



April 11, 2022

The Honorable Rosemary Chiavetta, Secretary  
Pennsylvania Public Utility Commission  
Commonwealth Keystone Building  
400 North Street, Second Floor North  
Harrisburg, PA 17120

Dear Secretary Chiavetta,

On behalf of the Washington County Chamber of Commerce, I am writing in response to the Pennsylvania Public Utility Commission's (PUC) request for comment regarding Docket No. L-2019-3010267 that would impose new regulatory burdens on energy transportation infrastructure. We strongly believe that instead of more unnecessary regulations in Pennsylvania, the PUC should work to make our business environment more conducive to job growth and job creation. The PUC should not impose additional and needless regulations on pipelines that will be costly to businesses and consumers.

The Washington County Chamber of Commerce (The Chamber) is the largest business advocacy organization in Washington County and in southwestern Pennsylvania-with 1,200 members that employ over 23,000 people. Founded in 1911, The Chamber has spent the last hundred years developing and promoting policies that drive economic development and advance its members' interests in areas such as healthcare, manufacturing, and energy.

Our community has benefitted from the extraction and transportation of our abundant natural resources that exist in Pennsylvania, chiefly natural gas. The private sector investment, jobs, and tax revenue have been a catalyst for economic growth across our county. In fact, a 2015 study by Dr. Yongsheng Wang of Washington & Jefferson College, in conjunction with The Chamber, found that the shale industry contributed 15 to 20 percent of our county's economic output between the study years of 2011 to 2013. The economic implications of the energy industry to the businesses and consumers here are impactful and will continue to benefit us in the years ahead.

It is from that perspective that we are concerned with the proposed regulations currently offered by the PUC, which could make it more difficult to transport oil and natural gas by pipeline across our state. Pipelines keep our businesses, workers, and residents connected and growing, and it would be misguided to threaten our future prosperity with overregulation. The commission should avoid imposing any additional or unnecessary regulations on pipelines that could potentially result in fewer job opportunities, lead to price inflation on businesses or consumers, or threaten the reliability of energy transportation-all of which this regulation would achieve.

These proposed regulations should not be applied to any pipelines, but particularly to existing in-service pipelines and facilities. Unfortunately, as written, these regulations would accomplish that. The regulations would amount to a multi-billion-dollar regulatory burden for some pipeline operators in Pennsylvania, especially here in southwestern Pennsylvania where oil and gas development continues but the need for infrastructure remains great. As is the case with most other taxes and regulations, these higher costs will be passed along by raising fuel costs for customers or disrupting pipeline service, reducing consumers' access to fuel and natural gas liquids like propane and butane. With inflation at a four-decade high, our businesses and consumers can ill afford additional government-caused burdens on their families.

The proposed rule also discounts the existence of regulations that ensure the safety and soundness of pipeline transportation. As you know, pipelines are the safest, most environmentally friendly way to transport oil and natural gas as well as the byproducts made from them. The well-written existing federal rules already provide clear and smart guidance for pipeline operators. It would make little sense to add another unnecessary layer of bureaucracy for one state, but not for others. With this regulation, Pennsylvania would have a set of rules different from other states, for pipelines that cross many states. That will eventually lead to confusion and disinvestment.

Rather than creating unnecessary hurdles between Pennsylvania families and a better future, we should focus on streamlining the permitting process and reducing unnecessary legal barriers in our state. Pennsylvania has benefitted immensely from private sector investment, but these regulations have the potential to disincentive future investment for our community. The current process works and is the best path forward for the businesses and families across the Commonwealth of Pennsylvania.

Sincerely,



Jeff M. Kotula  
President