


FY2028 - 2029 RAILROAD COMMISSION OF TEXAS

LEGISLATIVE APPROPRIATIONS REQUEST

CHAIRMAN CHRISTI CRADDICK ★ COMMISSIONER JIM WRIGHT ★ COMMISSIONER WAYNE CHRISTIAN

LEGISLATIVE APPROPRIATIONS REQUEST

For Fiscal Years 2028 and 2029

Submitted to the

Governor's Office of Budget, Planning and Policy
and the Legislative Budget Board

by the

Railroad Commission of Texas

August 18, 2026

Railroad Commission of Texas (455)

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General Information

The Railroad Commission of Texas serves our state by our stewardship of natural resources and the environment, our concern for personal and community safety, and our support of enhanced development and economic vitality for the benefit of Texans. The Commission accomplishes this mission within the framework of four coordinated goals:

- Oversee the development of the state's energy resources while protecting public health and the environment through an effective regulatory program that allows for the orderly and efficient development of oil and gas resources,

- Protect public safety in the operation of the Texas pipeline system through regulatory oversight of the pipeline industry by inspection, compliance, and educational activities, and in the regulation of the LPG/CNG/LNG alternative fuels industries,

- Protect the environment and consumers by ensuring that fossil fuel extraction and energy production, storage, and delivery minimize harmful effects on the state's natural resources, and that just and reasonable natural gas rates promote a safe and efficient supply of natural gas, and

- Provide the public access to information and facilitate efficiencies with regulated industries through communications and technologies that support effective regulatory programs, while preserving and increasing access to public information.

The Railroad Commission oversees and regulates many sectors of the state's energy industries, which are a vital pillar of the state's economy. The Commission provides a predictable, consistent, and sound regulatory environment that supports economic growth and long-term investment in Texas. This Legislative Appropriations Request reflects the Commission's primary funding priorities. While the Commission derives much of its funding from the state's energy industries, consistent funding for the Commission's regulatory responsibilities is critical to protecting public safety and the environment.

As it celebrates its 135th year, the Commission recognizes that ensuring the efficiency and effectiveness of its programs is more than allocating and expending resources responsibly. The Commission continues to develop systems, workforce, and infrastructure to address complex and evolving challenges to the state's energy industries. Robust and secure information management systems, collaboration to develop innovative solutions, a highly skilled workforce, and a commitment to sustainability are the pillars that support the efficiency, transparency, accountability, and effectiveness of the Commission's programs. This request seeks funding necessary to implement these actions.

Governing Board Information

Three statewide officials elected to six-year staggered terms serve as Commissioners of the Railroad Commission of Texas. Current commissioners, their terms of office, and their hometowns are:

Christi Craddick, Chairman, Dec. 17, 2012 to Dec. 31, 2030, Midland, Texas
Jim Wright, Commissioner, Jan. 4, 2021 to Dec. 31, 2026, Orange Grove, Texas
Wayne Christian, Commissioner, Jan. 9, 2017 to Dec. 31, 2028, Center, Texas

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Overview of Budget Request

The Railroad Commission prepared its funding request in compliance with the policy letter issued by the Office of the Governor, Budget and Policy Division, and the Legislative Budget Board for the 2028–2029 biennium. In accordance with state leadership's direction, the Commission reduced its baseline request by three percent across all strategies. This reduction was implemented responsibly; however, it affects several core regulatory activities that support public safety, environmental protection, and responsible energy development.

The baseline biennial request totals $376,975,579 with fee and surcharge generating sources comprising 37.9 percent, General Revenue as 55.4 percent, federal funds as 5.7 percent, and other sources comprising 1.0 percent of the request. The request includes a three percent reduction across each of the Commission's strategies and General Revenue and General Revenue-Dedicated methods of finance, including changes to operating costs and program support.

External Factors

The Railroad Commission provides necessary regulation and oversight of the state's energy industries, without which Texas would not have a vital pillar of its vibrant economy. The Commission's main functions are to protect the environment, public safety, and correlative rights of mineral interest owners, prevent waste of natural resources, and assure fair and equitable utility rates in natural gas distribution industries. Regulating dynamic industries that support the state's economy will require staffing, technological, and financial capacity to respond with agility to changing market and economic conditions.

New Inactive Oil and Gas Well Requirements

The 89th Legislature (2025) enacted three bills addressing inactive wells: Senate Bill 1146 and Senate Bill 1150 to prevent inactive wells from becoming a burden to the state, and House Bill 2663 to reduce wildfire risk from deteriorating electrical equipment at inactive well sites. As of August 31, 2025, there were 156,531 shut-in or inactive wells in Texas. The Commission has adopted rules implementing House Bill 2663, effective December 8, 2025, requiring operators that seek a plugging extension on a well inactive at least 10 years to affirm removal of electric service equipment, with administrative penalties of up to $25,000 per violation for noncompliance. Senate Bill 1150 requires operators to plug oil and gas wells that have been inactive for more than 15 years and that were spudded more than 25 years ago. The Commission will submit its first annual report on inactive wells to the Governor, Lieutenant Governor, and Legislature by December 1, 2026, and adopt rules for Chapter 89 of the Natural Resources Code no later than December 31, 2026, effective September 1, 2027. These new statutory reporting and rulemaking obligations will require sustained staff resources throughout the 2028–29 biennium.

Orphaned Well Plugging

The Commission administers the State Managed Plugging Program using state appropriations, including the supplemental appropriates provided for fiscal years 2026 and 2027 to accelerate the remediation of high-risk orphaned wells. State investment remains essential to protecting public safety, preventing groundwater and surface water contamination, and addressing the growing inventory of orphaned wells across Texas.

In addition to state appropriations, the Commission administers a federally funded orphaned well program with funding available through September 30, 2030. Since 2022, Texas has been awarded $254.2 million across the Initial, Matching, and Formula Grant phases. The Commission intends to apply for Phase III Formula Grant funds in fiscal year 2027 with the intent to begin work with the grant funds in mid-fiscal year 2028. Federal grants have expanded plugging capacity and supported remediation and restoration activities, but costs continue to rise as the program addresses more complex, higher risk wells. Sustained state and federal investment are necessary to maintain plugging momentum, uphold statutory responsibilities, and continue to protect surface and subsurface water throughout Texas.

Permian Basin Produced Water Disposal Oversight

The Commission continues to monitor permit application requirements adopted for saltwater disposal wells in the Permian Basin to ensure injected fluids remain confined to designated formations and that ground and surface fresh water are protected, given the region's large historical disposal volumes, increased reservoir pressure, and dense wellbore penetration of active disposal formations. In the coming biennium, sustained staff resources will continue as permit conditions evaluated to ensure their intended protective outcomes are achieved.

Federal Pipeline Safety Rulemaking Activity

On April 24, 2026, the U.S. Department of Transportation's Pipeline and Hazardous Materials Safety Administration (PHMSA) published 40 rulemaking actions amending the federal pipeline safety regulations (49 C.F.R. Parts 190–199), affecting operators of natural gas, hazardous liquid, carbon dioxide, and liquefied natural gas pipelines and underground storage facilities. PHMSA has also proposed the first major revision to federal pipeline repair criteria in two decades, replacing prescriptive repair timelines with a risk-based framework relying on modern inspection and engineering analysis, with comments due September 8, 2026, and has proposed new safety standards for carbon dioxide pipelines addressing emergency preparedness and first-responder training. As a PHMSA-certified state agency for intrastate pipeline safety, the Commission's state program rules generally must remain at least as stringent as the federal baseline. As these federal rulemakings are finalized, the Commission anticipates the need for corresponding updates to state pipeline safety rules, inspector training and guidance materials, and information systems, including for pipelines transporting carbon dioxide in connection with growth of the state's carbon capture and storage sector.

Technology Modernization and Public Access

The Commission continues to modernize legacy information systems, expand the public GIS Map Viewer, and increase the number of datasets available through the Texas Open Data Portal to improve transparency and reduce paper-based transactions. The Commission is researching the use of artificial intelligence technologies to improve data quality and support effective regulatory programs, consistent with the Commission's strategic goal of maximizing electronic government and public access to information. These efforts require continued investment in enterprise data platforms, data governance, and cybersecurity to keep pace with the volume and complexity of information the Commission collects, maintains, and makes publicly available.

Effects of House Bill 149 and House Bill 4751

The Commission reviewed House Bill 149 (89th Legislature, Regular Session, 2025), relating to regulation of the use of artificial intelligence. The Commission does not collect, capture, or otherwise obtain biometric identifiers, as defined by the bill, for any data collection or identity verification purpose, and therefore no mandatory provision of House Bill 149 requires implementation action or additional appropriation at this time. The Commission has also reviewed House Bill 4751 (89th Legislature, Regular Session, 2025), relating to the establishment and administration of the Texas Quantum Initiative, and determined that the bill does not apply to the Commission's programs or operations.

Background Checks Authority and Agency Practices/Procedures

The Commission is authorized under Texas Government Code, Section 411.1403, to obtain criminal history record information for applicants for employment, as well as current and previous employees, consultants, contract employees, and other individuals as permitted by statute. Under this authority, the Commission uses the Texas Department of Safety’s (DPS) Secure Site system to conduct background checks on all applicants selected for hire and follows DPS policies, security standards, and documentation requirements. Criminal conviction records obtained in a background check are used only for the purpose of evaluating a selected applicant for employment. Evidence of a criminal conviction obtained from a criminal records check does not automatically disqualify an individual from employment. The Commission will determine, on a case-by-case basis, whether the individual is qualified for employment.

The Commission uses the federal E-Verify program to confirm employment eligibility of all new hires.

Exempt Positions

The Commission is not requesting any changes to existing exempt position titles, authorized salary levels or group numbers, or additional funding to increase exempt position salaries for the 2028–29 biennium.

Exceptional Items - $121,117,682

Oil and Gas Orphaned Well Plugging ($100,000,000)
The Commission takes immediate action to control and plug actively leaking emergency wells without regard to the impact of the well plugging budget. The number and cost of emergency wells have significantly increased over the last five years, making this practice unsustainable. RRC requests funding to continue addressing emergency wells, expensive high-priority wells, and inflationary costs.

Pipeline and Propane Safety Inspection and Compliance ($1,088,358 and 6 FTEs)
The Commission has increased regulation of Natural Gas Gathering (NGG) systems due to federally mandated increased jurisdiction and regulatory responsibility, resulting in new rules and an unprecedented workload for the Permitting and Mapping teams. Additional FTEs and funding would allow for more effective pipeline safety regulation.

Oil and Gas Staffing ($3,631,572 and 5 FTEs)
The RRC District Offices need additional staff for field work, enforcement activities, and administrative support. The staff at the district offices have not kept pace with the oil and gas industry activity. RRC will need additional inspectors to maintain the statutory five-year inspections on all wells and to quickly respond to landowner concerns regarding spills, unsafe electrical equipment, and reports of oil theft.

Oil and Gas Produced Water Monitoring ($3,684,114 and 3 FTEs)
The Commission is facing unprecedented challenges from record amounts of oil production and produced water. The proposal addresses the produced water challenge by enhanced emergency response to leaking wells, strict reporting of produced water and increased monitoring of injection reports and partnering with University of Texas at Austin’s Bureau of Economic Geology (BEG).

The Commission requests additional staff to support the increasing need to analyze injection monitoring reports to reduce geohazards (e.g., leaking wells and seismicity) and support permit staff. In the 89th Legislature, $7.7 million dollars in funding was authorized to develop a system to receive oil and gas produced water reports and injection reports which will be delivered in FY 2028.

The Commission also proposes to contract UT-BEG TexNet Research Program, which successfully creates and maintains Texas' seismological network, to process and analyze satellite data to support oil and gas facility monitoring and enhance groundwater protection. Commission staff have begun using public satellite datasets from NASA and others to provide surveillance for O&G wells (e.g., "InSAR"). These datasets can identify issues caused by oil and gas activities that may not be discovered otherwise and help determine when a leak occurred.

Oil and Gas Monitoring and Inspection Equipment Refresh ($1,803,300)
The Oil and Gas Field Operations need to replace aging equipment used by field inspectors with newer, more advanced equipment to ensure accurate and complete inspection occur in the field. This requested equipment includes both common and specialized instruments - Infrared Cameras, Echometer, Scintillator, Magnetometers, Portable Gas Monitors, and Imaging Thermometers. This equipment detects the presence of hazardous gases, identifies naturally occurring radioactive materials (NORM), checks fluid levels in oil and gas wells, and checks well conditions to identify leaking gases and fluids.

Oil and Gas Inspector Electric Safety Training ($1,155,750)
The 89th Texas Legislature, House Bill 143 required changes to Texas Administrative Code (TAC), Title 16, Part 1, Chapter 3, Rule 3.2(l). RRC Inspectors are now required to inspect an operators compliance to "construct, operate, and maintain an electrical power line serving a well site or other surface facility employed in operations incident to oil and gas development and production in accordance with the National Electrical Code published by the National Fire Protection Association and adopted by the Texas Department of Licensing and Regulation in §73.100 of this title (relating to Technical Requirements)" per Statewide Rule (SWR) 3.21(l).

The additional inspection requirements created the need to properly train field inspectors in fire prevention and electrical standards and safety. As of April 2026, the Oil and Gas Division had 179 inspectors that will be required to complete these training requirements. As the agency hires new inspectors each month, they will also require training.

STOPTheft Investigation Coordinators ($2,854,588 and 21 FTEs)
Senate Bill 494 from the 89th Regular Session authorized the creation of the STOPTheft task force to appoint members from the oil and gas industry to study and provide a recommendations report to the Legislature on even numbered years. The task force has identified the immediate need to hire additional Investigation Coordinator positions to assist Law Enforcement in Texas with cases related to the theft of oil products. The new Investigation Coordinators will be placed within each district office and will report to ?a supervisor that will work in the Austin office. This new hiring initiative will add to positions to the existing Investigation Coordinator team housed within the RRC Office of General Counsel Legal Enforcement section.

T-1 Online Tracking and Reporting System ($3,400,000)
The STOPTheft task force has identified the immediate need to track data related to oil and gas production, transportation, storage and loss data. The Monthly Transportation and Storage Reports (Form T-1) remain an integral part of the RRC's reporting requirements for operators in Texas. The form T-1 (Monthly Transportation and Storage Report) is the last component that would need to be brought online to fulfill this request. A new online system needs to be built to track and manage T-1 Transporter data.

Vehicle Replacements ($3,500,000)
During the 2028-29 biennium, the Commission will need to replace trucks for field staff. The Railroad Commission replaces vehicles in accordance with the guidelines of the Texas State Vehicle Fleet Management Plan from the Comptroller's Office of Vehicle Fleet Management. Vehicle replacements for the 2026-27 biennium were funded by the supplemental appropriations bill (HB500, 89th Legislature, Regular Session).

Capital Budget

The Commission’s capital budget request seeks capital authority totaling $48,573,168 million for four capital projects. The Commission’s 2028-29 appropriations request includes the following capital projects in the Base Level Request:

- Mainframe Transformation Phase V - $21,475,647
- Data Center Services (DCS) - $23,008,771
- Inspection/Enforcement Tracking and Reporting System Phase VI - $3,000,000
- PC Refresh - $1,088,750

Mainframe Transformation Phase V

With this request the Commission will complete implementing modern, flexible, and scalable information technology systems that eliminate RRC’s dependency on mainframe systems. In the 20-21 biennium, the Commission began a phased approach and has continued to transition its oil and gas business processes off the mainframe to reduce dependency on mainframe technology.

During the 2028-29 biennium, with proposed Phase V of the Mainframe Transformation, the Commission will complete its efforts to eliminate its dependency on mainframe systems by modernizing processes and moving additional well management features to its cloud-based systems including:

- Reclassifying wells
- Lease Management
- Field Management
- Well Testing Functionalities
- Support Functions that enable data integration

The Commission will continue to expand the agency’s central data repository to make reporting more efficient.
The evolution of the Commission’s regulated industries, along with demands for wider access to Commission data, and legislative requirements are increasingly difficult to address with aging mainframe technologies. These challenges cannot be resolved in a single biennium. This project will leverage the foundation and framework established in the 20-21 biennium by adding all remaining business processes and data to continue the Commission’s forward movement.

Data Center Services (DCS)

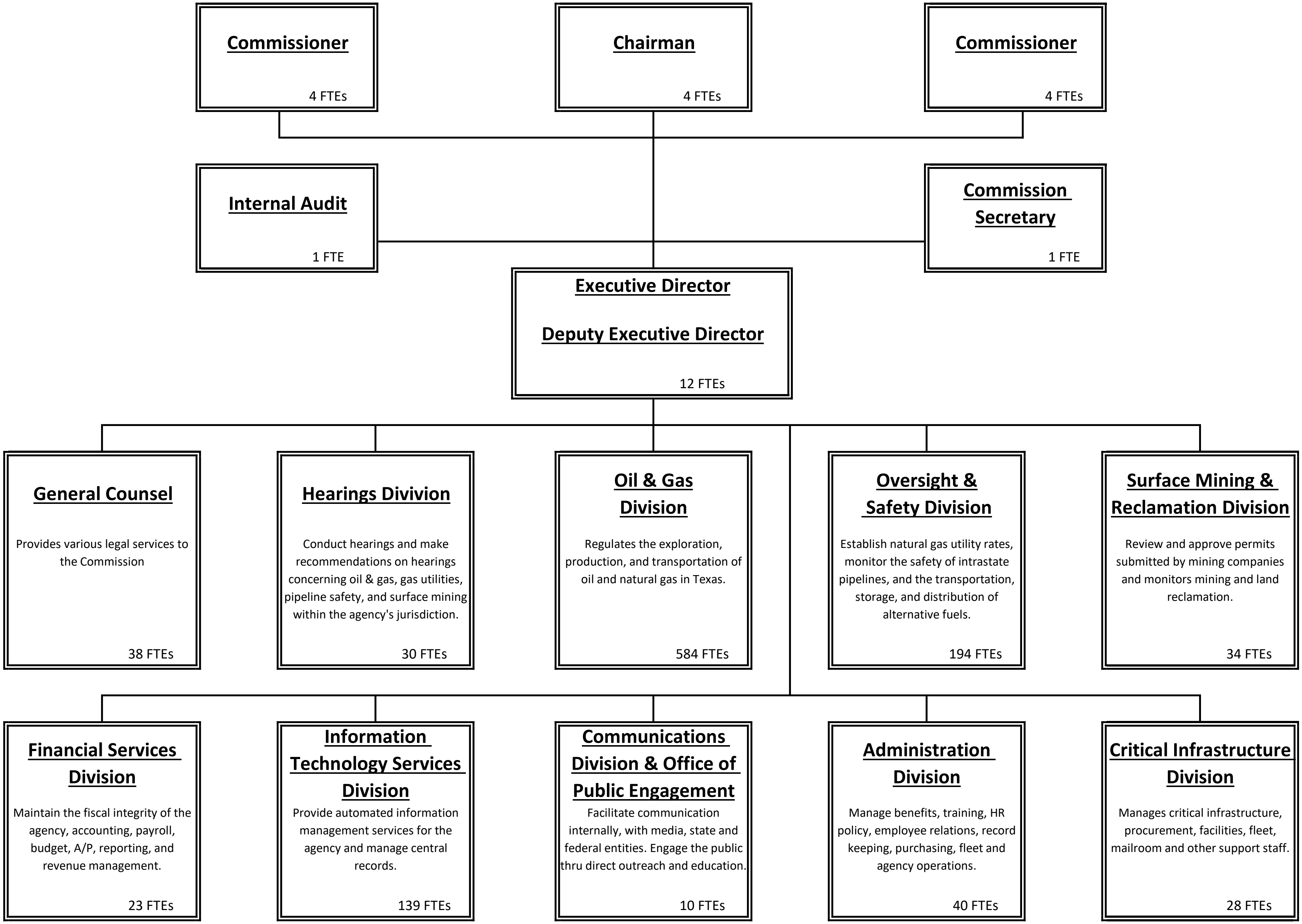
As more state agencies move away from mainframe technologies, Data Center Services costs will increase for those agencies still relying on mainframe systems. For the Commission, completing its efforts to eliminate its dependency on mainframe systems will avoid future mainframe related costs. As additional mainframe processes and functions move away from mainframe systems, the Commission will realize this cost avoidance. As this transition progresses, the Commission must still rely on mainframe processes to maintain its ability to regulate those industries under its jurisdiction.

Inspection/Enforcement Tracking and Reporting System Phase VI

The Commission seeks capital budget authority to implement Phase VI of the Inspection and Enforcement Tracking and Reporting system. This phase will focus on the consolidation of the Commission’s Pipeline Online Permitting System. In this phase, the Pipeline Online Permitting System will be moved to the agency’s modern platform (Salesforce) allowing for more integration with other Oversight and Safety applications. This will provide a more stable and optimized application that improves efficiency and transparency.

PC Refresh
The Commission also requests capital authority in the amount of $1,088,750 for PC replacement.

Railroad Commission of Texas
Organization Chart
(as of September 1, 2026)



CERTIFICATE

Agency Name Railroad Commission of Texas

This is to certify that the information contained in the agency Legislative Appropriations Request filed with the Legislative Budget Board (LBB) and the Office of the Governor, Budget and Policy Division, is accurate to the best of my knowledge and that the electronic submission to the LBB via the Automated Budget and Evaluation System of Texas (ABEST) and the PDF file submitted via the LBB Document Submission application are identical.

Additionally, should it become likely at any time that unexpended balances will accrue for any account, the LBB and the Office of the Governor will be notified in writing in accordance with Senate Bill 1, Article IX, Section 7.01, Eighty-ninth Legislature, Regular Session, 2025.

Chief Executive Office or Presiding Judge

Signature

Wei Wang, CPA
Printed Name

Executive Director
Title

08/18/2026
Date

Board or Commission Chair

Christi Craddick
Signature

Christi Craddick
Printed Name

Chairman, Railroad Commission
Title

08/18/2026
Date

Chief Financial Officer

Signature

Pamela Darden
Printed Name

Chief Financial Officer
Title

08/18/2026
Date

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Appropriation Years: 2028-29

	GENERAL REVENUE FUNDS		GR DEDICATED		FEDERAL FUNDS		OTHER FUNDS		ALL FUNDS		EXCEPTIONAL ITEM FUNDS
	2026-27	2028-29	2026-27	2028-29	2026-27	2028-29	2026-27	2028-29	2026-27	2028-29	2028-29
Goal: 1. Oversee Oil and Gas Resource Development											
1.1.1. Energy Resource Development	63,689,444	50,007,103	16,606,899	3,566,313	400,911		1,547,946	1,942,968	82,245,200	55,516,384	6,328,802
Total, Goal	**63,689,444**	**50,007,103**	**16,606,899**	**3,566,313**	**400,911**		**1,547,946**	**1,942,968**	**82,245,200**	**55,516,384**	**6,328,802**
Goal: 2. Advance Safety Through Training, Monitoring, and Enforcement											
2.1.1. Pipeline Safety	6,495,757	7,965,503	19,139,786	18,539,366	3,260,000	6,520,000			28,895,543	33,024,869	
2.1.2. Pipeline Damage Prevention	921,049	1,705,134	726,500	197,602					1,647,549	1,902,736	
2.2.1. Regulate Alt Fuel Resources	12,744,589	7,748,448					1,942,743	1,677,032	14,687,332	9,425,480	1,963,358
Total, Goal	**20,161,395**	**17,419,085**	**19,866,286**	**18,736,968**	**3,260,000**	**6,520,000**	**1,942,743**	**1,677,032**	**45,230,424**	**44,353,085**	**1,963,358**
Goal: 3. Min. Harmful Effects of Energy Prod & Ensure Fair Rates for Consumers											
3.1.1. Oil/Gas Monitor & Inspections	58,564,984	55,434,416	25,577,219	38,928,910					84,142,203	94,363,326	10,697,866
3.1.2. Surface Mining Monitoring/Inspect	10,560,322	5,953,130			3,330,084	3,086,376			13,890,406	9,039,506	875,000
3.2.1. Oil&Gas Well Plugging & Remediation	134,163,592	42,291,265	91,459,180	80,973,635	197,560,536	6,000,220			423,183,308	129,265,120	101,252,656
3.2.2. Surface Mining Reclamation	535,413	750,258			7,053,817	5,951,862			7,589,230	6,702,120	
3.3.1. Gas Utility Commerce	10,983,017	8,638,331					608,109		11,591,126	8,638,331	
3.4.1. Weather Preparedness	28,826,810	23,543,061							28,826,810	23,543,061	
Total, Goal	**243,634,138**	**136,610,461**	**117,036,399**	**119,902,545**	**207,944,437**	**15,038,458**	**608,109**		**569,223,083**	**271,551,464**	**112,825,522**
Goal: 4. Public Access to Information and Services											
4.1.1. Public Information And Services	4,228,744	4,819,619	1,965,910	735,027			67,615		6,262,269	5,554,646	
Total, Goal	**4,228,744**	**4,819,619**	**1,965,910**	**735,027**			**67,615**		**6,262,269**	**5,554,646**	
Total, Agency	**331,713,721**	**208,856,268**	**155,475,494**	**142,940,853**	**211,605,348**	**21,558,458**	**4,166,413**	**3,620,000**	**702,960,976**	**376,975,579**	**121,117,682**
Total FTEs									**1,145.6**	**1,145.6**	**35.0**

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Goal / *Objective* / STRATEGY	Exp 2025	Est 2026	Bud 2027	Req 2028	Req 2029
1 Oversee Oil and Gas Resource Development					
1 *Increase Opportunities for Oil and Gas Resource Development*					
1 ENERGY RESOURCE DEVELOPMENT	25,306,351	35,461,340	46,783,860	28,708,406	26,807,978
TOTAL, GOAL 1	**$25,306,351**	**$35,461,340**	**$46,783,860**	**$28,708,406**	**$26,807,978**
2 Advance Safety Through Training, Monitoring, and Enforcement					
1 *Improve Pipeline Safety*					
1 PIPELINE SAFETY	15,701,683	13,540,421	15,355,122	18,017,011	15,007,858
2 PIPELINE DAMAGE PREVENTION	571,923	767,634	879,915	951,877	950,859
2 *Alternative Energy & Safety Through Regulation*					
1 REGULATE ALT FUEL RESOURCES	4,791,417	6,468,084	8,219,248	4,710,632	4,714,848
TOTAL, GOAL 2	**$21,065,023**	**$20,776,139**	**$24,454,285**	**$23,679,520**	**$20,673,565**
3 Min. Harmful Effects of Energy Prod & Ensure Fair Rates for Consumers					
1 *Reduce Occurrence of Environmental Violations*					

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Goal / *Objective* / STRATEGY	Exp 2025	Est 2026	Bud 2027	Req 2028	Req 2029
1 **OIL/GAS MONITOR & INSPECTIONS**	33,989,367	29,058,888	55,083,315	56,808,947	37,554,379
2 **SURFACE MINING MONITORING/INSPECT**	7,244,600	5,597,978	8,292,428	4,521,473	4,518,033
2 *Identify and Abate Environmental Threats*					
1 **OIL&GAS WELL PLUGGING & REMEDIATION**	81,777,136	191,156,242	232,027,066	64,823,428	64,441,692
2 **SURFACE MINING RECLAMATION**	2,879,872	2,889,385	4,699,845	3,351,576	3,350,544
3 *Maintain Competitive Prices and Adequate Supplies for Consumers*					
1 **GAS UTILITY COMMERCE**	4,108,516	5,193,566	6,397,560	4,316,226	4,322,105
4 *Critical Infrastructure*					
1 **WEATHER PREPAREDNESS**	14,681,216	13,073,467	15,753,343	11,737,808	11,805,253
TOTAL, GOAL 3	**$144,680,707**	**$246,969,526**	**$322,253,557**	**$145,559,458**	**$125,992,006**
4 Public Access to Information and Services					
1 *Increase Public Access to Information*					
1 **PUBLIC INFORMATION AND SERVICES**	3,653,975	2,773,216	3,489,053	2,778,230	2,776,416

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Goal / *Objective* / STRATEGY	Exp 2025	Est 2026	Bud 2027	Req 2028	Req 2029
TOTAL, GOAL 4	$3,653,975	$2,773,216	$3,489,053	$2,778,230	$2,776,416
TOTAL, AGENCY STRATEGY REQUEST	$194,706,056	$305,980,221	$396,980,755	$200,725,614	$176,249,965
TOTAL, AGENCY RIDER APPROPRIATIONS REQUEST*				$0	$0
GRAND TOTAL, AGENCY REQUEST	$194,706,056	$305,980,221	$396,980,755	$200,725,614	$176,249,965

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Goal / *Objective* / STRATEGY	Exp 2025	Est 2026	Bud 2027	Req 2028	Req 2029
METHOD OF FINANCING:					
General Revenue Funds:					
1 General Revenue Fund	104,672,676	154,291,888	177,421,833	108,232,079	100,624,189
SUBTOTAL	**$104,672,676**	**$154,291,888**	**$177,421,833**	**$108,232,079**	**$100,624,189**
General Revenue Dedicated Funds:					
5155 Oil & Gas Regulation	65,119,902	71,103,177	84,372,317	79,904,306	63,036,547
SUBTOTAL	**$65,119,902**	**$71,103,177**	**$84,372,317**	**$79,904,306**	**$63,036,547**
Federal Funds:					
555 Federal Funds	22,604,156	78,580,743	133,024,605	10,779,229	10,779,229
5041 GR Account-Railroad Comm	0	0	0	0	0
SUBTOTAL	**$22,604,156**	**$78,580,743**	**$133,024,605**	**$10,779,229**	**$10,779,229**
Other Funds:					
666 Appropriated Receipts	2,309,322	1,652,413	1,810,000	1,547,650	1,549,650
827 Anthropogenic CO2 Storage Fund	0	352,000	352,000	262,350	260,350
SUBTOTAL	**$2,309,322**	**$2,004,413**	**$2,162,000**	**$1,810,000**	**$1,810,000**
TOTAL, METHOD OF FINANCING	**$194,706,056**	**$305,980,221**	**$396,980,755**	**$200,725,614**	**$176,249,965**

*Rider appropriations for the historical years are included in the strategy amounts.

Agency code: **455** Agency name: **Railroad Commission**

METHOD OF FINANCING	Exp 2025	Est 2026	Bud 2027	Req 2028	Req 2029
GENERAL REVENUE					
1 General Revenue Fund					
REGULAR APPROPRIATIONS					
Regular Appropriations from MOF Table (2024-25 GAA)	$93,914,644	$0	$0	$0	$0
Regular Appropriations from MOF Table (2026-27 GAA)	$0	$97,409,638	$97,340,188	$0	$0
Regular Appropriations from MOF Table (2028-2029)	$0	$0	$0	$108,232,079	$100,624,189
RIDER APPROPRIATION					
Art IX, Sec 13.10, Earned Federal Funds (2024-25 GAA)	$432,117	$0	$0	$0	$0
Art VI, Rider 5. ALRC: Coal Mining Inspection and Enforcement and Coal/Uranium Mining Applications and Permits	$0	$384,440	$(616,167)	$0	$0

Comments: Fees collected in excess of BRE (Revenue Object Code 3329)

Agency code: **455** Agency name: **Railroad Commission**

METHOD OF FINANCING	Exp 2025	Est 2026	Bud 2027	Req 2028	Req 2029
GENERAL REVENUE					
Art IX, Sec 13.10, Earned Federal Funds (2026-27 GAA)	$0	$600,000	$600,000	$0	$0
TRANSFERS					
SB1 Salary Increase Licensed Attorney	$0	$233,064	$233,064	$0	$0
SUPPLEMENTAL, SPECIAL OR EMERGENCY APPROPRIATIONS					
HB 500, 89th Leg, Regular Session	$100,000,000	$0	$0	$0	$0
Comments: Section 6.11 Well Plugging Program. (Appn 39611)					
HB 500, 89th Leg, Regular Session	$2,142,778	$0	$0	$0	$0
Comments: Section 10.54 GIS Cloud Upgrade. (Appn 39054)					
HB 500, 89th Leg, Regular Session	$7,685,824	$0	$0	$0	$0
Comments: Section 10.55 Produced Water and Injection Data Reporting System. (Appn 39055)					

Agency code: **455** Agency name: **Railroad Commission**

METHOD OF FINANCING	Exp 2025	Est 2026	Bud 2027	Req 2028	Req 2029
GENERAL REVENUE					
HB 500, 89th Leg, Regular Session	$2,748,000	$0	$0	$0	$0
Comments: Section 10.56 Oil and Gas Authorized Pit Registration System. (Appn 39056)					
HB 500, 89th Leg, Regular Session	$6,288,068	$0	$0	$0	$0
Comments: Section 10.57 Oversight and Safety Regulatory Filing and Permitting Systems. (Appn 39057)					
HB 500, 89th Leg, Regular Session	$7,728,398	$0	$0	$0	$0
Comments: Section 10.58 Data Center Services Consolidation. (Appn 39058)					
HB 500, 89th Leg, Regular Session	$4,889,841	$0	$0	$0	$0
Comments: Section 11.01 Motor Vehicle Purchases. (Appn 39115)					
HB 500, 89th Leg, Regular Session	$(100,000,000)	$100,000,000	$0	$0	$0
Comments: Section 6.10. Well Plugging Program. (Appn 39611)					

Agency code: **455** Agency name: **Railroad Commission**

METHOD OF FINANCING	Exp 2025	Est 2026	Bud 2027	Req 2028	Req 2029
GENERAL REVENUE					
HB 500, 89th Leg, Regular Session	$(2,142,778)	$2,142,778	$0	$0	$0
Comments: Section 10.54. GIS Cloud Upgrade. (Appn 39054)					
HB 500, 89th Leg, Regular Session	$(7,685,824)	$7,685,824	$0	$0	$0
Comments: Section 10.55. Produced Water and Injection Data Reporting System. (Appn 39055)					
HB 500, 89th Leg, Regular Session	$(2,748,000)	$2,748,000	$0	$0	$0
Comments: Section 10.56. Oil and Gas Authorized Pit Registration System. (Appn 39056)					
HB 500, 89th Leg, Regular Session	$(6,288,068)	$6,288,068	$0	$0	$0
Comments: Section 10.57. Oversight and Safety Regulatory Filing and Permitting Systems. (Appn 39057)					
HB 500, 89th Leg, Regular Session					

Agency code: **455** Agency name: **Railroad Commission**

METHOD OF FINANCING	Exp 2025	Est 2026	Bud 2027	Req 2028	Req 2029
GENERAL REVENUE					
	$(7,728,398)	$7,728,398	$0	$0	$0
Comments: Section 10.58. Data Center Services Adjustment. (Appn 39058)					
HB 500, 89th Leg, Regular Session	$(4,889,841)	$4,889,841	$0	$0	$0
Comments: Section 11.01. Motor Vehicle Purchases. (Appn 39115)					
HB 500, 89th Leg, Regular Session	$0	$(50,000,000)	$50,000,000	$0	$0
Comments: Section 6.10. Well Plugging Program. (Appn 39611)					
HB 500, 89th Leg, Regular Session	$0	$(1,460,000)	$1,460,000	$0	$0
Comments: Section 10.54. GIS Cloud Upgrade. (Appn 39054)					
HB 500, 89th Leg, Regular Session	$0	$(5,700,000)	$5,700,000	$0	$0
Comments: Section 10.55. Produced Water and Injection Data Reporting System. (Appn 39055)					

Agency code: **455** Agency name: **Railroad Commission**

METHOD OF FINANCING	Exp 2025	Est 2026	Bud 2027	Req 2028	Req 2029
GENERAL REVENUE					
HB 500, 89th Leg, Regular Session	$0	$(1,650,000)	$1,650,000	$0	$0
Comments: Section 10.56. Oil and Gas Authorized Pit Registration System. (Appn 39056)					
HB 500, 89th Leg, Regular Session	$0	$(3,717,000)	$3,717,000	$0	$0
Comments: Section 10.57. Oversight and Safety Regulatory Filing and Permitting Systems. (Appn 39057)					
HB 500, 89th Leg, Regular Session	$0	$(5,600,000)	$5,600,000	$0	$0
Comments: Section 10.58. Data Center Services Adjustment. (Appn 39058)					
HB 500, 89th Leg, Regular Session	$0	$(4,889,841)	$4,889,841	$0	$0
Comments: Section 11.01. Motor Vehicle Purchases. (Appn 39115)					
SB 30, 88th Leg, Regular Session	$34,555	$0	$0	$0	$0
Comments: Section 9.02A (19) Vehicles (Appn 38902)					

Agency code: **455** Agency name: **Railroad Commission**

METHOD OF FINANCING	Exp 2025	Est 2026	Bud 2027	Req 2028	Req 2029
GENERAL REVENUE					
LAPSED APPROPRIATIONS					
Regular Appropriations from MOF Table (2024-25 GAA)	$(53,664)	$0	$0	$0	$0
UNEXPENDED BALANCES AUTHORITY					
Art VI, Rider 11. Appropriation: Unexpended Balances Between Fiscal Years within the Biennium (2024-25 GAA)	$464,546	$0	$0	$0	$0
Comments: Earned Federal Funds					
Art VI, Rider 11. Appropriation: Unexpended Balances Between Fiscal Years within the Biennium (2024-25 GAA)	$4,804,069	$0	$0	$0	$0
Art VI Rider 14. Unexpended Balances Appropriation: Capital Budget Categories	$(4,046,585)	$4,046,585	$0	$0	$0
Comments: IETRS & MFT					
Art IX, Sec 14.03(i), Capital Budget UB (2024-25 GAA)	$9,122,994	$0	$0	$0	$0

Agency code: **455** Agency name: **Railroad Commission**

METHOD OF FINANCING	Exp 2025	Est 2026	Bud 2027	Req 2028	Req 2029
GENERAL REVENUE					
Art IX, Sec 14.03(l), Capital Budget UB (2026-27 GAA)	$0	$(6,847,907)	$6,847,907	$0	$0
TOTAL, General Revenue Fund	**$104,672,676**	**$154,291,888**	**$177,421,833**	**$108,232,079**	**$100,624,189**
TOTAL, ALL GENERAL REVENUE	**$104,672,676**	**$154,291,888**	**$177,421,833**	**$108,232,079**	**$100,624,189**
GENERAL REVENUE FUND - DEDICATED					
5155 GR Dedicated - Oil and Gas Regulation and Cleanup Account No. 5155					
REGULAR APPROPRIATIONS					
Regular Appropriations from MOF Table (2024-25 GAA)	$71,170,183	$0	$0	$0	$0
Comments: Regular Appropriations from MOF Table (2024-25 GAA)					
Regular Appropriations from MOF Table (2026-27 GAA)	$0	$80,210,588	$73,610,588	$0	$0
Regular Appropriations from MOF Table (2028-2029)	$0	$0	$0	$79,904,306	$63,036,547

Agency code: **455** Agency name: **Railroad Commission**

METHOD OF FINANCING	Exp 2025	Est 2026	Bud 2027	Req 2028	Req 2029
GENERAL REVENUE FUND - DEDICATED					
RIDER APPROPRIATION					
Art VI Rider 12, Appropriation: OGRC Account Fees (2024-25 GAA)	$(1,082,400)	$0	$0	$0	$0
Art IX, Sec 8.02, Reimbursements and Payments (2024-25 GAA)	$456,470	$0	$0	$0	$0
LAPSED APPROPRIATIONS					
Regular Appropriations from MOF Table (2024-25 GAA)	$(10,504,709)	$0	$0	$0	$0
UNEXPENDED BALANCES AUTHORITY					
Art VI, Rider 14. Unexpended Balances Appropriation: Capital Budget Categories	$(164,155)	$164,155	$0	$0	$0
Comments: Section 9.26 Motor Vehicle Purchases UB Authority. (Appn 39926)					
Art IX, Sec 14.03(i), Capital Budget UB (2024-25 GAA)	$(1,490,163)	$1,490,163	$0	$0	$0
Comments: Capital Budget Categories, MFT - Phase 3 (Appn 58008)					

Agency code: **455** Agency name: **Railroad Commission**

METHOD OF FINANCING	Exp 2025	Est 2026	Bud 2027	Req 2028	Req 2029
GENERAL REVENUE FUND - DEDICATED					
Art VI, Rider 11. Appropriation: Unexpended Balances Between Fiscal Years within the Biennium (2024-25 GAA)	$3,181,575	$0	$0	$0	$0
Comments: SB30, Sec. 8.66: Mainframe Transformation (38866) and SB30, Sec. 9.02A Vehicles (38902)					
Art IX, Sec 14.05, UB Authority within the Same Biennium (2024-25 GAA)	$2,740,782	$0	$0	$0	$0
Art IX, Sec 14.03(l), Capital Budget UB (2026-27 GAA)	$0	$(7,451,910)	$7,451,910	$0	$0
Comments: MFT - Phase 4 (Appn 59008)					
Art IX, Sec 14.03(l), Capital Budget UB (2026-27 GAA)	$0	$(3,309,819)	$3,309,819	$0	$0
Comments: DCS (Appn 59150)					
Art IX, Sec 14.03(i), Capital Budget UB (2024-25 GAA)	$812,319	$0	$0	$0	$0
TOTAL, GR Dedicated - Oil and Gas Regulation and Cleanup Account No. 5155	**$65,119,902**	**$71,103,177**	**$84,372,317**	**$79,904,306**	**$63,036,547**

Agency code: **455** Agency name: **Railroad Commission**

METHOD OF FINANCING	Exp 2025	Est 2026	Bud 2027	Req 2028	Req 2029
TOTAL, ALL GENERAL REVENUE FUND - DEDICATED	**$65,119,902**	**$71,103,177**	**$84,372,317**	**$79,904,306**	**$63,036,547**
TOTAL, GR & GR-DEDICATED FUNDS	**$169,792,578**	**$225,395,065**	**$261,794,150**	**$188,136,385**	**$163,660,736**
FEDERAL FUNDS					
555 Federal Funds					
REGULAR APPROPRIATIONS					
Regular Appropriations from MOF Table (2024-25 GAA)	$69,760,000	$0	$0	$0	$0
Regular Appropriations from MOF Table (2026-27 GAA)	$0	$54,146,012	$54,146,012	$0	$0
RIDER APPROPRIATION					
Art IX, Sec 13.01, Federal Funds/Block Grants (2024-25 GAA)	$194,929	$0	$0	$0	$0
Comments: Brownfields 128(a) CFDA 66.817					
Art IX, Sec 13.01, Federal Funds/Block Grants (2024-25 GAA)	$1,930,233	$0	$0	$0	$0
Comments: Pipeline Safety - Damage Prevention					

Agency code: **455** Agency name: **Railroad Commission**

METHOD OF FINANCING	Exp 2025	Est 2026	Bud 2027	Req 2028	Req 2029
FEDERAL FUNDS					
Art IX, Sec 13.01, Federal Funds/Block Grants (2024-25 GAA)	$604,765	$0	$0	$0	$0
Comments: NPA Lake Meredith CFDA 15.944					
Art IX, Sec 13.01, Federal Funds/Block Grants (2024-25 GAA)	$363,192	$0	$0	$0	$0
Comments: USFWS CFDA 15.654					
Art IX, Sec 13.01, Federal Funds/Block Grants (2026-27 GAA)	$0	$149,510,636	$0	$0	$0
Art IX, Sec 13.01, Federal Funds/Block Grants (2026-27 GAA)	$0	$0	$(47,286,012)	$0	$0
Comments: IIJA Well Plugging Grant CFDA 15.018 - This grant will be fully expended in FY2026.					
TRANSFERS					
Art IX, Sec 17.16, Appropriation for a Salary Increase for General State Employees (2024-25 GAA)	$168,280	$0	$0	$0	$0

Agency code: **455** Agency name: **Railroad Commission**

METHOD OF FINANCING	Exp 2025	Est 2026	Bud 2027	Req 2028	Req 2029
FEDERAL FUNDS					
SUPPLEMENTAL, SPECIAL OR EMERGENCY APPROPRIATIONS					
SB 30, 88th Leg, Regular Session	$1,088,700	$0	$0	$0	$0
Comments: Section 9.02A (19) Vehicles (Appn 38902)					
SB 30, 88th Leg, Regular Session	$(1,088,700)	$0	$0	$0	$0
Comments: Section 9.02A (19) Vehicles (Appn 38902)					
SB 30, 88th Leg, Regular Session	$0	$1,088,700	$0	$0	$0
Comments: Section 9.02A (19) Vehicles (Appn 38902)					
LAPSED APPROPRIATIONS					
Regular Appropriations from MOF Table (2024-25 GAA)	$(75,255,053)	$0	$0	$0	$0
Comments: IIJA Well Plugging Grant CFDA 15.018 (Appn 13027)					
Regular Appropriations from MOF Table (2024-25 GAA)					

Agency code: **455** Agency name: **Railroad Commission**

METHOD OF FINANCING	Exp 2025	Est 2026	Bud 2027	Req 2028	Req 2029
FEDERAL FUNDS					
	$(2,124,564)	$0	$0	$0	$0
Comments: Abandoned Mine Land CFDA 15.252 (Appn 13029)					
Regular Appropriations from MOF Table (2024-25 GAA)					
	$(110,611)	$0	$0	$0	$0
Comments: Damage Prevention CFDA 20.720 (Appn 13036)					
Regular Appropriations from MOF Table (2024-25 GAA)					
	$(1,018,815)	$0	$0	$0	$0
Comments: Pipeline Safety - Damage Prevention (Appn 13022)					
Regular Appropriations from MOF Table (2024-25 GAA)					
	$(320,000)	$0	$0	$0	$0
Comments: UIC CFDA 66.433 Regular Grant (Appn 13024)					
Regular Appropriations from MOF Table (2024-25 GAA)					
	$(128,955)	$0	$0	$0	$0
Comments: Surface Mining A&E CFDA 15.250 (Appn 13026)					
Regular Appropriations from MOF Table (2028-29 GAA)					

Agency code: **455** Agency name: **Railroad Commission**

METHOD OF FINANCING	Exp 2025	Est 2026	Bud 2027	Req 2028	Req 2029
FEDERAL FUNDS					
	$0	$0	$0	$2,921,264	$2,921,264
Comments: CFDA 15.018 (Appn 13027)					
Regular Appropriations from MOF Table (2028-29 GAA)	$0	$0	$0	$1,543,188	$1,543,188
Comments: CFDA 15.250 (Appn 13026)					
Regular Appropriations from MOF Table (2028-29 GAA)	$0	$0	$0	$2,975,931	$2,975,931
Comments: CFDA 15.252 (Appn 13029)					
Regular Appropriations from MOF Table (2028-29 GAA)	$0	$0	$0	$3,260,000	$3,260,000
Comments: CFDA 20.700 (Appn 13022)					
Regular Appropriations from MOF Table (2028-29 GAA)	$0	$0	$0	$78,846	$78,846
Comments: CFDA 66.817 (Appn 13027)					
UNEXPENDED BALANCES AUTHORITY					

Agency code: **455** Agency name: **Railroad Commission**

METHOD OF FINANCING	Exp 2025	Est 2026	Bud 2027	Req 2028	Req 2029
FEDERAL FUNDS					
Art VI, Rider 11. Appropriation: Unexpended Balances Between Fiscal Years within the Biennium (2024-25 GAA)	$905,384	$0	$0	$0	$0
Comments: Abandoned Mine Land Grant CFDA 15.252 (Appn 13029)					
Art IX, Sec 14.05, UB Authority within the Same Biennium (2024-25 GAA)	$350,396	$0	$0	$0	$0
Comments: Surface Mining A&E CFDA 15.250 (Appn 13026)					
Art IX, Sec 14.05, UB Authority within the Same Biennium (2026-27 GAA)	$0	$(124,562,605)	$124,562,605	$0	$0
Comments: IIJA Well Plugging Grant CFDA 15.018 DOI State Orphaned Wells Formula Grant Program, Phase 2 and DOI Performance Grant, CFDA 15.018 awarded 10/01/2025.					
Art VI, Rider 11. Appropriation: Unexpended Balances Between Fiscal Years within the Biennium (2024-25 GAA)	$27,284,975	$0	$0	$0	$0
Art VI, Rider 11. Appropriation: Unexpended Balances Between Fiscal Years within the Biennium (2026-27 GAA)	$0	$(1,602,000)	$1,602,000	$0	$0

Agency code: **455** Agency name: **Railroad Commission**

METHOD OF FINANCING	Exp 2025	Est 2026	Bud 2027	Req 2028	Req 2029
FEDERAL FUNDS					
Comments: Anticipated vacant FTEs					
TOTAL, Federal Funds	**$22,604,156**	**$78,580,743**	**$133,024,605**	**$10,779,229**	**$10,779,229**
5041 GR Account - Railroad Commission Federal					
REGULAR APPROPRIATIONS					
Regular Appropriations from MOF Table (2024-25 GAA)	$168,280	$0	$0	$0	$0
Regular Appropriations from MOF Table (2026-27 GAA)	$0	$168,280	$168,280	$0	$0
TRANSFERS					
Art IX, Sec 17.16, Appropriation for a Salary Increase for General State Employees (2024-25 GAA)	$(168,280)	$(168,280)	$(168,280)	$0	$0
TOTAL, GR Account - Railroad Commission Federal	**$0**	**$0**	**$0**	**$0**	**$0**
TOTAL, ALL FEDERAL FUNDS	**$22,604,156**	**$78,580,743**	**$133,024,605**	**$10,779,229**	**$10,779,229**

Agency code: **455** Agency name: **Railroad Commission**

METHOD OF FINANCING	Exp 2025	Est 2026	Bud 2027	Req 2028	Req 2029
OTHER FUNDS					
666 Appropriated Receipts					
REGULAR APPROPRIATIONS					
Regular Appropriations from MOF Table (2024-25 GAA)	$1,787,000	$0	$0	$0	$0
Regular Appropriations from MOF Table (2026-27 GAA)	$0	$1,810,000	$1,810,000	$0	$0
Regular Appropriations from MOF Table (2028-29 GAA)	$0	$0	$0	$1,547,650	$1,549,650
RIDER APPROPRIATION					
Art IX, Sec 8.03, Surplus Property (2024-25 GAA)	$130,666	$106,000	$0	$0	$0
Art IX, Sec 8.02, Reimbursements and Payments (2024-25 GAA)	$101,461	$0	$0	$0	$0

Comments: GRIP Reimbursements

Agency code: **455** Agency name: **Railroad Commission**

METHOD OF FINANCING	Exp 2025	Est 2026	Bud 2027	Req 2028	Req 2029
OTHER FUNDS					
Art IX, Sec 12.02, Publications or Sales of Records (2024-25 GAA)	$40,255	$(48,587)	$0	$0	$0
Art IX, Sec 8.07, Seminars and Conferences (2024-25 GAA)	$238,950	$0	$0	$0	$0
Art VI Rider 4 Additional AFS Training	$(94,361)	$(215,000)	$0	$0	$0
UNEXPENDED BALANCES AUTHORITY					
Art VI, Rider 11. Appropriation: Unexpended Balances Between Fiscal Years within the Biennium (2024-25 GAA)	$105,351	$0	$0	$0	$0
TOTAL, Appropriated Receipts	**$2,309,322**	**$1,652,413**	**$1,810,000**	**$1,547,650**	**$1,549,650**
827 Anthropogenic Carbon Dioxide Storage Trust Fund No. 827					
REGULAR APPROPRIATIONS					
Regular Appropriations from MOF Table (2024-25 GAA)	$352,000	$0	$0	$0	$0

Agency code: **455** Agency name: **Railroad Commission**

METHOD OF FINANCING	Exp 2025	Est 2026	Bud 2027	Req 2028	Req 2029
OTHER FUNDS					
Regular Appropriations from MOF Table (2026-27 GAA)	$0	$352,000	$352,000	$0	$0
Regular Appropriations from MOF Table 2028 2029	$0	$0	$0	$262,350	$260,350
LAPSED APPROPRIATIONS					
Regular Appropriations from MOF Table (2024-25 GAA)	$(705,000)	$0	$0	$0	$0
UNEXPENDED BALANCES AUTHORITY					
Art VI, Rider 11. Appropriation: Unexpended Balances Between Fiscal Years within the Biennium (2024-25 GAA)	$353,000	$0	$0	$0	$0
TOTAL, Anthropogenic Carbon Dioxide Storage Trust Fund No. 827	**$0**	**$352,000**	**$352,000**	**$262,350**	**$260,350**
TOTAL, ALL OTHER FUNDS	**$2,309,322**	**$2,004,413**	**$2,162,000**	**$1,810,000**	**$1,810,000**
GRAND TOTAL	**$194,706,056**	**$305,980,221**	**$396,980,755**	**$200,725,614**	**$176,249,965**

Agency code: **455** Agency name: **Railroad Commission**

METHOD OF FINANCING	Exp 2025	Est 2026	Bud 2027	Req 2028	Req 2029
FULL-TIME-EQUIVALENT POSITIONS					
REGULAR APPROPRIATIONS					
Regular Appropriations from MOF Table (2024-25 GAA)	1,124.6	0.0	0.0	0.0	0.0
Regular Appropriations from MOF Table (2026-27 GAA)	0.0	1,145.6	1,145.6	0.0	0.0
Regular Appropriations from MOF Table (2028-29)	0.0	0.0	0.0	1,145.6	1,145.6
LAPSED APPROPRIATIONS					
Regular Appropriations from MOF Table (2024-25 GAA)	(74.3)	0.0	0.0	0.0	0.0
Regular Appropriations from MOF Table (2026-27 GAA)	0.0	(37.0)	0.0	0.0	0.0
TOTAL, ADJUSTED FTES	**1,050.3**	**1,108.6**	**1,145.6**	**1,145.6**	**1,145.6**

NUMBER OF 100% FEDERALLY FUNDED FTEs

455 Railroad Commission

OBJECT OF EXPENSE	Exp 2025	Est 2026	Bud 2027	BL 2028	BL 2029
1001 SALARIES AND WAGES	$86,436,999	$91,153,504	$77,838,806	$72,971,379	$72,971,379
1002 OTHER PERSONNEL COSTS	$1,860,020	$1,871,981	$3,493,871	$1,925,937	$1,925,938
2001 PROFESSIONAL FEES AND SERVICES	$30,751,431	$35,565,894	$208,832,793	$78,025,040	$56,919,951
2002 FUELS AND LUBRICANTS	$1,206,908	$1,175,882	$1,596,370	$1,523,485	$1,535,634
2003 CONSUMABLE SUPPLIES	$136,000	$84,709	$88,800	$96,400	$96,400
2004 UTILITIES	$576,606	$490,247	$822,074	$839,268	$848,788
2005 TRAVEL	$1,741,146	$1,481,016	$1,916,395	$1,860,077	$1,860,077
2006 RENT - BUILDING	$1,703,738	$1,494,945	$2,474,069	$2,064,649	$2,118,825
2007 RENT - MACHINE AND OTHER	$219,181	$215,422	$176,389	$169,500	$169,500
2009 OTHER OPERATING EXPENSE	$67,168,958	$172,375,703	$94,799,734	$38,249,879	$37,803,473
5000 CAPITAL EXPENDITURES	$2,905,069	$70,918	$4,941,454	$3,000,000	$0
OOE Total (Excluding Riders)	**$194,706,056**	**$305,980,221**	**$396,980,755**	**$200,725,614**	**$176,249,965**
OOE Total (Riders)					
Grand Total	**$194,706,056**	**$305,980,221**	**$396,980,755**	**$200,725,614**	**$176,249,965**

455 Railroad Commission

Goal/ *Objective* / **Outcome**			Exp 2025	Est 2026	Bud 2027	BL 2028	BL 2029
1	Oversee Oil and Gas Resource Development						
	1 Increase Opportunities for Oil and Gas Resource Development						
KEY	1	**Percent of Oil and Gas Wells That Are Active**	65.00%	64.00%	65.00%	64.00%	64.00%
2	Advance Safety Through Training, Monitoring, and Enforcement						
	1 Improve Pipeline Safety						
KEY	1	**Average Number of Safety Violations**	0.77	0.80	0.80	0.80	0.80
	2 Alternative Energy & Safety Through Regulation						
	1	**Average Number of LPG/CNG/LNG Violations**	1.72	1.80	1.30	1.00	1.00
	2	**Percent of LPG/CNG/LNG Inspections W/ Non-compliance Items**	59.00%	55.00%	68.00%	65.00%	65.00%
3	Min. Harmful Effects of Energy Prod & Ensure Fair Rates for Consumers						
	1 Reduce Occurrence of Environmental Violations						
KEY	1	**Percent of Oil and Gas Inspections That Identify Violations**	4.00%	4.00%	5.00%	5.00%	5.00%
	2	**Percent of Wells Not Inspected in Last Five Years**	0.59%	0.60%	1.00%	1.00%	1.00%
	3	**Percent Of Total Well Population Inspected**	48.80%	42.50%	37.50%	42.50%	42.50%
	2 Identify and Abate Environmental Threats						
KEY	1	**Percent of Known Orphaned Wells Plugged w/State-Managed Funds**	11.00%	15.00%	17.50%	10.00%	10.00%
	2	**% Pollution Sites Inves., Assessed, Cleaned w/State-Managed Funds**	14.40%	21.35%	10.00%	14.29%	14.29%
	3 Maintain Competitive Prices and Adequate Supplies for Consumers						
	1	**Average Texas Residential Gas Price as a Percent of National Gas Price**	123.30%	115.00%	115.00%	115.00%	115.00%

Agency code: **455** Agency name: **Railroad Commission**

Priority	Item	2028 GR and GR/GR Dedicated	2028 All Funds	2028 FTEs	2029 GR and GR Dedicated	2029 All Funds	2029 FTEs	Biennium GR and GR Dedicated	Biennium All Funds
1	Well Plugging	$100,000,000	$100,000,000	0.0	$0	$0	0.0	$100,000,000	$100,000,000
2	Pipeline and Propane Safety FTE	$544,179	$544,179	6.0	$544,179	$544,179	6.0	$1,088,358	$1,088,358
3	Oil and Gas Staffing	$1,815,786	$1,815,786	5.0	$1,815,786	$1,815,786	5.0	$3,631,572	$3,631,572
4	Produced Water	$1,842,057	$1,842,057	3.0	$1,842,057	$1,842,057	3.0	$3,684,114	$3,684,114
5	Oil & Gas Inspection Equipment	$1,803,300	$1,803,300		$0	$0		$1,803,300	$1,803,300
6	Oil & Gas Training	$577,875	$577,875		$577,875	$577,875		$1,155,750	$1,155,750
7	STOPTheft Investigators	$1,427,294	$1,427,294	21.0	$1,427,294	$1,427,294	21.0	$2,854,588	$2,854,588
8	STOPTheft System	$2,800,000	$2,800,000	0.0	$600,000	$600,000	0.0	$3,400,000	$3,400,000
9	Vehicles	$1,750,000	$1,750,000		$1,750,000	$1,750,000		$3,500,000	$3,500,000
Total, Exceptional Items Request		**$112,560,491**	**$112,560,491**	**35.0**	**$8,557,191**	**$8,557,191**	**35.0**	**$121,117,682**	**$121,117,682**

Method of Financing	2028 GR and GR/GR Dedicated	2028 All Funds	2028 FTEs	2029 GR and GR Dedicated	2029 All Funds	2029 FTEs	Biennium GR and GR Dedicated	Biennium All Funds
General Revenue	$112,560,491	$112,560,491		$8,557,191	$8,557,191		$121,117,682	$121,117,682
General Revenue - Dedicated								
Federal Funds								
Other Funds								
	$112,560,491	**$112,560,491**		**$8,557,191**	**$8,557,191**		**$121,117,682**	**$121,117,682**
Full Time Equivalent Positions			**35.0**			**35.0**		

Agency code: **455** Agency name: **Railroad Commission**

		2028			2029			Biennium	
Priority	**Item**	**GR and GR/GR Dedicated**	**All Funds**	**FTEs**	**GR and GR Dedicated**	**All Funds**	**FTEs**	**GR and GR Dedicated**	**All Funds**

Number of 100% Federally Funded FTEs

Agency code: **455** Agency name: **Railroad Commission**

Goal/*Objective*/**STRATEGY**	**Base 2028**	**Base 2029**	**Exceptional 2028**	**Exceptional 2029**	**Total Request 2028**	**Total Request 2029**
1 Oversee Oil and Gas Resource Development						
1 *Increase Opportunities for Oil and Gas Resource Development*						
1 ENERGY RESOURCE DEVELOPMENT	$28,708,406	$26,807,978	$4,264,401	$2,064,401	$32,972,807	$28,872,379
TOTAL, GOAL 1	**$28,708,406**	**$26,807,978**	**$4,264,401**	**$2,064,401**	**$32,972,807**	**$28,872,379**
2 Advance Safety Through Training, Monitoring, and Enforcement						
1 *Improve Pipeline Safety*						
1 PIPELINE SAFETY	18,017,011	15,007,858	0	0	18,017,011	15,007,858
2 PIPELINE DAMAGE PREVENTION	951,877	950,859	0	0	951,877	950,859
2 *Alternative Energy & Safety Through Regulation*						
1 REGULATE ALT FUEL RESOURCES	4,710,632	4,714,848	981,679	981,679	5,692,311	5,696,527
TOTAL, GOAL 2	**$23,679,520**	**$20,673,565**	**$981,679**	**$981,679**	**$24,661,199**	**$21,655,244**
3 Min. Harmful Effects of Energy Prod & Ensure Fair Rates for Consum						
1 *Reduce Occurrence of Environmental Violations*						
1 OIL/GAS MONITOR & INSPECTIONS	56,808,947	37,554,379	6,250,583	4,447,283	63,059,530	42,001,662
2 SURFACE MINING MONITORING/INSPECT	4,521,473	4,518,033	437,500	437,500	4,958,973	4,955,533
2 *Identify and Abate Environmental Threats*						
1 OIL&GAS WELL PLUGGING & REMEDIATION	64,823,428	64,441,692	100,626,328	626,328	165,449,756	65,068,020
2 SURFACE MINING RECLAMATION	3,351,576	3,350,544	0	0	3,351,576	3,350,544
3 *Maintain Competitive Prices and Adequate Supplies for Consumers*						
1 GAS UTILITY COMMERCE	4,316,226	4,322,105	0	0	4,316,226	4,322,105
4 *Critical Infrastructure*						
1 WEATHER PREPAREDNESS	11,737,808	11,805,253	0	0	11,737,808	11,805,253
TOTAL, GOAL 3	**$145,559,458**	**$125,992,006**	**$107,314,411**	**$5,511,111**	**$252,873,869**	**$131,503,117**

Agency code: **455** Agency name: **Railroad Commission**

Goal/*Objective*/**STRATEGY**	**Base 2028**	**Base 2029**	**Exceptional 2028**	**Exceptional 2029**	**Total Request 2028**	**Total Request 2029**
4 Public Access to Information and Services						
1 *Increase Public Access to Information*						
1 PUBLIC INFORMATION AND SERVICES	$2,778,230	$2,776,416	$0	$0	$2,778,230	$2,776,416
TOTAL, GOAL 4	**$2,778,230**	**$2,776,416**	**$0**	**$0**	**$2,778,230**	**$2,776,416**
TOTAL, AGENCY STRATEGY REQUEST	**$200,725,614**	**$176,249,965**	**$112,560,491**	**$8,557,191**	**$313,286,105**	**$184,807,156**
TOTAL, AGENCY RIDER APPROPRIATIONS REQUEST						
GRAND TOTAL, AGENCY REQUEST	**$200,725,614**	**$176,249,965**	**$112,560,491**	**$8,557,191**	**$313,286,105**	**$184,807,156**

Agency code: **455** Agency name: **Railroad Commission**

Goal/*Objective*/**STRATEGY**	**Base 2028**	**Base 2029**	**Exceptional 2028**	**Exceptional 2029**	**Total Request 2028**	**Total Request 2029**
General Revenue Funds:						
1 General Revenue Fund	$108,232,079	$100,624,189	$112,560,491	$8,557,191	$220,792,570	$109,181,380
	$108,232,079	**$100,624,189**	**$112,560,491**	**$8,557,191**	**$220,792,570**	**$109,181,380**
General Revenue Dedicated Funds:						
5155 Oil & Gas Regulation	79,904,306	63,036,547	0	0	79,904,306	63,036,547
	$79,904,306	**$63,036,547**	**$0**	**$0**	**$79,904,306**	**$63,036,547**
Federal Funds:						
555 Federal Funds	10,779,229	10,779,229	0	0	10,779,229	10,779,229
5041 GR Account-Railroad Comm	0	0	0	0	0	0
	$10,779,229	**$10,779,229**	**$0**	**$0**	**$10,779,229**	**$10,779,229**
Other Funds:						
666 Appropriated Receipts	1,547,650	1,549,650	0	0	1,547,650	1,549,650
827 Anthropogenic CO2 Storage Fund	262,350	260,350	0	0	262,350	260,350
	$1,810,000	**$1,810,000**	**$0**	**$0**	**$1,810,000**	**$1,810,000**
TOTAL, METHOD OF FINANCING	**$200,725,614**	**$176,249,965**	**$112,560,491**	**$8,557,191**	**$313,286,105**	**$184,807,156**
FULL TIME EQUIVALENT POSITIONS	**1,145.6**	**1,145.6**	**35.0**	**35.0**	**1,180.6**	**1,180.6**

Agency code: **455** Agency name: **Railroad Commission**

Goal/ *Objective* / **Outcome**			**BL 2028**	**BL 2029**	**Excp 2028**	**Excp 2029**	**Total Request 2028**	**Total Request 2029**
1		Oversee Oil and Gas Resource Development						
	1	*Increase Opportunities for Oil and Gas Resource Development*						
KEY		**1 Percent of Oil and Gas Wells That Are Active**						
			64.00%	64.00%			64.00%	64.00%
2		Advance Safety Through Training, Monitoring, and Enforcement						
	1	*Improve Pipeline Safety*						
KEY		**1 Average Number of Safety Violations**						
			0.80	0.80			0.80	0.80
	2	*Alternative Energy & Safety Through Regulation*						
		1 Average Number of LPG/CNG/LNG Violations						
			1.00	1.00			1.00	1.00
		2 Percent of LPG/CNG/LNG Inspections W/ Non-compliance Items						
			65.00%	65.00%			65.00%	65.00%
3		Min. Harmful Effects of Energy Prod & Ensure Fair Rates for Consumers						
	1	*Reduce Occurrence of Environmental Violations*						
KEY		**1 Percent of Oil and Gas Inspections That Identify Violations**						
			5.00%	5.00%			5.00%	5.00%
		2 Percent of Wells Not Inspected in Last Five Years						
			1.00%	1.00%			1.00%	1.00%
		3 Percent Of Total Well Population Inspected						
			42.50%	42.50%			42.50%	42.50%

Agency code: **455** Agency name: **Railroad Commission**

Goal/ *Objective* / **Outcome**	**BL 2028**	**BL 2029**	**Excp 2028**	**Excp 2029**	**Total Request 2028**	**Total Request 2029**
2 *Identify and Abate Environmental Threats*						
KEY **1 Percent of Known Orphaned Wells Plugged w/State-Managed Funds**						
	10.00%	10.00%			10.00%	10.00%
2 % Pollution Sites Inves., Assessed, Cleaned w/State-Managed Funds						
	14.29%	14.29%			14.29%	14.29%
3 *Maintain Competitive Prices and Adequate Supplies for Consumers*						
1 Average Texas Residential Gas Price as a Percent of National Gas Price						
	115.00%	115.00%			115.00%	115.00%

455 Railroad Commission

GOAL: 1 Oversee Oil and Gas Resource Development

OBJECTIVE: 1 Increase Opportunities for Oil and Gas Resource Development

Service Categories:

STRATEGY: 1 Promote Energy Resource Development Opportunities

Service: 37 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2025	Est 2026	Bud 2027	BL 2028	BL 2029
Output Measures:						
	1 Number of Organizations Permitted or Renewed	6,866.00	6,100.00	7,100.00	6,000.00	5,900.00
KEY	2 Number of Drilling Permit Applications Processed	10,417.00	11,400.00	12,500.00	12,000.00	11,400.00
KEY	3 Number of Wells Monitored	437,062.00	433,000.00	435,000.00	435,000.00	435,000.00
Efficiency Measures:						
	1 Average Number of Cases Completed Per Examiner	161.00	100.00	100.00	100.00	100.00
KEY	2 Average Number of Wells Monitored Per Analyst	36,247.00	33,500.00	33,500.00	33,385.00	33,461.00
	3 Percent Permit Applications Processed within Time Frames	96.50 %	97.00 %	98.00 %	97.00 %	97.00 %
KEY	4 Average Number of Days to Process a Drilling Permit	1.75	2.67	3.00	2.90	2.90
Explanatory/Input Measures:						
	1 Number of Active Oil and Gas Rigs	243.00	240.00	350.00	300.00	270.00
	2 Annual Calendar Year Production of Texas Crude Oil	1,722,626,883.00	1,700,000,000.00	1,500,000,000.00	1,777,000,000.00	1,730,000,000.00
	3 Annual Calendar Year Production of Texas Natural Gas	7,494,724,126.00	7,900,000,000.00	11,500,000,000.00	7,990,000,000.00	8,000,000,000.00
	4 Number of Horizontal Drilling Permits Applications Processed	8,582.00	9,222.00	9,700.00	9,720.00	9,234.00
	5 Number of Vertical Drilling Permit Applications Processed	1,615.00	2,100.00	2,000.00	2,280.00	8,720.00

Objects of Expense:

455 Railroad Commission

GOAL: 1 Oversee Oil and Gas Resource Development

OBJECTIVE: 1 Increase Opportunities for Oil and Gas Resource Development

STRATEGY: 1 Promote Energy Resource Development Opportunities

Service Categories:

Service: 37 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2025	Est 2026	Bud 2027	BL 2028	BL 2029
1001	SALARIES AND WAGES	$14,623,529	$15,750,209	$14,230,814	$12,812,120	$12,812,120
1002	OTHER PERSONNEL COSTS	$304,932	$327,776	$605,272	$377,453	$377,453
2001	PROFESSIONAL FEES AND SERVICES	$8,335,245	$17,801,234	$24,857,376	$8,581,355	$6,758,763
2002	FUELS AND LUBRICANTS	$786	$2,235	$2,300	$2,500	$2,500
2003	CONSUMABLE SUPPLIES	$21,688	$11,051	$12,000	$12,000	$12,000
2004	UTILITIES	$10,658	$7,077	$69,965	$84,266	$84,265
2005	TRAVEL	$96,231	$133,770	$105,649	$107,051	$107,051
2006	RENT - BUILDING	$382,371	$166,215	$1,104,666	$670,800	$670,800
2007	RENT - MACHINE AND OTHER	$31,539	$34,902	$35,000	$35,000	$35,000
2009	OTHER OPERATING EXPENSE	$1,499,372	$1,226,871	$5,709,205	$6,025,861	$5,948,026
5000	CAPITAL EXPENDITURES	$0	$0	$51,613	$0	$0
TOTAL, OBJECT OF EXPENSE		**$25,306,351**	**$35,461,340**	**$46,783,860**	**$28,708,406**	**$26,807,978**
Method of Financing:						
1	General Revenue Fund	$16,458,113	$28,067,827	$35,621,617	$25,982,589	$24,024,514
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		**$16,458,113**	**$28,067,827**	**$35,621,617**	**$25,982,589**	**$24,024,514**
Method of Financing:						
5155	Oil & Gas Regulation	$8,001,607	$6,710,602	$9,896,297	$1,753,333	$1,812,980

455 Railroad Commission

GOAL: 1 Oversee Oil and Gas Resource Development

OBJECTIVE: 1 Increase Opportunities for Oil and Gas Resource Development

STRATEGY: 1 Promote Energy Resource Development Opportunities

Service Categories:

Service: 37 Income: A.2 Age: B.3

CODE DESCRIPTION	Exp 2025	Est 2026	Bud 2027	BL 2028	BL 2029
SUBTOTAL, MOF (GENERAL REVENUE FUNDS - DEDICATED)	**$8,001,607**	**$6,710,602**	**$9,896,297**	**$1,753,333**	**$1,812,980**
Method of Financing:					
555 Federal Funds					
66.486.000 Underground Water Source Protection	$440,041	$80,911	$320,000	$0	$0
CFDA Subtotal, Fund 555	$440,041	$80,911	$320,000	$0	$0
SUBTOTAL, MOF (FEDERAL FUNDS)	**$440,041**	**$80,911**	**$320,000**	**$0**	**$0**
Method of Financing:					
666 Appropriated Receipts	$406,590	$250,000	$593,946	$710,134	$710,134
827 Anthropogenic CO2 Storage Fund	$0	$352,000	$352,000	$262,350	$260,350
SUBTOTAL, MOF (OTHER FUNDS)	**$406,590**	**$602,000**	**$945,946**	**$972,484**	**$970,484**
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)				**$28,708,406**	**$26,807,978**
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)	**$25,306,351**	**$35,461,340**	**$46,783,860**	**$28,708,406**	**$26,807,978**
FULL TIME EQUIVALENT POSITIONS:	**174.6**	**193.9**	**196.9**	**196.9**	**196.9**

455 Railroad Commission

GOAL:	1	Oversee Oil and Gas Resource Development		
OBJECTIVE:	1	Increase Opportunities for Oil and Gas Resource Development	Service Categories:	
STRATEGY:	1	Promote Energy Resource Development Opportunities	Service: 37	Income: A.2	Age: B.3

CODE	DESCRIPTION	Exp 2025	Est 2026	Bud 2027	BL 2028	BL 2029

STRATEGY DESCRIPTION AND JUSTIFICATION:

The Texas Natural Resource Code Annotated Title 3 authorizes activities associated with Energy Resource Development, which include processing organization reports and certificates of compliance; issuing drilling permits; making groundwater advisory determinations; processing completion reports; issuing production allowables; implementing production incentives; and maintaining accurate maps. These activities support exploration and development by providing effective and efficient regulation. Success in this effort ensures the orderly and efficient development of oil and gas resources and the protection of public health and the environment.

EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:

External factors impacting the strategy include commodity prices. From 2024 to 2025, the average price of West Texas Intermediate oil traded variably within a range from $56.52 to $86.91 per barrel and the average Henry Hub Spot price of natural gas ranged from $1.62 to $9.86 per thousand cubic feet. As prices remain stable, the amount of industry activity can be expected to remain stable; 11,686 drilling permits were issued in 2024, and in 2025 10,127 permits were issued. Other agency activities, such as production reporting and various maintenance processes, continued at high levels due to the existing inventory of oil and gas wells. As of December 31, 2025, there were 434,091 wells carried on the Commission's oil and gas well schedule.
Internal factors impacting this strategy include the need for funds to hire, train, and retain a strong, professional workforce. This challenge will continue to grow as an increasing number of experienced employees become eligible to retire over the next few years. Another internal factor impacting the strategy is the need for capital funding for new or enhanced automated systems. Updates of this nature are needed to ensure the Commission continually improves upon process efficiencies, accepts more filings online, and makes key data more readily accessible to stakeholders, including Commission employees, oil and gas operators, the general public, other state agencies, and agencies of the federal government.

455 Railroad Commission

GOAL:	1	Oversee Oil and Gas Resource Development		
OBJECTIVE:	1	Increase Opportunities for Oil and Gas Resource Development	Service Categories:	
STRATEGY:	1	Promote Energy Resource Development Opportunities	Service: 37	Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2025	Est 2026	Bud 2027	BL 2028	BL 2029

EXPLANATION OF BIENNIAL CHANGE (includes Rider amounts):

STRATEGY BIENNIAL TOTAL - ALL FUNDS: Base Spending (Est 2026 + Bud 2027)	Baseline Request (BL 2028 + BL 2029)	BIENNIAL CHANGE	EXPLANATION OF BIENNIAL CHANGE: $ Amount	Explanation(s) of Amount (must specify MOFs and FTEs)
$82,245,200	$55,516,384	$(26,728,816)	$(13,682,341)	1-GR HB500 one-time funding and reallocation of funds. Mainframe Transformation Phase IV had $2.7m more distributed to Strategy A.1.1 due to the work in 2026-2027 biennium.
			$(400,911)	555-Federal Funds reduction in one time grants not expected to continue in 2028-2029
			$(181,300)	827-Anthropogenic CO2 Storage Fund reduction due to lower projected revenue
			$576,322	666-Appropriated Receipts increase due to redistribution of appropriated receipts among corresponding strategies.
			$(13,040,586)	5155-3% GR/GR-D reduction and redistribution of GR/GR-D funds.
			$(26,728,816)	**Total of Explanation of Biennial Change**

455 Railroad Commission

GOAL: 2 Advance Safety Through Training, Monitoring, and Enforcement

OBJECTIVE: 1 Improve Pipeline Safety

STRATEGY: 1 Ensure Pipeline Safety

Service Categories:

Service: 17 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2025	Est 2026	Bud 2027	BL 2028	BL 2029
Output Measures:						
KEY	1 Number of Pipeline Safety Inspections Performed	2,812.00	2,800.00	2,100.00	2,300.00	2,300.00
	2 Number of Pipeline Safety Violations Identified through Inspections	1,646.00	1,700.00	1,600.00	1,800.00	1,800.00
	3 # Pipeline Accident Investigations or Complaint Investigations	160.00	160.00	250.00	160.00	160.00
	4 Number of Pipeline Specialized Program Inspections	2,537.00	2,300.00	2,000.00	2,000.00	2,000.00
Efficiency Measures:						
KEY	1 Average Number of Pipeline Field Inspections Per Field Inspector	110.73	95.00	85.00	90.00	90.00
Objects of Expense:						
1001	SALARIES AND WAGES	$10,641,841	$11,153,803	$10,087,567	$10,087,567	$10,087,567
1002	OTHER PERSONNEL COSTS	$169,939	$205,149	$331,229	$208,004	$208,005
2001	PROFESSIONAL FEES AND SERVICES	$877,560	$40,000	$0	$846,420	$876,937
2002	FUELS AND LUBRICANTS	$140,664	$152,617	$250,000	$250,000	$250,000
2003	CONSUMABLE SUPPLIES	$9,306	$5,982	$6,000	$6,000	$6,000
2004	UTILITIES	$108,892	$82,753	$144,000	$144,000	$144,000
2005	TRAVEL	$799,443	$594,617	$708,718	$711,504	$711,504
2006	RENT - BUILDING	$56,197	$68,988	$80,000	$80,000	$80,000

455 Railroad Commission

GOAL: 2 Advance Safety Through Training, Monitoring, and Enforcement

OBJECTIVE: 1 Improve Pipeline Safety

STRATEGY: 1 Ensure Pipeline Safety

Service Categories:

Service: 17 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2025	Est 2026	Bud 2027	BL 2028	BL 2029
2007	RENT - MACHINE AND OTHER	$16,678	$15,622	$16,000	$17,000	$17,000
2009	OTHER OPERATING EXPENSE	$859,792	$1,220,890	$3,271,063	$2,666,516	$2,626,845
5000	CAPITAL EXPENDITURES	$2,021,371	$0	$460,545	$3,000,000	$0
TOTAL, OBJECT OF EXPENSE		**$15,701,683**	**$13,540,421**	**$15,355,122**	**$18,017,011**	**$15,007,858**
Method of Financing:						
1	General Revenue Fund	$11,425,734	$2,870,841	$3,624,916	$5,502,662	$2,462,841
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		**$11,425,734**	**$2,870,841**	**$3,624,916**	**$5,502,662**	**$2,462,841**
Method of Financing:						
5155	Oil & Gas Regulation	$2,009,647	$10,669,580	$8,470,206	$9,254,349	$9,285,017
SUBTOTAL, MOF (GENERAL REVENUE FUNDS - DEDICATED)		**$2,009,647**	**$10,669,580**	**$8,470,206**	**$9,254,349**	**$9,285,017**
Method of Financing:						
555	Federal Funds					
	20.700.000 Pipeline Safety	$2,241,827	$0	$3,260,000	$3,260,000	$3,260,000
CFDA Subtotal, Fund	555	$2,241,827	$0	$3,260,000	$3,260,000	$3,260,000
SUBTOTAL, MOF (FEDERAL FUNDS)		**$2,241,827**	**$0**	**$3,260,000**	**$3,260,000**	**$3,260,000**

455 Railroad Commission

GOAL: 2 Advance Safety Through Training, Monitoring, and Enforcement

OBJECTIVE: 1 Improve Pipeline Safety

STRATEGY: 1 Ensure Pipeline Safety

Service Categories:

Service: 17 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2025	Est 2026	Bud 2027	BL 2028	BL 2029
Method of Financing:						
666	Appropriated Receipts	$24,475	$0	$0	$0	$0
SUBTOTAL, MOF (OTHER FUNDS)		**$24,475**	**$0**	**$0**	**$0**	**$0**
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					**$18,017,011**	**$15,007,858**
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		**$15,701,683**	**$13,540,421**	**$15,355,122**	**$18,017,011**	**$15,007,858**
FULL TIME EQUIVALENT POSITIONS:		**122.8**	**135.7**	**135.7**	**135.7**	**135.7**

STRATEGY DESCRIPTION AND JUSTIFICATION:

Texas Utilities Code, Chapter 121, and Texas Natural Resources Code, Chapters 117 and 118, authorize the activities associated with Pipeline Safety Program, which include conducting field inspections and accident investigations; participating in emergency response; and developing educational programs. The Pipeline Safety Program is administered through a federal/state partnership with the U.S. Department of Transportation, Pipeline and Hazardous Materials Safety Administration. The federal Pipeline Safety Act allows state assumption of the intrastate regulatory and enforcement responsibilities through this partnership . The Commission regulates nearly 297,900 miles of intrastate natural gas distribution, gathering, and transmission pipelines; and hazardous liquids and CO_2 transmission and gathering lines.

EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:

455 Railroad Commission

GOAL:	2	Advance Safety Through Training, Monitoring, and Enforcement			
OBJECTIVE:	1	Improve Pipeline Safety	Service Categories:		
STRATEGY:	1	Ensure Pipeline Safety	Service: 17	Income: A.2	Age: B.3

CODE	DESCRIPTION	Exp 2025	Est 2026	Bud 2027	BL 2028	BL 2029

Several external factors impact the Pipeline Safety Program. The federal Pipeline Safety Act, 49 USC 60101, et seq., Section 60107 limits the federal share of a state pipeline safety budget to up to 80 percent of the of the cost of the personnel, equipment, and activities the authority reasonably requires, based on agency performance. Federal funding has not been sufficient to meet the prescribed funding level in prior years. General revenue funds has provided additional support for the Pipeline Safety Program. The remainder of the program is funded by pipeline safety and regulatory fees.

A pipeline safety fee is charged to all natural gas distribution and municipal operators on a per service line basis, pursuant to Texas Utilities Code, Sec. 121.211, which establishes the maximum fees at $1.00 per distribution service line. This statute also establishes an annual $100 fee per master meter system. Pursuant to Commission rule 16 Tex. Admin. Code §8.201, the service line fee is currently $1.00 per service line per year, and the master meter fee is $100 per system.

Internal factors impacting this strategy include continual new regulatory requirements with limited ability to expand inspection staff resources; employee turnover due to salaries not matching industry compensation; aging technology and equipment.

455 Railroad Commission

GOAL: 2 Advance Safety Through Training, Monitoring, and Enforcement

OBJECTIVE: 1 Improve Pipeline Safety

STRATEGY: 1 Ensure Pipeline Safety

Service Categories:

Service: 17 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2025	Est 2026	Bud 2027	BL 2028	BL 2029

EXPLANATION OF BIENNIAL CHANGE (includes Rider amounts):

STRATEGY BIENNIAL TOTAL - ALL FUNDS		BIENNIAL	EXPLANATION OF BIENNIAL CHANGE	
Base Spending (Est 2026 + Bud 2027)	Baseline Request (BL 2028 + BL 2029)	CHANGE	$ Amount	Explanation(s) of Amount (must specify MOFs and FTEs)
$28,895,543	$33,024,869	$4,129,326	$3,000,000	1-General Revenue Fund increased in 2028-2029 due to Inspect/Enforce Track & Reporting project working on items for this strategy in the 2028-2029 biennium.
			$1,731,746	1-General Revenue Fund increased due to redistribution of funds among corresponding strategies.
			$(602,420)	5155-3% GR/GR-D reduction and redistribution of GR/GR-D funds.
			$4,129,326	**Total of Explanation of Biennial Change**

455 Railroad Commission

GOAL: 2 Advance Safety Through Training, Monitoring, and Enforcement

OBJECTIVE: 1 Improve Pipeline Safety

STRATEGY: 2 Pipeline Damage Prevention

Service Categories:

Service: 17 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2025	Est 2026	Bud 2027	BL 2028	BL 2029
Output Measures:						
KEY 1	Number of Excavation Damage Enforcement Cases Completed	4,113.00	3,325.00	3,000.00	3,100.00	3,200.00
Objects of Expense:						
1001	SALARIES AND WAGES	$429,358	$671,435	$534,467	$534,467	$534,467
1002	OTHER PERSONNEL COSTS	$4,628	$10,950	$19,944	$12,060	$12,060
2001	PROFESSIONAL FEES AND SERVICES	$54,670	$0	$54,647	$92,665	$96,007
2002	FUELS AND LUBRICANTS	$33	$95	$100	$100	$100
2003	CONSUMABLE SUPPLIES	$372	$540	$600	$600	$600
2004	UTILITIES	$1,432	$974	$3,000	$3,000	$3,000
2005	TRAVEL	$4,986	$3,462	$5,000	$6,000	$6,000
2006	RENT - BUILDING	$2,551	$52	$0	$0	$0
2007	RENT - MACHINE AND OTHER	$1,355	$1,000	$2,940	$2,500	$2,500
2009	OTHER OPERATING EXPENSE	$72,538	$79,126	$259,217	$300,485	$296,125
TOTAL, OBJECT OF EXPENSE		**$571,923**	**$767,634**	**$879,915**	**$951,877**	**$950,859**
Method of Financing:						
1	General Revenue Fund	$324,722	$177,909	$743,140	$854,747	$850,387

455 Railroad Commission

GOAL: 2 Advance Safety Through Training, Monitoring, and Enforcement

OBJECTIVE: 1 Improve Pipeline Safety

STRATEGY: 2 Pipeline Damage Prevention

Service Categories:
Service: 17 Income: A.2 Age: B.3

CODE DESCRIPTION	Exp 2025	Est 2026	Bud 2027	BL 2028	BL 2029
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)	**$324,722**	**$177,909**	**$743,140**	**$854,747**	**$850,387**
Method of Financing:					
5155 Oil & Gas Regulation	$127,152	$589,725	$136,775	$97,130	$100,472
SUBTOTAL, MOF (GENERAL REVENUE FUNDS - DEDICATED)	**$127,152**	**$589,725**	**$136,775**	**$97,130**	**$100,472**
Method of Financing:					
555 Federal Funds					
20.720.000 State Damage Prevention Program	$120,049	$0	$0	$0	$0
CFDA Subtotal, Fund 555	$120,049	$0	$0	$0	$0
SUBTOTAL, MOF (FEDERAL FUNDS)	**$120,049**	**$0**	**$0**	**$0**	**$0**
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)				**$951,877**	**$950,859**
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)	**$571,923**	**$767,634**	**$879,915**	**$951,877**	**$950,859**
FULL TIME EQUIVALENT POSITIONS:	**5.1**	**10.0**	**10.0**	**10.0**	**10.0**

455 Railroad Commission

GOAL:	2	Advance Safety Through Training, Monitoring, and Enforcement		
OBJECTIVE:	1	Improve Pipeline Safety	Service Categories:	
STRATEGY:	2	Pipeline Damage Prevention	Service: 17	Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2025	Est 2026	Bud 2027	BL 2028	BL 2029

STRATEGY DESCRIPTION AND JUSTIFICATION:

Texas Utilities Code, Chapter 121, Texas Natural Resources Code, Chapters 117 and 118, and Texas Health and Safety Code, Section 756.126, authorize the activities associated with the Pipeline Safety Damage Prevention Program, which include all activities related to the enforcement of damage prevention that involves the "movement of earth" near pipeline facilities. The majority of the effort is spent reviewing damage reports filed by both excavators and pipeline operators and pursuing compliance through enforcement actions. Additionally, the program develops and presents educational programs to statewide stakeholders. The damage prevention program is also administered through a federal/state partnership with the U.S. Department of Transportation, Pipeline and Hazardous Materials Safety Administration. The federal Pipeline Safety Act allows state assumption of the intrastate regulatory and enforcement responsibilities through this partnership.

EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:

There are several external factors that impact the Damage Prevention Program. In the federal Pipeline Safety Act, 49 USC 60101, et seq., Section 60107 limits the federal share of a state pipeline safety budget to up to 80 percent of the of the cost of the personnel, equipment, and activities the authority requires, based on agency performance. However, federal funding has not been sufficient to meet this funding level. Grants are limited to the appropriated funds available. If total state agency requests for grants exceed the funds available, the Administrator prorates each state agency’s allocation to the maximum funding level available to each state based on actual expenses. General revenue funds therefore provide additional support for the Pipeline Safety Program. To fund the remainder of the program, a pipeline safety fee is charged to all natural gas distribution and municipal operators on a per service line basis, pursuant to Texas Utilities Code, Sec. 121.211, which establishes the maximum fees at $1.00 per distribution service line. This statute also establishes an annual $100 fee per master meter system. Pursuant to Commission rule 16 Tex. Admin. Code §8.201, the service line fee is currently $1.00 per service line per year, and the master meter fee is $100 per system. Internal factors impacting this strategy include limited access to modern computer software resources to streamline report submissions and enforcement, and staff expanding activities beyond in-office compliance reviews of damage reports to focus on education and outreach, and staff attrition.

455 Railroad Commission

GOAL: 2 Advance Safety Through Training, Monitoring, and Enforcement

OBJECTIVE: 1 Improve Pipeline Safety

STRATEGY: 2 Pipeline Damage Prevention

Service Categories:

Service: 17 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2025	Est 2026	Bud 2027	BL 2028	BL 2029

EXPLANATION OF BIENNIAL CHANGE (includes Rider amounts):

STRATEGY BIENNIAL TOTAL - ALL FUNDS		BIENNIAL	EXPLANATION OF BIENNIAL CHANGE	
Base Spending (Est 2026 + Bud 2027)	Baseline Request (BL 2028 + BL 2029)	CHANGE	$ Amount	Explanation(s) of Amount (must specify MOFs and FTEs)
$1,647,549	$1,902,736	$255,187	$784,085	1-General Revenue Fund increase 2028/2029 due to redistribution of funds among corresponding strategies.
			$(528,898)	5155-Oil & Gas Regulation fund was reduced in 2028/2029 due to redistribution of funds.
			$255,187	**Total of Explanation of Biennial Change**

455 Railroad Commission

GOAL: 2 Advance Safety Through Training, Monitoring, and Enforcement

OBJECTIVE: 2 Alternative Energy & Safety Through Regulation

STRATEGY: 1 Regulate Alternative Fuel Resources

Service Categories:

Service: 36 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2025	Est 2026	Bud 2027	BL 2028	BL 2029
Output Measures:						
KEY	1 # of LPG/LNG/CNG Safety Inspections Performed	19,995.00	20,000.00	20,000.00	20,000.00	20,000.00
	2 # of LPG/LNG/CNG Safety Violations Identified through Inspection	22,650.00	23,000.00	20,000.00	22,000.00	22,000.00
	3 Number of LPG/CNG/LNG Investigations	171.00	125.00	150.00	150.00	150.00
	4 Number of LPG/CNG/LNG Exams Administered	42,632.00	37,000.00	33,000.00	36,000.00	36,000.00
	5 # Attending LP-gas Training or Continuing Ed	3,693.00	3,700.00	4,500.00	4,000.00	4,000.00
Efficiency Measures:						
	1 Average Number of LPG/CNG/LNG Safety Inspections Per Inspector	1,237.00	1,200.00	1,112.00	1,112.00	1,112.00
	2 Percent of LPG/CNG/LNG Reports Processed w/ in 30 Days	99.71 %	100.00 %	95.00 %	95.00 %	95.00 %
	3 Percentage of Applications to Install LPG/CNG/LNG Facility Processed	100.00 %	100.00 %	95.00 %	95.00 %	95.00 %
Objects of Expense:						
1001	SALARIES AND WAGES	$3,604,579	$3,695,597	$3,005,064	$3,005,064	$3,005,064
1002	OTHER PERSONNEL COSTS	$99,500	$73,712	$152,266	$99,122	$99,122
2001	PROFESSIONAL FEES AND SERVICES	$587,440	$2,254,719	$3,016,013	$339,991	$349,363
2002	FUELS AND LUBRICANTS	$49,795	$49,061	$80,000	$80,000	$80,000

455 Railroad Commission

GOAL: 2 Advance Safety Through Training, Monitoring, and Enforcement

OBJECTIVE: 2 Alternative Energy & Safety Through Regulation

STRATEGY: 1 Regulate Alternative Fuel Resources

Service Categories:

Service: 36 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2025	Est 2026	Bud 2027	BL 2028	BL 2029
2003	CONSUMABLE SUPPLIES	$7,736	$4,378	$5,000	$5,000	$5,000
2004	UTILITIES	$25,463	$20,818	$43,240	$46,464	$50,010
2005	TRAVEL	$118,505	$72,417	$111,216	$111,216	$111,216
2006	RENT - BUILDING	$4,541	$349	$400	$400	$400
2007	RENT - MACHINE AND OTHER	$11,544	$6,738	$7,000	$7,000	$7,000
2009	OTHER OPERATING EXPENSE	$282,314	$290,295	$1,391,436	$1,016,375	$1,007,673
5000	CAPITAL EXPENDITURES	$0	$0	$407,613	$0	$0
TOTAL, OBJECT OF EXPENSE		**$4,791,417**	**$6,468,084**	**$8,219,248**	**$4,710,632**	**$4,714,848**
Method of Financing:						
1	General Revenue Fund	$3,505,269	$5,581,395	$7,163,194	$3,873,116	$3,875,332
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		**$3,505,269**	**$5,581,395**	**$7,163,194**	**$3,873,116**	**$3,875,332**
Method of Financing:						
666	Appropriated Receipts	$1,286,148	$886,689	$1,056,054	$837,516	$839,516
SUBTOTAL, MOF (OTHER FUNDS)		**$1,286,148**	**$886,689**	**$1,056,054**	**$837,516**	**$839,516**

455 Railroad Commission

GOAL:	2	Advance Safety Through Training, Monitoring, and Enforcement		
OBJECTIVE:	2	Alternative Energy & Safety Through Regulation	Service Categories:	
STRATEGY:	1	Regulate Alternative Fuel Resources	Service: 36	Income: A.2	Age: B.3

CODE	DESCRIPTION	Exp 2025	Est 2026	Bud 2027	BL 2028	BL 2029
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					**$4,710,632**	**$4,714,848**
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		**$4,791,417**	**$6,468,084**	**$8,219,248**	**$4,710,632**	**$4,714,848**
FULL TIME EQUIVALENT POSITIONS:		**47.2**	**46.8**	**46.8**	**46.8**	**46.8**

STRATEGY DESCRIPTION AND JUSTIFICATION:

Chapters 113 and 116 in the Texas Natural Resources Code authorize the Commission to oversee the safe storage, transportation, dispensing and use of liquefied petroleum gas (LPG/LP-gas), compressed natural gas (CNG), and liquefied natural gas (LNG).

The Alternative Fuels Safety Department annually issues approximately 7,600 licenses; registers approximately 7,200 transport cargo tank vehicles, and cylinder delivery units; certifies or registers approximately 27,000 individuals to perform jurisdictional alternative fuels activities; and provides LP-gas training to approximately 3,700 individuals. In addition to providing safety training, the department investigates accidents and complaints involving alternative fuels; presents alternative fuel safety training to emergency responders; and performs 20,000 safety inspections annually.

Safety inspections are conducted on-site and include both stationary facilities and mobile equipment. Stationary sites inspected are schools, health care centers, retail, commercial and industrial businesses, alternative fuels cylinder filling and service stations, and facilities utilizing stationary fuel-storage containers. Mobile equipment inspections include school buses, mass transit, transport cargo tanks, cylinder delivery vehicles, catering trucks, and industrial forklifts. The training provided to industry is focused on the regulations that persons performing regulated activities with LP-gas must know in order to perform these activities safely.

EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:

455 Railroad Commission

GOAL:	2	Advance Safety Through Training, Monitoring, and Enforcement		
OBJECTIVE:	2	Alternative Energy & Safety Through Regulation	Service Categories:	
STRATEGY:	1	Regulate Alternative Fuel Resources	Service: 36	Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2025	Est 2026	Bud 2027	BL 2028	BL 2029

The activities performed by the Alternative Fuels Safety Department are funded through a combination of appropriated receipts and general revenue. The training and exam certification program is supported through fees collected for safety classes, exam certifications, and registrations. The on-site safety inspection and compliance activities of the field operations program are dependent upon revenue collected from licenses and permits issued, and registration of cargo tank transport vehicles. A decrease in the number of individuals requesting training, certification exams, or registration will have an adverse effect on the funding and operation of the training and certification program. A reduction in the number of licenses issued and cargo tank transport vehicles registered will result in less revenue for conducting on-site safety inspections that identify hazardous installations and implementing corrective enforcement action.

Internal factors impacting this strategy include low wage compensation, in-state and out-of-state travel, cost of maintaining vehicles and equipment, end-user computers, related peripheral items, new or enhanced automated software and database systems, and employee training and continuing education.

EXPLANATION OF BIENNIAL CHANGE (includes Rider amounts):

STRATEGY BIENNIAL TOTAL - ALL FUNDS		BIENNIAL	EXPLANATION OF BIENNIAL CHANGE	
Base Spending (Est 2026 + Bud 2027)	Baseline Request (BL 2028 + BL 2029)	CHANGE	$ Amount	Explanation(s) of Amount (must specify MOFs and FTEs)
$14,687,332	$9,425,480	$(5,261,852)	$(4,996,141)	1-GR HB500 one-time funding and 3% GR/GR-D reduction.
			$(265,711)	666-Appropriated Receipts reduction in 2028-2029 due to lower projected appropriated receipts.
			$(5,261,852)	**Total of Explanation of Biennial Change**

455 Railroad Commission

GOAL:	3	Min. Harmful Effects of Energy Prod & Ensure Fair Rates for Consumers			
OBJECTIVE:	1	Reduce Occurrence of Environmental Violations	Service Categories:		
STRATEGY:	1	Oil and Gas Monitoring and Inspections	Service: 36	Income: A.2	Age: B.3

CODE	DESCRIPTION	Exp 2025	Est 2026	Bud 2027	BL 2028	BL 2029
Output Measures:						
KEY	1 Number of Oil and Gas Well and Facility Inspections Performed	460,388.00	430,000.00	425,000.00	430,000.00	430,000.00
	2 Number of Enforcement Referrals for Legal Action	2,138.00	1,750.00	2,000.00	2,000.00	2,000.00
KEY	3 # Oil & Gas Environmental Permit Applications & Reports Processed	108,113.00	129,313.00	132,000.00	129,000.00	129,000.00
	4 # of Actions Initiated through Issuance of Severance/Seal Orders (HQ)	89,589.00	115,000.00	100,000.00	100,000.00	100,000.00
	5 Number of District-initiated Issuance of Severance/seal Orders	804.00	800.00	800.00	800.00	800.00
	6 # Of Well and Facility Inspections Performed with No Violation	426,256.00	375,000.00	375,000.00	380,000.00	380,000.00
Efficiency Measures:						
KEY	1 Avg # of Oil and Gas Well and Facility Inspections Performed	2,446.00	2,150.00	2,000.00	2,100.00	2,100.00
Explanatory/Input Measures:						
KEY	1 # of UIC Wells and Other Facilities Subject to Regulation	97,728.00	98,000.00	80,000.00	90,000.00	90,000.00
	2 Number of Statewide Rule Violations	32,500.00	32,500.00	30,000.00	30,000.00	30,000.00
	3 Number of Major Statewide Rule Violations	34.00	25.00	15.00	15.00	15.00

455 Railroad Commission

GOAL: 3 Min. Harmful Effects of Energy Prod & Ensure Fair Rates for Consumers

OBJECTIVE: 1 Reduce Occurrence of Environmental Violations

Service Categories:

STRATEGY: 1 Oil and Gas Monitoring and Inspections

Service: 36 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2025	Est 2026	Bud 2027	BL 2028	BL 2029
4	Percent of Violations Corrected within 90 Days	30.00 %	40.00 %	30.00 %	30.00 %	30.00 %
Objects of Expense:						
1001	SALARIES AND WAGES	$22,476,555	$22,992,814	$21,566,037	$19,795,878	$19,795,878
1002	OTHER PERSONNEL COSTS	$490,420	$460,128	$883,988	$528,554	$528,554
2001	PROFESSIONAL FEES AND SERVICES	$6,034,828	$2,629,542	$22,856,758	$27,931,323	$8,758,502
2002	FUELS AND LUBRICANTS	$256,436	$233,534	$253,600	$276,100	$276,100
2003	CONSUMABLE SUPPLIES	$35,009	$26,918	$28,000	$30,000	$30,000
2004	UTILITIES	$204,734	$154,359	$249,025	$246,776	$246,776
2005	TRAVEL	$145,171	$120,045	$198,142	$200,691	$200,691
2006	RENT - BUILDING	$785,556	$792,847	$816,070	$826,939	$838,055
2007	RENT - MACHINE AND OTHER	$52,124	$52,710	$0	$0	$0
2009	OTHER OPERATING EXPENSE	$3,177,136	$1,570,498	$8,231,695	$6,972,686	$6,879,823
5000	CAPITAL EXPENDITURES	$331,398	$25,493	$0	$0	$0
TOTAL, OBJECT OF EXPENSE		**$33,989,367**	**$29,058,888**	**$55,083,315**	**$56,808,947**	**$37,554,379**
Method of Financing:						
1	General Revenue Fund	$28,627,436	$27,464,327	$31,100,657	$28,950,929	$26,483,487
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		**$28,627,436**	**$27,464,327**	**$31,100,657**	**$28,950,929**	**$26,483,487**

455 Railroad Commission

GOAL:	3	Min. Harmful Effects of Energy Prod & Ensure Fair Rates for Consumers		
OBJECTIVE:	1	Reduce Occurrence of Environmental Violations	Service Categories:	
STRATEGY:	1	Oil and Gas Monitoring and Inspections	Service: 36	Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2025	Est 2026	Bud 2027	BL 2028	BL 2029
Method of Financing:						
5155	Oil & Gas Regulation	$5,263,614	$1,594,561	$23,982,658	$27,858,018	$11,070,892
SUBTOTAL, MOF (GENERAL REVENUE FUNDS - DEDICATED)		**$5,263,614**	**$1,594,561**	**$23,982,658**	**$27,858,018**	**$11,070,892**
Method of Financing:						
666	Appropriated Receipts	$98,317	$0	$0	$0	$0
SUBTOTAL, MOF (OTHER FUNDS)		**$98,317**	**$0**	**$0**	**$0**	**$0**
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					**$56,808,947**	**$37,554,379**
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		**$33,989,367**	**$29,058,888**	**$55,083,315**	**$56,808,947**	**$37,554,379**
FULL TIME EQUIVALENT POSITIONS:		**285.2**	**309.0**	**309.0**	**309.0**	**309.0**

STRATEGY DESCRIPTION AND JUSTIFICATION:

The Texas Natural Resource Code Annotated Title 3 authorizes oil and gas monitoring and inspection activities, which include conducting field inspections; witnessing tests; reviewing monitoring reports; processing applications; and issuing enforcement actions. Success in this effort ensures that oil and gas activities comply with applicable state and federal regulations protecting the public and the state's surface and subsurface water resources.

455 Railroad Commission

GOAL:	3	Min. Harmful Effects of Energy Prod & Ensure Fair Rates for Consumers			
OBJECTIVE:	1	Reduce Occurrence of Environmental Violations	Service Categories:		
STRATEGY:	1	Oil and Gas Monitoring and Inspections	Service: 36	Income: A.2	Age: B.3

CODE	DESCRIPTION	Exp 2025	Est 2026	Bud 2027	BL 2028	BL 2029

EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:

External factors impacting the strategy include the large inventory of oil and gas wells across the state. As of May 31, 2026, there were 432,634 wells in 232 counties and offshore carried on the Commission's oil and gas schedules.
Internal factors impacting this strategy include the need for funds to hire, train, and retain a strong, professional workforce. This challenge will continue to grow as an increasing number of experienced employees become eligible to retire over the next few years. The Commission continues to enhance inspector training to address public safety concerns from the 89th Legislature.

EXPLANATION OF BIENNIAL CHANGE (includes Rider amounts):

STRATEGY BIENNIAL TOTAL - ALL FUNDS		BIENNIAL	EXPLANATION OF BIENNIAL CHANGE	
Base Spending (Est 2026 + Bud 2027)	Baseline Request (BL 2028 + BL 2029)	CHANGE	$ Amount	Explanation(s) of Amount (must specify MOFs and FTEs)
$84,142,203	$94,363,326	$10,221,123	$(3,130,568)	1-GR reduction due to reallocation of indirect.
			$13,351,691	5155-Oil & Gas increased in 28-209 due to an increase the GR-D split in Mainframe Transformation Phase V.
			$10,221,123	**Total of Explanation of Biennial Change**

455 Railroad Commission

GOAL: 3 Min. Harmful Effects of Energy Prod & Ensure Fair Rates for Consumers

OBJECTIVE: 1 Reduce Occurrence of Environmental Violations

STRATEGY: 2 Surface Mining Monitoring and Inspections

Service Categories:

Service: 36 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2025	Est 2026	Bud 2027	BL 2028	BL 2029
Output Measures:						
KEY	1 Number of Coal Mining Inspections Performed	402.00	405.00	395.00	405.00	405.00
	2 Number of Coal Mining Permit Actions Processed	446.00	430.00	340.00	400.00	375.00
	3 Percent of Uranium Exploration Sites Inspected Monthly	100.00 %	100.00 %	95.00 %	95.00 %	95.00 %
Efficiency Measures:						
	1 Average # Days to Process Uranium Exploration Permitting Actions	13.00	18.00	30.00	20.00	20.00
	2 Percent of Coal Permitting Actions within Statutory Time Frames	100.00 %	100.00 %	100.00 %	100.00 %	100.00 %
Explanatory/Input Measures:						
	1 Annual Calendar Year Production of Texas Lignite Coal	12,286,091.00	10,000,000.00	18,000,000.00	16,000,000.00	14,000,000.00
Objects of Expense:						
1001	SALARIES AND WAGES	$3,582,697	$3,498,229	$2,928,689	$2,928,689	$2,928,689
1002	OTHER PERSONNEL COSTS	$97,709	$79,973	$138,140	$93,756	$93,756
2001	PROFESSIONAL FEES AND SERVICES	$2,749,205	$1,502,944	$2,513,796	$313,028	$324,315
2002	FUELS AND LUBRICANTS	$13,865	$13,216	$51,873	$55,200	$55,200
2003	CONSUMABLE SUPPLIES	$6,039	$3,821	$4,000	$5,000	$5,000
2004	UTILITIES	$10,313	$9,199	$19,601	$19,601	$19,601

455 Railroad Commission

GOAL: 3 Min. Harmful Effects of Energy Prod & Ensure Fair Rates for Consumers

OBJECTIVE: 1 Reduce Occurrence of Environmental Violations

Service Categories:

STRATEGY: 2 Surface Mining Monitoring and Inspections

Service: 36 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2025	Est 2026	Bud 2027	BL 2028	BL 2029
2005	TRAVEL	$42,735	$89,787	$90,272	$93,442	$93,442
2006	RENT - BUILDING	$289	$291	$345	$400	$400
2007	RENT - MACHINE AND OTHER	$5,857	$5,627	$16,549	$5,000	$5,000
2009	OTHER OPERATING EXPENSE	$285,336	$394,891	$2,353,812	$1,007,357	$992,630
5000	CAPITAL EXPENDITURES	$450,555	$0	$175,351	$0	$0
TOTAL, OBJECT OF EXPENSE		**$7,244,600**	**$5,597,978**	**$8,292,428**	**$4,521,473**	**$4,518,033**
Method of Financing:						
1	General Revenue Fund	$5,322,143	$4,218,962	$6,341,360	$2,978,285	$2,974,845
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		**$5,322,143**	**$4,218,962**	**$6,341,360**	**$2,978,285**	**$2,974,845**
Method of Financing:						
5155	Oil & Gas Regulation	$385,258	$0	$0	$0	$0
SUBTOTAL, MOF (GENERAL REVENUE FUNDS - DEDICATED)		**$385,258**	**$0**	**$0**	**$0**	**$0**
Method of Financing:						
555	Federal Funds					
	15.250.000 Regulation of Surface Coa	$1,535,413	$1,379,016	$1,951,068	$1,543,188	$1,543,188
CFDA Subtotal, Fund	555	$1,535,413	$1,379,016	$1,951,068	$1,543,188	$1,543,188

455 Railroad Commission

GOAL:	3	Min. Harmful Effects of Energy Prod & Ensure Fair Rates for Consumers			
OBJECTIVE:	1	Reduce Occurrence of Environmental Violations	Service Categories:		
STRATEGY:	2	Surface Mining Monitoring and Inspections	Service: 36	Income: A.2	Age: B.3

CODE	DESCRIPTION	Exp 2025	Est 2026	Bud 2027	BL 2028	BL 2029
SUBTOTAL, MOF (FEDERAL FUNDS)		**$1,535,413**	**$1,379,016**	**$1,951,068**	**$1,543,188**	**$1,543,188**
Method of Financing:						
666	Appropriated Receipts	$1,786	$0	$0	$0	$0
SUBTOTAL, MOF (OTHER FUNDS)		**$1,786**	**$0**	**$0**	**$0**	**$0**
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					**$4,521,473**	**$4,518,033**
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		**$7,244,600**	**$5,597,978**	**$8,292,428**	**$4,521,473**	**$4,518,033**
FULL TIME EQUIVALENT POSITIONS:		**41.9**	**40.9**	**40.9**	**40.9**	**40.9**

STRATEGY DESCRIPTION AND JUSTIFICATION:

The Texas Natural Resource Code Annotated Title 4 requires that the Commission issue surface coal mining permits and perform inspections of coal mining operations to ensure compliance with permits and the state regulations. Activities associated with Surface Mining monitoring and inspections include processing permit revision applications; performing compliance inspections; witnessing and evaluating tests for compliance with reclamation performance standards; evaluating monitoring reports; and issuing enforcement actions. Primacy in regulating the coal mining industry is authorized under the federal Surface Mining Control and Reclamation Act of 1977. To ensure that the Texas coal mining industry is regulated to federal standards, this state program is funded through a 50/50 cost share annual grant through the U. S. Department of Interior. Success in this effort ensures that surface mining permitted activities comply with applicable state and federal regulations.

455 Railroad Commission

GOAL:	3	Min. Harmful Effects of Energy Prod & Ensure Fair Rates for Consumers		
OBJECTIVE:	1	Reduce Occurrence of Environmental Violations	Service Categories:	
STRATEGY:	2	Surface Mining Monitoring and Inspections	Service: 36	Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2025	Est 2026	Bud 2027	BL 2028	BL 2029

EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:

External factors impacting this strategy include the state's required program funding match at a ratio of not less than 50 percent. General Revenue funds used as state share match are collected from the regulated industry pursuant to Natural Resource Code §134.55. Low natural gas and oil prices are putting heavy pressure on the economics of using coal/lignite to generate electricity. Also, heavy regulatory pressure from the Environmental Protection Agency and proposed rulemaking from the Office of Surface Mining Reclamation and Enforcement could have significant impacts on the use of coal/lignite to generate electricity in Texas. All of these factors may reduce lignite production and may require adjustments to the regulatory fee structure to fund the program at its current level. In addition, the current federal administration budget proposal includes funding reductions for state coal/lignite regulatory programs which could result in a less than 50% match in FY 2027 and 2028.
Internal factors impacting this strategy include the Commission's inability to retain and/or hire qualified engineers and scientists due to noncompetitive state salaries. Continued capital funding is needed to ensure a standard replacement schedule for vehicles and end-user computers and related peripheral items. This became increasingly critical during the rise of the COVID-19 pandemic and the shift toward a dominantly telework workforce with needs for additional computing equipment.

455 Railroad Commission

GOAL: 3 Min. Harmful Effects of Energy Prod & Ensure Fair Rates for Consumers

OBJECTIVE: 1 Reduce Occurrence of Environmental Violations

Service Categories:

STRATEGY: 2 Surface Mining Monitoring and Inspections

Service: 36 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2025	Est 2026	Bud 2027	BL 2028	BL 2029

EXPLANATION OF BIENNIAL CHANGE (includes Rider amounts):

STRATEGY BIENNIAL TOTAL - ALL FUNDS		BIENNIAL	EXPLANATION OF BIENNIAL CHANGE	
Base Spending (Est 2026 + Bud 2027)	Baseline Request (BL 2028 + BL 2029)	CHANGE	$ Amount	Explanation(s) of Amount (must specify MOFs and FTEs)
$13,890,406	$9,039,506	$(4,850,900)	$(243,708)	555-Federal Funds reduction in one-time grants not expected to continue in 2028-2029
			$(4,607,192)	1-General Revenue reduction due one-time information technology projects not included in 2028-2029 base
			$(4,850,900)	**Total of Explanation of Biennial Change**

455 Railroad Commission

GOAL: 3 Min. Harmful Effects of Energy Prod & Ensure Fair Rates for Consumers

OBJECTIVE: 2 Identify and Abate Environmental Threats

Service Categories:

STRATEGY: 1 Oil and Gas Well Plugging and Remediation

Service: 36 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2025	Est 2026	Bud 2027	BL 2028	BL 2029
Output Measures:						
KEY	1 # Abandoned Sites Investigated, Assessed or Cleaned Up w/State Funds	282.00	450.00	250.00	300.00	300.00
KEY	2 Number of Orphaned Wells Plugged with State-Managed Funds	1,101.00	1,900.00	1,700.00	1,200.00	1,200.00
KEY	3 Tot Aggr Plugging Depth of Orphaned Wells Plugged w/State-Mnged Funds	2,857,632.00	5,000,000.00	3,500,000.00	3,500,000.00	3,500,000.00
Efficiency Measures:						
	1 Avg Number of Days to Complete State-Managed Abandoned Site Clean-up	84.40	53.00	50.00	70.00	70.00
	2 Avg # Days to Plug an Orphaned Well with State-Managed Funds	39.30	45.00	50.00	50.00	50.00
Explanatory/Input Measures:						
	1 # of Abandoned Sites That Are Candidates for State-Managed Cleanup	1,959.00	2,108.00	2,000.00	2,100.00	2,100.00
	2 Number of Complex Operator-initiated Cleanups	463.00	485.00	470.00	480.00	480.00
	3 Number of Orphaned Wells Approved for Plugging	1,867.00	1,800.00	2,000.00	1,200.00	1,200.00
	4 # of Known Orphaned Wells	10,029.00	12,500.00	8,500.00	12,000.00	12,000.00

455 Railroad Commission

GOAL: 3 Min. Harmful Effects of Energy Prod & Ensure Fair Rates for Consumers

OBJECTIVE: 2 Identify and Abate Environmental Threats

Service Categories:

STRATEGY: 1 Oil and Gas Well Plugging and Remediation

Service: 36 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2025	Est 2026	Bud 2027	BL 2028	BL 2029
	5 # Wells Plugged by Operators without State-Managed Funds	6,938.00	7,000.00	7,000.00	7,500.00	7,500.00
	6 Percent Active Well Operators with Inactive Wells	46.00 %	47.00 %	47.00 %	46.00 %	46.00 %
	7 Number of Shut-in/Inactive Wells	156,531.00	155,000.00	149,000.00	155,600.00	140,000.00
Objects of Expense:						
1001	SALARIES AND WAGES	$15,678,043	$17,564,978	$13,200,869	$11,522,295	$11,522,295
1002	OTHER PERSONNEL COSTS	$356,105	$352,711	$774,335	$281,821	$281,821
2001	PROFESSIONAL FEES AND SERVICES	$5,562,515	$8,294,277	$150,268,199	$36,361,713	$36,152,286
2002	FUELS AND LUBRICANTS	$611,479	$627,812	$704,960	$591,500	$591,500
2003	CONSUMABLE SUPPLIES	$30,017	$17,662	$18,000	$20,000	$20,000
2004	UTILITIES	$115,837	$129,210	$149,829	$146,679	$146,679
2005	TRAVEL	$242,632	$208,066	$294,203	$233,143	$233,143
2006	RENT - BUILDING	$273,986	$266,752	$272,025	$276,397	$309,864
2007	RENT - MACHINE AND OTHER	$64,744	$65,131	$66,000	$67,000	$67,000
2009	OTHER OPERATING EXPENSE	$58,740,033	$163,600,310	$63,015,299	$15,322,880	$15,117,104
5000	CAPITAL EXPENDITURES	$101,745	$29,333	$3,263,347	$0	$0
TOTAL, OBJECT OF EXPENSE		**$81,777,136**	**$191,156,242**	**$232,027,066**	**$64,823,428**	**$64,441,692**

Method of Financing:

455 Railroad Commission

GOAL: 3 Min. Harmful Effects of Energy Prod & Ensure Fair Rates for Consumers

OBJECTIVE: 2 Identify and Abate Environmental Threats

Service Categories:

STRATEGY: 1 Oil and Gas Well Plugging and Remediation

Service: 36 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2025	Est 2026	Bud 2027	BL 2028	BL 2029
1	General Revenue Fund	$17,169,928	$65,176,860	$68,986,732	$21,349,755	$20,941,510
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		**$17,169,928**	**$65,176,860**	**$68,986,732**	**$21,349,755**	**$20,941,510**
Method of Financing:						
5155	Oil & Gas Regulation	$48,602,791	$51,237,392	$40,221,788	$40,473,563	$40,500,072
SUBTOTAL, MOF (GENERAL REVENUE FUNDS - DEDICATED)		**$48,602,791**	**$51,237,392**	**$40,221,788**	**$40,473,563**	**$40,500,072**
Method of Financing:						
555	Federal Funds					
15.018.120	IIJA Energy Comm. Revitalization Pg	$15,567,033	$74,621,990	$122,739,700	$2,921,264	$2,921,264
66.817.000	State and Tribal Response Program	$236,868	$120,000	$78,846	$78,846	$78,846
CFDA Subtotal, Fund	555	$15,803,901	$74,741,990	$122,818,546	$3,000,110	$3,000,110
SUBTOTAL, MOF (FEDERAL FUNDS)		**$15,803,901**	**$74,741,990**	**$122,818,546**	**$3,000,110**	**$3,000,110**
Method of Financing:						
666	Appropriated Receipts	$200,516	$0	$0	$0	$0
SUBTOTAL, MOF (OTHER FUNDS)		**$200,516**	**$0**	**$0**	**$0**	**$0**

455 Railroad Commission

GOAL:	3	Min. Harmful Effects of Energy Prod & Ensure Fair Rates for Consumers		
OBJECTIVE:	2	Identify and Abate Environmental Threats	Service Categories:	
STRATEGY:	1	Oil and Gas Well Plugging and Remediation	Service: 36	Income: A.2	Age: B.3

CODE	DESCRIPTION	Exp 2025	Est 2026	Bud 2027	BL 2028	BL 2029
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					**$64,823,428**	**$64,441,692**
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		**$81,777,136**	**$191,156,242**	**$232,027,066**	**$64,823,428**	**$64,441,692**
FULL TIME EQUIVALENT POSITIONS:		**181.4**	**185.9**	**219.9**	**219.9**	**219.9**

STRATEGY DESCRIPTION AND JUSTIFICATION:

Sections 89.001-89.122, 91.113, and 91.651-91.661 of the Texas Natural Resources Code authorize activities associated with Oil and Gas Well Plugging and Site Remediation, which include: identifying, assessing, and prioritizing abandoned wells for state-managed plugging; and identifying, assessing, and prioritizing sites that require the use of state-managed funds for remediation. Success in this effort ensures that the highest priority wells are plugged, and the highest priority sites are remediated, thereby protecting the public and the state's surface and subsurface water resources.

EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:

External factors impacting this strategy include contractor availability related to industry demand for similar services. Most well plugging is performed by contractors engaged by well operators, with whom the Commission competes for available plugging services. Likewise, competition for site assessment and remediation services can increase the cost for such services during periods of strong industry activity. The availability of state and federal grant funds with which the Commission leverages other sources of funding can also impact this strategy. The increase in the number of emergency well pluggings has increased over the last several biennium impacting resources available for routine well pluggings. The inventory of orphaned wells is not static and changes based on oil and gas industry economic factors and individual business decisions made by operators.

Internal factors impacting this strategy include the need for funds to hire, train, and retain qualified professional staff. This challenge will continue to grow as an increasing number of experienced employees become eligible to retire over the next few years.

455 Railroad Commission

GOAL:	3	Min. Harmful Effects of Energy Prod & Ensure Fair Rates for Consumers				
OBJECTIVE:	2	Identify and Abate Environmental Threats	Service Categories:			
STRATEGY:	1	Oil and Gas Well Plugging and Remediation	Service: 36	Income: A.2	Age: B.3	

CODE	DESCRIPTION	Exp 2025	Est 2026	Bud 2027	BL 2028	BL 2029

EXPLANATION OF BIENNIAL CHANGE (includes Rider amounts):

STRATEGY BIENNIAL TOTAL - ALL FUNDS		BIENNIAL	EXPLANATION OF BIENNIAL CHANGE	
Base Spending (Est 2026 + Bud 2027)	Baseline Request (BL 2028 + BL 2029)	CHANGE	$ Amount	Explanation(s) of Amount (must specify MOFs and FTEs)
$423,183,308	$129,265,120	$(293,918,188)	$(100,000,000)	1-GR HB500 one-time funding for orphaned well plugging.
			$(183,432,643)	555-Federal Funds reduction due one-time grants received between 2025-2026.
			$(10,485,545)	5155-3% GR/GR-D reduction.
			$(293,918,188)	**Total of Explanation of Biennial Change**

455 Railroad Commission

GOAL: 3 Min. Harmful Effects of Energy Prod & Ensure Fair Rates for Consumers

OBJECTIVE: 2 Identify and Abate Environmental Threats

Service Categories:

STRATEGY: 2 Surface Mining Reclamation

Service: 36 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2025	Est 2026	Bud 2027	BL 2028	BL 2029
Explanatory/Input Measures:						
1	Percent of Abandoned Sites on Which Reclamation Has Been Initiated	95.00 %	95.00 %	95.00 %	95.00 %	95.00 %
Objects of Expense:						
1001	SALARIES AND WAGES	$747,577	$806,549	$490,649	$490,649	$490,649
1002	OTHER PERSONNEL COSTS	$13,508	$28,681	$31,286	$13,182	$13,182
2001	PROFESSIONAL FEES AND SERVICES	$2,015,759	$1,953,725	$3,546,019	$2,384,405	$2,387,306
2002	FUELS AND LUBRICANTS	$5,971	$4,568	$21,123	$24,000	$24,000
2003	CONSUMABLE SUPPLIES	$1,074	$693	$800	$1,000	$1,000
2004	UTILITIES	$4,981	$4,276	$11,332	$11,800	$11,800
2005	TRAVEL	$22,998	$18,290	$99,165	$92,000	$92,000
2006	RENT - BUILDING	$118	$119	$120	$120	$120
2007	RENT - MACHINE AND OTHER	$2,389	$2,295	$300	$300	$300
2009	OTHER OPERATING EXPENSE	$65,497	$54,097	$499,051	$334,120	$330,187
5000	CAPITAL EXPENDITURES	$0	$16,092	$0	$0	$0
TOTAL, OBJECT OF EXPENSE		**$2,879,872**	**$2,889,385**	**$4,699,845**	**$3,351,576**	**$3,350,544**

Method of Financing:

455 Railroad Commission

GOAL: 3 Min. Harmful Effects of Energy Prod & Ensure Fair Rates for Consumers

OBJECTIVE: 2 Identify and Abate Environmental Threats

STRATEGY: 2 Surface Mining Reclamation

Service Categories:

Service: 36 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2025	Est 2026	Bud 2027	BL 2028	BL 2029
1	General Revenue Fund	$416,947	$510,559	$24,854	$375,645	$374,613
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		**$416,947**	**$510,559**	**$24,854**	**$375,645**	**$374,613**
Method of Financing:						
555	Federal Funds					
15.252.000	Abandoned Mine Land Recla	$2,462,925	$2,378,826	$4,674,991	$2,975,931	$2,975,931
CFDA Subtotal, Fund 555		$2,462,925	$2,378,826	$4,674,991	$2,975,931	$2,975,931
SUBTOTAL, MOF (FEDERAL FUNDS)		**$2,462,925**	**$2,378,826**	**$4,674,991**	**$2,975,931**	**$2,975,931**
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					**$3,351,576**	**$3,350,544**
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		**$2,879,872**	**$2,889,385**	**$4,699,845**	**$3,351,576**	**$3,350,544**
FULL TIME EQUIVALENT POSITIONS:		**7.0**	**7.0**	**7.0**	**7.0**	**7.0**

STRATEGY DESCRIPTION AND JUSTIFICATION:

455 Railroad Commission

GOAL:	3	Min. Harmful Effects of Energy Prod & Ensure Fair Rates for Consumers		
OBJECTIVE:	2	Identify and Abate Environmental Threats	Service Categories:	
STRATEGY:	2	Surface Mining Reclamation	Service: 36	Income: A.2	Age: B.3

CODE	DESCRIPTION	Exp 2025	Est 2026	Bud 2027	BL 2028	BL 2029

The Texas Natural Resource Code Annotated Title 4 authorizes the Commission to participate to the fullest extent practicable in the Abandoned Mine Land (AML) program provided by Title IV of the federal Surface Mining Control and Reclamation Act of 1977. Activities associated with Mining Reclamation of abandoned mine lands include identifying, assessing, and prioritizing eligible abandoned mine lands for health, safety, and environmental problems, and, within the funding resources provided, executing reclamation contracts for the highest-priority sites. Success in this effort ensures mine lands are remediated, thereby protecting the general public health and the environment.

EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:

This program is part of a national program funded entirely with federal funds awarded by the federal Office of Surface Mining Reclamation and Enforcement (OSM). The annual grant awards are based on the federal fees collected from the active coal mining industry in Texas and Bipartisan Infrastructure Law of 2021 funding. External factors impacting this strategy would be the potential loss of federal funding from the OSM. OSM funding is currently achieved through omnibus appropriations which have allowed for continued funding of the AML program, but impacts to grant funding in the event of final budget passage are unknown at this time.
Internal factors impacting this strategy include aging technology equipment, as well as limited capital funding. Continued capital funding is needed to ensure a standard replacement schedule for end-user computers and related peripheral items. This became increasingly critical during the rise of the COVID-19 pandemic and the shift toward a dominantly telework workforce with needs for additional computing equipment.

455 Railroad Commission

GOAL:	3	Min. Harmful Effects of Energy Prod & Ensure Fair Rates for Consumers
OBJECTIVE:	2	Identify and Abate Environmental Threats
STRATEGY:	2	Surface Mining Reclamation

Service Categories:

Service: 36 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2025	Est 2026	Bud 2027	BL 2028	BL 2029

EXPLANATION OF BIENNIAL CHANGE (includes Rider amounts):

STRATEGY BIENNIAL TOTAL - ALL FUNDS		BIENNIAL	EXPLANATION OF BIENNIAL CHANGE	
Base Spending (Est 2026 + Bud 2027)	Baseline Request (BL 2028 + BL 2029)	CHANGE	$ Amount	Explanation(s) of Amount (must specify MOFs and FTEs)
$7,589,230	$6,702,120	$(887,110)	$214,845	1 General Revenue in 2027 reduced in this strategy due to grant overmatch. GR was allocated to other strategies.
			$(1,101,955)	555-Federal Funds reduction in one-time grants not expected to continue in 2028-2029
			$(887,110)	**Total of Explanation of Biennial Change**

455 Railroad Commission

GOAL: 3 Min. Harmful Effects of Energy Prod & Ensure Fair Rates for Consumers

OBJECTIVE: 3 Maintain Competitive Prices and Adequate Supplies for Consumers

Service Categories:

STRATEGY: 1 Ensure Fair Rates and Compliance to Rate Structures

Service: 17 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2025	Est 2026	Bud 2027	BL 2028	BL 2029
Output Measures:						
	1 Number of Audits Conducted	134.00	134.00	140.00	140.00	140.00
KEY	2 Number of Gas Utility Dockets and Cases Filed	66.00	50.00	50.00	50.00	50.00
	3 Number of Gas Utilities' Compliance, Tariff and Escalator Filings	156,511.00	130,000.00	130,000.00	130,000.00	130,000.00
Efficiency Measures:						
	1 Average Number of Audits Per Auditor	17.25	17.25	17.50	17.50	17.50
Objects of Expense:						
1001	SALARIES AND WAGES	$3,345,986	$3,339,120	$2,920,130	$2,920,130	$2,920,130
1002	OTHER PERSONNEL COSTS	$105,044	$94,726	$135,253	$91,745	$91,745
2001	PROFESSIONAL FEES AND SERVICES	$312,595	$221,076	$305,243	$238,444	$247,041
2002	FUELS AND LUBRICANTS	$185	$526	$600	$600	$600
2003	CONSUMABLE SUPPLIES	$5,469	$1,627	$1,800	$2,000	$2,000
2004	UTILITIES	$8,803	$8,129	$14,563	$13,663	$13,863
2005	TRAVEL	$94,158	$103,288	$164,586	$164,586	$164,586
2006	RENT - BUILDING	$14,051	$17,414	$17,543	$17,843	$18,143
2007	RENT - MACHINE AND OTHER	$5,741	$5,515	$5,600	$5,700	$5,700
2009	OTHER OPERATING EXPENSE	$216,484	$1,402,145	$2,832,242	$861,515	$858,297

455 Railroad Commission

GOAL: 3 Min. Harmful Effects of Energy Prod & Ensure Fair Rates for Consumers

OBJECTIVE: 3 Maintain Competitive Prices and Adequate Supplies for Consumers

STRATEGY: 1 Ensure Fair Rates and Compliance to Rate Structures

Service Categories:

Service: 17 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2025	Est 2026	Bud 2027	BL 2028	BL 2029
TOTAL, OBJECT OF EXPENSE		**$4,108,516**	**$5,193,566**	**$6,397,560**	**$4,316,226**	**$4,322,105**
Method of Financing:						
1	General Revenue Fund	$3,877,055	$4,695,457	$6,287,560	$4,316,226	$4,322,105
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		**$3,877,055**	**$4,695,457**	**$6,287,560**	**$4,316,226**	**$4,322,105**
Method of Financing:						
666	Appropriated Receipts	$231,461	$498,109	$110,000	$0	$0
SUBTOTAL, MOF (OTHER FUNDS)		**$231,461**	**$498,109**	**$110,000**	**$0**	**$0**
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					**$4,316,226**	**$4,322,105**
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		**$4,108,516**	**$5,193,566**	**$6,397,560**	**$4,316,226**	**$4,322,105**
FULL TIME EQUIVALENT POSITIONS:		**36.6**	**37.4**	**37.4**	**37.4**	**37.4**

STRATEGY DESCRIPTION AND JUSTIFICATION:

455 Railroad Commission

GOAL:	3	Min. Harmful Effects of Energy Prod & Ensure Fair Rates for Consumers			
OBJECTIVE:	3	Maintain Competitive Prices and Adequate Supplies for Consumers	Service Categories:		
STRATEGY:	1	Ensure Fair Rates and Compliance to Rate Structures	Service: 17	Income: A.2	Age: B.3

CODE	DESCRIPTION	Exp 2025	Est 2026	Bud 2027	BL 2028	BL 2029

The Texas Utilities Code, Chapters 101-105, 121-124, and 141, and the Texas Administrative Code, Chapters 2 and 7, authorize activities associated with Natural Gas Utility Compliance, which include staff participation in contested rate cases, review of non-contested filings, and auditing regulated gas utilities to ensure that proper gas utility taxes are paid, gas utility books and records are maintained and reported in accordance with regulatory requirements, and that approved rates for natural gas service are charged to consumers. Staff also administers the gas utility electronic tariff filing process, facilitates the resolution of natural gas utility consumer complaints, and regulates propane distribution system rates. Commission staff administers an informal complaint process to help resolve disputes between parties regarding negotiated natural gas utility transportation rates, reducing costs to parties and the Commission. These activities ensure that gas utility and propane distribution system rates promote safe, efficient, and reliable transportation and distribution of gas at a reasonable cost.

EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:

External factors impacting this strategy include the number, breadth, and complexity of cases presented to the Commission and the number of electronic tariff filings and consumer complaints received. Internal factors include obtaining the necessary funding to ensure a standard replacement schedule for end-user computers and related peripheral items, as well as new or enhanced automated systems. Updates of this nature are needed to ensure the Commission continually improves process efficiencies.

455 Railroad Commission

GOAL:	3	Min. Harmful Effects of Energy Prod & Ensure Fair Rates for Consumers			
OBJECTIVE:	3	Maintain Competitive Prices and Adequate Supplies for Consumers	Service Categories:		
STRATEGY:	1	Ensure Fair Rates and Compliance to Rate Structures	Service: 17	Income: A.2	Age: B.3

CODE	DESCRIPTION	Exp 2025	Est 2026	Bud 2027	BL 2028	BL 2029

EXPLANATION OF BIENNIAL CHANGE (includes Rider amounts):

STRATEGY BIENNIAL TOTAL - ALL FUNDS: Base Spending (Est 2026 + Bud 2027)	STRATEGY BIENNIAL TOTAL - ALL FUNDS: Baseline Request (BL 2028 + BL 2029)	BIENNIAL CHANGE	EXPLANATION OF BIENNIAL CHANGE: $ Amount	EXPLANATION OF BIENNIAL CHANGE: Explanation(s) of Amount (must specify MOFs and FTEs)
$11,591,126	$8,638,331	$(2,952,795)	$(2,344,686)	1-GR HB500 one-time funding.
			$(608,109)	666-Appropriated Receipts reduction in 2028/2029 due to lower revenue projections.
			$(2,952,795)	**Total of Explanation of Biennial Change**

455 Railroad Commission

GOAL:	3	Min. Harmful Effects of Energy Prod & Ensure Fair Rates for Consumers		
OBJECTIVE:	4	Critical Infrastructure	Service Categories:	
STRATEGY:	1	Critical Infrastructure Weather Preparedness	Service: 33	Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2025	Est 2026	Bud 2027	BL 2028	BL 2029
Output Measures:						
KEY	1 Number of Weatherization Inspections Conducted	7,408.00	7,379.00	7,379.00	9,100.00	9,465.00
KEY	2 Number of Facilities Out of Weatherization Compliance	2.00	14.00	3.00	20.00	22.00
Explanatory/Input Measures:						
KEY	1 Total Number of Designated Critical Infrastructure Facilities	45,975.00	46,325.00	40,559.00	48,217.00	49,377.00
	2 Percent of Facilities Required to Weatherize That Are Non-compliant	3.10 %	0.25 %	0.00 %	1.00 %	1.00 %
Objects of Expense:						
1001	SALARIES AND WAGES	$9,684,327	$10,073,037	$7,655,161	$7,655,161	$7,655,161
1002	OTHER PERSONNEL COSTS	$154,553	$204,976	$350,773	$179,661	$179,661
2001	PROFESSIONAL FEES AND SERVICES	$3,303,694	$868,377	$1,198,981	$770,706	$798,493
2002	FUELS AND LUBRICANTS	$127,563	$91,846	$231,414	$242,985	$255,134
2003	CONSUMABLE SUPPLIES	$16,907	$11,450	$12,000	$14,000	$14,000
2004	UTILITIES	$84,268	$72,555	$110,000	$115,500	$121,275
2005	TRAVEL	$165,619	$130,396	$132,444	$132,444	$132,444
2006	RENT - BUILDING	$183,878	$181,716	$182,700	$191,550	$200,843
2007	RENT - MACHINE AND OTHER	$23,145	$21,976	$23,000	$25,000	$25,000

455 Railroad Commission

GOAL: 3 Min. Harmful Effects of Energy Prod & Ensure Fair Rates for Consumers

OBJECTIVE: 4 Critical Infrastructure

STRATEGY: 1 Critical Infrastructure Weather Preparedness

Service Categories:

Service: 33 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2025	Est 2026	Bud 2027	BL 2028	BL 2029
2009	OTHER OPERATING EXPENSE	$937,262	$1,417,138	$5,273,885	$2,410,801	$2,423,242
5000	CAPITAL EXPENDITURES	$0	$0	$582,985	$0	$0
TOTAL, OBJECT OF EXPENSE		**$14,681,216**	**$13,073,467**	**$15,753,343**	**$11,737,808**	**$11,805,253**
Method of Financing:						
1	General Revenue Fund	$14,489,163	$13,073,467	$15,753,343	$11,737,808	$11,805,253
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		**$14,489,163**	**$13,073,467**	**$15,753,343**	**$11,737,808**	**$11,805,253**
Method of Financing:						
5155	Oil & Gas Regulation	$192,053	$0	$0	$0	$0
SUBTOTAL, MOF (GENERAL REVENUE FUNDS - DEDICATED)		**$192,053**	**$0**	**$0**	**$0**	**$0**
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					**$11,737,808**	**$11,805,253**
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		**$14,681,216**	**$13,073,467**	**$15,753,343**	**$11,737,808**	**$11,805,253**
FULL TIME EQUIVALENT POSITIONS:		**123.0**	**117.0**	**117.0**	**117.0**	**117.0**

STRATEGY DESCRIPTION AND JUSTIFICATION:

455 Railroad Commission

GOAL:	3	Min. Harmful Effects of Energy Prod & Ensure Fair Rates for Consumers			
OBJECTIVE:	4	Critical Infrastructure	Service Categories:		
STRATEGY:	1	Critical Infrastructure Weather Preparedness	Service: 33	Income: A.2	Age: B.3

CODE	DESCRIPTION	Exp 2025	Est 2026	Bud 2027	BL 2028	BL 2029

Provisions in House Bill 3648 and Senate Bill 3 define natural gas facilities that would be designated as critical gas suppliers and critical customers. Critical gas suppliers include, but are not limited to, gas wells, oil leases that produce gas, natural gas pipeline facilities[GH1.1], underground natural gas storage facilities and saltwater disposal facilities.[GH2.1] Critical customers, which are a subset of critical gas suppliers, are facilities that require electricity to operate[GH3.1]. Activities associated with critical infrastructure ensure the natural gas industry consistently incorporates weatherization and reliability standards and practices to achieve uninterruptible natural gas production throughout the calendar year including periods of severe weather[GH4.1]. Success requires communication, inspections, processing applications, and monitoring reports.

EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:

Internal factors impacting this strategy include the availability of appropriate technology to communicate with customers and stakeholders to responsively track, store and retrieve applications, inspections, and monitoring reports. A second internal factor is the availability of consistent funding to modernize and maintain databases to ensure efficient data processing of regulatory data, immediate public access, and secure storage of electronic filing and inspection information. This includes enhancement and upgrade investments for the entire lifecycle of information technology requirements. One external factor affecting this strategy includes the ability to access facilities in an efficient manner, which would affect the timeline for the total number of inspections conducted within any given year.

EXPLANATION OF BIENNIAL CHANGE (includes Rider amounts):

STRATEGY BIENNIAL TOTAL - ALL FUNDS		BIENNIAL	EXPLANATION OF BIENNIAL CHANGE	
Base Spending (Est 2026 + Bud 2027)	Baseline Request (BL 2028 + BL 2029)	CHANGE	$ Amount	Explanation(s) of Amount (must specify MOFs and FTEs)
$28,826,810	$23,543,061	$(5,283,749)	$(5,283,749)	1-GR HB500 one-time funding and reallocation of DCS and indirect.
			$(5,283,749)	**Total of Explanation of Biennial Change**

455 Railroad Commission

GOAL: 4 Public Access to Information and Services

OBJECTIVE: 1 Increase Public Access to Information

STRATEGY: 1 Public Information and Services

Service Categories:

Service: 37 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2025	Est 2026	Bud 2027	BL 2028	BL 2029
Output Measures:						
KEY	1 Number of Documents Provided to Customers by Info Services	126,616.00	106,596.00	100,000.00	100,000.00	100,000.00
	2 Number of Reports Provided to Customers from Electronic Data Records	12,783,098.00	33,689,610.00	12,000,000.00	15,000,000.00	15,000,000.00
	3 Number of Railroad Commission Records Imaged from Non-digital Formats	17,856,443.00	4,347,883.00	12,000,000.00	6,500,000.00	6,500,000.00
Objects of Expense:						
1001	SALARIES AND WAGES	$1,622,507	$1,607,733	$1,219,359	$1,219,359	$1,219,359
1002	OTHER PERSONNEL COSTS	$63,682	$33,199	$71,385	$40,579	$40,579
2001	PROFESSIONAL FEES AND SERVICES	$917,920	$0	$215,761	$164,990	$170,938
2002	FUELS AND LUBRICANTS	$131	$372	$400	$500	$500
2003	CONSUMABLE SUPPLIES	$2,383	$587	$600	$800	$800
2004	UTILITIES	$1,225	$897	$7,519	$7,519	$7,519
2005	TRAVEL	$8,668	$6,878	$7,000	$8,000	$8,000
2006	RENT - BUILDING	$200	$202	$200	$200	$200
2007	RENT - MACHINE AND OTHER	$4,065	$3,906	$4,000	$5,000	$5,000
2009	OTHER OPERATING EXPENSE	$1,033,194	$1,119,442	$1,962,829	$1,331,283	$1,323,521

455 Railroad Commission

GOAL:	4	Public Access to Information and Services			
OBJECTIVE:	1	Increase Public Access to Information	Service Categories:		
STRATEGY:	1	Public Information and Services	Service: 37	Income: A.2	Age: B.3

CODE DESCRIPTION	Exp 2025	Est 2026	Bud 2027	BL 2028	BL 2029
TOTAL, OBJECT OF EXPENSE	**$3,653,975**	**$2,773,216**	**$3,489,053**	**$2,778,230**	**$2,776,416**
Method of Financing:					
1 General Revenue Fund	$3,056,166	$2,454,284	$1,774,460	$2,310,317	$2,509,302
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)	**$3,056,166**	**$2,454,284**	**$1,774,460**	**$2,310,317**	**$2,509,302**
Method of Financing:					
5155 Oil & Gas Regulation	$537,780	$301,317	$1,664,593	$467,913	$267,114
SUBTOTAL, MOF (GENERAL REVENUE FUNDS - DEDICATED)	**$537,780**	**$301,317**	**$1,664,593**	**$467,913**	**$267,114**
Method of Financing:					
666 Appropriated Receipts	$60,029	$17,615	$50,000	$0	$0
SUBTOTAL, MOF (OTHER FUNDS)	**$60,029**	**$17,615**	**$50,000**	**$0**	**$0**
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)				**$2,778,230**	**$2,776,416**
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)	**$3,653,975**	**$2,773,216**	**$3,489,053**	**$2,778,230**	**$2,776,416**
FULL TIME EQUIVALENT POSITIONS:	**25.5**	**25.0**	**25.0**	**25.0**	**25.0**

455 Railroad Commission

GOAL: 4 Public Access to Information and Services

OBJECTIVE: 1 Increase Public Access to Information

STRATEGY: 1 Public Information and Services

Service Categories:

Service: 37 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2025	Est 2026	Bud 2027	BL 2028	BL 2029

STRATEGY DESCRIPTION AND JUSTIFICATION:

The Texas Natural Resource Code Annotated Title 3 authorizes activities associated with Public Information and Services, which include collecting, maintaining, and preserving oil and gas data; providing efficient public access to this information; and offering regulated industries a means to conduct their business electronically. Success in this effort ensures that valuable information is available to the public, stakeholders and other government agencies at a reasonable cost.

EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:

Internal factors impacting this strategy include the availability of appropriate technology for document preservation and more efficient means of public access. A second internal factor is the availability of ongoing funding to modernize and maintain databases needed to provide public access and preservation as well as more efficient processing of valuable regulatory data, and expanded electronic filing options for the regulated industries, which must be completed to realize the full deployment of planned technology enhancements. Additionally, technology can transform how the Commission serves Texans. Proper planning, investment, and management of information technology (IT) resources can help the Commission leaders prepare for and take advantage of the rapid evolution that continues to improve government services. Updates of this nature are needed to ensure the Commission continually improves process efficiencies.

455 Railroad Commission

GOAL:	4	Public Access to Information and Services			
OBJECTIVE:	1	Increase Public Access to Information	Service Categories:		
STRATEGY:	1	Public Information and Services	Service: 37	Income: A.2	Age: B.3

CODE	DESCRIPTION	Exp 2025	Est 2026	Bud 2027	BL 2028	BL 2029

EXPLANATION OF BIENNIAL CHANGE (includes Rider amounts):

STRATEGY BIENNIAL TOTAL - ALL FUNDS		BIENNIAL	EXPLANATION OF BIENNIAL CHANGE	
Base Spending (Est 2026 + Bud 2027)	Baseline Request (BL 2028 + BL 2029)	CHANGE	$ Amount	Explanation(s) of Amount (must specify MOFs and FTEs)
$6,262,269	$5,554,646	$(707,623)	$590,875	1-General Revenue is higher due to reallocation of redistribution of GR/GR-D funds.
			$(67,615)	666-Appropriated receipts projection is lower.
			$(1,230,883)	5155-3% GR/GR-D reduction and redistribution of GR/GR-D funds.
			$(707,623)	**Total of Explanation of Biennial Change**

SUMMARY TOTALS:

OBJECTS OF EXPENSE:	**$194,706,056**	**$305,980,221**	**$396,980,755**	**$200,725,614**	**$176,249,965**
METHODS OF FINANCE (INCLUDING RIDERS):				**$200,725,614**	**$176,249,965**
METHODS OF FINANCE (EXCLUDING RIDERS):	**$194,706,056**	**$305,980,221**	**$396,980,755**	**$200,725,614**	**$176,249,965**
FULL TIME EQUIVALENT POSITIONS:	**1,050.3**	**1,108.6**	**1,145.6**	**1,145.6**	**1,145.6**

3.B. Rider Revisions and Additions Request

Agency Code:		Agency Name:	Prepared By:	Date:	Request Level:
455		Railroad Commission of Texas	Pamela Darden	8/18/2026	Baseline

Current Rider Number	Page Number in 2026-27 GAA	Proposed Rider Language
1	VI-58-59	**Performance Measure Targets.** The following is a listing of the key performance target levels for the Railroad Commission. It is the intent of the Legislature that appropriations made by this Act be utilized in the most efficient and effective manner possible to achieve the intended mission of the Railroad Commission. In order to achieve the objectives and service standards established by this Act, the Railroad Commission shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	~~2026~~	2028	~~2027~~	2029
A. Goal: ENERGY RESOURCES				
Outcome (Results/Impact):				
Percent of Oil and Gas Wells That Are Active	~~65%~~	64%	~~65%~~	64%
A.1.1. Strategy: ENERGY RESOURCE DEVELOPMENT				
Output (Volume):				
Number of Drilling Permit Applications Processed	~~12,500~~	12,000	~~12,500~~	11,400
Number of Wells Monitored	~~435,000~~	435,000	~~435,000~~	435,000
Efficiencies:				
Average Number of Wells Monitored Per Analyst	~~33,500~~		~~33,500~~	
The average Number of Staff Days Required to Review and Process a Drilling Permit Application During the Reporting Period	~~3~~	2.9	~~3~~	2.9
B. Goal: SAFETY PROGRAMS				
Outcome (Results/Impact):				
Average Number of Pipeline Safety Violations Per Equivalent 100 Miles of Pipe Identified through Inspections	~~0.80~~	0.80	~~0.80~~	0.80
B.1.1. Strategy: PIPELINE SAFETY				
Output (Volume):				
Number of Pipeline Safety Inspections Performed	~~2,100~~	2,300	~~2,100~~	2,300
Efficiencies:				
Average Number of Pipeline Field Inspections per Field Inspector	~~85~~	90	~~85~~	90
B.1.2. Strategy: PIPELINE DAMAGE PREVENTION				
Output (Volume)				
Number of Excavation Damage Enforcement Cases Completed	~~3,500~~	3,100	~~3,500~~	3,200
B.2.1. Strategy: REGULATE ALTERNATIVE ENERGY				
Output (Volume)				
Number of LPG/CNG/LNG Safety Inspections Performed	~~20,000~~	20,000	~~20,000~~	20,000

3.B. Rider Revisions and Additions Request

Agency Code: 455		Agency Name: Railroad Commission of Texas	Prepared By: Pamela Darden	Date: 8/18/2026	Request Level: Baseline
Current Rider Number	**Page Number in 2026-27 GAA**	**Proposed Rider Language**			

C. Goal: ENVIRONMENTAL AND CONSUMER PROTECTION					
Outcome (Results/Impact):					
Percentage of Oil and Gas Facility Inspections That Identify Environmental Violations		~~5%~~	5%	~~5%~~	5%
Percentage of Known Orphaned Wells Plugged with State-Managed Funds		~~17.5%~~	10%	~~17.5%~~	10%
C.1.1. Strategy: OIL/GAS MONITOR & INSPECTIONS					
Output (Volume):					
Number of Oil and Gas Facility Inspections Performed		~~425,000~~	430,000	~~425,000~~	430,000
Number of Oil and Gas Environmental Permit Applications and Reports Processed		~~132,000~~	129,000	~~132,000~~	129,000
Efficiencies:					
Average Number of Oil and Gas Facility Inspections Performed Per District Office Staff		~~2,000~~	2,100	~~2,000~~	2,100
Explanatory:					
Number of UIC Wells and Other Facilities Subject to Regulation		~~80,000~~	90,000	~~80,000~~	90,000
C.1.2. Strategy: SURFACE MINING MONITORING/INSPECT					
Output (Volume):					
Number of Coal Mining Inspections Performed		~~390~~	405	~~395~~	405
C.2.1. Strategy: OIL AND GAS REMEDIATION					
Output (Volume):					
Number of Abandoned Pollution Sites Investigated, Assessed, or Cleaned Up with the Use of State-Managed Funds		~~250~~	300	~~250~~	300
C.2.2. Strategy: OIL AND GAS WELL PLUGGING					
Output (Volume)					
Number of Orphaned Wells Plugged with the Use of State-Managed Funds		~~1,700~~	1,200	~~1,700~~	1,200
Total Aggregate Plugging Depth of Orphaned Wells Plugged with the Use of State Managed Funds (in Linear Feet)		~~3,500,000~~	3,500,000	~~3,500,000~~	3,500,000
C.3.1. Strategy: GAS UTILITY COMPLIANCE					
Output (Volume):					
Number of Gas Utility Dockets Filed		~~50~~	50	~~50~~	50

3.B. Rider Revisions and Additions Request

Agency Code: 455		Agency Name: Railroad Commission of Texas	Prepared By: Pamela Darden	Date: 8/18/2026	Request Level: Baseline
Current Rider Number	**Page Number in 2026-27 GAA**	**Proposed Rider Language**			

C.4.1. Strategy: WEATHER PREPAREDNESS					
Critical Infrastructure Weather Preparedness					
Output (Volume):					
Number of Weatherization Inspections Conducted	~~7,234~~	9,100	~~7,379~~	9,465
Number of Facilities Out of Weatherization Compliance	~~3~~	20	~~3~~	22
Explanatory				
Total Number of Designated Critical Infrastructure Facilities in the State	~~39,378~~	48,217	~~40,559~~	49,377
D. Goal: PUBLIC ACCESS TO INFO AND SERVICES				
D.1.1 Strategy: PUBLIC INFORMATION AND SERVICES				
Output (Volume):				
Number of Documents Provided to Customers by Information Services	~~100,000~~	100,000	~~100,000~~	100,000

Updated to reflect new performance measure goals for the 2028-2029 biennium.

3.B. Rider Revisions and Additions Request

Agency Code:		Agency Name:	Prepared By:	Date:	Request Level:
455		Railroad Commission of Texas	Pamela Darden	8/18/2026	Baseline

Current Rider Number	Page Number in 2026-27 GAA	Proposed Rider Language
2	VI-59-60	**Capital Budget.** Funds appropriated above may be expended for capital budget items listed below. The amounts identified for each item may be adjusted or expended on other capital expenditures, subject to the aggregate dollar restrictions on capital budget expenditures provided in the General Provisions of this Act.

	~~2026~~	2028	~~2027~~	2029
a. Acquisition of Information Resource Technologies				
(1) PC Refresh	~~544,375~~	544,375	~~544,375~~	544,375
(2) Inspection/Enforcement Tracking and Reporting System - Phase ~~5~~ 6	~~3,000,000~~	3,000,000	~~0~~	0
Total, Acquisition of Information Resource Technologies	~~3,544,375~~	3,544,375	~~544,375~~	544,375
b. Data Center/Shared Technology Services				
(1) Data Center Services (DCS)	~~7,411,243~~	11,300,668	~~7,869,131~~	11,708,103
c. Legacy Modernization				
(1) Mainframe Transformation Phase 4 5	~~14,016,774~~	21,475,647	~~7,458,873~~	0
Total, Capital Budget	~~28,516,767~~	36,320,690	~~16,416,754~~	12,252,478
Method of Financing (Capital Budget):				
General Revenue Fund	~~9,706,682~~	14,150,149	~~7,167,386~~	6,775,150
GR Dedicated – Oil and Gas Regulation and Cleanup Account No. 5155	~~15,265,710~~	22,170,541	~~8,704,993~~	5,477,328
Total, Method of Financing	~~24,972,392~~	36,320,690	~~15,872,379~~	12,252,478

This rider has been updated to reflect the appropriation request for the 2028-29 biennium.

3.B. Rider Revisions and Additions Request

Agency Code:		Agency Name:	Prepared By:	Date:	Request Level:
455		Railroad Commission of Texas	Pamela Darden	8/18/2026	Baseline

Current Rider Number	Page Number in 2026-27 GAA	Proposed Rider Language
3	VI-60	**Appropriations Limited to Revenue Collections: LPG/CNG/LNG Fees.** Fees, fines and other miscellaneous revenues as authorized and generated by the operation of the Alternative Fuels Licensing and Regulation Program related to activities in the liquefied petroleum gas (LPG), compresses natural gas (CNG), and liquefied natural gas (LNG) industries pursuant to Natural Resources Code Sections 113.082, 113.090, 113.093, 113.094, 113.131, 116.032, 116.034, and 116.072 shall cover, at a minimum, the cost of General Revenue Fund appropriations made above in Strategy B.2.1, Regulate Alternative Fuel Resources, as well as the "other direct and indirect costs" made elsewhere in this Act associated with these programs. Direct costs for the Alternative Fuels Licensing Program are estimated to be $2,660,190 ~~2,995,741~~ in fiscal year 2028 ~~2026~~ and $2,651,491 ~~2,996,262~~ in fiscal year 2029 ~~2027~~ and "other direct and indirect costs" are estimated to be $525,000 ~~523,305~~ in fiscal year 2028 ~~2026~~ and $525,000 ~~528,367~~ in fiscal year 2029 ~~2027~~. In the event that actual and/or projected revenue collections are insufficient to offset the costs identified by this provision, the Legislative Budget Board may direct that the Comptroller of Public Accounts reduce the appropriation authority provided above to be within the amount of revenue expected to be available. All fees collected in excess of the Comptroller of Public Accounts' Biennial Revenue Estimate (Revenue Object Codes 3035 and 3246) are appropriated to the Railroad Commission to be spent on the Alternative Fuels Licensing Program that generated the fees. ***This rider has been updated for the 2028-29 biennium.***
4	VI-60	**Liquefied Petroleum Gas (LPG) and Compressed Natural Gas (CNG) Training and Examination Renewal Fees.** Included in amounts appropriated above in Strategy B.2.1, Regulate Alternative Fuel Resources, is $1,000,000 ~~1,400,000~~ in each fiscal year of the biennium in Appropriated Receipts (Revenue Object Codes 3245 and 3722) from fees assessed and collected pursuant to Natural Resources Code, Sections 113.088 and 116.034. These amounts may only be used for the purpose of providing training and examinations to licensees and certificate holders. In addition to amounts appropriated above, any additional amounts collected by the Railroad Commission pursuant to Natural Resources Code, Sections 113.088 and 116.034, on or after September 1, 2027 ~~2025~~, are appropriated to the Commission for the same purpose. Any additional revenues that may be collected under the provisions of this rider are estimated to be $0. ***This rider has been updated for the 2028-29 biennium.***
~~5~~	~~VI-60~~	~~**Appropriation Limited to Revenue Collections: Coal Mining Inspection and Enforcement and Coal/Uranium Mining Applications and Permits.** Fees, fines and other miscellaneous revenues as authorized and generated by the operation of the Coal Mining Inspection and Enforcement Program and the Coal/Uranium Mining Applications and Permits Program pursuant to Natural Resources Code Chapters 131 and 134 shall cover, at a minimum, the cost of General Revenue appropriations made above in Strategy C.1.2, Surface Mining Monitoring and Inspections, as well as the "other direct and indirect costs" made elsewhere in this Act associated with this program. Direct costs for the Coal Mining Inspection and Enforcement Program and the Coal/Uranium Mining Applications and Permits Program are estimated to be $2,382,235 $2,139,572 in fiscal year 2024 2026 and $2,382,235 $2,139,572 in fiscal year 2025 2027 and "other direct and indirect costs" are estimated to be $416,146 in fiscal year 2024 2026 and $419,142 in fiscal year 2025 2027.~~ ~~In the event that actual and/or projected revenue collections are insufficient to offset the costs identified by this provision, the Legislative Budget Board may direct that the Comptroller of Public Accounts reduce the appropriation authority provided above to be within the amount of revenue expected to be available.~~ ~~All fees collected in excess of the Comptroller of Public Accounts Biennial Revenue Estimate (Revenue Object Code 3329) are appropriated to the Railroad Commission to be spent on the Surface Mining Program that generated the fees.~~ ~~***This rider has been updated for the 2026-27 biennium.***~~

3.B. Rider Revisions and Additions Request

Agency Code: 455		Agency Name: Railroad Commission of Texas	Prepared By: Pamela Darden	Date: 8/18/2026	Request Level: Baseline
Current Rider Number	**Page Number in 2026-27 GAA**	**Proposed Rider Language**			
6	VI-61	**Appropriations Limited to Revenue Collections: Pipeline Safety and Regulatory Fees.** Fees, fines, and other miscellaneous revenues as authorized and generated by the operation of the Pipeline Safety/Inspections Program and the Underground Damage Prevention Program pursuant to Natural Resources Code, Section 81.071 and Utilities Code, Section 121.211 shall cover, at a minimum, the cost of the General Revenue-Dedicated Oil and Gas Regulation and Cleanup Account No. 5155 appropriations made above in Strategy B.1.1, Ensure Pipeline Safety, and Strategy B.1.2, Pipeline Damage Prevention, as well as the other "direct and indirect costs" made elsewhere in this Act associated with this program. Direct costs for the Pipeline Safety and Regulatory Program are estimated to be $6,091,479 ~~6,979,125~~ in fiscal year 2028 ~~2026~~ and $6,125,489 ~~6,976,198~~ in fiscal year 2029 ~~2027~~ and "other direct and indirect costs" are estimated to be $2,502,662 ~~1,174,327~~ in fiscal year 2028 ~~2026~~ and $2,462,841 ~~1,185,619~~ in fiscal year 2029 ~~2027~~. In the event that actual and/or projected revenue collections are insufficient to offset the costs identified by this provision, the Legislative Budget Board may direct that the Comptroller of Public Accounts reduce the appropriation authority provided above to be within the amount of revenue expected to be available. ***This rider has been updated for the 2028-29 biennium.***			
7	VI-61	**Capital Budget Expenditures: Federal Funds and Appropriated Receipts.** Notwithstanding Article IX, §14.03, Limitation on Expenditures - Capital Budget, the Railroad Commission may expend Federal Funds and Appropriated Receipts collected in excess of the amounts identified in the agency's bill pattern on items listed in Rider 2, Capital Budget. The Railroad Commission shall notify the Legislative Budget Board, the Comptroller of Public Accounts, and the Governor upon receipt of Federal Funds and Appropriated Receipts collected in excess of the amounts identified in the agency's bill pattern, the amount received from these sources, and how the amounts will be expended on items listed in Rider 2, Capital Budget. ***No change.***			
8	VI-61	**Appropriation: Anthropogenic Carbon Dioxide Storage Trust Fund Revenues**. In addition to the amounts appropriated above in Strategy A.1.1, Energy Resource Development, any revenues received in the Anthropogenic Carbon Dioxide Storage Trust Fund No. 827 (Other Funds) (estimated to be $0 in fiscal year 2028 ~~2026~~ and $0 in fiscal year 2029 ~~2027~~) during the 2028-29 ~~2026-27~~ biennium are appropriated to the Railroad Commission. In accordance with Water Code, Chapter 27, Subchapter C-1, these funds shall be used for the costs of: (1) permitting, monitoring, and inspecting anthropogenic carbon dioxide injection wells for geologic storage and geologic storage facilities; and (2) enforcing and implementing Water Code, Chapter 27, Subchapter C-1, and rules adopted by the Railroad Commission pursuant to this Subchapter C-1. The Railroad Commission shall notify the Legislative Budget Board, the Comptroller of Public Accounts, and the Governor if any revenue received in the Anthropogenic Carbon Dioxide Storage Trust Fund No. 827 (Other Funds) is appropriated according to this provision. ***This rider has been updated for the 2028-29 biennium.***			
9	VI-61	**Oil and Gas Division Permitting Efficiencies.** Out of funds appropriated above in Strategy D.1.1, Public Information and Services, the Railroad Commission shall publish information regarding staffing levels in its Oil and Gas Division in both its Austin office and in each district office. The information shall detail how the agency is managing staffing levels sufficient to review and respond to disposal or injection well permits applications within 30 days of receipts, all other permits applications within 10 business days of receipt, and issue final decisions on contested case oil and gas permitting matters within 60 business days of the hearing date. ***No change.***			

3.B. Rider Revisions and Additions Request

Agency Code: 455		Agency Name: Railroad Commission of Texas	Prepared By: Pamela Darden	Date: 8/18/2026	Request Level: Baseline

Current Rider Number	Page Number in 2026-27 GAA	Proposed Rider Language
10	VI-61	**Transfer Authority.** Notwithstanding limitations on appropriation transfers contained in the General Provisions of this Act, the Railroad Commission is authorized to direct agency resources and transfer such amounts appropriated above between appropriation line items. The Railroad Commission shall provide prior notification to the Legislative Budget Board, the Governor, and the Comptroller of Public Accounts regarding transfers of amounts appropriated above between appropriation line items if the amount exceeds 20 percent of the appropriation line item from which the transfer is made for the fiscal year. ***No change.***
11	VI-61	**Appropriation: Unexpended Balances Between Fiscal Years within the Biennium.** Any unobligated and unexpended balances as of August 31, 2028 ~~2026~~, in the appropriations made to the Railroad Commission are appropriated for the same purposes for the fiscal year beginning September 1, 2028 ~~2026~~. ***This rider has been updated for the 2028-29 biennium.***
12	VI-62	**Appropriation: Oil and Gas Regulation and Cleanup Account Fees.** In addition to the amounts appropriated above, the Railroad Commission is appropriated any fees deposited in the General Revenue-Dedicated Oil and Gas Regulation and Cleanup Account No. 5155 in excess of amounts indicated in the Comptroller of Public Accounts' Biennial Revenue Estimate. The Railroad Commission shall notify the Legislative Budget Board, the Governor, and the Comptroller of Public Accounts if fees deposited in the General Revenue-Dedicated Oil and Gas Regulation and Cleanup Account No. 5155 exceed the amount identified in the Comptroller of Public Accounts' Biennial Revenue Estimate and are appropriated according to this provision. ***No change.***
13	VI-62	**Operational Stability Contingency.** In the event that the sum of available unencumbered and unobligated balances in the General Revenue-Dedicated Oil and Gas Regulation and Cleanup Account No. 5155 (estimated to be $92.6 ~~44.5~~ million at the beginning of the 2028-29 ~~2026-27~~ biennium) and the revenue deposited into the account during each year of the 2028-29 ~~2026-27~~ biennium, is determined by the Comptroller of Public Accounts to be insufficient to support appropriations made in this Act from the account, including other direct and indirect costs, the Commission is appropriated amounts from the General Revenue Fund generated by the Gas Utility Pipeline Tax, in the amount of the difference, not to exceed $5.0 million per fiscal year. ***This rider has been updated for the 2028-29 biennium.***
14	VI-62	**Unexpended Balances Appropriation: Acquisition of Information Resource Technologies**. Out of amounts appropriated to the Railroad Commission for the 2026-27 ~~2024-25~~ biennium for capital budget items included in the Acquisition of Information Resource Technologies and the Legacy Modernization categories, any unobligated and unexpended balances remaining as of August 31, 2027 ~~2025~~, (estimated to be $0) from the following capital budget projects are appropriated for the fiscal biennium beginning September 1, 2027 ~~2025~~, for the same purposes: (a) Inspection/Enforcement Tracking and Reporting System - Phase 5 ~~4~~ (b) Mainframe Transformation - Phase 4 ~~3~~ ***This rider has been updated for the 2026-27 biennium.***

3.B. Rider Revisions and Additions Request

Agency Code: 455		Agency Name: Railroad Commission of Texas	Prepared By: Pamela Darden	Date: 8/18/2026	Request Level: Baseline
Current Rider Number	**Page Number in 2026-27 GAA**	**Proposed Rider Language**			
15	VI-62	**Additional Funding Sources and Cash Flow Contingency.** In the event that revenues collected in the General Revenue-Dedicated Oil and Gas Regulation and Cleanup Account No. 5155 for each fiscal year of the biennium are less than 90.0 percent of the amounts appropriated in this Act, including other direct and indirect costs and repayment of the additional General Revenue, the Legislative Budget Board and the Governor may direct the transfer of sufficient amounts of General Revenue funds to the Railroad Commission from appropriations made elsewhere in this Act. Contingent upon the receipt of revenue in the General Revenue-Dedicated Oil and Gas Regulation and Cleanup Account No. 5155, the Railroad Commission may temporarily utilize additional General Revenue funds, pending receipt of revenue, in an amount not to exceed $25.0 million per fiscal year. The General Revenue amounts transferred above the General Revenue method of finance shall be utilized for the purpose of temporary cash flow needs. The transfer and reimbursement of funds shall be made under procedures established by the Comptroller of Public Accounts to ensure all borrowed funds are reimbursed to the Treasury on or before December 31 of the following fiscal year. ***No change.***			
16	VI-62	**Informational Listing: Infrastructure Investment and Jobs Act Funds.** Amounts appropriated above to the Railroad Commission include $2.9 million ~~47,286,012~~ in fiscal year 2028 ~~2026~~ and $2.9 million ~~47,286,012~~ in fiscal year 2029 ~~2027~~ in Federal Funds provided through the Infrastructure Investment and Jobs Act of 2021 (IIJA) for the purpose of plugging orphaned oil and gas wells. In addition, an estimated 600 ~~946~~ wells in fiscal year 2028 ~~2026~~ and 600 ~~950~~ wells in fiscal year 2029 ~~2027~~ are anticipated to be plugged using these IIJA funds and are included in the performance measure targets for the "Number of Orphaned Wells Plugged with the Use of State-Managed Funds" in Rider 1, Performance Measure Targets. An estimated 200 sites in fiscal year 2028 and 200 sites in fiscal year 2029 are anticipated to be cleaned up using these IIJA funds and are included in the performance measure targets for the " Number of Abandoned Pollution Sites Investigated, Assessed, or Cleaned Up with State-Managed Funds " in Rider 1, Performance Measure Targets. ***This rider has been updated for the 2028-29 biennium.***			
17	VI-62	**Underground Injection Control Modeling.** The Railroad Commission may utilize funds appropriated above in Strategy C.1.1., Oil and Gas Monitoring and Inspections, to contract for advanced modeling to draw siesmic response areas, set appropriate limitations on injection wells, and quickly implement statutory and regulatory requirements associated with seismic events. ***No change.***			
18	VI-62-63	**Enforcement and Compliance Data and Public Information.** Out of amounts appropriated above to the Railroad Commission in Strategy D.1.1, Public Information and Services, the agency shall publish enforcement data on its website quarterly, including inspection and enforcement activities, violations identified, and the final penalties assessed to operators. The agency shall also make available on its website quarterly trends in its enforcement data, including the number of complaints received and how the complaints were resolved, the number and severity of violations identified and sent for enforcement actions for each Commission rule, and the number of repeat violations found for each operator. ***No change.***			

3.B. Rider Revisions and Additions Request

Agency Code: 455		Agency Name: Railroad Commission of Texas	Prepared By: Pamela Darden	Date: 8/18/2026	Request Level: Baseline
Current Rider Number	**Page Number in 2026-27 GAA**	**Proposed Rider Language**			
~~19~~	~~VI-63~~	~~**Hydrogen Sulfide Mapping Study.** Out of the amounts appropriated above, the Railroad Commission shall conduct a mapping study and assessment that determines and shows in a geographic manner:~~ ~~(a) A list and map of oil and gas wells with hydrogen sulfide levels that are greater than 100 parts per million (PPM);~~ ~~(b) A list and map of oil and gas infrastructure, including storage tanks that contain products that have hydrogen sulfide levels that are greater than 100 PPM;~~ ~~(c) A list of those wells or infrastructure that are located within 5 miles of residential properties.~~ ~~The Commission shall provide a report with the information required in this rider to the Legislative Budget Board and all members of the Legislature by December 1, 2026.~~ ***Report will be submitted by December 1, 2026.***			
~~20~~	~~VI-63~~	~~**Report on Inactive Oil and Gas Wells.** Using money appropriated above to the Railroad Commission for Strategy C.2.1, Oil and Gas Well Plugging and Remediation, not later than December 1, 2026, the commission shall develop and submit to each member of the legislature a report on inactive oil and gas wells in this state. The report must include:~~ ~~(a) information on the location of each inactive oil and gas well;~~ ~~(b) the risks posed by not plugging each inactive oil and gas well; and~~ ~~(c) any additional information the commission considers necessary.~~ ***Report will be submitted by December 1, 2026.***			
~~21~~	~~VI-63~~	~~**Contingency for Senate Bill 1150.1** Out of the amounts appropriated above, the Railroad Commission shall implement the provisions of Senate Bill 1150, or similar legislation by the Eighty-ninth Legislature, Regular Session, relating to the plugging of and reporting on inactive wells subject to the jurisdiction of the Railroad Commission of Texas; authorizing an administrative penalty, contingent upon enactment of the legislation.~~ ***Completed.***			
<u>19</u>		<u>**Hazardous Duty Pay.** To more adequately compensate employees who perform hazardous duties for the state, the Railroad Commission is authorized to compensate eligible plugging inspectors between $25 and $50 per hazard duty hour, relative to experience and qualifications</u> ***NEW RIDER.***			

Agency code: **455** Agency name: **Railroad Commission**

CODE	DESCRIPTION	Excp 2028	Excp 2029

Item Name: Emergency Well Plugging Program
Item Priority: 1
IT Component: No
Anticipated Out-year Costs: Yes
Involve Contracts > $50,000: Yes
Includes Funding for the Following Strategy or Strategies: 03-02-01 Oil and Gas Well Plugging and Remediation

OBJECTS OF EXPENSE:

		Excp 2028	Excp 2029
2009	OTHER OPERATING EXPENSE	100,000,000	0
	TOTAL, OBJECT OF EXPENSE	**$100,000,000**	**$0**

METHOD OF FINANCING:

		Excp 2028	Excp 2029
1	General Revenue Fund	100,000,000	0
	TOTAL, METHOD OF FINANCING	**$100,000,000**	**$0**

DESCRIPTION / JUSTIFICATION:

This exceptional item address three primary concerns - (1) the growing number of emergency wells, (2) the backlog of expensive high priority wells, and (3) the rising cost of well pluggings.

EXTERNAL/INTERNAL FACTORS:

External Factors: The growing number of emergency wells. The backlog of expensive high priority wells, and the rising cost of well pluggings.

PCLS TRACKING KEY:

DESCRIPTION OF ANTICIPATED OUT-YEAR COSTS :

These costs account for current backlog of orphaned wells that need plugging and additional emergency wells that will need plugging.

Agency code: **455** Agency name: **Railroad Commission**

CODE	**DESCRIPTION**	**Excp 2028**	**Excp 2029**

ESTIMATED ANTICIPATED OUT-YEAR COSTS FOR ITEM:

	2030	**2031**	**2032**
OUT-YEAR ALL FUNDS:	$100,000,000	$0	$100,000,000
OUT-YEAR GR ONLY COSTS FOR ITEM:			
1 General Revenue Fund	$100,000,000	$0	$100,000,000
TOTAL OUT-YEAR GR ONLY:	$100,000,000	$0	$100,000,000

APPROXIMATE PERCENTAGE OF EXCEPTIONAL ITEM : 100.00%

CONTRACT DESCRIPTION :

Well plugging activities will require contract work for each well. RRC anticipates all work will be contracted services. These services may exceed $50k per well.

Agency code: **455** Agency name: **Railroad Commission**

CODE	DESCRIPTION	Excp 2028	Excp 2029

Item Name: Pipeline and Propane Safety Inspection and Compliance
Item Priority: 2
IT Component: No
Anticipated Out-year Costs: Yes
Involve Contracts > $50,000: No
Includes Funding for the Following Strategy or Strategies: 02-02-01 Regulate Alternative Fuel Resources

		Excp 2028	Excp 2029
OBJECTS OF EXPENSE:			
1001	SALARIES AND WAGES	536,136	536,136
1002	OTHER PERSONNEL COSTS	8,043	8,043
	TOTAL, OBJECT OF EXPENSE	**$544,179**	**$544,179**
METHOD OF FINANCING:			
1	General Revenue Fund	544,179	544,179
	TOTAL, METHOD OF FINANCING	**$544,179**	**$544,179**
FULL-TIME EQUIVALENT POSITIONS (FTE):		6.00	6.00

DESCRIPTION / JUSTIFICATION:

The FTE request is to support the existing Alternative Fuel Safety (AFS) Inspection team and Licensing team. There has been a 31% increase in active AFS sites from FY2021 to FY2025 (76,392 to 100,041). The AFS inspection team currently has 19 inspectors, including the Manager. With the goal of 1,112 inspections per inspector, the department can inspect 21,128 sites per year. With the addition of 4 Inspector FTEs, the department would be able to have a dedicated Inspection manager to manage inspection operations, and 4 inspectors across the state to increase inspection coverage. This would bring annual inspection capacity to 23,352 and reduce the time between inspections of sites by 14%. This would also allow for increased propane instalations and pipeline miles as a result of the economice and population growth of the state.

The Licensing team is requesting one Compliance Analyst and one Permit Specialist FTE to support the processing of licenses and LP truck decals for AFS . Licenses have remained steady over the last 4 FY, but there has been a significant increase in the number of truck decals to be issued. These have increased 31% from FY2021 to FY2025 (5569 to 7296). The team currently has 3 licensing agents processing a total of 14,907 licenses and decals (in FY2025). Due to the required 30-day processing time, the department is requesting 2 additional FTE's to keep processing times under 30 days and to keep up with the year over year demand, and better serve industry.

EXTERNAL/INTERNAL FACTORS:

Internal Factors: The Alternative Fuel Safety Department has adopted new software that allows for more detailed and accurate processing of licenses and Inspection tracking. Additional support for the Licensing team will allow for accurate and consistent data tracking within the new improved system.
External Factors: here has been a 31% increase in active AFS sites from FY2021 to FY2025 (76,392 to 100,041). This trend is consistent and points to growing texas population and increased compliance awareness.

PCLS TRACKING KEY:

Agency code: **455** Agency name: **Railroad Commission**

CODE	DESCRIPTION	Excp 2028	Excp 2029

DESCRIPTION OF ANTICIPATED OUT-YEAR COSTS :

These anticipated out-year costs are the on-going salaries for the requested FTE's

ESTIMATED ANTICIPATED OUT-YEAR COSTS FOR ITEM:

	2030	2031	2032
OUT-YEAR ALL FUNDS:	$436,549	$436,549	$436,549

Agency code: **455** Agency name: **Railroad Commission**

CODE	DESCRIPTION	Excp 2028	Excp 2029

Item Name: Oil and Gas Staffing
Item Priority: 3
IT Component: No
Anticipated Out-year Costs: Yes
Involve Contracts > $50,000: No
Includes Funding for the Following Strategy or Strategies: 03-01-01 Oil and Gas Monitoring and Inspections

		Excp 2028	Excp 2029
OBJECTS OF EXPENSE:			
1001	SALARIES AND WAGES	372,695	372,695
1002	OTHER PERSONNEL COSTS	5,591	5,591
2009	OTHER OPERATING EXPENSE	1,437,500	1,437,500
	TOTAL, OBJECT OF EXPENSE	**$1,815,786**	**$1,815,786**
METHOD OF FINANCING:			
1	General Revenue Fund	1,815,786	1,815,786
	TOTAL, METHOD OF FINANCING	**$1,815,786**	**$1,815,786**
FULL-TIME EQUIVALENT POSITIONS (FTE):		5.00	5.00

DESCRIPTION / JUSTIFICATION:

RRC District Offices need additional staff for field work, enforcement activities, and administrative support. The staff at the district offices has not keep pace with the oil and gas industry activity. RRC will need additional inspectors in order to maintain the statutory five year inspections on all wells and to quickly respond to landowner concerns regarding spills, unsafe electrical equipment, and reports of oil theft.

EXTERNAL/INTERNAL FACTORS:

Internal Factors: RRC District Offices staffing levels have not increased with industry activity. Additional staff is necessary to ensure timely inspections and enforcement of safety concerns to reduce environmental risk.

External Factors:Despite the fluctuation of the price of oil over the last several years, the oil and gas industry has been steadily growing. The creates additional work and requires additional RRC staff to keep pace. The responsibilities of the districts have increased with additional legislative for Inactive Wells and removal of electrical equipment. The districts have responded to more landowner concerns about wildfire safety due to recent fires in the panhandle.

PCLS TRACKING KEY:

Agency code: **455** Agency name: **Railroad Commission**

CODE	DESCRIPTION	Excp 2028	Excp 2029

DESCRIPTION OF ANTICIPATED OUT-YEAR COSTS :

These anticipated out-year costs are the on-going salaries for the requested FTE's

ESTIMATED ANTICIPATED OUT-YEAR COSTS FOR ITEM:

	2030	2031	2032
OUT-YEAR ALL FUNDS:	$815,786	$815,786	$815,786

Agency code: **455** Agency name: **Railroad Commission**

CODE	DESCRIPTION	Excp 2028	Excp 2029

Item Name: Produced Water Monitoring
Item Priority: 4
IT Component: No
Anticipated Out-year Costs: Yes
Involve Contracts > $50,000: Yes
Includes Funding for the Following Strategy or Strategies:
01-01-01 Promote Energy Resource Development Opportunities
03-01-01 Oil and Gas Monitoring and Inspections
03-02-01 Oil and Gas Well Plugging and Remediation

OBJECTS OF EXPENSE:

		Excp 2028	Excp 2029
1001	SALARIES AND WAGES	580,690	580,690
1002	OTHER PERSONNEL COSTS	8,711	8,711
2009	OTHER OPERATING EXPENSE	1,252,656	1,252,656
	TOTAL, OBJECT OF EXPENSE	**$1,842,057**	**$1,842,057**

METHOD OF FINANCING:

		Excp 2028	Excp 2029
1	General Revenue Fund	1,842,057	1,842,057
	TOTAL, METHOD OF FINANCING	**$1,842,057**	**$1,842,057**
	FULL-TIME EQUIVALENT POSITIONS (FTE):	3.00	3.00

DESCRIPTION / JUSTIFICATION:

The Commission requires three (3) Engineering Specialist IIIs to support the increasing need to analyze injection monitoring reports to reduce geohazards (e.g., leaking wells and seismicity) and support permit staff. In the 89th Legislature, $7.7 million dollars in funding was authorized to develop a system to receive oil and gas produced water reports and injection reports which will be delivered in FY 28.

TexNet InSAR & Injection Geohazard Research - The Commission proposes to contract UT-BEG TexNet Research Program, which successfully created and maintains Texas' seismological network, to process and analyze satellite data to support oil and gas facility monitoring and enhance groundwater protection. Commission staff have begun using public satellite datasets from NASA and others to provide surveillance for O&G wells (e.g., "InSAR"). These datasets can identify issues caused by oil and gas activities that may not be discovered otherwise and help determine when a leak occurred. TexNet estimates cost to create the satellite data processing system and provide products to be $514,000 for initial investment in FY28 and $154,000 in FY29. Additionally, the Commission needs $500,000 per year to continue injection-related research at UT-BEG to reduce seismicity, leaking wells caused by saltwater disposal and solve challenges posed by novel injection wells (e.g. geothermal and carbon storage).

EXTERNAL/INTERNAL FACTORS:

External Factors: Oil production, produced water and leaking wells have been increasing over the last two biennium, increasing the amount, complexity and cost of oil and gas emergency response, especially well plugging.

Agency code: **455** Agency name: **Railroad Commission**

CODE	DESCRIPTION	Excp 2028	Excp 2029

PCLS TRACKING KEY:

DESCRIPTION OF ANTICIPATED OUT-YEAR COSTS :

Anticipated costs related to continuous monitoring of oil and gas facilities to enhance groundwater protection. Additionally, continue injection-related research to reduce leaking wells caused by saltwater disposal and solve/address challenges posed by novel injection wells.

ESTIMATED ANTICIPATED OUT-YEAR COSTS FOR ITEM:

	2030	2031	2032
OUT-YEAR ALL FUNDS:	$1,842,057	$1,842,057	$1,842,057

APPROXIMATE PERCENTAGE OF EXCEPTIONAL ITEM : 68.00%

CONTRACT DESCRIPTION :

Approximate 68% of funding will go towards contracting for continuous monitoring of oil and gas facilities to enhance groundwater protection, injection-related research to reduce leaking wells caused by saltwater disposal and challenges posed by novel injection wells.

Agency code: **455** Agency name: **Railroad Commission**

CODE	DESCRIPTION	Excp 2028	Excp 2029
	Item Name: Oil & Gas Inspection Equipment Refresh		
	Item Priority: 5		
	IT Component: No		
	Anticipated Out-year Costs: No		
	Involve Contracts > $50,000: No		
	Includes Funding for the Following Strategy or Strategies: 03-01-01 Oil and Gas Monitoring and Inspections		
OBJECTS OF EXPENSE:			
2009	OTHER OPERATING EXPENSE	1,803,300	0
	TOTAL, OBJECT OF EXPENSE	**$1,803,300**	**$0**
METHOD OF FINANCING:			
1	General Revenue Fund	1,803,300	0
	TOTAL, METHOD OF FINANCING	**$1,803,300**	**$0**

DESCRIPTION / JUSTIFICATION:

The Oil and Gas Field Operations needs to replace aging equipment used by field inspectors with newer more advanced equipment.to ensure accurate and complete inspection occur in the field. This requested equipment includes both common and specialized instruments - Infrared Cameras, Echometer, Scintillator, Magnetometers, Portable Gas Monitors, and Imaging Thermometers. This equipment detects the presence of hazardous gases, identification of naturally occurring radioactive materials (NORM), checking fluid levels in oil and gas wells, and checking well conditions to identify leaking gases and fluids.

EXTERNAL/INTERNAL FACTORS:

Internal Factors: Much of the equipment used in the field has exceeded its useful life. The drones are especially useful in the field in detecting leaks and hazards in significantly less than the can be done by an inspector in a truck or on foot. The geographic terrain and the vegetation often make it difficult to get the coverage in the daylight hours available on site.

External Factors:RRC requested and received funding (~720K) in the 2024-25 biennium for infrared cameras and optical gas imaging systems. This funding refreshed only some of the equipment used by the agency and not statewide. Because of the geographic size of the state.

PCLS TRACKING KEY:

Agency code: **455** Agency name: **Railroad Commission**

CODE	DESCRIPTION	Excp 2028	Excp 2029

Item Name: Oil and Gas Inspector Electric Safety Training
Item Priority: 6
IT Component: No
Anticipated Out-year Costs: Yes
Involve Contracts > $50,000: Yes
Includes Funding for the Following Strategy or Strategies: 03-01-01 Oil and Gas Monitoring and Inspections

OBJECTS OF EXPENSE:

CODE	DESCRIPTION	Excp 2028	Excp 2029
2001	PROFESSIONAL FEES AND SERVICES	502,875	502,875
2005	TRAVEL	75,000	75,000
	TOTAL, OBJECT OF EXPENSE	**$577,875**	**$577,875**

METHOD OF FINANCING:

CODE	DESCRIPTION	Excp 2028	Excp 2029
1	General Revenue Fund	577,875	577,875
	TOTAL, METHOD OF FINANCING	**$577,875**	**$577,875**

DESCRIPTION / JUSTIFICATION:

89th Texas Legislature, House Bill 143 required changes to Texas Administrative Code (TAC), Title 16, Part 1, Chapter 3, Rule 3.21. RRC Inspectors are now required to inspect an operators compliance to “construct, operate, and maintain an electrical power line serving a well site or other surface facility employed in operations incident to oil and gas development and production in accordance with the National Electrical Code published by the National Fire Protection Association and adopted by the Texas Department of Licensing and Regulation in §73.100 of this title (relating to Technical Requirements)" per Statewide Rule (SWR) 3.21(l).

The additional inspection requirements created the need to properly train field inspectors in fire prevention and electrical standards and safety. Texas A&M Engineering Extension (TEEX) provides training for electrical standards and safety and Quanta Mears is proposed to be contracted to facilitate the fire prevention training. As of April 2026, the O&G Division has 179 inspectors that will be required to complete these training requirements. As the agency hires new inspectors each month, they will also require training.

TEEX training includes the following courses: Electrical Standards (OSHA #3095); 31.00 Hours, Lockout/Tagout (OSHA #7115); 8 Hours, Electrical Transmission and Distribution; 10 Hours, and Electrical Safety for Utility Personnel (Online); 2 Hours. The annual cost estimate for the TEEX contract is $228,825.

Quanta Mears is proposed to facilitate fire prevention training for the same inspectors to enable them to complete their inspections per SWR 21(l). The annual cost estimate is $274,050 per year (9 trainings per year at $30,450 per training). This training is conducted in a field environment and will require travel of all participants.

EXTERNAL/INTERNAL FACTORS:

External Factors: Following the 89th Texas Legislature, House Bill 143 required changes to Texas Administrative Code (TAC), Title 16, Part 1, Chapter 3, Rule 3.21. RRC Inpectors are now required to inspect an operators compliance to "construct, operate, and maintain an electrical power line serving a well site or other surface facility employed in operations incident to oil and gas development and production in accordance with the National Electrical Code published by the National Fire Protection Association and adopted by the Texas Department of Licensing and Regulation in §73.100 of this title (relating to Technical Requirements)" per Statewide Rule (SWR)

Agency code: **455** Agency name: **Railroad Commission**

CODE	DESCRIPTION	Excp 2028	Excp 2029

3.21(l).

PCLS TRACKING KEY:

DESCRIPTION OF ANTICIPATED OUT-YEAR COSTS :

These costs include the for the Quanta Mears and for the Texas A&M Engineering Extension (TEEX) training contract.

ESTIMATED ANTICIPATED OUT-YEAR COSTS FOR ITEM:

	2030	2031	2032
OUT-YEAR ALL FUNDS:	$577,875	$577,875	$577,875

APPROXIMATE PERCENTAGE OF EXCEPTIONAL ITEM : 100.00%

CONTRACT DESCRIPTION :

Contracts are 3 year term contracts. Renewals are anticipated due to the legal requirement of the trainings.

Agency code: **455** Agency name: **Railroad Commission**

CODE	DESCRIPTION	Excp 2028	Excp 2029

Item Name: STOPTheft Investigation Coordinators
Item Priority: 7
IT Component: No
Anticipated Out-year Costs: Yes
Involve Contracts > $50,000: No
Includes Funding for the Following Strategy or Strategies: 03-01-01 Oil and Gas Monitoring and Inspections

		Excp 2028	Excp 2029
OBJECTS OF EXPENSE:			
1001	SALARIES AND WAGES	1,095,856	1,095,856
1002	OTHER PERSONNEL COSTS	16,438	16,438
2009	OTHER OPERATING EXPENSE	315,000	315,000
	TOTAL, OBJECT OF EXPENSE	**$1,427,294**	**$1,427,294**
METHOD OF FINANCING:			
1	General Revenue Fund	1,427,294	1,427,294
	TOTAL, METHOD OF FINANCING	**$1,427,294**	**$1,427,294**
FULL-TIME EQUIVALENT POSITIONS (FTE):		21.00	21.00

DESCRIPTION / JUSTIFICATION:

Senate Bill 494 from the 89th Regular Session authorized the creation of the STOPTheft task force to appoint members from the oil and gas industry to study and provide a recommendations report to the Legislature on even numbered years. The task force has identified the immediate need to hire additional Investigation Coordinator positions to assist Law Enforcement in Texas with cases related to the theft of oil products. The new Investigation Coordinators will be placed within each district office and will report to a supervisor that will work in the Austin office. This new hiring initiative will add to positions to the exisiting Investigation Coordinator team housed within the Enforcement division.

EXTERNAL/INTERNAL FACTORS:

External Factors: STOP-Theft Taskforce recommended additional FTE's to aid and support Law Enforcement agencies working on this project.

PCLS TRACKING KEY:

Agency code: **455** Agency name: **Railroad Commission**

CODE	DESCRIPTION	Excp 2028	Excp 2029

DESCRIPTION OF ANTICIPATED OUT-YEAR COSTS :

These anticipated out-year costs are the on-going salaries for the requested FTE's

ESTIMATED ANTICIPATED OUT-YEAR COSTS FOR ITEM:

	2030	2031	2032
OUT-YEAR ALL FUNDS:	$1,427,294	$1,427,294	$1,427,294

Agency code: **455** Agency name: **Railroad Commission**

CODE	DESCRIPTION	Excp 2028	Excp 2029

Item Name: STOPTheft T-1 Online Tracking and Reporting System
Item Priority: 8
IT Component: Yes
Anticipated Out-year Costs: Yes
Involve Contracts > $50,000: Yes
Includes Funding for the Following Strategy or Strategies: 01-01-01 Promote Energy Resource Development Opportunities

OBJECTS OF EXPENSE:

		Excp 2028	Excp 2029
2001	PROFESSIONAL FEES AND SERVICES	2,800,000	600,000
	TOTAL, OBJECT OF EXPENSE	**$2,800,000**	**$600,000**

METHOD OF FINANCING:

		Excp 2028	Excp 2029
1	General Revenue Fund	2,800,000	600,000
	TOTAL, METHOD OF FINANCING	**$2,800,000**	**$600,000**

DESCRIPTION / JUSTIFICATION:

A new online system would need to be built to track and manage T-1 Transporter data. The system would have to be implemented in the LoneSTAR platform, with all applicable validations and workflows, and be integrated with any applicable legacy systems, as well as the Data Warehouse. Additionally, to achieve the recommendations of the STOPTheft Task force, comprehensive analysis of different data sets in snowflake would have to be conducted, and a presentation layer would have to be developed. These includes necessary reports, dashboards, and extracts.

EXTERNAL/INTERNAL FACTORS:

External Factors: Monthly Oil and Gas Transportation and Storage (Form T-1) Online Tracking and Reporting System as recommended by the STOP-Theft Taskforce

PCLS TRACKING KEY:

n/a

DESCRIPTION OF IT COMPONENT INCLUDED IN EXCEPTIONAL ITEM:

To support the STOPTheft task force authorized by Senate Bill 494 from the 89th Regular Session, a new online system needs to be built to track and manage T-1 Transporter data. The system would be implemented in the modernized Oil and Gas online platform LoneSTAR, with all applicable validations and workflows, and be integrated with any applicable legacy systems, as well as the Data Warehouse. Additionally, to achieve the recommendations of the STOPTheft Task force, comprehensive analysis of different data sets in snowflake would have to be conducted, and a presentation layer would have to be developed. These include necessary reports, dashboards, and extracts.

IS THIS IT COMPONENT RELATED TO A NEW OR CURRENT PROJECT?

NEW

Agency code: **455** Agency name: **Railroad Commission**

CODE	**DESCRIPTION**	**Excp 2028**	**Excp 2029**

STATUS:
New system

OUTCOMES:
The project will provide the necessary tools to track components of Oil and Gas production, transportation, storage and loss data.

OUTPUTS:
This project supports the number of oil and gas facility inspections performed and the number of enforcement referrals for legal action due to oil and gas rule violations.

TYPE OF PROJECT
Licensing / Permitting / Monitoring / Enforcement

ALTERNATIVE ANALYSIS
Not Scalable No alternative analysis/ Not Scalable

ESTIMATED IT COST

2026	2027	2028	2029	2030	2031	2032	Total Over Life of Project
$0	$0	$2,800,000	$600,000	$680,000	$510,000	$340,000	$4,930,000

SCALABILITY

2026	2027	2028	2029	2030	2031	2032	Total Over Life of Project
$0	$0	$0	$0	$0	$0	$0	$0

FTE

2026	2027	2028	2029	2030	2031	2032
0.0	0.0	0.0	0.0	0.0	0.0	0.0

DESCRIPTION OF ANTICIPATED OUT-YEAR COSTS :

System on-going maintenance.

ESTIMATED ANTICIPATED OUT-YEAR COSTS FOR ITEM:

	2030	2031	2032
OUT-YEAR ALL FUNDS:	$0	$0	$0

Agency code: **455** Agency name: **Railroad Commission**

CODE	DESCRIPTION	Excp 2028	Excp 2029

APPROXIMATE PERCENTAGE OF EXCEPTIONAL ITEM : 100.00%

CONTRACT DESCRIPTION :

Development and implementation of the T-1 Online Tracking and Reporting System

Agency code: **455** Agency name: **Railroad Commission**

CODE	DESCRIPTION	Excp 2028	Excp 2029

Item Name: Vehicle Purchase
Item Priority: 9
IT Component: No
Anticipated Out-year Costs: No
Involve Contracts > $50,000: Yes
Includes Funding for the Following Strategy or Strategies:
01-01-01 Promote Energy Resource Development Opportunities
02-02-01 Regulate Alternative Fuel Resources
03-01-02 Surface Mining Monitoring and Inspections

OBJECTS OF EXPENSE:

CODE	DESCRIPTION	Excp 2028	Excp 2029
5000	CAPITAL EXPENDITURES	1,750,000	1,750,000
	TOTAL, OBJECT OF EXPENSE	**$1,750,000**	**$1,750,000**

METHOD OF FINANCING:

CODE	DESCRIPTION	Excp 2028	Excp 2029
1	General Revenue Fund	1,750,000	1,750,000
	TOTAL, METHOD OF FINANCING	**$1,750,000**	**$1,750,000**

DESCRIPTION / JUSTIFICATION:

Railroad Commission is requesting funding to replace vehicles that have reached their operational lifespan, in accordance with state mandated fleet lifecycle guidelines. In addition, the funds will also address vehicles that need to be replaced due to the costs of major repairs exceeding the replacement value.

EXTERNAL/INTERNAL FACTORS:

External Factors: Cost of vehicles may increase.

Internal Factors:Vehicles will be disposed of upon reaching state-mandated lifecycle criteria, or when repairs and maintenance exceed the threshold to remain cost-effective compared to replacing them with a new vehicle.

PCLS TRACKING KEY:

Agency code: **455** Agency name: **Railroad Commission**

CODE	DESCRIPTION	Excp 2028	Excp 2029

ESTIMATED ANTICIPATED OUT-YEAR COSTS FOR ITEM:

	2030	2031	2032
OUT-YEAR ALL FUNDS:	$0	$0	$0

APPROXIMATE PERCENTAGE OF EXCEPTIONAL ITEM : 100.00%

CONTRACT DESCRIPTION :

Vehicles will be purchased in one or more batches. The purchases will likely exceed $50,000 each time.

Agency code: **455** Agency name: **Railroad Commission**

Code Description	Excp 2028	Excp 2029
Item Name: Emergency Well Plugging Program		
Allocation to Strategy: 3-2-1 Oil and Gas Well Plugging and Remediation		
OUTPUT MEASURES:		
2 Number of Orphaned Wells Plugged with State-Managed Funds	80.00	0.00
OBJECTS OF EXPENSE:		
2009 OTHER OPERATING EXPENSE	100,000,000	0
TOTAL, OBJECT OF EXPENSE	**$100,000,000**	**$0**
METHOD OF FINANCING:		
1 General Revenue Fund	100,000,000	0
TOTAL, METHOD OF FINANCING	**$100,000,000**	**$0**
FULL-TIME EQUIVALENT POSITIONS (FTE):	0.0	0.0

Agency code: **455** Agency name: **Railroad Commission**

Code Description	Excp 2028	Excp 2029
Item Name: Pipeline and Propane Safety Inspection and Compliance		
Allocation to Strategy: 2-2-1 Regulate Alternative Fuel Resources		
OBJECTS OF EXPENSE:		
1001 SALARIES AND WAGES	536,136	536,136
1002 OTHER PERSONNEL COSTS	8,043	8,043
TOTAL, OBJECT OF EXPENSE	**$544,179**	**$544,179**
METHOD OF FINANCING:		
1 General Revenue Fund	544,179	544,179
TOTAL, METHOD OF FINANCING	**$544,179**	**$544,179**
FULL-TIME EQUIVALENT POSITIONS (FTE):	6.0	6.0

Agency code: **455** Agency name: **Railroad Commission**

Code Description	Excp 2028	Excp 2029
Item Name: Oil and Gas Staffing		
Allocation to Strategy: 3-1-1 Oil and Gas Monitoring and Inspections		
OBJECTS OF EXPENSE:		
1001 SALARIES AND WAGES	372,695	372,695
1002 OTHER PERSONNEL COSTS	5,591	5,591
2009 OTHER OPERATING EXPENSE	1,437,500	1,437,500
TOTAL, OBJECT OF EXPENSE	**$1,815,786**	**$1,815,786**
METHOD OF FINANCING:		
1 General Revenue Fund	1,815,786	1,815,786
TOTAL, METHOD OF FINANCING	**$1,815,786**	**$1,815,786**
FULL-TIME EQUIVALENT POSITIONS (FTE):	5.0	5.0

Agency code: **455** Agency name: **Railroad Commission**

Code Description		Excp 2028	Excp 2029
Item Name:	Produced Water Monitoring		
Allocation to Strategy:	1-1-1 Promote Energy Resource Development Opportunities		
OBJECTS OF EXPENSE:			
1001	SALARIES AND WAGES	580,690	580,690
1002	OTHER PERSONNEL COSTS	8,711	8,711
TOTAL, OBJECT OF EXPENSE		**$589,401**	**$589,401**
METHOD OF FINANCING:			
1	General Revenue Fund	589,401	589,401
TOTAL, METHOD OF FINANCING		**$589,401**	**$589,401**
FULL-TIME EQUIVALENT POSITIONS (FTE):		3.0	3.0

Agency code: **455** Agency name: **Railroad Commission**

Code Description	Excp 2028	Excp 2029
Item Name: Produced Water Monitoring		
Allocation to Strategy: 3-1-1 Oil and Gas Monitoring and Inspections		
OBJECTS OF EXPENSE:		
2009 OTHER OPERATING EXPENSE	626,328	626,328
TOTAL, OBJECT OF EXPENSE	**$626,328**	**$626,328**
METHOD OF FINANCING:		
1 General Revenue Fund	626,328	626,328
TOTAL, METHOD OF FINANCING	**$626,328**	**$626,328**

Agency code: **455** Agency name: **Railroad Commission**

Code Description	Excp 2028	Excp 2029
Item Name: Produced Water Monitoring		
Allocation to Strategy: 3-2-1 Oil and Gas Well Plugging and Remediation		
OBJECTS OF EXPENSE:		
2009 OTHER OPERATING EXPENSE	626,328	626,328
TOTAL, OBJECT OF EXPENSE	**$626,328**	**$626,328**
METHOD OF FINANCING:		
1 General Revenue Fund	626,328	626,328
TOTAL, METHOD OF FINANCING	**$626,328**	**$626,328**

Agency code: **455** Agency name: **Railroad Commission**

Code Description	Excp 2028	Excp 2029
Item Name: Oil & Gas Inspection Equipment Refresh		
Allocation to Strategy: 3-1-1 Oil and Gas Monitoring and Inspections		
OBJECTS OF EXPENSE:		
2009 OTHER OPERATING EXPENSE	1,803,300	0
TOTAL, OBJECT OF EXPENSE	**$1,803,300**	**$0**
METHOD OF FINANCING:		
1 General Revenue Fund	1,803,300	0
TOTAL, METHOD OF FINANCING	**$1,803,300**	**$0**

Agency code: **455** Agency name: **Railroad Commission**

Code Description		Excp 2028	Excp 2029
Item Name:	Oil and Gas Inspector Electric Safety Training		
Allocation to Strategy:	3-1-1 Oil and Gas Monitoring and Inspections		
OBJECTS OF EXPENSE:			
2001	PROFESSIONAL FEES AND SERVICES	502,875	502,875
2005	TRAVEL	75,000	75,000
TOTAL, OBJECT OF EXPENSE		**$577,875**	**$577,875**
METHOD OF FINANCING:			
1	General Revenue Fund	577,875	577,875
TOTAL, METHOD OF FINANCING		**$577,875**	**$577,875**

Agency code: **455** Agency name: **Railroad Commission**

Code Description		Excp 2028	Excp 2029
Item Name:	STOPTheft Investigation Coordinators		
Allocation to Strategy:	3-1-1 Oil and Gas Monitoring and Inspections		
OBJECTS OF EXPENSE:			
1001	SALARIES AND WAGES	1,095,856	1,095,856
1002	OTHER PERSONNEL COSTS	16,438	16,438
2009	OTHER OPERATING EXPENSE	315,000	315,000
TOTAL, OBJECT OF EXPENSE		**$1,427,294**	**$1,427,294**
METHOD OF FINANCING:			
1	General Revenue Fund	1,427,294	1,427,294
TOTAL, METHOD OF FINANCING		**$1,427,294**	**$1,427,294**
FULL-TIME EQUIVALENT POSITIONS (FTE):		21.0	21.0

Agency code: **455** Agency name: **Railroad Commission**

Code Description	Excp 2028	Excp 2029
Item Name: STOPTheft T-1 Online Tracking and Reporting System		
Allocation to Strategy: 1-1-1 Promote Energy Resource Development Opportunities		
OBJECTS OF EXPENSE:		
2001 PROFESSIONAL FEES AND SERVICES	2,800,000	600,000
TOTAL, OBJECT OF EXPENSE	**$2,800,000**	**$600,000**
METHOD OF FINANCING:		
1 General Revenue Fund	2,800,000	600,000
TOTAL, METHOD OF FINANCING	**$2,800,000**	**$600,000**
FULL-TIME EQUIVALENT POSITIONS (FTE):	0.0	0.0

Agency code: **455** Agency name: **Railroad Commission**

Code Description	Excp 2028	Excp 2029
Item Name: Vehicle Purchase		
Allocation to Strategy: 1-1-1 Promote Energy Resource Development Opportunities		
OBJECTS OF EXPENSE:		
5000 CAPITAL EXPENDITURES	875,000	875,000
TOTAL, OBJECT OF EXPENSE	**$875,000**	**$875,000**
METHOD OF FINANCING:		
1 General Revenue Fund	875,000	875,000
TOTAL, METHOD OF FINANCING	**$875,000**	**$875,000**

Agency code: **455** Agency name: **Railroad Commission**

Code Description		Excp 2028	Excp 2029
Item Name:	Vehicle Purchase		
Allocation to Strategy:	2-2-1 Regulate Alternative Fuel Resources		
OBJECTS OF EXPENSE:			
5000	CAPITAL EXPENDITURES	437,500	437,500
TOTAL, OBJECT OF EXPENSE		**$437,500**	**$437,500**
METHOD OF FINANCING:			
1	General Revenue Fund	437,500	437,500
TOTAL, METHOD OF FINANCING		**$437,500**	**$437,500**

Agency code: **455** Agency name: **Railroad Commission**

Code Description	Excp 2028	Excp 2029
Item Name: Vehicle Purchase		
Allocation to Strategy: 3-1-2 Surface Mining Monitoring and Inspections		
OBJECTS OF EXPENSE:		
5000 CAPITAL EXPENDITURES	437,500	437,500
TOTAL, OBJECT OF EXPENSE	**$437,500**	**$437,500**
METHOD OF FINANCING:		
1 General Revenue Fund	437,500	437,500
TOTAL, METHOD OF FINANCING	**$437,500**	**$437,500**

Agency Code: **455** Agency name: **Railroad Commission**

GOAL: 1 Oversee Oil and Gas Resource Development

OBJECTIVE: 1 Increase Opportunities for Oil and Gas Resource Development

STRATEGY: 1 Promote Energy Resource Development Opportunities

Service Categories:
Service: 37 Income: A.2 Age: B.3

CODE	DESCRIPTION	Excp 2028	Excp 2029
OBJECTS OF EXPENSE:			
1001	SALARIES AND WAGES	580,690	580,690
1002	OTHER PERSONNEL COSTS	8,711	8,711
2001	PROFESSIONAL FEES AND SERVICES	2,800,000	600,000
5000	CAPITAL EXPENDITURES	875,000	875,000
	Total, Objects of Expense	**$4,264,401**	**$2,064,401**
METHOD OF FINANCING:			
1	General Revenue Fund	4,264,401	2,064,401
	Total, Method of Finance	**$4,264,401**	**$2,064,401**
FULL-TIME EQUIVALENT POSITIONS (FTE):		3.0	3.0

EXCEPTIONAL ITEM(S) INCLUDED IN STRATEGY:

Produced Water Monitoring

STOPTheft T-1 Online Tracking and Reporting System

Vehicle Purchase

Agency Code: **455** Agency name: **Railroad Commission**

GOAL: 2 Advance Safety Through Training, Monitoring, and Enforcement

OBJECTIVE: 2 Alternative Energy & Safety Through Regulation

STRATEGY: 1 Regulate Alternative Fuel Resources

Service Categories:

Service: 36 Income: A.2 Age: B.3

CODE	DESCRIPTION	Excp 2028	Excp 2029
	OBJECTS OF EXPENSE:		
1001	SALARIES AND WAGES	536,136	536,136
1002	OTHER PERSONNEL COSTS	8,043	8,043
5000	CAPITAL EXPENDITURES	437,500	437,500
	Total, Objects of Expense	**$981,679**	**$981,679**
	METHOD OF FINANCING:		
1	General Revenue Fund	981,679	981,679
	Total, Method of Finance	**$981,679**	**$981,679**
	FULL-TIME EQUIVALENT POSITIONS (FTE):	6.0	6.0

EXCEPTIONAL ITEM(S) INCLUDED IN STRATEGY:

Pipeline and Propane Safety Inspection and Compliance

Vehicle Purchase

Agency Code: **455** Agency name: **Railroad Commission**

GOAL: 3 Min. Harmful Effects of Energy Prod & Ensure Fair Rates for Consumers

OBJECTIVE: 1 Reduce Occurrence of Environmental Violations

STRATEGY: 1 Oil and Gas Monitoring and Inspections

Service Categories:
Service: 36 Income: A.2 Age: B.3

CODE	DESCRIPTION	Excp 2028	Excp 2029
OBJECTS OF EXPENSE:			
1001	SALARIES AND WAGES	1,468,551	1,468,551
1002	OTHER PERSONNEL COSTS	22,029	22,029
2001	PROFESSIONAL FEES AND SERVICES	502,875	502,875
2005	TRAVEL	75,000	75,000
2009	OTHER OPERATING EXPENSE	4,182,128	2,378,828
	Total, Objects of Expense	**$6,250,583**	**$4,447,283**
METHOD OF FINANCING:			
1	General Revenue Fund	6,250,583	4,447,283
	Total, Method of Finance	**$6,250,583**	**$4,447,283**
FULL-TIME EQUIVALENT POSITIONS (FTE):		26.0	26.0

EXCEPTIONAL ITEM(S) INCLUDED IN STRATEGY:

Oil and Gas Staffing

Produced Water Monitoring

Oil & Gas Inspection Equipment Refresh

Oil and Gas Inspector Electric Safety Training

STOPTheft Investigation Coordinators

Agency Code: **455** Agency name: **Railroad Commission**

GOAL: 3 Min. Harmful Effects of Energy Prod & Ensure Fair Rates for Consumers

OBJECTIVE: 1 Reduce Occurrence of Environmental Violations

STRATEGY: 2 Surface Mining Monitoring and Inspections

Service Categories:
Service: 36 Income: A.2 Age: B.3

CODE	DESCRIPTION	Excp 2028	Excp 2029
OBJECTS OF EXPENSE:			
5000	CAPITAL EXPENDITURES	437,500	437,500
	Total, Objects of Expense	**$437,500**	**$437,500**
METHOD OF FINANCING:			
1	General Revenue Fund	437,500	437,500
	Total, Method of Finance	**$437,500**	**$437,500**

EXCEPTIONAL ITEM(S) INCLUDED IN STRATEGY:

Vehicle Purchase

Agency Code: **455** Agency name: **Railroad Commission**

GOAL: 3 Min. Harmful Effects of Energy Prod & Ensure Fair Rates for Consumers

OBJECTIVE: 2 Identify and Abate Environmental Threats

STRATEGY: 1 Oil and Gas Well Plugging and Remediation

Service Categories:
Service: 36 Income: A.2 Age: B.3

CODE	DESCRIPTION	Excp 2028	Excp 2029
OBJECTS OF EXPENSE:			
2009	OTHER OPERATING EXPENSE	100,626,328	626,328
	Total, Objects of Expense	**$100,626,328**	**$626,328**
METHOD OF FINANCING:			
1	General Revenue Fund	100,626,328	626,328
	Total, Method of Finance	**$100,626,328**	**$626,328**

EXCEPTIONAL ITEM(S) INCLUDED IN STRATEGY:

Emergency Well Plugging Program

Produced Water Monitoring

Agency code: **455** Agency name: **Railroad Commission**

Category Code / Category Name *Project Sequence/Project Id/ Name* OOE / TOF / MOF CODE		Est 2026	Bud 2027	BL 2028	BL 2029
	5005 Acquisition of Information Resource Technologies				
	1/1 PC Refresh				
	OBJECTS OF EXPENSE				
	Capital				
General	2009 OTHER OPERATING EXPENSE	$544,375	$544,375	$544,375	$544,375
	Capital Subtotal OOE, Project 1	$544,375	$544,375	$544,375	$544,375
	Subtotal OOE, Project 1	**$544,375**	**$544,375**	**$544,375**	**$544,375**
	TYPE OF FINANCING				
	Capital				
General	CA 1 General Revenue Fund	$123,137	$123,137	$82,798	$82,798
General	CA 5155 Oil & Gas Regulation	$421,238	$421,238	$461,577	$461,577
	Capital Subtotal TOF, Project 1	$544,375	$544,375	$544,375	$544,375
	Subtotal TOF, Project 1	**$544,375**	**$544,375**	**$544,375**	**$544,375**
	3/3 Inspection/Enforcement Tracking and Reporting System - Phase VI				
	OBJECTS OF EXPENSE				
	Capital				
General	2001 PROFESSIONAL FEES AND SERVICES	$1,276,979	$2,074,000	$0	$0
General	5000 CAPITAL EXPENDITURES	$0	$0	$3,000,000	$0
	Capital Subtotal OOE, Project 3	$1,276,979	$2,074,000	$3,000,000	$0
	Subtotal OOE, Project 3	**$1,276,979**	**$2,074,000**	**$3,000,000**	**$0**
	TYPE OF FINANCING				
	Capital				

Agency code: **455** Agency name: **Railroad Commission**

Category Code / Category Name *Project Sequence/Project Id/ Name* OOE / TOF / MOF CODE	Est 2026	Bud 2027	BL 2028	BL 2029
General CA 1 General Revenue Fund	$1,276,979	$2,074,000	$3,000,000	$0
Capital Subtotal TOF, Project 3	$1,276,979	$2,074,000	$3,000,000	$0
Subtotal TOF, Project 3	**$1,276,979**	**$2,074,000**	**$3,000,000**	**$0**
Capital Subtotal, Category 5005	$1,821,354	$2,618,375	$3,544,375	$544,375
Informational Subtotal, Category 5005				
Total, Category 5005	**$1,821,354**	**$2,618,375**	**$3,544,375**	**$544,375**
7000 Data Center/Shared Technology Services				
2/2 Data Center Services (DCS)				
OBJECTS OF EXPENSE				
Capital				
General 2001 PROFESSIONAL FEES AND SERVICES	$5,047,561	$10,232,813	$11,300,668	$11,708,103
Capital Subtotal OOE, Project 2	$5,047,561	$10,232,813	$11,300,668	$11,708,103
Subtotal OOE, Project 2	**$5,047,561**	**$10,232,813**	**$11,300,668**	**$11,708,103**
TYPE OF FINANCING				
Capital				
General CA 1 General Revenue Fund	$4,101,424	$5,662,897	$6,459,462	$6,692,352
General CA 5155 Oil & Gas Regulation	$946,137	$4,569,916	$4,841,206	$5,015,751
Capital Subtotal TOF, Project 2	$5,047,561	$10,232,813	$11,300,668	$11,708,103
Subtotal TOF, Project 2	**$5,047,561**	**$10,232,813**	**$11,300,668**	**$11,708,103**

Agency code: **455** Agency name: **Railroad Commission**

Category Code / Category Name *Project Sequence/Project Id/ Name* OOE / TOF / MOF CODE	Est 2026	Bud 2027	BL 2028	BL 2029
Capital Subtotal, Category 7000	$5,047,561	$10,232,813	$11,300,668	$11,708,103
Informational Subtotal, Category 7000				
Total, Category 7000	**$5,047,561**	**$10,232,813**	**$11,300,668**	**$11,708,103**
9500 Legacy Modernization				
4/4 Mainframe Transformation Phase V				
OBJECTS OF EXPENSE				
Capital				
General 2001 PROFESSIONAL FEES AND SERVICES	$11,138,986	$15,521,488	$21,475,647	$0
General 2009 OTHER OPERATING EXPENSE	$942	$0	$0	$0
Capital Subtotal OOE, Project 4	$11,139,928	$15,521,488	$21,475,647	$0
Subtotal OOE, Project 4	**$11,139,928**	**$15,521,488**	**$21,475,647**	**$0**
TYPE OF FINANCING				
Capital				
General CA 1 General Revenue Fund	$5,577,022	$6,299,284	$4,607,889	$0
General CA 5155 Oil & Gas Regulation	$5,562,906	$9,222,204	$16,867,758	$0
Capital Subtotal TOF, Project 4	$11,139,928	$15,521,488	$21,475,647	$0
Subtotal TOF, Project 4	**$11,139,928**	**$15,521,488**	**$21,475,647**	**$0**
Capital Subtotal, Category 9500	$11,139,928	$15,521,488	$21,475,647	$0
Informational Subtotal, Category 9500				
Total, Category 9500	**$11,139,928**	**$15,521,488**	**$21,475,647**	**$0**

Agency code: **455** Agency name: **Railroad Commission**

Category Code / Category Name *Project Sequence/Project Id/ Name* OOE / TOF / MOF CODE	Est 2026	Bud 2027	BL 2028	BL 2029
AGENCY TOTAL -CAPITAL	**$18,008,843**	**$28,372,676**	**$36,320,690**	**$12,252,478**
AGENCY TOTAL -INFORMATIONAL				
AGENCY TOTAL	**$18,008,843**	**$28,372,676**	**$36,320,690**	**$12,252,478**
METHOD OF FINANCING:				
Capital				
General 1 General Revenue Fund	$11,078,562	$14,159,318	$14,150,149	$6,775,150
General 5155 Oil & Gas Regulation	$6,930,281	$14,213,358	$22,170,541	$5,477,328
Total, Method of Financing-Capital	$18,008,843	$28,372,676	$36,320,690	$12,252,478
Total, Method of Financing	**$18,008,843**	**$28,372,676**	**$36,320,690**	**$12,252,478**
TYPE OF FINANCING:				
Capital				
General CA CURRENT APPROPRIATIONS	$18,008,843	$28,372,676	$36,320,690	$12,252,478
Total, Type of Financing-Capital	$18,008,843	$28,372,676	$36,320,690	$12,252,478
Total,Type of Financing	**$18,008,843**	**$28,372,676**	**$36,320,690**	**$12,252,478**

Agency Code: **455** Agency: **Railroad Commission**

COMPARISON TO STATEWIDE HUB PROCUREMENT GOALS

A. Fiscal Year - HUB Expenditure Information

Statewide HUB Goals	Procurement Category	HUB Expenditures FY 2024 % Goal	% Actual	Diff	Actual $	Total Expenditures FY 2024	HUB Expenditures FY 2025 % Goal	% Actual	Diff	Actual $	Total Expenditures FY 2025
11.2%	Heavy Construction	0.0 %	0.0%	0.0%	$0	$0	0.0 %	0.0%	0.0%	$0	$0
21.1%	Building Construction	100.0 %	100.0%	0.0%	$64	$64	0.7 %	0.7%	0.0%	$73	$10,249
32.9%	Special Trade	12.1 %	12.1%	0.0%	$2,500	$20,633	38.5 %	38.4%	0.0%	$4,975	$12,939
23.7%	Professional Services	100.0 %	100.0%	0.0%	$190,972	$190,972	0.0 %	0.0%	0.0%	$0	$0
26.0%	Other Services	42.1 %	42.1%	0.0%	$8,439,566	$20,051,573	62.9 %	62.9%	0.0%	$9,001,053	$14,301,848
21.1%	Commodities	44.4 %	42.9%	-1.6%	$10,050,550	$23,453,015	40.3 %	40.3%	0.0%	$1,000,531	$2,481,913
	Total Expenditures		**42.7%**		**$18,683,652**	**$43,716,257**		**59.5%**		**$10,006,632**	**$16,806,949**

B. Assessment of Attainment of HUB Procurement Goals

Attainment:

The Commission attained or exceeded five of six of the applicable statewide HUB procurement goals in FY 2024 and FY 2025.

Applicability:

The Heavy Construction, Building Construction, and Special Trade Construction categories are not generally applicable to agency operations.

Factors Affecting Attainment:

The statewide goals for Special Trade and Building Construction were not met because these services are generally not procured by the commission.

C. Good-Faith Efforts to Increase HUB Participation

Outreach Efforts and Mentor-Protégé Programs:

Attend outreach events and host events. Also be available to educate HUB's who want to do business with the State. The agency participates in external HUB Economic Opportunity Forums to identify HUBs capable of providing goods and services and to make procurement opportunities available.

HUB Program Staffing:

The RRC has a dedicated HUB Coordinator and a HUB assistant that promotes the HUB program internally and externally at economic forums. We also have two other staff members who assist with outreach and reporting for the program .

Current and Future Good-Faith Efforts:

Agency Code: **455** Agency: **Railroad Commission**

The RRC is dedicated and committed to including Historically Underutilized Businesses (HUBs) in the procurement process through four key elements:
(1) Executive Management Support;
(2) a strong emphasis on HUB vendor solicitation;
(3) HUB vendor outreach; and
(4) Educating RRC employees on the HUB program. The agency strives to exceed the overall statewide average percentage of HUB participation. The agency will use good-faith efforts to solicit HUB vendors for contract solicitations and will utilize qualified and capable HUB vendors .

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CFDA/ALN NUMBER/ STRATEGY		Exp 2025	Est 2026	Bud 2027	BL 2028	BL 2029
15.018.120	IIJA Energy Comm. Revitalization Pg					
3 - 2 - 1	OIL&GAS WELL PLUGGING & REMEDIATI	15,567,033	74,621,990	122,739,700	2,921,264	2,921,264
	TOTAL, ALL STRATEGIES	**$15,567,033**	**$74,621,990**	**$122,739,700**	**$2,921,264**	**$2,921,264**
	ADDL FED FNDS FOR EMPL BENEFITS	0	0	0	0	0
	TOTAL, FEDERAL FUNDS	**$15,567,033**	**$74,621,990**	**$122,739,700**	**$2,921,264**	**$2,921,264**
	ADDL GR FOR EMPL BENEFITS	**$0**	**$0**	**$0**	**$0**	**$0**
15.250.000	Regulation of Surface Coa					
3 - 1 - 2	SURFACE MINING MONITORING/INSPECT	1,535,413	1,379,016	1,951,068	1,543,188	1,543,188
	TOTAL, ALL STRATEGIES	**$1,535,413**	**$1,379,016**	**$1,951,068**	**$1,543,188**	**$1,543,188**
	ADDL FED FNDS FOR EMPL BENEFITS	0	0	0	0	0
	TOTAL, FEDERAL FUNDS	**$1,535,413**	**$1,379,016**	**$1,951,068**	**$1,543,188**	**$1,543,188**
	ADDL GR FOR EMPL BENEFITS	**$0**	**$0**	**$0**	**$0**	**$0**
15.252.000	Abandoned Mine Land Recla					
3 - 2 - 2	SURFACE MINING RECLAMATION	2,462,925	2,378,826	4,674,991	2,975,931	2,975,931
	TOTAL, ALL STRATEGIES	**$2,462,925**	**$2,378,826**	**$4,674,991**	**$2,975,931**	**$2,975,931**
	ADDL FED FNDS FOR EMPL BENEFITS	0	0	0	0	0
	TOTAL, FEDERAL FUNDS	**$2,462,925**	**$2,378,826**	**$4,674,991**	**$2,975,931**	**$2,975,931**
	ADDL GR FOR EMPL BENEFITS	**$0**	**$0**	**$0**	**$0**	**$0**
20.700.000	Pipeline Safety					
2 - 1 - 1	PIPELINE SAFETY	2,241,827	0	3,260,000	3,260,000	3,260,000
	TOTAL, ALL STRATEGIES	**$2,241,827**	**$0**	**$3,260,000**	**$3,260,000**	**$3,260,000**
	ADDL FED FNDS FOR EMPL BENEFITS	0	0	0	0	0
	TOTAL, FEDERAL FUNDS	**$2,241,827**	**$0**	**$3,260,000**	**$3,260,000**	**$3,260,000**
	ADDL GR FOR EMPL BENEFITS	**$0**	**$0**	**$0**	**$0**	**$0**
20.720.000	State Damage Prevention Program					
2 - 1 - 2	PIPELINE DAMAGE PREVENTION	120,049	0	0	0	0

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CFDA/ALN NUMBER/ STRATEGY		Exp 2025	Est 2026	Bud 2027	BL 2028	BL 2029
	TOTAL, ALL STRATEGIES	**$120,049**	**$0**	**$0**	**$0**	**$0**
	ADDL FED FNDS FOR EMPL BENEFITS	0	0	0	0	0
	TOTAL, FEDERAL FUNDS	**$120,049**	**$0**	**$0**	**$0**	**$0**
	ADDL GR FOR EMPL BENEFITS	**$0**	**$0**	**$0**	**$0**	**$0**
66.486.000	Underground Water Source Protection					
1 - 1 - 1	ENERGY RESOURCE DEVELOPMENT	440,041	80,911	320,000	0	0
	TOTAL, ALL STRATEGIES	**$440,041**	**$80,911**	**$320,000**	**$0**	**$0**
	ADDL FED FNDS FOR EMPL BENEFITS	0	0	0	0	0
	TOTAL, FEDERAL FUNDS	**$440,041**	**$80,911**	**$320,000**	**$0**	**$0**
	ADDL GR FOR EMPL BENEFITS	**$0**	**$0**	**$0**	**$0**	**$0**
66.817.000	State and Tribal Response Program					
3 - 2 - 1	OIL&GAS WELL PLUGGING & REMEDIATI	236,868	120,000	78,846	78,846	78,846
	TOTAL, ALL STRATEGIES	**$236,868**	**$120,000**	**$78,846**	**$78,846**	**$78,846**
	ADDL FED FNDS FOR EMPL BENEFITS	0	0	0	0	0
	TOTAL, FEDERAL FUNDS	**$236,868**	**$120,000**	**$78,846**	**$78,846**	**$78,846**
	ADDL GR FOR EMPL BENEFITS	**$0**	**$0**	**$0**	**$0**	**$0**

CFDA/ALN NUMBER/ STRATEGY		Exp 2025	Est 2026	Bud 2027	BL 2028	BL 2029
SUMMARY LISTING OF FEDERAL PROGRAM AMOUNTS						
15.018.120	IIJA Energy Comm. Revitalization Pg	15,567,033	74,621,990	122,739,700	2,921,264	2,921,264
15.250.000	Regulation of Surface Coa	1,535,413	1,379,016	1,951,068	1,543,188	1,543,188
15.252.000	Abandoned Mine Land Recla	2,462,925	2,378,826	4,674,991	2,975,931	2,975,931
20.700.000	Pipeline Safety	2,241,827	0	3,260,000	3,260,000	3,260,000
20.720.000	State Damage Prevention Program	120,049	0	0	0	0
66.486.000	Underground Water Source Protection	440,041	80,911	320,000	0	0
66.817.000	State and Tribal Response Program	236,868	120,000	78,846	78,846	78,846
TOTAL, ALL STRATEGIES		$22,604,156	$78,580,743	$133,024,605	$10,779,229	$10,779,229
TOTAL , ADDL FED FUNDS FOR EMPL BENEFITS		0	0	0	0	0
TOTAL, FEDERAL FUNDS		**$22,604,156**	**$78,580,743**	**$133,024,605**	**$10,779,229**	**$10,779,229**
TOTAL, ADDL GR FOR EMPL BENEFITS		**$0**	**$0**	**$0**	**$0**	**$0**

SUMMARY OF SPECIAL CONCERNS/ISSUES

455 Railroad Commission

CFDA/ALN NUMBER/ STRATEGY	Exp 2025	Est 2026	Bud 2027	BL 2028	BL 2029

Assumptions and Methodology:

CFDA 15.018
The Infrastructure Investment and Jobs Act of 2021 provided funding to address orphan wells. The Commission will receive the initial grant of $25 million in FY 2023. In FY 2024, the Commission will receive the phase one of the formula grant. The Texas portion of the formula grant is estimate to be $318.7 million.

CFDA 15.250 and 15.252
The Commission's Surface Mining Division receives 100% federal funding for the reclamation of abandoned mines in the state and 50% federal funding for the environmental regulation of current coal mining activities.

CFDA 20.700
The Commission's Pipeline Safety program falls under a federal/state partnership program administered by the U.S. Department of Transportation. The percent of funding is determined through a performance based allocation formula. Grant funds are now authorized to enhance the program with funding up to 80% of the enhanced program's costs. Enhanced funding is contingent on available funds to increase the state share equally with the increased federal share.

CFDA 66.433
Federal funding for the Oil and Gas Underground Injection Control (UIC) program was created on the basis of a 75% federal share with a 25% general revenue state share. Due to federal funding limitations, the state share represents closer to 75% of the UIC funding.

CFDA 66.817
The Commission's Oil and Gas division receives 100% federal funding to build and maintain an inventory of potential Brownfields sites and conduct a limited number of site assessments. Funding is anticipated to continue.

Potential Loss:

CFDA 20.700
The federal pipeline funding program is based on a 50% matching program, limited by the total amount of federal funds available. The Commission's programs are graded between 96% and 100%, however limited federal funding levels use up to 80% of the state's request as a base from which to apply grading ratios, resulting in a reduced funding level of the state's program.

Agency Code: **455** Agency name: **Railroad Commission**

FUND/ACCOUNT		Act 2025	Exp 2026	Est 2027	Est 2028	Est 2029
1	**General Revenue Fund**					
	Beginning Balance (Unencumbered):	$0	$0	$0	$0	$0
	Estimated Revenue:					
3035	Commercial Transportation Fees	2,886,872	2,846,141	2,800,000	2,800,000	2,800,000
3234	Gas Utility Pipeline Tax	50,917,146	40,603,286	4,000,000	4,000,000	4,000,000
3246	Compressed Natural Gas Licenses	55,575	175,481	100,000	100,000	100,000
3314	Oil & Gas Well Violations	2,454,698	2,937,813	2,600,000	2,600,000	2,600,000
3329	Surface Mining Permits	2,455,108	4,383,950	4,000,000	4,000,000	4,000,000
3717	Civil Penalties	1,200	4,250	0	0	0
3839	Sale of Motor Vehicle/Boat/Aircraft	391,997	480,936	200,000	200,000	200,000
	Subtotal: Actual/Estimated Revenue	59,162,596	51,431,857	13,700,000	13,700,000	13,700,000
	Total Available	**$59,162,596**	**$51,431,857**	**$13,700,000**	**$13,700,000**	**$13,700,000**
Ending Fund/Account Balance		**$59,162,596**	**$51,431,857**	**$13,700,000**	**$13,700,000**	**$13,700,000**

REVENUE ASSUMPTIONS:

The Railroad Commission general revenue collections are unappropriated and swept by the Comptroller of Public Accounts.

CONTACT PERSON:

Pamela Darden

Agency Code: **455** Agency name: **Railroad Commission**

FUND/ACCOUNT	Act 2025	Exp 2026	Est 2027	Est 2028	Est 2029
666 Appropriated Receipts					
Beginning Balance (Unencumbered):	$0	$0	$0	$0	$0
Estimated Revenue:					
3045 Railroad Commission Svs Fees	8,469	109	500	500	500
3245 Compressed Nat Gas Train & Exams	154,719	127,010	110,000	110,000	110,000
3719 Fees/Copies or Filing of Records	78,944	41,743	35,000	35,000	35,000
3722 Conf, Semin, & Train Regis Fees	1,702,563	1,615,692	1,500,000	1,500,000	1,500,000
3752 Sale of Publications/Advertising	2,752	1,478	1,500	1,500	1,500
3754 Other Surplus/Salvage Property	76	1,801	0	0	0
3802 Reimbursements-Third Party	231,461	498,109	63,000	63,000	63,000
3839 Sale of Motor Vehicle/Boat/Aircraft	130,338	126,920	100,000	100,000	100,000
Subtotal: Actual/Estimated Revenue	2,309,322	2,412,862	1,810,000	1,810,000	1,810,000
Total Available	**$2,309,322**	**$2,412,862**	**$1,810,000**	**$1,810,000**	**$1,810,000**
DEDUCTIONS:					
Expended/Budgeted	(2,309,322)	(2,412,862)	(1,810,000)	(1,810,000)	(1,810,000)
Total, Deductions	**$(2,309,322)**	**$(2,412,862)**	**$(1,810,000)**	**$(1,810,000)**	**$(1,810,000)**
Ending Fund/Account Balance	**$0**	**$0**	**$0**	**$0**	**$0**

REVENUE ASSUMPTIONS:

Conference, Seminar and Training Registration fees includes the annual Railroad Commission Regulatory Conference and the LP Gas Training Fees. The Commission assumes all revenue will be expended as intended.

CONTACT PERSON:

Pamela Darden

Agency Code: **455** Agency name: **Railroad Commission**

FUND/ACCOUNT	**Act 2025**	**Exp 2026**	**Est 2027**	**Est 2028**	**Est 2029**
888 Earned Federal Funds					
Beginning Balance (Unencumbered):	$0	$0	$0	$0	$0
Estimated Revenue:					
3702 Fed Receipts-Earned Federal Funds	2,860,643	3,234,426	3,234,426	2,700,000	2,700,000
Subtotal: Actual/Estimated Revenue	2,860,643	3,234,426	3,234,426	2,700,000	2,700,000
Total Available	**$2,860,643**	**$3,234,426**	**$3,234,426**	**$2,700,000**	**$2,700,000**
DEDUCTIONS:					
88th Leg SB1 - Article IX Section 13.10	(2,200,000)	0	0	0	0
89th Leg SB1 - Article IX Section 13.10	0	(2,398,509)	(2,398,509)	0	0
90th Leg	0	0	0	(2,700,000)	(2,700,000)
Benefits	(228,526)	(235,917)	(235,917)	0	0
Article IX - Section 13.10(b)	(432,117)	(600,000)	(600,000)	0	0
Total, Deductions	**$(2,860,643)**	**$(3,234,426)**	**$(3,234,426)**	**$(2,700,000)**	**$(2,700,000)**
Ending Fund/Account Balance	**$0**	**$0**	**$0**	**$0**	**$0**

REVENUE ASSUMPTIONS:

CONTACT PERSON:

Pamela Darden

Agency Code: **455** Agency name: **Railroad Commission**

FUND/ACCOUNT	Act 2025	Exp 2026	Est 2027	Est 2028	Est 2029
5155 Oil & Gas Regulation					
Beginning Balance (Unencumbered):	$44,694,508	$57,889,419	$105,000,000	$92,929,473	$91,726,562
Estimated Revenue:					
3310 Oil and Gas Surcharges	21,028,541	19,547,908	22,930,000	22,930,000	22,930,000
3313 Oil & Gas Well Drilling Permit	5,519,446	5,215,530	6,500,000	6,500,000	6,500,000
3314 Oil & Gas Well Violations	19,156,882	16,162,147	14,000,000	14,000,000	14,000,000
3338 Organization Report Fees	3,484,259	3,097,271	3,470,000	3,470,000	3,470,000
3339 Voluntary Cleanup Program Fees	23,731	24,300	17,000	17,000	17,000
3369 Reimburse for Well Plugging Costs	2,344,439	1,661,916	1,200,000	1,200,000	1,200,000
3373 Injection Well Regulation	28,500	17,100	36,000	36,000	36,000
3381 Oil-Field Cleanup Reg Fee - Oil	10,687,330	10,156,306	11,080,000	11,080,000	11,080,000
3382 RR Commission - Rule Except Fee	1,302,670	1,318,750	1,400,000	1,400,000	1,400,000
3383 Oil-Field Cleanup Reg Fee-Gas	8,082,767	7,936,003	8,855,000	8,855,000	8,855,000
3384 Oil & Gas Compl Cert Reissue Fee	1,577,023	1,375,950	1,200,000	1,200,000	1,200,000
3393 Abandoned Well Site Eqpt Disposal	1,735,132	2,891,247	1,600,000	1,600,000	1,600,000
3553 Pipeline Safety Inspection Fees	11,337,782	11,264,510	11,000,000	11,000,000	11,000,000
3592 Waste Disp Fac, Genrtr, Trnsprters	185,537	168,450	190,000	190,000	190,000
3727 Fees - Administrative Services	1,184,650	1,242,825	1,323,000	1,323,000	1,323,000
3767 Supply, Equip, Service - Fed/Other	0	1,303,624	0	0	0
Subtotal: Actual/Estimated Revenue	87,678,689	83,383,837	84,801,000	84,801,000	84,801,000
Total Available	**$132,373,197**	**$141,273,256**	**$189,801,000**	**$177,730,473**	**$176,527,562**
DEDUCTIONS:					
Expended/Budgeted	(74,483,779)	(77,267,130)	(90,771,922)	(79,904,306)	(63,036,547)
Transfer - SWCAP	(275,000)	(275,000)	(275,000)	(275,000)	(275,000)
Transfer - Employee Benefits	(4,324,605)	(4,324,605)	(4,324,605)	(4,324,605)	(4,324,605)
ERS Shared Cash	(3,499,274)	(1,776,147)	(1,776,147)	(1,776,147)	(1,776,147)
Total, Deductions	**$(82,582,658)**	**$(83,642,882)**	**$(97,147,674)**	**$(86,280,058)**	**$(69,412,299)**
Ending Fund/Account Balance	**$49,790,539**	**$57,630,374**	**$92,653,326**	**$91,450,415**	**$107,115,263**

Agency Code: **455** Agency name: **Railroad Commission**

FUND/ACCOUNT	Act 2025	Exp 2026	Est 2027	Est 2028	Est 2029

REVENUE ASSUMPTIONS:

CONTACT PERSON:

Pamela Darden