Key provisions of Pennsylvania's New Oil and Gas Law (Act 13)

- County governments must decide whether a fee should be imposed on shale gas drilling in Pennsylvania. If the county resists imposing a fee, that county would not benefit from the income derived from the fee.
- The fee is not used solely to address the direct and indirect impacts of shale gas drilling. Income from the fee will go to a wide range of recipients, from state agencies and local government to private entities, and for a complex group of purposes, including water and sewer projects, the treatment of acid mine drainage, and promoting private development.
- The Public Utility Commission is responsible for collecting and distributing the fee. The PUC is also responsible for deciding whether local zoning ordinances violate the restrictions imposed by the law on local government.
- The PUC's review of the local zoning ordinance is exempt from the Pennsylvania Sunshine Act and other state statutes designed to ensure transparency and fairness in administrative agency proceedings, so the public will not be able to oversee the proceedings.
- There are a number of instances where Act 13 does not allow the public access to drillers' records – including records used by the Public Utility Commission to determine how much money is to be collected from shale gas producers.
- By law, income from the lease of oil and gas rights on public lands must be deposited in the Oil and Gas Lease Fund. These funds go to conservation projects associated with public lands. Act 13 diverts a portion of that money to other purposes, such as to fund the Environmental Stewardship Fund and Hazardous Sites Cleanup Fund.
- Act 13 establishes new environmental protection requirements for unconventional gas development that differ from the rules for traditional gas wells in Pennsylvania. For example, drillers of unconventional wells must identify water wells within 3000 feet from an unconventional gas well, as opposed to 1000 feet for conventional gas wells.
- There are new setback requirements for the location of unconventional gas wells near houses and natural resources. However, these setback distances can be waived by the private property owner or the state DEP.
- The setback requirements do not protect small wetlands or intermittent streams.
- Under most environmental statutes, DEP inspectors – the persons trained to observe violations of law – have the right to stop unlawful conduct by issuing field orders to the person suspected of violating the law. Under the new law, DEP inspectors cannot cease drilling operations – only the secretary of the DEP can take that action.

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Citizens for Pennsylvania's Future

Key provisions of Pennsylvania's New Oil and Gas Law (Act 13)

- The right of municipalities to make local decisions such as imposing zoning restrictions on the development of unconventional shale gas is now severely limited, and the right of local government to appeal individual permit decisions is eliminated.

- Act 13 requires that all oil and gas operations other than surface impoundments, processing plants and compressor stations shall be allowed in all zoning districts, including residential districts. Impoundments and compressor stations must be allowed in residential districts as a conditional use. Only processing plants need not be allowed in a residential district.

- Act 13 imposes strict time limits on when a municipality must issue a decision on any permitted or conditional use application. The municipality must decide permitted use applications within 30 days; and conditional use applications within 120 days. These timelines only apply to applications associated with the oil and gas business.

- Act 13 requires that unconventional gas wells be constructed in a manner designed to protect fresh groundwater zones through the use of multiple casings and cement.

- Well operators must keep track of where their wastewater from drilling operations is transported and disposed or reused, but the public may never have access to those records. DEP only gets to review them if they request their production.

- Operators do not need to identify chemicals or additives, or concentrations of chemicals in fluids used for hydraulic fracturing if the company claims the information to be a Trade Secret or confidential business information.

- Emergency personnel and health professionals can obtain this confidential information, but they themselves must keep it confidential – even where a medical emergency exists.

- There is no obvious way to challenge the company's claim that a specific chemical or concentration of chemicals is a Trade Secret or confidential business information.

- The natural gas industry must submit annual air emission reports to the DEP that explain how the operator calculated the emissions. There is no requirement that the companies determine their emissions using a uniform standard or procedure.

- Private companies now have the power of eminent domain to promote the development of gas storage facilities.

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For the full report, "Pennsylvania's New Oil and Gas Law (Act 13): A Plain Language Guide and Analysis," go to **www.pennfuture.org/marcellus**

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