



# RRC ENERGY MINUTE

For the 88th Legislature & the Texas Congressional Delegation

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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.

## RRC's Well Plugging Program Beats FY 23 Targets

The Railroad Commission's state managed well plugging program (SMP) beat the performance measure targets set by the Legislature for the **7th year in a row**. In fiscal year 2023, RRC plugged 1,750 orphaned wells across Texas. This was significantly more wells than the Legislature's performance target of 1,000.

Due to RRC's success in this robust program, Texas saw one of the smallest growth in orphan well population among all producing states despite being the largest oil and gas producer in the country.

While most operators plug their own wells (88% of wells plugged in FY22), RRC steps in to plug wells when an operator goes out of business and collects on the operator's financial assurance and seeks

reimbursement through legal proceedings. This method, along with fees paid by the industry fund the SMP. Additionally, Texas was the first state in the nation to begin plugging orphaned oil and gas wells using an initial grant from the federal Infrastructure Investment and Jobs Act.

The Railroad Commission's SMP works to eliminate the safety and environmental risks associated with abandoned wells. Using a risk-based ranking system, RRC's program prioritizes the plugging of abandoned oil and gas wells that present the greatest threat to public health and safety and the environment. Since its inception in 1984, the program has plugged 45,404 wells across Texas.



## RRC Accepting Comments on Proposed New Rule

The Railroad Commission of Texas is accepting public comment on proposed new 16 Texas Administrative Code (TAC) §7.480, relating to Energy Conservation Programs.

The Proposed 16 TAC §7.480, creates an application process for local distribution companies to apply to the RRC for the approval of energy conservation programs as directed by the Legislature in HB 2263.

To view the proposed rules and submit comments online by 5 p.m. on Wednesday, October 25, 2023, visit the RRC website at <https://www.rrc.texas.gov/general-counsel/rules/proposed-rules/> under "Chapter 7. Gas Services".



[www.rrc.texas.gov](http://www.rrc.texas.gov)

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