

STATEMENT OF NEED AND FISCAL IMPACT

A Notice of Proposed Rulemaking Hearing or a Notice of Proposed Rulemaking accompanies this form.

Water Resources Department/ Technical Services

690

Agency and Division

Administrative Rules Chapter Number

Well construction rules focused on: Bentonite seals, deepenings, sparge wells, grout reporting and closed loops.

Rule Caption (Not more than 15 words that reasonably identifies the subject matter of the agency's intended action.)

In the Matter of: The amendment of Division 200, Division 210, Division 215 and Division 240 of Oregon Administrative Rules chapter 690.

Statutory Authority: ORS 183, ORS 536, ORS 537 & ORS 540

Other Authority:

Stats. Implemented: ORS 183, ORS 536, ORS 537 & ORS 540

Need for the Rule(s):

The purpose of the well construction standards is to protect ground water resources from contamination, waste, and loss of artesian pressure. The Oregon Water Resources Department (Department) is pursuing this rulemaking in the interest of protecting the ground water resources and water users of the State by clarifying well constructor and professional responsibilities regarding certain well and geotechnical hole construction, maintenance, alteration, conversion and abandonment activities. The changes include:

- Changes the classification of a sparge well from a geotechnical hole to a monitoring well.
- Requires well constructors to calculate and report how much sealing material is required and how much is used when placing an annular seal.
- Clarifies the requirements when deepening an existing well and requires a copy of the original well report or the original well report number to be submitted with the deepening well report.
- Corrects a rule reference error in the Geotechnical Hole rules.
- Clarifies that the quality of water cannot interfere with the proper hydration of bentonite in closed loop installations.
- Allows Unhydrated bentonite to be used to 200 feet and through up to 50 feet of standing water to seal water supply wells.
- Requires unhydrated bentonite to be screened during placement through water, water quality to be tested and describes when it cannot be used.

Documents Relied Upon, and where they are available:

Oregon Water Resources Administrative Rules can be viewed at: <http://www.oregon.gov/owrd/pages/law/oar.aspx>

Fiscal and Economic Impact:

The Department does not anticipate that the proposed rules regarding the use of bentonite will have a fiscal impact on the Department, contractors or well owners. The use of bentonite is voluntary and is meant to offer contractors more choices during the well construction process.

The proposed rules may result in a small cost increase on contaminated sites where sparge wells are installed (~\$200). There are approximately 60 to 600 sparge wells installed in Oregon per year.

Statement of Cost of Compliance:

1. Impact on state agencies, units of local government and the public (ORS 183.335(2)(b)(E)):

The Department anticipates a small cost increase (~\$200) if a sparge well is installed on property owned by a state agency, unit of local government or the public as a result of the proposed rules. The Department does not anticipate a change in the cost of installing a well based on the rule changes regarding the use of bentonite.

2. Cost of compliance effect on small business (ORS 183.336):

a. Estimate the number of small businesses and types of business and industries with small businesses subject to the rule: The Department estimates that around 400 licensed well drillers and professionals will be subject to the proposed rules (See description of reduced cost & increased costs in fiscal impact statement, above).

b. Projected reporting, recordkeeping and other administrative activities required for compliance, including costs of professional services:

The Department anticipates that the proposed rules will result in additional reporting by well constructors, but that no additional costs are associated with the additional reporting requirement. The additional reporting consists of filling out a few extra fields on a form and is anticipated to take a matter of minutes.

c. Equipment, supplies, labor and increased administration required for compliance:

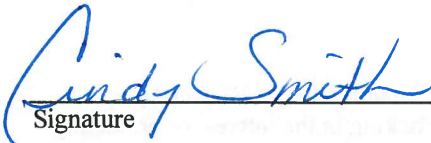
The Department anticipates a minimal (\$20) one time expenditure for a TDS meter, if the business does not already own one, along with a small increase in reporting and administrative time. The increase in administrative time is anticipated to be just a few minutes. The use of bentonite is voluntary and is meant to offer contractors more choices during the construction process.

How were small businesses involved in the development of this rule?

Representatives of six drilling companies that will be subject to the proposed rules served as members of the rules advisory Committee that assisted the Department in the development of the proposed rules.

Administrative Rule Advisory Committee consulted?: Yes

If not, why?:


Signature


Printed name


Date

Administrative Rules Unit, Archives Division, Secretary of State, 800 Summer Street NE, Salem, Oregon 97310.