

AN ACT

relating to the storage and recovery of water in aquifers; authorizing fees and surcharges; adding provisions subject to a criminal penalty.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Sections 11.153(a), (b), and (c), Water Code, are amended to read as follows:

(a) In this section, "aquifer storage and recovery project" has the meaning assigned by Section 27.151 ~~[The commission shall investigate the feasibility of storing appropriated water in various types of aquifers around the state by encouraging the issuance of temporary or term permits for demonstration projects for the storage of appropriated water for subsequent retrieval and beneficial use].~~

(b) A water right holder or a person who has contracted for the use of water under a contract that does not prohibit the use of the water in an aquifer storage and recovery project may undertake an aquifer storage and recovery project without obtaining any additional authorization under this chapter for the project. A person described by this subsection undertaking an aquifer storage and recovery project must:

(1) obtain any required authorizations under Subchapter G, Chapter 27, and Subchapter N, Chapter 36; and

(2) comply with the terms of the applicable water

1 right [~~A permit described by Subsection (a) must be for only the~~  
2 ~~duration of the pilot project to provide the commission and the~~  
3 ~~board further opportunity to evaluate the storage of appropriated~~  
4 ~~water in aquifers for subsequent retrieval and beneficial use].~~

5 (c) This section does not preclude the commission from  
6 considering an aquifer storage and recovery project to be a  
7 component of a project permitted under this chapter that is not  
8 required to be based on the continuous availability of historic,  
9 normal stream flow [~~At the conclusion of a pilot project, a permit~~  
10 ~~holder may file an appropriate application for a permit or permit~~  
11 ~~amendment. After considering the success of the project and the~~  
12 ~~criteria set out in Section 11.154, the commission shall determine~~  
13 ~~whether to issue a permit or permit amendment authorizing the~~  
14 ~~continued storage of appropriated water in the aquifer].~~

15 SECTION 2. Section 11.155, Water Code, is amended to read as  
16 follows:

17 Sec. 11.155. AQUIFER STORAGE AND RECOVERY [~~PILOT PROJECT~~]  
18 REPORTS. [~~(a) On completion of each pilot project, the board and~~  
19 ~~the commission jointly shall:~~

20 [~~(1) prepare a report evaluating the success of the~~  
21 ~~project, and~~

22 [~~(2) provide copies of the report to the governor,~~  
23 ~~lieutenant governor, and speaker of the house of representatives.~~

24 [~~(b)~~] The board shall make [~~other~~] studies, investigations,  
25 and surveys of the aquifers in the state as it considers necessary  
26 to determine the occurrence, quantity, quality, and availability of  
27 [~~other~~] aquifers in which water may be stored and subsequently

1 retrieved for beneficial use. The board shall undertake the  
2 studies, investigations, and surveys in the following order of  
3 priority:

4 (1) [~~the aquifers described in Section 11.153(a),~~  
5 [~~2~~] areas designated by the commission as "priority  
6 groundwater management areas" under Section 35.008; and

7 (2) [~~3~~] other areas of the state in a priority to be  
8 determined by the board's ranking of where the greatest need  
9 exists.

10 SECTION 3. Chapter 27, Water Code, is amended by adding  
11 Subchapter G to read as follows:

12 SUBCHAPTER G. AQUIFER STORAGE AND RECOVERY PROJECTS

13 Sec. 27.151. DEFINITIONS. In this subchapter:

14 (1) "Aquifer storage and recovery project" means a  
15 project involving the injection of water into a geologic formation  
16 for the purpose of subsequent recovery and beneficial use by the  
17 project operator.

18 (2) "ASR injection well" means a Class V injection  
19 well used for the injection of water into a geologic formation as  
20 part of an aquifer storage and recovery project.

21 (3) "ASR recovery well" means a well used for the  
22 recovery of water from a geologic formation as part of an aquifer  
23 storage and recovery project.

24 (4) "Native groundwater" means the groundwater  
25 naturally occurring in a geologic formation.

26 (5) "Project operator" means a person holding an  
27 authorization under this subchapter to undertake an aquifer storage

1 and recovery project.

2 Sec. 27.152. JURISDICTION. The commission has exclusive  
3 jurisdiction over the regulation and permitting of ASR injection  
4 wells.

5 Sec. 27.153. AUTHORIZATION FOR USE OF CLASS V INJECTION  
6 WELLS. (a) The commission may authorize the use of a Class V  
7 injection well as an ASR injection well:

8 (1) by rule;

9 (2) under an individual permit; or

10 (3) under a general permit.

11 (b) In adopting a rule or issuing a permit under this  
12 section, the commission shall consider:

13 (1) whether the injection of water will comply with  
14 the standards set forth under the federal Safe Drinking Water Act  
15 (42 U.S.C. Section 300f et seq.);

16 (2) the extent to which the cumulative volume of water  
17 injected for storage in the receiving geologic formation can be  
18 successfully recovered from the geologic formation for beneficial  
19 use, taking into account that injected water may be commingled to  
20 some degree with native groundwater;

21 (3) the effect of the aquifer storage and recovery  
22 project on existing water wells; and

23 (4) whether the introduction of water into the  
24 receiving geologic formation will alter the physical, chemical, or  
25 biological quality of the native groundwater to a degree that  
26 would:

27 (A) render the groundwater produced from the

1 receiving geologic formation harmful or detrimental to people,  
2 animals, vegetation, or property; or

3 (B) require an unreasonably higher level of  
4 treatment of the groundwater produced from the receiving geologic  
5 formation than is necessary for the native groundwater in order to  
6 render the groundwater suitable for beneficial use.

7 (c) All wells associated with a single aquifer storage and  
8 recovery project must be located within a continuous perimeter  
9 boundary of one parcel of land, or two or more adjacent parcels of  
10 land under common ownership, lease, joint operating agreement, or  
11 contract.

12 (d) The commission by rule shall provide for public notice  
13 and comment on a proposed general permit authorized under this  
14 section. The commission shall require an applicant for an  
15 individual permit authorized under this section to provide notice  
16 of the application by first class mail to any groundwater  
17 conservation district in which the wells associated with the  
18 aquifer storage and recovery project will be located and by  
19 publishing notice in a newspaper of general circulation in the  
20 county in which the wells will be located.

21 Sec. 27.154. TECHNICAL STANDARDS. (a) The commission shall  
22 adopt technical standards governing the approval of the use of a  
23 Class V injection well as an ASR injection well.

24 (b) This subsection applies only to an aquifer storage and  
25 recovery project proposed to be located in a groundwater  
26 conservation district or other special-purpose district with the  
27 authority to regulate the withdrawal of groundwater. Except as

1 otherwise provided by this section, the commission shall limit the  
2 volume of water that may be recovered by an aquifer storage and  
3 recovery project to an amount that does not exceed the amount of  
4 water injected under the project. If the commission determines that  
5 the proposed injection of water into a geologic formation will  
6 result in a loss of injected water or native groundwater, the  
7 commission shall impose additional restrictions on the amount of  
8 water that may be recovered to account for the loss. The commission  
9 may not deny a permit based on a determination that a loss described  
10 by this subsection will occur. A limitation imposed under this  
11 subsection may not prohibit the production of native groundwater by  
12 an aquifer storage and recovery project if the production complies  
13 with Subchapter N, Chapter 36.

14 (c) The commission by rule shall prescribe construction and  
15 completion standards and metering and reporting requirements for  
16 ASR injection wells and ASR recovery wells, including for an ASR  
17 injection well that also serves as an ASR recovery well.

18 (d) The commission may not adopt or enforce groundwater  
19 quality protection standards for the quality of water injected into  
20 an ASR injection well that are more stringent than applicable  
21 federal standards.

22 Sec. 27.155. REPORTING OF INJECTION AND RECOVERY VOLUMES.

23 (a) A project operator shall install a meter on each ASR injection  
24 well and ASR recovery well associated with the aquifer storage and  
25 recovery project.

26 (b) Each calendar month, the project operator shall provide  
27 to the commission a written or electronic report showing for the

1 preceding calendar month the volume of water:

2 (1) injected for storage; and

3 (2) recovered for beneficial use.

4 Sec. 27.156. REPORTING OF WATER QUALITY DATA. A project  
5 operator shall:

6 (1) perform water quality testing annually on water to  
7 be injected into a geologic formation and water recovered from a  
8 geologic formation as part of the aquifer storage and recovery  
9 project; and

10 (2) provide the results of the testing described by  
11 Subdivision (1) in written or electronic form to the commission.

12 Sec. 27.157. OTHER LAWS NOT AFFECTED. (a) This subchapter  
13 does not affect the ability to regulate an aquifer storage and  
14 recovery project as authorized under:

15 (1) Chapter 626, Acts of the 73rd Legislature, Regular  
16 Session, 1993, for the Edwards Aquifer Authority;

17 (2) Chapter 8801, Special District Local Laws Code,  
18 for the Harris-Galveston Subsidence District;

19 (3) Chapter 8834, Special District Local Laws Code,  
20 for the Fort Bend Subsidence District;

21 (4) Chapter 8802, Special District Local Laws Code,  
22 for the Barton Springs-Edwards Aquifer Conservation District; or

23 (5) Chapter 8811, Special District Local Laws Code,  
24 for the Corpus Christi Aquifer Storage and Recovery Conservation  
25 District.

26 (b) This subchapter does not affect the authority of the  
27 commission regarding:

1           (1) recharge projects in certain portions of the  
2 Edwards underground reservoir under Sections 11.023(c) and (d); or

3           (2) injection wells that transect or terminate in  
4 certain portions of the Edwards Aquifer under Section 27.0516.

5           SECTION 4. Chapter 36, Water Code, is amended by adding  
6 Subchapter N to read as follows:

7           SUBCHAPTER N. AQUIFER STORAGE AND RECOVERY PROJECTS

8           Sec. 36.451. DEFINITIONS. In this subchapter, "aquifer  
9 storage and recovery project," "ASR injection well," "ASR recovery  
10 well," and "project operator" have the meanings assigned by Section  
11 27.151.

12           Sec. 36.452. APPLICABILITY TO RECOVERY WELLS THAT ALSO  
13 FUNCTION AS INJECTION WELLS. Notwithstanding Section 27.152, this  
14 subchapter applies to an ASR recovery well that also functions as an  
15 ASR injection well.

16           Sec. 36.453. REGISTRATION AND REPORTING OF WELLS. (a) A  
17 project operator shall:

18           (1) register the ASR injection wells and ASR recovery  
19 wells associated with the aquifer storage and recovery project with  
20 any district in which the wells are located;

21           (2) each calendar month by the deadline established by  
22 the commission for reporting to the commission, provide the  
23 district with a copy of the written or electronic report required to  
24 be provided to the commission under Section 27.155; and

25           (3) annually by the deadline established by the  
26 commission for reporting to the commission, provide the district  
27 with a copy of the written or electronic report required to be

1 provided to the commission under Section 27.156.

2 (b) If an aquifer storage and recovery project recovers an  
3 amount of groundwater that exceeds the volume authorized by the  
4 commission to be recovered under the project, the project operator  
5 shall report to the district the volume of groundwater recovered  
6 that exceeds the volume authorized to be recovered in addition to  
7 providing the report required by Subsection (a)(2).

8 Sec. 36.454. PERMITTING, SPACING, AND PRODUCTION  
9 REQUIREMENTS. (a) Except as provided by Subsection (b), a district  
10 may not require a permit for the drilling, equipping, operation, or  
11 completion of an ASR injection well or an ASR recovery well that is  
12 authorized by the commission.

13 (b) The ASR recovery wells that are associated with an  
14 aquifer storage and recovery project are subject to the permitting,  
15 spacing, and production requirements of the district if the amount  
16 of groundwater recovered from the wells exceeds the volume  
17 authorized by the commission to be recovered under the project. The  
18 requirements of the district apply only to the portion of the volume  
19 of groundwater recovered from the ASR recovery wells that exceeds  
20 the volume authorized by the commission to be recovered.

21 (c) A project operator may not recover groundwater by an  
22 aquifer storage and recovery project in an amount that exceeds the  
23 volume authorized by the commission to be recovered under the  
24 project unless the project operator complies with the applicable  
25 requirements of a district as described by this section.

26 Sec. 36.455. FEES AND SURCHARGES. (a) A district may not  
27 assess a production fee or a transportation or export fee or

1 surcharge for groundwater recovered from an ASR recovery well,  
2 except to the extent that the amount of groundwater recovered under  
3 the aquifer storage and recovery project exceeds the volume  
4 authorized by the commission to be recovered.

5 (b) A district may assess a well registration fee or other  
6 administrative fee for an ASR recovery well in the same manner that  
7 the district assesses such a fee for other wells registered with the  
8 district.

9 Sec. 36.456. DESIRED FUTURE CONDITIONS. A district may  
10 consider hydrogeologic conditions related to the injection and  
11 recovery of groundwater as part of an aquifer storage and recovery  
12 project in the planning for and monitoring of the achievement of a  
13 desired future condition for the aquifer in which the wells  
14 associated with the project are located.

15 Sec. 36.457. OTHER LAWS NOT AFFECTED. This subchapter does  
16 not affect the ability to regulate groundwater as authorized under:

17 (1) Chapter 626, Acts of the 73rd Legislature, Regular  
18 Session, 1993, for the Edwards Aquifer Authority;

19 (2) Chapter 8801, Special District Local Laws Code,  
20 for the Harris-Galveston Subsidence District;

21 (3) Chapter 8834, Special District Local Laws Code,  
22 for the Fort Bend Subsidence District;

23 (4) Chapter 8802, Special District Local Laws Code,  
24 for the Barton Springs-Edwards Aquifer Conservation District; or

25 (5) Chapter 8811, Special District Local Laws Code,  
26 for the Corpus Christi Aquifer Storage and Recovery Conservation  
27 District.

1 SECTION 5. The following sections of the Water Code are  
2 repealed:

3 (1) Sections 11.153(d) and (e); and

4 (2) Section 11.154.

5 SECTION 6. Not later than May 1, 2016, the Texas Commission  
6 on Environmental Quality shall adopt rules to implement Section  
7 11.153, Water Code, as amended by this Act, and Subchapter G,  
8 Chapter 27, Water Code, as added by this Act.

9 SECTION 7. This Act takes effect immediately if it receives  
10 a vote of two-thirds of all the members elected to each house, as  
11 provided by Section 39, Article III, Texas Constitution. If this  
12 Act does not receive the vote necessary for immediate effect, this  
13 Act takes effect September 1, 2015.

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President of the Senate

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Speaker of the House

I certify that H.B. No. 655 was passed by the House on April 22, 2015, by the following vote: Yeas 142, Nays 2, 2 present, not voting; and that the House concurred in Senate amendments to H.B. No. 655 on May 21, 2015, by the following vote: Yeas 142, Nays 1, 2 present, not voting.

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Chief Clerk of the House

I certify that H.B. No. 655 was passed by the Senate, with amendments, on May 18, 2015, by the following vote: Yeas 29, Nays 1.

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Secretary of the Senate

APPROVED: \_\_\_\_\_

Date

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Governor