

The PIOGA Press

The monthly newsletter of the
Pennsylvania Independent Oil & Gas Association
September 2019 • Issue 113

Settlement of Peoples base rate increase filing awaiting PUC action

Favorable resolution of tariffed retainage rate and T&Cs of service

On January 29, Peoples Natural Gas Company (PNG) filed a base rate increase request with the Pennsylvania Public Utility Commission (PUC) that included merging the rates and tariffs of the Peoples and Equitable divisions as well as gathering service changes. As usual, the effective date of the proposed tariff was suspended until October 29, 2019, pending PUC investigation of the filing. A near unanimous settlement proposal awaits PUC action prior to the end of October.

This filing is significant for PIOGA because the rates pursuant to PIOGA's Production Enhancement Services (PES) and Confidential Rate AGS agreements with PNG, including the industry contribution of a penny per Mcf paid to support PIOGA's advocacy on producer issues, are effective until the effective date of the new rates established in this base rate proceeding. Following its success in last year's annual purchased gas costs (PGC), or Section 1307(f), proceedings in obtaining PUC approval of tariffed retainage charges for deliveries of natural gas from conventional wells into any part of its systems, PNG proposed a tariffed gathering service and rates for conventional deliveries in this base rate proceeding.

Peoples proposed a uniform gathering rate that started at 26 cents/Mcf and increased as the price of gas increased, to a maximum rate of 76 cents/Mcf. PIOGA supported Peoples' proposal based largely on the resolution of last year's PGC proceedings. Snyder Brothers, Inc. and some of its affiliated companies intervened in opposition to Peoples' proposal. All the issues in the proceeding, except one related to Peoples' proposed

150-foot main line extension allowance per residential applicant, were resolved by a settlement.

The settlement sets the gathering rate at 26 cents and maintains the existing water vapor standards on the Peoples and Equitable systems. The settlement also provides an incentive through a reduced gathering rate—50 percent, or 13cents/Mcf for verified incremental Appalachian gas delivered to PNG's systems to encourage additional conventional production.

Rate AGS will require producers to sign a Master Interconnect and Measurement Agreement (MIMA) establishing the general terms and conditions under which producers will deliver gas onto the PNG systems, including: installation, operation and maintenance of interconnect facilities; specific gas quality requirements and water vapor standards; inspections; and gathering service T&Cs and retainage rate; as well as providing for the optional industry contribution to PIOGA to support PIOGA's advocacy on producer issues.

The settlement also addresses other matters that impact PIOGA pool operator members and members involved in the development of combined heat and power (CHP) development, which of course PIOGA has supported.

- Pooling fees applicable to NP-1 and P-1 pools will be eliminated, and pool operators opt for PNG to deliv-

Continues on page 20

Don't miss our upcoming Fall Conference.	3
Report from last month's water and waste PIOGATech.	4
PIOGA Annual Membership Meeting coming in October	4
Board of Directors voting is open	5
2019 Marcellus to Manufacturing.	7
EPA proposes easing oil and gas air regulations	11
Member Profile: INTL FCStone Financial Inc.	12
Notable action's from the PUC's August 29 meeting	13
2019-2020 Member Directory has been mailed.	14
Safety Committee Corner: Workplace security training	14
Interested in a PIOGA Cigar Club?.	14
Changes proposed to Section 401 permitting	15
Spencer named Market Development Committee co-chair	15
Deadline for submitting EEOC Component 2 data.	17
Touring Beaver County's waterfront.	18
Scenes from the Divot Diggers outing	19
Oil & Gas Dashboard.	20
Calendar of Events	23

ENERGY ESSENTIALS: **KNOW HOW**



expect high grade fuel for thought

Industry knowledge yields results.



**TOP LISTED IN THE U.S. IN ENERGY LAW
BY THE BEST LAWYERS IN AMERICA®**

Sharon O. Flanery • Chair, Energy and Natural Resources Department • sharon.flanery@steptoe-johnson.com

THIS IS AN ADVERTISEMENT



steptoe-johnson.com

Tuesday, September 24

- 10:00 a.m. **Conference Registration Opens**
- 11:00 - 11:10 a.m. **Welcome Remarks**
- 11:10 - 11:40 a.m. **Opening Keynote Speaker**
Robert "Rusty" Huston, Jr.
Co-Founder & CEO, Diversified Gas & Oil
- 11:45 a.m.-12:45 p.m. **Lunch**



Afternoon Breakout Sessions:

Operations

1:00 - 1:30 p.m.

CFA Grant Program Overview for Well Plugging

Seth Pelepko, PA Dept. of Environmental Protection

Dave Ochs, PA Grade Crude Development Advisory Council (CDAC) and Kriebel Companies

1:40 - 2:10 p.m.

An Operator, a Consultant and a Regulator Walk into a Room: A How-To Guide on PA DEP's ePermitting System for Air Quality Permits from Varying Perspectives

Stephanie Friel, EIT, Sr. Langan Engineering and Environmental Services

Devin Tomko, P.E., PA DEP

Kristin Ryan, Equitrans Midstream

2:20 - 2:50 p.m.

Modern Transactions & Historical Clauses: The Effect of Legacy Agreements on Current Interest Conveyances

Daniel McLane, Esq., Eckert Seamans

Corporate/Management

1:00 - 1:30 p.m.



The Do's and Don'ts of Being a Mentor and Being Mentored

Sara Blascovich, HDR, Inc. and PoWER Member

1:40 - 2:10 p.m.

The New World of Digital Marketing in the Oil & Gas Industry

Clark Johnson, 535 Media, LLC

2:20 - 2:50 p.m.

Navigating Pennsylvania's Medical Marijuana Act in the Energy Industry

Zack Bombatch, Esq., Steptoe & Johnson, PLLC

- 3:00 - 3:30 p.m. **Closing Keynote Speaker**
Charlie Batch
Former Pittsburgh Steelers Quarterback and Founder of the Best of the Batch Foundation



Indoor/Outdoor Vendor/Equipment Show & Networking Carnival Themed Fun

Immediately following the conference, step right up to our Vendor and Equipment Show, a fun-filled networking opportunity with complimentary beer and water all day! Lots of fun activities — axe throwing, ice carver, caricature artist, carnival games. All participants will receive tickets in lieu of prizes for a chance for one person to win a big prize!

Then from 5:00 to 9:00 p.m., be sure to stay for a delicious **BBQ dinner, DJ and karaoke!**



Wednesday, September 25

Golf Tournament

8:00 a.m. - 2:00 p.m.



Sporting Clays Tournament

10:00 a.m. - 2:00 p.m.



*Find out more and register now at pioga.org > **PIOGA Events***

August's PIOGATech on water and waste management update

The Environmental Committee hosted its third annual Water and Waste Management PIOGATech on August 21 and it was another very valuable training on the management of water, wastewater, and solids in the oil and gas industry for conventional and unconventional operators.

A record crowd of over 150 attendees heard from Department of Environmental Protection Deputy Secretary for Oil & Gas Scott Perry and Acting Deputy for Waste, Water, Air & Remediation Dave Allard on the latest proposed and recently changed regulations. In addition, industry experts shared their expertise on water sharing trends, storage options and permitting hurdles, legal updates, water treatment technologies, alternatives in transportation including rail and barging, and the current status of UIC wells.

The day closed out with an Operators Panel in which representatives from Alta Resources, Seneca Resources and Diversified Gas & Oil shared their current strategies

and lessons learned on water sharing, disposal and waste management for their unconventional and conventional wells.

Our special thanks go out to all the presenters and to our partners Diversified Gas & Oil, Babst Calland, TD Connections, Inc. and PVE, LLC for their support of this training. Save the date for the next PIOGATech on Risk Management on October 17 at the Hilton Garden Inn - Pittsburgh/Southpointe in Canonsburg. ■



Clockwise from above left: James Guttman provided an overview of the advantages of barging water. Panelists Rick Hall, Alta Resources; Amanda Veazey, Seneca Resources; and Paul Hart, Diversified Gas & Oil discuss what operators are currently doing with water/waste and lessons learned. Thanks to TD Connections, Inc. and PVE, LLC for sponsoring the reception.

Coming next month: PIOGA Annual Meeting

We hope you will join us on the morning of Tuesday, October 15, at The Chadwick in Wexford for PIOGA's 2019 Annual Membership Meeting. The event is an excellent opportunity to catch up on the association's activities of the past year, learn our priorities for the coming year and offer input to the organization's leadership. The agenda will include:

- Chairman's Report and Board Member Introductions
- President & Executive Director's Update and Staff Introductions
- Committee Updates—Environmental, Market Development, Safety & Health, Tax and Legislative
- Member Open Forum

The meeting will run from 9 to 11 a.m., and there is

no fee to attend. Watch your email or the PIOGA Events section at pioga.org for registration.

Special sponsorship opportunity. To help defray the meeting costs and put your company name in front of the membership, we are offering a \$750, nonexclusive sponsorship package that includes logo recognition on the PIOGA website, emailings promoting the event and printed event signage. Additionally, if interested a company representative can offer a brief introduction of their company and have a display table at the event. Contact Danielle Boston at danielle@pioga.org or 724-933-7306 ext. 28 if interested.

 **charles ryan associates**
Annual Meeting Sponsor

Voting now open for PIOGA Board of Directors

Nineteen members are vying for 12 seats on the PIOGA Board of Directors. A ballot has been mailed to the main representative of each PIOGA member company and must be returned to the PIOGA office by mail or hand-delivered no later than 5 p.m. on October 11. Only one election ballot per member company can be submitted.

Under PIOGA's bylaws, board members are elected by simple majority. The 12 candidates receiving the most votes will be chosen to serve three-year term beginning with the PIOGA Annual Meeting on October 15.

Biographies for the 19 candidates follow. Those marked with an (R) are current board members seeking reelection.

If you have questions about voting or if you did not receive your ballot in the mail, please contact Danielle Boston at 724-933-7306 ext. 28 or danielle@pioga.org.

ABARTA Oil & Gas Co., LLC – about Ken Fleeman (R)

Ken developed a passion for the industry while working summers on family-owned leases in Ohio. Since graduating from Hocking Technical College's "Oilwell Drilling and Production" program, he has worked as a Gas Measurement Service Technician, Flow Control Technician and Engineering Technician.

Presently employed by ABARTA Oil & Gas Co., LLC as Manager of Engineering, he is involved in all phases of the asset lifecycle from budgeting to asset retirement. Responsibilities include EHS, drilling, completion and reserve engineering, construction, production and gas processing operations.

Ken serves as co-chair of the Pennsylvania Independent Oil and Gas Association's Environmental Committee and takes a leading role in the PLOGATEch training series. He also serves on the Board of Directors.

Ken was raised in the "conventional" oil and gas industry and understands its challenges. He also understands that we must adapt to the political, regulatory and economic realities that are presently driving our industry. Ken is committed to preserving the high value service PIOGA provides to its members and to the industry.

American Refining Group Inc. – about Bill Murray (R)

Bill is Vice President of Crude Supply with American Refining Group Inc. (ARG), the only remaining Penn Grade crude oil refinery located in Pennsylvania. ARG's Bradford, Pa., refinery is the oldest continuously operating lube refinery in the world, dating back to 1881. Bill works closely with the PA oil & gas producing community to provide them a high quality and reliable market for their crude oil. Bill's engagement on the PIOGA Board is motivated solely to represent and defend the rights of the Commonwealth's oil and gas producers. Prior to PIOGA's merger of IOGA of PA and POGAM, Bill and ARG were actively engaged in the successful outcome in ANF lawsuit against the US Forest Service to preserve the producer's shallow drilling rights in the Allegheny National Forest.

Bill has more than 35 years of Appalachian Basin experience both on the downstream and upstream side of the industry. For the last 15 years at ARG, Bill has led the Crude Purchasing Team to procure ample crude supply to the Bradford refinery, serving its loyal suppliers through his active involvement in PIOGA, PGCC, PIPP, OOGA and SPE. Prior to joining ARG in 2004, Bill had a very successful 20-year career at Belden & Blake Corp. where he held management and executive positions. As VP & General Mgr., he led a diverse E&P team generating steady growth and value to the organization. Bill's diverse industry experience has prepared him well to serve on the PIOGA Board.

Bill is a proud 1983 graduate of Marietta College where he earned a BS degree in Petroleum Engineering. While at Marietta, Bill played on Marietta's



first Division III National Championship Baseball Team in 1981.

Billman Geologic Consultants, Inc – about Dan Billman PG, CPG

Dan is an independent geologic consultant, working as Billman Geologic Consultants, Inc., since 1993. Billman Geologic has been in operation since 1993 and Dan consults for industry (from small "mom and pops" to major oil and gas companies), landowners and the legal community. Prior to consulting, Dan worked at Eastern States Exploration Company and Mark Resources Corporation. Dan received a Master of Science degree in geology from West Virginia University and a Bachelor of Science degree in geology from the University of Toledo. Dan holds a Professional Geologist (PG) license in the Commonwealth of Pennsylvania and a Certified Petroleum Geologist (CPG) from the American Association of Petroleum Geologists.

Dan joined PIOGA in 2004 and has been an active participant at many annual meetings and networking and social events, including presenting numerous technical talks at past meetings. Dan is a member of the Pennsylvania Council of Professional Geologists (PCPG), serving as the President of the organization in 2017 and 2018. Dan currently remains on the executive committee of PCPG as the immediate past president. Dan is a member of the Pittsburgh Association of Petroleum Geologists, serving as the organization's Treasurer, Vice-president and President in the past. Dan is also a member of the Pittsburgh Geologic Society, the Appalachian Geologic Society, the Ohio Geologic Society, Buffalo Association of Professional Geologists and the Ohio Oil & Gas Association.

Dan enjoys travelling with his wife, Pam and daughter, Jamie. In his free time, he likes to attend concerts, golf (not well) and fish (a bit better).

Bittinger Drilling – about Brian Bittinger

Bittinger Drilling was founded in the early 1950s by Brian's great-grandfather. Upon his death in 1993, Brian's grandfather and father took ownership of the company.

Brian began working for the company in 1998 at age 13. His first role as "summer time help" meant, he would do the work that no one else wanted to do. This translates into starting his career at the company from the ground up. As Brian worked his way through the company, he realized the value of the company his predecessors began and the potential for Brian to transform his family legacy into a modern day, thriving, energy producing business.

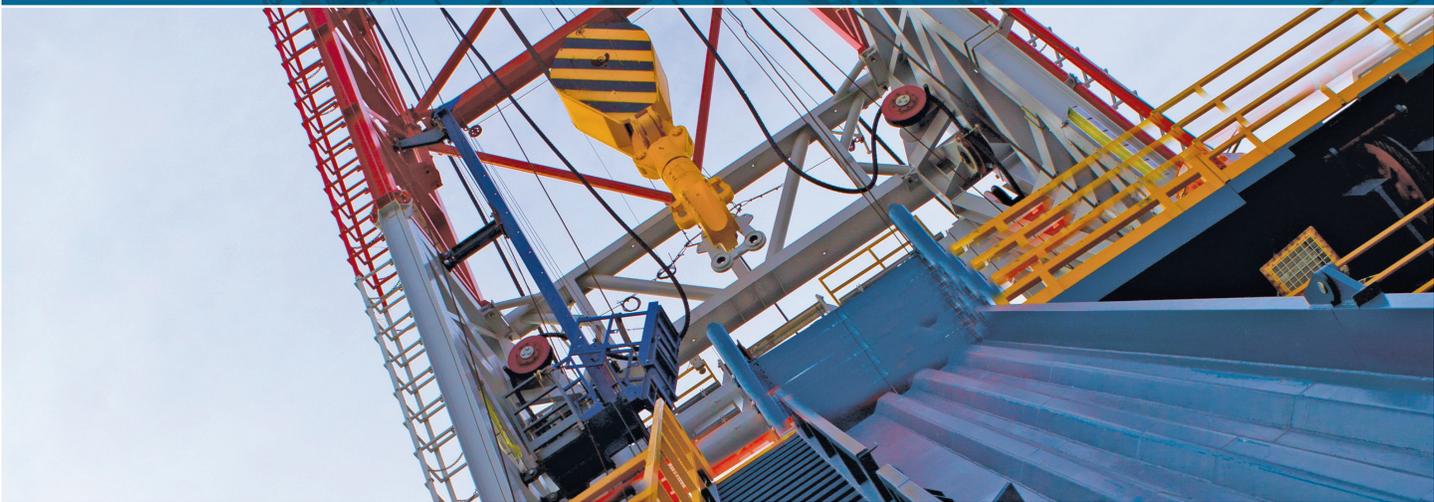
Brian's passion for leading and his leadership qualities were evident to his father and co-workers. He soon took on a management role and quickly gained the respect of his colleagues and clients.

In 2017, upon the death of his grandfather, the company was again passed down to son and grandson. Brian and his father now owned the company. This would make Brian the 4th generation of the Bittinger legacy family business. Brian recognizes the current challenges of the Oil and Gas industry and is eager to continue building upon what his predecessors have entrusted him with. He also realizes the complexity and importance of identifying and developing new leaders. With a strategic succession plan, he considers it an honor to equip the next generation for success.

Today, Brian proudly serves as Executive Vice President over all Bittinger enterprises.



Industry Intelligence. Focused Legal Perspective.
HIGH-YIELDING RESULTS.



Meet our attorneys at babstcalland.com.

Whether it's a state or federal regulatory matter, local land use or zoning challenge, acquisition of title and rights to land, or jointly developing midstream assets, we help solve complex legal problems in ways that favorably impact your business and bring value to your bottom line.

Babst | Calland
Attorneys at Law

Where Trust and Value Meet.™

PITTSBURGH, PA | CANTON, OH | CHARLESTON, WV | HOUSTON, TX | SEWELL, NJ
STATE COLLEGE, PA | WASHINGTON, DC

Buchanan Ingersoll & Rooney, PC – about Christian Antkowiak, Esq.

Christian is a Shareholder in the Labor & Employment Practice Group of Buchanan Ingersoll & Rooney, PC. He is widely considered a “go to” lawyer for employment litigation in the energy industry and is nationally sought after for his experience in aggressively defending multi-state class and collective actions impacting business of all sizes.

Since the inception of the shale oil and gas revolution Christian has handled dozens of employment claims for established and emerging businesses, ranging from single plaintiff discrimination defense to multi-million dollar class actions. He has entered his appearance on behalf of numerous exploration and production companies, along with service companies, of varying size. Christian also serves clients – ranging from small to medium-sized business up to those with sophisticated in-house legal teams – as their de facto general counsel.

Christian was recently selected for inclusion in the 26th Edition of The Best Lawyers in America for his work in Employment Law (Management) and Litigation (Labor and Employment).

Civil & Environmental Consultants, Inc. – about Rick Celender, RLA, C.E.T., CPESC, CPSWQ

Rick is Vice President and Registered Landscape Architect/Civil Engineering Technologist at Civil & Environmental Consultants, Inc. (CEC). Rick has more than 30 years’ experience in design and permitting across the entire oil and gas spectrum (upstream, midstream, and downstream). His experience with site design coupled with a specialization in stormwater management/erosion control provides a unique insight into current trends in design, permitting, and construction. He has given various presentations related to stormwater design, erosion control practices, permitting, and unmanned aerial vehicle operations to PIOGA, Municipal Governments, American Public Works Association, Pennsylvania Association of Conservation Districts, PADEP, Oil/Gas Operators, Lawrence County Career & Technical Center, Commercial UAV Expo, and other organizations across the county and in Italy. Rick is an accredited instructor for the Certified Professional Erosion/Sedimentation Control (CPESC) exam review and a CPESC State Representative. He is a Certified Professional in Storm Water Quality (CPSWQ), have obtained OSHA Confined Space Entry and Rescuer Certification, Wetland Delineator Certification, and certification through the National Institute for Certification in Engineering Technologies. Rick leads CEC’s Unmanned Aerial Vehicle (UAV) program (LDAR/Optical Gas Imaging inspection, aerial topography, etc.), hold an FAA Part 107 Remote Pilot license, and he is a member of the Marcellus Shale UAV Committee. Rick would appreciate an opportunity to work with the PIOGA Board and its membership to help promote the PIOGA mission of responsible growth of Pennsylvania’s oil and natural gas industry.

Fisher Associates – about Brook Bertig-Coll (R)

Brook Bertig-Coll is the Director of Environmental for Fisher Associates. Located in Canonsburg, PA, she oversees a diverse team of highly experienced practitioners located in five offices across two states. Her team specializes in regulatory compliance and permitting, environmental impact assessment, and site investigation and remediation in support of a range of public and private sector projects throughout the Northeast, Midwest and Mid-Atlantic states. With over 22 years of experience, Brook has provided environmental services for various industries including pipelines, commercial, power, and chemical, as well as the federal government. She has previously served as both a Project Manager and Group Manager and has extensive experience in environmental permitting processes and policies, National Environmental Policy Act (NEPA) and Federal Energy Regulatory Commission (FERC) compliance, All Appropriate Inquiry (AAI) Phase I and II Environmental Site Assessments, environmental compliance auditing, regulatory applicability, Homeland Security and Emergency Preparedness, wetland delineations, peer review and technical writing. Brook holds a B.S. in Biology with a Chemistry Minor from Indiana University of Pennsylvania.

Greylock Energy, LLC – about Mike Cochran (R)

Mike Cochran is currently Director of Pennsylvania Production & Midstream for Greylock Energy. He has been employed with Greylock & its former compa-

nies for 28 years. During this period, Mike has held numerous Engineering & Management positions in various PA & WV locations.

After graduating from Penn State with a B.S. in Petroleum and Natural Gas Engineering, Mike was employed as an Engineer with Mobil Oil in various locations throughout the Rockies and Midwest. He previously served on the PIOGA Board. Mike & his wife reside in Indiana, PA.

HDR Inc. – about Sara Blascovich (R)

Sara have been involved with PIOGA since 2010 in various capacities, including being a member of the Board of Directors since 2016.

Professionally, her experience is related to permit preparation, regulatory analysis, and client advisement related to the Federal Clean Water Act, FERC Natural Gas Act applications, PA Clean Streams Law, NEPA, National Historic Preservation Act, and Endangered Species Act. Sara has over 15 years of experience coordinating with state and federal agencies to provide permitting and regulatory services for a variety of market sectors including transportation, oil and gas, private individuals, railroads, and land development. She has extensive experience with agency coordination and development of working relationships with agency personnel in the federal, state, and local regulatory community as well as legislative community.

Sara is located in Harrisburg which allows her to participate in PA DEP meetings as frequently as needed and to utilize her long-standing relationships with Central Office and regional staff. This also affords her the opportunity to attend legislative events, as needed. Sara’s experience with PIOGA has been extremely pleasant and beneficial to her career and believes that if re-elected for this position, she can continue to contribute greatly to the PIOGA Board of Directors to provide other members with some of the same benefits that she has gained through her involvement over the decade.

Huntley & Huntley – about Michael Hillebrand (R)

Mike is a graduate of the Pennsylvania State University with a Bachelor of Science degree in Petroleum and Natural Gas Engineering. He is a member of the Society of Petroleum Engineers (SPE) and has been for 34 continuous



Marcellus to Manufacturing
Competitive Energy for Sustainable Growth

Thursday, November 7
The Energy Innovation Center, Pittsburgh

Competitive energy for sustainable growth is in high demand for project development, new construction and conversions of existing facilities. This knowledge is the “power tool” you need now.

It is time to drill down as we gain insight into the energy we produce for those who will use it!

Full Details and Registration Coming Soon!
Watch your email or visit pioga.org > PIOGA Events

There will be a Welcome Reception and two workshops for registered attendees available on November 6.

years. He serves on several natural gas upstream and mineral company boards and he is also a very active BOD member of the Pennsylvania Independent Oil and Gas Association. He has thirty-three years of diverse industry experience in both vertical and horizontal well drilling, completions and operations as well as all operating and financial aspects of the oil and natural gas business. He started his career as an engineer with a large international oil & gas service company. In 1998, Mike joined Huntley & Huntley as an equity partner. From 1998 through 2008 he raised over \$150 million through the creation and management of 26 syndicated partnerships and several joint venture programs that involved the drilling and/or participation in over 600 wells. Over 400 wells were constructed and made operational under Mike's direct engineering and oversight. In 2008, Mike led Huntley through an industry transformation where horizontal well, shale reservoir drilling technology replaced conventional reservoir vertical well construction. Since 2012, Mike has been very strategic and is directly responsible for commitments and/or the implementation of \$1.1 billion derived from a joint venture partnership with Blackstone Energy Partners, one of the world's largest private equity firms. Huntley and Huntley Energy Exploration (HHEX) is one result of the partnership and HHEX now holds SW Pennsylvania's last 100,000 acres of undeveloped, economic core Marcellus, Upper Devonian and Deep Utica positions. HHEX continues to delineate its acreage position and just finished drilling its 11th very successful Marcellus well and is now an industry leading Marcellus Shale developer.

Insightful, Sunnyside Energy Park and Bob Beatty Oil & Gas – about Robert Beatty (R)

Bob has 35 years' experience in the natural gas and compression industries with 17 years as the president of "O" Ring & Associates, Inc. as well as 9 years as CEO of "O" Ring CNG Fuel Systems, L.P., (& Affiliated Entities) which he founded in 2008. Since merging with Insightful in 2017, an entity formed by combining the leadership teams and assets of five technology, manufacturing and construction companies in the alternative fuels sector, Bob continues to expand his presence in the gaseous fuel space. As COO/ Partner he oversees Major Construction, Optimization, New Product Development, Maintenance

Operations, and Innovation Technology for Insightful clients. Externally, He maintains a strong presence in related Government Affairs, Regulatory, Environmental and Industry advocacy organizations. He is also a professional educator, having taught at the university level for more than 25 years. He continues his educational outreach today through various seminars and speaking engagements where he demonstrates the benefits of CNG /LNG/ RNG / Alternative Fuels/ and Energy Security. He holds certifications from the Natural Gas Vehicle Institute of America in both CNG Fuel Station Design & Construction and CNG Fuel Station Management. He has extensive experience with compressed gases as a technician, system designer, consultant, sales manager, and distributor for several major international compressor brands. From assessing the best plan for each customer, designing, building, and installing individualized equipment, to both routine and emergency service and maintenance, having the expertise and technical knowledge to diagnose and solve any compression, natural gas, or CNG challenge. He was awarded the 2013 Pittsburgh Business Times Energy Leadership Award for his efforts in revolutionizing the US transportation industry. In November of 2016 He was recognized again by the Pittsburgh Business Times as a "Who's Who in Energy" in the Region for his accomplishments.

LEGO-V, LP – about Edward R. Vogel

Edward Vogel currently serves as Vice President and Board Member of Vogel Holding, Inc. (Vogel), a family-owned and operated business started over 60 years ago by his parents. Vogel is the ultimate parent company for ten subsidiaries located throughout Western Pennsylvania and Eastern Ohio involved in waste collection, disposal, recycling and renewable energy. Ed also serves as Managing Member of Lego-V, LP which operates the Renewable Natural Gas (RNG) High BTU Recovery Facility at the Seneca Landfill.

Ed has been instrumental in the strategic growth of many of Vogel's award-winning enterprises. Most notably, he identified the potential for recovering methane gas; oversaw the financing, permitting, and construction of a state-of-the-art gas beneficiation plant; and guided Lego-V successfully through the lengthy and complex US EPA Renewable Fuel Standard (RFS) qualification process. This has allowed Lego-V to monetize designated environmental attributes as well as create a marketable vehicle fuel.

His commitment to environmental sustainability is evidenced in many of the innovative projects he has spearheaded, including: construction of Seneca's Centralized Waste Treatment facility; installation of a five million dollar Single Stream Recycling system upgrade at TC Recycling; and transition of the Vogel fleet from diesel to renewable CNG through construction of CNG filling stations at all the hauling locations, greatly reducing the company's carbon footprint.

Ed is an active member of the National Waste & Recycling Association, PA Solid Waste Advisory Committee, Renewable Gas Coalition, and serves on the Steering Committee for the Pennsylvania Waste Industries Association.

New Pig Energy – about Beth Powell (R)

Beth Powell is the President of New Pig Energy. New Pig Energy supplies secondary containment liners for oil and gas drilling and completion sites. The PIG liners and berms were awarded the 2011, 2012, 2013, 2017 and 2019 Environmental Protection Awards. The parent company, New Pig Corporation, was founded in 1985 and supplies environmental, health and safety products to over 300,000 sites in over 100 countries.

Beth has 25 years of experience in plastics manufacturing and has been granted twelve patents. Beth has an MBA and a BS in Chemical Engineering with high distinction and honors from the Pennsylvania State University, where she received the University Scholar's Medal. She is a board member of the Pennsylvania Independent Oil & Gas Association and is Vice-Chair of the Marcellus Shale Coalition Health and Safety Committee. She has served as a Director-at-Large for PA STEPS, as a Vice-Chair of the Marcellus Shale Coalition Supply Chain Committee, and as a Director-at-Large for the Appalachia Women's Energy Network. Beth lives in State College, PA, with her husband Mark, son Nolan, and daughter Madeline.

Pennsylvania General Energy Company – about Dan McGraw Esq. (R)

Dan McGraw currently serves as Corporate Counsel for Pennsylvania

100% EMPLOYEE OWNED

**AMERICAN SOIL,
AMERICAN OIL,
FRACING FOR
OUR FUTURE**

109 South Graham Street
Zanesville, Ohio 43701

740-454-6253

www.producerservicecorp.com

General Energy Company, L.L.C. (PGE). Founded in 1978, today, PGE is a leading, privately owned, independent oil and natural gas exploration and production company in the Appalachian Basin.

Dan is a 2012 graduate of the Pennsylvania State University Dickinson School of Law and earned his Bachelor of Science degree in 2003, Master of Science degree in 2005 and Master of Applied Statistics degree in 2009 from the Pennsylvania State University. Prior to joining PGE, he started his legal career in a general private practice in North Central Pennsylvania with a concentration in general business and transactional matters including oil and gas law before joining a firm in Southwestern Pennsylvania to concentrate his practice on oil and gas law with an emphasis on title and due diligence matters.

Dan is a member of the Pennsylvania Bar Association (PBA), the PBA Environmental and Energy Law Section, the PBA Shale Energy Law Committee and the Energy & Mineral Law Foundation. He resides in Bemus Point, New York where he can often be found chasing the elusive musky on Chautauqua Lake with his wife and two daughters.

Pro Pipeline Solutions – about Brandt Waters

Brandt Waters is the Chief Operating Officer and Managing Member of ProGro Environmental LLC and Pro Pipeline Solutions. Brandt has built his career managing midstream construction projects from small gathering systems up to 42-mile transmission lines.

Throughout his career, he has held management positions with several reputable pipeline contractors and was one of the founding members of ProGro Environmental and Pro Pipeline Solutions in 2018. These companies currently operate in the Eastern United States and primarily focus on environmental and pipeline projects. He and his partners have grown the companies to over 100 employees in less than 2 years.

Brandt credits having great relationships with his team members, vendors, and customers as the key to his successful career. He empowers his team members to make decisions real time, which enables them to deliver projects with the up most quality. He works with customers proactively to mitigate safety and environmental concerns that could arise, in difficult and sensitive areas. He believes that all parties play a role in making a project successful and coordinates a team approach with the client.

Brandt grew up in Northwest Arkansas and lives in Canonsburg, Pennsylvania with his wife Jodi, son Grayson (6), and they are expecting a beautiful daughter, Katherine, in September. The Waters enjoy spending time with their family and friends, boating, and golf.

Spilman Thomas & Battle PLLC – about James D. (Jim) Elliott, Esq.

Jim is an environmental attorney with Spilman Thomas & Battle and General Counsel for Keystone Custom Homes. Jim has over 20 years of experience as an environmental attorney, with a primary focus on air issues for a variety of industries. In 2011, Jim, with assistance from trade associations such as PIOGA, IOGA-WV and IPAA, formed a coalition that has championed the concerns of conventional operators and smaller operators as they relate to air regulations of the oil and natural gas industry. The “Methane Coalition” has filed extensive comments on all EPA rulemakings related to oil and natural gas new source performance standards and Jim represents the Coalition in various legal challenges to those regulations. Jim has co-chaired PIOGA’s Air Quality Subcommittee for the past several years. On behalf of PIOGA and the Methane Coalition, Jim regularly meets with state and federal regulators advocating for changes and improvements to onerous air regulations that produce limited benefit to the environment but impose substantial costs on the industry as a whole, and disproportionate impacts on conventional and small operators.

Jim’s interest in environmental issues stems from

his hunting and fishing interests. After graduating from Bucknell University with a degree in Economics, and a brief stint as a paralegal, Jim went back to law school at Pace University School of Law (one of the top environmental law programs in the country) purely to focus on environmental policy issues. While at Pace, Jim served as Editor-in-Chief of the Pace Environmental Law Review and on the Pace Environmental Moot Court Board. Jim started his legal career in Charleston, WV; spent roughly 11 years with a large firm in Washington, DC; and has been with Spilman Thomas and Battle since 2010. In addition to Jim’s “paying clients,” he had dedicated over 20 years of volunteer efforts to restore the Chesapeake Bay watershed and is currently the Secretary for the Board of Directors for the Alliance for the Chesapeake Bay (an NGO different from the Chesapeake Bay Foundation – the Alliance does not litigate or lobby). Jim’s representation of industry while being actively involved with environmental NGOs provides him perspective to craft workable solutions to challenging environmental policy issues. Jim truly enjoys representing the oil and natural gas industry – defending their actions and good works before regulators and environmentalists.

Stone Pier Capital Advisors – about Charlie Schliebs

Charlie Schliebs is a co-founder and Managing Director of Stone Pier Capital Advisors, a Pittsburgh-based boutique M&A advisory firm and investment bank serving upstream, midstream and downstream energy-related companies in the Appalachian Basin. Charlie has advised on deals in oilfield services, unconventional and conventional oil and gas, petrochemical, LNG, midstream gathering and pipelines, compression, processing and fractionation, renewable methane, energy construction, nuclear services, waste coal, met coal, wind and solar.

Charlie is annually the Chairman and Emcee of the Northeast Petrochemical Conference, is annually named to “Who’s Who in Energy” by American City Business Journals and is a national Judge for the Oil & Gas Awards. He is a regular speaker, moderator, panelist or conference leader with respect to energy topics and a judge for energy technology competitions. Following his serving as a member of the 2014-2015 Transition Team for then newly-elected Pennsylvania Governor Tom Wolf, Charlie became recognized as a leading critic of Governor Wolf’s annual proposals to make Pennsylvania the only state in the nation to double tax unconventional natural gas with both an impact tax and a severance tax. His energy-related editorials and articles have been published in Marcellus Drilling News and Natural Gas Now as well as his own firm’s energy newsletter.

As a founding Board member and officer (and now Chairman) of the non-profit Pittsburgh Energy Innovation Center Institute, Charlie has spearheaded a number of energy-related initiatives, including workforce development training



What makes us different is what makes you better.

Specialists in a broad array of **oil and gas tax, assurance, accounting, revenue, and consulting** services.

Arnett Carbis Toothman llp

actcpas.com
800.924.0729

west virginia	pennsylvania
Charleston	New Castle
Bridgeport	Pittsburgh
Buckhannon	Meadville
Morgantown	ohio
	Columbus

ACT with confidence

involving some of the largest exploration and production companies in the Marcellus/Utica region, and also with respect to preparing minorities and women for energy construction jobs at projects such as the new Shell Polymers Petrochemical Complex in Beaver County, PA. Through a second non-profit that Charlie co-founded, the Huddle Up for Kids Foundation, Charlie works with leading energy or energy-related companies such as Chevron Appalachia, Shell Polymers and MSA Safety, and retired pro football players, to raise money for children's and veterans' charities in the Appalachian Basin.

Charlie is a graduate of the University of Pennsylvania (BS from the Wharton School and BA in Russian and Slavic Studies), and a graduate of Vanderbilt University School of Law.

T3 Industries Inc. – about Dane Rombaugh

Dane Rombaugh takes a vision and makes it reality through sound strategy development. He is an inspirational leader who motivates and inspires action while at the same time is grounded in operational detail that levers the business. He intuitively sees the threads of opportunity that wind through an organization, brings them together into a coherent whole, helps others extend their thinking, and drives material business advantage. Respected as a credible voice in decision making, finding strategic partners, and establishing governance boundaries, Dane earns a seat at the table wherever he serves.

Currently, as Chief Operating Officer at T3 Industries Inc., a technology Company, Dane oversees the business/operations of the Company. Recently, he led the successful Joint Marketing venture in the Marcellus/Utica shale play with one of the Leading National automated fuel providers. In doing so, he played an instrumental role in the integration of the technology based fueling solution for frac sites. He is now spearheading a major strategic growth plan for T3 Industries Inc. into the Marcellus/Utica shale play.

Previously, as Vice President and Director of Operations, Dane led operations in the Marcellus/Utica shale play for a similar delivered fuels/lubricant company. During this time, he provided leadership and the vision necessary to ensure the Team had the proper operational controls, procedures, and the people in place to effectively grow the organization and to ensure financial strength

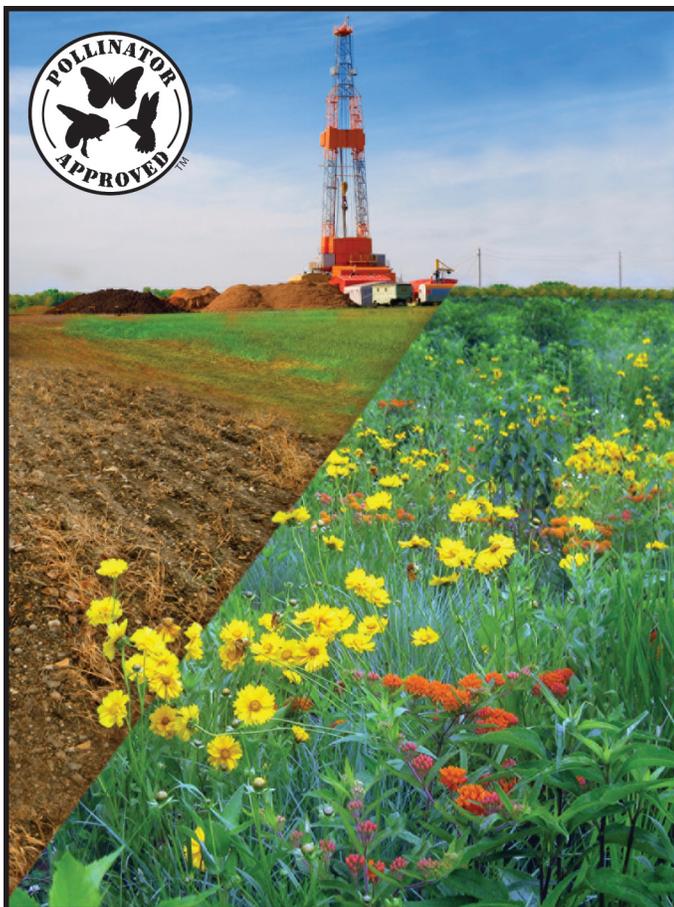
and operating efficiency. Earlier he rose through the ranks in Health Safety and Environmental from the Regional Manager to the Director of HSE for the US Oil & Gas Market. He began his career in HSE Director for a small Gas Company in Indiana County PA.

Dane is currently the Chair for the Western PA Oil & Gas Safety Alliance group. He is an active member of PIOGA, IOGAWV, OVOGA & OOGA.

WGM Gas Company Inc. – about Jessica Houser

Jessica grew up the daughter of Garry Houser and granddaughter of Walter Houser, both of Walter L. Houser Coal Company, Inc. and WGM Gas Company, Inc. Jessica attended Temple University's Fox School of Business graduating in 2010 with a major in Human Resources Management. That year she began working at the family business, making her 3rd generation in the energy industry. She started by first building the safety department, working her way up to General Manager. She held the General Manager position for 7 years, during which time she managed up to 100 employees, provided policy development and implementation, budget assignment and review, royalty calculation and distribution, vendor and client relations, MSA development, insurance management, and strategic planning assistance. She was responsible in assuring WGM met projected financial and safety goals, while remaining compliant with all applicable federal and state legislation. Jessica currently holds the position of Executive Treasurer, managing the company's overall excavating and production operations and finances, also overseeing administration and safety.

Jessica completed in 2015 the IUP MARTI Institute's Leadership of Indiana County program, where she volunteered to help raise awareness about the importance of local youth STEM related education. As an active member of PIOGA, Jessica has attended many events and is a member of the Environmental Committee. She is passionate about bringing legislative reform and governmental awareness to industry difficulties. ■



Responsible Reclamation

An opportunity to restore diversity

- Conservation seed mixes
- Pollinator forage
- Native seeds
- Bioengineering materials

ernstseed.com

sales@ernstseed.com

800-873-3321



EPA proposes updates to oil and gas air regulations to remove redundant requirements and reduce burden

The U.S. Environmental Protection Agency (EPA) on August 28 proposed amendments to the 2012 and 2016 New Source Performance Standards (NSPS) for the oil and natural gas industry that would remove regulatory duplication and save the industry millions of dollars in compliance costs each year while maintaining health and environmental protection from oil and gas sources that the agency considers appropriate to regulate.

The proposed amendments would remove all sources in the transmission and storage segment of the oil and gas industry from regulation under the NSPS, both for ozone-forming volatile organic compounds (VOCs), and for greenhouse gases (GHGs). The existing NSPS regulates GHGs through limitations on emissions of methane. The amendments also would rescind the methane requirements in the 2016 NSPS that apply to sources in the production and processing segments of the industry.

As an alternative, EPA also is proposing to rescind the methane requirements that apply to all sources in the oil and gas industry, without removing any sources from the current source category.

As part the August 28 action, the agency also is seeking comment on alternative interpretations of EPA's legal authority to regulate pollutants under section 111(b) of the Clean Air Act.

Summary of proposed amendments

Primary proposal. Section 111 of the Clean Air Act (CAA) requires EPA to set NSPS for categories of industrial facilities that EPA has listed because they cause, or significantly contribute to, air pollution that may endanger public health or welfare. These are called "source categories." EPA's original source category listing for the oil and natural gas industry, issued in 1979, included only the production and processing segments of the industry. However, in the 2012 and 2016 NSPS rules, EPA interpreted the source category to include the industry's transmission and storage segment. In the 2016 NSPS rule, EPA expanded coverage of the rule to include additional sources within the transmission and storage segment.

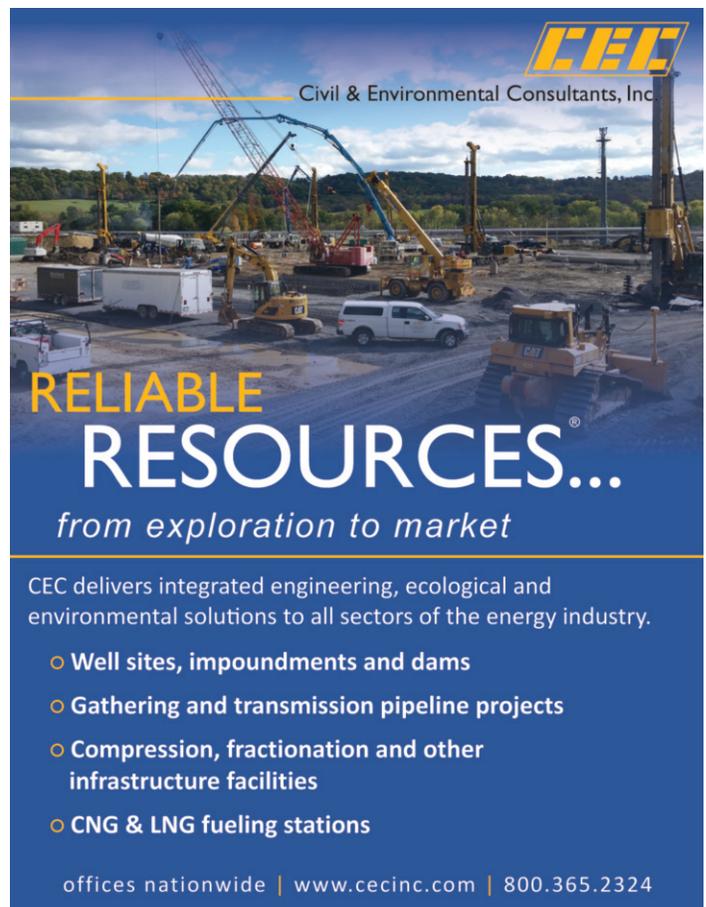
EPA is proposing to remove sources in the transmission and storage segment from the oil and natural gas source category. The proposal notes that the agency erred when it interpreted or expanded the source category in 2012 and 2016 to include the transmission and storage segment, because that segment of the industry is functionally separate from the production and processing segments. Sources in the transmission and storage segment include transmission compressor stations, pneumatic controllers and underground storage vessels.

In the proposal, EPA also notes that the agency would need to make a separate finding that the transmission and storage segment contributes significantly to air pollution that is anticipated to endanger public health or welfare before those sources in that segment could be listed for regulation.

Because the proposed amendments would remove sources in the transmission and storage segment from the source category, the proposal also would rescind the emissions limits in the 2012 and 2016 NSPS that currently apply to those sources. These include limitations on emissions of both methane and VOCs.

For the production and processing segments, the proposal would rescind emissions limits for methane but would keep emissions limits for VOCs. The proposal notes that the controls to reduce VOC emissions also simultaneously reduce methane, so separate methane limitations for these segments of the industry are redundant. Sources in the production and processing segments include well completions, pneumatic pumps, pneumatic controllers, gathering and boosting compressors, natural gas processing plants, fugitive emissions, and storage tanks.

These proposed amendments would remove the agency's obligation to develop emission guidelines to address methane emissions from existing sources under Section 111(d) of the Clean Air Act. EPA believes this would have limited environmental impact, because some existing sources that are "modified" will become subject to requirements for new sources, and because



CEC
Civil & Environmental Consultants, Inc.

**RELIABLE
RESOURCES...**
from exploration to market

CEC delivers integrated engineering, ecological and environmental solutions to all sectors of the energy industry.

- Well sites, impoundments and dams
- Gathering and transmission pipeline projects
- Compression, fractionation and other infrastructure facilities
- CNG & LNG fueling stations

offices nationwide | www.cecinc.com | 800.365.2324

the number of remaining sources may decline over time as they are shut down or become obsolete.

Alternative proposal. As an alternative, EPA also is proposing to rescind the methane requirements in the NSPS for oil and gas sources, without removing any sources from the source category. Under this alternative, the rule would retain VOC standards for the production, processing, and transmission and storage segments of the industry. As in the primary proposal, the alternative proposal notes that because the controls to reduce VOC emissions simultaneously reduce methane, separate methane limitations for the industry are redundant.

Seeking comment on EPA's legal authorities to regulate methane

As part of this proposal, EPA is seeking comment on whether the agency should revise the positions it took in the 2016 rule. Specifically, EPA is requesting comment on:

- Whether Section 111 of the Clean Air Act requires EPA to make a pollutant-specific significant contribution finding for GHG emissions (primarily methane) from the oil and natural gas industry; and
- If the law does require a pollutant-specific finding, whether the finding in the alternative in the 2016 rule properly satisfied that requirement.

EPA also is seeking comment on the appropriate criteria to use when determining, under Section 111, whether a pollutant emitted from a particular source

category significantly contributes to air pollution that may reasonably be anticipated to endanger public health and the environment. The agency is seeking these comments to inform its actions in future rules.

EPA announced it would accept comments on all aspects of the proposed amendments for 60 days after they are published in the *Federal Register*. The agency will hold a public hearing on the proposed amendments in Texas.

PIOGA has been closely involved in the EPA's NSPS regulatory efforts as part of a coalition with the Independent Petroleum Producers of America (IPAA) and other organizations. The Air Quality/Emissions Subcommittee of PIOGA's Environmental Committee is evaluating this latest proposal and will develop formal comments for submission by the association.

The proposal is favorable to both the production and the transport and storage segments of the industry, with the transport and storage segment potentially no longer regulated by the rule if and when the proposal is finalized. The production segment will benefit by the removal of the current methane requirements, which will remove any EPA obligation to regulate existing sources under Section 111(d) of the Clean Air Act. While PIOGA will be supporting comments being prepared by the IPAA, member companies are encouraged to independently submit comments in support of the proposed revisions to U.S. EPA following its publication in the *Federal Register*. ■

PIOGA Member Profile

INTL FCStone®

INTL FCStone Financial Inc.

Year founded: 1924

About us: INTL FCStone Inc. (Nasdaq: INTL), through its subsidiaries, provides clients across the globe with a comprehensive range of customized financial services and tools to help them protect their margins and manage volatility. A pioneer in specialized financial services, we open markets for underserved mid-market clients with insight, guidance and access.

INTL FCStone's customers include the producers, processors and end users of virtually every major traded commodity; commercial counter-parties; governmental, non-governmental and charitable organizations; institutional investors; brokers; professional traders; commercial banks; and major investment banks. INTL FCStone Inc., through its subsidiaries, provides clearing and execution services, advisory services, merchant services, OTC products, and market intelligence on all major commodities worldwide. We add value for clients across a variety of financial markets by helping them to systematically identify and quantify exposures to commodity price risk. INTL FCStone Financial Inc. – FCM Division is registered as a Futures Commission Merchant with the U.S. Commodity Futures Trading Commission (CFTC) and is a National Futures

Association (NFA) member. INTL FCStone Markets, LLC is provisionally registered with the CFTC as a Swap Dealer and is an NFA member. INTL FCStone Inc. is a Fortune-500 financial services firm with a nearly 100-year history. INTL FCStone's 1,400 employees serve clients from 40 offices in 15 countries.

Value proposition for PIOGA members: For over 25 years, the FCM Division of INTL FCStone Financial Inc. (IFCF) has focused its attention on helping organizations develop justifiable hedge plans to better control the price of energy and other risks associated with their company. Our expertise in developing and executing risk management programs includes assistance in all facets of this process. The energy team will help you manage your risk, increase your volume, and stabilize your margins, so you can concentrate on what you do best: running your business.

Products and services: Risk management (hedging), clearing and execution, OTC products, 24-hour futures night desk, swap execution, options on futures and swaps, market intelligence.

Contact:

Brayton Tom, Senior Risk Manager
brayton.tom@intlfcstone.com, 212-485-3533
10 Grand Central, 155 East 44th Street, Suite 900
New York, NY 10017
www.intlfcstone.com

Actions from the PUC's August 29 public meeting:

New assessment on public utilities for costs of PA One Call enforcement

At its August 29 public meeting, the Pennsylvania Public Utility Commission (PUC) approved the initial assessment on public utilities for 80 percent of the PUC's net costs of enforcing the Underground Utility Line Protection Law, otherwise known as the PA One Call law, for Fiscal Year July 2019-June 2020. Among other changes, Act No. 2017-50 transferred authority to enforce the PA One Call law from the Department of Labor and Industry to the PUC and directed the PUC to recover 80 percent of its enforcement program costs, excluding federal and state enforcement funds received, from its regulated public utilities.

For FY July 2019-June 2020, the portion recovered from the PUC regulated public utilities is \$462,191, and the allocation among the public utilities is determined by the prior calendar year expenses (2018) of the Damage Prevention Committee attributed to the utilities (rounded):

Electric	14%
Gas	57%
Pipeline	0.74%
Telecommunications	10.5%
Water/Sewer	17.6%

This PUC action is significant because Act No. 2017-50 directed the remaining 20 percent to be assessed as a fee to the PA One Call System (POCS) to be paid by POCS to the PUC. The law also directs the POCS board of directors to determine the manner of recovering the fee from facility owners, excavators, designers and other involved persons, but prohibits recovery of the POCS' fee from facility owners that are public utilities.

Attention, conventional producers:

Peoples retainage rates unchanged for October 2019-September 2020

At its August 29 public meeting, the Pennsylvania Public Utility Commission approved settlements in the Peoples companies' 2019 Section 1307(f), or "purchased gas costs" (PGC), proceedings.

The Peoples Natural Gas Company-Peoples & Equitable divisions' settlement maintains the 2 percent retainage rate on producers' deliveries of natural gas from conventional wells into the Peoples Division system and the 2 percent minimum retainage rate on deliveries into the Equitable Division system, both of which were approved—over PIOGA's vigorous, well-grounded objections—in last year's PGC proceeding.

The Peoples Gas (formerly Peoples TWP) settlement increases the 2.9 percent retainage rate on deliveries of conventional well production approved in last year's proceeding to 3.4 percent, effective October 1, 2019.

To PIOGA's knowledge, POCS has not yet determined the manner of recovering the PUC fee from its members.

By the time this edition of the newsletter is issued, PIOGA will have filed a petition in the Commonwealth Court challenging the lawfulness of POCS' recovering all its operation costs from facility owners and none from contractors. ■

PUC pipeline safety and NGS assessments

At its August 29 public meeting, the Pennsylvania Public Utility Commission approved assessments to recover its operating costs under Act 127 of 2011 (gas pipeline safety) and Act 155 of 2014 (oversight of competitive electric and natural gas suppliers) for fiscal year July 2019-June 2020 as follows:

- Act 127—\$228 per mile, based on calendar year (CY) 2018 reported applicable miles of 1,776.7. Last year's assessment was \$309 per mile, based on CY 2017 reported applicable miles of 1,713. This fee is assessed on non-public utility owners or operators of equipment or facilities within Pennsylvania for the transportation of gas or hazardous liquids by pipeline or pipeline facility regulated under federal pipeline safety laws.

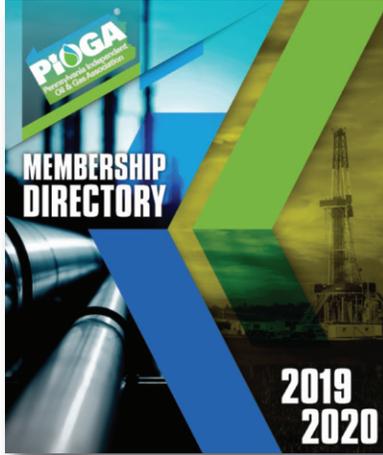
- Act 155—allocation factor of 0.000785535682 applied to a natural gas supplier's (NGS) total gross intrastate operating revenues for the prior CY reported per 52 Pa. Code § 62.110 (relating to NGS annual reporting requirements), plus the minimum annual fee of \$350. NGS "brokers" reporting no annual revenues pay only the minimum annual fee of \$350. ■

The settlement also increased the tariffed retainage rate for all other customer classes from 5.4 percent to 7.5 percent. ■



2019-2020 directories have been mailed

We are pleased to announce that the 2019-2020 Membership Directory has been mailed and hopefully has reached your mailbox. The printed directory, published once a year, is the main guide for our association members seeking to contact one another and is a one-stop resource for companies looking to find services or products from other PIOGA member companies. **Please be sure to visit the Select Suppliers section of the directory to locate companies that are eager to support your operations.**



Note that one copy of the directory has been provided to each member company. If your company has multiple locations listed, one additional copy has been provided to those locations also. If you would like to request additional directories, contact Deana McMahan at deana@pioga.org to place your order, or go to the

Safety Committee Corner

Upcoming PIOGATech: Workplace Security - in the Office and in the Field

The next installment in our Technical Seminar Series will address topics that are an unfortunate reality that companies today cannot ignore—active shooter, office security, site security and public relations management strategy. It will take place, Thursday, October 17, at the Hilton Garden Inn in Canonsburg.

The daylong event is hosted by PIOGA's Safety Committee along with our partners JS Held, Meinert/Mashek Communications and RETTEW. Wilkes University will once again provide continuing education credits for participants.

Watch your email or check the PIOGA Events section at pioga.org for registration and additional information.

Members Only site to order online. There is a \$10 charge per copy to cover the cost of the directory and shipping.

An electronic version of the directory is available at the Members Only site. ■

IDC

Westmoreland County

WE KNOW THE DRILL!

- Rail service
- Prime location
- Established supplier network

724.830.3061

WestmorelandCountyIDC.org

Interested in a PIOGA Cigar Club?

Calling all cigar enthusiasts: PIOGA is exploring the interest of our members in forming a partnership with BURN by Rocky Patel. As a PIOGA Cigar Club member you will receive a custom company/individual tray in a shared locker at BURN on the North Shore.

BURN

by Rocky Patel

Benefits also include:

- Access to the lounge during normal business hours
- 25 percent discount on Rocky Patel cigars
- 15 percent discount on other brands of cigars
- 25 percent discount on cigar accessories and apparel
- Other special discounts at BURN locations
- Free entry into cigar events (excluding certain special events)

You can use this opportunity to entertain clients and/or network with prospective clients, or use it personally. The cost will vary depending on how many people join the club. If you would like more information about participating, contact Dan Weaver at dan@pioga.org or 724-814-7270. ■

EPA proposes changes to the Section 401 water quality certification process

By Armando F. Benincasa

Steptoe & Johnson PLLC

Consistent with the president's focus on streamlining the permitting process and jumpstarting energy infrastructure projects as outlined in his Executive Order 13868, the U.S. Environmental Protection Agency published new rules related to the state's role in certifying that a project requiring a federal permit under the Clean Water Act (CWA) will comply with state water quality standards. The new rule is largely in response to the use of the Section 401 water quality certification requirement by some states to, in the opinion of the administration, unduly delay and in some cases, bring to a halt energy infrastructure projects for reasons often not related to water quality.

EPA Administrator Andrew Wheeler stated, "Our proposal is intended to help ensure that states adhere to the statutory language and intent of the Clean Water Act. When implemented, this proposal will streamline the process for constructing new energy infrastructure projects that are good for American families, American workers and the American economy."

The proposal largely mirrors the Section 401 guidance which was issued by the EPA on June 7. The proposed rule and guidance make several important clarifications and changes to what had been the traditional Section 401 water quality certification process:

- **Time frames.** The CWA limits a state's period for a request for water quality certification to a "reasonable" period of time, not to exceed one year. EPA makes clear that the time frame for review begins upon the receipt by the state of a request for certification, not upon receipt of a "complete" application. Further, EPA states that not all projects require a full year for review and that the measure of a "reasonable" time frame for review will be dependent upon the type of project and the complexity of the project. Following the lead of EPA, the Army Corps of Engineers announced that the "reasonable" time for states to review a request for water quality certification for dredge and fill permits (Section 404 of the CWA) would be 60 days, not a year. Failure to act upon a request within that time frame would result in a waiver of the certification requirement.

- **Federal oversight.** Under prior process and procedure, a denial of a state water quality certification by the state would have to be appealed by the project proponent to the applicable Court of Appeals. The proposed rule would allow the federal licensing/permitting agency to review whether the state denial or approval of a water quality certification with conditions was reasonable and would allow for federal review of those state decisions potentially placing the onus upon the states to file a legal challenge should the federal agency determine that the denial of the certification was not reasonable and constituted a waiver or that conditions were not in adherence with the CWA.

- **Scope of review.** EPA attempts to limit the scope of review of a water quality certification by the state strictly

to the issue of water quality and whether the project will comply with water quality standards. Attempts by states to expand the scope of review to include issues such as climate change, endangered species, or other issues will not be acceptable. Reviews of these issues may be relevant with regard to other permits/authorizations, but not the Section 401 water quality certification.

If finalized, the proposed rule will likely face legal challenge. Of particular note is case law which seemingly has authorized the expansion of the scope of review for states under Section 401 to issues outside water quality. The proposed rule is now open for a 60-day public comment period. ■

Spencer named PIOGA Market Development Committee co-chair

Sandy Spencer, Business Development Specialist with Appellation Construction Services, LLC, has been named co-chair of PIOGA's Market Development Committee. She replaces Bob Beatty of InsightFuel and Robert Beatty Oil & Gas, who plans to remain an active member of the committee but indicated he was stepping aside due to a hectic work schedule and his belief that committee leadership should revolve. He also serves on PIOGA's Board of Directors.



The Market Development Committee's other co-chair is David Marks of Dominion Energy Field Services.

PIOGA thanks Bob for his service with the committee and welcomes Sandy to this leadership position.

Producer Focused - Service Driven

Purchasers of Light Sweet Paraffinic Crude Oil

ARG's roots are deep in the PA oil fields.
Refining crude oil since 1881 in Bradford, PA,
ARG is committed to supporting the
PA conventional oil and gas industry.

Dan Palmer
Crude Relationship Manager PA / NY
814-368-1263
dpalmer@amref.com

AMERICAN REFINING GROUP, INC.
Specialty Refining Solutions
www.amref.com
814-368-1200

Thanks to our 2019 PIOGA Partners

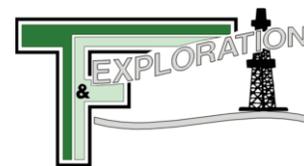
Keystone Partners



Executive Partners



Meeting Partners



Golf Partner



Committee Partner



Engineer Partners



Driller Partner



Find out how to become a PIOGA Partner: www.pioqa.org/publication_file/2019-PIOGA-Partners.pdf

September 30 deadline nearing for employers to submit Component 2 data to the EEOC

For more than 50 years, the Equal Employment Opportunity Commission (EEOC) has required large and mid-sized employers to submit an annual report known as the EEO-1 Report, which identifies the number of employed workers in job categories based on sex, race and ethnicity. This data is now known as “Component 1” data because in 2016 the Obama administration proposed requiring a second component to this annual report that would require employers to also disclose the hours worked and annual earnings of these employees, in an effort to identify pay disparities. Known as “Component 2” data, the newly collected information should include employees’ W-2 earnings as well as hours worked in 12 pay bands for each of the 10 EEO-1 job categories.

In 2016, the Office of Management and Budget (OMB) approved the proposed requirement, and the requirement was slated to take effect in 2018. However, in 2017 the Trump administration stayed the implementation of this requirement, citing the burden of compliance upon employers. The validity of the stay became the subject of litigation in November 2017. The United States District Court for the District of Columbia vacated the stay in March 2019, and ultimately ruled to extend the Component 2 reporting deadline until September 30, 2019.

The court’s ruling had no effect on the standard May 31, 2019 deadline for employers to submit their yearly EEO-1 Reports for Component 1 data. The Department of Justice has appealed the ruling, but the requirement to comply and produce the data by September 30 remains in full force and effect during the pendency of the appeal. **Therefore, by September 30 all employers with at least 100 employees are required to collect and submit Component 2 Data for a “workforce snapshot period” as selected by the employer for the reporting years 2017 and 2018.** The EEOC portal website through which employers can submit information can be found at eoccomp2.norc.org.

Employers should keep the following steps in mind when preparing to produce Component 2 data:

1. Identify an appropriate workforce snapshot period—one pay period—for each reporting year.
2. Gather, sort and verify the relevant Component 2



Stephen A. Antonelli, Esq.



Alexandra G. Farone, Esq.

Babst Calland
Attorneys at Law

3. Provide actual hours worked by employees who are not exempt under the Fair Labor Standards Act (FLSA). For employees who are exempt from the FLSA, employers can provide either proxy hours or actual hours worked.
4. Determine the number of full- and part-time employees pursuant to each of the ten EEO-1 job categories.
5. Identify the number of employees who fall within each of the 12 compensation bands for each of the EEO-1 job categories. Employers must use Box 1 of an employee’s IRS Form W-2 to determine the appropriate compensation band to which each employee will be assigned.
6. Tally the number of employees in each compensation band and job category by race/ethnicity and sex.
7. Calculate the total number of hours worked (by race/ethnicity and sex) for the total number of employees who fall within the same compensation band for each job category. “Hours worked” should not include paid leave time such as PTO, holidays or vacation days.
8. Decide whether to manually enter the data in an online form, or to create a separate data file for upload. Data file specifications have been released by the EEOC, and employers opting to create a data file are encouraged to develop the files in advance to ensure accurate and timely compliance.

Employers are encouraged to prepare and submit their Component 2 data prior to September 30 to avoid any potential technical difficulties due to the likely high influx of employers utilizing the EEOC portal website on the day of the deadline. The EEOC has not yet released guidance as to whether extensions may be granted in the event that technical difficulties affect accessibility of the EEOC portal website on September 30. ■

Babst Calland’s Employment and Labor Group can assist employers that are subject to this regulation by helping them with selecting an appropriate workforce snapshot period, organizing and categorizing employees’ data, creating a compliant data upload file for submission, and navigating the nuances of this data collection. For more information about what is required, contact Stephen A. Antonelli at 412-394-5668 or santonelli@babstcalland.com, or Alexandra G. Farone at 412-394-6521 or afarone@babstcalland.com.

Link up with us:

PA Independent Oil & Gas Association (PIOGA)



A vision for our waterways: Maximizing Beaver County's riverfront

By Joyce Turkaly,
Director of Pipeline and Natural Gas Market
Development

The Beaver County Chamber of Commerce hosted a Legislative Cruise aboard the Gateway Clipper's Princess the evening of July 31. Ensuring the long-term functionality of locks and dams has been a key priority of many state legislators in the southwest region of our state. We boarded at Rochester for a three-hour tour; the weather was not at all rough.

A prepared statement read by Dj Ryan of Congressman Connor Lamb's office shared that the congressman testified in June before the House Appropriations Committee on energy and water development by explaining the importance of the lock and dam system in Southwest Pennsylvania, including the challenges that have existed for some time at the locks located on the upper Ohio at three specific locations: the Montgomery, Emsworth, and Dashields locks, also known as the Upper Ohio Navigation project.

In June, the House passed HR 2740 for a total of \$7.36 billion for the Army Core of Engineers, an increase of \$357 million from fiscal 2019 level and \$2.3 billion above the president's budget request; the Senate has not yet passed its energy and water appropriations bill and final fiscal 2020 amounts are pending. Lamb hopes to continue to achieve this type of infrastructure funding through the appropriations process and through inviting key stakeholders such as Transportation and Infrastructure Chairman DeFazio and Energy and Water Development Subcommittee Chairwoman Kaptur to tour our area.

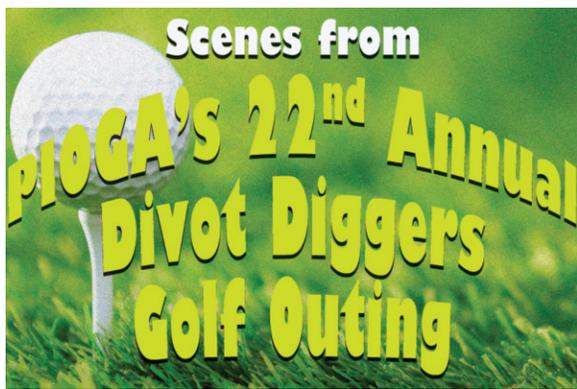
The Beaver County Chamber's legislative delegation was called on to provide further comment. Attending the event was Senator Elder Vogel, Representative Rob Matzie, Representative Josh Kail and Representative Aaron Bernstine.

Why is this important to downstream development? Upstream oil and gas look to pipelines to get hydrocarbons to market. As our region attracts more downstream users of natural gas and liquids, those potential end users are evalu-

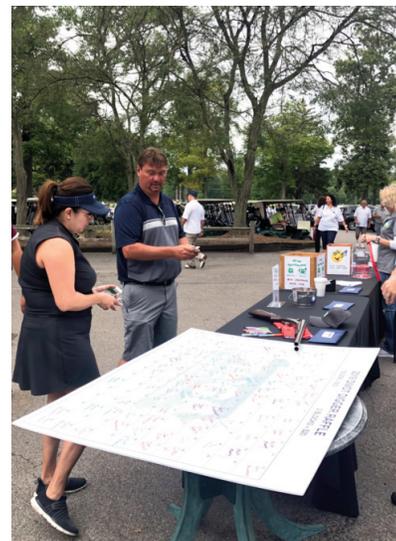
ating existing land and infrastructure at brownfield sites that are situated along our rivers. These riverfront sites are very attractive during construction and post commissioning operations and for commerce activity. If our locks and dams are reliable, we increase the potential for future brownfield development. Billion-dollar investments in this region are weighed heavily; our waterways being integral to ensuring the long-term functionality has to be a key priority.

River Wise is a nonprofit that was formed earlier this year through the Beaver County partnership for Community and Economic Development. The Rivers Work Group is looking to advocate for the business community with an interest in creating various eco districts oriented around the river. Part of the effort includes protecting the Ohio River Slopes area with special designation or protective legislation that will ensure the value for future development and also attract the public to an area designated by the locals as the "golden triangle" a scenic overlook where the county can eventually host and promote river events. ■





See more at pioga.org > Photo Galleries



THANK YOU, SPONSORS!



Hole Sponsors

- AES Specialized Services
- IMG Midstream
- Penneco Environmental Solutions, LLC
- American Refining Group, Inc.
- J.S. Held
- Pro Pipeline Solutions
- Cleveland Brothers Equipment Co.
- Kendra II Complete Liquids Mgmt
- Sherrard, German & Kelly, P.C.
- Dudley Land Company
- Langan Engineering & Environmental Services
- Tucker Energy Solutions, LLC
- ERGON
- New Pig Energy
- Universal Pressure Pumping
- Geostabilization Int'l

Oil & Gas Dashboard



Thank you, Bryan!

PIOGA's Dan Weaver (left) is shown presenting a plaque thanking Bryan McConnell for his service on the Board of Trustees. Until recently, Bryan represented Tenaska, Inc. on the board and also chaired DEP's Oil and Gas Technical Advisory Board.

New PIOGA members — welcome!

INTL FCSTONE Financial, Inc.

10 Grand Central, 115 E. 44th St, Ste. 900, New York, NY 10017
212-485-3533 • www.intlfcstone.com

Professional Firm—full-service, 24-hour futures and options brokerage, advisory, clearing, and execution services on all major commodity exchanges worldwide

Kimble Companies

3596 State Route 39 NW, Dover, OH 44622-7232
330-340-7861 • www.kimblecompanies.com

Service Provider—hauling and disposal services; trucking, disposal, landfill, solidification

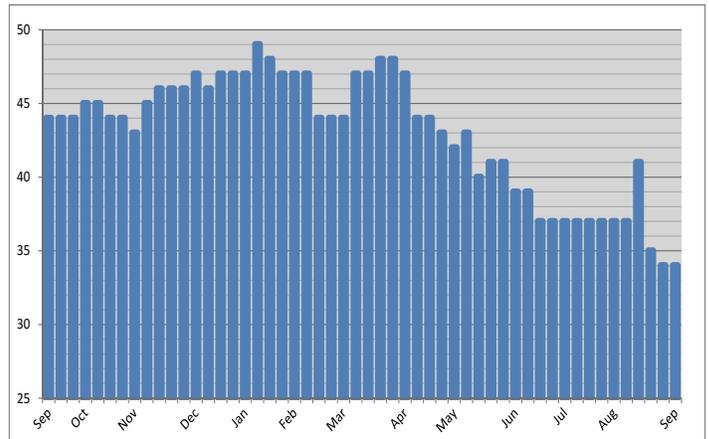
Peoples base rate case *Continued from page 1*

er the required daily gas supplies for those pool operators that have a peak demand of 2,000 Dth or less, in lieu of capacity assignment.

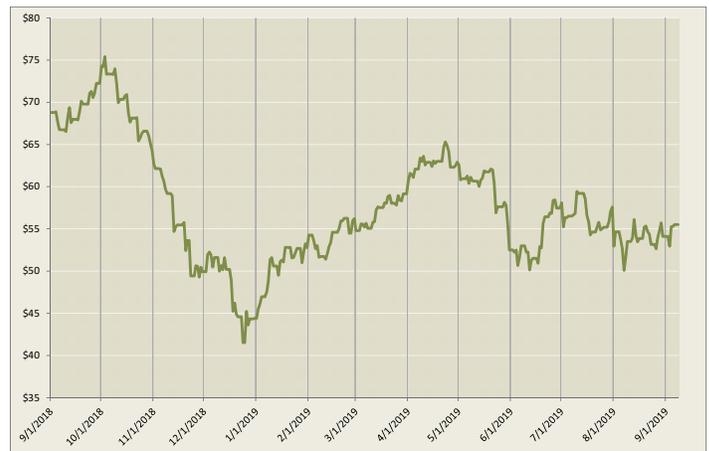
- PNG will seek to withdraw its request for approval of its Energy Efficiency and Conservation Plan (EE&C Plan) currently pending before the PUC and not file any new plan until at least 120 days after prior consultation with interested stakeholders. However, any new PNG plan that includes a new proposal to incent CHP development cannot be filed (i) prior to June 1, 2021, and (ii) in any case other than a distribution base rate case, if customer dollars will be used.

The PUC will decide this case at one of its public meetings in September or October. ■

Pennsylvania Rig Count



Penn Grade Crude Oil Prices



Natural Gas Futures Closing Prices

Month	Price
October 2019	\$2.507
November	2.560
December	2.708
January 2020	2.808
February	2.767
March	2.656
April	2.391
May	2.356
June	2.371
July	2.380
August	2.405
September	2.385

Prices as of September 8

Sources

American Refining Group: www.amref.com/Crude-Prices-New.aspx

Ergon Oil Purchasing: www.ergon.com/prices.php

Gas futures: quotes.ino.com/exchanges/?r=NYMEX_NG

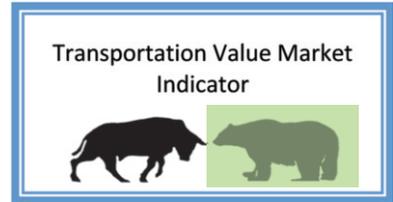
Baker Hughes rig count: phx.corporate-ir.net/phoenix.zhtml?c=79687&p=irol-report-sother

NYMEX strip chart: Nucomer Energy, LLC, emkeyenergy.com

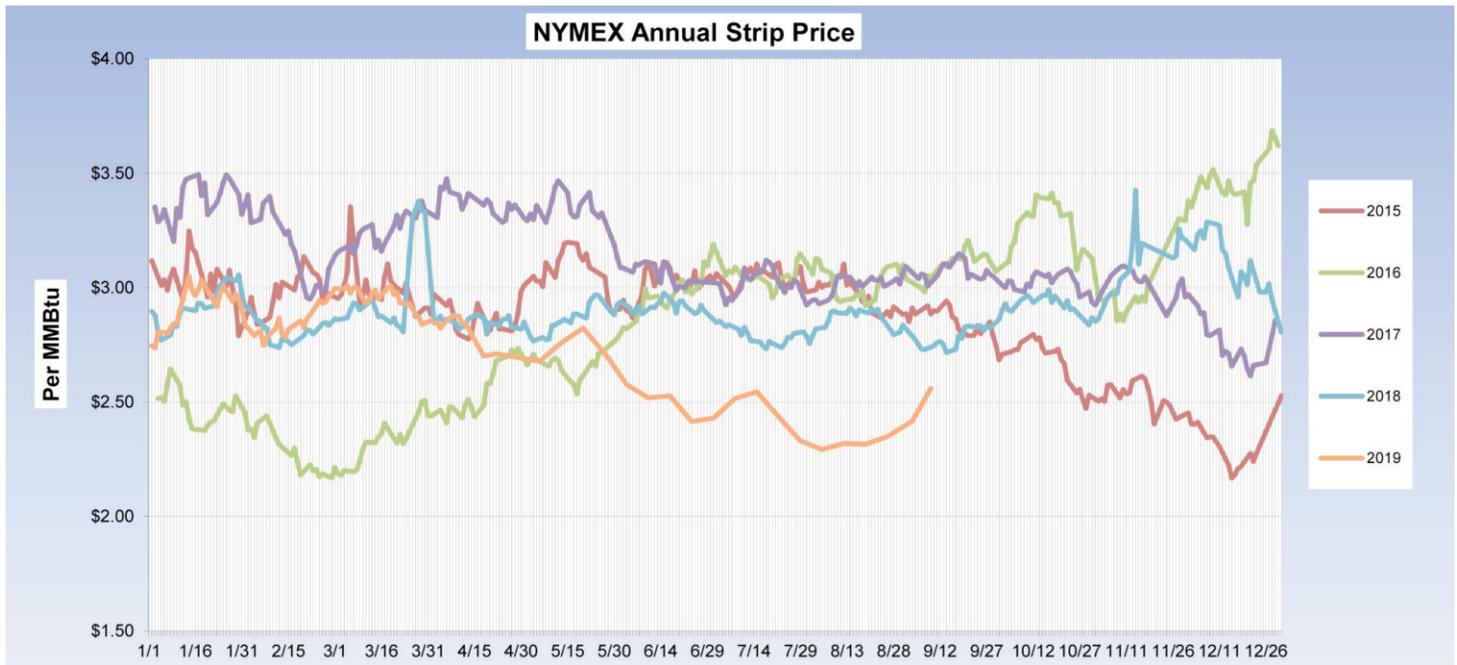
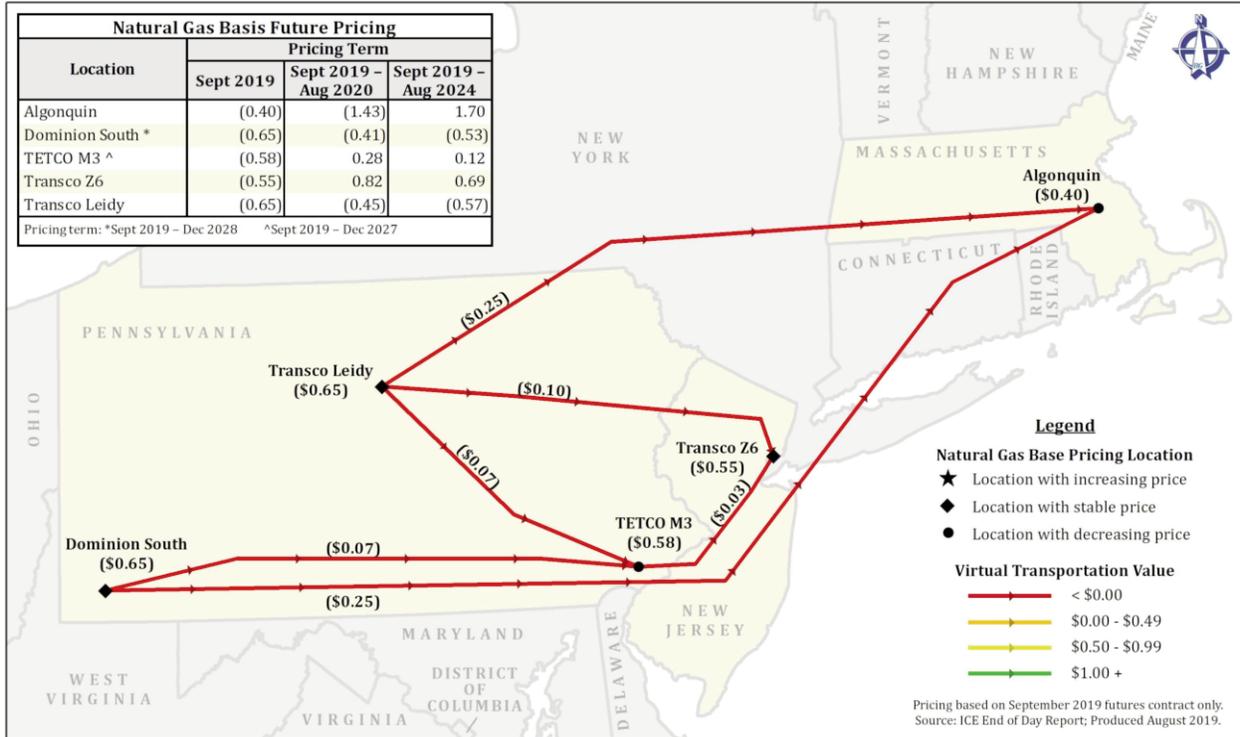
Northeast Pricing Report – September 2019

In general, commodity prices are down for September. All trading points have decreased from the previous month for both the front month and one-year trading terms. While there were some increases for long-term trading, none were significant. All front month trading points decreased consistently. Transco Leidy decreased the least at \$0.23 per MMBtu. Algonquin and Transco Z6 both decreased the most at \$0.37 per MMBtu. For the one-year term, all but Algonquin decreased minor amounts. Algonquin decreased \$2.96 due to mid-term uncertainties. There was little change in long-term trading for any of the trading points.

For the first time in a while, the value of all the transportation routes based on front month pricing was negative. While the values were not significant, the percentage differential was. Transco Leidy to Algonquin and Transco Leidy to Transco Z6 lost around half of their value, decreasing by 61% and 57% respectively. TETCO M3 to Transco Z6 was not far off, dropping 45%. The lack of transportation value to the Northeast will only be temporary and most likely will change next month.



Provided by Bertison-George, LLC
www.bertison-george.com



Spud Report: August 2019



The data show below comes from the Department of Environmental Protection. A variety of interactive reports are

OPERATOR	WELLS	SPUD	API #	COUNTY	MUNICIPALITY
Allegany Resource Dev LLC	1	8/10/19	083-57120*	McKean	Keating Twp
ARD Opr LLC	1	8/3/19	081-21808	Lycoming	Cascade Twp
Bearcat Oil Co LLC	1	8/27/19	123-48240*	Warren	Mead Twp
Blackhawk Energy LLC	1	8/14/19	083-57201*	McKean	Wetmore Twp
Cabot Oil & Gas Corp	7	8/5/19	115-22625	Susquehanna	Bridgewater Twp
		8/5/19	115-22627	Susquehanna	Bridgewater Twp
		8/5/19	115-22623	Susquehanna	Bridgewater Twp
		8/5/19	115-22624	Susquehanna	Bridgewater Twp
		8/5/19	115-22622	Susquehanna	Bridgewater Twp
		8/5/19	115-22626	Susquehanna	Bridgewater Twp
		8/5/19	115-22628	Susquehanna	Bridgewater Twp
Cameron Energy Co	3	8/6/19	123-48223*	Warren	Sheffield Twp
		8/19/19	123-48220*	Warren	Sheffield Twp
		8/27/19	123-48216*	Warren	Sheffield Twp
Clean Energy Expl & Production	1	8/29/19	117-21836	Tioga	Delmar Twp
Huntley & Huntley Energy Expl	2	8/12/19	129-29011	Westmoreland	Allegheny Twp
		8/12/19	129-29012	Westmoreland	Allegheny Twp
Jett Oil LLC	1	8/22/19	123-48288*	Warren	Pleasant Twp

available at www.dep.pa.gov/DataandTools/Reports/Oil and Gas Reports.

The table is sorted by operator and lists the total wells reported as drilled last month. **Spud** is the date drilling began at a well site. The **API number** is the drilling permit number issued to the well operator. An asterisk (*) after the API number indicates a conventional well.

OPERATOR	WELLS	SPUD	API #	COUNTY	MUNICIPALITY
Johnson Well Svc LLC	2	8/27/19	123-48402*	Warren	Mead Twp
		8/30/19	123-48403*	Warren	Mead Twp
KCS Energy Inc	1	8/29/19	123-48266*	Warren	Watson Twp
Kylander Oil Inc	1	8/5/19	123-48381*	Warren	Glade Twp
PennEnergy Resources LLC	5	8/9/19	019-22819	Butler	Winfield Twp
		8/10/19	019-22816	Butler	Winfield Twp
		8/10/19	019-22820	Butler	Winfield Twp
		8/11/19	019-22817	Butler	Winfield Twp
		8/11/19	019-22818	Butler	Winfield Twp
PVE Oil Corp Inc	3	8/1/19	083-57188*	McKean	Sergeant Twp
		8/6/19	083-57191*	McKean	Sergeant Twp
		8/12/19	083-57189*	McKean	Sergeant Twp
Range Resources Appalachia	3	8/27/19	125-28755	Washington	Independence Tw
		8/28/19	125-28653	Washington	Independence Tw
		8/28/19	125-28654	Washington	Independence Tw
Rice Drilling B LLC	1	8/26/19	125-28674	Washington	Somerset Twp
		8/26/19	125-28673	Washington	Somerset Twp
Weldbank Energy Corp	5	8/5/19	123-48334*	Warren	Mead Twp
		8/7/19	123-48335*	Warren	Mead Twp
		8/13/19	123-48337*	Warren	Mead Twp
		8/16/19	123-48338*	Warren	Mead Twp
		8/23/19	123-48336*	Warren	Mead Twp
Wilmoth Interests Inc	2	8/15/19	123-48351*	Warren	Mead Twp
		8/27/19	123-48353*	Warren	Mead Twp

	August	July	June	May	April	March
Total wells	42	96	64	93	58	59
Unconventional Gas	21	73	45	83	44	49
Conventional Gas	0	0	0	0	0	0
Oil	20	22	19	8	14	9
Combination Oil/Gas	1	0	0	0	0	1
Storage	0	1	0	2	0	0

Spread the word!

Shouldn't you be advertising your products and services here? Contact Matt Benson at 814-778-2291 or matt@pioga.org for more information.



BITCO INSURANCE COMPANIES

What **YOU** do is what **WE** protect.

BITCO knows oil and gas.

When times get tough, BITCO is there. We offer high-quality insurance protection and services – with the stability you need and deserve.

If you're looking for broad insurance coverage for your business at competitive rates, look no further than BITCO.

We tailor packages specifically for today's energy companies.

Pittsburgh Branch

10733 Sunset Drive | Pittsburgh, PA 15220
1-800-253-1232

1-800-475-4477
www.BITCO.com



Full service branch offices:

Atlanta	Indianapolis	Oklahoma City
Charlotte	Kansas City	Pittsburgh
Dallas	Little Rock	Portland
Denver	Nashville	St. Louis
Des Moines	New Orleans	San Antonio

All programs may not be available in all states.

Insurance contracts are underwritten and issued by one or more of the following: BITCO General Insurance Corporation and BITCO National Insurance Company, rated A+ (Superior) by A.M. Best, A2 Stable by Moody's, and A+ Strong by Standard and Poor's.



OLD REPUBLIC INSURANCE GROUP

Calendar of Events

PIOGA events

PIOGA event info: pioga.org/event

Fall Conference, Equipment & Vendor Show and Golf/Clay Shoot

September 24-25, Seven Springs Mountain Resort, Champion

Annual Membership Meeting

October 15, The Chadwick, Wexford

PIOGATech: Workplace Security — In the Office and In the Field

October 17, Hilton Garden Inn, Canonsburg

Halloween Theme Networking Event

November 1, Location TBA

Marcellus to Manufacturing Conference

November 7, Energy Innovation Center, Pittsburgh

Annual Oil & Gas Tax and Accounting Seminar

November 21, Holiday Inn Express Southpointe, Canonsburg

PIOGATech: Air Quality Compliance

December 17, The Chadwick, Wexford

Holiday Mixer

December 17, The Chadwick, Wexford

Other association & industry events

IOGAWV Sports Weekend

September 13-14, Bridgeport Country Club, Morgantown, WV
iogawv.com

48th Annual AAPG Eastern Section Meeting

October 12-16, Columbus, OH
www.esaapg.org/annual-meeting

Shale Insight

October 22-24, David L. Lawrence Convention Center, Pittsburgh
shaleinsight.com

IPAA Mid-Year Meeting

November 6-8, The Fairmont, Georgetown, MD
www.ipaa.org/events

OOGA 2020 Annual Meeting

March 4, Columbus, OH
www.ooga.org/events

PIOGA Centennial knife

To commemorate PIOGA's 100th anniversary, we commissioned this knife from W.R. Case & Sons Cutlery Company in Bradford. The limited edition, collector quality knife and wooden display box feature the Centennial logo. It makes a great gift! Get yours before they're gone at members.pioga.org.



PIOGA Board of Directors

Gary Slagel (Chairman), Steptoe & Johnson PLLC
Sam Fragale (Vice Chairman), Freedom Energy Resources LLC
Frank J. Ross (2nd Vice Chairman), T&F Exploration, LP
James Kriebel (Treasurer), Kriebel Companies
Jack Crook (Secretary), Diversified Resources, Inc.
Robert Beatty Jr., InsightFuel / Robert Beatty Oil & Gas
Stanley J. Berdell, BLX, Inc.
Brook Bertig-Coll, Fisher Associates
Enrico Biasetti, NG Advantage LLC
Sara Blascovich, HDR, Inc.
Carl Carlson, Range Resources - Appalachia, LLC
Ken Fleeman, ABARTA Energy
Michael Hillebrand, Huntley & Huntley, Inc.
David Marks, Dominion Energy Field Services
Teresa Irvin McCurdy, TD Connections, Inc.
Daniel McGraw, Pennsylvania General Energy Co., LLC
Bill Murray, American Refining Group, Inc.
Bill Polacek, Environmental Tank & Container
Beth Powell, New Pig Energy
August Seibel, IMG Midstream
Jake Stilley, Patriot Exploration Corporation
Chris Veazey, EnerVest Operating, LLC
Jennifer Vieweg, Greylock Energy
Jeff Walentosky, Moody and Associates, Inc.
Ben Wallace, Penneco Oil Company, Inc.

Committee Chairs

Environmental Committee
Paul Hart, Diversified Gas & Oil Corporation
Ken Fleeman, ABARTA Energy
Legislative Committee
Ben Wallace, Penneco Oil Company
Kevin Gormly, Steptoe & Johnson PLLC (Vice Chairman)
Market Development Committee
David Marks, Dominion Energy Field Services
Sandy Spencer, Appellation Construction Services, LLC
Safety Committee
Wayne Vanderhoof, RETTEW
Tax Committee
Bill Phillips, Arnett Carbis Toothman, LLP

Staff

Dan Weaver (dan@pioga.org), President & Executive Director
Kevin Moody (kevin@pioga.org), Vice President & General Counsel
Debbie Oyler (debbie@pioga.org), Director of Member Services and Finance
Matt Benson (matt@pioga.org), Director of Internal Communications (also newsletter advertising & editorial contact)
Joyce Turkaly (joyce@pioga.org), Director of Natural Gas Market Development
Danielle Boston (danielle@pioga.org), Director of Administration
Deana McMahan (deana@pioga.org), Administrative Assistant & Committee Liaison

Pennsylvania Independent Oil & Gas Association

115 VIP Drive, Suite 210, Wexford, PA 15090-7906
724-933-7306 • fax 724-933-7310 • www.pioga.org

Harrisburg Office (Kevin Moody)

212 Locust Street, Suite 300, Harrisburg, PA 17101
717-234-8525

Northern Tier Office (Matt Benson)

167 Wolf Farm Road, Kane, PA 16735
Phone/fax 814-778-2291

© 2019, Pennsylvania Independent Oil & Gas Association



Pennsylvania: The Keystone to America's Energy Future®

115 VIP Drive, Suite 210
Wexford, PA 15090-7906

Address Service Requested

PRESORTED
STANDARD
U.S. POSTAGE PAID
PITTSBURGH, PA
15290
PERMIT NO. 1211



Premium Service for Your Premium Product.

Whether buying or transporting crude, Ergon Oil Purchasing's integrated network of assets offers diversity to the market. Through Ergon's refineries, network of terminals, barge and trucking fleets, we understand the needs of the crude oil industry.

1.800.278.3364 eopsales@ergon.com  

