UIC Stakeholder Meeting Notes 1/19/2021

1. Lee Decker:

• **Question:** When is the comment deadline?

Answer: 2/5/21 is the informal comment deadline.

• **Question:** Has EPA has reviewed the November 2020 draft rule?

Answer: Yes. ADEQ and EPA are discussing a few potential issues with the rule currently.

2. Bob Hollander:

• **Question:** For fees on Class V: What is the difference between the flat and annual fee?

Answer: Under the proposed rule, a flat one-time fee would be required for all new Class V injection wells. This would be the only fee for Class V wells "authorized by rule" If ADEQ issues a UIC individual permit for a Class V well, then the annual fee in Table 3.2 would apply.

• Question: Where are the proposed fees from the PowerPoint located at?

Answer: They can be found on our <u>Stakeholder Materials</u> page.

3. Nick Culian:

• Question: Is the November UIC draft the most current draft?

Answer: Yes, the November 2020 UIC Draft Permit or Program Rule is the most current version of the program rule. The January Draft UIC Fee and January Draft UIC Licensing Time Frame (LTF) rules, which are separate rule components to Arizona's UIC program, are new. They can all be found on our <u>Stakeholder Materials</u> page.

4. Shelia Ehlers:

• **Questions:** How will Arizona's state UIC program handle salt caverns and natural gas storage?

Answer: Natural Gas Storage is explicitly exempted from the UIC program via the Safe Drinking Water Act at 42 USC 300h(b)(2)(a). Arizona's UIC program has a likewise exemption at R18-9-A601(G). ADEQ has not added any new salt cavern construction rules in Arizona's UIC program. ADEQ will consult with EPA on how the UIC rules will regulate construction of, and storage in, salt caverns for other types of stored materials such as compressed air or electrolytic brines.

5. Carrolette Winstead:

• **Question:** What is the difference between the draft UIC drywell flat fee and having an APP with drywells?

Answer: As drywells are a type of UIC Class V well, a one-time flat fee will be charged for new drywells, whether or not they are covered under an APP. ADEQ does not plan to assess fees for existing drywells that have already been registered (and payed the current drywell registration fee) under ADEQ's drywell program.

ADEQ intends to remove the current drywell program through legislative action as it is largely duplicative of the UIC program. Removal of the drywell program would be pursued in the 2022 legislative session.

6. Gary Gin:

• **Question:** Do I have to apply for two permits (both APP and UIC) for class I injection wells?

Answer: ADEQ is working to remove dual permitting requirements so that a UIC Class I Disposal Well applicant would be subject to only the UIC program, while being exempt from the APP.

7. George Tsiolis:

• **Question:** Mr. Tsiolis asked a number of questions with regard to how ADEQ will address appeals to ADEQ decisions for UIC permits and aquifer exemptions, particularly in the circumstance that an aquifer exemption has not yet been approved by EPA.

Answer:

ADEQ's goal is to issue all permits within 180 calendar days. In cases where an aquifer exemption is also required, ADEQ plans to issue the UIC permit without waiting for EPA's approval of the aquifer exemption. However, this issued UIC permit would have its effectivity withheld until a decision from EPA is made in the review of the aquifer exemption. Upon affirmative decision, the permit would become fully effective. Upon negative decision, the permit would be terminated by ADEQ. Our concern is that withholding permit issuance while waiting for EPA approval of the aquifer exemption will extend the approval timeframe unnecessarily and not allow ADEQ to meet the 180 day goal. We thank Mr. Tsiolis for his questions and we agree that they require further evaluation by ADEQ.