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Via email

Rules Coordinator

Railroad Commission of Texas

Office of General Counsel

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I independently own and operate a small natural gas production company. I manage many wells in District 7B and these wells are 40-50 years old and are of the 5-15 Mcfd variety.

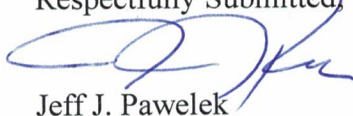
Rule 3.23 of the Texas Public Finance Code defines a low-producing gas well as one that produces no more than 90 mcf/d. Therefore, I support the proposed changes for Rule 3.65 to increase production thresholds to 250 mcf/d for gas wells. The current production thresholds in Rule 3.65 require that I file production of 15 mcf/day as critical for the January and September CI-D form submittals. However, by the State's definition, all my wells are low producing.

The Commission's memorandum, for Rule 3.65's proposed changes, addresses the concern that too many critical gas-supplying facilities create a prioritization burden for the electric utilities. It has been said many times since the introduction of Rule 3.65; if everything is critical, then nothing is critical. The proposed threshold increase for Rule 3.65 is a step to ensure that the natural gas truly crucial to powering Texans during an energy emergency is better prioritized.

The threshold increase will help to alleviate the burden of filing the CI-D form for small businesses like mine. We have limited personnel and filing form CI-D requires excessive time, and I, and many others, have had continuous difficulties submitting the forms. The proposed changes would relieve the burden put on small operators while still capturing 78.4% of natural gas production, as the Commission has stated.

I am proud to provide natural gas for Texas. Small operators play a vital role in supporting the State and its residents. However, I urge the Commissioners to remember Senate Bill 3's intent is to protect the gas supply demonstrably critical during an energy emergency. **Furthermore, during an energy emergency such as the "big chill" of February 2021; the safety and well-being of my field employees is of higher importance than chasing 15 Mcfd during inclement weather and treacherous driving conditions.**

Respectfully Submitted,



Jeff J. Pawelek
President

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