

By: Lozano

H.B. No. 2771

A BILL TO BE ENTITLED

AN ACT

relating to the authority of the Texas Commission on Environmental Quality to issue permits for the discharge into water of this state of produced water, hydrostatic test water, and gas plant effluent resulting from certain oil and gas activities.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Section 26.131, Water Code, as effective until delegation of authority under the Resource Conservation and Recovery Act of 1976 (42 U.S.C. Section 6901 et seq.) to the Railroad Commission of Texas, is amended by amending Subsections (a) and (b) and adding Subsection (d) to read as follows:

(a) Except as provided by this section, the ~~The~~ Railroad Commission of Texas is solely responsible for the control and disposition of waste and the abatement and prevention of pollution of surface and subsurface water resulting from:

(1) activities associated with the exploration, development, and production of oil or gas or geothermal resources, including:

(A) activities associated with the drilling of injection water source wells which penetrate the base of useable quality water;

(B) activities associated with the drilling of cathodic protection holes associated with the cathodic protection of wells and pipelines subject to the jurisdiction of the Railroad

Commission of Texas;

(C) activities associated with gasoline plants, natural gas or natural gas liquids processing plants, pressure maintenance plants, or repressurizing plants;

(D) activities associated with any underground natural gas storage facility, provided the terms "natural gas" and "storage facility" shall have the meanings set out in Section 91.173, Natural Resources Code;

(E) activities associated with any underground hydrocarbon storage facility, provided the terms "hydrocarbons" and "underground hydrocarbon storage facility" shall have the meanings set out in Section 91.201, Natural Resources Code; and

(F) activities associated with the storage, handling, reclamation, gathering, transportation, or distribution of oil or gas prior to the refining of such oil or prior to the use of such gas in any manufacturing process or as a residential or industrial fuel;

(2) except to the extent the activities are regulated by the Texas Department of Health under Chapter 401, Health and Safety Code, activities associated with uranium exploration consisting of the disturbance of the surface or subsurface for the purpose of or related to determining the location, quantity, or quality of uranium ore; and

(3) any other activities regulated by the Railroad Commission of Texas pursuant to Section 91.101, Natural Resources Code.

(b) Except as provided by Subsection (d), the ~~[The]~~ Railroad

Commission of Texas may issue permits for the discharge of waste resulting from the ~~[these]~~ activities described by Subsection (a), and the discharge of waste into water in this state resulting from those ~~[these]~~ activities must ~~[shall]~~ meet the water quality standards established by the commission.

(d) The commission may issue permits for the discharge into water of this state of produced water, hydrostatic test water, and gas plant effluent resulting from the activities described by Subsection (a). The discharge of produced water, hydrostatic test water, and gas plant effluent into water in this state under this subsection must meet the water quality standards established by the commission.

SECTION 2. Section 26.131, Water Code, as effective on delegation of authority under the Resource Conservation and Recovery Act of 1976 (42 U.S.C. 6901 et seq.) to the Railroad Commission of Texas, is amended to read as follows:

Sec. 26.131. DUTIES OF RAILROAD COMMISSION. (a) Except as provided by this section, the ~~[The]~~ Railroad Commission of Texas is solely responsible for the control and disposition of waste and the abatement and prevention of pollution of surface and subsurface water resulting from:

(1) activities associated with the exploration, development, and production of oil or gas or geothermal resources, including:

(A) activities associated with the drilling of injection water source wells which penetrate the base of useable quality water;

1 (B) activities associated with the drilling of
2 cathodic protection holes associated with the cathodic protection
3 of wells and pipelines subject to the jurisdiction of the Railroad
4 Commission of Texas;

5 (C) activities associated with gasoline plants,
6 natural gas or natural gas liquids processing plants, pressure
7 maintenance plants, or repressurizing plants;

8 (D) activities associated with any underground
9 natural gas storage facility, provided the terms "natural gas" and
10 "storage facility" shall have the meanings set out in Section
11 [91.173](#), Natural Resources Code;

12 (E) activities associated with any underground
13 hydrocarbon storage facility, provided the terms "hydrocarbons"
14 and "underground hydrocarbon storage facility" shall have the
15 meanings set out in Section [91.201](#), Natural Resources Code; and

16 (F) activities associated with the storage,
17 handling, reclamation, gathering, transportation, or distribution
18 of oil or gas prior to the refining of such oil or prior to the use
19 of such gas in any manufacturing process or as a residential or
20 industrial fuel;

21 (2) except to the extent the activities are regulated
22 by the Texas Department of Health under Chapter [401](#), Health and
23 Safety Code, activities associated with uranium exploration
24 consisting of the disturbance of the surface or subsurface for the
25 purpose of or related to determining the location, quantity, or
26 quality of uranium ore; and

27 (3) any other activities regulated by the Railroad

1 Commission of Texas pursuant to Section 91.101, Natural Resources
2 Code.

3 (b) Except as provided by Subsection (c), the ~~[The]~~ Railroad
4 Commission of Texas may issue permits for the discharge of waste
5 resulting from the ~~[these]~~ activities described by Subsection (a),
6 and the discharge of waste into water in this state resulting from
7 those ~~[these]~~ activities must ~~[shall]~~ meet the water quality
8 standards established by the commission.

9 (c) The commission may issue permits for the discharge into
10 water of this state of produced water, hydrostatic test water, and
11 gas plant effluent resulting from the activities described by
12 Subsection (a). The discharge of produced water, hydrostatic test
13 water, and gas plant effluent into water in this state under this
14 subsection must meet the water quality standards established by the
15 commission.

16 SECTION 3. The change in law made by this Act to Section
17 26.131, Water Code, applies only to an application for an
18 authorization to discharge produced water, hydrostatic test water,
19 or gas plant effluent that is filed on or after the effective date
20 of this Act. An application that is filed before the effective date
21 of this Act is governed by the law as it existed immediately before
22 the effective date of this Act, and that law is continued in effect
23 for that purpose.

24 SECTION 4. This Act takes effect September 1, 2019.