Clearinghouse Rule 13-096

Report to
Legislative Council Rules Clearinghouse
NR 146 and 812, Wis. Adm. Code
Natural Resources Board Order No. DG-02-13

Wisconsin Statutory Authority

Sections 280.15 (2m)(b)2., and s. 280.15(2m)(f)2m.b, Wis. Stats.

Federal Authority

None

Comparison of Adjacent States

ILLINOIS: In Illinois, the Department of Public Health is responsible for oversight of the well construction code, and has authority over the location, construction and modification of closed loop wells. A small set of standards specifically covers construction of closed-loop wells. The Department of Public Health's Closed Loop Well Contractors Certification Board oversees the rules, licensing and administration. A closed loop certification is required for drillers and is issued to those who are qualified and have passed the exam. The initial examination fee is \$50 and annual renewal fee is \$25. Licensees must attend one continuing education session in the preceding 2 years for license renewal.

INDIANA: Indiana has a well construction code and requires a water well driller license. Geothermal heat pump wells are addressed very briefly in the well drilling code. No license is required for heat pump well drilling.

IOWA: Iowa is in the process of developing rules, but has no rules codified for heat exchange drilling at this time. Iowa has a well drilling code and a well driller certification. Fee is \$400 initially and \$300 for renewal. License is for a two-year period and requires 16 contact hours of continuing education.

MICHIGAN: Michigan has no codified rules at this time, but has guidelines for heat exchange systems. Michigan has a Water Well Drilling Contractor license, but no requirements for heat exchange drillers. Water well driller license fee is \$40.

MINNESOTA: In Minnesota, the Commissioner of Health is responsible for oversight of the well construction code. The code includes regulations for groundwater thermal exchange devices. Minnesota has a license for a certified well contractor and a separate license for constructing vertical heat exchangers. Fees for well contractor licenses range from \$75 to \$250. Fees are required for construction of vertical heat exchangers, ranging from \$235 to \$700.

OHIO: Ohio has requirements for well construction, but no requirements for heat exchange drillholes at this time. Ohio has a well driller registration process and a \$250 annual fee.

Court Decisions Directly Relevant

None

Analysis of the Rule - Rule Effect - Reason for the Rule

The proposed rule would create the specific requirement for heat exchange drilling to help protect sources of drinking water as well as consumers while enhancing the availability of alternate sources of

energy for heating and cooling. The Department proposes to issue a single drilling license with authorizations_available for either water well or heat exchange drilling or both. Construction requirements for heat exchange drilling will be proposed in the rule.

The proposed order includes provisions in NR146 for obtaining and maintaining authorization to construct heat exchange drillholes, including:

- 1. sets a minimum length and type of drillhole that a person must have constructed in order to demonstrate eligibility to test for the drilling license and heat exchange authorization;
- requires continuing education in order to maintain a drilling license and heat exchange authorization;
- 3. identifies knowledge that will be the basis for written testing.

The proposed order includes provisions in NR812, setting specifications for heat exchange drillholes that are approvable with notification and will not automatically require individual application and review. Specifications include:

- 1. number and depth of drillholes;
- 2. setbacks from contamination sources or water supply wells;
- 3. equipment;
- 4. drilling and sealing aids;
- 5. reporting and consultation procedures;
- 6. abandonment procedures.

Instances of drinking water and groundwater contamination have occurred in Wisconsin as a result of improper heat exchange drilling. 2011 Wisconsin Act 150 was prompted by concerns in the drilling industry that current regulation and licensing did not adequately cover the installation of heat-exchange drillholes and that inexperienced or even unqualified drillers were doing installations in Wisconsin. The Wisconsin Water Well Association took the lead in working with the legislature, other industry representatives, and the department, to promote passage of Wisconsin Act 150.

Agency Procedures for Promulgation

Stakeholder consultation Public hearings Natural Resources Board adoption Legislative review

<u>Description of any Forms</u> (attach copies if available)

Fiscal note (attached)
Economic impact analysis (attached)

Name and Telephone Number of Agency Contacts

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