



OIL AND GAS UPDATE

CITY COUNCIL AUGUST 7, 2023
DR. ROSEMARIE RUSSO

LEGISLATIVE UPDATES

Pipeline Safety – Public Utilities Commission

- GHG Intensity Verification Hearing
- GEMMs 2 – Air Quality Control
Commission PHS

PIPELINE SAFETY

Commerce City signed on to a consensus statement regarding the rule-making to implement Senate Bill 21-108

There are three categories that should be addressed in this rulemaking:

- (1) Pipeline mapping;
- (2) Annual reporting of all leaks; and
- (3) Advanced leak detection.



GHG INTENSITY HEARING

- Adopt the Division's rule proposal in full;
- Engage with local stakeholders to develop and periodically review and update the Intensity Verification Protocol;
- Ensure that the protocol development and review processes are robust; and
- Improve the protocol on a continuous basis by adapting to new and evolving direct measurements technologies.

GREENHOUSE GAS EMISSIONS AND ENERGY MANAGEMENT FOR MANUFACTURING PHASE 2 (GEMM 2) RULE - MAKING

- Commerce City joined 43 other local governments (LGC) to work with CDPHE to develop a program to reduce GHG from 18 large manufacturing facilities;
- Suncor is one of the 18 and accounts for 1/3 of GEMMS emissions;
- EJ Act (2021) Reduce sector GHG by 20% by 2030 from 2015 baseline and prioritize pollution reductions in disproportionately impacted communities (C3);
- LGC does not support current draft rule; Several alternative proposals have been submitted and multiple parties will be presenting including Chamber of Commerce, EDF, Green Latinos, and Climate Equity Community Advisory Council.

GEMMS PRE-HEARING

Air Pollution Control Division

- Co-benefits are minimal due to low cost cap and the \$150 extra to prioritize DICS is likely not enough to be effective;
- State's proposal doesn't require on-site co-pollutant reductions.
- Acknowledged there are multiple outstanding issues including what year to begin reductions; individual vs sector targets; cost effectiveness thresholds; capture technology and adjustments for unrealized production.

GEMMS 2

- What is the cost to the community?
 - Social Cost of Carbon - \$89.00
 - Health Study – >\$1,000.00
 - Safety and reliability of offsite carbon capture, utilization, and storage (CCUS) and direct air capture (DAC)
 - Offsets at other Colorado facilities owned/operated by the company/affiliate
 - Baseline adjustments upward increase allowed emissions
 - Lessons Learned from GEMM 1 (Cost cap allowed audit projects to be dismissed and facilities chose their auditors)
 - Co pollutant reductions are contingent on early and on-site GHG emission reductions

CITY OIL & GAS PERMIT APPLICATIONS

Site Name	Case Number	Operator	Council Action Required	Well Count
Pelican	OG-002-19	Extraction Oil and Gas	Conditional Use Permit	28
Heron	OG-003-19	Extraction Oil and Gas	Conditional Use Permit	24
Blue Jay	OG-004-19	Extraction Oil and Gas	Rezoning	18
Owl	OG-005-19	Extraction Oil and Gas	Rezoning	18
Falcon	OG-006-19	Extraction Oil and Gas	Rezoning	18

Five applications have been withdrawn .

APPLICANTS
WILL NEED TO
REAPPLY
UNDER NEW
REGULATIONS

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THANK-YOU
QUESTIONS?

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