

SUBJECT: Enabling certain saltwater pipelines to be constructed around public roads

COMMITTEE: Energy Resources — favorable, without amendment

VOTE: 11 ayes — Darby, Paddie, Anchia, Canales, Craddick, Dale, Herrero, Keffer, P. King, Landgraf, Meyer

0 nays

2 absent — Riddle, Wu

WITNESSES: For — Cyrus Reed, Lone Star Sierra Club; (*Registered, but did not testify:* Matthew Thompson, Apache Corporation; Christie Goodman, Chevron; Stan Casey, Concho Resources Inc.; Marty Allday, Enbridge Energy; Sally Velasquez, Frio County Commissioners Court; David Holt, Permian Basin Petroleum Association; Bill Stevens, Texas Alliance of Energy Producers; Ed Longanecker, Texas Independent Producers And Royalty Owners Association; David Weinberg, Texas League of Conservation Voters; Mari Ruckel, Texas Oil and Gas Association; James Mann, Texas Pipeline Association)

Against — None

On — Bill Hale, Texas Department of Transportation; (*Registered, but did not testify:* Perry Fowler, Texas 811)

BACKGROUND: In 2013, the 83rd Legislature enacted SB 514 by Davis, which amended Natural Resources Code, ch. 91 to allow the construction of saltwater pipeline facilities through, under, along, across, or over a public road to conduct saltwater byproducts away from oil and gas production operations. SB 514 defined “saltwater pipeline facility” as a pipeline facility that “conducts water containing salt and other substances produced during drilling or operating an oil, gas, or other type of well.”

DIGEST: HB 497 would amend the definition of “saltwater pipeline facility” in Natural Resources Code, ch. 91 to include pipeline facilities that conduct

saltwater intended to be used in drilling or operating an oil or gas well. This would include pipelines conducting saltwater to injection wells used for enhanced recovery operations.

This bill would take immediate effect if finally passed by a two-thirds record vote of the membership of each house. Otherwise, it would take effect September 1, 2015.

**SUPPORTERS
SAY:**

HB 497 would clarify a provision in current law that is intended to enable operators to construct pipelines through, under, along, across, or over a public road for the purpose of conducting saltwater to oil and gas production or drilling operations. The enactment of SB 514 in 2013 was meant to permit this, but the statutory language allowed only the construction of pipelines conducting saltwater away from (and not to) oil and gas producing operations.

Currently, saltwater is moved by heavy tanker trucks, which damage road surfaces, contribute to congestion and traffic, and cause noise and air pollution. This bill would allow the construction of saltwater pipelines that would reduce this activity.

The bill would leave in place other provisions of state law — as well as Texas Transportation Commission rules and local regulations — that govern the activities of pipeline operators with regard to public roads, including a requirement that the operator restore the road and associated facilities to their former condition of usefulness after the construction or maintenance of a pipeline.

**OPPONENTS
SAY:**

No apparent opposition.