

RRC ENERGY MINUTE VOL. 17 August, 2020

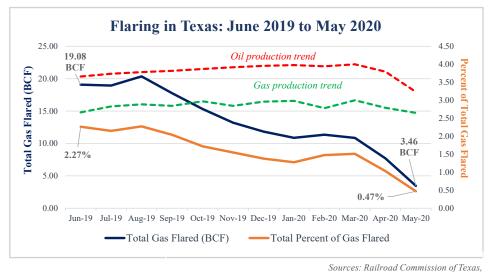
For the 86th Legislature & the Texas Congressional Delegation

Our mission is to serve Texas by our stewardship of natural resources and the environment, our concern for personal and community safety, and our support of enhanced development and economic vitality for the benefit of Texans.

Flaring in Texas Declines Over Past Year

Texas' oil and gas operators have reduced the amount natural gas flared over the past year. According to Railroad Commission data, between June 2019, and May 2020, the amount of flared gas declined from 19.08 billion cubic feet (BCF) to 3.46 BCF. Over the past year, the percentage of natural gas flared out of all the natural gas produced in Texas dropped from a high of 2.27% in June 2019, to 0.47% in May 2020.

As of May 2020, over 99.5% of the natural gas produced in Texas was delivered for beneficial use in the world market.



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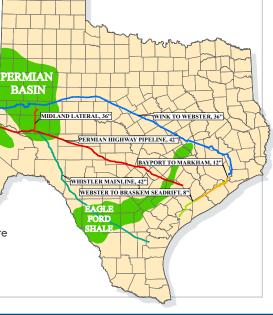
The measured decline in flaring occurred as the state's oil and gas production continued

to increase up to March 2020. Flaring rates continued to decline when oil and gas production began to drop in March. While flaring has declined over the past year, the Railroad Commission is working on policy and information technology changes to further address oil and gas operators' use of flaring.

Texas' Pipeline Network Expands in 2020

Over 1,100 miles of major transmission pipelines are under construction in Texas in 2020. The majority of these pipelines will convey natural gas from the Permian Basin, and provide operators with a market alternative to flaring. The map (opposite) highlights the routes of those major pipelines currently under construction or planned for 2021.

One major natural gas pipeline currently under construction, the Permian Highway Pipeline (PHP), stretches from the Permian Basin to the Houston area. Given the sheer scale of the PHP and its route through the sensitive Texas Hill Country, RRC has engaged in a comprehensive response to ensure that the pipeline is constructed safely in a manner protective of public health and the environment. Since March inspectors from two key RRC divisions, Oil and Gas and Pipeline Safety, have conducted over 80 inspections to ensure compliance with state and federal safety requirements. The PHP is expected to enter service in 2021.



US Energy Information Administration

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