

Industry urged to pay attention to proposals legislating water use

Mella McEwen | Posted: Wednesday, April 10, 2013 10:31 pm

This session of the Texas Legislature has seen a number of bills introduced relating to water use, including taking \$2 billion from the Economic Stabilization Fund or "rainy day fund" for water development projects.

Water, specifically its use by the oil and gas industry, was the focus of a daylong symposium presented by Midland College's Petroleum Professional Development Center this week. The symposium looked at case histories of treating produced and hydraulic fracturing flowback water, technology used to treat that water for reuse and recycling, and other issues related to water and the oil and gas industry.

John Tintera, executive director of the Texas Water Recycling Association, noted that the historic drought Texas has been experiencing since 2011 placed a number of water-related issues on the front burner. He urged those in the audience to pay attention.

"If you're a landowner, now's the time to talk to your representative. If you're an oil and gas company, now is the time to talk to your representative. The worst thing you can do is keep your head down and not pay attention," he said.

Brenner Brown, with the Texas Water Development Board, noted that two of the state's sources of water, surface water and groundwater are under stress in the aftermath of the drought. Statewide reservoir storage, he said, is setting record lows daily and may fall below 50 percent by September. At the same time, the state's underground aquifers are not recharging at a healthy rate.

Regulatory action will also determine water availability, Brown said, listing the state's groundwater conservation districts and groundwater management areas that set requirements to obtain permits for hydraulic fracturing. A University of Texas study, he noted, found the amount of water used for hydraulic fracturing in the state doubled between 2008 and 2011.

Tintera praised recent moves by the Railroad Commission, which rewrote regulations designed to facilitate the recycling and reuse of produced and flowback water. Those regulations, he said, are a good example of how elected officials are keeping pace with the technology and direction.

Recycling, he noted, was once viewed as a fringe industry but now its acceptance and water reuse and recycling is growing. His association, he said, is a cooperative comprised of multiple industries that is pro-development and encourages incentives for recycling water over regulations. The goal, he said, is to encourage water reuse and recycling and protect the state's water supplies without negatively impacting industry. "We want to maintain and advance Texas as a global economic leader."

The oil and gas industry, he said, is the heartbeat of the Texas economy, funding the rainy day fund and creating tens of thousands of jobs while development of the state's unconventional resources in the Permian Basin, Eagle Ford and Barnett have sharply increased state oil production. Tintera said it could reach 500 million barrels a year. All that, he said, is due to hydraulic fracturing, which has created jobs, tax revenues and advanced technology. Still, he said, Texas is "resource rich and water poor."

Tintera, who retired last year as executive director of the Railroad Commission, said he has traveled the world for his work and noted that "the geopolitical implications" that began with the shale plays and unconventional resource development that began in Texas have begun to spread across the world. He warned that there is "a well-organized and well-funded anti-fracturing movement worldwide."

To counter that opposition, he advised, the industry must have science, facts and due process.

"All energy resources require water," he pointed out, from coal to solar energy to biofuels.

Public perception about the availability of water and the amount used by the oil and gas industry will also have an impact, Brown said.