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## Report Highlights

# Capital Area Ground Water Conservation Commission

## Regulation of Groundwater Resources

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### Why We Conducted This Audit

We evaluated whether the Capital Area Ground Water Conservation Commission (Commission) has sufficiently regulated groundwater usage from the Southern Hills Aquifer System that supplies water for the greater Baton Rouge area, including Ascension, East Baton Rouge, East Feliciana, Pointe Coupee, West Baton Rouge, and West Feliciana parishes. We conducted this audit because, according to the United States Geological Survey (USGS), groundwater withdrawals from the aquifer have resulted in saltwater intrusion. Without effective regulation, saltwater intrusion threatens the long-term sustainability of the aquifer and groundwater resources.

### What We Found

While the Commission has taken some actions to regulate water usage from the Southern Hills Aquifer (aquifer), the Commission does not effectively regulate water withdrawals from the aquifer to reduce and manage saltwater encroachment and ensure the sustainability of fresh groundwater for the future. The exhibit below summarizes the top 10 users of the aquifer. Specifically, we found the following:

- **The Commission does not have a complete inventory of all wells it should be regulating. Maintaining a complete inventory of wells is necessary to effectively regulate water withdrawal from the aquifer.** We found that 2,255 (86.7%) of the 2,600 wells in the Commission’s database did not have a record of how much water the well is capable of pumping daily, which is a key component in determining whether the Commission should regulate a well. We also identified seven wells for which the Commission did not have any record of in its database.

User	Gallons Used
1. Baton Rouge Water Company (public supply)	24.2 Billion
2. Georgia-Pacific (industry)	13.1 Billion
3. ExxonMobil (industry)	10.0 Billion
4. Entergy Louisiana (industry)	3.0 Billion
5. West Baton Rouge Gas and Water (public supply)	2.1 Billion
6. Eco-services (industry)	1.6 Billion
7. Honeywell (industry)	972.7 Million
8. City of Zachary (public supply)	926.4 Million
9. Louisiana State Penitentiary (public supply)	792.8 Million
10. City of Baker (public supply)	659.5 Million
<b>Source:</b> Prepared by legislative auditor’s staff using information from the Commission.	

- **While the Commission has implemented certain measures to regulate the aquifer, these measures have not sufficiently addressed saltwater intrusion caused by the withdrawal of groundwater from the aquifer.** For example, limiting groundwater withdrawals from the aquifer is one of the primary actions the Commission has taken to regulate saltwater intrusion. While the Commission has set limits to restrict withdrawals from the 1,500- and 2,000-foot sands, these limits have not resulted in reducing the amount of water users withdraw from the aquifer, which according to USGS, is causing saltwater intrusion.

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### What We Found (Cont.)

- **Unlike other districts that regulate groundwater, the Commission does not limit withdrawal amounts by well, which is another way to regulate groundwater usage.** Limiting withdrawal by well would allow the Commission to better manage aquifer usage and give it a mechanism to enforce the limits they do set for each sand.

The Commission failed to restrict the 1,500/1,700 foot sands for public use, which resulted in approximately **14.25 years-worth of public consumption water used for industry purposes** since 1975 in these sands based on 2018 production rates.
- **The Commission did not monitor the withdrawal of water on 62 wells during calendar year 2018 that appear to meet its standards for regulation.** As a result, the Commission cannot ensure it collected all fees owed from these wells. In addition, the Commission relies on self-reported production amounts when assessing fees on well owners and does not conduct inspections to verify the reported amounts.
- **Although the Commission raised the withdrawal fee in 2016 from \$5.00 to \$10.00 for every million gallons of water withdrawn, the current fee is still lower than five other districts that regulate groundwater.** Raising the withdrawal fee to be consistent with the rates charged by districts in other states may help the Commission improve its regulatory activities.
- **The Commission did not permit the drilling and construction for 25 (23.4%) of the 107 new wells constructed since 1997 in the Capital Area District, as required by a policy established by the Commission and state regulations.** In addition, it does not charge fees for issuing permits or issue penalties when wells are drilled before obtaining a permit.
- **While the Commission has a plan to manage the aquifer as required by law, this plan is not as comprehensive as plans in other districts that regulate groundwater.** Specifically, the Commission's plan does not include a timeline or specific performance measures on controlling saltwater, and does not include a financial plan on how to fund future projects.
- **Even though the Commission added Ascension Parish as part of its District in June 2018, it has not begun regulating or collecting fees from the wells in this area.** Additionally, with the addition of the Ascension Parish member, the board currently has 18 members; state law says it should have no more than 17 members.
- **Some Commission members receive salaries or benefits from entities that are regulated by the Commission, which may be in violation of state law.** According to R.S. 42:1111(C)(2)(d), all public servants are prohibited from receiving anything of economic value, including a salary, from any person or entity who has a contractual relationship with their agency or who conducts operations or activities that are regulated by their agency.
- **The Commission could improve its public outreach when compared to other districts in Arkansas, Colorado, Florida, Mississippi, and Texas that regulate groundwater.** According to the USGS, groundwater withdrawals have caused saltwater to encroach into the freshwater-bearing aquifers beneath Baton Rouge, Louisiana. Despite the seriousness of this issue, the Commission has not allocated any funds for public outreach to educate users of this issue and encourage conservation of water.