

BEFORE THE AIR QUALITY CONTROL COMMISSION
STATE OF COLORADO

BEFORE THE COLORADO AIR QUALITY CONTROL COMMISSION regarding proposed revisions to: Ambient Air Quality Standards Regulation, Regulation Numbers 3, 7, and 11 for the Denver Metropolitan & North Front Range Area Ozone Action Plan

Prehearing Statement – Colorado Petroleum Association

CPA is a trade association representing all sectors of the oil and gas industry. Our members are engaged in all aspects of the oil and gas industry including exploration, production, processing and refining and distribution.

CPA has participated in the Regional Air Quality Council's Ozone Stakeholder process, and supports efforts to ensure the Denver/Northern Front Range meet applicable air quality standards.

CPA supports the statements and testimony of other industry parties pertaining to Reciprocating Internal Combustion Engines (RICE) including:

Anadarko/Noble Energy
El Paso Western Pipelines

RICE Engine Controls

We may also support testimony and statements offered by other industry parties after reviewing their prehearing statements.

CPA believes has several overarching concerns about the RICE engines. First, CPA members have expressed the concern that the Commission should consider deferring adopting the proposed state only RICE engine requirements until the Commission takes up future Regional Haze rulemakings, as these future controls can be considered in the context of other important air quality objectives.

Secondly, CPA members ask the Commission to extend the deadline for installation of RICE engine controls from 2010 to 2011. When factoring the need for additional permitting, and procurement of equipment, CPA believes the 2010 deadline may not be feasible.

Fuels Issues

CPA represents all of the major refineries serving the Colorado market, and has been actively engaged in discussions regarding potential strategies that might be adopted as a part of the Denver/Northern Front Range SIP. As an Association, we have encouraged the full participation of our members to provide information to the all stakeholders about the impact any fuel strategy would have upon the Colorado fuel market. During the stakeholder process, it was determined that a future stakeholder process focused exclusively on the fuel issues would be necessary to better define a fuel strategy appropriate for the Denver market.

CPA has not taken a position on any fuel strategy, and its members will actively participate in the 2009 stakeholder process sponsored by the RAQC. The Commission should be aware that individual members have not yet had the opportunity to fully develop or articulate their views regarding the potential fuel choices, thus CPA strongly urges the Commission to allow the RAQC fuel stakeholder process to occur.

CPA reiterates the concerns expressed in its joint Motion for Reconsideration of the Hearing Officer's October 2008 Determination that was filed jointly with Suncor Energy USA.

Reservation of Right to Put Forth Additional Evidence

CPA hereby reserves the right to introduce at hearing such other relevant evidence as it may identify between the date of the Prehearing Statement and the hearing on this matter.

Witnesses

Stan Dempsey, President of the Colorado Petroleum Association will present legal and technical information on this matter.

CPA reserves the right to identify such other witnesses with knowledge on the matters discussed herein or on such matters as CPA may subsequently identify.

CPA believes requests 1 hour to cover issues identified in its Prehearing Statement, but will request additional time if the Commission elects to consider fuel issues in this proceeding. CPA also notes that other entities may apply for "late party status" if the Commission elects to consider fuel issues as a part of this proceeding.

Respectfully submitted this 13th day, November, 2008.

Colorado Petroleum Association
Stan Dempsey, Jr.
1580 Lincoln Street, Suite 1125
Denver, Colorado 80203
Phone – 303-860-0099
FAX – 866-666-9657