

March 2018

### Natural Gas Operator:

In January 2013, natural gas operators began reporting consumptive use by source instead of by individual drilling pad to the Susquehanna River Basin Commission (Commission). This message is to notify you of a slight procedural change, which will simplify your consumptive use monitoring and reporting requirements. Effective July 1, 2018, natural gas operators will be required to report and pay for **all water withdrawn from their own docketed sources**, regardless of who uses the water. Please note that other natural gas operators are still required to register sources in order to use them; however, they will no longer need to report on the shared source, as all water will now be accounted for by the owner of the docket. All other aspects of consumptive use reporting will remain the same.

Therefore, beginning July 1, 2018, natural gas operators will report their total consumptive use as follows:

- For each of a company's docketed withdrawal points, the **entire daily quantity withdrawn**, regardless of who uses the water.
- For each approved public water supplier, the quantity of water obtained daily.
- For each source not owned/docketed by a natural gas operator (third party purveyor), the total daily quantity purchased or otherwise obtained.
- For any other approved source under Commission Regulation 18 CFR § 806.22(f)(13), the total daily quantity of water purchased, withdrawn, delivered, or otherwise obtained.
- Please note that reporting is no longer necessary for shared sources (owned by another natural gas operator) that are properly registered through Commission Regulation 18 CFR § 806.22(f)(12).

The Monitoring Data Website (MDW) will continue to automatically calculate the consumptive use invoice for mitigation accounting purposes as follows:

- Each company will report and pay the consumptive use mitigation fee for **all water withdrawn from its docketed withdrawal points**.
- Each company will pay the consumptive use mitigation fee for water obtained or purchased from public water suppliers and third party sources, and any other sources approved under Commission Regulation 18 CFR § 806.22(f)(13).
- Invoices will continue to be provided for each listed approved and docketed source. The Commission will continue to accept a single payment.

If you have any questions regarding your consumptive use reporting, please contact Jeremy Hoffman at (717) 238-0423, extension 1228, or via e-mail at [jmhoffman@srbc.net](mailto:jmhoffman@srbc.net).

Thank you,

Susquehanna River Basin Commission