



Colorado Oil & Gas Leader: Industry Needs to do a Better Job Telling its Story

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Written by John Egan for Industrial Info Resources (Sugar Land, Texas) — The natural gas industry needs to do a better job telling its story, particularly as the growing popularity of renewable energy places a cloud over hydrocarbon industries, Dan Haley, president and chief executive at the Colorado Oil & Gas Association (COGA) (Denver, Colorado), told a gas industry conference November 10.

Colorado is the fifth-largest oil-producing state in the U.S. and the sixth-largest producer of natural gas. But the state is “stuck in the political crosshairs and targeted by an aggressive activist community” that threatens to lower oil and gas production, apart from the effects of the COVID-19 pandemic, he said.

All aspects of the Oil & Gas industry, from [Producers](#) to [Pipelines](#) and [Terminals](#) companies, “can’t afford to get caught flat-footed” in the coming fight for hearts and minds, Haley told attendees at the Natural Gas Forum 2020, organized by Access Intelligence LLC (Rockville, Maryland). “There are people who don’t want us to exist. We are in the crosshairs of people who want to put us out of work. This fight is coming to you.”

Haley would know: His organization and its members are feeling the after-effects of a dramatic shift in the way Colorado regulates the industry. A state agency, the Colorado Oil & Gas Conservation Commission (COGCC) (Denver, Colorado) for six decades regulated the industry with one primary purpose: facilitate the safe extraction of oil and gas. But changes stemming from the state's 2018 election has shifted the regulatory environment 180 degrees. Rulemakings underway are seeking to replace extraction with protecting public health, safety and the environment as the primary mission of the COGCC.

As Haley told the conference attendees, COGA and its members successfully kept proposed initiatives tightening regulation of the Oil & Gas Industry off the ballot in 2014

and 2016. In 2018, they spearheaded efforts to defeat a measure that did make it onto the ballot. But the 2018 election also returned a “Blue Wave” to Colorado government, electing a Democrat as governor, flipping the state Senate to Democratic control and returning a Democratic majority in the state House. Democrats passed and the governor signed a bill, Senate Bill 181, that changed the mandate of the COGCC and triggered several potentially far-reaching rulemakings on regulating the industry. For more on that, see April 9, 2019, article - [Colorado Oil & Gas Industry Faces a New and Different Regulatory Future](#).

Haley shared comments made in 2010 by a former county commissioner that foreshadowed today's fight. “This is going to be a bar fight,” Josh Joswick, a drilling opponent and former county commissioner in La Plata County, said of the coming fight between the industry and the public. “This is a street fight. This is a back-alley fight. And you've got to fight it any way you can. You've got to put up as many obstacles (as you can). You have to make it as difficult as possible to develop.”

Those who oppose oil and gas drilling “told us what they were going to do, and they did it,” Haley commented. “The industry was caught flat-footed.” When the battle lines were being drawn a decade ago, “We weren't on social media countering (their) false information.”

The industry began engaging with the Colorado public around 2013. Its main messages have been that oil and gas development was cleaner, safer and better than other industries. “The skiing industry has more accidents per year than us,” Haley said, but the public still sees the industry as posing a threat to people and the environment.

“For years, activists have been scaring people, particularly those who were new to the state, and we did not do a good job talking about what we were doing, why it was safe, why it was good for them and for the country. The opposition was winning on the ground for a long time.”

The COGA leader on November 10 listed many state-wide grassroots initiatives undertaken since 2013 by the industry, from a door-knock campaign that touched 875,000 residents to a hand-written postcard campaign that sent out over 90,000 pieces of mail. Other efforts, like Colorado Capitol Day, sought to inform and persuade the state's elected officials. A rapid-response network was built that brought an estimated 1,000 protestors to the state capitol the day after lawmakers introduced Senate Bill 181. Two vendor days drew over 1,000 participants each. Advertising campaigns were implemented. Employees of oil and gas companies testified at local city council meetings, in an effort to give the industry a new face and voice. The business

community was briefed about the economic impacts the industry had on the state, including the 200,000 direct, indirect and induced jobs and the industry's \$31 billion annual impact on the state. Particular attention was paid to the roads, parks and public recreation amenities that were built with the industry's estimated \$1 billion in annual taxes.

Those efforts succeeded at keeping initiatives off the ballots, and defeating an initiative that did make the ballot. But in Haley's telling, they amounted to discrete battles that were won as the war was being lost. His warning was clear: it's later than you think, and it's harder than you think, to change public opinion.

"We're a high-tech industry, but that's not a story we tell often enough," he told the conference. "If you're into data, science and building things, our industry is for you. Pay attention to changes in your market. Don't allow a vacuum to exist that activists can fill. Begin developing relations now because you will need them later."

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