



309 East 11th St., Suite 2 • Austin, Texas 78701 • 512.477.1155 • www.citizen.org

To the members of the House Committee on Environmental Regulation.

Via hand delivery.

April 19, 2021

Re: HB 896 & HB 897 by Rep. Reynolds - Supporting testimony of Public Citizen

Dear Chairman Landgraf and members of the committee:

Public Citizen appreciates the opportunity to testify in support of two bills by Representative Ron Reynolds: HB 896, relating to air quality permits issued by the Texas Commission on Environmental Quality for certain oil and gas facilities; and HB 897, relating to the analysis of inspection and maintenance requirements for air quality permits issued by the Texas Commission on Environmental Quality for certain oil and gas facilities.

HB 896 requires new and existing modified facilities to establish a quarterly leak detection and repair (LDAR) program. LDAR is a proven strategy to reduce fugitive emissions at oil and gas facilities. Limiting fugitive emissions is in a facility's interest, as it means lost product and reduced efficiency.

HB 896 also requires new facilities to prohibit venting and limit flaring. These strategies will also limit waste and improve use of limited resources. Recent analysis suggests that the loss rate due to flaring could be as high as 3.5%, more than fifteen times more than previously believed.¹ It has been known for several years that Texas wastes enough methane through flaring to power every home in the state.² Given the recent consequences of limited gas supply during winter storm Uri, every effort must be made to reduce wasteful flaring.

Flaring is not only a wasteful practice, it is dangerous. Flaring is associated with a 50% increased risk of premature birth, based on an analysis of more than 23,000 births in the Eagle Ford Region from 2012 – 2015.³

Industry groups including the American Petroleum Institute support efforts to reduce flaring and methane emissions. The API recently applauded the establishment of the Texas Methane and Flaring Coalition, which represents 80% of oil and gas production in Texas.⁴

¹ See <https://blogs.edf.org/energyexchange/2020/04/21/new-data-finds-alarming-levels-of-methane-emissions-in-the-permian-posing-long-term-risk-for-oil-and-gas-portfolios/>.

² See <https://www.bloomberg.com/news/articles/2019-04-10/permian-basin-is-flaring-more-gas-than-texas-residents-use-daily>.

³ See <https://www.houstonchronicle.com/business/energy/article/Risk-of-premature-births-50-higher-for-mothers-15408663.php>.

⁴ See <https://www.api.org/news-policy-and-issues/news/2020/03/31/tep-statement-on-tx-coalition>.



309 East 11th St., Suite 2 • Austin, Texas 78701 • 512.477.1155 • www.citizen.org

HB 896 also limits volatile organic compound (VOC) emissions from storage tanks. VOCs can include dangerous chemicals such as the BTEX compounds—benzene, toluene, ethylbenzene, and xylene—which are all known human carcinogens.

HB 896 also limits nitrogen oxide emissions from compressor engines. Nitrogen oxides or NOX, along with VOCs, are the two precursors to ozone pollution. Reducing NOx and VOCs in the oil fields will help keep those areas in attainment of federal ozone pollution standards.

HB 896 allows for rulemaking to establish different standards for new and existing facilities and encourages the use of incentive programs to reduce emissions.

HB 897 requires the Texas Commission on Environmental Quality to study and report on best practices to limit flaring, venting, VOC emissions from storage tanks, and nitrogen oxide emissions from compressor engines. The report would consider both regulatory and incentive-based approaches and would allow the TCEQ to cooperate with the Railroad Commission to produce the study and report. The report would also be offered for public comment.

We support HB 896 & HB 897 because they will promote the use of inspection and maintenance programs and sensible controls to limit the emissions of dangerous air pollutants.

I appreciate the opportunity to offer this testimony and welcome questions at ashelley@citizen.org, 512-477-1155.

Respectfully,

Adrian Shelley, Texas Office Director, Public Citizen

CC: Rep. Alex Dominguez, Rep. Jay Dean, Rep. Vikki Goodwin, Rep. Kyle J. Kacal, Rep. John Kuempel, Rep. Penny Morales Shaw, Rep. Geanie W. Morrison, Rep. Ron Reynolds