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Date: February 11, 2025

To: Chairman Huffman and the Members of the Senate Committee on Finance

CC: Sen. Juan “Chuy” Hinojosa, Sen. Carol Alvarado, Sen. Paul Bettencourt, Sen. Donna Campbell, Sen. Brandon Creighton, Sen. Pete Flores, Sen. Bob Hall, Sen. Lois W. Kolkhorst, Sen. Robert Nichols, Sen. Angela Paxton, Sen. Charles Perry, Sen. Charles Schwertner, Sen. Royce West, Sen. Judith Zaffirini
Via hand delivery and by email.

From: Adrian Shelley (ashelley@citizen.org) and Kamil Cook (kcook@citizen.org)

Re: SB1, Article VI – Natural Resources – testimony by Public Citizen on the Railroad Commission and the Texas Commission on Environmental Quality

Dear Chairman Huffman and Members of the Committee:

Public Citizen appreciates the opportunity to provide these comments to the Senate Finance Committee on the General Appropriations Bill for the Railroad Commission (RRC) and the Texas Commission on Environmental Quality (TCEQ). We would welcome the opportunity to discuss our recommendations further.

Railroad Commission

Oil and Gas Orphaned Well Plugging and Underground Injection Well Investigation Team

As the RRC has noted, it costs the state of Texas more to clean up an actively leaking emergency well than to plug an existing orphaned or abandoned well. Plugging leaking emergency wells takes up extra time and money, costing Texans more money and a lower water quality. Marginal and orphaned well sites were also identified as a major cause of wildfires in the Texas Panhandle last year.¹

Time and money spent plugging existing wells saves Texans money in the long run, and thus we support the extra funding that the RRC requested in its emergency request for \$100 million to plug orphaned wells and \$2.7 million for 10 full time employees dedicated to investigating underground injection wells to better understand geyser blowouts and earthquakes.²

¹ See Texas House of Representatives, Investigative Committee on the Panhandle Wildfires, 2024 Report *available at* <https://www.house.texas.gov/pdfs/committees/reports/interim/88interim/House-Interim-Committee-on-The-Panhandle-Wildfires-Report.pdf>.

² See Drane, Amanda, “Leaked memo details \$100M emergency request to address Texas oil well blowouts, contamination” (November 1, 2024) *Available at* <https://www.houstonchronicle.com/news/investigations/article/texas-regulators-seek-100m-respond-oil-well-19872200.php>.



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If this money is awarded, we hope to see the number of orphaned wells plugged with state-managed funds to increase from the currently set amount of 1,700 per year this biennium.

We Support these Additional Exceptional Items

We also support the exceptional items that the RRC is requesting funding for like the Produced Water and Injection Data Reporting System, the capital investments, and the items that make public accountability greater like the microfilm upgrades, the GIS cloud computing upgrades, and the Oil and Gas Authorized Pit Registration System.³ All of these upgrades improve the functioning of the RRC as well as its measures for public accountability.

Texas Commission on Environmental Quality (TCEQ)

Fund 115 new staff members and provide salary increases to current staff for TCEQ to improve air and water quality enforcement.

We have consistently supported the agency's requests for funding for more staff and for salary increases for existing staff. Retention and failure to attract strong new talent are both ongoing issues that limit the effectiveness of the agency.

However, in supporting the agency's request for more staff capacity, we would like to see the TCEQ use its staff resources more effectively. We are often told, for example, that the agency doesn't have the capacity to perform real-time interpretation into Spanish of public meetings. Sometimes all the agency sometimes has capacity for is interpretation of an attendee's spoken comments in Spanish into English for the benefit of the agency staff. Additional staff resources could be put to offering real-time interpretation of the entirety of each public meeting.

There is also evidence that a lack of staff capacity has diminished the agency's use of mobile air monitoring resources. Although the TCEQ's fleet of mobile air monitoring vehicles increased in recent years to five, these vehicles are not being used to their capacity.⁴

\$4.5 million should be allocated for particulate matter monitoring in counties that could violate federal air quality standards in the future.

TCEQ Rider 7 provides air monitoring funds for areas that are near nonattainment for federal air pollution standards. Rider 7 currently includes \$4.5 million for air monitoring for ozone and \$2.5 million for fine particulate matter (PM_{2.5}). Because the National Ambient Air Quality Standard

³ See Railroad Commission of Texas, "Revised Legislative Appropriations Request" (August 30, 2024) available at <https://www.rrc.texas.gov/media/yxyowmwu/lar-26-27.pdf>.

⁴ See Baddour, Dylan and Peter Aldhous, "How Texas Diminished a Once-Rigorous Air Pollution Monitoring Team" Texas Observer (8 Oct. 2024) available at <https://www.texasobserver.org/texas-air-pollution-monitoring-tceq-team/>.



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(NAAQS) for PM_{2.5} was recently reduced, there are many areas of the state that are now in near-nonattainment of the standard.

We suggest increasing the PM_{2.5} funding to \$4.5 million. Funding data collection through monitoring now may help certain counties avoid a future nonattainment designation. A nonattainment designation can have economic consequences for a region of hundreds of millions to billions of dollars over several decades. An investment in monitoring resources now to avoid future designations is prudent. It will also benefit public health, as reduced air pollution will save lives and prevent hospitalizations for asthma attacks, heart attacks, and other health conditions exacerbated by PM_{2.5} pollution.

\$5 million is needed for air quality monitors to track methane, hydrogen sulfide, and other harmful pollutants.

Although Texas has a robust air monitoring network for the pollutants regulated by the Clean Air Act's National Ambient Air Quality Standards (NAAQS), there are other monitoring needs for specific pollutants. Oil and gas activity in the state make monitoring for methane and hydrogen sulfide especially important in certain areas.

Do not cut funding for the TCEQ's Environmental Radiation and Perpetual Care Account to fund future radioactive site cleanups.

Previous state budgets have included TCEQ Rider 14, which dedicates \$3 million each biennium to the Environmental Radiation and Perpetual Care Account. This account is dedicated funding to remediation any accidental release of radioactive material in Texas. Cleanups and nuclear sites with radioactive contamination can easily reach hundreds of millions to billions of dollars.⁵

The Environmental Radiation and Perpetual Care Account No. 5158 is estimated to have \$17,895,000 at the end of FY 2025.⁶ This isn't nearly enough to cover even a single significant nuclear accident in Texas, which is host to two active nuclear power plants and a low-level radioactive waste storage facility. Texas should continue growing the Perpetual Care Account as long as it continues to host nuclear material. This account may become even more important if advanced nuclear energy projects come to pass. As a final budget note, we hope that taxpayer dollars are not spent on expensive, unproven new nuclear technologies.

Thank you for the opportunity to provide these comments.

⁵ See, e.g., "Congress Increases Funding for USW Nuclear Cleanup Sites" USW (31 Jan., 2020) available at <https://usw.org/news/congress-increases-funding-for-usw-nuclear-cleanup-sites/>.

⁶ "Biennial Revenue Estimate, 2026-2027 Biennium" Glenn Hegar, Texas Comptroller of Public Accounts (13 Jan. 2025) at p. 87 available at <https://comptroller.texas.gov/transparency/reports/biennial-revenue-estimate/2026-27/docs/bre-2026-27.pdf>.