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# WUC

Water Utility Council of the  
PA-Section, American Water  
Works Association (PA-AWWA)



## GOVERNMENT RELATIONS UPDATE

From Milliron & Goodman Government Relations, LLC.

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*PA- Section, American Water Works Association  
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### Drought Declarations Change for 17 Counties; Two Counties Remain in Drought Warning Status

Following a meeting on February 14, 2017 of the Commonwealth Drought Task Force, the Department of Environmental Protection (DEP) announced that two counties remain in drought warning status. Six improve from warning to watch status, and 11 improve from watch to normal status.

\* **Drought warning:** Mifflin and Union Counties remain in drought warning status. DEP encourages a voluntary water use reduction of 10-15 percent.

\* **Drought watch:** Six counties moved from drought warning to drought watch: Carbon, Juniata, Lehigh, Monroe, Northampton, and Snyder. Fifteen other counties remain on watch: Berks, Bucks, Centre, Chester, Cumberland, Dauphin, Delaware, Franklin, Lancaster, Lebanon, Montgomery, Northumberland, Perry, Philadelphia, and Schuylkill. DEP encourages a voluntary water use reduction of 5 percent.

\* **Normal:** Eleven counties-Adams, Bedford, Clinton, Fulton, Huntingdon, Luzerne, Lackawanna, Pike, Wayne, Sullivan, and York-moved from drought watch to normal status, joining the rest of the state.

Although drought watch and warning declarations in winter aren't common, they have occurred several times in the past decade, in 2011, 2010, and 2008.

DEP bases its declarations on four indicators: precipitation deficits (averaged from numerous gauges), stream flows, groundwater levels, and soil moisture.

Public water systems in affected counties continue to implement voluntary and mandatory water reductions in response to reduced supplies. DEP suggests several steps citizens can take to voluntarily reduce their water use:

\* **Run water only when necessary.** Don't let the faucet run while brushing your teeth or shaving. Shorten the amount of time you let the water run to warm up before you shower. Use a bucket to catch the water and then reuse it to water your plants.

\* **Run the dishwasher and washing machine only with full loads.**

\* **Check for household leaks.** A leaking toilet can waste up to 200 gallons of water each day.

\* **Replace older appliances** with high-efficiency, front-loading models that use about 30 percent less water and 40 to 50 percent less energy.

\* **Install low-flow plumbing fixtures** and aerators on faucets.

DEP also offers other water conservation recommendations and water audit procedures for commercial and industrial users, such as food processors, hotels and educational institutions. These recommendations and additional drought monitoring information are available on the DEP [Drought Information website](#).

Source: DEP Press Release, 2/14/2017

## **Charlton Introduces Bill to Expand Growing Greener Program Measure would invest additional \$315 million annually in PA's natural resources**

**O**n February 14, 2017, Rep. Alex Charlton (R-Springfield) introduced legislation to provide a much-needed boost in funding for conservation, preservation and recreation projects across the Commonwealth.

[House Bill 503](#), also known as Growing Greener III, would provide an additional \$315 million annually to invest in conserving and restoring land and water resources; preserving open space; and investing in parks, recreation areas, greenways and trails.

"We only get one environment to leave to future generations, and it is in everyone's best interest to maintain the health of our air, land and water," Charlton said. "Even in challenging financial times, preservation now is far more cost effective than restoration later. And in the end, a healthy

environment and a healthy economy go hand in hand."

Growing Greener was created in 1999 and enhanced with the passage of Growing Greener II in 2005. Since its inception, the nationally recognized program has funded hundreds of local parks and trail projects; conserved more than 50,000 acres of threatened open space; protected more than 78,000 acres of farmland; repaired more than 1,600 acres of abandoned mine land; and restored hundreds of miles of streams and waterways.

"But there is much more work to be done, and with funding down nearly 75 percent since the mid-2000s, it is time to reinvigorate the Growing Greener program and live up to our constitutional responsibility to protect our environment for current and future generations," Charlton said.

He called the bill a first step in the process of ensuring the program's future, noting it helps to identify the need and establish the commitment to support these critical environmental and quality of life projects.

The bill will likely be referred to the House Environmental Resources and Energy Committee.

Source: Rep. Charlton Press Release, 2/14/2017

## **PUC Proposed Rulemaking: Standards and Billing Practices for Residential Public Utility Service**

**T**he Pennsylvania Public Utility Commission adopted a proposed rulemaking order to amend Chapter 56 (relating to standards and billing practices for residential public utility service) to comply with the amended provisions of 66 Pa.C.S. Chapter 14 (relating to responsible utility customer protection). The full rulemaking is available in the Pennsylvania Bulletin.

Source: PA Bulletin, [2/18/2017](#)

# DEP Finds Spatial/Temporal Correlation between Hilcorp Hydraulic Fracturing and April 2016 Seismic Events in Lawrence County

Seismic events that occurred in western Lawrence County on April 25, 2016, were likely correlated to natural gas hydraulic fracturing by Hilcorp Energy Company, according to a [report](#) by the Pennsylvania Department of Environmental Protection (DEP).

"Induced seismicity is a relatively new and complex technical issue," said DEP Acting Secretary Patrick McDonnell. "This report reflects our commitment to understand what occurred, through extensive review with scientific and industry partners, and to formulate procedures to reduce seismic risk going forward."

A series of low-magnitude earthquakes that began at 4:17 a.m. in North Beaver, Union, and Mahoning Townships showed a "marked temporal/spatial relationship" to hydraulic fracturing activities at Hilcorp's North Beaver NC Development well pad.

The Pennsylvania Seismic Network registered four earthquakes. (OhioSeis recorded three earthquakes, and Lamont-Doherty Cooperative Seismic Network recorded five.) The final magnitude of the earthquakes ranged from 1.8 to 2.3 on the Richter Scale, putting them in the category of microseismic events, which are likely to go unnoticed by humans and only recorded by sensitive seismic monitors.

The Hilcorp pad, which includes four wells drilled into the Utica Shale Formation, lies within a five-mile radius of the reported epicenters. Hydraulic fracturing activities began at the pad on March 30.

Hilcorp was using a technique known as "zipper fracturing," or hydraulic fracturing operations that are carried out concurrently at two horizontal wellbores that are parallel and adjacent to each

other. When DEP contacted Hilcorp on April 25, the company voluntarily stopped activities and later reported they would discontinue hydraulic fracturing and stimulation operations at the well pad indefinitely.

Recommendations in the DEP report include discontinuation of the practice of zipper fracturing during any future completions when there is less than a ¼ mile between lateral portions of adjacent wellbores. This applies to Hilcorp's Utica gas wells in North Beaver, Union, and Mahoning Townships. Zipper fracturing is allowed when there is more than ¼ mile distance between lateral portions.

In addition, it is recommended that Hilcorp maintain operation of its own seismic network within these townships. The seismic network will allow for the accurate detection of local, low-magnitude events.

A seismic event reporting schedule and operator response plan is also included in DEP's recommendations:

- For seismic events of 1.0 or greater magnitude occurring within 6 miles of the wellbore path, the company should notify DEP within 10 minutes via email and within one hour by telephone.
- For any succession of three seismic events of 1.5 to 1.9 magnitude that occurs within a three-consecutive-day period and within a 3-mile radius of the wellbore path, Hilcorp should notify the DEP within 10 minutes via email and within one hour by telephone. Actions taken for this magnitude range of seismic events include suspension of stimulation operations, submittal of seismic data to DEP for review and a plan detailing modifications to stimulation operations.
- Finally, for any seismic event of 2.0 or greater magnitude that occurs within a 3-mile distance of a wellbore path, Hilcorp should notify the DEP within 10 minutes via email and within one hour by telephone. Actions taken include cessation of stimulation operations, flowing back of the well, submittal of seismic data to

DEP for review and a plan detailing any potential modification to stimulation operations.

On November 16, 2016, DEP approved a seismic monitoring plan submitted by Hilcorp implementing the recommendations set forth in the DEP report.

DEP has also recommended that these terms apply to any new permits requested by Hilcorp and that other operators follow similar plans within the referenced townships.

See the DEP [website](#) for the report, a webinar discussion, and more information on the seismic events.

**Source:** DEP Press Release, 2/17/2017

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***This newsletter provides general information, not legal advice as to any specific matter. It should not be used as a substitute for appropriate legal advice.***