

Listening Sessions - Understanding the RRC-20260114_175705UTC-Meeting Recording

0:07

OK, Hello everyone.

0:08

Thank you for joining us.

0:10

We're going to give everyone a few more minutes to get join in from the lobby and we'll get started right at 12:00.

3:25

All right, Scott, if it's all right with you, I can kick things off.

3:30

Yes.

3:31

Good afternoon, everyone.

3:32

Welcome to our second listening session here at the Railroad Commission of Texas.

3:38

We are very pleased that you have joined us today and look forward to hearing from you.

3:43

We're going to do a brief, brief presentation to start off and then we're going to go ahead and ask for your comments.

3:49

If we have time at the end, Bryce will explain how the comments will go.

3:54

If we have time at the end, we'll have some time for maybe some questions or additional comments, but we please ask that you will remain muted.

4:03

Your mics are muted for the time being and we will unmute your mics as those time for comments comes about.

4:11

So I'm gonna turn things over to Bryce.

4:13

He's going to let us get us started here.

4:16

Thanks so much, Scott, and good afternoon again and thanks everyone for who is joining us today.

4:20

This is our second Railroad Commission of Texas listening session.

4:23

It's we really are thrilled that you're able to join us and participate.

4:27

For anyone who is online who would like a Spanish language option, you should see a pop up when you first join asking for language options and that will allow you to switch over to Spanish audio.

4:38

Again, my name is Bryce Dube.

4:39

I'm the RRC agency spokesperson.

4:41

Now will be your host for today's event.

4:43

The schedule for today's session.

4:45

As Scott mentioned, we'll start with a brief overview on RC jurisdiction and then we'll move into our public comment period.

4:50

If time allows, we may have some time for AQ and a session at the end and any additional comments from a remaining attendees.

4:57

But before we get just a quick little bit of housekeeping again, as Scott mentioned, you may have noticed when you first logged on, all participants, cameras and microphones are turned off.

5:06

For those who have registered to provide a comment later in the meeting when we open that section up, we will call you by name when it's your time to speak and one of our staff will temporarily restore your microphone and camera.

5:19

Well, after you've spoken, your camera and microphone will again be turned off.

5:22

And I would note, if you don't want to have your camera on while you're speaking, that's totally fine as well.

5:28

All we do ask is that your comments be made in a respectful manner towards all staff and for everyone present here today.

5:34

I would also note that we do have again, the Spanish language option for today's audio, which my colleague Rafael Navas with the Office of Public Engagement will now briefly explain.

5:43

I would also note that there is when he's speaking, there's will be sometimes some delays.

5:48

So if you don't hear anyone in the audio, it's just the Spanish language audio is happening just for that moment.

5:53

So over to you, Rafael.

6:27

Thank you so much.

6:29

At this time, I would like to introduce you to our panel of subject matter experts who are representing their divisions here at the RC and we'll take your feedback back to their respective offices.

6:38

From Oil and Gas, we have Paul Dubois, David Linley, and Keith May.

6:42

From Surface Mining and Reclamation, we've got Kimberly Jackson and Katie Upham.

6:46

From the Office of Communication and Public Engagement, we've got Christian Gough, Madison, Giorgito, and Scott's roof.

6:53

From oversight and Safety, we've got Stephanie Weidman, and from Chairman Wright's office, we've got Aaron Craigie.

7:00

And most importantly, we do have all of you who have joined.

7:03

We still see some folks joining in.

7:04

And again, thank you for your participation today.

7:07

We know it's a big deal to take time out of your day to join us, so we do look forward to hearing from you and for your interest in the Railroad Commission.

7:14

With all that being said, I will now hand things over to Scott, who will be providing A brief overview of the Commission.

7:21

Bryce, our mission here at the Railroad Commission of Texas can be summed up into one word, and that one word is serve.

7:28

We serve by our stewardship of natural resources in the environment, our concern for personal and community safety, and the enhanced development and economic vitality for the benefit of all Texans.

7:41

And we've been serving Texans for over 134 years as the oldest Regulatory agency in the state.

7:48

We are now led by three statewide elected commissioners, each serving a six year staggered term, which means that one Commission seat is up for election or re election every two years.

8:00

The Commission has jurisdictional authority over the exploration and production of oil and natural gas, Interstate pipeline safety and pipeline damage prevention, alternative fuel such as propane, compressed natural gas and liquefied natural gas, critical natural gas infrastructure, natural gas utilities, and coal and uranium surface mining operations.

8:22

I will also add that we now have jurisdiction over geothermal and hydrogen industries within the state as well.

8:28

There are some industries or areas that are often associated with us that are not under our jurisdiction.

8:35

Those are roads and traffic, the siding of oil and gas facilities and pipelines, pipeline service areas, noise, odors and lighting, mineral interest, leases and royalty matters, air quality and lastly, railroads.

8:51

We no longer have any jurisdiction over railroads.

8:54

That transfer, that authority was transferred to the Tax Department of Transportation, excuse me, in 2005.

9:02

Texas is the largest producer of natural gas and oil in the in the nation.

9:08

We produce over 4.75 million barrels of oil each and every day and over 30 billion cubic feet of natural gas each day.

9:19

I'd like to take a moment and talk to a little bit about our each one of our regulatory divisions.

9:23

Within the RC we have 4 regulatory divisions.

9:26

Those are the Oil and Gas division, Oversight and Safety division, Critical Infrastructure division, and the Surface Mining and Reclamation division.

9:35

Our Oil and gas division consists of three departments.

9:39

Those 3 departments are administrative compliance, technical permitting, and field operations.

9:44

The administrative compliance serves as the record keeping arm of the division.

9:48

They process organizational reports for each operator working within the state.

9:53

They process drilling permits, production reports, and other required reporting forms.

9:59

Technical permitting is much as it name applies, Handles all technical permits, including Class 6 carbon storage wells and other underground injection permits, waste and recycling permits and technical permitting Houses are Geologic Advisory Unit, which works to protect our sources of underground drinking water.

10:22

Field operations is by far the largest group within the Oil and Gas Division and consists of staff across the state in district offices who respond to incidents and complaints, perform inspections and work in the areas of cleanup, site remediation and well plugging.

10:40

Our oversight and Safety Division also has three main departments.

10:44

Pipeline safety inspectors do not only standard routine inspections, but on pipelines and facilities, but they also complete numerized specialized inspections including new construction inspections, pipeline integrity inspections and even drug and alcohol inspections of operator staff as just to name a few.

11:05

Our pipeline inspectors are trained to the standards of the Pipeline Hazardous Materials Safety Administration, also known as FEMSA, the federal regulatory body who regulates Interstate pipelines.

11:19

Our regulation of intrastate pipelines meets or exceeds FEMSA standards.

11:25

Our Alternative Fuels Department provides training, testing, certification and licensing for employees within the alternative fuels industry.

11:35

Our alternative fuels inspectors inspect storage and dispensing facilities and investigate incidents.

11:43

Market oversight works to ensure that Texans have a safe, continuous supply of natural gas at the lowest, most reasonable price.

11:52

They review appeals on natural gas distribution company rate requests, They administer the gas utility pipeline tax, and they also perform gas utility audits.

12:04

Like our oil and gas division, we have 7 pipeline safety regional offices throughout the state that are so that we are ready and able to serve you.

12:14

Another section with our oversight and safety division is our pipeline damage prevention office.

12:19

This team provides outreach and education to not only excavators and homeowners alike, but that to help prevent pipeline damage by calling 811 before any excavation.

12:32

They also process and reporting of damage incidents.

12:38

Our critical infrastructure division has again three main departments main activities.

12:46

Sorry about that.

12:48

In they do this and are they?

12:52

They do this to ensure that an uninterruptible gas supply is always available throughout the year, especially during times of any energy emergencies.

13:01

They do this in three ways by the ensuring that all natural gas suppliers meeting certain requirements for electrical production are designated as critical.

13:12

They also process reports of critical entities that include all of their operating procedures in case of a stoppage and weatherization plans to prevent stoppages of natural gas flow.

13:25

They also provide inspections of facilities to ensure that those weatherization practices are in place.

13:32

Our inspectors visit 7000 facilities to prepare for the winter season alone.

13:40

Our inspectors for critical infrastructure work out of one of four regional critical critical infrastructure offices in the state in each of the four regions.

13:50

Surface Mining and Reclamation Division truly lives out our mission of stewardship for natural resources in the environment.

13:57

They are responsible for both mining and reclamation permits and inspections.

14:02

In Texas, we mine a lignite coal which is primarily used for the production of electricity.

14:08

The Abandoned Mine Land Program completes restoration and safety procedures on mines across the state that have been left to safety hazards.

14:17

We currently have no active uranium mines in Texas, but our team is involved in overseeing and, excuse me, overseeing and inspecting any exploration projects.

14:30

Reclamation of mines.

14:31

Take former mine mining sites like the Jewish Jewett Mine in Jewett, TX and turn them into usable land space such as the Dewey Prairie Garden which now sits on approximately 10 acres of this former mine and provides food for over 3000 residents in Freestone and limestone counties.

14:52

If you would like to know more about the activity of the Railroad Commission of Texas, we have several one pagers on our website at rrc.texas.gov.

15:01

Please feel free to contact us at any time using any of the methods you see here.

15:06

Those one pagers are available on the on a link called RRC Agency Briefs.

15:12

So look for those one pagers there or also look through any of our department sites to find out more about anything that's going on in the Railroad Commission.

15:22

And again, please contact us if you have any questions or concerns either using the public assist at rrc.texas.gov, e-mail or scan that QR code, or use the contact us form on our website and let us know what you're thinking.

15:38

Thank you very much, Bryce.

15:42

Thank you so much, Scott.

15:44

At this time, we will now open the floor for your comments.

15:46

I would ask that all comments be presented with dignity, dignity, courtesy and respect for the Commission, agency, staff and others.

15:53

Participants will have approximately 3 to 4 minutes to speak and if you exceed your time, you will be asked to quickly conclude your comments so that all registrants do have time to participate today.

16:03

I will now call participants or I will call participants by name to provide their comments.

16:08

As your name is called.

16:09

Please allow us just a moment to turn on your microphone.

16:12

Again, you don't have to turn on your camera, but you will have an opportunity to do so when your mic is unmuted.

16:17

Your mic and camera will be turned off at the conclusion of your comments.

16:20

And just a reminder, it does take maybe like two or three seconds for it to kick on.

16:24

So if you have once I call your name, just give it just a second there.

16:30

So with this time, I will now pull up my list and we will open our comment period starting with Suzette McKee.

16:39

Go ahead.

16:45

Hi, can you hear me loud and clear?

16:50

OK, I had a go figure.

16:53

I had a question.

16:55

I live in Wichita Falls TX which is in Wichita County and I don't know if y'all are over this or not but our city gave atmos energy a 8 cent raise or something and everyone in the city's their gas bill tripled and I was wondering also.

17:16

TXU used to be the only electricity provider here in Wichita Falls.

17:20

They broke up that monopoly and made several different companies come in that could use the that could use the services and the equipment TXU and go buy different, different names and companies where we could have a little competition in the city where one company couldn't just raise its rates and stuff.

17:44

So I was wondering if there was anything that the Railroad Commission, I understand that y'all are over natural oil, oil and gas.

17:52

If there's anything that y'all can do or if you could audit the city of Wichita Falls and find out what's going on and why our bills are so high is that I know that we don't have a subject matter expert on that particular issue here on the line with us today.

18:11

But I will go ahead and say that you can contact our gas utility complaints office and if you're having problems with the gas bill itself and they can investigate it further and let you know what has been done and and how that utility rate may have come into effect.

18:31

They can be able to explain that a little bit more for you if you would like.

18:36

On our website, we do have the general complaints forms that are there.

18:41

You can either use the general main complaints and we will route that directly to them or, but I believe they also have their own complaint form there as well.

18:51

So on the on the RRC website, rrc.texas.gov, using those general complaints forms or the contact us form will help you get that in information about that utility rate increase.

19:06

Anytime there are utility rate increases though they are usually they are handled through our gas utility department, the market oversight, because as I mentioned earlier in that presentation, they are the ones who mediate things between the utility and and the the gas provider itself.

19:28

So they will be able to answer that question for you much, much more in detail than we can here right now.

19:36

Also on the utility, the electrical side, that is completely out of our regulatory control.

19:42

That would be all something that's involved in PUC, the Public Utility Commission of Texas.

19:48

So on any anything happened to do with electrical, you'll need to contact PUC.

19:54

You froze.

19:55

I'm sorry I said anything.

19:58

I probably froze to dealing with electrical.

20:00

You will need to contact PUC, the Public Utility Commission of Texas.

20:08

Are you there?

20:09

I mean you froze up.

20:10

I don't know if I'm frozen or not, but I think we may have frozen.

20:14

We can hear you.

20:15

There you go searching.

20:19

OK, I'm going to put something in chat for you, Suzette, so that you'll be able to see it there so that we can go ahead and move on.

20:28

OK, shoot, All right, we'll we can come back.

20:37

We'll come back to that.

20:37

And like Scott said, he'll put something in text for your comments, so we'll get you taken care of.

20:45

All right, moving on.

20:46

We have, and I apologize with anyone's names, We've got Melanie Oldham.

20:51

Go right ahead.

21:00

Hey, Bryce.

21:01

I do not think that she is on.

21:04

Melanie, if you could raise your hand, we will get to you after as well.

21:09

Thank you.

21:11

Not a problem at all.

21:12

OK.

21:13

All right.

21:14

Moving on to Lauren Tatarski.

21:38

She was just on, so we might have to come back to her as well.

21:43

Not a problem.

21:45

Don McCown, go right ahead.

22:04

And you may have to unmute on your end.

22:07

Looks like you you.

22:08

You're also muted.

22:26

Yep, we see you Don.

22:27

It looks like you're muted on your end real quick.

22:30

I apologize.

22:30

I apologize for that.

22:31

We we enabled your microphone, but you may have to hit unmute on your side.

22:51

OK, on perhaps you can type your question or comments into into a chat.

23:07

No chat is disabled If you'll use Q&A.

23:11

If if you up in the top corner, you'll see the Q&A button.

23:13

You can you can type in a question there.

23:16

I do see your hand is your hand is raised on and yeah, I've just may have to unmute on your end.

23:22

I'm not sure how you dialed in, but there should be an an unmute button on your side up in the in the top corner.

23:45

It will not.

23:46

Oh, we've got someone else who won't let you unmute as well.

23:48

OK.

23:56

And I see Lauren as well tried to unmute.

23:58

OK, let us check real quick.

24:08

OK.

24:08

Lauren, do you want to try again?

24:55

And I apologize for the technical issues we're having here, folks.

24:58

For anyone who does have a comment or question, again, you can use the Q&A button and you can type in up there, but it looks like unmute's unavailable.

25:08

Only select participants can unmute.

25:10

OK, see comments here from Don.

25:16

All right.

25:18

And I can read that comment off for everyone here.

25:23

Thank you to the RRC, to and to the staff for offering these listening sessions.

25:26

As an agency charged with stewardship of our natural resource environment, it's critical that all Texans who expect and deserve clean air and clean water and personal community safety have an opportunity to observe, comment on, and respond to RRC decisions regulating this highly impactful industry.

25:39

These matters because as staff experts you well know impact the impacts from oil and gas industry is well beyond the footprint of any production infrastructure.

25:47

Emissions from flaring, seismic activity from injection wells, pipelines through residential areas, just to name a few examples.

25:54

So in light of the stake that all Texans have in transparent response of government, my question has to do with the remote participation at RRC meetings.

26:01

Other state agencies offer remote access and virtual participation options for the public meetings such as audio and video conferencing.

26:08

Why hasn't the RRC implemented these strategies yet at their monthly open meetings in Austin?

26:14

Perfect.

26:14

And thank you so much for that comment, Don.

26:30

And if we have, I know, Krishna, is that something you would like to address, Scott?

26:39

I think that I think that that's a good, good comment, Scott.

26:42

And actually we have been looking into that what the other agencies are doing.

26:46

And I was actually going to throw that back to you, Scott.

26:49

I think this is, this is about a month or so ago to see how the Railroad Commission's public comment is different from other state agencies.

27:00

And we are in the process of investigating that.

27:03

But, but I think this is a very good start because we are here with our subject matter experts who are really the folks who are doing, doing the work down on the ground.

27:13

And it's important for them to hear your comments as well and answer any questions that you may have.

27:19

So we are looking into things.

27:21

But again, I think this is, this is a, a, a great way to start.

27:26

Feel free to, to add anything.

27:28

We wanted to make sure that these listening sessions were available for those who could not make it to our public meet, open meetings with the commissioners.

27:37

That's why we also always have a member from one of the commissioners offices on this call with us.

27:44

So that there, if there are things that we feel like need to be addressed with the commissioners directly, they can go ahead and take those issues right to the commissioners offices.

27:54

We appreciate the fact that you're you're asking for more access.

27:59

And as Christian said, we are investigating how we can possibly change things right now.

28:05

We're just not currently set up to do that, especially since we're meeting in a borrowed room for open meetings right now during the construction here at the, at the William B Travis office building in our, our normal meeting room is under construction.

28:22

So right now we're having to move with status quo, but we are looking into the possibility of of hoping to move forward to a more virtual process in the future.

28:37

And thank you, Scott.

28:38

And I will also add, we do provide verbal reports to the commissioners after these listening sessions

that they are very well aware of the comments and questions that were brought up during the sessions.

28:50

So yes, that's all I had to add.

28:53

Thank you, Scott.

28:54

Thank you.

28:56

Thank you, Don.

28:58

And and I think we have for you.

29:00

We're going to try one more time here to unmute for Lauren.

29:07

It looks like we fixed the setting on our end, so we're going to enable your microphone.

29:11

Just see if we can get this to work.

29:14

And apologies again for the technical issues.

29:19

All right, it works.

29:20

Yes, gotcha.

29:21

Thank you so much.

29:22

I appreciate you navigating that with me.

29:26

So my name is Lauren.

29:28

I'm a member of the Mineral Rights Action Network or Imran.

29:32

We're a national network of oil and gas mineral rights owners and we are organizing to hold ourselves and the oil and gas industry accountable for environmental and climate impacts of mineral extraction.

29:44

So as mineral rights owners, our families have obviously a direct and very personal stake in how these resources are developed and managed.

29:51

And long after actually the extraction has ended, we feel that the well-being of the land is a legacy that outweighs monetary gains made in the short term.

30:01

And we're coming together to work on these issues.

30:04

And based on data that we've collected from mineral rights owners in Texas specifically, a strong majority, around 70% are likely or very likely to support climate forward policies that protect land, water and communities.

30:18

One of our most urgent concerns is the orphaned and idle wells, also known as zombie wells.

30:23

And Texas, as you all know, has more than 10,000 orphaned wells statewide.

30:27

And many of these wells continue to pose risks through unmanaged emissions, produce water contamination and hazardous gases such as methane, a greenhouse gas that's significantly more potent than carbon dioxide.

30:41

And also there's deadly hydrogen sulfide as well.

30:45

Mineral rights owners and surface owners typically have very little control over how operators manage wells during production or how land and subsurface conditions are addressed after the production ends.

30:55

At the same time, the Texas Railroad Commission has received significant state and federal funding to address the growing orphan well backlog for many Texas families, particularly multi multi generational land owners.

31:07

This is a deeply personal issue and many of us feel forgotten or ignored by the state and federal officials, and some now even feel compelled to carry portable gas monitors on their own property out of concern for their families safety and well-being.

31:21

We feel like Lynn should be a source of security and not instead of become a source of fear.

31:27

Our question is, given the scale of Texas's orphan well inventory and the substantial costs associated with proper plugging and remediation, how does the Railroad Commission plan to secure and advocate for the additional funding likely required potentially in the billions of dollars to address this issue without placing the full burden on Texas taxpayers?

31:50

That is a great question.

31:51

I know we've got a couple folks on here from oil and gas who can really address that better.

31:56

So I will kick that over then.

31:58

I know we got David Keith, if y'all want to chime in or anyone else on that front?

32:04

Yeah, I'll chime in and David can add some to it.

32:07

So I'm Keith May and I'm the project manager for the plugging program.

32:11

So it is definitely a big issue, just like the orphan well population and where it's at.

32:16

And there's kind of two ways that you can approach it.

32:18

It's one you keep wells from becoming orphans and or Step 2 is you just plug more of these orphan wells and just kind of that's how you can kind of handle it.

32:27

And actually we've got things going from both ends.

32:30

So in last session, the legislator passed a bill that would push operators to plug their wells if they've been inactive for I think 15 years.

32:40

So don't don't quote me on that, but I think that's what it is.

32:43

If they've been inactive that long, they're forced to do it now.

32:46

But before you could get extensions and kind of push that further along.

32:49

So on the front end, the legislators doing stuff to try and curb the population.

32:54

And on the back end, we've got two different things.

32:58

They also passed a bill, but let's operators plug orphan wells if the Commission like kind of approves it or if we're OK with it using their own funds.

33:08

And then so that's one part.

33:09

And the second part is we also went and asked legislator for extra money to help us.

33:15

So they gave us \$100 million to help plug orphan wells.

33:19

So that's gonna be a big boost to plug the expensive wells that that are an issue like the high H2S ones.

33:24

We specifically asked for money to do those.

33:27

So we we've been kind of hitting it from all sides to try and make sure we get this under control because it is getting pretty high.

33:36

Do you have any concerns about gaps in funding for those considering the extent of the problem?

33:43

Sorry, can you say that first part again?

33:44

I kind of cut out, yeah.

33:46

Do you have any concerns about funding the proper getting the proper funding for this considering the extent of the problem?

33:54

And I know you know, things like in the Permian Basin, sometimes when 1 when well is closed then it pops up, the problem pops up somewhere else.

34:04

So just considering the extent of the problem, do you have concerns that you don't have the right resources to handle all of that?

34:13

I would say the short term, no 'cause we've got a bunch an influx of money from a bunch of different sources.

34:19

So, so typically our kind of operating budget from the OGRC fund, which is kind of our own fund that gets generated in house is about 22.75 million a year.

34:32

So that's kind of the baseline.

34:33

And then we add in the 100 million for the biennium from the state legislator.

34:37

Then you add in the the money that we're getting from the federal grants from DOI, which is I think a little over 300 million for like 5 years.

34:44

So in the short term, we've got funding and we can kind of hit the problem.

34:49

But if things kind of go back to the status quo of, of trying to operate off of 22.75 million year in, year out, that would be an issue and and the problem would get worse.

35:00

But as of right now, I think we're in a good position to, to get to get a handle on it.

35:06

That's good to hear.

35:07

That's good to hear.

35:08

And sorry, one last follow up question.

35:09

I know this is probably past my time, but do you have, are you pushing forward policies that would ensure that additional organ wells don't don't that we don't recreate this problem over and over again?

35:23

So when you say recreate, I'm not sure if you mean like orphan wells that are coming back or if you mean just not having orphan wells come in, in the 1st place.

35:32

And if it, if we're talking about them not joining the population in the 1st place, that kind of goes back to that Senate bill that got pushed through that puts a limit on how long it will can be inactive.

35:44

And I think that's give me a big step in, in getting, getting under control.

35:50

Thank you.

35:55

Thank you so much.

35:57

And I know looking here on our list, we also have Jim Browning who asked to provide a comment as well.

36:05

Let's get you unmuted here and we can go ahead with your comment as well, Sir.

36:26

And you may have to unmute on your end.

36:28

And other than that, you should be able to speak.

36:31

And again, if you're having any audio issues, you can also provide a question in the Q&A button up top.

36:52

You can click there and it will also let you speak up there.

36:57

But you should you, I did get your mic enabled on our end.

37:00

So you should be able to hit unmute and ask your question or provide your comment.

37:31

OK, nothing hurt here.

37:34

I did.

37:34

We do see a note for what you provided.

37:36

So we can take a look at that when you register.

37:38

So we can take a look there.

37:40

Do we have at this time, we do have a little bit more time for anyone else who has any comments that they would like to provide.

37:48

Again, all you need to do is either you can post it in the Q&A or we can enable your microphone and you can raise your hand and we can go from there.

37:57

So if there's anyone else who is here on this session who would like to provide a comment or has a brief question, please raise your hand at this time and we can call on you as we receive them.

38:18

And Bryce, we circled back with everyone we missed in the beginning, correct?

38:22

Or we couldn't hear.

38:23

Yes, I believe we had one person.

38:26

We did.

38:26

I don't know if they rejoined.

38:27

We had Melanie who joined, had registered for a question.

38:31

I don't see her on here, but if not, if if you are on here I'm not seeing you for some reason, feel free to raise your hand and we can get you unmuted.

38:43

Additionally, for folks who may have dialed in via phone, if you want to raise your hand, you can hit *5 to raise your hand to speak and then it would be *6 to unmute.

38:55

I don't think we have too many folks who have dialed in, but if if those folks who are on the line via phone would like to do that, it is *5 to raise your hand.

39:13

Oh, we've got one here.

39:15

All right, 2 here.

39:17

OK, I see both and one is we'll give Don a chance.

39:21

I again apologize for the technical issues earlier.

39:24

We've got you now set up.

39:25

If you can hit unmute on your end, Sir, go right ahead.

39:32

And then I've got.

39:44

And you just would need to hit unmute on your controls.

39:48

It should allow you to unmute yourself at this time.

39:51

And again, I apologize for that inconvenience earlier.

40:11

Oh, there it is.

40:12

Can you hear me?

40:13

Sorry about that.

40:13

Yep.

40:14

No, that's OK.

40:15

I apologize.

40:16

Just a quick follow up.

40:17

Thank you.

40:17

I know I've already, I've already spoken, but just a follow up to Keith's comment about the recent legislation on orphan wells SB1150.

40:27

I think I'm also a mineral owner, part of this network of concerned mineral owners.

40:33

And one of the things that we're tracking is there seem to be, you know, I guess I'd call them loopholes in that bill that we're concerned about the most.

40:46

Maybe obvious to us is that 15 years is a long time to give producers to get that problem under control.

40:55

I guess I'd just be interested in Keith's response to like, you know, what, what is, what does he see the, the Railroad Commission's responsibility in enforcing that the, the, the requirements under that bill?

41:14

So to clarify, I mean, we're kind of setting up the infrastructure to enforce it because it is going to be one of our, our rules is after 15 years, you have to, you know, plug it and then it's kind of like right now we have the rule 14B2.

41:27

I'm not sure if you're aware is if the well's been inactive for 12 months, you have to do plug it or bring it back to production.

41:35

And if you don't do that, you get a violation.

41:37

And that kind of goes through the process of enforcement where, you know, you can get your lease severed, you can get your P5 revoked if you don't do something about it.

41:45

So there's an enforcement process that we go through if you don't do that.

41:49

So I kind of see it the same way once that that legislation kind of gets kind of set up with our business processes where, you know, after 15 years, we're gonna have a list of like these are the 100 wells that need to get plugged and we'll go out.

42:02

We'll see if you're inspect, if you're doing it.

42:04

And if not, you'll get you'll get a violation.

42:06

And that goes to enforcement if you're not following rules.

42:09

And that's how I see us enforcing.

42:11

And I I'm not on that part of like kind of creating that business processes, but that's how I see it kind of happening once we get there.

42:21

OK, I appreciate that.

42:22

Thank you.

42:23

Yeah, Don, if, if I could add SB1150, we haven't done the rule making for that yet, but we've got a team together and we're going to involve, you know, industry and, and have a lot of input from industry on the some of the Gray areas on the, on the rule making, which I think I'm actually meeting with some folks the end of this month, but it actually isn't going to start until 2027.

43:01

And there's definitely a lot of work to do between here and there.

43:04

But the, the goal is to have operators have a plan they're either going to have to return them to production or plug them.

43:16

So there will be a, there will be a compliance plan in place.

43:21

OK.

43:21

We, we've, we've got to get people hired for that.

43:24

So is there funding for that?

43:26

A lot to do.

43:29

I missed, I walked over your question.

43:31

I'm sorry.

43:31

I just is there a funding for that extra staff for that hiring that we were not there was no funding provided with SB1150 until 20270.

43:42

OK, great.

43:45

Thank you.

43:45

I hope I'm not I know there will be a public comment period on the rulemaking, but I just I hope that other stakeholders outside of industry will will you know their their considerations will be given, you know, thought I, I hope those considers absolutely, absolutely yeah, great.

44:02

Yes, David, this is Christian.

44:03

Can you go into the the public comment process a little bit too?

44:07

I'm, I'm yes, I'm not sure when that is going to start.

44:13

We've got time on the rulemaking, but there is so much interest in this that I have multiple groups reaching out right now.

44:22

I'm not exactly sure, Christian, how long the the input process will be available or when it will even start.

44:32

But as as this rulemaking starts taking shape, all this will be will be made very public.

44:41

Yes, Thank you.

44:43

Thank you so much for your comments.

44:44

Appreciate it.

44:46

My pleasure.

44:47

All right, Thank you, Don.

44:52

And we've got another hand raised here.

44:54

I see Trey Kendall, go right ahead.

44:58

You can unmute.

44:58

Go.

44:59

It's all yours.

45:01

Hi everyone, my name is Trey Kendall.

45:03

I'm also with the Mineral Rights Action Network.

45:06

I currently live in San Antonio, TX and am a mineral rights owner.

45:12

My question is, do you guys have any further regulation in the pipeline for concerning flaring or capturing excess gases, especially given that a lot of remote data centers are being proposed to run off of these excess gases?

45:38

That's a good question.

45:39

I will hand, Oh, I see, Paul unmuted.

45:41

Paul, I will defer to you.

45:44

Hi, I'm Paul Dubois.

45:46

I'm the Assistant Director of Technical Permitting in the Oil and gas division.

45:50

So the engineering unit under my direction issues flaring exceptions which authorizes operator operators to flare gas.

46:05

But there is nothing in the pipeline as far as I'm aware on the River Commission side to alter any of our regulations regarding flaring.

46:20

Our regulation of flaring really centers around the waste of gas in relation to production.

46:31

If it's regarding pollution, it's really more of a regulation by the TCQ.

46:39

I'm not sure exactly if your question if you're talking about the gas being used by data centers or so or something of that nature.

46:50

I'm not really sure where the questions coming from, but no, as of right now, there's there's no additional regulation of flaring planned by the Railroad Commission.

47:03

Thank you for that response.

47:05

Yeah.

47:06

My, my, my question was mainly if there's any going to be any further regulation upon traditional flaring.

47:12

And given the prospect of a lot of Bitcoin mining remote data centers as well as AI remote processing centers hooking up to some of these big wells and and potentially running their systems off of that excess gas.

47:31

Considering this is a possibility in the future.

47:35

I was just wondering if you guys were prepared to tackle some of the issues that may occur with those facilities and companies.

47:44

There was a bill passed by the legislature in the 88th session that allowed excess gas to be used within a certain distance of a lease, I believe with with a tax benefit if that use prevented the gas from being flared.

48:13

And the the intent was that it could be used for Bitcoin mining or something of that sort.

48:19

And to my knowledge, nobody has taken advantage of that tax credit or that tax benefit.

48:26

So the legislature did undertake something like that.

48:31

I think one of the challenges is on a lease by lease or a well by well basis, the need to flare is intermittent and inconsistent.

48:42

And a data center requiring power or Bitcoin mining operation requiring power wants a more stable and clean energy supply, which it doesn't really equate to a flaring situation, which is typically raw field gas and not a pure methane stream.

49:07

But that's just my two cents.

49:10

That's a interesting perspective, Paul, I really appreciate your input.

49:15

Very welcome.

49:18

And Speaking of which, we have a, a comment here from Jonathan, I saw your one about the slides as well, but it's he's asking does the RC take into account any potential health environmental effects regarding flaring or is it purely waste slash business analysis?

49:44

We take into effect health effects if they are regarding hydrogen sulfide and flaring.

49:52

So our, our rules statewide Rule 32 does emphasize say for example, flaring over venting if hydrogen sulfide is involved.

50:06

And then if hydrogen sulfide is involved also statewide Rule 36 is invoked.

50:13

Statewide Rule 36 is invoked to address potential for human exposure to hydrogen sulfide.

50:24

But if you are talking about regulation of other vapors and potential health effects from either the gas or other odors or methane or greenhouse gases or things of that nature, then the answer is no.

50:44

Paul, this is Christian.

50:45

That would be, that would fall into TCQ, correct?

50:49

That's correct.

50:50

That would be TC QS jurisdiction, right?

50:53

Thank you.

50:56

All right, thank you for that.

50:58

I don't see any other hands raised at this time and Q&A seems to be clear for now.

51:03

Again, apologies for some of the technical difficulties we had earlier.

51:06

As we continue these moving forward in the future, we're going to start, we'll keep getting these little fixes and things ironed out.

51:13

So appreciate everyone's patience with some of those those audio issues.

51:17

This will kind of be a last call right now if there are any other questions or comments for anyone who is on the line.

51:23

Again, for anyone who dialed in, it is *5 to raise your hand if you have a comment.

51:28

And if anyone has a comment, just hit the hit raise your hand button or type it into the Q&A.

51:32

But we are approaching the one hour mark, so just want to be respectful at everyone's time.

51:37

But just going to stand by for one second here.

51:39

See if anyone else has anything else they would like to comment on.

51:45

At this time, I am not seeing any hands.

51:48

So with that, I kind of alluded to already that we're going to have another one of these presentations soon.

51:52

So Scott, I will hand this over to you to close things out.

51:58

You, Bryce.

51:58

And thank you to all of our SM ES.

52:00

We've been on the call to help answer questions and thank you very much for attending today.

52:06

We really appreciate your comments, your concerns, and we take these to heart.

52:11

We really are wanting to listen to you and to do what we need to do to help make sure that we are meeting the needs of all Texans if at all possible.

52:21

So we are having another listening session in March that will be tentatively scheduled for March 11th.

52:29

That registration will come out very soon.

52:32

We'll have it on the registration page through the public engagement web web page on our website.

52:37

So please keep watching for that.

52:39

We will be listing that very soon.

52:43

We do appreciate again your your opportunity to share your day with us.

52:48

If you have any further questions, please feel free to contact us through the Contact us forum on our website, oremailusdirectlypublicassist@rrc.texas.gov.

52:59

We want to be able to make sure you understand all that you can about what the Railroad Commission does.

53:06

Thanks again, and we hope you have a fantastic rest of your week.

53:10

Thank you.