

RAILROAD COMMISSION OF TEXAS

# LEGISLATIVE APPROPRIATIONS REQUEST

Fiscal Years 2024-2025

★ CHRISTI CRADDICK  
COMMISSIONER

★ WAYNE CHRISTIAN  
CHAIRMAN

★ JIM WRIGHT  
COMMISSIONER

# **LEGISLATIVE APPROPRIATIONS REQUEST**

**For Fiscal Years 2024 and 2025**

Submitted to the

**Governors Office of Budget, Planning and Policy  
and the Legislative Budget Board**

by the

**Railroad Commission of Texas**

**August 30, 2022**

# Railroad Commission of Texas (455)

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**455 Railroad Commission**

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**General Information**

The Railroad Commission of Texas serves our state by our stewardship of natural resources and the environment, our protection of personal and community safety, and our support of enhanced development and economic vitality for the benefit of Texans.

The Commission accomplishes this mission within the framework of four coordinated goals that:

- Oversee the development of the state’s energy resources while protecting public health and the environment through an effective regulatory program that allows for the orderly and efficient development of oil and gas resources,
- Protect public safety in the operation of the Texas pipeline system through regulatory oversight of the pipeline industry by inspection , compliance, and educational activities, and in the regulation of the LPG/CNG/LNG alternative fuels industries,
- Protect the environment and consumers by ensuring that fossil fuel extraction and energy production, storage, and delivery minimize harmful effects on the state’s natural resources, and that just and reasonable natural gas rates promote a safe and efficient supply of natural gas, and
- Provide the public access to information and facilitate efficiencies with regulated industries through communications and technologies that support effective regulatory programs, while preserving and increasing access to public information.

The Railroad Commission oversees and regulates many sectors of the state’s energy industries , which are a vital pillar of the state’s economy. The Commission provides a predictable, consistent, and sound regulatory environment that supports economic growth and long-term investment in Texas. This Legislative Appropriations Request reflects the Commission’s primary funding priorities. While the Commission derives much of its funding from the state’s energy industries , consistent funding for the Commission’s regulatory responsibilities is critical to protecting public safety and the environment. Continuation of information technology infrastructure improvement involves migrating agency business processes and data off an antiquated mainframe to modern, cloud-based systems in a multi-biennia project. The agency requires robust and secure information management systems, a highly skilled and diverse workforce, and a stable budget that supports efficient and transparent regulatory programs ensuring accountability to the citizens of Texas. This request seeks funding necessary to implement these goals.

**Governing Board Information**

Three statewide officials elected to six-year staggered terms serve as Commissioners of the Railroad Commission of Texas. Current commissioners, their terms of office, and their hometowns are:

- Wayne Christian, Chairman, Jan. 9, 2017 to Dec. 31, 2022, Center, Texas
- Christi Craddick, Commissioner, Dec. 17, 2012 to Dec. 31, 2024, Midland, Texas
- Jim Wright, Commissioner, Jan. 4, 2021 to Dec. 31, 2026, Orange Grove, Texas

**Overview of Budget Request**

The Railroad Commission prepared its funding request in compliance with the policy letter and instructions issued by the Governor’s Office , Budget and Policy Division and the Legislative Budget Board on June 30, 2022. As a result, the request for the 2024-2025 biennium does not exceed the sum of those amounts expended in fiscal year 2022 and budgeted in fiscal year 2023 in General Revenue and General Revenue Dedicated Funds. The proposed request for general revenue-related funding follows a careful examination of agency funding priorities and seeks funding levels that will further the Commission’s mission and goals.

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The Commission anticipates the upcoming biennium will present significant financial challenges as the nation reestablishes its equilibrium in the emergence from the pandemic environment with supply chain issues and ongoing labor shortages. The federal administration's policy created an inflationary economic environment. At the end of June 2022, the U.S. Bureau of Labor Statistics reported that the Consumer Price Index increased 9.8 percent from the prior year. This inflationary environment affects Commission operations from the salaries necessary to be competitive in hiring new employees and retain existing employees, the vehicle and fuel cost to inspect oil and gas wells and pipelines across the state, the cost to plug orphaned wells, and the costs to continue improving the Commission's technology infrastructure. Included in this Legislative Appropriations Request are several exceptional items that address the Commission's needs in an environment of high inflation and ongoing cost increases. The Commission anticipates additional cost adjustments and salary increases may be necessary as the economic landscape continues its rapid adjustment to external factors. The Commission looks forward to working with the Legislative to address these issues.

The Legislative Appropriations Request includes ongoing funding for the Critical Infrastructure Division, established to implement SB 3 (87th Legislature, Regular Session, 2021). Funding for this Division was included in Section 18.28 as a contingency appropriation in SB 1 (87th Legislature, Regular Session, 2021). The request also includes \$125.8 million and 56 FTEs in new federal funding from the U.S. Department of the Interior to plug orphaned oil and gas wells. These federal funds will plug approximately 2,200 wells include many high-cost bay and offshore wells in addition to the 2,000 wells that will be plugged with existing base Oil and Gas Regulation and Clean (GR-D) funds during the biennium. This is an initial allocation—totaling approximately forty percent of the total funding anticipated through September 30, 2030—of a federal formula grant funded by the 2021 Infrastructure Investment and Jobs Act. The Infrastructure Act also provides funding for the existing abandoned mine lands remediation program, which was not included in the 2024-25 appropriation request as those amounts are not final at this time. Funding for the well plugging program will continue to 2030, while the increased abandoned mine lands finding is likely to continue until at least 2035.

The baseline biennial request totals \$452,715,332 with General Revenue comprising 35.2 percent of the request, the General Revenue-Dedicated Oil and Gas Regulation and Cleanup Fund equaling approximately 33.2 percent of the request, the federal formula grant comprising 27.8 percent, and funds received from the federal government for on-going programs and other sources comprising the remaining 3.8 percent of the request. Most of the revenue sources are generated from the industries regulated by the Commission.

The Legislative Appropriations Request also includes six exceptional items totaling \$20,725,018 and 55 FTEs to address new federal and state regulatory responsibilities as well as address certain cost increases caused by high inflation.

#### External Factors

The Railroad Commission's Oil and Gas Cleanup and Regulation Fund (OGRC) is largely funded by fees and a 150 percent surcharge on most fees associated with oil and gas production allowing the Commission to function as a self-supporting agency (SB 1, 82nd Legislature, First Called Session, 2011). Fiscal years 2014 and 2015 was the first biennium when oil and gas regulation was funded entirely with the new self-supporting revenue structure. Over the next five biennia, the primary driver of oil and gas activity—the price of West Texas Intermediate (WTI), the main oil benchmark for North America—changed dramatically from year to year averaging \$100.39 per barrel during fiscal year 2014, followed by five and a half fiscal years with the price averaging in the \$40 to \$65 range, preceding a precipitous decline in the second half of fiscal year 2020. During the first eleven months of fiscal year 2022, WTI averaged \$91.92, with steady and significant increases from \$71.65 in September 2021 to a peak of \$114.84 in June 2022. Despite relatively consistent between fiscal year 2015 and the first half of fiscal year 2020, and the surge in pricing during fiscal year 2022, revenue necessary to fund the Commission's operations continues to depend upon a volatile commodity market that responds to external social, economic, and political events.

In fiscal years 2024 and 2025, the Commission anticipates continuing its efforts to move away from mainframe technology to cloud-based business applications specifically designed to regulate the Texas oil and gas industry. The Commission established a solid foundation and framework—based on commercially available

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cloud-based technologies to the fullest extent possible—that may now be leverage for the implementation of modern, flexible, and scalable systems able to provide industry, the public, and Commission staff with the services and information necessary to achieve the agency’s strategic goals. This effort began in fiscal years 2020 to 2021 as a six to eight-year effort to transform the Commission’s information technology systems to reduce dependency on aging mainframe systems. Fiscal year 2024 will mark the sixth year of this project, which operates using a phased approach to reduce dependence on mainframe technology and address challenges that cannot be resolved in a single biennium. As the project advances, the Commission continues to evaluate opportunities for innovation apart from the mainframe transformation, but grounded in the thorough understanding of the technological challenges faced by its programs, activities and responsibilities that the mainframe transformation efforts provide.

Through information technology and other new tools, the Commission continues to innovate to improve its operational efficiency. The Commission developed an artificial intelligence tool to optimize the time the agency’s technical analysts spend on seismicity reviews conducted by the Underground Injection Control Department for injection/disposal well permits in areas susceptible to earthquakes and in certain geologic zones. The machine learning algorithm processes large amounts of information as it weighs factors related to the number, severity and proximity of earthquakes and uses a decision tree to assign a grade to the review. This innovation increases the effectiveness and consistency of Commission staff conducting seismic reviews, while also being more efficient with limited staff resources. In collaboration with the Public Utility Commission and the Texas Division of Emergency Management, the Commission deployed its resources to develop a mapping tool that identifies critical infrastructure facilities that make up the state’s electricity supply chain, including electric generation plants and the natural gas facilities that supply fuel to power the plants. State emergency management officials will use the map during weather emergencies and disasters to pinpoint the location of critical electric and natural gas facilities and emergency contact information for those facilities.

#### **Exceptional Items— \$20,725,018**

The Commission proposes six exception items for the FY 24-25 biennium:

##### **1. Gathering Pipeline and Underground Gas Storage Regulation – Additional Inspectors**

The Pipeline and Hazardous Materials Safety Administration (PHMSA) adopted a rule in November 2021 that altered the Minimum Federal Safety Standards for transportation of natural and other gas by pipeline under 49 CFR Part 192. With this rule change, the Commission must now also regulate and inspect natural gas gathering lines because of the risk posed to public safety and the physical environment. This rule was effective in May 2022. Currently, the Commission regulates 250,000 miles of pipeline; this rule adds approximately 100,000 miles of gathering lines to the regulatory jurisdiction of the Commission.

To comply with the updated minimum federal safety standard, the Commission requests an additional 50 FTEs—37 inspector positions and 13 FTEs that will comprise supporting engineers, field management, and other support staff. The estimated cost is \$3.5 million annually, with an additional one-time cost of approximately \$1.8 million for inspector vehicles. At the time of LAR submission, it was unknown if PHMSA would provide additional federal funds to implement this rule change.

##### **2. Oil and Gas Technical Permitting – Environmental Permits**

House Bill 3516 (87th Legislature, Regular Session, 2021) encourages the recycling of fluid oil and gas waste for beneficial purposes. The Commission did not anticipate the demand for this program when submitting its fiscal note in 2021. Following implementation, demand for the program substantially increased the workload for this unit. Four new FTEs at a cost of \$438,000 annually are requested to review and inspect for permit compliance resulting from additional commercial fluid recycling facility applications as well as the post-permitting activities. New FTEs will ensure permit compliance by reviewing period reports, inspecting facility quality control measures, coordinating compliance inspections with district staff, and referring activities to the Commission’s Legal Enforcement Section, if necessary.

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**3. Vehicle Replacements**

Railroad Commission vehicles cover roughly 6.5 million miles a year both on- and off-road to inspect and ensure the safety oil and gas wells, pipelines, and related facilities and infrastructure. Field inspections cannot happen without safe, functional vehicles. In 2020-21, the Commission's vehicle replacement budget was reduced by nearly \$1 million among the various statewide budget reductions. In the 2022-23 Legislative Appropriations Request the Commission requested, but did not receive, restoration of this budget reduction as an exceptional item. By the 2024-25 biennium, the Commission expects to have 170 vehicles that will far exceed the standard mileage for vehicle replacements. Due to supply chain issues such as semi-conductor shortages, the cost per vehicle has increased substantially. With the existing baseline capital budget, the Commission will only be able to replace 45 vehicles. The Commission requests an additional \$6.1 million and capital authority to replace the remaining 125 vehicles of the 170 existing vehicles that exceed the standard mileage for replacement.

**4. Data Center Services (DCS)**

The Commission utilizes the statewide data center managed by the Department of Information Resources (DIR). The costs for these services has increased over the last several years and based on the forecast from DIR, the Commission will need an additional \$2.9 million above the current base funding for the upcoming 2024-25 biennium.

**5. Fuel Inflation Adjustment**

Railroad Commission inspectors need vehicles to inspect oil and gas wells, pipelines, and related facilities and infrastructure across the state. The spike in gas prices has a significant impact as these vehicles will cover roughly 6.5 million miles a year. The Commission will need an additional \$816,500 per year to fund the increase in gasoline costs anticipated in the upcoming biennium.

**6. Cybersecurity and Data Governance**

Senate Bill 475, 87th Legislature, changed requirements in Texas Government Code Chapter 2054 for state agencies regarding data management. The Commission needs a sophisticated metadata management tool to inventory and organize data within its existing systems. This tool will provide transparency into metadata, including data definitions, synonyms, and key business attributes. The tool can detect relationships between elements such as where data originates and where it is used by other systems. The estimated cost of this data management tool is \$400,000 for the 2024-25 biennium, with \$150,000 needed annually for ongoing software licensing costs.

**Authority to Conduct Background Checks**

As the Commission seeks to add new FTEs to its organization, the authorization by Texas Government Code Sec. 411.1403 to obtain a criminal history record for an applicant for employment, as well as current or previous employees, consultants, contract employees, and others is a useful tool to ensure an efficient hiring process. The Commission is not currently conducting background checks as the agency reviews best practices and determines the most effective implementation plan based on organizational needs. The Commission uses the E-Verify system to confirm the eligibility of employees to work in the United States.

**Capital Budget**

The Commission's capital budget request seeks capital authority totaling \$41.5 million. In summary, the Commission's 2024-25 appropriation request includes the following capital projects in the Base Level Request:

- Mainframe Transformation Phase III – \$21,475,647
- Inspection/Enforcement Tracking and Reporting System Phase IV - \$3,000,000



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- PC Refresh - \$1,088,750
- Vehicle Replacements - \$3,355,486
- Data Center Services (DCS) - \$12,612,118

With this request the Commission will continue implementing modern, flexible, and scalable information technology systems that reduce dependence on mainframe systems. These efforts will produce data-driven processes that analyze performance metrics of compliance and enforcement rates, public safety risks, and threats to the environment to enhance protection of public safety and the environment. Also included in this capital authority request are funds necessary to maintain Data Center Services, and the Commission's fleet of vehicles for its inspectors.

During the 2020-21 biennium the Commission began multi-biennia technology infrastructure modernization program. The Commission seeks to continue this effort with \$21.5 million capital budget authority in the 2024-25 biennium for Phase III to develop additional software releases that will move existing mainframe applications to a cloud-based Software as a Service (SaaS) model. One component of infrastructure modernization is the development of data warehouse and business intelligence tools to provide reporting tools as information moves to the new cloud-based software. This effort continues the Commission's progress towards transforming all applications out of its legacy mainframe environment. The Commission has funding within the baseline request for its planned efforts in 2024-25, and seeks only the capital authority to proceed with the next phase of modernization. A move of this scale, across multiple biennia, from highly interconnected, legacy systems is imperative for the successful implementation of the Commission's Oil and Gas Monitoring and Enforcement Plan, as well as to ensure the effective and efficient regulation of the state's energy industries.

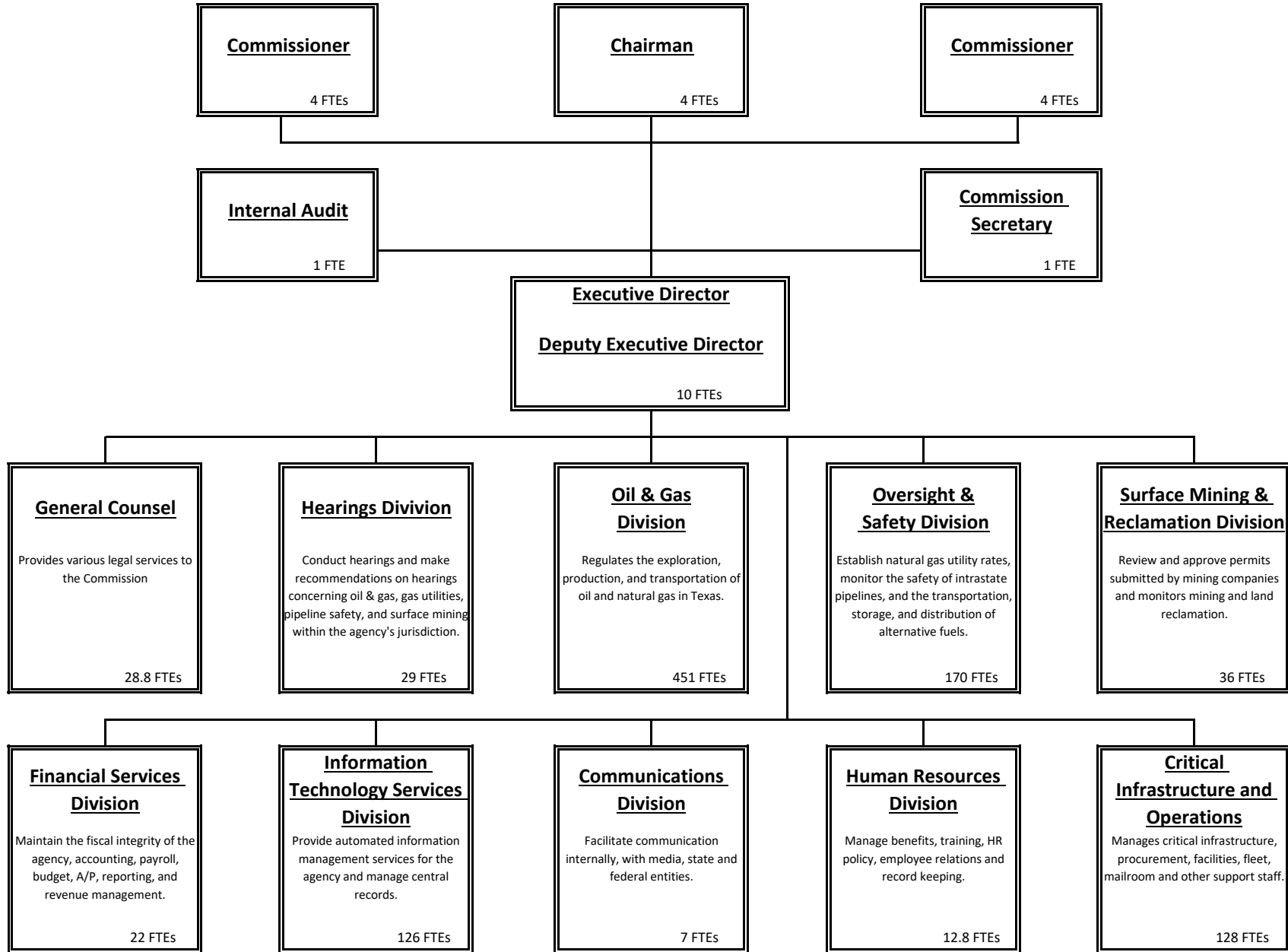
In addition, the Commission seeks \$3,000,000 capital budget authority to continue Phase IV of the Inspection and Enforcement Tracking and Reporting system. The phase will focus on modernizing the surface mining inspection system.

The Commission requests capital authority includes other ongoing technology responsibilities – \$12.6 million to continue its Data Center Services contract with the Department of Information Resources, and \$1,088,750 for PC replacement.

The Commission base level request includes \$2.2 million to purchase replacement vehicles according to a replacement cycle based on guidance from the Comptroller's Office of Vehicle Fleet Management (OVFM). An additional \$1.1 million is included in the vehicles capital budget for the purchase of new trucks for new state managed plugging inspectors working on the new federal funding from the U.S. Department of Interior grant.

# Railroad Commission of Texas Organization Chart

(as of September 1, 2022)





## CERTIFICATE

**Agency Name** **Railroad Commission of Texas**

This is to certify that the information contained in the agency Legislative Appropriation Request filed with the Legislative Budget Board (LBB) and the Governor’s Office Budget Division (Governor’s Office) is accurate to the best of my knowledge and that the electronic submission to the LBB via the Automated Budget and Evaluation System of Texas (ABEST) and the PDF file submitted via the LBB Document Submission application are identical.

Additionally, should it become likely at any time that unexpended balances will accrue for any account, the LBB and the Governor’s Office will be notified in writing in accordance with Article IX, Section 7.01 (2022–23 GAA).

**Chief Executive Officer**

DocuSigned by:  
Wei Wang  
A320E7878B01444  
Signature

Wei Wang, CPA  
Printed Name

Executive Director  
Title

8/30/22  
Date

**Commission Chair**

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Printed Name

\_\_\_\_\_  
Title

\_\_\_\_\_  
Date

**Chief Financial Officer**

DocuSigned by:  
Corey Crawford  
09F3B28AC5A41D  
Signature

Corey Crawford, CPA  
Printed Name

Chief Financial Officer  
Title

8/30/2022  
Date

**Budget Overview - Biennial Amounts**  
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455 Railroad Commission  
Appropriation Years: 2024-25

	GENERAL REVENUE FUNDS		GR DEDICATED		FEDERAL FUNDS		OTHER FUNDS		ALL FUNDS		EXCEPTIONAL ITEM FUNDS	
	2022-23	2024-25	2022-23	2024-25	2022-23	2024-25	2022-23	2024-25	2022-23	2024-25	2024-25	
<b>Goal: 1. Oversee Oil and Gas Resource Development</b>												
1.1.1. Energy Resource Development	31,310,165	44,983,630	23,943,073	9,860,887	685,301	640,000	889,694	1,134,974	56,828,233	56,619,491	1,301,141	
<b>Total, Goal</b>	<b>31,310,165</b>	<b>44,983,630</b>	<b>23,943,073</b>	<b>9,860,887</b>	<b>685,301</b>	<b>640,000</b>	<b>889,694</b>	<b>1,134,974</b>	<b>56,828,233</b>	<b>56,619,491</b>	<b>1,301,141</b>	
<b>Goal: 2. Advance Safety Through Training, Monitoring, and Enforcement</b>												
2.1.1. Pipeline Safety	7,454,987	4,501,926	7,808,423	11,515,384	6,456,000	6,520,000			21,719,410	22,537,310	10,542,532	
2.1.2. Pipeline Damage Prevention	351,671	237,888	426,719	604,502	424,000	360,000			1,202,390	1,202,390	18,120	
2.2.1. Regulate Alt Fuel Resources	8,810,944	5,915,180					1,837,920	1,840,000	10,648,864	7,755,180	561,831	
<b>Total, Goal</b>	<b>16,617,602</b>	<b>10,654,994</b>	<b>8,235,142</b>	<b>12,119,886</b>	<b>6,880,000</b>	<b>6,880,000</b>	<b>1,837,920</b>	<b>1,840,000</b>	<b>33,570,664</b>	<b>31,494,880</b>	<b>11,122,483</b>	
<b>Goal: 3. Min. Harmful Effects of Energy Prod &amp; Ensure Fair Rates for Consumers</b>												
3.1.1. Oil/Gas Monitor & Inspections	50,423,694	53,492,936	13,340,265	10,167,540					63,763,959	63,660,476	4,371,003	
3.1.2. Surface Mining Monitoring/Inspect	4,391,588	7,279,144			2,560,000	2,560,000			6,951,588	9,839,144	424,795	
3.2.1. Oil&Gas Well Plugging & Remediation	24,805,860	10,517,373	101,983,527	115,998,884	25,240,000	126,040,000			152,029,387	252,556,257	2,311,916	
3.2.2. Surface Mining Reclamation	714,820	701,226			3,400,000	3,400,000			4,114,820	4,101,226	41,608	
3.3.1. Gas Utility Commerce	6,943,244	6,524,470					264,080	260,000	7,207,324	6,784,470	99,994	
3.4.1. Weather Preparedness	30,672,076	22,730,930							30,672,076	22,730,930	981,278	
<b>Total, Goal</b>	<b>117,951,282</b>	<b>101,246,079</b>	<b>115,323,792</b>	<b>126,166,424</b>	<b>31,200,000</b>	<b>132,000,000</b>	<b>264,080</b>	<b>260,000</b>	<b>264,739,154</b>	<b>359,672,503</b>	<b>8,230,594</b>	
<b>Goal: 4. Public Access to Information and Services</b>												
4.1.1. Public Information And Services	1,951,276	2,594,466	2,879,182	2,233,992			98,000	100,000	4,928,458	4,928,458	70,800	
<b>Total, Goal</b>	<b>1,951,276</b>	<b>2,594,466</b>	<b>2,879,182</b>	<b>2,233,992</b>			<b>98,000</b>	<b>100,000</b>	<b>4,928,458</b>	<b>4,928,458</b>	<b>70,800</b>	
<b>Total, Agency</b>	<b>167,830,325</b>	<b>159,479,169</b>	<b>150,381,189</b>	<b>150,381,189</b>	<b>38,765,301</b>	<b>139,520,000</b>	<b>3,089,694</b>	<b>3,334,974</b>	<b>360,066,509</b>	<b>452,715,332</b>	<b>20,725,018</b>	
<b>Total FTEs</b>									<b>1,034.6</b>	<b>1,066.6</b>	<b>55.0</b>	

**2.A. Summary of Base Request by Strategy**

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<b>Goal / Objective / STRATEGY</b>	<b>Exp 2021</b>	<b>Est 2022</b>	<b>Bud 2023</b>	<b>Req 2024</b>	<b>Req 2025</b>
<b>1</b> <u>Oversee Oil and Gas Resource Development</u>					
<b>1</b> <u>Increase Opportunities for Oil and Gas Resource Development</u>					
<b>1 ENERGY RESOURCE DEVELOPMENT</b>	16,204,285	27,215,379	29,612,854	30,277,116	26,342,375
<b>TOTAL, GOAL</b> <b>1</b>	<b>\$16,204,285</b>	<b>\$27,215,379</b>	<b>\$29,612,854</b>	<b>\$30,277,116</b>	<b>\$26,342,375</b>
<b>2</b> <u>Advance Safety Through Training, Monitoring, and Enforcement</u>					
<b>1</b> <u>Improve Pipeline Safety</u>					
<b>1 PIPELINE SAFETY</b>	10,235,463	10,479,023	11,240,387	11,268,655	11,268,655
<b>2 PIPELINE DAMAGE PREVENTION</b>	679,038	587,562	614,828	601,195	601,195
<b>2</b> <u>Alternative Energy &amp; Safety Through Regulation</u>					
<b>1 REGULATE ALT FUEL RESOURCES</b>	3,004,881	5,774,833	4,874,031	3,877,590	3,877,590
<b>TOTAL, GOAL</b> <b>2</b>	<b>\$13,919,382</b>	<b>\$16,841,418</b>	<b>\$16,729,246</b>	<b>\$15,747,440</b>	<b>\$15,747,440</b>
<b>3</b> <u>Min. Harmful Effects of Energy Prod &amp; Ensure Fair Rates for Consumers</u>					
<b>1</b> <u>Reduce Occurrence of Environmental Violations</u>					

**2.A. Summary of Base Request by Strategy**

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<b>Goal / Objective / STRATEGY</b>	<b>Exp 2021</b>	<b>Est 2022</b>	<b>Bud 2023</b>	<b>Req 2024</b>	<b>Req 2025</b>
<b>1 OIL/GAS MONITOR &amp; INSPECTIONS</b>	28,775,855	31,672,747	32,091,212	32,813,923	30,846,553
<b>2 SURFACE MINING MONITORING/INSPECT</b>	3,389,631	3,525,718	3,425,870	5,419,572	4,419,572
<u><b>2</b></u> <i>Identify and Abate Environmental Threats</i>					
<b>1 OIL&amp;GAS WELL PLUGGING &amp; REMEDIATION</b>	63,957,554	65,817,227	86,212,160	126,606,023	125,950,234
<b>2 SURFACE MINING RECLAMATION</b>	1,293,946	2,062,595	2,052,225	2,050,613	2,050,613
<u><b>3</b></u> <i>Maintain Competitive Prices and Adequate Supplies for Consumers</i>					
<b>1 GAS UTILITY COMMERCE</b>	2,853,538	3,808,662	3,398,662	3,392,235	3,392,235
<u><b>4</b></u> <i>Critical Infrastructure</i>					
<b>1 WEATHER PREPAREDNESS</b>	0	19,085,271	11,586,805	11,365,465	11,365,465
<b>TOTAL, GOAL 3</b>	<b>\$100,270,524</b>	<b>\$125,972,220</b>	<b>\$138,766,934</b>	<b>\$181,647,831</b>	<b>\$178,024,672</b>
<u><b>4</b></u> <i>Public Access to Information and Services</i>					
<u><b>1</b></u> <i>Increase Public Access to Information</i>					
<b>1 PUBLIC INFORMATION AND SERVICES</b>	2,289,815	2,301,195	2,627,263	2,464,229	2,464,229

**2.A. Summary of Base Request by Strategy**

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**455 Railroad Commission**

<b>Goal / Objective / STRATEGY</b>	<b>Exp 2021</b>	<b>Est 2022</b>	<b>Bud 2023</b>	<b>Req 2024</b>	<b>Req 2025</b>
<b>TOTAL, GOAL                    4</b>	<b>\$2,289,815</b>	<b>\$2,301,195</b>	<b>\$2,627,263</b>	<b>\$2,464,229</b>	<b>\$2,464,229</b>
<b>TOTAL, AGENCY STRATEGY REQUEST</b>	<b>\$132,684,006</b>	<b>\$172,330,212</b>	<b>\$187,736,297</b>	<b>\$230,136,616</b>	<b>\$222,578,716</b>
<b>TOTAL, AGENCY RIDER APPROPRIATIONS REQUEST*</b>				<b>\$0</b>	<b>\$0</b>
<b>GRAND TOTAL, AGENCY REQUEST</b>	<b>\$132,684,006</b>	<b>\$172,330,212</b>	<b>\$187,736,297</b>	<b>\$230,136,616</b>	<b>\$222,578,716</b>

**2.A. Summary of Base Request by Strategy**

88th Regular Session, Agency Submission, Version 1

Automated Budget and Evaluation System of Texas (ABEST)

**455 Railroad Commission**

<b>Goal / Objective / STRATEGY</b>	<b>Exp 2021</b>	<b>Est 2022</b>	<b>Bud 2023</b>	<b>Req 2024</b>	<b>Req 2025</b>
<u>METHOD OF FINANCING:</u>					
<b>General Revenue Funds:</b>					
1 General Revenue Fund	47,105,640	81,616,226	86,214,099	80,239,584	79,239,585
<b>SUBTOTAL</b>	<b>\$47,105,640</b>	<b>\$81,616,226</b>	<b>\$86,214,099</b>	<b>\$80,239,584</b>	<b>\$79,239,585</b>
<b>General Revenue Dedicated Funds:</b>					
5155 Oil & Gas Regulation	61,413,295	82,458,685	67,922,504	78,469,545	71,911,644
<b>SUBTOTAL</b>	<b>\$61,413,295</b>	<b>\$82,458,685</b>	<b>\$67,922,504</b>	<b>\$78,469,545</b>	<b>\$71,911,644</b>
<b>Federal Funds:</b>					
555 Federal Funds	7,854,181	6,905,301	31,860,000	69,760,000	69,760,000
<b>SUBTOTAL</b>	<b>\$7,854,181</b>	<b>\$6,905,301</b>	<b>\$31,860,000</b>	<b>\$69,760,000</b>	<b>\$69,760,000</b>
<b>Other Funds:</b>					
599 Economic Stabilization Fund	15,047,868	0	0	0	0
666 Appropriated Receipts	1,263,022	1,350,000	1,350,000	1,350,000	1,350,000
827 Anthropogenic CO2 Storage Fund	0	0	389,694	317,487	317,487
<b>SUBTOTAL</b>	<b>\$16,310,890</b>	<b>\$1,350,000</b>	<b>\$1,739,694</b>	<b>\$1,667,487</b>	<b>\$1,667,487</b>
<b>TOTAL, METHOD OF FINANCING</b>	<b>\$132,684,006</b>	<b>\$172,330,212</b>	<b>\$187,736,297</b>	<b>\$230,136,616</b>	<b>\$222,578,716</b>

\*Rider appropriations for the historical years are included in the strategy amounts.



**2.B. Summary of Base Request by Method of Finance**

88th Regular Session, Agency Submission, Version 1

Automated Budget and Evaluation System of Texas (ABEST)

Agency code: <b>455</b>		Agency name: <b>Railroad Commission</b>				
<b>METHOD OF FINANCING</b>	<b>Exp 2021</b>	<b>Est 2022</b>	<b>Bud 2023</b>	<b>Req 2024</b>	<b>Req 2025</b>	
<b><u>GENERAL REVENUE</u></b>						
<b><u>1</u> General Revenue Fund</b>						
<i>REGULAR APPROPRIATIONS</i>						
Regular Appropriations from MOF Table (2020-21 GAA)	\$56,577,973	\$0	\$0	\$0	\$0	
Regular Appropriations from MOF Table (2022-23 GAA)	\$0	\$56,981,392	\$55,474,034	\$0	\$0	
Regular Appropriations from MOF Table (2024-25 GAA)	\$0	\$0	\$0	\$80,239,584	\$79,239,585	
<i>RIDER APPROPRIATION</i>						
Art IX, Sec 13.10, Earned Federal Funds (2020-21 GAA)	\$262,396	\$0	\$0	\$0	\$0	
Art. IX, Sec 18.14, Contingency for HB 1520 (GAA 2022-23)	\$0	\$1,124,780	\$714,780	\$0	\$0	
Art. IX, Sec 18.28, Contingency for SB 3 (GAA 2022-23)	\$0	\$19,085,271	\$11,586,805	\$0	\$0	

**2.B. Summary of Base Request by Method of Finance**  
88th Regular Session, Agency Submission, Version 1  
Automated Budget and Evaluation System of Texas (ABEST)

Agency code: 455	Agency name: Railroad Commission					
METHOD OF FINANCING		Exp 2021	Est 2022	Bud 2023	Req 2024	Req 2025
<b><u>GENERAL REVENUE</u></b>						
<i>SUPPLEMENTAL, SPECIAL OR EMERGENCY APPROPRIATIONS</i>						
HB 2, 87th Leg, Regular Session		\$4,608,000	\$0	\$0	\$0	\$0
<i>LAPSED APPROPRIATIONS</i>						
HB 2, 87th Leg, Regular Session, Sec. 1(a) GR Reductions		\$(89,070)	\$0	\$0	\$0	\$0
<i>UNEXPENDED BALANCES AUTHORITY</i>						
HB 2, 87th Leg, Regular Session		\$(4,608,000)	\$4,608,000	\$0	\$0	\$0
Art VI-49, Rider 11 UB Between Fiscal Years (2020-21 GAA)		\$8,609,604	\$0	\$0	\$0	\$0
Art. VI-51, Rider 14 UB: Acquisition of Info. Resources Technologies (2022-23 GAA)		\$(18,255,263)	\$18,255,263	\$0	\$0	\$0
Art VI-51, Rider 11 UB Between Fiscal Years (2022-23 GAA)		\$0	\$(18,438,480)	\$18,438,480	\$0	\$0

**2.B. Summary of Base Request by Method of Finance**  
 88th Regular Session, Agency Submission, Version 1  
 Automated Budget and Evaluation System of Texas (ABEST)

Agency code:	<b>455</b>	Agency name:	<b>Railroad Commission</b>			
<b>METHOD OF FINANCING</b>		<b>Exp 2021</b>	<b>Est 2022</b>	<b>Bud 2023</b>	<b>Req 2024</b>	<b>Req 2025</b>
<b><u>GENERAL REVENUE</u></b>						
<b>TOTAL,</b>	<b>General Revenue Fund</b>	<b>\$47,105,640</b>	<b>\$81,616,226</b>	<b>\$86,214,099</b>	<b>\$80,239,584</b>	<b>\$79,239,585</b>
<b>TOTAL, ALL</b>	<b>GENERAL REVENUE</b>	<b>\$47,105,640</b>	<b>\$81,616,226</b>	<b>\$86,214,099</b>	<b>\$80,239,584</b>	<b>\$79,239,585</b>

**GENERAL REVENUE FUND - DEDICATED**

**5155** GR Dedicated - Oil and Gas Regulation and Cleanup Account No. 5155

*REGULAR APPROPRIATIONS*

Regular Appropriations from MOF Table (2020-21 GAA)	\$77,968,596	\$0	\$0	\$0	\$0
Regular Appropriations from MOF Table (2022-23 GAA)	\$0	\$59,021,334	\$59,989,019	\$0	\$0
Regular Appropriations from MOF Table (2024-25 GAA)	\$0	\$0	\$0	\$78,469,545	\$71,911,644

*RIDER APPROPRIATION*

Art. IX, Sec 18.28, Contingency for HB 2771 (GAA 2020-21)	\$(150,846)	\$0	\$0	\$0	\$0
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**2.B. Summary of Base Request by Method of Finance**

88th Regular Session, Agency Submission, Version 1

Automated Budget and Evaluation System of Texas (ABEST)

Agency code: <b>455</b>		Agency name: <b>Railroad Commission</b>				
<b>METHOD OF FINANCING</b>	<b>Exp 2021</b>	<b>Est 2022</b>	<b>Bud 2023</b>	<b>Req 2024</b>	<b>Req 2025</b>	
<b><u>GENERAL REVENUE FUND - DEDICATED</u></b>						
GAA VI-49, RRC Rider 12, Appropriation: Oil and Gas Regulation and Cleanup Account Fees. (2020-21 GAA)	\$0	\$7,436,043	\$2,778,941	\$0	\$0	
<i>SUPPLEMENTAL, SPECIAL OR EMERGENCY APPROPRIATIONS</i>						
HB 2, 87th Leg, Regular Session	\$16,867,647	\$0	\$0	\$0	\$0	
<i>LAPSED APPROPRIATIONS</i>						
Regular Appropriations from MOF Table (2020-21 GAA)	\$(21,112,848)	\$0	\$0	\$0	\$0	
HB 2, 87th Leg, Regular Session, Sec 1(b) GR-D Reductions	\$(13,056,935)	\$0	\$0	\$0	\$0	
<i>UNEXPENDED BALANCES AUTHORITY</i>						
Art VI-49, Rider 13 UB Between Fiscal Years (2020-21 GAA)	\$22,215,156	\$0	\$0	\$0	\$0	
Art. IX, Sec 14.03(1) DCS (2020-21 GAA)	\$(161,623)	\$0	\$0	\$0	\$0	

**2.B. Summary of Base Request by Method of Finance**

88th Regular Session, Agency Submission, Version 1

Automated Budget and Evaluation System of Texas (ABEST)

Agency code: <b>455</b>		Agency name: <b>Railroad Commission</b>				
<b>METHOD OF FINANCING</b>		<b>Exp 2021</b>	<b>Est 2022</b>	<b>Bud 2023</b>	<b>Req 2024</b>	<b>Req 2025</b>
<b><u>GENERAL REVENUE FUND - DEDICATED</u></b>						
	87th Leg, HB 2, Supplemental Appropriation	\$(16,867,647)	\$16,867,647	\$0	\$0	\$0
	Art. VI-51, Rider 14, UB: Acquisition of Info. Resources Technologies (2022-23 GAA)	\$(4,288,205)	\$4,288,205	\$0	\$0	\$0
	Art. VI-51, Rider 11, UB Between Fiscal Years (2022-23 GAA)	\$0	\$(5,154,544)	\$5,154,544	\$0	\$0
<b>TOTAL,</b>	<b>GR Dedicated - Oil and Gas Regulation and Cleanup Account No. 5155</b>	<b>\$61,413,295</b>	<b>\$82,458,685</b>	<b>\$67,922,504</b>	<b>\$78,469,545</b>	<b>\$71,911,644</b>
<b>TOTAL, ALL</b>	<b>GENERAL REVENUE FUND - DEDICATED</b>	<b>\$61,413,295</b>	<b>\$82,458,685</b>	<b>\$67,922,504</b>	<b>\$78,469,545</b>	<b>\$71,911,644</b>
<b>TOTAL,</b>	<b>GR &amp; GR-DEDICATED FUNDS</b>	<b>\$108,518,935</b>	<b>\$164,074,911</b>	<b>\$154,136,603</b>	<b>\$158,709,129</b>	<b>\$151,151,229</b>

**FEDERAL FUNDS**

**555** Federal Funds

*REGULAR APPROPRIATIONS*

	Regular Appropriations from MOF Table (2020-21 GAA)	\$7,202,000	\$0	\$0	\$0	\$0
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**2.B. Summary of Base Request by Method of Finance**

88th Regular Session, Agency Submission, Version 1

Automated Budget and Evaluation System of Texas (ABEST)

Agency code: <b>455</b>	Agency name: <b>Railroad Commission</b>				
<b>METHOD OF FINANCING</b>	<b>Exp 2021</b>	<b>Est 2022</b>	<b>Bud 2023</b>	<b>Req 2024</b>	<b>Req 2025</b>
<b><u>FEDERAL FUNDS</u></b>					
Regular Appropriations from MOF Table (2022-23 GAA)	\$0	\$6,860,000	\$6,860,000	\$0	\$0
Regular Appropriations from MOF Table (2024-25 GAA)	\$0	\$0	\$0	\$69,760,000	\$69,760,000
<i>RIDER APPROPRIATION</i>					
Art IX, Sec 13.01, Federal Funds/Block Grants (2020-21 GAA) - UIC Special Project CFDA 66.204	\$26,127	\$0	\$0	\$0	\$0
Art IX, Sec 13.01, Federal Funds/Block Grants (2020-21 GAA) - State Damage Prevention CFDA 20.720	\$26,860	\$0	\$0	\$0	\$0
Art IX, Sec 13.01, Federal Funds/Block Grants (2020-21 GAA) - Padre Island CFDA 15.944	\$873,242	\$0	\$0	\$0	\$0
Art IX, Sec 13.01, Federal Funds/Block Grants (2020-21 GAA) - Pipeline Safety Base Grants - CFDA 20.700	\$758,857	\$0	\$0	\$0	\$0

**2.B. Summary of Base Request by Method of Finance**

88th Regular Session, Agency Submission, Version 1

Automated Budget and Evaluation System of Texas (ABEST)

Agency code: <b>455</b>		Agency name: <b>Railroad Commission</b>				
<b>METHOD OF FINANCING</b>		<b>Exp 2021</b>	<b>Est 2022</b>	<b>Bud 2023</b>	<b>Req 2024</b>	<b>Req 2025</b>
<b><u>FEDERAL FUNDS</u></b>						
Art IX, Sec 13.01, Federal Funds/Block Grants (2022-23 GAA) - State Damage Prevention CFDA 20.720		\$0	\$45,301	\$0	\$0	\$0
Art IX, Sec 13.01, Federal Funds/Block Grants (2022-23 GAA) - Energy Community Revitalization Program (ECRP) CFDA 15.018 (Well Plugging Project)		\$0	\$0	\$25,000,000	\$0	\$0
<i>LAPSED APPROPRIATIONS</i>						
Regular Appropriations from MOF Table (2020-21 GAA)		\$(1,733,043)	\$0	\$0	\$0	\$0
<i>UNEXPENDED BALANCES AUTHORITY</i>						
Art VI-49, Rider 13 UB Between Fiscal Years (2020-21 GAA)		\$700,138	\$0	\$0	\$0	\$0
<b>TOTAL,</b>	<b>Federal Funds</b>	<b>\$7,854,181</b>	<b>\$6,905,301</b>	<b>\$31,860,000</b>	<b>\$69,760,000</b>	<b>\$69,760,000</b>

**2.B. Summary of Base Request by Method of Finance**

88th Regular Session, Agency Submission, Version 1

Automated Budget and Evaluation System of Texas (ABEST)

Agency code: <b>455</b>	Agency name: <b>Railroad Commission</b>					
<b>METHOD OF FINANCING</b>		<b>Exp 2021</b>	<b>Est 2022</b>	<b>Bud 2023</b>	<b>Req 2024</b>	<b>Req 2025</b>
<b>TOTAL, ALL FEDERAL FUNDS</b>		<b>\$7,854,181</b>	<b>\$6,905,301</b>	<b>\$31,860,000</b>	<b>\$69,760,000</b>	<b>\$69,760,000</b>

**OTHER FUNDS**

**599** Economic Stabilization Fund

*UNEXPENDED BALANCES AUTHORITY*

Art VI-49, Rider 13 UB Between Fiscal Years (2020-21 GAA)	\$15,047,868	\$0	\$0	\$0	\$0
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<b>TOTAL, Economic Stabilization Fund</b>	<b>\$15,047,868</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
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**666** Appropriated Receipts

*REGULAR APPROPRIATIONS*

Regular Appropriations from MOF Table (2020-21 GAA)	\$2,286,761	\$0	\$0	\$0	\$0
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Regular Appropriations from MOF Table (2022-23 GAA)	\$0	\$1,350,000	\$1,350,000	\$0	\$0
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Regular Appropriations from MOF Table (2024-25 GAA)	\$0	\$0	\$0	\$1,350,000	\$1,350,000
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*LAPSED APPROPRIATIONS*



**2.B. Summary of Base Request by Method of Finance**  
 88th Regular Session, Agency Submission, Version 1  
 Automated Budget and Evaluation System of Texas (ABEST)

Agency code: <b>455</b>		Agency name: <b>Railroad Commission</b>				
<b>METHOD OF FINANCING</b>		<b>Exp 2021</b>	<b>Est 2022</b>	<b>Bud 2023</b>	<b>Req 2024</b>	<b>Req 2025</b>
<b><u>OTHER FUNDS</u></b>						
	Regular Appropriations from MOF Table (2020-21 GAA)	\$ (1,023,739)	\$ 0	\$ 0	\$ 0	\$ 0
<b>TOTAL,</b>	<b>Appropriated Receipts</b>	<b>\$1,263,022</b>	<b>\$1,350,000</b>	<b>\$1,350,000</b>	<b>\$1,350,000</b>	<b>\$1,350,000</b>
 <b><u>827</u> Anthropogenic Carbon Dioxide Storage Trust Fund No. 827</b>						
<i>REGULAR APPROPRIATIONS</i>						
	Regular Appropriations from MOF Table (2024-25 GAA)	\$ 0	\$ 0	\$ 0	\$ 317,487	\$ 317,487
<i>RIDER APPROPRIATION</i>						
	Art. IX, Sec. 18.11 Contingency for HB 1284	\$ 0	\$ 0	\$ 389,694	\$ 0	\$ 0
<b>TOTAL,</b>	<b>Anthropogenic Carbon Dioxide Storage Trust Fund No. 827</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 389,694</b>	<b>\$ 317,487</b>	<b>\$ 317,487</b>
<b>TOTAL, ALL</b>	<b>OTHER FUNDS</b>	<b>\$16,310,890</b>	<b>\$1,350,000</b>	<b>\$1,739,694</b>	<b>\$1,667,487</b>	<b>\$1,667,487</b>
<b>GRAND TOTAL</b>		<b>\$132,684,006</b>	<b>\$172,330,212</b>	<b>\$187,736,297</b>	<b>\$230,136,616</b>	<b>\$222,578,716</b>

**2.B. Summary of Base Request by Method of Finance**  
88th Regular Session, Agency Submission, Version 1  
Automated Budget and Evaluation System of Texas (ABEST)

Agency code: <b>455</b>	Agency name: <b>Railroad Commission</b>				
<b>METHOD OF FINANCING</b>	<b>Exp 2021</b>	<b>Est 2022</b>	<b>Bud 2023</b>	<b>Req 2024</b>	<b>Req 2025</b>
<b>FULL-TIME-EQUIVALENT POSITIONS</b>					
REGULAR APPROPRIATIONS					
Regular Appropriations from MOF Table (2020-21 GAA)	873.1	0.0	0.0	0.0	0.0
Regular Appropriations from MOF Table (2022-23 GAA)	0.0	870.6	870.6	0.0	0.0
Regular Appropriations from MOF Table (2024-25 GAA)	0.0	0.0	0.0	1,010.6	1,010.6
RIDER APPROPRIATION					
Art. IX, Sec. 18.28 - Contingency for House Bill 2771 (2020-21 GAA)	(2.5)	0.0	0.0	0.0	0.0
Art. IX, Sec. 18.11 - Contingency for House Bill 1284 (2022-23 GAA)	0.0	0.0	3.0	0.0	0.0
Art. IX, Sec. 18.14 - Contingency for House Bill 1520 (2022-23 GAA)	0.0	7.0	7.0	0.0	0.0
Art. IX, Sec. 18.28 - Contingency for Senate Bill 3 (2022-23 GAA)	0.0	130.0	130.0	0.0	0.0
Art IX, Sec 6.10(g), 100% Federally Funded FTEs (2022-23 GAA)	0.0	0.0	24.0	0.0	0.0
<b>Comments:</b> IJJA Energy Community Revitalization Program 15.018.120					
Art IX, Sec 6.10(g), 100% Federally Funded FTEs (2024-25 GAA)	0.0	0.0	0.0	56.0	56.0
<b>Comments:</b> IJJA Energy Community Revitalization Program 15.018.120					

**2.B. Summary of Base Request by Method of Finance**

88th Regular Session, Agency Submission, Version 1

Automated Budget and Evaluation System of Texas (ABEST)

Agency code: <b>455</b>		Agency name: <b>Railroad Commission</b>				
<b>METHOD OF FINANCING</b>	<b>Exp 2021</b>	<b>Est 2022</b>	<b>Bud 2023</b>	<b>Req 2024</b>	<b>Req 2025</b>	
LAPSED APPROPRIATIONS						
Regular Appropriations from MOF Table (2020-21 GAA)	(27.5)	0.0	0.0	0.0	0.0	
<b>TOTAL, ADJUSTED FTES</b>	<b>843.1</b>	<b>1,007.6</b>	<b>1,034.6</b>	<b>1,066.6</b>	<b>1,066.6</b>	
<b>NUMBER OF 100% FEDERALLY FUNDED FTEs</b>	<b>4.0</b>	<b>4.0</b>	<b>28.0</b>	<b>60.0</b>	<b>60.0</b>	

**2.C. Summary of Base Request by Object of Expense**

88th Regular Session, Agency Submission, Version 1

Automated Budget and Evaluation System of Texas (ABEST)

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**455 Railroad Commission**

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<b>OBJECT OF EXPENSE</b>	<b>Exp 2021</b>	<b>Est 2022</b>	<b>Bud 2023</b>	<b>BL 2024</b>	<b>BL 2025</b>
1001 SALARIES AND WAGES	\$54,749,862	\$59,943,872	\$69,004,286	\$70,785,950	\$70,785,950
1002 OTHER PERSONNEL COSTS	\$1,469,290	\$1,277,359	\$1,480,951	\$1,512,308	\$1,512,308
2001 PROFESSIONAL FEES AND SERVICES	\$19,122,943	\$38,856,965	\$37,736,169	\$44,096,838	\$36,538,938
2002 FUELS AND LUBRICANTS	\$829,083	\$1,134,542	\$1,522,852	\$1,579,583	\$1,579,583
2003 CONSUMABLE SUPPLIES	\$133,256	\$108,499	\$187,749	\$224,334	\$224,334
2004 UTILITIES	\$381,149	\$645,842	\$766,289	\$767,489	\$767,489
2005 TRAVEL	\$334,032	\$669,569	\$1,668,923	\$1,696,932	\$1,696,932
2006 RENT - BUILDING	\$764,494	\$960,934	\$1,065,346	\$1,065,346	\$1,065,346
2007 RENT - MACHINE AND OTHER	\$248,463	\$327,242	\$368,761	\$383,761	\$383,761
2009 OTHER OPERATING EXPENSE	\$54,191,248	\$62,029,563	\$72,307,111	\$105,126,222	\$106,764,922
5000 CAPITAL EXPENDITURES	\$460,186	\$6,375,825	\$1,627,860	\$2,897,853	\$1,259,153
<b>OOE Total (Excluding Riders)</b>	<b>\$132,684,006</b>	<b>\$172,330,212</b>	<b>\$187,736,297</b>	<b>\$230,136,616</b>	<b>\$222,578,716</b>
<b>OOE Total (Riders)</b>					
<b>Grand Total</b>	<b>\$132,684,006</b>	<b>\$172,330,212</b>	<b>\$187,736,297</b>	<b>\$230,136,616</b>	<b>\$222,578,716</b>

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**2.D. Summary of Base Request Objective Outcomes**  
88th Regular Session, Agency Submission, Version 1  
Automated Budget and Evaluation system of Texas (ABEST)

**455 Railroad Commission**

Goal/ Objective / Outcome	Exp 2021	Est 2022	Bud 2023	BL 2024	BL 2025
1 <i>Oversee Oil and Gas Resource Development</i>					
1 <i>Increase Opportunities for Oil and Gas Resource Development</i>					
<b>KEY            1    Percent of Oil and Gas Wells That Are Active</b>					
	66.00%	66.00%	68.00%	68.00%	69.00%
2 <i>Advance Safety Through Training, Monitoring, and Enforcement</i>					
1 <i>Improve Pipeline Safety</i>					
<b>KEY            1    Average Number of Safety Violations</b>					
	0.76	0.50	0.50	0.50	0.50
2 <i>Alternative Energy &amp; Safety Through Regulation</i>					
1 <b>Average Number of LPG/CNG/LNG Violations</b>					
	1.10	1.10	1.30	1.30	1.30
2 <b>Percent of LPG/CNG/LNG Inspections W/ Non-compliance Items</b>					
	62.00%	65.00%	68.00%	68.00%	68.00%
3 <i>Min. Harmful Effects of Energy Prod &amp; Ensure Fair Rates for Consumers</i>					
1 <i>Reduce Occurrence of Environmental Violations</i>					
<b>KEY            1    Percent of Oil and Gas Inspections That Identify Violations</b>					
	6.00%	5.00%	5.00%	5.00%	5.00%
2 <b>Percent of Wells Not Inspected in Last Five Years</b>					
	1.00%	1.00%	1.00%	1.00%	1.00%
3 <b>Percent Of Total Well Population Inspected</b>					
	28.20	35.00	35.00	37.50	37.50
2 <i>Identify and Abate Environmental Threats</i>					
<b>KEY            1    Percent of Known Orphaned Wells Plugged w/State-Managed Funds</b>					
	21.00%	20.00%	20.00%	20.00%	20.00%
2 <b>% Pollution Sites Inves., Assessed, Cleaned w/State-Managed Funds</b>					
	12.00%	11.00%	10.00%	10.00%	13.00%
3 <i>Maintain Competitive Prices and Adequate Supplies for Consumers</i>					
1 <b>Average Texas Residential Gas Price as a Percent of National Gas Price</b>					
	108.00%	110.00%	110.00%	110.00%	110.00%

**2.E. Summary of Exceptional Items Request**  
88th Regular Session, Agency Submission, Version 1  
Automated Budget and Evaluation System of Texas (ABEST)

Agency code: 455

Agency name: **Railroad Commission**

Priority	Item	2024			2025			Biennium		
		GR and GR/GR Dedicated	All Funds	FTEs	GR and GR Dedicated	All Funds	FTEs	GR and GR Dedicated	All Funds	
1	Pipeline Safety Inspectors	\$5,250,514	\$5,250,514	50.0	\$3,465,046	\$3,465,046	50.0	\$8,715,560	\$8,715,560	
2	Environmental Permits	\$438,000	\$438,000	5.0	\$438,000	\$438,000	5.0	\$876,000	\$876,000	
3	Vehicle Replacements	\$4,327,550	\$4,327,550		\$1,817,415	\$1,817,415		\$6,144,965	\$6,144,965	
4	DCS Adjustment	\$1,233,719	\$1,233,719		\$1,721,774	\$1,721,774		\$2,955,493	\$2,955,493	
5	Fuel Inflation Adjustment	\$816,500	\$816,500		\$816,500	\$816,500		\$1,633,000	\$1,633,000	
6	Cybersecurity and Data Governance	\$250,000	\$250,000		\$150,000	\$150,000		\$400,000	\$400,000	
<b>Total, Exceptional Items Request</b>		<b>\$12,316,283</b>	<b>\$12,316,283</b>	<b>55.0</b>	<b>\$8,408,735</b>	<b>\$8,408,735</b>	<b>55.0</b>	<b>\$20,725,018</b>	<b>\$20,725,018</b>	
<b>Method of Financing</b>										
	General Revenue	\$12,316,283	\$12,316,283		\$8,408,735	\$8,408,735		\$20,725,018	\$20,725,018	
	General Revenue - Dedicated									
	Federal Funds									
	Other Funds									
		<b>\$12,316,283</b>	<b>\$12,316,283</b>		<b>\$8,408,735</b>	<b>\$8,408,735</b>		<b>\$20,725,018</b>	<b>\$20,725,018</b>	
<b>Full Time Equivalent Positions</b>				<b>55.0</b>				<b>55.0</b>		
<b>Number of 100% Federally Funded FTEs</b>				<b>0.0</b>				<b>0.0</b>		

**2.F. Summary of Total Request by Strategy**  
88th Regular Session, Agency Submission, Version 1  
Automated Budget and Evaluation System of Texas (ABEST)

Agency code: **455** Agency name: **Railroad Commission**

<b>Goal/Objective/STRATEGY</b>	<b>Base 2024</b>	<b>Base 2025</b>	<b>Exceptional 2024</b>	<b>Exceptional 2025</b>	<b>Total Request 2024</b>	<b>Total Request 2025</b>
<b>1</b> <i>Oversee Oil and Gas Resource Development</i>						
<b>1</b> <i>Increase Opportunities for Oil and Gas Resource Development</i>						
<b>1</b> ENERGY RESOURCE DEVELOPMENT	\$30,277,116	\$26,342,375	\$625,987	\$675,154	\$30,903,103	\$27,017,529
<b>TOTAL, GOAL 1</b>	<b>\$30,277,116</b>	<b>\$26,342,375</b>	<b>\$625,987</b>	<b>\$675,154</b>	<b>\$30,903,103</b>	<b>\$27,017,529</b>
<b>2</b> <i>Advance Safety Through Training, Monitoring, and Enforcement</i>						
<b>1</b> <i>Improve Pipeline Safety</i>						
<b>1</b> PIPELINE SAFETY	11,268,655	11,268,655	6,698,510	3,844,022	17,967,165	15,112,677
<b>2</b> PIPELINE DAMAGE PREVENTION	601,195	601,195	8,012	10,108	609,207	611,303
<b>2</b> <i>Alternative Energy &amp; Safety Through Regulation</i>						
<b>1</b> REGULATE ALT FUEL RESOURCES	3,877,590	3,877,590	290,619	271,212	4,168,209	4,148,802
<b>TOTAL, GOAL 2</b>	<b>\$15,747,440</b>	<b>\$15,747,440</b>	<b>\$6,997,141</b>	<b>\$4,125,342</b>	<b>\$22,744,581</b>	<b>\$19,872,782</b>
<b>3</b> <i>Min. Harmful Effects of Energy Prod &amp; Ensure Fair Rates for Consume</i>						
<b>1</b> <i>Reduce Occurrence of Environmental Violations</i>						
<b>1</b> OIL/GAS MONITOR & INSPECTIONS	32,813,923	30,846,553	2,559,914	1,811,089	35,373,837	32,657,642
<b>2</b> SURFACE MINING MONITORING/INSPECT	5,419,572	4,419,572	199,314	225,481	5,618,886	4,645,053
<b>2</b> <i>Identify and Abate Environmental Threats</i>						
<b>1</b> OIL&GAS WELL PLUGGING & REMEDIATION	126,606,023	125,950,234	1,230,795	1,081,121	127,836,818	127,031,355
<b>2</b> SURFACE MINING RECLAMATION	2,050,613	2,050,613	18,398	23,210	2,069,011	2,073,823
<b>3</b> <i>Maintain Competitive Prices and Adequate Supplies for Consumers</i>						
<b>1</b> GAS UTILITY COMMERCE	3,392,235	3,392,235	44,215	55,779	3,436,450	3,448,014
<b>4</b> <i>Critical Infrastructure</i>						
<b>1</b> WEATHER PREPAREDNESS	11,365,465	11,365,465	609,213	372,065	11,974,678	11,737,530
<b>TOTAL, GOAL 3</b>	<b>\$181,647,831</b>	<b>\$178,024,672</b>	<b>\$4,661,849</b>	<b>\$3,568,745</b>	<b>\$186,309,680</b>	<b>\$181,593,417</b>

**2.F. Summary of Total Request by Strategy**  
 88th Regular Session, Agency Submission, Version 1  
 Automated Budget and Evaluation System of Texas (ABEST)

Agency code: 455	Agency name: Railroad Commission					
<b>Goal/Objective/STRATEGY</b>	<b>Base 2024</b>	<b>Base 2025</b>	<b>Exceptional 2024</b>	<b>Exceptional 2025</b>	<b>Total Request 2024</b>	<b>Total Request 2025</b>
<b>4</b> Public Access to Information and Services						
1 <i>Increase Public Access to Information</i>						
1 PUBLIC INFORMATION AND SERVICES	\$2,464,229	\$2,464,229	\$31,306	\$39,494	\$2,495,535	\$2,503,723
<b>TOTAL, GOAL 4</b>	<b>\$2,464,229</b>	<b>\$2,464,229</b>	<b>\$31,306</b>	<b>\$39,494</b>	<b>\$2,495,535</b>	<b>\$2,503,723</b>
<b>TOTAL, AGENCY STRATEGY REQUEST</b>	<b>\$230,136,616</b>	<b>\$222,578,716</b>	<b>\$12,316,283</b>	<b>\$8,408,735</b>	<b>\$242,452,899</b>	<b>\$230,987,451</b>
<b>TOTAL, AGENCY RIDER APPROPRIATIONS REQUEST</b>						
<b>GRAND TOTAL, AGENCY REQUEST</b>	<b>\$230,136,616</b>	<b>\$222,578,716</b>	<b>\$12,316,283</b>	<b>\$8,408,735</b>	<b>\$242,452,899</b>	<b>\$230,987,451</b>



**2.F. Summary of Total Request by Strategy**  
88th Regular Session, Agency Submission, Version 1  
Automated Budget and Evaluation System of Texas (ABEST)

Agency code: 455	Agency name: Railroad Commission					
<i>Goal/Objective/STRATEGY</i>	Base 2024	Base 2025	Exceptional 2024	Exceptional 2025	Total Request 2024	Total Request 2025
<b>General Revenue Funds:</b>						
1 General Revenue Fund	\$80,239,584	\$79,239,585	\$12,316,283	\$8,408,735	\$92,555,867	\$87,648,320
	<b>\$80,239,584</b>	<b>\$79,239,585</b>	<b>\$12,316,283</b>	<b>\$8,408,735</b>	<b>\$92,555,867</b>	<b>\$87,648,320</b>
<b>General Revenue Dedicated Funds:</b>						
5155 Oil & Gas Regulation	78,469,545	71,911,644	0	0	78,469,545	71,911,644
	<b>\$78,469,545</b>	<b>\$71,911,644</b>	<b>\$0</b>	<b>\$0</b>	<b>\$78,469,545</b>	<b>\$71,911,644</b>
<b>Federal Funds:</b>						
555 Federal Funds	69,760,000	69,760,000	0	0	69,760,000	69,760,000
	<b>\$69,760,000</b>	<b>\$69,760,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$69,760,000</b>	<b>\$69,760,000</b>
<b>Other Funds:</b>						
599 Economic Stabilization Fund	0	0	0	0	0	0
666 Appropriated Receipts	1,350,000	1,350,000	0	0	1,350,000	1,350,000
827 Anthropogenic CO2 Storage Fund	317,487	317,487	0	0	317,487	317,487
	<b>\$1,667,487</b>	<b>\$1,667,487</b>	<b>\$0</b>	<b>\$0</b>	<b>\$1,667,487</b>	<b>\$1,667,487</b>
<b>TOTAL, METHOD OF FINANCING</b>	<b>\$230,136,616</b>	<b>\$222,578,716</b>	<b>\$12,316,283</b>	<b>\$8,408,735</b>	<b>\$242,452,899</b>	<b>\$230,987,451</b>
<b>FULL TIME EQUIVALENT POSITIONS</b>	<b>1,066.6</b>	<b>1,066.6</b>	<b>55.0</b>	<b>55.0</b>	<b>1,121.6</b>	<b>1,121.6</b>

**2.G. Summary of Total Request Objective Outcomes**  
 88th Regular Session, Agency Submission, Version 1  
 Automated Budget and Evaluation system of Texas (ABEST)

Agency code: **455**

Agency name: **Railroad Commission**

Goal/ Objective / Outcome

		<b>BL 2024</b>	<b>BL 2025</b>	<b>Excp 2024</b>	<b>Excp 2025</b>	<b>Total Request 2024</b>	<b>Total Request 2025</b>
1	Oversee Oil and Gas Resource Development						
1	<i>Increase Opportunities for Oil and Gas Resource Development</i>						
<b>KEY</b>	<b>1 Percent of Oil and Gas Wells That Are Active</b>						
		68.00%	69.00%			68.00%	69.00%
2	Advance Safety Through Training, Monitoring, and Enforcement						
1	<i>Improve Pipeline Safety</i>						
<b>KEY</b>	<b>1 Average Number of Safety Violations</b>						
		0.50	0.50			0.50	0.50
2	<i>Alternative Energy &amp; Safety Through Regulation</i>						
	<b>1 Average Number of LPG/CNG/LNG Violations</b>						
		1.30	1.30			1.30	1.30
	<b>2 Percent of LPG/CNG/LNG Inspections W/ Non-compliance Items</b>						
		68.00%	68.00%			68.00%	68.00%
3	Min. Harmful Effects of Energy Prod & Ensure Fair Rates for Consumers						
1	<i>Reduce Occurrence of Environmental Violations</i>						
<b>KEY</b>	<b>1 Percent of Oil and Gas Inspections That Identify Violations</b>						
		5.00%	5.00%			5.00%	5.00%
	<b>2 Percent of Wells Not Inspected in Last Five Years</b>						
		1.00%	1.00%			1.00%	1.00%
	<b>3 Percent Of Total Well Population Inspected</b>						
		37.50	37.50			37.50	37.50

**2.G. Summary of Total Request Objective Outcomes**  
 88th Regular Session, Agency Submission, Version 1  
 Automated Budget and Evaluation system of Texas (ABEST)

Agency code: **455**

Agency name: **Railroad Commission**

Goal/ Objective / Outcome

	<b>BL 2024</b>	<b>BL 2025</b>	<b>Excp 2024</b>	<b>Excp 2025</b>	<b>Total Request 2024</b>	<b>Total Request 2025</b>
<hr/>						
2	<i>Identify and Abate Environmental Threats</i>					
<b>KEY</b>	<b>1 Percent of Known Orphaned Wells Plugged w/State-Managed Funds</b>					
	20.00%	20.00%			20.00%	20.00%
	<b>2 % Pollution Sites Inves., Assessed, Cleaned w/State-Managed Funds</b>					
	10.00%	13.00%			10.00%	13.00%
3	<i>Maintain Competitive Prices and Adequate Supplies for Consumers</i>					
	<b>1 Average Texas Residential Gas Price as a Percent of National Gas Price</b>					
	110.00%	110.00%			110.00%	110.00%

**3.A. Strategy Request**  
88th Regular Session, Agency Submission, Version 1  
Automated Budget and Evaluation System of Texas (ABEST)

**455 Railroad Commission**

GOAL: 1 Oversee Oil and Gas Resource Development  
OBJECTIVE: 1 Increase Opportunities for Oil and Gas Resource Development Service Categories:  
STRATEGY: 1 Promote Energy Resource Development Opportunities Service: 37 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2021	Est 2022	Bud 2023	BL 2024	BL 2025
<b>Output Measures:</b>						
	1 Number of Organizations Permitted or Renewed	7,540.00	6,008.00	6,500.00	6,800.00	7,100.00
KEY 2	Number of Drilling Permit Applications Processed	9,370.00	12,300.00	14,200.00	15,400.00	15,000.00
KEY 3	Number of Wells Monitored	440,874.00	440,440.00	440,440.00	440,440.00	440,440.00
<b>Efficiency Measures:</b>						
	1 Average Number of Cases Completed Per Examiner	215.00	100.00	100.00	100.00	100.00
KEY 2	Average Number of Wells Monitored Per Analyst	33,913.00	36,600.00	36,600.00	36,600.00	36,600.00
	3 Percent Permit Applications Processed within Time Frames	98.00 %	98.00 %	98.00 %	98.00 %	98.00 %
KEY 4	Average Number of Days to Process a Drilling Permit	3.00	3.00	3.00	3.00	3.00
<b>Explanatory/Input Measures:</b>						
	1 Number of Active Oil and Gas Rigs	231.00	367.00	408.00	430.00	450.00
	2 Oil Produced from Leases w/C02 Injection Wells for Tertiary Recovery	67,991,418.00	65,000,000.00	65,000,000.00	67,500,000.00	70,000,000.00
	3 Annual Calendar Year Production of Texas Crude Oil	1,399,851,650.00	1,474,760,000.00	1,510,000,000.00	1,535,000,000.00	1,560,000,000.00
	4 Annual Calendar Year Production of Texas Natural Gas	6,309,493,963.00	6,742,080,000.00	6,850,000,000.00	6,950,000,000.00	7,050,000,000.00
	5 Number of Horizontal Drilling Permits Applications Processed	7,098.00	11,000.00	12,000.00	12,800.00	13,000.00
	6 Number of Vertical Drilling Permit Applications Processed	2,311.00	2,800.00	2,850.00	2,850.00	2,850.00

**3.A. Strategy Request**  
88th Regular Session, Agency Submission, Version 1  
Automated Budget and Evaluation System of Texas (ABEST)

**455 Railroad Commission**

GOAL: 1 Oversee Oil and Gas Resource Development  
OBJECTIVE: 1 Increase Opportunities for Oil and Gas Resource Development Service Categories:  
STRATEGY: 1 Promote Energy Resource Development Opportunities Service: 37 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2021	Est 2022	Bud 2023	BL 2024	BL 2025
<b>Objects of Expense:</b>						
1001	SALARIES AND WAGES	\$10,887,561	\$10,683,994	\$11,547,403	\$11,547,403	\$11,547,403
1002	OTHER PERSONNEL COSTS	\$238,155	\$211,842	\$246,429	\$246,429	\$246,429
2001	PROFESSIONAL FEES AND SERVICES	\$3,534,175	\$13,745,363	\$15,552,925	\$16,438,804	\$12,504,063
2002	FUELS AND LUBRICANTS	\$214	\$484	\$2,484	\$2,484	\$2,484
2003	CONSUMABLE SUPPLIES	\$24,816	\$16,735	\$29,878	\$29,878	\$29,878
2004	UTILITIES	\$16,409	\$35,304	\$36,675	\$36,675	\$36,675
2005	TRAVEL	\$5,348	\$35,367	\$89,217	\$89,217	\$89,217
2006	RENT - BUILDING	\$2,359	\$166,172	\$166,172	\$166,172	\$166,172
2007	RENT - MACHINE AND OTHER	\$41,593	\$40,207	\$40,136	\$40,136	\$40,136
2009	OTHER OPERATING EXPENSE	\$1,443,515	\$2,263,977	\$1,885,601	\$1,663,984	\$1,663,984
5000	CAPITAL EXPENDITURES	\$10,140	\$15,934	\$15,934	\$15,934	\$15,934
<b>TOTAL, OBJECT OF EXPENSE</b>		<b>\$16,204,285</b>	<b>\$27,215,379</b>	<b>\$29,612,854</b>	<b>\$30,277,116</b>	<b>\$26,342,375</b>
<b>Method of Financing:</b>						
1	General Revenue Fund	\$6,361,360	\$9,182,825	\$22,127,340	\$22,491,815	\$22,491,815
<b>SUBTOTAL, MOF (GENERAL REVENUE FUNDS)</b>		<b>\$6,361,360</b>	<b>\$9,182,825</b>	<b>\$22,127,340</b>	<b>\$22,491,815</b>	<b>\$22,491,815</b>

**3.A. Strategy Request**  
 88th Regular Session, Agency Submission, Version 1  
 Automated Budget and Evaluation System of Texas (ABEST)

**455 Railroad Commission**

GOAL: 1 Oversee Oil and Gas Resource Development  
 OBJECTIVE: 1 Increase Opportunities for Oil and Gas Resource Development Service Categories:  
 STRATEGY: 1 Promote Energy Resource Development Opportunities Service: 37 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2021	Est 2022	Bud 2023	BL 2024	BL 2025
<b>Method of Financing:</b>						
5155	Oil & Gas Regulation	\$9,469,274	\$17,417,253	\$6,525,820	\$6,897,814	\$2,963,073
<b>SUBTOTAL, MOF (GENERAL REVENUE FUNDS - DEDICATED)</b>		<b>\$9,469,274</b>	<b>\$17,417,253</b>	<b>\$6,525,820</b>	<b>\$6,897,814</b>	<b>\$2,963,073</b>
<b>Method of Financing:</b>						
555	Federal Funds					
	66.204.000 Multipurpose Grants/States & Tribes	\$26,127	\$45,301	\$0	\$0	\$0
	66.433.000 State Underground Water S	\$347,524	\$320,000	\$320,000	\$320,000	\$320,000
CFDA Subtotal, Fund	555	\$373,651	\$365,301	\$320,000	\$320,000	\$320,000
<b>SUBTOTAL, MOF (FEDERAL FUNDS)</b>		<b>\$373,651</b>	<b>\$365,301</b>	<b>\$320,000</b>	<b>\$320,000</b>	<b>\$320,000</b>
<b>Method of Financing:</b>						
666	Appropriated Receipts	\$0	\$250,000	\$250,000	\$250,000	\$250,000
827	Anthropogenic CO2 Storage Fund	\$0	\$0	\$389,694	\$317,487	\$317,487
<b>SUBTOTAL, MOF (OTHER FUNDS)</b>		<b>\$0</b>	<b>\$250,000</b>	<b>\$639,694</b>	<b>\$567,487</b>	<b>\$567,487</b>

**3.A. Strategy Request**  
88th Regular Session, Agency Submission, Version 1  
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**455 Railroad Commission**

GOAL: 1 Oversee Oil and Gas Resource Development  
OBJECTIVE: 1 Increase Opportunities for Oil and Gas Resource Development Service Categories:  
STRATEGY: 1 Promote Energy Resource Development Opportunities Service: 37 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2021	Est 2022	Bud 2023	BL 2024	BL 2025
<b>TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)</b>					<b>\$30,277,116</b>	<b>\$26,342,375</b>
<b>TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)</b>		<b>\$16,204,285</b>	<b>\$27,215,379</b>	<b>\$29,612,854</b>	<b>\$30,277,116</b>	<b>\$26,342,375</b>
<b>FULL TIME EQUIVALENT POSITIONS:</b>		<b>168.1</b>	<b>177.6</b>	<b>180.6</b>	<b>180.6</b>	<b>180.6</b>

**STRATEGY DESCRIPTION AND JUSTIFICATION:**

The Texas Natural Resource Code Annotated Title 3 authorizes activities associated with Energy Resource Development, which include processing organization reports and certificates of compliance; issuing drilling permits; making groundwater advisory determinations; processing completion reports; issuing production allowables; implementing production incentives; and maintaining accurate maps. These activities support exploration and development by providing effective and efficient regulation. Success in this effort ensures the orderly and efficient development of oil and gas resources and the protection of public health and the environment .

**EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:**

**3.A. Strategy Request**  
 88th Regular Session, Agency Submission, Version 1  
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**455 Railroad Commission**

GOAL: 1 Oversee Oil and Gas Resource Development  
 OBJECTIVE: 1 Increase Opportunities for Oil and Gas Resource Development Service Categories:  
 STRATEGY: 1 Promote Energy Resource Development Opportunities Service: 37 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2021	Est 2022	Bud 2023	BL 2024	BL 2025
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External factors impacting the strategy include commodity prices. From 2021 to 2022, the average West Texas Intermediate price of oil decreased from \$48.35 to \$101.55 per barrel and the average Henry Hub Spot price of natural gas increased from \$4.06 to \$7.69 per thousand cubic feet. As prices increased in FY2021, the number of drilling permit applications decreased by 56 percent. Other agency activities, such as production reporting and various maintenance processes, continued at high levels due to the existing inventory of oil and gas wells. As of May 31, 2022, there were 437,230 wells carried on the Commission's oil and gas well schedule.

Internal factors impacting this strategy include the need for funds to hire, train, and retain a strong, professional workforce. This challenge will continue to grow as an increasing number of experienced employees become eligible to retire over the next few years. Another internal factor impacting the strategy is the need for capital funding for new or enhanced automated systems. Updates of this nature are needed to ensure the Commission continually improves upon process efficiencies, accepts more filings online, and makes key data more readily accessible to stakeholders, including Commission employees, oil and gas operators, the general public, other state agencies, and agencies of the federal government.

**EXPLANATION OF BIENNIAL CHANGE (includes Rider amounts):**

<u>STRATEGY BIENNIAL TOTAL - ALL FUNDS</u>		BIENNIAL	<u>EXPLANATION OF BIENNIAL CHANGE</u>	
Base Spending (Est 2022 + Bud 2023)	Baseline Request (BL 2024 + BL 2025)	CHANGE	\$ Amount	Explanation(s) of Amount (must specify MOFs and FTEs)
\$56,828,233	\$56,619,491	\$(208,742)	\$13,673,465	Fund 0001 - GR redistribution of base budget
			\$(14,082,186)	Fund 5155 - OGRC redistribution of base budget
			\$(45,301)	Federal Funds - UIC Multi-purpose grant received in FY 2022.
			\$245,280	Fund 0827 - HB 1284 87th Leg. R.S. Implementation.
			<u>\$(208,742)</u>	<b>Total of Explanation of Biennial Change</b>



**3.A. Strategy Request**  
88th Regular Session, Agency Submission, Version 1  
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**455 Railroad Commission**

GOAL: 2 Advance Safety Through Training, Monitoring, and Enforcement  
OBJECTIVE: 1 Improve Pipeline Safety  
STRATEGY: 1 Ensure Pipeline Safety

Service Categories:  
Service: 17      Income: A.2      Age: B.3

CODE	DESCRIPTION	Exp 2021	Est 2022	Bud 2023	BL 2024	BL 2025
<b>Output Measures:</b>						
KEY 1	Number of Pipeline Safety Inspections Performed	3,598.00	1,650.00	1,700.00	1,750.00	1,750.00
2	Number of Pipeline Safety Violations Identified through Inspections	2,100.00	1,414.00	1,500.00	1,500.00	1,500.00
3	# Pipeline Accident Investigations or Complaint Investigations	208.00	202.00	170.00	170.00	170.00
4	Number of Pipeline Specialized Program Inspections	1,835.00	2,205.00	2,250.00	2,300.00	2,300.00
<b>Efficiency Measures:</b>						
KEY 1	Average Number of Pipeline Field Inspections Per Field Inspector	109.00	80.00	85.00	85.00	85.00
<b>Objects of Expense:</b>						
1001	SALARIES AND WAGES	\$7,174,796	\$7,398,358	\$8,269,725	\$8,269,725	\$8,269,725
1002	OTHER PERSONNEL COSTS	\$153,704	\$120,549	\$176,434	\$176,434	\$176,434
2001	PROFESSIONAL FEES AND SERVICES	\$1,880,471	\$1,165,739	\$784,121	\$756,354	\$756,354
2002	FUELS AND LUBRICANTS	\$87,995	\$127,929	\$220,778	\$220,778	\$220,778
2003	CONSUMABLE SUPPLIES	\$11,954	\$8,615	\$12,597	\$12,597	\$12,597
2004	UTILITIES	\$76,367	\$98,230	\$98,662	\$98,662	\$98,662
2005	TRAVEL	\$221,751	\$240,860	\$647,488	\$647,488	\$647,488
2006	RENT - BUILDING	\$53,848	\$53,051	\$53,781	\$53,781	\$53,781

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**455 Railroad Commission**

GOAL: 2 Advance Safety Through Training, Monitoring, and Enforcement  
OBJECTIVE: 1 Improve Pipeline Safety  
STRATEGY: 1 Ensure Pipeline Safety

Service Categories:

Service: 17      Income: A.2      Age: B.3

CODE	DESCRIPTION	Exp 2021	Est 2022	Bud 2023	BL 2024	BL 2025
2007	RENT - MACHINE AND OTHER	\$22,168	\$25,071	\$25,071	\$25,071	\$25,071
2009	OTHER OPERATING EXPENSE	\$473,699	\$707,431	\$593,530	\$605,219	\$605,219
5000	CAPITAL EXPENDITURES	\$78,710	\$533,190	\$358,200	\$402,546	\$402,546
<b>TOTAL, OBJECT OF EXPENSE</b>		<b>\$10,235,463</b>	<b>\$10,479,023</b>	<b>\$11,240,387</b>	<b>\$11,268,655</b>	<b>\$11,268,655</b>
<b>Method of Financing:</b>						
1	General Revenue Fund	\$1,459,909	\$2,672,222	\$4,782,765	\$2,250,963	\$2,250,963
<b>SUBTOTAL, MOF (GENERAL REVENUE FUNDS)</b>		<b>\$1,459,909</b>	<b>\$2,672,222</b>	<b>\$4,782,765</b>	<b>\$2,250,963</b>	<b>\$2,250,963</b>
<b>Method of Financing:</b>						
5155	Oil & Gas Regulation	\$4,574,697	\$4,610,801	\$3,197,622	\$5,757,692	\$5,757,692
<b>SUBTOTAL, MOF (GENERAL REVENUE FUNDS - DEDICATED)</b>		<b>\$4,574,697</b>	<b>\$4,610,801</b>	<b>\$3,197,622</b>	<b>\$5,757,692</b>	<b>\$5,757,692</b>
<b>Method of Financing:</b>						
555	Federal Funds					
	20.700.000 Pipeline Safety	\$4,200,857	\$3,196,000	\$3,260,000	\$3,260,000	\$3,260,000
CFDA Subtotal, Fund	555	\$4,200,857	\$3,196,000	\$3,260,000	\$3,260,000	\$3,260,000
<b>SUBTOTAL, MOF (FEDERAL FUNDS)</b>		<b>\$4,200,857</b>	<b>\$3,196,000</b>	<b>\$3,260,000</b>	<b>\$3,260,000</b>	<b>\$3,260,000</b>

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**455 Railroad Commission**

GOAL: 2 Advance Safety Through Training, Monitoring, and Enforcement  
OBJECTIVE: 1 Improve Pipeline Safety  
STRATEGY: 1 Ensure Pipeline Safety

Service Categories:

Service: 17      Income: A.2      Age: B.3

CODE	DESCRIPTION	Exp 2021	Est 2022	Bud 2023	BL 2024	BL 2025
<b>TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)</b>					<b>\$11,268,655</b>	<b>\$11,268,655</b>
<b>TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)</b>		<b>\$10,235,463</b>	<b>\$10,479,023</b>	<b>\$11,240,387</b>	<b>\$11,268,655</b>	<b>\$11,268,655</b>
<b>FULL TIME EQUIVALENT POSITIONS:</b>		<b>106.1</b>	<b>109.0</b>	<b>109.0</b>	<b>109.0</b>	<b>109.0</b>

**STRATEGY DESCRIPTION AND JUSTIFICATION:**

Texas Utilities Code, Chapter 121, and Texas Natural Resources Code, Chapters 117 and 118, authorize the activities associated with Pipeline Safety Program, which include conducting field inspections and accident investigations; participating in emergency response; and developing educational programs. The Pipeline Safety Program is administered through a federal/state partnership with the U.S. Department of Transportation, Pipeline and Hazardous Materials Safety Administration. The federal Pipeline Safety Act allows state assumption of the intrastate regulatory and enforcement responsibilities through this partnership. The Commission regulates nearly 235,500 miles of intrastate natural gas distribution, gathering, and transmission pipelines, and hazardous liquids and CO2 transmission and gathering lines.

**EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:**

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**455 Railroad Commission**

GOAL: 2 Advance Safety Through Training, Monitoring, and Enforcement  
OBJECTIVE: 1 Improve Pipeline Safety Service Categories:  
STRATEGY: 1 Ensure Pipeline Safety Service: 17 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2021	Est 2022	Bud 2023	BL 2024	BL 2025
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External factors that impact the Pipeline Safety Program include the federal Pipeline Safety Act, 49 USC 60101, et seq., Section 60107 limiting the federal share of a state pipeline safety budget to up to 80 percent of the of reasonable cost, based on agency performance. However, federal funding has not been sufficient to meet the prescribed funding level in prior years. General revenue funds therefore provide additional support for the Program. The remainder of the program is funded by pipeline safety and regulatory fees charged to all natural gas distribution and municipal operators on a per service line basis and an annual fee per master meter system. Additionally, pipeline permit registration fees are assessed on operators of intrastate transmission and gathering pipelines. Pursuant to Commission rule, each pipeline operator is assessed an annual fee based on the pipeline operator's permitted mileage.

Internal factors impacting this strategy include continual new regulatory requirements with limited ability to expand inspection staff resources; lack of stable employee retention due to non-competitiveness with industry employment compensation; aging technology and equipment; as well as the limitations on capital funding needed to ensure a standard replacement schedule for equipment for inspectors (vehicles, computers, cell phones, and other items) and new or enhanced automated systems.

**EXPLANATION OF BIENNIAL CHANGE (includes Rider amounts):**

<u>STRATEGY BIENNIAL TOTAL - ALL FUNDS</u>		BIENNIAL	<u>EXPLANATION OF BIENNIAL CHANGE</u>	
Base Spending (Est 2022 + Bud 2023)	Baseline Request (BL 2024 + BL 2025)	CHANGE	\$ Amount	Explanation(s) of Amount (must specify MOFs and FTEs)
\$21,719,410	\$22,537,310	\$817,900	\$(2,953,061)	Fund 0001 - GR redistribution of base budget
			\$3,706,961	Fund 5155 - OGRC redistribution of base budget
			\$64,000	Federal Funds - Adjustment for estimated Pipeline Safety Base grant reimbursements to OGRC
			<b>\$817,900</b>	<b>Total of Explanation of Biennial Change</b>

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**455 Railroad Commission**

GOAL: 2 Advance Safety Through Training, Monitoring, and Enforcement  
OBJECTIVE: 1 Improve Pipeline Safety  
STRATEGY: 2 Pipeline Damage Prevention

Service Categories:

Service: 17      Income: A.2      Age: B.3

CODE	DESCRIPTION	Exp 2021	Est 2022	Bud 2023	BL 2024	BL 2025
<b>Output Measures:</b>						
KEY 1	Number of Excavation Damage Enforcement Cases Completed	1,758.00	2,100.00	2,300.00	2,200.00	2,100.00
<b>Objects of Expense:</b>						
1001	SALARIES AND WAGES	\$466,847	\$458,410	\$482,398	\$482,398	\$482,398
1002	OTHER PERSONNEL COSTS	\$7,059	\$6,209	\$10,295	\$10,295	\$10,295
2001	PROFESSIONAL FEES AND SERVICES	\$131,771	\$54,685	\$50,169	\$48,393	\$48,393
2002	FUELS AND LUBRICANTS	\$10	\$21	\$21	\$21	\$21
2003	CONSUMABLE SUPPLIES	\$1,315	\$393	\$649	\$649	\$649
2004	UTILITIES	\$1,660	\$2,406	\$2,654	\$2,654	\$2,654
2005	TRAVEL	\$706	\$2,214	\$17,225	\$13,234	\$13,234
2006	RENT - BUILDING	\$112	\$4,150	\$4,150	\$4,150	\$4,150
2007	RENT - MACHINE AND OTHER	\$1,975	\$1,604	\$1,604	\$1,604	\$1,604
2009	OTHER OPERATING EXPENSE	\$67,362	\$56,791	\$44,984	\$37,118	\$37,118
5000	CAPITAL EXPENDITURES	\$221	\$679	\$679	\$679	\$679
<b>TOTAL, OBJECT OF EXPENSE</b>		<b>\$679,038</b>	<b>\$587,562</b>	<b>\$614,828</b>	<b>\$601,195</b>	<b>\$601,195</b>

**Method of Financing:**

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GOAL: 2 Advance Safety Through Training, Monitoring, and Enforcement  
OBJECTIVE: 1 Improve Pipeline Safety  
STRATEGY: 2 Pipeline Damage Prevention

Service Categories:

Service: 17      Income: A.2      Age: B.3

CODE	DESCRIPTION	Exp 2021	Est 2022	Bud 2023	BL 2024	BL 2025
1	General Revenue Fund	\$124,108	\$131,693	\$219,978	\$118,944	\$118,944
<b>SUBTOTAL, MOF (GENERAL REVENUE FUNDS)</b>		<b>\$124,108</b>	<b>\$131,693</b>	<b>\$219,978</b>	<b>\$118,944</b>	<b>\$118,944</b>
<b>Method of Financing:</b>						
5155	Oil & Gas Regulation	\$284,040	\$211,869	\$214,850	\$302,251	\$302,251
<b>SUBTOTAL, MOF (GENERAL REVENUE FUNDS - DEDICATED)</b>		<b>\$284,040</b>	<b>\$211,869</b>	<b>\$214,850</b>	<b>\$302,251</b>	<b>\$302,251</b>
<b>Method of Financing:</b>						
555	Federal Funds					
	20.700.000 Pipeline Safety	\$244,030	\$244,000	\$180,000	\$180,000	\$180,000
	20.720.000 State Damage Prevention Program	\$26,860	\$0	\$0	\$0	\$0
CFDA Subtotal, Fund	555	\$270,890	\$244,000	\$180,000	\$180,000	\$180,000
<b>SUBTOTAL, MOF (FEDERAL FUNDS)</b>		<b>\$270,890</b>	<b>\$244,000</b>	<b>\$180,000</b>	<b>\$180,000</b>	<b>\$180,000</b>
<b>TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)</b>					<b>\$601,195</b>	<b>\$601,195</b>
<b>TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)</b>		<b>\$679,038</b>	<b>\$587,562</b>	<b>\$614,828</b>	<b>\$601,195</b>	<b>\$601,195</b>
<b>FULL TIME EQUIVALENT POSITIONS:</b>		<b>8.2</b>	<b>8.5</b>	<b>8.5</b>	<b>8.5</b>	<b>8.5</b>

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**455 Railroad Commission**

GOAL: 2 Advance Safety Through Training, Monitoring, and Enforcement  
 OBJECTIVE: 1 Improve Pipeline Safety Service Categories:  
 STRATEGY: 2 Pipeline Damage Prevention Service: 17 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2021	Est 2022	Bud 2023	BL 2024	BL 2025
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**STRATEGY DESCRIPTION AND JUSTIFICATION:**

Texas Utilities Code, Chapter 121, Texas Natural Resources Code, Chapters 117 and 118, and Texas Health and Safety Code, Section 756.126, authorize the activities associated with the Pipeline Safety Damage Prevention Program, which include all activities related to the enforcement of damage prevention that involves the "movement of earth" near pipeline facilities. The majority of the effort is spent reviewing damage reports filed by both excavators and pipeline operators to match the reports to the same event. Additionally, the program develops and presents educational programs to statewide stakeholders. The damage prevention program is also administered through a federal/state partnership with the U.S. Department of Transportation, Pipeline and Hazardous Materials Safety Administration. The federal Pipeline Safety Act allows state assumption of the intrastate regulatory and enforcement responsibilities through this partnership.

**EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:**

There are several external factors that impact the Damage Prevention Program. In the federal Pipeline Safety Act, 49 USC 60101, et seq., Section 60107 limits the federal share of a state pipeline safety budget to up to 80 percent of the of the cost of the personnel, equipment, and activities the authority requires, based on agency performance. However, federal funding has not been sufficient to meet this funding level. Federal grants are limited to the funds appropriated by Congress to PHMSA. If total state agency requests for grants exceed the funds available, the Administrator prorates each state agency's allocation to the maximum funding level available to each state based on actual expenses. General revenue funds therefore provide additional support for the Pipeline Safety Program. To fund the remainder of the program, a pipeline safety fee is charged to all natural gas distribution and municipal operators on a per service line basis, pursuant to Texas Utilities Code, Sec. 121.211, which establishes the maximum fees at \$1.00 per distribution service line. This statute also establishes an annual \$100 fee per master meter system. Pursuant to Commission rule 16 Tex. Admin. Code §8.201, the service line fee is currently \$1.00 per service line per year, and the master meter fee is \$100 per system. Internal factors impacting this strategy include limited access to computer resources to streamline report processing and to add enforcement capabilities and having limited staff resources to expand activities beyond in-office compliance reviews of damage reports.

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**455 Railroad Commission**

GOAL: 2 Advance Safety Through Training, Monitoring, and Enforcement  
OBJECTIVE: 1 Improve Pipeline Safety  
STRATEGY: 2 Pipeline Damage Prevention

Service Categories:

Service: 17      Income: A.2      Age: B.3

CODE	DESCRIPTION	Exp 2021	Est 2022	Bud 2023	BL 2024	BL 2025
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**EXPLANATION OF BIENNIAL CHANGE (includes Rider amounts):**

<u>STRATEGY BIENNIAL TOTAL - ALL FUNDS</u>		BIENNIAL	<u>EXPLANATION OF BIENNIAL CHANGE</u>	
Base Spending (Est 2022 + Bud 2023)	Baseline Request (BL 2024 + BL 2025)	CHANGE	\$ Amount	Explanation(s) of Amount (must specify MOFs and FTEs)
\$1,202,390	\$1,202,390	\$0	\$(113,783)	Fund 0001 - GR redistribution of base budget
			\$177,783	Fund 5155 - OGRC redistribution of base budget
			\$(64,000)	Federal Funds - Adjustment for estimated Pipeline Safety Base grant reimbursements to OGRC
			<u>\$0</u>	<b>Total of Explanation of Biennial Change</b>



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**455 Railroad Commission**

GOAL: 2 Advance Safety Through Training, Monitoring, and Enforcement  
OBJECTIVE: 2 Alternative Energy & Safety Through Regulation  
STRATEGY: 1 Regulate Alternative Fuel Resources

Service Categories:

Service: 36      Income: A.2      Age: B.3

CODE	DESCRIPTION	Exp 2021	Est 2022	Bud 2023	BL 2024	BL 2025
<b>Output Measures:</b>						
KEY 1	# of LPG/LNG/CNG Safety Inspections Performed	20,604.00	20,000.00	20,000.00	20,000.00	20,000.00
2	# of LPG/LNG/CNG Safety Violations Identified through Inspection	21,962.00	20,000.00	20,000.00	20,000.00	20,000.00
3	Number of LPG/CNG/LNG Investigations	160.00	150.00	150.00	150.00	150.00
4	Number of LPG/CNG/LNG Exams Administered	34,482.00	34,000.00	33,000.00	33,000.00	33,000.00
5	# Attending LP-gas Training or Continuing Ed	3,853.00	5,000.00	4,500.00	4,500.00	4,500.00
<b>Efficiency Measures:</b>						
1	Average Number of LPG/CNG/LNG Safety Inspections Per Inspector	1,386.00	1,313.00	1,330.00	1,330.00	1,330.00
2	Percent of LPG/CNG/LNG Reports Processed w/ in 30 Days	94.40 %	95.00 %	95.00 %	95.00 %	95.00 %
3	Percentage of Applications to Install LPG/CNG/LNG Facility Processed	94.30 %	90.00 %	95.00 %	95.00 %	95.00 %
<b>Objects of Expense:</b>						
1001	SALARIES AND WAGES	\$2,259,969	\$2,543,165	\$2,726,528	\$2,726,528	\$2,726,528
1002	OTHER PERSONNEL COSTS	\$59,676	\$68,047	\$58,235	\$58,235	\$58,235
2001	PROFESSIONAL FEES AND SERVICES	\$316,820	\$2,844,602	\$1,368,176	\$356,201	\$356,201
2002	FUELS AND LUBRICANTS	\$46,017	\$71,543	\$76,945	\$76,945	\$76,945

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**455 Railroad Commission**

GOAL: 2 Advance Safety Through Training, Monitoring, and Enforcement  
OBJECTIVE: 2 Alternative Energy & Safety Through Regulation Service Categories:  
STRATEGY: 1 Regulate Alternative Fuel Resources Service: 36 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2021	Est 2022	Bud 2023	BL 2024	BL 2025
2003	CONSUMABLE SUPPLIES	\$10,728	\$7,597	\$14,851	\$14,851	\$14,851
2004	UTILITIES	\$18,549	\$28,632	\$32,378	\$32,378	\$32,378
2005	TRAVEL	\$46,266	\$60,627	\$142,798	\$142,798	\$142,798
2006	RENT - BUILDING	\$554	\$1,981	\$877	\$877	\$877
2007	RENT - MACHINE AND OTHER	\$10,557	\$14,840	\$14,840	\$14,840	\$14,840
2009	OTHER OPERATING EXPENSE	\$235,745	\$129,221	\$433,825	\$449,359	\$449,359
5000	CAPITAL EXPENDITURES	\$0	\$4,578	\$4,578	\$4,578	\$4,578
<b>TOTAL, OBJECT OF EXPENSE</b>		<b>\$3,004,881</b>	<b>\$5,774,833</b>	<b>\$4,874,031</b>	<b>\$3,877,590</b>	<b>\$3,877,590</b>
<b>Method of Financing:</b>						
1	General Revenue Fund	\$1,815,112	\$4,856,913	\$3,954,031	\$2,957,590	\$2,957,590
<b>SUBTOTAL, MOF (GENERAL REVENUE FUNDS)</b>		<b>\$1,815,112</b>	<b>\$4,856,913</b>	<b>\$3,954,031</b>	<b>\$2,957,590</b>	<b>\$2,957,590</b>
<b>Method of Financing:</b>						
666	Appropriated Receipts	\$1,189,769	\$917,920	\$920,000	\$920,000	\$920,000
<b>SUBTOTAL, MOF (OTHER FUNDS)</b>		<b>\$1,189,769</b>	<b>\$917,920</b>	<b>\$920,000</b>	<b>\$920,000</b>	<b>\$920,000</b>

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GOAL: 2 Advance Safety Through Training, Monitoring, and Enforcement  
 OBJECTIVE: 2 Alternative Energy & Safety Through Regulation Service Categories:  
 STRATEGY: 1 Regulate Alternative Fuel Resources Service: 36 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2021	Est 2022	Bud 2023	BL 2024	BL 2025
<b>TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)</b>					<b>\$3,877,590</b>	<b>\$3,877,590</b>
<b>TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)</b>		<b>\$3,004,881</b>	<b>\$5,774,833</b>	<b>\$4,874,031</b>	<b>\$3,877,590</b>	<b>\$3,877,590</b>
<b>FULL TIME EQUIVALENT POSITIONS:</b>		<b>37.9</b>	<b>42.6</b>	<b>42.6</b>	<b>42.6</b>	<b>42.6</b>

**STRATEGY DESCRIPTION AND JUSTIFICATION:**

Chapters 113 and 116 in the Texas Natural Resources Code authorize the Commission to oversee the safe storage, transportation, dispensing and use of liquefied petroleum gas (LPG/LP-gas), compressed natural gas (CNG), and liquefied natural gas (LNG).

The Alternative Fuels Safety Department annually issues approximately 7,400 licenses; registers approximately 7,100 transport cargo tank vehicles, and cylinder delivery units; certifies or registers approximately 22,000 individuals to perform jurisdictional alternative fuels activities; and provides approximately 3,000 hours of LP-gas training to industry. In addition to providing safety training, the department investigates accidents and complaints involving alternative fuels; responds to emergencies; presents alternative fuel safety training to emergency responders; and performs almost 19,000 safety inspections annually.

Safety inspections are conducted on-site and include both stationary facilities and mobile equipment. Stationary sites inspected are schools, health care centers, retail, commercial and industrial businesses, alternative fuels cylinder filling and service stations, and facilities utilizing stationary fuel-storage containers. Mobile equipment inspections include school buses, mass transit, transport cargo tanks, cylinder delivery vehicles, catering trucks, and industrial forklifts. The training provided to industry is focused on the regulations that persons performing regulated activities with LP-gas must know in order to perform these activities safely.

**EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:**

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GOAL: 2 Advance Safety Through Training, Monitoring, and Enforcement  
OBJECTIVE: 2 Alternative Energy & Safety Through Regulation Service Categories:  
STRATEGY: 1 Regulate Alternative Fuel Resources Service: 36 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2021	Est 2022	Bud 2023	BL 2024	BL 2025
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The activities performed by the Alternative Fuels Safety Department are funded through a combination of appropriated receipts and general revenue. The training and exam certification program is supported through fees collected for safety classes, exam certifications, and registrations. The on-site safety inspection and compliance activities of the field operations program are dependent upon revenue collected from licenses and permits issued, and registration of cargo tank transport vehicles. A decrease in the number of individuals requesting training, certification exams, or registration will have an adverse effect on the funding and operation of the training and certification program. A reduction in the number of licenses issued and cargo tank transport vehicles registered will result in less revenue for conducting on-site safety inspections that identify hazardous installations and implementing corrective enforcement action.

Internal factors impacting this strategy include low wage compensation, in-state and out-of-state travel, cost of maintaining vehicles and equipment, end-user computers, related peripheral items, new or enhanced automated software and database systems, and employee training and continuing education.

**EXPLANATION OF BIENNIAL CHANGE (includes Rider amounts):**

<u>STRATEGY BIENNIAL TOTAL - ALL FUNDS</u>		<u>BIENNIAL</u>	<u>EXPLANATION OF BIENNIAL CHANGE</u>	
Base Spending (Est 2022 + Bud 2023)	Baseline Request (BL 2024 + BL 2025)	CHANGE	\$ Amount	Explanation(s) of Amount (must specify MOFs and FTEs)
\$10,648,864	\$7,755,180	\$(2,893,684)	\$(3,000,000)	Fund 0001 - GR Capital Project - Inspection/Enforcement Tracking and Reporting System Phase 3 in FYs 2022-23.
			\$104,236	Fund 0001 - GR redistribution of base budget to cover allocated expenditures
			\$2,080	Fund 0666 - Appropriated Receipts - estimated training revenue adjustment
			<u>\$(2,893,684)</u>	<b>Total of Explanation of Biennial Change</b>

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GOAL: 3 Min. Harmful Effects of Energy Prod & Ensure Fair Rates for Consumers  
OBJECTIVE: 1 Reduce Occurrence of Environmental Violations Service Categories:  
STRATEGY: 1 Oil and Gas Monitoring and Inspections Service: 36 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2021	Est 2022	Bud 2023	BL 2024	BL 2025
<b>Output Measures:</b>						
KEY 1	Number of Oil and Gas Well and Facility Inspections Performed	308,922.00	345,000.00	345,000.00	355,000.00	360,000.00
	2 Number of Enforcement Referrals for Legal Action	1,350.00	3,150.00	2,500.00	2,000.00	2,000.00
KEY 3	# Oil & Gas Environmental Permit Applications & Reports Processed	104,175.00	110,000.00	110,000.00	110,000.00	110,000.00
	4 # of Actions Initiated through Issuance of Severance/Seal Orders (HQ)	69,720.00	179,000.00	175,000.00	160,000.00	150,000.00
	5 Number of District-initiated Issuance of Severance/seal Orders	655.00	700.00	700.00	725.00	725.00
	6 # Of Well and Facility Inspections Performed with No Violation	278,528.00	307,000.00	310,000.00	318,000.00	323,000.00
<b>Efficiency Measures:</b>						
KEY 1	Avg # of Oil and Gas Well and Facility Inspections Performed	1,418.00	1,800.00	1,800.00	1,900.00	1,900.00
<b>Explanatory/Input Measures:</b>						
KEY 1	# of UIC Wells and Other Facilities Subject to Regulation	90,303.00	90,000.00	90,000.00	90,000.00	90,000.00
	2 Number of Statewide Rule Violations	34,723.00	32,000.00	32,000.00	33,000.00	33,400.00
	3 Number of Major Statewide Rule Violations	24.00	10.00	10.00	10.00	10.00

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**455 Railroad Commission**

GOAL: 3 Min. Harmful Effects of Energy Prod & Ensure Fair Rates for Consumers  
OBJECTIVE: 1 Reduce Occurrence of Environmental Violations Service Categories:  
STRATEGY: 1 Oil and Gas Monitoring and Inspections Service: 36 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2021	Est 2022	Bud 2023	BL 2024	BL 2025
	4 Percent of Violations Corrected within 90 Days	28.00 %	0.00 %	0.00 %	0.00 %	0.00 %
<b>Objects of Expense:</b>						
1001	SALARIES AND WAGES	\$17,155,864	\$17,420,277	\$18,689,896	\$18,689,896	\$18,689,896
1002	OTHER PERSONNEL COSTS	\$430,170	\$369,337	\$398,883	\$398,883	\$398,883
2001	PROFESSIONAL FEES AND SERVICES	\$8,252,092	\$8,458,124	\$9,019,628	\$9,386,257	\$7,418,887
2002	FUELS AND LUBRICANTS	\$506,006	\$668,827	\$791,917	\$791,917	\$791,917
2003	CONSUMABLE SUPPLIES	\$33,675	\$28,562	\$37,178	\$37,178	\$37,178
2004	UTILITIES	\$172,695	\$236,356	\$273,007	\$273,007	\$273,007
2005	TRAVEL	\$34,369	\$119,322	\$241,231	\$241,231	\$241,231
2006	RENT - BUILDING	\$507,175	\$523,407	\$541,165	\$541,165	\$541,165
2007	RENT - MACHINE AND OTHER	\$66,696	\$77,599	\$99,319	\$99,319	\$99,319
2009	OTHER OPERATING EXPENSE	\$1,386,674	\$3,169,150	\$1,757,116	\$1,772,404	\$1,772,404
5000	CAPITAL EXPENDITURES	\$230,439	\$601,786	\$241,872	\$582,666	\$582,666
<b>TOTAL, OBJECT OF EXPENSE</b>		<b>\$28,775,855</b>	<b>\$31,672,747</b>	<b>\$32,091,212</b>	<b>\$32,813,923</b>	<b>\$30,846,553</b>
<b>Method of Financing:</b>						
1	General Revenue Fund	\$9,435,459	\$23,131,641	\$27,292,053	\$26,746,468	\$26,746,468
<b>SUBTOTAL, MOF (GENERAL REVENUE FUNDS)</b>		<b>\$9,435,459</b>	<b>\$23,131,641</b>	<b>\$27,292,053</b>	<b>\$26,746,468</b>	<b>\$26,746,468</b>

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**455 Railroad Commission**

GOAL: 3 Min. Harmful Effects of Energy Prod & Ensure Fair Rates for Consumers  
OBJECTIVE: 1 Reduce Occurrence of Environmental Violations Service Categories:  
STRATEGY: 1 Oil and Gas Monitoring and Inspections Service: 36 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2021	Est 2022	Bud 2023	BL 2024	BL 2025
<b>Method of Financing:</b>						
5155	Oil & Gas Regulation	\$19,314,028	\$8,541,106	\$4,799,159	\$6,067,455	\$4,100,085
<b>SUBTOTAL, MOF (GENERAL REVENUE FUNDS - DEDICATED)</b>		<b>\$19,314,028</b>	<b>\$8,541,106</b>	<b>\$4,799,159</b>	<b>\$6,067,455</b>	<b>\$4,100,085</b>
<b>Method of Financing:</b>						
666	Appropriated Receipts	\$26,368	\$0	\$0	\$0	\$0
<b>SUBTOTAL, MOF (OTHER FUNDS)</b>		<b>\$26,368</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)</b>					<b>\$32,813,923</b>	<b>\$30,846,553</b>
<b>TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)</b>		<b>\$28,775,855</b>	<b>\$31,672,747</b>	<b>\$32,091,212</b>	<b>\$32,813,923</b>	<b>\$30,846,553</b>
<b>FULL TIME EQUIVALENT POSITIONS:</b>		<b>277.8</b>	<b>280.2</b>	<b>280.2</b>	<b>280.2</b>	<b>280.2</b>

**STRATEGY DESCRIPTION AND JUSTIFICATION:**

The Texas Natural Resource Code Annotated Title 3 authorizes oil and gas monitoring and inspection activities, which include conducting field inspections; witnessing tests; reviewing monitoring reports; processing applications; and issuing enforcement actions. Success in this effort ensures that oil and gas permitted activities comply with applicable state and federal regulations protecting the public and the state's surface and subsurface water resources.

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GOAL: 3 Min. Harmful Effects of Energy Prod & Ensure Fair Rates for Consumers  
OBJECTIVE: 1 Reduce Occurrence of Environmental Violations Service Categories:  
STRATEGY: 1 Oil and Gas Monitoring and Inspections Service: 36 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2021	Est 2022	Bud 2023	BL 2024	BL 2025
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**EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:**

External factors impacting the strategy include the large inventory of oil and gas wells. As of May 31, 2022, there were 437,230 wells carried on the Commission's oil and gas schedules.

Internal factors impacting this strategy include the need for funds to hire, train, and retain a strong, professional workforce. This challenge will continue to grow as an increasing number of experienced employees become eligible to retire over the next few years. Another internal factor impacting the strategy is the need for capital funding for new or enhanced automated systems. Updates of this nature are needed to ensure the Commission continually improves upon process efficiencies and makes key data more readily accessible to stakeholders, including Commission employees, oil and gas operators, the general public, other state agencies, and agencies of the federal government.

**EXPLANATION OF BIENNIAL CHANGE (includes Rider amounts):**

<u>STRATEGY BIENNIAL TOTAL - ALL FUNDS</u>		<u>BIENNIAL CHANGE</u>	<u>EXPLANATION OF BIENNIAL CHANGE</u>	
Base Spending (Est 2022 + Bud 2023)	Baseline Request (BL 2024 + BL 2025)		\$ Amount	Explanation(s) of Amount (must specify MOFs and FTEs)
\$63,763,959	\$63,660,476	\$(103,483)	\$(3,172,725)	Fund 5155 - OGRC redistribution of base budget
			\$3,069,242	Fund 0001 - GR redistribution of base budget
			<u>\$(103,483)</u>	<b>Total of Explanation of Biennial Change</b>



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GOAL: 3 Min. Harmful Effects of Energy Prod & Ensure Fair Rates for Consumers  
OBJECTIVE: 1 Reduce Occurrence of Environmental Violations Service Categories:  
STRATEGY: 2 Surface Mining Monitoring and Inspections Service: 36 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2021	Est 2022	Bud 2023	BL 2024	BL 2025
<b>Output Measures:</b>						
KEY 1	Number of Coal Mining Inspections Performed	416.00	401.00	400.00	400.00	400.00
2	Number of Coal Mining Permit Actions Processed	330.00	347.00	300.00	300.00	300.00
3	Percent of Uranium Exploration Sites Inspected Monthly	100.00 %	100.00 %	95.00 %	95.00 %	95.00 %
<b>Efficiency Measures:</b>						
1	Average # Days to Process Uranium Exploration Permitting Actions	17.00	31.00	30.00	30.00	30.00
2	Percent of Coal Permitting Actions within Statutory Time Frames	99.00 %	95.00 %	90.00 %	90.00 %	90.00 %
<b>Explanatory/Input Measures:</b>						
1	Annual Calendar Year Production of Texas Lignite Coal	19,639,076.00	19,347,003.00	20,000,000.00	20,000,000.00	20,000,000.00
<b>Objects of Expense:</b>						
1001	SALARIES AND WAGES	\$2,707,358	\$2,787,229	\$2,819,593	\$2,819,593	\$2,819,593
1002	OTHER PERSONNEL COSTS	\$119,260	\$99,863	\$60,167	\$60,167	\$60,167
2001	PROFESSIONAL FEES AND SERVICES	\$343,742	\$310,411	\$284,932	\$2,274,931	\$1,274,931
2002	FUELS AND LUBRICANTS	\$10,476	\$13,065	\$13,914	\$13,914	\$13,914
2003	CONSUMABLE SUPPLIES	\$4,528	\$5,800	\$5,936	\$5,936	\$5,936
2004	UTILITIES	\$7,490	\$17,409	\$17,574	\$17,574	\$17,574

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**455 Railroad Commission**

GOAL: 3 Min. Harmful Effects of Energy Prod & Ensure Fair Rates for Consumers  
OBJECTIVE: 1 Reduce Occurrence of Environmental Violations  
STRATEGY: 2 Surface Mining Monitoring and Inspections

Service Categories:

Service: 36      Income: A.2      Age: B.3

CODE	DESCRIPTION	Exp 2021	Est 2022	Bud 2023	BL 2024	BL 2025
2005	TRAVEL	\$6,869	\$12,282	\$15,997	\$15,997	\$15,997
2006	RENT - BUILDING	\$409	\$281	\$281	\$281	\$281
2007	RENT - MACHINE AND OTHER	\$7,203	\$9,030	\$9,030	\$9,030	\$9,030
2009	OTHER OPERATING EXPENSE	\$182,296	\$193,239	\$194,623	\$198,326	\$198,326
5000	CAPITAL EXPENDITURES	\$0	\$77,109	\$3,823	\$3,823	\$3,823
<b>TOTAL, OBJECT OF EXPENSE</b>		<b>\$3,389,631</b>	<b>\$3,525,718</b>	<b>\$3,425,870</b>	<b>\$5,419,572</b>	<b>\$4,419,572</b>
<b>Method of Financing:</b>						
1	General Revenue Fund	\$2,161,748	\$2,245,718	\$2,145,870	\$4,139,572	\$3,139,572
<b>SUBTOTAL, MOF (GENERAL REVENUE FUNDS)</b>		<b>\$2,161,748</b>	<b>\$2,245,718</b>	<b>\$2,145,870</b>	<b>\$4,139,572</b>	<b>\$3,139,572</b>
<b>Method of Financing:</b>						
555	Federal Funds					
	15.250.000 Regulation of Surface Coa	\$1,227,883	\$1,280,000	\$1,280,000	\$1,280,000	\$1,280,000
CFDA Subtotal, Fund	555	\$1,227,883	\$1,280,000	\$1,280,000	\$1,280,000	\$1,280,000
<b>SUBTOTAL, MOF (FEDERAL FUNDS)</b>		<b>\$1,227,883</b>	<b>\$1,280,000</b>	<b>\$1,280,000</b>	<b>\$1,280,000</b>	<b>\$1,280,000</b>

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GOAL: 3 Min. Harmful Effects of Energy Prod & Ensure Fair Rates for Consumers  
OBJECTIVE: 1 Reduce Occurrence of Environmental Violations Service Categories:  
STRATEGY: 2 Surface Mining Monitoring and Inspections Service: 36 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2021	Est 2022	Bud 2023	BL 2024	BL 2025
<b>TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)</b>					<b>\$5,419,572</b>	<b>\$4,419,572</b>
<b>TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)</b>		<b>\$3,389,631</b>	<b>\$3,525,718</b>	<b>\$3,425,870</b>	<b>\$5,419,572</b>	<b>\$4,419,572</b>
<b>FULL TIME EQUIVALENT POSITIONS:</b>		<b>38.9</b>	<b>42.0</b>	<b>42.0</b>	<b>42.0</b>	<b>42.0</b>

**STRATEGY DESCRIPTION AND JUSTIFICATION:**

The Texas Natural Resource Code Annotated Title 4 requires that the Commission issue surface coal mining permits and perform inspections of coal mining operations to ensure compliance with permits and the state regulations. Activities associated with Surface Mining monitoring and inspections include processing permit revision applications; performing compliance inspections; witnessing and evaluating tests for compliance with reclamation performance standards; evaluating monitoring reports; and issuing enforcement actions. Primacy in regulating the coal mining industry is authorized under the federal Surface Mining Control and Reclamation Act of 1977. To ensure that the Texas coal mining industry is regulated to federal standards, this state program is funded through a 50/50 cost share annual grant through the U. S. Department of Interior. Success in this effort ensures that surface mining permitted activities comply with applicable state and federal regulations.

**EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:**

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GOAL: 3 Min. Harmful Effects of Energy Prod & Ensure Fair Rates for Consumers  
OBJECTIVE: 1 Reduce Occurrence of Environmental Violations Service Categories:  
STRATEGY: 2 Surface Mining Monitoring and Inspections Service: 36 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2021	Est 2022	Bud 2023	BL 2024	BL 2025
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External factors impacting this strategy include the state's required program funding match at a ratio of not less than 50 percent. General Revenue funds used as state share match are collected from the regulated industry pursuant to Natural Resource Code §134.55. Low natural gas and oil prices are putting heavy pressure on the economics of using coal/lignite to generate electricity. Also, heavy regulatory pressure from the Environmental Protection Agency and proposed rulemaking from the Office of Surface Mining Reclamation and Enforcement could have significant impacts on the use of coal/lignite to generate electricity in Texas. All of these factors may reduce lignite production and may require adjustments to the regulatory fee structure to fund the program at its current level. In addition, the current federal administration budget proposal includes funding reductions for state coal/lignite regulatory programs which could result in a less than 50% match in FY 2023 and 2024. Internal factors impacting this strategy include the Commission's inability to retain and/or hire qualified engineers and scientists due to noncompetitive state salaries. Continued capital funding is needed to ensure a standard replacement schedule for vehicles and end-user computers and related peripheral items. This has become increasingly critical with the rise of the COVID-19 pandemic and the shift toward a dominantly telework workforce with needs for additional computing equipment.

**EXPLANATION OF BIENNIAL CHANGE (includes Rider amounts):**

<u>STRATEGY BIENNIAL TOTAL - ALL FUNDS</u>		BIENNIAL	<u>EXPLANATION OF BIENNIAL CHANGE</u>	
Base Spending (Est 2022 + Bud 2023)	Baseline Request (BL 2024 + BL 2025)	CHANGE	\$ Amount	Explanation(s) of Amount (must specify MOFs and FTEs)
\$6,951,588	\$9,839,144	\$2,887,556	\$3,000,000	General Revenue - Capital Project - Inspection/Enforcement Tracking and Reporting System Phase 4 in FYs 2024-25.
			\$(112,444)	Fund 0001 - GR redistribution of base budget to cover allocated expenditures
			<b>\$2,887,556</b>	<b>Total of Explanation of Biennial Change</b>

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GOAL: 3 Min. Harmful Effects of Energy Prod & Ensure Fair Rates for Consumers  
OBJECTIVE: 2 Identify and Abate Environmental Threats Service Categories:  
STRATEGY: 1 Oil and Gas Well Plugging and Remediation Service: 36 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2021	Est 2022	Bud 2023	BL 2024	BL 2025
<b>Output Measures:</b>						
KEY 1	# Abandoned Sites Investigated, Assessed or Cleaned Up w/State Funds	275.00	245.00	300.00	400.00	400.00
KEY 2	Number of Orphaned Wells Plugged with State-Managed Funds	1,453.00	1,060.00	1,600.00	2,000.00	2,200.00
KEY 3	Tot Aggr Plugging Depth of Orphaned Wells Plugged w/State-Mnged Funds	3,349,884.00	2,400,000.00	3,200,000.00	4,000,000.00	4,400,000.00
<b>Efficiency Measures:</b>						
1	Avg Number of Days to Complete State-Managed Abandoned Site Clean-up	59.00	53.00	60.00	60.00	60.00
2	Avg # Days to Plug an Orphaned Well with State-Managed Funds	41.00	50.00	50.00	50.00	50.00
<b>Explanatory/Input Measures:</b>						
1	# of Abandoned Sites That Are Candidates for State-Managed Cleanup	2,281.00	2,216.00	2,000.00	2,000.00	1,500.00
2	Number of Complex Operator-initiated Cleanups	489.00	485.00	490.00	490.00	490.00
3	Number of Orphaned Wells Approved for Plugging	1,623.00	1,900.00	1,800.00	2,000.00	2,000.00
4	# of Known Orphaned Wells	7,016.00	8,000.00	8,000.00	7,500.00	7,000.00

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GOAL: 3 Min. Harmful Effects of Energy Prod & Ensure Fair Rates for Consumers  
OBJECTIVE: 2 Identify and Abate Environmental Threats  
STRATEGY: 1 Oil and Gas Well Plugging and Remediation

Service Categories:

Service: 36      Income: A.2      Age: B.3

CODE	DESCRIPTION	Exp 2021	Est 2022	Bud 2023	BL 2024	BL 2025
	5 # Wells Plugged by Operators without State-Managed Funds	5,745.00	7,500.00	6,000.00	6,000.00	6,000.00
	6 Percent Active Well Operators with Inactive Wells	48.00 %	47.00 %	48.00 %	48.00 %	48.00 %
	7 Number of Shut-in/Inactive Wells	149,085.00	146,399.00	145,000.00	146,000.00	146,000.00
<b>Objects of Expense:</b>						
1001	SALARIES AND WAGES	\$9,841,527	\$10,488,097	\$12,694,442	\$14,476,106	\$14,476,106
1002	OTHER PERSONNEL COSTS	\$270,489	\$228,692	\$278,851	\$310,208	\$310,208
2001	PROFESSIONAL FEES AND SERVICES	\$3,620,621	\$6,060,308	\$6,067,548	\$10,533,193	\$9,877,404
2002	FUELS AND LUBRICANTS	\$174,996	\$225,387	\$322,741	\$379,472	\$379,472
2003	CONSUMABLE SUPPLIES	\$29,045	\$21,555	\$69,304	\$105,889	\$105,889
2004	UTILITIES	\$75,866	\$149,844	\$149,747	\$150,947	\$150,947
2005	TRAVEL	\$8,208	\$74,251	\$206,815	\$238,815	\$238,815
2006	RENT - BUILDING	\$175,147	\$180,266	\$164,250	\$164,250	\$164,250
2007	RENT - MACHINE AND OTHER	\$76,642	\$103,644	\$123,916	\$138,916	\$138,916
2009	OTHER OPERATING EXPENSE	\$49,545,098	\$47,834,515	\$65,154,472	\$98,243,300	\$99,882,000
5000	CAPITAL EXPENDITURES	\$139,915	\$450,668	\$980,074	\$1,864,927	\$226,227
<b>TOTAL, OBJECT OF EXPENSE</b>		<b>\$63,957,554</b>	<b>\$65,817,227</b>	<b>\$86,212,160</b>	<b>\$126,606,023</b>	<b>\$125,950,234</b>

**Method of Financing:**

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GOAL: 3 Min. Harmful Effects of Energy Prod & Ensure Fair Rates for Consumers  
OBJECTIVE: 2 Identify and Abate Environmental Threats Service Categories:  
STRATEGY: 1 Oil and Gas Well Plugging and Remediation Service: 36 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2021	Est 2022	Bud 2023	BL 2024	BL 2025
1	General Revenue Fund	\$21,986,411	\$15,774,921	\$9,030,939	\$5,258,686	\$5,258,687
<b>SUBTOTAL, MOF (GENERAL REVENUE FUNDS)</b>		<b>\$21,986,411</b>	<b>\$15,774,921</b>	<b>\$9,030,939</b>	<b>\$5,258,686</b>	<b>\$5,258,687</b>
<b>Method of Financing:</b>						
5155	Oil & Gas Regulation	\$25,950,269	\$49,922,306	\$52,061,221	\$58,327,337	\$57,671,547
<b>SUBTOTAL, MOF (GENERAL REVENUE FUNDS - DEDICATED)</b>		<b>\$25,950,269</b>	<b>\$49,922,306</b>	<b>\$52,061,221</b>	<b>\$58,327,337</b>	<b>\$57,671,547</b>
<b>Method of Financing:</b>						
555	Federal Funds					
	15.018.120 IIJA Energy Comm. Revitalization Pg	\$0	\$0	\$25,000,000	\$62,900,000	\$62,900,000
	15.944.000 Natural Resource Stewardship	\$873,242	\$0	\$0	\$0	\$0
	66.817.000 State and Tribal Response Program	\$99,764	\$120,000	\$120,000	\$120,000	\$120,000
CFDA Subtotal, Fund	555	\$973,006	\$120,000	\$25,120,000	\$63,020,000	\$63,020,000
<b>SUBTOTAL, MOF (FEDERAL FUNDS)</b>		<b>\$973,006</b>	<b>\$120,000</b>	<b>\$25,120,000</b>	<b>\$63,020,000</b>	<b>\$63,020,000</b>
<b>Method of Financing:</b>						
599	Economic Stabilization Fund	\$15,047,868	\$0	\$0	\$0	\$0
<b>SUBTOTAL, MOF (OTHER FUNDS)</b>		<b>\$15,047,868</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

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OBJECTIVE: 2 Identify and Abate Environmental Threats Service Categories:  
STRATEGY: 1 Oil and Gas Well Plugging and Remediation Service: 36 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2021	Est 2022	Bud 2023	BL 2024	BL 2025
<b>TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)</b>					<b>\$126,606,023</b>	<b>\$125,950,234</b>
<b>TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)</b>		<b>\$63,957,554</b>	<b>\$65,817,227</b>	<b>\$86,212,160</b>	<b>\$126,606,023</b>	<b>\$125,950,234</b>
<b>FULL TIME EQUIVALENT POSITIONS:</b>		<b>140.9</b>	<b>146.3</b>	<b>170.3</b>	<b>202.3</b>	<b>202.3</b>

**STRATEGY DESCRIPTION AND JUSTIFICATION:**

Sections 89.001-89.122, 91.113, and 91.651-91.661 of the Texas Natural Resources Code authorize activities associated with Oil and Gas Well Plugging and Site Remediation, which include: identifying, assessing, and prioritizing abandoned wells for state-managed plugging; and identifying, assessing, and prioritizing sites that require the use of state-managed funds for remediation. Success in this effort ensures that the highest priority wells are plugged, and the highest priority sites are remediated, thereby protecting the public and the state’s surface and subsurface water resources.

**EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:**

External factors impacting this strategy include contractor availability related to industry demand for similar services. Most well plugging is performed by contractors engaged by well operators, with whom the Commission competes for available plugging services. Likewise, competition for site assessment and remediation services can increase the cost for such services during periods of strong industry activity. The availability of state and federal grant funds with which the Commission leverages other sources of funding can also impact this strategy.

Internal factors impacting this strategy include the need for funds to hire, train, and retain qualified professional staff. This challenge will continue to grow as an increasing number of experienced employees become eligible to retire over the next few years. Another internal factor impacting the strategy is the need for capital funding for new or enhanced automated systems. Updates of this nature are needed to ensure the Commission continually improves upon process efficiencies.



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GOAL: 3 Min. Harmful Effects of Energy Prod & Ensure Fair Rates for Consumers  
 OBJECTIVE: 2 Identify and Abate Environmental Threats Service Categories:  
 STRATEGY: 1 Oil and Gas Well Plugging and Remediation Service: 36 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2021	Est 2022	Bud 2023	BL 2024	BL 2025
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**EXPLANATION OF BIENNIAL CHANGE (includes Rider amounts):**

<u>STRATEGY BIENNIAL TOTAL - ALL FUNDS</u>		BIENNIAL	<u>EXPLANATION OF BIENNIAL CHANGE</u>	
Base Spending (Est 2022 + Bud 2023)	Baseline Request (BL 2024 + BL 2025)	CHANGE	\$ Amount	Explanation(s) of Amount (must specify MOFs and FTEs)
\$152,029,387	\$252,556,257	\$100,526,870	\$100,800,000	Federal Funds - Infrastructure Investment and Jobs Act Well Plugging Grant (CFDA 15.018). 56 FTEs in FY 2024 & 2025.
			\$(14,288,487)	Fund 0001 - GR redistribution of base budget
			\$14,015,357	Fund 5155 - OGRC redistribution of base budget
			<b>\$100,526,870</b>	<b>Total of Explanation of Biennial Change</b>

**3.A. Strategy Request**  
88th Regular Session, Agency Submission, Version 1  
Automated Budget and Evaluation System of Texas (ABEST)

**455 Railroad Commission**

GOAL: 3 Min. Harmful Effects of Energy Prod & Ensure Fair Rates for Consumers  
OBJECTIVE: 2 Identify and Abate Environmental Threats  
STRATEGY: 2 Surface Mining Reclamation

Service Categories:

Service: 36      Income: A.2      Age: B.3

CODE	DESCRIPTION	Exp 2021	Est 2022	Bud 2023	BL 2024	BL 2025
<b>Explanatory/Input Measures:</b>						
	1 Percent of Abandoned Sites on Which Reclamation Has Been Initiated	95.00 %	95.00 %	95.00 %	95.00 %	95.00 %
<b>Objects of Expense:</b>						
1001	SALARIES AND WAGES	\$590,719	\$493,669	\$524,031	\$524,031	\$524,031
1002	OTHER PERSONNEL COSTS	\$10,394	\$6,589	\$11,233	\$11,233	\$11,233
2001	PROFESSIONAL FEES AND SERVICES	\$563,501	\$1,437,634	\$1,340,555	\$1,336,475	\$1,336,475
2002	FUELS AND LUBRICANTS	\$3,307	\$5,904	\$7,649	\$7,649	\$7,649
2003	CONSUMABLE SUPPLIES	\$1,446	\$597	\$713	\$713	\$713
2004	UTILITIES	\$4,831	\$8,513	\$7,816	\$7,816	\$7,816
2005	TRAVEL	\$9,401	\$6,665	\$66,853	\$66,853	\$66,853
2006	RENT - BUILDING	\$250	\$115	\$115	\$115	\$115
2007	RENT - MACHINE AND OTHER	\$4,415	\$3,683	\$3,683	\$3,683	\$3,683
2009	OTHER OPERATING EXPENSE	\$105,682	\$68,726	\$88,018	\$90,486	\$90,486
5000	CAPITAL EXPENDITURES	\$0	\$30,500	\$1,559	\$1,559	\$1,559
<b>TOTAL, OBJECT OF EXPENSE</b>		<b>\$1,293,946</b>	<b>\$2,062,595</b>	<b>\$2,052,225</b>	<b>\$2,050,613</b>	<b>\$2,050,613</b>

**Method of Financing:**

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**455 Railroad Commission**

GOAL: 3 Min. Harmful Effects of Energy Prod & Ensure Fair Rates for Consumers  
OBJECTIVE: 2 Identify and Abate Environmental Threats  
STRATEGY: 2 Surface Mining Reclamation

Service Categories:

Service: 36      Income: A.2      Age: B.3

CODE	DESCRIPTION	Exp 2021	Est 2022	Bud 2023	BL 2024	BL 2025
1	General Revenue Fund	\$486,052	\$362,595	\$352,225	\$350,613	\$350,613
<b>SUBTOTAL, MOF (GENERAL REVENUE FUNDS)</b>		<b>\$486,052</b>	<b>\$362,595</b>	<b>\$352,225</b>	<b>\$350,613</b>	<b>\$350,613</b>
<b>Method of Financing:</b>						
555	Federal Funds					
	15.252.000 Abandoned Mine Land Recla	\$807,894	\$1,700,000	\$1,700,000	\$1,700,000	\$1,700,000
CFDA Subtotal, Fund	555	\$807,894	\$1,700,000	\$1,700,000	\$1,700,000	\$1,700,000
<b>SUBTOTAL, MOF (FEDERAL FUNDS)</b>		<b>\$807,894</b>	<b>\$1,700,000</b>	<b>\$1,700,000</b>	<b>\$1,700,000</b>	<b>\$1,700,000</b>
<b>TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)</b>					<b>\$2,050,613</b>	<b>\$2,050,613</b>
<b>TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)</b>		<b>\$1,293,946</b>	<b>\$2,062,595</b>	<b>\$2,052,225</b>	<b>\$2,050,613</b>	<b>\$2,050,613</b>
<b>FULL TIME EQUIVALENT POSITIONS:</b>		<b>7.0</b>	<b>7.3</b>	<b>7.3</b>	<b>7.3</b>	<b>7.3</b>
<b>STRATEGY DESCRIPTION AND JUSTIFICATION:</b>						

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 88th Regular Session, Agency Submission, Version 1  
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**455 Railroad Commission**

GOAL: 3 Min. Harmful Effects of Energy Prod & Ensure Fair Rates for Consumers  
 OBJECTIVE: 2 Identify and Abate Environmental Threats Service Categories:  
 STRATEGY: 2 Surface Mining Reclamation Service: 36 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2021	Est 2022	Bud 2023	BL 2024	BL 2025
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The Texas Natural Resource Code Annotated Title 4 authorizes the Commission to participate to the fullest extent practicable in the Abandoned Mine Land (AML) program provided by Title IV of the federal Surface Mining Control and Reclamation Act of 1977. Activities associated with Surface Mining Reclamation of abandoned mine lands include identifying, assessing, and prioritizing eligible abandoned mine lands for health, safety, and environmental problems, and, within the funding resources provided, executing reclamation contracts for the highest-priority sites. Success in this effort ensures mine lands are remediated, thereby protecting the general public health and the environment.

**EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:**

This program is part of a national program funded entirely with federal funds awarded by the federal Office of Surface Mining Reclamation and Enforcement (OSM). The annual grant awards are based on the federal fees collected from the active coal mining industry in Texas and Bipartisan Infrastructure Law of 2021 funding. External factors impacting this strategy would be the potential loss of federal funding from the OSM. OSM funding is currently achieved through omnibus appropriations which have allowed for continued funding of the AML program, but impacts to grant funding in the event of final budget passage are unknown at this time. Internal factors impacting this strategy include aging technology equipment, as well as limited capital funding. Continued capital funding is needed to ensure a standard replacement schedule for end-user computers and related peripheral items. This has become increasingly critical with the rise of the COVID-19 pandemic and

**EXPLANATION OF BIENNIAL CHANGE (includes Rider amounts):**

<u>STRATEGY BIENNIAL TOTAL - ALL FUNDS</u>		<u>BIENNIAL</u>	<u>EXPLANATION OF BIENNIAL CHANGE</u>	
Base Spending (Est 2022 + Bud 2023)	Baseline Request (BL 2024 + BL 2025)	CHANGE	\$ Amount	Explanation(s) of Amount (must specify MOFs and FTEs)
\$4,114,820	\$4,101,226	\$(13,594)	\$(13,594)	Fund 0001 - GR redistribution of base budget to cover allocated expenditures
			<b>\$(13,594)</b>	<b>Total of Explanation of Biennial Change</b>

**3.A. Strategy Request**  
88th Regular Session, Agency Submission, Version 1  
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**455 Railroad Commission**

GOAL: 3 Min. Harmful Effects of Energy Prod & Ensure Fair Rates for Consumers  
OBJECTIVE: 3 Maintain Competitive Prices and Adequate Supplies for Consumers Service Categories:  
STRATEGY: 1 Ensure Fair Rates and Compliance to Rate Structures Service: 17 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2021	Est 2022	Bud 2023	BL 2024	BL 2025
<b>Output Measures:</b>						
	1 Number of Audits Conducted	141.00	140.00	140.00	140.00	140.00
KEY 2	Number of Gas Utility Dockets Filed	107.00	80.00	80.00	80.00	80.00
	3 Number of Gas Utilitys' Compliance, Tariff and Escalator Filings	124,374.00	130,000.00	130,000.00	130,000.00	130,000.00
<b>Efficiency Measures:</b>						
	1 Average Number of Audits Per Auditor	18.00	17.50	17.50	17.50	17.50
<b>Objects of Expense:</b>						
1001	SALARIES AND WAGES	\$2,294,687	\$2,477,276	\$2,749,658	\$2,749,658	\$2,749,658
1002	OTHER PERSONNEL COSTS	\$142,035	\$83,047	\$58,676	\$58,676	\$58,676
2001	PROFESSIONAL FEES AND SERVICES	\$214,310	\$742,959	\$276,858	\$267,055	\$267,055
2002	FUELS AND LUBRICANTS	\$27	\$114	\$114	\$114	\$114
2003	CONSUMABLE SUPPLIES	\$6,023	\$3,435	\$2,685	\$2,685	\$2,685
2004	UTILITIES	\$5,303	\$11,903	\$14,025	\$14,025	\$14,025
2005	TRAVEL	\$485	\$8,613	\$28,814	\$28,814	\$28,814
2006	RENT - BUILDING	\$24,254	\$25,229	\$26,776	\$26,776	\$26,776
2007	RENT - MACHINE AND OTHER	\$10,406	\$8,852	\$8,852	\$8,852	\$8,852
2009	OTHER OPERATING EXPENSE	\$156,008	\$443,486	\$228,456	\$231,832	\$231,832

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**455 Railroad Commission**

GOAL: 3 Min. Harmful Effects of Energy Prod & Ensure Fair Rates for Consumers  
OBJECTIVE: 3 Maintain Competitive Prices and Adequate Supplies for Consumers Service Categories:  
STRATEGY: 1 Ensure Fair Rates and Compliance to Rate Structures Service: 17 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2021	Est 2022	Bud 2023	BL 2024	BL 2025
5000	CAPITAL EXPENDITURES	\$0	\$3,748	\$3,748	\$3,748	\$3,748
<b>TOTAL, OBJECT OF EXPENSE</b>		<b>\$2,853,538</b>	<b>\$3,808,662</b>	<b>\$3,398,662</b>	<b>\$3,392,235</b>	<b>\$3,392,235</b>
<b>Method of Financing:</b>						
1	General Revenue Fund	\$2,853,538	\$3,674,582	\$3,268,662	\$3,262,235	\$3,262,235
<b>SUBTOTAL, MOF (GENERAL REVENUE FUNDS)</b>		<b>\$2,853,538</b>	<b>\$3,674,582</b>	<b>\$3,268,662</b>	<b>\$3,262,235</b>	<b>\$3,262,235</b>
<b>Method of Financing:</b>						
666	Appropriated Receipts	\$0	\$134,080	\$130,000	\$130,000	\$130,000
<b>SUBTOTAL, MOF (OTHER FUNDS)</b>		<b>\$0</b>	<b>\$134,080</b>	<b>\$130,000</b>	<b>\$130,000</b>	<b>\$130,000</b>
<b>TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)</b>					<b>\$3,392,235</b>	<b>\$3,392,235</b>
<b>TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)</b>		<b>\$2,853,538</b>	<b>\$3,808,662</b>	<b>\$3,398,662</b>	<b>\$3,392,235</b>	<b>\$3,392,235</b>
<b>FULL TIME EQUIVALENT POSITIONS:</b>		<b>30.4</b>	<b>35.8</b>	<b>35.8</b>	<b>35.8</b>	<b>35.8</b>
<b>STRATEGY DESCRIPTION AND JUSTIFICATION:</b>						

**3.A. Strategy Request**  
 88th Regular Session, Agency Submission, Version 1  
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**455 Railroad Commission**

GOAL: 3 Min. Harmful Effects of Energy Prod & Ensure Fair Rates for Consumers  
 OBJECTIVE: 3 Maintain Competitive Prices and Adequate Supplies for Consumers Service Categories:  
 STRATEGY: 1 Ensure Fair Rates and Compliance to Rate Structures Service: 17 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2021	Est 2022	Bud 2023	BL 2024	BL 2025
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The Texas Utilities Code, Chapters 101-105, 121-124, and 141, and the Texas Administrative Code, Chapters 2 and 7, authorize activities associated with Natural Gas Utility Compliance, which include staff participation in contested rate cases, review of non-contested filings, and auditing regulated gas utilities to ensure that proper gas utility taxes are paid and that approved rates for natural gas and services are charged to consumers. Staff also administers the gas utility electronic tariff filing process, facilitates the resolution of natural gas utility consumer complaints, and regulates propane distribution system rates. These activities ensure that gas utility and propane distribution system rates promote safe, efficient, and reliable transportation and distribution of gas at a reasonable cost. In addition, staff ensures through audits that gas utilities are complying with rate structures and submission of gas utility taxes. The Commission administers an informal complaint process to help resolve disputes between parties regarding negotiated natural gas transportation rates, reducing costs to parties and the Commission.

**EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:**

External factors impacting this strategy include the number, breadth, and complexity of cases presented to the Commission and the number of electronic tariff filings and consumer complaints received. Internal factors include obtaining the necessary funding to ensure a standard replacement schedule for end-user computers and related peripheral items, as well as new or enhanced automated systems. Updates of this nature are needed to ensure the Commission continually improves process efficiencies.

**3.A. Strategy Request**  
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**455 Railroad Commission**

GOAL: 3 Min. Harmful Effects of Energy Prod & Ensure Fair Rates for Consumers  
OBJECTIVE: 3 Maintain Competitive Prices and Adequate Supplies for Consumers Service Categories:  
STRATEGY: 1 Ensure Fair Rates and Compliance to Rate Structures Service: 17 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2021	Est 2022	Bud 2023	BL 2024	BL 2025
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**EXPLANATION OF BIENNIAL CHANGE (includes Rider amounts):**

<u>STRATEGY BIENNIAL TOTAL - ALL FUNDS</u>		BIENNIAL	<u>EXPLANATION OF BIENNIAL CHANGE</u>	
Base Spending (Est 2022 + Bud 2023)	Baseline Request (BL 2024 + BL 2025)	CHANGE	\$ Amount	Explanation(s) of Amount (must specify MOFs and FTEs)
\$7,207,324	\$6,784,470	\$(422,854)	\$(410,000)	Fund 0001 - GR reduction for one-time costs included in HB 1520 in 2022-23 biennium.
			\$(8,774)	Fund 0001 - GR redistribution of base budget to cover allocated expenditures
			\$(4,080)	Fund 0666 - Appropriated Receipts - Adjustments for excess collections in FY 2022.
			<u>\$(422,854)</u>	<b>Total of Explanation of Biennial Change</b>



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**455 Railroad Commission**

GOAL: 3 Min. Harmful Effects of Energy Prod & Ensure Fair Rates for Consumers  
OBJECTIVE: 4 Critical Infrastructure  
STRATEGY: 1 Critical Infrastructure Weather Preparedness

Service Categories:

Service: 33      Income: A.2      Age: B.3

CODE	DESCRIPTION	Exp 2021	Est 2022	Bud 2023	BL 2024	BL 2025
<b>Output Measures:</b>						
KEY 1	Number of Weatherization Inspections Conducted	0.00	0.00	7,000.00	7,000.00	7,100.00
KEY 2	Number of Facilities Out of Weatherization Compliance	0.00	0.00	700.00	665.00	640.00
<b>Explanatory/Input Measures:</b>						
KEY 1	Total Number of Designated Critical Infrastructure Facilities	0.00	0.00	73,500.00	73,500.00	73,500.00
	2 Percent of Facilities Required to Weatherize That Are Non-compliant	0.00 %	0.00 %	10.00 %	10.00 %	9.00 %
<b>Objects of Expense:</b>						
1001	SALARIES AND WAGES	\$0	\$3,941,052	\$7,194,334	\$7,194,334	\$7,194,334
1002	OTHER PERSONNEL COSTS	\$0	\$57,798	\$153,820	\$153,820	\$153,820
2001	PROFESSIONAL FEES AND SERVICES	\$0	\$3,794,487	\$2,795,227	\$2,510,086	\$2,510,086
2002	FUELS AND LUBRICANTS	\$0	\$21,187	\$86,208	\$86,208	\$86,208
2003	CONSUMABLE SUPPLIES	\$0	\$11,028	\$11,120	\$11,120	\$11,120
2004	UTILITIES	\$0	\$51,727	\$128,233	\$128,233	\$128,233
2005	TRAVEL	\$0	\$105,370	\$209,439	\$209,439	\$209,439
2006	RENT - BUILDING	\$0	\$6,087	\$107,584	\$107,584	\$107,584
2007	RENT - MACHINE AND OTHER	\$0	\$34,814	\$34,814	\$34,814	\$34,814
2009	OTHER OPERATING EXPENSE	\$0	\$6,406,742	\$851,287	\$915,088	\$915,088

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**455 Railroad Commission**

GOAL: 3 Min. Harmful Effects of Energy Prod & Ensure Fair Rates for Consumers  
OBJECTIVE: 4 Critical Infrastructure  
STRATEGY: 1 Critical Infrastructure Weather Preparedness

Service Categories:

Service: 33      Income: A.2      Age: B.3

CODE	DESCRIPTION	Exp 2021	Est 2022	Bud 2023	BL 2024	BL 2025
5000	CAPITAL EXPENDITURES	\$0	\$4,654,979	\$14,739	\$14,739	\$14,739
<b>TOTAL, OBJECT OF EXPENSE</b>		<b>\$0</b>	<b>\$19,085,271</b>	<b>\$11,586,805</b>	<b>\$11,365,465</b>	<b>\$11,365,465</b>
<b>Method of Financing:</b>						
1	General Revenue Fund	\$0	\$19,085,271	\$11,586,805	\$11,365,465	\$11,365,465
<b>SUBTOTAL, MOF (GENERAL REVENUE FUNDS)</b>		<b>\$0</b>	<b>\$19,085,271</b>	<b>\$11,586,805</b>	<b>\$11,365,465</b>	<b>\$11,365,465</b>
<b>TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)</b>					<b>\$11,365,465</b>	<b>\$11,365,465</b>
<b>TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)</b>		<b>\$0</b>	<b>\$19,085,271</b>	<b>\$11,586,805</b>	<b>\$11,365,465</b>	<b>\$11,365,465</b>
<b>FULL TIME EQUIVALENT POSITIONS:</b>		<b>0.0</b>	<b>130.0</b>	<b>130.0</b>	<b>130.0</b>	<b>130.0</b>

**STRATEGY DESCRIPTION AND JUSTIFICATION:**

**EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:**

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**455 Railroad Commission**

GOAL: 3 Min. Harmful Effects of Energy Prod & Ensure Fair Rates for Consumers  
 OBJECTIVE: 4 Critical Infrastructure Service Categories:  
 STRATEGY: 1 Critical Infrastructure Weather Preparedness Service: 33 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2021	Est 2022	Bud 2023	BL 2024	BL 2025
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**EXPLANATION OF BIENNIAL CHANGE (includes Rider amounts):**

<u>STRATEGY BIENNIAL TOTAL - ALL FUNDS</u>		<u>BIENNIAL</u>	<u>EXPLANATION OF BIENNIAL CHANGE</u>	
Base Spending (Est 2022 + Bud 2023)	Baseline Request (BL 2024 + BL 2025)	CHANGE	\$ Amount	Explanation(s) of Amount (must specify MOFs and FTEs)
\$30,672,076	\$22,730,930	\$(7,941,146)	\$(7,941,146)	General Revenue - Reduction for one-time costs included in SB 3 in 2022-23 biennium.
			<b>\$(7,941,146)</b>	<b>Total of Explanation of Biennial Change</b>

**3.A. Strategy Request**  
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**455 Railroad Commission**

GOAL: 4 Public Access to Information and Services  
OBJECTIVE: 1 Increase Public Access to Information  
STRATEGY: 1 Public Information and Services

Service Categories:

Service: 37      Income: A.2      Age: B.3

CODE	DESCRIPTION	Exp 2021	Est 2022	Bud 2023	BL 2024	BL 2025
<b>Output Measures:</b>						
KEY 1	Number of Documents Provided to Customers by Info Services	173,674.00	209,000.00	191,000.00	191,000.00	191,000.00
2	Number of Reports Provided to Customers from Electronic Data Records	21,520,761.00	13,824,461.00	12,000,000.00	12,000,000.00	12,000,000.00
3	Number of Railroad Commission Records Imaged from Non-digital Formats	2,917,040.00	10,335,059.00	3,000,000.00	3,000,000.00	3,000,000.00
<b>Objects of Expense:</b>						
1001	SALARIES AND WAGES	\$1,370,534	\$1,252,345	\$1,306,278	\$1,306,278	\$1,306,278
1002	OTHER PERSONNEL COSTS	\$38,348	\$25,386	\$27,928	\$27,928	\$27,928
2001	PROFESSIONAL FEES AND SERVICES	\$265,440	\$242,653	\$196,030	\$189,089	\$189,089
2002	FUELS AND LUBRICANTS	\$35	\$81	\$81	\$81	\$81
2003	CONSUMABLE SUPPLIES	\$9,726	\$4,182	\$2,838	\$2,838	\$2,838
2004	UTILITIES	\$1,979	\$5,518	\$5,518	\$5,518	\$5,518
2005	TRAVEL	\$629	\$3,998	\$3,046	\$3,046	\$3,046
2006	RENT - BUILDING	\$386	\$195	\$195	\$195	\$195
2007	RENT - MACHINE AND OTHER	\$6,808	\$7,898	\$7,496	\$7,496	\$7,496
2009	OTHER OPERATING EXPENSE	\$595,169	\$756,285	\$1,075,199	\$919,106	\$919,106
5000	CAPITAL EXPENDITURES	\$761	\$2,654	\$2,654	\$2,654	\$2,654

**3.A. Strategy Request**  
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**455 Railroad Commission**

GOAL: 4 Public Access to Information and Services  
OBJECTIVE: 1 Increase Public Access to Information  
STRATEGY: 1 Public Information and Services

Service Categories:

Service: 37      Income: A.2      Age: B.3

CODE	DESCRIPTION	Exp 2021	Est 2022	Bud 2023	BL 2024	BL 2025
<b>TOTAL, OBJECT OF EXPENSE</b>		<b>\$2,289,815</b>	<b>\$2,301,195</b>	<b>\$2,627,263</b>	<b>\$2,464,229</b>	<b>\$2,464,229</b>
<b>Method of Financing:</b>						
1	General Revenue Fund	\$421,943	\$497,845	\$1,453,431	\$1,297,233	\$1,297,233
<b>SUBTOTAL, MOF (GENERAL REVENUE FUNDS)</b>		<b>\$421,943</b>	<b>\$497,845</b>	<b>\$1,453,431</b>	<b>\$1,297,233</b>	<b>\$1,297,233</b>
<b>Method of Financing:</b>						
5155	Oil & Gas Regulation	\$1,820,987	\$1,755,350	\$1,123,832	\$1,116,996	\$1,116,996
<b>SUBTOTAL, MOF (GENERAL REVENUE FUNDS - DEDICATED)</b>		<b>\$1,820,987</b>	<b>\$1,755,350</b>	<b>\$1,123,832</b>	<b>\$1,116,996</b>	<b>\$1,116,996</b>
<b>Method of Financing:</b>						
666	Appropriated Receipts	\$46,885	\$48,000	\$50,000	\$50,000	\$50,000
<b>SUBTOTAL, MOF (OTHER FUNDS)</b>		<b>\$46,885</b>	<b>\$48,000</b>	<b>\$50,000</b>	<b>\$50,000</b>	<b>\$50,000</b>
<b>TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)</b>					<b>\$2,464,229</b>	<b>\$2,464,229</b>
<b>TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)</b>		<b>\$2,289,815</b>	<b>\$2,301,195</b>	<b>\$2,627,263</b>	<b>\$2,464,229</b>	<b>\$2,464,229</b>
<b>FULL TIME EQUIVALENT POSITIONS:</b>		<b>27.8</b>	<b>28.3</b>	<b>28.3</b>	<b>28.3</b>	<b>28.3</b>

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**455 Railroad Commission**

GOAL: 4 Public Access to Information and Services

OBJECTIVE: 1 Increase Public Access to Information

Service Categories:

STRATEGY: 1 Public Information and Services

Service: 37

Income: A.2

Age: B.3

CODE	DESCRIPTION	Exp 2021	Est 2022	Bud 2023	BL 2024	BL 2025
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**STRATEGY DESCRIPTION AND JUSTIFICATION:**

The Texas Natural Resource Code Annotated Title 3 authorizes activities associated with Public Information and Services, which include collecting, maintaining, and preserving oil and gas data; providing efficient public access to this information; and offering regulated industries a means to conduct their business electronically. Success in this effort ensures that valuable information is available to the public, stakeholders and other government agencies at a reasonable cost.

**EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:**

Internal factors impacting this strategy include the availability of appropriate technology for document preservation and more efficient means of public access. A second internal factor is the availability of ongoing funding to modernize and maintain databases needed to provide public access and preservation as well as more efficient processing of valuable regulatory data, and expanded electronic filing options for the regulated industries, which must be completed to realize the full deployment of planned technology enhancements. Additionally, technology can transform how the Commission serves Texans. Proper planning, investment, and management of information technology (IT) resources can help the Commission leaders prepare for and take advantage of the rapid evolution that continues to improve government services. Updates of this nature are needed to ensure the Commission continually improves process efficiencies.

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**455 Railroad Commission**

GOAL: 4 Public Access to Information and Services  
OBJECTIVE: 1 Increase Public Access to Information  
STRATEGY: 1 Public Information and Services

Service Categories:

Service: 37      Income: A.2      Age: B.3

CODE	DESCRIPTION	Exp 2021	Est 2022	Bud 2023	BL 2024	BL 2025
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**EXPLANATION OF BIENNIAL CHANGE (includes Rider amounts):**

<u>STRATEGY BIENNIAL TOTAL - ALL FUNDS</u>		BIENNIAL	<u>EXPLANATION OF BIENNIAL CHANGE</u>	
Base Spending (Est 2022 + Bud 2023)	Baseline Request (BL 2024 + BL 2025)	CHANGE	\$ Amount	Explanation(s) of Amount (must specify MOFs and FTEs)
\$4,928,458	\$4,928,458	\$0	\$2,000	Fund 0666 - Appropriated Receipts - Adjustments for estimated revenue collections
			\$643,190	Fund 0001 - GR redistribution of base budget
			\$(645,190)	Fund 5155 - OGRC redistribution of base budget
			<b>\$0</b>	<b>Total of Explanation of Biennial Change</b>

**3.A. Strategy Request**  
88th Regular Session, Agency Submission, Version 1  
Automated Budget and Evaluation System of Texas (ABEST)

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**SUMMARY TOTALS:**

<b>OBJECTS OF EXPENSE:</b>	<b>\$132,684,006</b>	<b>\$172,330,212</b>	<b>\$187,736,297</b>	<b>\$230,136,616</b>	<b>\$222,578,716</b>
<b>METHODS OF FINANCE (INCLUDING RIDERS):</b>				<b>\$230,136,616</b>	<b>\$222,578,716</b>
<b>METHODS OF FINANCE (EXCLUDING RIDERS):</b>	<b>\$132,684,006</b>	<b>\$172,330,212</b>	<b>\$187,736,297</b>	<b>\$230,136,616</b>	<b>\$222,578,716</b>
<b>FULL TIME EQUIVALENT POSITIONS:</b>	<b>843.1</b>	<b>1,007.6</b>	<b>1,034.6</b>	<b>1,066.6</b>	<b>1,066.6</b>



### 3.B. Rider Revisions and Additions Request

<b>Agency Code:</b> 455	<b>Agency Name:</b> Railroad Commission of Texas	<b>Prepared By:</b> Corey Crawford	<b>Date:</b> 8/30/2022	<b>Request Level:</b> Baseline
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Current Rider Number	Page Number in 2022-23 GAA	Proposed Rider Language																																																																																																																													
1	VI-48-49	<p><b>Performance Measure Targets.</b> The following is a listing of the key performance target levels for the Railroad Commission. It is the intent of the Legislature that appropriations made by this Act be utilized in the most efficient and effective manner possible to achieve the intended mission of the Railroad Commission. In order to achieve the objectives and service standards established by this Act, the Railroad Commission shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.</p> <table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 60%;"></th> <th style="width: 10%; text-align: center;"><del>2022</del></th> <th style="width: 10%; text-align: center;"><u>2024</u></th> <th style="width: 10%; text-align: center;"><del>2023</del></th> <th style="width: 10%; text-align: center;"><u>2025</u></th> </tr> </thead> <tbody> <tr> <td colspan="5"><b>A. 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Strategy: PIPELINE DAMAGE PREVENTION</b></td> </tr> <tr> <td colspan="5"><b>Output (Volume):</b></td> </tr> <tr> <td>Number of Excavation Damage Enforcement Cases Completed</td> <td style="text-align: center;"><del>3,000</del></td> <td style="text-align: center;"><u>2,200</u></td> <td style="text-align: center;"><del>3,000</del></td> <td style="text-align: center;"><u>2,100</u></td> </tr> <tr> <td colspan="5"><b>B.2.1. Strategy: REGULATE ALT FUEL RESOURCES</b></td> </tr> <tr> <td colspan="5"><b>Output (Volume):</b></td> </tr> <tr> <td>Number of LPG/LNG/CNG Safety Inspections Performed</td> <td></td> <td style="text-align: center;">20,000</td> <td></td> <td style="text-align: center;">20,000</td> </tr> </tbody> </table>		<del>2022</del>	<u>2024</u>	<del>2023</del>	<u>2025</u>	<b>A. Goal: ENERGY RESOURCES</b>					<b>Outcome (Results/Impact):</b>					Percent of Oil and Gas Wells That Are Active	<del>73%</del>	<u>68%</u>	<del>73%</del>	<u>69%</u>	<b>A.1.1. 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### 3.B. Rider Revisions and Additions Request (continued)

		<p><b>C. Goal: ENVIRONMENTAL &amp; CONSUMER PROTECTION</b></p> <p><b>Outcome (Results/Impact):</b></p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 70%;">Percentage of Oil and Gas Facility Inspections That Identify Environmental Violations</td> <td style="width: 10%; text-align: right;"><del>5%</del> <u>5%</u></td> <td style="width: 20%; text-align: right;"><del>5%</del> <u>5%</u></td> </tr> <tr> <td>Percentage of Known Orphaned Wells Plugged with the Use of State-Managed Funds</td> <td style="text-align: right;"><del>15.5%</del> <u>20%</u></td> <td style="text-align: right;"><del>15.5%</del> <u>20%</u></td> </tr> </table> <p><b>C.1.1. Strategy: OIL/GAS MONITOR &amp; INSPECTIONS</b></p> <p><b>Output (Volume):</b></p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 70%;">Number of Oil and Gas Well and Facility Inspections Performed</td> <td style="width: 10%; text-align: right;"><del>345,000</del> <u>355,000</u></td> <td style="width: 20%; text-align: right;"><del>345,000</del> <u>360,000</u></td> </tr> <tr> <td>Number of Oil and Gas Environmental Permit Applications and Reports Processed</td> <td style="text-align: right;">110,000</td> <td style="text-align: right;">110,000</td> </tr> </table> <p><b>Efficiencies:</b></p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 70%;">Average Number of Oil and Gas Well and Facility Inspections Performed by District Staff</td> <td style="width: 10%; text-align: right;"><del>2,000</del> <u>1,900</u></td> <td style="width: 20%; text-align: right;"><del>2,000</del> <u>1,900</u></td> </tr> </table> <p><b>Explanatory:</b></p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 70%;">Number of Oil and Gas Wells and Other Related Facilities Subject to Regulation</td> <td style="width: 10%; text-align: right;"><del>88,372</del> <u>90,000</u></td> <td style="width: 20%; text-align: right;"><del>90,353</del> <u>90,000</u></td> </tr> </table> <p><b>C.1.2. Strategy: SURFACE MINING MONITORING/INSPECTION</b></p> <p><b>Output (Volume):</b></p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 70%;">Number of Coal Mining Inspections Performed</td> <td style="width: 10%; text-align: right;">400</td> <td style="width: 20%; text-align: right;">400</td> </tr> </table> <p><b>C.2.1. Strategy: OIL&amp;GAS WELL PLUGGING &amp; REMEDIATION</b></p> <p><b>Output (Volume):</b></p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 70%;">Number of Abandoned Pollution Sites Investigated, Assessed, or Cleaned Up with the Use of State-Managed Funds</td> <td style="width: 10%; text-align: right;"><del>200</del> <u>400</u></td> <td style="width: 20%; text-align: right;"><del>200</del> <u>400</u></td> </tr> <tr> <td>Number of Orphaned Wells Plugged with the Use of State-Managed Funds</td> <td style="text-align: right;"><del>1,000</del> <u>2,000</u></td> <td style="text-align: right;"><del>1,000</del> <u>2,200</u></td> </tr> <tr> <td>Total Aggregate Plugging Depth of Orphaned Wells Plugged with the Use of State Managed Funds (in Linear Feet)</td> <td style="text-align: right;"><del>2,000,000</del> <u>4,000,000</u></td> <td style="text-align: right;"><del>2,000,000</del> <u>4,400,000</u></td> </tr> </table> <p><b>C.3.1. Strategy: GAS UTILITY COMMERCE</b></p> <p><b>Output (Volume):</b></p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 70%;">Number of Gas Utility Dockets Filed</td> <td style="width: 10%; text-align: right;">80</td> <td style="width: 20%; text-align: right;">80</td> </tr> </table> <p><b>C.4.1. Strategy: WEATHER PREPAREDNESS</b></p> <p><b>Output (Volume):</b></p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 70%;">Number of weatherization inspections conducted</td> <td style="width: 10%; text-align: right;">7,000</td> <td style="width: 20%; text-align: right;">7,000</td> </tr> <tr> <td>Number of facilities out of weatherization compliance</td> <td style="text-align: right;">665</td> <td style="text-align: right;">640</td> </tr> </table>	Percentage of Oil and Gas Facility Inspections That Identify Environmental Violations	<del>5%</del> <u>5%</u>	<del>5%</del> <u>5%</u>	Percentage of Known Orphaned Wells Plugged with the Use of State-Managed Funds	<del>15.5%</del> <u>20%</u>	<del>15.5%</del> <u>20%</u>	Number of Oil and Gas Well and Facility Inspections Performed	<del>345,000</del> <u>355,000</u>	<del>345,000</del> <u>360,000</u>	Number of Oil and Gas Environmental Permit Applications and Reports Processed	110,000	110,000	Average Number of Oil and Gas Well and Facility Inspections Performed by District Staff	<del>2,000</del> <u>1,900</u>	<del>2,000</del> <u>1,900</u>	Number of Oil and Gas Wells and Other Related Facilities Subject to Regulation	<del>88,372</del> <u>90,000</u>	<del>90,353</del> <u>90,000</u>	Number of Coal Mining Inspections Performed	400	400	Number of Abandoned Pollution Sites Investigated, Assessed, or Cleaned Up with the Use of State-Managed Funds	<del>200</del> <u>400</u>	<del>200</del> <u>400</u>	Number of Orphaned Wells Plugged with the Use of State-Managed Funds	<del>1,000</del> <u>2,000</u>	<del>1,000</del> <u>2,200</u>	Total Aggregate Plugging Depth of Orphaned Wells Plugged with the Use of State Managed Funds (in Linear Feet)	<del>2,000,000</del> <u>4,000,000</u>	<del>2,000,000</del> <u>4,400,000</u>	Number of Gas Utility Dockets Filed	80	80	Number of weatherization inspections conducted	7,000	7,000	Number of facilities out of weatherization compliance	665	640
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		<p><b>D. Goal: PUBLIC ACCESS TO INFO AND SERVICES</b></p> <p><b>D.1.1. Strategy: PUBLIC INFORMATION AND SERVICES</b></p> <p><b>Output (Volume):</b></p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 70%;">Number of Documents Provided to Customers by Information Services</td> <td style="width: 10%; text-align: right;"><del>180,000</del> <u>191,000</u></td> <td style="width: 20%; text-align: right;"><del>195,000</del> <u>191,000</u></td> </tr> </table> <p><i>Performance Measure goals have been updated for the 2024-25 biennium.</i></p>	Number of Documents Provided to Customers by Information Services	<del>180,000</del> <u>191,000</u>	<del>195,000</del> <u>191,000</u>																																				
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<b>2</b>	<b>VI-49-50</b>	<p><b>Capital Budget.</b> Funds appropriated above may be expended for capital budget items listed below. The amounts identified for each item may be adjusted or expended on other capital expenditures, subject to the aggregate dollar restrictions on capital budget expenditures provided in the General Provisions of this Act.</p>																																							
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### 3.B. Rider Revisions and Additions Request (continued)

		<p>a. Acquisition of Information Resource Technologies</p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 60%;">(1) PC Refresh</td> <td style="width: 20%; text-align: right;">428,200</td> <td style="width: 20%; text-align: right;"><u>544,375</u></td> <td style="width: 10%;"></td> <td style="width: 10%; text-align: right;">428,200</td> <td style="width: 10%; text-align: right;"><u>544,375</u></td> </tr> <tr> <td>(2) Inspection/Enforcement Tracking and Reporting System</td> <td></td> <td style="text-align: right;">2,000,000</td> <td></td> <td></td> <td style="text-align: right;">1,000,000</td> </tr> <tr> <td><u>(3) Mainframe Transformation</u></td> <td></td> <td style="text-align: right;"><u>14,016,774</u></td> <td></td> <td></td> <td style="text-align: right;"><u>7,458,873</u></td> </tr> <tr> <td colspan="6"> </td> </tr> <tr> <td>Total, Acquisition of Information Resource Technologies</td> <td style="text-align: right;">\$2,428,200</td> <td style="text-align: right;"><u>\$16,561,149</u></td> <td></td> <td style="text-align: right;">\$1,428,200</td> <td style="text-align: right;"><u>\$9,003,248</u></td> </tr> </table> <p>b. Transportation Items</p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 60%;">(1) Vehicle Replacements</td> <td style="width: 20%; text-align: right;">\$ 4,715,593</td> <td style="width: 20%; text-align: right;"><u>2,222,093</u></td> <td></td> <td style="width: 10%; text-align: right;">\$ 1,031,393</td> <td style="width: 10%; text-align: right;"><u>1,133,393</u></td> </tr> </table> <p>c. Data Center Consolidation</p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 60%;">(1) Data Center Services (DCS)</td> <td style="width: 20%; text-align: right;">\$ 5,977,076</td> <td style="width: 20%; text-align: right;"><u>6,306,059</u></td> <td></td> <td style="width: 10%; text-align: right;">\$ 6,635,042</td> <td style="width: 10%; text-align: right;"><u>6,306,059</u></td> </tr> </table> <p>Total, Capital Budget</p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 60%;"></td> <td style="width: 20%; text-align: right;">\$ 13,120,869</td> <td style="width: 20%; text-align: right;"><u>25,089,301</u></td> <td></td> <td style="width: 10%; text-align: right;">\$ 9,094,635</td> <td style="width: 10%; text-align: right;"><u>16,442,700</u></td> </tr> </table> <p>Method of Financing (Capital Budget):</p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 60%;">General Revenue Fund</td> <td style="width: 20%; text-align: right;">\$ 7,857,082</td> <td style="width: 20%; text-align: right;"><u>6,710,887</u></td> <td></td> <td style="width: 10%; text-align: right;">\$ 3,339,426</td> <td style="width: 10%; text-align: right;"><u>5,710,887</u></td> </tr> <tr> <td>GR Dedicated - Oil and Gas Regulation and Cleanup Account No. 5155</td> <td style="text-align: right;">\$ 5,263,787</td> <td style="text-align: right;"><u>17,289,714</u></td> <td></td> <td style="text-align: right;">\$ 5,755,209</td> <td style="text-align: right;"><u>10,731,813</u></td> </tr> <tr> <td><u>Federal Funds</u></td> <td></td> <td style="text-align: right;"><u>\$ 1,088,700</u></td> <td></td> <td></td> <td style="text-align: right;"><u>\$ 0</u></td> </tr> <tr> <td>Total, Method of Financing</td> <td style="text-align: right;">\$ 13,120,869</td> <td style="text-align: right;"><u>25,089,301</u></td> <td></td> <td style="text-align: right;">\$ 9,094,635</td> <td style="text-align: right;"><u>16,442,700</u></td> </tr> </table> <p><i>This rider has been updated to reflect 2024-25 capital budget appropriations request.</i></p>	(1) PC Refresh	428,200	<u>544,375</u>		428,200	<u>544,375</u>	(2) Inspection/Enforcement Tracking and Reporting System		2,000,000			1,000,000	<u>(3) Mainframe Transformation</u>		<u>14,016,774</u>			<u>7,458,873</u>							Total, Acquisition of Information Resource Technologies	\$2,428,200	<u>\$16,561,149</u>		\$1,428,200	<u>\$9,003,248</u>	(1) Vehicle Replacements	\$ 4,715,593	<u>2,222,093</u>		\$ 1,031,393	<u>1,133,393</u>	(1) Data Center Services (DCS)	\$ 5,977,076	<u>6,306,059</u>		\$ 6,635,042	<u>6,306,059</u>		\$ 13,120,869	<u>25,089,301</u>		\$ 9,094,635	<u>16,442,700</u>	General Revenue Fund	\$ 7,857,082	<u>6,710,887</u>		\$ 3,339,426	<u>5,710,887</u>	GR Dedicated - Oil and Gas Regulation and Cleanup Account No. 5155	\$ 5,263,787	<u>17,289,714</u>		\$ 5,755,209	<u>10,731,813</u>	<u>Federal Funds</u>		<u>\$ 1,088,700</u>			<u>\$ 0</u>	Total, Method of Financing	\$ 13,120,869	<u>25,089,301</u>		\$ 9,094,635	<u>16,442,700</u>
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<b>3</b>	<b>VI-51-52</b>	<p><b>Appropriations Limited to Revenue Collections: LPG/CNG/LNG Fees.</b> Fees, fines and other miscellaneous revenues as authorized and generated by the operation of the Alternative Fuels Licensing Program related to activities in the liquefied petroleum gas (LPG), compresses natural gas (CNG), and liquefied natural gas (LNG) industries pursuant to Natural Resources Code §§113.082, 113.090, 113.093, 113.094, 113.131, 116.032, 116.034, and 116.072 shall cover, at a minimum, the cost of General Revenue appropriations made above in Strategy B.2.1, Regulate Alternative Energy Resources, as well as the "other direct and indirect costs" made elsewhere in this Act associated with these programs. Direct costs for the Alternative Fuels Licensing Program are estimated to be \$1,702,413 <u>\$1,928,365</u> in fiscal year <del>2022</del> <u>2024</u> and <del>\$1,823,080</del> <u>\$1,928,365</u> in fiscal year <del>2023</del> <u>2025</u> and "other direct and indirect costs" are estimated to be \$548,783 in fiscal year <del>2022</del> <u>2024</u> and \$554,549 in fiscal year <del>2023</del> <u>2025</u>.</p> <p>In the event that actual and/or projected revenue collections are insufficient to offset the costs identified by this</p>																																																																								

**3.B. Rider Revisions and Additions Request  
(continued)**

		<p>provision, the Legislative Budget Board may direct that the Comptroller of Public Accounts reduce the appropriation authority provided above to be within the amount of revenue expected to be available.</p> <p>All fees collected in excess of the Comptroller of Public Accounts' Biennial Revenue Estimate (Revenue Object Codes 3035 and 3246) are appropriated to the Railroad Commission to be spent on the Alternative Fuels Licensing Program that generated the fees.</p> <p><i>This rider has been updated for the 2024-25 biennium.</i></p>
<b>4</b>	<b>VI-52</b>	<p><b>Liquefied Petroleum Gas (LPG) and Compressed Natural Gas (CNG) Training and Examination Renewal Fees.</b> Included in amounts appropriated above in Strategy B.2.1, Regulate Alternative Energy Resources, is <del>\$910,000</del> <u>\$920,000</u> in each fiscal year of the biennium in Appropriated Receipts (Revenue Object Codes 3245 and 3722) from fees assessed and collected pursuant to Natural Resources Code, §§113.088 and 116.034. These amounts may only be used for the purpose of providing training and examinations to licensees and certificate holders. In addition to amounts appropriated above, any additional amounts collected by the Railroad Commission pursuant to Natural Resources Code, §§113.088 and 116.034, on or after September 1, <del>2024</del><u>2023</u>, are appropriated to the Commission for the same purpose. Any additional revenues that may be collected under the provisions of this rider are estimated to be \$0.</p> <p><i>This rider has been updated for the 2024-25 biennium.</i></p>
<b>5</b>	<b>VI-50-51</b>	<p><b>Appropriation Limited to Revenue Collections: Coal Mining Inspection and Enforcement and Coal/Uranium Mining Applications and Permits.</b> Fees, fines and other miscellaneous revenues as authorized and generated by the operation of the Coal Mining Inspection and Enforcement Program and the Coal/Uranium Mining Applications and Permits Program pursuant to Natural Resources Code Chapters 131 and 134 shall cover, at a minimum, the cost of General Revenue appropriations made above in Strategy C.1.2, Surface Mining Monitoring and Inspections, as well as the "other direct and indirect costs" made elsewhere in this Act associated with this program. Direct costs for the Coal Mining Inspection and Enforcement Program and the Coal/Uranium Mining Applications and Permits Program are estimated to be <del>\$2,247,991</del> <u>\$2,139,572</u> in fiscal year <del>2022</del> <u>2024</u> and <del>\$2,234,585</del> <u>\$2,139,572</u> in fiscal year <del>2023</del> <u>2025</u> and "other direct and indirect costs" are estimated to be \$421,055 in fiscal year <del>2022</del> <u>2024</u> and \$423,945 in fiscal year <del>2023</del> <u>2025</u>.</p> <p>In the event that actual and/or projected revenue collections are insufficient to offset the costs identified by this provision, the Legislative Budget Board may direct that the Comptroller of Public Accounts reduce the appropriation authority provided above to be within the amount of revenue expected to be available.</p> <p>All fees collected in excess of the Comptroller of Public Accounts' Biennial Revenue Estimate (Revenue Object Code 3329) are appropriated to the Railroad Commission to be spent on the Surface Mining Program that generated the fees.</p> <p><i>This rider has been updated for the 2024-25 biennium.</i></p>

**3.B. Rider Revisions and Additions Request  
(continued)**

<b>6</b>	<b>V-51</b>	<p><b>Appropriations Limited to Revenue Collections: Pipeline Safety and Regulatory Fees.</b> Fees, fines, and other miscellaneous revenues as authorized and generated by the operation of the Pipeline Safety/Inspections Program and the Underground Damage Prevention Program pursuant to Natural Resources Code §81.071 and Utilities Code §121.211 shall cover, at a minimum, the cost of the General Revenue-Dedicated Oil and Gas Regulation and Cleanup Account No. 5155 appropriations made above in Strategy B.1.1, Ensure Pipeline Safety, and Strategy B.1.2, Pipeline Damage Prevention, as well as the other "direct and indirect costs" made elsewhere in this Act associated with this program. Direct costs for the Pipeline Safety and Regulatory Program are estimated to be <del>\$6,233,263</del> <u>\$6,059,943</u> in fiscal year <del>2022</del> <u>2024</u> and <del>\$5,619,603</del> <u>\$6,059,943</u> in fiscal year <del>2023</del> <u>2025</u> and "other direct and indirect costs" are estimated to be \$1,085,052 in fiscal year <del>2022</del> <u>2024</u> and \$1,092,624 in fiscal year <del>2023</del> <u>2025</u>.</p> <p>In the event that actual and/or projected revenue collections are insufficient to offset the costs identified by this provision, the Legislative Budget Board may direct that the Comptroller of Public Accounts reduce the appropriation authority provided above to be within the amount of revenue expected to be available.</p> <p><i>This rider has been updated for the 2024-25 biennium.</i></p>
<b>7</b>	<b>VI-52</b>	<p><b>Capital Budget Expenditures: Federal Funds and Appropriated Receipts.</b> Notwithstanding Article IX, §14.03, Limitation on Expenditures - Capital Budget, the Railroad Commission may expend Federal Funds and Appropriated Receipts collected in excess of the amounts identified in the agency's bill pattern on items listed in Rider 2, Capital Budget. The Railroad Commission shall notify the Legislative Budget Board, the Comptroller of Public Accounts, and the Governor upon receipt of Federal Funds and Appropriated Receipts collected in excess of the amounts identified in the agency's bill pattern, the amount received from these sources, and how the amounts will be expended on items listed in Rider 2, Capital Budget.</p> <p><i>No Change.</i></p>
<b>8</b>	<b>VI-53</b>	<p><b>Appropriation: Anthropogenic Carbon Dioxide Storage Trust Fund Revenues.</b> In addition to the amounts appropriated above, any revenues received in the Anthropogenic Carbon Dioxide Storage Trust Fund No. 827 (Other Funds) (estimated to be <del>\$0</del> <u>\$350,360</u> in each year of the biennium) during the <del>2022-23</del> <u>2024-25</u> biennium are appropriated to the Railroad Commission. In accordance with Water Code, Chapter 27, Subchapter C-1, these funds shall be used for the costs of: (1) permitting, monitoring, and inspecting anthropogenic carbon dioxide injection wells for geologic storage and geologic storage facilities; and (2) enforcing and implementing Water Code, Chapter 27, Subchapter C-1, and rules adopted by the Railroad Commission pursuant to this Subchapter C-1.</p> <p>The Railroad Commission shall notify the Legislative Budget Board, the Comptroller of Public Accounts, and the Governor if any revenue received in the Anthropogenic Carbon Dioxide Storage Trust Fund No. 827 (Other Funds) is appropriated according to this provision.</p> <p><i>This rider has been updated for the 2024-25 biennium.</i></p>

### 3.B. Rider Revisions and Additions Request (continued)

<b>9</b>	<b>VI-53</b>	<p><b>Oil and Gas Division Permitting Efficiencies.</b> Out of funds appropriated above in Strategy D.1.1, Public Information and Services, the Railroad Commission shall publish information regarding staffing levels in its Oil and Gas Division in both its Austin office and in each district office. The information shall detail how the agency is managing staffing levels sufficient to review and respond to disposal or injection well permits applications within 30 days of receipts, all other permits applications within 10 business days of receipt, and issue final decisions on contested case oil and gas permitting matters within 60 business days of the hearing date.</p> <p><i>No Change.</i></p>
<b>10</b>	<b>VI-53</b>	<p><b>Transfer Authority.</b> Notwithstanding limitations on appropriation transfers contained in the General Provisions of this Act, the Railroad Commission is authorized to direct agency resources and transfer such amounts appropriated above between appropriation line items.</p> <p>The Railroad Commission shall provide prior notification to the Legislative Budget Board, the Governor, and the Comptroller of Public Accounts regarding transfers of amounts appropriated above between appropriation line items if the amount exceeds 20 percent of the appropriation line item from which the transfer is made for the fiscal year.</p> <p><i>No Change.</i></p>
<b>11</b>	<b>VI-53</b>	<p><b>Appropriation: Unexpended Balances Between Fiscal Years within the Biennium.</b> Any unobligated and unexpended balances as of August 31, 2022<del>4</del>, in the appropriations made to the Railroad Commission are appropriated for the same purposes for the fiscal year beginning September 1, 2022<del>4</del>.</p> <p><i>This rider has been updated for the 2024-25 biennium.</i></p>
<b>12</b>	<b>VI-53</b>	<p><b>Appropriation: Oil and Gas Regulation and Cleanup Account Fees.</b> In addition to the amounts appropriated above, the Railroad Commission is appropriated any fees deposited in the General Revenue-Dedicated Oil and Gas Regulation and Cleanup Account No. 5155 in excess of amounts indicated in the Comptroller of Public Accounts' Biennial Revenue Estimate.</p> <p>The Railroad Commission shall notify the Legislative Budget Board, the Governor, and the Comptroller of Public Accounts if fees deposited in the General Revenue-Dedicated Oil and Gas Regulation and Cleanup Account No. 5155 exceed the amount identified in the Comptroller of Public Accounts' Biennial Revenue Estimate and are appropriated according to this provision.</p> <p><i>No Change.</i></p>
<b>13</b>	<b>VI-53</b>	<p><b>Operational Stability Contingency.</b> In the event that the sum of available unencumbered and unobligated balances in the General Revenue-Dedicated Oil and Gas Regulation and Cleanup Account No. 5155 (estimated to be <del>\$16.6</del><u>27.3</u> million at the beginning of the <del>2022-23</del><u>2024-25</u> biennium) and the revenue deposited into the account during each year of the <del>2022-23</del><u>2024-25</u> biennium, is determined by the Comptroller of Public Accounts to be insufficient to support</p>

### 3.B. Rider Revisions and Additions Request (continued)

		<p>appropriations made in this Act from the account, including other direct and indirect costs, the Commission is appropriated General Revenue generated by the Gas Utility Pipeline Tax, in the amount of the difference, not to exceed \$5.0 million per fiscal year.</p> <p><i>This rider has been updated for the 2024-25 biennium.</i></p>
14	VI-53	<p><b>Unexpended Balances Appropriation:</b> Acquisition of Information Resource Technologies. Out of amounts appropriated to the Railroad Commission for the <del>2020-21</del><u>2022-23</u> biennium for capital budget items included in the Acquisition of Information Resource Technologies category and capital budget in House Bill 2 (<u>Supplemental Appropriations bill</u>), any unobligated and unexpended balances remaining as of August 31, 2024<del>3</del>, (estimated to be \$0) are appropriated for the fiscal biennium beginning September 1, 2024<del>3</del>, for the same purpose.</p> <p><i>This rider has been updated for the 2024-25 biennium with clause to include the Mainframe Transformation capital project which was funded in the supplemental appropriations bill by the 87<sup>th</sup> Legislature.</i></p>
15	VI-53-54	<p><b>Additional Funding Sources and Cash Flow Contingency.</b> In the event that revenues collected in the General Revenue-Dedicated Oil and Gas Regulation and Cleanup Account No. 5155 for each fiscal year of the biennium are less than 90.0 percent of the amounts appropriated in this Act, including other direct and indirect costs and repayment of the additional General Revenue, the Legislative Budget Board and the Governor may direct the transfer of sufficient amounts of General Revenue funds to the Railroad Commission from appropriations made elsewhere in this Act.</p> <p>Contingent upon the receipt of revenue in the General Revenue-Dedicated Oil and Gas Regulation and Cleanup Account No. 5155, the Railroad Commission may temporarily utilize additional General Revenue funds, pending receipt of revenue, in an amount not to exceed \$25.0 million per fiscal year. The General Revenue amounts transferred above the General Revenue method of finance shall be utilized for the purpose of temporary cash flow needs. The transfer and reimbursement of funds shall be made under procedures established by the Comptroller of Public Accounts to ensure all borrowed funds are reimbursed to the Treasury on or before December 31 of the following fiscal year.</p> <p><i>No Change.</i></p>
16	VI-54	<p><del><b>Study on the Oil and Gas Regulation and Cleanup Fund Revenue Streams.</b> On or before September 1, 2022, the Commission shall conduct a review of the different sources that contribute revenues into the Oil and Gas Regulation and Cleanup Fund, as well as expected revenues going forward through 2025 based on its existing fee and fine structure, and review both their rules and statutory caps that determine the amount of those fees and fines. The Commission shall present the information to the Legislative Budget Board and make recommendations about any regulatory or statutory changes needed to assure adequate revenues for the Commission. The assessment must examine both well bonding and fine levels, as well as permit fees.</del></p> <p><i>Rider no longer necessary.</i></p>

### 3.B. Rider Revisions and Additions Request (continued)

17	VI-54	<p><b>Strategic Plan on Flaring Data.</b> Out of funds appropriated above in Strategy D.1.1, Public Information and Services, the Railroad Commission shall develop a strategic plan to evaluate natural gas flaring data reported to the commission and available data from the Commission on Environmental Quality, and evaluate solutions to clarify the discrepancy in flaring data.</p> <p><i>Rider no longer necessary.</i></p>
18	VI-54	<p><b>Contingency for House Bill 1284.</b> Amounts appropriated above to the Railroad Commission in Strategy A.1.1, Energy Resource Development, include \$389,694 in Anthropogenic CO2 Storage Fund No. 827 and 3.0 FTEs, in fiscal year 2023, contingent on (1) the enactment of House Bill 1284, or similar legislation relating to the regulation of the injection and geologic storage of carbon dioxide in this state, by the Eighty seventh Legislature, Regular Session, and (2) upon the Environmental Protection Agency approving the jurisdictional transfer from the Commission on Environmental Quality to the Railroad Commission.</p> <p><i>Rider no longer necessary.</i></p>
19	VI-54	<p><b>Contingency for House Bill 1520.</b> Amounts appropriated above to the Railroad Commission in Strategy C.3.1, Gas Utility Commerce, include \$1,124,780 in fiscal year 2022 and \$714,780 in fiscal year 2023 from the General Revenue Fund and 7.0 FTEs each fiscal year, contingent on enactment of House Bill 1520, or similar legislation relating to the recovery and securitization of certain extraordinary costs incurred by certain gas utilities; providing authority to issue bonds and impose fees and assessments.</p> <p><i>Rider no longer necessary.</i></p>
20	VI-54	<p><b>Contingency for Senate Bill 3.</b> Amounts appropriated above to the Railroad Commission in Strategy C.4.1, Weather Preparedness, include \$19,085,271 for fiscal year 2022 and \$11,586,805 for fiscal year 2023 from the General Revenue Fund and 130.0 FTEs each fiscal year, contingent on enactment of Senate Bill 3, or similar legislation relating to preparing for, preventing, and responding to weather emergencies and power outages as well as increasing the amount of administrative and civil penalties.</p> <p><i>Rider no longer necessary.</i></p>
21	VI-54	<p><b>Contingency for Senate Bill 1260.</b> Contingent on enactment of Senate Bill 1260, or similar legislation relating to the authority of the Railroad Commission to contract for the treatment of and sale of drill cuttings, by the Eighty seventh Legislature, Regular Session, the Railroad Commission is appropriated all revenues collected and deposited to General Revenue Dedicated Oil and Gas Regulation and Cleanup Account No. 5155 from the sale of drill cuttings above amounts included in the Comptroller's Biennial Revenue Estimate (estimated to be \$0) in Strategy C.2.1, Oil and Gas Well Plugging and Remediation, to implement the provisions of the legislation.</p> <p><i>Rider no longer necessary.</i></p>



**4.A. Exceptional Item Request Schedule**  
 88th Regular Session, Agency Submission, Version 1  
 Automated Budget and Evaluation System of Texas (ABEST)

Agency code: **455** Agency name: **Railroad Commission**

<u>CODE</u>	<u>DESCRIPTION</u>	<u>Excp 2024</u>	<u>Excp 2025</u>
	<b>Item Name:</b> Gathering Pipeline and Underground Gas Storage Regulation – Additional Inspectors		
	<b>Item Priority:</b> 1		
	<b>IT Component:</b> No		
	<b>Anticipated Out-year Costs:</b> Yes		
	<b>Involve Contracts &gt; \$50,000:</b> No		
	<b>Includes Funding for the Following Strategy or Strategies:</b> 02-01-01 Ensure Pipeline Safety		
 <b>OBJECTS OF EXPENSE:</b>			
1001	SALARIES AND WAGES	2,674,922	2,674,922
1002	OTHER PERSONNEL COSTS	40,124	40,124
2002	FUELS AND LUBRICANTS	140,000	140,000
2004	UTILITIES	4,000	4,000
2005	TRAVEL	12,000	12,000
2009	OTHER OPERATING EXPENSE	594,000	594,000
5000	CAPITAL EXPENDITURES	1,785,468	0
	<b>TOTAL, OBJECT OF EXPENSE</b>	<b>\$5,250,514</b>	<b>\$3,465,046</b>
 <b>METHOD OF FINANCING:</b>			
1	General Revenue Fund	5,250,514	3,465,046
	<b>TOTAL, METHOD OF FINANCING</b>	<b>\$5,250,514</b>	<b>\$3,465,046</b>
 <b>FULL-TIME EQUIVALENT POSITIONS (FTE):</b>		50.00	50.00

**DESCRIPTION / JUSTIFICATION:**

The U.S. Pipeline and Hazardous Materials Safety Administration (PHMSA) adopted a rule in November 2021 that requires the states to regulate and inspect natural gas gathering lines. This rule becomes effective May 2022.

In January 2022, PHMSA also gave RRC delegation to perform safety inspections of underground gas storage facilities in Texas. The federal government no longer performs this type of inspections in Texas.

**EXTERNAL/INTERNAL FACTORS:**

Currently, RRC regulates approx. 250,000 miles of pipeline and this new rule adds another 100,000K miles of gathering lines.

**PCLS TRACKING KEY:**

**4.A. Exceptional Item Request Schedule**  
 88th Regular Session, Agency Submission, Version 1  
 Automated Budget and Evaluation System of Texas (ABEST)

Agency code: **455**

Agency name: **Railroad Commission**

<b>CODE</b>	<b>DESCRIPTION</b>	<b>Excp 2024</b>	<b>Excp 2025</b>
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**DESCRIPTION OF ANTICIPATED OUT-YEAR COSTS :**

On-going salaries and operating costs for inspectors and support staff.

**ESTIMATED ANTICIPATED OUT-YEAR COSTS FOR ITEM:**

	<b>2026</b>	<b>2027</b>	<b>2028</b>
	\$3,465,046	\$3,465,046	\$3,465,046

**4.A. Exceptional Item Request Schedule**  
 88th Regular Session, Agency Submission, Version 1  
 Automated Budget and Evaluation System of Texas (ABEST)

Agency code: **455**

Agency name: **Railroad Commission**

CODE	DESCRIPTION	Excp 2024	Excp 2025
	<b>Item Name:</b> Oil and Gas Technical Permitting – Environmental Permits		
	<b>Item Priority:</b> 2		
	<b>IT Component:</b> No		
	<b>Anticipated Out-year Costs:</b> Yes		
	<b>Involve Contracts &gt; \$50,000:</b> No		
	<b>Includes Funding for the Following Strategy or Strategies:</b> 01-01-01 Promote Energy Resource Development Opportunities		
<b>OBJECTS OF EXPENSE:</b>			
1001	SALARIES AND WAGES	342,000	342,000
1002	OTHER PERSONNEL COSTS	5,000	5,000
2004	UTILITIES	1,000	1,000
2005	TRAVEL	15,000	15,000
2009	OTHER OPERATING EXPENSE	75,000	75,000
<b>TOTAL, OBJECT OF EXPENSE</b>		<b>\$438,000</b>	<b>\$438,000</b>
<b>METHOD OF FINANCING:</b>			
1	General Revenue Fund	438,000	438,000
<b>TOTAL, METHOD OF FINANCING</b>		<b>\$438,000</b>	<b>\$438,000</b>
<b>FULL-TIME EQUIVALENT POSITIONS (FTE):</b>		5.00	5.00

**DESCRIPTION / JUSTIFICATION:**

The RRC has seen a significant workload increase over the last year following the enactment of House Bill 3516, 87th Legislature. This bill encourages the recycling of fluid waste for beneficial purposes.

**EXTERNAL/INTERNAL FACTORS:**

Additional staff are needed to handle increased applications as well as post-permit monitoring activities. This would help ensure environmental protection and community safety through operator compliance and effective review of applications. In addition, staff anticipates an increase in carbon storage applications in the next biennium.

**PCLS TRACKING KEY:**

**4.A. Exceptional Item Request Schedule**  
 88th Regular Session, Agency Submission, Version 1  
 Automated Budget and Evaluation System of Texas (ABEST)

Agency code: **455**

Agency name: **Railroad Commission**

<u>CODE</u>	<u>DESCRIPTION</u>	<u>Excp 2024</u>	<u>Excp 2025</u>
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**DESCRIPTION OF ANTICIPATED OUT-YEAR COSTS :**

On-going salaries and operating costs for technical permitting staff.

**ESTIMATED ANTICIPATED OUT-YEAR COSTS FOR ITEM:**

<u>2026</u>	<u>2027</u>	<u>2028</u>
\$438,000	\$438,000	\$438,000

**4.A. Exceptional Item Request Schedule**  
 88th Regular Session, Agency Submission, Version 1  
 Automated Budget and Evaluation System of Texas (ABEST)

Agency code: **455** Agency name: **Railroad Commission**

<b>CODE</b>	<b>DESCRIPTION</b>	<b>Excp 2024</b>	<b>Excp 2025</b>
	<b>Item Name:</b> Vehicle Replacements		
	<b>Item Priority:</b> 3		
	<b>IT Component:</b> No		
	<b>Anticipated Out-year Costs:</b> Yes		
	<b>Involve Contracts &gt; \$50,000:</b> Yes		
	<b>Includes Funding for the Following Strategy or Strategies:</b>		
	02-01-01 Ensure Pipeline Safety		
	02-02-01 Regulate Alternative Fuel Resources		
	03-01-01 Oil and Gas Monitoring and Inspections		
	03-01-02 Surface Mining Monitoring and Inspections		
	03-02-01 Oil and Gas Well Plugging and Remediation		
	03-04-01 Critical Infrastructure Weather Preparedness		

**OBJECTS OF EXPENSE:**

5000	CAPITAL EXPENDITURES	4,327,550	1,817,415
	<b>TOTAL, OBJECT OF EXPENSE</b>	<b>\$4,327,550</b>	<b>\$1,817,415</b>

**METHOD OF FINANCING:**

1	General Revenue Fund	4,327,550	1,817,415
	<b>TOTAL, METHOD OF FINANCING</b>	<b>\$4,327,550</b>	<b>\$1,817,415</b>

**DESCRIPTION / JUSTIFICATION:**

RRC inspectors cover approximately 6 ½ million miles a year both on- and off-road to inspect and ensure the safety oil and gas wells, pipelines, coal mines, and propane facilities and infrastructure. These inspections cannot happen without safe, working vehicles.

**EXTERNAL/INTERNAL FACTORS:**

In the 2020-21 biennium, RRC deferred vehicle replacements because of budget cuts. In the upcoming 2024-25 biennium, RRC expects to have 170 inspector trucks that will far exceed the standard mileage for vehicle replacements recommended by the Comptroller's Office Fleet Management in the State Fleet Plan. Additionally, the cost per truck has grown over the last couple of years. For example, the same inspector truck currently cost \$43,548 compared to \$32,583 two years ago.

**PCLS TRACKING KEY:**

**4.A. Exceptional Item Request Schedule**  
 88th Regular Session, Agency Submission, Version 1  
 Automated Budget and Evaluation System of Texas (ABEST)

Agency code: **455**

Agency name: **Railroad Commission**

<b>CODE</b>	<b>DESCRIPTION</b>	<b>Excp 2024</b>	<b>Excp 2025</b>
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**DESCRIPTION OF ANTICIPATED OUT-YEAR COSTS :**

On-going vehicle replacements on normal replacement life cycle.

**ESTIMATED ANTICIPATED OUT-YEAR COSTS FOR ITEM:**

	<b>2026</b>	<b>2027</b>	<b>2028</b>
	\$0	\$0	\$0

**APPROXIMATE PERCENTAGE OF EXCEPTIONAL ITEM :** 100.00%

**CONTRACT DESCRIPTION :**

Comptroller Smartbuy contract.

**4.A. Exceptional Item Request Schedule**  
 88th Regular Session, Agency Submission, Version 1  
 Automated Budget and Evaluation System of Texas (ABEST)

Agency code: **455**

Agency name: **Railroad Commission**

CODE	DESCRIPTION	Excp 2024	Excp 2025
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<b>Item Name:</b>	Data Center Services Adjustment		
<b>Item Priority:</b>	4		
<b>IT Component:</b>	No		
<b>Anticipated Out-year Costs:</b>	Yes		
<b>Involve Contracts &gt; \$50,000:</b>	No		
<b>Includes Funding for the Following Strategy or Strategies:</b>	01-01-01	Promote Energy Resource Development Opportunities	
	02-01-01	Ensure Pipeline Safety	
	02-01-02	Pipeline Damage Prevention	
	02-02-01	Regulate Alternative Fuel Resources	
	03-01-01	Oil and Gas Monitoring and Inspections	
	03-01-02	Surface Mining Monitoring and Inspections	
	03-02-01	Oil and Gas Well Plugging and Remediation	
	03-02-02	Surface Mining Reclamation	
	03-03-01	Ensure Fair Rates and Compliance to Rate Structures	
	03-04-01	Critical Infrastructure Weather Preparedness	
	04-01-01	Public Information and Services	

**OBJECTS OF EXPENSE:**

2001	PROFESSIONAL FEES AND SERVICES	1,233,719	1,721,774
	<b>TOTAL, OBJECT OF EXPENSE</b>	<b>\$1,233,719</b>	<b>\$1,721,774</b>

**METHOD OF FINANCING:**

1	General Revenue Fund	1,233,719	1,721,774
	<b>TOTAL, METHOD OF FINANCING</b>	<b>\$1,233,719</b>	<b>\$1,721,774</b>

**DESCRIPTION / JUSTIFICATION:**

DIR's forecast is based on the current services that RRC receives as well as additional licenses and server cost necessary in the statewide data center for the next biennium.

**EXTERNAL/INTERNAL FACTORS:**

RRC is utilizing more services in the data center as progress is made migrating systems off the existing mainframe-based systems.

**PCLS TRACKING KEY:**

**4.A. Exceptional Item Request Schedule**  
 88th Regular Session, Agency Submission, Version 1  
 Automated Budget and Evaluation System of Texas (ABEST)

Agency code: **455**

Agency name: **Railroad Commission**

<b>CODE</b>	<b>DESCRIPTION</b>	<b>Excp 2024</b>	<b>Excp 2025</b>
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**DESCRIPTION OF ANTICIPATED OUT-YEAR COSTS :**

On-going increased cost of services in Statewide Data Center.

**ESTIMATED ANTICIPATED OUT-YEAR COSTS FOR ITEM:**

	<b>2026</b>	<b>2027</b>	<b>2028</b>
	\$1,721,774	\$1,721,774	\$1,721,774



**4.A. Exceptional Item Request Schedule**  
 88th Regular Session, Agency Submission, Version 1  
 Automated Budget and Evaluation System of Texas (ABEST)

Agency code: **455**

Agency name: **Railroad Commission**

CODE	DESCRIPTION	Excp 2024	Excp 2025
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<b>Item Name:</b>	Fuel Inflation Adjustment
<b>Item Priority:</b>	5
<b>IT Component:</b>	No
<b>Anticipated Out-year Costs:</b>	Yes
<b>Involve Contracts &gt; \$50,000:</b>	No
<b>Includes Funding for the Following Strategy or Strategies:</b>	02-01-01 Ensure Pipeline Safety
	02-02-01 Regulate Alternative Fuel Resources
	03-01-01 Oil and Gas Monitoring and Inspections
	03-01-02 Surface Mining Monitoring and Inspections
	03-02-01 Oil and Gas Well Plugging and Remediation
	03-04-01 Critical Infrastructure Weather Preparedness

**OBJECTS OF EXPENSE:**

2002	FUELS AND LUBRICANTS	816,500	816,500
	<b>TOTAL, OBJECT OF EXPENSE</b>	<b>816,500</b>	<b>816,500</b>

**METHOD OF FINANCING:**

1	General Revenue Fund	816,500	816,500
	<b>TOTAL, METHOD OF FINANCING</b>	<b>816,500</b>	<b>816,500</b>

**DESCRIPTION / JUSTIFICATION:**

RRC inspects oil and gas wells, pipelines, coal mines and other energy infrastructure across the state. The spike in gas prices has a significant impact on fuel costs.

**EXTERNAL/INTERNAL FACTORS:**

RRC Inspectors drive approximately 6 ½ million miles a year conducting inspections.

**PCLS TRACKING KEY:**

**4.A. Exceptional Item Request Schedule**  
 88th Regular Session, Agency Submission, Version 1  
 Automated Budget and Evaluation System of Texas (ABEST)

Agency code: **455**

Agency name: **Railroad Commission**

<b>CODE</b>	<b>DESCRIPTION</b>	<b>Excp 2024</b>	<b>Excp 2025</b>
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**DESCRIPTION OF ANTICIPATED OUT-YEAR COSTS :**

On-going funding for higher fuel costs.

**ESTIMATED ANTICIPATED OUT-YEAR COSTS FOR ITEM:**

<b>2026</b>	<b>2027</b>	<b>2028</b>
\$882,000	\$882,000	\$882,000

**4.A. Exceptional Item Request Schedule**  
 88th Regular Session, Agency Submission, Version 1  
 Automated Budget and Evaluation System of Texas (ABEST)

Agency code: **455**

Agency name: **Railroad Commission**

CODE	DESCRIPTION	Excp 2024	Excp 2025
	<b>Item Name:</b> Cybersecurity and Data Governance		
	<b>Item Priority:</b> 6		
	<b>IT Component:</b> Yes		
	<b>Anticipated Out-year Costs:</b> Yes		
	<b>Involve Contracts &gt; \$50,000:</b> Yes		
	<b>Includes Funding for the Following Strategy or Strategies:</b>		
	01-01-01 Promote Energy Resource Development Opportunities		
	02-01-01 Ensure Pipeline Safety		
	02-01-02 Pipeline Damage Prevention		
	02-02-01 Regulate Alternative Fuel Resources		
	03-01-01 Oil and Gas Monitoring and Inspections		
	03-01-02 Surface Mining Monitoring and Inspections		
	03-02-01 Oil and Gas Well Plugging and Remediation		
	03-02-02 Surface Mining Reclamation		
	03-03-01 Ensure Fair Rates and Compliance to Rate Structures		
	03-04-01 Critical Infrastructure Weather Preparedness		
	04-01-01 Public Information and Services		
<b>OBJECTS OF EXPENSE:</b>			
2001	PROFESSIONAL FEES AND SERVICES	250,000	150,000
	<b>TOTAL, OBJECT OF EXPENSE</b>	<b>\$250,000</b>	<b>\$150,000</b>
<b>METHOD OF FINANCING:</b>			
1	General Revenue Fund	250,000	150,000
	<b>TOTAL, METHOD OF FINANCING</b>	<b>\$250,000</b>	<b>\$150,000</b>

**DESCRIPTION / JUSTIFICATION:**

RRC needs a sophisticated data management tool to inventory and organize the vast amount of data within the existing systems. This tool will provide transparency into metadata, including data definitions, synonyms, key business attributes.

**EXTERNAL/INTERNAL FACTORS:**

Senate Bill 475, 87th Legislature, updated requirements in Chapter 2054 Texas Government Code for state agencies regarding data management. Without this tool, much of the data management work would have to be done manually which poses significant cybersecurity risks for data breach.

**4.A. Exceptional Item Request Schedule**  
 88th Regular Session, Agency Submission, Version 1  
 Automated Budget and Evaluation System of Texas (ABEST)

Agency code: **455**

Agency name: **Railroad Commission**

<b>CODE</b>	<b>DESCRIPTION</b>	<b>Excp 2024</b>	<b>Excp 2025</b>
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**PCLS TRACKING KEY:**

N/A

**DESCRIPTION OF IT COMPONENT INCLUDED IN EXCEPTIONAL ITEM:**

The data catalog tool is a metadata management tool that the agency will use to inventory and organize data within their systems. This tool that enables the agency to efficiently carry out data governance as required by Texas Govt. Code 2054 as amended by SB475.

**IS THIS IT COMPONENT RELATED TO A NEW OR CURRENT PROJECT?**

NEW

**STATUS:**

N/A (not a project)

**OUTCOMES:**

Efficiently carrying out the Data Governance is required by Texas Govt code 2054 as amended by SB475.

**OUTPUTS:**

Transparency into metadata, including data definitions, synonyms, key business attributes, and how and where data can be used.

**TYPE OF PROJECT**

Cyber Security

**ALTERNATIVE ANALYSIS**

Manually managing our data catalog in Excel is error prone and is very limited in scope.

**ESTIMATED IT COST**

<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>Total Over Life of Project</b>
\$0	\$0	\$250,000	\$150,000	\$150,000	\$150,000	\$150,000	\$850,000

**SCALABILITY**

<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>Total Over Life of Project</b>
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

**4.A. Exceptional Item Request Schedule**  
 88th Regular Session, Agency Submission, Version 1  
 Automated Budget and Evaluation System of Texas (ABEST)

Agency code: **455**

Agency name: **Railroad Commission**

<b>CODE</b>	<b>DESCRIPTION</b>						<b>Excp 2024</b>	<b>Excp 2025</b>
<b>FTE</b>								
		<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>
		0.0	0.0	0.0	0.0	0.0	0.0	0.0

**DESCRIPTION OF ANTICIPATED OUT-YEAR COSTS :**

On-going cost of cybersecurity and data governance software.

**ESTIMATED ANTICIPATED OUT-YEAR COSTS FOR ITEM:**

	<b>2026</b>	<b>2027</b>	<b>2028</b>
	\$150,000	\$150,000	\$150,000

**APPROXIMATE PERCENTAGE OF EXCEPTIONAL ITEM :** 100.00%

**CONTRACT DESCRIPTION :**

DIR Contract for software.

**4.B. Exceptional Items Strategy Allocation Schedule**  
 88th Regular Session, Agency Submission, Version 1  
 Automated Budget and Evaluation System of Texas (ABEST)

Agency code: **455**                      Agency name: **Railroad Commission**

Code	Description	Excp 2024	Excp 2025
<b>Item Name:</b>		Gathering Pipeline and Underground Gas Storage Regulation – Additional Inspectors	
<b>Allocation to Strategy:</b>		2-1-1	Ensure Pipeline Safety
<b>OBJECTS OF EXPENSE:</b>			
1001	SALARIES AND WAGES	2,674,922	2,674,922
1002	OTHER PERSONNEL COSTS	40,124	40,124
2002	FUELS AND LUBRICANTS	140,000	140,000
2004	UTILITIES	4,000	4,000
2005	TRAVEL	12,000	12,000
2009	OTHER OPERATING EXPENSE	594,000	594,000
5000	CAPITAL EXPENDITURES	1,785,468	0
<b>TOTAL, OBJECT OF EXPENSE</b>		<b>\$5,250,514</b>	<b>\$3,465,046</b>
<b>METHOD OF FINANCING:</b>			
1 General Revenue Fund		5,250,514	3,465,046
<b>TOTAL, METHOD OF FINANCING</b>		<b>\$5,250,514</b>	<b>\$3,465,046</b>
<b>FULL-TIME EQUIVALENT POSITIONS (FTE):</b>		50.0	50.0

**4.B. Exceptional Items Strategy Allocation Schedule**  
 88th Regular Session, Agency Submission, Version 1  
 Automated Budget and Evaluation System of Texas (ABEST)

Agency code: **455**                      Agency name: **Railroad Commission**

Code	Description	Excp 2024	Excp 2025
<b>Item Name:</b>		Oil and Gas Technical Permitting – Environmental Permits	
<b>Allocation to Strategy:</b>		1-1-1	Promote Energy Resource Development Opportunities
<b>OBJECTS OF EXPENSE:</b>			
1001	SALARIES AND WAGES	342,000	342,000
1002	OTHER PERSONNEL COSTS	5,000	5,000
2004	UTILITIES	1,000	1,000
2005	TRAVEL	15,000	15,000
2009	OTHER OPERATING EXPENSE	75,000	75,000
<b>TOTAL, OBJECT OF EXPENSE</b>		<b>\$438,000</b>	<b>\$438,000</b>
<b>METHOD OF FINANCING:</b>			
1 General Revenue Fund		438,000	438,000
<b>TOTAL, METHOD OF FINANCING</b>		<b>\$438,000</b>	<b>\$438,000</b>
<b>FULL-TIME EQUIVALENT POSITIONS (FTE):</b>		5.0	5.0

**4.B. Exceptional Items Strategy Allocation Schedule**  
 88th Regular Session, Agency Submission, Version 1  
 Automated Budget and Evaluation System of Texas (ABEST)

Agency code: **455**                      Agency name: **Railroad Commission**

Code	Description	Excp 2024	Excp 2025
<b>Item Name:</b>	Vehicle Replacements		
<b>Allocation to Strategy:</b>	2-1-1      Ensure Pipeline Safety		
<b>OBJECTS OF EXPENSE:</b>			
5000	CAPITAL EXPENDITURES	1,236,770	134,998
<b>TOTAL, OBJECT OF EXPENSE</b>		<b>\$1,236,770</b>	<b>\$134,998</b>
<b>METHOD OF FINANCING:</b>			
1	General Revenue Fund	1,236,770	134,998
<b>TOTAL, METHOD OF FINANCING</b>		<b>\$1,236,770</b>	<b>\$134,998</b>



**4.B. Exceptional Items Strategy Allocation Schedule**  
 88th Regular Session, Agency Submission, Version 1  
 Automated Budget and Evaluation System of Texas (ABEST)

Agency code: **455**                      Agency name: **Railroad Commission**

Code	Description	Excp 2024	Excp 2025
<b>Item Name:</b> Vehicle Replacements			
<b>Allocation to Strategy:</b> 2-2-1                      Regulate Alternative Fuel Resources			
<b>OBJECTS OF EXPENSE:</b>			
	5000      CAPITAL EXPENDITURES	191,612	158,079
<b>TOTAL, OBJECT OF EXPENSE</b>		<b>191,612</b>	<b>158,079</b>
<b>METHOD OF FINANCING:</b>			
	1      General Revenue Fund	191,612	158,079
<b>TOTAL, METHOD OF FINANCING</b>		<b>191,612</b>	<b>158,079</b>

**4.B. Exceptional Items Strategy Allocation Schedule**  
 88th Regular Session, Agency Submission, Version 1  
 Automated Budget and Evaluation System of Texas (ABEST)

Agency code: **455**                      Agency name: **Railroad Commission**

Code	Description	Excp 2024	Excp 2025
<b>Item Name:</b>	Vehicle Replacements		
<b>Allocation to Strategy:</b>	3-1-1 Oil and Gas Monitoring and Inspections		
<b>OBJECTS OF EXPENSE:</b>			
5000	CAPITAL EXPENDITURES	1,814,817	984,888
<b>TOTAL, OBJECT OF EXPENSE</b>		<b>\$1,814,817</b>	<b>\$984,888</b>
<b>METHOD OF FINANCING:</b>			
1	General Revenue Fund	1,814,817	984,888
<b>TOTAL, METHOD OF FINANCING</b>		<b>\$1,814,817</b>	<b>\$984,888</b>

**4.B. Exceptional Items Strategy Allocation Schedule**  
 88th Regular Session, Agency Submission, Version 1  
 Automated Budget and Evaluation System of Texas (ABEST)

Agency code: **455**                      Agency name: **Railroad Commission**

Code	Description	Excp 2024	Excp 2025
<b>Item Name:</b>	Vehicle Replacements		
<b>Allocation to Strategy:</b>	3-1-2      Surface Mining Monitoring and Inspections		
<b>OBJECTS OF EXPENSE:</b>			
5000	CAPITAL EXPENDITURES	143,709	158,079
<b>TOTAL, OBJECT OF EXPENSE</b>		<b>\$143,709</b>	<b>\$158,079</b>
<b>METHOD OF FINANCING:</b>			
1	General Revenue Fund	143,709	158,079
<b>TOTAL, METHOD OF FINANCING</b>		<b>\$143,709</b>	<b>\$158,079</b>

**4.B. Exceptional Items Strategy Allocation Schedule**  
 88th Regular Session, Agency Submission, Version 1  
 Automated Budget and Evaluation System of Texas (ABEST)

Agency code: **455**                      Agency name: **Railroad Commission**

Code	Description	Excp 2024	Excp 2025
<b>Item Name:</b>	Vehicle Replacements		
<b>Allocation to Strategy:</b>	3-2-1 Oil and Gas Well Plugging and Remediation		
<b>OBJECTS OF EXPENSE:</b>			
5000	CAPITAL EXPENDITURES	605,321	328,678
<b>TOTAL, OBJECT OF EXPENSE</b>		<b>605,321</b>	<b>328,678</b>
<b>METHOD OF FINANCING:</b>			
1	General Revenue Fund	605,321	328,678
<b>TOTAL, METHOD OF FINANCING</b>		<b>605,321</b>	<b>328,678</b>

**4.B. Exceptional Items Strategy Allocation Schedule**  
 88th Regular Session, Agency Submission, Version 1  
 Automated Budget and Evaluation System of Texas (ABEST)

Agency code: **455**                      Agency name: **Railroad Commission**

Code	Description	Excp 2024	Excp 2025
<b>Item Name:</b>	Vehicle Replacements		
<b>Allocation to Strategy:</b>	3-4-1 Critical Infrastructure Weather Preparedness		
<b>OBJECTS OF EXPENSE:</b>			
5000	CAPITAL EXPENDITURES	335,321	52,693
<b>TOTAL, OBJECT OF EXPENSE</b>		<b>\$335,321</b>	<b>\$52,693</b>
<b>METHOD OF FINANCING:</b>			
1	General Revenue Fund	335,321	52,693
<b>TOTAL, METHOD OF FINANCING</b>		<b>\$335,321</b>	<b>\$52,693</b>

**4.B. Exceptional Items Strategy Allocation Schedule**  
 88th Regular Session, Agency Submission, Version 1  
 Automated Budget and Evaluation System of Texas (ABEST)

Agency code: **455**                      Agency name: **Railroad Commission**

Code	Description	Excp 2024	Excp 2025
<b>Item Name:</b>			
	Data Center Services Adjustment		
<b>Allocation to Strategy:</b>			
	1-1-1 Promote Energy Resource Development Opportunities		
<b>OBJECTS OF EXPENSE:</b>			
	2001 PROFESSIONAL FEES AND SERVICES	156,312	218,149
<b>TOTAL, OBJECT OF EXPENSE</b>		<b>\$156,312</b>	<b>\$218,149</b>
<b>METHOD OF FINANCING:</b>			
	1 General Revenue Fund	156,312	218,149
<b>TOTAL, METHOD OF FINANCING</b>		<b>\$156,312</b>	<b>\$218,149</b>

**4.B. Exceptional Items Strategy Allocation Schedule**  
 88th Regular Session, Agency Submission, Version 1  
 Automated Budget and Evaluation System of Texas (ABEST)

Agency code: **455**                      Agency name: **Railroad Commission**

Code	Description	Excp 2024	Excp 2025
<b>Item Name:</b> Data Center Services Adjustment			
<b>Allocation to Strategy:</b> 2-1-1 Ensure Pipeline Safety			
<b>OBJECTS OF EXPENSE:</b>			
2001	PROFESSIONAL FEES AND SERVICES	104,126	145,318
<b>TOTAL, OBJECT OF EXPENSE</b>		<b>\$104,126</b>	<b>\$145,318</b>
<b>METHOD OF FINANCING:</b>			
1	General Revenue Fund	104,126	145,318
<b>TOTAL, METHOD OF FINANCING</b>		<b>\$104,126</b>	<b>\$145,318</b>

**4.B. Exceptional Items Strategy Allocation Schedule**  
 88th Regular Session, Agency Submission, Version 1  
 Automated Budget and Evaluation System of Texas (ABEST)

Agency code: **455**                      Agency name: **Railroad Commission**

Code	Description	Excp 2024	Excp 2025
<b>Item Name:</b> Data Center Services Adjustment			
<b>Allocation to Strategy:</b> 2-1-2 Pipeline Damage Prevention			
<b>OBJECTS OF EXPENSE:</b>			
2001	PROFESSIONAL FEES AND SERVICES	6,662	9,298
<b>TOTAL, OBJECT OF EXPENSE</b>		<b>\$6,662</b>	<b>\$9,298</b>
<b>METHOD OF FINANCING:</b>			
1	General Revenue Fund	6,662	9,298
<b>TOTAL, METHOD OF FINANCING</b>		<b>\$6,662</b>	<b>\$9,298</b>



**4.B. Exceptional Items Strategy Allocation Schedule**  
 88th Regular Session, Agency Submission, Version 1  
 Automated Budget and Evaluation System of Texas (ABEST)

Agency code: **455**                      Agency name: **Railroad Commission**

Code	Description	Excp 2024	Excp 2025
<b>Item Name:</b> Data Center Services Adjustment			
<b>Allocation to Strategy:</b> 2-2-1 Regulate Alternative Fuel Resources			
<b>OBJECTS OF EXPENSE:</b>			
2001	PROFESSIONAL FEES AND SERVICES	44,907	62,673
<b>TOTAL, OBJECT OF EXPENSE</b>		<b>\$44,907</b>	<b>\$62,673</b>
<b>METHOD OF FINANCING:</b>			
1	General Revenue Fund	44,907	62,673
<b>TOTAL, METHOD OF FINANCING</b>		<b>\$44,907</b>	<b>\$62,673</b>

**4.B. Exceptional Items Strategy Allocation Schedule**  
 88th Regular Session, Agency Submission, Version 1  
 Automated Budget and Evaluation System of Texas (ABEST)

Agency code: **455**                      Agency name: **Railroad Commission**

Code	Description	Excp 2024	Excp 2025
<b>Item Name:</b>	Data Center Services Adjustment		
<b>Allocation to Strategy:</b>	3-1-1 Oil and Gas Monitoring and Inspections		
<b>OBJECTS OF EXPENSE:</b>			
2001	PROFESSIONAL FEES AND SERVICES	257,847	359,851
<b>TOTAL, OBJECT OF EXPENSE</b>		<b>\$257,847</b>	<b>\$359,851</b>
<b>METHOD OF FINANCING:</b>			
1	General Revenue Fund	257,847	359,851
<b>TOTAL, METHOD OF FINANCING</b>		<b>\$257,847</b>	<b>\$359,851</b>

**4.B. Exceptional Items Strategy Allocation Schedule**  
 88th Regular Session, Agency Submission, Version 1  
 Automated Budget and Evaluation System of Texas (ABEST)

Agency code: **455**                      Agency name: **Railroad Commission**

Code	Description	Excp 2024	Excp 2025
<b>Item Name:</b>			
	Data Center Services Adjustment		
<b>Allocation to Strategy:</b>			
	3-1-2      Surface Mining Monitoring and Inspections		
<b>OBJECTS OF EXPENSE:</b>			
	2001      PROFESSIONAL FEES AND SERVICES	37,505	52,342
<b>TOTAL, OBJECT OF EXPENSE</b>		<b>\$37,505</b>	<b>\$52,342</b>
<b>METHOD OF FINANCING:</b>			
	1      General Revenue Fund	37,505	52,342
<b>TOTAL, METHOD OF FINANCING</b>		<b>\$37,505</b>	<b>\$52,342</b>

**4.B. Exceptional Items Strategy Allocation Schedule**  
 88th Regular Session, Agency Submission, Version 1  
 Automated Budget and Evaluation System of Texas (ABEST)

Agency code: **455**                      Agency name: **Railroad Commission**

Code	Description	Excp 2024	Excp 2025
<b>Item Name:</b> Data Center Services Adjustment			
<b>Allocation to Strategy:</b> 3-2-1 Oil and Gas Well Plugging and Remediation			
<b>OBJECTS OF EXPENSE:</b>			
2001	PROFESSIONAL FEES AND SERVICES	403,674	563,363
<b>TOTAL, OBJECT OF EXPENSE</b>		<b>\$403,674</b>	<b>\$563,363</b>
<b>METHOD OF FINANCING:</b>			
1	General Revenue Fund	403,674	563,363
<b>TOTAL, METHOD OF FINANCING</b>		<b>\$403,674</b>	<b>\$563,363</b>

**4.B. Exceptional Items Strategy Allocation Schedule**  
 88th Regular Session, Agency Submission, Version 1  
 Automated Budget and Evaluation System of Texas (ABEST)

Agency code: **455**                      Agency name: **Railroad Commission**

Code	Description	Excp 2024	Excp 2025
<b>Item Name:</b>	Data Center Services Adjustment		
<b>Allocation to Strategy:</b>	3-2-2      Surface Mining Reclamation		
<b>OBJECTS OF EXPENSE:</b>			
2001	PROFESSIONAL FEES AND SERVICES	15,298	21,350
<b>TOTAL, OBJECT OF EXPENSE</b>		<b>\$15,298</b>	<b>\$21,350</b>
<b>METHOD OF FINANCING:</b>			
1	General Revenue Fund	15,298	21,350
<b>TOTAL, METHOD OF FINANCING</b>		<b>\$15,298</b>	<b>\$21,350</b>

**4.B. Exceptional Items Strategy Allocation Schedule**  
 88th Regular Session, Agency Submission, Version 1  
 Automated Budget and Evaluation System of Texas (ABEST)

Agency code: **455**                      Agency name: **Railroad Commission**

Code	Description	Excp 2024	Excp 2025
<b>Item Name:</b> Data Center Services Adjustment			
<b>Allocation to Strategy:</b> 3-3-1 Ensure Fair Rates and Compliance to Rate Structures			
<b>OBJECTS OF EXPENSE:</b>			
2001	PROFESSIONAL FEES AND SERVICES	36,765	51,309
<b>TOTAL, OBJECT OF EXPENSE</b>		<b>\$36,765</b>	<b>\$51,309</b>
<b>METHOD OF FINANCING:</b>			
1	General Revenue Fund	36,765	51,309
<b>TOTAL, METHOD OF FINANCING</b>		<b>\$36,765</b>	<b>\$51,309</b>

**4.B. Exceptional Items Strategy Allocation Schedule**  
 88th Regular Session, Agency Submission, Version 1  
 Automated Budget and Evaluation System of Texas (ABEST)

Agency code: **455**                      Agency name: **Railroad Commission**

Code	Description	Excp 2024	Excp 2025
<b>Item Name:</b> Data Center Services Adjustment			
<b>Allocation to Strategy:</b> 3-4-1 Critical Infrastructure Weather Preparedness			
<b>OBJECTS OF EXPENSE:</b>			
2001	PROFESSIONAL FEES AND SERVICES	144,592	201,792
<b>TOTAL, OBJECT OF EXPENSE</b>		<b>\$144,592</b>	<b>\$201,792</b>
<b>METHOD OF FINANCING:</b>			
1	General Revenue Fund	144,592	201,792
<b>TOTAL, METHOD OF FINANCING</b>		<b>\$144,592</b>	<b>\$201,792</b>

**4.B. Exceptional Items Strategy Allocation Schedule**  
 88th Regular Session, Agency Submission, Version 1  
 Automated Budget and Evaluation System of Texas (ABEST)

Agency code: **455**                      Agency name: **Railroad Commission**

Code	Description	Excp 2024	Excp 2025
<b>Item Name:</b> Data Center Services Adjustment			
<b>Allocation to Strategy:</b> 4-1-1                      Public Information and Services			
<b>OBJECTS OF EXPENSE:</b>			
2001	PROFESSIONAL FEES AND SERVICES	26,031	36,329
<b>TOTAL, OBJECT OF EXPENSE</b>		<b>\$26,031</b>	<b>\$36,329</b>
<b>METHOD OF FINANCING:</b>			
1	General Revenue Fund	26,031	36,329
<b>TOTAL, METHOD OF FINANCING</b>		<b>\$26,031</b>	<b>\$36,329</b>



**4.B. Exceptional Items Strategy Allocation Schedule**  
 88th Regular Session, Agency Submission, Version 1  
 Automated Budget and Evaluation System of Texas (ABEST)

Agency code: **455**                      Agency name: **Railroad Commission**

Code	Description	Excp 2024	Excp 2025
<b>Item Name:</b> Fuel Inflation Adjustment			
<b>Allocation to Strategy:</b> 2-1-1 Ensure Pipeline Safety			
<b>OBJECTS OF EXPENSE:</b>			
2002	FUELS AND LUBRICANTS	86,000	86,000
<b>TOTAL, OBJECT OF EXPENSE</b>		<b>\$86,000</b>	<b>\$86,000</b>
<b>METHOD OF FINANCING:</b>			
1	General Revenue Fund	86,000	86,000
<b>TOTAL, METHOD OF FINANCING</b>		<b>\$86,000</b>	<b>\$86,000</b>

**4.B. Exceptional Items Strategy Allocation Schedule**  
 88th Regular Session, Agency Submission, Version 1  
 Automated Budget and Evaluation System of Texas (ABEST)

Agency code: **455**                      Agency name: **Railroad Commission**

Code	Description	Excp 2024	Excp 2025
<b>Item Name:</b> Fuel Inflation Adjustment			
<b>Allocation to Strategy:</b> 2-2-1 Regulate Alternative Fuel Resources			
<b>OBJECTS OF EXPENSE:</b>			
2002	FUELS AND LUBRICANTS	45,000	45,000
<b>TOTAL, OBJECT OF EXPENSE</b>		<b>\$45,000</b>	<b>\$45,000</b>
<b>METHOD OF FINANCING:</b>			
1	General Revenue Fund	45,000	45,000
<b>TOTAL, METHOD OF FINANCING</b>		<b>\$45,000</b>	<b>\$45,000</b>

**4.B. Exceptional Items Strategy Allocation Schedule**  
 88th Regular Session, Agency Submission, Version 1  
 Automated Budget and Evaluation System of Texas (ABEST)

Agency code: **455**                      Agency name: **Railroad Commission**

Code	Description	Excp 2024	Excp 2025
<b>Item Name:</b> Fuel Inflation Adjustment			
<b>Allocation to Strategy:</b> 3-1-1 Oil and Gas Monitoring and Inspections			
<b>OBJECTS OF EXPENSE:</b>			
2002	FUELS AND LUBRICANTS	435,000	435,000
<b>TOTAL, OBJECT OF EXPENSE</b>		<b>435,000</b>	<b>435,000</b>
<b>METHOD OF FINANCING:</b>			
1	General Revenue Fund	435,000	435,000
<b>TOTAL, METHOD OF FINANCING</b>		<b>435,000</b>	<b>435,000</b>

**4.B. Exceptional Items Strategy Allocation Schedule**  
 88th Regular Session, Agency Submission, Version 1  
 Automated Budget and Evaluation System of Texas (ABEST)

Agency code: **455**                      Agency name: **Railroad Commission**

Code	Description	Excp 2024	Excp 2025
<b>Item Name:</b> Fuel Inflation Adjustment			
<b>Allocation to Strategy:</b> 3-1-2 Surface Mining Monitoring and Inspections			
<b>OBJECTS OF EXPENSE:</b>			
2002	FUELS AND LUBRICANTS	10,500	10,500
<b>TOTAL, OBJECT OF EXPENSE</b>		<b>\$10,500</b>	<b>\$10,500</b>
<b>METHOD OF FINANCING:</b>			
1	General Revenue Fund	10,500	10,500
<b>TOTAL, METHOD OF FINANCING</b>		<b>\$10,500</b>	<b>\$10,500</b>

Agency code: **455** Agency name: **Railroad Commission**

Code	Description	Excp 2024	Excp 2025
<b>Item Name:</b> Fuel Inflation Adjustment			
<b>Allocation to Strategy:</b> 3-2-1 Oil and Gas Well Plugging and Remediation			
<b>OBJECTS OF EXPENSE:</b>			
2002	FUELS AND LUBRICANTS	140,000	140,000
<b>TOTAL, OBJECT OF EXPENSE</b>		<b>\$140,000</b>	<b>\$140,000</b>
<b>METHOD OF FINANCING:</b>			
1	General Revenue Fund	140,000	140,000
<b>TOTAL, METHOD OF FINANCING</b>		<b>\$140,000</b>	<b>\$140,000</b>

**4.B. Exceptional Items Strategy Allocation Schedule**  
 88th Regular Session, Agency Submission, Version 1  
 Automated Budget and Evaluation System of Texas (ABEST)

Agency code: **455**                      Agency name: **Railroad Commission**

Code	Description	Excp 2024	Excp 2025
<b>Item Name:</b> Fuel Inflation Adjustment			
<b>Allocation to Strategy:</b> 3-4-1 Critical Infrastructure Weather Preparedness			
<b>OBJECTS OF EXPENSE:</b>			
2002	FUELS AND LUBRICANTS	100,000	100,000
<b>TOTAL, OBJECT OF EXPENSE</b>		<b>100,000</b>	<b>100,000</b>
<b>METHOD OF FINANCING:</b>			
1	General Revenue Fund	100,000	100,000
<b>TOTAL, METHOD OF FINANCING</b>		<b>100,000</b>	<b>100,000</b>

**4.B. Exceptional Items Strategy Allocation Schedule**  
 88th Regular Session, Agency Submission, Version 1  
 Automated Budget and Evaluation System of Texas (ABEST)

Agency code: **455**                      Agency name: **Railroad Commission**

Code	Description	Excp 2024	Excp 2025
<b>Item Name:</b> Cybersecurity and Data Governance			
<b>Allocation to Strategy:</b> 1-1-1 Promote Energy Resource Development Opportunities			
<b>OBJECTS OF EXPENSE:</b>			
2001	PROFESSIONAL FEES AND SERVICES	31,675	19,005
<b>TOTAL, OBJECT OF EXPENSE</b>		<b>\$31,675</b>	<b>\$19,005</b>
<b>METHOD OF FINANCING:</b>			
1	General Revenue Fund	31,675	19,005
<b>TOTAL, METHOD OF FINANCING</b>		<b>\$31,675</b>	<b>\$19,005</b>

**4.B. Exceptional Items Strategy Allocation Schedule**  
 88th Regular Session, Agency Submission, Version 1  
 Automated Budget and Evaluation System of Texas (ABEST)

Agency code: **455**                      Agency name: **Railroad Commission**

Code	Description	Excp 2024	Excp 2025
<b>Item Name:</b> Cybersecurity and Data Governance			
<b>Allocation to Strategy:</b> 2-1-1 Ensure Pipeline Safety			
<b>OBJECTS OF EXPENSE:</b>			
2001	PROFESSIONAL FEES AND SERVICES	21,100	12,660
<b>TOTAL, OBJECT OF EXPENSE</b>		<b>\$21,100</b>	<b>\$12,660</b>
<b>METHOD OF FINANCING:</b>			
1	General Revenue Fund	21,100	12,660
<b>TOTAL, METHOD OF FINANCING</b>		<b>\$21,100</b>	<b>\$12,660</b>



**4.B. Exceptional Items Strategy Allocation Schedule**  
 88th Regular Session, Agency Submission, Version 1  
 Automated Budget and Evaluation System of Texas (ABEST)

Agency code: **455**                      Agency name: **Railroad Commission**

Code	Description	Excp 2024	Excp 2025
<b>Item Name:</b> Cybersecurity and Data Governance			
<b>Allocation to Strategy:</b> 2-1-2 Pipeline Damage Prevention			
<b>OBJECTS OF EXPENSE:</b>			
2001	PROFESSIONAL FEES AND SERVICES	1,350	810
<b>TOTAL, OBJECT OF EXPENSE</b>		<b>\$1,350</b>	<b>\$810</b>
<b>METHOD OF FINANCING:</b>			
1	General Revenue Fund	1,350	810
<b>TOTAL, METHOD OF FINANCING</b>		<b>\$1,350</b>	<b>\$810</b>

**4.B. Exceptional Items Strategy Allocation Schedule**  
 88th Regular Session, Agency Submission, Version 1  
 Automated Budget and Evaluation System of Texas (ABEST)

Agency code: **455**                      Agency name: **Railroad Commission**

Code	Description	Excp 2024	Excp 2025
<b>Item Name:</b> Cybersecurity and Data Governance			
<b>Allocation to Strategy:</b> 2-2-1 Regulate Alternative Fuel Resources			
<b>OBJECTS OF EXPENSE:</b>			
2001	PROFESSIONAL FEES AND SERVICES	9,100	5,460
<b>TOTAL, OBJECT OF EXPENSE</b>		<b>9,100</b>	<b>5,460</b>
<b>METHOD OF FINANCING:</b>			
1	General Revenue Fund	9,100	5,460
<b>TOTAL, METHOD OF FINANCING</b>		<b>9,100</b>	<b>5,460</b>

**4.B. Exceptional Items Strategy Allocation Schedule**  
 88th Regular Session, Agency Submission, Version 1  
 Automated Budget and Evaluation System of Texas (ABEST)

Agency code: **455**                      Agency name: **Railroad Commission**

Code	Description	Excp 2024	Excp 2025
<b>Item Name:</b>	Cybersecurity and Data Governance		
<b>Allocation to Strategy:</b>	3-1-1 Oil and Gas Monitoring and Inspections		
<b>OBJECTS OF EXPENSE:</b>			
2001	PROFESSIONAL FEES AND SERVICES	52,250	31,350
<b>TOTAL, OBJECT OF EXPENSE</b>		<b>\$52,250</b>	<b>\$31,350</b>
<b>METHOD OF FINANCING:</b>			
1	General Revenue Fund	52,250	31,350
<b>TOTAL, METHOD OF FINANCING</b>		<b>\$52,250</b>	<b>\$31,350</b>

**4.B. Exceptional Items Strategy Allocation Schedule**  
 88th Regular Session, Agency Submission, Version 1  
 Automated Budget and Evaluation System of Texas (ABEST)

Agency code: **455**                      Agency name: **Railroad Commission**

Code	Description	Excp 2024	Excp 2025
<b>Item Name:</b> Cybersecurity and Data Governance			
<b>Allocation to Strategy:</b> 3-1-2              Surface Mining Monitoring and Inspections			
<b>OBJECTS OF EXPENSE:</b>			
2001	PROFESSIONAL FEES AND SERVICES	7,600	4,560
<b>TOTAL, OBJECT OF EXPENSE</b>		<b>\$7,600</b>	<b>\$4,560</b>
<b>METHOD OF FINANCING:</b>			
1	General Revenue Fund	7,600	4,560
<b>TOTAL, METHOD OF FINANCING</b>		<b>\$7,600</b>	<b>\$4,560</b>

**4.B. Exceptional Items Strategy Allocation Schedule**  
 88th Regular Session, Agency Submission, Version 1  
 Automated Budget and Evaluation System of Texas (ABEST)

Agency code: **455**                      Agency name: **Railroad Commission**

Code	Description	Excp 2024	Excp 2025
<b>Item Name:</b> Cybersecurity and Data Governance			
<b>Allocation to Strategy:</b> 3-2-1                      Oil and Gas Well Plugging and Remediation			
<b>OBJECTS OF EXPENSE:</b>			
2001	PROFESSIONAL FEES AND SERVICES	81,800	49,080
<b>TOTAL, OBJECT OF EXPENSE</b>		<b>\$81,800</b>	<b>\$49,080</b>
<b>METHOD OF FINANCING:</b>			
1	General Revenue Fund	81,800	49,080
<b>TOTAL, METHOD OF FINANCING</b>		<b>\$81,800</b>	<b>\$49,080</b>

**4.B. Exceptional Items Strategy Allocation Schedule**  
 88th Regular Session, Agency Submission, Version 1  
 Automated Budget and Evaluation System of Texas (ABEST)

Agency code: **455**                      Agency name: **Railroad Commission**

Code	Description	Excp 2024	Excp 2025
<b>Item Name:</b> Cybersecurity and Data Governance			
<b>Allocation to Strategy:</b> 3-2-2 Surface Mining Reclamation			
<b>OBJECTS OF EXPENSE:</b>			
2001	PROFESSIONAL FEES AND SERVICES	3,100	1,860
<b>TOTAL, OBJECT OF EXPENSE</b>		<b>\$3,100</b>	<b>\$1,860</b>
<b>METHOD OF FINANCING:</b>			
1	General Revenue Fund	3,100	1,860
<b>TOTAL, METHOD OF FINANCING</b>		<b>\$3,100</b>	<b>\$1,860</b>

**4.B. Exceptional Items Strategy Allocation Schedule**  
 88th Regular Session, Agency Submission, Version 1  
 Automated Budget and Evaluation System of Texas (ABEST)

Agency code: **455**                      Agency name: **Railroad Commission**

Code	Description	Excp 2024	Excp 2025
<b>Item Name:</b> Cybersecurity and Data Governance			
<b>Allocation to Strategy:</b> 3-3-1 Ensure Fair Rates and Compliance to Rate Structures			
<b>OBJECTS OF EXPENSE:</b>			
2001	PROFESSIONAL FEES AND SERVICES	7,450	4,470
<b>TOTAL, OBJECT OF EXPENSE</b>		<b>\$7,450</b>	<b>\$4,470</b>
<b>METHOD OF FINANCING:</b>			
1	General Revenue Fund	7,450	4,470
<b>TOTAL, METHOD OF FINANCING</b>		<b>\$7,450</b>	<b>\$4,470</b>

**4.B. Exceptional Items Strategy Allocation Schedule**  
 88th Regular Session, Agency Submission, Version 1  
 Automated Budget and Evaluation System of Texas (ABEST)

Agency code: **455**                      Agency name: **Railroad Commission**

Code	Description	Excp 2024	Excp 2025
<b>Item Name:</b> Cybersecurity and Data Governance			
<b>Allocation to Strategy:</b> 3-4-1              Critical Infrastructure Weather Preparedness			
<b>OBJECTS OF EXPENSE:</b>			
2001	PROFESSIONAL FEES AND SERVICES	29,300	17,580
<b>TOTAL, OBJECT OF EXPENSE</b>		<b>\$29,300</b>	<b>\$17,580</b>
<b>METHOD OF FINANCING:</b>			
1	General Revenue Fund	29,300	17,580
<b>TOTAL, METHOD OF FINANCING</b>		<b>\$29,300</b>	<b>\$17,580</b>



**4.B. Exceptional Items Strategy Allocation Schedule**  
 88th Regular Session, Agency Submission, Version 1  
 Automated Budget and Evaluation System of Texas (ABEST)

Agency code: **455**                      Agency name: **Railroad Commission**

Code	Description	Excp 2024	Excp 2025
<b>Item Name:</b>	Cybersecurity and Data Governance		
<b>Allocation to Strategy:</b>	4-1-1      Public Information and Services		
<b>OBJECTS OF EXPENSE:</b>			
2001	PROFESSIONAL FEES AND SERVICES	5,275	3,165
<b>TOTAL, OBJECT OF EXPENSE</b>		<b>5,275</b>	<b>3,165</b>
<b>METHOD OF FINANCING:</b>			
1	General Revenue Fund	5,275	3,165
<b>TOTAL, METHOD OF FINANCING</b>		<b>5,275</b>	<b>3,165</b>

**4.C. Exceptional Items Strategy Request**  
88th Regular Session, Agency Submission, Version 1  
Automated Budget and Evaluation System of Texas (ABEST)

Agency Code: **455** Agency name: **Railroad Commission**

GOAL: 1 Oversee Oil and Gas Resource Development

OBJECTIVE: 1 Increase Opportunities for Oil and Gas Resource Development

Service Categories:

STRATEGY: 1 Promote Energy Resource Development Opportunities

Service: 37 Income: A.2 Age: B.3

<b>CODE</b>	<b>DESCRIPTION</b>	<b>Exp 2024</b>	<b>Exp 2025</b>
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**OBJECTS OF EXPENSE:**

1001	SALARIES AND WAGES	342,000	342,000
1002	OTHER PERSONNEL COSTS	5,000	5,000
2001	PROFESSIONAL FEES AND SERVICES	187,987	237,154
2004	UTILITIES	1,000	1,000
2005	TRAVEL	15,000	15,000
2009	OTHER OPERATING EXPENSE	75,000	75,000
<b>Total, Objects of Expense</b>		<b>\$625,987</b>	<b>\$675,154</b>

**METHOD OF FINANCING:**

1	General Revenue Fund	625,987	675,154
<b>Total, Method of Finance</b>		<b>\$625,987</b>	<b>\$675,154</b>

**FULL-TIME EQUIVALENT POSITIONS (FTE):**

5.0	5.0
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**EXCEPTIONAL ITEM(S) INCLUDED IN STRATEGY:**

Oil and Gas Technical Permitting – Environmental Permits

Data Center Services Adjustment

Cybersecurity and Data Governance

**4.C. Exceptional Items Strategy Request**  
88th Regular Session, Agency Submission, Version 1  
Automated Budget and Evaluation System of Texas (ABEST)

Agency Code: **455** Agency name: **Railroad Commission**

GOAL: 2 Advance Safety Through Training, Monitoring, and Enforcement

OBJECTIVE: 1 Improve Pipeline Safety

Service Categories:

STRATEGY: 1 Ensure Pipeline Safety

Service: 17 Income: A.2 Age: B.3

<b>CODE DESCRIPTION</b>	<b>Exp 2024</b>	<b>Exp 2025</b>
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**OBJECTS OF EXPENSE:**

1001 SALARIES AND WAGES	2,674,922	2,674,922
1002 OTHER PERSONNEL COSTS	40,124	40,124
2001 PROFESSIONAL FEES AND SERVICES	125,226	157,978
2002 FUELS AND LUBRICANTS	226,000	226,000
2004 UTILITIES	4,000	4,000
2005 TRAVEL	12,000	12,000
2009 OTHER OPERATING EXPENSE	594,000	594,000
5000 CAPITAL EXPENDITURES	3,022,238	134,998
<b>Total, Objects of Expense</b>	<b>\$6,698,510</b>	<b>\$3,844,022</b>

**METHOD OF FINANCING:**

1 General Revenue Fund	6,698,510	3,844,022
<b>Total, Method of Finance</b>	<b>\$6,698,510</b>	<b>\$3,844,022</b>

**FULL-TIME EQUIVALENT POSITIONS (FTE):** 50.0 50.0

**EXCEPTIONAL ITEM(S) INCLUDED IN STRATEGY:**

- Gathering Pipeline and Underground Gas Storage Regulation – Additional Inspectors
- Vehicle Replacements
- Data Center Services Adjustment
- Fuel Inflation Adjustment
- Cybersecurity and Data Governance

**4.C. Exceptional Items Strategy Request**  
 88th Regular Session, Agency Submission, Version 1  
 Automated Budget and Evaluation System of Texas (ABEST)

Agency Code: **455** Agency name: **Railroad Commission**

GOAL: 2 Advance Safety Through Training, Monitoring, and Enforcement

OBJECTIVE: 1 Improve Pipeline Safety

Service Categories:

STRATEGY: 2 Pipeline Damage Prevention

Service: 17 Income: A.2 Age: B.3

<b>CODE DESCRIPTION</b>	<b>Exp 2024</b>	<b>Exp 2025</b>
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**OBJECTS OF EXPENSE:**

2001 PROFESSIONAL FEES AND SERVICES

8,012

10,108

**Total, Objects of Expense**

**\$8,012**

**\$10,108**

**METHOD OF FINANCING:**

1 General Revenue Fund

8,012

10,108

**Total, Method of Finance**

**\$8,012**

**\$10,108**

**EXCEPTIONAL ITEM(S) INCLUDED IN STRATEGY:**

Data Center Services Adjustment

Cybersecurity and Data Governance

**4.C. Exceptional Items Strategy Request**  
 88th Regular Session, Agency Submission, Version 1  
 Automated Budget and Evaluation System of Texas (ABEST)

Agency Code: **455** Agency name: **Railroad Commission**

GOAL: 2 Advance Safety Through Training, Monitoring, and Enforcement

OBJECTIVE: 2 Alternative Energy & Safety Through Regulation

Service Categories:

STRATEGY: 1 Regulate Alternative Fuel Resources

Service: 36 Income: A.2 Age: B.3

<b>CODE DESCRIPTION</b>	<b>Exp 2024</b>	<b>Exp 2025</b>
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**OBJECTS OF EXPENSE:**

2001 PROFESSIONAL FEES AND SERVICES	54,007	68,133
2002 FUELS AND LUBRICANTS	45,000	45,000
5000 CAPITAL EXPENDITURES	191,612	158,079
<b>Total, Objects of Expense</b>	<b>\$290,619</b>	<b>\$271,212</b>

**METHOD OF FINANCING:**

1 General Revenue Fund	290,619	271,212
<b>Total, Method of Finance</b>	<b>\$290,619</b>	<b>\$271,212</b>

**EXCEPTIONAL ITEM(S) INCLUDED IN STRATEGY:**

- Vehicle Replacements
- Data Center Services Adjustment
- Fuel Inflation Adjustment
- Cybersecurity and Data Governance

**4.C. Exceptional Items Strategy Request**  
 88th Regular Session, Agency Submission, Version 1  
 Automated Budget and Evaluation System of Texas (ABEST)

Agency Code: **455** Agency name: **Railroad Commission**

GOAL: 3 Min. Harmful Effects of Energy Prod & Ensure Fair Rates for Consumers

OBJECTIVE: 1 Reduce Occurrence of Environmental Violations

Service Categories:

STRATEGY: 1 Oil and Gas Monitoring and Inspections

Service: 36 Income: A.2 Age: B.3

<b>CODE DESCRIPTION</b>	<b>Exp 2024</b>	<b>Exp 2025</b>
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**OBJECTS OF EXPENSE:**

2001 PROFESSIONAL FEES AND SERVICES	310,097	391,201
2002 FUELS AND LUBRICANTS	435,000	435,000
5000 CAPITAL EXPENDITURES	1,814,817	984,888
<b>Total, Objects of Expense</b>	<b>\$2,559,914</b>	<b>\$1,811,089</b>

**METHOD OF FINANCING:**

1 General Revenue Fund	2,559,914	1,811,089
<b>Total, Method of Finance</b>	<b>\$2,559,914</b>	<b>\$1,811,089</b>

**EXCEPTIONAL ITEM(S) INCLUDED IN STRATEGY:**

- Vehicle Replacements
- Data Center Services Adjustment
- Fuel Inflation Adjustment
- Cybersecurity and Data Governance

**4.C. Exceptional Items Strategy Request**  
 88th Regular Session, Agency Submission, Version 1  
 Automated Budget and Evaluation System of Texas (ABEST)

Agency Code: **455** Agency name: **Railroad Commission**

GOAL: 3 Min. Harmful Effects of Energy Prod & Ensure Fair Rates for Consumers

OBJECTIVE: 1 Reduce Occurrence of Environmental Violations

Service Categories:

STRATEGY: 2 Surface Mining Monitoring and Inspections

Service: 36 Income: A.2 Age: B.3

<b>CODE DESCRIPTION</b>	<b>Exp 2024</b>	<b>Exp 2025</b>
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**OBJECTS OF EXPENSE:**

2001 PROFESSIONAL FEES AND SERVICES	45,105	56,902
2002 FUELS AND LUBRICANTS	10,500	10,500
5000 CAPITAL EXPENDITURES	143,709	158,079
<b>Total, Objects of Expense</b>	<b>\$199,314</b>	<b>\$225,481</b>

**METHOD OF FINANCING:**

1 General Revenue Fund	199,314	225,481
<b>Total, Method of Finance</b>	<b>\$199,314</b>	<b>\$225,481</b>

**EXCEPTIONAL ITEM(S) INCLUDED IN STRATEGY:**

- Vehicle Replacements
- Data Center Services Adjustment
- Fuel Inflation Adjustment
- Cybersecurity and Data Governance

**4.C. Exceptional Items Strategy Request**  
88th Regular Session, Agency Submission, Version 1  
Automated Budget and Evaluation System of Texas (ABEST)

Agency Code: **455** Agency name: **Railroad Commission**

GOAL: 3 Min. Harmful Effects of Energy Prod & Ensure Fair Rates for Consumers

OBJECTIVE: 2 Identify and Abate Environmental Threats

Service Categories:

STRATEGY: 1 Oil and Gas Well Plugging and Remediation

Service: 36 Income: A.2 Age: B.3

<b>CODE DESCRIPTION</b>	<b>Exp 2024</b>	<b>Exp 2025</b>
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**OBJECTS OF EXPENSE:**

2001 PROFESSIONAL FEES AND SERVICES	485,474	612,443
2002 FUELS AND LUBRICANTS	140,000	140,000
5000 CAPITAL EXPENDITURES	605,321	328,678
<b>Total, Objects of Expense</b>	<b>\$1,230,795</b>	<b>\$1,081,121</b>

**METHOD OF FINANCING:**

1 General Revenue Fund	1,230,795	1,081,121
<b>Total, Method of Finance</b>	<b>\$1,230,795</b>	<b>\$1,081,121</b>

**EXCEPTIONAL ITEM(S) INCLUDED IN STRATEGY:**

- Vehicle Replacements
- Data Center Services Adjustment
- Fuel Inflation Adjustment
- Cybersecurity and Data Governance



**4.C. Exceptional Items Strategy Request**  
 88th Regular Session, Agency Submission, Version 1  
 Automated Budget and Evaluation System of Texas (ABEST)

Agency Code: **455** Agency name: **Railroad Commission**

GOAL: 3 Min. Harmful Effects of Energy Prod & Ensure Fair Rates for Consumers

OBJECTIVE: 2 Identify and Abate Environmental Threats

Service Categories:

STRATEGY: 2 Surface Mining Reclamation

Service: 36 Income: A.2 Age: B.3

<b>CODE DESCRIPTION</b>	<b>Exp 2024</b>	<b>Exp 2025</b>
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**OBJECTS OF EXPENSE:**

2001 PROFESSIONAL FEES AND SERVICES

18,398

23,210

**Total, Objects of Expense**

**\$18,398**

**\$23,210**

**METHOD OF FINANCING:**

1 General Revenue Fund

18,398

23,210

**Total, Method of Finance**

**\$18,398**

**\$23,210**

**EXCEPTIONAL ITEM(S) INCLUDED IN STRATEGY:**

Data Center Services Adjustment

Cybersecurity and Data Governance

**4.C. Exceptional Items Strategy Request**  
 88th Regular Session, Agency Submission, Version 1  
 Automated Budget and Evaluation System of Texas (ABEST)

Agency Code: **455** Agency name: **Railroad Commission**

GOAL: 3 Min. Harmful Effects of Energy Prod & Ensure Fair Rates for Consumers

OBJECTIVE: 3 Maintain Competitive Prices and Adequate Supplies for Consumers

Service Categories:

STRATEGY: 1 Ensure Fair Rates and Compliance to Rate Structures

Service: 17 Income: A.2 Age: B.3

<b>CODE DESCRIPTION</b>	<b>Exp 2024</b>	<b>Exp 2025</b>
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**OBJECTS OF EXPENSE:**

2001 PROFESSIONAL FEES AND SERVICES

44,215

55,779

**Total, Objects of Expense**

**\$44,215**

**\$55,779**

**METHOD OF FINANCING:**

1 General Revenue Fund

44,215

55,779

**Total, Method of Finance**

**\$44,215**

**\$55,779**

**EXCEPTIONAL ITEM(S) INCLUDED IN STRATEGY:**

Data Center Services Adjustment

Cybersecurity and Data Governance

**4.C. Exceptional Items Strategy Request**  
 88th Regular Session, Agency Submission, Version 1  
 Automated Budget and Evaluation System of Texas (ABEST)

Agency Code: **455** Agency name: **Railroad Commission**

GOAL: 3 Min. Harmful Effects of Energy Prod & Ensure Fair Rates for Consumers

OBJECTIVE: 4 Critical Infrastructure

Service Categories:

STRATEGY: 1 Critical Infrastructure Weather Preparedness

Service: 33 Income: A.2 Age: B.3

<b>CODE DESCRIPTION</b>	<b>Exp 2024</b>	<b>Exp 2025</b>
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**OBJECTS OF EXPENSE:**

2001 PROFESSIONAL FEES AND SERVICES	173,892	219,372
2002 FUELS AND LUBRICANTS	100,000	100,000
5000 CAPITAL EXPENDITURES	335,321	52,693
<b>Total, Objects of Expense</b>	<b>\$609,213</b>	<b>\$372,065</b>

**METHOD OF FINANCING:**

1 General Revenue Fund	609,213	372,065
<b>Total, Method of Finance</b>	<b>\$609,213</b>	<b>\$372,065</b>

**EXCEPTIONAL ITEM(S) INCLUDED IN STRATEGY:**

- Vehicle Replacements
- Data Center Services Adjustment
- Fuel Inflation Adjustment
- Cybersecurity and Data Governance

**4.C. Exceptional Items Strategy Request**  
 88th Regular Session, Agency Submission, Version 1  
 Automated Budget and Evaluation System of Texas (ABEST)

Agency Code: **455** Agency name: **Railroad Commission**

GOAL: 4 Public Access to Information and Services

OBJECTIVE: 1 Increase Public Access to Information

Service Categories:

STRATEGY: 1 Public Information and Services

Service: 37 Income: A.2 Age: B.3

<b>CODE DESCRIPTION</b>	<b>Exp 2024</b>	<b>Exp 2025</b>
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**OBJECTS OF EXPENSE:**

2001 PROFESSIONAL FEES AND SERVICES

31,306

39,494

**Total, Objects of Expense**

**\$31,306**

**\$39,494**

**METHOD OF FINANCING:**

1 General Revenue Fund

31,306

39,494

**Total, Method of Finance**

**\$31,306**

**\$39,494**

**EXCEPTIONAL ITEM(S) INCLUDED IN STRATEGY:**

Data Center Services Adjustment

Cybersecurity and Data Governance

**5.A. Capital Budget Project Schedule**  
88th Regular Session, Agency Submission, Version 1  
Automated Budget and Evaluation System of Texas (ABEST)

Agency code: **455**

Agency name: **Railroad Commission**

**Category Code / Category Name**

*Project Sequence/Project Id/ Name*

		<b>Est 2022</b>	<b>Bud 2023</b>	<b>BL 2024</b>	<b>BL 2025</b>
<b>OOE / TOF / MOF CODE</b>					
<b>5005 Acquisition of Information Resource Technologies</b>					
<i>1/1 PC Refresh</i>					
<b>OBJECTS OF EXPENSE</b>					
<u>Capital</u>					
General	2009 OTHER OPERATING EXPENSE	\$428,329	\$428,200	\$544,375	\$544,375
	Capital Subtotal OOE, Project 1	\$428,329	\$428,200	\$544,375	\$544,375
	Subtotal OOE, Project 1	<b>\$428,329</b>	<b>\$428,200</b>	<b>\$544,375</b>	<b>\$544,375</b>
<b>TYPE OF FINANCING</b>					
<u>Capital</u>					
General	CA 1 General Revenue Fund	\$72,794	\$72,794	\$123,137	\$123,137
General	CA 5155 Oil & Gas Regulation	\$355,535	\$355,406	\$421,238	\$421,238
	Capital Subtotal TOF, Project 1	\$428,329	\$428,200	\$544,375	\$544,375
	Subtotal TOF, Project 1	<b>\$428,329</b>	<b>\$428,200</b>	<b>\$544,375</b>	<b>\$544,375</b>
<i>4/4 Mainframe Transformation - Phase 3</i>					
<b>OBJECTS OF EXPENSE</b>					
<u>Capital</u>					
General	2001 PROFESSIONAL FEES AND SERVICES	\$20,329,789	\$23,593,024	\$14,016,774	\$7,458,873
General	2009 OTHER OPERATING EXPENSE	\$96,173	\$0	\$0	\$0
	Capital Subtotal OOE, Project 4	\$20,425,962	\$23,593,024	\$14,016,774	\$7,458,873
	Subtotal OOE, Project 4	<b>\$20,425,962</b>	<b>\$23,593,024</b>	<b>\$14,016,774</b>	<b>\$7,458,873</b>
<b>TYPE OF FINANCING</b>					
<u>Capital</u>					

**5.A. Capital Budget Project Schedule**  
88th Regular Session, Agency Submission, Version 1  
Automated Budget and Evaluation System of Texas (ABEST)

Agency code: **455**

Agency name: **Railroad Commission**

**Category Code / Category Name**

*Project Sequence/Project Id/ Name*

<b>OOE / TOF / MOF CODE</b>				<b>Est 2022</b>	<b>Bud 2023</b>	<b>BL 2024</b>	<b>BL 2025</b>	
General	CA	1	General Revenue Fund	\$4,424,783	\$18,438,480	\$2,304,000	\$2,304,000	
General	CA	5155	Oil & Gas Regulation	\$16,001,179	\$5,154,544	\$11,712,774	\$5,154,873	
Capital Subtotal TOF, Project				4	\$20,425,962	\$23,593,024	\$14,016,774	\$7,458,873
Subtotal TOF, Project				4	<b>\$20,425,962</b>	<b>\$23,593,024</b>	<b>\$14,016,774</b>	<b>\$7,458,873</b>
Capital Subtotal, Category				5005	\$20,854,291	\$24,021,224	\$14,561,149	\$8,003,248
Informational Subtotal, Category				5005				
<b>Total, Category</b>				<b>5005</b>	<b>\$20,854,291</b>	<b>\$24,021,224</b>	<b>\$14,561,149</b>	<b>\$8,003,248</b>
<b>5006 Transportation Items</b>								
<i>3/3 Vehicle Replacements</i>								
<b>OBJECTS OF EXPENSE</b>								
<u>Capital</u>								
General	5000	CAPITAL EXPENDITURES		\$1,609,825	\$1,031,393	\$2,222,093	\$1,133,393	
Capital Subtotal OOE, Project				3	\$1,609,825	\$1,031,393	\$2,222,093	\$1,133,393
Subtotal OOE, Project				3	<b>\$1,609,825</b>	<b>\$1,031,393</b>	<b>\$2,222,093</b>	<b>\$1,133,393</b>
<b>TYPE OF FINANCING</b>								
<u>Capital</u>								
General	CA	1	General Revenue Fund	\$559,219	\$347,586	\$391,932	\$391,932	
General	CA	555	Federal Funds	\$65,584	\$0	\$1,088,700	\$0	
General	CA	5155	Oil & Gas Regulation	\$985,022	\$683,807	\$741,461	\$741,461	
Capital Subtotal TOF, Project				3	\$1,609,825	\$1,031,393	\$2,222,093	\$1,133,393
Subtotal TOF, Project				3	<b>\$1,609,825</b>	<b>\$1,031,393</b>	<b>\$2,222,093</b>	<b>\$1,133,393</b>

**5.A. Capital Budget Project Schedule**  
88th Regular Session, Agency Submission, Version 1  
Automated Budget and Evaluation System of Texas (ABEST)

Agency code: **455**

Agency name: **Railroad Commission**

**Category Code / Category Name**

*Project Sequence/Project Id/ Name*

**OOE / TOF / MOF CODE**

**Est 2022**

**Bud 2023**

**BL 2024**

**BL 2025**

Capital Subtotal, Category 5006

\$1,609,825

\$1,031,393

\$2,222,093

\$1,133,393

Informational Subtotal, Category 5006

**Total, Category 5006**

**\$1,609,825**

**\$1,031,393**

**\$2,222,093**

**\$1,133,393**

**7000 Data Center/Shared Technology Services**

*5/5 Data Center Services (DCS)*

**OBJECTS OF EXPENSE**

Capital

General 2001 PROFESSIONAL FEES AND SERVICES

\$7,471,345

\$6,635,042

\$6,306,059

\$6,306,059

Capital Subtotal OOE, Project 5

\$7,471,345

\$6,635,042

\$6,306,059

\$6,306,059

Subtotal OOE, Project 5

**\$7,471,345**

**\$6,635,042**

**\$6,306,059**

**\$6,306,059**

**TYPE OF FINANCING**

Capital

General CA 1 General Revenue Fund

\$3,168,798

\$1,919,046

\$1,891,818

\$1,891,818

General CA 666 Appropriated Receipts

\$200,000

\$0

\$0

\$0

General CA 5155 Oil & Gas Regulation

\$4,102,547

\$4,715,996

\$4,414,241

\$4,414,241

Capital Subtotal TOF, Project 5

\$7,471,345

\$6,635,042

\$6,306,059

\$6,306,059

Subtotal TOF, Project 5

**\$7,471,345**

**\$6,635,042**

**\$6,306,059**

**\$6,306,059**

Capital Subtotal, Category 7000

\$7,471,345

\$6,635,042

\$6,306,059

\$6,306,059

Informational Subtotal, Category 7000

**Total, Category 7000**

**\$7,471,345**

**\$6,635,042**

**\$6,306,059**

**\$6,306,059**

**9500 Legacy Modernization**

**5.A. Capital Budget Project Schedule**  
88th Regular Session, Agency Submission, Version 1  
Automated Budget and Evaluation System of Texas (ABEST)

Agency code: **455**

Agency name: **Railroad Commission**

**Category Code / Category Name**

*Project Sequence/Project Id/ Name*

**OOE / TOF / MOF CODE**

**Est 2022**

**Bud 2023**

**BL 2024**

**BL 2025**

*2/2 Inspection/Enforcement Tracking and Reporting  
System Phase 4*

**OBJECTS OF EXPENSE**

Capital

General	2001	PROFESSIONAL FEES AND SERVICES		\$2,000,000	\$1,000,000	\$2,000,000	\$1,000,000
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Capital Subtotal OOE, Project			2	\$2,000,000	\$1,000,000	\$2,000,000	\$1,000,000
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Subtotal OOE, Project			2	<b>\$2,000,000</b>	<b>\$1,000,000</b>	<b>\$2,000,000</b>	<b>\$1,000,000</b>
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**TYPE OF FINANCING**

Capital

General	CA	1	General Revenue Fund	\$2,000,000	\$1,000,000	\$2,000,000	\$1,000,000
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General	CA	5155	Oil & Gas Regulation	\$0	\$0	\$0	\$0
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Capital Subtotal TOF, Project			2	\$2,000,000	\$1,000,000	\$2,000,000	\$1,000,000
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Subtotal TOF, Project			2	<b>\$2,000,000</b>	<b>\$1,000,000</b>	<b>\$2,000,000</b>	<b>\$1,000,000</b>
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Capital Subtotal, Category		9500		\$2,000,000	\$1,000,000	\$2,000,000	\$1,000,000
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Informational Subtotal, Category		9500					
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<b>Total, Category</b>		<b>9500</b>		<b>\$2,000,000</b>	<b>\$1,000,000</b>	<b>\$2,000,000</b>	<b>\$1,000,000</b>
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<b>AGENCY TOTAL -CAPITAL</b>				<b>\$31,935,461</b>	<b>\$32,687,659</b>	<b>\$25,089,301</b>	<b>\$16,442,700</b>
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**AGENCY TOTAL -INFORMATIONAL**

<b>AGENCY TOTAL</b>				<b>\$31,935,461</b>	<b>\$32,687,659</b>	<b>\$25,089,301</b>	<b>\$16,442,700</b>
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**5.A. Capital Budget Project Schedule**  
88th Regular Session, Agency Submission, Version 1  
Automated Budget and Evaluation System of Texas (ABEST)

Agency code: **455**

Agency name: **Railroad Commission**

**Category Code / Category Name**

*Project Sequence/Project Id/ Name*

**OOE / TOF / MOF CODE**

**Est 2022**

**Bud 2023**

**BL 2024**

**BL 2025**

**METHOD OF FINANCING:**

Capital

General	1	General Revenue Fund	\$10,225,594	\$21,777,906	\$6,710,887	\$5,710,887
General	555	Federal Funds	\$65,584	\$0	\$1,088,700	\$0
General	666	Appropriated Receipts	\$200,000	\$0	\$0	\$0
General	5155	Oil & Gas Regulation	\$21,444,283	\$10,909,753	\$17,289,714	\$10,731,813
Total, Method of Financing-Capital			\$31,935,461	\$32,687,659	\$25,089,301	\$16,442,700
<b>Total, Method of Financing</b>			<b>\$31,935,461</b>	<b>\$32,687,659</b>	<b>\$25,089,301</b>	<b>\$16,442,700</b>

**TYPE OF FINANCING:**

Capital

General	CA	CURRENT APPROPRIATIONS	\$31,935,461	\$32,687,659	\$25,089,301	\$16,442,700
Total, Type of Financing-Capital			\$31,935,461	\$32,687,659	\$25,089,301	\$16,442,700
<b>Total, Type of Financing</b>			<b>\$31,935,461</b>	<b>\$32,687,659</b>	<b>\$25,089,301</b>	<b>\$16,442,700</b>

**5.B. Capital Budget Project Information**  
 88th Regular Session, Agency Submission, Version 1  
 Automated Budget and Evaluation System of Texas (ABEST)

Agency Code:	<b>455</b>	Agency name:	<b>Railroad Commission</b>
Category Number:	<b>5005</b>	Category Name:	<b>ACQUISITN INFO RES TECH.</b>
Project number:	<b>1</b>	Project Name:	<b>PC Refresh</b>

**PROJECT DESCRIPTION**

**General Information**

This project supports the purchase of PCs, laptops, tablets, other personal computing devices, and associated equipment. This equipment is necessary to support the Commission in performing regulatory tasks.

<b>PLCS Tracking Key</b>	N/A
<b>Number of Units / Average Unit Cost</b>	varies
<b>Estimated Completion Date</b>	August 31, 2025

<b>Additional Capital Expenditure Amounts Required</b>		<b>2026</b>		<b>2027</b>
		0		0
<b>Type of Financing</b>	CA	CURRENT APPROPRIATIONS		
<b>Projected Useful Life</b>	3-4 years			
<b>Estimated/Actual Project Cost</b>	\$1,088,750			
<b>Length of Financing/ Lease Period</b>	none			

<b><u>ESTIMATED/ACTUAL DEBT OBLIGATION PAYMENTS</u></b>					<b>Total over project life</b>
	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	
	0	0	0	0	0

<b><u>REVENUE GENERATION / COST SAVINGS</u></b>		
<b><u>REVENUE COST FLAG</u></b>	<b><u>MOF CODE</u></b>	<b><u>AVERAGE AMOUNT</u></b>

**Explanation:** Replacement and upgrade of outdated equipment used within the agency is needed due to obsolescence, growth and changes in our technical environment

**Project Location:** Statewide

**Beneficiaries:** Railroad Commission staff, industry, other governmental agencies, and the citizens of Texas.

**Frequency of Use and External Factors Affecting Use:**

Project assets will be used daily.

**5.B. Capital Budget Project Information**  
 88th Regular Session, Agency Submission, Version 1  
 Automated Budget and Evaluation System of Texas (ABEST)

Agency Code:	<b>455</b>	Agency name:	<b>Railroad Commission</b>
Category Number:	<b>9500</b>	Category Name:	<b>Legacy Modernization</b>
Project number:	<b>2</b>	Project Name:	<b>IETRS and Reporting System Phase 4</b>

**PROJECT DESCRIPTION**

**General Information**

The Inspection/Enforcement Tracking and Reporting System - Phase 4 project continues the phased approach to modernize agency systems over multiple biennia. In the FY24-FY25 biennium, a Surface Mining and Reclamations permitting and inspection system will be built on this existing framework.

<b>PLCS Tracking Key</b>	N/A
<b>Number of Units / Average Unit Cost</b>	Varies
<b>Estimated Completion Date</b>	August 31, 2025

<b>Additional Capital Expenditure Amounts Required</b>		<b>2026</b>	<b>2027</b>
		0	0
<b>Type of Financing</b>	CA	CURRENT APPROPRIATIONS	
<b>Projected Useful Life</b>	8 years		
<b>Estimated/Actual Project Cost</b>	\$3,000,000		
<b>Length of Financing/ Lease Period</b>	0		

<b><u>ESTIMATED/ACTUAL DEBT OBLIGATION PAYMENTS</u></b>					<b>Total over project life</b>
<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>		
0	0	0	0		0

<b><u>REVENUE GENERATION / COST SAVINGS</u></b>		
<b><u>REVENUE COST FLAG</u></b>	<b><u>MOF CODE</u></b>	<b><u>AVERAGE AMOUNT</u></b>

**Explanation:** The Railroad Commission seeks to improve efficiency and transparency by implementing an online system that allows the coal mining industry to file, amend and renew permits. Staff will have been access to review and log inspections against those permits.

**Project Location:** Statewide

**Beneficiaries:** Railroad Commission staff, industry, other governmental agencies, and the citizens of Texas.

**Frequency of Use and External Factors Affecting Use:**

Project assets will be used daily. Currently, the regulated industry must mail, email, or fax documents to submit required information. Industry, legislators, and the public have asked for more access to Commission data. The systems in this project will make more information easily available to both the agency and the public

**5.B. Capital Budget Project Information**  
 88th Regular Session, Agency Submission, Version 1  
 Automated Budget and Evaluation System of Texas (ABEST)

Agency Code:	<b>455</b>	Agency name:	<b>Railroad Commission</b>
Category Number:	<b>5006</b>	Category Name:	<b>TRANSPORTATION ITEMS</b>
Project number:	<b>3</b>	Project Name:	<b>Vehicle Replacements</b>

**PROJECT DESCRIPTION**

**General Information**

Commission staff travel extensively for emergency response, monitoring and inspection of regulated industries, and industry training. Staff inspect oil and gas facilities, intrastate pipelines, LP-Gas systems, natural gas critical infrastructure, and coal surface mining locations. The RRC fleet must be maintained and replaced under a regular schedule to be responsive to emergency situations, minimize employees downtime, and reduce maintenance costs.

**PLCS Tracking Key** N/a  
**Number of Units / Average Unit Cost** varies  
**Estimated Completion Date** August 31, 2025

<b>Additional Capital Expenditure Amounts Required</b>		<b>2026</b>	<b>2027</b>
		0	0
<b>Type of Financing</b>	CA	CURRENT APPROPRIATIONS	
<b>Projected Useful Life</b>	5 years		
<b>Estimated/Actual Project Cost</b>	\$3,355,486		
<b>Length of Financing/ Lease Period</b>	0		

<b><u>ESTIMATED/ACTUAL DEBT OBLIGATION PAYMENTS</u></b>					<b>Total over project life</b>
<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>		
0	0	0	0		0

<b><u>REVENUE GENERATION / COST SAVINGS</u></b>		
<b><u>REVENUE COST FLAG</u></b>	<b><u>MOF CODE</u></b>	<b><u>AVERAGE AMOUNT</u></b>

**Explanation:** This fleet must be maintained and replaced under a regular schedule to be responsive to emergency situations, minimize employee downtime, and reduce maintenance costs.

**Project Location:** Statewide

**Beneficiaries:** Railroad Commission staff and the citizens of Texas.

**Frequency of Use and External Factors Affecting Use:**

Assets will be used daily.

**5.B. Capital Budget Project Information**  
 88th Regular Session, Agency Submission, Version 1  
 Automated Budget and Evaluation System of Texas (ABEST)

Agency Code:	<b>455</b>	Agency name:	<b>Railroad Commission</b>
Category Number:	<b>5005</b>	Category Name:	<b>ACQUISITN INFO RES TECH.</b>
Project number:	<b>4</b>	Project Name:	<b>Mainframe Transformation</b>

**PROJECT DESCRIPTION**

**General Information**

In this biennium, RRC will add to a newly implemented architecture for agency IT offerings, including:

- An enterprise data model/repository to support the agency’s business processes,
- Well management business processes and data,
- Data integration with the new framework,
- Improved reporting capabilities, such as a data warehouse, and
- Identification of obsolete or redundant business processes.

The evolution of RRC’s regulated industries, demands for wider access to Commission data, and legislative requirements are increasingly hard to address with the current set of aging mainframe technologies. These challenges cannot be resolved in a single biennium. This project will leverage the foundation and framework established in the 20-21 biennium by adding additional business processes and data to move the Commission forward.

As agencies move off the mainframe, DCS costs for the remaining agencies will rise. For RRC, beginning the process to leave the mainframe will avoid the future cost increases. Without this project, the challenges faced by RRC to keep up with its regulated industries will increase.

<b>PLCS Tracking Key</b>	PCLS_88R_455_1110610			
<b>Number of Units / Average Unit Cost</b>	N/A			
<b>Estimated Completion Date</b>	August 31, 2025			
<b>Additional Capital Expenditure Amounts Required</b>		<b>2026</b>		<b>2027</b>
		0		0
<b>Type of Financing</b>	CA CURRENT APPROPRIATIONS			
<b>Projected Useful Life</b>	8 years			
<b>Estimated/Actual Project Cost</b>	\$21,475,647			
<b>Length of Financing/ Lease Period</b>	0			
<b><u>ESTIMATED/ACTUAL DEBT OBLIGATION PAYMENTS</u></b>				<b>Total over project life</b>
	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>
	0	0	0	0

<b><u>REVENUE GENERATION / COST SAVINGS</u></b>		
<b><u>REVENUE COST FLAG</u></b>	<b><u>MOF CODE</u></b>	<b><u>AVERAGE AMOUNT</u></b>

**5.B. Capital Budget Project Information**  
88th Regular Session, Agency Submission, Version 1  
Automated Budget and Evaluation System of Texas (ABEST)

**Explanation:** RRC is reducing dependence on mainframe systems which hampers the ability to implement modern, flexible, and scalable systems. In the 20-21 biennium, RRC began a phased approach to transition business processes off the mainframe. In 2024–25, RRC will add to the implemented architecture:

- An enterprise data model/repository,
- Increased well management functionality,
- Enhanced data transparency,
- More efficient processes for operator reports.

**Project Location:** Statewide

**Beneficiaries:** Railroad Commission staff, industry, other governmental agencies, and the citizens of Texas.

**Frequency of Use and External Factors Affecting Use:**

Project assets will be used daily. New industry techniques, demands for wider access to Commission data, and legislative requirements have continued to require changes within the mainframe making it more complex, expensive, and difficult to modernize. Industry, legislators, and the public have asked for more access to Commission data. Providing information from the mainframe is extremely difficult, making real-time access impossible for most of the Commission's information.

**5.B. Capital Budget Project Information**  
 88th Regular Session, Agency Submission, Version 1  
 Automated Budget and Evaluation System of Texas (ABEST)

Agency Code:	<b>455</b>	Agency name:	<b>Railroad Commission</b>
Category Number:	<b>7000</b>	Category Name:	<b>Data Center/Shared Technology Svcs</b>
Project number:	<b>5</b>	Project Name:	<b>Data Center Services (DCS)</b>

**PROJECT DESCRIPTION**

**General Information**

Texas Government Code §2054.375, Subchapter L. Statewide Technology Centers requires DIR to manage consolidated statewide data centers and identify agencies for participation. The Railroad Commission was identified for participation and is required to have an interagency agreement with the Department of Information Resources (DIR) for Data Center Services. The Data Center Services program includes transformation and consolidation of facilities, server platforms, mainframes, data storage management, and data center print and mail. To maintain compliance, RRC requests adequate funding to support the Commission's projected use of the Data Center Services and Shared Services as contracted in fiscal years 2024 and 2025. The requested amount represents the Data Center and Shared Services costs necessary to deliver applications and computer services to maintain operations.

<b>PLCS Tracking Key</b>	N/A
<b>Number of Units / Average Unit Cost</b>	N/A
<b>Estimated Completion Date</b>	August 31, 2025

<b>Additional Capital Expenditure Amounts Required</b>		<b>2026</b>	<b>2027</b>
		0	0
<b>Type of Financing</b>	CA	CURRENT APPROPRIATIONS	
<b>Projected Useful Life</b>	2 years		
<b>Estimated/Actual Project Cost</b>	\$12,612,118		
<b>Length of Financing/ Lease Period</b>	0		

<b><u>ESTIMATED/ACTUAL DEBT OBLIGATION PAYMENTS</u></b>					<b>Total over project life</b>
<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>		
0	0	0	0		0

<b><u>REVENUE GENERATION / COST SAVINGS</u></b>		
<b><u>REVENUE COST FLAG</u></b>	<b><u>MOF CODE</u></b>	<b><u>AVERAGE AMOUNT</u></b>

**Explanation:** The Railroad Commission is required to use the DIR-managed Data Center Services.

**Project Location:** Statewide

**Beneficiaries:** Railroad Commission Staff, industry, other governmental agencies, and the citizens of Texas.

**Frequency of Use and External Factors Affecting Use:**  
 Project assets will be used daily.

**6.A. Historically Underutilized Business Supporting Schedule**  
88th Regular Session, Agency Submission, Version 1  
Automated Budget and Evaluation System of Texas (ABEST)

Agency Code: **455**      Agency: **Railroad Commission**

COMPARISON TO STATEWIDE HUB PROCUREMENT GOALS

**A. Fiscal Year - HUB Expenditure Information**

Statewide HUB Goals	Procurement Category	% Goal	HUB Expenditures FY 2020			Total Expenditures FY 2020		HUB Expenditures FY 2021			Total Expenditures FY 2021	
			% Actual	Diff	Actual \$	% Goal	% Actual	Diff	Actual \$	FY 2021		
11.2%	Heavy Construction	11.2 %	0.0%	-11.2%	\$0	\$0	11.2 %	0.0%	-11.2%	\$0	\$0	
21.1%	Building Construction	21.1 %	46.7%	25.6%	\$10,723	\$22,975	21.1 %	74.1%	53.0%	\$1,598	\$2,156	
32.9%	Special Trade	32.9 %	6.3%	-26.6%	\$742	\$11,755	32.9 %	54.7%	21.8%	\$26,769	\$48,964	
23.7%	Professional Services	23.7 %	41.6%	17.9%	\$532,849	\$1,280,604	23.7 %	48.6%	24.9%	\$397,636	\$819,012	
26.0%	Other Services	26.0 %	5.8%	-20.2%	\$3,307,327	\$56,743,364	26.0 %	5.3%	-20.7%	\$3,091,349	\$57,864,688	
21.1%	Commodities	21.1 %	36.8%	15.7%	\$1,049,977	\$2,855,814	21.1 %	16.1%	-5.0%	\$307,088	\$1,912,442	
	<b>Total Expenditures</b>		<b>8.0%</b>		<b>\$4,901,618</b>	<b>\$60,914,512</b>		<b>6.3%</b>		<b>\$3,824,440</b>	<b>\$60,647,262</b>	

**B. Assessment of Attainment of HUB Procurement Goals**

**Attainment:**

The Commission attained or exceeded four of six of the applicable statewide HUB procurement goals in FY 2020 and three of six of the applicable statewide HUB procurement goals in FY 2021.

**Applicability:**

The Heavy Construction and Building Construction categories are not generally applicable to agency operations.

**Factors Affecting Attainment:**

Professional Services statewide goals were not met because this is generally water and soil analysis performed at labs in the field. Other Services statewide goals were not met because this is generally well plugging and site remediation companies all over Texas and there are very few HUB certified companies that perform this type of work.

**C. Good-Faith Efforts to Increase HUB Participation**

**Outreach Efforts and Mentor-Protégé Programs:**

The agency participates in external HUB Economic Opportunity Forums with the purpose of identifying HUBs capable of providing goods and services and to make procurement opportunities available.

**HUB Program Staffing:**

The RRC has a dedicated HUB Coordinator and a HUB assistant that promotes the HUB program internally and externally at economic forums.



**6.A. Historically Underutilized Business Supporting Schedule**  
88th Regular Session, Agency Submission, Version 1  
Automated Budget and Evaluation System of Texas (ABEST)

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Agency Code: **455**      Agency: **Railroad Commission**

**Current and Future Good-Faith Efforts:**

The RRC is dedicated and committed to including Historically Underutilized Businesses (HUBs) in the procurement process through four key elements:

- (1) executive management support;
- (2) a strong emphasis on HUB vendor solicitation;
- (3) HUB vendor outreach; and
- (4) educating RRC employees on the HUB program.

The agency strives to exceed the overall statewide average percentage of HUB participation. The agency will use good faith efforts to solicit HUB vendors on contract solicitations and will utilize a qualified and capable HUB vendor for all contracts of any dollar amount threshold.

**6.C. Federal Funds Supporting Schedule**  
88th Regular Session, Agency Submission, Version 1  
Automated Budget and Evaluation System of Texas (ABEST)

		<b>455 Railroad Commission</b>				
<b>CFDA NUMBER/ STRATEGY</b>		<b>Exp 2021</b>	<b>Est 2022</b>	<b>Bud 2023</b>	<b>BL 2024</b>	<b>BL 2025</b>
<b>15.018.120</b>	IIJA Energy Comm. Revitalization Pg					
3 - 2 - 1	OIL&GAS WELL PLUGGING & REMEDIATI	0	0	25,000,000	62,900,000	62,900,000
	<b>TOTAL, ALL STRATEGIES</b>	<b>\$0</b>	<b>\$0</b>	<b>\$25,000,000</b>	<b>\$62,900,000</b>	<b>\$62,900,000</b>
	<b>ADDL FED FNDS FOR EMPL BENEFITS</b>	0	0	0	0	0
	<b>TOTAL, FEDERAL FUNDS</b>	<b>\$0</b>	<b>\$0</b>	<b>\$25,000,000</b>	<b>\$62,900,000</b>	<b>\$62,900,000</b>
	<b>ADDL GR FOR EMPL BENEFITS</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>15.250.000</b>	Regulation of Surface Coa					
3 - 1 - 2	SURFACE MINING MONITORING/INSPECT	1,227,883	1,280,000	1,280,000	1,280,000	1,280,000
	<b>TOTAL, ALL STRATEGIES</b>	<b>\$1,227,883</b>	<b>\$1,280,000</b>	<b>\$1,280,000</b>	<b>\$1,280,000</b>	<b>\$1,280,000</b>
	<b>ADDL FED FNDS FOR EMPL BENEFITS</b>	0	0	0	0	0
	<b>TOTAL, FEDERAL FUNDS</b>	<b>\$1,227,883</b>	<b>\$1,280,000</b>	<b>\$1,280,000</b>	<b>\$1,280,000</b>	<b>\$1,280,000</b>
	<b>ADDL GR FOR EMPL BENEFITS</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>15.252.000</b>	Abandoned Mine Land Recla					
3 - 2 - 2	SURFACE MINING RECLAMATION	807,894	1,700,000	1,700,000	1,700,000	1,700,000
	<b>TOTAL, ALL STRATEGIES</b>	<b>\$807,894</b>	<b>\$1,700,000</b>	<b>\$1,700,000</b>	<b>\$1,700,000</b>	<b>\$1,700,000</b>
	<b>ADDL FED FNDS FOR EMPL BENEFITS</b>	0	0	0	0	0
	<b>TOTAL, FEDERAL FUNDS</b>	<b>\$807,894</b>	<b>\$1,700,000</b>	<b>\$1,700,000</b>	<b>\$1,700,000</b>	<b>\$1,700,000</b>
	<b>ADDL GR FOR EMPL BENEFITS</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>15.944.000</b>	Natural Resource Stewardship					
3 - 2 - 1	OIL&GAS WELL PLUGGING & REMEDIATI	873,242	0	0	0	0
	<b>TOTAL, ALL STRATEGIES</b>	<b>\$873,242</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
	<b>ADDL FED FNDS FOR EMPL BENEFITS</b>	0	0	0	0	0
	<b>TOTAL, FEDERAL FUNDS</b>	<b>\$873,242</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
	<b>ADDL GR FOR EMPL BENEFITS</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>20.700.000</b>	Pipeline Safety					
2 - 1 - 1	PIPELINE SAFETY	4,200,857	3,196,000	3,260,000	3,260,000	3,260,000

**6.C. Federal Funds Supporting Schedule**  
88th Regular Session, Agency Submission, Version 1  
Automated Budget and Evaluation System of Texas (ABEST)

		<b>455 Railroad Commission</b>				
<b>CFDA NUMBER/ STRATEGY</b>		<b>Exp 2021</b>	<b>Est 2022</b>	<b>Bud 2023</b>	<b>BL 2024</b>	<b>BL 2025</b>
2	- 1 - 2 PIPELINE DAMAGE PREVENTION	244,030	244,000	180,000	180,000	180,000
	<b>TOTAL, ALL STRATEGIES</b>	<b>\$4,444,887</b>	<b>\$3,440,000</b>	<b>\$3,440,000</b>	<b>\$3,440,000</b>	<b>\$3,440,000</b>
	<b>ADDL FED FNDS FOR EMPL BENEFITS</b>	0	0	0	0	0
	<b>TOTAL, FEDERAL FUNDS</b>	<b>\$4,444,887</b>	<b>\$3,440,000</b>	<b>\$3,440,000</b>	<b>\$3,440,000</b>	<b>\$3,440,000</b>
	<b>ADDL GR FOR EMPL BENEFITS</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>20.720.000</b>	State Damage Prevention Program					
2	- 1 - 2 PIPELINE DAMAGE PREVENTION	26,860	0	0	0	0
	<b>TOTAL, ALL STRATEGIES</b>	<b>\$26,860</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
	<b>ADDL FED FNDS FOR EMPL BENEFITS</b>	0	0	0	0	0
	<b>TOTAL, FEDERAL FUNDS</b>	<b>\$26,860</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
	<b>ADDL GR FOR EMPL BENEFITS</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>66.204.000</b>	Multipurpose Grants/States & Tribes					
1	- 1 - 1 ENERGY RESOURCE DEVELOPMENT	26,127	45,301	0	0	0
	<b>TOTAL, ALL STRATEGIES</b>	<b>\$26,127</b>	<b>\$45,301</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
	<b>ADDL FED FNDS FOR EMPL BENEFITS</b>	0	0	0	0	0
	<b>TOTAL, FEDERAL FUNDS</b>	<b>\$26,127</b>	<b>\$45,301</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
	<b>ADDL GR FOR EMPL BENEFITS</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>66.433.000</b>	State Underground Water S					
1	- 1 - 1 ENERGY RESOURCE DEVELOPMENT	347,524	320,000	320,000	320,000	320,000
	<b>TOTAL, ALL STRATEGIES</b>	<b>\$347,524</b>	<b>\$320,000</b>	<b>\$320,000</b>	<b>\$320,000</b>	<b>\$320,000</b>
	<b>ADDL FED FNDS FOR EMPL BENEFITS</b>	0	0	0	0	0
	<b>TOTAL, FEDERAL FUNDS</b>	<b>\$347,524</b>	<b>\$320,000</b>	<b>\$320,000</b>	<b>\$320,000</b>	<b>\$320,000</b>
	<b>ADDL GR FOR EMPL BENEFITS</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>66.817.000</b>	State and Tribal Response Program					
3	- 2 - 1 OIL&GAS WELL PLUGGING & REMEDIATI	99,764	120,000	120,000	120,000	120,000

**6.C. Federal Funds Supporting Schedule**  
 88th Regular Session, Agency Submission, Version 1  
 Automated Budget and Evaluation System of Texas (ABEST)

CFDA NUMBER/ STRATEGY	455 Railroad Commission				
	Exp 2021	Est 2022	Bud 2023	BL 2024	BL 2025
TOTAL, ALL STRATEGIES	\$99,764	\$120,000	\$120,000	\$120,000	\$120,000
ADDL FED FNDS FOR EMPL BENEFITS	0	0	0	0	0
TOTAL, FEDERAL FUNDS	\$99,764	\$120,000	\$120,000	\$120,000	\$120,000
ADDL GR FOR EMPL BENEFITS	\$0	\$0	\$0	\$0	\$0

**6.C. Federal Funds Supporting Schedule**  
88th Regular Session, Agency Submission, Version 1  
Automated Budget and Evaluation System of Texas (ABEST)

CFDA NUMBER/ STRATEGY	<b>455 Railroad Commission</b>	<b>Exp 2021</b>	<b>Est 2022</b>	<b>Bud 2023</b>	<b>BL 2024</b>	<b>BL 2025</b>
<b><u>SUMMARY LISTING OF FEDERAL PROGRAM AMOUNTS</u></b>						
15.018.120	IIJA Energy Comm. Revitalization Pg	0	0	25,000,000	62,900,000	62,900,000
15.250.000	Regulation of Surface Coa	1,227,883	1,280,000	1,280,000	1,280,000	1,280,000
15.252.000	Abandoned Mine Land Recla	807,894	1,700,000	1,700,000	1,700,000	1,700,000
15.944.000	Natural Resource Stewardship	873,242	0	0	0	0
20.700.000	Pipeline Safety	4,444,887	3,440,000	3,440,000	3,440,000	3,440,000
20.720.000	State Damage Prevention Program	26,860	0	0	0	0
66.204.000	Multipurpose Grants/States & Tribes	26,127	45,301	0	0	0
66.433.000	State Underground Water S	347,524	320,000	320,000	320,000	320,000
66.817.000	State and Tribal Response Program	99,764	120,000	120,000	120,000	120,000
<b>TOTAL, ALL STRATEGIES</b>		<b>\$7,854,181</b>	<b>\$6,905,301</b>	<b>\$31,860,000</b>	<b>\$69,760,000</b>	<b>\$69,760,000</b>
<b>TOTAL, ADDL FED FUNDS FOR EMPL BENEFITS</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>TOTAL, FEDERAL FUNDS</b>		<b><u>\$7,854,181</u></b>	<b><u>\$6,905,301</u></b>	<b><u>\$31,860,000</u></b>	<b><u>\$69,760,000</u></b>	<b><u>\$69,760,000</u></b>
<b>TOTAL, ADDL GR FOR EMPL BENEFITS</b>		<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

**6.C. Federal Funds Supporting Schedule**  
88th Regular Session, Agency Submission, Version 1  
Automated Budget and Evaluation System of Texas (ABEST)

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CFDA NUMBER/ STRATEGY	455 Railroad Commission Exp 2021	Est 2022	Bud 2023	BL 2024	BL 2025
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**SUMMARY OF SPECIAL CONCERNS/ISSUES**

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**Assumptions and Methodology:**

CFDA 15.018

The Infrastructure Investment and Jobs Act of 2021 provided funding to address orphan wells. The Commission will receive the initial grant of \$25 million in FY 2023. In FY 2024, the Commission will receive the phase one of the formula grant. The Texas portion of the formula grant is estimate to be \$318.7 million.

CFDA 15.250 and 15.252

The Commission's Surface Mining Division receives 100% federal funding for the reclamation of abandoned mines in the state and 50% federal funding for the environmental regulation of current coal mining activities.

CFDA 20.700

The Commission's Pipeline Safety program falls under a federal/state partnership program administered by the U.S. Department of Transportation. The percent of funding is determined through a performance based allocation formula. Grant funds are now authorized to enhance the program with funding up to 80% of the enhanced program's costs. Enhanced funding is contingent on available funds to increase the state share equally with the increased federal share.

CFDA 66.433

Federal funding for the Oil and Gas Underground Injection Control (UIC) program was created on the basis of a 75% federal share with a 25% general revenue state share. Due to federal funding limitations, the state share represents closer to 75% of the UIC funding.

CFDA 66.817

The Commission's Oil and Gas division receives 100% federal funding to build and maintain an inventory of potential Brownfields sites and conduct a limited number of site assessments. Funding is anticipated to continue.

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**Potential Loss:**

CFDA 20.700

The federal pipeline funding program is based on a 50% matching program, limited by the total amount of federal funds available. The Commission's programs are graded between 96% and 100%, however limited federal funding levels use up to 80% of the state's request as a base from which to apply grading ratios, resulting in a reduced funding level of the state's program.

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**6.E. Estimated Revenue Collections Supporting Schedule**  
88th Regular Session, Agency Submission, Version 1  
Automated Budget and Evaluation System of Texas (ABEST)

Agency Code: **455** Agency name: **Railroad Commission**

<b>FUND/ACCOUNT</b>	<b>Act 2021</b>	<b>Exp 2022</b>	<b>Est 2023</b>	<b>Est 2024</b>	<b>Est 2025</b>
<b><u>1</u> General Revenue Fund</b>					
Beginning Balance (Unencumbered):	\$0	\$0	\$0	\$0	\$0
Estimated Revenue:					
3035 Commercial Transportation Fees	2,387,233	2,368,803	2,370,000	2,370,000	2,370,000
3234 Gas Utility Pipeline Tax	58,961,597	36,200,000	36,200,000	36,200,000	36,200,000
3246 Compressed Natural Gas Licenses	51,200	111,835	60,000	60,000	60,000
3314 Oil & Gas Well Violations	2,433,768	1,455,274	1,000,000	1,000,000	1,000,000
3329 Surface Mining Permits	2,486,477	2,347,792	2,350,000	2,350,000	2,350,000
3717 Civil Penalties	4,250	12,250	0	0	0
3839 Sale of Motor Vehicle/Boat/Aircraft	109,760	146	30,000	30,000	30,000
Subtotal: Actual/Estimated Revenue	66,434,285	42,496,100	42,010,000	42,010,000	42,010,000
<b>Total Available</b>	<b>\$66,434,285</b>	<b>\$42,496,100</b>	<b>\$42,010,000</b>	<b>\$42,010,000</b>	<b>\$42,010,000</b>
<b>Ending Fund/Account Balance</b>	<b>\$66,434,285</b>	<b>\$42,496,100</b>	<b>\$42,010,000</b>	<b>\$42,010,000</b>	<b>\$42,010,000</b>

**REVENUE ASSUMPTIONS:**

The Railroad Commission General Revenue collections are unappropriated and swept by the Comptroller of Public Accounts.

**CONTACT PERSON:**

Corey Crawford

**6.E. Estimated Revenue Collections Supporting Schedule**  
88th Regular Session, Agency Submission, Version 1  
Automated Budget and Evaluation System of Texas (ABEST)

Agency Code: **455** Agency name: **Railroad Commission**

<b>FUND/ACCOUNT</b>	<b>Act 2021</b>	<b>Exp 2022</b>	<b>Est 2023</b>	<b>Est 2024</b>	<b>Est 2025</b>
<b>666 Appropriated Receipts</b>					
Beginning Balance (Unencumbered):	\$0	\$0	\$0	\$0	\$0
Estimated Revenue:					
3045 Railroad Commission Svs Fees	343	319	320	320	320
3245 Compressed Nat Gas Train & Exams	41,969	63,200	50,000	50,000	50,000
3719 Fees/Copies or Filing of Records	48,333	51,119	48,000	48,000	48,000
3722 Conf, Semin, & Train Regis Fees	914,856	1,419,871	1,350,000	1,350,000	1,350,000
3752 Sale of Publications/Advertising	24,821	4,965	5,000	5,000	5,000
3754 Other Surplus/Salvage Property	2,928	638	0	0	0
3802 Reimbursements-Third Party	10,000	208,024	140,000	140,000	140,000
3839 Sale of Motor Vehicle/Boat/Aircraft	36,586	49	10,000	10,000	10,000
Subtotal: Actual/Estimated Revenue	1,079,836	1,748,185	1,603,320	1,603,320	1,603,320
<b>Total Available</b>	<b>\$1,079,836</b>	<b>\$1,748,185</b>	<b>\$1,603,320</b>	<b>\$1,603,320</b>	<b>\$1,603,320</b>
<b>DEDUCTIONS:</b>					
Expended/Budgeted	(856,513)	0	0	0	0
Benefits	(196,205)	(195,000)	(195,000)	(195,000)	(195,000)
Statewide Cost Allocation (SWCAP)	(22,932)	(16,369)	(20,000)	(20,000)	(20,000)
<b>Total, Deductions</b>	<b>\$(1,075,650)</b>	<b>\$(211,369)</b>	<b>\$(215,000)</b>	<b>\$(215,000)</b>	<b>\$(215,000)</b>
<b>Ending Fund/Account Balance</b>	<b>\$4,186</b>	<b>\$1,536,816</b>	<b>\$1,388,320</b>	<b>\$1,388,320</b>	<b>\$1,388,320</b>

**REVENUE ASSUMPTIONS:**

- 1) Conference, Seminar & Training Registration Fees (COBJ 3722) include Annual RRC Regulatory Conference, Oil and Gas Seminars, and LP Gas Training Fees.
- 2) Sale of Motor Vehicle/Boat/Aircraft - RRC keeps 25% and balance is deposited into unappropriated General Revenue.

**CONTACT PERSON:**

Corey Crawford



**6.E. Estimated Revenue Collections Supporting Schedule**  
 88th Regular Session, Agency Submission, Version 1  
 Automated Budget and Evaluation System of Texas (ABEST)

Agency Code: **455** Agency name: **Railroad Commission**

<b>FUND/ACCOUNT</b>	<b>Act 2021</b>	<b>Exp 2022</b>	<b>Est 2023</b>	<b>Est 2024</b>	<b>Est 2025</b>
<b>827 Anthropogenic CO2 Storage Fund</b>					
Beginning Balance (Unencumbered):	\$62,856	\$83,215	\$133,575	\$88,977	\$66,586
Estimated Revenue:					
3366 Business Fees-Natural Resources	20,000	50,000	400,000	350,000	350,000
3851 Interest on St Deposits & Treas Inv	359	360	360	360	360
Subtotal: Actual/Estimated Revenue	20,359	50,360	400,360	350,360	350,360
<b>Total Available</b>	<b>\$83,215</b>	<b>\$133,575</b>	<b>\$533,935</b>	<b>\$439,337</b>	<b>\$416,946</b>
<b>DEDUCTIONS:</b>					
Expended/Budgeted	0	0	(389,694)	(317,487)	(317,487)
Transfer - Employee Benefits	0	0	(55,264)	(55,264)	(55,264)
<b>Total, Deductions</b>	<b>\$0</b>	<b>\$0</b>	<b>\$(444,958)</b>	<b>\$(372,751)</b>	<b>\$(372,751)</b>
<b>Ending Fund/Account Balance</b>	<b>\$83,215</b>	<b>\$133,575</b>	<b>\$88,977</b>	<b>\$66,586</b>	<b>\$44,195</b>

**REVENUE ASSUMPTIONS:**

Revenue from Class VI injection well permits is anticipated to increase after RRC receives primacy from the EPA. Future revenues are difficult to determine because Class VI injection wells are a relatively new activity and investment will depend on individual companies determination of their economic feasibility of these wells.

**CONTACT PERSON:**

Corey Crawford

**6.E. Estimated Revenue Collections Supporting Schedule**  
88th Regular Session, Agency Submission, Version 1  
Automated Budget and Evaluation System of Texas (ABEST)

Agency Code: **455** Agency name: **Railroad Commission**

<b>FUND/ACCOUNT</b>	<b>Act 2021</b>	<b>Exp 2022</b>	<b>Est 2023</b>	<b>Est 2024</b>	<b>Est 2025</b>
<b>888 Earned Federal Funds</b>					
Beginning Balance (Unencumbered):	\$0	\$0	\$0	\$0	\$0
Estimated Revenue:					
3702 Fed Receipts-Earned Federal Funds	2,482,623	2,200,000	2,200,000	2,200,000	2,200,000
Subtotal: Actual/Estimated Revenue	2,482,623	2,200,000	2,200,000	2,200,000	2,200,000
<b>Total Available</b>	<b>\$2,482,623</b>	<b>\$2,200,000</b>	<b>\$2,200,000</b>	<b>\$2,200,000</b>	<b>\$2,200,000</b>
<b>DEDUCTIONS:</b>					
86th Leg HB1 RS -Art IX, Sec. 13.11	(1,987,749)	0	0	0	0
87th Leg SB1 RS -Art IX, Sec. 13.10	0	(2,200,000)	(2,200,000)	0	0
88th Leg HB1 RS -Art IX	0	0	0	(2,200,000)	(2,200,000)
Benefits	(232,478)	(331,138)	(331,138)	0	0
<b>Total, Deductions</b>	<b>\$(2,220,227)</b>	<b>\$(2,531,138)</b>	<b>\$(2,531,138)</b>	<b>\$(2,200,000)</b>	<b>\$(2,200,000)</b>
<b>Ending Fund/Account Balance</b>	<b>\$262,396</b>	<b>\$(331,138)</b>	<b>\$(331,138)</b>	<b>\$0</b>	<b>\$0</b>

**REVENUE ASSUMPTIONS:**

**CONTACT PERSON:**

Corey Crawford

**6.E. Estimated Revenue Collections Supporting Schedule**  
88th Regular Session, Agency Submission, Version 1  
Automated Budget and Evaluation System of Texas (ABEST)

Agency Code: **455** Agency name: **Railroad Commission**

FUND/ACCOUNT	Act 2021	Exp 2022	Est 2023	Est 2024	Est 2025
<b><u>5155</u> Oil &amp; Gas Regulation</b>					
Beginning Balance (Unencumbered):	\$48,606,057	\$43,716,701	\$30,557,769	\$27,296,206	\$15,903,503
Estimated Revenue:					
3310 Oil and Gas Surcharges	19,382,778	23,170,823	22,516,641	21,992,691	21,542,691
3313 Oil & Gas Well Drilling Permit	4,730,585	6,679,625	6,549,300	6,200,000	5,900,000
3314 Oil & Gas Well Violations	7,181,508	10,303,834	8,400,000	8,400,000	8,400,000
3338 Organization Report Fees	3,811,075	3,643,646	3,750,000	3,750,000	3,750,000
3339 Voluntary Cleanup Program Fees	33,900	49,000	19,200	19,200	19,200
3369 Reimburse for Well Plugging Costs	1,907,688	1,268,551	1,216,800	1,200,000	1,200,000
3373 Injection Well Regulation	21,100	41,610	36,000	36,000	36,000
3381 Oil-Field Cleanup Reg Fee - Oil	9,051,404	9,605,059	9,480,000	9,480,000	9,480,000
3382 RR Commission - Rule Except Fee	1,112,660	1,456,410	1,200,000	1,200,000	1,200,000
3383 Oil-Field Cleanup Reg Fee-Gas	6,558,416	7,587,486	7,560,000	7,560,000	7,560,000
3384 Oil & Gas Compl Cert Reissue Fee	655,950	1,096,301	948,000	900,000	900,000
3393 Abandoned Well Site Eqpt Disposal	1,709,175	2,774,363	1,680,000	1,680,000	1,680,000
3553 Pipeline Safety Inspection Fees	11,005,325	10,716,955	10,925,000	11,000,000	11,000,000
3592 Waste Disp Fac, Genrtr, Trnsprtr	188,510	180,584	190,000	190,000	190,000
3727 Fees - Administrative Services	1,825,050	1,739,131	1,740,000	1,740,000	1,740,000
Subtotal: Actual/Estimated Revenue	69,175,124	80,313,378	76,210,941	75,347,891	74,597,891
<b>Total Available</b>	<b>\$117,781,181</b>	<b>\$124,030,079</b>	<b>\$106,768,710</b>	<b>\$102,644,097</b>	<b>\$90,501,394</b>
<b>DEDUCTIONS:</b>					
Expended/Budgeted	(61,413,295)	(82,458,685)	(67,922,504)	(75,190,594)	(75,190,595)
Transfer - SWCAP (Art IX, Sec. 15.04)	(779,984)	(713,626)	(750,000)	(750,000)	(750,000)
Transfer - Employee Benefits	(8,763,192)	(8,800,000)	(8,800,000)	(8,800,000)	(8,800,000)
Benefits for Retired Employees (ERS Shared Cash)	(3,108,009)	(1,500,000)	(2,000,000)	(2,000,000)	(2,000,000)
<b>Total, Deductions</b>	<b>\$(74,064,480)</b>	<b>\$(93,472,311)</b>	<b>\$(79,472,504)</b>	<b>\$(86,740,594)</b>	<b>\$(86,740,595)</b>
<b>Ending Fund/Account Balance</b>	<b>\$43,716,701</b>	<b>\$30,557,768</b>	<b>\$27,296,206</b>	<b>\$15,903,503</b>	<b>\$3,760,799</b>

**6.E. Estimated Revenue Collections Supporting Schedule**  
88th Regular Session, Agency Submission, Version 1  
Automated Budget and Evaluation System of Texas (ABEST)

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Agency Code: **455** Agency name: **Railroad Commission**

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<b>FUND/ACCOUNT</b>	<b>Act 2021</b>	<b>Exp 2022</b>	<b>Est 2023</b>	<b>Est 2024</b>	<b>Est 2025</b>
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**REVENUE ASSUMPTIONS:**

The Oil and Gas Regulation and Cleanup Fund was created in FY 2012 by the 82nd Legislative Session First Called Session SB 1. Commission rules add a 150% surcharge on certain Oil and Gas fees.

**CONTACT PERSON:**

Corey Crawford

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**7.A. Indirect Administrative and Support Costs**

88th Regular Session, Agency Submission, Version 1  
Automated Budget and Evaluation System of Texas (ABEST)

**455 Railroad Commission**

Strategy		Exp 2021	Est 2022	Bud 2023	BL 2024	BL 2025
<b>1-1-1</b>	<b>Promote Energy Resource Development Opportunities</b>					
<b>OBJECTS OF EXPENSE:</b>						
1001	SALARIES AND WAGES	\$2,473,853	\$ 1,899,919	\$ 1,899,919	\$ 1,899,919	\$ 1,899,919
1002	OTHER PERSONNEL COSTS	75,375	41,345	41,345	41,345	41,345
2001	PROFESSIONAL FEES AND SERVICES	304,519	336,450	336,450	336,450	336,450
2002	FUELS AND LUBRICANTS	214	484	484	484	484
2003	CONSUMABLE SUPPLIES	13,200	5,834	5,834	5,834	5,834
2004	UTILITIES	4,306	33,135	33,135	33,135	33,135
2005	TRAVEL	3,843	18,291	18,291	18,291	18,291
2006	RENT - BUILDING	2,359	1,172	1,172	1,172	1,172
2007	RENT - MACHINE AND OTHER	41,593	37,636	37,636	37,636	37,636
2009	OTHER OPERATING EXPENSE	318,609	324,345	324,345	324,345	324,345
5000	CAPITAL EXPENDITURES	0	15,934	15,934	15,934	15,934
	<b>Total, Objects of Expense</b>	<b>\$3,237,871</b>	<b>\$2,714,545</b>	<b>\$2,714,545</b>	<b>\$2,714,545</b>	<b>\$2,714,545</b>
<b>METHOD OF FINANCING:</b>						
1	General Revenue Fund	2,418,532	2,714,545	2,714,545	2,714,545	2,714,545
5155	Oil & Gas Regulation	819,339	0	0	0	0
	<b>Total, Method of Financing</b>	<b>\$3,237,871</b>	<b>\$2,714,545</b>	<b>\$2,714,545</b>	<b>\$2,714,545</b>	<b>\$2,714,545</b>
<b>FULL TIME EQUIVALENT POSITIONS</b>		<b>29.8</b>	<b>21.5</b>	<b>21.5</b>	<b>21.5</b>	<b>21.5</b>

**7.A. Indirect Administrative and Support Costs**

88th Regular Session, Agency Submission, Version 1  
Automated Budget and Evaluation System of Texas (ABEST)

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**455 Railroad Commission**

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<b>Strategy</b>	<b>Exp 2021</b>	<b>Est 2022</b>	<b>Bud 2023</b>	<b>BL 2024</b>	<b>BL 2025</b>
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**1-1-1 Promote Energy Resource Development Opportunities**

**Method of Allocation**

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Indirect Administration is allocated to direct strategies based on the strategy's FTEs and budget.

**7.A. Indirect Administrative and Support Costs**

88th Regular Session, Agency Submission, Version 1  
Automated Budget and Evaluation System of Texas (ABEST)

**455 Railroad Commission**

Strategy		Exp 2021	Est 2022	Bud 2023	BL 2024	BL 2025
<b>2-1-1</b>	<b>Ensure Pipeline Safety</b>					
<b>OBJECTS OF EXPENSE:</b>						
1001	SALARIES AND WAGES	\$1,318,467	\$ 1,265,613	\$ 1,265,613	\$ 1,265,613	\$ 1,265,613
1002	OTHER PERSONNEL COSTS	40,172	27,542	27,542	27,542	27,542
2001	PROFESSIONAL FEES AND SERVICES	162,296	224,123	224,123	224,123	224,123
2002	FUELS AND LUBRICANTS	114	323	323	323	323
2003	CONSUMABLE SUPPLIES	7,035	3,886	3,886	3,886	3,886
2004	UTILITIES	2,295	22,072	22,072	22,072	22,072
2005	TRAVEL	2,048	12,185	12,185	12,185	12,185
2006	RENT - BUILDING	1,257	781	781	781	781
2007	RENT - MACHINE AND OTHER	22,168	25,071	25,071	25,071	25,071
2009	OTHER OPERATING EXPENSE	169,806	216,060	216,060	216,060	216,060
5000	CAPITAL EXPENDITURES	0	10,614	10,614	10,614	10,614
	<b>Total, Objects of Expense</b>	<b>\$1,725,658</b>	<b>\$1,808,270</b>	<b>\$1,808,270</b>	<b>\$1,808,270</b>	<b>\$1,808,270</b>
<b>METHOD OF FINANCING:</b>						
1	General Revenue Fund	1,288,983	1,808,270	1,808,270	1,808,270	1,808,270
5155	Oil & Gas Regulation	436,675	0	0	0	0
	<b>Total, Method of Financing</b>	<b>\$1,725,658</b>	<b>\$1,808,270</b>	<b>\$1,808,270</b>	<b>\$1,808,270</b>	<b>\$1,808,270</b>
<b>FULL TIME EQUIVALENT POSITIONS</b>		<b>15.9</b>	<b>14.3</b>	<b>14.3</b>	<b>14.3</b>	<b>14.3</b>

**7.A. Indirect Administrative and Support Costs**

88th Regular Session, Agency Submission, Version 1  
Automated Budget and Evaluation System of Texas (ABEST)

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**455 Railroad Commission**

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<b>Strategy</b>	<b>Exp 2021</b>	<b>Est 2022</b>	<b>Bud 2023</b>	<b>BL 2024</b>	<b>BL 2025</b>
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**2-1-1**      **Ensure Pipeline Safety**

**Method of Allocation**

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Indirect Administration is allocated to direct strategies based on the strategy's FTEs and budget.



**7.A. Indirect Administrative and Support Costs**

88th Regular Session, Agency Submission, Version 1  
Automated Budget and Evaluation System of Texas (ABEST)

**455 Railroad Commission**

Strategy		Exp 2021	Est 2022	Bud 2023	BL 2024	BL 2025
<b>2-1-2</b>	<b>Pipeline Damage Prevention</b>					
<b>OBJECTS OF EXPENSE:</b>						
1001	SALARIES AND WAGES	\$117,473	\$ 80,975	\$ 80,975	\$ 80,975	\$ 80,975
1002	OTHER PERSONNEL COSTS	3,579	1,762	1,762	1,762	1,762
2001	PROFESSIONAL FEES AND SERVICES	14,460	14,340	14,340	14,340	14,340
2002	FUELS AND LUBRICANTS	10	21	21	21	21
2003	CONSUMABLE SUPPLIES	627	249	249	249	249
2004	UTILITIES	204	1,412	1,412	1,412	1,412
2005	TRAVEL	182	780	780	780	780
2006	RENT - BUILDING	112	50	50	50	50
2007	RENT - MACHINE AND OTHER	1,975	1,604	1,604	1,604	1,604
2009	OTHER OPERATING EXPENSE	15,129	13,824	13,824	13,824	13,824
5000	CAPITAL EXPENDITURES	0	679	679	679	679
	<b>Total, Objects of Expense</b>	<b>\$153,751</b>	<b>\$115,696</b>	<b>\$115,696</b>	<b>\$115,696</b>	<b>\$115,696</b>
<b>METHOD OF FINANCING:</b>						
1	General Revenue Fund	114,845	115,696	115,696	115,696	115,696
5155	Oil & Gas Regulation	38,906	0	0	0	0
	<b>Total, Method of Financing</b>	<b>\$153,751</b>	<b>\$115,696</b>	<b>\$115,696</b>	<b>\$115,696</b>	<b>\$115,696</b>
<b>FULL TIME EQUIVALENT POSITIONS</b>						
		<b>1.4</b>	<b>0.9</b>	<b>0.9</b>	<b>0.9</b>	<b>0.9</b>

**7.A. Indirect Administrative and Support Costs**

88th Regular Session, Agency Submission, Version 1  
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**455 Railroad Commission**

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<b>Strategy</b>	<b>Exp 2021</b>	<b>Est 2022</b>	<b>Bud 2023</b>	<b>BL 2024</b>	<b>BL 2025</b>
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<b>2-1-2 Pipeline Damage Prevention</b>					
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**Method of Allocation**

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Indirect Administration is allocated to direct strategies based on the strategy's FTEs and budget.

**7.A. Indirect Administrative and Support Costs**

88th Regular Session, Agency Submission, Version 1  
Automated Budget and Evaluation System of Texas (ABEST)

**455 Railroad Commission**

Strategy		Exp 2021	Est 2022	Bud 2023	BL 2024	BL 2025
<b>2-2-1</b>	<b>Regulate Alternative Fuel Resources</b>					
<b>OBJECTS OF EXPENSE:</b>						
1001	SALARIES AND WAGES	\$388,353	\$ 545,833	\$ 545,833	\$ 545,833	\$ 545,833
1002	OTHER PERSONNEL COSTS	11,833	11,878	11,878	11,878	11,878
2001	PROFESSIONAL FEES AND SERVICES	47,804	96,660	96,660	96,660	96,660
2002	FUELS AND LUBRICANTS	34	139	139	139	139
2003	CONSUMABLE SUPPLIES	2,072	1,676	1,676	1,676	1,676
2004	UTILITIES	676	9,519	9,519	9,519	9,519
2005	TRAVEL	603	5,255	5,255	5,255	5,255
2006	RENT - BUILDING	370	337	337	337	337
2007	RENT - MACHINE AND OTHER	6,529	10,812	10,812	10,812	10,812
2009	OTHER OPERATING EXPENSE	50,016	93,182	93,182	93,182	93,182
5000	CAPITAL EXPENDITURES	0	4,578	4,578	4,578	4,578
	<b>Total, Objects of Expense</b>	<b>\$508,290</b>	<b>\$779,869</b>	<b>\$779,869</b>	<b>\$779,869</b>	<b>\$779,869</b>
<b>METHOD OF FINANCING:</b>						
1	General Revenue Fund	508,290	779,869	779,869	779,869	779,869
	<b>Total, Method of Financing</b>	<b>\$508,290</b>	<b>\$779,869</b>	<b>\$779,869</b>	<b>\$779,869</b>	<b>\$779,869</b>
<b>FULL TIME EQUIVALENT POSITIONS</b>						
		<b>4.7</b>	<b>6.2</b>	<b>6.2</b>	<b>6.2</b>	<b>6.2</b>

**7.A. Indirect Administrative and Support Costs**

88th Regular Session, Agency Submission, Version 1  
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**455 Railroad Commission**

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<b>Strategy</b>	<b>Exp 2021</b>	<b>Est 2022</b>	<b>Bud 2023</b>	<b>BL 2024</b>	<b>BL 2025</b>
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**2-2-1 Regulate Alternative Fuel Resources**

**Method of Allocation**

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Indirect Administration is allocated to direct strategies based on the strategy's FTEs and budget.

**7.A. Indirect Administrative and Support Costs**

88th Regular Session, Agency Submission, Version 1  
Automated Budget and Evaluation System of Texas (ABEST)

**455 Railroad Commission**

Strategy		Exp 2021	Est 2022	Bud 2023	BL 2024	BL 2025
<b>3-1-1</b>	<b>Oil and Gas Monitoring and Inspections</b>					
<b>OBJECTS OF EXPENSE:</b>						
1001	SALARIES AND WAGES	\$3,656,879	\$ 3,134,041	\$ 3,134,041	\$ 3,134,041	\$ 3,134,041
1002	OTHER PERSONNEL COSTS	111,418	68,200	68,200	68,200	68,200
2001	PROFESSIONAL FEES AND SERVICES	450,143	554,997	554,997	554,997	554,997
2002	FUELS AND LUBRICANTS	317	799	799	799	799
2003	CONSUMABLE SUPPLIES	19,512	9,624	9,624	9,624	9,624
2004	UTILITIES	6,364	54,657	54,657	54,657	54,657
2005	TRAVEL	5,681	30,173	30,173	30,173	30,173
2006	RENT - BUILDING	3,488	1,934	1,934	1,934	1,934
2007	RENT - MACHINE AND OTHER	61,485	62,083	62,083	62,083	62,083
2009	OTHER OPERATING EXPENSE	470,972	535,029	535,029	535,029	535,029
5000	CAPITAL EXPENDITURES	0	26,284	26,284	26,284	26,284
	<b>Total, Objects of Expense</b>	<b>\$4,786,259</b>	<b>\$4,477,821</b>	<b>\$4,477,821</b>	<b>\$4,477,821</b>	<b>\$4,477,821</b>
<b>METHOD OF FINANCING:</b>						
1	General Revenue Fund	3,575,101	4,477,821	4,477,821	4,477,821	4,477,821
5155	Oil & Gas Regulation	1,211,158	0	0	0	0
	<b>Total, Method of Financing</b>	<b>\$4,786,259</b>	<b>\$4,477,821</b>	<b>\$4,477,821</b>	<b>\$4,477,821</b>	<b>\$4,477,821</b>
<b>FULL TIME EQUIVALENT POSITIONS</b>		<b>44.0</b>	<b>35.5</b>	<b>35.5</b>	<b>35.5</b>	<b>35.5</b>

**7.A. Indirect Administrative and Support Costs**

88th Regular Session, Agency Submission, Version 1  
Automated Budget and Evaluation System of Texas (ABEST)

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**455 Railroad Commission**

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<b>Strategy</b>	<b>Exp 2021</b>	<b>Est 2022</b>	<b>Bud 2023</b>	<b>BL 2024</b>	<b>BL 2025</b>
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**3-1-1 Oil and Gas Monitoring and Inspections**

**Method of Allocation**

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Indirect Administration is allocated to direct strategies based on the strategy's FTEs and budget.

**7.A. Indirect Administrative and Support Costs**

88th Regular Session, Agency Submission, Version 1  
Automated Budget and Evaluation System of Texas (ABEST)

**455 Railroad Commission**

Strategy		Exp 2021	Est 2022	Bud 2023	BL 2024	BL 2025
<b>3-1-2</b>	<b>Surface Mining Monitoring and Inspections</b>					
<b>OBJECTS OF EXPENSE:</b>						
1001	SALARIES AND WAGES	\$428,433	\$ 455,861	\$ 455,861	\$ 455,861	\$ 455,861
1002	OTHER PERSONNEL COSTS	13,054	9,920	9,920	9,920	9,920
2001	PROFESSIONAL FEES AND SERVICES	52,738	80,727	80,727	80,727	80,727
2002	FUELS AND LUBRICANTS	37	116	116	116	116
2003	CONSUMABLE SUPPLIES	2,286	1,400	1,400	1,400	1,400
2004	UTILITIES	746	7,950	7,950	7,950	7,950
2005	TRAVEL	666	4,389	4,389	4,389	4,389
2006	RENT - BUILDING	409	281	281	281	281
2007	RENT - MACHINE AND OTHER	7,203	9,030	9,030	9,030	9,030
2009	OTHER OPERATING EXPENSE	55,178	77,822	77,822	77,822	77,822
5000	CAPITAL EXPENDITURES	0	3,823	3,823	3,823	3,823
	<b>Total, Objects of Expense</b>	<b>\$560,750</b>	<b>\$651,319</b>	<b>\$651,319</b>	<b>\$651,319</b>	<b>\$651,319</b>
<b>METHOD OF FINANCING:</b>						
1	General Revenue Fund	560,750	651,319	651,319	651,319	651,319
	<b>Total, Method of Financing</b>	<b>\$560,750</b>	<b>\$651,319</b>	<b>\$651,319</b>	<b>\$651,319</b>	<b>\$651,319</b>
<b>FULL TIME EQUIVALENT POSITIONS</b>						
		<b>5.2</b>	<b>5.1</b>	<b>5.1</b>	<b>5.1</b>	<b>5.1</b>

**7.A. Indirect Administrative and Support Costs**

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**455 Railroad Commission**

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<b>Strategy</b>	<b>Exp 2021</b>	<b>Est 2022</b>	<b>Bud 2023</b>	<b>BL 2024</b>	<b>BL 2025</b>
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**3-1-2 Surface Mining Monitoring and Inspections**

**Method of Allocation**

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Indirect Administration is allocated to direct strategies based on the strategy's FTEs and budget.



**7.A. Indirect Administrative and Support Costs**

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**455 Railroad Commission**

Strategy		Exp 2021	Est 2022	Bud 2023	BL 2024	BL 2025
<b>3-2-1</b>	<b>Oil and Gas Well Plugging and Remediation</b>					
<b>OBJECTS OF EXPENSE:</b>						
1001	SALARIES AND WAGES	\$4,457,081	\$ 4,906,499	\$ 4,906,499	\$ 4,906,499	\$ 4,906,499
1002	OTHER PERSONNEL COSTS	135,801	106,773	106,773	106,773	106,773
2001	PROFESSIONAL FEES AND SERVICES	548,644	868,876	868,876	868,876	868,876
2002	FUELS AND LUBRICANTS	386	1,251	1,251	1,251	1,251
2003	CONSUMABLE SUPPLIES	23,782	15,066	15,066	15,066	15,066
2004	UTILITIES	7,757	85,570	85,570	85,570	85,570
2005	TRAVEL	6,924	47,237	47,237	47,237	47,237
2006	RENT - BUILDING	4,251	3,028	3,028	3,028	3,028
2007	RENT - MACHINE AND OTHER	74,938	97,193	97,193	97,193	97,193
2009	OTHER OPERATING EXPENSE	574,030	837,615	837,615	837,615	837,615
5000	CAPITAL EXPENDITURES	0	41,148	41,148	41,148	41,148
	<b>Total, Objects of Expense</b>	<b>\$5,833,594</b>	<b>\$7,010,256</b>	<b>\$7,010,256</b>	<b>\$7,010,256</b>	<b>\$7,010,256</b>
<b>METHOD OF FINANCING:</b>						
1	General Revenue Fund	5,833,594	7,010,256	7,010,256	7,010,256	7,010,256
	<b>Total, Method of Financing</b>	<b>\$5,833,594</b>	<b>\$7,010,256</b>	<b>\$7,010,256</b>	<b>\$7,010,256</b>	<b>\$7,010,256</b>
<b>FULL TIME EQUIVALENT POSITIONS</b>						
		<b>53.6</b>	<b>55.5</b>	<b>55.5</b>	<b>55.5</b>	<b>55.5</b>

**7.A. Indirect Administrative and Support Costs**

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**455 Railroad Commission**

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<b>Strategy</b>	<b>Exp 2021</b>	<b>Est 2022</b>	<b>Bud 2023</b>	<b>BL 2024</b>	<b>BL 2025</b>
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**3-2-1 Oil and Gas Well Plugging and Remediation**

**Method of Allocation**

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Indirect Administration is allocated to direct strategies based on the strategy's FTEs and budget.

**7.A. Indirect Administrative and Support Costs**

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**455 Railroad Commission**

Strategy		Exp 2021	Est 2022	Bud 2023	BL 2024	BL 2025
<b>3-2-2</b>	<b>Surface Mining Reclamation</b>					
<b>OBJECTS OF EXPENSE:</b>						
1001	SALARIES AND WAGES	\$262,588	\$ 185,943	\$ 185,943	\$ 185,943	\$ 185,943
1002	OTHER PERSONNEL COSTS	8,001	4,046	4,046	4,046	4,046
2001	PROFESSIONAL FEES AND SERVICES	32,323	32,928	32,928	32,928	32,928
2002	FUELS AND LUBRICANTS	23	47	47	47	47
2003	CONSUMABLE SUPPLIES	1,401	571	571	571	571
2004	UTILITIES	457	3,243	3,243	3,243	3,243
2005	TRAVEL	408	1,790	1,790	1,790	1,790
2006	RENT - BUILDING	250	115	115	115	115
2007	RENT - MACHINE AND OTHER	4,415	3,683	3,683	3,683	3,683
2009	OTHER OPERATING EXPENSE	33,819	31,743	31,743	31,743	31,743
5000	CAPITAL EXPENDITURES	0	1,559	1,559	1,559	1,559
	<b>Total, Objects of Expense</b>	<b>\$343,685</b>	<b>\$265,668</b>	<b>\$265,668</b>	<b>\$265,668</b>	<b>\$265,668</b>
<b>METHOD OF FINANCING:</b>						
1	General Revenue Fund	343,685	265,668	265,668	265,668	265,668
	<b>Total, Method of Financing</b>	<b>\$343,685</b>	<b>\$265,668</b>	<b>\$265,668</b>	<b>\$265,668</b>	<b>\$265,668</b>
<b>FULL TIME EQUIVALENT POSITIONS</b>						
		<b>3.2</b>	<b>2.1</b>	<b>2.1</b>	<b>2.1</b>	<b>2.1</b>

**7.A. Indirect Administrative and Support Costs**

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**455 Railroad Commission**

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<b>Strategy</b>	<b>Exp 2021</b>	<b>Est 2022</b>	<b>Bud 2023</b>	<b>BL 2024</b>	<b>BL 2025</b>
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**3-2-2 Surface Mining Reclamation**

**Method of Allocation**

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Indirect Administration is allocated to direct strategies based on the strategy's FTEs and budget.

**7.A. Indirect Administrative and Support Costs**

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**455 Railroad Commission**

Strategy		Exp 2021	Est 2022	Bud 2023	BL 2024	BL 2025
<b>3-3-1</b>	<b>Ensure Fair Rates and Compliance to Rate Structures</b>					
<b>OBJECTS OF EXPENSE:</b>						
1001	SALARIES AND WAGES	\$312,341	\$ 446,863	\$ 446,863	\$ 446,863	\$ 446,863
1002	OTHER PERSONNEL COSTS	9,517	9,724	9,724	9,724	9,724
2001	PROFESSIONAL FEES AND SERVICES	38,448	79,134	79,134	79,134	79,134
2002	FUELS AND LUBRICANTS	27	114	114	114	114
2003	CONSUMABLE SUPPLIES	1,667	1,372	1,372	1,372	1,372
2004	UTILITIES	544	7,793	7,793	7,793	7,793
2005	TRAVEL	485	4,302	4,302	4,302	4,302
2006	RENT - BUILDING	298	276	276	276	276
2007	RENT - MACHINE AND OTHER	5,251	8,852	8,852	8,852	8,852
2009	OTHER OPERATING EXPENSE	40,227	76,286	76,286	76,286	76,286
5000	CAPITAL EXPENDITURES	0	3,748	3,748	3,748	3,748
	<b>Total, Objects of Expense</b>	<b>\$408,805</b>	<b>\$638,464</b>	<b>\$638,464</b>	<b>\$638,464</b>	<b>\$638,464</b>
<b>METHOD OF FINANCING:</b>						
1	General Revenue Fund	408,805	638,464	638,464	638,464	638,464
	<b>Total, Method of Financing</b>	<b>\$408,805</b>	<b>\$638,464</b>	<b>\$638,464</b>	<b>\$638,464</b>	<b>\$638,464</b>
<b>FULL TIME EQUIVALENT POSITIONS</b>						
		<b>3.8</b>	<b>5.1</b>	<b>5.1</b>	<b>5.1</b>	<b>5.1</b>

**7.A. Indirect Administrative and Support Costs**

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**455 Railroad Commission**

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<b>Strategy</b>	<b>Exp 2021</b>	<b>Est 2022</b>	<b>Bud 2023</b>	<b>BL 2024</b>	<b>BL 2025</b>
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**3-3-1    Ensure Fair Rates and Compliance to Rate Structures**

**Method of Allocation**

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Indirect Administration is allocated to direct strategies based on the strategy's FTEs and budget.

**7.A. Indirect Administrative and Support Costs**

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**455 Railroad Commission**

Strategy	Exp 2021	Est 2022	Bud 2023	BL 2024	BL 2025
<b>3-4-1 Critical Infrastructure Weather Preparedness</b>					
<b>OBJECTS OF EXPENSE:</b>					
1001 SALARIES AND WAGES	\$0	\$ 1,757,462	\$ 1,757,462	\$ 1,757,462	\$ 1,757,462
1002 OTHER PERSONNEL COSTS	0	38,245	38,245	38,245	38,245
2001 PROFESSIONAL FEES AND SERVICES	0	311,223	311,223	311,223	311,223
2002 FUELS AND LUBRICANTS	0	448	448	448	448
2003 CONSUMABLE SUPPLIES	0	5,397	5,397	5,397	5,397
2004 UTILITIES	0	30,650	30,650	30,650	30,650
2005 TRAVEL	0	16,920	16,920	16,920	16,920
2006 RENT - BUILDING	0	1,084	1,084	1,084	1,084
2007 RENT - MACHINE AND OTHER	0	34,814	34,814	34,814	34,814
2009 OTHER OPERATING EXPENSE	0	300,026	300,026	300,026	300,026
5000 CAPITAL EXPENDITURES	0	14,739	14,739	14,739	14,739
<b>Total, Objects of Expense</b>	<b>\$0</b>	<b>\$2,511,008</b>	<b>\$2,511,008</b>	<b>\$2,511,008</b>	<b>\$2,511,008</b>
<b>METHOD OF FINANCING:</b>					
1 General Revenue Fund	0	2,511,008	2,511,008	2,511,008	2,511,008
<b>Total, Method of Financing</b>	<b>\$0</b>	<b>\$2,511,008</b>	<b>\$2,511,008</b>	<b>\$2,511,008</b>	<b>\$2,511,008</b>
<b>FULL TIME EQUIVALENT POSITIONS</b>	<b>0.0</b>	<b>19.8</b>	<b>19.8</b>	<b>19.8</b>	<b>19.8</b>

**7.A. Indirect Administrative and Support Costs**

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**455 Railroad Commission**

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<b>Strategy</b>	<b>Exp 2021</b>	<b>Est 2022</b>	<b>Bud 2023</b>	<b>BL 2024</b>	<b>BL 2025</b>
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**3-4-1 Critical Infrastructure Weather Preparedness**

**Method of Allocation**

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Indirect Administration is allocated to direct strategies based on the strategy's FTEs and budget.



**7.A. Indirect Administrative and Support Costs**

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**455 Railroad Commission**

Strategy		Exp 2021	Est 2022	Bud 2023	BL 2024	BL 2025
<b>4-1-1</b>	<b>Public Information and Services</b>					
<b>OBJECTS OF EXPENSE:</b>						
1001	SALARIES AND WAGES	\$404,938	\$ 316,403	\$ 316,403	\$ 316,403	\$ 316,403
1002	OTHER PERSONNEL COSTS	12,338	6,885	6,885	6,885	6,885
2001	PROFESSIONAL FEES AND SERVICES	49,846	56,031	56,031	56,031	56,031
2002	FUELS AND LUBRICANTS	35	81	81	81	81
2003	CONSUMABLE SUPPLIES	2,161	972	972	972	972
2004	UTILITIES	705	5,518	5,518	5,518	5,518
2005	TRAVEL	629	3,046	3,046	3,046	3,046
2006	RENT - BUILDING	386	195	195	195	195
2007	RENT - MACHINE AND OTHER	6,808	6,268	6,268	6,268	6,268
2009	OTHER OPERATING EXPENSE	52,152	54,015	54,015	54,015	54,015
5000	CAPITAL EXPENDITURES	0	2,654	2,654	2,654	2,654
	<b>Total, Objects of Expense</b>	<b>\$529,998</b>	<b>\$452,068</b>	<b>\$452,068</b>	<b>\$452,068</b>	<b>\$452,068</b>
<b>METHOD OF FINANCING:</b>						
1	General Revenue Fund	395,883	452,068	452,068	452,068	452,068
5155	Oil & Gas Regulation	134,115	0	0	0	0
	<b>Total, Method of Financing</b>	<b>\$529,998</b>	<b>\$452,068</b>	<b>\$452,068</b>	<b>\$452,068</b>	<b>\$452,068</b>
<b>FULL TIME EQUIVALENT POSITIONS</b>		<b>4.9</b>	<b>3.6</b>	<b>3.6</b>	<b>3.6</b>	<b>3.6</b>

**7.A. Indirect Administrative and Support Costs**

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**455 Railroad Commission**

**Exp 2021**

**Est 2022**

**Bud 2023**

**BL 2024**

**BL 2025**

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**Method of Allocation**

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Indirect Administration is allocated to direct strategies based on the strategy's FTEs and budget.

**7.A. Indirect Administrative and Support Costs**

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		<b>Exp 2021</b>	<b>Est 2022</b>	<b>Bud 2023</b>	<b>BL 2024</b>	<b>BL 2025</b>
<b>455 Railroad Commission</b>						
<b>GRAND TOTALS</b>						
<b>Objects of Expense</b>						
1001	SALARIES AND WAGES	\$13,820,406	\$14,995,412	\$14,995,412	\$14,995,412	\$14,995,412
1002	OTHER PERSONNEL COSTS	\$421,088	\$326,320	\$326,320	\$326,320	\$326,320
2001	PROFESSIONAL FEES AND SERVICES	\$1,701,221	\$2,655,489	\$2,655,489	\$2,655,489	\$2,655,489
2002	FUELS AND LUBRICANTS	\$1,197	\$3,823	\$3,823	\$3,823	\$3,823
2003	CONSUMABLE SUPPLIES	\$73,743	\$46,047	\$46,047	\$46,047	\$46,047
2004	UTILITIES	\$24,054	\$261,519	\$261,519	\$261,519	\$261,519
2005	TRAVEL	\$21,469	\$144,368	\$144,368	\$144,368	\$144,368
2006	RENT - BUILDING	\$13,180	\$9,253	\$9,253	\$9,253	\$9,253
2007	RENT - MACHINE AND OTHER	\$232,365	\$297,046	\$297,046	\$297,046	\$297,046
2009	OTHER OPERATING EXPENSE	\$1,779,938	\$2,559,947	\$2,559,947	\$2,559,947	\$2,559,947
5000	CAPITAL EXPENDITURES	\$0	\$125,760	\$125,760	\$125,760	\$125,760
	<b>Total, Objects of Expense</b>	<b>\$18,088,661</b>	<b>\$21,424,984</b>	<b>\$21,424,984</b>	<b>\$21,424,984</b>	<b>\$21,424,984</b>
<b>Method of Financing</b>						
1	General Revenue Fund	\$15,448,468	\$21,424,984	\$21,424,984	\$21,424,984	\$21,424,984
5155	Oil & Gas Regulation	\$2,640,193	\$0	\$0	\$0	\$0
	<b>Total, Method of Financing</b>	<b>\$18,088,661</b>	<b>\$21,424,984</b>	<b>\$21,424,984</b>	<b>\$21,424,984</b>	<b>\$21,424,984</b>
	<b>Full-Time-Equivalent Positions (FTE)</b>	<b>166.5</b>	<b>169.6</b>	<b>169.6</b>	<b>169.6</b>	<b>169.6</b>