
  I mean it's outdated already, that you handed out
  tonight. It needs to be updated.
- Secondly, this February 12th date line,
  really it should be 60 days beyond the final public
  hearing, which should be in Bradford or Butler
  Counties. We need time to read all of the comments
  given verbally or in writing. But you're giving us
  less than a month after the final public hearing.

  It's not sufficient.
- I sympathize with Mr. Fink. The
  lighting here is so poor. That may be why you
  stumbled over your reading of the statement from your
  paper when you began tonight. It was hard to follow
  you, sir. It's hard for me to see what I'm reading.
  So I urge improvements in the process and the
  facilities.
  - Fourth, what's the overall impact of these proposed regs on state greenhouse gas emissions that cause climate change?
- Fifth, how do the regs encourage
  attainment of the Commonwealth's Renewable Energy
  Portfolio Standard? Where is the Commonwealth on

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Renewable Energy ---? And finally, we need a toll- free number for the public to call, not an area code 717 number that requires us to pay out of pocket. Thank you.

## CHAIR:

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Thank you. Additional comments? Please state your name.

# SENATOR HUTCHINSON:

Hello. My name is Scott Hutchinson. I am the State Senator for the 21st Sentorial District, which covers all or part of the six counties in Northern and Western Pennsylvania. I will be submitting written comments at a later time, but my schedule allowed me to sneak up here this evening and I just wanted to add my voice verbally today in favor of a separate regulatory regime for the conventional oil and gas producers that is vitally important to maintaining important jobs in Northwestern Pennsylvania. Everything from folks who work on these very different kind of wells and operations just night-and-day comparison between Marcellus and shale wells versus these conventional oil and gas wells. So we will reserve the jobs of those who work directly on those as well as two refineries, which depend upon Pennsylvania grade crude for --- to run their

refineries and the hundreds of jobs involved in both of those refineries.

3 Pennsylvania is the birthplace of the worldwide petroleum industry. That happened to occur 5 155 years ago in my district, near Titusville, 6 Pennsylvania. And we are proud of that legacy, but, 7 more importantly, we want to maintain that industry 8 and those jobs, family-sustaining jobs, hard working 9 people who follow the rules but have been caught up in this tidal wave of reaction to a new industry in Pennsylvania. So as I said, I will be submitting written comments in the future but I just wanted to go on verbal record this evening since I happened to be here. So thank you for listening and I look forward to working with you in the future.

## CHAIR:

Thank you. Additional commenters,

18 comments?

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# MS. RUPERT.

My name is Allison Rupert. I'm from Hughesville, (phonetic) Pennsylvania and I have a suggestion, perhaps, for an additional regulation. that within the purview of this hearing?

# BOARD MEMBER:

Yes.

I

## MS. RUPERT:

Okay. In December I got a flyer from a pipeline company and it referred to a law that came out in 2002, which requires more stringent pipeline regulation and more communication with residents living in certain areas along pipeline facilities.

And I was very concerned by the next thing that followed because it said that areas of high consequence, which would be population density, would have more regulations.

Those areas the law would require natural gas pipeline operators to, quote, develop integrity management programs for use in high consequence areas. And these programs identified methods for addressing threats and maintain structural soundness or integrity of the pipelines. And I'm fairly insulted by not being considered, in my rural area, an area of high consequence. I think pipelines should be regulated the same no matter whether it's next to my house or next to a high-population area. Thank you.

## CHAIR:

Thank you. Additional comments? If not, we want to thank everyone on behalf of the Environmental Quality Board for coming out tonight.

# CERTIFICATE

I hereby certify that the foregoing 3 proceedings, hearing held before Chair Fink was reported by me on 1/13/2014 and that I Lindsey Powell read this transcript and that I attest that this 6 transcript is a true and accurate record of the proceeding.