

Media Release:

Texas Energy Regulators Awash in Industry Money

Oil, Gas Interests Supply 60% of Political Funds to Sitting Commissioners.

GOP Nominee Wayne Christian Is Even More Dependent on the Industry, as the Misnamed Railroad Commission Struggles to Pass State Sunset Review.

Austin-Texas' three oil and gas regulators raised more than \$11 million in recent years, taking 60 percent of it from the industry that they're supposed to regulate, a new study by the Sierra Club, Public Citizen and Texans for Public Justice finds. They took another 7 percent of their money from lawyers and lobbyists, including those with business before the commissioners.

Wayne Christian—favored to win next week's election for the misnamed Texas Railroad Commission—took even more of his funding from the industry he seeks to regulate (65 percent), according the report, "Rigged: How the Texas Oil and Gas Industry Bankrolls Its own Regulators."LINK By comparison, oil and gas interests supplied 22 percent of the \$45 million that Gov. Greg Abbott raised in the 2014 gubernatorial election cycle.

Reggie James SEZ "...
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The commissioners' overwhelming financial dependence on the industry that they regulate is but one of the reasons that the Railroad Commission has struggled to pass its state Sunset Review. The Texas Sunset Advisory Commission typically reviews state agencies every 12 years to ensure that they return good taxpayer valued. Earning poor grades, the troubled Railroad Commission now is undergoing its third review since 2010. Sunset staff have criticized the agency's deceptive name and the industry funding of its leaders. They also suggest that the agency's case hearings and gas-utility rate decisions would be better performed by the State Office of Administrative Hearings and the Public Utility Commission. State lawmakers, who rely on oil and gas interests for 17 percent of their political funding, have the last word on the agency's fate.

The seven-page *Rigged* report analyzes campaign contributions to the three sitting commissioners and to the four finalists now seeking to replace retiring Commissioner David Porter. Republican frontrunner Wayne Christian raised more than \$1 million for two consecutive Railroad Commission races (Christian lost in 2014 to Commissioner Ryan Sitton), taking 65 percent of that money from oil and gas interests. Democratic nominee Grady Yarbrough has not reported any contributions from any source. Raising less than \$5,000, the Green Party's Martina Salinas did not appear to take fossil-fuel funds. Finally, several newspapers have endorsed Libertarian petroleum engineer Mark Miller as the most qualified candidate in this race. Just 1 percent of the more than \$100,000 that Miller raised came from the energy industry. The

report tracks candidate campaign funds through late September; it does not include the October financial reports that were due on Halloween.¹

¹ The most recent reports for the sitting commissioners covered through June 2016 (only candidates facing November opponents had to file more-recent reports).