

Session Law 2011-374 Authorizes State-Local Partnerships for New Water Supplies

Overview: The recently enacted Session Law (SL) 2011-374 (House Bill 609) has the potential to significantly alter the way local governments pursue new water supply sources to support economic expansion and expected population growth. Under the auspices of SL 2011-374, local governments will now have the opportunity to form a partnership with the Department of Environment and Natural Resources (DENR). Under this partnership arrangement, DENR will be capable of providing the following assistance to local governments. The Department will:

- Cooperate in the identification of water supply needs and appropriate water supply sources and water storage projects.
- Assist in the assessment of alternatives for meeting the water supply needs of a local government.
- Develop estimates of the costs of the proposed new water supply.
- Apply for state and federal permits for the development of regional water supplies.
- Act as the principal state agency to cooperate with other state agencies, the U.S. Army Corps of Engineers and all other federal agencies involved in the planning and development of water supply and water storage projects.

State Assistance in Identifying Water Supply Alternatives: A local government can request that the Department assist in identifying a preferred water supply alternative that will meet the community's long-term water supply needs as documented in the local water supply plan. To start the process, the local government needs to send a written request to the Department. The Department can then enter into a formal agreement with the local government to provide assistance with the alternatives analysis; under the law, the local government is required to reimburse the department for the costs of the analysis. The Department must complete the alternatives analysis within two years after executing the agreement. The Session Law sets out specific criteria for identifying the preferred water supply alternative. The preferred alternative identified by the Department will be binding on all state agencies for purposes of any alternatives analysis required under the North Carolina Environmental Policy Act and any state permit that requires identification and assessment of alternatives.

Federal Permitting Assistance: The Department may also help the local government apply for federal permits needed for construction of the preferred water supply alternative. The Department can only assist in seeking permits for the water supply alternative that the Department identified as meeting the criteria set out in the law. Permitting assistance may take the form of technical assistance, including conducting required studies or modeling. The allocation of the costs associated with these activities will be negotiated between the Department and the local government. A qualified regional water supply system can also request that the Department become a co-applicant for all required federal approvals necessary to implement the preferred alternative.

For Further Information: A copy of the Session Law is available at:
<http://www.ncleg.net/Sessions/2011/Bills/House/PDF/H609v6.pdf>.

For information on requesting state assistance please contact Tom Reeder, the Director of the Division of Water Resources, at (919) 715-3045, or at tom.reeder@ncdenr.gov.