# THE TEXAS PIPELINE ASSOCIATION'S COMMENTS TO PROPOSED RULE 16 TAC § 3.66, RELATING TO WEATHER EMERGENCY PREPAREDNESS STANDARDS

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The Texas Pipeline Association (TPA) hereby submits these comments to the Railroad Commission of Texas (Commission) regarding proposed rule 16 TAC § 3.66, relating to weather emergency preparedness standards, presented during the June 28th, 2022, conference. These comments are submitted on behalf of the TPA and do not necessarily reflect the opinions of any individual member company. Commission Staff requested comments be submitted by August 15, 2022; therefore, these comments are timely filed.

#### I. INTRODUCTION

The Texas Pipeline Association is the largest state trade association in the country representing solely the interests of the intrastate pipeline network and the Texas pipeline industry. The TPA consists of nearly forty members who, collectively, engage in the gathering, processing, and transmission of natural gas and liquids through pipelines across Texas.

The TPA sincerely appreciates the opportunity to submit these comments and applauds Commission Staff for their tireless efforts to implement provisions of Senate Bill 3 (SB 3), passed during the 87th Regular Legislative Session, as they relate to weather emergency preparedness standards, also known as weatherization. The proposed rule is the product of this diligence and does an incredible job of balancing the need for establishing best practices when it comes to winterization preparedness with the need for recognizing that not all gas pipeline facilities and natural gas supply chain facilities are identical. In furtherance of these efforts, the TPA offers the following comments, considerations, and recommendations to help improve upon the rule as written to ensure implementation of the rule as intended.

### II. EXECUTIVE SUMMARY

The TPA comments generally concern the following:

- A. Acknowledgement that the weatherization methods laid out in 3.66(c)(2)(D) are illustrative of commonly used weatherization practices, but are not mandatory; consideration of economic feasibility and reasonableness; and
- B. Notice to operators of presence on the Electricity Supply Chain Map.

#### III. BACKGROUND

As has been established, the 2021 Winter Storm known as Uri, while undoubtedly setting a new threshold for extreme winter weather events, was not the first time Texas has been faced with extreme freezing conditions. In 2011 a similar event affecting the Dallas-Ft. Worth area prompted pipeline operators to better prepare for future weather events. The Texas Pipeline Association's member companies, on their own accord and at their own expense, took the necessary steps over a decade ago to ensure their critical operations were properly weatherized to withstand any future extreme conditions.

TPA Members have generally taken the approach of being proactive rather than reactive in their weatherization practices and preparedness standards. As such, following the occurrence of Winter Storm Uri, TPA members doubled down on their commitment to preparedness for such events by adding even more protections to their facilities, including but not limited to, adding wind deflectors, back-up diesel compression operations, adapted solar integration, and increased methanol injection. This is just a small sampling of the extensive measures pipeline operators undertake in order to be prepared to operate 365 days of the year, not just in times of extreme heat or extreme cold. Thus, the comments contained herein will be minimal.

That being said, no amount of weatherization will make a difference to keeping gas flowing if the following three things do not happen in the event of another storm. First, electricity must be maintained at all times to critical facilities. Secondly, actual gas production must flow in order to maintain consistent pressure in the pipelines. Finally, customers must be capable of taking away product at the end of the line as intended. Should any one of these things not happen, there will be back-up on the system, ultimately causing gas not to flow and wells to shut in.

The Railroad Commission has clearly undertaken a tremendous amount of research to distill down a myriad of industry best practices into rule form, and Texans should be encouraged by the undoubtedly positive effect these efforts and the implementation of SB 3 will have on the grid by requiring all other necessary gas-electric supply chain participants to do the same.

#### IV. COMMENTS

A. Acknowledgement that the weatherization methods laid out in 3.66(c)(2)(D) are illustrative of commonly used weatherization practices, but are not mandatory; consideration of economic feasibility and reasonableness

Proposed §3.66(c)(2)(D) lays out several weatherization measures that a facility operator may choose to include in their weatherization plans based on the facility type, their critical components, location, and relevant weather data.

While TPA member companies appreciate the acknowledgement in the preamble that the "appropriate weatherization methods will depend on facility-specific factors," as well as the inclusion of the word "may" in the text of the proposed rule, the TPA respectfully requests the Commission consider including language regarding reasonableness and economic feasibility as justification for not implementing a particular measure. Such language might appear as follows:

"(D) weatherization of the facility using <u>economically feasible</u> methods <u>that are reasonably</u> applicable to the facility based on the type of facility, the facility's critical components, the facility's location, and weather data for the facility's county or counties including data illustrated in the table of this subsection."

# B. Notice to operators of presence on the Electricity Supply Chain Map

As noted in the preamble of proposed §3.66, SB 3 specifies that only certain gas supply chain facility operators and certain gas pipeline facility operators are required to comply with Commission rules adopted regarding weatherization measures, namely gas supply chain facility operators whose facilities are included on the electricity supply chain map created under §38.203 of the Texas Utilities Code and are designated as critical by the Commission in 16 Texas Administrative Code §3.65; and gas pipeline facility operators whose facilities are included on the electricity supply chain map and directly serve a natural gas electric generation facility operating solely to provide power to the electric grid for the ERCOT power region or for the ERCOT power region and an adjacent power region.

The preamble goes on to state that the Commission recognizes that operators need to know which of their facilities, if any are actually on the map as the map is not made public, and thus will notify them to inform them which are included. The TPA supports this measure, however there is no indication of by when or in what method these notifications will be distributed. Respectfully, we request the Commission consider making these notifications by a certain date, one in which will allow enough time for operators to meaningfully prepare and submit reports on the required measures under the proposed rule.

## V. CONCLUSION

The TPA is available to discuss any questions the Commission may have about its comments. We appreciate the collaborative leadership the Commission has shown on this important issue.

TEXAS PIPELINE ASSOCIATION

Thure Cannon, President