

Subject: FW: Open Meeting Comments
Date: Wednesday, April 8, 2020 5:33:05 PM

From: W H <walt.hudson@gmail.com>
Sent: Wednesday, April 8, 2020 4:37 PM
To: RRC Conference <RRCConference@rrc.texas.gov>
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Consumers have long paid the market price for oil. When it was expensive for consumers, the executive teams of oil & gas companies paid themselves handsomely in spite of their having nothing to do with windfall profits that were a result of no work of their own, but rather the effect of robust demand and less robust supply growth. These companies borrowed money to further boost their output to justify again larger compensation for the executives in many cases tying compensation directly to metrics like production irrespective of those wells were long-term an economically sensible thing to do. Similarly the industry pushed for the freedom to export american oil to the rest of the world because prices were high and it was in their self interest.

Now, when prices are low, consumers benefit and it should be a belt tightening exercise for executives. Instead, these same management teams that pushed hard for more free markets and the ability to export are now pushing for cartel behavior that flies in the face of American free markets. The people behind a push for quotas know that if they file bankruptcy, most companies will be chapter 11 filings and the company will emerge with less debt and still employee thousands across the state. The only difference is the executives themselves stand to see substantial equity wiped out and potentially lose their jobs during a consolidation phase of companies that never really were big enough to begin with. It is embarrassing that a state like Texas is the state leading a move away from free markets and American ideals and towards consumer unfriendly, big government style controlled markets.

Pioneer, smartly on the back of this ramp in oil prices as a result of the quota discussion put in play by the Pioneer CEO, has rolled down its entire hedge book, proving they don't believe practically that this will work.

Vote for Texans, the people you represent. Workers will be fine as companies of all industries restructure and emerge stronger. Do not create a policy that unjustly enriches, already very wealthy executives. To paraphrase the old adage, nothing takes care of low prices like low prices.