

Utah Oil and Gas Regulators Fail to Issue Fines to Polluters

SALT LAKE CITY -- Regulatory agencies in most western states have improved their oversight of the oil and gas industry in recent years. A recent analysis, however, shows that one state -- Utah -- stands out as the worst over the past two decades at dealing with violations.

Aaron Weiss, deputy director at the Center for Western Priorities, said a [2019 audit](#) ordered by the Utah Legislature found producers in Utah were essentially free to pollute groundwater and release greenhouse gases, in violation of state law.

"What we discovered and what the Legislature also discovered recently through an audit, is that Utah did not have any functioning enforcement or safety program," Weiss said. "They've been around for 20 years and had never issued a single fine."

In 2019, agency director John Baza told lawmakers he would hire additional staff and release funds to work through a backlog of more than 100 unresolved cases. He also asked legislators to change a state law requiring his

agency to get a court order to collect fines.

Weiss said the audit found Utah's regulatory agency was chronically understaffed, had a "culture of noncompliance," and often squandered its budget. He said they are optimistic that new leadership at the agency can bring producers up to standards.

"They did finally get caught doing nothing in the last couple months," he said. "So, the hope is now that they've been busted not doing anything for 20 years, that things may change."

According to Weiss, the analysis shows such states as Colorado and Nevada are doing a good job, while others -- including New Mexico and Wyoming -- are improving. But he said he fears financial pressures from the pandemic economic slowdown will put extra pressure on oil and gas inspectors.

"Extraction numbers are going to plummet," he said. "And as a result of that, you're going to have producers going bankrupt this year; you're going to have lots of wells getting shut in. And you're going to have financial incentives to cut corners when they're doing that."

Weiss said state regulators must balance their roles in both

ensuring the flow of oil and gas royalties into state coffers while protecting the environment from water and air pollution.