

2014 Texas Environmental Trade Fair Luncheon

B: Bryan Shaw
Z: Zak Covar
A: Andy Saenz
T: Toby Baker
L: Leroy Skloss
M: Michael Honeycutt
R: Ramiro Garcia Jr.
G: George Ortiz
H: Gerald Halter (questioner)
Q: Unidentified questioner
K: Kevin Fowler
S: Susan Clewis
AC: Ashland Covar
AR: Archer
M: Unidentified Male
F: Unidentified Female

B: Welcome you to the Texas Commission on Environmental Quality Environmental Trade Fair. I'm Bryan Shaw, the Chairman of the Commission. This is Zak Covar, Commissioner as well. Unfortunately, our third Commissioner, Toby Baker, is unable to be here today. He's out of town at a meeting on the Restore Act, which I'm sure he's representing Texas well at that event. For you in the room, this represents the 22nd Annual Environmental Trade Fair and Conference and I've got to take a second to ask, with this many people in the room, was anyone in this room here, at that first Environmental Trade Fair 22 years ago? I see quite a few hands. How about, have any of you been to all 22 of the Environmental Trade Fair and Conferences? Not seeing as many hands there, though it is my pleasure to welcome you here. I think we're going to have a great conference. I look forward to the good meetings we're going to have and it's always a pleasure to be here, to get the chance to visit and to interact with our environmental colleagues that are in the room. So thank you all for coming. It's

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now my pleasure to invite Andy Saenz, our agency Communications Director, up to moderate and lead this luncheon. So, Andy Saenz.

- A: Good afternoon, everyone. It's good to see everyone. It's been a busy year for all of us at the TCQ, since the last time we saw many of you at last year's trade fair. You know, if you live in South or West Texas, then you probably are already aware, that Texas is right in the middle of a tremendous oil and gas boom. We haven't seen this type of activity in the past 40 years. This is an oil rig that we visited about a month ago in Karnes County and it's smack dab, right in the middle of the newest activity in Texas called the Eagle Ford Shale. Now, this well produces crude and natural gas, this well's production combined with all of the other wells in Texas, now totals two and a half million barrels of crude every single day, two and a half million barrels, tremendous activity. You can clap, that's fine.

[Applause]

- A: Now, to put that into perspective, there are 1,800 active wells throughout the entire United States, but half of them—I'll repeat that, half of them, are right here in Texas. Look at that activity, most of it up north in the Barnett Shale area, which is just west of Fort Worth. Out west, the Permian Basin and the new area that I talked about, down in the Eagle Ford Shale. Now, every red dot is a gas well. Every blue dot is a natural—I'm sorry, is an oil well. So look at all that tremendous activity. At the TCEQ, we have worked hard to make sure that even with all of this tremendous activity, we still have some of the cleanest air in the entire country.

[Video]

- B: Texas has been blessed to be the leading oil and gas producing state in the country.
- T: What we're seeing right now, is really game changing.
- Z: If Texas was a standalone country, we'd be the ninth largest oil and gas producing nation in the world.
- T: Then you layer on top of that, hydraulic fracturing and this new technology that's come to the table. I think we're in a good spot. As far as our country goes, as far as our energy outlook, just the transformational nature and what it's doing to the economy in places like South Texas.
- L: There are more people in town, the businesses that were here are experiencing additional growth and revenue coming in for them.
- Z: With that, comes a potential challenge and that's what TCQ is here to do, is to make sure that with all this new production, that air quality remains safe.

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- B: In order to find that balance between strong economy and protecting the environment, we need to have good data.
- Z: Data drives our decisions here at TCQ.
- B: We have about 70 real time monitors across the state, citizens can go on and get real time data about what the air quality is doing. Minute by minute, hour by hour, you can see what those conditions are.
- Z: And as drilling continues to grow and pick up, we can expand that air quality monitoring network. We have the people and the technology and equipment to ensure every Texan that the air quality that they're breathing is good.
- M: TCEQ has the best air monitoring equipment that money can buy.
- R: We use that, utilize an optical gas imaging camera and this camera literally lets us see the emissions coming from the facility. Other types of hand held equipment that gives us real time data. We also have the ability to pull a sample with our Summa canister and that information can be taken back to our lab where it's analyzed and will tell us what was going on during that investigation.
- G: If we go to one facility and we find issues, we typically stay there and call the company representative and let them know that we need someone out there now and then we stay until issues are resolved.
- B: Our regulations and rules and the practices that are in place, and Barnett Shale is an example, show that that's some of the cleanest air in the state.
- T: I think other states have looked at us, as sort of the way to regulate the industry.
- B: We're applying what we've learned in the Barnett Shale to the Eagle Ford and other shale places across the state.
- T: We have a regulatory scheme that doesn't change and companies know what they're going to get when they come here and at the same time, I think the public knows that they're going to be protected.
- Z: We're doing it in a clean and efficient way, we're learning everyday.
- B: And frankly, Texas has some of the cleanest air in the United States.
- T: Other states still want to be Texas.

[Applause]

- A: That probably isn't going to happen anytime soon. We'd like to continue this discussion with our commissioners, to get kind of into the details of some of the stuff we saw in the video. Chairman, why don't you give us the big picture. Why

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is it important, not only for Texas, but for the country, to have a strong energy sector?

B: Thank you. I think if you look at and compare the economy that we've seen in the State of Texas, compared to what other states have been going through with some of the downturn in the economy we've had in recent years, you see that a lot of that background and that foundation we have, is built around the fact that we have been blessed with the natural resources that we have, that we have a plan in place where we can responsibly develop and utilize those resources and so that means a lot of things, everything from having a state budget where we can afford to take care of working on our water plant, to being able to provide the education that's needed, to being able to provide those jobs and frankly, if we look at this day and time, having the security of being able to produce our own energy source. When you look at even the challenges we are facing in Europe, with dependence on other countries for energy sources, it's great for the US to have the resources we have and to have a state like Texas with abundant resources and the desire and ability to develop them in a responsible manner.

A: And understand, we're still producing about 40% of all the power in the country. Is that right?

B: That's correct and we provide not only those base resources, but a lot of the refined products there in the state, are feed products to other industries and other manufacturing in other parts of the US as well. You know, it's kind of neat when you think about the boom that we have now and the fact that it's spread across the US, but you pointed to the number of wells being developed. We know that in the United States right now, about half of the drilling rigs in the world, are operating in the United States and about half of those are operating in the State of Texas and so that's what you see where those dots are, is that's putting people to work and doing so in a way that is economically and environmentally responsible, is good for Texas.

A: Commissioner Covar, before you were a commissioner, you were our Executive Director. And so you saw all of this stuff coming our way and you moved resources to the field. Why don't you explain that?

Z: I did, Andy, and I did have the pleasure of serving as the Executive Director, prior to being appointed to the Commission, and we learned a lot of lessons when the Barnett Shale hit. In 2009, 2010, drilling started picking up tremendously fast and like any new agency would, you had to sort of adjust and adapt to what needs to have attention paid to. So we learned a lot in 2009, 2010, which helped us when Eagle Ford took off. Resource reallocation is something we were able to do. In my time in the ED's office, we went from almost 3,000 people, down to about 2,750, and we did so efficiently. We were able to save state money and resources, reallocate in the field, make sure we had eyes and boots on the ground, focus on new technologies. We had Auto GC monitoring strategically placed, so we can see the impacts in San Antonio or in the Barnett Shale's case, in DFW, to make

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- sure that those impacts aren't affecting ozone in those areas. We've done flyovers in September of last year, we flew over about 16,000 tanks in the Eagle Ford Shale region and we found visible emissions on only about 800 of those and you know, that's about 5% I think, so that's good. I mean, the industry is paying attention to what they need to be doing, to protect air quality and environment because they know they have a long term investment in the state and by the way, those 800 we did see, we did follow up and made sure that...
- B: Took care of it.
- Z: Fixed the problem. So, a lot of lessons learned. It's a process. I mean, we are blessed to have this industry and natural resource in Texas. We need to take advantage of it and I think the legislature and TCQ understands, we need to make it viable to continue to grow, to support our economy, not only ours, but the nation and I think we're taking the steps to do that.
- A: And I've heard you say before, Commissioner Covar, that we're a huge agency. If we need to move more resources from different parts of the state, we can move them to those areas. Is that true?
- Z: Absolutely, we can and of course, we have a lot of other issues outside oil and gas. I mean, we need attention everywhere. I think the legislature certainly understands that if we need those additional resources to make sure that we're producing in a safe and protective way, Chairman Shaw and I and Richard Hyde, the ED, and Commissioner Baker can all go to the legislature and explain that need and I think they are receptive to it. I mean, everybody wants the industry to thrive and prosper, but we need to protect public health and environment at the same time and we've had a tremendous working relationship with the legislature and I think we can get that done if we need to.
- A: Chairman Shaw, talk a little bit about technology because I've heard you say over and over again, that technology is kind of the key to the future. If we can tap into it, certainly that's a big factor for us. Talk about the Auto GC and what that monitor does. That's incredible.
- B: Sure. You know, one of the things—and we both—Commissioner Covar and I have talked about the importance of data and having that information to guide our decisions. One of the reasons I think that Texas has excelled as an environmental state addressing environmental issues, is that we have a strong commitment, not just to regulate because we can or to regulate outside of a sound plan, but instead, to make sure that we have good data to guide us through that process and one of the best ways to get data that we've found, is looking at what we've done to Barnett Shale, where we have, I know at least 15 Automatic Gas Chromatographs and maybe even more online at this point in the Barnett Shale. It's one of the most monitored areas in the world. What those Auto GCs allow us to do is to continuously look at what the constituents are in that area where those monitors are located and that's reported, where you can go online and look at that data in

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your real time and see what those levels of VOCs, for example, are. And that's helped us to gain even more confidence in our regulatory approach, because we know based on the years of operation, we have millions of data points that we've collected, through Auto GC and canister sampling, that the regulatory process is working. We don't see environmental levels of concern in the Barnett Shale. When we do see flare ups, in every case, those are because of mechanical, either failure of a valve or a gasket or maintenance issues where something wasn't sealed and maintained properly, those are addressed by encouraging maintenance and doing enforcement and inspections, not by changing the rules whenever the rules are working and so we continually look at our rules, and the data we're seeing at this point, suggests very strongly, that the rules are working. We just have to continue to adapt to do more with technology so that we can, you know, with fewer employees than we had a few years back, we're able to use our camera, which was discussed and other technologies, so that we are able to refine our approach, so that we can more accurately cover a large area and focus on potential problem areas. It's working well.

- A: I think it's important to note, that this is not rainbows and unicorns. There are issues and once in awhile, some of these pieces of equipment break down, but if that happens, Zak, don't we have a response that's almost immediate to get out there, depending on what the situation is?
- Z: We do. We've got mobile monitoring capabilities based out of Austin, so anytime we have an issue, whether a monitor goes down or we just see a need because of another event somewhere around the state, we can deploy those, you know, within a day and then get real time data, so that the people that live in that area with their families can understand what the air quality situation is immediately or as soon as possible and you know, we've deployed those on issues outside of oil and gas. Certainly, we've had some other issues, I don't even know—I'm new to this Commissioner thing, I don't know how much I can talk about it and [0:13:16??]
- A: Go ahead, we'll stop you if you...
- Z: Other issues that produce odors are potential air quality concerns and we do it often and I think that gives the public the assurance, at least, that the environment—the State Environmental Agency is out there to respond to any concerns that they may have and provide the data to back it up.
- A: And I saw George Ortiz, one of our inspectors, in the piece, I read this crazy story that we went to a place and the stuff was so bad that we ran away. We never run away. We're always there and if there's a problem we're going to call the company and say, bring somebody to fix the problem. Isn't that true?
- Z: Oh, that's exactly right and I think the company certainly has a vested interest in correcting it. So, we can bring the hammer if we need to or the white gloves, either one, as long as we make sure everybody is operating the way they ought to be and protecting the health and keeping our economy thriving, so that's our goal.

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- A: Okay, the \$64,000 question: How long can this activity last? I mean, that's the key question for everybody. What do you all think?
- B: You know, that's one of the interesting things because Texas being a perpetual oil and gas state, is familiar with the boom and bust of the oil and gas industry. I think one of the things that I hear when I listen to companies and listen to different people talking about this issue, is that this boom is different than what we've seen before. The revolution that we've seen in perfecting hydraulic fracturing, which by the way has been around since the late 40s, not a new technology, but the improvements in that, as well as the horizontal drilling capabilities we have, have turned this to where I think most people are talking about continued increase in the exploration for the next 20 years, not a 5 year boom and bust, but something that you're looking at decades long. Obviously, there is a lot of external factors that can influence that, the Federal government being one of those, but certainly, it appears, based on the resources there and our ability to extract that resource, this is a long term opportunity and I would briefly like to say, what an opportunity it is, especially when you look at certain parts of the state that haven't often had opportunities to recreate themselves, to really reach out and develop infrastructure, to develop an economy in some areas, that this provides them that opportunity, with the influx of this resource, the jobs and the tax base that that brings, what an opportunity to sort of recreate and bring parts of the state forward and it's a real blessing for the state to have this resource that we are trying to manage properly.
- A: Zak, have you heard anything different about how long this could last?
- Z: Projections I've heard in Eagle Ford Shale alone, is 20-30 years from now and I think that's based on today's technology and as Chairman Shaw said, that's going to evolve and change. I mean, the world has an interest in what's going on in Texas, so I think if the technology can be developed, it will. As long as the resource is there, it's going to be produced. So, it's a long term opportunity for Texas.
- A: And as you said, the world is kind of watching us. I understand that we've already—our staff has done presentations to 19 different countries around the world, about how we deal with and regulate the oil and gas industry. Is that true?
- B: That's true. I've spoken to at least a handful of those countries, or representatives for those countries myself, and they are very interested in not only wanting to understand, can it be done, you know, environmentally in a health protective manner, but then also wanting to get a better sense of, is this real and you know, obviously, you can see the wheels turning and they're thinking, how can I take this home and apply this technology to where I can recognize that opportunity, but do so in an environmentally protective manner. So yes, there is a lot of folks that are looking to Texas for leadership.

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A: And we all know that it is having an impact on the residents down there. You may have read this story in the paper. I saw it, I was shocked. A lady, I think it was Karnes County, got her royalty check from the company that she leases the land to and she got her check and she went down to the bank and she gave it to the teller and said hey, I'd like to cash this check, I need some weekend spending money. So the cashier looked at it and went back and got the manager and the manager came back and said, ma'am, we don't have that kind of cash here. She said, you don't have \$1,500? She said, ma'am, that check is for \$1.5 million. That was her monthly income, so it's definitely having an income, but there are some negatives as well. Roads are being—having an impact. We know that there are some detrimental effects, but some of those things we have control over, some of them we don't. Can you all address those?

Z: Sure.

B: Sure. You know, it's interesting because when you have that growth, the obvious places that most people hear about, is the fact that you can't find a hotel room, that the roads are getting torn up, or you know, there's these issues associated with that. One of the anecdotes I like to share that sort of points to where a lot of the environmental issues are, is that one of the greatest challenges that we have in the Eagle Ford Shale area, from an environmental standpoint, are all the RV parks that spring up, the man camps, I think some people call them, which you have that influx of employees and there's not housing available and so people suddenly overnight, become an RV park and whenever they realize that they have 15 connections or more, they suddenly become a public water system and have to go through the testing and reporting requirement, those were some of the shocks that we're dealing with and so we've tried to create some fact sheets and things on our website, to be able to help guide them through that process, but it's a real growing pain and another component of that is, oftentimes, even though the counties are going to benefit from that tax base, it takes a little bit of time for that money to flow in, so they're having to deal with roads and—but if they can make their way through this initial phase, then the payoff on the other end is great and it is good to see a lot of the county planners, thinking about long term, how do we use this as an opportunity to raise the county to a new level?

A: Zak, you talked about how the Barnett Shale situation was a lot different than Eagle Ford. The Barnett Shale, you've got basically neighborhoods with, you know, rigs right next to them. In the Eagle Ford, it's different. People are kind of spread out a bit. Can you talk about that?

Z: Yes, it's a lot larger area in Texas down in the Valley and there's no dense population like you have DFW, around the Barnett Shale. It's not to say there can't be impacts. I mean, San Antonio is up wind from a lot of that activity, so I think that's one of the reasons why we've invested—you know, we're going to invest over half a million dollars this next biennium, putting the monitors up to make sure that any impact that does come from the Eagle Ford Shale, flowing into San Antonio, we'll be able to detect it and identify it and then figure out a

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solution. The good news is we're not seeing that yet. I mean, we're out there everyday now monitoring and with boots on the ground, seeing what's going on and we're not seeing that impact. I know, the people in San Antonio and South Texas have a real interest to make sure it stays that way and so does TCQ and we're going to continue to dedicate the resources necessary to make sure that air quality stays good.

- A: Can we say, categorically, that there is no public health emergency, no air quality huge overriding issue in the Eagle Ford Shale or anywhere else in Texas?
- Z: As Chairman said, I think we've got the most extensive air quality monitoring network in the world in different parts of the state and I think we can always get more data. More data is better, but I can say categorically now, there's no air quality crisis anywhere in Texas.
- B: I concur and moreover, if you look at the Barnett Shale with the monitoring we have there, if there were a problem, we'd be on top of it, so we are very comfortable that that's working and in the Eagle Ford Shale, it's interesting—one, we're continuing to refine and in fact, we're investing in it. This is tough, but we're going to spend \$100,000 working with the UT research group to do some [0:20:27???

[Applause]

- A: That's okay, you can do that.
- B: I'm going to get a whoop from the Aggies here in a minute, so...
- Z: Somebody escort him out of there.

[Laughter]

- B: But, we're undergoing a research project with UT, to help to ensure we're understanding, doing mobile monitoring to understand what the impact is of emissions coming out of the Eagle Ford Shale, and I'm one of those guys that always likes data and if you look at the tremendous explosion that we've had of exploration in the Eagle Ford Shale, and yet you also then go and look at what data we have in San Antonio, for example, which even under worst case scenarios, is still projected to meet the 75 part billion ozone standard in 20—by compliance date, I can't recall what that date is. Even with the most liberal, if you will, worst case scenario of what emissions might be coming out of the Eagle Ford Shale, so that's comforting and then also where you look at where we have monitors around San Antonio that are showing the highest numbers, as far as ozone measurements, those are occurring when the wind is blowing from the north and northwest, not when they're blowing from the Eagle Ford. So, you know, we've got our scientific data and then we've got sort of our monitor data on the ground that helps us to make sure that we're sort of truth testing what our models are telling us and what our monitor data are telling us and everything is

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pointing toward this being protective and we're going to continue to keep an eye on it, but things are looking very positive at this point.

- A: We've got a couple of minutes to open up the floor for a couple of questions. We've got three microphones, one in the center, one in the right, one in the left. The gentlemen that are holding their hands up, how about a couple of quick questions for our Commissioners on oil and gas or anything else that you want to talk about. I think we've got a microphone up here, please?
- H: My name's Gerald Halter with Panterra. You've mentioned a lot of outreach programs that you have with the local governments. What has the agency done as far as the public?
- A: That's a good question.
- B: Thank you. Outreach in general, is something that's really important to the agency and Commissioner Covar can speak on this because he implemented a lot of this, but it's important that we've—well, we've reached out to elected officials, as you point out but also looking at the public and some of the way we've done that is we've held some, what we sort of call open houses, where we basically invite people from the public to come in and we provide staff and make them available to answer questions and just have that one-on-one. We have a little bit more time to actually sit down and explain and address some of the uncertainty and the unknowns and the complications of the process and we found—we had one in San Antonio this last year and very successful. We've gotten great feedback from that and we continue to do other things through our Texas Oil and Gas help.org website, so trying to provide materials and make that available so that the public as well as other stakeholders can understand why we're doing what we're doing and also tap into some of the monitor data so we can see what the air quality is like in the morning at Shale region, for example.
- Z: And I think our general approach at TCQ is not a top down, regulatory mindset. I mean, obviously, we're charged with enforcing the State and Federal rules that are delegated to us, but I think it's very important to have local buy-in and understanding of what we're trying to do and I think we make more informed decisions when the locals can tell us what it is that we need to be focused on and try to incorporate that into our regulations of whatever we do day-to-day. So, I think we spend a lot of time, as Chairman said, we have different seminars and open house meetings and that sort of thing, but we spend a lot of time—I know that executive management and the managers at TCQ spend a lot of time talking to local elected officials and small business owners and we're always willing to come out and talk one-on-one or put a forum together. We're transparent in what we're doing. We want people to understand it and provide feedback and help us do a better job, so we put a lot of stress on doing that.
- A: Another question, real quickly? We've got about time for maybe one more question. Over here on the right. Microphone is coming your way, ma'am.

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- Q: Hello. It does sound like there's a tremendous amount of activity around the oil and gas industry. How is the TCQ workload coping with all this?
- A: Good question.
- B: Do you want to take a stab at that first, or do you want me to?
- Z: Well sure, I mean, we're coping. I mean, we've done a lot of—we've got a drought going on too, so we've got boots on the ground looking at dry river beds and all that sort of thing too. So no, it's all about resource reallocation and prioritization. I mean, I think the good news is, we've got the monitors out there telling us that the air quality is okay. I mean, we're still looking at it, but we still have to allocate resources to drought management and response and making sure, you know, local systems don't run out of water. If they do, how do we help them obtain water. So, it's a balancing act, as managing anything, you've got to set priorities. Oil and gas certainly is one of those and we find a way to make it work and as I said earlier, if it becomes too burdensome and if we're not providing the level of protectiveness that the public deserves, then we go to the legislature and ask for more.
- B: And I would—I can't resist the opportunity to say, yes, the workload has increased, the number of employees that we have has decreased, but we're blessed with the best agency staff of any agency in the world. We're like a big family and they understand—our staff do—understand and appreciate our mission and you know, we've asked them repeatedly since I've been on the commission, to step up and find better ways to do things faster, smarter, more efficiently and without fail, our staff has risen to the challenge and so I'm extremely proud of the staff that we have, but Commissioner Covar's right, we're doing more with less and we know that the point that we see that we're not able to fulfill our mission, we're going to—we're in constant communication with elected officials across the state and we're going to continue to communicate where we are. And I think the key thing is, we're prioritizing what we're doing. We're using technology where we can and so far, that's working well, I think for us to be responsive and to be chasing the right rabbit and like I say, we're focusing on the most important issues.
- Z: And I think it's important to note, since we did go from roughly 3,000 down to 2,750, there's a reason for that. I mean, when TNRCC was created, I mean, we merged two entity agencies together, air and water together and so, it required a lot of resources and figuring out how this new beast is going to work and then we merged into TC—or went to TCQ after last sunset legislation passed and we've identified efficiencies. I mean, so it wasn't that the legislature just took a sword out and hacked off some employees that we had access to. We were able to survive on, frankly we're more efficient at carrying out our mission. So, that's not to say that we don't need more resources here in the near future. We may, but like the Chairman said, we are a family, we listen to our management team all the way down to the boots on the ground. If we can find a better way of doing things or we need resources, I think we have access to the legislature to get that.

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- A: That's a good point. I'm going to try to keep this on schedule because I know we've got classes here soon. Before we send you back to your classes, we did want to update you on two very popular programs, kind of the fun stuff that we do at the agency. How many of you all were at the luncheon last year? Good, good. Do you remember that last year, we rolled out our new, Take Care of Texas Summer Campaign. Great campaign, we partnered with Parks and Wildlife, our sister agency and with country recording artist, Kevin Fowler, and so we did some radio ads and some TV ads. We have just finished cutting another radio ad that we will have this summer. We wanted you to have a quick listen to it.

[Playing song with Kevin Fowler and ad for Take Care of Texas]

Did you see his lips move? They never moved. Incredible. It's a radio spot. Just kidding. So the campaign has been a huge success. I mean, we've sent out more than a million pieces of campaign information, out to people in Texas and our Facebook hits are up and our Twitter is blowing up, which I hear is a good thing. We asked Kevin Fowler to give us a quick update on the entire program. Here's Kevin.

[On Video]

- K: Howdy everybody, Kevin Fowler here and about a year ago, we invited Texas to join in our campaign to help Take Care of Texas and guess what? You all have answered the call. We've heard from people from Amarillo, all the way down to Brownsville, from El Paso, way over to Houston and everywhere in between. We're getting the job done, but it ain't over yet, by a long shot. Go to the website, take the pledge and let us know what you're doing to help protect this beautiful place we call home. Remember, take care of Texas. It's the only one we got.
- Z: There are a lot of small things that everybody can do, to do their part.
- B: Texans need to take care of Texas.
- T: Texans in general, feel really close to the land. I think Texans are really proud of all the space that we have and would like to protect it.
- S: Mainly what I wanted to talk to you all a little bit about today is our Take Care of Texas Program. Have any of you all heard of that yet? That includes all kinds of things, like recycling and saving water.
- Z: We all have to do our part to help keep the air clean and to conserve water and this campaign has allowed us to do that outreach, to reach out to kids and families, to let them know there are simple little things that you can do everyday.
- B: Take Care of Texas helps us to put ideas and new options and approaches into people's hands, so that they can better understand what they can do and have better ideas about how they can do more than they're already doing. I grew up playing in the outdoors, fishing, hunting, hiking, camping. My background, I

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grew up on a farm. You sort of have that mentality that you need to not waste, you need to conserve where you can and you need to make sure that you leave the world better than you found it.

Z: We're avid outdoors people. We go camping a lot, so anytime we're out of town, we make sure that the house is using as little energy as it needs.

T: I used to shave in the shower and now, I shave at the sink because I can turn the water on and off. Even something as simple as that is really important.

Z: Every family needs to do what they can and do their part to take care of Texas.

B: This is a truly unique place in the world and Texans are best suited to understand how we can best take care of Texas.

T: They like to protect the land, they like to protect the water and they like to be able to enjoy it. It's sort of engrained in us.

[Children and other groups of people in unison] Take care of Texas!

AC: It's the only one we've got.

[Applause]

A: How about that? By the way, those were not child actors, those last three. That was Ashland, Canner and Tyler Covar, some of Commissioner Covar's finest work.

[Applause]

Luckily, they look like the mom.

Z: Thank goodness.

A: Yeah. That's the sound of me getting fired here. That's okay. But seriously, folks, on a serious note, there are 26 million people that live in Texas. There's 1,000 people a day moving here everyday and we're in the middle of a terrible drought. We've got to fundamentally change the way we think about water and we've got to get serious about water conservation, so we ask all of you to go to the website and make the pledge and do your little part, whatever you can do, to take care of Texas. Finally, tomorrow night here in this very same room, we will honor the 2014 Texas Environmental Excellence Award winners. These are the nine most outstanding environmental projects in the entire state, as designated by Governor Perry and our Commissioners. Again, some outstanding projects. We had 210 applications, 20 finalists, but only 9 winners. We reserved that right for only the best. Here's a quick preview of some of our winners.

[Video]

2014 Texas Environmental Trade Fair Luncheon

- M1: It's hard to describe all the ways in which Archer is an inspiration.
- F1: I say Archer, we need seeds.
- AR: They're still counting. I think it's 50 or 60,000 seeds.
- M2: Years ago, we had a solvent based finish. We're so much cleaner now and it's just so much more friendly of a place to work.
- M3: The only way to save is by creating continuous improvements within a company.
- F2: We recycle about 84% of our water.
- M4: The place where we're going today is 57 acres of wetlands.
- M5: The Oceans Program is probably the most popular class.
- M6: Look at how orange their fins get. Yeah, just give them a basic idea of how to identify something.
- F3: We learn a little bit about the native species and invasive species.
- M7: Conner came to me and said he was interested in helping to restore the habitat.
- M8: The habitat of the Georgetown Salamander is very specific. People have only ever observed it at 16 different places. I've only seen one.
- M9: After the site was restored with Conner's work, the number of salamanders came back up and has remained pretty steady.
- M10: Each of us was sent off to see what we could do to reduce energy usage in our area.
- M11: Looking at what we've done in the past, what can we do to make it better? Our waste drains are about a half a percent of what it was in 2008.
- M12: Many of us at the age that we want to give back a little, this is a great opportunity to do that.
- F4: Last year, our volunteers provided over 349,000 hours of service to the State of Texas.
- F5: There were operational efficiencies that had great environmental benefits. It was the right thing to do.
- M13: I'm fourth generation oil and gas and I'd be proud for my daughters to make the choice to be the fifth generation.
- M14: We all kind of do what's called for. I really feel like I made a big difference.

2014 Texas Environmental Trade Fair Luncheon

M15: Nature is God's art.

A: How about a round of applause for all of our winners this year. Outstanding projects.

[Applause]

We are already looking for next year's winners. If you know of an environmental project in your community that you know about, it's very easy to apply. Go to this website, TEAA.org, it should be up there. Go to the website and sign up. It's very easy to nominate someone. Folks, thank you all so much for your time and attention this afternoon, for your excellent questions. We hope some of the material that we gave you this afternoon was useful to you. We hope that you enjoy the rest of the conference and remember to take care of Texas because as Ashland Covar says, it's the only one we've got. Have a good afternoon, folks.

[0:35:42 end of video]