

**HOUSE OF REPRESENTATIVES
COMPILATION OF PUBLIC COMMENTS**

Submitted to the Committee on Ways & Means
For HB 591

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Hearing Date: March 6, 2023 10:00 AM

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The Sierra Club believes that flaring and venting of methane is a harmful practice for the public and the planet. Thus, we understand the spirit of the bill which provides an incentive for the capture of gas that could have otherwise been flared or vented. It is important except that in very limited circumstances it is illegal to vent gas in Texas under the Natural Resource Code and provisions of the Health and Safety Code.

We do have serious concerns with the crypto-mining/Bitcoin industry and do not want to encourage more investment in crypto mining it is better that they not be on the electric grid due to their high power demand.

Our main concern is that the bill creates an evergreen tax incentive to encourage the capture of gas that would have been flared rather than creating a temporary tax break. Given the industry's stated goal of ending routine flaring by 2030, we think a provision to make the tax temporary would be important. In addition, the EPA is currently considering promulgating major reforms to our rules on methane controls which could include limits on flaring, meaning that the bill might not be relevant once those rules are adopted (if they ban routine flaring for example).

Finally, we believe there should be a provision added to the bill that requires that any industry which intends to utilize the gas for power production should provide a guarantee of financial assurance or bonding to assure that any equipment left on site will be cleaned up and properly disposed of in the future. We have implemented similar requirements on the solar and wind industries and we should do the same for crypto mining and bitcoin operations.

The Sierra Club does not support the bill in its current form but believes that it could be improved with some amendments or changes.