

## What's Next for Colorado's New Oil and Gas Law

With Governor Polis signing Oil and Gas Legislation (SB 181) into law what are the next steps for the State of Colorado? How will this benefit Colorado's residents and provide new opportunities for the oil and gas industry?

### Change from "Fostering" to "Regulating" and Local Government Oversight

- One of the primary changes associated with Colorado's new oil and gas law is that the mission of the Colorado Oil and Gas Conservation Commission (COGCC) changes from "fostering" the oil and gas industry to "regulating" the industry, prioritizing public health, safety and environmental concerns. It also enables local governments to have increased oversight of land use related oil and gas activities in their communities.

### New Commission Makeup and Members

- Colorado's new oil and gas law also immediately changes the composition of the COGCC, including adding a commissioner with public health expertise. The COGCC expects this new volunteer commission to be seated within a few weeks.

### First Acts of Director

- Colorado's new oil and gas law sets out that within 30 days of enactment, the COGCC Director must set out new "objective" criteria that will be used to determine whether a proposed well or location requires additional analysis to ensure it meets the mission of the legislation. These new objective criteria will incorporate a public comment process and are likely to be approved before the 30 day deadline.

### New Rulemaking

- The law clearly sets out which new rulemakings the COGCC must undertake first, including: implementing the new public health, safety, and environmental priorities of the COGCC, updated flowline rules, alternative site analysis, cumulative impact rulemaking, and address how the COGCC will work with and assist local governments.

### Addressing air quality impacts from oil and gas development

- The oil and gas law tasks the Colorado Air Quality Control Commission (AQCC), part of the Colorado Department of Public Health and Environment (CDPHE), with adopting additional air quality rules to minimize emissions from oil and gas activities, including from natural gas transmission. The law directs the AQCC to consider adopting better provisions than are in place today, including increased leak detection. It is anticipated that the AQCC will begin the rulemaking processes to address the oil and gas law over the course of the next twelve months.

### No Permit Holds or Moratoriums

- All oil and gas permits or projects will not be put on hold and there is NOT a moratorium on oil and gas permits in Colorado. Since January the COGCC Director has approved 88 site locations and 774 wells in Colorado, with an increased eye for public health and safety. Additionally, any permits still in process will come under the new provisions of the new oil and gas law.

### **New Staff and Resources on the Way for Increased Workload**

- The new oil and gas law anticipated the increased workload of the COGCC providing for two new Deputy Directors. Additionally, the state budget adds 24 new full time employees providing critical new technical and administrative support. With these additional resources, the COGCC will be able to balance keeping the permit approval process going with moving forward with robust rule-makings.

### **Benefits to Colorado communities and residents**

- Colorado communities and residents will have increased opportunities to provide input on oil and gas operations occurring in or near their communities. If desired, local governments will have increased oversight over land use and nuisance related impacts (noise, traffic, etc). This additional oversight is optional for cities and counties.

### **New Opportunities for the oil and gas industry**

- The oil and gas industry will see some changes and improvements with the new oil and gas law. The new law will help streamline oil and gas drilling and spacing conflicts, which make up a majority of contested Commission matters - approximately 81% of current disputes - by moving decisions to administrative law judges. This will enable quicker resolutions for disputes and free up the COGCC Board for policy decisions and rulemakings. The new law does allow increased fees on permit applications but these are not expected to be applied immediately.

### **Getting Involved**

- There will be numerous opportunities for the public to become involved in the implementation of Colorado's new oil and gas law. Residents, stakeholders and interested parties can find latest news on websites of [COGCC](#), [Colorado Department of Natural Resources](#) or [CDPHE](#).