

STAFF REPORTS

TEXAS GOVERNMENT AFFAIRS

Michael Lozano, PBPA

This year, PBPA's Texas Legislative Committee continued its growth and impact in and around the towering pink dome of the Texas Capitol. Each week PBPA members gathered in person in Austin and Midland, and through Zoom in cities across the country to discuss the thousands of legislative proposals that could have profound impacts on the oil and gas industry on the Texas side of the Permian Basin.

But in truth our work began much earlier. With elections in November and pre-filing of legislation occurring shortly thereafter, PBPA began rolling up our sleeves well ahead of the opening day of the 88th Legislative Session.

As you all know, our members recognize the importance of legislative policy and the impact that it can have in encouraging or hindering oil and gas activity. With great effort PBPA reviewed the largest number of bills in history filed in both the Texas House and Senate to flag items that would bolster or diminish the dynamic growth occurring in the Permian Basin.

Each week our members would consider bills that were filed, and review them for recommendations to support, modify, or oppose. Additionally, PBPA testified in multiple committees across both the House and Senate in support and opposition to legislative proposals in order to appropriately advocate for our members interest.

The 88th Regular Session ran for 140 days between January and May and although there have been two called Special sessions, with another likely approaching in early October, PBPA is proud of the results delivered by the Texas Legislature.

Since that time, PBPA has been working diligently this quarter to monitor the state agency implementation of several important legislative enactments including legislation that reauthorizes the Public Utility Commission, the Electric Reliability Council of Texas, and the Texas Commission on Environmental Quality.

In addition PBPA Legislative Committee members have also been deeply engaged the Railroad Commissions efforts to modernize "Rule 8" facilities in their creation of a new Chapter 4. This rule will have far-reaching consequence for all operators in the stream and we have been deeply engaged providing feedback to ensure that the new rule creates reasonable progress toward enhancing environmental standards but does not unduly burden any operators in their current practices. We are continuing to assimilate comments on the proposal so please continue to share your thoughts with us or get engaged if you have not already.

During this interim we can expect to see many proposals that will create new regulatory burdens, grow state agencies enforcement powers and jurisdiction, and make it more difficult to explore and produce Permian Basin natural resources. This session was a success for all of the positive work that was done, but equally because of the harm that was prevented, but we must stay vigilant through the interim to continue to prevent these harmful idea from being enacted.

If you would like to get involved, please don't hesitate to contact PBPA staff. Our association is stronger because of your input. With your support we can continue to pursue policies that ensure that the Permian Basin remains the greatest and most economic region to operate in, as well as the greatest place to live, work, create jobs, and raise a family. We are honored to serve as your voice in Austin, as we have since 1961 and look forward to ensuring that our brightest days remain ahead.