Review of Oil, Gas Fines In Colorado

DENVER (AP) — Gov. John Hickenlooper is directing the Colorado Oil and Gas Conservation Commission to review its system of penalties and fines, to make sure public health, safety and the environment are protected.

Hickenlooper took action Wednesday after the legislative session ended without passage of House Bill 1267, which would have raised fines for drilling violations for the first time since 1955 from a daily maximum of $1,000 to $15,000. One sticking point was a clause proposing a minimum fine for significant spills.

Gary Wockner of Clean Water Action called Hickenlooper's executive order an "outrageous attempt to gain political cover."

But Doug Flanders, policy and external affairs director for the Colorado Oil & Gas Association, said Hickenlooper made the move after the Legislature didn't approve a compromise bill.

The Democratic governor directed the commission to take steps including establishing minimum fine amounts for violations involving "especially egregious or aggravating" factors, clarifying the process for determining when a violation begins and penalties start to accrue, and providing that certain violations must undergo a hearing process. The order also directs regulators to post online all violations and the basis for penalty assessments.

It asks the commission to report to the governor's office by Dec. 10.

"As we move forward in developing energy, we ought to insist on the strictest and most effective environmental safeguards," Hickenlooper's order said.

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