The PIOGA press

The monthly newsletter of the Pennsylvania Independent Oil & Gas Association

October 2017 • Issue 90

Report from PIOGA's 2017 Annual Meeting

Nearly 150 members and guests gathered for PIOGA's Annual Membership meeting, where they got a review of the association's activities of the past year, learned of the focus for 2018 and helped conduct some association business. One piece of good news delivered by PIOGA leaders at the October 5 event held at the DoubleTree Pittsburgh-Cranberry: Like the industry it serves, the association is rebounding.

Since PIOGA was formed in 2010, said Chairman Gary Slagel, it "has ridden the wave the industry has ridden over the years. When the industry was riding high, PIOGA was riding high. But then over the past couple of years, PIOGA went through the same downturn—doldrums—that the industry has experienced."

PGMD chair Bob Beatty

He continued, "We're beginning to see the light now and the light is shining brighter and brighter for us as an association and certainly for all of us that are involved in the industry. And that's just great news right now."

Slagle, of Steptoe & Johnson PLLC, went on to credit the involvement of the Board of Directors and the hard work of the staff for keeping the association moving forward during the difficult times. He thanked the board and staff by name and congratulated the board members who were elected or reelected in voting that concluded on September 29 *(see sidebar).*

Bylaws change

Members unanimously approved a bylaws change creating two new categories of membership:

• Student members—individuals who are enrolled in good standing in an oil and natural gas industry-related field of study in a postsecondary institution. Student members are not entitled to vote.

• Emeritus members—individuals who have retired and have, as determined by the Board of Directors in its sole discretion, provided distinguished service to the association and to the oil and natural gas industry.

Committee updates

President & Executive Director Dan Weaver said one of the things that makes PIOGA a strong and effective organization is its committees and the ability of members to interact within that structure.

"They may be competitors 'out there,' but in this space they can collaborate together, because even though they may be competitors, they are facing the same issues, the same problems. I'm very thankful for everybody who serves on these committees."

Tax Committee. Chairman Don Nestor said his report included "some good news and some uncertainty." The good news was the federal Marginal Well Credit, which was enacted in 2004 but has now kicked in due to product prices, inflation and IRS calculations *(see article in this issue).* For interest owners of marginal natural gas wells, the credit is worth 14 cents per Mcf.

"It's a really big credit, especially at a time when conventional producers are getting low prices and usually not making much of anything. It's something we didn't expect," he asserted. "There aren't very many positive things for conventional well operators out there. This is one of them."

The "uncertainty" portion of Nestor's report related to the Trump administration's recently announced tax overhaul proposal. The last revamp to the federal tax code occurred in 1986, so it's unclear whether the effort will be successful this time. Regardless, Nestor noted, the Independent Petroleum Association, assisted by cooperating associations like PIOGA, will be busy working for the industry's interests as legislation is developed and moved forward.

Nestor also encouraged members to participate in PIOGA's Annual Tax & Accounting Seminar, organized by the committee and his firm, Arnett Carbis Toothman. It will be held November 30 in Canonsburg.

Pipeline & Natural Gas Market Development Committee. Bob Beatty of "O" Ring CNG Fuel Systems mused that when he began to get more heavily involved in PIOGA and the committee he would eventually come to chair, he learned that PGMD was PIOGA's "catchall" group: "This falls under PGMD and *this* falls under PGMD and *THIS* falls under PGMD. So in a year I've learned a lot about what I didn't

(Continues on page 3)

Annual meeting: *Continued from page 1*

know about the industry" beyond alternative vehicle fueling, which had been his area of expertise.

Although the committee deals with a tremendous range of topics, from gas-electric coordination to pipeline expansion to encouraging more natural gas use in manufacturing, Beatty said the group's mission boils down to two simple mandates—"find new burner tips and find new members."

As examples of the committee's varied interests, he detailed PIOGA efforts to convince officials to direct Pennsylvania's share of federal settlement funds stemming from Volkswagen's diesel emissions scandal toward grants for projects that result in greater natural gas use for highway and off-highway vehicles. He also told of the committee's involvement in a demonstration project to convert a Pittsburgh region towboat from diesel to liquefied natural gas.

Paul Hart (right) and Ken Fleeman of the Environmental Committee

Beatty said the committee recognizes that the real growth for our industry will come downstream, and the group has been focused on recruiting PIOGA members from that sector. Consequently, the majority of new member signups for the first nine months of 2017 has been a result of PGMD members.

Safety Committee. "Safety is not one of those sexy topics," conceded committee member Bryan McConnell of Tenaska, Inc., filling in for Chairman Wayne Vanderhoof of RJR Safety, Inc., who was unable to attend. However, safety is at the core of everything the industry does, McConnell added.

When the committee meets every other month, most of its time is spent on sharing—sharing lessons learned in the wake of incidents and near-misses, sharing best practices, and sharing information about changes to safety-oriented laws and regulations.

"We encourage folks to come and share their experiences," McConnell said. "The only way we can learn about things is by sharing those experiences that we have."

The committee also organizes technical training opportunities offered as part of the PIOGATech Series. The next, on November 9 at Butler County Community College, will address industrial fire extinguisher training. Then on December 14 in Wexford, the Safety and Environmental committees will jointly host a seminar on risk assessment/compliance.

McConnell urged more PIOGA members to become active in the Safety Committee, suggesting that each member company designate one person to participate.

Environmental Committee. PIOGA exec Weaver quipped that anyone who wakes up on the second Wednesday of the morning feeling happy and without a worry "can come back down to earth by coming to an Environmental Committee meeting."

Cochairmen Paul Hart of Fluid Recovery Services, LLC and Ken Fleeman of ABARTA Energy did provide a rundown of the many serious concerns being addressed by the main committee and its subcommittees, but Hart said the Environmental Committee and the expertise of its members is among PIOGA's most valuable tools. He added that he has heard from individuals involved in the environmental committees of other organizations who have said none are effective or have the wealth of knowledge of PIOGA's.

Hart thanked the chairs of the four subcommittees—Erosion & Sedimentation, Waterways and Endangered Species; Air Quality/Emissions; Water, Waste Management and Recycling; and Well Construction—and showed slides highlighting what each of the groups has been working on. As both Weaver and Hart alluded, the list of both state and federal issues is not only extensive but highly technical and crucial to the industry.

Fleeman explained that another of the committee's important tasks is providing technical training for the PIOGA membership. The committee organized PIOGATech events covering air emissions compliance, endangered species, water and waste issues, aboveground storage tanks, and respirable silica. Another air quality compliance session was scheduled for October 12, followed on December 14 by compliance risk management.

Fleeman said the committee is always looking for technical training topics to address, as well as members willing to offer space to hold the seminars.

PIOGA updates

Legal. PIOGA Vice President & General Counsel Kevin Moody said his presentation could easily cover half a day or even a full day. "Almost everything we deal with can involve litigation," he explained, making it necessary for PIOGA to pick and choose its battles and to coordinate legal efforts with other organizations.

Among the cases in which the association has been involved, Moody noted that the challenge by Snyder Brothers, Inc. and PIOGA of the Public Utility Commission's treatment of certain unconventional wells in levying the Act 13 impact fee was a big victory. The case, decided in March by the Commonwealth Court, hinged on the interpretation of the word "any." Wells incapable of producing more than 90,000 cubic feet of natural gas in *any* calendar month are exempt from the impact fee. The court agreed with PIOGA and member company Snyder Brothers that "any" means "one," while the PUC incorrectly argued that the word meant "all" or "every." The PUC is appealing the decision to the Pennsylvania Supreme Court.

In another case involving a member company, Moody reported that PIOGA has been fighting alongside Pennsylvania General Energy (PGE) in the company's challenge of a "Community Bill of Rights" ordinance that prohibits disposal of oil and gas wastewater in Grant Township, Indiana County. Moody explained that the local law, drafted and defended by the Community Environmental Legal Defense Fund, essentially takes the position that a municipality "is its own little country and can pick or choose the laws it wants to obey." The case in federal court is moving slowly but in the right direction. PIOGA's filings argue that the ordinance is a violation of the Pennsylvania constitution.

Also highlighted was a rulemaking with huge implications by the Independent Regulatory Review Commission (IRRC). Moody said it is clear that the Regulatory Review Act requires agencies to submit all proposed forms along with a rulemaking—something that didn't occur with the Department of Environmental Protection's Chapter 78/78A regulations. As part of an IRRC rulemaking due by December 28, the commission adopted a resolution that agrees with PIOGA's position, so PIOGA is hopeful about the final outcome of the regulations.

Natural Gas Market Development. Joyce Turkaly, PIOGA's director of natural gas market development, gave members an idea of the broad scope of her work, much of it in support of the Pipeline and Gas Market Development Committee. Promoting new and expanded uses for natural gas takes Turkaly to many varied places—conferences, field trips to facilities, contacts with state and federal agencies, and public meetings in support of things like Shell's petrochemical plant.

Board of Directors election results

Congratulations to the following members on their election to three-year terms on the PIOGA Board of Directors:

- Carl Carlson, Range Resources – Appalachia, LLC
- Frank Ross, T&F Exploration, LP
- Jake Stilley, Patriot Exploration Corporation
- Todd Tetrick, EnerVest Operating, LLC
- Jeff Walentosky, Moody & Associates, Inc.
- Ben Wallace, Penneco Oil Company, Inc.
- Steve Williams, Summit Petroleum, Inc.

To all candidates: Thank you for taking the time to offer your services to your association.

Members are urged not only to get involved in the PGMD Committee, but also "to communicate with us frequently" about topics that should be addressed by Turkaly or the committee.

Another interest of Turkaly's is professional development opportunities for members, particularly women. She spearheaded a women's-oriented event in conjunction with the PIOGA conference at Seven Springs, as well as the first of what will be called the PIOGA Women's Energy Roundtable (PoWER), just before the Annual Meeting on October 5.

PIOGA's Dan Weaver

Government Relations. Harrisburg has gotten to be the like the movie *Groundhog Day,* with late budgets year after year, a lack of funding for the budgets that are passed and persistent calls for a natural gas severance tax, observed Dick Gmerek of Gmerek Government Relations, PIOGA's lobbying firm.

"It's not going away, it's never going to end," he said of efforts to impose a severance tax.

Gmerek deplored the "very nasty" climate in the state capitol. Eighty percent of the members of the General Assembly have served five years or less, and it the new breed of legislators are hyper-ideological. Even though the Republicans have a solid majority, no one seems willing to work out issues even within in their own caucus.

At the time of the meeting, the budget for fiscal year 2017-18, which began on July 1, had yet to be finalized, with deals coming together and then evaporating on what seemed like a day-to-day basis. PIOGA has been working hard to keep a severance tax out of the final package.

One area in which PIOGA has seen some success has been in efforts to retain the exemption from mandatory participation in the Pennsylvania One Call System by conventional operators and reform of One Call. The full House of Representatives is set to consider a Senate Bill that recently was amended to keep the exemption for most pipelines operated by conventional producers, as well as to give the industry a mandatory seat on PA One Call's board of directors. PIOGA also has been cooperating closely with a legislative committee studying One Call's operations with an eye toward recommending reforms.

"We have had success despite being told nothing would happen" on PA One Call, he said, praising PIOGA's Dan Weaver for his persistent work with lawmakers.

State of the association. At the 2016 Annual Membership Meeting, Weaver reported that PIOGA was beginning to see some light at the edge of the tunnel after a couple of difficult years that mirrored the industry downturn. Now, he reported, the association is "at the edge of the tunnel. Our future is bright."

The organization has just shy of 500 members and attracted 40 new members over the first nine months of the year, not only producers and service companies, but especially from the downstream side. Weaver emphasized that PIOGA wants to hear from any of its members—new or longtime. "Tell us what you want us to do for you," he said.

The trade association that PIOGA traces its roots directly back to was formed in 1918, so PIOGA will be celebrating that 100th-year anniversary with some special things in 2018, he noted.

Weaver also put in a plug for PIOGA's political action committee, relating that donations have been better this year than in any time in the recent past. It is critical that we how our support for legislators who support the industry, he said. A PAC opportunity followed the Annual Meeting, with a long line of members stopping to contribute.

"I know that going into 2018 we're going to have more issues, tough issues," he said. "However, I'm optimistic. I think we can accomplish a lot. We can keep tackling those issues with your help."

Pittsburgh Hires Veterans

Jack Wagner, a former state senator, state auditor general and Pittsburgh city councilman praised the oil and gas industry for what it has done for Pennsylvania and the nation.

"You have helped make the United States of America an energy-independent country," he said. "Our problems are less because of you."

Wagner now heads up Pittsburgh Hires Veterans (www.pittsburghhiresveterans.com), a small nonprofit organization that helps connect employers and former members of the military in the Pittsburgh region. He explained that veterans receive virtually no help from government agencies finding employment after their service ends. His organization is helping fill that void.

Veterans bring skills to the workforce that the average person does not possess, including being mission-oriented problem solvers. "Quite frankly, they are a natural fit for the energy industry," Wagner said.

After speaking at the September meeting of PIOGA's Pipeline and Gas Market Development Committee, Wagner added, the organization had contact from industry employers and was able to place at least one veteran. ■

Terry Jacobs honored for his long service to the association

Terry Jacobs is not someone who shies away from telling it the way he sees it or getting involved in issues he feels strongly about. Those qualities have made him an effective leader in state and national oil and gas trade associations for many years. As Jacobs steps down from the Board of Directors, PIOGA honored him at the October 5 Annual Membership Meeting for his long service.

Jacobs is CEO of Penneco Oil Company, an independent oil and gas producer headquartered in Delmont. Prior to being named to that position, he was CFO for Penneco from 1972 to 1995. A director for the Independent Oil & Gas Association of Pennsylvania (IOGA-PA) and now PIOGA for more than 25 years, he was a two-term president of IOGA-PA, from 1999 to 2001 and from 2003 to 2005. IOGA-PA merged with the Pennsylvania Oil & Gas Association in 2010 to form PIOGA.

He was a director of the Independent Petroleum Association of America (IPAA) representing Delaware, Maryland, Pennsylvania and New York from 2000 to 2008 and chairman of the IPAA Tax Committee from 2006 to 2015. Currently, he is the IPAA political action committee chair for Delaware, Maryland, Pennsylvania and New York. In 2010, then-Energy Secretary Stephen Chu appointed him to the National Petroleum Council, where he still serves.

"I think the best words to describe Terry's leadership in the industry can be summed up as professionalism and passion," said Lou D'Amico, who worked with Jacobs as president and executive director of both IOGA-PA and PIOGA.

Jacobs looks at it this way: "I always felt that if you contribute something to the trade organizations, it's was a good thing for you as well as maybe someone else. That's why I've done it. And I've felt we've accomplished something many times. There's lots of good stuff out there that a guy can do."

One recent example Jacobs pointed to was the federal Marginal Well Production Credit that many producers should be able to take advantage of this tax year *(see article in this issue).* The credit, advocated by the IPAA, was enacted in 2004 and now has been triggered due to low prices.

An environment characterized by low prices and high risks makes things difficult for producers, especially small independents like Penneco. "Let's say you and I wanted to start an oil and gas company," Jacobs opined. "I think we would be in for a hell of a problem, because I don't think we could attract enough capital to do that."

"Now we're just playing out our legacy assets," he continued. "We're not going to go out and drill expensive dry holes and take great risks, or drill wells that, if productive, will never recover the cost of drilling. You really need much higher prices. Eventually, the marketplace will dictate who does what."

Penneco recently diversified to create a water-disposal affiliate, operating one project in West Virginia and now going through the approval process for an injection well in Plum Borough, Allegheny County. Jacobs explained the Pennsylvania project utilizes an existing shallow production well that has been reworked, and the company is anticipating an Underground Injection Control (UIC) permit soon from the U.S. Environmental Protection Agency.

The company also needs approval from the Pennsylvania Department of Environmental Protection, which recently has gotten involved in UIC wells due to seismicity concerns but does not yet have a clear-cut set of rules in place. Jacobs noted that DEP recently held a public hearing on Penneco's proposed disposal well, and the positive reaction of local officials was gratifying in view of the misinformation disseminated in many places about wastewater disposal wells.


Terry Jacobs (right) with former PIOGA President & Executive Director Lou D'Amico.

Any discussion of public opinion and distorted facts—whether talking about climate change or impediments to development—quickly gets Jacobs on a roll. Interestingly, another of Penneco's subsidiaries is an outdoor advertising company. At times those billboards have been put to use for advocacy purposes on topics Jacobs is passionate about. PIOGA has also been able to use some of these billboards to deliver our message against a severance tax and to promote our No Green Slime campaign rebutting environmental distortions about industry.

Jacobs lamented that the days are gone when IOGA spent much of its time dealing with natural gas utility issues. In this new world for the energy industry, there is no lack of matters of concern. Fighting those who advocate keeping fossil fuels in the ground is one of those hot-button topics for Jacobs.

"What products do you want to give up?" he asks. "Thousands of things come from oil, products that evolve from oil. There are a hell of a lot of crazy people around that have these socialist agendas or some kind of political agendas. They want to control everything. It just so happens that oil and gas is one of the things they want to control. That's why I've been interested in it."

Terry Jacobs might be gone from the PIOGA board (COO Ben Wallace now represents Penneco as a PIOGA director), but he certainly will continue to be an outspoken advocate for the industry. Thanks, Terry, for all of your hard work on our industry's behalf! ■

Marginal Well Credit for 2016 natural gas production announced

By Donald B. Nestor, CPA
Partner, Arnett Carbis Toothman LLP
Chairman, PIOGA Tax Committee

The Internal Revenue Service announced on September 12 in Notice 2017-51 that the Marginal Well Production Credit (MWC) for natural gas production from qualifying wells in calendar year 2016 is $0.14 per Mcf for the first 18 Mcf of daily production. PIOGA is committed to staying up to date on issues that will benefit the oil and natural gas industry and those who serve its members. In last month's newsletter, we presented a summary similar to the following with an example of what this credit could be under certain factors. The following is a final summary of this credit and its source and application based as actual IRS-issued factors.

Marginal well working interest owners have not experienced much in their favor in the past several years, with lower production, lower gas sales prices, and increased operating, transportation and regulatory costs. Surprisingly, a very positive current item for marginal well working interest owners may be found in the federal tax area with an income tax credit for 2016 natural gas production.

Internal Revenue Code Section 45I was passed by Congress as part of the American Jobs Creation Act of 2004. This MWC was based on production from qualified marginal wells.

Qualified marginal oil wells are those with an average production of not more than 15 barrels per day, those wells producing heavy oil or wells producing not less than 95 percent water with average production of not more than 25 barrels per day of oil. Qualified marginal natural gas wells are those producing not more than 90 Mcf per day. The first step in determining wells that qualify for this credit is making certain they qualify as marginal wells, combining oil and natural gas equivalent units to determine marginal well status.

This tax provision allows a $3 per barrel tax credit for the first three barrels of daily oil production from an existing marginal well and a $0.50 per Mcf tax credit for the first 18 Mcf of daily natural gas production from a marginal well. The second step is determining the actual average daily production from the qualified wells and limiting that production to a daily combined three barrels of oil and 18 Mcf of natural gas in equivalent units of production. If oil produced from qualifying wells is not allowed in a year due to oil's reference price being too high, which was the case for 2016 production, it should be appropriate to include only natural gas in your 18 Mcf of qualifying production calculation. The qualified average daily production under this limitation would then be applied to the number of days that the working interest owner actually owned that well interest.

The third step in determining the dollar amount of federal tax credit available is to apply the qualifying production in a year to the approved dollar amount per unit of production. For oil production, the original $3 credit per barrel was to be proportionately eliminated as the inflation adjusted average price of oil increased from $15 to $18 per barrel. For 2016 oil production, the inflation adjusted maximum credit of $3.70 per barrel was

2017 Annual Oil & Gas Tax and Accounting Seminar

Hosted by:
PIOGA's Tax Committee & Arnett Carbis Toothman

Thursday, November 30, 2017

Hyatt Place Pittsburgh South Meadows Racetrack & Casino
212 Racetrack Road, Washington, PA 15301

8:30 AM - Registration & Continental Breakfast
9:00 AM to 4:30 PM Tax & Accounting Seminar

"Nothing is certain except death and taxes" - Benjamin Franklin

The PIOGA Tax Committee is pleased to partner again with Arnett Carbis Toothman (ACT), to host a special oil and gas tax and accounting seminar.

The course will offer 6.0 CLE credits for attorneys licensed in Pennsylvania and West Virginia (pending approval of CLE Board) as well as 7.2 hours of CPE for accountants. The fee for this one-day seminar, which includes all handout materials, meals, and beverages, is $250 per person for PIOGA members and $350 for non-members. The overall coverage of such a variety of technical topics for the oil and gas industry is not found in any other single location and definitely not in a one-day event such as this.

What will be covered in the seminar?

As your company tries to navigate the current accounting and tax environment, this seminar by Arnett Carbis Toothman associates will present ideas on how to plan for 2017 and 2018 taxes and learn the latest news in accounting and tax.

ACT has adjusted its presentation this year to include not only changes in various federal, state and local taxes, but to approach each area to explain how oil and gas investors, operators, royalty owners, service companies and professionals should maximize tax and economic benefits. Planning for current and future opportunities and challenges will be emphasized.

Each participant will receive a detailed outline and course materials and an extensive resource section with copies of industry definitions, geological data, and data from federal, state and local tax authorities. This interactive seminar will provide ample opportunity to for attendees to network, offer your insights about oil and gas, and ask questions. Multiple ACT presenters will utilize their years of experience in the oil and gas industry to explain key tax benefits such as the **Marginal Well Credit** as well as standard tax issues that everyone in the oil and gas industry should be aware of and should plan for. They will also cover current proposals for federal and state tax law changes.

Please plan to attend this seminar! The topics will be very beneficial, timely and exciting for participants regardless of their experience in the oil and gas industry.

Who should attend?

Accountants, attorneys, bankers, insurance agents, royalty owners and investors will get value out of this seminar.

Location Information:

Hyatt Place Pittsburgh South Meadows Racetrack & Casino
212 Racetrack Road
Washington, PA 15301

A room block with a discounted rate of $119 plus tax has been secured at the Hyatt Place. To make a reservation call 724-222-7777 and reference PIOGA Tax Seminar. Deadline for the discounted rate is November 9.

Register by November 23 at pioga.org/events

eliminated as the average allowable sales price of oil in 2015 increased from $18.50 to $22.20 per barrel and the 2015 reference price for oil was above $22.20 per barrel.

For 2016 natural gas production, there is a MWC for the first 18 Mcf of daily production from qualifying wells of $.14 per Mcf. The original maximum MWC of $0.50 per Mcf has now increased due to inflation to a maximum of $0.6166 per Mcf. The original $0.50 per Mcf credit was reduced as the average price of natural gas in the year prior to the production year increased from $1.67 to $2.00. With inflation, the 2016 natural gas maximum credit of $0.6166 per Mcf is reduced as the reference price of natural gas in 2015 increases from $2.06 to $2.47 per Mcf. In other words, if the reference price for natural gas production is less than $2.47 per Mcf in 2015, there will be a MWC for 2016 natural gas production.

The Internal Revenue Service is the agency that is to calculate and publish the 2015 natural gas reference price. This average natural gas price will determine the amount of credit per Mcf of qualifying production no matter what producers actually sell their natural gas for in 2016. The IRS issued Notice 2017-51 listing the 2016 inflation adjustment factor of 1.2332 and the 2015 applicable reference price of $2.38 per Mcf. Based on these factors, the MWC for 2016 natural gas production from "stripper wells" is $0.14 per Mcf.

This natural gas federal income tax credit for 2016 qualifying production is definitely good news. One additional limitation on use of this credit is that it may only offset regular income tax in excess of Alternative Minimum Tax (AMT). An offsetting benefit to this AMT limit is that any MWC not used in a year due to total tax or AMT limits may be carried back 5 years and over up to 20 years. This extended number of years to utilize this credit hopefully ensures a significant amount of Section 45I credit for 2016 natural gas production will be realized by those with qualifying marginal well production.

We will continue to monitor and update information about this credit as its specific application become better defined. We will also cover this credit along with other planning matters in PIOGA's annual oil and gas tax and accounting seminar presented by Arnett Carbis Toothman LLP on November 30 *(see information elsewhere in this newsletter)*.

If you have any questions concerning the above information or how this credit may be applied to benefit you, please contact PIOGA or any of the following Arnett Carbis Toothman LLP associates at 800-924-0729 or email at don.nestor@actcpas.com, marlin.witt@actcpas.com, bill.phillips@actcpas.com, ryan.nestor@actcpas.com or wanda.bailey@actcpas.com. ■

IPAA on federal tax reform efforts: Capital recovery provisions critical for producers

Representing the nation's independent producers that develop 90 percent of America's oil and natural gas and generate 4 percent of the U.S. Gross Domestic Product, Independent Petroleum Association of America (IPAA) President and CEO Barry Russell issued the following statement on the Republican tax reform plan announced in late September:

"Today's tax reform framework is a positive step forward for hardworking Americans, a stronger economy, and continued U.S. investment. While lower tax rates are an important component of tax reform, America's independent oil and natural gas producers rely on capital recovery provisions to reinvest back into the U.S. economy. The value of our member companies, large and small, is predicated on their ability to reinvest capital quickly and efficiently to produce more American energy, hire talented employees, buy new equipment, and grow their local economies. The ability to immediately expense capital costs is critical to the continued American energy dominance and the hardworking men and women working every day to support it. The inclusion or elimination of specific tax provisions, yet to be outlined, will be crucial to evaluating this tax reform plan.

"IPAA and its member companies look forward to working with Congressional leaders and The White House on common sense tax reforms that strengthen businesses of all sizes, grow our economy, and create new jobs and opportunities for hardworking Americans."

Learn how capital recovery provisions support continued American energy production and job growth across the nation at EnergyTaxFacts.com. ■

Commission wants to make the Delaware Basin drilling ban permanent

A de facto ban on natural gas development in the Delaware River Basin has been in place for more than seven years. The bad news for property owners in the northeast tip of Pennsylvania is that the Delaware River Basin Commission (DRBC) now plans to make that prohibition permanent.

The five-member s commission voted 3-1-1 on September 13 to direct DRBC staff to draft regulations prohibiting horizontal drilling and hydraulic fracturing in the 14,000-square-mile basin that drains portions of Pennsylvania, New York, New Jersey and Delaware. Representatives of the governors of Pennsylvania, New York and Delaware voted in favor of the measure, while the commission's member from the U.S. Army Corps of Engineers voted no and the representative of New Jersey's governor abstained.

The DRBC was created through a compact between the four states and the federal government to manage water quality, withdrawals, droughts, floods, conservation and permitting for the river and its tributaries.

Development of oil and gas using hydraulic fracturing in the Delaware River basin has been an issue since 2010, when the DRBC voted unanimously to "postpone consideration of well pad dockets until regulations are adopted." This action effectively placed a de facto, temporary moratorium on drilling for natural gas in several counties in northeastern f Pennsylvania.

In the resolution approved September 13, the commission asserted that unconventional natural gas development "presents risks, vulnerabilities and impacts to surface and ground water resources across the country," and directed the staff to draft a set of regulations by November 30. Hearings and a public comment period are to follow.

The regulations, according to the DRBC resolution, are to include:

• Prohibitions related to the production of natural gas utilizing horizontal drilling and hydraulic fracturing within the basin;

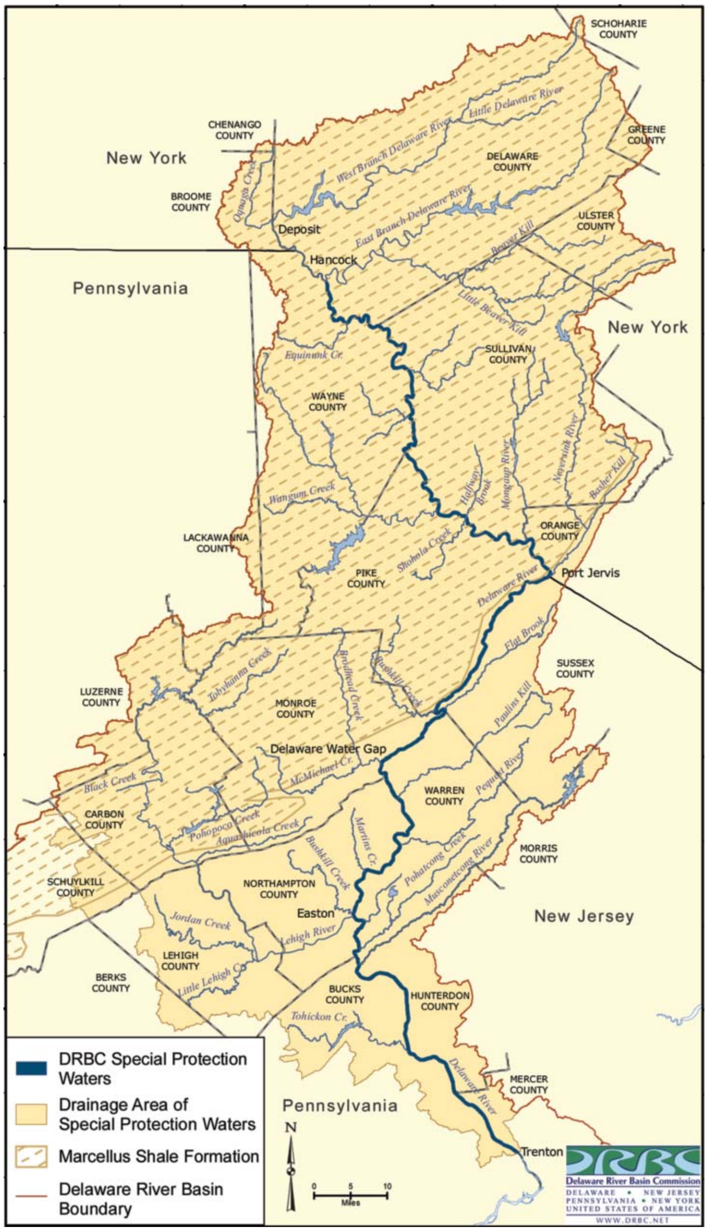
• Provisions for ensuring the safe and protective storage, treatment, disposal and/or discharge of wastewater within the basin associated with horizontal drilling and hydraulic fracturing for the production of natural gas where permitted;

• Regulation of the inter-basin transfer of water and wastewater for purposes of natural gas development where permitted.

In a statement, Pennsylvania Governor Tom Wolf said he was pleased with the DRBC action.

"Today, we are acting to protect a watershed that supplies drinking water to more than 15 million people in one of the most densely populated areas of the country. I believe this resolution preserves water quality and water supply for the residents of the watershed, and will protect this precious resource for generations to come," Wolf said. "I have supported this resolution since I was a candidate for governor of Pennsylvania, and I am proud that we have worked collaboratively to move this process forward after almost a decade of work at the DRBC."

PIOGA Vice President and General Counsel Kevin Moody saw it this way: "We don't believe the DRBC has jurisdiction over natural gas production activity in the first place, so we believe the existing de facto moratorium is unlawful and the so-called 'fracking' ban regulation would likewise be unlawful. At



least this action reveals the disingenuousness of the DRBC's position in current litigation against the moratorium that the commission hasn't made a final decision to ban hydraulic fracturing with horizontal drilling and related activities."

The litigation Moody referred to is a 2016 complaint against the DRBC by a group of Wayne County land and mineral owners. A federal district judge in March 2017 granted the commission's motion to dismiss the case, which the property owners have appealed to the U.S. Court of Appeals for the Third Circuit.

Pennsylvania Senate Majority Leader Jake Corman said in a statement: "The governor has long claimed that he supports natural gas development in a safe and responsible manner. In the last year, the state has significantly enhanced its regulations governing unconventional wells. The strong regulations were designed to better protect our natural resources while encouraging shale development, which translates into a stronger economy, increased employment opportunities and lower energy prices. Joining this moratorium instead shows his willingness to pander to special interests."

Added Senate President Pro Tem Joe Scarnati: "This decision is arbitrary, overreaching and will hurt landowners in northeast Pennsylvania who have already lost hundreds of millions of dollars in lease and royalty payments. Why should their mineral rights be invalidated but their neighbors outside the basin are not? This decision is based on faulty data and will hurt our economy and our workers."

Further signaling legislative disapproval over the action, the House Environmental Resources and Energy Committee on October 3 approved a resolution urging the DRBC to suspend its moratorium on natural gas development in the basin.

Once the draft regulations are published, PIOGA will submit formal comments opposing the ban and inform members about the opportunity to comment and testify. Because high-volume hydraulic fracturing is prohibited in New York State and because there is no natural gas development in New Jersey or Delaware, the DRBC action is essentially a Pennsylvania ban. PIOGA believes that experience clearly shows that natural gas development is occurring here in a manner protective of water resources, thanks to industry practices and existing Pennsylvania law and regulations.

A statement issued by the Pennsylvania Chamber of Business and Industry and the Marcellus Shale Coalition makes this point: "Perhaps nowhere has this activity been studied and evaluated more than within the Susquehanna River Basin Commission (SRBC). At least three studies undertaken by the SRBC, of which Pennsylvania is also a member, have shown no correlation between shale gas development and watershed impairment."

Information is available on the DRBC website at www.state.nj.us/drbc/programs/natural. ■

State veto problem plagues federal jurisdiction pipelines and what can done about it

By Mike Krancer
Senior Counsel, Energy, Blank Rome LLC and Co-Founder and Principal of Silent Majority Strategies LLC

States' misuse of the Clean Water Act (CWA) Section 401 process to veto federal jurisdictional pipelines has been in the news lately. The Federal Energy Regulatory Commission (FERC) took a big step to counter this abuse on September 15 by holding that New York had waived its Section 401 rights on Millennium's Valley Lateral pipeline. But states can easily evade that ruling, so more is needed; Congress needs to step in.

FERC's decision of September 15 is both very welcome and very important. FERC held that the state of New York, through its passive-aggressive handling of a federal CWA Section 401 certification, had waived its authority to issue the certification. FERC is firing the first shot here aimed at tamping down on states treating CWA certifications as political footballs in order to veto infrastructure projects based on ideological and identity politics instead of actual law and the facts.

The purpose of CWA should and was always intended to be about the protection and promotion of water quality, not to provide an opportunistic veto point for unscrupulous and ideological political interests.

This FERC decision involves the 7.8-mile Millennium Valley Lateral pipeline, which is intended to serve the 680 MW gas-fired CPV Valley Energy Center in Wayawanda, Orange County, New York, currently under construction. FERC had granted the certificate of public convenience and necessity for the line on November 9, 2016, conditioned on receipt or waiver of state CWA Section 401 certification.

Millennium had filed its application for the CWA certification in November 2015. The New York State Department of Environmental Conservation (NYSDEC) slow-walked the application, issuing various further demands for additional information. It neither granted nor denied the certification. The federal Clean Water Act requires a state to grant or deny a CWA certification for a federal jurisdictional project within one year of receipt of the application.

In July 2017 (six months beyond the legal deadline for a decision), Millennium asked FERC to declare that New York had waived its authority to issue or deny a water quality certification by not acting within the legally mandated time limit. While Millennium's request to FERC was pending, NYSDEC suddenly awoke from its slumber and issued on Aug. 30—one day before NYSDEC's claimed one-year deadline—a two-page letter (signed by the general counsel of NYSDEC) that purported to deny "conditionally" the Valley Lateral water quality certification. NYSDEC cited "new law," namely the recent D.C. Circuit decision in *Sierra Club v. FERC,* (D.C. Cir., Aug. 22). In *Sierra Club*, the U.S. Court of Appeals for the D.C. Circuit remanded a case to FERC holding that FERC was obligated to review potential downstream air quality impacts from gas-fired power plants served by that proposed pipeline *(see sidebar as well as the September PIOGA Press, page 14).*

New York's denial lays bare its purely political motivation. As if the New York's gamesmanship over deadlines was not enough, NYSDEC rejected a *water certification* based on supposed *air quality* concerns. That alone shows bad faith—but there's more. New York had already granted the all of the necessary air quality permits for the facility. The *Sierra Club* case obviously has nothing to do with a Clean Water Act Section 401 certification. Even more problematic is that NYSDEC is saying FERC's National Environmental Policy Act (NEPA) analysis is inadequate! It is not NYSDEC's job, or that of any other state under the federal system, to evaluate and judge FERC's NEPA analysis. That is the province of FERC and the U.S. Court of Appeals. Topping off the irony is that there no question that CPV's facility coming online with natural gas fuel would reduce greenhouse gas emissions overall, because it would displace current coal-fired resources.

In a well-reasoned and copiously footnoted decision, FERC argued that New York had waived its Section 401 certification rights. As FERC appropriately noted that:

> Congress plainly intended to limit the amount of time that a state could delay a federal licensing proceeding without making a decision on the certification request. This is clear from the plain text. Moreover, the conference report on Section 401 states that the time limitation was meant to ensure that "sheer inactivity by the state ... will not frustrate the federal application.

FERC reached the correct conclusion. The problem of "state veto" frustrating federal jurisdiction pipelines has gone viral and FERC can do only so much.

NYSDEC's treatment of the Millennium application follows its serial Section 401 denials for the Williams Constitution Pipeline in April 2016 and for the NFG Midstream Northern Access Pipeline in April of this year. In both cases, FERC had already concluded its NEPA analysis, finding no environmental impacts that could not be mitigated, and issued FERC certificates. The NYSDEC denials halted both projects despite the FERC approvals.

New York has company in contorting the Clean Water Act state certification process to serve purposes never intended. On September 7, the West Virginia Department of Environmental Protection (WVDEP) took the unprecedented step of actually revoking a Section 401 certification for the Mountain Valley pipeline—a project for which it had granted the Section 401 certification in March 2017 and then reaffirmed it in May!

The Sierra Club immediately appealed WVDEP's original certification to the Fourth Circuit, citing the usual pro forma grounds of "abuse of discretion" with a few other throw-ins, including anti-degradation policy, blasting effects and failure to respond to public comments. On September 7 WVDEP quietly issued a one-paragraph letter, directed not to the project sponsor, Mountain Valley Pipeline Co. (a part of EQT), or to FERC, but rather to the Army Corps of Engineers, revoking the certification it had granted just a few months before. The letter provides no legal or policy rationale at all for WVDEP's about-face and thus only can be assumed to be a political decision.

The important point is that FERC's September 15 decision appropriately vindicates is that the CWA was not intended by Congress to give the states the right to treat §401 certifications to serve ideological agendas, as New York and West Virginia have done in successive weeks. Put another way, Congress did not intend the CWA to allow states to hold consumers and investors hostage or for it to be used as a political weapon) But, unfortunately, states can avoid a waiver, and evade FERC's decision, by simply denying certification—as they have been wont to do. As the former head of a state environmental regulatory agency, I know that if a department wants to deny something, it can figure out a reason, and then figure out 10 more after that. Also, states often in the past have bullied project sponsors into withdrawing perfectly good applications, threatening to deny the certification is the company does not withdraw the application.

So Congress needs to take action to harmonize the Clean Water Act state certification process with the process that has been working well for decades in the federal Coastal Zone Management Act (CZMA). The CZMA's standard for state review is whether the project is in line with the "statutory purpose and national interest" and is administered by a federal cabinet officer (the secretary of commerce, in the case of the CZMA). While such legislative action would take a lot of effort to achieve, it would appropriately rectify this unwarranted "state veto" problem. Without such action, the nation will be left with an inefficient, fragmented patchwork of infrastructure as well as a highly uncertain and unstable investment environment. Consumers and investors will pay for the political games played by a small group of opportunistic actors.

In fact, we at Silent Majority Strategies and Blank Rome have been organizing a critical mass of interested parties to advocate doing just that and we are marshaling the facts, record and approach needed to move forward to accomplish that end. We are seeing interest growing and it needs to grow more. Substantial support from the affected businesses is key. Importantly, this is not only a pipeline issue: the state overreach problem has impacts in many business and infrastructure projects across the board, from transportation projects to virtually every other investment involving construction of anything. The effort will not be an easy one, but it's needed to rectify this unwarranted "state veto" problem. ■

Silent Majority Strategies (no relation to the law firm Blank Rome) is an energy-focused communications, permitting strategy and messaging strategy firm active in the Appalachian Basin on a variety of state and federal messaging, permitting and regulatory matters. Mike Krancer is a former secretary of the Pennsylvania Department of Environmental Protection.

FERC takes first step in accounting for climate change in pipeline reviews

The Federal Energy Regulatory Commission (FERC) is officially accounting for climate change in its pipeline environmental reviews after a major court defeat in August. The commission issued an updated draft supplemental environmental review on September 27 after the D.C. Circuit Court of Appeals said it must account for downstream greenhouse gas emissions from natural gas power plants in pipeline permit decisions.

FERC had not accounted for the emissions from a power plant, or another secondary source, in permitting a new pipeline project since the commission was created 40 years ago.

The new draft supplement now "estimates the greenhouse gas emissions generated by the [Southeast Market Pipelines] Project's customers' downstream facilities," according to a commission statement.

The new draft also describes "the methodology used to determine these estimates, discusses context for understanding the magnitude of these emissions, and addresses the value of using the social cost of carbon tool," according to FERC. The social cost of carbon metric is something the Trump administration is trying to remove from regulations.

The D.C. Circuit Court of Appeals ordered the agency to redo its environmental review in responding to litigation against the agency.

The environmental community took the decision as a major win in trying to roll back pipeline development by having to demonstrate the far-ranging impacts of burning fossil fuels. The ruling would be used to fight and delay pipelines based on whether or not the commission adequately addressed greenhouse gas emissions that are secondary to a pipeline's construction.

FERC has not made a decision on whether it will seek to overturn the ruling in court.

—Washington Examiner

Regulatory/permitting issues
Q&A with Senator Wagner and Representative Benninghoff

By Teresa Irvin McCurdy
President, TD Connections, Inc.

What do you do when your permit application is delayed or a regulation is introduced that will harm your business? Some accept the process and put up with delays, others hire lobbyists to help "persuade" our Department of Environmental Protection into acting on a permit or changing proposed regulations. Lobbyists often use their connections in the legislature to elevate the issue within DEP and the administration. Why?

First, the legislature passes laws, with the governor's approval, which forces DEP or other agencies to draft new regulations or make changes to existing ones. Second, through the budget process they allocate funds to each department, albeit each agency still has some autonomy in how they utilize those funds. Third, the Senate confirms the nominations of department secretaries and can invoke a secretary to testify before them. Finally, some legislators run and do become governor. Therefore, secretaries try to get along with legislators.

I sat down with a state senator and a state representative to ask them questions regarding DEP to get some insights.

1. Please tell us a little about yourself; what drives you?

Wagner: My name is Scott Wagner. I'm a first-term state senator from York County. I also own one of the largest waste management facilities in Pennsylvania. I became a senator because state government is infested with a culture of mismanagement and self-interest, which feeds on honest people and robs them of their earnings and potential. I wake up every single day determined to be the leadership that breaks this cycle. That's what drives me.

In the Senate, I serve as the chairman of the Senate Local Government Committee, vice chairman of the Labor & Industry Committee, and I sit on the Appropriations and Transportation committees. I am active in the York nonprofit community and have or am serving on organizations promoting entrepreneurship and leadership development.

Benninghoff: My name is Kerry Benninghoff and I have had the wonderful privilege of representing the hardworking people of Centre and Mifflin counties, the heart of Penn State country, as state representative since 1996. I am a fiscal conservative and an outspoken advocate for government reform and transparency, lower taxes, and reining in excessive government spending.

I was elected by my colleagues for the last two legislative sessions to serve on the leadership team as the House Majority Policy Committee chairman. The committee travels across the state conducting hearings on important issues, gathering testimony and information from key stakeholders, in order to develop sound policies for the House to consider. Previously, I served as chairman of the House Majority Finance Committee. Prior to serving as state representative, I worked as a hospital orderly and was Centre County coroner for two terms.

My highest priority and inspiration in life has been and continues to be my five children. I now have the joy of being not only a dad, but a "Pap Pap" to my two grandchildren.

2. In hearing from your constituents regarding DEP, are they all bad or are some good?

Wagner: DEP is one of the state agencies that I hear the most complaints about. There is a strong perception among the public that DEP exists to prevent economic growth rather than to protect the environment. I often joke that DEP doesn't stand for Department of Environmental Protection but rather "Don't Expect Permits." This is something that needs to be changed either through legislation or by the administration, whether it be this one or the next.

Benninghoff: Both in my district and throughout Pennsylvania, I hear stories of economic development projects being held up, and in some cases prevented, by state government agencies like DEP. These projects would allow farmers and small business owners to expand their operations, provide employment opportunities for Pennsylvanians and ensure our low-cost energy resources make their way to market. They are too important to our communities to be delayed.

Far too many projects, from major infrastructure like pipelines and roads, to smaller projects like a carwash back home, have been stalled because of an inefficient, cumbersome, confusing and unpredictable permitting process. Unfortunately, our flawed and lengthy process signals to businesses that their investment is not welcome here. That is just not unacceptable.

3. The regulated community has expressed that DEP oversteps its authority when drafting regulations, general permits and guidance documents and then implementing them. Do you have a plan to address this?

Wagner: While traveling across the state, I heard too many tragic stories about DEP bringing businesses and jobs to a halt. Past DEP secretaries, with certain environmental agendas, wrote and implemented many rules and regulations that were not based on sound science or the "best available technology."

When a potential job creator goes to the bank to get a loan, the bank wants to know the business will remain in existence until the loan is paid back. Under the current regulatory environment there is zero assurance that a business won't be regulated out of existence.

We can change this by ensuring that regulations are only updated when absolutely necessary, that they follow legislative language and intent, and are never expanded without authority. Existing regulations should be reviewed for clarity, conflicts and should be translated into plain language so they are easier to understand and follow. If new regulations are required, then a serious look at the cost and benefits should be considered to ensure that the new regulations won't cause irreparable harm to existing businesses.

Benninghoff: The protection of Pennsylvania's air, land and water for future generations must be the driving force and rationale behind all new regulations, general permits and guidance documents generated by DEP. It is not appropriate to use these tools as an avenue to crush job creators simply for the sake of more government involvement and oversight. Unfortunately, there have been too many instances where DEP has used and even overreached their authority to create excessive requirements and a burdensome process without any true environmental cause or benefit.

I am working with my colleagues in both chambers on legislation to address this very concern. One proposal would create a review process for new "products" issued by the DEP, such as general permits, that would require proof of legislative authority to create such a permit, ensure transparency in the process, and require the agency demonstrate the driving environmental harm and/or benefit that necessitated the change.

4. Economic development has been stymied by delays in obtaining timely permits. Programs like the Permit Decision Guarantee (PDG) were set up to solve the issue, yet it continues. How can this be resolved? How can we bring stability to permitting so the regulated community is comfortable doing business in Pennsylvania?

Wagner: When the DEP doesn't issue permits, businesses don't operate and people don't work. With a leader who understands this simple concept and governs accordingly, Pennsylvania will be an economic powerhouse—one booming with jobs, opportunity and prosperity.

A man in the oil patch said that while holding up a wrench in one hand he was making money, but when holding a pen in the other hand he was losing money. The burdensome reporting and paperwork required by DEP is designed to keep businesses in a constant state of justifying their existence. In the eyes of the DEP it seems you are "guilty until you prove yourself innocent." This way of thinking must be changed.

Again, it comes down to leadership. When Pennsylvania has a governor whose administration regards the business community as the valuable job creators they are, they will have all the confidence, support and cooperation they need to do business in the Commonwealth.

Benninghoff: If we want to move Pennsylvania forward and ensure we don't continue to lose jobs, we must have a reasonable regulatory environment and permitting process that is responsive to businesses trying to create jobs. Even with initiatives like the PDG, I continue to hear of lengthy, unjustifiable delays.

I am currently working on legislation to insert predictability, transparency and accountability into the permitting process. The legislation would not change or decrease any environmental protections, but would give businesses the ability to plan their projects effectively, not reside in indefinite permitting limbo, as they often do. Concepts being considered include deeming certain permits approved when DEP fails to meet the review and decision timeframes required by law without adequate justification, and applying private sector efficiencies through the use of certified third-party permit reviewers.

We need to protect our environment and not regulate job creators out of business. These goals, I believe, can be accomplished at the same time. ■

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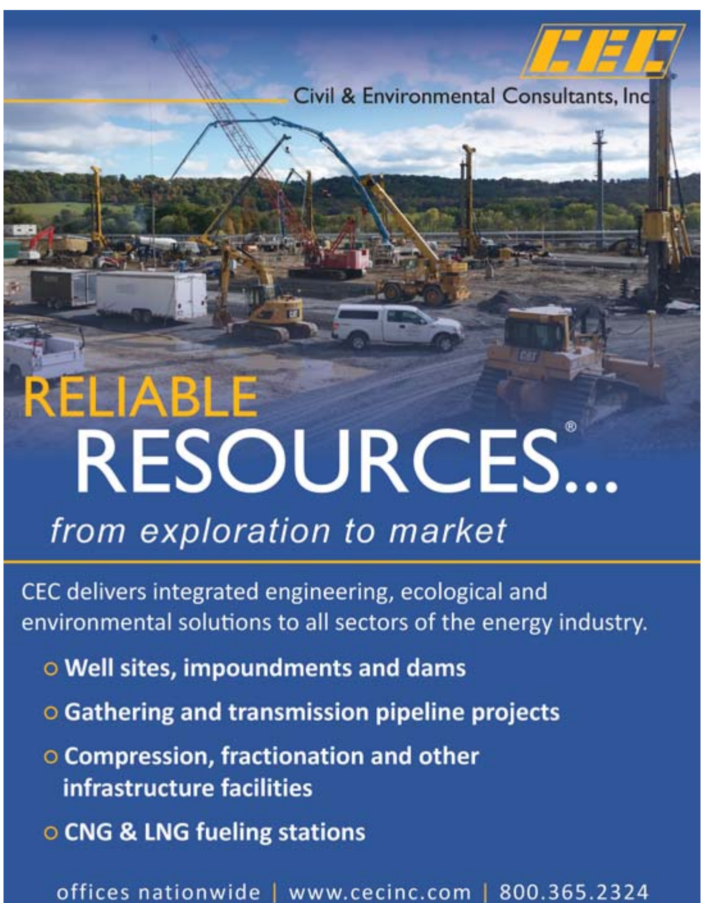


BC3 ready to train companies to douse fires. Are you?

By Tom Baughman
Butler County Community College

Industrial site or manufacturing facility fires cause 18 civilian deaths, 279 civilian injuries and $1 billion in direct property damage each year, according to an April 2016 National Fire Prevention Association report.

Are you ready?

Structure fires account for 20 percent of the blazes, but 47 percent of civilian deaths, 82 percent of civilian injuries and 69 percent of direct property damage.

Are you ready?

Heating equipment is blamed for 14 percent of structure fires in industrial site or manufacturing facilities, as are shop tools and industrial equipment.

Are you ready?

Ignition from a mechanical failure or malfunction contributes to 24 percent of structure fires at industrial sites or manufacturing facilities, 23 percent of civilian injuries and 21 percent of direct property damage.

Are you ready? What is your emergency action plan?

Butler County Community College (BC3), an industrial safety and industrial fire brigade training provider, was asked to provide fire extinguisher training to a gas and oil industry partner. The old controlled-pan fire was not going to do. We developed a four-hour industrial fire extinguisher class designed for office and industry workers to safely know when and how to use fire extinguishers to control or douse a blaze in the incipient stages.

The course included classroom instruction to teach fire safety, communication with agencies responding to a blaze and different types of fires in which employees may be involved. Hands-on training is conducted with controlled-pan fires, leaking flange props, natural gas props and scenarios utilizing props that are used to provide industrial fire brigade training.

The idea of this training is to ensure that employees can use a fire extinguisher and act responsively to fire situations in an industrial setting, determine when to fight or take flight. They will look for and know escape routes. They will know how to communicate with responding agencies. They will experience real-life scenarios in an industry setting.

Are you ready?

The number of deaths, injuries and amount of property damage would fall if fires can be extinguished at the beginning or incipient stage, defined by the Occupational Safety and Health Administration as a blaze that can be controlled or doused by portable fire extinguishers, Class II standpipe or small-hose systems without the need for protective clothing or breathing apparatus.

So wouldn't it be better to have a trained industrial fire brigade? Wouldn't it be better to know when to fight or take flight?

Employers are generally required by OSHA to provide portable fire extinguishing equipment for use in fighting incipient-stage fires in the workplace. However, its 29 CFR 1910.157 requirement provides alternatives for employers who do not want their employees to fight incipient-stage fires in the workplace. Employers who opt for the evacuation of all or most employees to a safe area do not have to comply with certain requirements of 1910.157, depending on the option chosen.

An employer can opt to evacuate all employees to safety when a fire occurs, and those who do so are relieved from compliance with 1910.157 unless a specific standard in part 1910 requires that portable fire extinguishers be provided. If the employer selects this option, compliance with 1910.38(a) and (b) is required through 1910.157(b)(1).

An employer also can opt to evacuate all employees except those designated to use portable fire extinguishers, and those who do so need not comply with the distribution requirements of 1910.157(d). This option allows for the employer to distribute extinguishers in a manner such that they are available to the employees designated to fight incipient stage fires. If the employer selects this option, compliance with 1910.38(a) is required through 1910.157(b)(2).

Additionally, an employer can also opt to keep portable fire extinguishers in the workplace but not want employees fighting fires and therefore evacuates workers to safety. OSHA recognizes that portable fire extinguishers may be required in the workplace by organizations such as insurance companies or local fire departments. Portable fire extinguishers not intended for employee use may still pose a hazard if they are not properly maintained. Employers who select this option must comply only with the maintenance, inspection and testing requirements in paragraphs (e) and (f) of 1910.157.

Employers who do not select any of these options but instead provide portable fire extinguishers for use by any employee to use in fighting incipient-stage fires must comply with 1910.157 in its entirety.

Employers who provide portable fire extinguishers for employee use must provide an educational program to familiarize all workers with the general principles of fire extinguisher use [1910.157(g)(1) and (g)(2)]. Employees who are expected to use portable fire extinguishers must be provided with "hands-on" training in the use of the fire extinguishing equipment [1910.157(g)(3)]. If the employer chooses to comply with all of 1910.157, there is no requirement to comply with 1910.38.

Are you ready? Do you have portable fire extinguishers available? Do you hold training annually?

OSHA Requirement 1910.157(g)(1) states: Where the employer has provided portable fire extinguishers for employee use in the workplace, the employer shall also provide an educational program to familiarize employees with the general principles of fire extinguisher use and the hazards involved with incipient stage firefighting.

Requirement 1910.157(g)(2) states: The employer shall pro-

Safety Committee Corner

vide the education required in paragraph (g)(1) of this section upon initial employment and at least annually thereafter.

Requirement 1910.157(g)(3) states: The employer shall provide employees who have been designated to use firefighting equipment as part of an emergency action plan with training in the use of the appropriate equipment.

Requirement 1910.157(g)(4) states: The employer shall provide the training required in paragraph (g)(3) of this section upon initial assignment to the designated group of employees and at least annually thereafter.

Should you decide to go the route of using fire extinguishers in your action plan, what is the best method of training?

Are you ready? What is your emergency action plan?

PIOGA's Safety Committee and Butler County Community College are offering fire extinguisher training as part of PIOGA's Technical Training Series on November 9 at BC3. Check the PIOGA Events section at www.pioga.org. ■

Interested in more information on this topic? Contact Tom Baughman, energy/safety specialist, Butler County Community College, 724-287-8711 ext. 8155 or thomas.baughman@bc3.edu.

PIOGA holds training on root cause accident investigations

PIOGA® PIOGATech
Pennsylvania Independent Oil & Gas Association
PIOGA's Technical Seminar Series

The Safety Committee hosted its second ***PIOGATech series training*** held on September 14, and the focus was root cause accident investigations (RCA). As safety is a top priority for the oil and gas industry, if an incident does occur, understanding how to prevent the causes of near misses and undesirable incidents is imperative.

Participants learned that managing a successful RCA requires a well-organized and systematic approach and heard directly from a panel of regulatory and industry experts on tips, tools and strategies for completing a comprehensive and successful RCA. In addition to the seminar, attendees were provided access to the presentations for future reference and earned continuing education credits.

Our special thanks go out to our presenters: Vance Delsignore and Jan Oleszewski from OSHA, Kirk Elkin from Diversified Gas and Oil, Alex Duranko from SE Technologies and Patrick Dennison from Jackson Kelly PLLC. In addition, PIOGA extends a sincere thank-you to Vince Conrad, Steve Schlaegle and Michael Callaghan from RJ Lee Group for hosting us at their venue and to Jody Eldridge from New Pig Energy for her coordination efforts to make this training a success.

Save the date for the next Safety PIOGATech on November 9 on "Industrial Fire Extinguisher Training—not your Everyday Fire Extinguisher Class." ■

Alex Durango from SE Technologies presented Incident Investigation Tips & Techniques aka "The Lumberjack's Guide to RCA Trees."

PIOGA happenings

PGMD visits Columbia Gas training facility

The Pipeline and Gas Market Development Committee held its September meeting at the Columbia Gas of Pennsylvania training center in Monaca. Linda Crowley, leader of technical training, gave PIOGA members a tour of the $10-million, 22,000-square-foot facility. The center provides training in all aspects of the job for field personnel—from learning how to walk on slippery surfaces to operating equipment to troubleshooting natural gas-related problems in businesses and residences. The facility can simulate virtually any scenario that field staff and Columbia contractors might encounter.

"Come Wine With Us"

More than 30 members and guests turned out on September 20 to enjoy an after-work networking event at Wooden Door Winery in New Kensington. Our thanks to event sponsors Ergon, Stream-Flo USA, CP Industries, Langan Engineering and Environmental Services, McCutcheon Enterprises, and Well Service Group. Watch your email or check the PIOGA Events section of our website for networking events coming up in November and December.

PIOGA Women's Energy Roundtable

Beth Powell, president of New Pig Energy, led a discussion during a PIOGA Women's Energy Roundtable (PoWER) held before the October 5 Annual Membership Meeting. The event focused on how unconscious feelings play a strong part in influencing our judgement of certain people and groups.

Pennsylvania Environmental Hearing Board applies new standard announced by Supreme Court in PEDF

Authors:

Jean M. Mosites

Shannon DeHarde

Babst Calland Attorneys at Law

On June 20, the Pennsylvania Supreme Court issued a decision in *Pennsylvania Environmental Defense Foundation v. Commonwealth* (*PEDF*) rejecting the long-standing test for analyzing claims brought under the Environmental Rights Amendment (ERA) contained in Article I, Section 27 of the Pennsylvania Constitution. In its decision, the court set aside the three-part test that was utilized in *Payne v. Kassab* and replaced it with a standard based on "the text of Article I, Section 27 itself as well as the underlying principles of Pennsylvania trust law in effect at the time of its enactment." The court did not, however, provide a definitive test to be applied in the permitting context. On August 15, the Pennsylvania Environmental Hearing Board issued its first opinion interpreting and applying the new ERA standard in the permit appeal context. Other matters before the board raise claims under the ERA, the resolution of which will shape the contours of this evolving area of law.

Center for Coalfield Justice and Sierra Club v. DEP

In *Center for Coalfield Justice and Sierra Club v. DEP*, No. 2014-072-B, the Center for Coalfield Justice (CCJ) and Sierra Club filed third party appeals arguing that, in addition to violating the Clean Streams Law and the Mine Subsidence Act, the Department of Environmental Protection violated the ERA by issuing two longwall mining permit revisions to Consol Pennsylvania Coal Company, LLC. The first permit revision, Revision No. 180, allowed Consol to expand its longwall mining operation into areas adjacent to and underlying Ryerson Station State Park. Revision No. 180 specifically precluded Consol from mining under the Polen Run and Kent Run streams. The second permit revision, Revision No. 189, authorized Consol to conduct longwall mining under Polen Run. CCJ and Sierra Club claimed both revisions violated the ERA because the mining operations would impact the flow of the streams.

In a decision authored by Judge Steven Beckman, the board discussed the *PEDF* decision and applied a two-prong test based on the Pennsylvania Supreme Court's opinion. Under the first prong, the board considered whether the department's action protected the rights granted to Pennsylvania citizens under the ERA. The ERA provides for: (i) the right to clean air and pure water, and to the preservation of natural, scenic, historic and aesthetic values of the environment; and (ii) common ownership by the people, including future generations, of Pennsylvania's public natural resources. To determine whether the rights were adequately protected, the board analyzed whether the department considered the potential environmental effects of its permitting action and whether that action was likely to cause, or in fact did cause, unreasonable degradation or deterioration of the protected environmental resource. Where a potential impact was identified, the board then considered whether the impact was unreasonable. Under the second prong, the board considered whether the department complied with its trustee duties by prohibiting an unreasonable degradation, diminution and depletion of Pennsylvania's public natural resources and by acting affirmatively to protect the environment.

The board first held that Revision No. 189 violated the ERA because the revision did not comply with the Clean Streams Law and the Mine Subsidence Act, stating "at a minimum, a Department permitting action that is not lawful under the statutes and regulations in place to protect the waters of the Commonwealth, cannot be said to meet the Department's trustee responsibility under Article I, Section 27 and is clearly a state action taken contrary to the rights of citizens to pure water."

Applying the foregoing test, the board held that the Revision No. 180 issuance did not violate the ERA. Specifically, the board held that the department sufficiently considered the potential impact of Consol's longwall mining operations, as evidenced by the multiple permit revisions, public hearing and comment period, and preclusion of mining under certain streams. The board further held that a temporary interruption of streamflow resulting from the mining permitted by Revision No. 180 was not unreasonable because those impacts were temporary and limited as compared to the benefits of the longwall mining industry on the general welfare and prosperity of Pennsylvania citizens. Finally, the board held that the department satisfied its trustee duties by acting to conserve and maintain the two streams under which it precluded Consol from mining.

Consol appealed the decision to the Commonwealth Court on September 14, but the briefing has not yet begun.

Siri Lawson v. DEP and Hydro Transport LLC

On July 6, Warren County resident Siri Lawson appealed the department's approval of Hydro Transport LLC's plan to spread production or treated brine from conventional oil and gas operations for dust management on roads in Sugar Grove and Farmington townships in Warren County. She claims the department violated the ERA because the brine spreading approval omits operating requirements that are reasonably likely to protect the waters or the air of the Commonwealth. This appeal is pending with the board, with discovery to be completed by November 6. The case is docketed at 2017-051-B.

Delaware Riverkeeper Network v. DEP

On October 13, 2014, Delaware Riverkeeper Network, Clean Air Council, David Denk, Jennifer Chomicki, Anthony Lapina and Joann Groman appealed six unconventional drilling permits that were issued to R.E. Gas Development in Middlesex Township, Butler County. Appellants claimed the issuance of the permits violated the ERA because: (i) the wells were to be sited within a residential-agricultural zone that is an unsuitable area for natural gas development; and (ii) they authorized a nuisance. The board heard the case in December 2016. Post-hearing briefing closed in April 2017. On July 21, the board ordered the parties to submit supplemental post-hearing briefs discussing the new ERA standard under *PEDF*. In their post-hearing brief, appellants argued that *PEDF* requires the board to apply strict scrutiny to determine whether: (i) there is an intrusion of a fundamental right; (ii) if there is an intrusion, whether the department has a compelling interest in the intrusion; (iii) whether the department used the least restrictive means to achieve its purpose; and (iv) whether the department's purpose is consistent with the ERA. The department argued that the *PEDF* decision did not change the burden of proof and, under *PEDF*, the board must determine: (i) whether the issuance of the permits unreasonably impaired the appellants' rights under the ERA; and (ii) whether the issuance of the permits caused unreasonable degradation, diminution, and depletion of Pennsylvania's public natural resources. The appeal is docketed at 2014-142-B.

Friends of Lackawanna v. DEP and Keystone Sanitary Landfill

On May 7, 2015, appellant Friends of Lackawanna appealed an operating permit renewal issued to Keystone Sanitary Landfill, arguing that the renewal violated the ERA because it would impact groundwater and surface water. The hearing was held in January 2017. On June 27, the board allowed the parties to submit supplemental post-hearing briefs discussing the *PEDF* decision. In its supplemental brief, the appellant argued that the board must apply strict scrutiny and consider the following factors in assessing whether the department complied with the ERA: (i) whether degradation will occur; (ii) whether "some individuals benefit at the expense of others' right to a healthy place to live;" (iii) whether the action will increase the "inequity of environmental burdens" encountered by the community; and (iv) whether there is sufficient information to determine the impacts. The department argued that the board must assess whether the department's actions "unreasonably impaired" the rights granted under the ERA. The case is docketed at 2015-063-L.

What's next?

The *Center for Coalfield Justice & Sierra Club v. DEP* appeal will be the first opportunity for the Commonwealth Court to review the board's application of the *PEDF* decision, in this case to a permitting decision by the department. While that appeal remains pending, the board's opinion will serve as the framework by which the cases summarized above and others will be adjudicated. ■

For more information regarding interpretation of the ERA in matters before the Environmental Hearing Board, contact Jean M. Mosites at 412-394-6468 or jmosites@babstcalland.com or Shannon DeHarde at 412-394-5432 or sdeharde@babstcalland.com.

U.S. House Passes Thompson's Cooperative Management of Mineral Rights Act

Bill protects energy production, private mineral owners in Pennsylvania's Allegheny National Forest

The U.S. House of Representatives on October 2 unanimously passed Pennsylvania Congressman Glenn "GT" Thompson's bill that protects oil and gas production in the Allegheny National Forest (ANF).

H.R. 2316, the Cooperative Management of Mineral Rights Act, clarifies existing law relating to energy production in the ANF.

A federal law passed in 1992 required the Forest Service to write new regulations on oil and gas production in the ANF. However, federal courts—thanks to litigation initiated by the Pennsylvania Oil & Gas Association and seen to fruition by PIOGA—have repeatedly ruled that the Forest Service does not have the authority to do so because more than 90 percent minerals in the 500,000-acre national forest is privately owned. Thompson's bill, which is consistent with the findings of the courts, corrects federal law by repealing the improper 1992 requirement.

"Federal courts have ruled that the U.S. Forest Service does not hold the legal authority to further regulate accessing oil and gas in the Allegheny National Forest," Thompson said. "This legislation will prevent future lawsuits that impede oil and gas production and will ensure that individuals with subsurface rights can access their property. With overwhelming bipartisan support again in the House, I look forward to working with the Senate and the president to have this legislation signed into law."

The bill also contains protections for timbering and ensures that existing timbering authorities granted to the Forest Service will not be changed. A previous version of the bill was passed by the full House in 2016. ■

DEP announces alternative fueling grant opportunities

Fueling infrastructure grants. The Department of Environmental Protection has announced the availability of approximately $1 million in grants to support publicly accessible alternative fuel infrastructure projects, including compressed natural gas and propane, in designated major transportation corridors. Specific sections of interstates located in Pennsylvania—I-76, I-276, I-476, I-70, I-95 and I-80—are the sole focus of this grant program.

The funding is made possible through the Commonwealth's FAST (Fixing America's Surface Transportation) Act. This special solicitation under the AFIG (Alternative Fuels Incentive Grants) Program is designed to provide long-term certainty for surface transportation infrastructure planning and investments, the department explained.

Individual project awards will provide up to a 50 percent reimbursement, capped at $500,000. Proposed projects must be standalone and cannot rely on receiving funding from multiple applications. The facilities must be publicly accessible 24/7, include an open and common payment platform, feature standardized nozzles and connectors, be co-located with convenient consumer amenities at safe locations and be situated within 5 miles of one of the eligible corridors.

The application deadline is November 17.

Alternative Fuel Vehicle Program revisions. DEP also announced the continued availability of grants under the Alternative Fuel Vehicle (AFV) Rebate Program. The program provides rebates to assist with the incremental costs of purchasing an AFV.

Qualifying vehicles must be operated primarily in Pennsylvania, and rebate request forms and required documentation must be submitted to the department no later than six months after the vehicle is purchased. DEP announced the following revisions have been made to the program:

• The purchase price of any vehicle eligible for a rebate must be less than $50,000.

• One-time pre-owned AFVs with 75,000 miles or less and a true market value of $50,000 or less will be eligible to receive a rebate provided they meet certain conditions.

Full details about both types of grant opportunities are at www.dep.pa.gov/Citizens/GrantsLoansRebates/Alternative-Fuels-Incentive-Grant/Pages/default.aspx. ■

PIOGA Member News

Nicole Rebyanski has been promoted by CP Industries to director of sales and marketing responsible for alternative fuels. In addition to her continued efforts in ground storage, transportation and on-board vehicle CNG platforms, she will be responsible for providing customer, product and sales support for hydrogen fuel cell vehicles globally. She will also continue to lead the company's marketing initiatives. CPIs serves the global market providing storage solutions for industrial gas, offshore, defense and alternative-fuel storage applications.

New PIOGA members — *welcome!*

B&R Resources, LLC
33275 Coachmen Lane, Solon, OH 41139
440-759-3506
Producer

Locus Bio-Energy Solutions, LLC
137 E. Dublin Granville Road, Suite D, Worthington, OH 43085
614-403-2672 • www.locusbio.com
Service Provider—microbial based solutions for enhanced oil recovery and paraffin control

Signature Systems Group
1201 Lakeside Parkway #150, Flower Mound, TX 75028
972-684-5736 • www.signaturecorp.com
Service Provider—heavy duty composite matting designed to create platforms and roadways to support extreme weight

PIOGA Member Profiles

Introduce your company

Introduce your company and tell other members what you offer to Pennsylvania's oil and gas industry. The guidelines for making a PIOGA Member Profile submission are:

• Include a brief history of your company. When and where was it founded, and by whom? Is the company new to the oil and gas industry in general or to Pennsylvania?

• Describe the products and services you offer specifically for the oil and gas industry. Do you have a product in particular that sets your company apart from the competition?

• If applicable, tell how the business been positively impacted by Pennsylvania's oil and gas industry. Have you expanded, added employees or opened new locations?

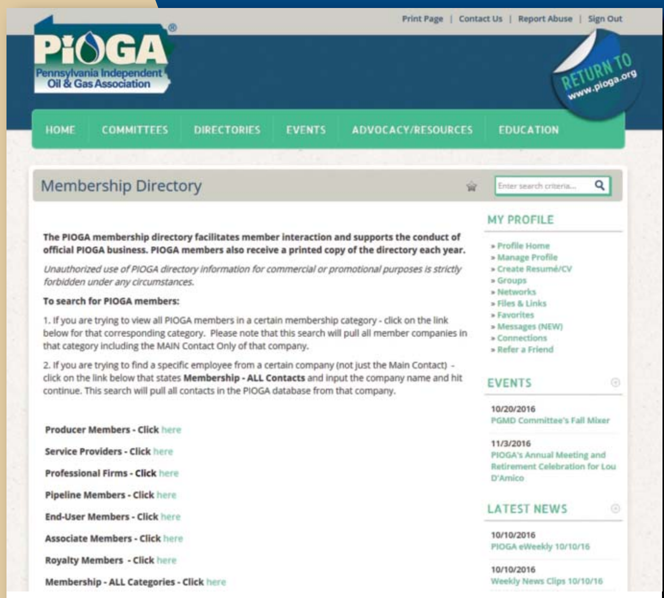
• Include a website address and/or phone number.

• Your submission may be a maximum of 400-450 words and should be provided as a Word document. Use minimal formatting—bold and italic fonts are OK, as are bulleted or numbered lists. Your submission is subject to editing for length, clarity and appropriateness.

• Include your company logo or a photo. Images must be high-resolution (300 dots/pixels per inch or higher) and in any common graphics format. Please include identifications for any people or products in a photo. Send image files separately, not embedded in your document.

Email material to Matt Benson at matt@pioga.org. This is a free service to our member companies and publishing dates are at the discretion of PIOGA. If you have questions, email Matt or call 814-778-2291.

Are you taking advantage of PIOGA's online Members' Only system?



Here are some of the things you can do:

- Connect with other members
- Register for PIOGA events
- Search for products and services
- Access committee resources
- Update your membership profile
- Pay your dues
- Company main contacts can add/ delete other company contacts
- Update your profile
- Take advantage of government advocacy and education resources

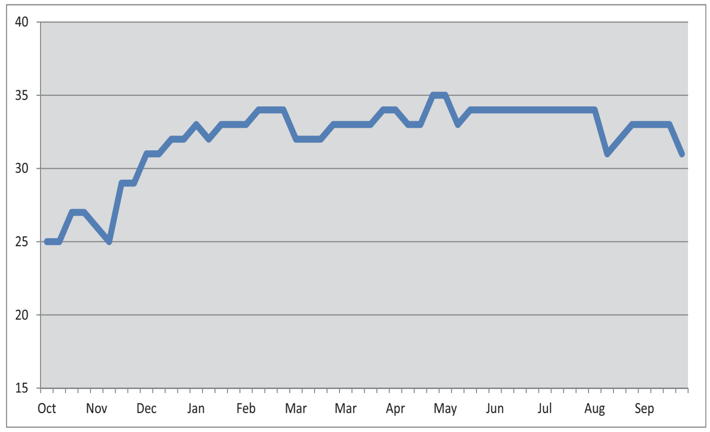
It's easy and fast to log into your account!

Just click on the Members Only link at the top of our homepage, **www.pioga.org**, and input your username (usually your email address) and password. If you don't remember your password, just click *Reset my password* and you'll receive a new one via email.

Try it today!

Oil & Gas Trends

Pennsylvania Rig Count



Penn Grade Crude Oil Prices

Natural Gas Futures Closing Prices

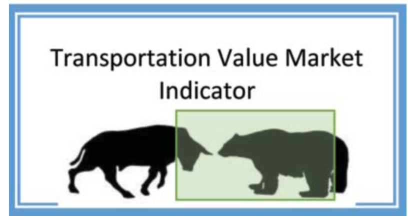
Month	Price
November 2017	2.837
December	3.017
January 2018	3.138
February	3.150
March	3.120
April	2.908
May	2.885
June	2.911
July	2,940
August	2.945
September	2.926
October	2.948

Prices as of October 9

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-reportsother
NYMEX strip chart: Emkey Energy LLC, emkeyenergy.com

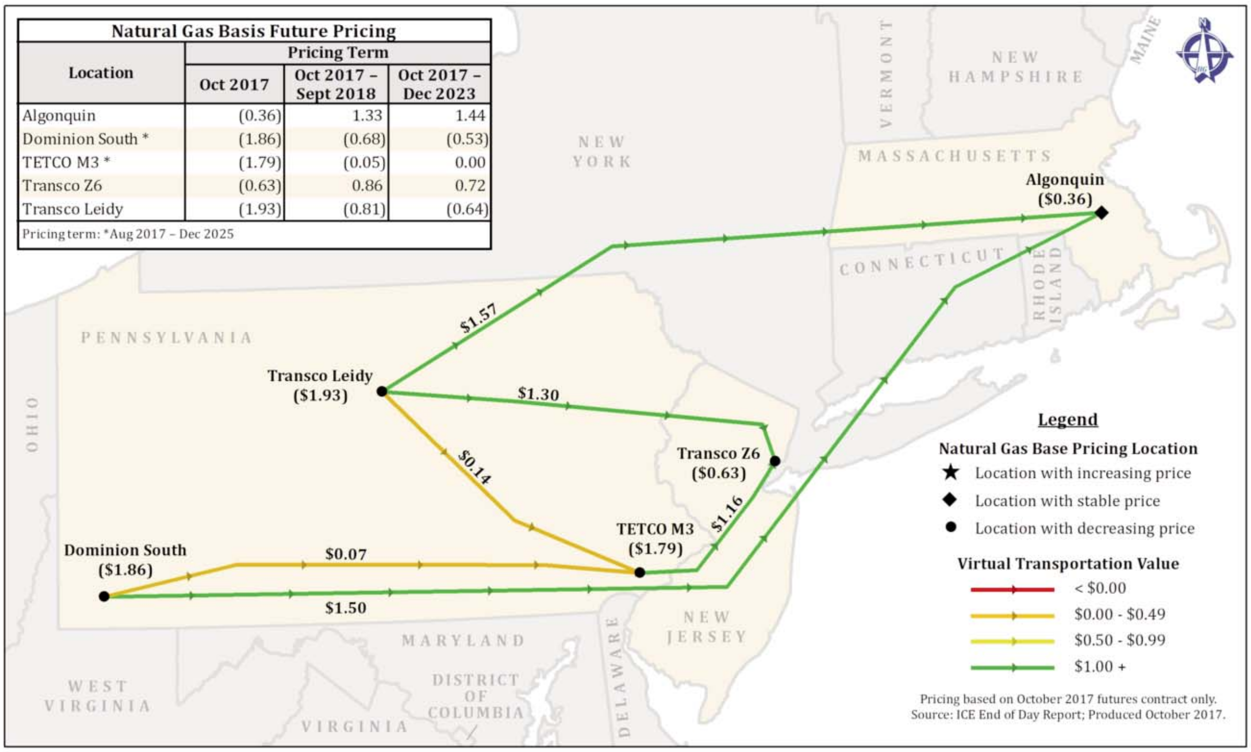
Northeast Pricing Report — October 2017



For both the front month and one-year term pricing, Algonquin was the only trading point that increased. The increase was $0.32 per MMBtu for the front month and only $0.06 per MMBtu for the one-year term. The decrease for the other trading points ranged from $0.14 to $0.77 per MMBtu for the front month to $0.09 to $0.18 per MMBtu for the one-year term. For the length of contract price term, Algonquin was flat while the other trading points declined at or close to $0.05 per MMBtu.

The only transportation route that saw a decrease was Transco Leidy to TETCO M3 by $0.04 per MMBtu. Transco Leidy to Transco Z6 and TETCO M3 to Transco Z6 increased of $0.59 and $0.63 per MMBtu respectively. Dominion South to Algonquin and Transco Leidy to Algonquin increased $1.09 to $1.05 per MMBtu, respectively.

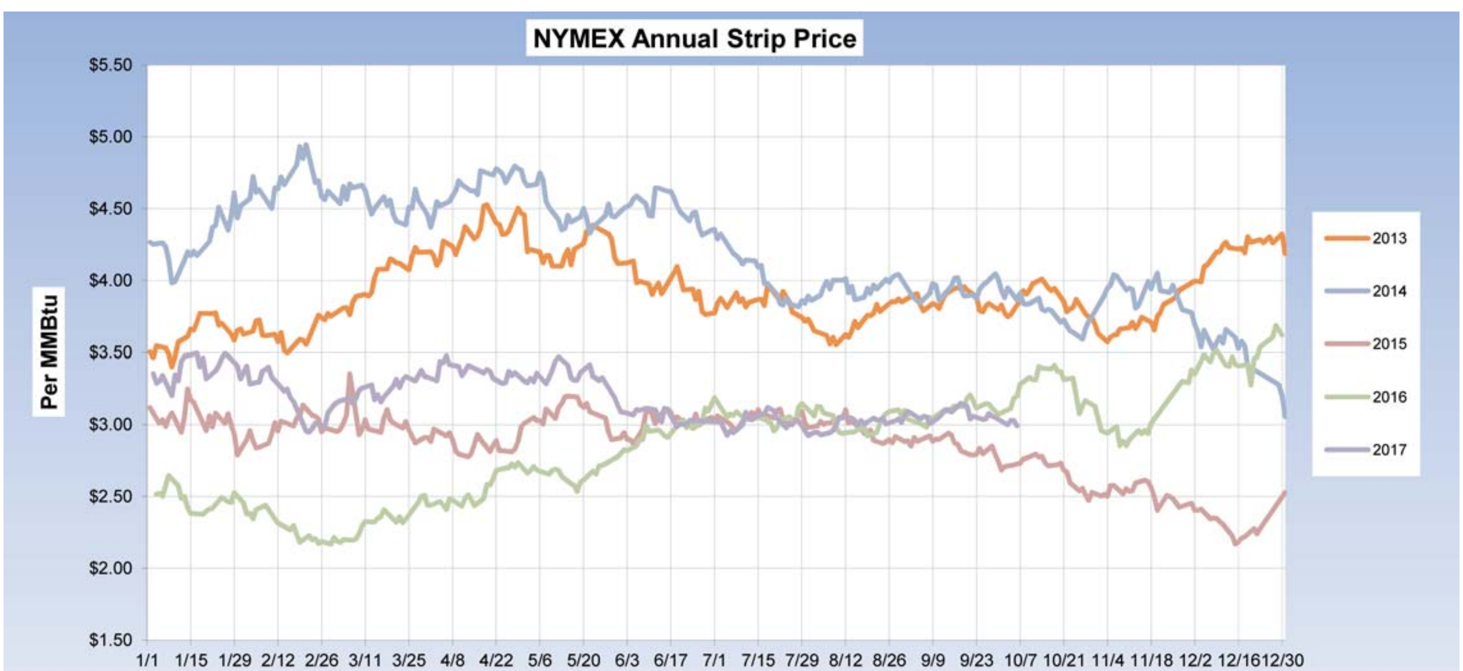
Provided by Bertison-George, LLC • *www.bertison-george.com*



Natural Gas Basis Future Pricing

Location	Pricing Term		
	Oct 2017	Oct 2017 – Sept 2018	Oct 2017 – Dec 2023
Algonquin	(0.36)	1.33	1.44
Dominion South *	(1.86)	(0.68)	(0.53)
TETCO M3 *	(1.79)	(0.05)	0.00
Transco Z6	(0.63)	0.86	0.72
Transco Leidy	(1.93)	(0.81)	(0.64)

Pricing term: *Aug 2017 – Dec 2025



Spud Report: September

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

OPERATOR	WELLS	SPUD	API #	COUNTY	MUNICIPALITY
ARD Operating LLC	2	9/1/17	081-21699*	Lycoming	Cascade Twp
		9/1/17	081-21700*	Lycoming	Cascade Twp
Blackhawk Energy LLC	1	9/26/17	083-56937	McKean	Wetmore Twp
Cabot Oil & Gas Corp	12	9/14/17	115-22337*	Susquehanna	Brooklyn Twp
		9/14/17	115-22338*	Susquehanna	Brooklyn Twp
		9/14/17	115-22339*	Susquehanna	Brooklyn Twp
		9/14/17	115-22340*	Susquehanna	Brooklyn Twp
		9/29/17	115-22308*	Susquehanna	Harford Twp
		9/29/17	115-22305*	Susquehanna	Harford Twp
		9/29/17	115-22306*	Susquehanna	Harford Twp
		9/29/17	115-22307*	Susquehanna	Harford Twp
		9/29/17	115-22309*	Susquehanna	Harford Twp
		9/29/17	115-22310*	Susquehanna	Harford Twp
		9/29/17	115-22311*	Susquehanna	Harford Twp
		9/29/17	115-22312*	Susquehanna	Harford Twp
Cameron Energy Co	2	9/5/17	123-48088	Warren	Sheffield Twp
		9/19/17	123-48090	Warren	Sheffield Twp
Chief Oil & Gas LLC	9	9/17/17	015-23321*	Bradford	Overton Twp
		9/17/17	015-23320*	Bradford	Overton Twp
		9/17/17	015-23324*	Bradford	Overton Twp
		9/17/17	015-23325*	Bradford	Overton Twp
		9/18/17	015-23370*	Bradford	Overton Twp
		9/18/17	015-23368*	Bradford	Overton Twp
		9/18/17	015-23369*	Bradford	Overton Twp
		9/18/17	015-23366*	Bradford	Overton Twp
		9/18/17	015-23367*	Bradford	Overton Twp
CNX Gas Co LLC	7	9/18/17	059-27419*	Greene	Richhill Twp
		9/19/17	125-28269*	Washington	East Finley Twp
		9/22/17	125-28278*	Washington	East Finley Twp
		9/22/17	125-28277*	Washington	East Finley Twp
		9/28/17	125-28326*	Washington	East Finley Twp
		9/28/17	125-28327*	Washington	East Finley Twp
		9/28/17	125-28276*	Washington	East Finley Twp
EQT Production Co	4	9/16/17	003-22425*	Allegheny	Forward Twp
		9/16/17	003-22426*	Allegheny	Forward Twp
		9/22/17	059-27428*	Greene	Washington Twp
		9/22/17	059-27427*	Greene	Washington Twp
Inflection Energy (PA) LLC	1	9/28/17	081-21660*	Lycoming	Hepburn Twp
PennEnergy Resources LLC	6	9/13/17	019-22613*	Butler	Winfield Twp
		9/13/17	019-22614*	Butler	Winfield Twp
		9/13/17	019-22615*	Butler	Winfield Twp
		9/14/17	019-22616*	Butler	Winfield Twp
		9/14/17	019-22617*	Butler	Winfield Twp
		9/15/17	019-22661*	Butler	Winfield Twp
Pennfield Energy LLC	1	9/26/17	121-46151	Venango	Allegheny Twp
		9/28/17	121-46152	Venango	Allegheny Twp
Range Resources Appalachia	21	9/25/17	007-20501*	Beaver	IndependenceTwp
		9/25/17	007-20502*	Beaver	IndependenceTwp
		9/25/17	007-20506*	Beaver	IndependenceTwp
		9/25/17	007-20503*	Beaver	IndependenceTwp
		9/25/17	007-20504*	Beaver	IndependenceTwp
		9/25/17	007-20505*	Beaver	IndependenceTwp
		9/27/17	125-28213*	Washington	Blaine Twp
		9/27/17	125-28191*	Washington	Blaine Twp
		9/27/17	125-28192*	Washington	Blaine Twp
		9/27/17	125-28193*	Washington	Blaine Twp
		9/27/17	125-28194*	Washington	Blaine Twp
		9/28/17	125-28107*	Washington	Robinson Twp
		9/28/17	125-28113*	Washington	Robinson Twp
		9/28/17	125-28112*	Washington	Robinson Twp
		9/28/17	125-28077*	Washington	Robinson Twp
		9/6/17	125-28232*	Washington	S Strabane Twp
		9/7/17	125-28237*	Washington	S Strabane Twp
		9/7/17	125-28233*	Washington	S Strabane Twp
		9/7/17	125-28234*	Washington	S Strabane Twp
		9/8/17	125-28236*	Washington	S Strabane Twp
		9/8/17	125-28235*	Washington	S Strabane Twp
Rice Drilling B LLC	6	9/18/17	059-27339*	Greene	Aleppo Twp
		9/18/17	059-27341*	Greene	Aleppo Twp
		9/19/17	059-27343*	Greene	Aleppo Twp
		9/19/17	059-27338*	Greene	Aleppo Twp
		9/19/17	059-27342*	Greene	Aleppo Twp
		9/20/17	059-27340*	Greene	Aleppo Twp
Snyder Bros Inc	1	9/5/17	005-31286*	Armstrong	Boggs Twp
SWEPI LP	4	9/19/17	117-21916*	Tioga	Chatham Twp
		9/20/17	117-21915*	Tioga	Chatham Twp
		9/22/17	117-21917*	Tioga	Chatham Twp
		9/23/17	117-21914*	Tioga	Chatham Twp
SWN Production Co LLC	2	9/2/17	125-27735*	Washington	West Finley Twp
		9/2/17	125-27740*	Washington	West Finley Twp
WGM Gas Co Inc	1	9/5/17	005-31288	Armstrong	Sugarcreek Twp
XTO Energy Inc	3	9/18/17	019-22647*	Butler	Franklin Twp
		9/18/17	019-22648*	Butler	Franklin Twp
		9/18/17	019-22453*	Butler	Franklin Twp

	September	August	July	June	May	April
Total wells	**84**	**66**	**83**	**84**	**67**	**92**
Unconventional Gas	78	58	72	67	60	90
Conventional Gas	1	0	0	0	0	0
Oil	5	8	10	16	7	2
Combination Oil/Gas	0	0	1	1	0	0

Calendar of Events

PIOGA Events

Info: www.pioga.org/events

PIOGATech: Industrial Fire Extinguisher Training
November 9, Butler Community College, Butler

Annual Oil and Gas Tax & Accounting Seminar
November 30, Hyatt Place Pittsburgh South, Washington

PIOGATech: Risk Assessment/Compliance
December 14, The Chadwick, Wexford

Holiday Mixer
December 14, The Chadwick, Wexford

Spring Meeting
March 21, 2018, Rivers Casino, Pittsburgh

Ted Cranmer Memorial Golf Outing & Steak Fry
June 4, 2018, Wanango Golf Club, Reno

21st Annual Divot Diggers Golf Outing
August 23, 2018, Tam O'Shanter Golf Club, Hermitage

Fall Oktoberfest and Annual Meeting
October 17-18, 2018, Seven Springs Resort, Champion

Industry events

MSC Transportation Safety Day and Flagger Training Certification
October 18, Hilton Garden Inn, Canonsburg
Info: marcelluscoalition.org/get-involved/training-and-events

Platts 10th Annual Appalachian Oil & Gas Conference
October 23-24, DoubleTree Pittsburgh Downtown
Info: www.platts.com/events/americas/appalachian-oil-and-gas/index

OOGA Technical Conference and Oilfield Expo
November 1-2, Pritchard Laughlin Civic Center, Cambridge, OH
Info: oogatechexpo.com

IOGANY Annual Meeting
November 2, Holiday Valley Resort, Ellicottville, NY
Info: www.iogany.org/events.php

Natural Gas for High Horsepower Summit
November 6-9, Jacksonville, FL
Info: hhpsummit.com

IPAA Annual Meeting
November 8-10, The Ritz-Carlton, Naples, FL
Info: www.ipaa.org/meetings-events

WVONGA Embracing Energy Womens Conference
November 10-11, Transcanada Building, Charleston, WV
Info: www.wvonga.com

IOGAWV Tax Seminar
November 14, Marriott Town Center Hotel, Charleston, WV
Info: iogawv.com

IOGAWV Winter Meeting
January 23-24, 2018, Marriott Town Center Hotel, Charleston
Info: iogawv.com

➔ **More events: www.pioga.org**

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

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