

ConventionSection: Texas Independent Producers & Royalty Owners

commissioner, with the chairman having more responsibility and duties, but less power, and the other two deciding on cases," he mentions.

While a name change is possible, reducing the number of commissioners seems unlikely with producers united against a single appointed commissioner, Martineau suggests. "I think we will continue to have three members at the RRC," he opines. "If you have one appointed commissioner, the concern is that a future governor could appoint someone with a mind-set like Al Armendariz (former Environmental Protection Agency Region VI administrator, who resigned because of the controversy over this 'crucify the industry' statement). You don't want to have one person appointed to be head of the commission. We still need all three of them elected."

The Sunset Advisory Commission also could consider shifting some hearings from the RRC to the State Office of Administrative Hearings (SOAH), although the industry is unified against that because highly technical oil and gas issues require examiners with industry experience, Carter says.

"Those kinds of issues can't be decided only by a hearings examiner at SOAH," he maintains. "We need expertise that is available only at the RRC."

Sunset recommendations for the upcoming session will be vetted through TIPRO committees so members can form a consensus on any proposed changes at the RRC, says Furnace.

"There is no more important agency to the industry than the RRC, so it is vitally important for the health of the industry that anything that happens there be something that we not only monitor, but also discuss with policymakers on behalf of our membership," he comments.

Another topic likely to surface during the next legislative session, Furnace projects, are the oil and gas industry's tax incentives. "We fought hard last session to keep our incentives for high-cost gas and enhanced oil recovery," he recalls. "We will continue to educate people on why the incentives are so vital to the health and well-being of the industry in Texas."

TIPRO also plans to continue to push for more state incentives to increase natural gas use as a fuel for both transportation and power generation, Carter says.

In 2011, SB 15 started out as a bill to promote natural gas as a generation fuel, although the issue was tabled for study

on the pros and cons of various generation fuels, he remembers. "I think there will be additional efforts to tout the benefits of natural gas as compared with other fuels," Carter says.

Election Changes

TIPRO and its members are preparing for unprecedented turnover in the makeup of the Texas House of Representatives and Senate, Furnace says. The House is

expected to have as many as 50 new lawmakers among its 150 members, while the 31-member Texas Senate could have as many as six new senators, he warns.

"I think most political consultants would agree that we will see a lot of turnover in the House—so much so that incoming freshmen, as well as sophomores who came in during the last election, could make up a half of all members," Furnace says. "It is incumbent on us, as



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