

RRC PERMITS OPEN PIT OIL AND GAS WASTE SITES NEAR TOWNS, SCHOOLS AND GAS PIPELINES

Now that the “bust” part of the cycle is here for oil/gas production and oil/gas prices, waste disposal companies are aggressively pursuing obtaining permits for open pit waste disposal sites. For example, the Dec. 15, 2015, issue of San Antonio Business Journal reports that George Wommack, CEO of Petro Waste Environmental, confirms that his company is doing this and that his company plans to put one of its facilities within 30 miles of all drilling activity throughout the Eagle Ford Shale and the Permian Basin.

One of the proposed Petro Waste facilities near Nordheim (population 307) in DeWitt County would be approximately 200 acres in size (half the size of the Nordheim town site), and its boundary would be less than one-half mile from the public school and about one-fourth mile from the city limits. Its location would frequently place the entire town site and school within prevailing winds spreading toxic fumes over the area.

Equally or more worrisome is the fact that the proposed waste facility would be built over an active natural gas pipeline. Petro’s CEO, George Wommack, explained in a March 18, 2016, report on San Antonio’s WOAI Channel 4 TV that ***construction over a pipeline is a normal occurrence***. In a letter to the RRC dated Feb. 11th, Southcross Energy made it known that despite the fact that as owners of the pipeline they are a potentially affected entity, they were never notified of the permit application for the waste facility.

Moreover, the RRC said, in the WOAI report, the pipeline was taken into account in the proposed site plans, and Wommack claimed that it would have been premature to have notified the pipeline previously, even though he has been working for three years to get the permit approved.

RRC hearings have been held, and this permit has been approved despite the fact that residents of Nordheim and nearby areas have organized a group, Concerned About Pollution, (CAP) and fought against the issuing of the permit for three years. They have hired expert environmental engineers who testified at the hearings as well as attorneys from the Austin Environmental Law Firm – Frederick, Perales, Allmon, & Rockwell. (Additionally, the Nordheim saga has received nationwide publicity in *Scientific American*, *The New York Times*, *Texas Observer*, *NPR*, and numerous other sources.)

Because Nordheim is just one example of what is likely to come in this arena, we need the Legislature to step in and establish new rules for these types of projects. We fear that many other small Texas towns will become collateral damage without more restrictive siting policies.

Venice Scheurich

Conservation Chair of the Coastal Bend Sierra Group



COASTAL BEND GROUP
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August 22, 2016

ATTENTION SUNSET COMMISSION

The Honorable Larry Gonzales, Chair
Sunset Advisory Commission
1501 North Congress Avenue, 6th Floor, Robert E. Johnson Building
Austin, Texas 78701

Dear Mr. Gonzales:

The Coastal Bend Group of the Sierra Club agrees with statements made by the Lone Star Chapter of the Sierra Club on Issues 1 through 7 of the Sunset Commission's Staff Report. We also agree with the Lone Star Chapter that some other issues should be addressed, and we endorse their statements in I through IV on pages 6 – 8 of their response to the Staff Report.

In addition, we believe it is essential that rules for permitting waste pits and injection wells must be strengthened to protect public health and welfare and groundwater.

This strengthening can only occur if RRC rules clearly state that high quality sample data is required, obtained, and properly interpreted when assessing whether or not a specific site is appropriate for a proposed waste facility.

Clearly, this type of data-driven decision making is necessary if RRC decisions in granting permits are to be scientifically credible. A search of the Texas Administrative Code (TAC) and RRC documents on waste pits reveals an absence of needed protocols (or even sufficiently detailed guidance) on how to obtain statistically valid (representative) sample data which RRC staff will use in deciding whether a permit will be granted.

Without assuring statistical validity in sampling design and practice, decisions based on such samples will lack scientific credibility.

Also, in the matter of waste pit sites, we are concerned about the RRC practice of approving permits for pits to be placed over (or near) active high pressure natural gas pipelines. An answer is needed for the question: What sort of data was obtained and how was it analyzed to conclude that such a practice is reasonable?

The importance of statistical validity and clarity can hardly be overstated in the matter of RRC decision making when granting or denying permits for waste pits.

Members of the Coastal Bend Sierra Group of the Lone Star Sierra Chapter urge members of the Sunset Commission to recommend legislative action that will bring statistical support into a critically needed RRC regulation-strengthening process for permitting oil /gas waste facilities.

Please note that the documents following this letter are to be included as part of our public comments. They give more details and use examples to further demonstrate our concerns.

Sincerely,



Venice Scheurich, Conservation Chair of the Coastal Bend Sierra Group
P. O. Box 10101
Corpus Christi, TX 78460

DOCUMENTS

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One of the proposed Petro Waste facilities near Nordheim (population 307) in DeWitt County would be approximately 200 acres in size (half the size of the Nordheim town site), and its boundary would be less than one-half mile from the public school and about one-fourth mile from the city limits. Its location would frequently place the entire town site and school within prevailing winds spreading toxic fumes over the area. (Sierrans and many other Texas citizens know how oil/gas hazardous waste products came to be officially classified as “non-hazardous.”)

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pipeline they are a potentially affected entity, they were never notified of the permit application for the waste facility.

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Because Nordheim is just one example of what is likely to come in this arena, it is hoped that the Sunset Commission will find a way to turn this serious concern into legislative action so that many other small Texas towns may be spared becoming collateral damage of the sort which Nordheim is facing.

Venice Scheurich
Conservation Chair of the Coastal Bend Sierra Group

COMMENTS FOR SUNSET REVIEW OF THE RAILROAD COMMISSION OF TEXAS

December 17, 2015

SUBMITTED 12/4/15 to sunset.texas.gov

Comments/Concerns

The necessity for thorough statistical evaluations by independent, certified credentialed statisticians evolved from our Coastal Bend Sierra Club Group's Executive Committee's studying various Railroad Commission of Texas' (RRC) actions re permit applications from industries applying for the right to explore for uranium and also from disposal companies applying to build facilities to dispose of oil and gas production waste in the Eagle Ford Shale area. In particular, the analyses pertaining to collecting, analyzing, and interpreting data were deficient in using statistical methodology. Indeed, we believe that professional statisticians would have questioned the validity of some of these practices.

Clearly, without statistical validity, there can be no scientific credibility. Many of the technical decisions made by RRC scientists and engineers require a thorough understanding of mathematical statistics—not simply applied statistics which relies on software to carry out manipulation of data.

This statement is not a criticism of RRC's scientific staff. Rather, the point is this: Just as it is unreasonable to expect mathematicians and statisticians alone to make decisions on matters grounded in science or engineering, it is equally unreasonable to expect scientists and engineers alone to make decisions on matters grounded in mathematical statistics.

Members of the Coastal Bend Sierra Club Group appeal to you to find a strategy that will translate into a policy that will provide necessary statistical support for TRRC technical decision makers. They need and deserve no less.

Proposed Solution

A thorough statistical evaluation by independent, credentialed statisticians should become an integral part of all evaluation of the Railroad Commission of Texas' (RRC) regulations, permit applications, and summary reports involving collection, manipulation, analysis, or interpretation of data. (Note: Data includes assumed or hypothetical values used in mathematical modeling as well as actual measured values.)

COMMENTS ON STATISTICAL METHODS IN PYOTE'S NORDHEIM PERMIT APPLICATION

In my role as Conservation Chair of the Coastal Bend Sierra Club, while working on a contested case hearing involving TCEQ's granting a uranium mining permit, I discovered that the mining company was allowed to violate some of the most basic statistical principles. In fact, the statistical violations allowed under TCEQ regulations were not only surprising, they were alarming.

This discovery led me to contact TCEQ for names of their credentialed statisticians so that we could discuss how the Agency explained allowing the company to estimate baseline groundwater quality using flawed data and methods. To my astonishment, I learned that TCEQ employs no credentialed statisticians! (See attached documentation.)

Now, having looked at the Pyote/RRC documents, I am focusing on "RRC Concern 2" and the "PRS Response" together with the first paragraph of John G. Soule's letter of August 5, 2013, to Michael Sims. Also, I am focusing on "RRC 7" and the related "PRS Response" under "Additional RRC Concerns."

These items cause me to wonder if perhaps the RRC's regulations (like TCEQ's) also allow companies applying for permits to use statistically invalid procedures when making estimates of environmental values from sample data.

Among the many U.S. Environmental Protection Agency (EPA) documents addressing the matter of obtaining statistically valid sample data from which estimates are derived is one titled Guidance on Choosing a Sampling Design for Environmental Data Collection. This document contains the following crucial statement:

If a sampling design results in the collection of nonrepresentative data, even the highest quality laboratory analysis cannot compensate for the lack of representative data.
(EPA QA/G-5S, page 2, chapter 1)

This EPA warning leads me to the question: When making the important decision of whether to approve a permit application to maintain and operate a commercial stationary treatment facility, what criteria does the RRC use to assure representativeness of sampling data?

In particular, what statistically valid sampling design does Pyote propose to use in determining the number of samples and the locations from which the samples will be taken? Note that the Pyote responses to “RRC Concern 2” (Attachment 1) and to “RRC 7” (Attachment 5) do not sufficiently address these sampling design matters.

Perhaps Pyote has adequately addressed these statistical matters in documents which I have not seen. However, if not, even though we all know that the Texas RRC is under no legal requirement to comply with EPA standards, it may be valuable to expose the degree to which violations of valid statistical practice are allowed when permit applications are evaluated and approved by the RRC.

Venice Scheurich, October 3, 2013