



AUGUST 2021

# Energy News

From the Field Photo  
Summer Day/Baylor County  
Photo by Clint Sissom



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## Upcoming Events

RRC Regulatory Webinars

September 2, 2021 -Online

RRC Open Meeting

September 14, 2021

[VIEW MORE RRC EVENTS ▶](#)

[VIEW OPEN MEETING WEBCASTS ▶](#)

# Staff Changes for Commissioner Wright's Office

Railroad Commissioner Jim Wright welcomed Aaron Krejci as his new Director of Public Affairs.

"I'm excited to have Aaron join my team," said Commissioner Wright. "His experience in Congress and the Executive Branch to reform and streamline regulations will be an asset to my office and the Commission. I'd also like to thank Kate Zaykowski for her dedication and tireless work during our time together, and I wish her well in the next chapter of her career."

Prior to joining Commissioner Wright's office, Krejci served in the Trump Administration where he worked to promote the Administration's regulatory reform agenda at the federal and state level, most recently as the Southwest Regional Representative for the U.S. Department of Labor.

A native of Plano, Texas, Krejci is a graduate of Texas Tech University with a degree in Political Science.



# Rate of Flaring in Texas' Oil & Gas Fields Continues Years Long Downward Trend

The rate of flaring in Texas' oil and gas fields has significantly declined over the last two years.

As seen in the following chart, the most recent Railroad Commission production data shows that the percentage of natural gas flared compared to the natural gas produced from oil and gas wells in Texas dropped from a high of 2.29% in June 2019 to 0.65% in May 2021. During the same period, the volume of gas flared decreased by approximately 73%.

The average percentage of natural gas flared has remained below 2% statewide since October 2019, making Texas one of the lowest in flaring rates among all large producing states in the nation.

This means the vast majority of natural gas is being captured and used for beneficial purposes, which is a much-needed fuel for electric generation; a basis for alternative fuels, LNG, CNG, and LPG; and used in a wide variety of products, such as plastics, synthetic fibers for advanced clothing, paints, fertilizers, medicines, antifreeze, and more.

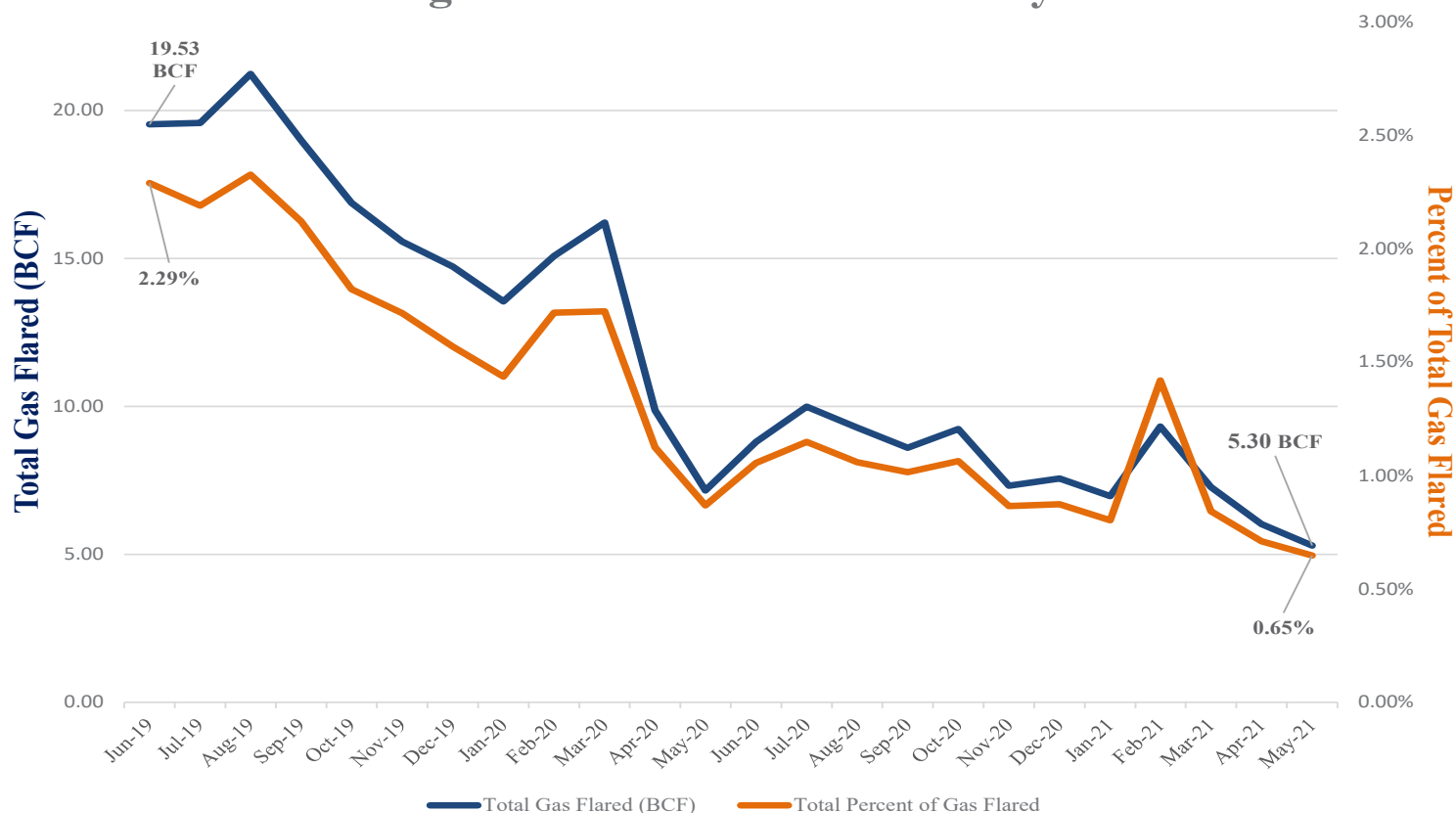
"The facts are clear. Texas is seeing significantly reduced flaring rates as a result of improved technologies, infrastructure and regulatory processes," said RRC Chairman Christi Craddick. "Through hard work and collaboration, Texans are better off with more natural gas available for beneficial use. I am grateful for the efforts of Railroad Commission staff and the commitment from operators to reduce flaring rates and look forward to continued progress."

"A clean environment and a thriving oil and gas industry are not mutually exclusive," said Commissioner Wayne Christian. "Technological innovation has allowed operators to reduce waste, without impacting the tremendous impact oil and gas production has on our economy, state budget and our goal of energy independence."

"The numbers released today are particularly notable given Texas' outsized contributions to our nation's energy needs," said Commissioner Jim Wright. "According to EIA in 2020, Texas produced one-fourth of the nation's natural gas, and annual production reached a high of more



## Flaring in Texas: June 2019 to May 2021



than 10 trillion cubic feet for the second year in a row. These trendlines reaffirm our commitment to utilizing our natural resources safely and efficiently.”

Since spring 2020, RRC has been working to improve its processes to reduce flaring in the state. Actions that the agency’s commissioners have taken, following periods of public input, include:

- On Nov. 4, approved a revamped Form R-32, Application for Exception to Statewide Rule 32, which provides specific guidance on when an exception to flare would be permissible, under which circumstances, and for how long. The new procedures with the form generally tighten up periods for administrative exceptions to flare gas, provides incentives for operators to use technologies that reduce flaring, require operators to provide specific justification for their need for an exception to flare and provides additional datapoints to facilitate compliance audits.

- On Feb. 23, approved a revised Form PR, Monthly Production Report, which is being phased in and will be in full effect on Jan. 1. The revised form requires operators to report the amount of gas flared and the amount of gas vented as separate values on the monthly report instead of as a single value for an entire lease, putting RRC in better position to track compliance and correct potential violations.

In addition to the actions by commissioners, RRC launched an online system for requesting exceptions to Rule 32, resulting in better data collection and analysis.

Operators also have a right to request a hearing for requests for an exception to flare, which are ultimately decided upon by commissioners. For those cases, Hearings Division staff have more critically examined long-term hearing requests and have limited the outcomes of these requests.

# Free Call to **811** Before Digging Will Help Keep You Safe

## *RRC Program Making Strides to Prevent Damage to Pipelines*

RRC works diligently to prevent damage to pipelines, which can threaten public safety and environment. Pipelines and other important underground utilities can easily be severed when unsuspecting individuals dig haphazardly, potentially risking harm.

RRC collaborates with Texas 811 to highlight the critical importance of calling 811, which is required by law, before digging. By doing so, utility locators mark areas that should not be dug into on properties.

RRC's Pipeline Damage Prevention focuses much of its efforts on education to help prevent pipeline incidents. On Aug. 11, National 811 Day, RRC held a damage prevention seminar, "811 and the Texas Damage Reporting Form," which focused on informing operators of the rules involving excavating and calling 811 for requests to locate. The seminar included an explanation of the Texas Damage Reporting Form, which is required after a pipeline incident.

### **Damage Prevention Summit**

The Texas811 Damage Prevention Summit will be held Nov. 15-17 at the Embassy Suites in Denton.

**Excavators, pipeline operators, locators, and others can click this link to learn more and to register.**

"While pipelines are the safest means to transport hydrocarbons, they must remain intact to efficiently carry out their intended purpose," said Ryan Hejl, the Railroad Commission's Pipeline Damage Prevention Manager. "It's not just pipelines that could be under the ground at people's homes. There could also be water and sewer lines, electric cables, and other utilities. It's better to call 811 before moving a bunch of dirt and potentially hurting yourself."

Throughout the year, RRC staff attends outreach to ensure the public understands the law and avoids tragic encounters with pipelines.

Staff has attended 51 such events, virtually or in-person, so far this fiscal year.

Since the Railroad Commission's Pipeline Damage Prevention program started on Sept. 1, 2007, the state has made significant progress in reducing incidents resulting in pipeline damage. Pipeline damage is not as common as it used to be because people are calling before digging. In 2008, there were 6.44 pipeline damage incidents per 1,000 requests to locate underground utilities. In 2020, the number has dropped to 2.5 incidents per 1,000 requests to locate.

A request to locate can also be made via the Texas811 website at <https://www.texas811.org/>





# RRC Accepting Comment on Proposed Revisions to Pipeline Online Permitting System Cover Letter

RRC is accepting public comment on proposed revisions to the Pipeline Online Permitting System Cover Letter Form (POPS CL Form) and associated instructions.

Each application type in the Pipeline Online Permitting System (POPS) requires a cover letter with different information based on the type of application submitted. The proposed changes to the POPS CL Form will replace approximately 12 templates that a pipeline operator must download, interpret, and customize to create their own version of an application cover letter. The proposed form will prompt an operator to fill out only the required information based on the type of application selected.

Public comments will be accepted through Sept. 3. To view the proposed revisions and submit a comment, visit the Proposed Form Amendments page on the RRC website click on “Oversight and Safety Proposed Form Amendments”.

***VIEW PROPOSED FORM REVISIONS***



# Legislative Target for Pipeline Safety Inspections Exceeded Early

RRC's field inspectors are its frontline workers ensuring statewide rules that protect public safety and the environment are upheld.

Among the areas the RRC has been excelling in is with pipeline safety special investigations. In fact, the agency had completed more than 1,800 such inspections by early August. The Legislature's target measure for the agency is 1,200 accident and special investigations by the end of August.

This is the seventh year in a row the commission has exceeded the legislative goal.

The RRC enforces both state and federal regulations for more than 248,000 miles of intrastate pipelines, including natural gas and LP-gas distribution lines, hazardous liquid and natural gas transmission lines, hazardous liquid, and natural gas regulated gathering lines.

In addition to regular comprehensive inspections, special investigations involve program evaluations of nearly 1,600 operators in the state on behalf of the federal Pipeline Safety and Hazardous Materials Administration. This includes RRC pipeline inspectors looking at such things as operation and maintenance manuals, operator qualification manuals, integrity management plans, distribution plans, and more.

"These types of inspections require inspectors to have certain types of qualifications required by the federal government," said Stephanie Weidman, RRC Director of Pipeline Safety. "Our inspector retention levels are higher than they ever have been which allows us to continue to qualify more inspectors and complete more inspections."

RRC's pipeline safety inspectors make it possible for the state to be a leader in pipelines, which are the most efficient means to safely transport large amounts of natural gas, oil, and other hazardous liquids. The Texas Pipeline Association estimates that a 20-inch pipeline running 50 miles can replace 1,650 tanker trucks carrying oil on the road. Pipelines also help reduce flaring by alleviating potential backing up of supply at the point of production.



*Pipeline project in Blanco County*





*Construction in Hill Country*

In recent sessions, the Legislature has assisted RRC's mission to ensure safety with additional funding for pipeline safety and inspectors.

As part of the agency's computer system modernization, it launched the online Pipeline Inspection Permitting and Evaluation System (RRC PIPES) in July. RRC PIPES is a centralized portal in which RRC staff and operators upload documents, including inspection and incident reports, and make more documents available to the public online.



# RRC's Pipeline Inspectors Ensure Protection of Public Safety, Environment

## Agency Working to Improve Accident Response, Add Oversight of Gas Storage Facilities

Joe Rusk is passionate about pipeline safety – and for good reason.

In the early 1980s, Rusk – who is currently a senior RRC Pipeline Safety inspector – was learning about pipeline maintenance while working for an operator at a compressor station in the Panhandle. He occasionally helped his more experienced coworkers and soaked up their skills.

Sadly, a deadly incident at that station is a memory that has stayed with Rusk throughout his career. He worked for more than three decades in the private sector, and eventually the Railroad Commission, where protection of public safety and the environment are critical parts of the mission.

“It is important to me that these pipeline companies operate their pipelines safely,” said Rusk, who has been with the RRC for four years now.

The agency enforces both state and federal regulations for intrastate pipelines state, including natural gas and LP-gas distribution lines, hazardous liquid and natural gas transmission lines, and hazardous liquid and natural gas regulated gathering lines

The RRC has the same core interests as pipeline companies.

“When you are in the industry, there is a mindset, ‘Oh no, they coming to get us,’ though you don’t have anything to hide,” Rusk said. “We both have the same goal. They want a safe pipeline system. I want a safe pipeline system.”

Rusk worked for Atmos before joining the RRC. He worked on pipeline safety, including time over the

company’s leak detection department for its Amarillo distribution system.

“I would go on Railroad Commission inspections on the operator side,” Rusk said. “It didn’t make me nervous. I knew all my stuff was right.”

He had to reassure his coworkers that RRC inspectors were helping.

When the RRC inspects a pipeline, it’s an opportunity for operators to understand where they might need to improve. Inspectors review paperwork to make sure it’s current and ensure operators have done all necessary maintenance tasks, such as leak surveys and valve checks.

Then these documented activities are verified by the inspector.

“We go out into the field and watch them perform those tasks, like say, operate a valve; operate a regulator station, make sure it is working properly; go to back to where they had leaks repaired, make sure they are not leaking.”

Sometimes, a corroborating message from an RRC inspector might provide weight to an operator’s recommendation for infrastructure improvements.

Over his vast experience working with pipelines, Rusk said he has seen positive improvements, especially with pipeline safety regulations and also with the culture of companies. This includes the creation of RRC’s Damage Prevention section in 2007,





which focuses on preventing physical damage to pipelines. Damage Prevention and Pipeline Safety are both under the RRC's Oversight and Safety Division and work closely together.

Pipeline Safety also works closely with the federal Pipeline and Hazardous Materials Safety Administration. All RRC field inspectors attend extensive training from PHMSA in its Oklahoma City training center and also online since the Covid pandemic began.

RRC's field inspectors are as thorough as possible to prevent potential incidents and accidents, and if those occur, field inspectors respond to investigate whether pipeline operators have complied with all safety regulations and were taking proper care of the pipeline as required.

"You don't want to respond to where a fatality occurred," Rusk said.

Preventing such tragedies motivates Rusk every day in his work as a pipeline inspector.



# RRC's Pipeline Inspectors - *continued*

## Improving Accident Response

In an effort to improve responses to accidents, Pipeline Safety earlier this year created a new position: accident investigation lead.

The first to hold the position is **Godspower Oniovosa**, who has been with the RRC as a pipeline inspector since 2017.

“My job is to add subject-matter expertise,” he said.

Pipeline Safety inspectors in the district offices – which are positioned throughout the state – respond directly to accidents and investigate them.

“I support inspectors during their investigations,” said Oniovosa, who is based in the Houston District. “I advise the inspectors to make sure every area is covered and make sure the root cause of the accident is discovered.”

He reviews and approves accident and incident investigation reports. As part of his position, he

is developing training to support his fellow pipeline inspectors be better prepared when they need to respond to an emergency event.

Pipeline Safety inspectors report to incident command, which is headed up by first responders, and conduct their investigations at a safe distance. They do not directly work near the source of an event until given clearance by incident command.

Before RRC, Oniovosa began work as a geologist in 2000 in Nigeria, which has a large oil and gas industry. He held a variety of positions in the industry, including in oil production and with a servicing company, getting his first taste of pipeline work.

He initially came to the United States because he was interested in earning a master's degree in operational management. Before finally pursuing and finishing the master's, though, he learned about and completed an applied







technology degree at Houston Community College. HCC students participated in the completion of a well in West Texas.

He worked for a short time in the oil and gas industry in Texas and then joined the RRC. Before advancing into his current position, Oniovosa served as a trainer and mentor for new pipeline field inspectors.

“Pipeline inspection starts with oversight,” he said. “We make sure companies are doing what they are supposed to be doing and keep the

product inside the pipes. What we do has real consequences of protecting people’s lives and the environment.”

He is appreciative of the opportunities he has had as an RRC inspector and now accident investigation lead.

“I’m looking forward to the daily work challenges,” Oniovosa said. “Every day I wake up, it a different thing. That is what I enjoy, serving the public.”







# RRC's Pipeline Inspectors - *continued*

## New Horizon for Pipeline Safety

With Winter Storm Uri affecting Texas in February, there has been an increased interest in natural gas storage.

Natural gas storage facilities in Texas, which are in geologic formations under the ground, are currently under the federal oversight of PHMSA, which has encouraged RRC to apply for certification to take over safety inspections of such facilities in the state.

In order to take over enforcement of federal regulations, equivalent rules need to be adopted in the Texas Administrative Code. That process has been underway.

RRC's commissioners in June authorized the publication of proposed rules for natural gas storage in June.

Pipeline Safety inspector Mark Lay, who has been with the RRC since 2004, has been designated as the natural gas storage lead.

He noted an incident at a natural gas storage facility in California in 2015 put an emphasis on improving safety of such facilities.

Lay, who is based in RRC's Kilgore office, has been shadowing PHMSA inspections of natural gas storage facilities along with a handful of other RRC pipeline inspectors from the Houston District.

"We are being shown what these inspections entail and getting an overview. We are working toward becoming a one-stop shop," said Lay, who worked as an engineer before coming to the RRC. At the agency, he previously worked as an oil and gas field inspector, including time as an H2S coordinator and as a district clean-up coordinator.

Natural gas storage gives both electric and gas utilities the ability to buy gas when it is cheap and to have more readily available during challenging weather events, such as in February.

"There is definitely a need for these facilities," Lay said. "Most are depleted reservoirs and aquifers. They inject gas back in to feed the supply and demand curve."

He noted that storage facilities are also created within salt formations. Operators create caverns by dissolving the salt and ensuring it can hold pressure. Most of these types of facilities are along the coast.

"I'm looking forward to what the commission does next with this underground storage program," Lay said. "I think we deserve a say in what happens in Texas."

# Revisions to CNG Forms Adopted

RRC adopted revisions to the CNG Form 1500, Application to install CNG Facility (Aggregate Storage Capacity of 84,500 Standard Cubic Feet or More), CNG Form 1500A, Notice of Proposed Compressed Natural Gas (CNG) Installation, and CNG and CNG Form 1501, Completion Report for CNG Commercial Installation of 240 Standard Cubic Feet Water Volume or Less.

The form revisions are related to recent amendments to 16 Texas Administrative Code Chapter 13 that went into effect Feb. 15. The revised forms also include updates to the current department and division names.

The CNG forms are available for download from the RRC website.

[\*\*VIEW ALTERNATIVE FUELS CNG FORMS\*\*](#)



# Continuing Education for Propane Certification Available

Individuals certified by the RRC in the safe transportation, storage, distribution and use of liquefied petroleum gas, commonly referred to as propane, are required to complete continuing education every four years to renew their certification.

Continuing education classes can be taken year around, including before certification renewal notices are sent out. Individuals can check their continuing education due date on their certification card to determine if they need to attend continuing education before May 31, 2022.

The RRC has successfully launched an alternative fuels online training program and is offering continuing education classes. Registration is first come, first served.

To register for classes, visit the RRC website

[\*\*VIEW ALTERNATIVE FUELS CLASSES\*\*](#)

If you have questions, contact the RRC at  
[training-exams@rrc.texas.gov](mailto:training-exams@rrc.texas.gov) and 512-463-2682.

# Chairman Craddick

## COMMISSIONERS' CORNER



This month, Chairman Craddick spoke at the West Texas Legislative Summit in San Angelo, Texas. Alongside Congressmen, Texas Legislative leaders, and industry professionals, Chairman Craddick discussed the critical need for additional pipeline infrastructure in Texas. By facilitating oil and gas producers moving their product to market, we can bolster Texas jobs, improve the economy, and protect our national security by decreasing the need for foreign oil.

Additionally, Chairman Craddick received an update from the University of Texas' Bureau of Economic Geology (BEG). The BEG is comprised of researchers who study environmental, economic, and energy-related issues across the state. Notably, the BEG partners with the Railroad Commission to collect and analyze data related to seismic activity. As a member of the Advisory Board, Chairman Craddick understands the valuable information this group provides to Texas.



# Commissioner Christian

COMMISSIONERS' CORNER



This month, Commissioner Wayne Christian wrote a letter to President Joe Biden encouraging him to reconsider discussions with OPEC+ and instead unleash the private sector to produce oil domestically in America. You can view the formatted letter here:

[\*\*\*READ THE COMMISSIONER'S LETTER\*\*\*](#)



# Commissioner Wright

COMMISSIONERS' CORNER

Earlier this month, Commissioner Wright explained how additional investments in our energy infrastructure could increase grid reliability, lower electricity costs, and benefit our environment through the more efficient use of our natural resources in an op-ed entitled, “Reduce Emissions and Fix the Grid by Incentivizing Better Natural Gas Infrastructure.”

[\*READ MORE HERE\*](#)



# Oil & Gas Production Statistics

View monthly production totals of crude oil, condensate and total oil; and of gas well gas, casinghead gas, and total natural gas.

[VIEW CURRENT PRODUCTION STATISTICS ▶](#)

# Enforcement Actions

The Commission has primary oversight and enforcement of the state's oil and gas industry and intrastate pipeline safety. View RRC's Latest Enforcement Actions [here](#).

[VIEW LATEST ENFORCEMENT ACTIONS ▶](#)

# Public GIS Viewer

The Public GIS Viewer allows users to view oil, gas and pipeline data in a map view.

[LAUNCH THE PUBLIC GIS VIEWER ▶](#)