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Testimony of Thomas J. Shepstone, Planning and Research Consultant

Thank you all for coming to the region shale gas has built. My name is Tom Shepstone. I'm a planning and research consultant operating primarily in Pennsylvania and New York.

I'm also a natural gas advocate and publish a blog called *Energy Security and Freedom* which has readers across the West, from Australia to the UK and throughout the U.S. and Canada. I am, too, a landowner in Wayne County, Pennsylvania, the only significant part of our Commonwealth with natural gas resources that cannot be developed thanks to a Delaware River Basin Commission fracking ban.

It's time to unleash the full potential of our shale gas resources, not only in Wayne County, but throughout the Marcellus region. That potential is huge for several reasons:

1. The rest of the West, places such as Germany and the UK, have squandered their advantages and foolishly gone green to the exclusion of their own shale gas. The UK's very thick Bowland Shale field is huge, but it refuses to develop it, focusing instead on solar and wind, leading to some of the highest electric prices in the world. Ditto for Germany. Its Energiewende version of the Green New Deal has been an utter disaster. ***The result is that the EU needs our shale gas in the form of LNG exports.***
2. Failing to develop its shale gas isn't the only problem the EU faces. It also let itself become dependent on Russian gas. Who can forget the snarky glances Germany's diplomats gave President Trump when he warned the EU it was making a big mistake. That was before Russia invaded Ukraine, and now the EU has been forced to decouple, proving Trump was correct, and ***further making the case for using the LNG initially produced right here in Susquehanna County.***

3. The recent blackouts in Spain and Portugal demonstrate the danger of depending upon renewables, regardless of costs they impose on the grid by rendering absolutely essential baseload energy inefficient - the intermittency trap. A grid too reliant on renewables is a grid vulnerable to weather, which is highly variable.

The public is beginning to understand this thanks to these blackouts, even if Josh Shapiro doesn't and is trying to turn the Keystone State into an EU clone by making the PJM accept more renewables. ***This public awareness, seen also in Texas, is forcing policy-makers to demand more gas plants and more gas demand.***

4. ***The Trump tariffs are already producing huge new investments in America and will likely lead to more, not less, trade by forcing competitor nations to reduce their tariffs to stay in the game. It all means higher energy demands.***
5. Then, there is AI and all those data centers, which are creating huge demands. Some say the demand may be overstated but anyone who has used AI understands the enormous uses that can be made of it. Indeed, I find myself using Grok (Elon Musk's AI application) more every day and conventional search engines less and less. The demand for electricity is soon going to border in insatiable and we're going to need not only far more natural gas, but also more nuclear and coal energy. Solar and wind can't begin to satisfy demand and are proven unreliable.

Nuclear is, though, expensive and can't come quickly enough. ***Only coal and gas can come on-line at reasonable cost and in relatively short order compared to nuclear. We'll need both, but gas is the cleaner choice and, therefore, will inevitably be chosen first.***

Exploiting these tremendous opportunities for gas here and abroad demands much smarter energy policy than Josh Shapiro is pursuing. He is living in a make-believe world of green energy that doesn't exist. Here are five suggestions:

1. Get behind President Trump and support the Constitution and other pipelines to move our gas to market. Play hardball.
2. Drop any pretense that "all-of-the-above" makes any sense. Renewables destroy the grid and invariably raise electricity prices.
3. Go after the Pennsylvania NGOs that are financing opposition to fossil fuels for their lobbying. I'm talking about the Heinz Endowments and the William Penn Foundation, of course, and others to whom they donate should be forced to disclose their major donors on their state tax filings.
4. Move Pennsylvania out of the Delaware River Basin Commission by totally defunding and suing them.
5. Push utility companies and PJM to avoid closing any more coal and gas plants and legislate away state mandates that substitute politics for free markets.

Thank you very much!