



Oil & Gas LDC Updates

City Council Study Session October 2019

LDC Updates – Remaining Timeline

✓ Public & Stakeholder Meetings

- ✓ 9/23 Regulatory Groups – COGCC, CDPHE, TCHD, Fire Districts, other interested local governments
- ✓ 9/24 Industry Groups – COGA, CPC, Operators
- ✓ 9/25 Adams County Stakeholder meeting
- ✓ 10/2 General Public Meeting 1 – evening open house (similar to December '18 community meeting & Oil & Gas Impact Fee open house)
- ✓ 10/3 General Public Meeting 2 – daytime

✓ October 1: Planning Commission Study Session

✓ October 14: City Council Study Session

- October 15 - 23: Draft ordinance posted to website & available for public comment
- October 30: Planning Commission Hearing
- November 4: City Council 1st reading (public hearing)
- November 18: City Council 2nd reading

Objectives of Code Update

- Utilize SB-181 authority to zone Oil and Gas
 - Through applicable zone districts and/or setbacks
 - Reverse setbacks from existing or plugged and abandoned well sites
- Incorporate other powers granted to local governments through SB-181
 - Stricter enforcement provisions
 - Fees for ongoing air quality monitoring & inspections
- Define approval criteria for alternative site location analysis
 - Currently required in code, but specifics are not defined
- Process & approval evaluation
 - Establish effective process for permitting
 - Incentivize preferred site locations and high level of BMP's through expedited process



Objectives of Code Update

- Incorporate feedback received during Focus Group meetings into code
- Evaluate additional feedback provided from the public, industry, and other regulatory agencies
- Evaluate financial assurances and fees
- Codification of Best Management Practices (BMP's)
 - Applied as mandatory permit conditions for all sites (updated annually, to allow for changes as technologies increase over time)
- Incorporate meaningful health, safety, and general welfare protections

Previous Council Feedback

On September 9th, an initial study session was held with City Council, where the following direction was provided:

- a) To pursue a more aggressive LDC update schedule with final adoption November 18th 2019
- b) New regulations should build off the BMP's and ROA recently signed with Extraction
- c) The new regulations should generally achieve rough equivalency to Adams County's newly adopted regulations where appropriate.



Stakeholder Feedback

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Regulatory Stakeholder Meeting

- Attendees
 - COGCC, CDPHE, TCHD, SACFPD, School District 27J
- Feedback received:
 - Additional school setbacks compared to other setbacks
 - Reverse setbacks from existing facilities to new homes needed
 - Potential to coordinate air quality data review with TCHD
 - COGCC desired to have Commerce City as a stakeholder during rulemakings, especially alternative site location analysis



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Industry Stakeholder Meeting

- Regulations should reflect what is currently possible
- BMP's should be specific and clear
- Positive acknowledgement of continuously updated BMP document
- Explain rationale for setbacks
- Recommendation of a waiver process for willing owners to be within minimum oil and gas facility setback
- Expressed concern with additional fine schedule



Adams County Meeting

- Expect to update setbacks to 1,320' in a future update
- Discussion of shared inspection services between the city and county – IGA in discussion
- Insight into their code update process – how was feedback incorporated & lessons learned
- Engage all stakeholders in the process effectively



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Public Feedback

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Community Meetings

- Held
 - Wednesday, October 2 from 5-7PM @ Bison Ridge
 - Thursday, October 3 from 10-Noon @ Eagle Pointe
- Attendance around 60 for both events combined
- Overall, support was expressed for the approach the city is pursuing for updating it's regulations in response to SB-181
- Outcomes from public feedback
 - Exploring additional setbacks from schools as a result of feedback
 - Zoning configuration preference towards AG & Industrial zoning for allowed uses
 - Exploring increased notification to the public
 - More communication to the Spanish speaking community
 - Increase insurance premiums



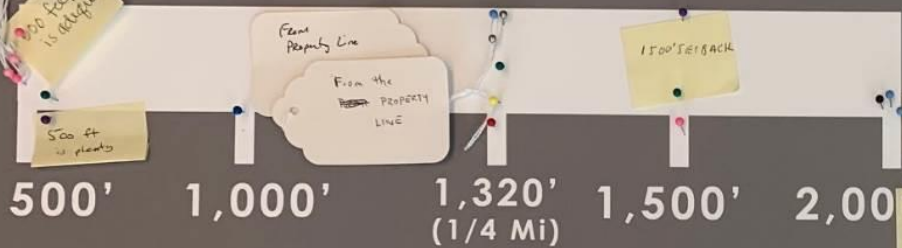
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SETBACKS & ZONING

Add a pin in the corresponding box, where you feel is appropriate!

SETBACKS

"I think the minimum setback should be....."



"Setbacks are necessary from the following....."



OTHER

2000' from schools

2500' from school

3500 ft from all

All listed areas need setbacks but some areas need less

Save the Planet

Ninguno ya que es peligroso



ZONING

"I think Oil and Gas should be allowed in the following zone districts....."

Notes on pins: "The Future is green Energy", "720 Acres only 1350' from property line", "ON LARGE PROPERTIES 720m. with 1/4 mile setbacks from property line".

NONE



COMMUNITY OUTREACH & EDUCATION

The city intends to require that all Oil and Gas operators engage in significant public outreach and education to the community. It will be their responsibility to ensure the community is informed of their activities and educated on potential impacts.

NOTICE REQUIREMENTS

Currently proposed regulations require public notification for all properties within a **2500ft** radius. Should this notification radius buffer be increased to a larger distance? Add a pin to the image to the right.



INCREASED COMMUNITY OUTREACH

Multiple public meetings are required by the city, including a neighborhood meeting for all new Oil and Gas Permits and bi-annual ROA presentations to City Council. What additional outreach/education would you like to see?



- Summer public outreach
- School outreach and education
- Presentations to other entities or stakeholders (ex: USGS as a referral agency to analyze seismic activity)
- Other methods of communication

ENHANCED EMERGENCY COMMUNICATION

All Oil & Gas Operations are required to prepare an Emergency Response Plan, which includes public communication requirements. What additional emergency response notifications would you like to see?



- Operator complaint/emergency hotlines
- Increased emergency notification radius (currently required for all properties within a 1/2 mile buffer)
- Real-time notifications
- Emergency response coordination efforts



REVIEW PROCESS & BMP's

The city is exploring options for how the review process for an Oil and Gas Permit is handled, and how the Best Management Practices are implemented in the code. Place a pin in the boxes below, where you feel is appropriate.

PROCESS

2,000'+ FROM:



**+ ENHANCED BMP's
= ADMIN REVIEW**

< 2,000' FROM:



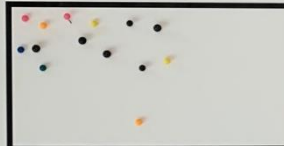
**+ STANDARD BMP's
= PUBLIC HEARING**

The city is contemplating a two tiered approach to permitting, which would allow operators with significant BMP's and a high proximity from the criteria defined in the setback regulations to pursue an administrative approval process. For sites that are not meeting these requirements, public hearings would be required with the city's Planning Commission and City Council prior to approval. This is a common practice currently for municipal oil and gas regulation throughout the state, and could provide an incentive for operators to have greater protections and move farther away from residences.

**I AM IN FAVOR OF A
TWO TIERED APPROACH**

**ALL SHOULD REQUIRE
A PUBLIC HEARING**

**ALL SHOULD BE REVIEWED
ADMINISTRATIVELY**



BMP's

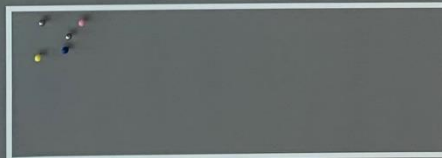
The city is contemplating two potential options for incorporating Best Management Practices into the code. Review both options, then place a pin in the box with your preferred method.

BMP's ADOPTED BY REFERENCE

- Adopted by council initially, then revised administratively on an annual basis
- Would allow for more nimble policymaking in an environment with rapidly changing technology
- Would be reserved for more technical aspects of the regulations - some key BMP's would remain in code
- Would require a comment period (14 days recommended) for any changes to the document
- Council or Community Development Director would have authority to trigger a public hearing if requested

BMP's ADOPTED INTO CODE

- Any changes would need to be approved by both Planning Commission and City Council in the decision making process
- Would give more discretion to Planning Commission and City Council in the decision making process
- Would make the city less flexible in response to changing and emerging technologies



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Draft Regulation Concepts

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Pre-Application Process

- Exploring mandatory pre-application process requirement
- Alternative site analysis required as part of process
 - Operator submits a minimum of 3 locations for review
 - Staff reviews for distance with the following criteria:
 - Platted or existing residential
 - Schools
 - Parks
 - Recreation facilities
 - Streams
 - Facilities defined as a High Occupancy Building unit by the COGCC
 - Assisted living facilities
 - Water bodies
 - Sensitive wildlife areas
 - Staff informs applicant which sites are eligible, then applicant is eligible to apply **only** for those sites
 - If a proposed location is at least 2,000' from a number of stated criteria, a full analysis would not be required.
- City currently has an alternative location analysis requirement, but the approval criteria are minimal



Review Process

- Exploring two track approach
 - If site is some additional distance from stated criteria established in pre-application process (between 1,320' – 2,000'), review would be administrative.
 - If not, site would be reviewed by planning commission and city council
- All Oil and Gas Permits currently administrative review
 - Unless PUD zoning requires a CUP (Reunion)
 - If the PUD doesn't contemplate Oil and Gas facilities as an allowed use, a rezoning is required



Best Management Practices

- Exploring two potential options:
- 1: Standalone BMP document
 - Would be adopted by Council initially, then revised administratively on a pre-determined timeframe (recommendation of annually)
 - Community Development Director Final approval authority
 - Allow for more nimble policymaking in an environment with rapidly changing technology
 - Reserved for more technical aspects of regulations
 - 14 day comment period, Director or council can trigger public hearing after
- 2: Best Management Practices adopted by code
 - Any changes would need to go through code amendment process
 - More discretion to Planning Commission and City Council in decision making process
 - Less flexible in response to emerging technologies
- Would remove requirement for operator to sign an extraction agreement
 - No longer necessary to negotiate protections

Setbacks

- Exploring minimum setback of either **1,000'** or **1,320'** (1/4 mile) from:
 - Any existing residential, platted residential, or property currently entitled for residential use
 - High Occupancy Building Units (Schools, assisted living facilities, rec centers, etc)
 - Parks, not including trails
 - Sports fields, amphitheaters, etc
- Reverse setback from **existing** facilities to newly constructed homes
 - 300' minimum
 - Additional requirements for platting
- Currently no minimum or reverse setback requirement in the code



Setback Analysis

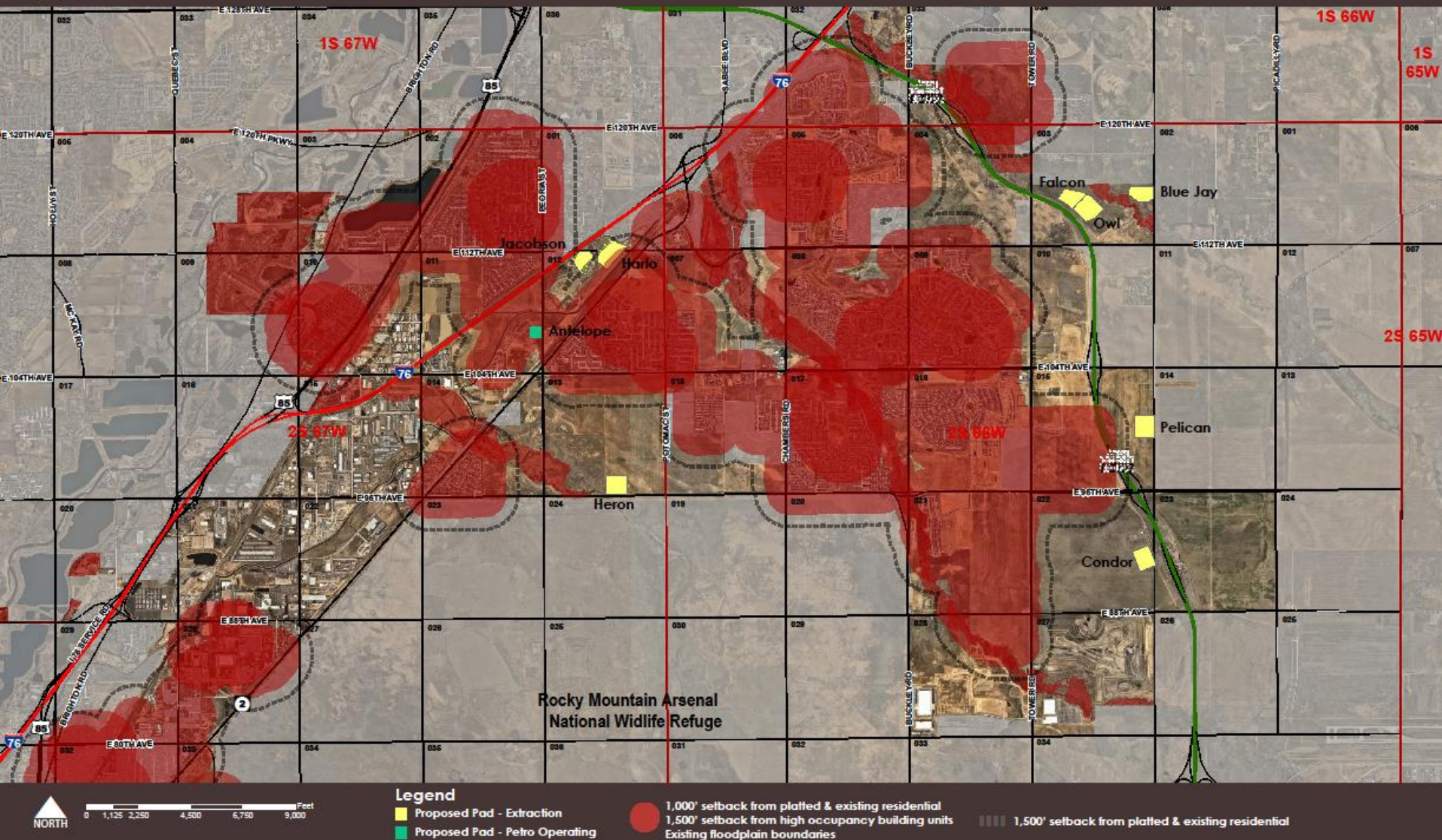
- Even under similar setback requirements as Adams County (1,000'), all proposed sites in Commerce City would be eligible, except for two.
- With an increase to 1,320', one additional site would be ineligible, for a total of three.





CITY OF CAMBRIDGE

Northern Range



Zoning

- Exploring allowing in all industrial zone districts, agricultural over 10 acres in size, PUD's that specifically allow it as a contemplated use
- Would prohibit in all Commercial, Residential, and Public Zone districts
- Currently allowed in all districts except Public, subject to alternative site location analysis



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Air Quality Monitoring

- Contemplating increased air quality monitoring requirements
 - Baseline sampling of all well sites
 - Sampling during drilling and completions phase
 - Continuous monitoring for the life of the well
 - Real time data reporting requirement
 - All costs borne by applicant
 - Applicant must select from approved vendor list (BMP's)
- Air quality control commission charged with rulemaking in the future on continuous air quality monitoring – not currently a requirement
- No such requirements under current code



Enforcement & Inspections

- Option 1:
 - Adopt current COGCC fine schedule
- Option 2:
 - Adopt increased fines for violations that have the most significant impact on city services and emergency service response
- Current enforcement schedule – utilizes current neighborhood services fine schedule
- Operator to bear cost of inspections on sites
- Full inspection authority – no prior notice required



Increased Notification

- Double the notification radius buffer from 2,500' to 5,000'?
 - Currently 300' – 500' for all land use cases
- Increased community outreach by the operator
 - Neighborhood meeting currently required for all Oil and Gas Permits
 - ROA requires bi-annual presentations to City Council
 - Request for additional communication
 - Presentation to other entities required?
- Outreach requirements during an emergency?



Questions and Discussion

City Council Study Session October 2019