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March 29, 2018

Pamela Bush, Esquire
Commission Secretary and Assistant General Counsel
Delaware River Basin Commission
25 Cosey Road
P.O. Box 7360
West Trenton, NJ 08628-0360

Re: Delaware River Basin Commission Administrative Manual and Special Regulations
Regarding Natural Gas Development Activities; Additional Clarifying Amendments [18
CFR Parts 401 and 440]
Submitted via: <http://dockets.drbc.commentinput.com/>

Dear Ms. Bush,

The Petroleum Equipment & Services Association (PESA) is the national trade association for the oilfield service, supply and manufacturing sector (OFS sector). PESA represents approximately 200 companies that provide the services, technology, equipment and expertise necessary to safely and efficiently explore and produce oil and natural gas. Our members are committed to advancing safety, environmental stewardship and ensuring that society's continued economic progress is fueled through the sustainable development of our natural resources.

PESA appreciates the opportunity to comment on the Delaware River Basin Commission's (DRBC) Administrative Manual and Special Regulations Regarding Natural Gas Development Activities; Additional Clarifying Amendments Proposed Rulemaking (Rulemaking) published in the January 12, 2018, Federal Register.

DRBC efforts to prohibit the development of critical energy resources through a ban of hydraulic fracking is not aligned with sound science or responsible policymaking. In addition, these efforts infringe on the rights of thousands of property owners while depriving their families and communities of the economic opportunities that rightfully belong to them.

Responsible development of oil and natural gas from unconventional formations, such as shale, presents an unprecedented opportunity to provide sustainable and broad-based economic benefits to Pennsylvania and the nation. Pennsylvania has become the second largest producer of natural gas in the United States, with over 8,000 producing unconventional wells amounting to 5.36 trillion cubic feet in 2017. Pennsylvania is responsible for almost 20% of the country's total natural gas production and at least 33 of Pennsylvania's 67 counties have at least one producing unconventional gas well.

Citizens of the Commonwealth have realized significant economic benefits from this development, including:

- Over 100,000 Pennsylvanians directly and indirectly working in industry-related jobs, directly supporting hundreds of thousands of their family members
- Significant consumer savings, exceeding on average \$1,500 annually per household, and exponentially more for businesses and manufacturers, from lower natural gas supply and wholesale electricity costs
- Nearly \$1.5 Billion in tax revenue paid by unconventional natural gas producers through Pennsylvania's unique Impact Fee

Equally important to these economic benefits are the environmental benefits attributable to the increased production and use of natural gas. Pennsylvania has helped lead the United States in the reduction of climate change emissions, thanks to increased use of natural gas in the power generation and transportation sectors. Air quality has improved substantially, and by historic proportions, due to this increased utilization of natural gas.

Most importantly, PESA believes the DRBC lacks the authority to prohibit so-called High Volume Hydraulic Fracturing (HVHF) permanently in the basin. The Compact which formed the DRBC precludes finding that DRBC has such authority, and the long-standing history and negotiations of the Compact offer clear evidence that neither Congress nor the DRBC Compact States intended for the DRBC to have the authority to ban any industrial, commercial or residential use of land in the basin.

PESA and its member companies are available to provide input on policy options the DRBC is considering advancing. We greatly appreciate your continuing consideration of the views of the OFS sector. Should you have any questions, please contact Jean Gould, Director Public Policy at jgould@pesa.org or 713-933-1920.

Sincerely,



Leslie Beyer
President
Petroleum Equipment & Services Association