



10-13-2023

Legislative Interim Committee on Ozone in Air Quality

Public Testimony on Industry and Local Government Impacts

Cassie Archuleta

Lead Air Quality Specialist

Local Government Designee for ECMC



FOCUS: APCD Transparency and Enforcement

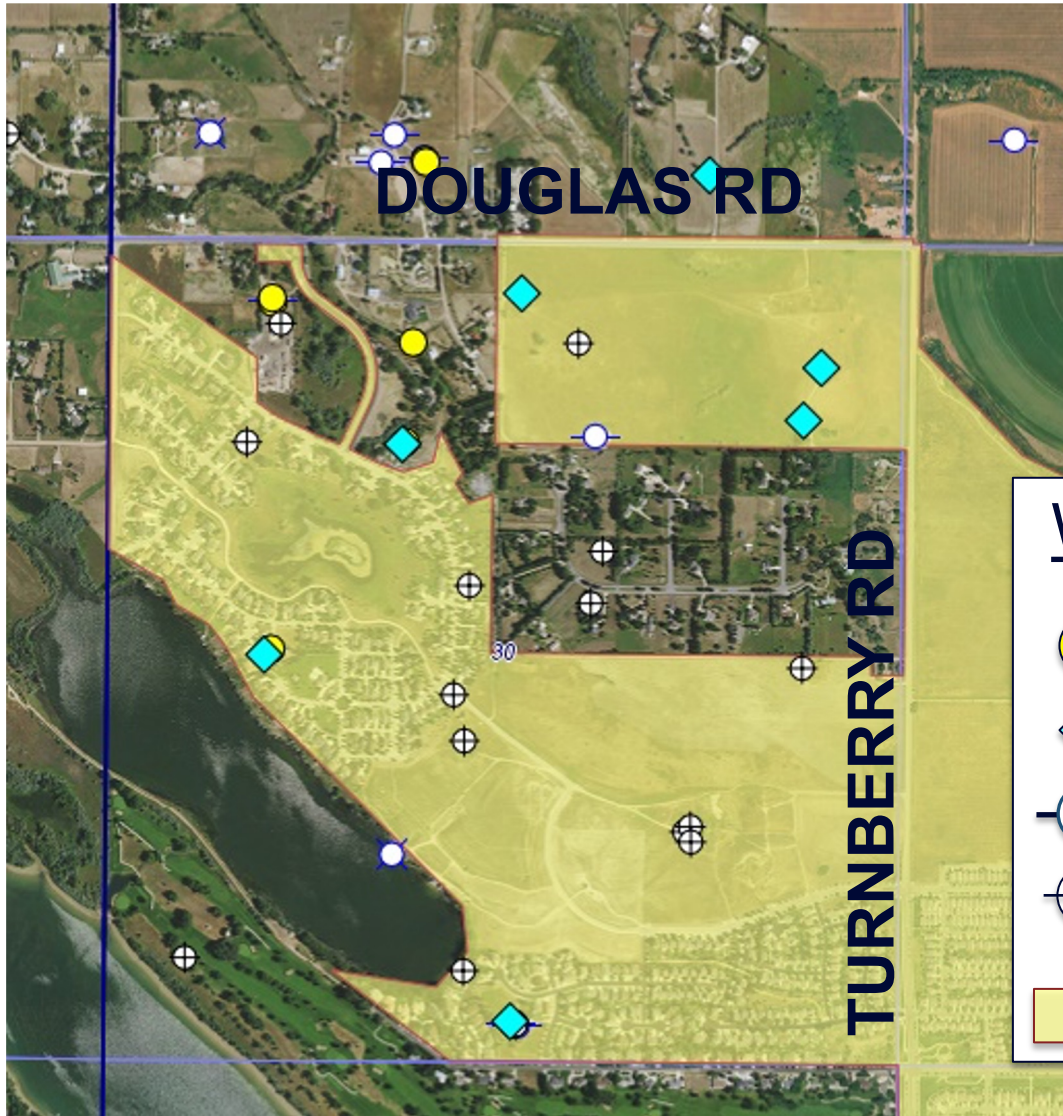
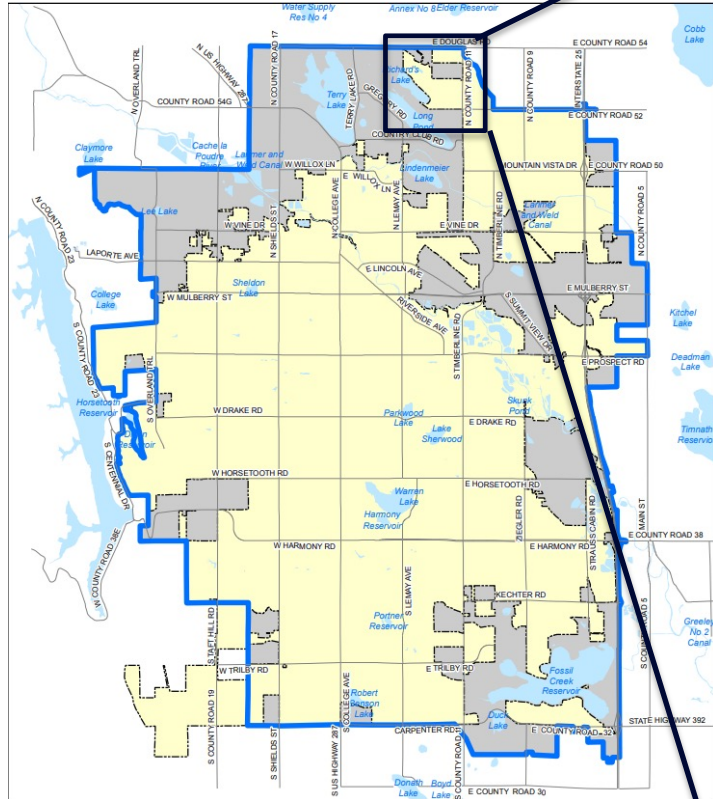
LOCAL IMPACTS: Prospect Energy, Oil and Gas Operations

- **Impacts on new and existing residential development**
- **Long history of leaks, spills and a fire near residential properties**
- **Community expressing distrust of State regulations and compliance processes**
- **Pressure for increased local regulation**
- **Investment of local resources (e.g., OGI camera)**





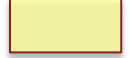
FOCUS: APCD Transparency and Enforcement

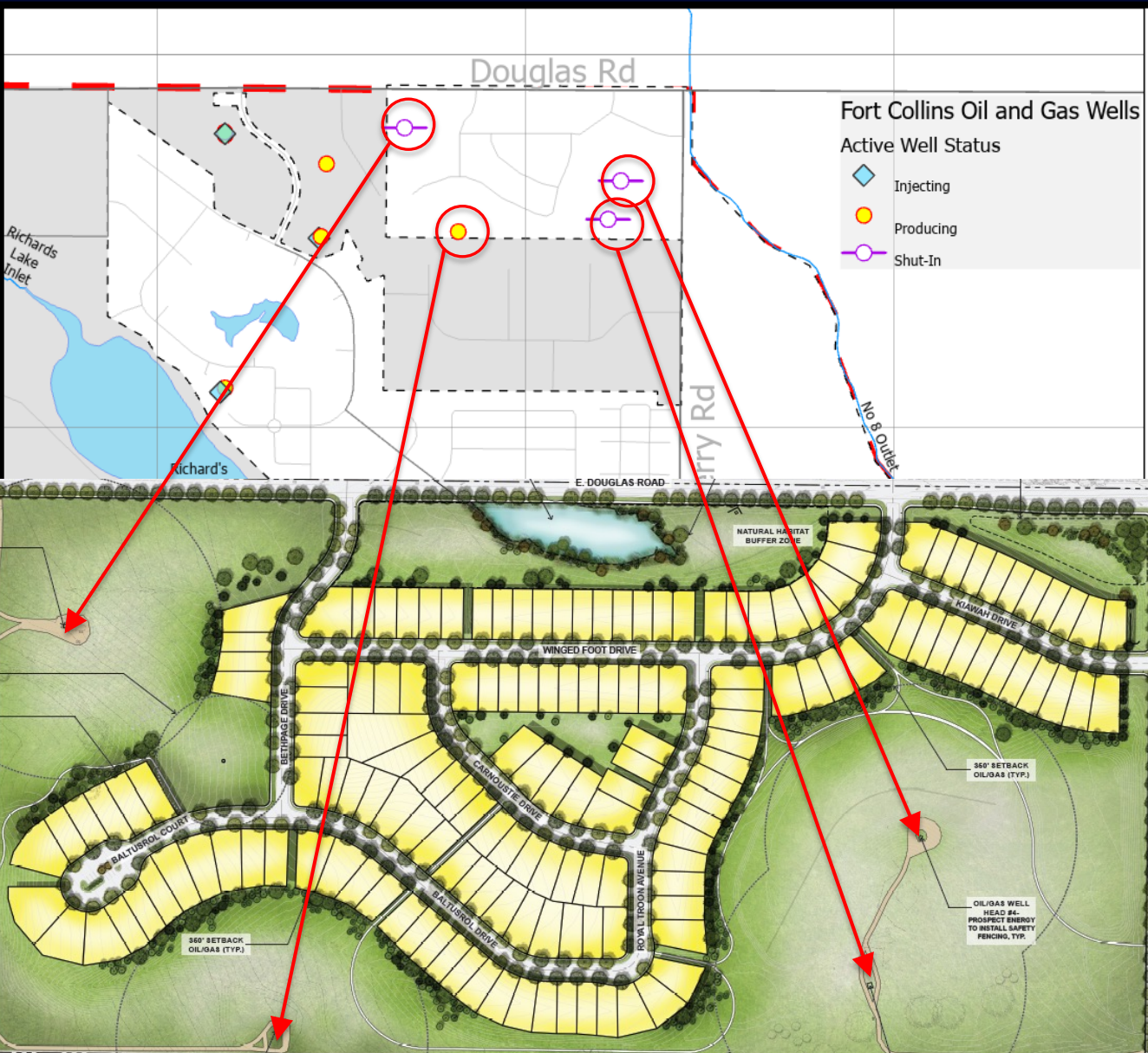
DESIRED OUTCOMES:

- **Systems provide more transparency and foster public trust**
- **Prompt enforcement action for alleged violations with steeper penalties**
- **Follow the ECMC practice to allow complainants to**
 - 1. review proposed settlements, and**
 - 2. appeal decisions to AQCC**



Well Status

-  Producing
-  Injecting
-  Shut-In
-  Abandoned
-  City Limits



Description:

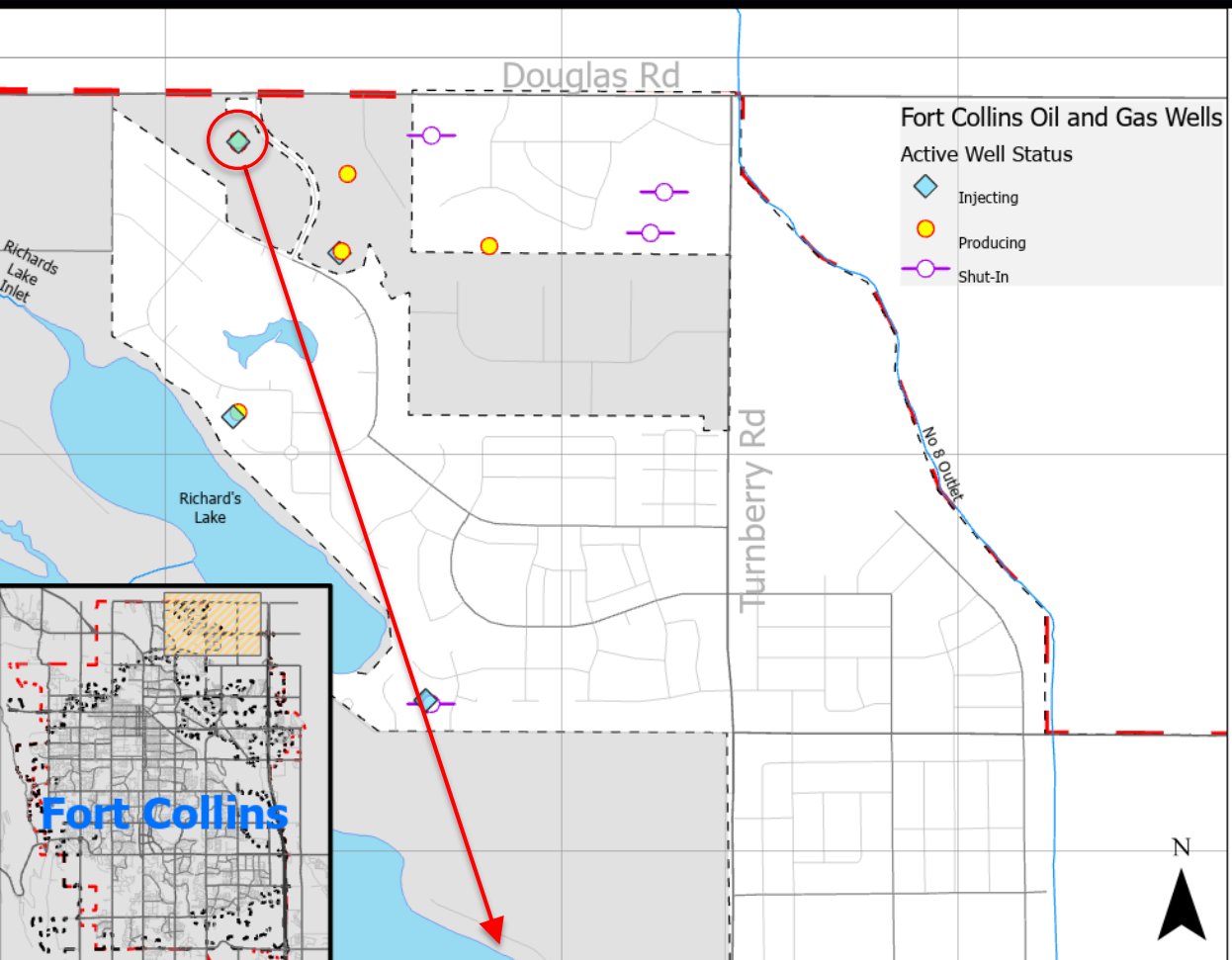
- Shut-in (non-producing) and low producing sites

Status/Concerns:

- New homes planned within 350' (Country Club Reserve)
- Low producing; <2 barrels/day over previous 12 months

Regulation:

- Recently, both City and County passed regulations to increase setbacks for new homes from existing wells



Description:

- Tank battery (storage) and production, and water injection
- Outside City limits, within City's growth management area

Concerns:

- Proximity to homes (<100 feet)
- Spills
- Ongoing odor complaints
- Fire at the location
- ECMC Notice of Alleged Violation for flaring



'Recurring negligence': Larimer County files complaint against oil company after fire



Jacy Marmaduke
Fort Collins Coloradoan

Published 5:00 a.m. MT May 31, 2022

Cleanup underway after leak at Prospect Energy oil and gas site north of Fort Collins



Bethany Osborn
Fort Collins Coloradoan

Published 2:12 p.m. MT Oct. 28, 2022 | Updated 2:29 p.m. MT Oct. 28, 2022

[View Comments](#)



A pump jack is seen on April 4, 2019, near the Hearthfire neighborhood in Fort Collins. Jacy Marmaduke And Timothy Hurst/The Coloradoan



A fire broke out at Prospect Energy's Fort Collins Meyer tank battery site near the Hearthfire neighborhood north of Fort Collins on May 9. Courtesy Of Jerry Steenson

Oil-gas company ordered to shut down operation at northern Colorado site

Following repeated violations, CDPHE's Air Pollution Control Division ordered Prospect Energy to cease operations at one of its locations.



Credit: Fort Collins Coloradoan

One of Prospect Energy's sites in Colorado

Author: Ashton Brooks

Published: 4:10 PM MDT August 25, 2022

Updated: 6:54 PM MDT August 25, 2022





Search

CDPHERM Air Permit

CDPHERM Case

CDPHERM Date Received

CDPHERM Facility Name

CDPHERM Address

CDPHERM City





















CDPHERM County
LARIMER

CDPHERM Zip Code

CDPHERM Facility Close Date

CDPHERM Container

Results

Confidentiality	CDPHERM AIRS ID	Air Permit
 PUBLIC	069-0565-005	18LR0706
 PUBLIC	069-0565-004	18LR0705
 PUBLIC		
 PUBLIC	069-0178-002	19LR0894S
 PUBLIC	069-0562-001	18LR0152S
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Database Query

- Hard to find!
- Search Type
 - “CDPHERM AIR Public Stationary Source Facility”?
- AIRS ID and/or permit #
 - Note: Different from ECMC IDs
- Facility name
 - Has it changed over time?

Or ... just call the Division or make a records request...?

<https://oitco.hylandcloud.com/CDPHERMPublicAccess/index.html>

Air Pollution Control Division – Online records (that we could find)...



Courtesy of Earthworks,
Andrew Klooster

Compliance Advisory October 2, 2019 – Ft. Collins-Meyer Facility

*Numerous complaints for residents
Numerous complaints from Earthworks –
imaging showing leaks*

- Failure to file an Air Pollution Emission Notice (2 locations)
- Venting gas at two facilities for 2.5 years without obtaining a construction permit
- **SETTLED FOR \$7,350**

Air Pollution Control Division – Online records (that we could find)...

Compliance Advisory August 9, 2022 – Ft. Collins-Meyer Facility

Complaints from Fort Collins and Larimer County

Numerous complaints from Earthworks – imaging showing leaks

- Failed to file an Air Pollution Emission Notice (“APEN”); Failed to file revised APENs
- Failed to obtain a construction permit for produced water tanks
- Failed to operate and maintain hydrocarbon liquid and produced water storage operations so as to minimize emission of VOCs to the atmosphere to the maximum extent practicable.
- Failed to ensure that the combustion device at the Facility had no visible emissions
- Failed to complete monthly AIMM inspections in January, February, April, May, July, August, October, and November of 2021, (within 1,000 feet of homes)
- Failed to accurately calculate emissions and provide the Division with an accurate emissions compliance record for the Facility.

STILL IN NEGOTIATIONS AFTER ONE FULL YEAR

- *No communication with complainant, will not disclose proposed settlement*

Energy and Carbon Management Commission - Flaring Enforcement

ECMC Notice of Hearing for an Order Finding Violation

Complaints from Larimer County in 2022, 2023

- ECMC gave Prospect an additional year to come into compliance with flaring prohibition that went into effect on January 15, 2022.
- Filed Notice of Alleged Violation (NOAV) on May 31, 2023 – three weeks after Larimer County sent second complaint

HEARING ON ALLEGED VIOLATION SCHEDULED FOR NOVEMBER

- *State notified County that it had filed a NOAV.*
- *County has ability to comment on any settlement offers*
- *County has ability to participate in the hearing scheduled for November.*

SOLUTIONS for APCD

- More accessible online information
 - Eliminate need to contact CDPHE staff for updates and information
- Communicate with impacted complainants, landowners and local governments
 - Some additional notification of complainants was required by HB 23-1294 and is a good start
- Permit complainants to review and comment on proposed settlement – *similar to ECMC*
 - Would foster trust-building
- Offer an appeal process for compliance decisions – *similar to ECMC*
 - Stakeholders should have ability to challenge a decision
 - ECMC challenges are extremely rare but provide agency transparency and accountability



THANK YOU!

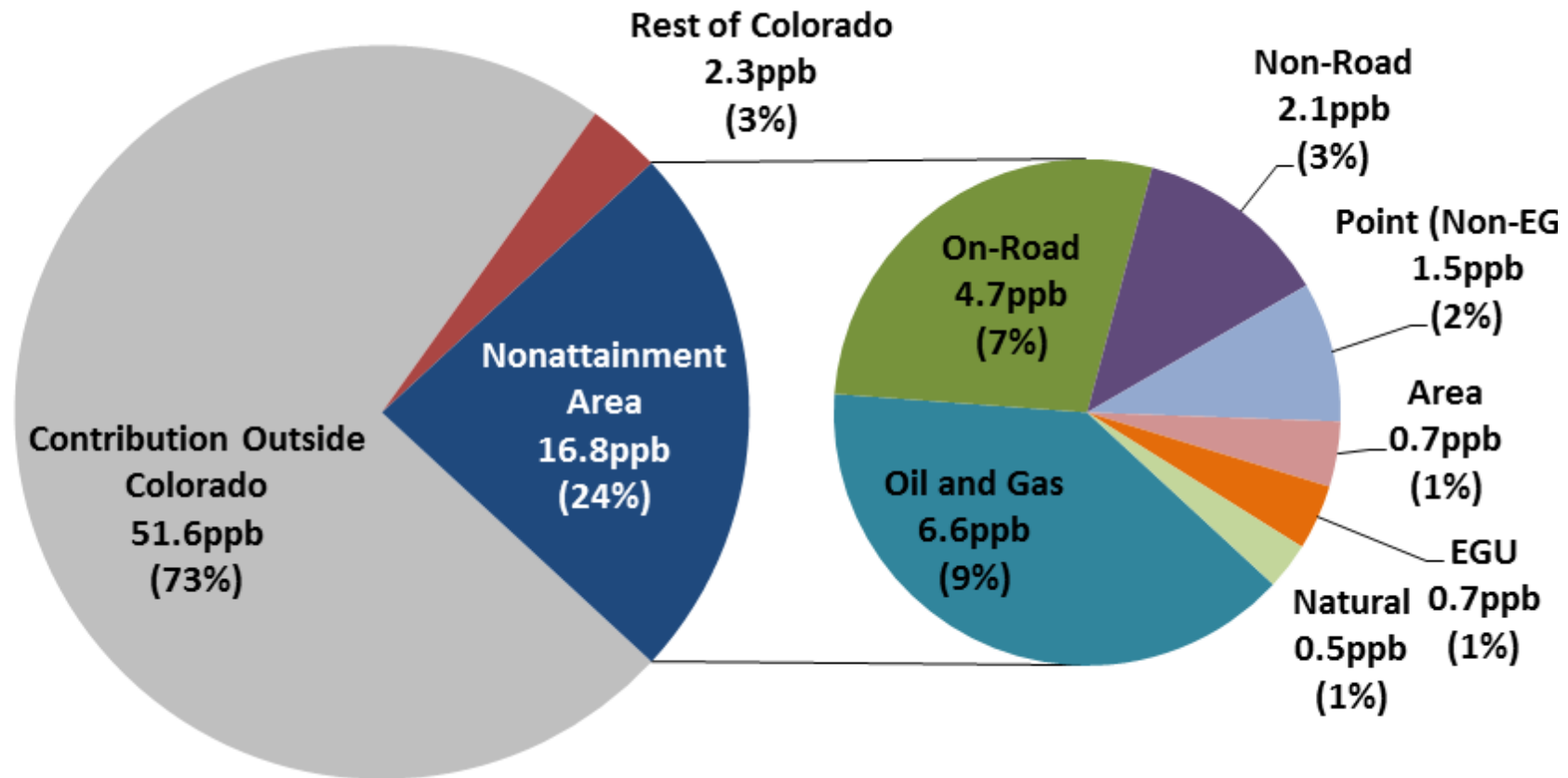
For More Information, Visit

fcgov.com/oilandgas



BACKUP SLIDES

Modeled Ozone for Top 10 days (Avg. = 70.7 ppb)



Data from Denver 2017c Local Source Analysis, available through <http://views.cira.colostate.edu/tsdw/>



Prospect Energy, LLC
MSSU #36-10
MAY 2014 - JUN 2014
MAY 2014 - JUN 2014
MAY 2014 - JUN 2014