First Regular Session Sixty-ninth General Assembly STATE OF COLORADO

REENGROSSED

This Version Includes All Amendments Adopted in the House of Introduction SENATE BILL 13-284

LLS NO. 13-0517.03 Thomas Morris x4218

SENATE SPONSORSHIP

Carroll,

Hullinghorst,

HOUSE SPONSORSHIP

Senate Committees Agriculture, Natural Resources, & Energy Appropriations **House Committees**

A BILL FOR AN ACT

101	CONCERNING STREAMLINING THE ENVIRONMENTAL PERMITTING OF
102	OIL AND GAS DEVELOPMENT THAT MEETS ENHANCED
103	ENVIRONMENTAL PROTECTION <u>STANDARDS, AND, IN</u>
104	CONNECTION THEREWITH, MAKING AN APPROPRIATION.

Bill Summary

(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at http://www.leg.state.co.us/billsummaries.)

Section 1 of the bill requires the division of administration in the department of public health and environment to provide for expedited air



Amended 2nd Reading May 3, 2013

SENATE

quality permitting for oil and gas operations for operators that certify that they will use pollution control technology that meets enhanced environmental and human health protection standards as established either by the division through guidance or by the air quality control commission by rule. **Section 2** allows the division to provide an analogous permitting schedule and enhanced standards for water quality permitting either by the division through guidance or by the water quality control commission by rule.

1 Be it enacted by the General Assembly of the State of Colorado:

2 SECTION 1. In Colorado Revised Statutes, 25-7-114.5, add (3.5)
3 as follows:

4 Application review - public participation -25-7-114.5. 5 expedited review - rules. (3.5) (a) NOTWITHSTANDING ANY OTHER 6 PERMIT REVIEW, PUBLIC NOTICE, OR PERMIT DETERMINATION SCHEDULE 7 ESTABLISHED BY LAW, THE DIVISION SHALL PROVIDE FOR AN EXPEDITED 8 PERMIT REVIEW, PUBLIC NOTICE, AND PERMIT DETERMINATION SCHEDULE 9 FOR AN OIL AND GAS OPERATOR THAT CERTIFIES THAT THE EMISSIONS 10 CONTROL TECHNOLOGY THAT IT WILL USE UNDER THE PERMIT MEETS 11 ENHANCED ENVIRONMENTAL AND HUMAN HEALTH PROTECTION 12 STANDARDS. THE DIVISION MAY, IN CONSULTATION WITH THE COLORADO 13 OIL AND GAS CONSERVATION COMMISSION, DEVELOP THE EXPEDITED 14 REVIEW AND ENHANCED STANDARDS THROUGH DIVISION GUIDANCE, 15 INCORPORATION AS PART OF AN EXISTING RULE-MAKING PROCEEDING 16 RELATED TO OIL AND GAS AIR EMISSION CONTROLS, OR THROUGH A 17 SEPARATE RULE ADOPTED BY THE COMMISSION. THE DIVISION MAY 18 CONSIDER THE OIL AND GAS OPERATOR'S COLORADO COMPLIANCE 19 HISTORY AND PRESENT COMPLIANCE STATUS IN DETERMINING WHETHER 20 THE OPERATOR QUALIFIES FOR EXPEDITED REVIEW PURSUANT TO THIS 21 SUBSECTION (3.5).

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(b) THE FOLLOWING FACILITIES ARE NOT ELIGIBLE FOR THE
 EXPEDITED PERMIT REVIEW OF THIS SUBSECTION (3.5):

3 (I) A FACILITY THAT IS SUBJECT TO THE FEDERAL PREVENTION OF
4 SIGNIFICANT DETERIORATION PERMITTING PROGRAM;

5 (II) A FACILITY THAT IS SUBJECT TO THE FEDERAL 6 NONATTAINMENT NEW SOURCE REVIEW PERMITTING PROGRAM; AND

7 (III) A SYNTHETIC MINOR SOURCE THAT EMITS OR HAS THE
8 POTENTIAL TO EMIT AT OR ABOVE EIGHTY PERCENT OF THE FEDERAL TITLE
9 V MAJOR SOURCE <u>THRESHOLD.</u>

10

SECTION 2. In Colorado Revised Statutes, 25-8-502, add (7) as
 follows:

13 25-8-502. Application - definitions - fees - water quality 14 control fund - animal feeding operations fund - public participation 15 - repeal - expedited review - rules. (7) NOTWITHSTANDING ANY OTHER 16 PERMIT REVIEW, PUBLIC NOTICE, OR PERMIT DETERMINATION SCHEDULE 17 ESTABLISHED BY LAW, THE DIVISION MAY PROVIDE FOR AN EXPEDITED 18 PERMIT REVIEW, PUBLIC NOTICE, AND PERMIT DETERMINATION SCHEDULE 19 FOR AN OIL AND GAS OPERATOR THAT CERTIFIES THAT THE DISCHARGE 20 CONTROL TECHNOLOGY THAT IT WILL USE UNDER THE PERMIT MEETS 21 ENHANCED ENVIRONMENTAL AND HUMAN HEALTH PROTECTION 22 STANDARDS. THE DIVISION MAY DEVELOP THE EXPEDITED REVIEW AND 23 ENHANCED STANDARDS THROUGH DIVISION GUIDANCE OR THROUGH A 24 RULE ADOPTED BY THE COMMISSION IN CONSULTATION WITH THE 25 COLORADO OIL AND GAS CONSERVATION COMMISSION. THE DIVISION MAY 26 CONSIDER THE OIL AND GAS OPERATOR'S COLORADO COMPLIANCE 27 HISTORY AND PRESENT COMPLIANCE STATUS IN DETERMINING WHETHER

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THE OPERATOR QUALIFIES FOR EXPEDITED REVIEW PURSUANT TO THIS
 SUBSECTION (7). _____

3	SECTION 3. Appropriation. In addition to any other
4	appropriation, there is hereby appropriated, out of any moneys in the
5	stationary sources control fund created in section 25-7-114.7 (2) (b) (I),
6	Colorado Revised Statutes, not otherwise appropriated, to the department
7	of public health and environment, for the fiscal year beginning July 1,
8	2013, the sum of \$222,291 and 2.9 FTE, or so much thereof as may be
9	necessary, to be allocated to the air pollution control division, stationary
10	sources for the implementation of this act as follows:
11	Personal Services \$205,897 and 2.9 FTE
12	Operating Expenses <u>\$16,394.</u>
13	SECTION 4. Applicability. This act applies to acts occurring on
14	or after the effective date of this act.
15	SECTION 5. Safety clause. The general assembly hereby finds,
16	determines, and declares that this act is necessary for the immediate
17	preservation of the public passes health and safety

17 preservation of the public peace, health, and safety.