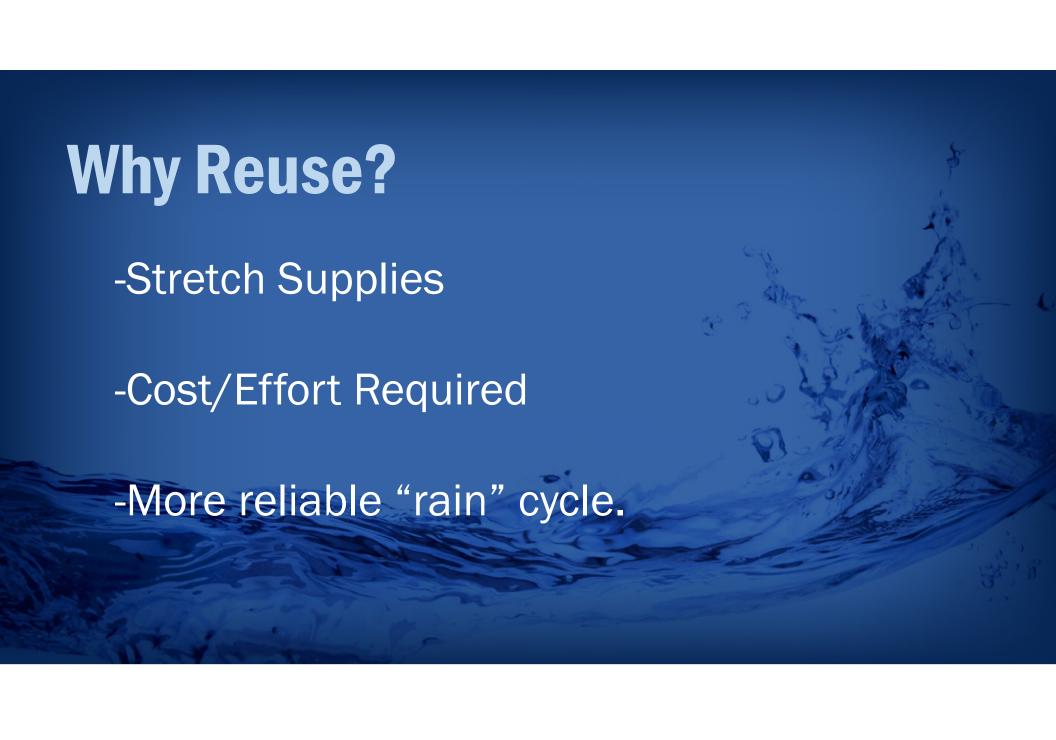


8th Annual Water Reuse in Texas Conference: Extending Our Water Frontier

Reuse Realities: Federal and State Regulatory Updates Water Rights/Water Quality

Nathan E. Vassar, Lloyd Gosselink Rochelle & Townsend, P.C.





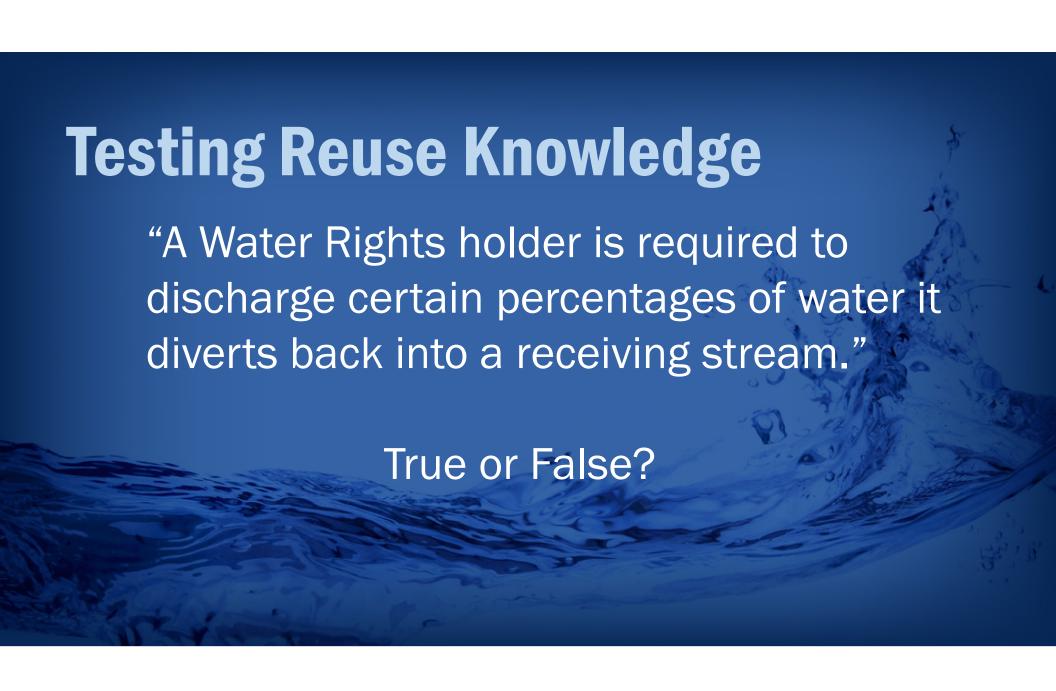


-New Supply Development

-Contract Water

-Conservation

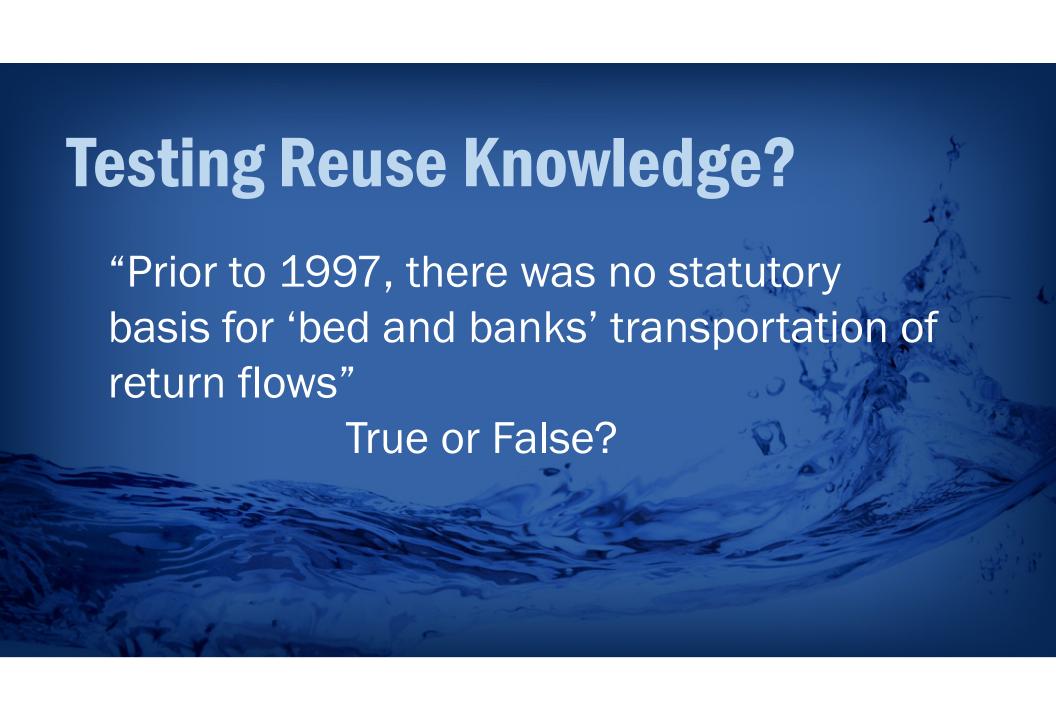


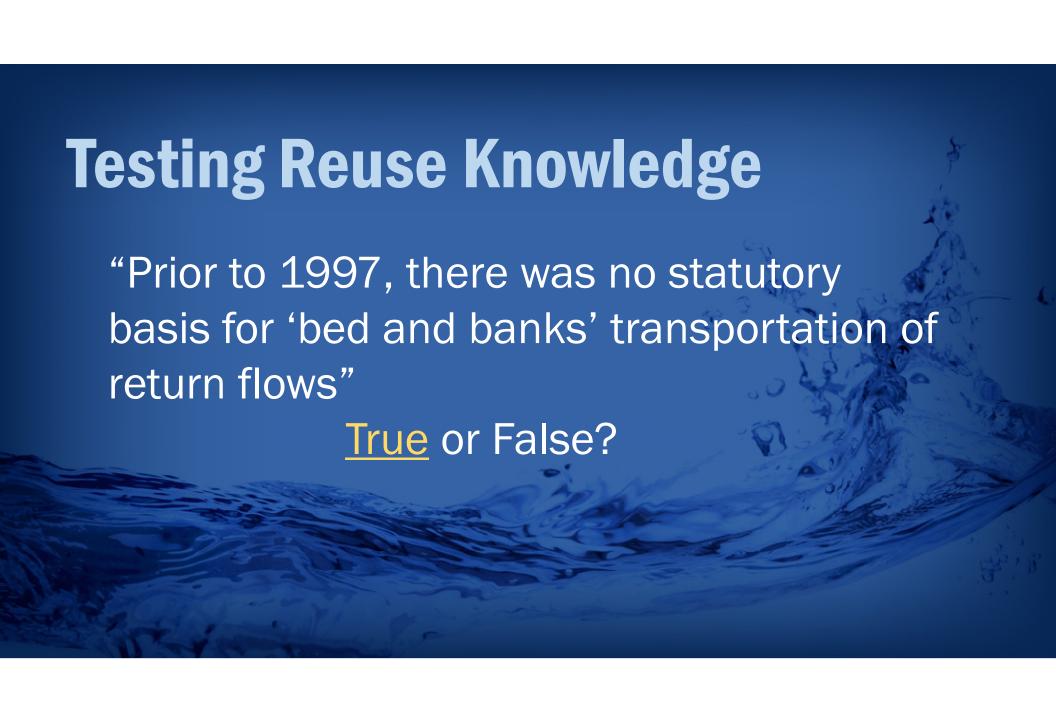


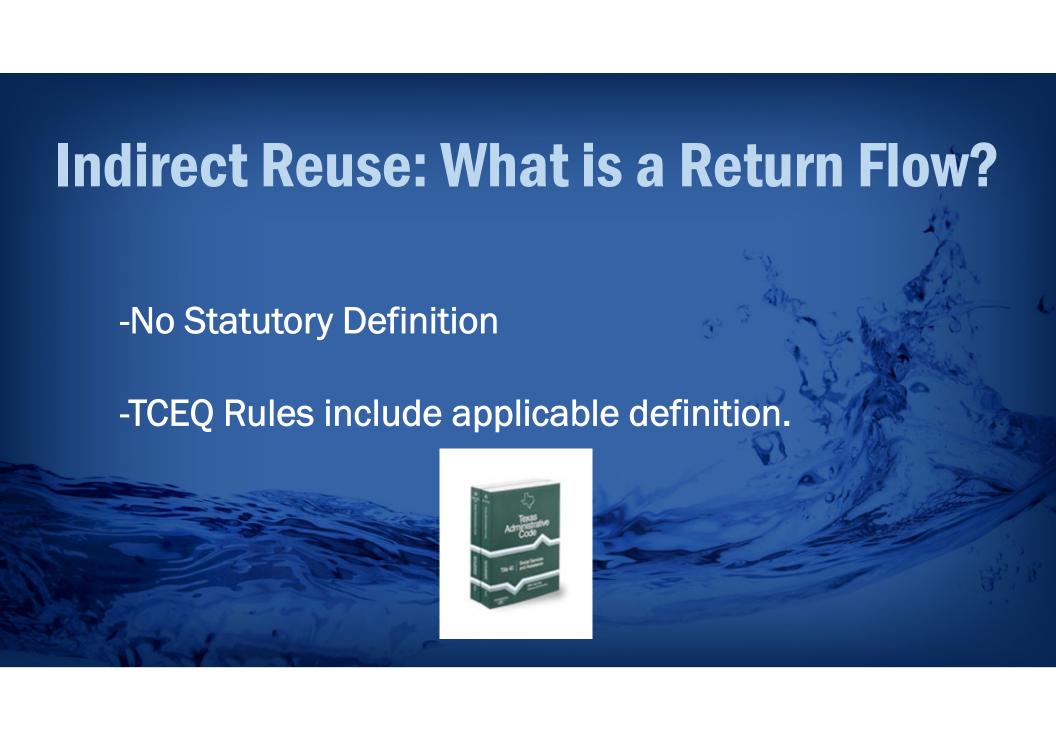


"A Water Rights holder is required to discharge certain percentages of water it diverts/uses back into a receiving stream."

True or False?







Indirect Reuse: What is a Return Flow?

-"That portion of state water . . .

-diverted from a water supply and beneficially used

-which is <u>not consumed</u> as a consequence of that use

-and returns to a watercourse. . ."

30 Tex. Admin. Code § 297.1(44) (emphasis added)







1) Transportation Ticket

2) Ownership

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY



WATER USE PERMIT

PERMIT NO. 13	TYPE 55 11.121, 11.042			
Permittee	Daisy Parms, LLC	Address:	4482 Highway 24 Paris, TX 75462	
Filed:	April 12, 2013	Granted:	October 12, 2015	
Purpose:	Industrial, Agriculture, Livestock, and Recreation	County:	Lamar	
Watercourses:	Unnamed Tributaries of Auds Creek and Auds Creek, Tributary of the Sulphur Wase	Watershed:	Sulphur River Basin	

WHEREAS, Daisy Farms, LLC (Applicant or Permittee) seeks a Water Use Permit to construct and maintain three proposed dams and reservoirs (Proposed Pendis 18.2, and Williams Pond) and maintain six existing dams and reservoirs (Existing Ponds a through 6) and a Sump, on unanamed tributaries of Ands Creek, tributary of the Salphur River, Sulphur River, Basin Laure County for permittonic industrial arcicultural and listends surrouses and

WHEREAS, Applicant also seeks authorization to divert up to 17,500 acre-feet per year at a maximum diversion rate of 250 cfs. (12,250 gpm) from Auds Creek and authorization to us the bed and banks of the Sump and Williams Fond for storage and subsequent diversion and use of 15,000 acre-feet per year for industrial, agricultural, livestock, and resreational purposes; and

WHEREAS, Applicant also seeks authorization to use the bed and banks of Existing Punds 1 through 6 and Proposed Ponds 1 and 2 to convey 7,000 acre-feet per year of the 10,000 care-feet of vaster diverted from the Sump and Williams Pond to Existing Punds 1 through Proposed Ponds 1 and 2, for subsequent diversion and use for industrial, agriculture, brestock, and recreations thereoses and the subsequent diversion and use for industrial, agriculture, brestock, and recreations thereoses and the subsequent diversion and use for industrial, agriculture, brestock, and recreations thereoses are for the subsequent diversion and use for industrial, agriculture, brestock, and recreations thereoses are for the subsequent diversion and use for industrial, agriculture, brestock, and recreations the subsequent diversion and the subsequent diversion and

WHEREAS, Applicant also seeks authorization to use the bed and hunks of Proposed Pends 1 and 2 and Existing Pends 1 through 6 to store, transport and divert up to 5,000 acrefeet of water per year purchased from the City of Paris, for industrial, agricultural, livestock, and recreational purposes; and

WHEREAS, Applicant also seeks authorization to divert and use 245 acre-feet of the combined natural inflows to Existing Fonds 1 through 5 and Proposed Fonds 1 and 2 for industrial, agricultural, juvestock, and recreational purposes; and





Avoid Traps:

-Transportation Right alone is insufficient. Water right is the vehicle to permit indirect reuse return flows.

-Due diligence of source water: ownership retained by seller?

Indirect Reuse: Statutory Basis



Texas Water Code §11.042 - Transportation Ticket

Texas Water Code § 11.046 - Surplus Water Discussion

Texas Water Code § § 11.121; 11.122 – Permits/Amendments
Required

Testing Reuse Knowledge

"Surplus Water" is:

- a) All water returned to a state water course after diversion and use.
- b) Only water in excess of beneficial use that is returned to a stream.
- c) Water that results from unexpected rainfall/storms.

Testing Reuse Knowledge

"Surplus Water" is:

- a) All water returned to a state water course after diversion and use.
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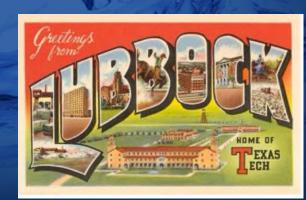
Brazos River Authority's "System Operations" Permit

("SysOps")





R.E. Janes Gravel Co. v. Tex. Comm'n on Envtl. Quality, 522 S.W.3d 506 (Tex. App.—Hous. [14th Dist.] Dec. 15, 2016, no pet. h.).





-Not precluded from seeking return flows after discharges have begun.

-Can still appropriate water discharged by others, but may be interrupted.

Face of Reuse Permits

-Environmental Flow Conditions

-Accounting

-Capturing future return flows

			m (1				
(1)	(2)	(3)	(4)	(5)	(6)	(7)	
Date	Allowable Diversion With All Losses and With			Allowable Diversion With All Losses and With			
	All Commitment Water Accounted For			Only Huntsville's Commitment Water Accounted For			
	Of MUDs'	Of Huntsville's		Of MUDs'	Of Huntsville's	Of Huntsville's	
	Effluent	Effluent	and MUDs'	Effluent	Effluent	and MUDs'	
	Next 24 Hours	Next 24 Hours	Effluent	Next 24 Hours	Next 24 Hours	Effluent	
			Next 24 Hours			Next 24 Hours	
	gallons	gallons	gallons	qallons	gallons	qallons	
12/31/11	710,431	2,000,000	2,710,431	899,280	2,000,000	2,899,280	
01/01/12	710,431	2,000,000	2,710,431	899,280	2,000,000	2,899,280	
01/02/12	710,431	2,000,000	2,710,431	899,280	2,000,000	2,899,280	
01/03/12	710,431	2,000,000	2,710,431	899,280	2,000,000	2,899,280	
01/04/12	710,431	2,000,000	2,710,431	899,280	2,000,000	2,899,280	
01/05/12	710,431	2,000,000	2,710,431	899,280	2,000,000	2,899,280	
01/06/12	710,431	2,000,000	2,710,431	899,280	2,000,000	2,899,280	
01/07/12	710,431	2,000,000	2,710,431	899,280	2,000,000	2,899,280	
01/08/12	710,431	2,000,000	2,710,431	899,280	2,000,000	2,899,280	
01/09/12	710,431	2,000,000	2,710,431	899,280	2,000,000	2,899,280	
01/10/12	710,431	2,000,000	2,710,431	899,280	2,000,000	2,899,280	
01/11/12	710,431	2,000,000	2,710,431	899,280	2,000,000	2,899,280	
01/12/12	710,431	2,000,000	2,710,431	899,280	2,000,000	2,899,280	
01/13/12	710,431	2,000,000	2,710,431	899,280	2,000,000	2,899,280	
01/14/12	710,431	2,000,000	2,710,431	899,280	2,000,000	2,899,280	
01/15/12	710,431	2,000,000	2,710,431	899,280	2,000,000	2,899,280	
01/16/12	710,431	2,000,000	2,710,431	899,280	2,000,000	2,899,280	
01/17/12	710,431	2,000,000	2,710,431	899,280	2,000,000	2,899,280	
01/18/12	710,431	2,000,000	2,710,431	899,280	2,000,000	2,899,280	
01/19/12	710,431	2,000,000	2,710,431	899,280	2,000,000	2,899,280	
01/20/12	710,431	2,000,000	2,710,431	899,280	2,000,000	2,899,280	
01/21/12	710,431	2,000,000	2,710,431	899,280	2,000,000	2,899,280	
01/22/12	710,431	2,000,000	2,710,431	899,280	2,000,000	2,899,280	
01/23/12	710,431	2,000,000	2,710,431	899,280	2,000,000	2,899,280	
01/24/12	710,431	2,000,000	2,710,431	899,280	2,000,000	2,899,280	
01/25/12	710,431	2,000,000	2,710,431	899,280	2,000,000	2,899,280	
01/26/12	710,431	2,000,000	2,710,431	899,280	2,000,000	2,899,280	
01/27/12	710,431	2,000,000	2,710,431	899,280	2,000,000	2,899,280	
01/28/12	710,431	2,000,000	2,710,431	899,280	2,000,000	2,899,280	
01/29/12	710,431	2,000,000	2,710,431	899,280	2,000,000	2,899,280	
01/30/12	710,431	2,000,000	2,710,431	899,280	2,000,000	2,899,280	
01/31/12	710,431	2,000,000	2,710,431	899,280	2,000,000	2,899,280	
02/01/12	552,558	2,000,000	2,552,558	699,440	2,000,000	2,699,440	
02/02/12	552,557	774,484	1,327,042	699,440	774,484	1,473,924	

Federal Overlay to Reuse

-Distinctions: Water <u>Quantity</u> left to state regulation

-Several Emerging Trends:

*Federal interest in reuse

*PFAS/PFOS developments



Federal Overlay to Reuse

-Federal Interest in Reuse (and reports regarding water cycle and produced water)

-What is "Produced Water"?





-Federal Interest in Reuse (and reports regarding water cycle and produced water)

-Produced Water focus and next frontiers







-Water Quality Considerations

-Alternate Sources

-Permitting changes



QUESTIONS?

Nathan E. Vassar nvassar@lglawfirm.com (512) 322-5867

