

The Power of P IOGA

*Influence, Information, Ideas:
Why Membership Matters*



“PIOGA: What can you do for me?”

Our industry finally is showing renewed signs of life: Prices are inching upward. Pipeline expansion projects are coming to fruition to move our gas to markets where it is needed. The backlog of wells drilled but not yet connected to a pipeline continues to diminish. Rig counts have been increasing.

Though we are seeing light, the end of the tunnel is still some distance away. Here at PIOGA we are well aware of the challenges the industry and our members still face. We know you must be diligent with every dollar you spend, making sure all expenses are necessary and cost-effective. We realize your PIOGA membership dues must meet this same test.

We put this packet of material together to show you that PIOGA membership is not just a great value; it's also an important tool to help you succeed in today's ever-changing market and regulatory environments. On these pages you will learn how we are working on your behalf to develop and expand markets, to fight unnecessary and overly restrictive laws and regulations, to defend your rights in court, to inform you about important new developments affecting your company, and to set the record straight about just how essential the oil and gas industry is to our society—and how necessary PIOGA is to helping our industry succeed in providing these benefits to Pennsylvanians and beyond.

I am confident the value of PIOGA's many services is far greater than what you will spend in membership dues and far greater than the results you could achieve individually. I believe you will agree after reading through the information presented here. I also believe you'll learn some things about PIOGA that you didn't know before, which in turn will lead to PIOGA becoming an even better value for you and a more important tool for your company. If you're not yet a member, we hope to convince you to join. If you are a member, perhaps you'll decide to become an active member of a committee, explore the many features of our online Members' Only system or take advantage of our many and varied events.

We are fully aware that PIOGA is not the only oil and natural gas trade association in Pennsylvania. However, who we are and what we do gives us a big advantage over the others. As the oldest (tracing our roots back to 1918) and largest oil and gas association in the Keystone State, we offer an unparalleled depth of knowledge and experience, as well as a proven track record in the legislative, regulatory and legal arenas. We know how to get things done for our members and our industry.

Also, we don't represent just a small slice of our industry. We like to think of PIOGA as the big tent, gathering together shale producers, conventional oil and gas operators, service companies, consulting firms, pipe-lines, end users (allied industries), and everything in between. When we speak, we speak for the entire industry, not a narrow segment. When we act, we act in the best interest of all. No other oil and gas association can make that claim.

If you have questions, comments or concerns, please reach out to me or any other PIOGA staff member. You will find our contact information in this packet. PIOGA is a member-driven association, and we want to know how we can better serve you today and into the future.



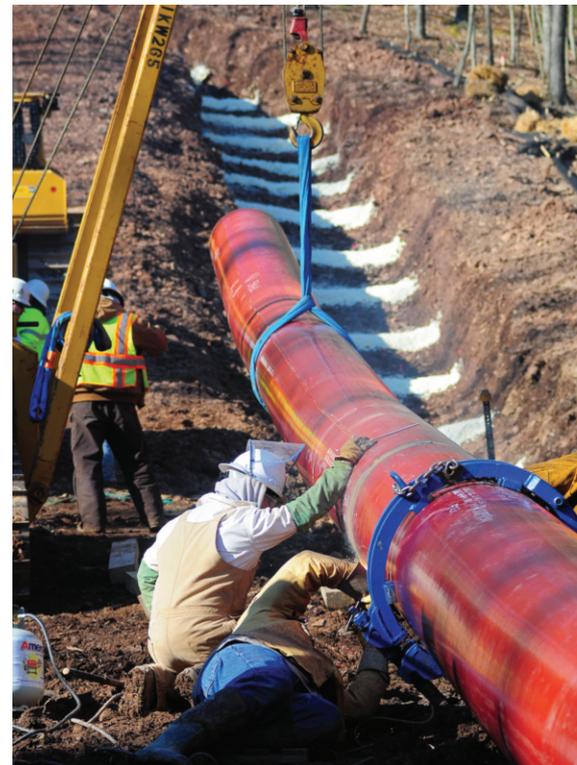
Daniel J. Weaver
President and Executive Director

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Why PIOGA?

Range Resources not only operates more unconventional shale wells than any other producer in Pennsylvania, but is still one of the largest operators of legacy conventional gas wells. Like Range Resources, PIOGA represents both facets of the industry. PIOGA is the leading industry association advocating on regulatory and legislative issues of concern to conventional producers. At the same time, PIOGA is a very strong advocate for unconventional gas interests. PIOGA's strong member-driven Environmental and Pipeline & Gas Market Development Committees, and in-house legal counsel are valuable assets for all segments of the industry, from wellhead to burner tip.

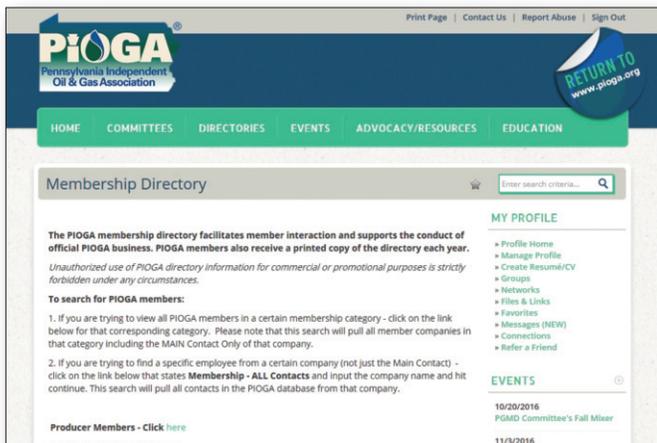
*—Carl Carlson, Director of Government Affairs,
Range Resources-Appalachia, LLC*



On the accompanying pages you can learn not only about PIOGA's accomplishments on your behalf, but also how your company can enhance the value of its membership by **sharing your expertise through our committees** and **gaining knowledge through programs and events**. Here are more ways to maximize your membership benefits:

• **Publications and News Alerts.** The monthly **PIOGA Press** newsletter provides timely, in-depth information about critical legislative, regulatory and legal matters affecting the industry, along with news about PIOGA's market development and outreach initiatives, industry statistics, member news and other items of interest. Members interested in contributing articles or advertising should contact Matt Benson at 814-778-2291 or matt@pioga.org. Distributed via email each Monday, the **PIOGA eWeekly** briefs members on current happenings, events and offers a roundup of news clippings from the previous week. Members also receive a complimentary subscription to **The American Oil & Gas Reporter** magazine. Additionally, we keep members informed with emails about upcoming PIOGA events and important alerts.

• **Online Members Only System.** Access to this powerful system allows you to look up member contact information, manage your own company information, register for events and access committee resources. Click on the Members Only link at the top of our homepage, www.pioga.org. If you do not have login information, contact Danielle Boston at danielle@pioga.org.



• **Add Additional Company Colleagues to Your Membership.** Multiply the value of membership by adding up to 20 contacts to your company membership (excludes Associate and Royalty Owner members). These individuals can participate in PIOGA committees, enjoy member discounts to events and receive the electronic communications described above from the association. Manage your contacts with the Members Only system (contact Deana McMahan at deana@pioga.org with any questions/issues).

• **Online Buyers' Guide.** This directory, accessed via our homepage, provides a host of resources for anyone looking for products and services related to the oil and gas industry, including allowing you to identify other members to support with your business. PIOGA Service Provider and Professional Firm members receive a complimentary basic listing in the Buyers' Guide and the opportunity to upgrade to an enhanced listing and to advertise.

• **Annual Membership Directory.** The printed directory is an indispensable resource for members seeking to connect with one another. The directory includes other industry contact information and offers advertising opportunities.

• **Member Discounts.** Employees of member companies receive **substantial discounts for all PIOGA conferences, trainings and other events**. We also partner from time to time with other conference organizers to offer PIOGA member discounts. Special **member rates are available for advertising** in *The PIOGA Press* and *PIOGA eWeekly*.

PIOGA STAFF

We encourage you to reach out to us with questions, comments and suggestions. PIOGA's staff is here to serve you and is always looking for ways of doing a better job of making sure you get the most for your membership dollar.

Dan Weaver, President & Executive Director

724-933-7306 ext. 30 • dan@pioga.org

As the association's chief executive, Dan is responsible for the overall operations of PIOGA. He works closely with the Board of Directors to chart the direction of PIOGA and focus its message. He serves as the association's primary spokesman.

Kevin Moody, Vice President & General Counsel

717-234-8525 • kevin@pioga.org

Kevin represents PIOGA in all Pennsylvania Public Utility Commission matters, provides legal counsel to the association on industry issues, manages our legal representation in litigation and participates in our committees. He is based in Harrisburg.

Joyce Turkaly, Director of Natural Gas Market Development

724-933-7306 ext. 32 • joyce@pioga.org

Joyce is responsible for helping identify and develop new markets and opportunities for Pennsylvania-produced natural gas, including such uses as natural gas vehicles, electric generation, natural gas liquids, industrial and manufacturing, commercial applications and cogeneration.

Matt Benson, Director of Internal Communications

814-778-2291 • matt@pioga.org

Matt is responsible for most association communications including the monthly newsletter, weekly e-newsletter, advertising, PIOGA's website, and assistance with educational materials and committee communications.

Danielle Boston, Director of Administration

724-933-7306 ext. 28 • danielle@pioga.org

Danielle provides support to the President & Executive Director in all aspects of association administration including legislative support, operations, board management, and assisting with membership development, event planning and communications.

Debbie Oyler, Director of Member Services and Finance

724-933-7306 ext. 22 • debbie@pioga.org

Debbie is responsible for planning and implementing PIOGA's conferences and events and also manages accounts payable, accounts receivable and other finance functions.

Deana McMahan, Committee Liaison & Administrative Assistant

724-933-7306 ext. 23 • deana@pioga.org

Deana is responsible for assisting with all aspects of PIOGA's office administration, including member inquires and services and providing support to the PIOGA staff. As the committee liaison, she helps facilitate monthly meetings, committee-related events and manages committee membership.

115 VIP Drive, Suite 210, Wexford, PA 15090-7906 • 724-933-7306 • Fax 724 933-7310 • www.pioga.org

BOARD OF DIRECTORS

The PIOGA Board of Directors is made up of representatives of member companies encompassing the full gamut of Pennsylvania's oil and natural gas industry. Visit

www.pioga.org for the up-to-date roster. Directors are elected by the membership annually to serve three-year terms that begin with PIOGA's Annual Membership Meeting in the fall.

The board directs the affairs and business of the association, including formulating the organization's mission and goals, establishing policy on various issues, overseeing the work of standing committees, overseeing finances, and other duties. Bi-monthly board meetings are open to any PIOGA member.

If you are interested in possibly serving on the board, please contact Danielle Boston at 724-933-7306 ext. 28 or danielle@pioga.org for additional information.

COMMITTEES

PIOGA's committees are the engine that drives the association forward

If you are looking for an effective way to get more involved in PIOGA, our committees are where the association's work gets done and where tangible value is added to your membership. PIOGA has five committees: Environmental, Market Development, Legislative, Safety and Tax.

These groups are all about finding solutions to challenges as well as exploring new opportunities. Below you will find descriptions of what each committee does along with what the group is concentrating on.

Before we get to that, however, let's make it clear that **PIOGA's committees welcome and need your participation**. As a member-driven organization, we depend on members to tell us what is important to the success of their business and then helping us to find ways to address those issues. The committees are the perfect tool to make all this happen, and they depend on the active involvement of members who want to make a difference. As you read through this material, please think of people in your company who could contribute to the work of the association's committees. Information sheets can be downloaded from the Committees tab of our Members Only site (see the Maximize Your Membership Benefits sheet). **Anyone interested in joining a committee should contact Deana McMahan at 724-933-7306 ext. 23 or deana@pioga.org.**

ENVIRONMENTAL COMMITTEE

Chairs: Paul Hart, Fluid Recovery Services, LLC (hartp@fluidrecovery.com)
Ken Fleeman, ABARTA Energy (kfleeman@abartaenergy.com)

Meetings: Second Wednesday of each month at the Regional Learning Alliance, Cranberry Township

The Environmental Committee is made up of company leaders and technical experts from a variety of backgrounds working to stay informed about environmental and regulatory issues and engage directly with government regulators on public policy development and implementation. That's no small task as the committee deals with issues involving Pennsylvania state government entities including the Department of Environmental Protection, Fish and Boat Commission, Game Commission, Department of Conservation and Natural Resources, and on the federal level the U.S. Environmental Protection Agency, Fish and Wildlife Service, Army Corps of Engineers, as well as the Susquehanna and Delaware River Basin Commissions.

The committee is divided into four highly active subcommittees: Erosion & Sedimentation, Waterways and Threatened & Endangered Species; Air Quality and Emissions; Water and Waste Management; and Well Construction. Workgroups are created to address specific matters of concern.

Projects and issues currently before the committee include:

- Working with the Independent Petroleum Association of America to participate in public policy and regulatory developments including EPA air emissions ("Quad O" regulations) and various USFWS threatened and endangered species actions (see the Legislative/Regulatory/Legal sheet).
- Proactively engaging with DEP as the department proposes "RACT-CTC" emissions regulations for existing oil and gas wells and related equipment.
- Promoting the development of underground injection wells in Pennsylvania while also developing other cost-efficient alternatives for wastewater disposal.
- Addressing affordable well-plugging solutions and other important legacy well issues.



- Providing input on DEP well construction matters such as area of review, water supply replacement, spill policy, well bore deviation and pressure barrier policy.
- Impacting DEP, SRBC and DRBC actions by participating in the DEP/Oil and Gas Industry Quarterly Meetings and by member participation on several advisory committees including the Oil and Gas Technical Advisory Board and the Pennsylvania Grade Crude Development Advisory Council. Environmental Committee members also attend government meetings, public hearings and other functions.
- Organizing a series of PIOGATech seminars that provide training on environmental matters members deal with on a daily basis. Among the topics address are air quality compliance, endangered species issues, water and waste issues, compliance risk management, and more.

The Environmental Committee is a highly effective group, yet it urgently needs to have more PIOGA members—particularly operators—participate in order to more fully address the industry’s concerns and work for solutions to those problems. Please consider becoming involved.

MARKET DEVELOPMENT COMMITTEE

Chair: Robert Beatty, Jr., InsightFuel / Robert Beatty Oil & Gas (rhbeatty@gmail.com)
David Marks, Dominion Field Energy Services (david.j.marks@dominionenergy.com)

Meetings: Second Thursday of each month at the PIOGA office unless otherwise announced.



For quite some time, this committee was responsible for monitoring developments at the Pennsylvania Public Utility Commission and Federal Energy Regulatory Commission, as well as reviewing pipeline and LDC tariffs and pipeline open seasons, recommending and managing interventions in rate cases, and developing producer policy positions on natural gas marketing matters.

But then came the shale-gas revolution and the committee saw an opportunity to refocus its mission, which coincided with fewer proceedings involving public utilities. Today the Market Development Committee also works actively to accelerate greater use of Pennsylvania-produced natural gas in electric generation, alternative-fuel vehicles, commercial applications, exports, industrial demand, distribution demand, and natural gas conversions from other fuels throughout Pennsylvania and surrounding states. At the same time, the committee continues to monitor and, when necessary, participate in PUC and FERC proceedings. PIOGA has a staff member—Joyce Turkaly—tasked specifically with natural gas market development. As far as we know, no other state trade association has a staff person dedicated solely to helping find new and expanded uses for our natural gas.

These are among the committee’s most recent highlights:

- In 2018, launching Marcellus to Manufacturing, an interactive conference designed to help participants form long-term strategies to assist in capitalizing on the shale-gas phenomenon—prolific natural gas production that will ensure attractive energy costs for commercial and industrial concerns for decades to come.
- Supporting a demonstration project to convert a Pittsburgh-area river towboat from diesel to liquified natural gas. The project aims not only to take advantage of the region’s prodigious natural gas supplies, but will also help make the region’s waterways and air cleaner.
- Providing direct testimony to the Pennsylvania DEP when the possibility of new markets arises. The state’s Driving PA Forward program is providing grants to reduce diesel emissions with compressed natural gas and other alternative-fueling options.

COMMITTEES *(continued)*

- Actively supporting pipeline infrastructure expansion and projects like Shell's ethane cracker plant in Beaver County.
- Educating PIOGA members about opportunities and trends by organizing field trips to facilities that utilize natural gas in manufacturing operations and facilities that also provide equipment and services to support the oil and gas industry.
- Inviting well-respected subject-matter expert to address committee meetings on a wide range of topics and business opportunities relevant to our membership.

For more information, see the Market Development section of this packet.

LEGISLATIVE COMMITTEE

Chairs: Ben Wallace, Penneco Oil Company, Inc. (blwallace@penneco.com)
Kevin Gormly, Steptoe & Johnson PLLC (kevin.gormly@steptoe-johnson.com)

Meetings: First Thursday of each month by conference call

One of the most important functions of a trade association is government relations. Aside from the market, no other factor has a greater impact on your business than government regulations and legislation. PIOGA's Environmental Committee tackles the regulatory side, while the Legislative Committee focuses on the lawmaking process primarily in Harrisburg but also in Washington, D.C., in conjunction with the Independent Petroleum Association of America. The duties of the Legislative Committee, working closely with PIOGA staff and our government relations firm, include:

- Assist with developing PIOGA's legislative agenda.
- Review legislation being introduced and recommend positions and actions to be taken on legislative issues.
- Follow through on calls for action by contacting legislators and encouraging PIOGA members to be active in legislative issues.
- Assist with plans for lobby days, legislative conferences and legislative fund raising.
- Help educate membership on legislative issues through *The PIOGA Press*, PIOGA conferences, the association's website and other forums.

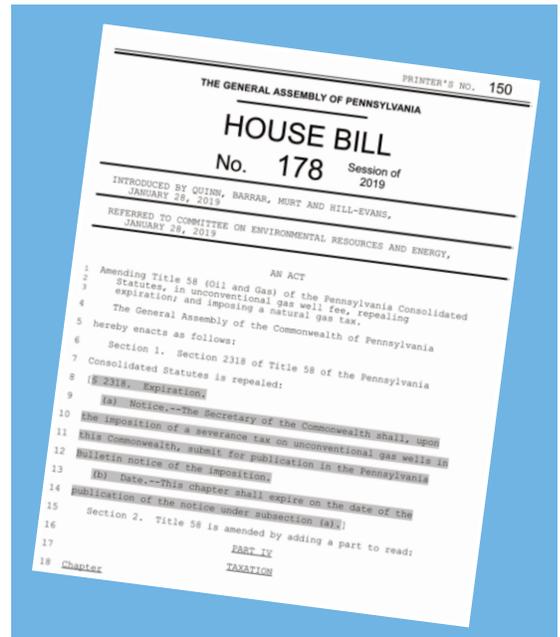
The days of the oil and gas industry dealing with two or three pieces of legislation per year are long gone. The Legislative Committee has been busy with proposals as varied as a severance tax, reauthorization of and reforms to the PA One Call program, mineral owner rights and royalty issues, and regulatory reform, along with many other pieces of legislation. Learn more by reading the Legislative/Regulatory/Legal sheet.

SAFETY COMMITTEE

Chair: Wayne Vanderhoof, RETTEW (wayne.vanderhoof@rettew.com)

Meetings: Second Wednesday every other month, Regional Learning Alliance, Cranberry Township

The mission of the PIOGA Safety Committee is to serve members and government agencies as a forum to improve Pennsylvania oil and gas industry safety performance through the exchange and communication of best



practices, education and training, incident review and sharing, and to identify and communicate industry trends. The committee welcomes participation by all members. The committee strives to provide information member companies can use in meeting the varying safety-related requirements of operators and assisting in the training and development of new employees as the industry rebounds. Among the Safety Committee's goals are:

- Organize PIOGATech training sessions on important safety topics.
- Invite subject-matter experts to present at committee meetings.
- Coordinate a monthly safety article in The PIOGA Press.
- Discuss and analyze safety-related incidents, best practices, regulatory matters and other issues impacting oil and gas industry safety.

TAX COMMITTEE

Chair: Bill Phillips, Arnett Carbis Toothman, LLP (bill.phillips@actcpas.com)

Meetings: As needed when issues arise, typically by conference call.

The committee is responsible for monitoring and reporting federal, state and local tax developments. The Tax Committee also hosts the annual Oil & Gas Accounting and Tax Seminar (see the Events & Outreach section).



NATURAL GAS MARKET DEVELOPMENT

We are justifiably proud that Pennsylvania has swiftly grown to become the nation's number-two producer of natural gas. When compared to alternative methods, natural gas pipelines and related infrastructure are the safest mode of transporting natural gas and natural gas liquids (NGLs) to market. However, not all states have agreed to grant permits that would ease access to those markets. Without considering the backlog of wells that are drilled but unconnected to pipelines, Pennsylvania currently produces three times more natural gas daily than all consumers combined need or demand on a peak day; this gas simply must leave the region to find additional markets.



PIOGA's Joyce Turkaly speaking at the 2018 Marcellus to Manufacturing Conference.

deals with the many stakeholders who conduct business in the region. I have personally introduced PIOGA and our downstream mission to influential stakeholders who are researching or utilizing natural gas and natural gas liquids in downstream markets. I have spent most of my time with PIOGA introducing myself to and creating opportunities for future discussions with strategic national entities such as Department of Energy, American Petroleum Institute, American Petrochemical Manufacturers Association, Energy Equipment and Infrastructure Alliance, and LNG Allies, as well as state-level stakeholders such as the Pennsylvania Manufacturers Association, Pennsylvania Department of Community and Economic Development, Pennsylvania Public Utility Commission and the Department of

Opposition also has mobilized against projects ranging from natural-gas-fired power plants to gas-processing facilities and petrochemical plants. Opposition also exists to drilling for and producing the resource and at times there is opposition to the products made from the resource itself, as is the case of NGLs and the associated plastic products that we depend on in our daily lives. Petrochemical and plastic resin manufacturers are strongly considering locating to our region, namely because the resource sits within a 500- to 600-mile radius of the demand centers. Additional energy infrastructure such as NGL storage hubs and distribution network is critical to realize the petrochemical and plastic resin potential of the region. Given the abundant NGLs, the American Chemistry Council estimates potential capital investment may reach as high as \$36 billion. It recognizes the need for workforce numbers at roughly 100,000, direct output of goods at \$28.4 billion and a direct tax benefit to the region (federal, state and local revenue) of \$3 billion by 2025.

Led by our Market Development Committee, PIOGA has been working hard to expand existing natural gas uses, identify and encourage development of new and innovative markets, and educate decision makers and the general public about the benefits of natural gas and the need for more gas and liquids pipeline capacity. PIOGA also has had an advantage we believe is unique among oil and gas trade associations—a staff member dedicated solely to these sorts of issues. That person is Joyce Turkaly, our Director of Natural Gas Market Development. She is an industry veteran who has enthusiastically defined this new type of position and, working alongside members and other stakeholders, has made significant inroads.

In creating and executing PIOGA's downstream business plan, Joyce explains: "I am establishing a personal style and approach that will characterize the association's



Environmental Protection. These relationships ultimately have common ground and hold common goals that in turn help advance our legislative and regulatory efforts.”

Efforts to utilize natural gas in the region where we do business is most important. “The diversity of our membership is such that all subject matter experts sit under one committee and market development questions can be easily answered based on the collective experience of the group,” Joyce explains.

Utilizing such alliances, PIOGA has been able to invite high-quality speakers into the monthly Market Committee discussions, which serves not only to educate our members on relevant topics but also to give them opportunities to become part of an extended network that may not otherwise be available to them. Joyce frequently authors articles for *The PIOGA Press*, sharing cutting-edge information from conferences, the availability of grants and other developments in the downstream arena.

Among the most beneficial relationships for our members are those that have brought PIOGA into the power-generation space. PIOGA has opened doors at PJM, the entity that directs operation of the region’s electricity grid, and we have organized events such as tours of gas-fired power plants that give a first-hand look at how natural gas combined with best available technology is producing reliable electricity to the nation’s energy grid and reducing greenhouse gas emissions and particulate matter.

Joyce and her colleagues look to facilitate project development where practicable. This includes helping match producers with end-use project developers such as distributed generation and opportunities in compressed or liquefied natural gas. “I work with vendors who are seeking to define market opportunities in Pennsylvania,” she says. “If they are successful, PIOGA and its members win as well.”



She continues: The Market Development Committee has evolved to become more of a ‘think tank’ in areas of entrepreneurial ideas and projects. Current projects involve the best available technology for natural gas engines in high horsepower and commercial applications. Natural gas a bridge fuel has many environmental benefits and performance benefits to end users. On behalf of our members, I am more immersed in discussions with local economic development teams from the governor’s office and local counties than ever before. PIOGA has a seat at the table when it comes to natural gas and natural gas liquids market deployment throughout the state. For the most part our members are very knowledgeable in their respective fields; it’s easy for me to meet and make introductions that make sense to move projects forward.”

Recognizing the market potential for CNG and LNG vehicles, Joyce serves on the board of Pittsburgh Region Clean Cities, an organization championing alternative-fuel vehicles and infrastructure. This participation helps PIOGA advance education of the public at large about the advantages of all types of natural

gas vehicles. Further on the transportation front, Joyce notes: “There is great potential to convert engines in any HHP application; locally on the Three Rivers, the marine segment is a great target market for natural gas and LNG.

Of course, PIOGA also has strongly supported Shell Polymer’s ethane cracker plant in Beaver County as part of our downstream initiative. The association has taken part in public meetings and submitted comments in support of the project for DEP air permits. Recognizing the significance that the petrochemical plant has to our members, the committee has hosted Shell representatives to discuss the potential to benefit member companies in anticipation of other types of business and industry that can use our members’ products and services.

In anticipation of the NGL storage hub, Turkaly has been asked by the Tri-State Shale Coalition to represent PIOGA on furthering petrochemical and related industries to the area. “I will continue to look for venues where we can continue to educate on the benefits of natural gas for end use,” she says.

For more about the Market Development Committee, please see the Committees section of the packet.

LEGISLATIVE, REGULATORY & LEGAL ACTIVITY

Government relations is an essential core mission of PIOGA. Other than market conditions, nothing can impact your business more than what happens in the Pennsylvania General Assembly, the U.S. Congress, a multitude of regulatory agencies, the courts, and even increasingly at the local government level. PIOGA and our allies work constantly to advance your interests in all of these venues.

On our own and in coordination with other trade associations within our industry* and as part of coalitions with diverse memberships,** PIOGA protected and advanced the interests of the oil and natural gas industry during the past year in the legislative/regulatory/legal sphere. The following are among our recent accomplishments and ongoing government relations priorities. Please refer to the Committee sections for additional issues PIOGA is addressing.



- **Prevented enactment of additional taxes on natural gas and crude oil production.** Beginning with the Rendell administration and carrying forward now into Tom Wolf's second term as governor, each year PIOGA has helped lead the fight against an industry-killing severance tax. Contrary to the governor's statements about pursuing only legislative initiatives in his second term that have bipartisan support and are achievable, he continues to advocate a severance tax. Despite judicial rejection of many protections PIOGA successfully lobbied to include in Act 13, three important victories in the 2012 law that have not changed: (1) limitation of the impact fee to unconventional gas; (2) limitation of the fee on vertical shale wells to 20 percent of the fee on horizontal wells; and (3) keeping the fee's local focus as one of the strongest arguments against a severance tax.

- **Ongoing action against Pennsylvania Public Utility Commission limitation of favorable "stripper well" status for the Act 13 local impact fee.** Despite the Pennsylvania Supreme Court's

reversing the Commonwealth Court's decision that an unconventional gas well not producing more than 90 Mcf/day during any *one* calendar month—instead of *every* month—is a stripper well not subject to the impact fee, PIOGA continues its effort to show the high court that its adoption of the PUC's position ignored undisputed facts and misapplied a fundamental rule of statutory interpretation.

- **Continued advocacy for Conventional Oil and Gas Act (COGA) and vigilance against adoption of unreasonable Chapter 78 regulations for conventional oil and natural gas wells.** As a result of the General Assembly's erasing the new Chapter 78 regulations and requiring any future rulemaking for conventional operations to be unrelated to unconventional operations (Act 52 of 2016) and creating the Pennsylvania Grade Crude Development Advisory Council (CDAC), PIOGA continues to work with CDAC and industry associations representing conventional operators for enactment of COGA as well as the development of new rules and initiatives aimed at boosting the conventional industry.

- **Continued monitoring of PA One Call System's (POCS) implementation of the Act 50 of 2017 changes and advocating for changes in POCS's rates and billing.** PIOGA continues to work on the most effective ways to challenge POCS' failure to implement the Act 50 requirement for representation on the POCS Board of Directors for pipelines associated with (1) conventional and (2) unconventional oil and gas wells. We also await POCS "cost of service" rate study to determine how to effect changes in POCS' methods for recovering and billing for costs of operation, including expanded and required use of Member Mapping.

- **Ongoing lobbying and litigation to clarify the Pennsylvania Supreme Court's PEDF Environmental Rights Amendment (ERA) decision.** The ramifications of the Supreme Court's June 20, 2017, decision concerning the use of Oil and Gas Lease Fund money remain uncertain. PIOGA continues to be involved in activities at every level of government that seek to provide clarity and predictability concerning the ERA's application to the wide variety of circumstances not addressed by the PEDF decision.

- **Monitoring and participating in court proceedings to:**

- Categorically reject so-called "community bill of rights" ordinances and home rule charters based on misguided and unlawful notions of a people's retained right of local self-government that is superior to state and federal law, which is used to attempt to ban oil and natural gas operations, including DEP's

lawsuit against Grant Township in Indiana County.

- Reject Environmental Rights Amendment-based zoning rules to divest local governments of their power to zone for oil and natural gas operations based on local considerations.
 - Address the U.S. Fish and Wildlife Service listing of the northern long-eared bat as threatened or endangered, and support expanded Rule 4(d) “incidental take” protection for mining and OGM production and additional forest management activities.***
 - Challenge the EPA’s New Source Performance Standards (NSPS, 40 CFR Part 60, Subpart 0000a, “Quad 0a”) regulating methane for the first time and revisions to the Quad 0 regulations regarding volatile organic compounds (VOCs).****
- **Participating in lobbying/administrative proceedings in opposition to:**
- Pipeline and Hazardous Materials Safety Administration (PHMSA) proposed changes to the scope of pipeline safety regulations regarding production and gathering lines/facilities.
 - Legislation changing Pennsylvania’s Guaranteed Minimum Royalty Act.
 - DEP proposed additional regulation of methane emissions by our industry, including limiting the impact of Reasonably Available Control Technology (RACT) requirements on low-volume wells and affected operations.
 - Unreasonable requirements related to ESCGP-3.
 - EPA’s inclusion of conventional oil and natural gas extraction facilities in its prohibition of wastewater discharges to “publicly owned treatment works” (POTWs).
 - Limit DEP’s use of the “participation theory” to impose personal liability upon operators to plug abandoned wells.
 - DEP’s unreasonable conventional well plugging initiatives.
- **Participating in lobbying/administrative proceedings in support of:**
- Enactment in federal law (via H.R. 245) of PIOGA’s Allegheny National Forest Minard Run litigation results defending exercise of private OGM rights in the national forest.
 - Favorable shipper and gas quality rules in Federal Energy Regulatory Commission matters.
 - Favorable rates, rules and practices for conventional operators on the Peoples Natural Gas companies’ systems.

Many of these matters are covered in detail in *The PIOGA Press* (available online at www.pioga.org). If you have questions or need additional information, please contact Dan Weaver (dan@pioga.org) or Kevin Moody (kevin@pioga.org).

* American Natural Gas Association, Associated Petroleum Industries of PA, Independent Petroleum Association of America, Marcellus Shale Coalition, Pennsylvania Independent Petroleum Producers and Pennsylvania Grade Crude Oil Coalition.

** Associated PA Constructors, Consumer Energy Alliance, Manufacturer & Business Association, National Federation of Independent Businesses, PA Aggregates and Concrete Association, PA Business Council, PA Builders Association, PA Chamber of Business & Industry, PA Chemical Industry Council, PA Motor Truck Association, PA Forest Products Association, PA Manufacturers Association, US Chamber of Commerce.

*** As part of an IPAA-led coalition: American Exploration & Production Council, American Farm Bureau Federation, American Forest & Paper Association, American Petroleum Institute, Black Hills Forest Resource Association, Forest Landowners Association, Forest Resources Association, Great Lakes Timber Professionals Association, Hardwood Federation, Independent Petroleum Association of America, Marcellus Shale Coalition, National Alliance of Forest Owners, National Association of Home Builders, New Hampshire Timberland Owners Association, Ohio Oil and Gas Association, Southeastern Lumber Manufacturer’s Association, Inc., U.S. Chamber of Commerce, and West Virginia Oil and Natural Gas Association.

**** As part of IPAA-led coalition: American Exploration & Production Council, Domestic Energy Producers Alliance, Eastern Kansas Oil & Gas Association, Illinois Oil & Gas Association, Independent Oil and Gas Association of West Virginia, Inc., Indiana Oil and Gas Association, International Association of Drilling Contractors, Kansas Independent Oil & Gas Association, Kentucky Oil & Gas Association, Michigan Oil and Gas Association, National Stripper Well Association, North Dakota Petroleum Council, Ohio Oil and Gas Association, Oklahoma Independent Petroleum Association, Texas Alliance of Energy Producers, Texas Independent Products & Royalty Owners Association, and West Virginia Oil and Natural Gas Association.

EVENTS & OUTREACH

PIOGA offers a wide array of events each year, ranging from large conferences to small, targeted training sessions to sports outings and mixers that provide excellent networking opportunities. You and others from your company can take advantage of member registration discounts. Events offer sponsorship opportunities that provide enhanced visibility for your company while helping the organization defray costs. Ahead of major events we put out calls for topics and presenters. Such speaking opportunities can be a great way to not only share your knowledge, but also establish your company as experts in the types of services and products you offer. Here is a quick look at our programming:



- **Annual Membership Meeting.** Includes reports from committees and staff on accomplishments from the past year and a look at what's coming up. An open forum allows members to ask questions, offer suggestions and air concerns. Capping it all off is a reception that gives an opportunity to meet and mingle with other members.



- **Spring Meeting.** This daylong program features presentations and panel discussions on key issues delivered by experts on the topics they are addressing. Lunch and a reception provide networking time. A limited number of vendor spaces are offered.

- **Ted Cranmer Memorial Golf Outing and Steak Fry.** One of our most laid-back, enjoyable events, the golf outing is held on a beautiful course, followed by a reception and delicious meal.

- **Summer Conference.** This late summer/ early fall event combines a conference with fun networking activities. Our Annual Membership Meeting will take place as well as part of the event in 2019.

- **Divot Diggers Golf Outing and Steak Fry.** Organized by PIOGA's Environmental Committee, this long-running late-summer outing is known for its great prizes and good times.

- **PIOGA Technical Seminar Series.** PIOGATech events are held on a regular basis, organized by the Environmental and Safety Committees. These small, targeted training opportunities cover topics that our members deal with every day, such as air emissions compliance, endangered species, water and waste issues, erosion and sedimentation, respirable silica, root cause accident analysis, compliance risk management, and others. The programs typically run for a half- or full day and offer continuing education units (CEUs).

- **Annual Oil & Gas Tax and Accounting Seminar.** This year-end seminar is organized by the PIOGA Tax Committee and provides updates on key tax and finance topics relevant to oil and gas operators in Pennsylvania.

- **Mixers and Other Networking Events.** Keep an eye on your email for announcement of these fun events.

2019 CALENDAR OF EVENTS

Watch your email for announcements or check the Events section at www.pioga.org for complete details and registration information as they become available. Events and dates may be subject to change.

DATE	EVENT	LOCATION
January 17	Networking event: Pins & Pints	Main Event, Pittsburgh
February 21	Networking event: Cigar Mixer	The Lot at Edgewater, Oakmont
April 10	PIOGA Spring Meeting	Rivers Casino, Pittsburgh
April 25	PIOGATech: Well Construction Issues	Location TBA
May 2	Networking event: Sporting Clays Shoot	Location TBA
June 3	Ted Cranmer Memorial Golf Outing & Steak Fry	Wanango Country Club, Reno
June 19	Networking event in conjunction with DUG East	Location TBA
July 25	PIOGATech: Water and Waste Issues	Location TBA
August 22	22nd Annual Divot Diggers Golf Outing & Steak Fry	Tam O'Shanter Golf Club, Hermitage
September 24-25	Fall Conference / Annual Meeting	Seven Springs Mountain Resort, Champion
October TBA	PIOGATech: Risk Management	Location TBA
November 1	Networking event: Halloween Theme	Location TBA

November 7 Marcellus to Manufacturing Conference Location TBA
 November TBA Annual Oil & Gas Tax and Accounting Seminar Location TBA
 December 17 PIOGATech: Air Quality Issues The Chadwick, Wexford
 December 17 PIOGA Holiday Mixer The Chadwick, Wexford

PIOGA OUTREACH

We've all heard how carelessly the word *fracking* is used to mean oil and gas development in general. We as an industry know hydraulic fracturing as a technology (along with directional

drilling) that has revolutionized our business and resulted in an abundance of affordable crude oil and natural gas that benefits not only Pennsylvania but the United States and much of the world as well. Yet thanks to a steady drumbeat of misinformation, fracking in the public eye is shorthand for water pollution, air pollution, noise, traffic congestion, unwanted pipeline projects, loss of local government control and many other evils.

We know the truth is far different than what is routinely reported in the media. That's why public outreach is so important to PIOGA's mission. Working closely with other supporters, we tell the story of how natural gas development is benefitting Pennsylvania—how it has put people to work, how lease income helps to sustain family farms and generate hundreds of millions of dollars for state government, how the Act 13 impact fee helps communities, how clean-burning natural gas has improved the Commonwealth's air quality, how so many of the charges leveled against the industry are simply false.

PIOGA representatives routinely speak out at hearings and other public events, meet with state and federal legislators, have letters to the editor and op-eds published in newspapers, and are frequently quoted as news sources by the media.

Help wanted!

We strongly encourage you to speak out on behalf of homegrown Pennsylvania energy, putting a human face on issues affecting your business and

your community. Your involvement can take many forms—penning letters to the editor, contacting your elected officials, talking in favor of projects such as pipelines and gas-fired power plants at public meetings. We can offer ways to get involved through PIOGA, including our committees or annual Call-Ups where delegations from PIOGA and other associations meet with lawmakers and key staff members in Harrisburg and Washington. Contact Dan Weaver at 724-933-7306 or dan@pioga.org to learn more.

PIOGA's Pennsylvania Energy Education Program

In this time of energy transition, it is essential that citizens be energy literate so they can make informed choices about everything from choosing how to heat their home to potential career paths. Recognizing this need, we developed the PIOGA Energy Education Program, or PEEP, to provide an overview of age-appropriate energy education by introducing several highly interactive activities that can be adapted within various classroom scenarios. It is a "teach-the-teachers"

Our program can be adapted to any discipline in the school. Many people think of it as a "science" class, but our materials were designed to be used by math, economics, social studies, language arts and science teachers. The program is taught as a one-day professional development workshop. It is offered at no cost to the teacher and includes credit hours and instructional materials. Teachers must be willing to share this information with their students within several weeks of the workshop.

PEEP was rolled out in late 2013 and since then 169 educators have gone through the program. Attendees included elementary teachers; middle school science, math and technology teachers; and high school science and economics teachers. An educator on average will reach 90 students a year. Based on those numbers PEEP helped generate over 50,000 energy-aware citizens since the inception of the program. PEEP is a standalone non-profit 501(c)(3) organization and accepts tax-deductible donations and other funding to help sustain this worthwhile initiative. If interested in supporting this program, contact Dan Weaver at 724-933-7306 or dan@pioga.org.



Our Guiding Principles

PIOGA's Mission

PIOGA advocates for the responsible growth of Pennsylvania's oil and natural gas industry by promoting an environment favorable to the success of the exploration and production, the transportation and the downstream end uses of these energy resources.

PIOGA's Vision

PIOGA is the trusted voice for the industry in Pennsylvania and provides timely and affordable advocacy for its members. PIOGA's member-based actions on legislative and regulatory issues are swift and decisive. PIOGA's committees are open and interactive and provide concise information on a regular basis for its members. PIOGA operates education and outreach programs to promote and expand the products it represents.



Working for Pennsylvania's oil & gas industry since 1918

Pennsylvania Independent Oil & Gas Association

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