AN ACT relating to geothermal wells.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

→ Section 1. KRS 223.400 is amended to read as follows:

As used in KRS 223.405 to 223.460, unless the context requires otherwise:

- (1) "Alteration or repair of a water well" means any maintenance, addition, or change of well or pitless adapter, but does not include replacement or repair of a water pump or associated piping: [.]
- (2) "Board" means the Kentucky Water Well Certification Board;
- (3) "Cabinet" means the Energy and Environment Cabinet;
- (4) "Certificate" means a certificate of competency issued by the secretary stating that the water well driller has met all the requirements for the appropriate classification set forth in KRS 223.405 to 223.460 or by regulation;
- (5) "Geothermal borehole" means any opening in the surface of the earth that is cored, bored, washed, driven, jetted, or otherwise drilled into the surface of the earth for the purpose of exchanging heat with the earth;
- (6) "Geothermal vertical closed loop well" means any borehole that contains:
 - (a) A loop of sealed piping installed either singularly or in a series or parallel pattern; or
 - (b) Other devices installed in a vertical, angled, or diagonal configuration below the ground surface;
- (7)[(5)] "Person" means an individual, corporation, partnership, association, municipality, state and federal government, or other public body or other legal entity, or any officer, employee, or agent of any of the foregoing; [.]
- (8)[(6)] "Secretary" means the secretary of the Energy and Environment Cabinet;
- <u>(9)[(7)]</u> "Water well" or "well" means any excavation or opening in the surface of the earth, *including a geothermal borehole*, that is drilled, cored, bored, washed, driven, jetted, or otherwise constructed when the actual or intended use in whole or

part of an excavation is <u>the circulation of fluids for geothermal purposes or</u> the removal of water for any purpose, including but not limited to culinary and household purposes, animal consumption, food manufacture, use of geothermal resources for domestic heating purposes, and industrial, irrigation, and dewatering purposes, but not including wells to be used for watering stock or for general farmstead use if the wells do not provide water for human consumption; <u>and</u>

(10)[(8)] "Water well driller" means a person who is qualified to engage in the drilling, alteration, or repair of a water well as defined in this chapter.

→ Section 2. KRS 223.435 is amended to read as follows:

The secretary, upon recommendation of the board, shall <u>establish</u>[promulgate administrative regulations establishing] standards[<u>of practice</u>] for water well construction, the water well drillers' certification process, the drilling of geothermal boreholes, and the installation of geothermal vertical closed loop wells through the promulgation of administrative regulations in accordance with KRS Chapter 13A. The standards and regulations required under this subsection shall be proposed within one

(1) year of the effective date of this Act.[The secretary shall utilize the manual of water well construction practices as the guidance document in the development of standards and regulations. These standards and regulations shall be proposed within one (1) year of July 13, 1984, and shall be included as a component of the certification program.]

→ Section 3. KRS 223.445 is amended to read as follows:

The secretary, upon recommendation of the board, shall establish by regulation a system of fees, provided that the <u>total</u> fees <u>collected</u> shall not exceed <u>the</u> reasonable costs of administering the certification <u>and inspection program</u>[, certificate renewal, testing, inspection, certificate suspension and revocation activities] provided for in KRS 223.405 to 223.460. All fees obtained under this program shall be deposited in a trust and agency account for the sole use of the board and the cabinet in administering the certification <u>and</u> inspection program, and shall not become part of the general fund.

→ Section 4. KRS 223.455 is amended to read as follows:

The cabinet may make such unannounced inspections as it deems necessary to determine compliance of certified individuals with the provisions of KRS 223.405 to 223.460. The cabinet shall also have the right to enter consistent with due process upon any and all property for the purpose of obtaining information about water well construction <u>or</u> geothermal borehole drilling or installation, whether idle, in use, or abandoned.