From:	Ryan Paylor
To:	Rules Coordinator
Cc:	Ed Longanecker
Subject:	TIPRO Comments Re: Proposed Rule 16 TAC §7.455 Relating to Curtailment Standards
Date:	Friday, January 7, 2022 4:21:20 PM

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January 7, 2022

Chairman Wayne Christian Commissioner Christi Craddick Commissioner Jim Wright

Submitted Via E-mail to: rulescoordinator@rrc.texas.gov

Re: Proposed Rule 16 TAC §7.455 Relating to Curtailment Standards

On behalf of the Texas Independent Producers and Royalty Owners Association (TIPRO) and our members, I would like to express our appreciation for the opportunity to comment on 16 TAC §7.455 relating to curtailment standards as developed by the Railroad Commission of Texas (RRC) staff and approved by Commissioners for public comment and published in the Texas Register on November 26, 2021.

TIPRO is one of the largest statewide trade associations in Texas representing the oil and natural gas industry. Our members include the largest producers of oil and gas in the state, as well as hundreds of small to mid-sized independent operators and royalty owners. Collectively, TIPRO members produce nearly 90 percent of the oil and natural gas in Texas and own mineral interests in millions of acres across the state. Our organization's mission, since its inception, is to preserve the ability of independent operators to responsibly explore for and produce oil and natural gas.

TIPRO supports the efforts of the Railroad Commission and staff to amend Order 489, repeal 16 TAC §7.305, and codify the proposed curtailment standards in 16 TAC §7.455 to ensure that the relationship between natural gas suppliers, electric generation facilities, and other important natural gas recipients is fully established during emergencies where the supplies or deliveries of natural gas are critical to the generation of electricity, public health and safety.

TIPRO believes that the current proposed rule could be improved by clarifying the definition of "curtailment events" and when they apply. The definition as drafted in the current proposed rule could be interpreted broadly. TIPRO recommends limiting the definition of "curtailment events" to situations where an identifiable disruptive event significantly reduces the availability of natural gas, and curtailment is necessary to serve human needs customers and promote public safety. It is also important to make clear in the rule that the proposed curtailment rules only apply under an order of curtailment by the RRC. These clarifications will help avoid unnecessary curtailments and related disputes and will provide additional clarity to entities utilizing this rule.

TIPRO greatly appreciates the work of the Railroad Commission to codify standard procedures within their curtailment program and establish clearly defined curtailment priorities in the event of a curtailment order by the agency. Thank you again for this opportunity to submit comments. We look forward to continuing to work with the Commission and stakeholders on this important issue.

Respectfully submitted,

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