22

## COMMITTEE ON NATURAL RESOURCES, ENERGY AND WATER SENATE AMENDMENTS TO S.B. 1660 (Reference to printed bill)

1	Page 1, line 17, strike ", OTHER THAN WATER"; after "IS" insert "NOT"
2	Line 19, after "FACILITY" insert "THAT IS LOCATED WITHIN THE SERVICE AREA OF A
3	WASTEWATER PROVIDER THAT HOLDS A CERTIFICATE OF CONVENIENCE AND NECESSITY
4	ISSUED BY THE CORPORATION COMMISSION "
5	Line 21, after "2" insert "AS DETERMINED BY THE DEPARTMENT OF ENVIRONMENTAL
6	QUALITY. SUCH WATER REMAINS EFFLUENT UNTIL IT ACQUIRES THE CHARACTERISTICS
7	OF GROUNDWATER OR SURFACE WATER"
8	Page 2, strike lines 5 through 24, insert:
9	"Sec. 2. Section 45–831.01, Arizona Revised Statutes, is amended to
10	read:
11	45-831.01. Water storage permits
12	A. A person may apply to the director for a water storage permit and
13	may store water at a storage facility only pursuant to a water storage
14	permit.
15	B. The director may issue a water storage permit to store water at a
16	storage facility if the director determines that all of the following
17	apply:
18	1. The applicant has a right to use the proposed source of
19	water. Any determination made by the director for purposes of this
20	subsection regarding the validity, nature, extent or relative priority of a

water right claimed by the applicant or another person is not binding in

any other administration proceeding or in any judicial proceeding.

- 2. The applicant has applied for any water quality permit required by the department of environmental quality under title 49, chapter 2, article 3 and by federal law.
  - 3. The water storage will occur at a permitted storage facility.
- 4. IF THE WATER TO BE STORED IS EFFLUENT AS DEFINED IN SECTION 45-101, PARAGRAPH 4, SUBDIVISION (b), THE EFFLUENT WILL BE STORED AT A CONSTRUCTED UNDERGROUND STORAGE FACILITY AT THE SITE WHERE THE WATER WAS USED BEFORE TREATMENT.
- C. In addition to the requirements of subsection B of this section, if the applicant has applied for a water storage permit to store water at a groundwater savings facility, the director shall not issue the water storage permit unless the applicant has agreed in writing to comply with the plan by which the quantity of groundwater saved at the facility will be proved each year.
- D. If the director issues a water storage permit, the director may make, if possible, the following determinations:
- 1. Whether the water to be stored is water that cannot reasonably be used directly by the applicant and otherwise meets the requirements of section 45-852.01 for long-term storage credits.
- 2. If use of the water to be stored is appurtenant to a particular location, and if so, where the water may be legally used after recovery. Any determination made by the director for purposes of this subsection regarding the validity, nature, extent or relative priority of a water right claimed by the applicant or another person is not binding in any other administrative proceeding or in any judicial proceeding.
- E. The director may issue a water storage permit for a period of not more than fifty years, except that:
- 1. On request of the holder of the permit, the director may renew the permit if the director determines that the requirements of subsection B of this section apply and, if the requirement of subsection C of this section applied at the time of issuance, that the requirement of subsection C of this section applies at the time of renewal.

- 2. Subject to the provisions of this chapter, the holder of longterm storage credits earned pursuant to the permit may recover the water over a period longer than the duration of the permit.
- F. The holder of a water storage permit may apply to the director for approval to convey the permit to another person. The director may approve the conveyance if the director determines that the person to whom the permit is to be conveyed and the water storage will continue to meet the applicable requirements of this section. If long-term storage credits accrued pursuant to the water storage permit are being assigned pursuant to section 45-854.01 with the water storage permit, the director shall be given notice of the impending assignment of long-term storage credits at the time the holder of the water storage permit applies to convey the permit.
- G. A person who holds a water storage permit may apply to the director on a form approved by the director for a modification of that water storage permit. The director may modify the permit within twenty days of AFTER receiving the application without complying with section 45-871.01 if all of the following apply:
- 1. The holder of the storage facility permit with which the water storage permit is affiliated has consented to the modification.
- 2. The modification to the water storage permit does not require a modification of the affiliated water storage facility permit.
- 3. The only modification requested is to add an amount of Colorado river water as a type of water to be stored under the water storage permit.
- 4. Water storage of Colorado river water has previously been permitted at the affiliated storage facility.
- 5. The person requesting the modification has the right to use the Colorado river water.
  - H. A water storage permit shall include the following information:
- 1. The name and mailing address of the person to whom the permit is issued.

- 2. The storage facility where the water storage will occur and the name of the active management area, irrigation non-expansion area, groundwater basin or groundwater sub-basin SUBBASIN, as applicable, in which that facility is located.
  - 3. The maximum annual amount of water that may be stored.
- 4. If the applicable finding of subsection D of this section has been made, whether the water to be stored is water that cannot reasonably be used directly by the applicant.
- 5. If the applicable finding of subsection D of this section has been made, any restrictions on where the water to be stored may legally be used.
  - 6. Other conditions consistent with this chapter.
  - 7. The duration of the permit.
- I. If the water storage will occur at a groundwater savings facility, the water storage permit shall include, in addition to the information required by subsection H of this section, the requirements of the plan by which the quantity of groundwater saved at the storage facility will be proved each year.
- J. If the director of the department of water resources decides to issue a water storage permit and the applicant has not received a water quality permit required by the department of environmental quality under title 49, chapter 2, article 3 and by federal law, the director of the department of water resources shall make receipt of the water quality permit a condition of the water storage permit and the holder of the water storage permit shall not store water until receiving the water quality permit.
- Sec. 3. Section 45-832.01, Arizona Revised Statutes, is amended to read:
  - 45-832.01. Use of stored water
- A. EXCEPT AS PROVIDED IN SUBSECTION C OF THIS SECTION, water that has been stored pursuant to a water storage permit may be used or exchanged

only in the manner in which it was permissible to use or exchange the water before it was stored.

- B. EXCEPT AS PROVIDED IN SUBSECTION C OF THIS SECTION, water that has been stored pursuant to a water storage permit may be used only in the location in which it was permissible to use the water before it was stored.
- C. EFFLUENT AS DEFINED IN SECTION 45-101, PARAGRAPH 4, SUBDIVISION (b) THAT HAS BEEN STORED PURSUANT TO A WATER STORAGE PERMIT MAY BE USED BY THE STORER ONLY FOR A NONIRRIGATION USE AT THE SAME SITE WHERE THE WATER WAS STORED.
- may be used for replenishment purposes only in the active management area in which the water is stored, unless the water is recovered and transported to another active management area.
  - D. E. Stored water may be used only as follows:
- 1. The water may be recovered by the storer and used on an annual basis in accordance with section 45-851.01.
- 2. The water may be credited to the storer's long-term storage account, if the water meets the requirements of section 45-852.01, and the long-term storage credits may be used in accordance with the provisions of this chapter.
- 3. A district that is storing water may have the stored water credited to its master replenishment account, if the water would meet the requirements of long-term storage credits as prescribed by section 45-852.01.
- 4. A conservation district that is storing water may have the stored water credited to its conservation district account, if the water would meet the requirements of long-term storage credits as prescribed by section 45-852.01.
- 5. A water district that is storing water may have the stored water credited to its water district account, if the water would meet the requirements of long-term storage credits as prescribed by section 45-852.01.

3

4

5

6

7

8

9

10

11

12

1314

1516

17

18

19

2021

22

23

2425

26

27

28

29

30

Sec. 4. Section 45-834.01, Arizona Revised Statutes, is amended to read:

## 45-834.01. Recovery of stored water; recovery well permit; emergency temporary recovery well permit; well construction

- A. A person who holds long-term storage credits or who may recover water on an annual basis may recover the water stored pursuant to a water storage permit only:
- 1. If the person seeking to recover stored water has applied for and received a recovery well permit under this article.
- 2. For water stored within an active management area, if one of the following applies:
- (a) The proposed recovery well is located within the area of impact of the stored water, as determined by the director, and either the person recovering the water is the storer or the stored water to be recovered is Colorado river water. If the stored water to be recovered is effluent that is stored in a managed underground storage facility and if the proposed recovery well is not an already constructed well owned by the person recovering the water and is located within the exterior boundaries of the service area of a city, town, private water company or irrigation district, that city, town, private water company or irrigation district must be notified by the person recovering the stored water and must have the right to offer to recover the water stored on behalf of that person. If the city, town, private water company or irrigation district offers to recover the water on behalf of the person seeking recovery and the water that is offered for recovery is of comparable quality to the water that the person could recover, the person seeking to recover the water shall consider accepting the best offer from the city, town, private water company or irrigation district overlying the area of impact that has offered to recover the stored water.

- (b) The proposed recovery well is located outside the area of impact of the stored water, as determined by the director, and all of the following apply:
- (i) The proposed recovery well is located within the same active management area as storage.
- (ii) The director determines that recovery at the proposed location is consistent with the management plan and achievement of the management goal for the active management area.
- (iii) If the proposed recovery well is located within the exterior boundaries of the service area of a city, town, private water company or irrigation district, that city, town, private water company or irrigation district is the person seeking to recover the water or has consented to the location of the recovery well.
- (iv) If the proposed recovery well is located outside, but within three miles of, the exterior boundaries of the service area of a city, town, private water company or irrigation district, the closest city, town, private water company or irrigation district has consented to the location of the recovery well.
- (v) THE STORED WATER IS NOT EFFLUENT AS DEFINED IN SECTION 45-101, PARAGRAPH 4, SUBDIVISION (b).
- (c) The proposed recovery well is located within the area of impact of the stored water, as determined by the director, the person recovering the water is not the storer, the stored water to be recovered is not Colorado river water and all of the conditions prescribed by subdivision (b), items (i) through (iv) (v) of this paragraph are met.
- 3. For water stored outside of an active management area, if recovery will occur within the same irrigation non-expansion area, groundwater basin or groundwater sub-basin, as applicable, in which the water was stored.
- B. Before recovering from any well water stored pursuant to a water storage permit, a person shall apply for and receive a recovery well permit

from the director. The director shall issue the recovery well permit if the director determines that:

- 1. If the application is for a new well, as defined in section 45-591, or except as provided in paragraphs 2 and 3 of this subsection for an existing well, as defined in section 45-591, the proposed recovery of stored water will not unreasonably increase damage to surrounding land or other water users from the concentration of wells. The director shall make this determination pursuant to rules adopted by the director.
- 2. If the applicant is a city, town, private water company or irrigation district in an active management area and the application is for an existing well within the service area of the city, town, private water company or irrigation district, the applicant has a right to use the existing well.
- 3. If the applicant is a conservation district and the application is for an existing well within the conservation district and within the groundwater basin or sub-basin in which the stored water is located, the applicant has a right to use the existing well.
- C. A city, town, private water company or irrigation district in an active management area may apply with a single application to the director to have all existing wells, as defined in section 45-591, that the applicant has the right to use within its service area listed as recovery wells on the recovery well permit, if those wells otherwise meet the requirements of this section.
- D. If the applicant is a conservation district, the director may issue an emergency temporary recovery well permit without complying with section 45-871.01, subsection F if the director determines that all of the following apply:
- 1. The conservation district cannot reasonably continue to supply central Arizona project water directly to a city, town, private water company or irrigation district due to an unplanned failure of a portion of the central Arizona project delivery system.

- 2. The emergency temporary recovery well permit is necessary to allow the conservation district to provide immediate delivery of replacement water to the city, town, private water company or irrigation district.
- 3. The application is for an existing well as defined in section 45-591 that is within the groundwater basin or groundwater sub-basin in which the stored water is located, is within the conservation district and is within the service area of the city, town, private water company or irrigation district.
- E. An emergency temporary recovery well permit issued pursuant to subsection D of this section may be issued for a period of up to ninety days and may be extended for additional ninety day periods if the director determines that the conditions prescribed in subsection D of this section continue to apply.
- F. If the application for a recovery well permit is approved, the director shall issue a permit and the applicant may proceed to construct or use the well. If the application is rejected, the applicant shall not proceed to construct or use the well. A new well shall be completed within one year of receipt of the permit, unless the director in granting the permit approves a longer period to complete the well. If the well is not completed within one year or the longer period approved by the director, the applicant shall file a new application before proceeding with construction.
  - G. A recovery well permit shall include the following information:
- 1. The name and mailing address of the person to whom the permit is issued.
- 2. The legal description of the location of the existing well or proposed new well from which stored water may be recovered pursuant to the permit.
  - 3. The purpose for which the stored water will be recovered.
- 4. The depth and diameter of the existing well or proposed new well from which stored water may be recovered pursuant to the permit.

- 5. The legal description of the land on which the stored water will be used.
- The maximum pumping capacity of the existing well or proposed new
   well.
- 5 7. If the permit is for a proposed new well, the latest date for completing the proposed new well.
- 7 8. Any other information as the director may determine."
- 8 Renumber to conform

1516

17

1819

20

21

22

23

24

25

26

27

2829

- 9 Page 5, line 4, after "EFFLUENT" strike remainder of line
- 10 Line 5, strike "PRESCRIBED BY" insert "AS DEFINED IN"
- 11 After line 43, insert:
- "Sec. 6. Section 49-250, Arizona Revised Statutes, is amended to read:

## 49-250. Exemptions

- A. The director, by rule, may exempt specifically described classes or categories of facilities from the aquifer protection permit requirements of this article on a finding either that there is no reasonable probability of degradation of the aquifer or that aquifer water quality will be maintained and protected because the discharges from the facilities are regulated under other federal or state programs that provide the same or greater aquifer water quality protection as provided by this article.
- B. The following are exempt from the aquifer protection permit requirement of this article:
  - 1. Household and domestic activities.
- 2. Household gardening, lawn watering, lawn care, landscape maintenance and related activities.
- 3. The noncommercial use of consumer products generally available to and used by the public.
  - 4. Ponds used for watering livestock and wildlife.

- 5. Mining overburden returned to the excavation site, including any common material that has been excavated and removed from the excavation site and that has not been subjected to any chemical or leaching agent or process of any kind.
- 6. Facilities used solely for surface transportation or storage of groundwater, surface water for beneficial use or reclaimed water that is regulated pursuant to section 49-203, subsection A, paragraph 7 for beneficial use.
  - 7. Discharge to a community sewer system.
- 8. Facilities that are required to obtain a permit for the direct reuse of reclaimed water.
- 9. Leachate resulting from the direct, natural infiltration of precipitation through undisturbed regolith or bedrock if pollutants are not added to the leachate as a result of any material or activity placed or conducted by man on the ground surface.
- 10. Surface impoundments used solely to contain storm runoff, except for surface impoundments regulated by the federal clean water act or article 3.1 of this chapter.
- 11. Closed facilities. However, if the facility ever resumes operation the facility shall obtain an aquifer protection permit and the facility shall be treated as a new facility for purposes of section 49-243.
- 12. Facilities for the storage of water pursuant to title 45, chapter 3.1 unless reclaimed water is added.
- 13. Facilities using central Arizona project water for underground storage and recovery projects under title 45, chapter 3.1, article 6.
- 14. Water storage at a groundwater saving facility that has been permitted under title 45, chapter 3.1.
- 15. Application of water from any source, including groundwater, surface water or wastewater, to grow agricultural crops or for landscaping purposes, except as provided in section 49-247.

- 16. Discharges to a facility that is exempt pursuant to paragraph 6 of this subsection if those discharges are regulated pursuant to 33 United States Code section 1342 or article 3.1 of this chapter.
- 17. Solid waste and special waste facilities if rules addressing aquifer protection are adopted by the director pursuant to section 49-761 or 49-855 and those facilities obtain plan approval pursuant to those rules. This exemption shall apply only if the director determines that aquifer water quality standards will be maintained and protected because the discharges from those facilities are regulated under rules adopted pursuant to section 49-761 or 49-855 that provide aquifer water quality protection that is equal to or greater than aquifer water quality protection provided pursuant to this article.
  - 18. Facilities used in:
- (a) Corrective actions taken pursuant to chapter 6, article 1 of this title in response to a release of a regulated substance as defined in section 49-1001 except for those off-site facilities that receive for treatment or disposal materials that are contaminated with a regulated substance and that are received as part of a corrective action.
- (b) Response or remedial actions undertaken pursuant to article 5 of this chapter or pursuant to CERCLA.
- (c) Corrective actions taken pursuant to the resource conservation and recovery act of 1976, as amended (42 United States Code sections 6901 through 6992).
- (d) Other remedial actions that have been reviewed and approved by the appropriate governmental authority and taken pursuant to applicable federal or state laws.
- 19. Municipal solid waste landfills as defined in section 49-701 that have solid waste facility plan approval pursuant to section 49-762.
  - 20. Storage, treatment or disposal of inert material.
- 21. Structures that are designed and constructed not to discharge and that are built on an impermeable barrier that can be visually inspected for leakage.

- 22. Pipelines and tanks designed, constructed, operated and regularly maintained so as not to discharge.
- 23. Surface impoundments and dry wells that are used to contain storm water in combination with discharges from one or more of the following activities or sources:
  - (a) Firefighting system testing and maintenance.
  - (b) Potable water sources, including waterline flushings.
  - (c) Irrigation drainage and lawn watering.
  - (d) Routine external building wash down without detergents.
- (e) Pavement wash water if no spills or leaks of toxic or hazardous material have occurred unless all spilled material has first been removed and no detergents have been used.
- (f) Air conditioning, compressor and steam equipment condensate that has not contacted a hazardous or toxic material.
- (g) Foundation or footing drains in which flows are not contaminated with process materials.
- (h) Occupational safety and health administration or mining safety and health administration safety equipment.
- 24. Industrial wastewater treatment facilities designed, constructed and operated as required by section 49-243, subsection B, paragraph 1 and using a treatment system approved by the director to treat wastewater to meet aquifer water quality standards prior to BEFORE discharge, if that water is stored at a groundwater storage facility pursuant to title 45, chapter 3.1, EXCEPT THAT FACILITIES THAT TREAT AND STORE EFFLUENT AS DEFINED IN SECTION 45-101, PARAGRAPH 4, SUBDIVISION (b) ARE NOT EXEMPT.
- 25. Any point source discharge caused by a storm event and authorized in a permit issued pursuant to section 402 of the clean water act or an Arizona pollutant discharge elimination system permit under article 3.1 of this chapter.
- 26. Except for class V wells that are operating as prescribed by rules adopted pursuant to article 3.3 of this chapter or 42 United States Code section 300h-1(c), any underground injection well covered by a permit

- issued under article 3.3 of this chapter or under 42 United States Code section 300h-1(c).
  - 27. Coal combustion residuals units that are regulated under 40 Code of Federal Regulations part 257, subpart D or by a permit in effect under the coal combustion residuals program established pursuant to chapter 4, article 11 of this title and approved by the United States environmental protection agency as prescribed by 42 United State STATES Code section 6945(d)(1)."
- 9 Amend title to conform

1660NREW.docx 02/15/2023 10:19 AM

C: MR

3

4

5

7