



Texas Independent Producers and Royalty Owners Association

Texas approves plan to boost electricity supplies in the Permian Basin

State leaders from the Public Utility Commission of Texas (PUCT) recently approved new transmission plans to meet the future electricity needs of the Permian Basin region. The Permian Basin Reliability Plan from the PUCT outlines transmission infrastructure investments that will be necessary to support the ongoing expansion and electrification of Texas' oil and natural gas industry in the largest oil and natural gas producing basin in the nation. The plan also addresses the growing electricity needs and energy reliability concerns of local communities in West Texas.

The plan is a result of House Bill 5066, passed by the Texas Legislature last year and signed into law by Governor Greg Abbott, requiring the PUCT to direct the Electric Reliability Council of Texas (ERCOT) to develop an electric reliability plan for the Permian Basin region. The legislation required that the plan address extending transmission service into areas where mineral resources have been found, address increasing available capacity to meet forecasted load, and provide available infrastructure to reduce interconnection times in areas without access to transmission service. According to forecasts from ERCOT, electricity demand in the region will grow to approximately 26 GW by 2038, which is equivalent to almost one-third of the current summer demand of the entire ERCOT system.

"I want to thank Governor Abbott, the Texas Legislature, PUCT and ERCOT staff, and all stakeholders who participated in this landmark process that will result in a monumental and historic transmission infrastructure buildout in the state," said PUCT Commissioner Lori Cobos, who led the development of the plan. "The Permian Basin is the heartbeat of our state and nation's energy dominance and economy. This plan is a roadmap that will ensure electric reliability in the region for decades to come and facilitate critical transmission infrastructure investment that will ensure the continued success of Texas' oil and gas industry and support the region's local communities and our entire state."

"House Bill 5066 was a top priority supported by TIPRO during the 88th Texas Legislative Session, which provided for the prioritization of the development of transmission projects for the Permian Basin," commented TIPRO President Ed Longanecker. "With load demand for the oil and natural gas industry already unmet and expected to increase significantly over the next decade, this plan will provide critical investment in transmission, related infrastructure and capacity. We applaud the PUCT for advancing this important effort to address insufficient transmission access in the Permian Basin and support continued growth in our industry and state from an economic and energy security perspective," concluded Longanecker.

Approval of the final order for the Permian Basin Reliability Plan is likely to occur at an upcoming PUCT meeting in October, after which time applicable transmission service providers will be able to file applications to initiate construction on new facilities and upgrades that will ensure availability and reliability of electricity in the Permian region.

Members of TIPRO can view more information related to the development of the Permian Basin Reliability Plan, including specific transmission projects and estimated costs, public comments and input from industry and local stakeholders, [here](#).



TCEQ announces stakeholder meetings on 2024 OOOOc rulemaking and state plan

In November, the Texas Commission on Environmental Quality (TCEQ) will host several stakeholder meetings around the state to collect informal public comment on proposed rulemakings and a state plan from TCEQ allowing Texas regulators to comply with new federal rules from the U.S. Environmental Protection Agency (EPA) for existing oil and natural gas facilities.

Earlier this year, the EPA published emission guidelines for existing crude oil and natural gas facilities and published updated New Source Performance Standards (NSPS) for new and modified crude oil and natural gas facilities. States are required to prepare and submit state plans to implement federal Clean Air Act Section 111(d) emission guidelines adopted by the EPA. According to the TCEQ, the purpose of its forthcoming rulemaking and Section 111(d) State Plan is to implement the emission guidelines for existing oil and gas facilities in 40 CFR Part 60, Subpart OOOOc and ensure that the state of Texas maintains the authority to regulate these sources. The TCEQ's rule will address applicability, emission standards, monitoring, recordkeeping, testing, and reporting requirements for designated oil and gas facilities. The rules would set emission standards and/or control requirements for emissions of greenhouse gases (primarily methane) from existing facilities in the industry.

See more details on TCEQ's upcoming stakeholder meetings on Page 4...

President’s message

TIPRO members,

As TIPRO has communicated, many of our members have expressed concern about increased cases of oilfield theft in recent years, including six companies that reported \$130,000 in crude oil theft just over the Easter weekend in March. Over the past several months, TIPRO has held numerous meetings with state and federal policymakers, local law enforcement, the Federal Bureau of Investigations (FBI), Texas Railroad Commission, allied trades and other stakeholders to discuss the increase in these well-organized crimes and possible solutions to address it.

As an example, TIPRO worked with Congressman Tony Gonzales’ office on his [Protect the Permian Act](#) that will, in part, authorize the FBI to establish a program carried out through the Permian Basin Oil Theft Task Force to coordinate with the heads of relevant state, local and tribal law enforcement organizations. Not later than 1 year after the date of enactment and annually thereafter, the task force shall submit to the president and relevant congressional committees a report on all task force activities, including the number of criminal charges brought and convictions resulting from the task force’s activities, and a detailed account of all funds obligated for task force operational and administrative costs. The bill will authorize funding through appropriations and will enhance criminal penalties. The *Omnibus Crime Control and Safe Streets Act* will also be amended to add programs to reduce or combat oil theft and related crimes (including theft of pipes, technology, equipment, or other assets related to oil refineries or pipelines).

TIPRO is also working with Texas state legislators on potential policy solutions for next session. Some of the concepts being considered include funding a Department of Public Safety (DPS) – Oilfield Theft Prevention Unit, expanding the criminal scope of oil theft laws, increasing administrative penalties for saltwater disposal facilities, and updating the Recycling Advisory Committee to address tubing theft, among others. While this is not a new issue per se, awareness and action has certainly been elevated in recent months given the notable increase in these crimes, due in part to TIPRO, as well as the work of our member companies and law enforcement.

The Texas Department of Public Safety’s Criminal Investigative Division (DPS CID) from Midland also recently briefed Director McCraw on their ongoing investigations as well as their efforts to recommend actions (legislative, regulatory) that could assist in mitigating oilfield related crimes. Director McCraw and the DPS CID agents will provide a similar briefing to the Public Safety Commission this week. Additional resources currently being requested by DPS will provide law enforcement the ability to have a greater impact in disrupting and dismantling criminal organizations engaged in oilfield related crimes. There have also been some notable arrests in West Texas recently that will help to create a deterrent while other measures are being implemented and considered.

Historically, it has been difficult to track and quantify the impact of these crimes, and even more challenging to actually prosecute them due to limited resources, among other factors. This message is intended to build further awareness about actions that are being taken and to solicit your feedback. If your company has been a victim of oilfield theft, we encourage you to fill out our new survey [here](#). Your contact information will not be shared with any other entity, nor will any feedback be attributed to specific companies. This information will be helpful when TIPRO communicates with policymakers and law enforcement.

TIPRO engages in issues in a meaningful and impactful way based on feedback from our members. As we approach the next legislative session and maneuver our way through a challenging federal policy environment, we want to hear from you. We can expect hundreds of bills of relevance to our industry to be filed during the next legislative session and we encourage you to sign up for our TIPRO State Issues and Regulatory Committee email distribution lists to stay informed and to provide feedback on policy that impacts our industry at the state level.

We appreciate your support of TIPRO’s important mission to provide effective representation from a policy, industry education, communication and programmatic perspective. I hope to see you at some of our upcoming events and always look forward to hearing from you as valued members of our association.

Thank you,
Ed Longanecker



Ed Longanecker

Limited seats remain for the October TIPRO/HPF/IPAA ‘Leaders in Industry’ luncheon

At the upcoming ‘Leaders in Industry’ luncheon on Tuesday, October 15, guest presenter Ben Marshall, president and CEO of Vitol in the Americas, will speak. The event, hosted monthly by the Texas Independent Producers and Royalty Owners Association (TIPRO), Houston Producers Forum and Independent Petroleum Association of America (IPAA), will be held at the Petroleum Club in Houston.

In addition to his role leading Vitol in the Americas, Marshall is a member of the Executive Committee and the Vitol Group Board. Before his current position, Marshall served as a global head of Naphtha at Vitol and Head of Trading for the Americas. He joined Vitol in 2011 from ExxonMobil where, during his 13-year tenure, he held a variety of manufacturing and business management roles in Refining, Chemicals and Polymers. Marshall holds a Bachelor of Science in Chemical Engineering from Louisiana State University.

Reserve your seat for the luncheon by [clicking here](#).

TIPRO CALENDAR OF EVENTS		
<p>OCTOBER 15, 2024 HOUSTON — TIPRO/IPAA/HPF “Leaders in Industry” Luncheon. For information, email info@houstonproducersforum.org.</p>	<p>NOVEMBER 6, 2024 NEW YORK — TIPRO NASDAQ Market Open. For information, email info@tipro.org.</p>	<p>NOVEMBER 19, 2024 HOUSTON — TIPRO/IPAA/HPF “Leaders in Industry” Luncheon. For information, email info@houstonproducersforum.org.</p>

TIPRO announces new appointments to association's Board of Directors

In October, the Texas Independent Producers and Royalty Owners Association (TIPRO) announced the following board appointments: Derek Davis with Sequitur Energy Resources and Todd Guest, cofounder of Spirit Oil & Gas, have been added to TIPRO's Board as chairman's appointees, with terms lasting on the TIPRO Board of Directors until 2026.

Davis joined Sequitur Energy Resources, LLC in 2018, previously serving as operations manager before his current role as vice president of completions and production for the company. Prior to joining Sequitur, he worked at Range Resources, and earlier in his career held various operations and engineering roles at Cabot Oil & Gas Corporation and Halliburton Energy Services. He is licensed in petroleum engineering by the Texas Board of Professional Engineers and Land Surveyors.

Guest, a Certified Public Accountant (CPA), is the chief executive officer and chief financial officer of Spirit Oil & Gas. Previously, he served in accounting, tax, treasury, risk management and other various roles with increasing levels of responsibility at Tenneco Oil E&P, Torch Energy Advisors/Nuevo Energy and EnerVest, Ltd.

Additionally, longstanding board member Bill Wallace has been named an at-large representative on TIPRO's Board, replacing Dennis Hendrix in the role. TIPRO extends sincere appreciation to Hendrix for his years of involvement on TIPRO's Board and wishes him well in his retirement.

View all TIPRO Board members on the TIPRO website [here](#).

In honor of 'Energy Awareness Month,' RRC highlights Texas' energy leadership

The month of October marks National Energy Awareness Month, a time used to spotlight how central energy is to America's national prosperity, security and economic well-being. President George H. W. Bush started the observance of National Energy Awareness Month in 1991. Through this nationwide campaign, he encouraged state and local governments, organizations and agencies to maximize efforts in managing the nation's energy resources to increase sustainability.

In commemoration of National Energy Awareness Month, the Railroad Commission of Texas at the start of the month reflected on its vital role in the stewardship of natural resources and in ensuring public safety, while supporting the state's long-term economic vitality in the energy landscape.

"Texas is the national leader in energy production," said Railroad Commission Chairman Christi Craddick. "Energy Awareness Month is a great opportunity to highlight the positive impact this industry has on Texas, the U.S., and the world. I'm proud to lead the regulatory agency that provides responsible and reasonable regulation to the oil and gas industry and look forward to Texas continuing to lead in this critical field."

"Most Texans don't realize the immense value of our state's oil and gas production which powers more than just the state, it fuels the nation and world," observed Commissioner Wayne Christian. "If America wants low power costs, energy independence and geopolitical stability, it will need federal policies that encourage a robust oil and gas sector and enable exports of that reliable energy to the rest of the world. So long as the need for reliable energy continues to grow with the developing world, 'Texas Tea' will always be there to quench that thirst."

Railroad Commissioner Jim Wright also added, "Texas natural resources not only power the diverse economy of our state, they also provide the fuel necessary to maintain U.S. energy independence and support the growing energy needs of our friends and allies across the globe," said Commissioner Jim Wright. "Access to affordable, abundant energy resources like those produced here in Texas is a blessing which, too often, is taken for granted. That is why it is important that all Americans recognize the valuable contributions hydrocarbons play in our everyday lives and the important work being done by the Railroad Commission to keep Texas energy on track."

The Railroad Commission has posted online resources providing more information about how Texans can increase their own energy awareness – to view the resources that can be used by families, students and teachers during Energy Awareness Month, please see <https://www.rrc.texas.gov/about-us/energy-awareness-month/>.

Texas Produced Water Consortium releases report to the Texas Legislature

Pursuant to [Senate Bill 1047 \(88R, 2023\)](#), the Texas Produced Water Consortium last week released its 2024 report to the Texas Legislature. Through the bill passed last year by the 88th Legislature, the Texas Produced Water Consortium had been required, by certain deadlines, to select a pilot project or program designed to provide information on achievable water qualities and treatment technology capabilities in the rapidly evolving landscape of water management options and also submit to the legislature a related report reviewing its findings on solutions.

In its legislative report, the consortium said it has five pilot projects operating across the Delaware and Midland Basins to obtain samples for constituent analysis and associated whole effluent toxicity testing. Samples were submitted to a third party NELAP certified laboratory, Eurofins Scientific, which has started to return final reports on those collected samples within the last few weeks. Members of the consortium are already reviewing sample data and preparing to generate a supplemental report by the end of this year on the analyses and any recommendations regarding standards as a result. The consortium also has a number of projects slated for the next year, it reported, including research on critical mineral recovery, agricultural application of treated produced water, and a partnership with Natura Resources exploring dispatchable, reliable energy sources for produced water treatment in remote locations.

The consortium noted that "the work of this consortium would not be possible without the critical support of our members, external stakeholders, and the state legislature. We appreciate your attention to this report and look forward to our continued engagement with the legislature on this critical issue."

To read the *2024 Texas Produced Water Consortium Report*, [click here](#).

To visit the Texas Produced Water Consortium's website, [click here](#).

TCEQ to host stakeholder meetings on oil and gas rulemakings... continued from Page 1

The TCEQ is inviting regulated entities, community members and the public to participate in upcoming stakeholder meetings to learn more from TCEQ staff about the state's proposed new rule and plan as well as provide informal comments before a formal rulemaking begins. While staff will review and consider all stakeholder input received during these meetings, TCEQ says that it will not formally respond to any informal comments. A formal public hearing and comment period will occur on a date following the stakeholder meetings.

Stakeholder meeting locations and dates are as follows:

Wednesday, November 6, 2024

10:00 a.m. to 12:00 p.m.

(This will be a hybrid in-person and virtual meeting.)

TCEQ – Austin

12100 Park 35 Circle, Building A, Room 173,

Austin, TX 78753

Thursday, November 14, 2024

6:00 p.m. to 8:00 p.m.

This will be an in-person meeting held at:

Arlington City Council Chambers

101 W. Abram Street,

Arlington, TX 76004-3231

Wednesday, November 20, 2024

6:00 p.m. to 8:00 p.m.

This will be an in-person meeting held at:

Location to be determined

Midland, TX 79705

Members of TIPRO can find additional information regarding this rule project and stakeholder meetings on the TCEQ's website by visiting: <https://www.tceq.texas.gov/permitting/air/rules/2024-000oc-rulemaking-oilgas-stakeholder>. Stakeholders and the regulated community are encouraged to periodically check this webpage for any further meeting or rulemaking updates.

For more information about this proposed rulemaking, contact David Munzenmaier via email at david.munzenmaier@tceq.texas.gov or by phone at (512) 239-6092. Reference should be made to Rule Project Number 2024-027-113-AI when making inquiries.

Texas Senators John Cornyn and Ted Cruz team up to defend LNG

Republican U.S. Senators John Cornyn and Ted Cruz, who both represent the state of Texas in Congress' upper chamber, have paired together to introduce new legislation that defends Texas energy producers from the effect of litigation on liquefied natural gas (LNG) permit applications. The senators on September 27th filed *the Protect LNG Act of 2024*, which if passed, would ensure that courts cannot vacate previously authorized LNG permits issued by the U.S. government. The legislation follows recent court rulings overturning federal authorization permits from the Federal Energy Regulatory Commission (FERC) for LNG projects on the South Texas border. Exceptions are made in the bill for rulings on LNG permits by the U.S. Supreme Court.

"Texas energy producers have made the United States the largest exporter of LNG in the world and have created jobs for thousands of Texans. However, fringe environmental groups and politicized courts are threatening those successes, and in the process endangering the development of energy projects across the United States. *The Protect LNG Act* protects energy producers from these attacks," described Senator Cruz.

Senator Cornyn added, "As the leading producer of oil and natural gas in the nation, Texas plays a key role in supporting thousands of well-paying jobs at home and keeping the lights on across the country. This legislation will help crack down on frivolous lawsuits by left-wing climate activists who seek to weaponize our courts and threaten American energy, and I'm glad to join Senator Cruz in halting this effort and maintaining Texas' energy dominance."

TIPRO members can see the full text of *the Protect LNG Act* [here](#).

Recently Senator Cruz also sent a letter urging FERC Chairman Willie Phillips to push back on the recent U.S. Court of Appeals ruling in Washington, D.C. that vacated previously issued permits for the building of an LNG export terminal and pipeline in Brownsville, Texas. FERC had approved the permits, but in August, the D.C. Court of Appeals ruled to cancel the approvals for the two LNG export terminals, as well as construction of a pipeline to carry the natural gas to the Port of Brownsville, saying not enough study has been conducted on how the projects could affect local communities, wildlife and the environment. "The decision sets a chilling precedent that will harm the development of infrastructure for projects related to all forms of energy, directly undermining American energy security and therefore national security. If the permits are not reauthorized, over 7,000 high-paying jobs will disappear, and roughly \$24 billion in investments in the Rio Grande Valley will be lost," Senator Cruz wrote in his letter. "There is no precedent for this decision. Charles McConnell, the former assistant secretary of energy at the Department of Energy in President Barack Obama's Administration says 'If allowed to stand, the precedent from this ruling would be absolutely draconian to investment progress.'" Read the full letter by Senator Cruz [here](#).

U.S. legislators slam Biden Admin for using faulty data to continue LNG export moratorium

Texas Congressman August Pfluger (R-Texas) alongside U.S. Senator Tim Scott (R-South Carolina) and 40 members of Congress sent a bicameral letter at the end of September to the head of the U.S. Department of Energy lambasting the Biden Administration for using a flawed study as the basis for its decision to halt permitting of liquefied natural gas (LNG) exports at the start of the year. Members of Texas' congressional delegation who also signed onto the letter include Pat Fallon (TX-04), John Carter (TX-31), Randy Weber (TX-14), Wesley Hunt (TX-38), Kay Granger (TX-12), Beth Van Duyne (TX-24), Jodey Arrington (TX-19), Dan Crenshaw (TX-02), Nathaniel Moran (TX-01), Michael C. Burgess, M.D. (TX-26) and Troy Nehls (TX-22),

In the letter, the lawmakers in part said:

"We write seeking information on how the U.S. Department of Energy relied on the study titled 'The Greenhouse Gas Footprint of LNG Exported from the United States' published by Robert Howarth ('Howarth study') in justifying its January 26, 2024, moratorium on approvals of LNG export projects. It was widely reported that the Howarth study, which claims that U.S. LNG is worse for the climate than coal, heavily influenced the Biden-Harris Administration's decision. Perplexingly, Mr. Howarth published his study before it was peer reviewed – at the behest of climate activists – and has revised it multiple times in recent months."

The letter continued, "In July 2024, the non-partisan Breakthrough Institute published a comprehensive review of the Howarth study titled 'A Major Paper on LNG Emissions Is Riddled with Errors,' which identified significant errors in the study's assumptions, methodology, and conclusions. Specifically, the review found that Mr. Howarth used incorrect data regarding the source of natural gas exported as LNG, leakage rates, and shipping distances, as well as an "incontrovertibly flawed methodology" to calculate the climate impact of U.S. LNG. The Breakthrough Institute also correctly points out that Howarth's findings are a major outlier compared to nearly all other lifecycle emissions analyses of U.S. LNG, including those incorporating the most up-to-date data."

By the end of October, legislators have requested a response from the Energy Department clarifying the extent to which it used the Howarth study to justify its moratorium on reviews of LNG export projects. Congressional leaders also have asked for insights on any communications that agency staff had with Mr. Howarth in the five months leading up to the announcement of the moratorium on January 26, 2024, and are also hoping to determine if any government studies currently being undertaken by the Energy Department's national laboratories will use a similarly flawed approach to determine the lifecycle greenhouse gas emissions of U.S. LNG.

Members of TIPRO can read the full congressional letter [here](#).

Group of House Democrats urge quick approval for new LNG exports for Ukraine

More than a dozen democrats from the U.S. House recently sent a letter to President Joe Biden requesting that the Department of Energy prioritize and expedite review of projects that will supply liquefied natural gas (LNG) to Ukrainian and Eastern European allies as it recommences the processing of applications for authorization to export LNG to countries where the U.S. does not have existing free trade agreements (non-FTA nations). Officials said this request was made with a focus on maintaining both US national security and energy security for America's European allies.

"American LNG is produced with some of the strongest environmental protections globally. It's time to fully restore LNG permits and support our allies overseas," lawmakers told the president.

The letter was signed by U.S. Congresswoman Sylvia R. Garcia (D-TX-29), Congressman Vicente Gonzalez (TX-15) and Congressman Marc Veasey (TX-33). A full copy of the letter can be found by [clicking here](#).

New bill by U.S. Rep. Jodey Arrington aims to highlight the value of America's mineral wealth

A new legislative proposal introduced on Capitol Hill at the end of September by U.S. Congressmen Jodey Arrington (TX-19) and Dan Newhouse (WA-04) calls for more thorough assessments by the federal government of the value of the nation's abundant natural resources. The lawmakers say the bill determining the actual value of the federal mineral estate is essential, especially after President Joe Biden and his administration have limited mineral leasing opportunities the past several years and locked up millions of acres of resources from development. Under the *Abundant American Resources Act of 2024*, federal land management agencies would be directed to conduct a comprehensive study on the economic valuation of resources in areas that have been withdrawn or protected from exploration and production, as well as the millions of acres of proposed or designated areas of critical environmental concern.

"Since day one, the Biden Administration has orchestrated a whole-of-government assault on American energy independence, enacting burdensome taxes and regulations against the oil and gas sector at a time when energy demand is skyrocketing," said Congressman Arrington. "The administration has also weaponized the *Antiquities Act* to federalize 4.7 million acres of land, effectively preventing the federal government from extracting oil, gas, and minerals from these areas. I'm proud to introduce the *Abundant American Resources Act of 2024* with Western Caucus Chairman Dan Newhouse to expose just how much mineral value is being surrendered by the Biden Administration."

"The United States is blessed with abundant mineral resources and could achieve significant domestic production if policymakers had the political will to do so," Congressman Newhouse added. "Instead of taking advantage of these resources, the Biden Administration has decided to remove millions of acres of mineral-rich lands from development, increasing our reliance on adversarial sources, including the Chinese Communist Party, to meet our country's energy needs. I'm proud to introduce this legislation alongside Rep. Arrington to help policymakers understand the value of America's mineral wealth and to prove just how severe the Biden-Harris Administration's lockups have been in hampering American dominance."

TIPRO members can see the bill [here](#).

Several energy trades and industry associations have expressed support for the *Abundant American Resources Act of 2024*, which they say will give Americans as well as government leaders a full understanding of the tremendous resources on federal lands and waters and show America's full energy capacity.

In setback for producers, Supreme Court refuses to pause EPA methane rules

The first week of October, the nation's highest court denied an order seeking to block new regulatory mandates from the U.S. Environmental Protection Agency (EPA) for the oil and natural gas industry from being implemented while legal challenges move forward over the federal rulemaking. The Supreme Court on October 4th — without explanation — turned down requests by the state of Oklahoma and industry producers, led by Continental Resources, asking for an emergency stay that would put on hold the EPA regulations addressing methane emissions from oil and gas operations. In its denial, the court published no record indicating that any of the court justices dissented.

This decision from the Supreme Court means that Section 111(d) of the EPA's "Standards of Performance for New, Reconstructed, and Modified Sources and Emissions Guidelines for Existing Sources: Oil and Natural Gas Sector Climate Review" rule will remain in place while legal challenges move forward in a federal appeals court in Washington, D.C.

The involved cases are *Oklahoma v. EPA*, and *Continental Resources v. EPA*.

Challengers of the EPA's rules argue that the regulations exceed the EPA's statutory authority, is an abuse of discretion, and is otherwise not in accordance with the law. The 408-page rule by the EPA also imposes expensive and unjustified new technology and monitoring requirements; imposes new storage and transportation requirements; adds new source performance standards; and creates a "Super Emitter" program that third-party environmental advocacy groups can use to harass producers, parties fighting the regulations contend.

Interior Department offers draft guidance to states on orphan well clean-up funds

Earlier in October, the U.S. Department of the Interior released draft guidance explaining how states can apply for up to \$40 million each in Regulatory Improvement Grant funding that can be applied towards plugging efforts for orphaned oil and natural gas wells. The federal funding is being provided through the *Bipartisan Infrastructure Law* and builds on other federal investments offered in recent years towards addressing orphan wells nationwide. Already, the Interior Department has awarded nearly \$1.1 billion in grants to 25 states to begin work plugging and cleaning up orphaned wells, and since the enactment of the *Bipartisan Infrastructure Law*, more than 8,800 orphaned wells have been plugged by states using federal grant money.

Under the *Bipartisan Infrastructure Law*, three types of grants are available to states to fund orphaned wells clean-up: initial, formula and performance grants, explains the Interior Department. Approximately \$1.5 billion is available in performance grants, which fall into two categories: Matching Grants and Regulatory Improvement Grants. In May, the Department [released](#) final Matching Grant guidance, and states can now apply for these funds.

States are eligible for two types of Regulatory Improvement Grants under the Interior's latest funding announcement:

- **Plugging Standards Grants:** Intended to incentivize states to implement standards and procedures designed to ensure that wells located in the state are plugged in an effective manner.
- **Program Improvement Grants:** Intended to incentivize states to implement other improvements to state programs designed to reduce future orphaned well burdens.

Under the new [draft guidance](#) from the Interior Department, states are eligible to receive a Plugging Standards regulatory improvement grant of up to \$20 million, and a Program Improvement regulatory improvement grant of up to \$20 million, for a total of \$40 million per state.

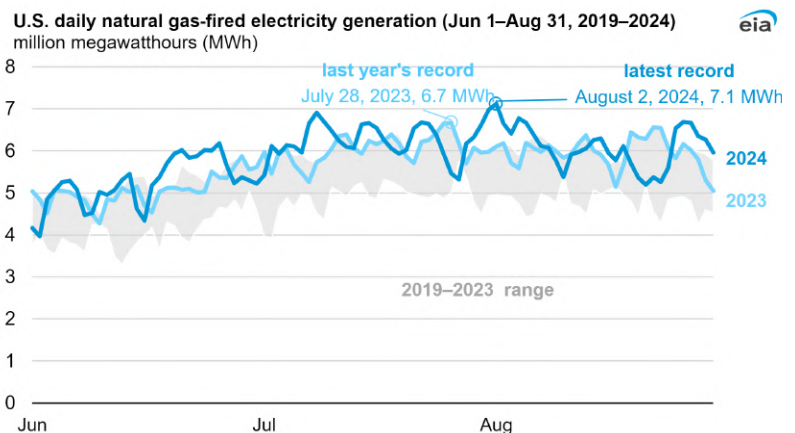
The Interior Department is currently receiving public comment on its draft guidance for these kinds of federal grants. Comments on the draft grant guidance can be submitted, via email, to orphanedwells@ios.doi.gov, by November 12, 2024. Comments will be instrumental in refining the program's direction.

EIA: U.S. natural gas-fired electricity generation set new daily records in summer 2024

New data from the federal government reveals records set this summer for natural gas-fired electricity generation in the United States. On August 2, 2024, 7.1 million MWh of natural gas-fired electricity was generated in the United States, 6.8 percent more than the previous summer's record set on July 28, 2023, reported the U.S. Energy Information Administration (EIA). Nine out of the ten days with the most U.S. natural gas-fired electricity generation on record occurred this past summer; of those, six were in August 2024. The daily average for natural gas-fired electricity generation for the summer also increased 3 percent to 5.9 million MWh. Overall electricity generation for the summer (June–August) of 2024 was up by 3 percent from summer 2023, according to the EIA.

Reasons for increased U.S. natural gas-fired electricity generation this summer included hotter weather, low natural gas prices, the addition of new combined-cycle generating capacity, and increased generator capacity factors, explained the EIA.

During the past decade, the share of U.S. electricity generation from natural gas in the summer has increased, growing from 29 percent in 2014 to 45 percent in 2024, noted the EIA. This trend is expected to continue, as natural gas makes up an increasingly larger share of the electricity generation in the U. S.



Data source: U.S. Energy Information Administration, [Hourly Electric Grid Monitor](#)

TIPRO members invited to API's 'Lights on Energy' reception in Houston

TIPRO members are invited to attend the API 'Lights on Energy' Reception later this month, an event that aims to showcase the critical role of the energy industry as Houston Energy Week approaches. The event offers math and science teachers from across the country an inside look at the numerous benefits and career opportunities available to the next generation of the energy workforce. By engaging with industry professionals and learning more about the sector, these educators can better understand how to guide their students toward rewarding futures in energy.

The event is tailored for industry employees and math and science teachers from across the country who will be in Texas before Houston Energy Day. Young professionals should attend to connect with educators and highlight the numerous opportunities within the energy industry for their students. This engagement is essential in demonstrating to the next generation the vital role the energy industry will continue to play in shaping the future workforce.



Event details:

- Date: Thursday, October 17, 2024
- Location: Garage | 1201 Oliver Street, Houston, TX 77007
- Time: 5:00 PM - 7:00 PM CT

To register, [click here](#).

UT Austin study finds markets offer largest impact for environmental gains in the oil & gas industry

New research from academic experts at The University of Texas at Austin offers insights on the powerful—and sometimes counterproductive—role that overly strict regulatory standards and stakeholder pressure can play in driving environmental improvements within the oil and gas industry. According to findings by researchers, the certified market, a place where only firms who meet environmental criteria can sell gas (at a premium price), had the biggest single impact on environmental outcomes in the oil and gas industry.

With a specific look at flaring, the new study from UT researchers unpacked the decision-making processes of energy firms on choices to lower flaring, identifying key influences on firm behavior. The researchers investigated how different pressures—social, regulatory, shareholder and peer effects—influenced firms' choices to reduce flaring and participate in emerging markets for certified low-emission natural gas.

"This research illustrates how the actions of stakeholders - including activists, shareholders and consumers - can influence the behavior of firms when regulators are slow or unwilling to regulate," explained Nick Willems, a Ph.D. graduate of the Cockrell School of Engineering, who is the first author of the paper. "In the case of natural gas flaring, we also demonstrate the critical role of selecting a threshold for environmental performance. Stricter environmental benchmarks can actually lead to worse environmental outcomes if not accompanied by commensurate levels of activism, shareholder valuation of corporate social responsibility and market premiums."

The study underscores the complex interactions between social, regulatory and economic factors in shaping firm behavior in the oil and gas industry. By integrating these influences into an agent-based model, the research provides a nuanced understanding of how firms respond to various drivers and how these responses affect energy market outcomes, particularly in the context of reducing natural gas flaring. The findings highlight the importance of realistic market thresholds, targeted activism and the potential for certified markets to drive significant environmental improvements in the industry.

The research is peer-reviewed and published in Joule. To see more, please go to the following site: <https://tinyurl.com/ymuyds7f>.

Energy Professionals HIRING EVENT

November 12, 2024 - Houston

2:00 PM – 5:00 PM • Trini Mendenhall Community Center • 1414 Wirt Rd, TX 77055

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