

Oil and Gas Program Overview.

DEP's Office of Oil and Gas Management is responsible for the statewide oil and gas conservation and environmental programs to facilitate the safe exploration, development, and recovery of Pennsylvania's oil and gas reservoirs. The office develops policy and programs for the regulation of oil and gas development and production pursuant to the Oil and Gas Act, the Coal and Gas Resource Coordination Act, and the Oil and Gas Conservation Law; oversees the oil and gas permitting and inspection programs; develops statewide regulations and standards; conducts training programs for industry; and works with the Interstate Oil and Gas Compact Commission and the Oil and Gas Technical Advisory Board. The office also regulates aboveground and underground storage tanks at oil and gas well sites.

To control impacts to water, the office issues permits requiring oil and gas operators to implement best management practices for erosion and sediment control, stabilize all areas where earth disturbance is conducted, and manage post-construction stormwater rate, volume, and quality. When submitting a notice of intent for coverage under the Erosion and Sediment Control General Permit (ESCGP), oil and gas operators must also demonstrate that their post-construction stormwater management plans are consistent with county stormwater management plan requirements. Operators must also restore well sites and remove all drilling supplies and equipment not needed for production within nine months of drilling of the wells, or after the well permits expire. Routine inspections help to ensure compliance of these permits. In 2020, DEP collected \$33,385,358 in fines and penalties; however, this amount includes a single penalty in the amount of \$30.6 million; one of the largest penalties ever collected by DEP in a single settlement. These fines and penalties are used to reimburse operating costs that are incurred by DEP in the oversight of oil and gas and related environmental programs and to deter noncompliance with environmental laws. An overview of the stream permits issued, inspections completed, and violation statistics for 2020 are provided in Table 1.

Table 1. Overview of the Oil and Gas Management statistics according to the latest report (2020).

Stream Crossing and Encroachment Permits Issued	See note below *
Erosion and Sediment Control Permits Issued	337
Unconventional Drilling Permits Issued	918
Conventional Drilling Permits Issued	99
Inspections	25,883 **
Violations at Conventional and Unconventional Well Sites	5,063
Penalties Collected	\$33,385,358 ***

* Note (Stream Crossing Permits):

Stream Crossing and Encroachment Permits Issued (Individual Permits) = 363
Stream Crossing and Encroachment Permits Issued (General Permits) = 2,204
(Includes "new" permits only. Does not include permit renewals, amendments, transfers, etc.)

**** Note (Inspections):** In response to the actions taken by the Department of Environmental Protection and all state agencies under the Governor's jurisdiction to reduce the spread of the novel coronavirus during 2020, adjustments were made to inspection protocols and the frequency of inspections at oil and gas sites. In order to protect the health and safety of DEP inspection personnel and the regulated community, DEP focused its inspection priorities on emergency response situations and responses to public complaints in early 2020. DEP inspectors also focused on administrative-related inspections during 2020 that could be conducted with reduced health and safety risks to its inspectors as a result of COVID. Over the course of 2020, as DEP inspectors became more proficient in conducting inspections under the revised COVID inspection protocols, the inspection efficiency improved, and the number of inspections conducted in each quarter of 2020 increased

***** Note (Penalties):** On January 3, 2020, DEP announced that it issued a \$30.6 million civil penalty in response to the 2018 Revolution Pipeline explosion and fire. The penalty is one of the largest civil penalties collected by DEP in a single settlement.

To protect water quantity, the 2012 Oil and Gas Act (Act 13 of 2012) requires a Water Management Plan that covers the water sources to be withdrawn or utilized for drilling or hydraulic fracturing of each unconventional natural gas well project in Pennsylvania. There are additional requirements within the Susquehanna and Delaware River basins controlled by the Susquehanna River Basin Commission and the Delaware River Basin Commission, respectively.

Recycling of flowback and produced water from unconventional wells for new hydraulic fracturing operations reduces the amount of water to be withdrawn from freshwater sources in Pennsylvania and reduces the amount of wastewater for disposal or treatment. Based upon the 2020 waste data submitted by the Oil and Gas Operators, more than 86% of the flowback and produced water from unconventional wells has been recycled. DEP's 2020 Oil and Gas Annual Report is now available. This report includes data and trends related to DEP's permitting and inspection programs. Also highlighted in the report are notable accomplishments achieved during 2020 and some information about what to expect from this program in the future.