

Red River Groundwater Conservation District

RULEMAKING HEARING

October 25, 2018

Topics

- Background Information
- Regulatory Framework
- Changes to Rules
 - Exemptions
 - Permitting
 - Spacing
 - Variances

Background

- Red River GCD created in 2009 after Priority Groundwater Management Area (“PGMA”) designation
 - State law requires a groundwater district to be created by either TCEQ or locally
 - Fannin and Grayson Counties agreed to create a multi-county district

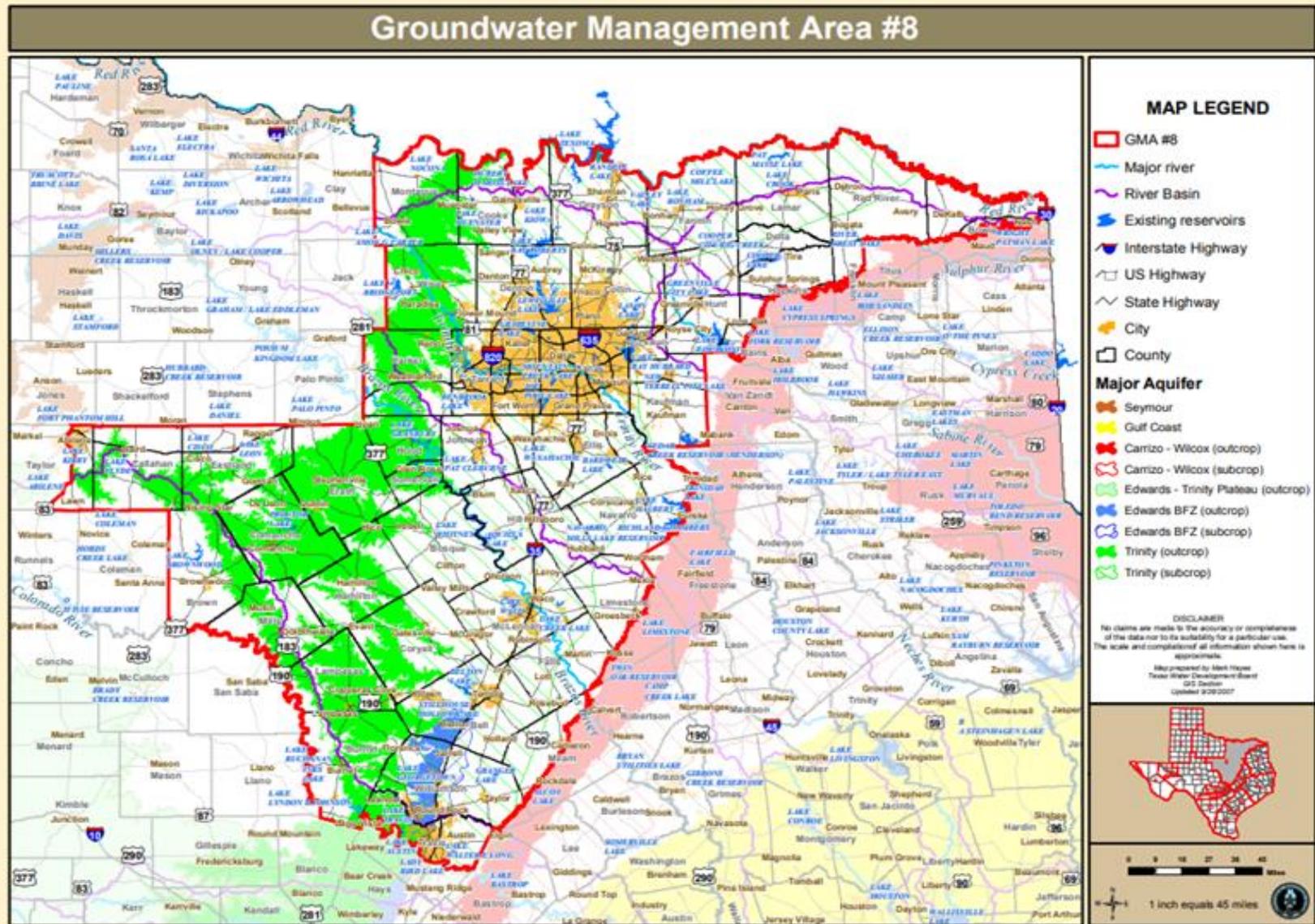
Background

- Red River GCD governed primarily by enabling act and Chapter 36 of Texas Water Code
 - Enabling Act passed by Texas Legislature in 2009 – CH. 8859 of the Special District Local Laws Code
 - Chapter 36 of the Texas Water Code is the body of law specific to groundwater districts
- Red River GCD worked with stakeholders to develop temporary rules that required:
 - New exempt wells to register
 - Non-exempt wells to register, meter, report, and pay water use fees

Regulatory Framework

- Chapter 36 of the Texas Water Code
 - Requires Red River GCD to participate in joint planning with 10 other groundwater districts to establish and adopt Desired Future Conditions (“DFCs”)
 - DFCs are the long-term goals related to drawdown of the aquifer
 - Red River GCD participated in the joint planning process that was completed in 2017
 - Held hearings in 2017 as required by Ch. 36
 - Adopted DFCs specific to the Trinity and Woodbine Aquifers

Groundwater Management Area 8 Boundaries



Regulatory Framework

- Chapter 36 of the Texas Water Code
 - After DFCs adopted must update Management Plan and rules to implement DFCs
 - Includes permitting of wells as required to implement the DFCs
- Management Plan Updated in 2017
- Balance in order to meet statutory requirements

Existing Wells

- Current Exempt Wells:

- There are no changes for existing exempt well owners as long as same type of use and same production capacity
- Wells that are currently exempt (under 27.7 gpm and all Domestic/Livestock wells) – remain exempt unless there is a change

- Current Non-Exempt Wells:

- Wells that are currently non-exempt (public water supply, commercial, industrial, ag wells over 27.7 gpm) – main difference with new rules is the District will issue a Historic Use Permit
- No practical changes to current process—still report and pay in the same manner
- Will need to apply for a Production Permit if annual use will exceed the Historic Use Permit amount

New Wells

- The drilling of a new non-exempt (> 17.36 gpm) well after the effective date of the new rules requires:
 1. Registration application
 2. Permit application
 3. Hydrogeological Report for wells/well systems that will be 200 gpm or higher
- Permit application goes to the Board for approval; well can only be drilled after approval/permit issued
- The drilling of a new exempt (≤ 17.36 gpm) well after the effective date of the new rules requires:
 1. Registration application
 2. Receipt of Notice to Proceed from District prior to drilling

Changes to Rules

- Main changes from current rules to proposed new rules:
 1. Exemptions for New Wells (Section 3 of Proposed Rules):
 - Old exemption: Wells 27.7 gpm and under and all domestic/livestock wells
 - New exemption: Wells 17.36 gpm and under
 - New exemptions are for permitting; exempt from permitting means exempt from metering, reporting, and fee payment
 - ***All existing wells grandfathered unless/until a change
 2. Permitting – Non-exempt wells only (Section 3 of Proposed Rules):
 - Existing Wells: Non-exempt wells under temporary/current rules must get Historic Use Permit
 - New Wells – Non-exempt wells drilled under new rules must get Production Permit
 3. Well Spacing (Section 4 of Proposed Rules):
 - Applies only to new wells over 17.36 gpm and increases in capacity to existing wells over 17.36 gpm

Change to Exemptions

- Key Point:

- Nothing changes for existing wells that continue same use
- Those wells exempt under previous rules (between 17.36 gpm and 27.7 gpm or domestic/livestock blanket exemption) are grandfathered and remain exempt unless/until:
 - Change to type of use
 - Capacity of well increases (and is beyond new 17.36 gpm exemption)

- Exempt from:

- Permitting
- Metering
- Reporting
- Payment

Change to Exemptions

Current Exemption	Chapter 36 Exemption	New Exemption
<p>Domestic/Livestock/ Poultry any size well</p> <p>≤ 27.7 gpm for all other wells</p> <p>Leachate, monitoring, piezometers</p>	<p>Domestic/Livestock/ Poultry and BOTH:</p> <ol style="list-style-type: none"> 1. On 10+ acres AND 2. Capacity of 17.36 gpm or less <p>Certain oil and gas wells</p> <p>Mining wells</p>	<p>17.36 gpm or less for all NEW wells</p> <ul style="list-style-type: none"> - Exemption is based on size of well only <p>Leachate, monitoring, piezometers</p> <p><u>O&G wells – District Act</u> Note that oil and gas wells will still have hybrid exemption regardless of size</p> <ul style="list-style-type: none"> - If over 17.36 will still have to register, meter, report and pay, but cannot require permit/production limit

Addition of Permitting Requirements

- Historic Use Permitting

- Permit by rule
- District to review 2013 – 2018 meter data and select peak year usage; will send draft permit to person/entity
- Wells completed w/in 18 mos. before rules adopted are eligible to extended Historic Use Period – through 2019

- Production Permitting

- For all amounts over Historic Use Permit amount
- For new wells drilled after new rules adopted

Well Spacing

<u>Minimum Spacing Requirements for All New Wells in the District</u> <i>Applies to all aquifers</i>		
<u>Maximum Capacity of Well</u>	<u>Spacing from Property Line</u>	<u>Spacing from Existing Wells Completed in the Same Aquifer (in feet)</u>
<u>17.36 gpm or less</u>	<u>50 feet</u>	<u>100 feet</u>
<u>Greater than 17.36 gpm</u>	<u>50 feet</u>	<u>876 feet + [2.6 x (gpm of proposed well)]</u>

Spacing Formula for wells over 17.36 gpm based upon 2% impact and 2 days pumping based on historical data

Variations from Spacing

- Can request variance to spacing requirements
- Waivers can result in automatic approval of variance
- Proposed well being drilled into different aquifer subdivision from existing well within min. spacing distance viewed as favorable evidence

Changes to Rules Continued

- Other main changes

4. Deadlines to Drill New Wells (Rule 3.3(d) and (e))

- 240 days + 1 extension
- For PWS wells: 365 days + 2 extensions
- 30-day open window after expiration of time to drill

5. Replacement Wells (Rule 4.5)

- Located within 50 feet of well being replaced
- Increase in capacity = permit and space off of net increase

5. Drought Buffer (Rule 6.2)

- In an Extreme or Exceptional drought stage, 15% drought buffer kicks in (of permitted amount)

Changes to Rules Continued

- Other changes
 6. Proportional Reduction and Management Zones (Rules 6.3 – 6.5)
 - District can establish in future only if necessary to achieve DFC
 7. Meter Reading Timeline (Rules 9.1(b), 9.5 and 10.5)
 - Changed from 15 days to 10 days before or after last day of month
 8. Penalty for Overproduction (Rule 9.7)
 - 3 times standard production fee for 1st occurrence
 - 10 times standard production fee + permit amendment hearing for 2nd occurrence within 3 years of 1st occurrence
 - Penalty applies only to the amount of overproduction
 9. Metering and Flow Test Requirements (Sections 4 and 10)
 - VFDs set at 100% during flow test
 - Notice of meter removal within 3 days after removal
 - Meters located within 50 feet of well
 10. Clean Up and Conforming Changes (Throughout Rules)

Discussion