COGCC Talking Points: 2021 - 2022

Please personalize your message to COGCC commissioners. You can also email COGCC commissioners directly at this email address with your feedback: DNR_COGCC.Rulemaking@state.co.us

Key message to convey: To protect our climate, health, safety, air and water resources and frontline communities, Colorado needs to rapidly phase out fracking. Especially in this time of unprecedented health concern due to COVID-19, which is worsened by air pollution, the state needs to put people first.

Tell the Colorado Oil and Gas Conservation Commission:

While the SB 19-181 rulemakings in 2020 were a significant step in the right direction, much more action is needed to protect Coloradans...

- CO is still not requiring continuous monitoring of emissions at oil and gas sites (despite that being called for in SB 19-181), so most communities are unaware of the levels of toxic emissions to which their families are being exposed. They live in fear of cancers and other serious illnesses that may develop due to these exposures.
- CO continues to permit additional fracking despite the fact that most of the Front Range has F-grade air quality (according to the American Lung Association) and is "serious" nonattainment of ozone standards. Ozone pollution causes and exacerbates asthma and other respiratory problems, increases the incidence of heart attacks, strokes and dementia.
- No rules have been implemented to reduce permitting and decrease oil and gas production and the associated greenhouse gas emissions, despite the passage of HB 19-1261 or the fact that our state is in drought and just experienced 3 of the worst wildfires in our state's history due to the worsening climate crisis. According to the 350CO report "Avoiding a Roadmap to Climate Catastrophe", the oil and gas sector in CO is responsible for 70% of the state's GHG (greenhouse gas) emissions, when emissions from exported oil and gas are included. If Colorado truly wants to do its part to address the climate crisis, our state must manage a phase out oil and gas production by 2030.
- In this time of COVID-19, which is made worse by air pollution, Colorado needs to put the brakes on new fracking and stop approving new drilling permits. Coloradans need to focus on protecting their health and families, they should not be distracted by having to respond to new oil and gas drilling proposals in or near their communities.
- With the oil and gas industry in financial collapse, Colorado can't afford to keep approving more oil and gas extraction. The state needs to focus on securing financial assurances from companies to ensure that they are financially viable and require bonding of at least \$270,000 per well (the average cost of cleanup and capping orphaned and abandoned wells on federal lands), with no per company cap, to ensure that Colorado taxpayers are left paying to clean up the mess, as is happening in numerous other oil and gas producing states as fracking companies go bankrupt.
- From the public's perspective there hasn't been a noticeable change at the COGCC with regards to transparency or action:

- The new COGCC website is difficult to navigate even for those with a lot of experience interfacing with the COGCC and hearing agendas are confusing.
- There has been no apparent increase in public notice so far.
- Many impacted community members are exhausted trying to defend themselves not only at the COGCC, but also at the AQCC, county and city levels, and even in the courts to uphold previously agreed to MOUs and protective measures.
- Focus needs to be on adopting stronger safeguards for Colorado's health, environment, and safety.
- Until the above issues are meaningfully addressed, we ask that the COGCC pause all permitting and oil and gas operations.

(Additional talking points below...)

Suggested Talking Points Concerning Addressing the Climate Crisis:

- The Intergovernmental Panel on Climate Change tells us that for a 66% chance of avoiding climate catastrophe by limiting the global average temperature rise no more than 1.5° C above pre-industrial levels, the world must achieve net zero GHG (greenhouse gas) emissions by the end of 2037¹, requiring a rapid phase out of all fossil fuels.
- Last year, the Colorado General Assembly passed SB19-096 and HB19-1261, which together establish GHG emissions reduction goals for 2025, 2030, and 2050.
- The oil and gas industry is contributing significantly to the climate crisis through vast methane leaks and when these fossil fuels are burned.
- It is essential to begin making deep reductions as soon as possible. Therefore, state health agencies must begin to chart a path away from fracking. I call for all relevant state agencies and divisions to work together to deploy a bold plan for a rapid and just transition away from oil and gas development in CO via a managed phase out by 2030, including a 10% per year reduction in permitting and 10% per year permanent closure of existing wells, starting with the most egregious those that would not meet the COGCC's updated standards, e.g. those within 2000' of schools or neighborhoods.

Talking points based on 350 CO Report on Energy Roadmap:

- 350 CO released a <u>report</u> that analyzed the state's energy roadmap. Over 60 organizations and leaders throughout the state <u>signed on</u> in support.
 - The report details the changes that need to happen to reduce our greenhouse gas emissions enough to impact climate change including using more accurate leakage estimates from oil and gas wells, using the 20 year Global Warming Potential when calculating the impacts of methane, and including the significant amount of oil and gas that
 - We call on the state of Colorado to phase out oil and gas production over the next 10 years, decreasing by 10% each year.

¹ https://www.ipcc.ch/site/assets/uploads/sites/2/2019/02/SR15 TS High Res.pdf - page 33

Suggested Talking Points Concerning Huge Gap Between Statewide GHG Emissions Reduction Targets (and where we are currently heading per climate goals & the role played by oil and gas development):

- We urge new commissioners to address the role that the oil and gas industry plays in our ability to meet our state's GHG reduction targets.
- I urge for a more rapid shift away from oil and gas development in our state, particularly fracking. I call for all relevant state agencies and divisions to work together to craft and deploy a bold plan for a rapid and just transition away from oil and gas development in Colorado.
- Research from NASA, Cornell and Harvard show that the worrying global spike in methane over the last decade is largely from US fracking.
- Please also carefully consider the role of oil and gas well deterioration into future emissions estimates and the financial situation of the oil and gas industry.
- Colorado must properly study and assess the full impact of the industry and begin to transition away from oil and gas, in order to both reduce VOC emissions statewide and address the full climate footprint of this state.
- Call out huge gap between emissions reduction targets and where we are currently heading; Use
 Wild Earth Guardians talking points from recent AQCC commission hearing <u>found here</u>
- When researchers examine the <u>full impact of fracked gas</u>, many conclude that it is no better for the climate than burning coal. If methane is leaking more than about 3.2%, it is worse.
- We will never reach the emissions goals laid out by the IPCC Report if we don't also dramatically scale back oil and gas extraction infrastructure. We must rapidly transition off all fossil fuels.
- Leaders who claim to care about climate change cannot ignore the major contribution that oil and gas makes.
- It's time to move to keep fossil fuels in the ground and protect our climate and future generations.

Suggested Talking Points Concerning Air Quality and Covid-19:

- Call for greater air quality protections during a respiratory epidemic.
- We are living in the midst of a global pandemic present in our state and our communities. This
 pandemic, COVID-19, results in respiratory illness, respiratory distress, and even death, at
 alarmingly high rates. People with reduced lung capacity, those immuno-suppressed and the elderly
 are at higher risk.
- Oil and gas activities are responsible for as much as 40% of the pollution that resulted in the EPA reclassifying Colorado air quality as in "serious" violation of air quality laws, forcing stricter efforts to reduce air pollution. This pollution is greatly increasing our population's risk of severe outcomes from COVID-19.
- Fossil fuel extraction and production activities known to release harmful VOCs and air pollution should be ceased throughout the state for at least 30 days and until the pandemic is contained in Colorado.

Suggested Talking Points Concerning Adverse Health Impacts of Oil and Gas Development:

• <u>Health experts warn</u> that short-term benzene exposure health risks and effects include headaches, nose bleeds, dizziness, tremors, confusion, unconsciousness, and death.

- Long-term exposure increases the risk of acute myeloid leukemia, and can be harmful to reproductive organs affecting fertility and harmful effects on the developing fetus, and more.
- Reference the CDPHE study, released in Fall, 2019, which finds significant <u>risks</u> from fracking up to at least 2000 feet.
- The American Lung Association lists "reducing emissions from existing and new oil and
 gas operations" as one of the key actions Colorado can take to improve air quality across the
 state. Unfortunately, a recent report gave Colorado failing grades for the prevention of
 fracking pollution.
- Oil and gas is a major contributor to bad ozone days in Colorado.

Suggested Talking Points on Orphan Wells:

- Orphaned wells pose a huge environmental and financial threat to taxpayers, as oil and gas companies do not have the financial reserves necessary to properly plug their wells.
- Infrared imaging at fracking wells shows methane leaking into the atmosphere, at much greater rates than estimated, violating government regulations.
- Abandoned and orphaned wells, if not properly closed, will continue to spew methane and other
 pollutants into the atmosphere. If oil and gas companies can no longer extract profit from their
 wells and file bankruptcy, it is unlikely they will have the legally required tens of millions of dollars
 necessary to properly clean up their wells, shifting the financial and environmental burden onto
 taxpayers.
- Across the US, there are more than 3 million abandoned wells, 2/3 of which are still unplugged and leaking methane.
- It costs around \$270,000 to properly plug *one* shale well. The high cost of cleaning up orphaned wells will likely fall onto taxpayers, as the oil and gas industry continues to financially plummet, with their debts from filing bankruptcy already dramatically exceeding the amount they would need to pay to clean up their orphaned wells.
- Denver's Extraction Oil and Gas is estimated to need over \$200 million to properly clean up its 1,000 wells.
- If you operate over 100 wells in Colorado, you can purchase a \$100,000 <u>"state-wide blanket bond,"</u> with no limit on how many wells are covered by that \$100k.
- Governor Hickenlooper himself has said that the actual cost to properly plug and abandon these
 wells is at least <u>six times this amount</u>
- Sites in California have cost over \$367,000 to properly plug and abandon two orphaned wells.
- The COGCC estimates the cost to properly plug and abandon is over \$82,000 per well.
- Orphaned wells have plagued other <u>states with heavy taxpayer burdens</u> in the past.

Talking Points Concerning the Financial Situation of the Oil and Gas Industry

Oil and gas companies pay millions to their executives before filing bankruptcy. For example, MDC
Energy paid its chief executive \$8.5 million months prior to filing bankruptcy. Whiting Petroleum
paid its top executives \$15 million six days before filing bankruptcy. Diamond Offshore Drilling
paid \$9.7 million, which it received from the government as a COVID-19 stimulus payment, to its

- executives one month before filing bankruptcy. Denver's Extraction Oil and Gas paid its top officers and employees a total of \$6.7 million three days before filing bankruptcy.
- The financial future for oil and gas companies is looking increasingly dire. Rystad Energy analysts have predicted that nearly 250 oil and gas companies could file bankruptcy by the end of next year.
- Oil and gas demand is predicted to continue falling, as renewable alternatives become more attractive and affordable.

Suggested Talking Points Concerning Environmental Racism & Calls for Halt to Drilling at Bella Romero Academy:

- Elevated benzene exposure due to oil and gas activities immediately adjacent to the 4th-8th grade Bella Romero Academy in Greeley is absolutely unacceptable and is a perfect example of environmental racism underway in our state, given the history of the decision to site this oil and gas installation next to a school with a majority of students who are students of color.
- I call for the immediate suspension of Extraction's operations at Bella Romero Academy and for the shutting in of the wells. Second, the state should adopt the most protective standards for toxic emissions from oil and gas sites near occupied buildings and especially by schools. Third, we need to continuously monitor the emissions at these sites and make the data available to the public in real time online. Fourth, issue warnings whenever these thresholds are approached and immediately shut down operations if they exceed standards.
- A report was <u>released</u> in March, conducted by Barrett Engineering PLLC, revealing that benzene emissions at Bella Romero Academy in Greeley exceeded health standards appropriate for schools on numerous occasions while the Colorado Department of Public Health and the Environment (CDPHE) took measurements May-December of 2019.
- Students and staff at the school were exposed to higher concentrations of benzene, a known carcinogen and hazardous air pollutant, than allowed by the most appropriate short-term health standard, developed for locations with repeated 8-hour exposures, such as schools and work facilities.
- Using the appropriate eight-hour health-based short-term safety standard for benzene exposure, established by the California Office of Environmental Health and Hazard Assessment (CA OEHHA) "to assess exposure of students and teachers while at school," it was determined the 8-hour standard was exceeded 113 times, including four time periods that directly overlapped with school days on October 16, November 5, December 4 and December 18, 2019.
- Extraction Oil and Gas VT-LDS well pad fracking site consisting of 11 wells located approximately 1,000 feet to the south / southwest of Bella Romero Academy (Extraction Frack Site) began producing hydrocarbon liquids and gases (natural gas or "fracked gas") in mid-October, 2019. This date coincides with the increasing level of benzene concentrations detected at Bella Romero. Wind observations during the ten highest hours of benzene concentrations, all occurring after production began, correlate with the Extraction Frack Site being the main source of these impacts.
- The monitor was either absent or results were not reported, on average, for 1 of every 2 days during the total period of measurements between May 6 and December 20, 2019, so many additional benzene exceedances of the 8-hour standard may have occurred.
- CDPHE selected an inappropriate 24-hour health standard to compare its benzene measurements and determine there had been no risk to the Bella Romero Academy community. A more applicable

- 8-hour standard should have been used to correlate with the time that students and staff spend at the school on a regular basis.
- Furthermore, a lifetime exposure standard should have been referred to by the State to inform staff and students who attend or teach at the school over multiple years that the average benzene concentrations exceed by a factor of six the lifetime standard for safe exposure level of benzene.