



Legislation Details (With Text)

File #:	AI 13-3559	Version:	2	Name:	Cayenne Creations and Texas St. Theta Housing LPW Conditional Rescission
Type:	Action Item	Status:			Passed
File created:	4/15/2025	In control:			Board of Directors
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Title: Consider recommendation from the Permits/Enforcement Committee to conditionally rescind limited production well status for wells owned by Cayenne Creations LLC and Texas State Theta Lamda Housing Corporation, based on the owners' inability to meet annual groundwater withdrawal limits.

Sponsors:

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Attachments: 1. Conditional Rescission Order - Cayenne Creations LLC, 2. Conditional Rescission Order - Texas State Theta Lamda Housing Corp

Date	Ver.	Action By	Action	Result
5/13/2025	1	Board of Directors	approved	
4/22/2025	1	Permits/Enforcement Committee		

Consider recommendation from the Permits/Enforcement Committee to conditionally rescind limited production well status for wells owned by Cayenne Creations LLC and Texas State Theta Lamda Housing Corporation, based on the owners' inability to meet annual groundwater withdrawal limits.

RECOMMENDED MOTION:

Move the Board adopt an Order Conditionally Rescinding Limited Production Well Status for well W107-747 owned by Cayenne Creations LLC and for well W104-445 owned by Texas State Theta Lamda Housing Corporation.

SUMMARY:

The purpose of this agenda item is for the board to consider a Permits/Enforcement Committee staff recommendation to adopt an Order Conditionally Rescinding Limited Production Well Status for two limited production well owners due to an inability to meet annual groundwater withdrawal limits.

Following the passage of Senate Bill 1241 during the 2013 Regular Session of the Texas Legislature, the EAA adopted new rules creating a new category of exempt well called a Limited Production Well (LPW). To be recognized as an LPW, a well owner must: (1) have an Edwards Aquifer well that was drilled prior to June 1, 2013; (2) amend their well registration; (3) have a registered meter on the well; (4) submit annual use reports at the end of each calendar year documenting that no more than 1.4 acre-feet of groundwater was withdrawn; and (5) pay a yearly \$25 administration fee. Therefore, owners of LPWs may make withdrawals of up to 1.4 acre-feet of groundwater per year without the need for an EAA groundwater withdrawal permit.

In the event an annual use report indicates an LPW owner withdrew more than 1.4 acre-feet of groundwater, for the first occurrence, EAA staff provides written notification to the well owner that their inability to consistently remain below the annual withdrawal limit for an LPW may result in the loss of LPW status for the well. At any time in the future, if the owner exceeds withdrawals for a second time, EAA staff notifies the owner that the matter will be considered by the EAA Board of Directors to conditionally rescind LPW status from a well. A well owner may also be recommended for a rescission following any single year when more than five acre-feet is withdrawn from an LPW.

When the Board conditionally rescinds the LPW status from a well, the well owner should use the remainder of the current year to implement further conservation measures to reduce use below LPW thresholds; or if unable to sufficiently reduce their use, to identify and transfer sufficient groundwater withdrawal rights to the well. Therefore, at the end of a calendar year when a conditional rescission order is issued, if the annual use of that year is below 1.4 acre-feet, then the conditional rescission order is held in abeyance, and the well retains LPW status. Otherwise, if the annual use that year, or in any subsequent year exceeds 1.4 acre-feet, then the conditional order is put into effect, and the LPW status of the well is rescinded at the end of that third occurrence calendar year. The well must then operate under a groundwater withdrawal permit issued by the EAA in an amount sufficient to meet annual pumping needs moving forward.

Based on 2024 use, staff identified two well owners who exceeded the annual LPW withdrawal amounts for a second time. EAA staff notified these owners on April 8, 2025, that the matter would be presented to the Board of Directors at the May 13 meeting with a recommendation to conditionally rescind limited production well status for these wells based on the owner's inability to meet annual groundwater withdrawal limits. The correspondence was sent to provide the owner notice at least 30 days in advance of the anticipated Board meeting. These well owners are individually listed below.

Cayenne Creations LLC (W107-747)

Cayenne Creations LLC, ("the owner") filed an LPW registration with the EAA for well W107-747 on June 4, 2015. EAA records indicate the owner reported metered withdrawals of 2.381 acre-feet in 2023 and 2.699 acre-feet in 2024, thus overpumping LPW limits in 2024 for a second time. Following the first occurrence in 2023, EAA staff provided written notice to the owner that another overpumping event may result in loss of LPW status.

Texas State Theta Lamda Housing Corporation (W104-445)

Texas State Theta Lamda Housing Corporation, ("the owner") filed an LPW registration with the EAA for well W104-445 on May 15, 2019. EAA records indicate the owner reported metered withdrawals of 1.516 acre-feet in 2020 and 1.609 acre-feet in 2024, thus overpumping LPW limits in 2024 for a second time. Following the first occurrence in 2020, EAA staff provided written notice to the owner that another overpumping event may result in loss of LPW status.

The individual draft Orders Conditionally Rescinding Limited Production Well Status, which have been reviewed by legal counsel, are attached to this agenda item.

M/WBE PARTICIPATION:

This agenda item does not involve the procurement of goods or services by the EAA and, therefore, this section is not applicable.

STRATEGIC PLAN REFERENCE:

This agenda item helps build and/or create Assuredness in Regulatory Programming - a key objective in achieving the EAA's goals identified in the 2021-30 Strategic Plan.

FISCAL IMPACT:

None.