Welcome!

Joint Work Session

Stakeholders Advisory Committee
District Board of Directors

January 24, 2012

Barton Springs
Edwards Aquifer
Conservation District



Goals for This Meeting

- Characterize the problem
- Identify a range of solutions
- Discuss pros and cons of options
- Provide directors and staff a sense of future direction(s) to pursue



Tonight's Agenda

- Background info
- Approaches for dealing with the gap
- Some strategies for closing the gap
- Group discussion of those strategies
- Next steps



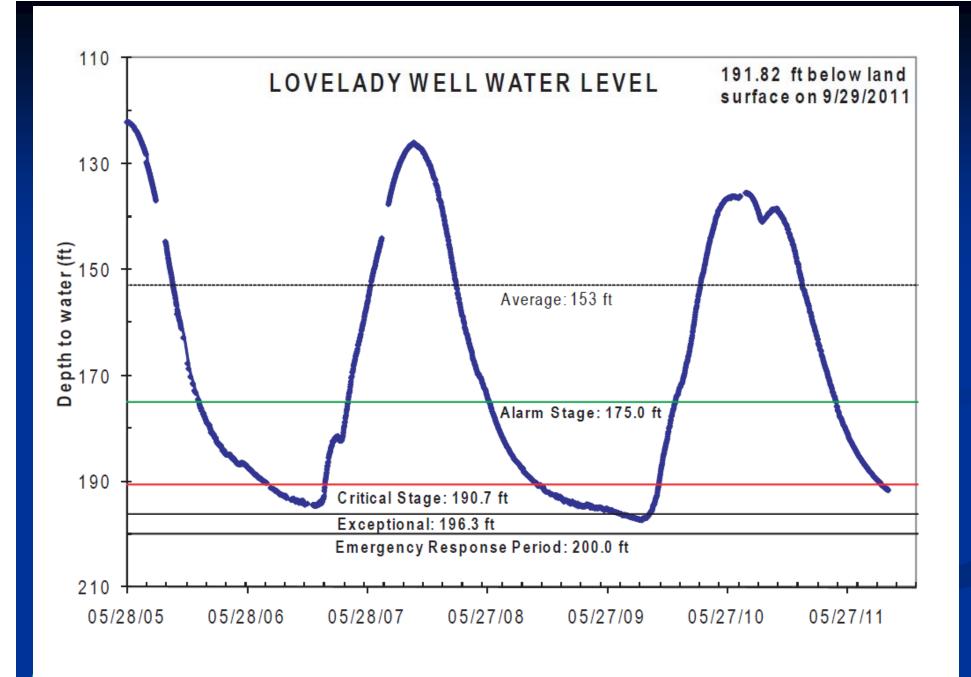
Some Necessary Background Info

Getting everyone on the same page in understanding the problem

Some Relevant Facts About the Barton Springs Aquifer

- 1100 wells, but only 230 are non-exempt (under about 150 District permits, renewed annually)
- Non-exempts account for ~95% of total use.
- About 80 % of water use is public water supply or domestic/livestock; 60,000 Central Texans rely on it for supply
- Summer-time lawn irrigation is single largest use, about two-thirds of water used in District
- Barton Springs is federally protected habitat for endangered species of salamanders; will have HCP.





Some More Relevant Facts About the Barton Springs Aquifer

- Recharge is cyclical with wet-dry periods, but can occur quite rapidly – or not, depending on rains
- During non-drought conditions, well withdrawals are a small fraction of spring discharges
- During severe drought, well withdrawals are roughly equal to spring discharges
- 2004 study determined that during extreme drought:
 - if unrestricted, the then-current level of well withdrawals was beyond the aquifer's sustainable limit
 - 1:1 relationship between pumping and spring flow.



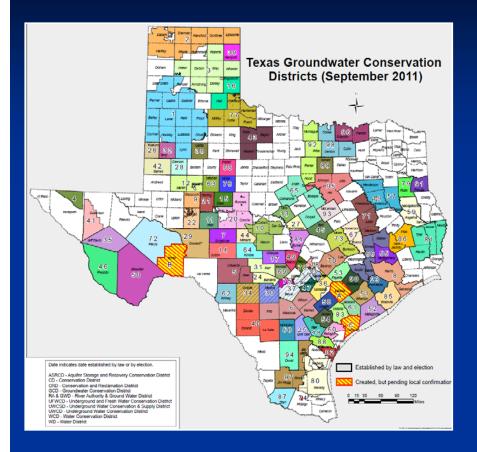
What All This Signifies for the District's Regulatory Program

- To sustain use of the aquifer as a water supply and to protect habitat, even the 2004 level of well withdrawals needed to be reasonably curtailed during groundwater drought
- New users of the aquifer during non-drought needed to be on an interruptible-supply basis, up to complete curtailment during drought
- Creation of Historical Use and Conditional Use Permits, with different curtailment schedules.



How does our regulatory program fit in with state and regional planning?

GCD Overview



- DecentralizedManagement LocalControl
- Statutory Authority
 - Register Wells
 - Permit Pumping
 - Production Limits
 - Well Spacing/Construction
 - Prevent Waste
 - Aquifer Studies
 - Groundwater Planning
- Management Plan/Rules
- Funding
 - Production Fees
 - Ad Valorem Taxes
- 90% of groundwater withdrawals in Texas
- 98 confirmed to date



Groundwater Planning via GMAs

2001 - Senate Bill 2

- GMAs created
- Voluntary Joint Planning

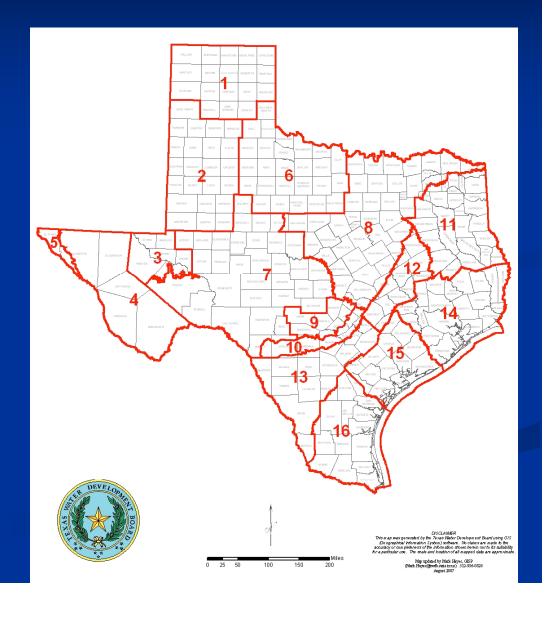
2005 - HB 1763

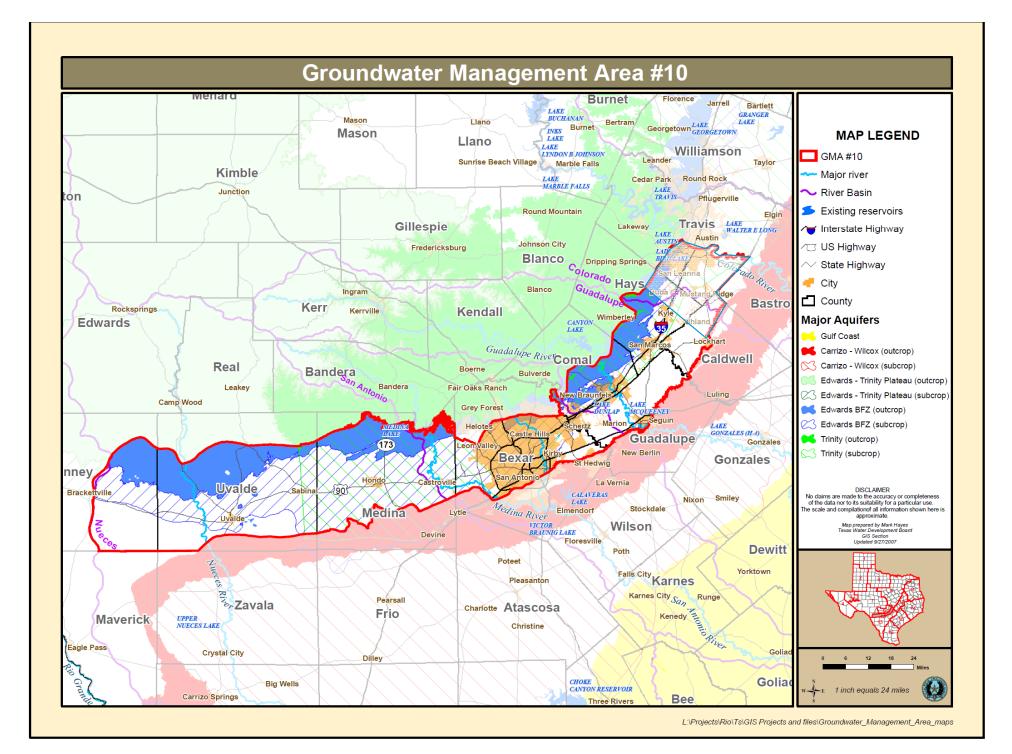
- Mandatory joint planning by GCDs
- Marries Policy with Science
- Regionalized GW availability decisions

2011 - SB 660 et al.

Refined planning process







GMAs, GAMs, MAGs... Oh my!!

GCD

Groundwater Conservation District

GMA

Groundwater Management Area

DFC

Desired Future Conditions

TWDB

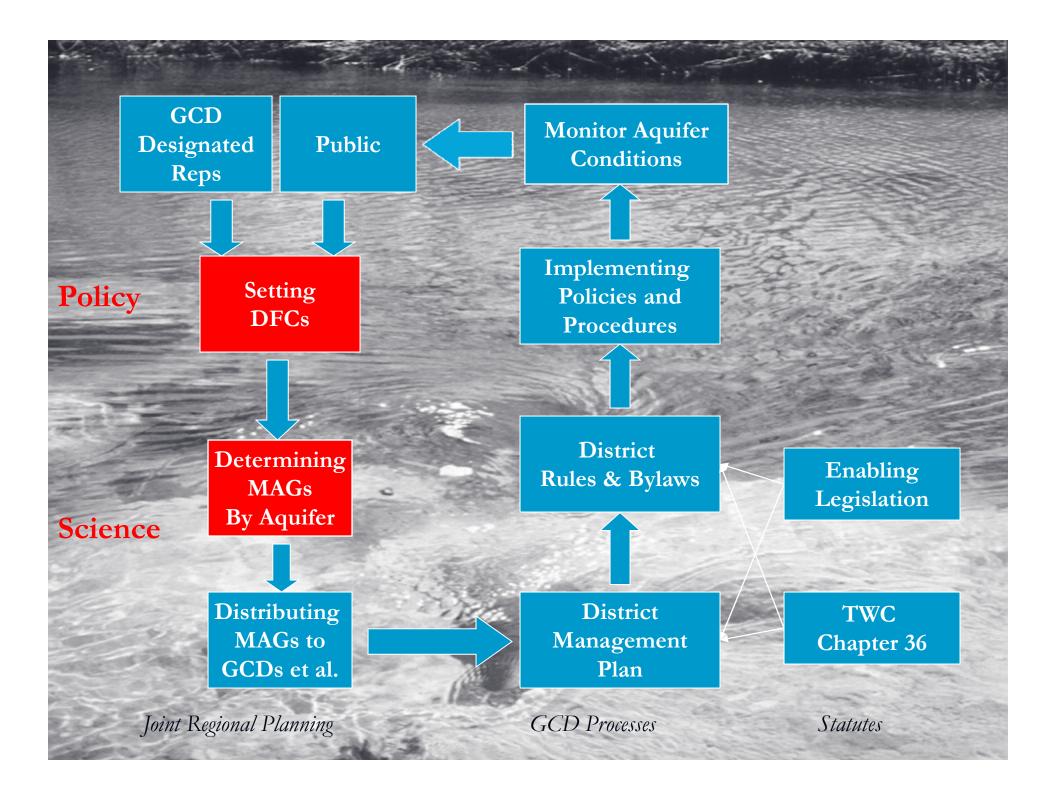
Texas Water Development Board

GAM

Groundwater Availability Model

MAG

Modeled Available Groundwater



Modeled
Available
Groundwater:

An Important First Consideration

Statutory Rulemaking Considerations

District Regulatory Programs

District
Management
Plans



Permits based on Modeled Available Groundwater

- Substantially modified by SB 660, the TWDB Sunset bill
- Shifts emphasis from using MAG as a per se permitting cap to one of several considerations to be used in permitting decisions
- Shifts emphasis to "preserving the DFC"
- Clarifies that both exempt and non-exempt uses are to be accounted for in using the M(odeled)AG
- Emphasis is on volumes of actual rather than of permitted withdrawals



Permits based on Modeled Available Groundwater

- Issue permits "to extent possible" up to point that total exempt and non-exempt production volumes will achieve applicable DFCs
- Permit-based regulatory programs must provide a balance between the "maximum practicable groundwater production" and "preserving, conserving, and protecting" the groundwater resource



So, what does that mean for BSEACD's permitting program?

For the Barton Springs Aquifer, the MAG is key to achieving the DFC

The District's regulatory program must be based on ensuring the limitations expressed by the MAG are met.

BSEACD Permitting to Honor MAGs and Achieve DFCs

- Exempt Wells (Registered only)
- Non-exempt Wells (Annual permits)
 - Non-exempt Domestic Use General Permits
 - Historical Use Permits
 - Conditional Use Permits:
 - Class A
 - Class B
 - Class C
- Non-exempt curtailment of authorized use



CRITICAL STAGE III



September 29, 2011

Synopsis:

- -Could approach Exceptional Stage IV in April or May 2012
- -Critical Stage III was declared on 9/8/11
- -Alarm Stage declared on 4/28/11



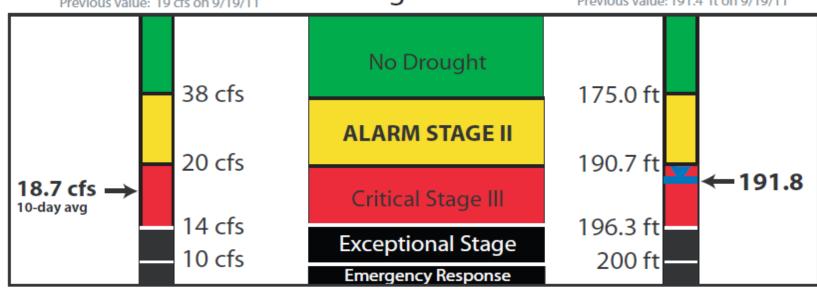
Barton Springs Discharge (cubic feet per second)

Previous value: 19 cfs on 9/19/11

Drought Status

Lovelady Monitor Well Depth to water level (feet)

Previous value: 191.4 ft on 9/19/11



Current Drought Rules

Alarm Stage II = 20%

Pumpage Reduction

Critical Stage III = 30%
Pumpage Reduction

Exceptional Stage IV = 40%
Pumpage Reduction

Emergency Response Period

= 85% (IND/Non-Ag IRG wells)





Please, use water wisely

BARTON SPRINGS EDWARDS AQUIFER CONSERVATION DISTRIC

Alarm Stage

20% Reduction in Pumping

SARTON SPRINGS EDWARDS AQUIFER CONSERVATION DIST

Critical Stage

30% Reduction in Pumping

Exceptional Orought

40% reduction in pumping

BARTON SPRINGS EDWARDS AQUIFER CONSERVATION DISTRIC

Emergency (Control Response Control Resp

No non-essential watering

BARTON SPRINGS EDWARDS AQUIFER CONSERVATION DISTRICT

Barton Springs Flow

38 cfs

- 20 cfs

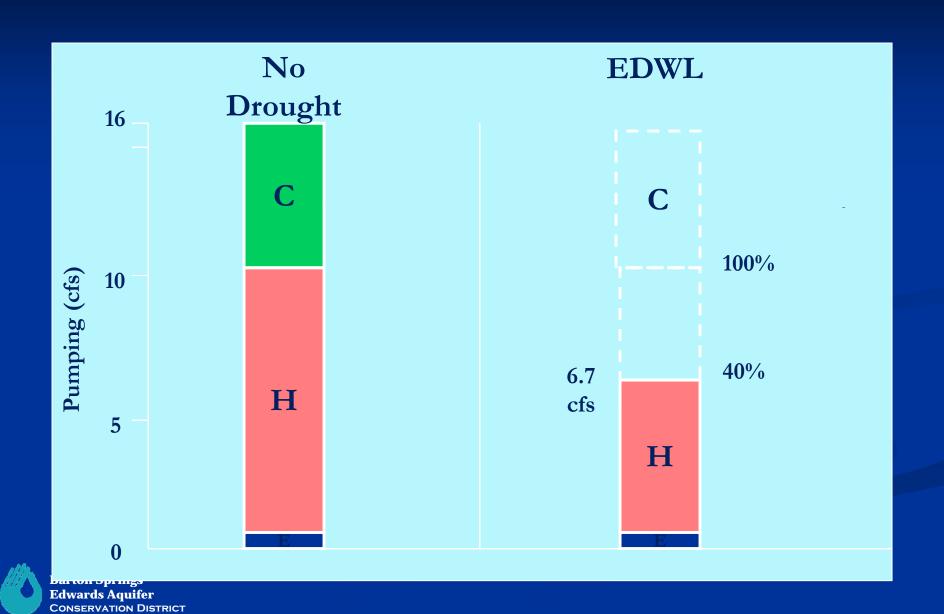
14 cfs

10 cfs

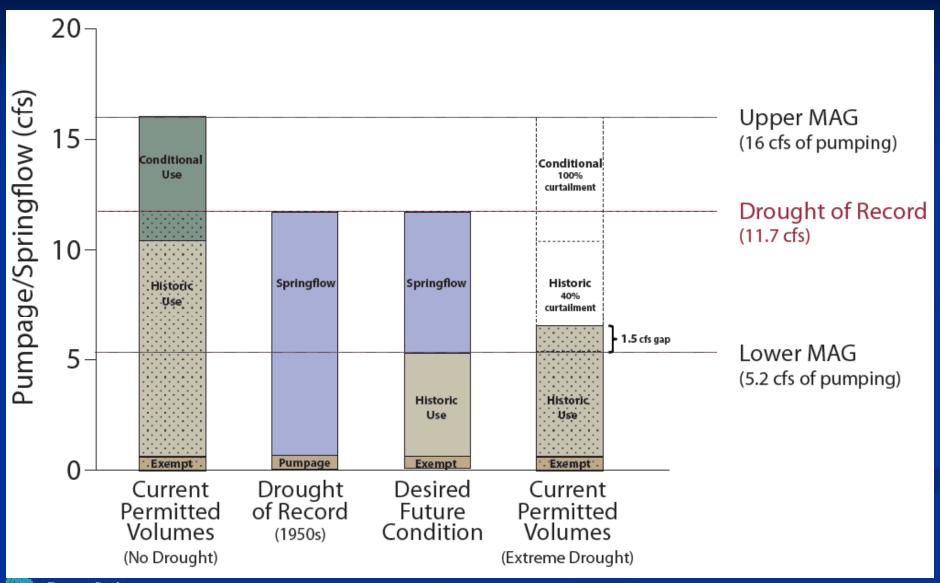
EDWL = Extreme Drought Withdrawal Limitation

The total amount of water withdrawn via wells under the District's most stringent regulatory curtailment program and including exempt usage.

Current Permitting Framework



Permitted Pumpage and DOR Springflows





The Gap

A difference of 1.5 cfs (on a monthly average basis) exists between what pumping is needed to achieve the extreme drought DFC (the MAG) and what our most stringently curtailed pumping authorizes (current EDWL).

Approaches for dealing with "the gap"

The range of options available and under consideration

- Change DFCs/MAGs
- Use actual withdrawals, not authorized withdrawals in assessment
- "Engineered solutions"
- Increase Supply During Drought
- Decrease Demand During Drought
- Others?



- Change DFCs/MAGs
 - Off the table, for now
 - Best science available suggests smaller
 DFC springflow may be disproportionately more risky
 - Changing DFCs is now a long and potentially contentious process
 - New models, new data may mandate a change, but direction is now unclear.



- Use actual withdrawals, not authorized withdrawals in assessment
 - Basis: not every permittee will use 100% of their authorized use in the same time interval
 - Prolonged drought may minimize this difference
 - Would remove one "safety factor" against over-pumpage by a large user



- "Engineered solutions"
 - Re-circulation of discharged water in immediate vicinity of springs
 - Subsurface re-aeration via wells in immediate vicinity of springs
 - More an "emergency stop-gap measure" than a planned way to close the gap
 - USFWS may not consider this a valid HCP measure to avoid jeopardy
 - Needs feasibility testing



- Increase Supply
 - Recharge enhancement facilities
 - Import water from reservoirs and wells in other aquifers
 - Desalination, ASR
 - Effluent re-use
 - Longer-term, rather expensive solutions
 - No guarantee of substitution
 - BSEACD actively working on these



- Reduce demand
 - Regulatory controls
 - Improved efficiency
 - Markets/rates
 - Our very stringent curtailment program has "hardened demand" during drought; makes "end-user conservation" less available once in extreme drought
 - Other demand-reduction strategies may be effective in extreme drought, so...



Taking a closer look at some strategies for reducing demand further

The focus for the rest of our discussion tonight

Types of strategies for reducing demand

- Market-based Strategies
- Regulatory-based Strategies
- Others?



Strategies for reducing demand

- Market-based Strategies
 - Cap and Trade
 - Expand Temporary Transfer Permit Program
 - Cap and Retire
 - Advance Conservation Commitments



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Temporary Transfer Permits

- Pumpage rights transferred from PWS to Non PWS Historical Use permittees
- For PWS permittees with alternate water supplies
- Initiated during Stage IV Exceptional Drought
- One time permit with 2-year term
- Agreement between willing buyer and seller
- May contract 75% of unused Historical Permit

Permitted Volume	Pumpage Reduction (40%)	X	75% =	Transferable Volume
100 mg/y	60 mg/y			45 mg/y
	30 mg/y			22.5 mg/y



Strategies for reducing demand

- Regulatory- or Permitting-based Strategies
 - Right-sizing Production Permits Permanent
 - Right-sizing Production Permits with Reservation Permits – Temporary
 - Proportional Adjustment
 - Current authorities
 - Differential adjustments based on type of use
 - Mandatory ERP Curtailments



Facilitated Group Discussion

What do you think about...

... Market-based Strategies:

- What other such strategies need to be considered?
- What pros and cons are missing or need to be emphasized for certain strategies?
- Which of these approaches and strategies will be most effective?
- What else needs to be discussed?



...Regulatory-based Strategies:

- What other such strategies need to be considered?
- What pros and cons are missing or need to be emphasized for certain strategies?
- Which of these approaches and strategies will be most effective?
- What else needs to be discussed?



...The Other Approaches Identified:

- What other approaches need to be pursued besides demand reduction?
- What considerations are missing or need to be emphasized?
- Which of these approaches will be most effective in protecting aquifer levels?
- What else needs to be discussed?



Where do we go from here?

Schedule and Future Meetings

Overall Process Going Forward (at pleasure of the Board)

- Use SAC inputs for next round of rulemaking under existing Management Plan/statutes (5/12)
- Revise Management Plan as needed to amend authorities and to incorporate TWDB guidance
- Use new authorities for a follow-up round of rulemaking to promulgate additional consensus measures out of work session (9/12)
- Draft and seek legislation needed to enable or to increase effectiveness of other consensus measures (2013).



Probable Activities in Near Term (at pleasure of the Board)

- 10 day comment period for more SAC inputs
- Staff creates a preliminary draft report of findings and suggestions for rulemaking scope
- Preliminary draft report reviewed by SAC members and comments sent to staff (3/12)
- Staff prepares Draft Report, with recommended additional rulemaking conceptual areas, for Board consideration (4/12)
- Board authorizes initiation of formal rulemaking



On behalf of the directors and the staff of the District...

Thank You!

Drought Stages with Curtailment Requirements

by Aquifer, Management Zone, and Permit Type

Aquif	er	Edwards Aquifer					Trinity Aquifer				
Mana	ngement Zone	Eastern/Western Freshwater					Saline	Middle	Lower	Outcrop	
Permit Type		Historical Conditional				Hist.	Hist.	Hist.	Hist.		
		PWS	IRG/IND	Class A	Class B	Class C ⁴	Class D ⁴				
Drought Stages	No Drought	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
	Alarm	20%	20%	20%	50%	100%	100%	20%	20%	20%	20%
	Critical	30%	30%	30%	75%	100%	100%	30%	30%	30%	30%
	Exceptional	40%	40%	50%²	100%	100%	100%	N/A	N/A	N/A	N/A
	ERP	40%	85% ¹	>50% 3	100%	100%	100%	N/A	N/A	N/A	N/A

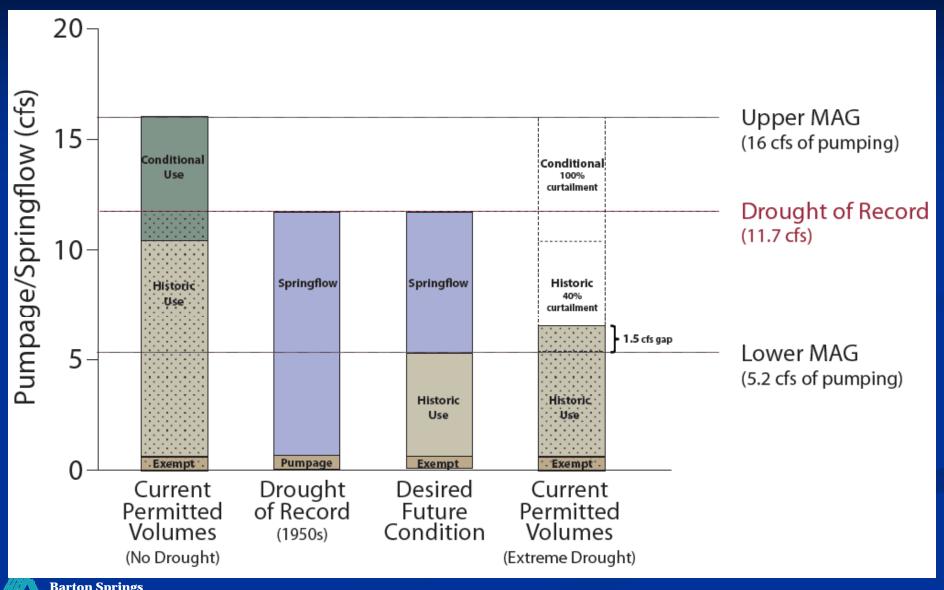
Non-PWS curtailment maximum (effective after 9-17-13)



Only applicable to NDUs and existing unpermitted nonexempts after A to B reclassification triggered by Exceptional Stage declaration.

³ Curtailment > 50% subject to Board discretion

Permitted Pumpage and DOR Springflows





Current Aquifer Status: 1-11-12

