

FACT SHEET

United States and State of Colorado v. WES DJ Gathering LLC f/k/a Kerr-McGee Gathering LLC

On April 20, 2023, the United States and the State of Colorado lodged a Consent Decree that settles claims against WES DJ Gathering LLC (WDJG) (f/k/a Kerr-McGee Gathering LLC) pursuant to the Clean Air Act (CAA) and the Colorado Air Pollution Prevention and Control Act and related to the company's Fort Lupton Complex in Weld County, Colorado.

This settlement is part of the U.S. Environmental Protection Agency's (EPA) national compliance initiative to create cleaner air for communities by reducing excess emissions of harmful air pollutants. The Colorado Department of Public Health & Environment partnered with the EPA to reach this agreement. A notice will be published in the Federal Register opening a 30-day public comment period and will provide information about how to submit comments. The settlement becomes final once approved by the Court.

The Fort Lupton Complex is located approximately 35 miles north of Denver. It is made up of three contiguous natural gas processing plants owned and operated by WDJG: the Fort Lupton, Lancaster, and Platte Valley plants. The plants receive raw natural gas under high and low pressure from gas fields in the Denver-Julesburg Basin. This region does not meet EPA's 8-hour National Ambient Air Quality Standards (NAAQS) for ground-level ozone and is designated as "severe" nonattainment.

The Complaint, filed in the Federal District Court of Colorado on July 1, 2020, alleges that Kerr-McGee Gathering LLC violated federal and state clean air laws related to leak detection and repair (LDAR) regulations. The settlement requires WDJG to take corrective actions related to its LDAR practices at the Fort Lupton Complex and pay a \$3.5 million civil penalty that will be split evenly between the United States and the State of Colorado.

Specifically, WDJG will implement an aggressive plan to replace older equipment with low-emission valves and connectors so that there are fewer leaks; repair leaking equipment sooner; implement an LDAR quality assurance/ quality control program; and improve training for staff and contractors. WDJG has agreed to use optical gas imaging technology to improve the visual detection of leaks and address them more quickly. The company will conduct three independent audits to ensure that it is meeting the settlement's requirements.

WDJG has agreed to perform environmental projects to mitigate the harm caused by past emissions from the Fort Lupton Complex. WDJG will convert two existing glycol dehydrators located at the Frederick Compressor Station - also located in the Denver Metro/North Front Range Ozone Nonattainment Area - to closed-loop zero-emitting dehydrators. It will permanently take out of service two pre-1981 engines located at the same compressor station.

The Fort Lupton Complex natural gas processing plants emit volatile organic compounds (VOCs), nitrogen oxides (NOx), hazardous air pollutants, and greenhouse gases including methane into the atmosphere. When fully implemented, the settlement will reduce ozone-producing air pollution in the region by an estimated 162 tons per year and greenhouse gases by 17,433 tons per year of carbon dioxide equivalent, including methane. More information related to this case may be found here: <https://www.epa.gov/enforcement/wes-dj-gathering-llc-clean-air-act-settlement-information-sheet>.