

STAFF REPORT

TEXAS GOVERNMENT AFFAIRS

Michael Lozano, PBPA

PBPA continues to work with stakeholders on a variety of legislative issues, including upcoming “Sunset Reviews” of certain agencies, as well as engaging with Legislative Committees as they prepare to pursue their interim reports.

In addition to those issues, the work to continue to bolster grid reliability across the state continues and this quarter we saw the filing of critical infrastructure designation and exemption forms respectively. PBPA attended numerous meetings as well as workshops to help assist operators in their filings, as well as work directly with the Commission to offer feedback and gather information about the form filing, the upcoming creation of weatherization standards, and the mapping of the electricity supply chain as it focuses on natural gas production.

This issue continues to be a top priority for lawmakers and members of the association as it impacts all operators regardless of size, and for those that are mapped on the supply chain, will create additional requirements under the as of yet written weatherization rules.

To that end, PBPA has also been reviewing the Electric Reliability Council of Texas (ERCOT) nodal protocol revisions, the Public Utility Commission (PUC) rulemakings, as well as efforts by the Texas Electric Reliability Council (TERC). In all those include the public hearings of the PUC where discussions about ongoing alterations to the ancillary services market, as well as conversations about market redesign continue to be held.

At this time the Railroad Commission of Texas (RRC) is also focusing heavily on mapping discussions with the PUC relative to portions of the upstream gas sector and we expect to be engaged in the near future to review their efforts and offer feedback.

Interim committees have begun meeting as well and these will include several with focuses on oil and gas activity including House Energy, Environmental Regulation, and State Affairs committees as well as the Senate Natural Resources committee among others.

The Sunset Review process is also very important for the industry as the Texas Commission on Environmental Quality (TCEQ) and the PUC are being reviewed and we can expect recommendations in this next quarter.

With this election year continuing and the 88th Session set to begin in a little over 8 short months, the work done in the next few months will be instructive for lawmakers as they return in January 2023 and PBPA will continue to boldly represent your interests in the Texas Capitol.