

The P*IOGA* Press

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Pennsylvania Independent Oil & Gas Association
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PIOGA Responds to PA DEP's Trashing of Conventional Drillers

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Last summer then-Gov. Tom Wolf instructed the Pennsylvania Dept. of Environmental Protection (DEP) to conduct a comprehensive review of conventional oil and gas driller compliance with an eye on locating enough dirt to justify creating onerous new regulations for the industry. The report was due by September 1. The DEP finally issued its report on Dec. 29th, just as the upper echelon of the DEP was heading for the door to make way for Shapiro's people to take over. The report was essentially a hit piece against the conventional oil and gas industry in the state.

Yesterday the Pennsylvania Independent Oil & Gas Association (PIOGA) formally responded to the inaccurate DEP report. PIOGA says the DEP used biased accounting and cherry-picked data, leaving out important information in its report.

PIOGA issued a press release with a summary of its response.

PIOGA's Release and Summary of Response

The Pennsylvania Independent Oil & Gas Association (PIOGA) today released its formal response to the Pennsylvania Department of Environmental Protection's (PADEP) 2021 Oil and Gas Annual Report and HB 2644 Lapsing Statement Report,

issued December 29, 2022, which purport to provide an accurate snapshot of the conventional industry's recent operations.

PIOGA President & Executive Director Daniel J. Weaver noted, "These reports fail to provide a complete or accurate picture of the industry, in part because they do not explain the realities behind PADEP's numbers or include descriptions of the good work the conventional oil and gas industry has been conducting to address environmental issues collaboratively. Unfortunately, DEP skewed the information in the reports to meet a pre-determined conclusion regarding conventional producers who have been working diligently for decades in a number of small communities to develop the energy that those communities depend on."

A summary of several key issues in PIOGA's response is provided below. A link to the full text can be found here: <https://tinyurl.com/3yktt3u7>.

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PIOGA Response *Continued from page 1*

■ PIOGA and its members agree that the protection of the environment is a top priority, as evidenced by its participation in a wide range of education and training efforts, as members of the Pennsylvania Grade Crude Development Advisory Council (CDAC), and in the development of regulations that are practical and consistent with law. These efforts include weekly and monthly communications to members, monthly meetings of PIOGA committees, quarterly training programs for members on key environmental, health and safety issues and best management practices, and the participation by industry officials (PIOGA, the Pennsylvania Grade Crude Oil Coalition and Pennsylvania Independent Petroleum Producers) on CDAC, volunteering hours of time in preparation and discussion of issues important to CDAC’s mission.

■ PIOGA agrees that regulatory compliance and the development of reasonable regulation is a goal that benefits the industry and the state but takes significant issue with PADEP’s biased online accounting of compliance and enforcement statistics, which multiply single incidents by stacking regulatory citations and keeping “continuing” violations on the record for the duration of corrective action being taken, a fact PADEP specifically acknowledges on its website in two locations.

■ ADEP’s efforts to improve regulatory compliance are restricted entirely to heightened scrutiny and issuing more orders and penalties, even while concluding these actions haven’t improved past compliance rates, as these actions do not provide incentives for improvement. Entirely missing from PADEP’s intended efforts is its prior commitment that “All companies are to be treated fairly and equally by the Department” and its prior statement of its compliance effort objectives to “identify opportunities for and to provide technical and educational assis-

tance to oil and gas operators and the public.” This commitment and stated objectives were abandoned in 2015 when PADEP revised its technical guidance document providing standards for resolving oil and gas violations.

“PIOGA and its members disagree strongly with PADEP’s claims that conventional operators have a ‘culture of non-compliance.’ PIOGA and the industry as a whole hope that PADEP will work with operators to continue to improve compliance and environmental stewardship through education, training, reasonable regulation and practical enforcement,” Weaver added. “That is our commitment to the environment, our employees, our service companies and the communities where we operate.” PADEP should demonstrate its commitment by fixing the compliance statistics inaccuracies created by the nature of its reporting practices and systems, which PADEP has acknowledged.” ■

Check out PIOGA’s full response to PA DEP’s 2021 Oil and Gas Annual Report and HB 2644 Lapsing Statement Report:

https://pioga.org/publication_file/PIOGA_Response_PAD_EP_Annual_and_Lapsing_Statement_Reports.pdf



Articles of Interest

Article Published in the Free Beacon on February 25. Authored by Collin Anderson.

Turns Out They Are Coming for Your Gas Stoves

New Biden 'efficiency' rule would ban half of gas stoves on the U.S. market.

A new Biden administration rule on cooking appliances would effectively ban half of all gas stoves on the U.S. market from being sold, according to an Energy Department projection.

In an analysis published earlier this month, President Joe Biden's Energy Department acknowledged that roughly half of all gas stoves on the U.S. market today would not meet its proposed cooking appliance efficiency regulations, E&E News reported Friday. As a result, those stoves would not be eligible for purchase. Still, Energy Department spokesman Jeremy Ortiz dismissed concerns over the proposal, saying half the gas stove market "would remain if this standard is finalized as proposed."

The Energy Department's admission comes roughly one month after U.S. Consumer Product Safety commissioner Richard Trumka Jr., a Biden appointee, said a gas stove ban was "on the table." "This is a hidden hazard," Trumka Jr. said

of gas cooking. "Any option is on the table. Products that can't be made safe can be banned."

After Trumka's comments prompted a political firestorm, both the Consumer Product Safety Commission and the White House walked back the threat, with Biden press secretary Karine Jean-Pierre assuring Americans "the president does not support banning gas stoves." The Energy Department's new rule and subsequent analysis, however, contradict that walkback, and the home appliance industry is responding with fierce pushback.

The Association of Home Appliance Manufacturers, for example, is arguing that the proposed rule would prohibit a much larger proportion of gas stoves from being sold. Association vice president Jill Notini pointed to a December Energy Department test of 21 gas stove models—all but one of those models failed to meet the proposed rule's efficiency standards, prompting charges that the rule would actually nullify 96 percent of the gas stove market.

"It's like they're in such a rush to regulate these products, and they're trying to cover their tracks," Notini told E&E. "But they're doing an incredibly poor job of it. We've never seen this level of sloppy analysis from DOE before." The Energy Department called Notini's allegations "misleading."

Trumka's call to ban gas stoves was inspired by a controversial December study that attributed 13 percent of U.S. childhood asthma cases to gas-stove use. The group behind that study, Colorado-based green energy nonprofit Rocky Mountain Institute, has partnered with the Chinese government to engineer an "economy-wide transformation" away from oil and gas, the Washington Free Beacon reported in January.

The Biden administration is accepting public comments on its cooking appliance regulations, which would come into effect in three years if finalized. Roughly 40 percent of Americans cook with natural gas, which is three times cheaper than electricity, according to the U.S. Energy Information Administration. ■



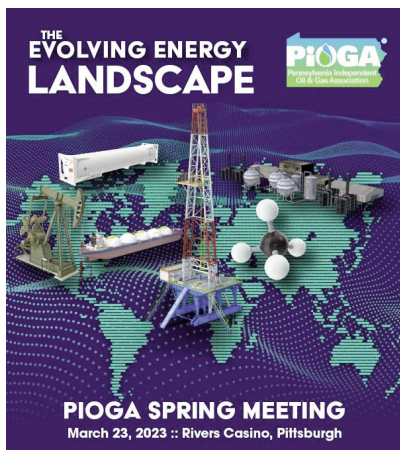
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We hope you will join us for PIOGA's Spring Meeting – The Evolving Energy Landscape – as we showcase the issues and opportunities of the ever-evolving energy world we live in and depend on. Attend

and learn how the energy landscape is dynamic and always shifting due to advances in technology and changing regulations, consumer preferences, government intervention and economics.

Happening this month, Thursday March 23 at Rivers Casino, PIOGA's 2023 Spring Meeting will feature presentations from top experts providing thought-provoking information about the future of energy, along with updates on the regulatory, legislative, market development and business climate issues impacting your business now. In addition, the event will again feature an exclusive vendor exhibit area and, as always, plenty of time for networking.

Registration

The cost for PIOGA members is \$450 and \$550 for non-members. A special student rate is available too. (Participants must be 21 years of age or older and present valid photo ID to enter the facility).

If you miss the registration deadline - no worries! For an increased fee, there will be on-site registration. \$500 for members and \$600 for non-members.

Register Now

Make your plans now to attend! The event takes place in the spacious Grand Ballroom at Rivers Casino on Pittsburgh's North Shore. It's easy to get to and parking is free. If you're coming from out of town, PIOGA's Spring Meeting event page lists several hotels in the vicinity.

Find out more at 2023 Spring Meeting - PIOGA (www.pioga.org/event/2023-spring-meeting/)

Agenda

Registrations opens at 7:45 a.m. The program kicks off at 8:45 and lasts until 5 p.m. followed by a networking reception and casino time until 7. Some of the presentations and speakers are listed below. Be sure to visit www.pioga.org > PIOGA Events for updates and a full agenda.

■ **Opening Speaker - The Evolving Energy Landscape - API's Industry Outlook.** Stephen Cornstock, Vice President & Senior Counselor Policy, Economics & Regulatory Affairs, American Petroleum Institute (API).

■ **The Hype over Hydrogen: What it is and What are the Potentials?** Len Paugh, Head of Gas Development, Long Ridge Energy & Power

■ **Operators Update: Olympus Energy.** Manny Johnson, Vice President of Operations, Olympus Energy.

■ **Water Disposal - Challenges and Opportunities.** (Panel Discussion) - Ben Wallace, COO, Penneco Environmental Solutions; Jean Mosites, Attorney, Babst Calland; Matt Ciprich, Director of Water Services, Equitrans; Brian Chavez, CEO, DeepRock Disposal Solutions.

■ **Luncheon Keynote Address— This May Not be the Answer, but it Darn Sure Should Raise Questions - More Evidence Debunking CO2 as Climate Control Knob?** Joe Bastardi, Co-chief Meteorologist at WeatherBell Analytics LLC.

■ **Infrastructure Investment and Jobs Act (IIJA) Update and Well Plugging Program Opportunities.** Don P. Hegburg, Program Manager Office of Oil and Gas Management, Subsurface Planning & Development, Department of Environmental Protection.

■ **Air Emissions Regulatory Update - What you need to know about VOC Regs and Quad O.** Jim Elliott, Attorney, Spilman Thomas & Battle, PLLC.

■ **Net Zero: An Existential Threat to Grid Reliability.** Gordon Tomb, Senior Advisor, CO2 Coalition.

■ **Closing Speaker - PA Legislative Update.** Pennsylvania Senator Kim Ward, President Pro Tempore

PIOGA & WENPGH Joint Happy Hour to Kickoff PIOGA's Spring Conference

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HOUR



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The PEDF litigation concerning use of Oil and Gas Lease Fund revenues

On August 5, 2022, the Pennsylvania Supreme Court affirmed most of the Commonwealth Court's decision rejecting the constitutional challenge by the Pennsylvania Environmental Defense Foundation (PEDF) to the use of Oil and Gas Lease Fund revenues to pay operating expenses of the Department of Conservation and Natural Resources (DCNR). Our September 2022 PIOGA Press contained two articles explaining the decision, which did not conclude that all of DCNR's operating expenses are used to "conserve and maintain" public natural resources as required by Pennsylvania's unique Environmental Rights Amendment.¹

My introduction to these two articles concluded that the overarching issue remaining for litigation is "whether trust fund monies are being used for non-trust purposes and activities." I noted that PEDF's constitutional challenge filed August 2, 2021² to the use of these trust fund monies for any state agency general operating expenses was put on hold pending the Supreme Court's decision in the appeal decided August 5th (No. 65 MAP 2019) and suggested that PEDF may use that lawsuit "to address the question of what activities of DCNR qualify as trust activity, as well as what activities of other state agencies that have received Oil and Gas Lease Fund trust fund monies qualify as trust activity."

PEDF's immediate response to the August 5th decision was to ask the Commonwealth Court on August 30, 2022, in the case that was appealed (No. 358 MD 2018) and resulted in the August 5th decision, to compel the state to provide a detailed account of their use of the Oil and Gas Lease Funds. The Commonwealth Court had granted

PEDF's request for declaratory relief in that case, concluding that the state "is required to keep detailed accounts of the trust monies derived from the oil and gas leases and track how they are spent as part of its administration of the trust," and the state did not appeal that declaration. The Supreme Court's August 5th decision observed that this accounting was based on the trust principle prohibiting the commingling of trust funds with other funds.

On December 15, 2022, the Commonwealth Court denied PEDF's request without prejudice, allowing PEDF to file an "Amended Application to Compel Accounting" and brief in support thereof no later than January 13, 2023. Of most significance to the subject of this article, that December 15th order also stated (emphasis added):

Respondents shall file their response and brief in opposition to the **Amended Application to Compel** no later than February 13, 2023; and Petitioner may file a reply on or before February 23, 2023. The matter will be considered on the briefs submitted unless otherwise ordered. **If an amended application is not filed by January 13, 2023, the application will be considered abandoned, and the case closed.**

On January 5, 2023, PEDF requested a 30-day extension for filing not only the Amended Application to Compel but apparently also to file an Amended Petition and Brief in Support. On January 9, 2023, the court granted the extension to file the Amended Application to Compel no later than February 13, 2023, but denied the request to file an Amended Petition and Brief in Support, stating again (emphasis added):

Respondents shall file their response and brief in opposition to the **Amended Application to Compel Accounting** no later than March 13, 2023; and Petitioner may file a reply on or before March 23, 2023. **If an amended application is not filed by February 13, 2023, the application will be considered abandoned, and the case closed.**

¹ The August 5th decision comprised five opinions.

² Commonwealth Court Docket No. 253 MD 2021, incorrectly identified as "No. 251" in that article. This petition is commonly referred to as the "surcharge" petition because it requests the return of \$1.3 billion in revenues from oil and gas leases on state lands to the Oil and Gas Lease Fund in accordance with the Pennsylvania Supreme Court's July 21, 2021 decision (No. 64 MAP 2019) in the original PEDF litigation (No. 228 MD 2012), which held that "the income generated from the revenue streams at issue must be returned to the corpus as a matter of trust law." The surcharge petition was stayed pending the disposition of PEDF's appeal at No. 65 MAP 2019.

PEDF *Continued from page 6*

On February 10, 2023, PEDF filed an Application to Amend Petition and Brief in Support but, significantly, but did not file the Amended Application to Compel Accounting. PEDF requested to amend its petition to “incorporate the legal determinations in the court decisions issued after the Petition was filed and an as-applied analysis” of the funds transferred from the Oil and Gas Lease Fund “based on the additional details provided by Respondents in response to those decisions.”³ So instead of using its surcharge petition to establish its “as-applied” challenge to DCNR’s use of trust funds for specific administrative costs, PEDF sought to use its petition in the case that was appealed and resulted in the August 5th decision.

The state promptly filed a motion to quash (i.e., reject or void) PEDF’s Application to Amend Petition and Brief in Support and to close the docket, and three days after PEDF filed its answer to the motion, the Commonwealth Court granted the state’s motion, stating (emphasis added):

AND NOW, this 27th day of February, 2023, pursuant to this Court’s January 9, 2023 Order in the above-captioned matter and upon consideration of the Respondents’ Motion to Quash and Close Docket (Motion) and Petitioner’s answer thereto, the Motion is GRANTED, and Petitioner’s Application to Amend Petition for Review is QUASHED. **The Prothonotary is hereby directed to CLOSE the docket. Jurisdiction is relinquished.**

It is apparent that PEDF’s bait-and switch concerning the filings it sought to make, and its request to amend its petition rather than to compel an accounting, was not viewed favorably by the Commonwealth Court judge.

On March 3, 2023, PEDF filed its notice of appeal of the Commonwealth Court’s February 27th order and jurisdictional statement at No. 20 MAP 2023. I have not been able to obtain a copy of the jurisdictional statement at the time this article was written, so I cannot explain PEDF’s basis for appealing, but the PEDF/Oil and Gas Lease Fund litigation continues, albeit not in the way I suggested. ■

³ The case decided by Supreme Court’s August 5th decision presented “a facial challenge to the use of trust assets for DCNR’s general operations, rather than challenging DCNR’s use of trust funds for specific administrative costs,” which is an “as-applied” challenge.

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The following update was written by Gmerek Government Relations, Inc.

Speaker of the House – Update (2.28.23)

On February 28, Speaker Mark Rozzi (D-Berks) resigned and endorsed Representative Joanna McClinton (D-Philadelphia), the House Democratic Leader, to be the Speaker. The House Republicans nominated Representative Carl Walker Metzgar (R-Somerset) as their candidate for Speaker. The House voted on the Speaker and Representative McClinton won by a vote of 102 to 99, a party-line vote in which all Democrats voted for Representative McClinton and all Republicans voted for Representative Metzgar. In doing so, Representative McClinton becomes the first woman, and second African American, elected as Speaker of the House of Representatives.

New Democratic Caucus Leadership Team (2.28.23)

On February 28, following the ascension of Representative Joanna McClinton from Majority Leader to Speaker of the House, House Democratic Caucus Chair, Representative Mike Schlossberg (D – Lehigh) announced the new Democratic Caucus leadership team. Below, please find the Democratic Caucus leadership team for the 2023-2024 legislative session, as it will stand for the foreseeable future.

Democrats

Role/Representative:

Speaker - Joanna McClinton (D-Phila)

Policy Chairman - Ryan Bizarro (D-Erie)

Majority Leader - Matt Bradford (D-Montgomery)

Majority Whip - Dan Miller (D- Allegheny)

Appropriations Chair - Jordan Harris (D-Phila)

Caucus Chairman - Mike Schlossberg (D-Lehigh)

Caucus Secretary - Tina Davis (D-Bucks)

Caucus Administrator - Leanne Krueger (D-Delaware)

Senate Republicans Outline Priorities and Principles (3.1.23)

On March 1, the Senate Republican Caucus held a press conference to outline the priorities and principles of the Caucus in advance of Governor

Shapiro's budget address next week. Those priorities, as outlined by Senate President Pro Tempore Kim Ward, Senator Majority Leader Joe Pittman, and Senate Appropriation Committee Chair Scott Martin, include:

Protecting Pennsylvania Jobs

- Support Energy Independence and Affordability
- Support Workforce Development and Job Development Opportunities
- Support Infrastructure Advancements

Empowering Pennsylvania Families

- Invest in Healthy and Safe Communities
- Invest in Mental and Behavioral Health Support
- Invest in Education Empowerment and Access

Defending Pennsylvania Freedoms

- Reducing the Tax Burden to Attract Business Investment
- Cutting Government Red Tape and Regulatory Overreach
- Promoting Election Integrity

As noted by Senate Majority Leader Pittman, voters returned the Senate Republicans to power in the Senate. Voters sent a divided government to Harrisburg, not a dysfunctional government. The Senate Republicans have organized the Chamber, and the Senate has taken action on legislation to address these priorities.

- We have sent bills to the House of Representatives.
- We have moved to repeal the automatic increase in the gas tax to help consumers save.
- We have moved to reduce the amount of money transferred to the Pennsylvania State Police from the Motor License Fund to stretch our highway transportation budget to fund more infrastructure projects.
- We are embracing our energy resources. Cheap energy is critical to combating inflation. It is critical not only for Pennsylvanians but for the nation.

Over the next few weeks, the Senate Republicans

Continues on page 9

will advance other priorities: regulatory reform and election integrity.

Fiscal responsibility remains the key priority for the long-term sustainability of the Commonwealth. Senate Republicans need to build upon the historic Corporate Net Income Tax reductions by addressing regulatory reform. Pennsylvania is lagging in attracting investment and jobs and need to stop the population loss. Elected officials need to ensure the Legislature, not unelected bureaucrats, has the final say in regulations. The Senate has acted by passing another proposed constitutional amendment on this question.

Regarding election security, the Republicans took action last session to block the private funding of elections and invested in the county administration of elections. The state is leading the fight for commonsense voter ID requirements, which the majority of voters say they favor in public opinion polls.

In Q&A with the media, Republican Caucus Leaders received questions regarding:

1. The Senate's comprehensive constitutional amendment legislation, Senate Bill 1, containing multiple issues and the position of the House Democrats that they will not consider the legislation. Republican leaders suggested that a divided government requires negotiations and a give-and-take. Senate Bill 1 contains multiple constitutional questions, which has been a legislative process that has been used in the past. The legislative process has been tested and supported in the past. Each side has its priorities, and there must be a negotiation. It is time for the House to act on Senate Bill 1. It has been Governor Wolf and the House Democrats why a constitutional amendment question providing support to victims of child sexual abuse has not appeared on the ballot in previous years and why it will not appear on the ballot in May.

2. The Senate's assessment of Governor Shapiro and his press conferences, which highlighted a number of Republican issues. Republican leaders stated there would be opportunities to work with Governor Shapiro on the issues of child tax credits, vocational training, and likely other issues. However, they don't have details of what Governor Shapiro will present in his budget address next week. The Republican leaders did caution that neither side of the political spectrum will have an

opportunity to pass issues on the fringes of the spectrum. The divided government will force the Governor and Legislature to govern from the middle.

3. The legalization of marijuana and the management of the medical marijuana program, Republican leaders noted that the legalization of adult-use marijuana is a complex issue that will require much review. While the leaders did not share a position or a willingness to reexamine its prior position opposing full legalization, the leaders did note that the Department of Health's management of the medical marijuana program does provide opportunities for improvement.

4. The recent Commonwealth Court decision on the equity of funding public education, Senate Republican leaders cautioned the media that the Legislature must wait for a final ruling before discussion can begin in earnest. A final ruling could be years away, given the potential for appeals. However, the leaders noted that this should provide an opportunity to reexamine not just how public education is funded but also how the public education system is set up and how education is provided.

5. How the Senate Republicans will now work with the new House Speaker since the Republicans no longer control the House of Representatives, some members of the Senate Republican leadership team joked that it "may be easier." However, Senate Majority Leader Pittman noted that it would depend on how the House of Representatives organizes and the rules the House adopts. He, however, expressed frustration that the House of Representatives has been out of session for too long, and it is time for it to return to session and begin the business for which it was elected.

6. The status of the budget and upcoming budget negotiations, Senator Martin noted that while it would appear that Pennsylvania is sitting on a revenue surplus, legislators must remain cognizant that our surplus consists primarily of federal money that will soon go away. At that point, Pennsylvania must address its structural deficit. ■

A brief on Governor Shapiro's 23-24 Fiscal Budget Plan is on the following page - page 10. Authored by Gmerek Government Relations.

Gov Shapiro Unveils 2023-24 Fiscal Budget Plan

Each year, the Governor of Pennsylvania is tasked with delivering a budget address to the General Assembly, which is meant to outline the spending plan for the next fiscal year. Governor Josh Shapiro delivered his first budget address to the General Assembly March 7, marking the first step in the legislature's review of the Governor's proposed budget for the 2023-2024 fiscal year. In a 1.5 hour budget address to a joint session of the General Assembly, Governor Shapiro outlined a comprehensive spending plan totaling \$44.3 billion, or \$3.3 billion (7.9%), more than the current Fiscal Year 2022-2023 spending plan.

The Governor's budget proposal is where his campaign promises from last year become this year's legislative initiatives. Currently, Governor Shapiro has inherited a balanced budget and a healthy reserve. In fact, the General Fund surplus and the savings in the Rainy-Day Fund are the largest in the Commonwealth's history. He noted that, despite these surpluses, the budget introduced uses projections that are \$3 billion lower than the projections of the Independent Fiscal Office. Since Pennsylvania has a solid fiscal foundation, Governor Shapiro argued that now is the time to make critical investments in Pennsylvania's economy, infrastructure, and communities.

[See some of what the spending package includes below](#)- (to view the full budget proposal - budget.pa.gov)

Safeguarding Pennsylvania's Environment and Protecting Pennsylvanians' Rights to Clean Air and Pure Water

- Increases oversight and permitting efficiency at the Department of Environmental Protection by investing \$5.75 million to improve air quality testing program responsiveness and increase the number of dam safety investigations per year
- Invests \$4 million in the Clean Water Fund to allow for further safeguarding of Pennsylvania's water resources
- Commits \$2.8 million to expand resources at the Department of Conservation and Natural Resources that will improve maintenance infrastructure and emergency response coordination, support sustainable outdoor management, increase nursery capacity and forest restoration efforts and improve safety in outdoor environments
- \$1 million to create a new Organic Center of Excellence to improve and detect counterfeit

organic goods

- \$500,000 to create a Center for Plant Excellence that will expand supply chain opportunities and boost available resources for Pennsylvania's diverse plant industry

- \$2.5 million for technical and financial assistance to counties to ensure the integrity of their easement portfolios under the Farmland Preservation Program

- \$2 million for the Fresh Food Financing Initiative which will contribute to better health outcomes and improve access to Pennsylvania grown, processed, and produced agricultural products

Building Economic Prosperity Through Key Investments in Communities, Businesses, and Workers

- Proposes an increase of \$23.8 million to build partnerships between Career and Technical Education and industries, trades, and entities that need highly skilled workers

- Dedicates more than \$3.3 million in new funding to ensure educational facilities and schools with Career and Technical Education programs can purchase and upgrade technology and equipment

- Invests an additional \$4 million in career and technical centers to support employment and expand program offerings in high-demand areas of health care, STEM, energy, and infrastructure trades

- Proposes another \$5 million in secondary career and technical education for increasing computer science and STEM programs statewide

- Provides \$2 million to establish a state-level Industry in the School Program that will allow for industry professionals to teach and build interest among students within the classroom

- Increases the states Apprenticeship Training program by \$3 million to strengthen the Commonwealth's commitment to an earn-and-learn model that will lead to family-sustaining wages

- Creates a new PA Schools-to-Work program by investing \$3.5 million to support workforce development partnerships between schools, employers, organizations, and associations which will create robust employment and training pathways

- Invests \$3 million in the creation of the Foundations in Industry program to cover costs related to in classroom instruction that complements on-the-job learning with Registered Apprenticeships and Pre-Apprenticeships

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PIOGATech Fundamentals of Safety Leadership for Oil & Gas Workers

The Safety Committee hosted its first PIOGATech of the year on February 23rd with a two-part training session on Fundamentals of Safety Leadership for Oil & Gas Workers and Encouraging Safety Leadership Skills and Safety Leaders as Mentors in the Short Service Employee Program. The room was packed with eager students earning their Continuing Education Unit and Professional Development Hour certificates.

The first portion of the training was led by Tiffany Rice, NRC-WVU OSHA OTIEC Assistant Director at WVU. She had the class engaged in role playing as they learned about five critical safety leadership skills for workers and supervisors. Wayne Vanderhoof, president/owner of RJR Safety, Inc. led the second portion of the day's training that focused on how safety leaders can be mentors in the Short Service Employee Program with more lively discussion within the classroom.

Our special thanks go out to our Instructors Tiffany Rice and Wayne Vanderhoof and to our planning partners. See more pictures in our Gallery - click here. (<https://pioga.org/about/photo-galleries/>)



PIOGA's Committee Day

On March 8, members of PIOGA joined together for a day of committee meetings, lunch, and networking. Over 50 members signed up for the event held at the Chadwick. Members were able to sit in on 3 different committees throughout the day and learn what each one is doing while meeting our committee co-chairs. The conversations within each group were very engaging. It was great to have our members meeting in-person! Check out some photos below! If you are interested in joining one of our committees, please contact Deana McMahan at deana@pioga.org.



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JUST THE FACTS

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The Collision of Energy Poverty, Hypocrisy and Reality

For this month, we will take a broader look at the intersection of several forces shaping energy development choices in underserved nations, including a lack of financing being driven by a reluctance to support needed electric generation facilities in those countries. Geopolitical factors, the most prominent being Russia’s invasion of Ukraine, are also at the heart of some decisions being made by countries dealing with energy poverty or the need for additional generating capacity.

The World Bank estimates approximately 10.5 percent of the world’s population has no access to electricity. The International Energy Agency (IEA) puts that number closer to 13 percent. IEA also notes that the pandemic, inflation and recent geopolitical forces combined to increase in that number between 2021-2022 (from 754 million to 774 million), the first increase in the 20 years the

agency has tracked that statistic.

One factor in the equation to improve these situations is fairly obvious. The U.S. has the resources, stability and capital to export cleaner and more efficient energy to these countries, improve public health and reduce global carbon emissions. U.S. supplies of natural gas, oil and coal are far from being a panacea for every village in developing countries, of course, with a range of renewable technologies being a vital part of the solutions to bring electricity to remote locations.

With policies that promote every step in producing, transporting and marketing energy to parts of the world where it is needed, the U.S. can play an important role in reducing global energy poverty.

To read more from this month’s Just the Facts – and to share it with friends and colleagues – visit the Latest News and Blog section at pioga.org.



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PIOGA's Diversity Committee Lunch & Learn Series for 2023

PIOGA's Diversity Committee's Lunch & Learn Series for 2023 Focusing on ESG



On February 15, over 50 people virtually attended the Diversity Committee's second Lunch & Learn series for 2023 focused on the E (Environmental) of ESG. Deana Stephens of Steptoe & Johnson PLLC, the committee's chair, kicked off the virtual Lunch & Learn event by introducing Kris Macoskey, Vice President, Civil & Environmental Consultants, Inc. Stephens also gave a little background on the ESG series, recap of Part 1 (held in January) and announced Part 3 will be held on March 22nd led by John Gisleson and Louise Skinner of Morgan, Lewis & Bockius LLP.

Macoskey gave a very informative 45-minute presentation with an overview of ESG and the environmental aspects of ESG for PIOGA Members. The session provided an overview of the environmental aspects of ESG applicable to PIOGA Producer members and ally/provider members. Macoskey discussed methods to determine which Environmental topics to monitor and manager and how attention to Environmental topics can provide value to member organizations.

Registration for Part 3 of the ESG Series - 'The "Social" In ESG - How It Benefits Your Business and Your Work Force' is now open. Click here to register. (<https://members.pioga.org/events>)

Did you miss the first two sessions of the ESG Lunch & Learn? Here's the link to the recordings if you want to view the session(s).

First Session: https://pioga.org/publication_file/Lunch_and_Learn_ESG_Series_Part_1_Baran_Recording.mp4

Second Session: https://pioga.org/publication_file/Lunch_Learn_%20ESG_Part_2.mp4 (Sorry for the inconvenience but the session does not start until two (2) minutes into the recording)

PIOGA extends a sincere thank you to the Deana Stephens on her efforts to bring the Diversity Committee's awareness in a new and positive light. An ESG Subcommittee is currently being planned and formed. Anyone interested in joining the ESG Subcommittee should reach out to Deana McMahan - deana@pioga.org

PIOGA Members in the Community

PIOGA is looking for more Members in the Community feature stories! If you are a PIOGA member and have a positive community story to share - please reach out to meghan@pioga.org.

We are looking for stories of community impact - education programs, volunteering, positive industry outreach, donations, etc.

It is time to showcase all the good in our industry and shed light on the positives! These feature stories/articles will be used in PIOGA's social media and future marketing materials!

If you have any questions or suggestions for articles - please reach out! Together we can educate and promote the Oil & Gas industry!

PIOGA's Cigar Networking Event @ Burn by Rocky Patel - Pittsburgh

Everyone had a great time in February at our annual cigar networking event held at BURN by Rocky Patel on Pittsburgh's North Shore. Our thanks go out to those who participated and to the sponsors who helped make the fun possible!

Check out some photos - to see more photos from the event, visit the Photo Galleries section at www.pioga.org.

2023 Cigar Networking Event Sponsors

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EJ Federal and PA Update

Published by Babst Calland - Authored by Amanda Brosy and Sean McGovern



Amanda Brosy



Sean McGovern

This article provides an update on the recent developments in environmental justice (EJ) policy and funding at the federal level, as well as forthcoming updates to Pennsylvania’s own EJ Policy, which could have tangible impacts on Pennsylvania’s regulated community.

Federal Background

Executive Action

Since Day One of taking office, the Biden administration has made EJ a priority. For example, on January 20, 2021, President Biden signed Executive Order 13985 (Advancing Racial Equity and Support for Underserved Communities Through the Federal Government), which directs federal agencies, including EPA, to “assess whether underserved communities and their members face systemic barriers in accessing benefits and opportunities available pursuant to those policies and programs.” E.O. 13985 then directs agencies to develop plans to overcome these barriers. Two more executive orders on EJ followed in January 2021, including 14008 (Tackling the Climate Crisis at Home and Abroad), which required the integration of EJ considerations into federal agency processes. Notably, E.O. 14008 established the Justice40 initiative, which sets the goal that 40 percent of the overall benefits of certain federal investments flow to disadvantaged communities, and it established an EJ screening tool to highlight disadvantaged communities that are “marginalized, underserved, and overburdened by pollution.”

Last month, President Biden signed Executive Order 14091 (Further Advancing Racial Equity and Support for Underserved Communities Through the Federal Government), which builds upon the Administration’s prior “equity-related Executive Orders by extending and strengthening equity-advancing requirements for agencies, and

[positioning] agencies to deliver better outcomes for the American people.” Among other things, E.O. 14091 addresses equity-focused leadership, embedding equity in government-wide processes, and the creation of economic opportunities in rural communities.

US EPA Continues to Refine its EJ Agenda

In response to the directives in EO 13985, US EPA released its Equity Action Plan in April 2022, to “take decisive action to advance environmental justice and civil rights.” US EPA has released formal EJ planning documents since 2010, including its most recent EJ 2020 Action Agenda, and the Equity Action Plan builds on this past work. One of the Equity Action Plan’s priorities is the development of “a comprehensive framework for considering cumulative impacts in relevant US EPA decisions,” which would be applied across US EPA’s programs and activities. The Equity Action Plan describes the issue of cumulative impacts in the context of federal, state, and local permitting decisions:

For decades, EPA, state environmental regulators, and local zoning officials have made decisions that contributed to the disproportionate pollution burden on people of color and underserved communities across the country, such as decisions to site and permit new industrial facilities in ways that concentrate them within these communities. Communities overburdened by pollution often raise concerns about the cumulative impacts of these individual environmental management decisions on public health and quality of life.¹

According to US EPA, addressing cumulative impacts is a priority because multiple sources have identified it as “critical to achieving equitable and just outcomes across US EPA programs.”² In the short-term, US EPA plans to develop a framework for considering cumulative impacts in relevant US EPA decisions, and produce guidance that will operationalize this framework. US EPA intends to identify and promote uses of the cumu-

¹ E.O. 13985 Equity Action Plan: U.S. Environmental Protection Agency (April 2022), at p. 4 (available at https://www.epa.gov/system/files/documents/2022-04/epa_equityaction-plan_april2022_508.pdf).

² Id. at 6.

lative impacts framework in multiple contexts, including permitting, compliance monitoring and enforcement, cleanups, and rulemaking. The cumulative impacts framework will likely factor into permit conditions, mitigation, and potential denial of permits.

The concept of “cumulative impacts” is not new. Various federal environmental statutes including the National Environmental Policy Act (NEPA), the Clean Water Act (CWA), and the Resource Conservation and Recovery Act (RCRA) and associated regulations already incorporate consideration of cumulative impacts in some form or another. What is new, however, is US EPA’s commitment to weaving a comprehensive analysis of cumulative impacts throughout its decision-making. Speaking of decision-making, in Fall 2020 New Jersey adopted its new EJ Law, which provides that various types of permits shall be denied when the Department of Environmental Protection determines that approval would “cause or contribute to adverse cumulative environmental or public health stressors.”³

Pennsylvania Developments

Over the past several years, Pennsylvania has reevaluated its own EJ policies and programs. In October 2021, Former Governor Wolf adopted Executive Order 2021-07 which formally established the Office of Environmental Justice (OEJ) within the Department of Environmental Protection (DEP). E.O. 2021-07 directed OEJ to revise the state’s EJ Policy (which was drafted in 2004 but had gone unchanged since then) to, among other things, develop statewide definitions of “Environmental Justice Area” and “cumulative environmental impacts.” DEP is in the home stretch of the revision process now, having released a draft of the revised Policy in Spring of 2022 for public comment. DEP received over 1,200 public comments on the draft and is currently compiling a comment response document, as well as an updated draft. It is anticipated that the updated draft will be released early this year, in conjunction with key announcements from the Shapiro administration. Notably, the current draft did propose to apply cumulative impacts analysis broadly to agency

decisions going forward.

As the public awaits the finalized EJ Policy update, DEP continues to update and otherwise populate the Environmental Justice Areas Viewer⁴ with data used to identify potential EJ areas. The Viewer includes data on health, educational levels, and waste generators, and a third party has been retained to provide additional data such as transportation, income, and employment rates. Certain data is updated “nightly from Monday – Friday.” Accordingly, it is possible that the Viewer will show you outside of an EJ Area one day and inside of one the next.

Federal Funding

Following clear and consistent directives from President Biden, EJ funding is more robust as a result of the 2022 Inflation Reduction Act (IRA). Through the IRA, Congress made about \$3 billion in funding available for EJ grants. The Administration has developed the following EJ grant programs:

- On January 10, 2023, the Administration announced the availability of \$100 million via EPA’s Environmental Justice Collaborative Problem-Solving (EJCPS) Cooperative Agreement Program and the Environmental Justice Government-to-Government (EJG2G) Program. The EJCPS program will provide an estimated \$30 million in funding directly to community-based nonprofit organizations (and partnerships of these organizations). The EJG2G program will provide \$70 million in funding, \$20 million of which will be for state governments to be used in conjunction with community-based organization partners.
- On February 23, 2023, the Administration announced the availability of \$550 million via the EPA’s new Environmental Justice Thriving Communities Grantmaking Program (EJ TCGM). The program will fund 11 entities to serve as “grantmakers” to community-based projects that reduce pollution. The selected grantmakers will develop a process to allow organizations that historically have faced barriers to receiving funding more seamlessly apply for grants that address environmental harms and risks.

Most recently, the Biden administration’s proposed

³ N.J.S.A. 13:1D-160.4(a)(3)(c).

⁴ Available at: PA Environmental Justice Areas.

How To Handle DEP Inspections (and Inspectors)

Article written by Ken Komoroski, Partner, Earth & Water Law



This article will explain the best approach to use when the Pennsylvania Department of Environmental Protection (“DEP”) shows up at your wellsite, compressor station or offices. I have personally handled more than 100 inspections by state and/or federal agencies and dozens of inspections at oil & gas facilities. These inspections included both scheduled inspections and unannounced inspections. Some of these inspections were very simple and basic. Others involved multiple inspectors and multiple locations. Some were unrelated to any specific incident and others were in response to a spill incident, an injury, a complaining neighbor or a whistleblower. Most were civil enforcement inspections, but several were for criminal enforcement purposes. Some were very high-profile inspections - including the numerous Dimock-area inspections of Cabot’s operations.

I have handled inspections in many different states but in Pennsylvania I have handled inspections by DEP, Fish & Boat Commission, Game Commission, Department of Labor & Industry, USEPA and the FBI. For all of these inspections, I was entrusted by my clients to provide approaches that would minimize both business disruption and, of course, other consequences, including adverse public relations results. The scope of this article is limited to DEP inspections, but the approaches generally work for all government inspectors/inspections.

DEP Inspectors

Many of DEP’s inspectors are inexperienced and not knowledgeable of oil & gas operations. During the past several years, the DEP has lost many experienced inspectors to promotions, retirement and to the availability of higher paying jobs. In nearly every inspection circumstance, a lack of inspector experience and knowledge works to your disadvantage. Furthermore, put yourself in their shoes. It is their job to be suspicious of you and to not take everything you say to be true. There are people who will lie to them and try to hide things from them. Thus, it is their job to at least consider the possibility that you are lying

to them or hiding things.

On the other hand, inspections are also a bean-counting exercise used for both budgeting and political purposes. The number of inspections, NOVs and violations are all tallied, recorded and used by the DEP and the Governor’s office – and by those wanting to become Governor. The bigger the number of NOVs and the penalties collected, the better it is – FOR THE CURRENT DEP.

The Approach

I will explain the approach as a listing of “rules.” Each of these rules is important and each should be followed. To do otherwise is, quite frankly, a mistake.

Rule #1 – Know the regulations better than the inspector. Let’s face it. Almost no one actually reads all of the relevant regulations or the language in their permits. (But I do.) The same is true of many DEP inspectors. Many times, I have asked an inspector to precisely cite his/her regulatory authority when I know they are wrong and every time, they could not. This discussion with DEP does not have to be confrontational and should not be – at the inspection stage. Read and understand the applicable regulations and the permit language – including general permits to which your operations are subject. Do your homework! Do not rely on summaries written by the DEP or lawyers. DEP often overstates their authority in their summaries and gets away with it because these summaries are not subject to review by the Environmental Quality Board and the notice and comment procedures that attend to regulatory promulgation.

Lawyers do not understand your business and the technical details of it. Some lawyers do better than others but none are as good as you are at understanding your own business. Example – the PA Department of Labor & Industry claims that oil & gas equipment is subject to their boiler and pressurized vessel law because they don’t understand how your sand filters and dehy units are operated differently from the equipment they are authorized to regulate and they assume that,

because they regulate similar equipment, they can regulate the oil & gas industry too. The Department of Labor & Industry cannot regulate typical oil & gas operations, but many companies let them – because these companies don't actually read and understand the regulations and the law. Instead, they read sections of the regulations as provided by the agency or advice from lawyers who don't sufficiently understand the company's operations. Remarkably, agencies have little hesitation to misquote their own regulations (often by not including important clauses that are in the regulations) and to do so repeatedly. I have seen many examples of this and so have you, but you didn't realize it because you didn't do your homework.

And, there is another benefit to knowing the regulations better than the inspectors. You will demonstrate that your company knows the regulations and understands its permits which will effectively impress (and possibly frighten) the inspector. This knowledge will reduce your chances of receiving a Notice of Violation ("NOV") and it is yours for the taking.

Rule #2 – Make the inspector feel reasonably welcome or at least not unwelcome. There is absolutely no way that demonstrating disappointment or frustration with the inspector or the inspection will benefit your business or improve the circumstances. To the contrary, it will tend to make the inspector angry, more suspicious and prone to not overlook minor circumstances. Be professionally courteous – control your emotions.

Rule #3 – As soon as possible, ask the inspector if it is okay to accompany him/her on the inspection. This is a "heads you win, tails they lose" opportunity. If they agree to your accompaniment, also offer to answer questions along the way. But don't interfere with the inspection with your words, questions or body language/position. If possible, stay a few steps behind the inspector. Take photos of everything the inspector inspects but do not include the inspector in the photo. Don't try to either hide this photo-taking or to make your phone-camera picture-taking too big of a deal. Be professional. Generally speaking, the inspector won't like your taking photos, but politely inform him/her that this is standard operating

procedure and you are just doing your job – and make clear that you are not including the inspector in the photos. You will be so glad you did this! This approach both reduces the number of issues that will be identified by the inspector and helps immeasurably if some issue arises. It greatly reduces the later "he said/she said" confrontations and helps with overall perspective when reviewed by others. By the way, if the inspector clearly zooms in on a stain on the gravel, take that photo and also a broader perspective photo. Do this often and you will thank me for this advice someday.

Rule #4 – When asked, do your best to inform, educate and explain. A knowledgeable inspector, even one who recently became knowledgeable due to your assistance, is less likely to make mistakes and to misinterpret. Such mistakes and misunderstandings almost always work to your disadvantage. Examples, there is a dark-colored stain on the gravel. It could be water from a well tender's truck A/C unit or an oil leak from a service truck. The inspector may not recognize it for what it is (or isn't) and it could end up being presented in the inspection report as far worse than it is. If the stain is there – deal with it, including possibly pointing it out versus hoping it won't be seen. Your credibility is being assessed during and after the inspection. You want to have credibility for small things so that you earn credibility for larger things. "I don't know if you noticed it as we walked by, but I saw discoloration on the gravel. We can go back and look at it more closely. If it is water, there is no issue of course. If it is oil from a truck leak, we will clean it up immediately."

Rule #5 – Request a summary discussion with the inspector at the end of the inspection. If possible, ask for this at the beginning of the inspection. They know you have a boss and that your boss will want to know "how did it go?". Your boss would rather know what the inspector said versus your impressions of how it went. This is a heads you win, tails you win situation. If the inspector shares things honestly with you after the inspection, you are in the best position to accomplish your goals. If the inspector refuses to discuss his/her views, ask them to note that in their report and include it in yours. If they are willing to have

Continues on page 20

a post-inspection discussion, ask them if there is anything they feel should be addressed immediately and, if so, why – unless it is obvious and you agree because you now know all the regulations.

Rule #6 – Don't overdo Rules # 1-5. Examples:

An inspection is scheduled by DEP and you are given advance notice. In preparation for the inspection, site housekeeping is performed, but it includes extensive fresh gravel, new paint and power-washed equipment. This will irritate the inspector who will make a mental note not to trust you and not to give advance notice next time. Of course, it is wise to clean up spills or to correct any non-compliance before the inspection – and you should. That is what the regulations and your permits require and you won't get dinged for it. Why then make it seem that you are trying to hide something?

Don't kill (yourself) with over-kindness to an inspector. It makes them more suspicious than is necessary. Remember, it is their job to be suspicious and don't (appear to) try to influence the outcome. It never works.

Okay, this is a lot to remember and if you can only remember one thing, remember Rule #1. Yes, it is painful (unless you are warped like me and actually enjoy reading regulations). But it is a critical investment. It will dramatically help you to avoid an NOV. An inspection without an NOV reinforces your good reputation and helps with DEP-relationships when you need them. On the other hand, when an NOV is issued:

- It is a public record of the DEP calling your company non-compliant
- It is an indication that you do not know the regulations or you don't care sufficiently about the regulations or the environment
- Time, money and effort must now be applied to responding to the NOV
- Time, money and effort must now be applied to preventative and corrective measures
- Sooner or later, this NOV will become part of a broader CACP or COA and that will involve lawyers and bosses and more money
- You know the rest

These Rules do not prevent NOV's, but if followed they will reduce the number and severity of NOV's. That clearly makes it worth the investment. ■

**Ken Komoroski was a partner for more than 20 years at two of the largest and most prestigious law firms in the world, K&L Gates and later Morgan, Lewis & Bockius, before moving his practice to E&W Law. <https://www.earthandwater-group.com/our-professionals/ken-komoroski/>*



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Articles of Interest

Article Published in Marcellus Drilling News on February 28. Authored by James Willis.

Majority of New Yorkers Oppose Gov. Hochul’s NatGas Suicide Plan

With liberal leftist Democrats like NY Gov. Kathy Hochul, popular opinion only matters during an election year, when getting elected (or reelected). After that, Dems like Hochul govern any darned well way they please. It doesn’t matter if a majority of the state’s residents oppose her cockamamie, screwed-up plans to commit energy suicide by banning natural gas across the entire state. She’s moving forward full-speed ahead with her energy suicide plan anyway.

In January, Hochul proposed banning the sale of all new natural gas appliances across the state, along with an outright ban on hooking up new homes and businesses to gas, by 2030. Gas appliance dealers have had enough of the attacks, and some (many?) are now putting their businesses on the market for sale—planning to leave New York, joining what has turned into a flood of people exiting our very broken state.

Siena College recently released the results of its monthly political poll of state residents. The poll finds 53% of NY residents do NOT want a ban on natural gas stoves and hookups. Some 39% of our walking zombies (i.e., brain-dead) do support Hochul’s gas ban. Buffalo Common Council (where Hochul is from), which is heavily Democrat, doesn’t support her nonsense gas ban.

Yet she persists. Because that’s how leftists govern—without the consent of the people.

Governor Kathy Hochul’s Climate Action Plan is a huge undertaking. Despite opposition from within her own party, she’s standing firm and moving forward with it.

“We’ll do it in a smart way, a way that transitions in the right time frame, but also shame on us if we don’t act now, this is for our kids and their kids,” said Hochul.

53% of people say they do not support the proposal, according to a new Siena College Poll. Last week, members of the Buffalo Common Council voiced their concerns about the plan.

“There’s a lot of problems here that have not been thought out. Maybe they have for NYC, but they have not for Buffalo and WNY,” said Common Council Member Joe Golombek.

Governor Hochul says this change is overdue, but can’t happen overnight. Before any big switch to electric, she says we first have to lay down transmission lines to make that possible.

“These projects are well underway, but nothing’s gonna happen until we’re ready to make that transition and ultimately, people’s bills will be lower,” said Hochul.

And to keep bills low throughout the transition, she says there’s money set aside in her proposed budget to help people out.

She emphasized many times that this is a transition and one that won’t be easy. But she also wanted to dispel myths, clarifying that no one will come and take your stove away.

While the details are still being worked out, it is definitely happening.

“We’re the first generation that’s really feeling the effects of climate change, truly, we’re seeing it with our storms and what’s happening all across the country. We’re also the last generation that can do something about it,” said Hochul.*

Voters Strongly Support 4 Hochul Budget Proposals: 2 Get Strong Bipartisan Support: 2 Opposed

Do Voters Support or Oppose Gov. Hochul’s Budget Proposals?					
Proposal	Total	Dem	Rep	Ind/Other	
Basing increases in New York’s minimum wage on the rate of inflation	Support	70%	82%	59%	57%
	Oppose	26%	15%	35%	35%
Lowering the blood alcohol content for driving while intoxicated from 0.08% to 0.05%	Support	62%	69%	57%	53%
	Oppose	33%	27%	38%	39%
Increasing the tax on a pack of cigarettes from \$4.35 to \$5.35	Support	62%	73%	44%	58%
	Oppose	33%	23%	50%	39%
Banning flavored tobacco products	Support	57%	65%	49%	55%
	Oppose	35%	29%	46%	36%
Expanding the film tax credit for TV & movie production companies from the current \$420M to \$700M annually	Support	41%	56%	25%	30%
	Oppose	48%	38%	59%	59%
Essentially prohibit all fossil fuel-burning equipment – including stoves – for new single-family homes by the end of 2025 and for all new construction by the end of 2028	Support	39%	61%	17%	20%
	Oppose	53%	34%	76%	69%

Siena College Poll: February 27, 2023

From the Siena press release: “Expanding the film tax credit is supported by Democrats but more strongly opposed by Republicans and independents. Similarly, Democrats strongly support Hochul’s proposal on prohibiting fossil fuel-burning equipment in most new construction within the next several years, however Republicans and independents are even stronger in their opposition,” Greenberg said.*

Yes, it’s time to move out of New York State. We’re working on it. ■

Sources * Buffalo (NY) WKBW-TV (Feb 27, 2023) – Despite opposition, Governor Hochul stands firm on natural gas phase out plan
Siena College (Feb 27, 2023) – Hochul Favorability & Job Approval Ratings Dip a Little; Biden Favorability Best Since October 2021; Best Ever Job Approval

EJ *Continued from page 17*

Budget would provide US EPA almost \$1.8 billion across numerous programs in support of environmental justice efforts, in addition to \$91 million for technical assistance for communities working to advance equity and justice. While passage of the Budget as proposed is far from guaranteed, it does further demonstrate the current Administration's persistence in funding EJ efforts.

Takeaways

As both US EPA and states like Pennsylvania work to develop updates to their respective EJ policies and programs, it is difficult to say exactly how these changes will impact the regulated community with plans for activities in potential EJ areas. What is clear is that funding will continue to be dispersed by the federal government to both states and local community-based organizations to support EJ initiatives. This, coupled with further refinements to the scope and definition of EJ Areas and cumulative impacts by federal and state agencies, means that members of the regulated community who may be planning to conduct activities in possible EJ Areas should keep cognizant of this evolving landscape. ■

Budget *Continued from page 10*

- Includes roughly \$1 million to reduce financial barriers to completing a high school equivalency test by covering the testing fee costs

Incentivizing Individuals to Fill and Remain in Critical Job Classifications

- Proposes \$24.7 million in job retention and recruitment efforts to attract individuals into certified and licensed professions such as in the fields of nursing, education, and policing through a refundable tax credit of up to \$2,500 per year for three years
- Promotes teacher professional development opportunities by investing \$2 million through local education agencies
- Invests \$1.28 million to increase the number of labor law compliance investigators within the Department of Labor and Industry to investigate more cases, allow for more strategic enforcement of current laws, and provide additional education for businesses
- Increases funding by \$12 million for the Pennsylvania First Program, \$2 million of which is for the WEDnetPA program, to provide flexible financial assistance and train more incumbent workers to leverage and maximize the return on private investments to attract new businesses and remain competitive in the marketplace
- Proposes to invest \$20 million in historically disadvantaged businesses that were affected by the pandemic for the purpose of leveraging capital needed to expand or sustain business operations
- Provides an additional \$1 million for expansion of the Manufacturing Innovation Program to allow for more manufacturers to partner with universities in adopting new technologies and advancing new products and processes
- Provides \$1.25 million to expand financial stability, planning, and technical assistance resources for local governments to create a sustainable economy for residents and businesses and to avoid financial distress by preparing for potential economic downturns
- Invests \$1.5 million in the Municipal Assistance Program to financially assist communities with comprehensively planning around revitalization efforts, improvement processes, and sound management of development activities
- Expands the state's Keystone Communities Program by investing \$8.6 million in communities that are already on a path to revitalization and continue to facilitate greater participation from smaller, rural, and lower income communities
- Includes a \$1 million investment in the Pennsylvania Council on the Arts to expand financial assistance opportunities to enhance and drive retention and attraction of residents, talent, and visitors

Further details of the budget proposal; individual line item appropriations and a full budget can be located at: www.budget.pa.gov

1) **Commonwealth Budget** - <https://www.budget.pa.gov/Publications%20and%20Reports/CommonwealthBudget/Pages/default.aspx>; 2) **Line Item Appropriations** - <https://www.budget.pa.gov/Publications%20and%20Reports/CommonwealthBudget/Documents/2023-24%20Budget%20Documents/GFTrack%202023-24.pdf>; 3) **Full Budget Proposal** - <https://www.budget.pa.gov/Publications%20and%20Reports/CommonwealthBudget/Documents/2023-24%20Budget%20Documents/Budget%20Book%202023-24%20Web%20Version.pdf>



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2023



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COMMITTEE/PIOGATech PARTNERS



ENGINEER PARTNERS



Oil & Gas Dashboard

Penn Grade Crude Oil Prices



Sources

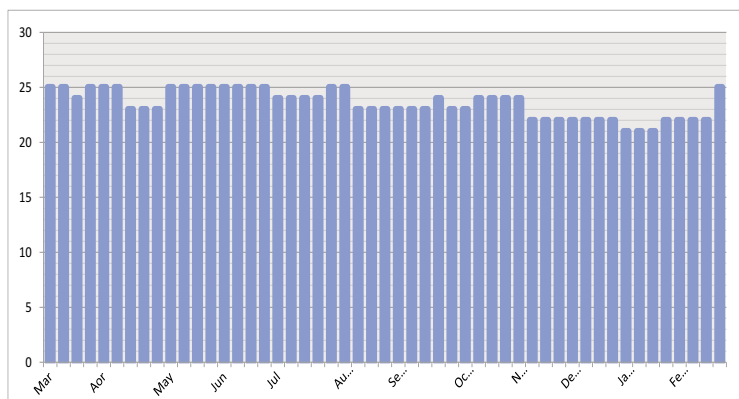
American Refining Group:
www.amref.com/Crude-Prices-New.aspx
 Ergon Oil Purchasing: www.ergon.com/crudeoil
 Gas futures: quotes.ino.com/exchanges/?r=NYMEX_NG
 Baker Hughes rig count: bakerhughesrig-count.gcs-web.com/na-rig-count
 NYMEX strip chart: Mid American Natural Resources
 Basis futures values: BHE Eastern Energy Field Services

Natural Gas Futures Closing Prices

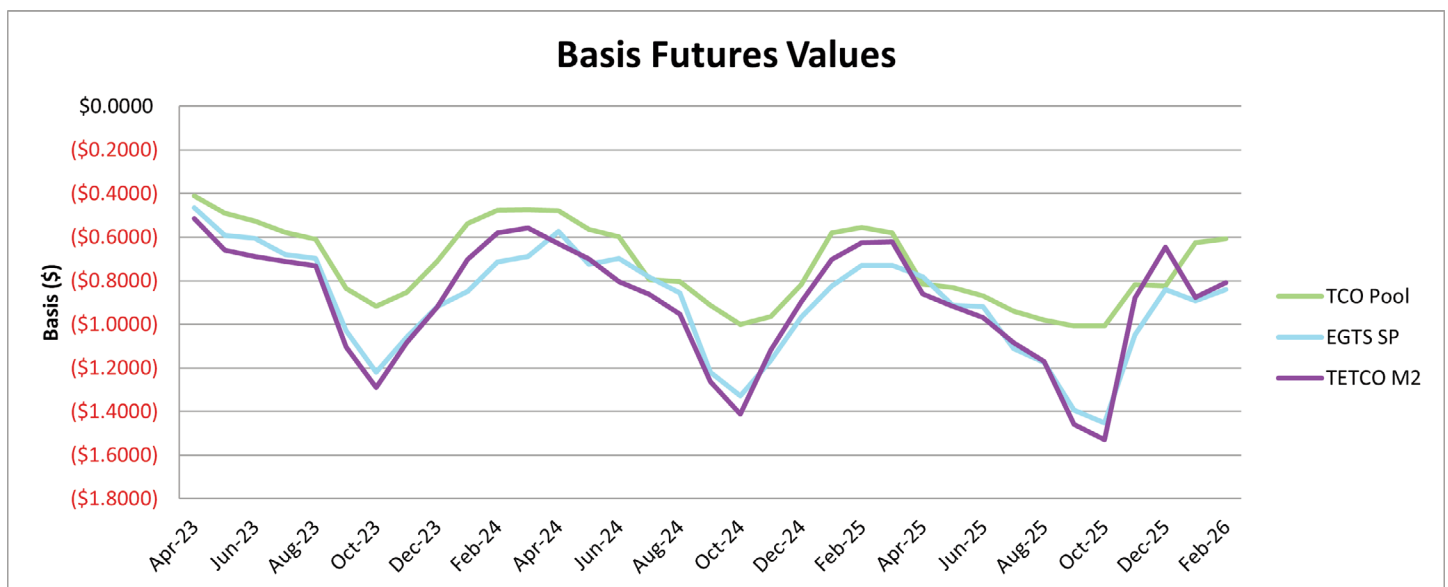
April 2023	2.494
May	2.629
June	2.865
July	3.075
August	3.101
September	3.064
October	3.157
November	3.522
December	3.931
January 2024	4.118

Prices as of March 10, 2023

Pennsylvania Rig Count



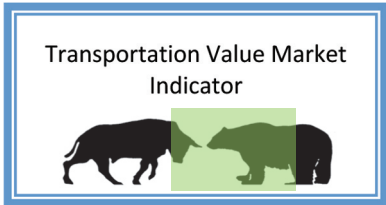
Basis Futures Values



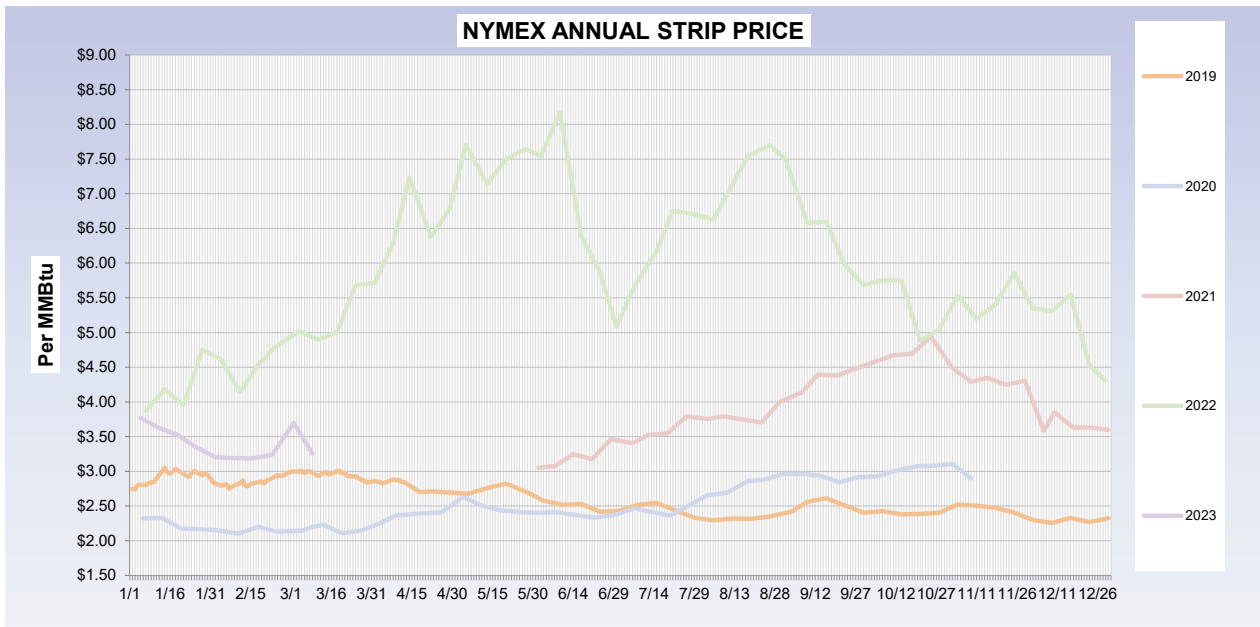
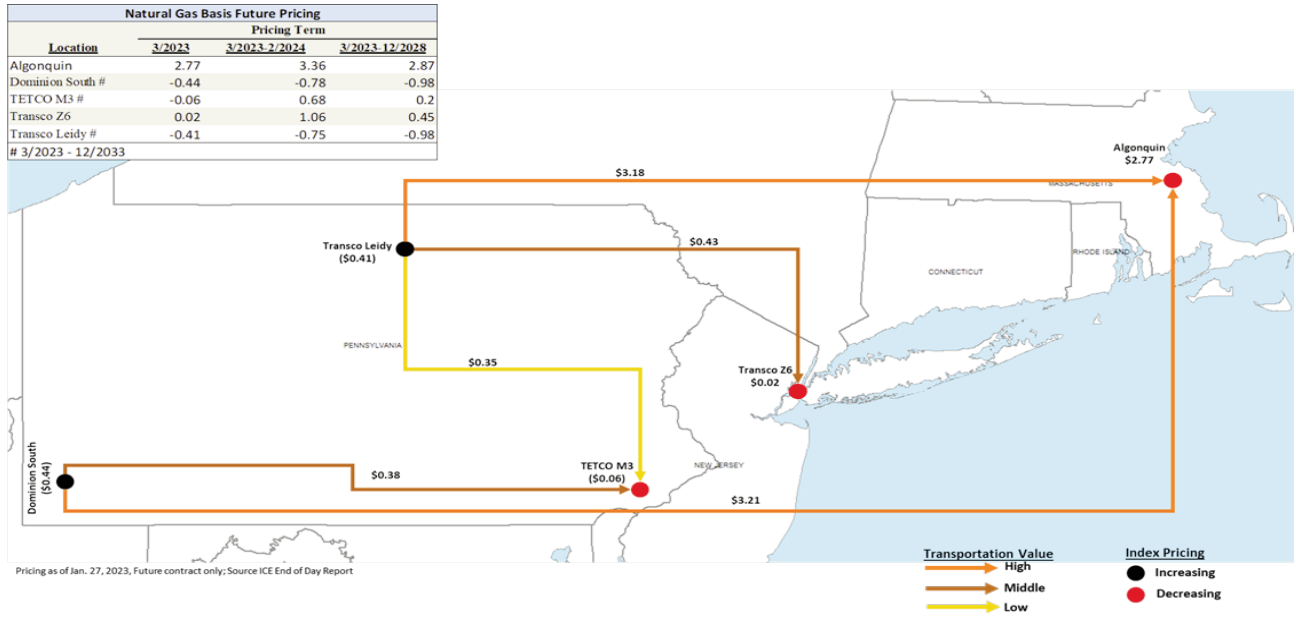
Northeast Pricing Report — February 2023

The market is solidly moving out of the winter season. Increases in LNG demand have not had an impact on the market so far. While the weather systems have been intense, they have not been long lasting or severely cold. The impact has meant depressed pricing in the Northeast. So much so that TETCO M3 dropped into negative territory at (\$0.06) per MMBtu. Algonquin decreased by \$5.13 per MMBtu. Transco Z6 while still a positive \$0.02 per MMBtu, decreased by \$2.37 per MMBtu. Dominion South and Transco Leidy both grew by only \$0.22 and \$0.08 per MMBtu respectively. Interestingly, the rolling 12 month averages all increased. Transco Z6 improved the most by \$0.44 per MMBtu. Algonquin was right behind Transco Z6 rising by \$0.36 per MMBtu. The full trading term averages were a mixed bag. Transco Z6 increased the most by \$0.16 per MMBtu and TETCO M3 declined the most by \$0.12 per MMBtu.

Every transportation value dropped again in February except for TETCO M3 to Transco Z6. This route's value grew by \$0.08 per MMBtu. Dominion South to Algonquin decreased the most by \$5.35 per MMBtu. Leidy to Algonquin was down by \$5.21 per MMBtu. Both routes to TETCO M3 decreased by \$2.72 and \$2.58 per MMBtu, while Transco Leidy to Transco Z6 dropped by \$2.45 per MMBtu.



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Spud Report: February



The data show below comes from the Department of Environmental Protection. A variety of interactive reports are available by going to the Office of Oil and Gas Management page at www.dep.pa.gov and choosing Report from the menu. 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	Date	API#	County	Municipality
APEX Energy (Pa) LLC	2	02/06/23	129-29163	Westmoreland	Salem Twp
		02/06/23	129-29162	Westmoreland	Salem Twp
Branch, John D.	2	02/09/23	123-48634	Warren	Warren City
		02/17/23	123-48638	Warren	Warren City
Cameron Energy Co. *	2	02/20/23	123-48719	Warren	Sheffield Twp
		02/27/23	123-48686	Warren	Sheffield Twp
Chesapeake Appalachia	4	02/20/23	015-23777	Bradford	Tuscarora Twp
		02/20/23	015-23776	Bradford	Tuscarora Twp
		02/08/23	131-20655	Wyoming	Windham Twp
		02/18/23	131-20656	Wyoming	Windham Twp
CNX Gas Co LLC	9	02/17/23	125-29004	Washington	East Finley
		02/17/23	125-29003	Washington	East Finley
		02/17/23	125-29002	Washington	East Finley
		02/17/23	125-29001	Washington	East Finley
		02/17/23	125-29000	Washington	East Finley
		02/17/23	125-28999	Washington	East Finley
		02/17/23	125-28982	Washington	East Finley
		02/08/23	129-29210	Westmoreland	Bell Twp
		02/08/23	129-29209	Westmoreland	Bell Twp
Coterra Energy Inc.	11	02/01/23	115-22928	Susquehanna	Bridgewater
		02/01/23	115-22930	Susquehanna	Bridgewater
		02/01/23	115-22932	Susquehanna	Bridgewater
		02/27/23	115-23031	Susquehanna	Bridgewater
		02/27/23	115-23058	Susquehanna	Bridgewater
		02/27/23	115-23059	Susquehanna	Bridgewater
		02/27/23	115-23060	Susquehanna	Bridgewater
		02/27/23	115-23014	Susquehanna	Bridgewater
		02/27/23	115-23015	Susquehanna	Bridgewater
		02/27/23	115-23061	Susquehanna	Bridgewater
		02/27/23	115-23062	Susquehanna	Bridgewater
KCS ENERGY INC *	1	02/07/23	123-48708	Warren	Watson Twp
PVE Oil Corp Inc.*	3	02/15/23	083-57541	McKean	Sergeant Twp
		02/20/23	083-57542	McKean	Sergeant Twp
		02/25/23	083-57544	McKean	Sergeant Twp
Range Resources	3	02/01/23	125-29010	Washington	Chartiers Twp
		02/01/23	125-29011	Washington	Chartiers Twp
		02/01/23	125-29012	Washington	Chartiers Twp
Repsol Oil & Gas USA LLC	3	02/02/23	117-22205	Tioga	Hamilton Twp
		02/04/23	117-22203	Tioga	Hamilton Twp
		02/09/23	117-22204	Tioga	Hamilton Twp
		02/01/23	117-22189	Tioga	Delmar Twp

	Feb.	Jan.	Dec.	Nov.	Oct.
Total Wells	41	64	45	75	73
Unconventional Gas	33	51	37	59	52
Conventional Gas	0	0	0	0	0
Oil	8	13	8	14	14
Combination Oil/Gas	0	0	0	2	7



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Calendar

PIOGA events

Information: www.pioga.org > PIOGA Events

2023 Spring Meeting Kick-Off Happy Hour
March 22. Voodoo Brewing Co., Pittsburgh.

2023 Spring Meeting
March 23. Rivers Casino, Pittsburgh.

PIOGATech - Spill Prevention, Planning & Response.
April 25. The Loft Conference Center, Cannonsburg.

PIOGA Clay Shoot Networking Event
May 4. The Promise Land Sporting Clays Club, Freeport.

PIOGA Oil Patch Classic Golf Outing & Steak Fry
June 6. Wanango Country Club, Reno.

PIOGATech - Safety/Fall Protection
June 27. TBD (venue)

Other events

Appalachian Shale Energy Outlook 2023-Seven-week free online webinar series.
February - March.
<http://mwhendersonconsulting.com/webinar/>

The Great Energy Gathering - March 15.

<https://events.r20.constantcontact.com/register/eventReg?oeidk=a07ejlny8sff01b73ed&oseq=&c=37eb9438-e01f-11eb-a8a9-fa163e8f1741&ch=37edadc2-e01f-11eb-a8a9-fa163e8f1741>

LDC Gas Forum - Northeast Forum. 28th Annual. June 12-14 - Boston, MA.
<http://mwhendersonconsulting.com/webinar/>

PIOGA Members and Industry Partners - Please email meghan@pioga.org to advertise upcoming events.



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