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January 13, 2025

The Honorable Debbie-Anne A. Reese, Secretary
Federal Energy Regulatory Commission
888 First Street, NE
Washington, DC 20426

In re: CP-25-29-000, Eastern Gas Transmission & Storage, Inc. Capital Area Project

Dear Secretary Reese,

The Pennsylvania Independent Oil & Gas Association (PIOGA) is the oldest and largest association representing oil and gas interests in the Commonwealth of Pennsylvania. PIOGA's approximately 325 members include oil and natural gas producers, marketers, oil and gas field service companies, oil and gas royalty owners, and other industry-supporting businesses such as accounting, engineering, law, and environmental mitigation firms. PIOGA producer members develop Pennsylvania crude oil and natural gas reserves from conventional and unconventional (i.e., organic shale) formations located under private and public lands, on land owned by producers in fee simple, and on leased land, including that from the Commonwealth itself.

On behalf of PIOGA and its members, I write in support of Eastern Gas Transmission & Storage's (EGTS) Capital Area Project. The Capital Area Project will provide a much-needed upgrade to the facilities along EGTS's PL-1 system from gas storage in northern Pennsylvania, through compressor stations in the heart of the Commonwealth, and finally into Loudoun County, Virginia. Importantly, the new project does not increase the pipeline footprint in those areas, but rather makes the improvements at already existing storage and compressor facilities.

The increase in natural gas capacity that these improvements will bring comes at a critical time for the delivery of clean, natural gas energy in the Mid-Atlantic region. As has been well-publicized in recent months, PJM Interconnection, LLC, the coordinator of wholesale electricity in the area impacted by the Capital Area Project, has sounded the alarm that "[t]he combination of the growing demand for electricity, the closing of fossil fuel generating plants, and insufficient new reliable generation is 'nearly certain' to lead to a supply shortage by 2030, if not sooner" Pittsburgh Works Together, *The PJM Grid in Peril: What Will Keep the Lights On?* (Aug. 27, 2024), at 1. PJM has further stated, "We are seeing vastly increased demand as a result of new data center load, electrification of vehicles and increased electric heating load. The future demand for electricity cannot be met simply through renewables given their intermittent nature." *Id.* at 5 (quoting PJM Press Statement of May 8, 2024).

Within the Commonwealth of Pennsylvania specifically, this means that a debt of 80,000 megawatts of electricity generation will occur by 2039. This will cause the Commonwealth's

residents and businesses to face energy deficits and skyrocketing natural gas and electricity costs. Furthermore, the energy debt created by forced increase of renewal energy sources is also increasing. The current energy gap between clean, natural gas-based energy distribution and renewable energy distribution sits at 1,970 trillion BTU, or 1.97 million dekatherms. The Capital Area Project alone will greatly help in the continued production of the world's most stable energy source, by increasing the gas storage to distribution capacity of the PL-1 system by 67,500 dekatherms per day.

Infrastructure advancements such as the Capital Area Project will help to reduce this burden and bring increased energy resources to Pennsylvania, Maryland, and Virginia. With the necessary decrease in coal-fired generation plants and the simultaneous conversion of many of these plants into natural gas-powered facilities, the increase in demand for clean burning natural gas is only increasing. Moreover, the Mid-Atlantic region is on the verge of becoming a hub for AI-driven data centers to be constructed. These data centers are power hungry, many of which will need dedicated resources to meet this emerging and ever important technological advancement for our nation. Finally, and perhaps most importantly, Moreover, the struggle that Pennsylvania's most vulnerable already face when it comes to energy consumption and costs will become even more burdensome and harmful without increased access to clean-burning, efficient, and cost-saving natural gas.

Accordingly, Pennsylvania's conventional and unconventional operators that PIOGA represents are increasingly looking for avenues of sending produced gas downstream to bring to fruition these important advances in energy production and consumption. Regulatory approval for projects such as the Capital Area Project not only fortify the energy infrastructure of the Mid-Atlantic region and the country as a whole, but they also bring multiple benefits to the economy, such as new jobs, increased income, lower costs, and stable living.

For these reasons, and on behalf of the PIOGA Board of Directors and its approximately 325 members, I encourage the Commission to move the Capital Area Project forward and I give it my strong and unconditional support.

Sincerely,

Dan Weaver

Daniel Weaver
President and Executive Director

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