

December 1, 2017

Via First Class Mail

Scott Pruitt, Administrator
U.S. Environmental Protection Agency
Mail Code: 1101A
1200 Pennsylvania Avenue, N.W.
Washington, D.C. 20460

Via Email & First Class Mail

Dr. Dennis Lee Forsgren, Jr.,
Deputy Assistant Administrator
Office of Water
Environmental Protection Agency
1200 Pennsylvania Avenue, N.W.
Washington, DC 20460

Re: Request for Rulemaking to Reconsider the Effluent Limitations Guidelines and Standards for the Oil and Gas Extraction Point Source Category, 81 Fed. Reg. 41,845, and Request for Administrative Stay or Suspension Pending Reconsideration

Dear Administrator Pruitt and Dr. Forsgren:

The Pennsylvania Independent Oil & Gas Association (PIOGA) hereby requests that (1) the United States Environmental Protection Agency (EPA) conduct a rulemaking to reconsider the final Effluent Limitations Guidelines and Standards for the Oil and Gas Extraction Point Source Category (UOG Rule) and (2) the EPA administratively stay the UOG Rule or suspend its enforcement for Pennsylvania-defined conventional oil and gas operators pending completion of the rulemaking requested in this letter petition.

PIOGA is a nonprofit trade association comprising approximately 500 members, including primarily oil and natural gas producers but also drilling contractors, water treatment and other service companies, manufacturers, distributors, professional firms and consultants, royalty owners, and other individuals, all with interests in the safe and environmentally responsible development of Pennsylvania's oil and natural gas resources to support local economies and national energy independence. PIOGA's producer members drill and operate the majority of the state's crude oil and natural gas wells, and PIOGA differs from other Pennsylvania oil and natural gas trade associations in that we represent members involved in both traditional – or conventional – production as well as unconventional – or shale – production. Accordingly,

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PIOGA is uniquely positioned to provide information distinguishing between conventional and unconventional production operations.

PIOGA agrees with and hereby adopts the letter petition submitted August 25, 2017 by the Pennsylvania Grade Crude Oil Coalition (PGCC) (*copy attached*) as support for the reconsideration and administrative stay requested by PIOGA.

In addition, PIOGA emphasizes that the discharge of wastewater attributable to the recent and remarkable production of Pennsylvania's shale oil and natural gas resources – due to very high volume hydraulic fracturing and horizontal drilling – is clearly what the proposed UOG Rule was intended to address:

Recent advances in the well completion process, combining hydraulic fracturing and horizontal drilling, have made extraction of oil and natural gas from low permeability, low porosity geologic formations (referred to hereafter as unconventional oil and gas (UOG) resources) more technologically and economically feasible than it had been. . . .

. . . .

UOG extraction wastewater can be generated in large quantities

Proposed rulemaking, 80 Fed. Reg. 18,559 (April 7, 2015)

Neither the proposed nor final UOG Rule was intended to address the discharge of wastewater from Pennsylvania-defined conventional oil and natural gas production, which is characterized by low volume hydraulic fracturing and vertical drilling. This was stated unequivocally in both the proposed and final rulemakings:

EPA does not propose pretreatment standards for wastewater pollutants associated with conventional oil and gas extraction facilities at this time (see Section XIV). EPA proposes to reserve such standards to a future rulemaking, if appropriate. *Proposed rulemaking*, 80 Fed. Reg. 18,561

The final rule does not include pretreatment standards for wastewater pollutants associated with conventional oil and gas extraction facilities or coalbed methane extraction facilities. EPA is reserving consideration of any such standards for a future rulemaking, if appropriate. See Section VI.A.” *Final rulemaking*, 81 Fed. Reg. 41,848 (June 28, 2016)

Accordingly, the final UOG Rule reserved 40 C.F.R. § 435.33(b) [Pretreatment standards for existing sources (PSES)] and § 435.34(b) [Pretreatment standards for new sources (PSNS)] for wastewater discharges from conventional oil and natural gas extraction. *Final rulemaking*, 81 Fed. Reg. 41,857 (June 28, 2016)

In conclusion, PIOGA respectfully requests that EPA promptly grant reconsideration of the UOG Rule as requested herein and by PGCC,¹ and remedy the errors in the UOG Rule related to Pennsylvania-defined conventional operators by issuing a direct final rulemaking that either: (1)

¹ The extension for Pennsylvania-defined conventional oil and natural gas operators to comply with the final UOG Rule for existing – but not new – sources discharging into POTWs expires August 29, 2019.

explicitly exempting Pennsylvania-defined conventional oil and gas operations from the definition of “unconventional oil and gas” or (2) removing the references to “tight” formations from the definition of “unconventional oil and gas” and instead define the term as “crude oil and natural gas produced by a well drilled into a shale formation (including, but not limited to, shale gas, shale oil).”

As this is a matter of critical importance and significance to the hundreds of operators engaged in conventional oil and natural gas production in Pennsylvania, PIOGA also requests that EPA administratively stay or suspend enforcement of the UOG Rule with respect to Pennsylvania-defined conventional oil and natural gas operators pending completion of the requested reconsideration rulemaking.

Respectfully submitted,

A handwritten signature in cursive script, reading "Kevin J. Moody", enclosed within a dotted-line rectangular box.

Kevin J. Moody, General Counsel
PIOGA