

## Water Allocation Committee Meeting Summary

512 N. Salisbury Street  
Ground Floor Hearing Room, Archdale Building  
Raleigh, NC

Wednesday, July 9, 2008  
10:00 A.M.

### Water Allocation Committee

Commissioner Donnie Brewer  
Commissioner E. Leo Green, Jr., Chair  
Commissioner Darryl D. Moss  
Commissioner Dickson Phillips, III

Commissioner Stephen Smith  
Commissioner Kenny Waldroup  
Commissioner Forrest R. Westall, Sr.

Commissioner David H. Moreau, Chairman, EMC

**Commissioner David Moreau** called the meeting of the Water Allocation Committee of the Environmental Management Commission to order. Pursuant to Executive Order Number One, the committee members were called upon to evaluate the matters to come before the committee and to identify any known conflict of interest or the appearance of a conflict of interest.

No Commissioner identified a conflict of interest or the appearance of a conflict of interest. However, in relation to agenda Items II.1. and II.2.c, Commissioner Waldroup indicated that, in the future, his employment might give rise to a conflict or appearance of a conflict and that he would continue a particular awareness of this matter and respond appropriately should such a conflict or appearance of conflict actually arise.

No additions or revisions to the printed agenda were made.

### **Item II. 1. Update on Status of Western Wake Water Treatment Plant**

**Mr. Bill Kreutzberger**, CH2M Hill, presented this third (previous reports in July 2007 and January 2008) report and update on the Western Wake Reclamation Facility (WRF) and related matters. **Mr. Kreutzberger** noted the presence of Cary representatives, Ms. Leila Goodwin, Mr. Steve Brown, and Mr. Tim Bailey.

Drought Management. Cary continues an aggressive water conservation and reclamation program. The Town has added incentives to promote conservation and continues to update and improve its programs.

Interbasin Transfer (IBT). The IBT certificate issued July 2001 to Apex, Cary, Morrisville, and Wake County (RTP South) authorizes a maximum daily transfer of 24 MGD from the Haw River Basin to the Neuse River Basin. Condition #1 of the IBT certificate is the current focus as it requires that after 2010, a portion of the withdrawals from the Haw River must be returned to the Haw River or to the Cape Fear River Basin in accordance with a specified formula.

Planning. The new Western Wake WRF includes 2 raw waste water pump stations, a reclamation facility, raw wastewater conveyance to the reclamation facility, effluent conveyance from the Holly Springs Utley Creek plant to an effluent pump station near the WRF, and conveyance for common discharge in the Cape Fear River below Buckhorn Dam. The first phase for the WRF is a capacity of 18 MGD.

Regulatory. An Environmental Impact Statement (EIS) mandated by the National Environmental Policy Act (NEPA) is currently underway. The Corps of Engineers (COE), the lead agency, is employing a Project Delivery Team Process. During the EIS process, the participants identified three alternative sites for the reclamation facility, reviewed environmental justice issues, identified key EIS discussion topics, and initiated public information elements. A draft EIS is currently under internal review. Formal public notice, public comment, and public hearings will follow. This COE-led NEPA process will also meet State Environmental Policy Act (SEPA) requirements.

Discharge Options. Jordan Lake, Harris Lake, and the Cape Fear River above or below Buckhorn Dam are potential discharge sites. Harris Lake had previously been discouraged as a discharge option. However, drought, the proposed Progress Energy expansion of the Shearon Harris nuclear energy plant, and the subsequent need to raise lake levels to support two additional reactors have altered the Harris Lake considerations. The Division of Water Quality (DWQ) has indicated the need for a detailed nutrient response model as a prerequisite to the issuance of speculative limits. That modeling effort is underway.

Schedule. The currently anticipated schedule for a Cape Fear River discharge is:

- 2007 – 2009, NEPA EIS process led by the COE
  - 2008 (early October), Public Notice of draft EIS
  - 2008 (late), Permit application
- 2009 – Record of Decision, Permit
- 2010 – 2013, Construction
- 2013 – Begin operation

IBT Compliance. Alternatives to prevent delays relevant to compliance with IBT Condition #1 have been identified and include an interlocal agreement with Durham County for up to 5 MGD of reclaimed water and a reclaimed water master plan. There is also the alternative to request a modification of the IBT certificate.

Committee Discussion and Inquiry. **Mr. Kreutzberger** clarified that the “max day” requirement of IBT Condition #1 applies only to a transfer from the Haw River to the Neuse River and is not applicable to a transfer from the Haw River to the Cape Fear River. **Mr. Kreutzberger** referred to the “Cork Rule” in support of the statement that a discharge to the Cape Fear River would not be an IBT. **Mr. Fransen** explained the “Cork Rule:” IBT regulation is not applicable to a discharge if a cork placed in the water at the intake would naturally float by the discharge point.

**Commissioner Moreau** raised concerns about the potential delay of the project and posed the relevant inquiry as, “Why not Harris Lake?” **Mr. Kreutzberger** stated that the project had not yet been delayed by the consideration of the Harris Lake alternative and that a delay would be probable if Harris Lake was added as an alternative in the NEPA Water Allocation Committee

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process. The determination as to Harris Lake as an alternative will be made after review of the current modeling.

**Commissioner Moreau** asked that DWQ and **Mr. Kreutzberger** present an update on the project schedule and the status of the resolution of compliance with IBT Condition #1. **Mr. Kreutzberger** concurred that such a report might be timely and feasible for the September WAC meeting.

## **Item II. 2. Update on Interbasin Transfer (IBT)**

**Mr. Phil Fragapane**, DWR staff engineer, reported on the items set out below.

a. Greenville Utilities Commission (GUC) IBT. The Greenville Utilities Commission IBT request is related to compliance with the Capacity Use Area (CUA) permits requiring Farmville, Greene County, and Winterville to reduce withdrawals from groundwater, beginning August 2008. GUC requests to transfer 8.5 MGD (9.6 MGD emergency) from the Tar to the Contentnea Creek and 3.8 MGD (3.9 MGD emergency) from the Tar to the Neuse. The IBT laws in effect prior to the August 2007 amendment apply to the GUC request. DENR agencies reviewed the GUC draft Environmental Assessment (EA) in May and June.

The next steps are for Arcadis, contract consultant, to revise the draft EA and other documents to satisfy DWQ concerns and for the State Clearinghouse to review the draft EA.

**Commissioner Moreau** asked that the staff cause GUC to comply with the broader notification provisions of the current IBT statute as the broader notification would not be burdensome, would reduce confusion, and would be prudent in the event the application faces opposition.

b. Brunswick County IBT. The Brunswick County IBT request is related to the County's purchase of raw water from the Lower Cape Fear Water and Sewer Authority (Cape Fear Basin) and the provision of treated water to a number of beach and other communities in the Shallotte and Waccamaw River Basins. Based upon the projection that the "grandfathered" capacity of 10.5 MGD will be reached in 2012, Brunswick County proposes to submit a Notice of Intent to File a Petition (NOI). The current IBT laws will apply, parties in North and South Carolina will be notified, and 3 public hearings will be held within 90 days of the NOI.

**Mr. Fragapane** explained that the capacity "grandfathered" under the IBT regulation is determined by the system capacity to treat both raw water and waste water, to distribute, and to use water in July 1993.

c. Kerr Lake Regional Water System (KLRWS) IBT. The bulk sale of water by the KLRWS (Roanoke River Basin) to the City of Henderson, the City of Oxford, and the County of Warren and the subsequent re-sale to customers in the counties of Vance, Granville, Franklin, and Warren (Tar and Neuse River Basins) will require an IBT certificate. KLRWS has contracted with CH2M Hill to pursue the IBT request. The current IBT law will apply and parties in North Carolina and Virginia will be notified.

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**Mr. Fransen** volunteered to update the Committee on the status of the COE Kerr Lake 216 study at the September meeting.

### **Item II. 3. Drought Update**

The staff agreed to provide the Committee with an update for the period January 1, 2007 – current that reviews significant matters related to the work of the Committee.

**Mr. Tom Fransen**, River Basin Management Section Chief, reviewed three items.

Ratified HB 821, Map. The map in the handout relates to the agenda items on the Brunswick County and Kerr Lake Regional systems. HB 821 lists the United States Geological Survey cataloging units and the map illustrates the area of out-of-state notification for IBT applications.

HB 2499, “Drought Initiative.” HB 2499 is the Governor’s drought response initiative. The bill remains under consideration by the General Assembly. The important issue for the EMC is that the bill proposes to shift the emergency drought-related powers of the EMC to the Secretary of DENR.

Drought Update. The handout reflects the drought conditions now and during the same time in 2007 and illustrates that the drought conditions this year are considerably worse across the state. However, rains during the first week in July might help to alleviate the drought conditions.

### **III. Concluding Remarks**

**Mr. Fragapane** introduced **Mr. Daniel Ngandu**, Environmental Engineer, DWR. **Mr. Ngandu** will assume some of the administrative and staff responsibilities for the Water Allocation Committee.

**Mr. Fransen** noted that **Mr. Tom Reeder** succeeded **Mr. John Morris**, recently retired Director of DWR, and that Mr. Reeder is absent due to a meeting with the Governor in relation to HB 2499.

(Adjournment)

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