



Call Us: 717-233-8606

Commitment. Action. Success.
Investing in Your Company's Future.

[Website](#) [About Us](#) [Services](#) [Clients](#) [Resources](#) [Contact](#)

May 8, 2015

NEWS CLIPS

[Study Shows Trace Amounts of Drilling Fluid in Well Water in 2010 Case](#)

[Penske Trucking Accepts \\$400K Grant From DOE](#)

[EIA: Natural gas, renewables projected to provide larger shares of generation](#)

[Drones Being Used for Oil and Gas Line Inspection](#)

[Renewables Account for 75% of New U.S. Generating Capacity in Q1](#)

[OH Wind Farm Could Be Good Case For Smart Renewable Energy Policy](#)(blog)

EVENTS

May 12-13, 2015
Smart Cities 2015
Charlotte, NC
More [information](#)

June 2-4, 2015
Energy Ocean Conference & Exhibition
Portland, Maine,
Contact [Jason Smith](#)
(713) 343-1886.

June 5-6
PA Timber Show

State News

Wolf, General Assembly Continue to Move Toward June Clash

With Easter behind and a Memorial Day break ahead, the Governor and the General Assembly spent most of the last two weeks setting the stage for what is expected to be a long month of negotiations on the state budget in June.

Governor Wolf, his cabinet and senior staff continued their trips across the Commonwealth on the "Schools that Teach" tour, touting his vision of increased education funding, property tax relief and universal pre-kindergarten instruction.

Senate President Pro Tempore, Joe Scarnati said he expects the General Assembly will have a budget package on the Governor's desk by June 30, but did not seem assuring that the budget sent to the south side of the capitol would become law. He said any budget passed must be acceptable to more than half of his 30 member caucus.

Reports on the state's fiscal condition continued positive, and now looking at a budget deficit half the size expected in January, Republicans are saying net tax increases may not be the way to go this year. With pension reform and changes to the liquor system, the Senate leader said, the deficit could be erased with no need for the Governor's proposed \$4.5 billion in tax increases. Scarnati noted the proposal does not pass the "red face test."

[View full article](#)

[Regional News](#)

[Federal News](#)

More State News

Gladys Brown Becomes PUC Chairman

The Pennsylvania Public Utility Commission (PUC) on Thursday recognized Gov. Tom Wolf's appointment of Commissioner Gladys M. Brown as the PUC's new Chairman. She replaces Robert F. Powelson of Chester County, who will remain as Commissioner. John F. Coleman Jr. of Centre County will remain as Vice Chairman.

Penn State University
State College, PA
[More information](#)

June 15-18, 2015
**2015 BIO International
Convention**
Pennsylvania Convention
Center, Philadelphia, PA
Global biotech community.
More information available
at
convention.bio.org/register.

June 23-24, 2015
BioEnergy 2015
Washington Convention
Center, Washington, D.C.
More [information](#)

July 19-21
2015 PFI Annual Conference
Williamsburg Lodge
Williamsburg, VA
[More information](#)

July 20-24
**Energypath Camp &
Conference**
University of Scranton
Scranton, PA
Compiled July 20-22
Conference July 23-24
[More information](#)

[Join My Mailing List](#)

[Forward To A Friend](#)

Stay Connected



"I am honored by the Governor's appointment to this important position," Chairman Brown said. "This is such a critical time here at the Commission as we implement new and existing laws and regulations impacting utilities and their customers; address aging utility infrastructure; enforce pipeline safety; and educate consumers about their choices and their rights. I commend and thank my colleague Rob Powelson for leading this Commission so well for more than four years. I look forward to continuing to work collegially with my fellow Commissioners and the dedicated PUC staff as we address the challenges and opportunities ahead."

[View full article](#)

DEP Proposes New Rule to Limit Noise From Oil, Gas Sites

As part of its efforts in rewriting surface rules around wells, DEP is proposing limiting noise emitted from oil and gas sites. The proposed regulations would require companies to record noise levels and create a plan to address those areas over the limit.

But, both industry leader and critics believe the proposed regulations are too vague and therefore, will not be effective.

"Right now the regulation is unenforceable because there's no objective standard," said George Jugovic, general counsel for Penn Future. "How do you determine that someone has minimized the noise?"

DEP Deputy Secretary Scott Perry counters that the Department purposely did not include decibel standards because they are too difficult to enforce. "All of the various situations that this issue could arise in make it a little too difficult to simply throw down a solid number, an objective standard."

The regulation would set standards on noise limits in the areas around well pad sites and compressor stations. Violation of noise limits could result in the revocation of permits. DEP will be enforcing the limits largely as a result of noise complaints received.

DEP is accepting comments on the noise standard proposal as well as other changes to environmental regulations through May 19. The proposed changes can be viewed on [DEP's Web site](#).

Confirmation Hearings For Wolf's Picks to Head Energy Related Agencies

The Administration is starting to see movement on permanently filling cabinet level positions. The following individuals have been nominated to lead one of the Commonwealth's energy agencies or will be overseeing an agency that provides funding for energy related projects.

- **May 5 - Dennis Davin**, Acting Secretary for the Department of Community and Economic Development was approved by the Senate Community, Economic & Recreational Development Committee.
- **May 12 - Russell Redding** will go before the Senate Agriculture & Rural Affairs Committee. Redding is Wolf's nominee to head the Department of Agriculture.
- **May 13 - Cindy Dunn** will appear before the Senate Environmental Resource and Energy Committee as the Acting Secretary for the Department of Conservation and Natural Resources
- **June 2 - John Quigley**, currently Acting Secretary for DEP, will meet with members of the Senate Environmental Resource and Energy Committee.

PA Congressmen Tell Army Corp to Get the Lead Out When It Comes to Pipelines

Recently, a majority of Pennsylvania Republican Congressman along with Sen. Toomey collectively signed and sent a letter to Assistant Secretary of the Army (Civil Works), Jo-Ellen Darcy, requesting that she personally get involved with the drafting a new version of Pennsylvania State Programmatic General Permit (PSPGP-5).

The delegation contends that the Baltimore District is taking too long in work with DEP to finalize the PSPGP-5, that it is putting the Commonwealth at a competitive disadvantage.

A copy of the full letter can be found on the [Marcellus Drilling News Web site](#).

Regional News

NJ Would See Growth in Wind and Solar Power Under Proposed Bill

The state Senate Environmental and Energy Committee voted to approve S2444, a bill that, if passed, would require the state to get 80% of its energy from renewable sources by 2025.

Before voting to approve it, the Committee made several changes, including striking a section that would have required 13.9% of the state's energy come solely from solar by 2030, a section that would have mandated a certain amount of energy come from wind power, and a provision that would have required all renewable energy come from within the state.

To reach the ambitious goal in 35 years, the bill includes intermediate benchmarks that increase the amount of renewables by approximately 10 percent every five years. Consumers would also see the types of sources -- and the pollution associated with each -- listed on their electric bills.

The Sierra Club's director, John Tittle said in a statement, "This is the most important environmental bill in the Legislature right now. This bill will do more to reduce greenhouse gases and air pollution and help grow our economy. This is probably the most important bill we have to help us deal with the impacts of climate change and moving our state forward when it comes to renewable energy."

An industry representative told ERG the legislation could expose the state's manufacturers to an extra \$3 billion in energy costs.

While the bill has bipartisan support, supporters and industry groups believe it will take years to advance and once it is approved by both chambers, it will most likely be vetoed when it ends up on Christie's desk.

NJ Wind Legislation Also Moving

Two bills designed to encourage the development of wind energy projects off the state's coast were held Thursday by the New Jersey Assembly Telecommunications Committee.

A third bill, A-1697, providing tax credits for onshore wind energy support facilities in northern New Jersey, was released.

The two bills that were held, A-4128 and S-2711, would exempt qualified wind energy projects from the "cost-benefit analysis" that the state Board of Public Utilities has relied on to deny several applications from Fishermen's Energy to build a wind energy demonstration project off the coast of Atlantic City.

Parts of NY Continue Secession Talk Over Ban on Fracking

Citizens in the southern tier of New York are watching as small towns just across the boarder in Pennsylvania are booming with economic development as a result of the Marcellus Shale drilling.

For years, residents have heard the state vowing to reinvigorate the fading economy of the southern tier. Any remaining hopes of more jobs coming to the area were dashed when Cuomo announced his statewide ban on fracking this past December, a decision he made based on a study by the state Department of Health.

"I'm not going to put the health at risk for jobs," Cuomo said during his announcement. "I'm not going to make that choice. I'm not going to make it in the southern tier. I'm not going to make it anywhere in the state."

As a result of this, approximately 15 small towns began talking about the loss this will bring to their already economically distressed areas. Talk of loss soon led some to begin discussing secession.

While some see this talk as nothing but a joke or a farfetched idea, state Senator Thomas Libous has begun surveying his constituents regarding their feelings on leaving New York and providing Pennsylvania with a larger geographic footprint.

Local town associations are anxiously waiting for the results of Libous' survey so they can determine their next course of action.

Chesapeake Energy to Scale Back Utica Drilling in OH

Due to profit loss and production cost increases, Chesapeake Energy will be scaling back its presence in Ohio, the company told analysts and the media on a recent earnings call.

Chesapeake will reduce the number of drilling pads from five to two by the middle of Q3, which is the number Chesapeake needs to keep in Ohio in order to retain its leased acreage in the eastern part of the state. It will also mean reducing the number of fracking crews from four to 2.5.

The company will continue to expand its laterals in order to create better producing wells. Longer laterals with additional fracking pay out far more than shorter laterals, the company said.

MD Given Green Light for LNG Export

The federal Department of Energy just gave Maryland the green light to build a facility in Calvert County to export liquefied natural gas to countries that do not have a fair trade agreement with the U.S.

The Cove Point terminal, expected to come online in late 2017, will be operated by Virginia-based Dominion Resources, Inc. and will be authorized to export up to 0.77 billion cubic feet of liquefied natural gas per day for the next 20 years.

"The development of U.S. natural gas resources is having a transformative impact on the U.S. energy landscape, helping to improve our energy security while spurring economic development and job creation around the country. This increase in domestic natural gas production is expected to continue," the Energy Department said in a statement.

Within hours of DOE making its announcement, environmentalist groups filed

suit, challenging the Federal Energy Regulatory Commission's (FERC) decision to allow the terminal project to move forward.

"Exporting LNG will lead to more drilling - and more drilling means more fracking, more air and water pollution, and more climate-fueled weather disasters like record fires, droughts and superstorms," said Nathan Matthews, a staff attorney with the Sierra Club, one of the groups that joined the lawsuit. "FERC consistently fails to take the full impact of fracking into account when it considers whether to green-light LNG exports, and it did so again in the case of Cove Point."

DOE still has more than 30 LNG export facility applications on its desk to review.

[Back to top](#)

Federal News articles

White House Hosts Climate Infrastructure Roundtable

As part of Obama's Build America Investment Initiative, the White House hosted around 90 industry individuals at a roundtable this week.

This diverse group of people that included investors, local and state planning and transportation officials, policy experts and reps from the federal government and nonprofits, focused their discussions on how to better design infrastructure projects to be more resilient to the impacts of climate change. [View full article](#)

Murkowski - Hearing Reviews 22 Energy Efficiency Bills in Step To Major Legislation

U.S. Sen. Lisa Murkowski, R-Alaska, began consideration of legislation to improve how Americans use energy, as part of her work to get the first broad energy bill signed into law in nearly a decade. The Senate Energy and Natural Resources Committee received testimony on 22 energy efficiency proposals that address a wide range of issues, including building retrofits, federal energy management, appliance efficiency, workforce development, and efficiency grants.

"The energy bills considered today offer the potential to reduce energy usage and costs across our country and throughout our economy. They put forward methods to enhance our leadership on efficiency technologies and to develop a cadre of professionals to work in this field and they also seek to protect consumers, manufacturers, and the environment from unintended consequences of new or revised standards," Murkowski said. "Energy efficiency is an issue that saves both energy and money. It's good for the consumers. It's good for all and it's a good bipartisan place to start our discussions about federal energy policy."

After addressing a series of energy efficiency bills at a hearing last week, Murkowski is looking to hold hearings on the other three titles of her plan - infrastructure, supply and accountability in May and possibly early June, with the goal of holding markups in June and possibly early July.

Murkowski, chairman of the Senate Energy and Natural Resources Committee, touted the committee's successful efforts to break the logjam that had long plagued the Senate before 2015, and approve bipartisan

energy efficiency legislation, which will be signed into law later today by President Obama.

Thursday's hearing was the first of four that Murkowski has scheduled through May to consider legislative proposals for the broad energy bill she is assembling. That effort will pull together legislative proposals under four general titles - efficiency, infrastructure, supply, and accountability.

Video of the hearing and a full list of the energy efficiency legislation under consideration are available on the Senate Energy and Natural Resources Committee's [website](#).

Committee to Tackle Hydropower and Natural Gas Pipelines Next

Week

The U.S. House Energy and Power Subcommittee has scheduled a hearing for 10 a.m. on May 13 to continue the committee's work on its Architecture of Abundance energy legislation with a review of "Discussion Drafts Addressing Hydropower Regulatory Modernization and FERC Process Coordination under the Natural Gas Act."

As a clean, renewable source of electricity, hydropower is an essential component of an all-of-the-above energy strategy and an important source of jobs. The draft legislation to be considered at next Wednesday's hearing seeks to modernize and improve the hydropower licensing and relicensing process to make it more efficient and transparent, while also preserving environmental protections. The draft text also facilitates new hydropower development at non-powered dams, which would create thousands of new jobs and thousands of megawatts of clean, affordable power. The draft builds upon the discussion draft previously released by Rep. Cathy McMorris Rodgers (R-WA) - the Hydropower Regulatory Modernization Act of 2015.

The subcommittee will also discuss [draft legislation](#) designed to expedite consideration of much-needed natural gas pipelines by reforming and modernizing the siting and review process. The draft text reinforces the role of the Federal Energy Regulatory Commission (FERC) as the lead agency for siting interstate natural gas pipelines and instructs FERC to coordinate with all other agencies involved and set reasonable timelines for review. The legislation also increases transparency and accountability in the review process. This draft builds upon legislation that was previously introduced by Rep. Mike Pompeo (R-KS) and passed the House earlier this year.

The Majority Memorandum, the discussion drafts, a witness list, and witness testimony will be available [here](#) as they are posted.

EPA sends biofuels volumes targets to White House for review

According to Reuters, the U.S. Environmental Protection Agency (EPA) has sent blending targets for the country's renewable fuels program to the White House for review ahead of a fast-approaching June 1 deadline for publicly releasing its proposal, according to industry sources.

The EPA has sent proposed volume requirements for 2014, 2015 and 2016 to the White House Office of Management and Budget, the sources said. The OMB had not yet indicated on its website that it had received the RFS documents. An EPA spokeswoman declined to comment.

The EPA agreed to a June 1 deadline to issue targets for 2015 as part of a lawsuit settlement agreement with two oil industry groups over delays in the agency's target-setting. The agency also said it would propose 2016 volumes by June 1 and that it planned to re-propose 2014 requirements.

Federal Carbon Pollution Reduction Bill Would Also Reduce Taxes

Maryland Congressman John Delaney recently filed a new piece of legislation aimed at reducing carbon emissions while creating a new way to spur economic growth and reduction of corporate taxes.

His "Tax Pollution, Not Profits Act" would create a tax on greenhouse gas emissions, with the money being directed to 1.) reducing the corporate tax rate, in an attempt to increase employment and reduce consumer costs, 2.) provide monthly payments to low- and middle-income families, and 3.) fund job training, health benefits and early retirement to coal industry workers.

"Climate change is a big problem that calls for a big solution. Climate change is a threat to American jobs, national security and national health. It's time to get to work combating climate change and reducing greenhouse gas emissions before it is too late," said Delaney. "The Tax Pollution, Not Profits Act combines strong environmental action with a market-based pro-growth approach that will grow our economy, improve our business climate and make sure that working Americans can thrive. Importantly, we also ensure that coal workers - whose hard work is legendary and who have played a huge role in building this country - receive a helping hand. By reducing corporate taxes and taxing carbon, we can deliver a powerful double-bottom line, which appeals to both sides of the aisle. In my view, climate change is the environmental issue of this century and we need to bring forward innovative policies that can garner wide support, policies like the Tax Pollution, Not Profits Act."

As currently written, the bill would tax greenhouse gas emission at \$30 per metric ton of carbon dioxide or carbon dioxide equivalent beginning this year and increasing by 4% above inflation each year thereafter. Corporate entities would see a decrease in taxes from 35% to 28% in an effort to offset higher energy costs. Low- and middle-income families would receive monthly payments to offset their energy costs with the amount being determined based on whether they fall within the poverty scale.

EPA Report Indicates Plant Flares May Be Emitting More Gas Than Thought

As a result of a 2013 lawsuit the Environmental Integrity Project (EIP) brought against the EPA, a decades-old formula used to determine the amount of pollutants being emitted from flares was recently updated.

The EPA released findings showing that flaring waste gases emit four times more pollutants than originally thought when using the new formula. According to the EPA, this new formula should help in capturing more accurate estimates of carbon monoxide, nitrogen oxides and volatile organic compounds released by the flaring or burning of waste gases at facilities.

But, EIP isn't completely satisfied. The EPA has indicated that the new formula does not apply, and should not be used by the emerging oil and natural gas industry. EIP argues that oil and gas should be included, citing that based on the new formula, an estimated 500 flares at approximately 100 refineries nationwide could be releasing up to 52,800 tons of volatile organic compounds annually instead of the 13,200 tons estimated by the EPA under the old formula.

During the public comment period, both The American Chemical Council and the American Petroleum Institute expressed concerns that the new formula could produce emissions estimates that exceeded facility permit limits and could result in requirements to control emissions under federal and state operating permits.

The EPA has declined to say when it will establish new emissions factors for the oil and gas industry.

Feds Up Their Game on Rail Tank Car Safety

Monday was a notable day for the rail industry. U.S. DOT Secretary Foxx issued the latest version of new federal rules on rail tank car standards and U.S. Senator Casey introduced new legislation that is aimed at helping states better prepare for the transport of crude through their towns.

U.S. DOT is now requiring new rail tank cars to have a 9/16 inch tank shell, 11 gauge jacket, 1/2 inch full-height head shield, thermal protection, and improved pressure relief valves and bottom outlet valves. Existing cars would also be subject to the same standards.

Casey's Hazardous Materials Rail Transportation Safety Improvement Act would establish a fee on tank cars used to transport crude oil, ethanol or other flammable liquids and provide for a tax credit to those companies who retrofit tank cars by 2018 to the new federal standards.

The fee would be levied per car starting at \$175 per car, or \$.5 cents per gallon, and increase in later years. This money would be put toward:

- Clean-up costs stemming from railroad accidents involving flammable liquids, including crude oil and ethanol;
- Approximately \$45 million (over three years) in preparedness and training grants for first responders and at-risk communities;
- \$100 million over four years in grants to help states hire additional rail inspectors and reroute railroad tracks that handle large volumes of flammable liquids;
- The tax credit to companies as mentioned above.

Casey said the fees imposed under his proposed legislation were crucial in making his program work.

"I think it makes sense to have a fee in place," he said. "I think it would be difficult in the current environment to have a lot by way of appropriations. This is a new way to generate a revenue stream."

USDA's Climate Plan Has Farm-Based Renewables in Leading Role

During a speech at Michigan State University, US Agriculture Secretary Tom Vilsak laid out a plan, in which agricultural producers will play a major role in helping to address climate change.

Vilsak said this new approach will build on USDA's Climate Hubs, created last year, and will utilize voluntary, incentive-based conservation, forestry, and energy programs to reduce greenhouse gas emissions, increase carbon sequestration and expand renewable energy production in the agricultural and forestry sectors.

[View full article](#)

