

August 3, 2020

The Honorable Wayne Christian The Honorable Christi Craddick The Honorable Ryan Sitton Railroad Commission of Texas

Dear Chairman Christian and Commissioners Craddick and Sitton:

We urge you to take action to eliminate the routine flaring of natural gas by 2025.

In the last seven years, the Commission has granted operators more than 27,000 permits to flare, resulting in the burning of nearly one trillion cubic feet of natural gas. Flaring rates in Texas are twice the rates in neighboring New Mexico. This profligacy wastes the state's fossil fuel resources, results in lost tax revenue, harms our environment and public health, and is a "black eye" for the state of Texas.

Gas that is flared or vented is lost to the atmosphere and cannot be used for energy. Since 2013, operators have flared enough gas to meet all of Texas' power, heating, and industrial needs for three entire years.⁵ In 2018, venting and flaring in just the Permian Basin wasted more natural gas than the annual gas use of Arizona and South Carolina.⁶ In addition, Texas does not collect taxes on most gas that is flared, preventing the state from gaining any revenue from wasted natural gas for the rainy day fund, schools, and roads.

Flaring is a significant source of global warming pollution. Methane, the primary component of natural gas, is a powerful greenhouse gas that causes 84 times more warming over 20 years than the same amount of carbon dioxide. Burning methane in a flare reduces its global warming impact because the combustion byproducts are primarily carbon dioxide and water vapor, which contribute to climate change, but less powerfully. However,

¹ "Pipeline giant sues Railroad Commission, alleging lax oversight of natural gas flaring," Texas Tribune, Dec. 3, 2019, https://www.texastribune.org/2019/12/03/railroad-commission-sued-lax-oversight-natural-gas-flaring/

² "A zero flaring policy is long overdue, and investors can help make it reality," Environmental Defense Fund, May 27, 2020, http://blogs.edf.org/energyexchange/2020/05/27/a-zero-flaring-policy-is-long-overdue-and-investors-can-help-make-it-reality/

³ "Crossing state lines? Oil firms flare Texas gas as investors vent on climate," Reuters, Mar. 12, 2020, https://www.reuters.com/article/us-climate-change-flaring-analysis/crossing-state-lines-oil-firms-flare-texas-gas-as-investors-vent-on-climate-idUSKBN20Z23C

^{4 &}quot;Oil Producers Are Burning Enough 'Waste' Gas to Power Every Home in Texas," Bloomberg, Apr. 10, 2019, https://www.bloomberg.com/news/articles/2019-04-10/permian-basin-is-flaring-more-gas-than-texas-residents-use-daily

⁵ "Ending natural gas flaring in Texas is only the beginning," Houston Chronicle, June 19, 2020, https://www.houstonchronicle.com/business/columnists/tomlinson/article/Ending-natural-gas-flaring-in-Texas-is-only-the-15350987.php

⁶ "Despite their promises, giant energy companies burn away vast amounts of natural gas," New York Times, Oct. 16, 2019, https://www.nytimes.com/2019/10/16/climate/natural-gas-flaring-exxon-bp.html#:~:text=But%20flaring%20releases%20carbon%20dioxide,gas%20in%20the%20shorter%20term

recent surveys have discovered that more than 10 percent of flares in the Permian Basin were malfunctioning, including five percent of flares that were not even lit, resulting in direct releases of methane into the atmosphere.⁷

Flaring also emits particulate matter, volatile organic compounds, and other toxic substances, which can have direct harm to human health. For example, a study published this month examining the Eagle Ford Shale region found that "pregnant women who lived near areas where flaring is common had 50 percent greater odds of giving birth prematurely than those who did not."

Fortunately, we have the means to eliminate flaring. According to ExxonMobil, their "experience in the Permian Basin demonstrates that zero routine flaring is within everyone's reach." The Texas Methane and Flaring Coalition "agrees we should strive to end routine flaring."

While individual company efforts are important and laudable, this needs to be the standard for all companies operating in Texas. According to JPMorgan Asset Management Group, "voluntary operator actions to reduce routine flaring, while necessary, have proven insufficient to deliver on the industry's full potential. Government and policymakers are well-positioned to ensure successful achievement of zero routine flaring. J.P. Morgan Asset Management supports policymakers developing regulations to achieve the objective of zero routine flaring by 2025. With related policies, regulations and enforcement mechanisms, zero routine flaring by 2025 represents an important and achievable goal." ¹¹

Developing a plan to end routine flaring in Texas is consistent with the statutory directive for the Commission to "do all things necessary for the conservation of oil and gas and prevention of waste of oil and gas." Such an achievement would also better protect our health and environment, steer the industry toward more responsible management of our resources, and remind the world once again of Texas' energy leadership.

Sincerely,

José Rodríguez

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Rafael Anchia House District 103

⁷ "Flaring aerial survey results," Environmental Defense Fund; Permian Map, accessed 28 May 2020, available at https://www.permianmap.org/flaring-emissions/

^{8 &}quot;Study Links Gas Flares to Preterm Births, With Hispanic Women at High Risk," New York Times, July 22, 2020, https://www.nytimes.com/2020/07/22/climate/gas-flares-premature-babies.html

⁹ "Reducing Natural Gas Flaring," EnergyFactor by ExxonMobil, accessed July 29, 2020, available at https://energyfactor.exxonmobil.com/perspectives/reducing-natural-gas-flaring/

¹⁰ "Flaring Recommendations and Best Practices," Texas Methane & Flaring Coalition, accessed Jun. 16, 2020, https://texasmethaneflaringcoalition.org/wp-content/uploads/2020/06/6-16-20-TMFC-Flaring-Recommendations-Best-Practices-Report.pdf

¹¹ "Tackling Flaring: Learnings from Leading Permian Operators," Gaffney Cline, June 2020, https://www.gaffneycline.com/sites/g/files/cozyhq681/files/2020-06/Tackling%20Flaring_Final.pdf

¹² Texas Natural Resources Code § 85-202(b)



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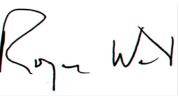
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