



Department of
**Environment &
Conservation**

**Public Hearing
Water Quality, Oil and Gas Board
Microsoft Teams**

April 21, 2026

*If you wish to make Public Comment concerning items on the agenda, please email Drake.Smarch@tn.gov or message us in the chat box.

Include what you want to comment on, and you will to be placed in line.

Welcome!

- Opening remarks from Division of Water Resources Director, April Grippo
- Roll call of Board members present.

Board Minutes

- Presentation of minutes from February 17, 2026
- Role Call **Vote** for approval of minutes.
- Minutes are available on the Board's website: <https://www.tn.gov/environment/about-tdec/boards-and-commissions/board-tennessee-board-of-water-quality--oil-and-gas.html>



Department of
**Environment &
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UAPA Bill Legislative Update
Senate Bill 1883

Senate Bill 1883 – Status

- Expected to be signed by governor
- Signed by House Speaker on April 16, 2026
- Signed by Senate Speaker on April 14, 2026

Senate Bill 1883 – Affected Statutes

Changes six statutes and two of these statutes are under the purview of this board:

- **Water Quality Control Act of 1977** (new Tenn. Code Ann. § 69-3-110(a))
- **Title 60, Chapter 1 concerning Production of Oil and Gas** (new Tenn. Code Ann. § 60-1-401(h))

* Tennessee Safe Drinking Water Act of 1983 remains unaffected.

Administrative Procedure Changes

- Changes the time to appeal an initial order from 30 days to 15 days, which is what the UAPA provides
- Removes the requirement for boards to review initial orders if no party appeals
- Changes the time for ALJs to issue initial orders from 60 days to 90 days from the close of the record, which is what the UAPA provides

Rationale for law change

- Pending litigation concerns the potential conflict of laws between environmental statutes and the Uniform Administrative Procedures Act (UAPA).
- SB1883 ensures that appeal deadlines are clear.
- Since the inception of ALJ hearings 13 years ago, the APC and WQOG Boards have never voted to review an initial order not appealed by the parties, and the UST-SWDC Board only did it once.



Department of
**Environment &
Conservation**

Legislative Update
Director April Grippo



Department of
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Division of Mineral and Geological Resources
Director Bryan Epperson

Division of Mineral & Geologic Resources – Oversight of Tennessee’s Mineral & Resource Extraction Industry

MISSION STATEMENT

The Division of Mineral and Geologic Resources will be responsible for ensuring the environmentally sound management, protection, and documentation of the state’s mineral, land, and energy resources for all Tennesseans and future generations.

Division of Mineral & Geologic Resources (DMGR) Origins

- Prior to 2022, all resource extraction programs were housed within the Division of Water Resources (DWR).
- DWR is the largest regulatory Division within TDEC but included tangential program areas such as oil and gas and mining.
- While these program areas focus on the protection of our environment, including water resources, equally important under existing statutes is also the focus on the responsible extraction and protection of minerals and other natural resources.
- This was leading to an overlap of program area functions and “mission creep”; removal of the DMGR programs allowed DWR to focus its mission of water quality-based programs and allowed DMGR to focus on its mission of protecting water quality AND ensuring the responsible extraction and protection of the State’s mineral resources.

Division of Mineral & Geologic Resources (DMGR) Origins

- BOE identified the creation of DMGR as an operational efficiency during the 2020 budget reduction that would have also accounted for a new surface coal mining program.
- DMGR was approved as a new division in October 2021 through the “restructuring process” set forth in Tenn. Code Ann. § 4-44-01, following approval by the TDEC Commissioner, the Governor’s Office, and Commissioner of Finance and Administration.
- Official delegation of authority to the Director of DMGR to carry out the provisions of Tenn. Code Ann. §§ 59-8-201 to -228, and certain functions related to the Water Quality Control Act of 1977, Tenn. Code Ann. §§ 69-3-101 to -148, was memorialized on July 1, 2022.
- Includes NPDES permits, ARAPs, and UIC permits for Class II wells related to industry specific SIC codes.

Division of Mineral & Geologic Resources – Oversight of Tennessee’s Mineral & Resource Extraction Industry

Mining Section

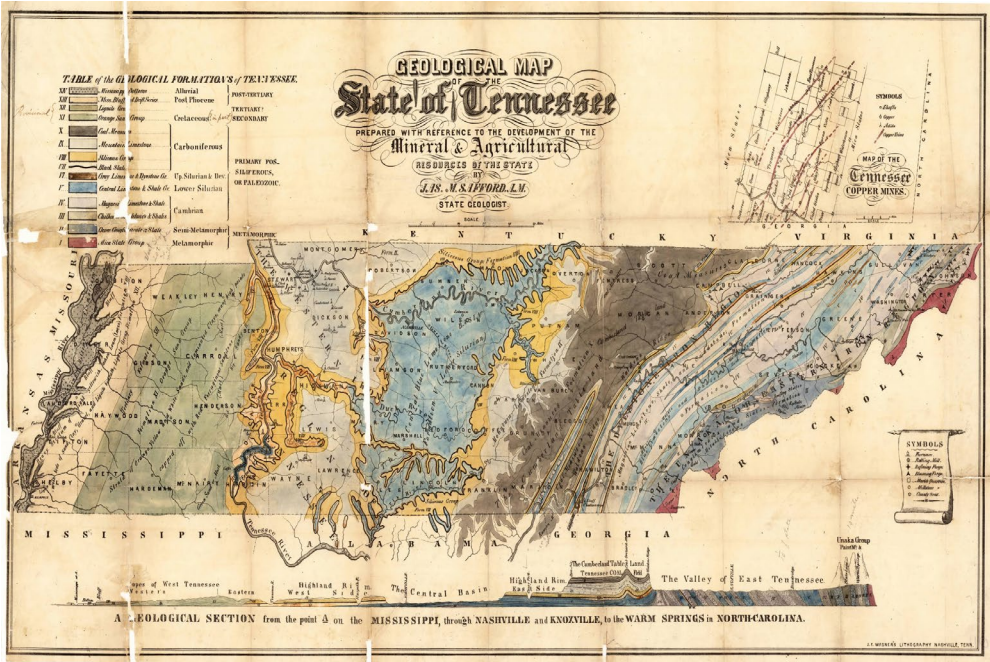


Abandoned Mine Land Section



Division of Mineral & Geologic Resources – Oversight of Tennessee’s Mineral & Resource Extraction Industry

Tennessee Geological Survey (TGS)
(1855 Geological Map of Tennessee)



Oil and Gas Section

Mining Section

Statutory/Regulatory Framework

- Federal Clean Water Act - 33 U.S.C. Chapter 26
- 40 CFR Chapter 1 Subchapter D, particularly parts 122 (NPDES Permits) and 123 (State Program Requirements), and Subchapter N (Effluent Guidelines) parts 434 (Coal) and 436 (Mineral Mining)
- Water Quality Control Act (T.C.A. 69-3-101 et seq.)
- Rules of TDEC 0400-40-01 et seq. (NPDES and ARAP)
- Tennessee Mineral Surface Mining Law of 1972 (T.C.A. 59-8-201 et seq.) and Rules of TDEC 0400-42-01 et seq.
- Rock Harvesting Rules – (T.C.A. 69-3-143 et seq.) and Rules of TDEC 0400-40-18 et seq.

Mining Section

- Protect and enhance the quality of the State's water resources
- Ensure compliance with the Federal Clean Water Act, Tennessee Water Quality Control Act, Tennessee Mineral Surface Mining Law, and the Rules of TDEC
- Statewide responsibility for the issuance of NPDES permits for the discharge of treated mine wastewater and storm water from mine sites; also issue TN Surface Mining Permits.

The Mining Section accomplishes these responsibilities by:

- Issuing protective permits (WQ Standards)
- Conducting Inspections
- Investigating Complaints
- Issue Violations/Pursue Enforcement
- Water Quality Sampling



Types of Permits Issued by Mining Section

- Discharge of Treated Mine Wastewater and Storm Water
 - NPDES Individual Permits
 - Mine wastewater and SW
 - General Permit – TMSA Sector J
 - SW discharges only
- Surface Mining Permits (Title 59)
 - Not required for all sites
 - Only pertain to specific minerals under the Law
 - Require reclamation in addition to stabilization
- Aquatic Resource Alteration Permits
- Mineral Test Hole Permits
 - Drilling holes deeper than 100' deep



Types of Permits & Permitting Requirements Contiued

Permit Requirements

- **Type of activity determines required permits**
- **Mining Section issues permits for discharge of treated mine wastewater & storm water and also for surface mining**
- **ARAPs within mine sites are also issued by Mining Section**



Discharge Permits

Water Permits

- **Individual NPDES required when:**
 - Mining materials with Effluent Limitation Guidelines (ELGs)
 - Processing operations are present
- **General (TMSP) allowed when:**
 - Mining materials without ELGs and no processing (Sector J)
 - Rock Harvesting permits issued in concert with Sector J and TMSP



= Processing

Surface Mining Permits

Mining Permits

- **Surface Mining Control and Reclamation Act (SMRCA)**
 - Issued by the Federal Office of Surface Mining Reclamation and Enforcement (OSMRE)
 - Applies to coal mining
 - Tennessee does not have primacy for the SMCRA program
- **Surface Mining (OM) Permit**
 - Issued by the Mining Section
 - Applies to minerals as defined in the Tennessee Surface Mining Mineral Law of 1972
 - “clay, stone, phosphate rock, metallic ore, and any other solid material or substance of commercial value found in natural deposits on or in the earth, **BUT DOES NOT INCLUDE** limestone, coal, marble, chert, gravel, sand or dimension stone”
 - Sand & Gravel must get an OM permit if in Shelby or Davidson County

Reclamation vs Stabilization

What happens after?

- **Surface Mining permits require reclamation**
 - **OSMRE oversees reclamation on coal sites**
 - **Mining Section oversees other reclamation activity**
 - **Bond is required until reclamation requirements have been fulfilled**
- **Water permits require stabilization**
 - **Site must be stabilized so that untreated discharges from the mining area will meet all permit limitations and water quality standards**

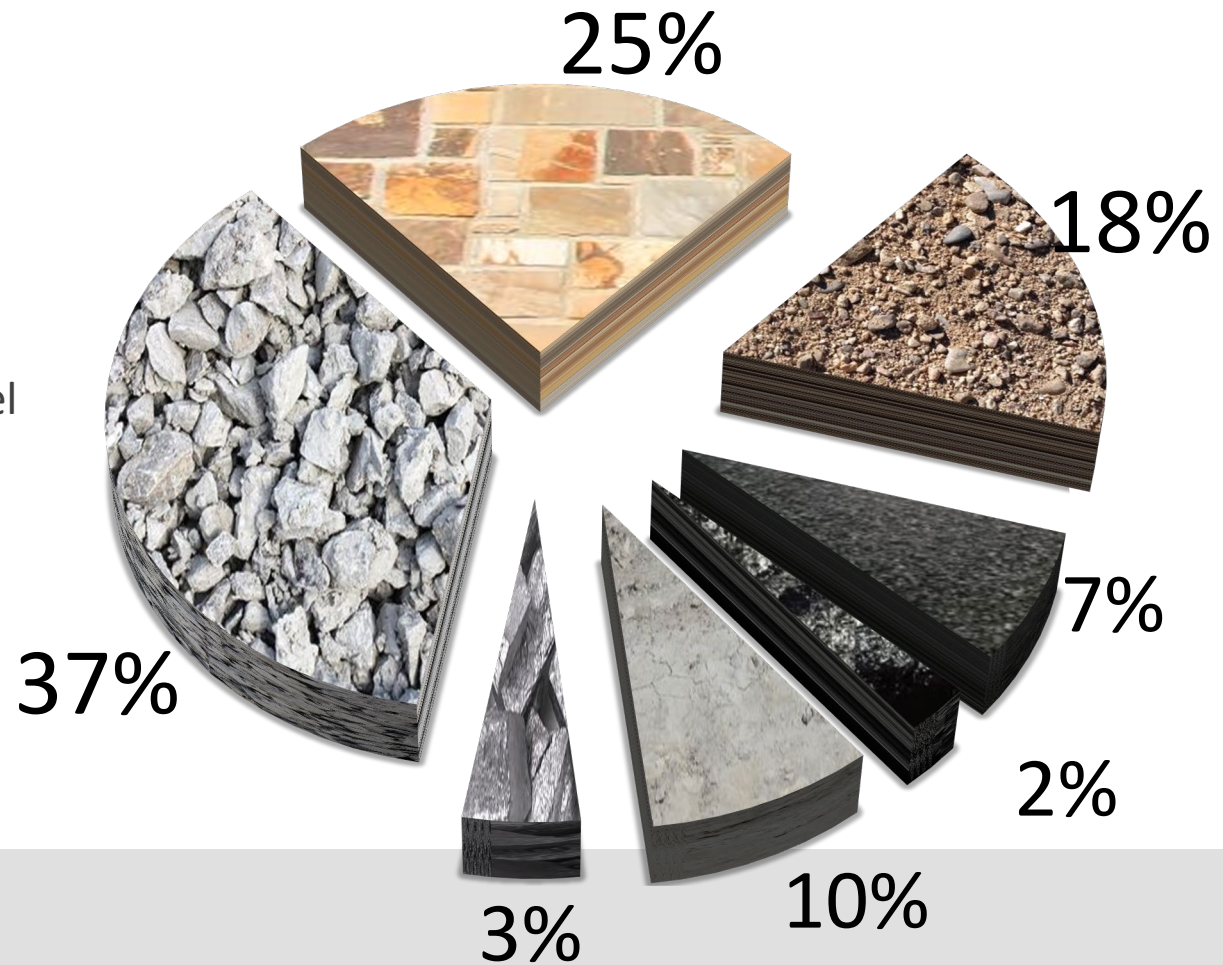


KT Clay, Gleason, TN

Mining & Types Of Mines In TN

- Approximately 550 permitted sites
- 400+ Individual NPDES & 150+ TMSP Sector J and Rock Harvesting Sites
- Over 57,000 acres regulated

- Limestone - 196
- Dimension Stone - 150
- Construction Sand & Gravel - 94
- Coal Surface - 30
- Coal Deep - 10
- Kaolin & Ball Clay - 51
- Miscellaneous - 15



MINING SECTION PERMITTING METRICS

Applications over Time					
Type of Activity	2023	2024	2025	% Increase from Last Year	% Increase from 2 Years Ago
New NPDES Applications	37	68	87	28%	135%
Modified NPDES Applications	27	69	102	48%	278%
Renewal NPDES Applications	92	89	111	25%	21%
New TMSP	11	53	156	194%	1318%
ALL APPLICATIONS	167	279	456	63%	173%

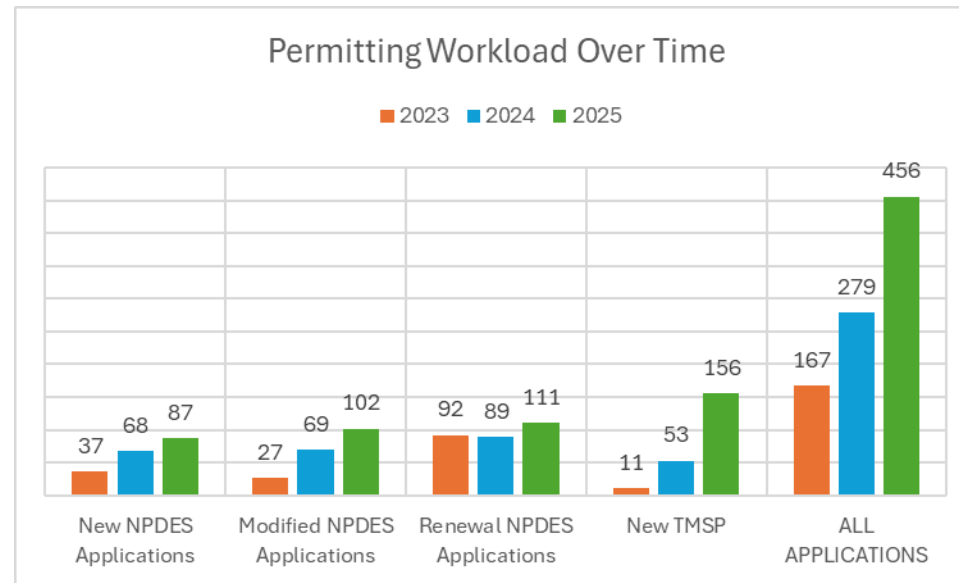
Average Application Review Time					
Type of Activity	2023	2024	2025		
New NPDES Applications	9.8	12.4	13.4		
Modified NPDES Applications	24.3	14.3	15.4		
Renewal NPDES Applications	15.6	13.5	13.3		
New TMSP	3.5	6.7	5.9		
Weighted Average	15.7	13.4	13.8		

MINING SECTION PERMITTING METRICS

Final Permits over Time					
Type of Activity	2023	2024	2025	% Increase from Last Year	% Increase from 2 Years Ago
Final New NPDES Permits	4	20	20	0%	400%
Final Modified NPDES Permits	7	17	35	106%	400%
Final Renewed NPDES Permits	23	50	48	-4%	109%
TMSP Coverage Issuances	6	28	91	225%	1417%
ALL PERMITS	40	115	194	69%	385%

Average Final Permit Decision Timeframes					
Type of Activity	2023	2024	2025		
New NPDES Applications	88	139	149		
Modified NPDES Applications	64	102	131		
Renewal NPDES Applications	121	128	124		
New TMSP	5	1.8	3.4		
Weighted Average	107.7	126.1	127.8		

MINING SECTION PERMITTING METRICS



MINING SECTION INSPECTION & COMPLAINT METRICS

% Inspections In Compliance Vs. Out			
	2023	2024	2025
In Compliance	154	204	276
Out of Compliance	90	95	152
In Compliance Percentage	61	68	64
Out of Compliance Percentage	36	31	36

Inspections of Unpermitted/Wildcat Sites			
	2023	2024	2025
Number of Inspections of Unpermitted	0	5	20

*Context: Inspections unit was hired 7/1/24 and fully activated 10/1/2024

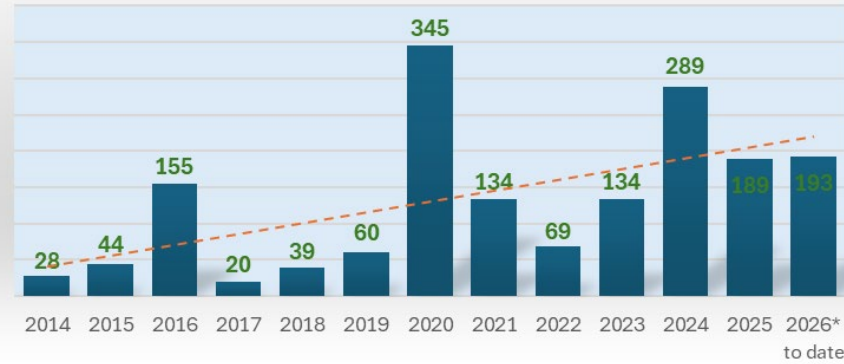
Inspections Over Time			
	2023	2024	2025
Number of Inspections	251	302	428

*Context: Inspections unit was hired 7/1/24 and fully activated 10/1/2024

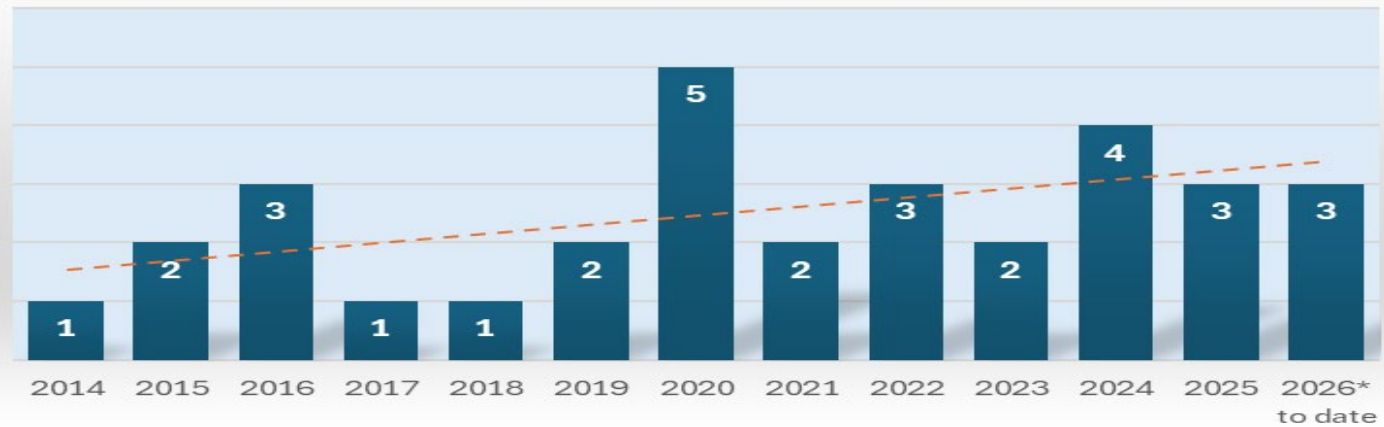
Complaints Over Time			
	2023	2024	2025
Number of complaints	33	46	62

DMGR/MINING SECTION PUBLIC PARTICIPATION

Number of Mining Public Hearing Participants



Number of Mining Public Hearings



Abandoned Mine Land Section (AML)

Statutory/Regulatory Framework

- The AML Section administers and oversees the Abandoned Mine Reclamation Program in Tennessee.
- Responsible for reclaiming mine sites that have been designated as "abandoned", meaning sites which have been mined prior to surface mining laws, sites with no reclamation bond, or sites where there is no continuing obligation to the mine operator(s).
- Federal Surface Mining Control & Reclamation Act (SMCRA)
- Title IV – 30 U.S.C. 1231
- 30 CFR Subchapter R – Abandoned Mine Land Reclamation
- Rules of TDEC 0400-44-01 et seq.

Abandoned Mine Land Section (AML)

- Sites that were mined for coal or affected by coal mining and abandoned or left in an inadequate reclamation status prior to August 1977.



What are Abandoned Mine Lands?

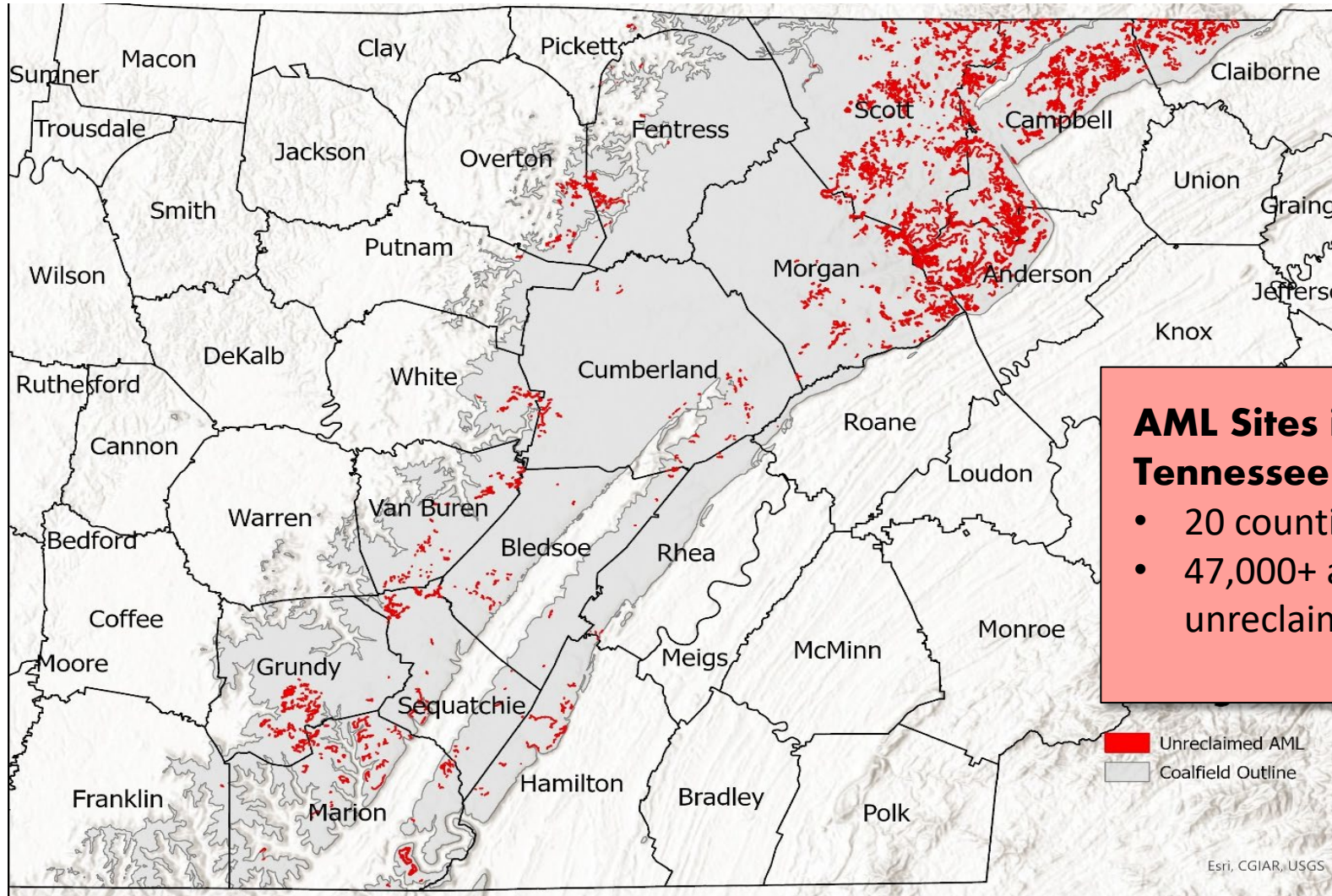
Abandoned Mine Land Section (AML)



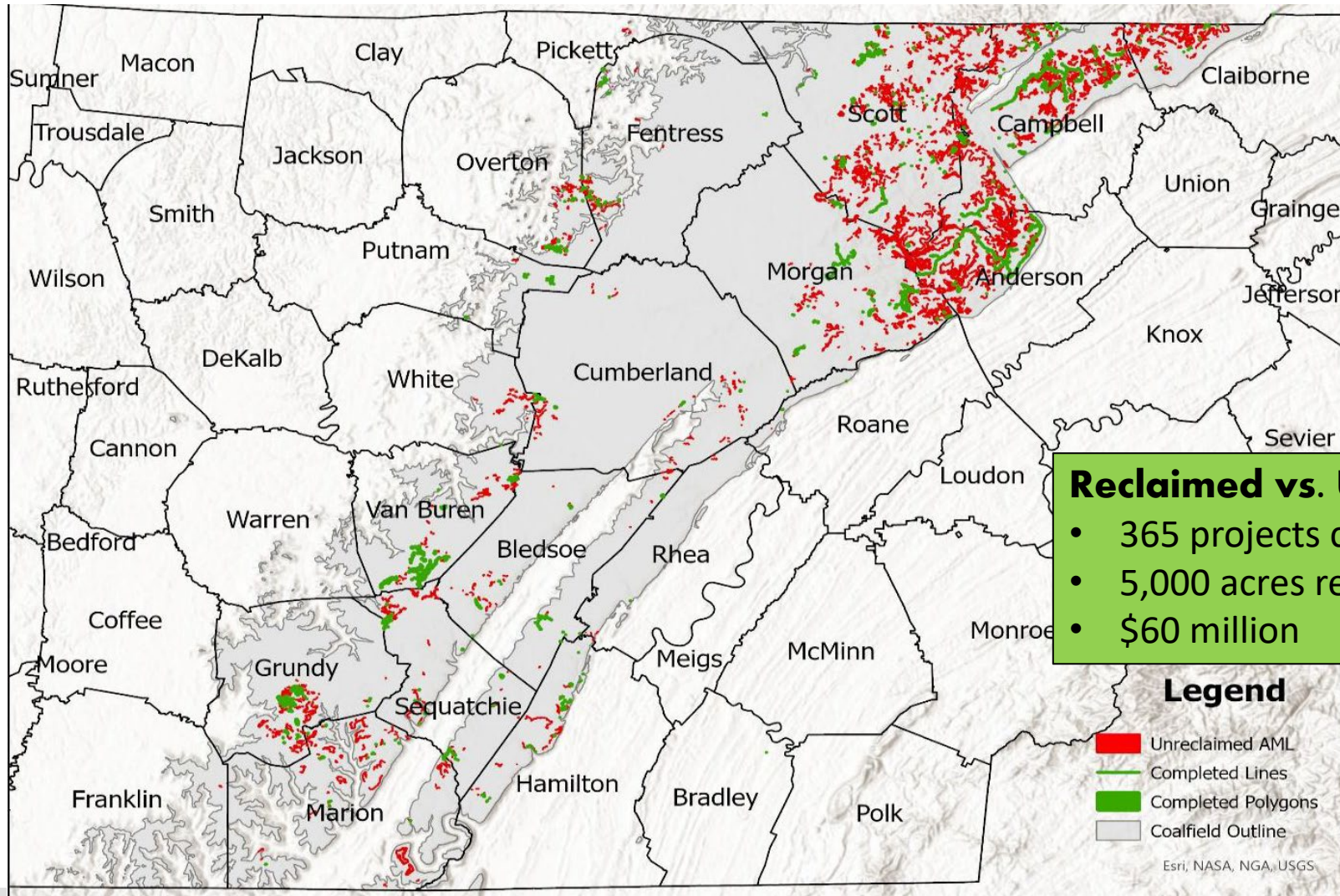
Which
abandoned
mine sites are
eligible?

- *Sites with a high priority health & safety issue, risk damage to property, or is degrading the environment and can be linked to pre-law mining.*
- *Sites must have enough available material to perform the reclamation and be accessible to heavy equipment.*
- *Sites must have landowner buy-in for the work to be conducted.*

Abandoned Mine Land Section (AML)



Abandoned Mine Land Section (AML)



Abandoned Mine Land Section (AML)

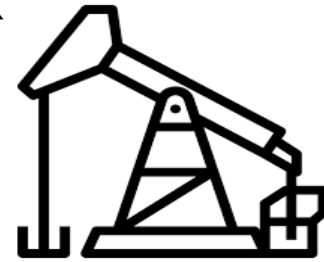


Abandoned Mine Land Section (AML)



Oil & Gas Section

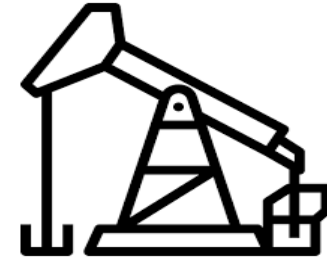
Statutory/Regulatory Framework



- Oil and Gas Law (T.C.A. 60-1-101 et seq.)
- Rules of TDEC 0400-51-01 et seq.
- Mineral Test Hole Regulatory Act (T.C.A 60-1-501 et seq.) and Rules of TDEC 0400-43-01

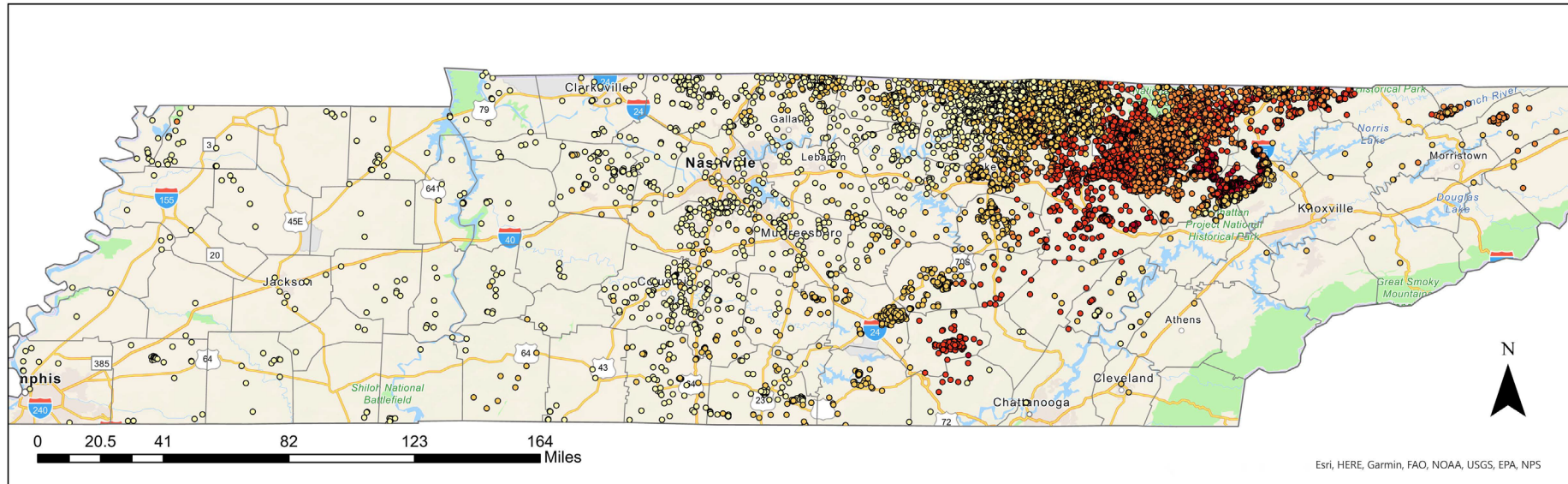
Oil & Gas Section

Oil & Gas Regulatory History



- First documented well drilled in Overton County in 1866.
- Regulatory program begins June 22, 1968.
- About 3,200 wells drilled prior to the regulatory program beginning (Pre-Permit Wells).
- First well permitted was the H.H. Taylor #1 to Big Chief Drilling Company.
- Permitted 13,403 wells throughout the state since the beginning of the regulatory program.

Oil and Gas Wells in Tennessee



Legend

Oil and Gas Well Locations Based on Elevation

- 160 - 800
- 810 - 1200
- 1300 - 1500
- 1600 - 2100
- 2200 - 11000

In Tennessee, the Tennessee Department of Environment and Conservation (TDEC) issues oil and gas well permits to persons who drill, deepen or reopen oil and gas wells. Over 16,000 oil and gas wells have been opened in the State of Tennessee.

For more information contact the Tennessee Oil and Gas Program Supervisor Roxanne Reiley at 865-594-5541 or Roxanne.Reiley@tn.gov.



Oil & Gas Section

- Interpret and Enforce Oil & Gas Regulations
- Protect Minerals and Mineral Rights
- Protect Surface and Ground Water

The Oil & Gas Section accomplishes these responsibilities by:

- Issuing Drilling Permits
- Conducting Inspections
- Securing Bonds
- Assuring Site Reclamation
- Plugging Abandoned Wells
- Responding to Complaints & Emergencies



Drilling Permits

- Issued for drilling of new oil and gas wells
- Requires a plugging bond and reclamation bond
- Sets operating requirements such as casing, blowout prevention, plugging procedures, & submission of reports
- Over 16,000 wells statewide (permitted and Pre-Permit); approx. 2000 are active



Site Inspections

- Sites inspected regularly for compliance with permit and to assure protection of surface and groundwater
- Approximately 750 inspections last year conducted by 2 full time staff members



Abandoned Wells

- There are approximately 1,200+ abandoned wells in Tennessee.
- The Oil & Gas Section finds abandoned wells and awards plugging contracts. Monies used to plug wells are derived from forfeited bonds of operators.



Plugging of Wells

- Wells are plugged to protect minerals and groundwater resources by isolating oil & gas zones
- Permitted wells are plugged by operators



Tennessee Geological Survey

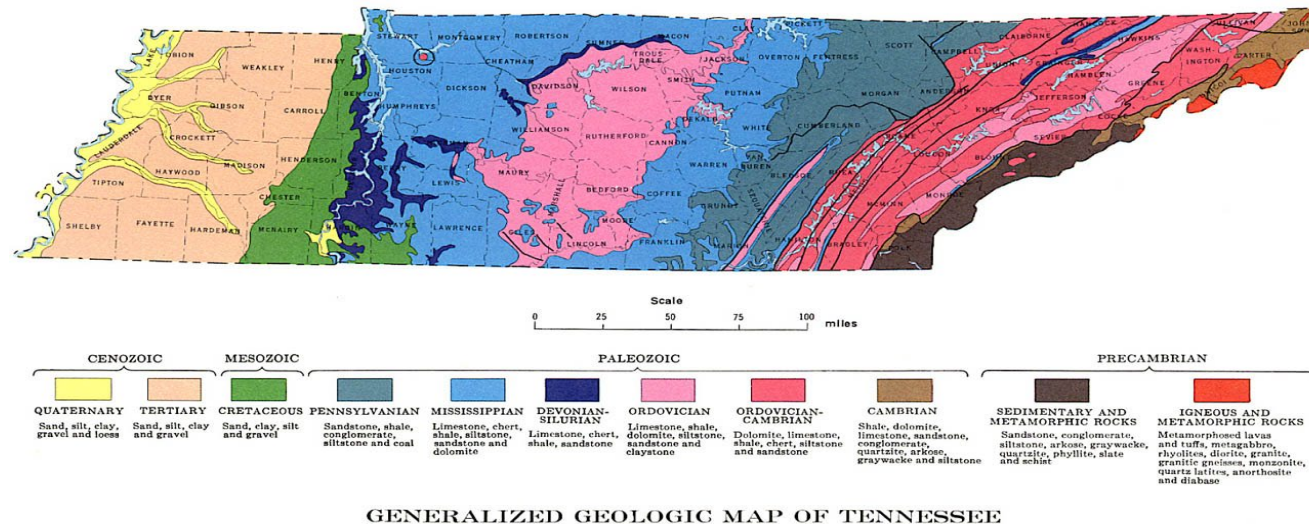
Statutory/Regulatory Framework

- Founded in 1831, the TGS is one of the oldest Surveys in the US
- Was once the Division of Geological Survey (DGS)
- *Encourage and promote the prudent development and conservation of Tennessee's geological, energy, and mineral resources by developing and maintaining data bases, maps and technical services; providing accurate geologic hazard assessments; and disseminating geologic information through publications and educational outreach activities*
- TCA 11-5-101, et seq. – Created the Tennessee Geological Survey

Tennessee Geological Survey

Statutory/Regulatory Framework

- The TGS became part of TDEC in 1991 when the environmental programs housed within the Department of Health and Environment and most of the programs previously located within the Department of Conservation were combined to form TDEC
- The survey advises this state, other state agencies, and federal and local organizations on matters relating to Tennessee geology



Tennessee Geological Survey

- Providing geological mapping for the state of Tennessee is a core function of the TGS
- TGS is the only Tennessee state agency that publishes and distributes geologic maps
- The mapping section performs basic geologic mapping and mineral resources identification, evaluation, and mapping
- Homeowners, builders, and investigators frequently call upon TGS for assistance in evaluating such geologic hazards as landslide potential, old and newly opened sinkholes, and the potential for ground water contamination
- Promote the exploration and compilation of data on Tennessee's Rare Earth (RE) and Critical Rare Earth Mineral (CREM) resources, including sphalerite, germanium, gallium, and cobalt (Critical Minerals – CMs)

Division of Mineral & Geologic Resources

Thank You!

Bryan Epperson, Director
Division of Mineral & Geologic Resources

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TDEC ARP Update
Regarding Agenda Items

Program Snapshot - ARP Reporting Metrics

as of April 10, 2026

Grant Programs	Amount Allocated	Amount Obligated ¹	% of Projects Started ²	Funds Available for Disbursement (approved procurements)	Funds Disbursed	
Non-Competitive Grants	\$999,698,548	\$999,698,548	100.0%	99.7%	\$962,190,347 96.2%	\$509,564,670 51.0%
Competitive Grants	\$197,226,748	\$197,226,748	100.0%	100.0%	\$180,058,136 91.3%	\$65,718,074 33.3%
State Strategic Projects – State	\$50,254,581	\$50,254,581	100.0%	100.0%	\$38,811,629 77.2%	\$18,177,417 36.2%
State Strategic Projects – Local	\$36,550,092	\$36,550,092	100.0%	100.0%	\$35,811,216 98.0%	\$3,103,920 8.5%
Administration	\$46,000,000	\$46,000,000	100.0%	100.0%	\$46,000,000 100.0%	\$35,380,221 76.9%
Reallocation in Progress	\$22,192,177	\$0	0%	0%	\$0 0%	\$0 0%
TOTAL	\$1,351,922,145	\$1,329,729,968	100.0%	99.5%	\$1,262,871,327 95.0%	\$631,944,302 47.5%

1. Amount obligated includes all executed contracts
2. Percentage of all projects started includes all projects with a procurement submission
3. Percentage of competitive projects started excludes remaining grant admin projects
4. State Strategic Projects - State Grants include grants for TDOT and TSP
5. State Strategic Projects - Local Grants include grants for Duck River Utility Commission, Tipton County, Grundy County (2) and Erwin Utilities (approved 3/27/25)

Program Execution - Current Fund ARP Grants Distribution Status as of April 10, 2026

Total Funds Obligated to Grantees
\$1.3B

1

Total Funds Allocated to Grantees
\$1.28B

2

96% of obligated funds have an associated procurement submitted

Total Procurements Submitted (Awarded Vendor Contract)
\$1.22B

3

99% are approved (2,734 procurements approved)

Total Procurements Approved (Awarded Contract)
\$1.21B

4

54% of approved procurement dollars have submitted for reimbursement

Submitted for Reimbursement
\$661.7M

5

90% of requested reimbursements

Total Paid
\$596.6M

6

In Progress Returns	\$15.7M
Anticipated Returns	\$4.1M

Optional Pre-Award Reviews

Pre-Award Submitted	\$3.9M
Pre-Award Approved	\$3M

**Does not include administrative expenses.*

ARP Program Highlights

Construction Readiness Achieved

TDEC reached a major program milestone with 99% of all construction projects submitting final Plans & Specifications (820 projects), signaling that nearly every grantee is ready to enter or continue construction.

Community Impact: \$150M Increase (\$600M Total) in Dollars Delivered to Grantees

Reimbursements paid to communities increased from \$450M in January to \$600M by April, pushing an additional \$150M into local water, wastewater, and infrastructure improvements during the quarter.

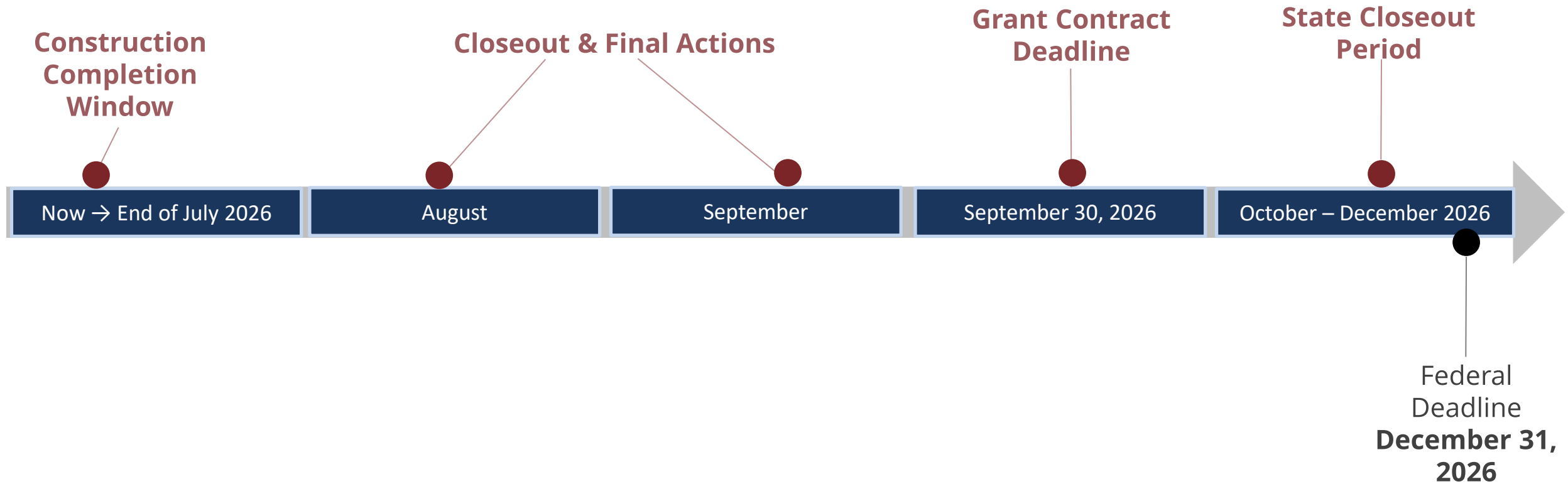
Demonstrated Progress: Strong Procurement & Reimbursement Activity

Between January and April, approved procurements increased from \$1.15B to \$1.2B, reflecting \$50M in newly approved project spending statewide.

Closeout Readiness Beginning

As the program approaches the end of the grant period, over 60 projects are 100% paid out reflecting closeout readiness.

Key ARP Closeout Milestones



*If a project is closeout ready prior to August, the closeout process can commence prior to this timeline.

Project and Grant Closeout

Category	Project Level	Grant Level
Completion Timeline	Project closeout is a mandatory prerequisite to grant closeout	Grantees must complete grant closeout requirements once all projects are complete.
Closeout Readiness	<ul style="list-style-type: none">• Project is 100% paid out• All deliverables are approved in GMS• Final site inspection has been completed	All projects must be closed out and in “Completed” status in GMS.
Deliverables	No additional documentation required during project closeout	<ul style="list-style-type: none">• Grant Disbursement Reconciliation Report• Final Report• Closeout Confirmation Letter

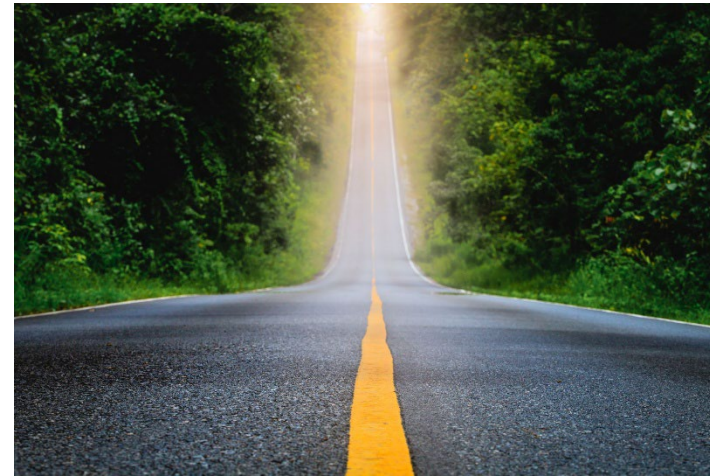


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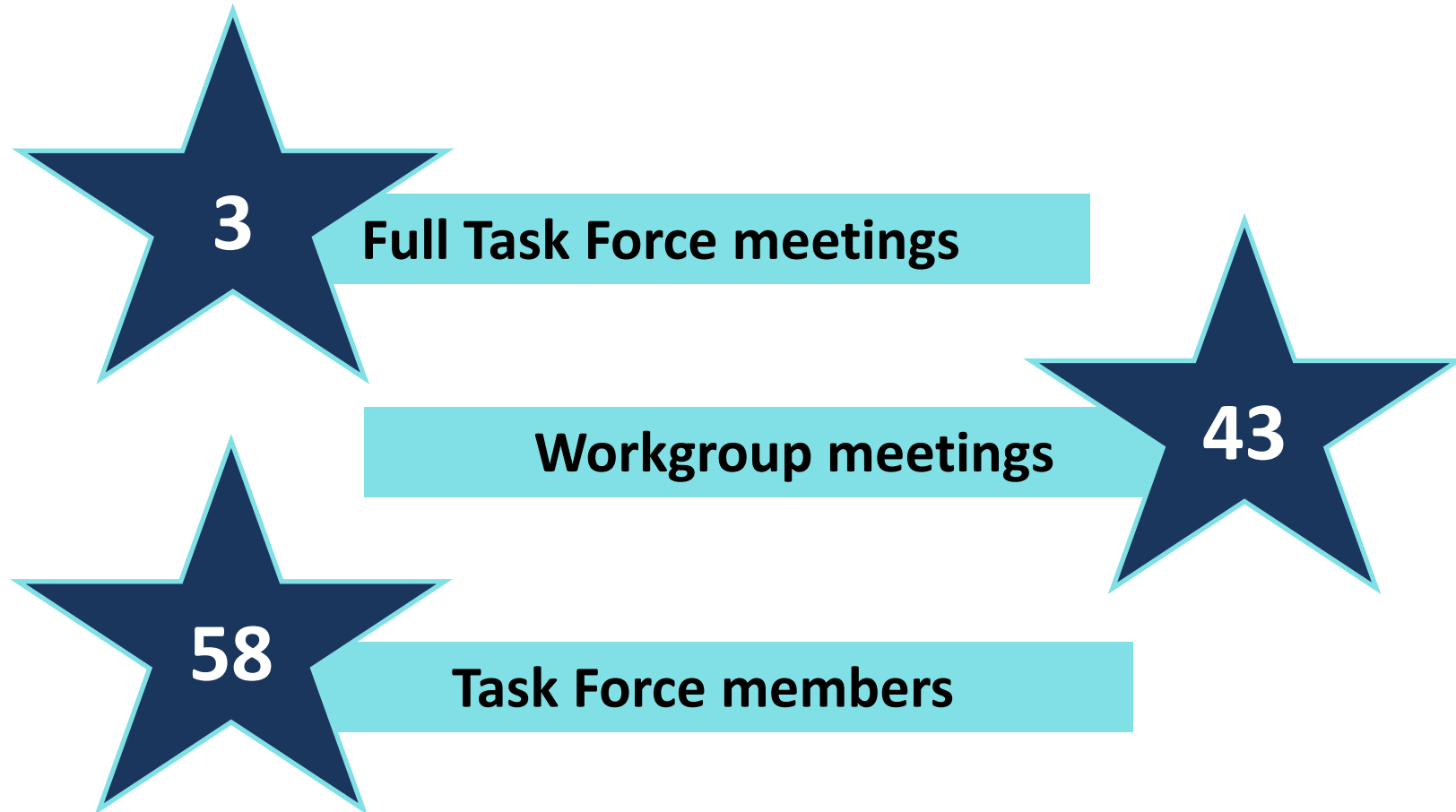
Water Reuse Taskforce

Water Reuse Task Force Objectives

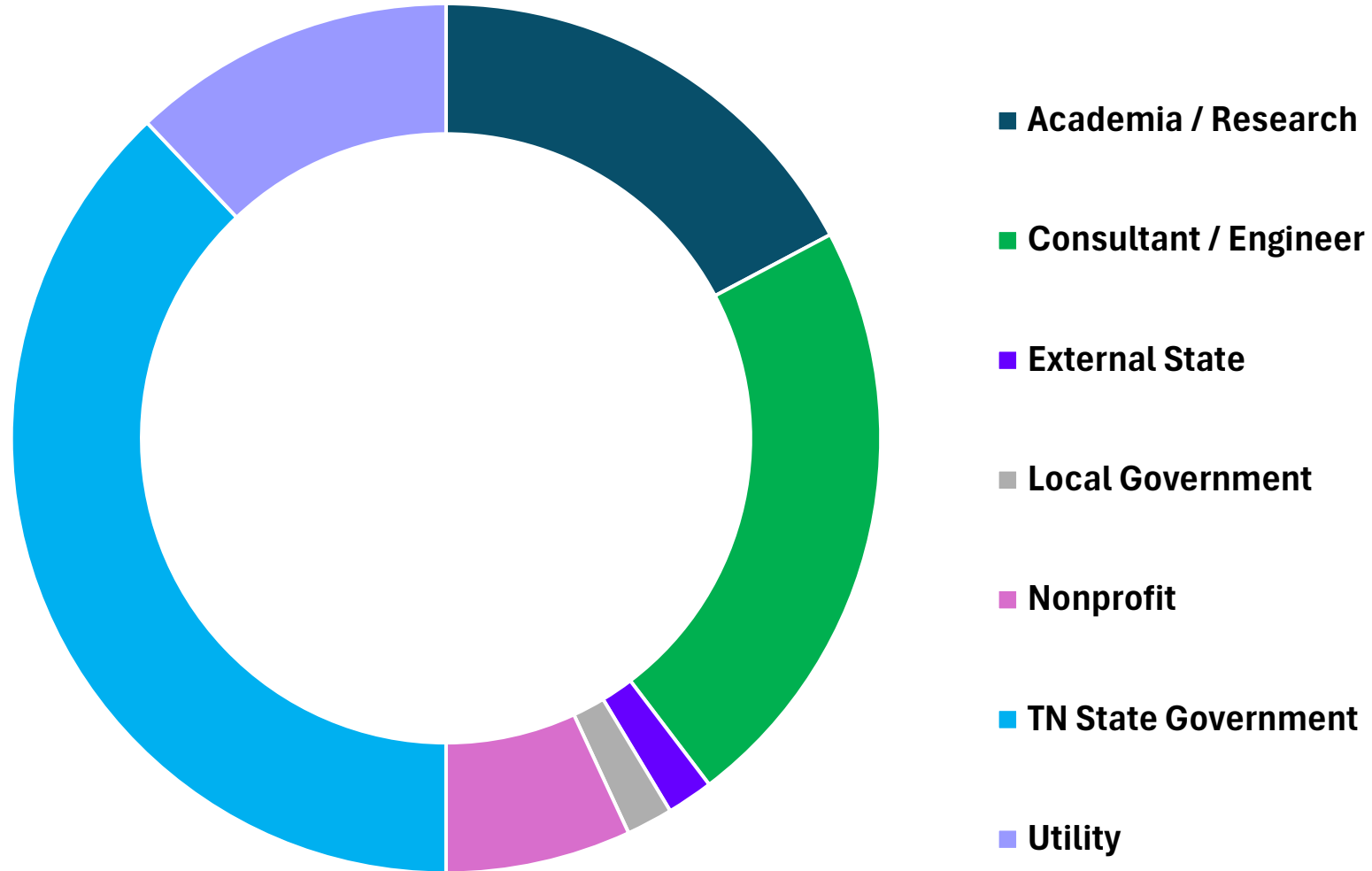
- Work together and use available expertise
- Evaluate adopted and draft rules from other states
- Compile information that may contribute to the potential future draft direct potable reuse rules



Task Force and Workgroup Activity



TN Water Reuse Task Force Members



Existing Direct Potable Reuse Rules

- **Colorado** – 1/14/2023 (final rule published)
- **California** – 10/1/2024 (rule effective date)
- **Florida** – 12/13/2024 (rule approved)
- **Arizona** – 3/5/2025 (rule effective date)



Direct Potable Reuse

- After almost two years, Workgroup meetings are complete
- April 2026: Final full taskforce meeting
- Draft rules in progress





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Division of Water Resources Updates



Department of
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Public Comment Period
Regarding Agenda Items

Any Old Business?

Thank you for joining us.
Any questions, please direct to
Drake.Smarch@tn.gov