



Dear Governor Abbott,

The 2021 polar vortex taught us an unforgettable lesson: our state and nation need fossil fuels to live, work, eat, learn, heal, pray, and play. We appreciate your leadership and steady hand during yet another trying time.

We are writing today to assume a leadership role to create a carbon-neutral Texas.

There is a political imperative to become carbon neutral by 2050. Financial markets and investors have decided to avoid investments in fossil fuels, and some are divesting their ownership. The Energy Sector, Power Producers, and all industries need to transition to a carbon neutral economy. Hydrogen production and carbon capture can create a solution for the economy to become carbon neutral.

We have conducted the attached public opinion poll prior to the polar vortex. Texas is ready for the energy industry to lead our state and nation to become carbon neutral. 57% of the voters polled agreed that the oil and gas industry should lead the effort for carbon neutrality without government mandates **but there are things that only you and the legislature can do to incentivize and catalyze this movement.**

There have been significant developments of Texas wind and solar power. Many industry organizations support an “All of the Above” energy approach and many leading oil and gas companies have adopted a carbon neutral position. Japan, Europe, and companies like Microsoft recognize the need for carbon capture and underground storage or conversion to useful products, like hydrogen, ammonia or concrete, as part of the new energy economy.

Affordable natural gas supply has reduced the carbon emissions in the United States more than any country that signed the Paris Climate Accord. Yet, we must be honest and recognize that fossil fuels provide 80% of the world’s energy needs but emit CO₂. Consumers will need fossil fuels for electricity, fuels, and products. Their production and use can become carbon neutral through Carbon Capture, Utilization and Storage (“CCUS”). The captured CO₂ should be used for blue hydrogen/ammonia, syngas, methanol, and concrete. The hydrogen economy is needed to maintain people’s standard of living and become carbon neutral. Japan has taken a major step forward by its blue ammonia venture with Saudi Arabia that is destined to supply up to 10% of Japan’s future energy needs in the hydrogen energy economy. Texas and the USA have the resources and geology to achieve carbon neutrality.

The Energy and Power Industries have the technical and financial capacity combined with governments and the investment community to lead the transition to the hydrogen and/or decarbonized economy. They have the expertise to build the capture, processing, pipelines, infrastructure, geologic storage, and services to achieve the carbon neutral objective.

The recommendations of the National Petroleum Council's ("NPC") December 2019 study on CCUS must be implemented to allow the hydrogen economy to advance. **Both the state and federal governments need to implement these recommendations that were advanced by a comprehensive panel of experts from industry, government, environmental and the scientific communities.**

The "Carbon Neutral" attachment summarizes our recommendations for Texas' strategy and legislation needed to become carbon neutral. Texas has more CO2 emissions than any other state and a can-do attitude to get objectives accomplished. We are seeking input and editing from industry, governments, environmentalists, and scientists to improve on these recommendations. Achieving objectives will require joint effort from all stakeholders. In order to take the lead on carbon neutrality, the state needs to resolve many issues including primacy, pore space ownership, long term liability, regulatory responsibility, injection specifications, economics and carbon capture incentives.

Four partnerships, which we manage, own 850,000 surface acres and 24 million mineral acres in 39 states, including over 3 million acres in the Gulf Coast states with CO2 sequestration rights and 900,000 mineral acres in Texas. Both the surface and mineral owners are affected by CCUS and deserve compensation, as do all owners of these property rights. Legislation can resolve the pore space issue that would otherwise take decades to litigate.

Together, we can transition our state's and the nation's energy supply with the needed financial, political, environmental, and scientific resources. **Texas needs to pass CCUS legislation in this session to start the process of enabling a carbon neutral economy.**

We are an enthusiastic participant and seek your encouragement of the Carbon Neutral Coalition of Texas. We would welcome the opportunity to brief you and your staff about the Coalition and how you can play a key role making Texas a leader in a carbon neutral world.

Sincerely,



Corby Robertson, Jr.



Will Robertson