



State of New Jersey

DEPARTMENT OF ENVIRONMENTAL PROTECTION

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New Jersey Department of Environmental Protection State Well Drillers and Pump Installers Examining and Advisory Board Conference Call Minutes for July 23, 2020

Approved by the Board on August 13, 2020

Board Members Present at NJDEP Headquarters Building: N/A

Board Members Participating Via Telephone: Art Becker (Chairman), Gary Poppe (Vice-Chairman), Joe Yost, Carol Graff, Richard Dalton, and Steve Domber

Board Members Absent: Gordon Craig, Joe Pepe, and Jeff Hoffman

Board Legal Representative Present: Deputy Attorney General (DAG) Jill Denyes, NJ Division of Law

NJDEP Water Supply (Bureau of Water Allocation and Well Permitting) Staff Present: Terry Pilawski, Steve Reya and Mark Ortega

Members of the Public: None

1. Call to Order-

The meeting was called to order at 10:04 am with a quorum present via telephone. A. Becker noted that this meeting was supposed to be held in person, however, due to COVID-19, the meeting was changed to a conference call. He noted that the Department had made the phone number available prior to the meeting via the Board's website.

2. Review and Certification of the June 18, 2020 Conference Call Minutes-

S. Reya said that J. Hoffman, who was not present for the call, made a clarification to something that was in the minutes and asked for it to be removed. J. Hoffman had mistakenly said that Mr. Eric Hoffman regularly attended LSRP Board meetings and that he was thinking of someone else. This change would appear in the fifth bullet, second paragraph of the minutes.

A motion to accept the minutes, after removing the language in item five, paragraph two, was made by J. Yost, seconded by C. Graff, and approved unanimously.

3. Review of Continuing Education Course Applications-

A. Becker informed the Board that five courses were identified as administratively complete by the Department and were up for review by the Board and asked if S. Reya could go over the courses. Four of these courses were submitted by the International School of Well Drilling (ISWD) and one was submitted by Denis Crayon.

S. Reya started by going over the four courses submitted by the ISWD. He started by reminding the Board that ISWD currently has several courses approved by the Board already and submits roster updates to the Department monthly. S. Reya said that ISWD is proposing a three-part course on Drilling Methods and an Aquifer Storage Recovery class; each class would count for one technical continuing education point (CEP).

A. Becker said that he believed that these courses were appropriate. He told the Board that he had talked to S. Reya earlier in the week about the length of time the courses were offered. A. Becker noted that each class is only about 50 minutes according to what ISWD submitted in their timed outline of the courses.

A motion to approve Drilling Methods I, Drilling Methods II, Drilling Methods III, and Aquifer Storage Recovery was made by J. Yost, seconded by G. Poppe, and approved unanimously.

A. Becker brought up the course submitted by Denis Crayon and Rutgers University, COVID-19, Support and Resources for Building Resilience. S. Reya prefaced his explanation of the course by recalling an email exchange that he had had with Mr. Crayon prior to the application being submitted, which was provided with the course application submittal. He said that Mr. Crayon had reached out to Department staff asking if they thought that this course topic was relevant. S. Reya said that he replied and stated that the Department only reviews the course applications for administrative completeness, while the Board reviews the course content. He informed Mr. Crayon that it is reasonable to justify that well driller and pump installers fall into the essential worker category and the course may be eligible in meeting the safety credits requirement for licensees. S. Reya said that he could not make any assumption of the Board's analysis of his, at the time, potential application.

R. Dalton asked for clarification about the number of CEPs that was being requested. S. Reya said that three (3) safety CEPs were being requested for this course. A. Becker noted that this course is out of the ordinary as far as topics submitted for CEPs thus far. S. Domber and J. Yost stated that they do not think that this course is relevant to the drilling industry. Board members noted that while COVID-19 training is currently an important topic, the three (3) hour course proposed is not directly related to the NJ well drilling or pump installation industry (as required by N.J.A.C. 1.11(j)).

A motion to not recommend the course, COVID-19 Support and Resources for Building Resilience, for approval was made by G. Graff, seconded by S. Domber, and approved unanimously.

A. Becker asked S. Reya to notify Mr. Crayon about the Board's decision.

4. License Renewals-

To date, 736 licenses have paid their bills and renewed their licenses. There are another 43 licensees who have open bills and have not paid. S. Reya clarified that these 43 individuals had met the CEP requirement but had not paid for their license yet. Late fees will be assessed to these individuals shortly.

S. Reya provided an update about the issue he reported during the June meeting with the Environmental Resource and Geotechnical and Vertical Closed Loop Geothermal driller licenses. He reminded the Board that licenses for these two license types were printed with the expiration date of June 30, 2020, instead of June 30, 2023. The issue was corrected at the end of June and S. Reya had put in a request to have new licenses printed for the impacted licensees. S. Reya said that the Bureau is working with entities to verify license status of affected individuals.

There has been no change to the 264 licensees who did not meet the CEP requirement. S. Reya reminded the Board that these individuals do not have a path forward to renewing their license since they did not meet the CEP requirement and the license renewal has passed.

S. Reya noted that two (2) former licensees had encountered issues due to not renewing. One of the licensees said that he had received all of the Department's notifications about the CEP requirement, but he had intended on retiring until a job opportunity recently came up, so he inquired about his options for reinstatement. The other licensee contacted the Bureau because he was unable to obtain a permit due to the ePermitting system generating a message that he was not licensed to certify a well permit application. This driller was notified in writing that he did not obtain any CEPs and his license had expired as a result. He was further advised that he is not authorized to drill, replace, repair or modify any well or well pumping equipment until he again becomes licensed or performs the work under the direct supervision of an adequately licensed individual.

A. Becker asked if anyone else had submitted a hardship exemption from the CEP requirement. S. Reya said that no one else had submitted any information to the Department.

5. DX Geothermal – Grout Review and Proposed Installation-

Board members were reminded about their September 2019 meeting with Mr. Bill Buschur of Total Green. Mr. Buschur had requested to use their direct exchange (DX) geothermal system, which is comprised of copper pipe and refrigerant. To address prior concerns with these systems raised by the Department and Board, he proposed, to sleeve the copper U-bend with PVC and grout between the copper and PVC as well as between the PVC casing and the borehole. At that meeting the consensus of the Board was that the manufacturer demonstrated that the new design sufficiently addressed the concerns, however, the grout mix needed to be demonstrated to meet the required permeability specified in N.J.A.C. 7:9D and be tested in accordance with the appropriate ASTM standard. S. Reya noted that there were issues with the permeability results that Total Green had submitted to the Department.

S. Reya had been in contact with Mr. Buschur recently about moving forward with a grout demonstration because they had a potential job in New Jersey and wished to proceed. Unfortunately, Mr. Buschur had submitted updated data five minutes before the conference call had started, S. Reya explained. If it is determined to meet the permeability value, the next step would be to proceed with a field demonstration to illustrate that the specified grout can be mixed in accordance with manufacturer specifications and pumped using a .5" tremie pipe, as specified in Total Green's well installation instructions.

S. Reya said he will work with R. Dalton to review the information that was submitted to the Department. A. Becker asked the Board if they wanted to issue a conditional approval for Total Green to proceed with scheduling the field demonstration to pump the grout into a new DX installation provided they are able to determine if the grout meets the standard or to wait until the next meeting to hear the result of what him and R. Dalton find before deciding. C. Graff suggested waiting until the Board has more information since the latest documents have not yet been reviewed by anyone. Other

members agreed and indicated that with the amount of time DX systems have been under review, there is no need to conditionally approve this step before the grout data has been vetted.

A motion to wait until more information is available about the grout that Total Green provided was made by C. Graff, seconded by J. Yost, and approved unanimously.

6. Recent Bureau Enforcement Action Update-

S. Reya gave the enforcement update on behalf of Julia Altieri, who was unable to make the call though she provided a written summary of enforcement activities, which was forwarded to Board members.

Well Permitting Enforcement Activities– 6/18/2020-7/23/2020

New Investigations: Unlicensed decommissioning in Montville Morris Co.

Issue: Three total reported cases of alleged unlicensed well decommissioning of deep cased wells. All cases were reported by local Health Department when they tried to obtain decommissioning reports from the property owners. Individual is a licensed pump installer with the State of NJ who claimed to use a licensed company but had not. In 2018, same individual was investigated for decommissioning hand dug well without proper license and was warned that he could not perform this work in the future without a proper license.

Enforcement Action: Bureau sent one notice of non-compliance to the individual for three instances of unlicensed well decommissioning work dated June 24, 2020. No response from individual at the present time. Case will be referred to Water Compliance Enforcement for further settlement (if verified) and possible licensing sanctions.

A. Becker said that he was concerned about how the grout was mixed by the unlicensed individual. S. Reya said that he has already discussed this with the Health Department. He informed the Health Department that the Department would typically require wells that are not sealed properly to be drilled out and re-grouted because there is no way to confirm that the well was grouted according to the rule if done by an unlicensed individual. S. Reya said that the Department still does not have all of the details and that the investigation is still being conducted.

T. Pilawski and M. Ortega gave an update on an Alternative Dispute Resolution (ADR) pre-meeting that had occurred.

Status update: Ongoing Administrative Hearings – ADR coordination meeting

Issue: On July 9, 2020 the DEP Office of Dispute Resolution/ Southern Water Compliance and Enforcement, Well Permitting staff and the licensed well driller took part in a conference call to clarify and discuss an improperly grouted well to be decommissioned as the ordered by the Department in an Administrative Order and Notice of Civil Administrative Penalties Assessment (AONOCAPA) issued by the Department. The meeting was held at the request of the drilling company.

Update: During the meeting, the driller agreed to comply and properly decommission the well in accordance with the enforcement order issued by the Department. Bureau staff intend to witness all required decommissioning work during normal State business days. Anticipated work to be completed by the end of July or August.

7. Program Updates-

Furloughs

T. Pilawski informed the Board that the majority of the state's workforce had been furloughed throughout the month of July. Furloughs commenced on June 30th and were set to end on July 25th. T. Pilawski said that the Bureau sent an email to everyone on the Bureau's email distribution list to notify them to expect delays in July. Due to the furloughs, the Bureau expected to fall behind on reviews of permits, records, and decommissioning reports.

Horizontal Directional Drilling (HDD)

T. Pilawski said that there was a recent incident with the New Jersey Natural Gas' Southern Reliability Link, in Upper Freehold, where an inadvertent return resulted in drilling mud flowing to the surface. Drilling mud was discovered in a small stream and caused damage to a nearby home. The homeowner reported that drilling mud was coming through cracks in the foundation of her home and flooded her basement. This incident resulted in several environmental groups contacting the Commissioner's Office.

T. Pilawski said that after this incident occurred, she had discussed with DAG J. Denyes the possibility of including HDD in the Well Construction and Maintenance; Sealing of Abandoned Wells rule, N.J.A.C. 7:9D. Currently, the Division of Land Use Regulation has been working with the Well Permitting Section to include permit requirements to address abandonment contingency planning and grouting on projects that are using HDD. T. Pilawski said the Department would likely seek a statutory change in order to add a license type and establish standards for construction of HDD wells as they are essentially unregulated in N.J.A.C. 7:9D as currently constituted.

Well Rule Update

T. Pilawski informed the Board that the well rule revisions had made it to the Governor's office and were sent back to the Bureau for grammatical changes. The grammatical issues were addressed and the draft was sent back to the Assistant Commissioner's office for review. T. Pilawski expressed her optimism with the situation.

National Ground Water Association (NGWA) Exam Contract

T. Pilawski provided the Board with an update about the exam contract that the Department has with NGWA. She said that at the beginning of the year, the Department and NGWA had reached an agreement to allow NGWA to continue administering exams and providing the Department with exam statistics. Unfortunately, due to COVID-19, the Department received a mandate that purchase orders would only be approved in three-month intervals; currently money is approved through September 2020. T. Pilawski said that she had spoken with NGWA on July 15th, during a routine conference call, and informed them of the Department's fiscal situation.

T. Pilawski discussed the different scenarios based on NGWA's decision, including the New Jersey exam modules not being available in three-month blocks if the State is not able to pay the bill. T. Pilawski said that S. Reya had wrote a memo to justify the importance of testing for well drillers and pump installers, which is considered an essential business. In the short term, the Bureau has provided NGWA with revised contract language to account for the new payment structure and both parties are working on signing a new agreement that will allow the third party testing for well drillers and pump installers to continue in its current format without interruption.

8. Geothermal Projects Update-

Woodbury Geothermal Site Recommissioning

S. Reya said that the report the Bureau received at the end of June from the contractor stated that 29 wells have been successfully completed. This includes having the original loops removed from the ground, new loops installed, and the well being grouted. S. Reya noted that the depths of the loops vary. The reports that the Department had originally received stated that the loops were approximately 330 feet, but the contractor has reported that the wells are generally around 200 to 220 feet. The Department is very pleased with the progress of the recommissioning of this site. T. Pilawski noted that the property owner has been paying the penalties on time.

Princeton

S. Reya said that there was one non-conforming well at the Princeton site, drilled by Midwest Geothermal. He explained that they drilled an 850-foot bore but were only successful in installing the U-bend to 716 ft. due to a problem with their drilling mud cleaning system. Further, they were unable to advance the tremie pipe beyond 500 feet. This resulted in an insufficient amount of grout being pumped into the well. On June 19, 2020, J. Hoffman, T. Pilawski and S. Reya had a call with all relevant parties including the drilling contractor, third party oversight company providing International Ground Source Heat Pump Association (IGSHPA) certified inspectors onsite at all times, a Princeton University representative, construction management contractor representatives and the licensed driller overseeing the drilling operations,. During the call the Department detailed the expectations of this project and what to do if an issue is encountered in the field. S. Reya noted that T. Pilawski made it clear that the expectation is that all drillers are to comply with the regulatory requirements in NJ or enforcement action will be taken.

It was also noted that the nonconforming geothermal U-bend installation was removed from the bore and the well was re-drilled multiple times using larger bits until the U-bend and tremie could be successfully installed to the 850 ft. drilled depth. T. Pilawski and S. Reya indicated that the drilling contractor was very responsive in addressing the non-conforming well installation in a timely manner and without further incident but wanted them to be aware that in the future if they encounter a problem during well construction they should not proceed with completing the installation as it will be deemed non-conforming. They noted that there have not been any issues since having the conference call.

As of the last report that the Department received, Midwest Geothermal had completed 35 wells and Chesapeake Geosystems had completed 14 wells. Currently, Midwest Geothermal is still drilling, however, Chesapeake Geosystems is not on-site drilling. Another contractor is set to be on-site in September and at that point, there will be approximately six drill rigs on site. A. Becker asked who is responsible for verifying the driller licenses. S. Reya said that the IGSPHA inspector verifies the driller license and includes that information on their report.

9. Adjournment-

At 11:05 am, a motion to adjourn the meeting was made by G. Poppe, seconded by C. Graff, and approved unanimously.