

LONE STAR GROUNDWATER CONSERVATION DISTRICT

August 4, 2020

MINUTES OF PUBLIC WORKSHOP ON DRAFT RULES

The Board of Directors of the Lone Star Groundwater Conservation District (“District”) met in regular session, open to the public in the Lone Star GCD – James B. “Jim” Wesley Board Room located at 655 Conroe Park North Drive, Conroe, Texas and also held via a publicly accessible webinar/telephone conference call, within the boundaries of the District on August 4, 2020.

CALL TO ORDER:

General Manager, Samantha Reiter, presided and called to order the Public Workshop meeting at 2:14 PM, announcing that it was open to the public. She explained that since no District Board of Directors were present that items #2-4 would be foregone. In attendance at said meeting was Samantha Reiter, General Manager; Stacey V. Reese, District Counsel; District staff; and members of the public. *Copies of the public sign-in sheets and comment cards received are attached hereto as Exhibit "A".*

RECEIVE PRESENTATION ON DRAFT OF DISTRICT RULES:

Ms. Stacey Reese, District Counsel, gave a PowerPoint presentation of the District’s Draft Rules. She began by discussing three documents on the LSGCD’s website posted under the Management & Rules tab. These documents are the Proposed Draft Rules, a Summary of Proposed Draft Rule Changes, and Frequently Asked Questions. She introduced the workshop by stating the purpose and goal of the workshop was to receive input, answer questions, and collect information for consideration on whether further changes should be adopted.

Ms. Reese explained that the Preamble and Rules had been revised significantly including renumbering and addressing the TWDB judgment, repealing and abolishing the District Regulatory Plan (DRP), and ensuring that all invoicing and payment will be done directly by the District and not through a GRP Sponsor. New permittees would not be required to join a GRP. One new rule expresses the process for a permittee to appeal the decision by the GM or Board.

Ms. Reese highlighted some changes to the rules in Section 2: Well Registration and Permitting. All exempt wells will need to be registered, and there are still conditions that may cause exempt wells to lose their exempt status ie. change in purpose. Non-exempt wells will now be issued according to three aquifer groupings: Chicot and Evangeline, Jasper, and the Catahoula. Further, non-exempt well applications will now require certain wells to provide a hydrological

report, to aide in the collection of valuable aquifer information. The permitted well's criteria for submitting the report is yet to be determined by the board.

In Rule 2.11 Renewals, the Board will decide the length of permits and time frame of renewals. In Section 3: Spacing and Location of Wells, the consultants have suggested a simple formula by which to space wells. Within the area of the Chicot and Evangeline aquifers will measure 2 feet per every GPM and the Jasper aquifer will measure 1.5 feet per every GPM.

Ms. Reese discussed rules 4-13 noting that not much had changed except primarily memorializing current policy with specifics. Sections 14 and 15 are new rules to address new legislative laws. *A copy of the PowerPoint Rules presentation is hereto attached as Exhibit "B".*

She noted that no decision would be made on the District Rules at the workshop but could be taken at the regular August Board of Directors meeting later in the month.

RECEIVE QUESTIONS AND INPUT FROM WORKSHOP PARTICIPANTS:

Jonathon Smith, Porter Special Utility District's General Manager, addressed the need for LSGCD to take a long-term approach to its duties and opposes the Draft Rules. Mr. Smith stated he feels that the rules are not based on the best available science, does not provide proper groundwater withdrawals management, and increases withdrawals with a negative impact to others. His concerns also addressed the property rights to citizens who could potentially be flooded if subsidence is not mitigated. Porter SUD desires to be part of the solution by offering space at water treatment plants for LSGCD to install PAM or CORS devices.

Ms. Reese made some general comments in response to Mr. Smith's points. She reviewed some historical facts noting that the District's DFC had been petitioned and found to be unreasonable, and later the reduction rule was found to be invalid. The previous LSGCD Board made its policy decision based on a 3-year Strategic Water Planning Study that revealed additional groundwater could be produced without unreasonable impact. There were key stakeholders involved in that strategic water planning study. It ultimately provided one of the proposed solutions to resolve the DFC petition known as Run "D". The Run "D" model was approved by many key stakeholders in the District, including the City of Conroe and SJRA. Run "D" yielded a MAG of 90,000 acre-feet per year. The MAG is not a pumping cap and presently the District's pumping has not exceeded that said number. The District is aware that the DFCs currently being contemplated include 3 models runs that yield a MAG equal to or great than the Run "D" scenario. The future DFC from GMA 14 is going to be either consistent with Run "D" or something that would yield a MAG greater than Run "D". Lone Star continues regulation to achieve the MAG and to attain the Desired Future Condition. She explained that the previous DFC was based on an average draw down across the District, however current GMA 14 considerations are focused on having the same DFC for all GCDs within GMA 14.

Ms. Reese discussed some ways the District encourages groundwater conservation. Issuing permits is a measure of conservation and educational and conservation programs are provided on the District's website. Lone Star continues to track, collect data, and provide data to the public to assist in water planning.

She further explained the authorized allocation of water to permittees will now be known as the Annual Production Limit. Lone Star GCD is not forcing residents or businesses to use groundwater nor is it preventing people from using surface water. She emphasized that LSGCD is not a subsidence district, and only regulates groundwater and is on track to make the DFC.

John Yoars, resident of the Grogan's Mill Village of The Woodlands, gave two comments to the proposed District Rules. He suggested clarification regarding when achievement of the DFC reverts to becoming a Management Zone and enquired about transporting water outside Montgomery County. Mr. Yoars' concern was the District's lack of coordination of surface water with SJRA and groundwater use.

Stacey Reese responded to Mr. Yoars' comments by stating that the District does cooperate and coordinate with SJRA on water usage and explained that the District would not be discriminating against exporters.

James Beach, WSP consultant, noted that the District envisioned a grand balance between Maximum Practicable Use and the DFC. There are nine factors that describe the criteria for a DFC, and these factors carry different weights depending on the entity. Therefore, there is a degree of complexity of arriving at a DFC that requires agreement between all GMA 14 members and GCDs.

Mr. Beach addressed the possibility of a reduction in water allocation, and the process needed for changing a production allocation is currently being contemplated by the District and District consultants. The process requires public hearings and openness before any reduction in water production could occur.

Ron Kelling, of San Jacinto River Authority, explained that he had submitted a nine-page document with thirty-four questions addressing the District Rules. He presented a summary of the document and the four different categories the document focused on. These are: 1) achieving the DFC specifically over the next 4-5 years; 2) the categories of Annual Production Limit, Management Zones, and Proportional Limitations; 3) well spacing; and 4) reissuance of historic and operating permits. A copy of the SJRA comments is hereto attached as Exhibit "C".

Stacey Reese acknowledged the desire to revisit and clarify SJRA's concerns.

Deidra Daniels made a comment through the webinar's Q & A section and asked how the proposed District Rule changes may affect the existing groundwater credits.

Ms. Reese responded by reviewing the concept of the early conversion credits. The credits were issued under the old regulatory plan for Montgomery County citizens who met the reduction and converted early before the rule took effect. The early conversion credit was a one-time credit issued that cannot be renewed. The two ways for these credits to be honored include the water use fees to be prepaid or to apply the credit to a disincentive penalty fee when the allotment is exceeded.

Marty Jones commented on the DFC criteria and the nine factors and stated that only one of the nine factors was constitutionally protected, that being private property rights to water. It was Mr. Jones' recommendation that this factor be the most heavily weighted in the DFC discussions.

Ms. Reese responded by discussing LSGCD's Management Plan and mediation with TWDB regarding the 2010 DFC attached to the Management Plan. Lone Star anticipates that there will be clarity from the legislation in the future as to what DFC should be applied when the DFC is successfully petitioned. The Texas Water Development Board does not determine the DFC.

In her concluding remarks Ms. Reese encouraged anyone having comments concerning the District Rules, to put them in writing and provide said comments to the District.

ADJOURN:

There being no further business, General Manager Reiter adjourned the public workshop at 3:19 PM.

PASSED, APPROVED, AND ADOPTED THIS 11th DAY OF AUGUST 2020.



Larry A. Rogers, Board Secretary



SIGN IN SHEET

August 04, 2020
District Rules Workshop

Do you wish to speak on an agenda item?	NAME	CITY, STATE, ZIP	E-Mail	Would you like to receive LSGCD updates & information?
YES	JONATHAN SMITH	PORFIR SUD	JSMITH@PORFERSUD.COM	

Exhibit "B"

PUBLIC WORKSHOP ON DRAFT RULES



AUGUST 4, 2020

PURPOSE AND GOALS OF WORKSHOP

- **Receive input from the public on the proposed amendments.**
- **Answer questions, if possible, on the proposed amendments.**
- **Collect information to evaluate whether the proposed amendments should be adopted or if further changes should be considered.**

Proposed Substantive Changes

Preamble:

- Repeals all phases of the District's Regulatory Plan

Rule 1.12: Appeal Process

- Creates a process to appeal a GM or Board decision

Rule 1.18: Procedure, Conduct, Decorum

- Memorializes current policy and practice

Rule 2.3: Most exempt wells must register

- 60-day grace period; unregistered not considered in analysis

Rule 2.5: Permits issued by Aquifer

- Chicot/Evangeline, Jasper, Catahoula

Rule 2.6: New application requirements

- Ownership, service area, demands, hydro report

Proposed Substantive Changes Cont'd

Rule 2.11: Renewals

- Perpetual; formal (every 5 years) and informal reviews

Rule 2.12: Amendments

- GM approves minor; apply prospectively

Rule 2.17: Transfer of Well Ownership

- Registrations/permits are transferrable w/ documentation

Rule 3.1: Spacing for Existing Wells

- All existing wells are grandfathered in under current rules

Rule 3.2: Spacing for all New Wells

- 50 feet from property line (TDLR)

Proposed Substantive Changes Cont'd

Rule 3.3: Spacing for New, Non-exempt Wells

- Spacing from wells based on production capacity

Rule 3.4: Exceptions to Spacing Requirements

- Hydro report; automatic; waivers; hearings

Rule 4.1: Annual Production Limitations

- Assigned/determined; subject to adjustments

Rule 4.2: Temporary Drought Buffer

- temporarily increasing Annual Production Limitations

Rule 6.2 Management Zones

- Spacing; water quality; limit production

Rule 6.3 Proportional Adjustments

- Tied to DFC; applicable to all permits; new use

Proposed Substantive Changes Cont'd

Rule 8.1: Water Use Fees

- Early conversion credit can be used as offset

Rule 8.3: Groundwater Transport Fee

- Expands exception to all similarly situated as MUDs

Rule 10.9 Surface Impoundments

- Removes restriction; retains conservation standards

Section 14 Aquifer Storage and Recovery

- Regulation for volume exceeding TCEQ authorization

Section 15 Brackish Production Zones

- New law; will expand if receive designation or petition

Public Comment and Questions

Comments

Questions





San Jacinto River Authority

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August 4, 2020

Board of Directors and
Samantha Reiter, General Manager
Lone Star Groundwater Conservation District
655 Conroe Park North Drive
Conroe, Texas 77303

Re: Draft Rules of the Lone Star Groundwater Conservation District

Dear Ms. Reiter and Board Members:

The San Jacinto River Authority ("SJRA") appreciates the opportunity to review the Draft Rules of the Lone Star Groundwater Conservation District ("Lone Star") or ("District") and provide you with questions and comments to which we would appreciate Lone Star providing responses.

General Comments and Questions:

The SJRA is pleased to see that Lone Star's Draft Rules propose to continue the regulation of groundwater pumping in Montgomery County as necessary to achieve the Desired Future Conditions ("DFCs") established for the aquifers. However, while these Draft Rules *contemplate* the Board *potentially* adopting rules to regulate production in a way that achieves the DFCs, they do not provide any specifics or objective standards describing what those regulations are, what they will be based on, or how they will be implemented. Rather, the Draft Rules discuss "proportional adjustment" regulations as if they are something new when, in reality, the Draft Rules simply propose to delete the District's current proportional adjustment regulations (the District Regulatory Plan) and replace them with new proportional adjustment regulations, but without any guidance on the specific nature of the replacement regulations.

The Draft Rules make it entirely unclear as to how Lone Star will actually achieve the 2010 DFCs that are included in the current Management Plan that was recently adopted by the Lone Star Board and approved by the Texas Water Development Board. A serious concern is that the total volume of groundwater production in Montgomery County permitted by Lone Star is approximately 98,089 afpy, and the Modeled Available Groundwater ("MAG") associated with the currently-approved DFC is approximately 61,629 afpy as determined by the Texas Water Development Board ("TWDB"). The fact that the permitted groundwater production is over

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36,000 afpy greater than the MAG raises serious concerns as to how Lone Star will actually achieve the current DFCs with these Draft Rules. Until Lone Star adopts its new proportional adjustment regulations, the Draft Rules will not achieve the established DFCs, protect water levels in wells, prevent land subsidence, or generally protect the groundwater and aquifers in Montgomery County.

The only new management strategy set forth in the Draft Rules presently is well spacing. Well spacing is a tool for managing interference between wells and their cones of depression. We are unaware of any permittee in Montgomery County that has expressed a problem with interference between wells or cones of depression. The problem is total production from the aquifer and the very real consequences that result from declining water levels. It is unclear how Lone Star intends to use spacing for managing total aquifer production to achieve a DFC when cones of depression in an unconfined aquifer typically extend distances much greater than the spacing restrictions provided in the Draft Rules. Moreover, because spacing rules apply only to new wells, and because the existing wells that are exempt from spacing rules are already pumping more groundwater than is available under the MAG, there is no possibility that well spacing rules will achieve the DFC.

The Draft Rules are unclear as to the basis that will be used to reissue Historic Use and Operating Permits. Will the permitted limits for Historic Use and Operating Permits effective December 31, 2015, be used as the basis?

Without clarity of specific rules, processes, procedures, and/or protocols that Lone Star will follow to develop defensible Annual Production Limitations, Management Zones, and Proportional Adjustments, it is difficult to see how Lone Star will achieve the approved DFCs of the Chicot, Evangeline, and Jasper aquifers of Montgomery County and achieve the “best practicable conservation and development practices for the groundwater resources of Montgomery County.”

Specific Comments and Questions:

1. The Texas Water Development Board (“TWDB”) recently approved Lone Star’s Management Plan, which refers to the 2010 Desired Future Conditions (“DFCs”) and acknowledges that Lone Star is working with other members of GMA 14 to propose appropriate DFCs by May 1, 2021, and adopt final DFCs by January 5, 2022. The referenced 2010 DFCs include limitations for average drawdowns of the Chicot, Evangeline, and Jasper aquifers in Montgomery County. The Modeled Available Groundwater (“MAG”) associated with those 2010 DFCs is approximately 61,629 afpy as determined by the TWDB (GAM Run 10-038 MAG Report, November 18, 2011).

During a presentation to the Lone Star Board of Directors on April 14, 2020, consultants stated that the total volume of groundwater production in Montgomery County permitted by Lone Star is approximately 98,089 afpy. Therefore the current amount of permitted groundwater withdrawals exceeds the MAG by over 36,000 afpy.

How will the Draft Rules proposed by Lone Star achieve the currently adopted DFCs?

2. The Draft Rules provide for the issuance of permits (Draft Rule Section 2) to include Annual Production Limitations (Draft Rule 4.1) and potentially Management Zones (Draft Rule 6.2)

and Proportional Adjustment (Draft Rule 6.3), however the specific details are not provided as to how these parameters/restrictions will be quantified or implemented.

What specific rules, processes, procedures, and/or protocols will Lone Star follow to develop the Annual Production Limitations, Management Zones, and Proportional Adjustments to regulate groundwater pumping to meet the current 2010 DFCs for the reissuance of existing permits and the issuance of new permits?

What Best Available Data and Science will be used to determine and defend the Annual Production Limitations, Management Zones, and Proportional Adjustments?

3. Section 1, Rule 1.1, Definitions - The term “fair share” is referenced in numerous portions of the Draft Rules, however it is not defined. What is Lone Star’s definition of “fair share?” What specific processes, procedures, and/or protocols will Lone Star follow to determine each Well Owner’s “fair share” as Annual Production Limitations, Management Zones, and Proportional Adjustments are developed?
4. Section 1, Rule 1.1, Definitions – The definition of “Administratively Complete” does not conform to Section 36.113(c), Water Code. The definition should be revised to indicate that the term means that all information required by the rules has been fully and accurately provided.
5. Section 1, Rule 1.1, Definitions – In the definition of “Aquifer of the District,” the Draft Rule considers the Chicot and Evangeline Aquifers as one aquifer for regulatory purposes. What is the purpose of combining these aquifers?
6. Section 1, Rule 1.1, Definitions – The definition of “deteriorated well” is not consistent with the statute, Sec 1901.255 Occupations Code, or the TDLR rules. Also, in the definition of “deteriorated well,” it is indicated that the determination of whether the well is deteriorated is “...in the discretion of the District.” We suggest that the determination of a deteriorated well should be conducted in coordination with the Well Owner. This gives the Well Owner the opportunity to address any potential issues with the well before it is determined to be deteriorated.
7. Section 1, Rule 1.1, Definitions – In the definition of “Existing Well,” a well is considered existing if “...the Administratively Complete well registration or permit or permit amendment application was filled, before the Effective Date.” While Rule 2.3(f) provides that a new exempt well must be drilled and completed within 120 days following issuance of a registration, there is no similar provision in the Draft Rules for non-exempt wells. Also, the Draft Rules are not clear regarding whether the registration expires after that period of time. Is there a length of time for which the registration, permit, or permit amendment for a non-exempt well expires before the construction of a well must actually commence? If so, what is that length of time? Are registrants and permit holders able to request an extension of time to complete construction? The language in the current rules addressing these questions appears to have been eliminated in these Draft Rules.
8. Section 1, Rule 1.1, Definitions – What is the basis of determining the “maximum, instantaneous pump rate” in the definition of “Maximum Allowable Pumping Rate”? For

existing Wells? For new Wells? What operating conditions are used to determine this rate? Is it the highest pumping rate indicated on the pump curve for the well pump?

9. Section 1, Rule 1.1, Definitions and Section 8, Rule 8.1(c) – The “Overproduction Disincentive Fee” is identified as \$3.00 per each 1000 gallons of water overproduced. While the fee may have been sufficient at the time it was originally adopted by Lone Star, the proposed fee does not appear to be large enough now to impact permittee behavior to comply with Lone Star’s Rules. As a comparison, the current disincentive fee assessed by the Harris-Galveston Subsidence District is \$9.24 per 1000 gallons. What study/analysis was used by Lone Star as the basis of the proposed Overproduction Disincentive Fee of \$3.00 per 1000 gallons as an effective amount that will encourage compliance with the Rules?
10. Section 1, Rule 1.1, Definitions – “Owner” is defined as “the owner or holder of the right to produce groundwater from a tract of land.” What specific “right to produce groundwater from a tract of land” is required of public/governmental entities?
11. Section 1, Rule 1.1, Definitions – Definition of the term “Qualifying Minor Violation” is missing.
12. Section 1, Rule 1.12, Request for Reconsideration and Appeal – The Draft Rule states “a request for an appeal may be filed with the District within twenty (20) calendar days of the date of the decision” for an appeal by the General Manager. Since these decisions of the General Manager are not made in a noticed public meeting, this provision should be changed to “within twenty (20) calendar days of the date a person is provided *notice of the decision*.”
13. Section 1, Rule 1.17, District Management Plan – The Draft Rule identifies the general steps and timeframe for which a District Management Plan will be developed. Based on the timeframe provided and the schedule for the development of DFCs by GMA 14, it could be 2024 before a new District Management Plan is developed. Lone Star recently adopted a District Management Plan which was approved by the Texas Water Development Board and which included DFCs previously adopted by GMA 14 and Lone Star. Specifically how will Lone Star monitor the aquifers and assure that these Draft Rules achieve the current DFCs until such time as a new District Management Plan that includes the new DFCs to be adopted in 2022 is developed and adopted in three or four years?
14. Section 2, Rule 2.4, Historic Use Permits and Rule 2.5, Operating Permits – The Draft Rule retains Historic Use Permits and Operating Permits, but they do not seem to be differentiated in any way. Will Historic Use Permits be handled differently than Operating Permits?
15. Section 2, Rule 2.5, Operating Permits – Will Lone Star continue to issue new Operating Permits even after Proportional Adjustment rules have been implemented? If so, what will be the basis for the authorized production amount in the new Operating Permit? As the Draft Rules are currently written, isn’t it possible that a permit applicant could just apply for more production than they actually need to circumvent the Proportional Adjustment requirements since there are no objective standards in the Draft Rules for how much water an applicant is entitled to apply for?

16. Section 2, Rule 2.8(a)(3), Considerations for Granting or Denying an Operating Permit – The Draft Rules indicate that Lone Star will consider whether “the proposed use of water unreasonably affects existing groundwater and surface water resources or existing permit holders” as a factor. What is a potential “unreasonable effect” when considering “fair share” of the applicant and other existing Well Owners in the vicinity of the proposed Well? What is the timeframe for which Lone Star will consider the “unreasonable effect”? Short-term? Long-term?
17. Section 2, Rule 2.8(a)(4), Considerations for Granting or Denying an Operating Permit – The Draft Rule indicates that “the proposed use of water is dedicated to a beneficial use” will be a factor. What information will Lone Star require and/or verify to determine that the applicant requires the total quantity of water that is requested in the Operating Permit? What is the acceptable timeframe for which the water will need to be used? In other words, how far out into the future can the demand be used to justify a new Operating Permit since permits are now to be issued in perpetuity and no longer for a specific permit term?
18. Section 2, Rule 2.8(b)(1), Considerations for Granting or Denying an Operating Permit – The Draft Rule states that “the District shall manage total groundwater production on a long-term basis to achieve the applicable Desired Future Conditions and shall consider: (1) the Modeled Available Groundwater determined by the Executive Administrator of the TWDB.” The current Lone Star-adopted and TWDB-approved District Management Plan includes the 2010 DFCs which are associated with a MAG of 61,629 afpy as determined by the TWDB. How will Lone Star consider this MAG in the reissuance of existing permits and the granting or denying of new Operating Permits once these Draft Rules are adopted?
19. Section 2, Rule 2.8(b), Considerations for Granting or Denying an Operating Permit – Is the language taken from Section 36.1132(b), Water Code, intended to serve as a basis for the Proportional Adjustments in Section 6? The Draft Rule states that “yearly precipitation and production patterns” shall be considered. How will yearly precipitation and production be considered in determining whether and when to reduce production under Operating Permits, particularly if abnormally hot, dry or cool, wet weather occurs before or during the time of the implementation of Proportional Adjustment rules?
20. Section 2, Rule 2.9(c)(10), New or Amended Operating Permits Issued by District – What are “other adjustments” that the District may state in a permit?
21. Section 2, Rule 2.10 – Aggregation of Withdrawal Among Multiple Wells – The Draft Rule includes only the aggregation of “multiple wells that are a part of a well system that are owned and operated by the same person and serve the same subdivision, facility or a certified service area...” Owners of smaller systems may find complying with Annual Production Limitations (Draft Rule 4.1) and Proportional Adjustments (Draft Rule 6.3) financially challenging. Will Lone Star consider revising the Draft Rules to allow more cost-effective regional approaches to groundwater management driven by the free market through the aggregation of multiple Well Systems with multiple Well Owners and including such flexibility in its Proportional Adjustment Orders?
22. Section 2, Rule 2.11(b) – Historic Use and Operating Permit Terms; Administrative Review – The Draft Rule states that “The District shall reissue existing Historic Use Permits and

Operating Permits ... including without limitation a Maximum Allowable Pumping Rate and Annual Production Limitations for each Aquifer of the District, and are subject to proportional adjustments in accordance to Rule 6.3 and management zones in accordance with Rule 6.2.” Those limitations are not specifically quantified in the Draft Rules, therefore how will Lone Star develop the initial Annual Production Limitations, Management Zones and Proportional Adjustments as existing Historic Use Permits and Operating Permits are reissued?

How will Lone Star take into consideration that some permittees who already “overconverted” by using more alternative water under the current Lone Star rules aggregated and adjusted their planned groundwater pumpage downward so that other permittees could increase their groundwater pumpage through the Declaration of Intent process initiated by Lone Star in 2019? Will Lone Star “undo” the DOI process of 2019 and restore all Historic Use Permits and Operating Permits to December 31, 2015, levels? How will Lone Star assure that all existing permittees reissued permit amounts reflect their “fair share” of available groundwater?

For example, the SJRA Woodlands permits on December 31, 2015, reflected the following:

SJRA Woodlands HUP	4,913,470,000 gallons
SJRA Woodlands Operating Permit	<u>1,601,821,000 gallons</u>
Total	6,515,191,000 gallons

Through the Declaration of Intent process conducted by Lone Star in 2019, the total projected groundwater usage for 2020 is as follows:

Aggregated Permit	3,013,641,000 gallons
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In addition, what process, procedures and protocols will Lone Star utilize to allocate amounts in each existing permit into the different aquifers?

23. Section 2, Rule 2.12 – Operating Permit Amendments and Limited Authorized Amendments to Historic Use Permits and Rule 2.17 Transfer of Well Ownership – The Draft Rule allows “change in ownership of a well” to be a minor amendment that can be considered and granted “without public notice and hearing.” Transfer of ownership of permitted wells may have an impact on existing contractual arrangements among various Well Owners, therefore will Lone Star consider requiring a “public notice” upon application for a “change in ownership of a well” for permitted wells?

24. Section 3, Spacing and Location of Wells – How will the criteria of spacing and location of wells included in the Draft Rules specifically help Lone Star meet the TWDB-approved Management Plan and accompanying DFCs in the confined aquifers that exist in Montgomery County? Well spacing is designed to prevent interference between Wells, not as a tool capable for regulating total production from an aquifer. This is especially true under these Draft Rules, since the existing wells can already produce a greater quantity of water than the amount that will achieve the DFCs, and they are exempt from these spacing rules.

What is the specific Best Available Data and Science used in the development of the criteria in Draft Rule 3.3(a)? How were these criteria derived? Were those well spacing criteria developed based on cones of depression for wells in the confined area of the Aquifers or in the outcrop area? It is our understanding that the cone of depression for a well in the confined area of an Aquifer extends much farther out than the criteria provided in the Draft Rules. Has Lone Star reviewed any previous studies it conducted on well spacing? How do the recommended spacing distances in those previous studies compare to those proposed in the Draft Rule 3.3(a)?

25. Section 3, Rule 3.2(a), Spacing Requirement for All New Wells – The Draft Rules state that a New Well “may not be drilled within 50 feet of the property line.” Since a goal of Lone Star is to protect property rights, shouldn’t the spacing limits included in Rule 3.3(a) be considered as applicable spacing from a property line so that larger wells require a greater distance from the neighboring property? Otherwise, won’t this end up being a race between adjacent property owners to see who can be the first to drill a well? The first property owner to drill a well will be able to produce a greater amount of groundwater than the adjacent property owner who arrives a day later with a well registration application.

The Draft Rules do not include a restriction on the number of Wells owned by a single Well Owner on a specific property. As long as the Owner maintains the spacing limits between wells provided, there are no other restrictions, correct? Can an Owner drill a Chicot or Evangeline well on the same tract as a Jasper well without the need to comply with well spacing requirements as between the two wells? Also, given the automatic exception and waiver to spacing requirements provided under Draft Rule 3.4(b) and (c), can an Owner just exempt his own wells from meeting the spacing rules from each other, thereby working around the purpose and implementation of the spacing limits in Draft Rule 3.3(a)?

26. Section 3, Spacing and Location of Wells – Are there restrictions for the number of Exempt wells that can be located on one property? The current rules address this issue, but the Draft Rules do not. It appears this could lead to the drilling of multiple exempt wells on one property to avoid permit limits.

27. Section 4, Annual Production Limitations and Rule 4.1 Annual Production Limits for Permits – The Draft Rules state the District will “protect property rights by affording an opportunity for a fair share to every owner, the District shall manage total groundwater production on a long-term basis to achieve the applicable Desired Future Conditions.” Specifically how and when will Lone Star develop the initial Annual Production Limits to meet the current DFCs that are included in the Lone Star Board-adopted and the TWDB-approved Management Plan? What will be the basis of those Annual Production Limitations?

Also, Draft Rule 4.1 states “The District shall designate the Annual Production Limitations for each Aquifer of the District under each permit issued by the District.” What does this mean to designate the Annual Production Limitations for the entire Aquifer as part of a permit decision?

28. Section 4, Annual Production Limitations and Draft Rule 4.2, Temporary Drought Buffer – The Draft Rules imply that a temporary increase in production authorized could be for some period of time less than a year. Should the temporary increase be for an entire year since it is

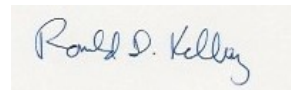
a total annual production issue? The Draft Rules state that “The Board may by resolution adopt a temporary drought buffer temporarily increasing the Annual Production Limitations...” and that “A person with permits where the Annual Production Limitations have been temporarily increased shall pay the Water Use Fees associated with the increased authorization.” Some Well Owners may not want to increase their production during a drought and should not be forced to pay the additional Water Use Fee associated with the blanket increased authorization. Also, should Lone Star consider only allowing such Temporary Drought Buffers during more severe droughts?

29. Section 6, Rule 6.2, Authority to Establish Management Zones – The Draft Rules state that Lone Star may “create specific Management Zones within the District...” and that these Management Zones may include “...a more restrictive Maximum Allowable Pumping Rate” and “authorize total production and make proportional adjustments to Annual Production Limitations...” Specifically how will Lone Star consider the impact to economic development in Montgomery County and the establishment of “winners” and “losers” that will result from the breakup of Montgomery County into separate geographically based Management Zones?
30. Section 6, Rule 6.3, Proportional Adjustment – The Draft Rule does not quantify the specific initial Proportional Adjustment that may be included with the issuance of the revised permits discussed in Rule 2.11 (b). How and when will Lone Star develop the Proportional Adjustments for the initial reissued permits to comply with the current DFCs that are included in the Management Plan adopted by the Lone Star Board and approved by the TWDB?
31. Section 6, Rule 6.3 (g), Proportional Adjustment – The Draft Rules state “All affected permits shall comply with any adjusted maximum allocation limits within 5 years of the date of the Proportional Adjustment Order.” Will Well Owners who may receive a Proportional Adjustment during the initial reissuance of permits be given five years to comply from the date of the initial reissuance of permits by Lone Star without the need to utilize Early Conversion Credits that were obtained under the old rules?
32. Section 6, Rule 6.3(f), Proportional Adjustment – The Draft Rules state “In the event that the Board elects to issue a Proportional Adjustment Order, then the procedures in Rule 4.1 shall apply to set new Annual Production Limitations under each permit issued for that particular Aquifer of the District or Management Zone.” However, there are no procedures in Rule 4.1 that address how Lone Star determines the Annual Production Limitations or how Lone Star will amend permits to change the authorized production limits in them. Will permit holders be given notice and an opportunity for a public hearing? This issue is complicated by the Draft Rule that permits will be issued in perpetuity.
33. Section 10, Rule 10.1(b), Metering – The Draft Rules state “A mechanically driven, totalizing water meter is the only type of meter that may be installed on a well permitted by or registered with the District.” We have found mechanical flow meters to be less reliable, and as they begin to fail, they under report the water flow. We have found electromagnetic flow meters to be more reliable. If they start to drift, they can be electronically re-configured rather than rebuilt or replaced as is the case with mechanical flow meters. Will Lone Star add “electromagnetic flow meters” as an acceptable type of flow meter in the Rule?

34. Section 13, Rule 13.5(b), Desired Future Conditions Hearings – The Draft Rules state “the District shall make available in its office a copy of the proposed Desired Future Conditions and any supporting materials....” Given the size of the proposed DFC file, will Lone Star consider adding that it will also provide a copy of the proposed Desired Future Conditions and any supporting materials on its website for download by the public?

We would appreciate Lone Star responding to these questions and comments and the opportunity to discuss these questions and comments with Lone Star’s staff and consultants at your convenience during the month of August and prior to Lone Star Board’s consideration of the Draft Rules.

Sincerely,

A rectangular box containing a handwritten signature in blue ink that reads "Ronald D. Kelling".

Ronald Kelling, P.E.
Deputy General Manager
San Jacinto River Authority

cc: Jace Houston, General Manager, SJRA

LONE STAR GCD'S HYDROGEOLOGICAL REPORT GUIDELINES

Adopted pursuant to Rules 2.6(b)(16), 2.12 and 3.4

I. Introduction

- A. The purpose of the Hydrogeological Report is to provide the District with hydrogeological information addressing the impacts of the proposed well on existing wells. The Hydrogeological Report Requirement will assist with the District's mission to collect data and use the best available data and science in managing aquifers of the District.
- B. The Hydrogeological Report must be included with an administratively complete application for any of the following:
 - (i) a request to modify or increase an existing well or well system that would result in the existing well(s) being equipped to produce 700 gallons per minute or greater;
 - (ii) a request to drill and operate a proposed new well or well system with a proposed aggregate production capacity of 700 gallons per minute or greater; and/or
 - (iii) a request for an exception to the spacing requirements in Rule 3.2 or Rule 3.3.
- C. Reports submitted pursuant to Rules 2.6(b)(16), 2.12, and 3.4, and these guidelines are required to be stamped by a Professional Geoscientist or Professional Engineer licensed in the State of Texas
- D. Hydrogeological Reports submitted to the District should follow the chronological order of the criteria set forth in Section II.

II. Requirements of Hydrogeological Reports (prior to Drilling)

- A. Anticipated specific details of well construction must include the following:
 - 1. Schematic well construction diagram including completion (i.e., screened) intervals and screen diameter, filter pack setting (if applicable), casing diameter and setting, cemented intervals or other seals;
 - 2. Lithologic description of geology anticipated during well drilling; and
 - 3. Location
 - (i) Provide map(s) showing location of property relative to county level and location of well relative to property boundaries and other relevant features
- B. Discussion of hydrogeologic setting must include the following:
 - 1. Identification of aquifer;

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2. Surface and subsurface geology, including, as applicable, occurrence of any significant groundwater recharge features such as outcrop, surface water bodies, sinkholes, faults or other geologic features;
 3. Depth interval of proposed water bearing zone; identify target production zone; and anticipated screen interval(s);
 4. Anticipated thickness of water bearing zone and well screen(s);
 5. Whether the target production zone is anticipated to be confined or unconfined;
 6. Estimates of thickness of confining layer at well site location, if applicable;
 7. Aquifer parameters at the well site, including transmissivity, hydraulic conductivity and storativity based on the Texas Water Development Board (TWDB) approved Groundwater Availability Model for the aquifer or other site-specific data if available;
 8. Identify all registered and permitted wells within a 1-mile radius of the proposed well using publicly-available well databases;
 9. Include streams or springs within a 1-mile radius;
- C. Water Quality
1. Discussion of known quality in the area based on literature, well reports.
- D. Interference Analysis
1. Provide quantitative analysis that shows the projected impacts from 1) the proposed production from the well or well system (if applicable) and 2) the well or well system (if applicable) running 100% of the simulation periods. NOTE: Applicant is advised to work with District Staff to settle on proposed production volume prior to performing the analysis.
 - a. Simulation results showing drawdown at 24 hours and 30 days
 - b. Discussion of the methodology used for estimating drawdown, including software that was used, the assumptions and/or solution method employed.
 - c. Illustration and/or maps showing the estimated cone of depression; if there is more than one well in the group, two maps should be included demonstrating:
 - a. contours for impacts from pumping the proposed well only, and
 - b. contours for impacts from all wells in the system.
 2. For well systems, a discussion of the amount or degree of interference that each of the system wells may exert on other system wells.
 3. Discussion of the estimated impacts on existing registered or permitted wells.

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III. Post-Drilling Requirements

If available, the well owner shall provide the following information:

1. Geophysical logs required to be submitted upon completion of the well.
 - a. Geophysical logs to consist of a resistivity or induction curve and a spontaneous potential or gamma ray curve at a minimum.
 - b. Geophysical logs performed in the initial open-borehole are required and will consist of resistivity (self potential and gamma ray at a minimum).
 - c. Wells cased with PVC require induction and gamma ray logs.
 - d. All digital log files to be submitted in LAS format as well as printed.
2. All public water supply sampling completed in accordance with TCEQ/EPA requirements must be submitted to the District.
3. Digital or tabulated data of water levels measured during drawdown, specific capacity, or aquifer test; and an estimate of specific capacity and transmissivity from tests that were performed
4. Field parameters of specific conductivity, temperature and pH of measurements made during the drawdown or pumping test, or well sampling; and/or
5. Any laboratory analysis completed on samples collected from the well after construction and development.



FREQUENTLY ASKED QUESTIONS ON PROPOSED AMENDMENTS TO LSGCD'S RULES

- 1. How is the District protecting historic and existing use?** All existing permits issued to date remain in effect and will be renewed under the process described in the proposed rules if adopted. All existing wells are grandfathered in, and are, therefore, not required to comply with new spacing rules. The updated rules also include well spacing requirements that will help protect existing wells from potential impacts from new wells.
- 2. How is the District protecting property rights?** The District recognizes that each landowner owns the groundwater beneath his/her property, and that all landowners must have an opportunity to produce groundwater. The protection of property rights related to existing and historic production and new production are both important components of property rights in the District. In addition, the District proposes the issuance of perpetual permits. The District does not favor one type of beneficial use over another. The rules propose a variance process to request an exception from a spacing rule to ensure all owners have an opportunity to produce groundwater from their property under the terms and condition set out in the permit after a variance hearing. The District will allow new users to obtain permits even if reductions are required to ensure that all owners have an opportunity to produce groundwater and that new users are not inadvertently held solely responsible for achieving the desired future conditions by being denied an opportunity to produce groundwater. The hydrogeological information provided as part of the Hydrogeological Report Requirement, combined with other data collected by the District, will help the District use the best available data and science in its long-term management of the resource to achieve the desired future conditions while also providing all owners an opportunity to produce groundwater.
- 3. What do your new rules mean for the GRP?** The proposed revisions will repeal all phases of the District's regulatory plan (DRP) and formally abolish the large volume groundwater user (LVGU) designation, and the reduction, conversion, and groundwater reduction plan (GRP) requirement for LVGUs. The District will no longer have large or small volume user designations or require any permit holder to join a GRP. For the permit holders formerly known as LVGUs, this means all permitting, invoicing, and payment will be directly with the District and not by or through a GRP Sponsor. After formal repeal of the DRP, the GRP and all its tenets will no longer be a part of the District's regulations or rules. The proposed changes do NOT invalidate or repeal the actual GRP contracts, which are third party contracts to which the District is not a party. The changes repeal the requirement to join a GRP or enter into a GRP contract.
- 4. Will the new rules apply to everyone or all permits?** Yes, the new rules will apply to all wells and permits moving forward with the following exceptions: (i) the new gallons per minute (gpm) spacing requirements only apply to new, non-exempt wells; and (ii) the new application requirements only apply to new or amended permit



applications. However, any changes to the metering, reporting, fee payment and enforcement rules will apply to all owners, as applicable, on a going-forward basis. Exempt wells are not subject to water use fees, the metering, and the well completion and production report requirements.

5. **Is my well still going to be exempt?** The District is not proposing to change any of the exemptions; however, under the current and new rules, a well can lose its exempt designation under certain situations. For example, if you use groundwater from your exempt well for some purpose other than solely for domestic, livestock and/or poultry use, you forfeit the well's exempt status.
6. **Do I have to register my well?** The District has not changed the rules regarding which wells are required to be registered. If your well was/is required to be registered and you haven't registered it, you can do so for 60 days with no penalty. Even if you are not required to register your well under one of the few exceptions to registration, the District still encourages you to register to be considered in the spacing and impact analysis. If your well is not registered, the District does not have a record of its location. If the District does not know where your well is located, it cannot ensure new, non-exempt wells are properly spaced from your exempt well nor can it evaluate potential impacts on your exempt well from the proposed pumping of the new, non-exempt well.

Most exempt wells are required to be registered. The only exempt wells that are not required to register are:

- water wells authorized under a permit issued by the Railroad Commission of Texas under Chapter 134, Texas Natural Resources Code, or for production from such a well to the extent the withdrawals are required for mining activities regardless of any subsequent use of the water or when drilled;
 - leachate wells, monitoring wells, and dewatering wells regardless of when drilled; and
 - pre-existing exempt wells (wells drilled before August 26, 2002) with an inside casing diameter measuring 4 inches or less in diameter.
7. **Can you explain the property line and well-to-well spacing?** All wells, exempt and non-exempt, are required to be drilled more than 50 feet from the property line ensuring that all wells are at least 100 feet from one another. The 50-foot property line spacing rule is not new and is actually a requirement from the Texas Department of Licensing and Regulation (TDLR). The new gpm spacing rule only applies to new, non-exempt wells and requires them to be spaced a certain distance from all registered exempt and permitted wells completed in the same aquifers. The spacing distance is based on the proposed pumping capacity of the new, non-exempt well. New exempt wells are not required to comply with the gpm spacing requirements. The gpm spacing requirement seeks to protect all registered exempt and permitted wells



and will help maintain artesian pressure (water level) in existing wells and lessen interference between wells.

- 8. What if I cannot comply with the spacing rules?** The proposed changes provide a process for an owner to request a variance from or to request an exception to the spacing rules. The variance application process requires a Hydrogeological Report. An exception is automatically granted if the applicant can demonstrate that the abutting land or registered and permitted well to which a spacing exception is requested is owned or controlled by the same person as the proposed well. An applicant may also provide signed and notarized waivers from all registered and permitted well owners or all adjacent property owners within the applicable spacing distance. If the applicant cannot obtain waivers, the Board will consider the exception at a public hearing.
- 9. What is required in the Hydrogeological Report?** Generally, a report sealed by a licensed professional engineer or geoscientist in Texas that assesses aquifer conditions and potential impacts of the proposed pumping. The report is required for a request: (i) to modify or increase an existing well or well system that would result in the existing well(s) being equipped to produce 700 gallons per minute or greater; (ii) to drill and operate a proposed new well or well system with a proposed aggregate production capacity of 700 gallons per minute or greater; and/or (iii) for an exception to the spacing requirements in Rule 3.2 or Rule 3.3. The District will provide a document with all the specific guidelines.
- 10. What does the temporary drought buffer do?** If adopted by Board resolution, the drought buffer temporarily increases annual production limits during certain drought conditions. This prevents permit holders from having to contact the District to request a permit amendment and gives the Board some flexibility to address conditions as needed when needed. The resolution must state how long the temporary drought buffer shall remain in place and can be based on improvement of the drought status according to Texas Water Development Board (TWDB) reports.
- 11. How is the District encouraging conservation?** Foremost, the requirement for groundwater owners and users to acquire permits is a conservation measure. Additionally, the District's emphasis on obtaining the best available data (e.g., through obtaining water level data from monitoring wells) allows the District to understand aquifer conditions and meet its goals and state law related to the conservation of the resource. One of the District's primary roles is conducting joint water planning with other GCDs. Conservation, conjunctive use, and reliability of water during drought are all key factors in the joint-planning process.

The District conducts a very thorough analysis in the application process including requiring the applicant to provide documentation demonstrating how the amount of water requested addresses an existing or projected water supply need or demand, that the water will be put to a beneficial use and there will be no waste. While the District does not favor one beneficial use over another, the District understands that



certain uses should be monitored to ensure waste is not occurring. For example, surface impoundments have special metering and reporting requirements and a requirement to keep miscellaneous losses to a minimum. The District also offers a rebate program for users who pump less than their annual limit up to 10%. If the District adopts by resolution a temporary drought buffer, users are not obligated to produce the additional authorized volume and are only required to pay fees on the additional amounts actually produced in excess of the Annual Production Limitations.

The District further promotes water conservation through several programs that provide educational leadership within Montgomery County. The LSGCD Weather Station Network monitors daily weather conditions and distributes accurate weekly landscape watering recommendations through a dedicated e-blast, website update, and social media posting. The District sponsored Texas WaterWise program is implemented yearly by over 1,400 teachers, students, and their families within the District's jurisdiction to educate youth about the importance of water within our community. The District's education department is available for presentations at schools and events throughout the county and also brings with it the mobile lab trailer, which offers a great visual on not only ways to conserve water but also has a working model of the Gulf Coast Aquifer System for Montgomery County. Additionally, Lone Star GCD actively participates on the Texas 4-H Water Ambassadors Advisory Committee and sponsors a yearly scholarship in collaboration with the summer 4-H2O Leadership Academy. The District is a proud sponsor of the annual Gulf Coast Water Conservation Symposium and has numerous water conservation resources and literature available to the public.

- 12. What does the appeal process mean?** The process in Rule 1.12 is new and requires a person to appeal any decision made by the General Manager, for which an appeal is provided, to the Board of Directors (Board) before the person can file a lawsuit against the District. This gives the person an opportunity to communicate directly with the Board and a chance for the Board to review the decision in an effort to timely resolve the dispute and avoid unnecessary litigation. Rule 1.12 also authorizes a person to request a reconsideration of a Board's decision before filing suit where not otherwise required under the rules. This gives the person an additional opportunity to have the decision reviewed before considering litigation.
- 13. Do the rules cap groundwater production?** Yes, all permits have an Annual Production Limitation that is determined based on the information in the application. The proposed rules prohibit permit holders from exceeding their allocated production except as adopted by Board resolution on a temporary basis during drought periods (i.e., temporary drought buffer).
- 14. Is the District instituting reductions or cutbacks? If so, when? If not, why not?** The final judgment invalidated the reduction and conversion requirements for large volume users. The reduction and conversion requirements were premised on a prior goal of sustainability as defined based on a calculated recharge rate that yielded a pumping cap of 64,000 acre-feet per year. In 2017, the District changed its



management goal from sustainability to measured aquifer declines. The 2016 desired future conditions, which were based on the old sustainability goal and the 64,000 acre-feet per year pumping cap, were found to be no longer reasonable. In 2019, the District incorporated into its goals and objectives the legal requirement to provide every owner an opportunity to produce groundwater from his/her property. The District must have a documented scientific basis to institute a cutback. For example, the District is required to manage the aquifers to achieve the desired future conditions. If the District's collected data demonstrates that the District is not on track to achieve those conditions within the projected timeframe, the District would be required to consider cutbacks to ensure the District's management will result in achievement of the desired future conditions.

The District is currently waiting for new desired future conditions from the GMA 14 voting districts in the joint planning process. Once new desired future conditions are adopted, the District will begin assessing whether it is on track to achieve the projected goal(s) and it has 50 to 70 years to achieve the desired future condition goal(s). In the meantime, the District is continuing to collect monitoring well data and perform studies that will help inform the desired future conditions and the management process. While well spacing limitations are generally not designed to address overall district pumping, well spacing does help address local impacts. The District is proposing regulation to help address potential impacts on all registered exempt and permitted wells even in the absence of a district-wide total production curtailment. The District is the first GCD within GMA 14 to propose a well spacing rule other than TDLR's 50-foot from the property line requirement.

15. Isn't the District supposed to manage to the modeled available groundwater (MAG) number and if so, why isn't the District instituting a cap on permitting?

No, the District is not required to manage to the MAG number. In 2011, the Texas Legislature changed the term "managed available groundwater," which acted as a cap on total production, to "modeled available groundwater, which is not a cap and is one of several factors a district considers in managing production on a long-term basis. The District is required to manage the aquifers to achieve the desired future conditions and uses actual monitoring well data to track whether it is achieving those conditions on a long-term basis. The modeled available groundwater is determined by TWDB, and for GMA 14, has historically been derived from a pumping distribution well file provided by the GMA districts in the joint planning process. However, pumping may or may not occur in the manner predicted in the pumping file. Any number of pumping distributions may ultimately achieve the desired future condition (the model merely predicts one way the desired condition could be achieved).

16. What happens if the desired future conditions are exceeded?

The District is required by law to manage to the desired future conditions. Therefore, if it becomes evident that desired future conditions will not be achieved, the District will implement appropriate management measure to protect the aquifers while protecting property owners' rights, as well. The District will be monitoring whether it is on track to achieve the desired future conditions such that an adjustment can be made before they are



exceeded to ensure they will be achieved at the end of the 50- to 70-year time period while also providing every owner an opportunity to produce groundwater from his/her property. Once the GMA 14 voting districts adopt new desired future conditions during this round of joint planning, the District will begin refining the system by which it will track achievement of the desired future conditions and will provide updates to the public.

- 17. Why is the District not proposing production rules based on acreage or tract size when that is in the District’s management plan?** The management plan is a five-year plan and there is no time limitation for the District to adopt such rules. The District’s plan does require the Board to review at least annually whether the rules and plan are working and whether amendments are needed. The GMA 14 voting Districts have not yet adopted desired future conditions applicable to the District after the successful petition of the desired future conditions during the second round of joint planning. The GMA 14 voting districts must have proposed desired future conditions by May 1, 2021 and final desired future conditions by January 5, 2022. The Board decided it was best to reassess the various allocation methods after the joint planning process is complete, which is the process required under Chapter 36 of the Texas water Code.
- 18. Why is the District proposing perpetual permits?** A perpetual term acknowledges that the owner’s right to produce groundwater is a private property right subject to the District’s regulation. The Texas Water Code requires all permits to be renewed without a hearing unless changes are sought or the permit holder is in violation of the District’s rules. The term of the permit does not change the District’s right to institute curtailment or adjustments if there is a documented scientific basis to do so. Districts typically use permit terms and the renewal process as a way to check in with permit holders on status and potential changes. This “check-in” can be done at any time as an administrative review irrespective of the permit term. All permits, under whatever term, are subject to adjustments regardless of the term. Moving away from a one-year term will relieve some administrative burden. A perpetual term will assist permit holders with longer term water planning. Transport and brackish production zone permits require a 30-year term. It is hard to justify why an exporter or brackish producer would be entitled to a longer permit than an in-district permit holder.