

To: The Honorable Craig Goldman, Chair

Members, House Committee on Energy Resources

Re: HB 3244 (Goldman), Relating to the operation of certain infrastructure during a

weather emergency.

From: Cyrus Reed, Conservation Director, Lone Star Chapter, 512-888-9411,

cyrus.reed@sierraclub.org

April 3, 2023

The Lone Star Chapter of the Sierra Club is opposed to many of the proposed changes in HB 3244 by Goldman as filed. While there are parts of the bill we support, we are concerned by the removal and changes to certain statutes that were adopted in 2021. Much of the bill seems to move backward on the important weatherization requirements on the gas side. Texas can't assure the lights stay on if we don't weatherize power plants, the gas supply that supplies those power plants, and ultimately buildings. We are most concerned by provisions in Section 2, 6, 9 and 10, but also by the increase in confidentiality of documents.

In particular we are very concerned about the following sections:

Section 2. The removal of "report to the attorney general any violation" [(3) report to the attorney general any violation that is not remedied in a reasonable period of time].

SECTION 6. Section 86.2235, Natural Resources Code, as

added by this Act, is amended by adding Subsection (e) to read as

follows:

(e) Notwithstanding Subsection (a), the commission may not

assess a penalty against an operator of a facility for a violation

of a rule adopted under Section 86.044 if the commission determines

that the operator made reasonably prudent efforts to comply with

the rule, regardless of whether the facility failed to operate during a weather emergency.

Section 9 which gives an out to pipeline and other operators. Sierra Club does not support Section 9.

SECTION 9. Subchapter F, Chapter 38, Utilities Code, is amended by adding Section 38.205 to read as follows:

Sec. 38.205. NOTICE AND HEARING BEFORE ADDING NATURAL GAS

FACILITY TO MAP. (a) The committee may include on the electricity supply chain map a gas supply chain facility, as defined by Section 86.044, Natural Resources Code, or a gas pipeline facility described by Section 121.2015, only after the committee provides the operator of the facility with notice and an opportunity for a contested case hearing in the manner provided by Chapter 2001.

Government Code. If the operator requests a hearing, the committee shall refer the matter to the Railroad Commission of Texas for the hearing.

(b) The Railroad Commission of Texas shall hold the contested case hearing and issue a decision in writing in accordance with Chapter 2001, Government Code, as to whether the facility may be included on the electricity supply chain map based on applicable rules and provisions of this code and the Natural Resources Code.

- (c) The committee shall comply with the decision issued by
- 20 the Railroad Commission of Texas.

The removal of some requirements in Section 10.

SECTION 10. The following provisions are **repealed**:

- (1) Section 86.044(h), Natural Resources Code; and
- (2) Section 186.008, Utilities Code

The Sierra Club is very concerned that HB 3244 as filed would undermine the important work done through the bipartisan SB 3 last session and hope the bill can be improved.