

STAFF REPORT

TEXAS GOVERNMENT AFFAIRS

Michael Lozano, PBPA

PBPA's legislative efforts have seen a very robust quarter including two legislative hearings hosted in the Permian Basin as well as several more in Austin.

In Midland, the House Energy Resources Committee met and PBPA was honored to join those members traveling across the state to the Permian Basin to discuss important issues facing the oil and gas industry. We are also very appreciative that several legislators joined in a rig tour of facilities in the Permian that allowed them to gain a greater understanding of the complex operations that our members deal with daily. PBPA President Ben Shepperd testified at this hearing and shared important perspectives about the challenges operators are seeing at the local, state, and federal level.

Just a few weeks later, the House Environmental Regulation Committee convened in Odessa to discuss some important environmental issues and Michael Lozano was invited by the committee to offer testimony on federal issues that the industry is addressing, including recent EPA efforts and other Biden Administration priorities. These legislators also had the opportunity to visit sites across the Permian Basin and learn more about how production has become more efficient over the years.

In addition to those events, interim hearings of standing committees in the House and Senate have continued, including the Senate Business and Commerce Committee which has been reviewing the implementation of Senate Bill 3 and other weather related efforts. PBPA has closely monitored these efforts and continues to encourage legislators to focus on where the greatest challenges occurred during the winter storm, being the practices that allowed generating units to fail.

Additionally, there are several Sunset Commission reviews that are of importance. These include the reviews of the Public Utility Commission and the Texas Commission on Environmental Quality. Both of the bills that reauthorize these agencies will bring important consequences to our operators, and we continue to engage with the Commission members and other industries to ensure a reasonable framework exists at both agencies to not impede the ability of oil and gas operations in Texas.

Additionally, throughout this quarter our focus has also been on the 88th Legislative Session that is now only weeks away. With just about 1,200 bills filed as of this writing, we continue to review each and every piece of legislation to ensure that we have an understanding of the focus of legislators and discuss with our legislative committee the best way to advocate for or against these measures. We are thankful for the large and continually growing ranks of this committee and look forward to a legislative session that encourages domestic production, funds and task our regulatory agencies appropriately, and ensure that the brightest days are ahead for the Permian Basin.