

Oil & Gas Taskforce Discussion

City Council Meeting January 14, 2019

Presentation Outline

- Overview of city engagement/communication efforts
- History of 2012 Oil and Gas Taskforce
- Background of other jurisdictions taskforce efforts
- Possible options with analysis
- Council discussion and direction



Citizen Engagement Efforts

- Since April 2017:
 - Updated the Website added oil and gas page
 - Speaker Series: COGCC, South Adams Water and San, Army (RMANWR), CDPHE, Extraction Oil and Gas
 - Weekly staff updates to Council and monthly public updates
 - Presentations by industry and NRCC 9-10-18
 - Community Meeting on 12-6-18
 - Website Comments
 - Community Outreach surveys



City Council and Staff Efforts

- April 2017-present:
 - Establishment of staff working group
 - Retention of expert special counsel
 - Staff working meetings with Extraction to maximize protections and minimize impacts before applications submitted
 - Preliminary revisions to the LDC
 - Review and response to COGCC applications (including delaying comment periods)
 - Engagement with COGCC and partner agencies
 - Conduct of impact fee study for future fee

Future Steps

- Executive Session on Regional Operator Agreement and BMP's (February 4, 2019)
- Public Presentation on Regional Operator Agreement and BMP's (date TBD)
- 21-day public comment period for Regional Operator Agreement
- COGCC comments to be submitted
- Neighborhood meetings for each Oil & Gas permit when applied for; site-specific agreements negotiated for each permit
- Draft BMP document currently requires biannual presentations from Extraction during drilling and completion operations
- Proposed impact fee

2012 Oil and Gas Land Use Review Committee

- Background: A test frack well began to operate in late 2011 on a unincorporated parcel near Reunion, and little communication went to Commerce City residents
- At the time, the city had few rules and regulations regarding oil and gas development
- In response, the City formed a committee to evaluate possible code updates
- The committee comprised residents, interests groups, regulatory agencies (COGCC), City Council, and industry representatives
- Met 5 times over two months
- Was formally discontinued after 5th meeting due to a cited lack of productivity
- Smaller individual meetings and council presentations were utilized moving forward

Broomfield's Experience

- Broomfield Oil and Gas Comprehensive Plan Update Committee (March 2017 July 2017):
 - Goal: convened to create a new chapter of the Broomfield Comprehensive Plan to address oil and gas development
 - Members: 14 Broomfield residents with diverse backgrounds met and heard presentations for five months. Collectively they spent more than 4,000 hours in meetings. Two full-time staff members were also assigned to the effort.
 - Mission: "As technological advances in oil and gas exploration and production evolve, Broomfield desires to focus on the health, safety, welfare and environment of our community as our top priority."
 - Result: A new chapter in Broomfield Comprehensive Plan outlined BMPs that are the basis for Broomfield Operator Agreement. Commerce City's draft Regional Operator Agreement incorporates and builds on the BMPs crafted through Broomfield's task force.

Draft Operator Agreement



COMMERCE CITY BMPs vs. STATE REGULATIONS

The following examples highlight topic areas where the city was able to make significant progress in negotiating BMPs that go above and beyond state regulations to protect resident health, safety and quality of life.

TOPIC PROPOSED BMP COGCC REQUIREMENT

≋ AIR QUALITY	ELECTRIC POWERED DRILL RIG, COMPRESSORS, AND LIFT EQUIPMENT REQUIRED	NOT REQUIRED
	\$20,000 ANNUAL PAYMENT FOR AIR QUALITY MONITORING	ANNUAL MONITORING NOT REQUIRED
	GLYCOL AND DESSICANT DEHYDRATORS ARE PROHIBITED	ALLOWED
	INCREASED INSPECTION FREQUENCY	AS FEW AS 1 INSPECTION / YEAR BASED ON PRODUCTION
	OIL PIPELINE - NO STORAGE TANKS	NOT REQUIRED
	LEAK DETECTION AND REPAIR PROGRAM - ENHANCED TECHNOLOGY AND MONITORING TIMELINES	NO TIMELINE REQUIREMENTS
♦ WATER QUALITY	PROHIBITION OF 15 FRACKING CHEMICALS KNOWN To be dangerous	NO BAN ON SPECIFIC HYDRAULIC FRACTURING CHEMICALS
	INJECTION WELLS PROHIBITED	NOT PROHIBITED
	NO DRILLING WITHIN FLOODWAYS	ALLOWED
	WASTEWATER REQUIRED TO BE PIPED FROM WELLPADS	TRUCKING OF WASTEWATER ALLOWED
	FLOWLINES REQUIRED TO BE REMOVED	REMOVAL OF FLOWLINES NOT REQUIRED
A SAFETY	SITE SECURITY PLAN FOR EACH WELL PAD	NOT REQUIRED
	OPERATOR ASSISTANCE WITH EMERGENCY RESPONSE TRAINING	NOT REQUIRED

Draft Operator Agreement



COMMERCE CITY BMPs vs. STATE REGULATIONS

The following examples highlight topic areas where the city was able to make significant progress in negotiating BMPs that go above and beyond state regulations to protect resident health, safety and quality of life.

TOPIC

PROPOSED BMP

COGCC REQUIREMENT

NOISE MITIGATION

NOISE MITIGATION PLAN REQUIRED IF WITHIN
1/4 MILE OF A HOME

CONTINUOUS NOISE MONITORING IF WITHIN
1/4 MILE OF A HOME

QUIET FLEET TECHNOLOGY REQUIRED IF WITHIN

1/4 MILE OF A HOME

NOISE MAY NOT EXCEED 55db or 4db OVER BASELINE LEVEL NOT REQUIRED IN THIS CIRCUMSTANCE

NOT REQUIRED

NOT REQUIRED

MAXIMUM 80DB(A) ADJACENT TO RESIDENTIAL

O VISUAL MITIGATION PIPELINES - NO STORAGE TANKS

NO PUMPJACKS ALLOWED

STAGED LANDSCAPING REQUIREMENT

NOT REQUIRED

ALLOWED

NO LANDSCAPE REQUIREMENT

E COMMUNITY

NOTIFY ADJACENT NEIGHBORS OF DRILLING, INCIDENTS,
AND ACCIDENTS

BI-ANNUAL UPDATE TO CITY COUNCIL

OPERATOR WILL MAINTAIN A 24/7 COMPLAINT
RESPONSE HOTLINE

NOT REQUIRED

NOT REQUIRED

NOT REQUIRED

Options

- **A.** Current Path Continue to utilize the multi-channel communication approach, reliance on community meeting input, Council, staff, & experts
- **B.** Focus Group Meet with resident group to collect input and concerns
- C. Resident Advisory Committee Provide comments on COGCC well permit applications and State & local legislation
- **D.** Task Force Scope & mission to be determined but to include both residents and industry representatives



Staff Comments

- It is possible to accommodate multiple objectives
 - We can continue on the current path
 - We can create an advisory committee, if Council desires
- The focus group will not achieve more than the public input opportunities have accomplished
- A task force would not generate new information and likely would cause the current process to fail





Questions and discussion

Scope

- If Council wishes to pursue a task force or advisory committee, input is needed on:
 - Structure
 - Membership and appointment process
 - Scope (including subject matter, authority, etc.)
 - Timing of appointment
 - Duration
 - Staff resources and desired funding





Questions and discussion

Background

- Other jurisdictions experience with oil and gas taskforces
- Governor's Oil and Gas Task Force (2014-2015):
 - Goal: To propose new rules and/or legislation to address conflicts between large oil and gas facilities and urban areas
 - <u>Committee Members</u>: 21 people seven from oil and gas, seven "Colorado leaders," and seven to represent environmental and local government. The group met two days a month for over a year.
 - Result: The Governor's Task Force is widely seen as a failure. The industry and local governments were only able to agree on a handful of issues which failed to result in meaningful change