

Customer Service Report



2014

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INTRODUCTION

The Railroad Commission of Texas was established in 1891 under a constitutional and legislative mandate to prevent discrimination in railroad charges while establishing reasonable tariffs. It is the oldest regulatory agency in the state and one of the oldest of its kind in the nation. Three commissioners elected by Texas voters serve six-year staggered terms. One commissioner is elected every two years.

The Railroad Commission has five regulatory divisions that oversee the Texas oil and gas industry, gas utilities, pipeline safety, alternative energy with safety oversight of the liquefied petroleum gas, liquefied natural gas, and compressed natural gas industries, and the surface mining of coal and uranium.

As articulated in its mission statement, the Railroad Commission serves the people of Texas through stewardship of natural resources and the environment, concern for personal and community safety and support for enhanced development and economic vitality for the benefit of Texas. An integral part of the Railroad Commission's commitment is its focus on providing the best possible service to agency customers.

Consistent with that mission and commitment, the Railroad Commission of Texas submits this Report on Customer Service.

INVENTORY OF EXTERNAL CUSTOMERS

Customer Groups by Strategy	Customer Sub-groups	Brief Description of Services Provided
1.1.1 Energy Resource Development		
Protect correlative rights and prevent waste while maximizing opportunities for the development of lignite, oil and gas resources through well site permitting, production allowables, production rule reviews, and exception processing.	Oil and Gas Producers	Permitting - based on spacing and density rules. Review on monthly basis production allowables on oil and gas wells.
1.2.1 Gas Utility Compliance		
Oversee natural gas utility rate structures that promote safe, efficient, and reliable supply at a reasonable cost and audit regulated gas utilities to ensure compliance with rate structure and submission of Gas Utility Taxes.	Gas Utilities Consumers	Provide economic regulation over intrastate natural gas utilities. Operates and maintains the state's natural gas electronic tariff system. Audit utilities to ensure properly authorized rates are being computed and billed to residential/commercial.
1.3.1 Promote Alternative Energy Resources		
Develop and implement research and technical services, marketing, and a public education plan to increase the use of LP-gas as an alternative energy source.	Retail Propane Marketers	Rebates to marketers whose advertising promotes propane as an environmentally beneficial alternative fuel. (NOTE: As a result of HB 7 of the 83rd Legislature, there has been a restructuring and these programs are no longer current.)
1.3.2 Distribute LP-Gas Rebates		
Manage rebate programs that promote the use of LP-gas as an alternative energy source for home and commercial uses.	Residential/Commercial	Rebates for propane appliances. (NOTE: As a result of HB 7 of the 83rd Legislature, there has been a restructuring and these programs are no longer current.)
1.3.3 Regulate Alternative Energy Sources		
Protect the health, safety and welfare of the general public by ensuring the safe storage, transportation and LP-gas, Compressed Natural Gas, and Liquefied Natural Gas as alternative energy sources through safety education, accident investigation, inspection and enforcement of safety regulations.	LPG/CNG/LNG Operators	Perform safety inspections and identify violations; administer qualifying examinations, licenses, certifications and registrations.
2.1.1 Pipeline Safety		
Ensure the safe operation of pipelines through permitting, field inspections, accident investigations and emergency response.	Pipeline Operators	Conduct pipeline safety inspections and identify violations; conduct accident investigations; administer pipeline permits issued and renewed.

INVENTORY OF EXTERNAL CUSTOMERS

Customer Groups by Strategy	Customer Sub-groups	Brief Description of Services Provided
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2.1.2 Pipeline Damage Prevention

Support education and partnerships initiatives to increase the overall awareness and effectiveness of damage prevention.	General Public and Landowners	Educate public about Texas "one-call" centers and increase awareness of third party damage incidents.
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3.1.1 Oil and Gas Monitoring and Inspections

Assure that Oil and Gas permitted activities comply with applicable state and federal regulations through field inspections, witnessing tests, monitoring reports, processing applications and enforcement actions.	Oil and Gas Producers Waste Management Landowners	Inspections Inspections and Enforcement Respond to inquiries
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3.1.2 Surface Mining Monitoring and Inspections

Assure that Surface Mining permitted activities comply with applicable state and federal regulations through field inspections, witnessing tests, monitoring reports, processing applications and enforcement actions.	Surface Mining Operators Landowners	Inspections, Permitting & Enforcement Respond to inquiries
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3.2.1 Oil and Gas Remediation

Protect public health and the environment by identifying, assessing, and prioritizing sites that require the use of state managed funds for remediation and provide assistance for operator-initiated corrective actions.	General Public, Landowners	Abandoned pollution sites investigated, assessed, or cleaned up with the use of state managed funds.
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3.2.2 Oil and Gas Well Plugging

Protect public health and the environment by identifying, assessing, and prioritizing wells that require the use of state funds for plugging and provide assistance for operator-initiated corrective actions.	General Public, Landowners	Orphaned wells managed/plugged with the use of state funds.
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3.2.3 Surface Mining Reclamation

Protect public health and the environment by identifying, assessing and prioritizing mine lands that require the use of state funds for reclamation and provide assistance for operator-initiated corrective actions.	General Public, Landowners	Abandoned surface mine sites on which reclamation has been initiated.
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INVENTORY OF EXTERNAL CUSTOMERS

Customer Groups by Strategy	Customer Sub-groups	Brief Description of Services Provided
4.1.1 GIS and Well Mapping		
Collect, maintain, and preserve GIS and Well Mapping data submitted to the Commission; provide efficient public access to this information; offer regulated industries a means to conduct their business electronically.	Oil and Gas Operators Landowners/Public Royalty Owners	Electronic filing, reporting GIS data, production information. Website information Web access to Production information
4.1.2 Public Information and Services		
Collect, maintain, and preserve oil and gas data submitted to the Commission; provide efficient public access to this information; offer regulated industries a means to conduct their business electronically.	Oil and Gas Operators General Public/Consumers	Electronic filing, Production information Website access to information

INFORMATION GATHERING

The Railroad Commission of Texas recognizes the importance of high-quality customer service. How the agency responds to those who conduct business with the Railroad Commission reflects not only on the agency, but on the State as well. As the survey results demonstrate, employees at the Railroad Commission strive to provide the best service possible.

To capture feedback from the agency's external customers, the Railroad Commission features a link on the homepage to an online Customer Service Survey. When responding to inquiries received from constituents via the Public Assistance email account, information and a link to the survey are included to encourage feedback. The Survey may be submitted anonymously or the constituent may include contact information for follow up action by the Railroad Commission.

The Commission also posted a link to the survey on oil and gas trade association websites including the Texas Oil and Gas Association, Texas Land and Mineral Owners Association and the Texas Alliance of Energy Producers.

Results reported in this document reflect information contained in more than 70 Customer Service Surveys submitted by constituents from April 2012 to April 2014. The Customer Service Survey remains active and accessible on the Railroad Commission website, and staff monitors responses on a continuing basis.

Additionally, the following programs are intended to increase the Railroad Commission's information gathering and service delivery capabilities:

Toll Free Number

The Railroad Commission maintains a toll free number (1-877-288-5740) that anyone may use to obtain information about agency programs and services. A recording directs callers to the appropriate Railroad Commission contact for their needs. There is also an option to speak directly to a public assistance Railroad Commission employee who serves as the agency ombudsman.

Railroad Commission Website

One of the Railroad Commission's top priorities during the 83rd Legislative session was to secure funding for the development and initiation of IT modernization efforts. Constituents have long voiced strong support for greater access to information housed by the Railroad Commission, and IT modernization will allow for improved efficiency, effectiveness and transparency while making information more readily available to the public.

The Railroad Commission received \$24.7 million in funding for an overhaul of the Commission's Information Technology (IT) department. The IT modernization effort is necessary for the Railroad Commission to remain a leader in energy regulation. The

Railroad Commission regulates an industry that is constantly evolving and is one of the most technologically advanced in the world.

One of the first major undertakings in technological improvements at the Railroad Commission is the redesign of the agency website. Scheduled to be fully implemented by the end of Fiscal Year 2014, the redesign will greatly improve website functionality and ease of use. The Railroad Commission recognizes the increasing needs of customers and is leveraging technology to respond with new capabilities and a more user-friendly interface. The Railroad Commission places a high priority on meeting the needs of industry, legislators and the public.

Customers can find a variety of useful information on the website including:

- data, statistics, forms and maps
- regulatory information
- educational opportunities
- publications and news releases
- information on environmental services and safety
- information on executive orders, rules and proposals for decisions
- Geographic Information System (GIS) Public Map Viewer
- online filing, reporting and query systems
- automated fee collection
- information on the Public Assistance email account, Publicassist@rrc.state.tx.us.

The Railroad Commission has long recognized the value of its information and strategically positions itself to continually improve access to its data repositories and services through the website to better serve the public.

Information Services

The Information Services section, through its Central Records and Public Sales units, provides public access to Railroad Commission oil and gas data collected over the past 90 years as well as information on all aspects of the Railroad Commission's regulatory functions. The section also fulfills requests for subscriptions, publications, and data in electronic format. The public may call or visit Monday through Friday from 8:00 am to 5:00 pm. Requests for information may be emailed to ims@rrc.state.tx.us. Oil and gas records are also available online at <http://www.rrc.state.tx.us/data/online/index.php>.

CUSTOMER SERVICE SURVEY

An example of the Railroad Commission of Texas' Customer Service Survey appears below along with charts representing results of the 2014 Customer Service Survey Report.

EXAMPLE:

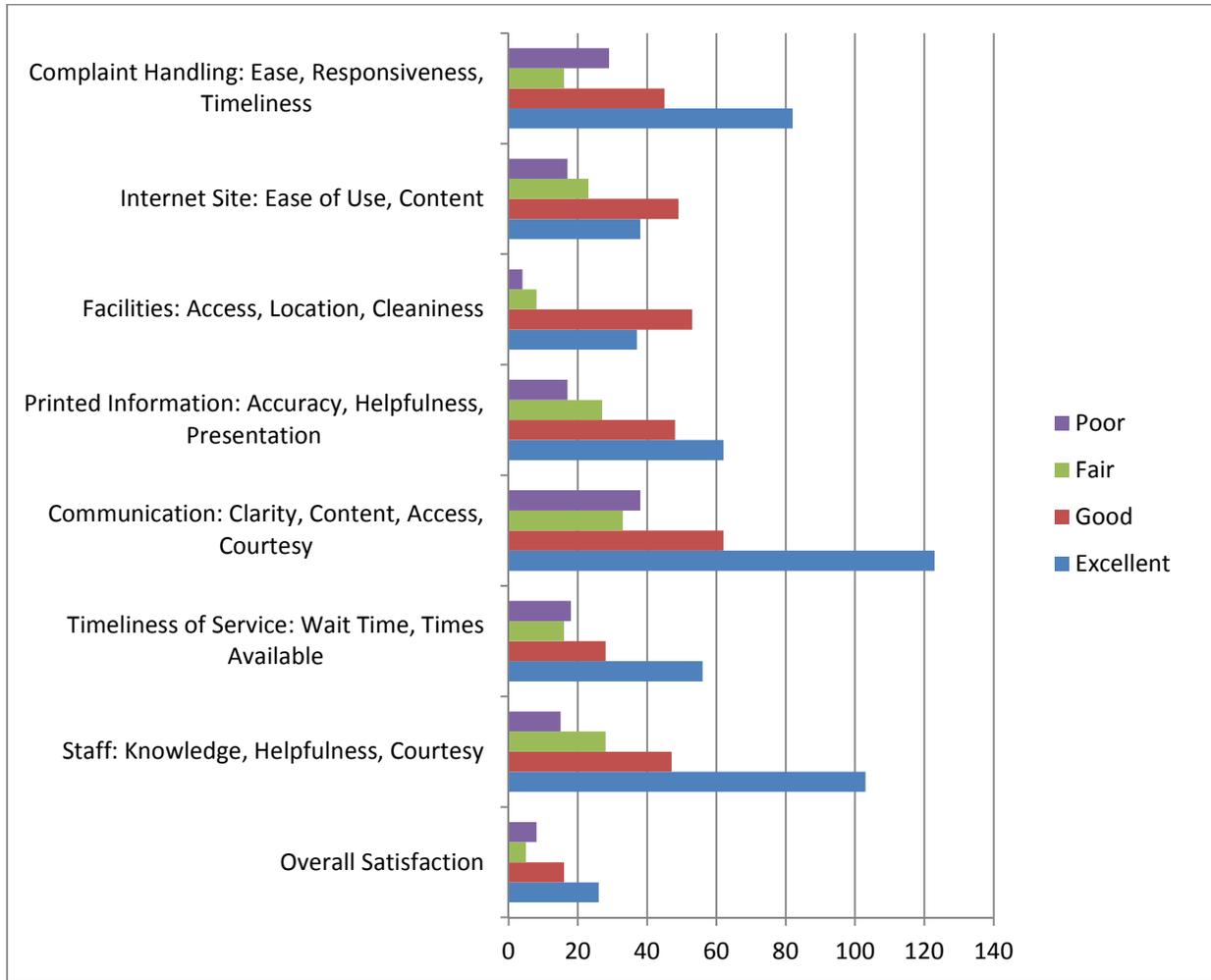
The Railroad Commission of Texas is committed to customer service of the highest quality. With that in mind, RRC invites you to take this brief survey. Your input will help us attain our goal of quality customer service by telling us how we are doing and how we can improve. Thank you for taking the time to help us serve you better. In an effort to improve the RRC's delivery of services, please take a few minutes to complete the customer service survey.

Office Contacted: <input type="text"/>	Nature of complaint/request: Select One <input type="text"/>
Staff	Rating Scale
Knowledgeable	Select One <input type="text"/>
Helpful	Select One <input type="text"/>
Courteous	Select One <input type="text"/>
Complaint Handling	Rating Scale
Responsiveness	Select One <input type="text"/>
Timeliness	Select One <input type="text"/>
Ease	Select One <input type="text"/>
Communications	Rating Scale
Clarity	Select One <input type="text"/>
Content	Select One <input type="text"/>
Access	Select One <input type="text"/>
Courtesy	Select One <input type="text"/>
Timeliness of Service	Rating Scale
Wait time	Select One <input type="text"/>
Times available	Select One <input type="text"/>
Internet Site	Rating Scale
Ease of use	Select One <input type="text"/>
Content	Select One <input type="text"/>
Printed Information	Rating Scale

Availability	Select One ▼
Accuracy of information	Select One ▼
Presentation of information	Select One ▼
Facilities	Rating Scale
Access	Select One ▼
Location	Select One ▼
Cleanliness	Select One ▼
Overall satisfaction with services received	Select One ▼
Other	
If you are located within the United States, please state your primary language if it is NOT English Si usted esta localizado en los Estados Unidos, por favor haga mencion de su idioma principal si NO es el Ingles.	<input type="text"/>
Comments:	
<input type="text"/>	

If you would like to be contacted by a RRC employee to discuss your comments/suggestions, please fill out the following:	
Name:	<input type="text"/>
Phone:	<input type="text"/>
Disclose Email address:	Select One ▼
E-mail:	<input type="text"/>
RRC Email Policy	<input type="button" value="Submit"/>

CUSTOMER SERVICE SURVEY SUMMARY



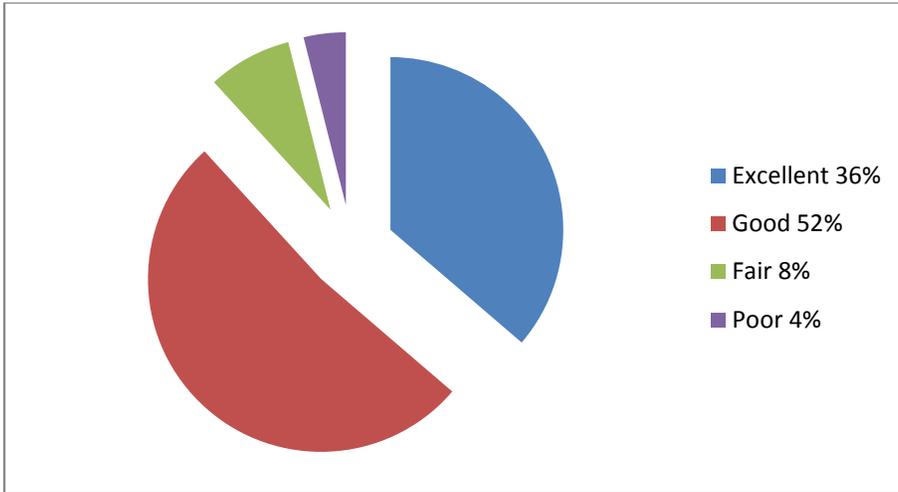
Complaint Handling: Ease, Responsiveness, Timeliness



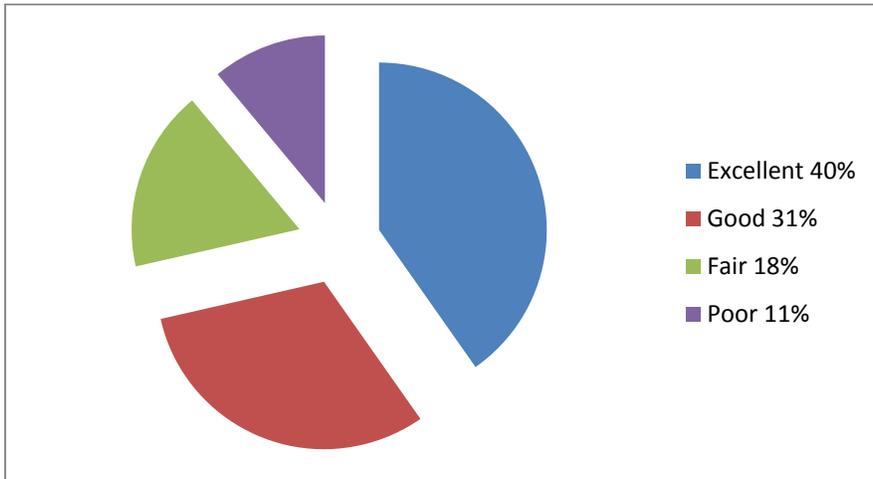
Internet Site: Ease of Use, Content



Facilities: Access, Location, Cleanliness



Printed Information: Accuracy, Helpfulness, Presentation



Communication: Clarity, Content, Access, Courtesy



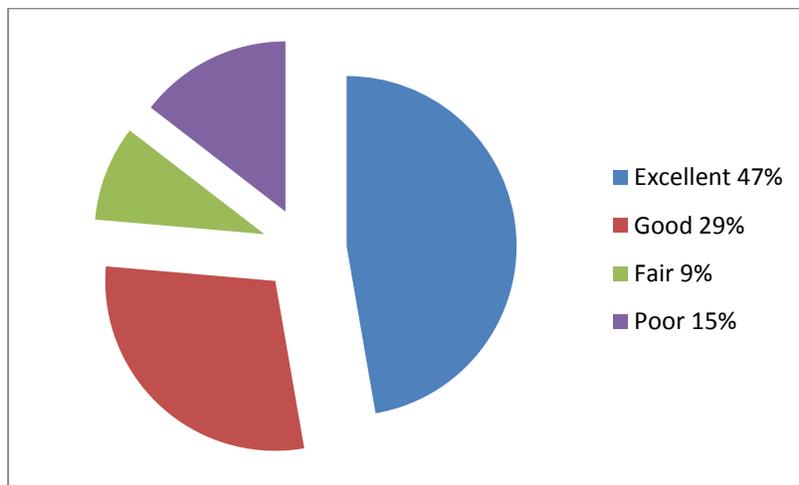
Timeliness of Service: Wait Time, Times Available



Staff: Knowledge, Helpfulness, Courtesy



Overall Satisfaction



ANALYSIS OF FINDINGS

Summary of Findings

During the two-year period surveyed, the Railroad Commission of Texas received 72 Customer Service Surveys. The percentages of respondents indicating satisfactory ratings in the statutory customer service quality elements are as follows:

Complaint Handling: 83%

Internet Site: 87%

Facilities: 96%

Printed Information: 89%

Communication: 85%

Timeliness: 85%

Staff: 92%

Overall Satisfaction: 85%

One of the biggest complaints from respondents was dissatisfaction with complaint handling and Internet site quality.

“RRC staff are typically responsive and courteous. Finding information on the website, however, can be a challenge. One needs a lot of time to track down information at times.”

“We are a small operator and are looking to expand into Texas. The RRC website of oil and gas information is very poor compared to the Mississippi and other state’s oil and gas websites.”

“Unless you have a degree in oil & gas this is totally incomprehensible.”

“I wish a longer period of production history information was available online.”

“If your servers are overwhelmed, why not get more servers???”

“Many of the staff do not return calls or emails at all or even on a timely basis. A select few of your P-5 department staff are very helpful, but this is not the norm, nor do the others seem to even care.”

“It seems as though each department in Austin waits on the other departments to do something about a problem, there is apparently little communication between the departments and then nothing gets done.”

Regarding website issues, the Railroad Commission is currently in the process of redesigning the website with the intention of making it more user friendly, transparent and robust. The newly redesigned website is expected to launch before the end of Fiscal

Year 2014. Comments taken from the Customer Service Survey have helped guide staff in the redesign process.

Customer Service Surveys reporting a complaint were resolved by forwarding the Customer Service Survey to the appropriate division director for follow up and appropriate resolution.

The Railroad Commission continues to monitor customer comments and complaints and make every effort to respond to those comments in a timely and positive manner.

The Customer Service Survey also brings in many compliments to individual staff for their assistance and knowledge as well as suggestions on ways to improve the Railroad Commission's on-line application filing process. All suggestions are forwarded to the appropriate division staff for consideration or implementation.

“A little difficult to find what I was looking for but the staff was very helpful to send me the link for what I was looking for in a very timely manner.”

“I had a concern about a railroad track. Whoever wrote me back politely explained that y'all are in oil and gas, not railroads. They directed me to who I can speak with about my concern. So, even though my problem hasn't been resolved, I'm very satisfied with my experience.”

“I just wanted to say thank you! The RRC public assistance email address responded to my inquiry quickly, and in a very clear, friendly manner.”

“I was desiring some specific information and the person that responded did so in a very clear, concise and informative manner!”

“I received a quick and informative answer to my inquiry.”

“Overall, the service in most areas is getting better and the friendliness of the employees makes it a much more pleasant experience to deal with the RRC so I appreciate that greatly.”

Improvements to be made for the 2016 survey

The link to the Customer Service Survey on the Railroad Commission's home page is accessible to the public year-round making it possible to capture feedback and quickly respond to comments and/or complaints. Survey information is archived and will be used as the basis for the 2016 Customer Service Report.

Changes to the agency website are making it possible for the Railroad Commission to gather email addresses that are voluntarily provided for informational purposes. In the future, the Customer Service Survey can be sent directly to constituents in a proactive manner for the purpose of soliciting survey information.

Additional considerations for improved outreach include adding weblinks to the survey on email signature lines, at seminars and conferences, in inspector leave-behinds and in information given during examinations/certifications by the agency. The Railroad Commission will continue to encourage a variety of partners including Legislators, associations and other partners to assist in promoting the survey. Ultimately, the goal is to include a larger population of customers in the survey process.

PERFORMANCE MEASURE INFORMATION

OUTPUT MEASURES

Number of Customers Served: Quantifying the number of customers served by the Railroad Commission is difficult. The following is a description of the regulated industry and the public served by the Commission.

Oil and Gas Exploration and Production

The Texas oil and natural gas industry consists of a wide spectrum of businesses, ranging from sole proprietorships to fully integrated multinational corporations. Activities range from drillers, to pluggers, to waste haulers. All aspects of the oil and natural gas production cycle from beginning to end are part of the regulatory responsibility of the Railroad Commission. Currently, Texas producers operate approximately 159,000 active producing oil wells and 86,000 active producing gas wells. In 2013, Texas wells produced approximately 1.7 million barrels per day of oil and condensate and 18.5 billion cubic feet per day of gas well and casinghead gas.

Pipeline Transportation

To gather, transport, and deliver Texas' oil and natural gas resources, an extensive network of pipeline is required. The Railroad Commission has responsibility to ensure that these systems are designed, constructed, operated, and maintained safely, and that rates for natural gas service are just and reasonable. There are approximately 374,318 miles of pipeline in Texas. They are broken down into natural gas distribution lines, hazardous liquid and natural gas gathering and transmission lines, interstate lines and exempt lines. The Railroad Commission has direct safety responsibility over the first three categories. These regulatory responsibilities are extended to over 1,468 operators of intrastate gathering, transmission, distribution, and master metered systems.

Natural Gas Utilities

There are approximately 8,300 active tariffs on file with the Railroad Commission that reflect rates charged for natural gas utility transmission and distribution services. There are 212 investor-owned and 86 municipally owned natural gas utilities in Texas serving nearly 4.6 million customers. During the 83rd Legislative Session, HB 2532 was passed that established an index based price ceiling for distribution system retailers who supply propane gas through a contiguous piping system to ten or more customers and brings those distribution systems under the economic jurisdiction of the Railroad Commission. The Gas Services Division administers this pricing mechanism affecting 71 propane distribution system retailers.

Alternative Energy Companies

This industry includes LP-gas (commonly called propane), compressed natural gas (CNG) and liquefied natural gas (LNG). Each year the Railroad Commission certifies about 18,000 individuals working in the industry, administers about 4,900 examinations, trains about 3,500 managers and workers, issues approximately 5,200 dealer licenses, investigates accidents and safety-related complaints, and conducts approximately 13,000 safety inspections.

The retail propane business is by far the largest sector within this industry. It consists primarily of small independent companies that provide fuel for space heating, cooking, and water-heating appliances in rural residences and commercial buildings; for portable applications such as outdoor grills, torches and agricultural equipment; and as engine fuel for both off-road vehicles such as forklifts and on-road vehicles such as school buses and light trucks. About half a million residences and 6,200 highway vehicles use propane in Texas.

Coal and Uranium Mining

Currently there are 30 coal-mining permits administered by the Surface Mining and Reclamation Division. These mining permits, held by 11 companies, cover approximately 325,000 acres in 20 counties. Nine permitted mining operations no longer produce coal and are undergoing final land reclamation.

EFFICIENCY MEASURES

Cost per Customer surveyed: Due to budget constraints, staff determined the most cost effective approach to surveying customers would be electronically through the Railroad Commission website.

EXPLANATORY MEASURES

Number of Customers identified: As described under Output Measure, Number of Customers served, it is difficult to quantify an exact number as the Railroad Commission has regulatory authority over many industries which in turn serve many Texans.

Number of Customer groups identified: Twelve primary customer groups were identified. Please refer to Section 2, "Inventory of External Customers" for details.

CONCLUSION

In serving the people of Texas, the Railroad Commission of Texas remains committed to providing quality customer service. The results of the 2014 Customer Service Survey indicate that the employees of the Railroad Commission are succeeding in that effort. As demonstrated by the customer service initiatives highlighted, the agency will continue to evaluate and improve its service delivery.