

HB18-1157 Testimony**Senate Ag, Natural Resources, & Energy Committee****April 19, 2018**

Good morning, my name is Scott Prestidge, and I am the Director of Communications and Public Affairs for the Colorado Oil and Gas Association. COGA is a nationally recognized trade association made up of approximately 300 companies who represent the entire value chain of the oil and natural gas industry in Colorado. Those companies provide an annual economic impact of approximately \$32 billion to the State of Colorado, supporting over 100,000 direct and indirect jobs.

Thank you for allowing me to speak to you today about House Bill 1157.
COGA opposes this bill.

This proposed legislation requires oil and gas operators to file written reports with the Colorado Oil and Gas Conservation Commission (COGCC) and other affected stakeholders for each major and minor 'reportable event'. While that sounds well intentioned, a high standard of reporting already exists through strict federal and state oversight.

Presently, if an incident occurs, oil and gas operators in Colorado MUST report the requisite information to the applicable oversight agency, such as the Colorado Oil and Gas Conservation Commission (COGCC), the Colorado Department of Public Health and Environment (CDPHE), the United States Environment Protection Agency (EPA), the Occupational Safety and Health Administration (OSHA), as well as local governments, depending on which agency and level of government is most appropriate for a particular event.

As you will see in the handout I provided....which is analysis conducted by our member companies who actually file these reports....you will see that the side-by-side comparison between what already occurs versus what this bill proposes.

While I don't have the expertise to review each rule listed, I will point to two examples.

First, on the front page of the handout, in the first row, you will see this bill proposes reporting for any “unauthorized release of more than 5 barrels of oil, produced water...or exploration and production waste.” (Page 6, lines 24-26) However, existing oversight requires operators to report a spill or release of 1 barrel or more if outside the protection berm, and 5 barrels or more if inside the berm. These rules are already well thought out.....and the reporting requirements in the bill would actually reduce existing standards.

Second, on the back page, in the second row of the handout, this bill would have workforce incidents reported to the COGCC. OSHA is the more appropriate workforce safety oversight agency and tough reporting requirements are already in place. Adding workforce reporting obligations to the COGCC mission is not only misplaced, but an additional operational cost from an administrative standpoint that is unnecessary.

Finally, with respect to our midstream industry, and a comment that is not on the side-by-side comparison handout... this bill would lead to inconsistent reporting obligations for the transportation, gathering, or processing of natural gas, as those oversight rules already exist under Air Pollution Control Division requirements.

In short, HB 1157 would establish duplicative reporting requirements that are already in place. And I urge you to vote “NO” on this legislation.