

BILL ANALYSIS

Senate Research Center

S.B. 1122
By: Estes
Natural Resources and Economic Development
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As Filed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Many power plants, as well as the mines that fuel them, are located in remote areas where the only source of water is groundwater. These power plants and mines use water for drinking, fire protection, steam processing, dewatering, and cooling. Without water, these power plants and mines are forced to shut down.

Groundwater pumping is regulated by groundwater conservation districts in the areas where groundwater conservation districts have been established. Under current law, a groundwater conservation district has the power to curtail pumping during droughts. Power plants and mines are not exempted from this curtailment. The result is that, by curtailing groundwater production during a drought, a groundwater conservation district could inadvertently jeopardize the stability of the state's power grid.

S.B. 1122 prevents groundwater conservation districts from curtailing groundwater production to a rate less than that used in 2014 by power plants and mines that fuel power plants to ensure the continuous availability of electricity in Texas and the stability of the state's power grid.

As proposed, S.B. 1122 amends current law relating to a limitation on the authority to curtail groundwater production from wells used for power generation or mining.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 36.117, Water Code, by adding Subsection (m), as follows:

(m) Provides that this subsection applies to a well that produces groundwater directly or indirectly used to support the operation of a power generation facility or a mine that provides fuel to a power generation facility, including production for dewatering, potable water, and depressurization. Prohibits a district, except as a result of a permit amendment requested by the permit holder, from reducing or curtailing production from a well or limit the groundwater production rate of a well to a rate or amount that is less than:

(1) the maximum rate or amount of withdrawal as of September 1, 2014, authorized by the permit, whether the permit was issued by the district or the Railroad Commission of Texas; or

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

SECTION 2. Effective date: upon passage or September 1, 2015.