

**NORTH CAROLINA
ENVIRONMENTAL MANAGEMENT COMMISSION**

**WATER ALLOCATION COMMITTEE
MEETING AGENDA**

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

**Time: 9:00 a.m. – 10:00 a.m.
Wednesday, January 7, 2015**

Executive Order Number One mandates that the Chair inquire as to whether any member knows of any conflict of interest or appearance of conflict with respect to matters before the Commission. If any member knows of a conflict of interest or appearance of conflict, please so state at this time.

Tommy Craven, Chairman, Presiding

Committee Members in Attendance: Tommy Craven (Chairman), Gerard Carroll, Dan Dawson, Steve Tedder, and Manning Puette

Commission Members in Attendance: Lawrence Raymond and Bob Rubin

I. Preliminary Matters

1. Call to Order
2. Approval of minutes from the November meeting
 - The committee approved the November minutes.
3. Revisions or additions to the agenda
 - There were no changes or additions to the agenda.

II. Information Items

1. Jordan Lake Allocations Update Tom Fransen, DWR
 - Jordan Lake was built for downstream flood protection based on a major flood in 1945. Congress was doing a lot of flood control projects that year with Falls Lake and Kerr.
 - Construction started in 1967 and it sat dry because of issues with water quality and didn't get started up until 1982. The purpose for the lake was flood control originally, but was also used for water quality, supply, recreation, and fish and wildlife.
 - The state did partner with the federal government, that's why water supply is one of the projects and in the process of partnering with them, they assigned the responsibility of allocating the water to the Environmental Management Commission.
 - Just as a reminder we're not impacting any storage, we're just allocating 1/3 of the conservation pool out to local governments to use for water supply, we're just making efficient use of what the state and federal government has paid for.
 - Application Process: The types of things that are required include population demand, available sources and yield, map of current and future service areas, alternative sources, potential yield, quality, costs, demand management practices, plans to utilize Jordan lake, financial commitment statement, and additional necessary information.

- Historically, the commission will ask DWR to do a long-range water supply plan that helps understand what the conditions are, who is using water, and who is sharing water. We use the hydrologic model as a major tool.
- DWR wants to make sure Jordan is used as a regional asset for everyone in the region. The first question: Have they demonstrated a need for water? The second question: Are there reasonable alternatives to Jordan? If you really want to boil it down, that's the simplest way that we've done allocation.
- Jordan has been looked at as a major water source. We have two applicants that are looking to Jordan as an emergency supply during a drought and dry periods, and not for day to day use. DWR received a last minute application through the city of Raleigh because they want Jordan Lake water as an insurance policy, as they are having issues with the Neuse.
- We received the best quality application during the last round. The group of applicants got together, called the Jordan Lake Partners. They looked at the regional resources and asked, what the long-term need is, where a deficit is, and who's going to need more water. They've done a lot of hard work for us. It's made for a much better application process.
- Raleigh was looking at the Neuse River options, but want an insurance policy in case they can't develop the Neuse. They are asking for 4.7 percent application through 2045 and potentially a need for 8.8 percent through 2060. They had a release from Jordan Lake picked up by an intake on the Cape Fear in Harnett County and, through the interbasin transfer, it would return effluent near Harnett County WWTP. That's what's currently in their application.
- Raleigh's has a deficit they need to make up through 2060. There's no question, Raleigh needs more water, it's just a question of where they will get it. They provided a table for alternatives, but it gets to be more of a gray area. They have Neuse river alternatives that would not be an interbasin transfer, but the question becomes can they implement it.
- We did meet with the City of Raleigh in November and we basically gave them until the end of this week to revise their application. They needed to tweak their application to give more justification as to why they need Jordan and to discuss the problems with the Neuse.
- This round of applications is like every other round in that DWR has more requests than what's available. It means we have to look at the applications and make sure they are going to be good stewards of the resource.
- If you take the current applications plus the request that's the total. We did ask people to go out to 2060. You can see there is a potential for Jordan Lake to make up from somewhere else beyond Round 4.
- The staff recommendation will, hopefully, be coming to you in March. We need to review Raleigh's revised application this week, and we need to model the applications that are requested, and complete the water supply plan with staff recommendations.
- Timing: We're doing the update today. The current schedule would be to bring recommendations to the March meeting, then we'll have public review and comment and will hopefully coming back in our November meeting for our final decisions.
- Dawson: Are we allocating a safe yield using the water supply component?
- Fransen: Our contracts with the local government is a percentage of that 45,000 acre-feet and we're estimating that supply will have a safe yield of 100 million gallons a day, so we typically have interchanged million gallons per day and percentages. Through a safe yield analysis we found out the storage has a higher safe yield than 100.
- Dawson: Was the flood control storage created before the reservoir was constructed?
- Fransen: Yes, it was part of the original authorization.
- Dawson: Are there any efforts to update these allocations with the 20-30 years of flow record?

- Fransen: We are working with the city of Raleigh to adjust the allocation on Falls lake, but not Jordan. This is a federal project with federal authorization.
- Dawson: It would make it more straightforward if we could do it on an individual basis and revisit the entire analysis and allocation. I realize that's not simple, but as we get to the point where we are reaching capacity, that should be considered.
- Fransen: We'll see how it shakes out and that's something the commission can direct the department to work with the Corps on a study.
- Craven: Will you need the low-flow augmentation at the same time you'll need the flood control storage? There ought to be a way to update the water supply pool and still provide the low flow augmentation and flood storage capabilities.
- Fransen: The flood storage is normally dry, it's there in case you need it. When you start changing the guide curve, you start impacting recreational facilities that the state has built around there. You can impact roads.
- Craven: That would be a tremendous change.
- Fransen: We would have to study it.
- Tedder: We should put it out there for discussion. What issues, statutes or policies prevent the accessibility of the water resources of the state? I would like to see a presentation that touches these issues at a future meeting and the issues that control or prevent development of new water supplies in North Carolina.
- Fransen: We can do that.
- Carroll: As requests come in, do you analyze the reasonableness of their estimates in terms of growth and demand and accuracy of previous forecasts?
- Fransen: Yes, that's part of the rule.

2. Water Basin Tar-Pam Plan

Ian McMillian, DWR

- This is DWR's vision and a plan to integrate quality and quantity perspectives into one.
- The plans will be web based and will be updated dynamically using the most current data in DWR's databases.
- Why comprehensive basin planning? Knowing the location and quantity of surface and groundwater resources, contrasted with quality, will aid the state in applying best conservation management practices at a local, regional and state level. This approach helps bridge the work of other DWR sections so that evaluation and assessment is much more seamless.
- The new relationship between water quantity and NPDES facilities and water quality and NPDES facilities will expedite consideration of water reuse applications as part of a water resources conservation package. This integration provides DWR and users with better, faster, cheaper data and answers to water resources questions, which will help the state's economy grow.
- The Clean Water Act requires each state to have a continuing planning process which explains the processes of water quality and planning by the state. Oftentimes this may be described as an umbrella document which coordinates all aspects of water pollution control in an effort to make sure states maintain water quality.
- The Continuing Planning Process (CPP) addresses nine federal elements required under the clean water act. It also allows the EPA to come in at any time and ensure that planning is consistent with the water act. We're confident our new integrated basin will address the requirements of the CPP.
- We feel it's important to note the basin wide water quality plan is not a rule.
- The plans are web based as I mentioned before, no more printed documents. The data is updated dynamically, so that it will evolve over time. We plan to apply for a grant for web developers in 2015.

- EMC's role: How to approve a dynamic plan. Principal requirements of the statutes will be addressed in the integrated basin plans. However, the delivery will be expanded, more robust, and more efficient. Ongoing maintenance and updating of basin plans will be a feature of the online plans. Any major additions or modifications will be presented to the EMC. Finally, basin plan presentations will be provided to the EMC for approval at a minimum of every 10 years per statute, but may be presented to the EMC earlier if requested.
 - These plans are going to constantly be in maintenance mode. The Tar Pam plan is out for public review until the end of the month. There's an area for you to comment online.
 - Craven: Will the Tar Pam plan be coming to this committee in March?
 - McMillan: The water quality approval and we'll start work on the Cape Fear.
 - Dawson: Is there a schedule for all the river basins?
 - McMillan: We are working on that. The Cape Fear is pushing 10 years this year. We haven't put together a schedule yet.
 - Dawson: Years, months?
 - McMillan: Years to get them all done. We anticipate it'll go faster and faster after each one.
 - Tedder: From a quality perspective, this isn't the first time this has been done, but the first time quality and quantity have been integrated.
 - McMillan: Yes, the requirement was 5 years, now it is 10 years.
3. Proposed IBT Certificate Modification for Towns of Cary, Apex, Morrisville Harold Brady, DWR
- At the November EMC, there was a presentation of the ongoing IBTs – Cary/Apex, Union County and Kerr Lake. I'm just going to speak to the one that is next, which is Cary and Apex.
 - Brief overview: To move water from the source basin Haw, into the Neuse and the Cape Fear basins. The existing certificate is 24 MGD (max day). The requested IBT is for 33 MGD. The Haw and the Neuse is the predominant part of the transfer is 31 and the Haw and the Cape Fear is 2. The 2013 numbers were 16. That 22 number is the calculated equivalent for the current statute: a max day to a max month.
 - The original certificate was given in 2001. The draft Environmental Assessment was submitted in September and we are having a public hearing tonight. There are two public hearings for this. The first one is tonight in Apex and an additional hearing, beyond the required hearing, on Jan 22 in Fayetteville. The hearing officer is Evan Kane and the public comment period will be from Jan 7- Feb 6.
 - EMC role: The first step are the environmental documents. The department, rather than the commission, determines the adequacy. The department also holds the public hearing for this modification. The department sent out appropriate written notice and will be collecting public comment for 30 days.
 - The commission makes the final determination with the findings of fact. It really details the elements the commission should use to make a determination: Necessity of transfer amount, specifications, sources, reasonable alternatives, use of impounded source, water source allocation from source reservoir. The commission has the right to accept the modification in whole, or in part. The commission can choose to deny the request, as well as put conditions on the modification.

Adjournment: The Chairman adjourned the meeting at 9:49 a.m.