

**ENVIRONMENTAL MANAGEMENT COMMISSION
WATER ALLOCATION COMMITTEE*
SUMMARY**

**May 13, 2015
10:30 A.M.**

BRIEF

The Water Allocation Committee (WAC)* of the North Carolina Environmental Management Commission (EMC) did the following at its May meeting:

- Heard three information items:

1. A follow-up on the water supply development issues overview

- a. Raleigh’s water supply development issues

- b. Charlotte-Mecklenburg Utilities water supply development issues

2. An update on interbasin transfers

On May 13, 2015, the WAC met in the Ground Floor Hearing Room at the Archdale Building in Raleigh, North Carolina.

WAC Members in Attendance:

Chairman Tommy Craven
Mr. Gerard Carroll
Mr. Dan Dawson
Mr. Steve Tedder
Mr. Manning Puette
Mr. Charles “Boots” Elam

Others Present:

Ms. Jennie Hauser, Attorney General’s Office

I. Preliminary Matters:

In accordance to North Carolina General Statute § 138A-15, Chairman Craven asked if any WAC member knew of any known conflict of interest or appearance of conflict with respect to any item on the May 13, 2015 WAC agenda and none of the members stated that there was a conflict. Mr. Dawson made a correction to the minutes from the March meeting. On page 5 just before the third item, bullet 5 “is not here” needs to be changed to “is not in the record.” With that, Chairman Craven asked if there was a motion to approve the minutes. A motion was made and a second was made of the motion. The minutes were unanimously approved.

II. Information Items

1. [Follow-up on Water Supply Development Issues \(Linwood Peele, Water Supply Planning Branch Chief\)](#)

Presentation Description:

Mr. Peele gave an overview of the hurdles to permitting additional water supplies. The presentation covered the legal and regulatory framework, the technical assistance given to water systems, the water supply permitting process and the impediments and challenges faced with permitting water supplies.

Questions/Comments:

Mr. Tedder asked if North Carolina will have enough water to meet its demand in the next 50-75 years. Mr. Peele explained that it may be in the wrong location, which creates another issue, interbasin transfer (IBT). Mr. Tedder asked if more storage capabilities and locations of storage could lessen IBT needs. Mr. Peele answered in its nature, yes. Mr. Tedder asked to go back to slide 20 and made a point that when you talk about loss, you

aren't really losing anything but talking about a change. Mr. Tedder explained that when you start talking about loss, it can come with many mitigation costs that are expensive. He explained that we should be looking more at the functions of the habitat.

Mr. Craven stated that this was such a complicated process and he wasn't sure how you plan around it. Planning then turns into a guessing game if there's not a clean process for execution. He also noted that in the 404 process, during the avoidance, minimization, and mitigation stages, that philosophy serves us well when we are considering development projects, but doesn't seem to serve us well when we are creating this very valuable commodity.

Mr. Dawson thanked Mr. Peele for the detailed presentation and asked if he could make it available to planners in the future. He asked if this could go into a flow chart or schedule. Mr. Peele said that DWR does have a flow chart that planners can use during the permitting process. Mr. Dawson stated that there is a rhyme and reason for every step of the process.

2. City of Raleigh: Water Supply Development Issues (Kenny Waldroup, Raleigh)

Presentation Description:

Mr. Waldroup gave an overview of the decadal plan for water resources for the city of Raleigh and the difficulty in securing water supplies.

Questions/Comments:

Mr. Craven asked what the current budget number was for the potential Little River reservoir. Mr. Waldroup stated 263 million in 2010 dollars. Mr. Craven stated that even with all the time a money Raleigh could put into this project, it could still be stopped. Mr. Waldroup agreed and also stated that a new species could put a halt on the project, or a lawsuit could come up from a downstream user.

Mr. Tedder asked if Falls Lake was still listed as option 1. Mr. Waldroup stated that there is so much complexity and uncertainty in the process.

Mr. Dawson asked how much of the 38 million gallons is based on a reduction in per capita demand. Mr. Waldroup stated that the plan assumes Raleigh finds 15 million gallons of reduction in per capita demand and needs 38 million past the 15. It also assumes that there will be 3 million a day in reclaimed water use.

Mr. Dawson asked about today's per capita use in Raleigh. Mr. Waldroup stated that Raleigh defines per capita use by looking at all the utilization within the service area, including the leaks that occur in the lines, and dividing it by the population. The last number was about 93-94 million gallons of per capita use per day. Mr. Waldroup stated that those numbers were equivalent to OWASA and Cary, two of the most efficient systems in the state. He stated that Raleigh was within the lower end of five percent of per capita use in the nation and plans on going further.

Mr. Dawson asked why Raleigh doesn't just pay the Corps to do a study. Mr. Waldroup stated that the study has to be defensible to the opponents. Raleigh could provide its own consultant, but then may get accused that the material was biased from the beginning.

Mr. Tedder asked if total recycle was an option. Mr. Waldroup stated that last year many of the barriers in using wastewater were removed. He stated that the next hurdle will be convincing the customers it's a good idea, although it is a part of the emergency plan and total recycle is already happening in other drier states.

Mr. Carroll asked if the Corps gave a reason why it hasn't responded to request to do the study. Mr. Waldroup stated that Fall Lake is a defect 3 in the Corps rating system, which means there is a public risk if the dam were to break. The latest hold up was an acknowledgement from Raleigh that the defect rating may have to change first. That option would be a heavy lift because you may have to move people from their homes. The Wilmington Corps has been very helpful and supportive. The holdup is on a national level because of all the

lawsuits during the past 30 years.

3. [Charlotte Mecklenburg Utilities Department \(Barry Gullet, Charlotte\)](#)

Presentation Description:

Mr. Gullet gave an overview of the Catawba Wateree Management Group and the water supply master plan for future use.

Questions/Comments:

Mr. Carroll asked why generation of steam power in 2065 needs an increase from 74 million gallons a day to 178 million gallons a day. Mr. Gullet stated that Duke is projecting a number of the power plants they have will be retired and will need to be replaced. That number includes their replacement and supplying the growth of the area. A lot of work has gone into the efficiency of the power generating facilities. All facilities in the future will have cooling towers which, through net usage, increases the water consumption because of evaporation. Duke's plan relies heavily on natural gas.

Mr. Carroll stated that agricultural use also increases and wants to hear an explanation. Mr. Gullet stated that the Catawba basin is very diverse with highly developed areas, as well as more rural agricultural areas.

Mr. Gullet stated that in developing the Catawba Wateree master plan there was a stakeholder team with regulators from both North Carolina and South Carolina. Mr. Gullet thanked the DENR staff for participating in the stakeholder process.

4. [Interbasin Transfer Update \(Kim Nimmer, IBT Program Coordinator\)](#)

Presentation Description

Ms. Nimmer gave an update on the two pending interbasin transfer requests for Kerr Lake and Union County.

Questions/Comments

Mr. Carroll asked how many people attended the Kerr Lake hearing and how many comments were received. Ms. Nimmer stated there were about 15 comments and about 40 people in attendance. Approximately six people spoke in favor of the transfer and nine were opposed. She stated that the division is still in the process of compiling 300 written comments that were sent in.

Mr. Carroll asked is this was controversial. Ms. Nimmer stated that she could not speak to other IBTs, but that the Kerr Lake IBT has definitely raised some interest.

III. Closing Comments:

Chairman Craven

Mr. Craven said water supply permitting presents a tremendous challenge for staff and the EMC and after the presentations there was a greater appreciation for how precious our water supplies are. He stated he would like to find a way for the Water Allocation Committee to lower some of the hurdles. He stated he would like for the presenters to come up with some ways to lower the hurdles.

There being no new business and no additional comments by the members or staff, Chairman Craven adjourned the meeting.