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Pa. Legislators Hope to Cut Permit Red Tape, Smooth Path for Drillers AUDIT, ENERGY & RESOURCES, GOVERNMENT BY TIM MARTIN

The Pennsylvania Department of Environmental Protection (DEP) claims it will render a decision on a drilling permit for new well within 45 days of application. The timing on that determination, however, actually averages closer to 100 days. Similarly, the state is supposed to make decisions on earthmoving permit applications within 14 days, but it customarily takes quite a bit longer, sometimes over 200 days in certain parts of the commonwealth. Whether seeking to drill a conventional or unconventional well, these time variances and delays increase the possibility of gas companies moving their drilling operations outside Pennsylvania's borders.

Noting the state's lengthy and cumbersome bureaucratic regulations can yield unfavorable economic consequences, Republican state legislators have begun reassessing existing guidelines and are heading a handful of bills that seek to cut red tape and repeal outdated protocols. Rep. Kristin Phillips-Hill, R-York County, is backing a standard that would eliminate two regulations for every one created, citing that extensive dealings with government regulations can place a large burden on small companies, and having employees – usually owners – need to shift focus from growing the business to mere compliance often leads to adverse side effects.

Supporters say the efforts to deregulate certain legislation stand to decidedly reduce the amount of time it takes the DEP to hand down decisions on new drilling and earthmoving permits. On a related note, another proposal would require state agencies to provide greater transparency to business owners regarding the overall permit application process, a move that could effectively lead to more accurate and timely planning by oil and gas companies.

These reports are positive news for operators looking to move Pennsylvania's natural resources to market. Time will tell if the actions of the state lawmakers will make a difference. If your company would like help navigating the industry's regulatory climate, we invite you to contact the Schneider Downs Energy and Natural Resources Group. For additional information, visit the Our Thoughts On blogsite.

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