



SIERRA CLUB

LONE STAR CHAPTER

To: The Honorable Craig Goldman, Chair
Members, House Committee on Energy Resources
Re: SB 618 (Darby), Related to Drill Cuttings

March 27th, 2023

The Lone Star Chapter of the Sierra Club is supportive of the intent of HB 618 by Darby, though we wanted to clarify that the intent of the bill is limited to drill cuttings, and is not intended to apply to produced water. Our concern is that the definition of drill cuttings could be interpreted in a way that would include produced water.

As filed, the bill would clarify that the owner of the drill cuttings is not liable for those cuttings (and associated materials) once the materials had been assumed by the owner of a commercial entity with a valid permit from the RRC.

We believe that SB 502 is good public policy, since it would encourage drill cuttings to be managed and the responsibility assumed by reputable commercial operators who will be responsible and liable should any problems arise with the drill cuttings.

Our one concern with the bill as filed is that because the definition of drill cuttings has been expanded to include liquids - and specifically the word water – it could be interpreted to mean that commercial entities involved in wastewater treatment for ultimate discharge could be covered and protected by liability. Because the standards for wastewater discharge for produced wastewater have yet to be developed we believe this could create a dangerous precedent. Until such standards are developed and tested, we do not want producers of wastewater to escape any potential liability or worse, have wastewater sent to fly-by-night operations. Therefore, we would like it to be clear in legislative intent, or through a separate amendment, that the bill only applies to solid waste permits.

Our suggestion in terms of an amendment would be to add the following language to the bill: This term does not include "fluid oil and gas waste" as that term is defined in Section 122.001 Natural Resources Code. to the end of paragraph (2), beginning on line 13.

If the author prefers not to amend the bill in this way we would appreciate a legislative intent clarification that the bill only applies to solid waste (including associated aqueous solution) and not to future produced wastewaters.