# MINUTES OF THE SENATE COMMITTEE ON NATURAL RESOURCES

# Eighty-second Session March 30, 2023

The Senate Committee on Natural Resources was called to order by Chair Julie Pazina at 3:42 p.m. on Thursday, March 30, 2023, in Room 2144 of the Legislative Building, Carson City, Nevada. The meeting was videoconferenced to Room 4412E of the Grant Sawyer State Office Building, 555 East Washington Avenue, Las Vegas, Nevada. <u>Exhibit A</u> is the Agenda. <u>Exhibit B</u> is the Attendance Roster. All exhibits are available and on file in the Research Library of the Legislative Counsel Bureau.

# COMMITTEE MEMBERS PRESENT:

Senator Julie Pazina, Chair Senator Melanie Scheible, Vice Chair Senator Edgar Flores Senator Pete Goicoechea Senator Ira Hansen

# **GUEST LEGISLATORS PRESENT:**

Senator James Ohrenschall, Senatorial District No. 21

# **STAFF MEMBERS PRESENT:**

Alysa Keller, Policy Analyst Erin Sturdivant, Counsel Cherie Dittler, Committee Secretary

# **OTHERS PRESENT:**

Michael DeLee Patrick Donnelly, Nevada State Director, Center for Biological Diversity Jay Dixon, Water Strategy Group LLC Mark Fiorentino, Nye County Paula Luna, Operations Manager, Battle Born Progress Carolyn Allen, Chair, Amargosa Valley Town Board Sarah Rivers Dylan Keith, Vegas Chamber

Jaina Moan, The Nature Conservancy Steve Walker, Eureka County Kyle Roerink, Great Basin Water Network Robert Koch, Singatse Peak Services; Lion Copper and Gold Corp.; 3PL Operating Inc. Matthew Burg, Private Well Owners Association

CHAIR PAZINA: I will open the hearing on Senate Joint Resolution (S.J.R.) 4.

SENATE JOINT RESOLUTION 4: Urges the Federal Government to use Yucca Mountain for the development and storage of renewable energy. (BDR R-888)

SENATOR JAMES OHRENSCHALL (Senatorial District No. 21):

With me today is longtime friend and former law school classmate, Michael DeLee. Mr. DeLee approached me with the idea of using Yucca Mountain for a purpose other than storing nuclear waste and the development of this resolution ensued.

The Nuclear Waste Policy Act of 1982 provided for the development of repositories for the deposit of high-level radioactive waste and spent nuclear fuel. In 1987, a deep geological repository in Yucca Mountain was proposed. On June 3, 2008, the U.S. Department of Energy (DOE) submitted a licensing application to the Nuclear Regulatory Commission to construct a high-level nuclear waste repository at Yucca Mountain.

The future of the Yucca Mountain repository remains uncertain. While growing up in southern Nevada, the threat of high-level radioactive waste being stored at Yucca Mountain was always present. The Yucca Mountain project, developed and strongly promoted by DOE, was initially designated for the permanent storage of high-level radioactive waste among other potential uses. Since 1983, the DOE has spent billions of dollars to evaluate Yucca Mountain as a repository. The use of Yucca Mountain for this purpose was vehemently opposed by Nevada.

Our State has vigorously opposed using Yucca Mountain as a repository for the Nation's high-level radioactive waste and spent nuclear fuel due to the

dangerous nature of nuclear waste, potential harm to our environment and the serious and unacceptable hazards to the health and welfare of our constituents.

In 2021, a U.S. Government Accountability Office report included statements that the federal government acknowledges Yucca Mountain is not suitable as a high-level radioactive waste repository. The report concluded that Yucca Mountain is not a socially or politically viable option for a repository because Congress stopped funding research and activities for the repository in 2010. Also noted was that the State and several Native American tribes were strongly opposed to creating the repository.

The report also found that Yucca Mountain is no longer a sufficient site for our Country's high-level radioactive waste because the existing amount of spent nuclear fuel exceeds Yucca Mountain's storage capacity. In 2022, President Biden's administration announced it was opposed to using Yucca Mountain as the Nation's repository. It said that future plans were to only store nuclear waste in locations where state, local and tribal governments were willing to accept it. Finally, during a visit last year, Jennifer Granholm, current DOE Secretary, confirmed that Yucca Mountain would not be used as a nuclear waste repository while she was the Secretary.

It is clear that Yucca Mountain will not be used as our Nation's high-level radioactive waste storage site. The question now is what alternative uses could take advantage of Yucca Mountain's unique characteristics.

In 2011, a U.S. Government Accountability Office report identified alternative uses for Yucca Mountain, including the development of renewable energy, geothermal energy, solar energy, wind energy, carbon capture, compressed air storage, hydroelectric energy storage, and the development of a renewable energy storage laboratory. The benefits of renewable energy are well known to the Committee and <u>S.J.R. 4</u> urges the federal government to consider using Yucca Mountain for the development and storage of renewable energy or similar alternative uses.

The Desert Research Institute, affiliated with the University of Nevada, Las Vegas, is only 90 miles away from Yucca Mountain, and there are many ways the site can be used for science, technology and renewable energy. A benefit of using Yucca Mountain for renewable energy is it would help

Nevada oppose the storage of high-level radioactive waste should the DOE resume pursuing its original plan of storing high-level nuclear waste there.

### MICHAEL DELEE:

The idea of using Yucca Mountain for other types of storage has been studied previously and discussed among the residents of Amargosa Valley where Yucca Mountain is located.

The residents of the Valley believe that storing renewable energy at Yucca Mountain will improve the quality of life in the community and build a better future for themselves and their families.

There may be too much solar energy headed towards the Valley right now, but the State can conduct research on how best to store that energy. There may be technologies not yet invented, for which the U.S. government needs to maintain a facility to develop and incubate these new technologies. Yucca Mountain is probably the most geologically and hydrologically unique place on earth, which is why the location was initially selected to store high-level nuclear waste in the first place.

There will be two electrical powerlines installed next to the Yucca Mountain facility site should alternate plans go forward. Using Yucca Mountain for an alternate purpose makes sense and we ask that you consider approving and passing S.J.R. 4.

# SENATOR HANSEN:

The concept of asking the U.S. Congress to use Yucca Mountain for a different purpose is not complicated, but storage of high-level nuclear waste is very complicated. If the Country plans to pursue the use of mostly electrical energy, we will need more electricity than we have now. We do not harness lightening anymore.

Reading relevant articles and Sierra Club information, it is clear that nobody likes solar panels, which have a life expectancy of 20 years. When those panels wear out, they contain some real nasty substances, and they are currently burying the panels in North Dakota or shipping them to China. There, poor people take the panels apart for recycling, which is probably not safe. Could we store these obsolete panels at Yucca Mountain for the next 20 to 30 years? There will probably be hundreds of thousands of old panels to bury in the ground, as we

do not recycle them in the U.S. What will happen to the old panels from the green energy projects as they age?

## SENATOR OHRENSCHALL:

Actually, I like wind energy. In the Seventy-seventh Session, I sponsored a bill to keep the State from prohibiting the use of windmills to generate electric power. Unfortunately, the bill did not make it to the Governor's desk. I think wind turbines are a great substitute to solar panels in certain locations.

## SENATOR HANSEN:

The articles in *Sierra Club* publications I have read have been very enlightening. Millions of migratory birds and insects have been killed when caught in the wind mechanisms. That is one reason why I think wind is a negative way of producing energy. They are also exceptionally unsightly. Spring Valley is full of wind turbines that came from who knows where and are weird-looking, ugly monstrosities.

In Michael Shellenberger's book *Apocalypse Never*, he points out that if we want a green revolution, we will have to produce more nuclear energy, as that is the only known energy source with no carbon footprint.

The high-level, horribly dangerous nuclear waste not being stored in Yucca Mountain is instead being stored in high population areas, especially back east where they are using nuclear power. Because we lost the Sagebrush Rebellion movement in the 1970s to the 1980s, which sought major changes to federal land control, we theoretically share the public domain in Nevada with 330 million other Americans. If we have control of public lands within our borders, we can refuse to store high-level nuclear waste in Yucca Mountain but, in the end, Nevada may be forced to store nuclear waste, like it or not.

So, although we live in Nevada, we do not own the land. It would be like Nevada telling people in other states that they cannot use their own public domain. Although we are protecting Nevadans by opposing the use of Yucca Mountain to store high-level nuclear waste, the results of our opposition are that nuclear waste is now building up in high population areas, and other populations are endangered as a result.

The Waste Isolation Pilot Plant in New Mexico is the Nation's only deep geological long-lived radioactive waste repository, where the waste is buried 2,150 feet underground in an ancient salt formation. The government of New Mexico supported that plan, and there are other locations where nuclear energy could be stored with local government support. At some point, we need to generate a lot more electric energy to meet the demands of a green energy revolution. Do you agree?

# SENATOR OHRENSCHALL:

When former Senator Chris Brooks sponsored the bill opposing Yucca Mountain, there was testimony on the dangers of transporting high-level radioactive waste across the Country, including the danger to Nevadans. Testimony was given on the dangers of transporting barrels of high-level nuclear waste on trains that could derail. There were hopes that barrels transported would be tamperproof and resistant to any breakage, but I have significant concerns about that.

We also heard testimony on the water table levels, seismic activity and the resulting dangers of using Yucca Mountain to store high-level nuclear waste. The arguments were more than Nevada not wanting Yucca Mountain to be used for nuclear waste; it was also that the location was scientifically unsuitable. The federal government now acknowledges that if a state has a specific location in mind to store nuclear waste, that location should be given priority, and not a state like Nevada, that has been adamantly opposed to maintaining a nuclear waste dump.

# SENATOR HANSEN:

I am not against the resolution, but we should address similar issues going forward. We need to engage in serious discussions and make informed decisions, not only about nuclear waste, but also about where we will be getting electricity.

#### SENATOR GOICOECHEA:

My understanding is that Yucca Mountain is still considered a test site and has no public access. Does the resolution contemplate making any changes to that? Are you asking that the test site be removed from the list, or relocated outside of Yucca Mountain? There could be some problems in transporting the materials you are talking about.

### SENATOR OHRENSCHALL:

If <u>S.J.R. 4</u> passes and the Nevada congressional delegation heeds its message, Nevada can consider alternative uses for Yucca Mountain, including science, technology, the development of renewable global energy and energy storage. Yucca Mountain could then be developed alternatively as part of the test site or with a different federal designation. That would be the decision of our congressional delegates. I hope Nevadans will never have to see transport of high-level radioactive waste to Yucca Mountain.

# SENATOR GOICOECHEA:

Have you taken the train through the Yucca Mountain test site? It is an interesting trip.

# CHAIR PAZINA:

We will hear from those in support of <u>S.J.R. 4</u>.

PATRICK DONNELLY (Nevada State Director, Center for Biological Diversity):

Yucca Mountain is problematic for many reasons, which have been discussed in this building repeatedly for many years. The idea of turning the site into a renewable energy facility is good because the DOE manages the land. Theoretically, a renewable energy facility would be synergistic with its mission.

Why has Nye County been supportive of using Yucca Mountain as a nuclear waste facility? It is not because they embrace the designation of a nuclear dumpster; but because they are looking for the economic benefits that would ensue. Using the site as a renewable energy facility would accomplish the same benefits without maintaining a huge billion-dollar hole in the ground full of nuclear waste. Yucca Mountain is now viewed as an inappropriate site to store nuclear waste, both hydrologically and geologically. Transporting nuclear waste by train also merits further discussion. An alternate use for Yucca Mountain is the right approach, and we support S.J.R. 4.

# JAY DIXON (Water Strategy Group LLC):

I support this resolution and have waited 26 years to make this statement. I relocated to Nevada in 1997 and graduated from the University of Nevada, Las Vegas (UNLV). Due to the selection of Yucca Mountain by the DOE as a potential nuclear waste site, I earned a master's degree conducting hydrologic research on the project from funding provided by the federal government. From a purely hydrologic scientific perspective, Yucca Mountain is the safest place in

the world to store nuclear waste. That conclusion was based on the best available science, but <u>S.J.R. 4</u> is not about the science relied upon when Yucca Mountain was deemed to be the best nuclear waste storage site.

As the State opted to forego the tremendous economic benefits of storing waste at Yucca Mountain, using the site as a renewable energy research facility would be the next best use, and UNLV will benefit from having a research facility close by. I support S.J.R. 4.

MARK FIORENTINO (Nye County):

We represent Nye County and support <u>S.J.R. 4</u>. Using Yucca Mountain for an alternate purpose is a good idea given the alternatives available.

PAULA LUNA (Operations Manager, Battle Born Progress):

Using Yucca Mountain to store and study renewable energy will allow Nevada to benefit economically and environmentally without the risk posed by nuclear waste storage. We support <u>S.J.R. 4</u>.

CAROLYN ALLEN (Chair, Amargosa Valley Town Board):

Our society is being reshaped by solar energy, and residents of the Valley realize the resulting debris has to be stored somewhere. Our Valley has been under the cloud of Yucca Mountain for many years and has fought a good fight to prevent Yucca Mountain from being used to store nuclear waste.

We now have the opportunity to use Yucca Mountain to create lucrative opportunities for our residents and bring young families to the Valley for employment purposes. Amargosa Valley is currently opposing 15 solar project proposals and dealing with the installation of transmission lines for the Greenlink West transmission project. This resolution will bring additional growth to the Valley and will dovetail nicely with other upgrades our Valley is contemplating. We support <u>S.J.R. 4</u>.

#### SARAH RIVERS:

Amargosa Valley is a beautiful unincorporated town. The resolution proposes a positive, rather than a negative use of Yucca Mountain. Unfortunately, many people in the Valley have suffered from "downwind syndrome," as they have been negatively affected by living in the path of atmospheric nuclear testing previously conducted in central Nevada. These residents are understandably leery of storing nuclear waste nearby. I support S.J.R. 4.

CHAIR PAZINA: We will hear from those who oppose <u>S.J.R. 4</u>.

DYLAN KEITH (Vegas Chamber):

The Chamber encourages the advancement and research of the alternate energy sector and supports renewable energy research and development. However, the Chamber maintains a long-standing policy to oppose any development of Yucca Mountain and opposes S.J.R. 4.

CHAIR PAZINA:

We will hear from those who are neutral.

JAINA MOAN (The Nature Conservancy):

We are neutral on this bill. Through its Mining the Sun Initiative, The Nature Conservancy is focused on making it easier to put renewable energy facilities on fully developed sites across Nevada, rather than on healthy, undeveloped lands that are important for clean water, open space and wildlife. The Nature Conservancy strives to make it easier to develop renewable energy on mine lands, brownfields and other disturbed spaces. The Conservancy calculated that in Nevada, these lands have the potential to generate 4.6 gigawatts of electricity that would avoid the conversion of 396,000 acres of open space for energy development.

Yucca Mountain is an excellent location for storing renewable energy through the Mining the Sun Initiative. Although we are supportive of proposed alternate uses of Yucca Mountain, we do have concerns with the Strategic Petroleum Reserve component cited in the bill. We would like to work with the bill proponent so we can support the resolution.

#### SENATOR OHRENSCHALL:

Ten years ago, it was a foregone conclusion that Yucca Mountain would be used as a nuclear waste site for the Country. Then, an article was published in the *Las Vegas Review-Journal*, suggesting that in 500 to 1,000 years, the aftereffects of nuclear waste being stored at Yucca Mountain would be horrifyingly apparent. The article was accompanied by a painting, Munch, Edvard, *The Scream*, 1893, in the National Museum, Oslo, Norway. The painting suggested the danger of maintaining a high-level nuclear waste depository at Yucca Mountain.

Although the Yucca Mountain situation was bleak a decade ago, we now have the potential to use Yucca Mountain for science, renewable energy and many other alternative purposes. If we develop Yucca Mountain for alternate purposes, it becomes exponentially less likely that the federal government will transport high-level radioactive waste and spent nuclear fuel by train to store at Yucca Mountain. This storage process would put citizens in Nevada and throughout the Country in danger. Please support <u>S.J.R. 4</u>.

CHAIR PAZINA:

I will close the hearing on <u>S.J.R. 4</u> and open the hearing on <u>Senate</u> <u>Bill (S.B.) 258</u>.

**SENATE BILL 258**: Revises provisions relating to water. (BDR 48-889)

SENATOR JAMES OHRENSCHALL (Senatorial District No. 21):

I will first introduce the conceptual amendment (<u>Exhibit C</u>) because it changes much of what was in the proposed bill.

<u>Senate Bill 258</u>, with the proposed conceptual amendment, authorizes the State Engineer to allow the drilling of a "conservation domestic well" limited to the withdrawal of 0.5 acre-foot (AF) per year. This is in contrast to a regular domestic well, which is allowed to withdraw up to 2 AF per year. The bill also allows the State Engineer to grant a permit requesting a temporary change of the place of diversion, manner of use or place of use for water already appropriated. It will be for a period not to exceed five years under certain circumstances, instead of one year as currently allowed.

Sections 1 and 2 of the bill add the new term "conservation domestic well." Section 4 authorizes the temporary changes. This section also requires the State Engineer to give notice if he determines the temporary change may not be in the best interests of the public, may impair the water rights held by other persons, or is requested for a period of more than one year.

Section 7 defines "conservation domestic well" as a well drilled for the development and use of groundwater for domestic purposes where the draught does not exceed 0.5 AF per year.

Section 9 allows the State Engineer to authorize the drilling of a conservation domestic well and requires the owner of that well to install a water meter to

ensure the water withdrawn does not exceed 0.5 AF per calendar year. The section also requires the conservation domestic well owner to file an annual report with the State Engineer, reflecting the total withdrawal from the well during the preceding calendar year. I have been working on this bill with Mr. DeLee and encourage any questions.

SENATOR SCHEIBLE:

Has the State Engineer approved any conservation domestic wells yet?

## SENATOR OHRENSCHALL:

The concept of a "conservation domestic well" does not yet exist in statute. I tried to introduce the concept in prior sessions but was not successful.

## MR. DELEE:

There have been some recent changes in the existing domestic well statute that requires water used from a domestic well to be reduced under specific dire circumstances to 0.5 AF, but that is the closest language we have for well water use to be pared back to less than 2 AF of water per year. This bill does not affect normal domestic wells and will be another tool in the toolbox to help Nevada conserve water. The bill does not tell Nevadans how to use water, but it can be applied going forward to help manage our scarce water resources.

# SENATOR SCHEIBLE:

Are there any other places or projects seeking this type of remedy for water conservation?

# MR. DELEE:

There probably has been some discussion in Nevada where there is considerable stress on the aquifer, but because no previous legislation has addressed the conservation domestic well concept, the tool is not yet in place to use. Our plan is to fine-tune this bill through the adoption of regulations. The Division of Water Resources (DWR) has been doing a great job implementing the formal notice and hearing processes required to adopt new regulations. I hope that DWR will actively engage in the rulemaking process and adopt regulations in counties where water conservation is most appropriate.

## SENATOR SCHEIBLE:

You indicated that the concept of a new designation for conservation domestic wells has been discussed in the past decade. Can you provide some context of conversations that have previously taken place?

# MR. DELEE:

In past sessions, Nevadans have been in favor of the concept and have expressed a willingness to use and apply the restrictions of a conservation domestic well.

Many places in Nevada use domestic wells to access water but have had their use pared back because of the lack of water. There is pending legislation aimed at buying back water rights and banning water use altogether, which will affect people who bought their property for retirement. The recent Nevada Supreme Court ruling in *Diamond Nat. Res. Prot. & Conservation Ass'n v. Diamond Valley Ranch*, 511 P3d 1003 (2022) caught many people off guard, and if a conservation domestic well option had been available, there might have been a different outcome in the Diamond Valley dispute. Instead of having winners and losers, the parties may have been able to reach a compromise. Unfortunately, the conservation domestic well option was not available to those litigants, but similar disputes may be prevented in the future.

# SENATOR HANSEN:

The bill contemplates the conservation domestic well limitations as being temporary in that the restriction lasts for one year, which can be extended up to five years. A construction window should not last five years, except perhaps a solar project.

# SENATOR OHRENSCHALL:

The projects contemplated now are all quite large. Although it may not take five years of construction to complete a proposed project, it will likely take more than one year. The current time limit for a renewable energy project is one year. When drafting this bill, we considered that if you start a project, and it takes longer than one year, there needs to be some guarantee that you have the permits necessary to complete the project. Otherwise, you may experience construction delays, funding problems and other issues.

Project investors will want assurances that there are no potential impediments in developing property due to water issues. The permitting process should

address all potential water issues; if you cannot get a water permit because of regulations or time constraints, nobody will fund your project. As a result, you would have no project.

To stop the development of Yucca Mountain, we tried to stop water from being used in that location. This bill will ensure that the conservation domestic well concept is available for specific needs. Some larger projects will go past the one-year statutory time frame, but we do not want to open a can of worms on time limitations. It is important to identify a specific use for water and apply the law to that particular building project.

## SENATOR HANSEN:

The criterion for temporarily using water is significantly different than using water permanently, but the five-year window does not differentiate between the two uses. Temporary water use should not take away from a user who needs water permanently.

#### MR. DELEE:

Each water use application would follow statutory requirements for water rights change, including notice of application and a period of time to protest. If a temporary permit is approved, it would only be for one year.

The purpose of the bill is to create a special window for renewable energy projects, for which a protest could be submitted by someone who is potentially affected. A key component of the bill is that the water use permit automatically returns the source of water once the construction project has been completed, up to a maximum of five years. We do not have that tool available right now.

A developer or builder can now do a change application to reflect that they are moving water from point A to point B. However, after two or three years, they have to do another change application and move the water back. Sometimes the water is used for two to three years, and when the water user tries to send the water back, they discover that administrative law has changed, and they cannot move the water in the direction envisioned. This has actually happened.

You are asking people to take a big risk when they are not guaranteed the use of water through project completion. This bill addresses and resolves that problem. People who are granted temporary access to water do not necessarily stop needing it within the one-year window currently allowed by statute.

#### SENATOR HANSEN:

When a temporary water permit is granted, nearby permanent users may lose some of their water. Can the State Engineer refuse to approve a permit? Can the State Engineer veto a project to protect other people's water rights, or is the one-to-five-year window a guaranteed right?

# MR. DELEE:

Your concerns are the reason why the bill contemplates following the statutory notice, publication and protest periods; other water users may be impacted by an application for a conservation domestic well. At the engineering stage of a project, decisions are made that others may not agree with, and these decisions can be litigated through the court system. We also need to have additional discussions on the mechanics of temporarily moving water to a project, and how the water will be moved back when the project has been completed. If concerns expressed during the public notice are valid, then the project should not happen.

## SENATOR OHRENSCHALL:

The verbiage contained in the conceptual amendment, section 4, subsection 5, indicates that a temporary change "may" be granted, not "shall" be granted. There will continue to be a robust review process by the State Engineer and the right to appeal a decision to approve the conservation domestic well.

#### CHAIR PAZINA:

Can you address the amendment item by item?

# Mr. DeLee:

In the proposed amendment to <u>S.B. 258</u>, section 4, subsection 3, paragraph (b) adds language that a renewable energy generation project is for a period of more than one year. Subsection 5, paragraphs (a) and (b) specify that the temporary change may be granted for a period of one year, not to exceed a period of five years if the temporary change is for a renewable energy project. Subsection 6 defines that a renewable energy generation project has the meaning ascribed in *Nevada Revised Statutes* 701.080.

# SENATOR GOICOECHEA:

The bill is confusing because it addresses a temporary change to water use, then discusses the concept of conservation domestic wells. Although maintaining a conservation domestic well does not require having water rights,

this bill allows for a temporary change of water flow, and when you allow a temporary change, you are altering water rights.

I have never been a fan of long-term temporary permits because, after five years, there is nothing that stops you from making the application again. All of a sudden, 5 years becomes 20 and I have seen that happen. Although it is important to stay on top of the paperwork, the reality is that the more you renew a temporary permit, the greater the chance that another water user will be negatively impacted.

The duty imposed on a domestic well is 0.5 AF, the same as a conservation domestic well, even if the well is located in a critical management area. How would this bill apply in those areas if you are failing water curtailment?

# MR. DELEE:

Although the conservation domestic well concept has been around for a long time, the curtailment scenario is new. Both wells maintain the same water level, but their respective applications are narrow in critical management areas. We should try to plan ahead to determine what alternatives may be available, so that people planning to build or develop would know which options they face. That way, if there is water curtailment, they can plan around it. It is just another tool in the toolbox. We do not want to make choices for people; we want to give them options.

# SENATOR GOICOECHEA:

Within <u>S.B. 258</u>, there are two places which state "within an area that has been designated as a groundwater basin." That language implies that the area contemplating a conservation domestic well must be in a "designated basin," which only applies to 90 to 100 basins across the State. Is that the intent of the bill or is the verb "designated" meant to refer to any basin? There are basins in Nevada that are not "designated," so I wonder if we need some wordsmithing here.

I know we have been wordsmithing all afternoon on these water bills, but the way the bill is written implies that the conservation domestic well concept only applies if the basin has been designated as needing additional supervision by the State Engineer. As the State Engineer is the only person who can "designate" a groundwater basin, I do not think that was your intent.

### MR. DELEE:

Maybe the language is not clear, but the conservation domestic well concept only applies to "designated basins" not "basins designated." Basins that are not designated have very little water use and are not contemplating water curtailment in the near future.

# SENATOR GOICOECHEA:

I wanted to confirm that the bill intent was that only "designated basins" could apply for a conservation well permit.

## CHAIR PAZINA:

As there is nobody wanting to speak in support of <u>S.B. 258</u>, we will hear from those who oppose it.

# STEVE WALKER (Eureka County):

<u>Senate Bill 258</u> does not recognize that counties require road rights on new parcels using the conservation domestic well criteria. Parcel size is important when approving permits for wells and septic tanks. Also, when 1-acre parcels served by domestic wells or septic systems create groundwater nitrate contamination, a 0.5 AF of water does not resolve the contamination. Indoor and outdoor water are ultimately combined. Eureka County opposes S.B. 258.

Dedication of water rights on new land parcels in the driest State in the Country is bad water policy. In *Serpa v. County of Washoe,* 901 P.2d 690 (Nev. 1995), the Nevada Supreme Court concluded that counties have the ability to deny a water permit, and the State must ensure there is a balance of water rights and water use even though water rights are not required.

The conservation domestic well imposes an unnecessary administrative burden on the State Engineer. Typically, when domestic well water use is determined, the measurements contemplated uses are 2 AF. Although Eureka County is in support of the five-year extension on temporary rights, we oppose <u>S.B. 258</u>.

# KYLE ROERINK (Great Basin Water Network):

I agree with Mr. Walker's assessment on conservation domestic wells and we are opposed to the bill for the same reasons. We are also opposed to the temporary change application provision. The statute does not require notice for a temporary change application as required by a new water rights application.

The bill allows temporary permits to be issued, bypassing the noticing requirements required for a standard change application or regular filing for water rights. Lack of notice could impact the due process rights of other water users. We oppose <u>S.B. 258</u>.

MR. DONNELLY:

We agree with the previous testifiers about the lack of dedicated water rights and other issues that can occur with temporary applications. Unfortunately, we have a broken temporary application that this legislation would not fix.

The bill would also target one specific industry. The broader problem with temporary and semi-permanent application permits is that they bypass regulations and notice provisions and proceed directly to the approval process. Rather than trying to make an exemption for the water permit industry, we need to fix the entire temporary permit system. As this bill does not promote the conservation of groundwater resources in this State, we oppose <u>S.B. 258</u>.

ROBERT KOCH (Singatse Peak Services; Lion Copper and Gold Corp.; 3PL Operating Inc.):

Although my clients supported <u>S.B. 258</u> as introduced, they oppose the bill as amended because the legislation is now specific only to solar energy. The mining industry files more temporary applications than any industry in the State. Temporary change applications are limited to one per year under the existing statute and <u>S.B. 258</u>, as amended, still requires the mining industry to submit serial one-year temporary change applications. As introduced, <u>S.B. 258</u> would have been beneficial from a planning and human resources perspective. It would have allowed temporary change applications for more than one year to go through the publication process of changing existing water rights and display transparency throughout the process.

For example, the Singatse Peak mining project is now in the planning stages of a two-to-three-year mining pit dewatering project. As introduced, <u>S.B. 258</u> would have allowed Singatse Peak to develop a multiyear conjunction management plan to use mine pit water as replacement groundwater in Mason Valley. The amended language does not allow for this development.

Of the 23 water-related bill draft requests introduced this Session, <u>S.B. 258</u>, as introduced, is the only bill that would have reduced the workload of the

State Engineer. It would have eliminated the long noticing period for serial filings. Unfortunately, with the amendments, we cannot support S.B. 258.

MATTHEW BURG (Private Well Owners Association):

I am confused on how <u>S.B. 258</u> and previously introduced legislation would work together. We are opposed to the metering of any domestic well and would like an explanation on the impact this bill would have on existing active domestic wells.

SENATOR OHRENSCHALL:

I appreciate everyone's input on the bill, both for and against and would like to talk to the folks in opposition. It would be helpful to address the concerns expressed and determine if there is any common ground.

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CHAIR PAZINA:

I will close the hearing on <u>S.B. 258</u>. As there is no public comment, the meeting is adjourned at 4:39 p.m.

**RESPECTFULLY SUBMITTED:** 

Cherie Dittler, Committee Secretary

APPROVED BY:

Senator Julie Pazina, Chair

DATE:\_\_\_\_\_

EXHIBIT SUMMARY				
Bill	Exhibit Letter	Introduced on Minute Report Page No.	Witness / Entity	Description
	А	1		Agenda
	В	1		Attendance Roster
S.B. 258	С	10	Senator James Ohrenschall	Proposed Conceptual Amendment