

1-1 By: Ashby, et al. (Senate Sponsor - Estes) H.B. No. 2647
 1-2 (In the Senate - Received from the House May 5, 2015;
 1-3 May 12, 2015, read first time and referred to Committee on Natural
 1-4 Resources and Economic Development; May 20, 2015, reported
 1-5 favorably by the following vote: Yeas 8, Nays 2; May 20, 2015, sent
 1-6 to printer.)

1-7 COMMITTEE VOTE

	Yea	Nay	Absent	PNV
1-8				
1-9	X			
1-10	X			
1-11	X			
1-12	X			
1-13		X		
1-14	X			
1-15	X			
1-16	X			
1-17		X		
1-18	X			
1-19			X	

1-20 A BILL TO BE ENTITLED
 1-21 AN ACT

1-22 relating to a limitation on the authority to curtail groundwater
 1-23 production from wells used for power generation or mining.

1-24 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-25 SECTION 1. Subchapter D, Chapter 36, Water Code, is amended
 1-26 by adding Section 36.1175 to read as follows:

1-27 Sec. 36.1175. POWER GENERATION EXEMPTION. (a) This
 1-28 section applies to a well that produces groundwater used to support
 1-29 the operation of a power generation facility or a mine that provides
 1-30 fuel to a power generation facility, including production for
 1-31 boiler makeup water, fire suppression, dewatering, potable water,
 1-32 and depressurization.

1-33 (b) An owner or operator of a well to which this section
 1-34 applies is entitled to petition the district for a delay in the
 1-35 effective date of any district action that would reduce or curtail
 1-36 production from a well or limit the groundwater production rate of a
 1-37 well to an amount that is less than:

1-38 (1) the maximum annual amount of withdrawal as of
 1-39 September 1, 2014, authorized by the permit, regardless of whether
 1-40 the permit was issued by the district or the Railroad Commission of
 1-41 Texas; or

1-42 (2) the maximum annual historical amount of withdrawal
 1-43 recorded before September 1, 2014, if the well was in operation on
 1-44 that date and no permit from any entity was required for the
 1-45 operation of the well.

1-46 (c) The owner or operator of a well subject to this section
 1-47 may petition for a delay described by Subsection (b). The petition
 1-48 must include evidence that the owner or operator is engaging in good
 1-49 faith efforts to identify practicable, readily available
 1-50 alternative sources of water with comparable quality. After
 1-51 receipt of the petition, the district shall hold a public hearing
 1-52 and after the hearing shall make a final determination as to whether
 1-53 the proposed reduction or curtailment in groundwater production
 1-54 would threaten public health or safety or the reliability of the
 1-55 electric grid. The proposed reduction or curtailment for which the
 1-56 owner or operator is seeking a delay may not take effect until the
 1-57 district has made a final determination under this subsection.

1-58 (d) If the district determines under Subsection (c) that a
 1-59 proposed reduction or curtailment in groundwater production would
 1-60 threaten public health or safety or the reliability of the electric
 1-61 grid, the district shall delay the effective date of the reduction

2-1 or curtailment to a date not earlier than seven years after the date
2-2 that the final determination is made.

2-3 (e) If an owner or operator receives a delay under
2-4 Subsection (d), the owner or operator may petition the district at
2-5 any time before the delayed effective date of the proposed
2-6 reduction or curtailment to delay the effective date a second time
2-7 for an additional three years as provided by this subsection. After
2-8 receiving the petition, the district shall hold a public hearing
2-9 and after the hearing shall make a final determination to approve
2-10 the additional three-year delay if the district determines that:

2-11 (1) the owner or operator has engaged in good faith
2-12 efforts to identify and begin implementing strategies to comply
2-13 with the proposed reduction or curtailment; and

2-14 (2) implementation of the proposed reduction or
2-15 curtailment in groundwater production on the date set under
2-16 Subsection (d) would threaten public health or safety or the
2-17 reliability of the electric grid.

2-18 (f) In making a final determination described by Subsection
2-19 (c), (d), or (e), the district shall request, obtain, and give great
2-20 weight to an opinion issued by the Public Utility Commission of
2-21 Texas.

2-22 SECTION 2. The changes in law made by this Act apply only to
2-23 a reduction or curtailment in groundwater production ordered by a
2-24 groundwater conservation district on or after the effective date of
2-25 this Act. A reduction or curtailment in groundwater production
2-26 ordered by a groundwater conservation district before the effective
2-27 date of this Act is governed by the law in effect at the time the
2-28 reduction or curtailment in groundwater production was ordered, and
2-29 the former law is continued in effect for that purpose.

2-30 SECTION 3. This Act takes effect immediately if it receives
2-31 a vote of two-thirds of all the members elected to each house, as
2-32 provided by Section 39, Article III, Texas Constitution. If this
2-33 Act does not receive the vote necessary for immediate effect, this
2-34 Act takes effect September 1, 2015.

2-35 * * * * *