

February 19, 2014

Colorado Air Quality Control Commission Colorado Department of Public Health and Environment 4300 Cherry Creek Drive South, EDO-AQCC-A5 Denver, Colorado 80246

Re: Oil & Gas Rulemaking: Revisions to Regulation # 7, Control of Ozone via Ozone Precursors and Control of Hydrocarbons via Oil and Gas Emissions

Dear Commission members:

The Rocky Mountain Climate Organization (RMCO) supports the adoption by the Commission of revisions to Regulation #7 to reduce hydrocarbon emissions and leaks from oil and gas facilities, which would make Colorado the first state in the nation to directly regulate emissions of the heat-trapping pollutant methane from oil and gas operations. We support the strongest possible rules that are technically and economically feasible to control methane emissions, which are a potent source of the heat-trapping gases that drive the climate changes already evident in Colorado.

RMCO is a mainstream coalition with 19 partner organizations, including 10 local governments, Colorado's largest water provider, four businesses, and four nonprofit organizations. We work to keep the West a special place by reducing climate disruption and its effects here.

Controlling methane emissions from oil and gas operations was recognized as an important action by the Climate Action Panel (CAP) convened by RMCO during 2006-07 to recommend ways to reduce our state's contributions and vulnerabilities to climate change. Patterned after projects to develop climate action agendas in other states, including many in the West, the Climate Action Panel was the first in the nation to be convened by a non-profit organization. Project Directors appointed 34 leaders from the state's public, private, and non-profit sectors to serve as panel members, who were assisted in their work by policy work groups. Altogether, 116 Coloradans worked for a year to develop the panel's recommendations, supported by a team of substantive experts in technical and cost-effectiveness analyses. The panel recommended 70 actions to be taken in Colorado, consisting of 55 recommendations to reduce heat-trapping greenhouse gases and 15 recommendations to prepare the state for the changes that may be coming. The centerpiece of the RMCO panel recommendations is a state goal of reducing Colorado's emissions of heat-trapping gases 20 percent by 2020 and 80 percent by 2050, compared to 2005 levels, the same goal that became part of state policy in Executive Order D 004-08 signed by Governor Bill Ritter in 2008.

One of those 70 recommendations, adopted unanimously by the panel (which included a member from the oil and gas industry), called for a 35 percent reduction in methane emissions from oil and gas operations by 2020, compared to 2004 levels. The calculated benefit of an annual reduction of 2.6 million metric tons of carbon dioxide (CO2) equivalent (MMtCO<sub>2</sub>e) by 2020 was the panel's sixth most effective in projected emissions reductions.

It is not clear to us what the amount of methane emissions reduction would be from the proposed revisions to Regulation 7. We note that CDPHE's Initial Economic Impact Analysis of the revisions estimates that "the leak detection component of the package is estimated to reduce methane/ethane emissions by about 25,000 tons per year." Since methane is such a potent heat-trapping pollutant (at least 25 times more potent than CO2), and CDPHE's draft inventory of emissions of heat-trapping gases identifies methane as a top contributor to the state's emissions, it is very important for the Commission to understand how much these rule revisions will contribute towards the state's emissions from natural gas production and we strongly urge the Commission to direct the Air Pollution Control Division staff to conduct a full analysis of the emissions (expressed in MMtCO<sub>2</sub>e) that will result from the rule revisions.

Controls on emissions of heat-trapping pollutants are important to reducing Colorado's vulnerabilities to a disrupted climate. Those vulnerabilities include a projected likely decrease in water supplies, loss of forests, more wildfires, more extreme weather events, more extreme weather events, additional stresses on fish and wildlife, and, most importantly for the Commission, more health impacts. Those include the potential of more prevalence of illnesses such as West Nile disease and more health effects from heat waves. For example, a recent report that RMCO completed for the City of Fort Collins documented a tripling of annual rates of 95 degree days and of three straight days of 90 degrees or hotter so far this century, compared to 1961-1999 rates. New climate projections prepared for the report also show large increases in these frequencies in the future: With a medium-high level of future emissions, these 90-degree heat waves could occur five times as often as the historic rate by mid-century, and nine times as often by the end of the century. This is important because more Americans die from the effects of excessive heat than from any other weather-related cause.

The rapidly expanding oil and gas industry should be held accountable for protecting public health and the natural resources so important to our state's economy. We urge the Commission to adopt in its revisions to Regulation 7 the strongest possible rules that are technically and economically feasible for leak inspection intervals, timely repairs of leaks, and leak detection technology.

Thank you,

Tom Easley

Tom Easley, director of programs The Rocky Mountain Climate Organization