



Associated Petroleum Industries of Pennsylvania

A Division of the American Petroleum Institute

July 28, 2016

Mr. Domenic Rocco
Program Manager, Waterways and Wetlands
PA Department of Environmental Protection
2 E. Main Street
Norristown, PA 19401

Via email to RA-EPWW-SERO@pa.gov

RE: Chapter 102 and 105 permit applications submitted by Sunoco Logistics, Inc. for the Pennsylvania Pipeline Project (PPP), also commonly referred to as Mariner East II.

Dear Mr. Rocco:

The Associated Petroleum Industries of Pennsylvania (API-PA), a division of the American Petroleum Institute (API), represents all aspects of America's oil and natural gas industry. The more than 650 corporate members of API come from all segments of the industry and include producers, refiners, suppliers, marine transporters, as well as service and supply companies that support all segments of the industry. Our membership also includes a number of companies that develop, construct and operate oil, natural gas, and petroleum product pipelines as well as marketers and shippers that subscribe to these pipelines in order to move product to market. Therefore, API is greatly interested in the continued development of pipeline infrastructure to improve public access to these important resources.

The U.S. Energy Information Administration recently [announced](#) that fossil fuels have supplied at least 80 percent of the world's energy since the 1900's and will continue to do so for decades to come. In particular, the tremendous supply of natural gas and associated natural gas liquids (NGLs) such as ethane and propane, is driving economic and job growth in the industrial sector.¹ Knowing that, it's important that we continue to support the development of pipeline infrastructure, which delivers affordable energy and vital products to people across the country and here in Pennsylvania.

¹ Analysis from the American Chemistry Council shows that the new capital spending associated with natural gas production could create \$105 billion in new annual chemical industry output and **738,000** permanent new jobs throughout the U.S. economy by 2023. Those include 69,000 new chemical industry jobs, 357,000 jobs in supplier industries and 312,000 jobs in communities where workers spend their wages. Additional, temporary jobs will be created during the construction phase of these new pipelines and manufacturing facilities, <https://www.americanchemistry.com/Policy/Energy/Shale-Gas/Fact-Sheet-US-Chemical-Investment-Linked-to-Shale-Gas.pdf>

Sunoco Logistics' Mariner East II is one of these important pipeline projects, and will transport NGLs from Eastern Ohio and Southwestern Pennsylvania to the Marcus Hook industrial complex outside of Philadelphia. NGLs can supply heat during the winter, are used to power homes and businesses and, most importantly, provide a fuel source and feedstock for Pennsylvania's manufacturing industry. The manufacturing sectors that rely on NGLs include chemicals, metals, glass, food processing, plastics, fibers, adhesives, coatings, cleaning agents, and many others.

Mariner East II will directly supply Pennsylvania's manufacturing industry now and for decades to come. A recent PriceWaterHouseCoopers [study](#) estimates that domestic natural gas and natural gas liquid production will provide an annual cost savings of \$22.3 billion in 2030 and \$34.1 billion in 2040 to the American manufacturing sector. Without the completion of infrastructure projects like the Mariner East II pipeline, however, these benefits will not be realized.

High industry standards are a critical part of the API mission. For more than 90 years we have taken our industry's collective wisdom on everything from drill bits to environmental protection to embrace proven, sound engineering and operating practices and safe, interchangeable equipment and materials. We believe safety and environmental protection go hand in hand with industry operations.

A barrel of crude oil or petroleum product shipped by pipeline reaches its destination safely more than 99.999% of the time. Pipeline companies take active steps to ensure that health, safety, security, and environmental concerns are addressed throughout the planning, construction, and operational phases of pipeline operations. Pipeline companies work to prevent releases by evaluating, inspecting and maintaining pipelines in a program called integrity management. Integrity management programs have produced decreases in incidents attributed to every major cause of failure. Pipeline companies together fund millions of dollars worth of research into new inspection technologies and spend billions on safety each year.

According to the eConsult Sunoco Logistics Mariner East [Economic Impact Report](#), the Mariner East projects have the potential to generate \$4.2 billion to the Pennsylvania economy and generate \$62 million in tax revenues for the state. In addition, the projects are expected to support 30,000 jobs during construction, and once completed 300 - 400 permanent jobs. And, with all the steel being sourced domestically and coated right here in Pennsylvania, these economic and employment benefits are already being realized.

The Mariner East II project will provide significant benefits to the state and we recommend that the Pennsylvania Department of Environmental Protection grant them their final permits to start construction.

Sincerely,

A handwritten signature in cursive script that reads "Stephanie Catarino Wissman".

Stephanie Catarino Wissman
Executive Director