Regulation of Oil and Gas in Colorado



Sean Hackett Energy Liaison Colorado Department of Public Health and Environment (CDPHE)



OVERVIEW

 Overview of Colorado Oil and Gas Conservation Commission (COGCC)

Local Governments Authority

 Colorado Department of Public Health and Environment (CDPHE)



Overview of COGCC

- Colorado Oil and Gas Conservation Act (as amended by Senate Bill 19-181)
- COGCC is part of the Department of Natural Resources
- COGCC's <u>mission</u> is to regulate the development and production of natural resources of oil and gas in the state of Colorado in a manner that protects public health, safety, welfare, the environment and wildlife resources
- COGCC oversees all phases of oil and gas development and downhole aspects





- COGCC Website: cogcc.state.co.us

Local Government Authority

- Prior to SB 19-181, local regulation could not conflict with state laws and regulations (preemption)
- SB 19-181 expanded local authority over oil and gas (Local Government Land Use Control Enabling Act)
 - Local governments may regulate
 - surface impacts in a reasonable manner to protect public health, safety, welfare and the environment
 - land use, location and siting, impacts to public facilities and services, water quality and source, noise. Vibration, dust, odor, light, air quality, land disturbance, reclamation, cultural resources, emergency preparedness, security and traffic issues related to oil and gas development
 - Local government regulations may be stricter than state requirements



CDPHE Consultations

- COGCC Rule 309.f (previously 306.d)
- Can be requested by local governments or automatically triggered if operator seeks variance from COGCC rules related to public health or the environment
- Initial consultation period of 45-60 days
- CDPHE recommends permit conditions and/or best management practices (BMPs)







Air

Water



CDPHE Regulatory Authority





COLORADO Department of Public Health & Environment

Waste

Regulation of Air Quality

- CDPHE's Air Pollution Control Division (APCD) serves as staff to the Air Quality Control Commission (AQCC)
 - Colorado Air Pollution Prevention
 and Control Act
 - develops regulations
 - issues permits
 - monitors air quality
 - conducts inspections
 - enforces regulations







AQCC's Oil and Gas Air Quality Regulations

- <u>Regulation 1</u> Opacity (e.g. smoke and dust)
- <u>Regulation 2</u> Odor Emissions
- <u>Regulation 3</u> Statewide Permitting Requirements
- <u>Regulation 6</u> New Source Performance Standards (NSPS)
 - E.g. NSPS Kb (Storage Tanks) and NSPS OOOO (Crude Oil and Natural Gas Production, Transmission and Distribution)
- <u>Regulation 7</u> Control of Ozone Precursors and Oil and Gas Hydrocarbon Emissions
- <u>Regulation 8</u> Maximum Achievable Control Technology (MACT)
 - E.g. MACT HH (Oil and Natural Gas Production Facilities) and MACT HHH (Natural Gas Transmission and Storage Facilities)
- <u>Regulation 22</u> Greenhouse Gas Reporting and Emission Reduction Requirements



Regulation Number 2 - Odor Emissions

- Prohibits odors above certain levels
 - 7 to 1 dilution standard in residential and commercial areas and 15 to 1 dilution standard in all other areas (i.e. if odors are detected after the odorous air has been diluted with 7 or more volumes of odor free air)
- Difficult to enforce because odors can come and go very quickly
- Different people experience different things in response to odors

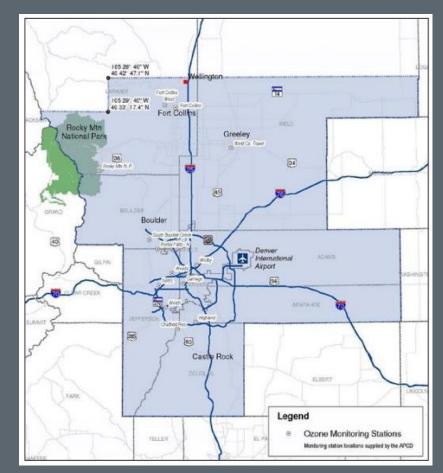




epartment of Public ealth & Environment

Regulation Number 3 - Permitting Requirements

- Air Pollutant Emissions Notice (APEN)
 - Describes emissions sources, fuel types, consumption rates, emissions estimates, etc.
- Air Quality Permit
 - Authorizes legal emissions of air pollutants under certain terms and conditions
 - Defines what pollutants can be emitted and at what levels
 - Identifies what steps a facility must take to minimize emissions
 - Specifies how emissions must be measured and reported

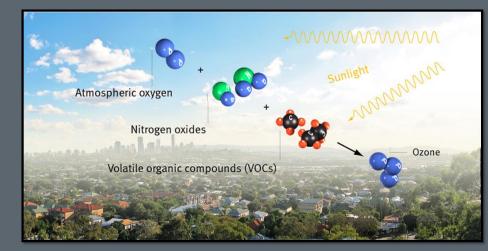


Nonattainment Area Map



Regulation Number 7 - Control of Ozone Precursors and Oil and Gas Hydrocarbon Emissions

- Regulation 7 requires:
 - the use of good air pollution control practices
 - equipment and processspecific emissions controls
 - comprehensive leak detection and repair (LDAR) program
 - air quality monitoring



Example: Action Day & Advisory Forecast - Denver Metro Air Quality Expected Air Quality for Your Health (Tuesday) MODERATE Expected Visibility (Wednesday) POOR Residential Burning Restricted 4PM Tue - 4PM Wed



Regulation Number 22 - Greenhouse Gas (GHG) Reporting and Emission Reduction Requirements

- House Bill 19-1261
 - GHG reduction goals
 - 26% by 2025
 - 50% by 2030
 - 90% by 2050
- Senate Bill 19-096
 - GHG reporting rule & reductions
 - GHG inventory
- GHG Roadmap

Colorado Greenhouse Gas Pollution Reduction Roadmap

January 14, 2021



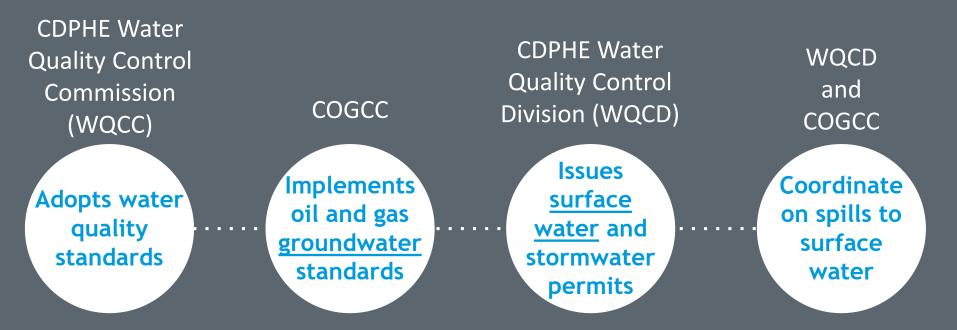


Air Quality Resources

- APCD Website: <u>https://www.colorado.gov/pacific/cdphe/apcd</u>
- AQCC Regulations: <u>https://www.colorado.gov/pacific/cdphe/aqcc-statutes-and-regulations</u>
- AQCC Website (with rulemaking calendar)- <u>https://www.colorado.gov/pacific/cdphe/aqcc</u>
- Getting Involved in the Rulemaking Process: https://drive.google.com/file/d/1ajTTHzQuJC1obnYmk35x7LV1_3Xe3LqW/view
- Oil and Gas Compliance and Recordkeeping: <u>https://cdphe.stg.colorado.gov/apens-and-air-permits</u>
- Air quality monitoring, modelling and data (including forecasts and advisories): https://www.colorado.gov/airquality/
- Air quality monitoring 101 and continuous monitoring 101: <u>https://cdphe.stg.colorado.gov/oil-and-gas-methane-other-hydrocarbons-monitoring-forum</u>
- Sign up for APCD Updates (including oil and gas): <u>https://cdphe.stg.colorado.gov/air-pollution-contacts</u>
- APCD Contact Information- 303-692-3100 cdphe.commentsapcd@state.co.us



Regulation of State Waters



- WQCD Website: https://www.colorado.gov/pacific/cdphe/wqcd

- Regulations: <u>https://www.colorado.gov/pacific/cdphe/water-quality-control-</u> <u>commission-regulations</u>
- Stakeholder Engagement: https://www.colorado.gov/cdphe/wqstakeholder
- Contact Info: 303-692-3500; cdphe.commentswgcd@state.co.us



Reporting Spills and Releases

- COGCC Rule 912 requires that operators report spills above certain thresholds
- Regardless of whether it is reportable, a spill or release of any size must be stopped, cleaned up and investigated as soon as practicable
- If a spill or release impacts or threatens to impact waters of the state, it must also be reported immediately to CDPHE by calling the



24-hour Colorado Emergency and Incident Reporting Line: <u>1-877-518-5608</u>



Waste Management

- Exploration and production (E&P) wastes are considered solid wastes
 - Drill cuttings, produced water, drilling muds, flowback and technologically enhanced naturally occurring radioactive materials (TENORM)
- <u>Non-commercial</u> waste management facilities are regulated by <u>COGCC</u>
- <u>Commercial</u> facilities are regulated by CDPHE's Hazardous Materials and Waste Management Division (<u>HMWMD</u>)
- HMWMD Website: https://www.colorado.gov/pacific/cdphe/hm
- Regulations: https://www.colorado.gov/pacific/cdphe/solid-waste-regulations
- Stakeholder Engagement: <u>https://www.colorado.gov/cdphe/hmwm-stakeholder-</u> processes
- Contact Info: 303-692-3320; commentshmwmd@state.co.us





SEPA ____

Exemption of Oil and Gas Exploration and Production Wastes from Federal Hazardous Waste Regulations



🔅 Period in pages the construct Nami Strand Strands particular with

Oil and Gas Health Information and Response

- Collaboration between Toxicology and Environmental Epidemiology Office and Air Pollution Control Division
- Tracks and investigates health concerns
 - The public can submit complaints over the phone (<u>303-389-1687</u>) or online (<u>www.colorado.gov/oghealth</u>)
- Provides the public with health science information
 - Publishes investigation findings online





Questions?

General questions: sean.hackett@state.co.us

Consultation requests: cdphe_cogcc_consultations@state.co.us



