



COMMONWEALTH OF PENNSYLVANIA
PENNSYLVANIA PUBLIC UTILITY COMMISSION
COMMONWEALTH KEYSTONE BUILDING
400 NORTH STREET, HARRISBURG, PA 17120

BUREAU OF
INVESTIGATION
&
ENFORCEMENT

October 17, 2025

Via Electronic Filing

Matthew L. Homsher, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street
Harrisburg, PA 17120

Re: Pennsylvania Public Utility Commission,
Bureau of Investigation and Enforcement v.
S.T.L. Resources, LLC
Docket No. C-2025-3056932
I&E Joint Petition for Approval of Settlement

Dear Secretary Homsher:

Enclosed for electronic filing is the Joint Petition for Approval of Settlement in the above-referenced proceeding, as well as the following Appendices: Appendix A – Joint Proposed Ordering Paragraphs and Appendix B – the Statement in Support of the Bureau of Investigation and Enforcement.

Copies have been served on the parties of record in accordance with the Certificate of Service. Should you have any questions, please do not hesitate to contact me.

Sincerely,

A handwritten signature in black ink that reads 'Samantha N. Barbush'.

Samantha N. Barbush
Prosecutor
Bureau of Investigation and Enforcement
PA Attorney ID No. 331654
(717) 772-8582
sbarbush@pa.gov

SNB/ac
Enclosures

cc: Office of Special Assistants (*via email* – ra-OSA@pa.gov)
Honorable Charles Rainey, Chief Judge, OALJ (*via email* – crainey@pa.gov)
Honorable Gail Chiodo, Deputy Chief Judge, OALJ (*via email* – gchiodo@pa.gov)
Allison C. Kaster, Director, I&E (*via email* – akaster@pa.gov)
Carrie B. Wright, Deputy Chief Prosecutor, I&E (*via email* – carwright@pa.gov)
As per Certificate of Service

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Pennsylvania Public Utility Commission,	:	
Bureau of Investigation and Enforcement,	:	
Complainant	:	
	:	
v.	:	Docket No. C-2025-3056932
	:	
S.T.L. Resources, LLC,	:	
Respondent	:	

JOINT PETITION FOR APPROVAL OF SETTLEMENT

TO THE HONORABLE PENNSYLVANIA PUBLIC UTILITY COMMISSION:

Pursuant to 52 Pa. Code §§ 5.41 and 5.232, the Pennsylvania Public Utility Commission’s (“Commission”) Bureau of Investigation and Enforcement (“I&E” or “Complainant”) and S.T.L. Resources, LLC (“S.T.L. Resources” or “S.T.L.”) (hereinafter referred to collectively as the “Parties” or “Joint Petitioners”) hereby submit this Joint Petition for Approval of Settlement (“Settlement” or “Settlement Agreement”) to resolve all issues related S.T.L.’s obligation pursuant to the Unconventional Gas Well Impact Fee Act (“Act 13” or “Act”), 58 Pa.C.S. §§ 2301-2318, for the 2024 calendar year. I&E and S.T.L. respectfully request that the Commission approve the Joint Petition, without modification, for the compelling public interest reasons set forth, *infra*. Also attached are Joint Proposed Ordering Paragraphs (Appendix A) and Statement in Support of the Settlement of I&E¹ (Appendix B).

¹ S.T.L. did not include its own Statement in Support, as S.T.L. agrees with and joins I&E’s Statement of Support of the Settlement.

I. INTRODUCTION

1. The Parties to this Settlement Agreement are the Pennsylvania Public Utility Commission's Bureau of Investigation and Enforcement, by its prosecuting attorneys, 400 North Street, Harrisburg, Pennsylvania 17120, and S.T.L., an unconventional gas well producer², with a main mailing address of 1603 Carmody Court, Suite 303, Sewickley, PA 15143.

2. The Pennsylvania Public Utility Commission is a duly constituted agency of the Commonwealth of Pennsylvania empowered to make all inquiries and determinations necessary to calculate and collect the fees, administrative charges, and assessments imposed under Act 13, including, if applicable, interest and penalties, from unconventional gas well producers within this Commonwealth, pursuant to 58 Pa.C.S. § 2307(a).

3. I&E is the entity established to prosecute complaints against unconventional gas well producers and other entities subject to the Commission's jurisdiction, pursuant to 58 Pa.C.S. § 2307(b); *see also Act 13 of 2012 – Implementation of Unconventional Gas Well Impact Fee Act*, Docket No. M-2012-2288561 (Order entered July 15, 2021) ("Order").

4. Impact fees imposed under Act 13 were due by September 1, 2012, for wells spud³ before January 1, 2012, and April 1 for each subsequent year. 58 Pa.C.S. § 2303(a).

5. Act 13 also authorizes the Commission to impose an annual administrative charge, not to exceed \$50 per spud unconventional gas well, to cover the actual costs

² An "unconventional gas well" is a "bore hole drilled or being drilled for the purpose of or to be used for the production of natural gas from an unconventional formation." 58 Pa.C.S. § 2301. An "unconventional formation" is a "geological shale formation...where natural gas generally cannot be produced at economic flow rates or in economic volumes except by vertical or horizontal well bores stimulated by hydraulic fracture treatments or by using multilateral well bores or other techniques to expose more of the formation to the well bore." *Id.*

³ "Spud" is defined as "[t]he actual start of drilling of an unconventional gas well." 58 Pa.C.S. § 2301.

incurred to enforce the requirements of Act 13. 58 Pa.C.S. § 2303(c)(1); *see also* Order.

6. Administrative charges must be paid with impact fees on April 1 of each year. 58 Pa.C.S. § 2303(c)(1).

7. The Act provides that, for producers with delinquent fees, the Commission shall assess interest. 58 Pa.C.S. § 2308(a). For the 2024 calendar year, the interest rate was set at 8.0% pursuant to 61 Pa. Code § 4.2.

8. In addition to the assessed interest, the Commission shall add a penalty of 5% of the amount of the fee if the failure to timely pay is for less than one month, with an additional 5% penalty for each additional month or fraction of a month, not to exceed 25% in the aggregate. 58 Pa.C.S. § 2308(b).

9. The Commission may also assess civil penalties of up to \$2,500 for each unpaid impact fee for each day that a producer fails to make and continues to fail to make timely payment. 58 Pa.C.S. § 2310. In determining the amount of the penalty, the Commission shall consider the willfulness of the violation and other relevant factors. *Id.*

10. An unconventional gas well producer is required to file an Annual Report with the Commission listing the number of its spud unconventional gas wells subject to impact fees and administrative charges for the previous calendar year. 58 Pa.C.S. § 2303(b). The Annual Report for 2024 was due by April 1, 2025.

11. S.T.L. is an “public utility” as that term is defined at 66 Pa.C.S. § 102 as it is engaged in providing public utility service as an unconventional gas well producer in the Commonwealth of Pennsylvania to the public for compensation.

12. S.T.L., as an unconventional gas well producer, is subject to the power and authority of the Commission pursuant to Section 501(c) of the Code, 66 Pa.C.S. § 501(c),

which requires a public utility to comply with Commission regulations and orders.

13. Pursuant to the provisions of the applicable Commonwealth statutes and regulations, the Commission has jurisdiction over this subject matter and the actions of S.T.L. in its capacity as an unconventional gas well producer.

II. STIPULATED FACTS

14. On or about February 3, 2025, S.T.L. timely filed with the Commission its Annual Well Summary Report for 2024.

15. According to S.T.L.'s Annual Well Summary Report for the 2024 calendar year, S.T.L. operated 52 unconventional wells as designated by Pennsylvania Department of Environmental Protection ("DEP") permit numbers. Concerning the 52 wells, S.T.L. owed \$621,100 in impact fees and \$2,600 in administrative charges⁴, for a total of \$623,700.

16. S.T.L.'s payment of \$623,700 was due on April 1, 2025.

17. On or about February 3, 2025, the Fiscal Office of the Commission's Bureau of Administration ("Fiscal Office") sent S.T.L. an Impact Fee Statement and a Spud Fee Statement detailing the amount due and due date.

18. S.T.L. did not pay \$623,700 on April 1, 2025.

19. On or about April 25, 2025, the Fiscal Office emailed S.T.L. a Past Due Impact Fee Statement and Past Due Spud Fee Statement.

20. S.T.L. did not submit a dispute contesting the imposition of the impact fees and administrative charges related to the 2024 calendar year.

21. By Notice of Amount Due dated May 21, 2025, the Fiscal Office notified

⁴ For 2024, the administrative charge due under Act 13 was \$50 per well. 58 Pa.C.S. § 2303(c)(1); *See also* Order.

S.T.L. of the deficiency.

22. In the Notice of Amount Due, the Fiscal Office provided S.T.L. with an additional twenty (20) days to either pay the entire delinquent amount of \$623,700 or file a written response with the Commission.

23. The Notice of Amount Due further provided that the Commission may assess interest and penalties on the delinquent impact fees and administrative charges if S.T.L. failed to pay the amounts due.

24. On or about August 19, 2025, I&E filed and served its Formal Complaint against S.T.L. alleging S.T.L. failed to comply with Act 13 in that it had not paid the impact fees and administrative charges imposed under the Act for its 52 unconventional gas wells with DEP well permit numbers related to the 2024 calendar year. I&E alleged payment in full of the impact fees and administrative charges for these wells was due by April 1, 2025, and a current balance of \$623,700 remained.

25. In its Formal Complaint, I&E requested S.T.L. be directed to pay a total of \$959,521, as detailed below:

- a. S.T.L. be ordered to pay its past due impact fees and administrative charges related to the 2024 calendar year in the amount of \$623,700;
- b. S.T.L. be ordered to pay interest at an interest rate of 8.0% of the amount due for a sum of \$49,896 pursuant to 58 Pa.C.S. § 2308(a);
- c. S.T.L. be ordered to pay a penalty of 25% of the amount due for a sum of \$155,925 pursuant to 58 Pa.C.S. § 2308(b);
- d. S.T.L. be ordered to pay a civil penalty of \$130,000⁵ pursuant to 58 Pa.C.S. § 2310(a); and

⁵ The civil penalty amount was calculated by multiplying \$2,500 by 52 wells.

- e. The Commission grant such other relief as the Commission deems appropriate.

26. On or about August 22, 2025, S.T.L. contacted I&E and informed I&E that S.T.L. made a \$400,000 payment on or about May 28, 2025, to the Pennsylvania Treasury Department (“Treasury”). When the payment was made, S.T.L. did not provide notice to the Fiscal Office of the payment to enable the Fiscal Office to request the funds be transferred from Treasury to the Commission.

27. On or about August 25, 2025, the Fiscal Office confirmed S.T.L.’s \$400,000 payment made on or about May 28, 2025, credited S.T.L.’s account, and provided an updated balance of \$221,100 in impact fees and \$2,600 in administrative charges, for a total of \$223,700.

28. On or about August 27, 2025, I&E contacted S.T.L. regarding the remaining amount owed of \$223,700 plus interest and penalties.

29. I&E offered, in efforts to cease moving forward with the Formal Complaint, that it was agreeable to S.T.L. filing for a brief, 10-day extension to file its Answer⁶ to the Formal Complaint.

30. On or about September 2, 2025, the Parties began discussions of settling the instant matter.

31. S.T.L. did not file its Answer to the Formal Complaint by September 8, 2025, as discussions concerning settling the instant matter were ongoing.

III. VIOLATIONS

32. I&E and S.T.L. agree that by failing to comply with Act 13’s requirement of

⁶ S.T.L.’s Answer to the Formal Complaint was due on September 8, 2025.

paying the total impact fees and administrative charges imposed under the Act for its 52 unconventional gas wells with DEP permit numbers related to the 2024 calendar year, S.T.L. had a continuing violation of 58 Pa.C.S. § 2303(c) from April 1, 2025, until the impact fees and administrative charges are paid in full.

33. I&E and S.T.L. acknowledge that due to S.T.L.'s continuing violation the following statutory relief is warranted:

- a. Payment in full of the remaining past due impact fees and administrative charges related to the 2024 calendar year, pursuant to 58 Pa.C.S. § 2303(a), (c)(1), *see also* Order.
- b. Payment of interest at an interest rate of 8.0% of the amount due, pursuant to 58 Pa.C.S. § 2308(a).
- c. Payment of a penalty of 25% of the amount due, pursuant to 58 Pa.C.S. § 2308(b).

IV. SETTLEMENT TERMS

34. Pursuant to the Commission's policy of encouraging settlements that are reasonable and in the public interest, as set forth at 52 Pa. Code § 5.231(a), I&E and S.T.L. held a series of discussions and meetings that culminated in this Settlement. I&E and S.T.L. desire to settle this matter completely without litigation. The Parties recognize that their positions and claims are disputed and that given the inherent unpredictability of the outcome of a contested proceeding, the Parties further recognize the significant and more immediate benefits of amicably resolving the disputed issues through settlement as opposed to time-consuming and expensive litigation.

35. The terms and conditions of the Settlement Agreement, for which the Parties seek Commission approval, are set forth below.

36. I&E and S.T.L., intending to be legally bound and for consideration given,

desire to fully and finally settle this matter without litigation and agree that a Commission Order approving the Settlement without modification will create the following rights and obligations:

A. Act 13 Impact Fees and Administrative Charges related to the 2024 calendar year:

S.T.L. Resources will pay \$221,100 in impact fees and \$2,600 in administrative charges, totaling \$223,700 pursuant to 58 Pa.C.S. § 2303(a) and (c)(1).

B. Statutory Interest:

S.T.L. Resources will pay \$17,896 in statutory interest determined at an 8% rate of the remaining amount due of impact fees and administrative charges pursuant to 58 Pa.C.S. § 2308(a).

C. Statutory Penalty:

S.T.L. Resources will pay \$55,925 as a statutory penalty determined at a rate of 25% of the remaining amount due of impact fees and administrative charges pursuant to 58 Pa.C.S. § 2308(b).

D. Annual Well Summary Report and payment for the 2025 calendar year:

S.T.L. Resources will timely file their Annual Well Summary Report and pay the associated impact fees and administrative charges for the 2025 calendar year on or before April 1, 2026.

37. Said payment totaling \$297,521, pursuant to paragraph 36(A)-(C), above, will be made within thirty (30) days of the entry date of the Commission's Final Order approving the Settlement Agreement. Said payment will be made by one of the following options:

- a. Said payment will be made by certified check or money order payable to the "Commonwealth of Pennsylvania." The docket number of this proceeding will be indicated with the certified check or money order, and the payment will be sent to:

Matthew L. Homsher, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street
Harrisburg, PA 17120

- b. Said payment will be made by via ACH or wire transfer. Payment will be sent to:

Bank:	Wells Fargo Bank
ABA#:	121000248
Account Name:	Commonwealth of PA
Account #:	2100019662887
OBI:	Gas Well Fees

After payment is complete, S.T.L. shall notify the Fiscal Office or I&E that payment has been made via ACH or wire transfer.

38. Upon Commission approval of the Settlement in its entirety without modification, I&E will not file or initiate other action against S.T.L. at the Commission with respect to the allegations that were the subject of I&E's instant Formal Complaint.

39. I&E and S.T.L. jointly acknowledge that approval of this Settlement Agreement is in the public interest and fully consistent with the Commission's Policy Statement regarding Factors and Standards for Evaluating Litigated and Settled Proceedings, 52 Pa. Code § 69.1201. The Parties submit that the Settlement Agreement is in the public interest because it effectively addresses I&E's allegations and avoids the time and expense of further litigation, which entails hearings, travel for out-of-state witnesses, and the preparation and filing of briefs, exceptions, and reply exceptions, as well as possible appeals. Attached as **Appendix B** is a Statement in Support submitted by I&E, and agreed upon by S.T.L. Resources, setting forth the basis upon which the Parties believe the Settlement Agreement is in the public interest.

V. CONDITIONS OF SETTLEMENT

40. This document represents the Settlement Agreement in its entirety and constitutes a negotiated resolution solely of the above-referenced Formal Complaint. No changes to obligations set forth herein may be made unless they are in writing and are expressly accepted by the parties involved. This Settlement Agreement shall be construed and interpreted under Pennsylvania law, without regard to its conflict of laws provisions.

41. The Parties agree that this Settlement may be executed in one or more counterparts, each of which will be deemed an original, and all of which taken together constitute one and the same agreement that is binding upon the Parties as if they executed a single petition.

42. In order to effectuate this Joint Petition, the undersigned parties request that the Commission issue a Final Order approving the Joint Petition without modification.

43. The Settlement is conditioned upon the Commission's approval of the terms and conditions contained in this Joint Petition for Approval of Settlement without modification. If the Commission modifies this Settlement Agreement, any party may elect to withdraw from this Settlement Agreement and may proceed with litigation or take such other action as deemed appropriate and, in such event, this Settlement Agreement shall be void and of no effect. Such election to withdraw must be made in writing, filed with the Secretary of the Commission, and served upon all parties within twenty (20) business days after entry of an Order modifying the Settlement.

44. The consequence of any party withdrawing from this Joint Petition as set forth above is that all issues associated with the requested relief presented in the proceeding may be fully litigated by proceeding with the filed Formal Complaint or such other action may be

taken as deemed appropriate unless otherwise stipulated between the parties and all obligations of the parties to each other set forth herein are terminated and of no force and effect.

45. The Parties agree that the underlying allegations were not the subject of any hearing and that there has been no Order, findings of fact, or conclusions of law rendered in this Formal Complaint proceeding. It is further understood that, by entering into this Settlement Agreement, S.T.L. has admitted to the violations alleged in the Formal Complaint but has made no other concession or admission of fact or law and may dispute all issues of fact and law for all purposes in any other proceeding, including but not limited to any civil proceedings, that may arise as a result of the circumstances described in this Joint Settlement Petition, nor may this settlement be used by any other person or entity as a concession or admission of fact or law.

46. The Parties acknowledge that this Settlement Agreement reflects a compromise of competing positions, does not necessarily reflect any party's position with respect to any issues raised in this proceeding, and does not in any way constitute a finding or an admission of guilt.

47. This Settlement Agreement is being presented only in the context of this proceeding in an effort to resolve the proceeding in a manner that is fair and reasonable and in the public interest. This Settlement is presented without prejudice to any position that any of the Parties may have advanced and without prejudice to the position any of the Parties may advance in the future on the merits of the issues in any other proceedings, except to the extent necessary to effectuate or enforce the terms and conditions of this Settlement Agreement. This Settlement does not preclude the Parties from taking other positions in any

other proceeding but is conclusive in this proceeding and may not be reasserted in any other proceeding or forum except for the limited purpose of enforcing the Settlement by a Party.

48. The Parties agree that upon the filing of the Settlement, the three year requirement to bring a prosecution for this matter, found at 66 Pa.C.S. § 3314, shall be tolled until twenty (20) days after such time the Commission issues an Order approving or rejecting the Settlement Agreement or a Party files its election to withdraw from the Settlement Agreement, whichever occurs later in time.

49. In the event the Commission rejects the Settlement or approves the Settlement with modifications or conditions, S.T.L. may raise affirmative defenses in any formal proceeding brought by I&E concerning Act 13 impact fees, administrative charges, and assessments for the 2024 calendar year, including but not limited to, defenses based on state or federal statutes of limitation.

50. I&E and S.T.L. shall make good faith efforts to obtain approval of the Joint Petition by the Commission including, but not limited to, I&E submitting a Statement in Support of the Joint Petition agreed upon by S.T.L. Resources.

51. I&E and S.T.L. jointly acknowledge that approval of this Settlement Agreement is in the public interest and is fully consistent with the Commission's Policy Statement for evaluating litigated and settled proceedings involving violations of the Code and Commission regulations, 52 Pa. Code § 69.1201. The Commission will serve the public interest by adopting this Joint Petition for Approval of Settlement.

52. The Joint Petition avoids the time and expense of litigation in this matter before the Commission, which likely would entail proceeding with the Formal Complaint, the preparation for and attendance at hearings, and the preparation and filing of testimony, briefs,

reply briefs, exceptions, and reply exceptions. The Parties further recognize that their positions and claims are disputed and, given the inherent unpredictability of the outcome of a contested proceeding, the Parties recognize the benefits of amicably resolving the disputed issues through settlement.

53. Since the Parties agree to the terms of the Joint Petition, adopting it will eliminate the possibility of any appeal from the Commission Secretarial Letter or Order, thus avoiding the additional time and expense that they might incur in such an appeal.

54. This settlement consists of the entire agreement between I&E and S.T.L. regarding the matters addressed herein. Moreover, this Settlement Agreement represents a complete settlement of I&E's Formal Complaint of the alleged violations of Act 13, as discussed, *supra*.

55. The terms and conditions of this Settlement Agreement represent reasonably negotiated compromises on the issues addressed herein. Thus, the Settlement Agreement is consistent with the Commission's rules and practices encouraging negotiated settlements set forth in 52 Pa. Code §§ 5.231 and 69.1201.

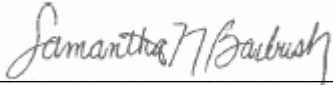
WHEREFORE, the Pennsylvania Public Utility Commission's Bureau of Investigation and Enforcement and S.T.L. Resources, LLC respectfully request that the Commission issue an Order approving the terms of this Settlement Agreement in their entirety, without modification, as being in the public interest.

[Signature Page to Follow]

Respectfully Submitted,

Pennsylvania Public Utility Commission,
Bureau of Investigation and Enforcement

S.T.L. Resources, LLC

By: 
Samantha N. Barbush
Prosecutor
PA Attorney ID No. 331654
Pennsylvania Public Utility Commission
Bureau of Investigation and Enforcement
Commonwealth Keystone Building
400 North Street
Harrisburg, PA 17120
sbarbush@pa.gov

By: _____
Robert J. Brown
Land Manager
S.T.L. Resources
1603 Carmody Court, Suite 303
Sewickley, PA 15143
rbrown@stlresources.com

Date: October __, 2025


Date: October 17, 2025

Respectfully Submitted,

Pennsylvania Public Utility Commission,
Bureau of Investigation and Enforcement

S.T.L. Resources, LLC

By: _____
Samantha N. Barbush
Prosecutor
PA Attorney ID No. 331654
Pennsylvania Public Utility Commission
Bureau of Investigation and Enforcement
Commonwealth Keystone Building
400 North Street
Harrisburg, PA 17120
sbarbush@pa.gov

By:  _____
Robert J. Brown
Land Manager
S.T.L. Resources
1603 Carmody Court, Suite 303
Sewickley, PA 15143
rbrown@stlresources.com

Date: October 13, 2025

Date: October __, 2025

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Pennsylvania Public Utility Commission,	:	
Bureau of Investigation and Enforcement,	:	
Complainant	:	
	:	
v.	:	Docket No. C-2025-3056932
	:	
S.T.L. Resources, LLC,	:	
Respondent	:	

JOINT PROPOSED ORDERING PARAGRAPHS

1. That the Joint Settlement Petition filed on October 17, 2025 between the Commission’s Bureau of Investigation and Enforcement and S.T.L. Resources, LLC is approved in its entirety without modification.
2. That, in accordance with Section 2303(a) and (c)(1) of Act 13, 58 Pa.C.S. § 2303(a) and (c)(1), within thirty (30) days of the date this Order becomes final, S.T.L. Resources, LLC will pay its impact fees and administrative charges of \$223,700.
3. That, in accordance with Section 2308(a) of Act 13, 58 Pa.C.S. § 2308(a), within thirty (30) days of the date this Order becomes final, S.T.L. Resources, LLC will pay statutory interest of \$17,896.
4. That, in accordance with Section 2308(b) of Act 13, 58 Pa.C.S. § 2308(b), within thirty (30) days of the date this Order becomes final, S.T.L. Resources, LLC will pay a statutory penalty of \$55,925.
5. Said payment totaling \$297,521, including the amounts owed for impact fees, administrative charges, and statutory interest and penalty, will be made within thirty (30)

days of the entry date of the Commission’s Final Order approving the Settlement Agreement.

Said payment will be made by one of the following options:

- a. Said payment will be made by certified check or money order payable to the “Commonwealth of Pennsylvania.” The docket number of this proceeding will be indicated with the certified check or money order, and the payment will be sent to:

Matthew L. Homsher, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street
Harrisburg, PA 17120

- b. Said payment will be made via ACH or wire transfer. Payment will be sent to:

Bank:	Wells Fargo Bank
ABA#:	121000248
Account Name:	Commonwealth of PA
Account #:	2100019662887
OBI:	Gas Well Fees

After payment is complete, S.T.L. shall notify the Fiscal Office or I&E that payment has been made via ACH or wire transfer.

6. A copy of this Opinion and Order will be served upon the Financial and Assessment Chief, Bureau of Administration.

7. That upon receipt of payment of the impact fees, administrative charges, interest, and penalty set forth in Paragraph 36 of the Joint Petition for Settlement, the above-captioned matter shall be marked closed.

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Pennsylvania Public Utility Commission, :
Bureau of Investigation and Enforcement, :
Complainant :
v. : Docket No. C-2025-3056932
S.T.L. Resources, LLC, :
Respondent :

**THE BUREAU OF INVESTIGATION AND ENFORCEMENT’S
STATEMENT IN SUPPORT OF THE
JOINT PETITION FOR APPROVAL OF SETTLEMENT**

TO THE HONORABLE PENNSYLVANIA PUBLIC UTILITY COMMISSION:

Pursuant to 52 Pa. Code §§ 5.231, 5.232, and 69.1201, the Pennsylvania Public Utility Commission’s (“Commission” or “PUC”) Bureau of Investigation and Enforcement (“I&E”), a signatory party to the Joint Petition for Approval of Settlement (“Settlement” or “Settlement Agreement”) filed in the matter docketed above, submits this Statement in Support of the Settlement Agreement between I&E and S.T.L. Resources, LLC (“S.T.L. Resources” or “S.T.L.”).¹ I&E avers that the terms and conditions of the Settlement are just and reasonable and in the public interest for the reasons set forth herein.

I. Background

Unconventional gas well producers within the Commonwealth of Pennsylvania are required, pursuant to the Unconventional Gas Well Impact Fee Act (“Act 13” or “Act”), 58

¹ I&E and S.T.L. are collectively referred to herein as the “Parties”.

Pa.C.S. §§ 2301-2318, to submit an Annual Well Summary Report and pay the associated impact fees and administrative charges each year by April 1.

In this matter, S.T.L. timely filed its Annual Well Summary Report for the 2024 calendar year on or about February 3, 2025, detailing S.T.L.'s operation of 52 unconventional wells as designated by Pennsylvania Department of Environmental Protection ("DEP") permit numbers. Concerning the 52 wells, S.T.L. owed \$621,100 in impact fees and \$2,600 in administrative charges, for a total of \$623,700 due on April 1, 2025. On April 25, 2025, the Fiscal Office of the Commission's Bureau of Administration ("Fiscal Office") emailed S.T.L. a Past Due Impact Fee Statement and a Past Due Spud Fee Statement. S.T.L. did not submit a dispute contesting the imposition of the impact fees and administrative charges related to the 2024 calendar year. On May 21, 2025, by Notice of Amount Due, the Fiscal Office notified S.T.L. of the deficiency. The Notice of Amount Due provided S.T.L. with an additional twenty (20) days to either pay the entire delinquent amount of \$623,700 or file a written response with the Commission. The Notice of Amount Due further provided that the Commission may assess interest and penalties on the delinquent impact fees and administrative charges if S.T.L. failed to pay the amounts due.

On August 19, 2025, I&E filed and served its Formal Complaint against S.T.L. alleging S.T.L. failed to comply with Act 13 in that it had not paid the impact fees and administrative charges imposed under the Act for its 52 unconventional gas wells with DEP well permit numbers related to the 2024 calendar year. I&E alleged payment in full of the impact fees and administrative charges for these wells was due by April 1, 2025, and a current balance of \$623,700 remained. In its Formal Complaint, I&E requested S.T.L. be directed to pay a total of \$959,521, as detailed below:

- a. S.T.L. be ordered to pay its past due impact fees and administrative charges related to the 2024 calendar year in the amount of \$623,700;
- b. S.T.L. be ordered to pay interest at an interest rate of 8.0% of the amount due for a sum of \$49,896 pursuant to 58 Pa.C.S. § 2308(a);
- c. S.T.L. be ordered to pay a penalty of 25% of the amount due for a sum of \$155,925 pursuant to 58 Pa.C.S. § 2308(b);
- d. S.T.L. be ordered to pay a civil penalty of \$130,000 pursuant to 58 Pa.C.S. § 2310(a); and
- e. The Commission grant such other relief as the Commission deems appropriate.

After filing the Formal Complaint, S.T.L. contacted I&E and informed I&E that S.T.L. made a \$400,000 payment to the Treasury Department on May 28, 2025. The Fiscal Office and I&E were not aware of this \$400,000 payment at the time the Formal Complaint was filed. The Fiscal Office confirmed S.T.L.'s \$400,000 payment was made, credited S.T.L.'s account, and provided an updated balance of \$221,100 in impact fees and \$2,600 in administrative charges, for a total of \$223,700.

In lieu of the \$959,521 contained in the Formal Complaint, I&E contacted S.T.L. regarding the remaining amount owed of \$223,700, plus statutory interest of \$17,896 pursuant to 58 Pa.C.S. § 2308(a), statutory penalties of \$55,925 pursuant to 58 Pa.C.S. § 2308(b), and additional civil penalties.

On or about September 2, 2025, the Parties began settlement discussions to resolve the instant matter. The results of those discussions formed the basis for the requested relief set forth in the Settlement Agreement.

II. The Public Interest

Pursuant to the Commission's policy of encouraging settlements that are reasonable and in the public interest, the Parties held a series of settlement discussions. These

discussions culminated in this Settlement Agreement, which, once approved, will resolve all issues related to I&E's Formal Complaint. S.T.L. has been cooperative with I&E related to discussing the delinquent payment and working toward formulating a plan to become compliant with S.T.L.'s Act 13 obligations as an unconventional gas well producer for the 2024 calendar year and satisfying the commitments that I&E has required in the settlement process.

This Settlement Agreement results from the compromise of the Parties. When I&E filed its Formal Complaint in August 2025 indicating that \$623,700 in impact fees and administrative charges were overdue, it was unaware that S.T.L. had paid \$400,000 to Treasury in May 2025 because the Fiscal Office was not notified of the payment. Given this payment, S.T.L.'s outstanding balance for impact fees and administrative charges was corrected to \$223,700. This correction reduced the statutory interest from \$49,896 to \$17,896 and the statutory penalty from \$155,925 to \$55,925. I&E sought an additional \$130,000 civil penalty in the Complaint because I&E was unaware that S.T.L. had made a \$400,000 payment at the time the Complaint was filed. Although this payment was not made in time to satisfy the April 1 deadline and it did not cover the full amount of the impact fees, through the Settlement, I&E is no longer seeking an additional civil penalty as S.T.L. has agreed to pay statutory interest and penalties totaling \$73,821. Accordingly, I&E maintains that it is in the public interest to approve the agreed upon Settlement of \$297,521 in lieu of the \$959,521 sought in the Complaint.

I&E recognizes that, given the inherent unpredictability of the outcome of a contested proceeding, the benefits to amicably resolving the disputed issues through settlement outweigh the risks and expenditures of litigation. I&E submits that the Settlement constitutes a reasonable compromise of the issues presented and is in the public interest as it provides

for a resolution to S.T.L.'s Act 13 obligations as an unconventional gas well producer for the 2024 calendar year, as well as payment of assessments including interest and penalties. As such, I&E respectfully requests that the Commission approve the Settlement without modification.

III. Terms of Settlement

Under the terms of the Settlement Agreement, I&E and S.T.L. have agreed to the following:

1. S.T.L. will pay \$221,100 in impact fees and \$2,600 in administrative charges, totaling \$223,700, (Paragraph 36(A));
2. S.T.L. will pay \$17,896 in statutory interest determined at an 8% rate of the remaining amount due of impact fees and administrative charges, (Paragraph 36(B));
3. S.T.L. will pay \$55,925 as a statutory penalty determined at a rate of 25% of the remaining amount due of impact fees and administrative charges, (Paragraph 36(C)); and
4. S.T.L. Resources will timely file their Annual Well Summary Report and pay the associated impact fees and administrative charges for the 2025 calendar year on or before April 1, 2026 (Paragraph 36(D)).

In consideration of S.T.L.'s payment of its impact fees, administrative charges, and statutory interest and penalties, I&E agrees that it has released S.T.L. from all past claims that were or could have been made for monetary and/or other relief based on allegations associated with I&E's Formal Complaint docketed at C-2025-3056932.

IV. Legal Standard for Settlement Agreements

Commission policy promotes settlements. *See* 52 Pa. Code § 5.231. Settlements lessen the time and expense that the Parties must expend on litigating a case and conserve precious administrative resources. Settlement results are often preferable to those achieved at

the conclusion of a fully litigated proceeding. “The focus of inquiry for determining whether a proposed settlement should be recommended for approval is not a ‘burden of proof’ standard, as is utilized for contested matters.” *Pa. Pub. Util. Comm’n, et al. v. City of Lancaster – Bureau of Water*, Docket Nos. R-2010-2179103, *et al.* (Order entered July 14, 2011) at p. 11. Instead, the benchmark for determining the acceptability of a settlement is whether the proposed terms and conditions are in the public interest. *Pa. Pub. Util. Comm’n v. Philadelphia Gas Works*, Docket No. M- 00031768 (Order entered January 7, 2004).

I&E submits that approval of the Settlement Agreement in the above-captioned matter is consistent with the Commission’s Policy Statement regarding *Factors and Standards for Evaluating Litigated and Settled Proceedings Involving Violations of the Public Utility Code and Commission Regulations* (“Policy Statement”), 52 Pa. Code § 69.1201; *See also Joseph A. Rosi v. Bell-Atlantic-Pennsylvania, Inc.*, Docket No. C- 00992409 (Order entered March 16, 2000). The Commission’s Policy Statement sets forth ten (10) factors that the Commission may consider in evaluating whether a civil penalty for violating a Commission order, regulation, or statute is appropriate, as well as whether a proposed settlement for a violation is reasonable and in the public interest. 52 Pa. Code § 69.1201.

The Commission will not apply the factors as strictly in settled cases as in litigated cases. 52 Pa. Code § 69.1201(b). While many of the same factors may still be considered, in settled cases, the Parties “will be afforded flexibility in reaching amicable resolutions to complaints and other matters as long as the settlement is in the public interest.” *Id.*

The first factor considers whether the conduct at issue was of a serious nature, such as willful fraud or misrepresentation, or if the conduct was less egregious, such as an administrative or technical error. Conduct of a more serious nature may warrant a higher

civil penalty while conduct that is less egregious warrants a lower amount. 52 Pa. Code § 69.1201(c)(1). I&E submits that the conduct alleged in the Formal Complaint does not rise to the level of willful fraud or misrepresentation and, while more than a mere administrative error, is not of serious nature. S.T.L. acknowledges and accepts the responsibilities due under Act 13 concerning annual compliance.

The second factor considers whether the resulting consequences of S.T.L.'s alleged conduct were of a serious nature. When consequences of a serious nature are involved, such as personal injury or property damage, the consequences may warrant a higher penalty. 52 Pa. Code § 69.1201(c)(2). In this case, the consequences of S.T.L.'s delinquent Act 13 payments were not of a serious nature and involved no threat of or actual injury or damage to persons or property.

The third factor to be considered under the Policy Statement is whether the alleged conduct was intentional or negligent. 52 Pa. Code § 69.1201(c)(3). "This factor may only be considered in evaluating litigated cases." *Id.* Whether S.T.L.'s alleged conduct was intentional or negligent does not apply since this matter is being resolved by settlement of the Parties.

The fourth factor to be considered is whether S.T.L. has made efforts to change its practices and procedures to prevent similar conduct in the future. 52 Pa. Code § 69.1201(c)(4). In response to its 2024 delinquent payment, S.T.L. has indicated its intent and agreement to timely file and pay all associated impact fees and administrative charges for the subsequent calendar year concerning Act 13. As such, the parties have agreed, pursuant to Paragraph 36(D) of the Settlement Agreement, that S.T.L. will act accordingly.

The fifth factor to be considered relates to the number of customers affected by the Company's actions and the duration of the violations. 52 Pa. Code § 69.1201(c)(5). The number of customers affected by S.T.L.'s actions does not apply to the instant matter. The duration of S.T.L.'s violations, from April 1, 2025, until Commission approval of this Settlement, is adequately reflected and addressed by S.T.L.'s payment of statutory interest and penalties.

The sixth factor to be considered relates to the compliance history of S.T.L. Resources. 52 Pa. Code § 69.1201(c)(6). An isolated violation from an otherwise compliant company may result in a lower penalty, whereas frequent, recurrent violations by a company may result in a higher penalty. *Id.* I&E is unaware of any prior compliance issues concerning S.T.L. with the Commission, and, therefore, payment of statutory interest and penalties adequately address the instant isolated violation.

The seventh factor to be considered relates to whether the Company cooperated with the Commission's investigation. 52 Pa. Code § 69.1201(c)(7). "Facts establishing bad faith, active concealment of violations, or attempts to interfere with Commission investigations may result in a higher penalty." *Id.* I&E submits that S.T.L. has been responsive and cooperative with the Commission's investigation, in that S.T.L. has assisted I&E and the Fiscal Office in crediting its previous payment and working toward resolving this matter.

The eighth factor to be considered is the appropriate settlement amount necessary to deter future violations. 52 Pa. Code § 69.1201(c)(8). I&E submits that given S.T.L. compliance history and its eagerness to fully comply with future Act 13 obligations, a civil penalty is unwarranted. The statutory interest and penalties, totaling \$73,821, are appropriate penalties in this case.

The ninth factor to be considered relates to past Commission decisions in similar situations. 52 Pa. Code § 69.1201(c)(9). I&E is unaware of prior cases addressing similar facts and believes that the instant Settlement Agreement should be viewed on its own merits and is fair and reasonable. Through Settlement, S.T.L. has agreed to pay the remainder of its impact fees and administrative charges and, as indicated above, is paying an additional \$73,821 in statutory interest and penalties due to its failure to pay in full and on time. Importantly, S.T.L. has also agreed to timely pay its impact fees and administrative charges for the 2025 calendar year; therefore, the terms contained in the Settlement Agreement fully resolve this matter and will improve compliance going forward.

The tenth factor considers “other relevant factors.” 52 Pa. Code § 69.1201(c)(10). I&E submits that an additional relevant factor – whether the case was settled or litigated – is of pivotal importance to this Settlement Agreement. A settlement avoids the necessity for the governmental agency to prove elements of each allegation. In return, the opposing party in a settlement agrees to a lesser fine or penalty, or other remedial action. Both Parties negotiate from their initial litigation positions. The fines, penalties, and other remedial actions resulting from a fully litigated proceeding are difficult to predict and can differ from those that result from a settlement. Reasonable settlement terms can represent economic and programmatic compromise while allowing the Parties to move forward and to focus on satisfying and implementing the agreed upon obligations and remedial actions and enhancing public safety.

In conclusion, I&E fully supports the terms and conditions of the Settlement Agreement. The terms of the Settlement Agreement reflect a carefully balanced compromise of the interests of the Parties in this proceeding. The Parties believe that approval of this

Settlement Agreement is in the public interest. Acceptance of this Settlement Agreement in its entirety avoids the necessity of further administrative and potential appellate proceedings at what would have been a substantial cost to the Parties.

WHEREFORE, I&E supports the Settlement Agreement as being in the public interest and respectfully requests that the Commission approve the Settlement in its entirety without modification.

Respectfully submitted,



Samantha N. Barbush
Prosecutor
PA Attorney ID No. 331654

Pennsylvania Public Utility Commission
Bureau of Investigation and Enforcement
Commonwealth Keystone Building
400 North Street
Harrisburg, PA 17120
(717) 772-8582
sbarbush@pa.gov

Dated: October 17, 2025

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Pennsylvania Public Utility Commission,	:	
Bureau of Investigation and Enforcement,	:	
Complainant	:	
	:	
v.	:	Docket No. C-2025-3056932
	:	
S.T.L. Resources, LLC,	:	
Respondent	:	

CERTIFICATE OF SERVICE

I hereby certify that I have this day served a true copy of the foregoing **Joint Petition for Approval of Settlement** upon the parties, listed below, in accordance with the requirements of 52 Pa. Code § 1.54 (relating to service by a party).

Served via Electronic Mail

S.T.L. Resources
Attn: Robert J. Brown
1603 Carmody Court, Suite 303
Sewickley, PA 15143
rbrown@stlresources.com



Samantha N. Barbush
Prosecutor
Bureau of Investigation and Enforcement
PA Attorney ID No. 331654
(717) 772-8582
sbarbush@pa.gov

Dated: October 17, 2025