## Testimony by Colin Leyden, Environmental Defense Fund in front of the Texas Railroad Commission June 16, 2020

My name is Colin Leyden speaking on behalf of the Environmental Defense Fund.

Thank you for the opportunity to <u>speak today</u> and to the commission for hearing the many diverse voices calling for progress on flaring and putting the issue on the agenda.

Recently, you've heard a chorus of voices – <u>industry</u> both large and small, mineral owners, <u>investors</u>, <u>academics</u> and <u>environmental groups</u> – all calling for an end the wasteful, environmentally damaging practice of routine flaring.

Of course, this is not a new issue for the Railroad Commission.

In fact, the commission took a tough stand against flaring during the oil boom in the 1930's and 40's. (You can find that story on the Commission website.)

More recently, in the shale era, Commissioner Porter tried to focus on the enormous flaring waste and pollution in the Eagle Ford. Unfortunately, that effort didn't get far.

We're here talking about the problem again today because it still hasn't been fixed. But a new day means a new opportunity to finally get it right.

Fundamentally, the *flaring* problem is an *incentive* problem.

The economics of the business are built around the liquids, with dry gas often treated as a waste product. Too often, flaring is the cheapest option.

It's no wonder then that operators in Texas have burned off roughly a trillion cubic feet of natural gas since 2013 — enough to meet the yearly needs of every Texas home three times over. In thinking about what I wanted to say today – what might have the most impact – I was drawn to this simple truth. The practice of routine flaring doesn't reflect our values.

Nobody likes waste, and nobody likes pollution.

And most folks in and around industry will tell you they don't like routine flaring.

But it's not going away because we haven't changed the incentives. And we can't change the incentives until the Commission acts to change them.

That's why we urge the commissioners to adopt the concrete goal of ending routine flaring in Texas by 2025 and instruct commission staff to develop a plan to achieve this goal.

We know this can be done because many of the leading operators are either already doing it, or quickly working to achieve it.

EDF recently sponsored a report profiling five of these leading companies and their journey to end routine flaring.

Each producer's success was due almost entirely to intentional decisions to preventing flaring in the first place, and ensuring a destination and use for the gas is in place before bringing a well online, AND a willingness to shut a well in it that isn't achieved.

We can be inspired and guided by the strong flaring work of companies at the leading edge, but to put routine flaring in the rearview mirror, we need to include ALL operators.

In my time working in and around state government, I know that most elected officials and staff are "in it" for the right reasons – they want to do right by the people of Texas. Right now, the commission has the opportunity to do that. Let's work together to end routine flaring in Texas by 2025.