

1 H.464

2 Introduced by Representatives Klein of East Montpelier and Peltz of

3 Woodbury

4 Referred to Committee on

5 Date:

6 Subject: Conservation; water resources; underground injection; natural gas

7 production

8 Statement of purpose: This bill proposes to prohibit the issuance of a permit  
9 for a discharge into an injection well for conventional or enhanced recovery of  
10 natural gas or oil.

~~An act relating to hydraulic fracturing wells for natural gas and oil  
production~~ *An act relating to a moratorium on hydraulic fracturing wells  
for natural gas and oil production*

11 It is hereby enacted by the General Assembly of the State of Vermont:

12 ~~Sec. 1. FINDINGS~~

13 ~~The general assembly finds and declares that:~~

14 ~~(1) The drilling practice of hydraulic fracturing for natural gas~~  
15 ~~exploration and production uses a variety of chemicals that are injected into~~  
16 ~~natural gas or oil wells.~~

17 ~~(2) During hydraulic fracturing, fractures are induced into bedrock~~  
18 ~~formations, such as shale, and these fractures may introduce injected chemicals~~  
19 ~~into drinking water aquifers.~~

1 (3) The agency of natural resources' (ANR's) underground injection  
2 control rules provide that no natural gas or oil well proposed for use in  
3 hydraulic fracturing will be permitted if injection into the well results in  
4 movement of contaminating fluid into underground sources of drinking water.

5 (4) As ANR's underground injection control rules are implemented, an  
6 underground injection control permit is not available for hydraulic fracturing  
7 because permit applicants cannot show that contaminating fluid will not move  
8 into an underground source of drinking water.

9 (5) To ensure that the state's underground sources of drinking water  
10 remain free of contamination and to formalize ANR's interpretation of the state  
11 underground injection control rules, the general assembly should prohibit the  
12 issuance of a permit for the discharge to an underground injection well for  
13 conventional or enhanced recovery of natural gas or oil.

14 Sec. 2. 10 V.S.A. § 1263 is amended to read:

15 § 1263. DISCHARGE PERMITS

16 (a) Any person who intends to discharge waste into the waters of the state  
17 or who intends to discharge into an injection well or who intends to discharge  
18 into any publicly owned treatment works any waste which interferes with,  
19 passes through without treatment, or is otherwise incompatible with that works  
20 or would have a substantial adverse effect on that works or on water quality  
21 shall make application to the secretary for a discharge permit. Application

1 ~~shall be made on a form prescribed by the secretary. An applicant shall pay an~~  
2 ~~application fee in accordance with 3 V.S.A. § 2822.~~

3 \* \* \*

4 ~~(h) No permit shall be issued under this section for a discharge into an~~  
5 ~~injection well for conventional or enhanced recovery of natural gas or oil.~~

6 Sec. 3. EFFECTIVE DATE

7 ~~This act shall take effect on passage.~~

*Sec. 1. FINDINGS*

*The general assembly finds and declares that:*

*(1) The drilling practice of hydraulic fracturing for natural gas*  
*exploration and production uses a variety of chemicals that are injected into*  
*natural gas or oil wells.*

*(2) During hydraulic fracturing, injected chemicals may be introduced*  
*into drinking water aquifers.*

*(3) The agency of natural resources' (ANR's) underground injection*  
*control rules provide that no natural gas or oil well proposed for use in*  
*hydraulic fracturing will be permitted if injection into the well results in*  
*movement of contaminating fluid into underground sources of drinking water.*

*(4) As ANR's underground injection control rules are implemented*  
*currently, an underground injection control permit is not available for*  
*hydraulic fracturing because permit applicants are not able to show that*

contaminating fluid will not move into an underground source of drinking water.

(5) To ensure that the state's underground sources of drinking water remain free of contamination and to formalize ANR's interpretation of the state underground injection control rules, the general assembly should enact a moratorium on the issuance of a permit for the discharge to an underground injection well for conventional or enhanced recovery of natural gas or oil.

Sec. 2. 10 V.S.A. § 1263 is amended to read:

§ 1263. DISCHARGE PERMITS

(a) Any person who intends to discharge waste into the waters of the state or who intends to discharge into an injection well or who intends to discharge into any publicly owned treatment works any waste which interferes with, passes through without treatment, or is otherwise incompatible with that works or would have a substantial adverse effect on that works or on water quality shall make application to the secretary for a discharge permit. Application shall be made on a form prescribed by the secretary. An applicant shall pay an application fee in accordance with 3 V.S.A. § 2822.

\* \* \*

(h) No permit shall be issued under this section for a discharge into an injection well for conventional or enhanced recovery of natural gas or oil.

Sec. 3. TRANSITION; AGENCY OF NATURAL RESOURCES

*RULEMAKING*

During the interim between the effective date of this act and July 1, 2015, the agency of natural resources continues to be authorized to exercise its authority under 10 V.S.A. chapter 47 (water pollution control) to adopt or amend rules regulating the discharge of waste into an injection well, including rules regulating discharges into an injection well for oil and gas recovery. The moratorium enacted under this act shall not prohibit or limit the agency of natural resources to amend or adopt rules regulating underground injection control in the state.

*Sec. 4. REPEAL*

10 V.S.A. § 1263(h) (discharge permit for injection of conventional or enhanced recovery of natural gas or oil) shall be repealed on July 1, 2015.

*Sec. 5. AGENCY OF NATURAL RESOURCES REPORT;*

*UNDERGROUND INJECTION CONTROL RULES*

On or before January 15, 2015, the agency of natural resources shall submit to the house committee on fish, wildlife and water resources and the house and senate committees on natural resources and energy a report regarding the status of the agency of natural resources' underground injection control rules. The report shall summarize any amendment to the underground injection control rules, how or if any amendment to the rules regulates enhanced recovery of natural gas or oil, and how, at the time of the report, the

agency intends to regulate underground injection control for oil and gas  
recovery upon repeal of 10 V.S.A. § 1263(h) under Sec. 4 of this act.

*Sec. 6. EFFECTIVE DATE*

*This act shall take effect on passage.*