

Wayne Christian, Chairman from the RAILROAD COMMISSION OF TEXAS

NEWS RELEASE

Texas Will Lead in Fight to Reduce Flaring By: Commissioner Wayne Christian

Over the past several months, the foundations of the Texas economy have been rattled. Jobs have been lost at heartbreaking speed, some businesses have closed, and others worry about their future.

As Chairman of the Railroad Commission of Texas, the agency that regulates the oil and natural gas industry, I take personal responsibility for ensuring that Texans have the energy needed to rebuild and grow, and that the industry can continue to operate responsibly, especially during these difficult times. The oil and gas industry is central to our lives and to the Texas economy, supporting hundreds of thousands of high-paying jobs and providing significant funding for our schools, universities and essential services. Being deliberate in our work to fortify our energy economy is a worthy undertaking.

In April, I announced the formation of a Blue Ribbon Task Force on Oil Recovery and challenged its members to look at every aspect of the industry and to make recommendations for what could be done to assist operators and save jobs. The Task Force focused on operations, permitting, timelines, tax policy and deadlines, storage capacity, and pipeline capacity, among other issues. The Commission acted swiftly to implement many of the recommendations to secure Texas oil and gas jobs, while maintaining health, safety, and environmental protections.

We recognize there is more work to be done. The Commission, Texas oil and gas operators, and a variety of stakeholders agree that we can further enhance operational and environmental performance in oil and gas operations by taking steps to reduce flaring and methane emissions.

Last fall, I instructed staff to analyze flaring in Texas. Their analysis showed that the average monthly statewide flaring rate since January 2014 has been about 1.24 percent, fluctuating between 0.8 percent to 2.2 percent. The data is taken from flaring amounts and gas production reported on operators' monthly production reports to the Commission.

While flaring intensity in Texas is lower than most other oil producing countries, we have a responsibility to lead, especially as the nation's number one producer of oil and gas. Due to shut-ins associated with COVID-19, I have heard anecdotally that flaring has been drastically reduced statewide. This makes now an opportune time to implement meaningful recommendations to reduce flaring before oil and gas production climbs back to previous highs.

At our last open meeting, I challenged the Blue Ribbon Task Force to continue its work to make recommendations for addressing flaring in Texas. My priorities are three-fold: To reduce flaring as a routine practice, to minimize the circumstances where safety necessitates flaring, and to bring the full weight of technology and innovation to bear to accomplish the goal.

Like every challenge this state and industry has faced, technology is the key to progress. Utilizing the Task Force to bring together industry experts, whose inventions and innovations have revolutionized the oil and gas

industry and contributed significantly to environmental progress, is a good starting place. Their operational and technical expertise, coupled with input from other stakeholders, will lead to a meaningful and sustainable path forward in reducing flaring.

At the Commission's regularly scheduled open meeting on Tuesday, I have invited members of the Task Force and other interested stakeholders, including representatives of environmental groups and oil and gas operators, to participate in these important and ongoing discussions.

I remain confident that the bright minds of Texas can come together to solve problems. Together we can continue to develop solutions that improve environmental performance while meeting the energy needs of the nation and the world.

A lifelong conservative businessman, Wayne Christian was elected as our 50th Texas Railroad Commissioner in November 2016. In June of 2019, Christian was elected to lead the agency as Chairman by his fellow commissioners. Prior to his time at the Commission, Christian served seven Sessions in the Texas House of Representatives, accumulating a strong record of standing for free markets and against burdensome regulations. In addition to his duties as Commissioner, Christian was appointed by Governor Greg Abbott to serve as the Official Representative of Texas on the Interstate Oil and Gas Compact Commission. Christian is married to his wife, Lisa, and together they have three daughters, Liza, Lindsey and Lauren. You can learn more about Commissioner Christian here: https://rrc.texas.gov/about-us/commissioners/christian/.

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