

**Environmental Management Commission
Water Allocation Committee
Minutes**

**October 9, 2018
9:00 a.m.**

On October 9, 2018, the Water Allocation Committee or WAC met in the Ground Floor Hearing Room at the Archdale Building in Raleigh, North Carolina.

WAC Members in Attendance:

Dr. Suzanne Lazorick (WAC Chairwoman)
David Anderson (WAC Vice-Chair)
Shannon Arata
Mitch Gillespie
Bill Puette
JD Solomon, EMC Chairman

Others Present:

Marion Deerhake
Dr. Stan Meiburg
George Pettus
Dr. Albert Rubin
Julie Wilsey, EMC Vice-Chair
Philip Reynolds, Attorney General's office

I. Preliminary Matters:

In accordance with North Carolina General Statute §138A-15, Chairwoman Lazorick asked if any WAC member knew of a known conflict of interest or appearance of conflict with respect to items on the October 9, 2018 WAC agenda; none of the committee members identified a conflict. Chairwoman Lazorick asked if there were any comments or corrections regarding the minutes from the July 11, 2018 meeting. Ms. Wilsey made a motion to approve the July 11, 2018 meeting minutes. The motion was seconded by Mr. Puette and the July 11, 2018 minutes were unanimously approved.

II. Information Items:

**A. Review Legislative Directive and List of DEQ Reports for EMC Review
(JD Solomon and Suzanne Lazorick, EMC)**

Chairman Solomon briefly reminded the commissioners that the EMC was reviewing selected DEQ-prepared reports because the General Assembly passed a bill requiring the EMC to review DEQ reports found to have significant public interest, and to provide its assessment in a report to the Environmental Review Commission (ERC). Earlier in the year, Commissioner Gillespie and former Commissioner Richard Whisnant identified six

reports prepared by DEQ for EMC review. Chairman Solomon indicated that all six reports need to be reviewed by the commission at the November meeting to allow sufficient time to prepare the commission's report to the ERC by the end of the year.

Chairwoman Lazorick led the discussion of three of the DEQ reports. The first report discussed was the Rivernet Monitoring Report. Chairman Solomon stated that in reviewing the DEQ reports, the EMC can help provide some interpretation of the reports for the General Assembly. Mr. Gillespie stated that he was interested in ensuring an adequate water supply in basins that face challenges, and how to meet those needs over the next 25 years. He stated that determining how best to address water supply challenges can be difficult since so many of the options are often controversial. Dr. Meiburg stated that the primary options include conservation, reuse, surface water and groundwater storage, IBTs, as well as interconnections with other systems. He questioned whether more permitting of water withdrawals would be an option. Mr. Gillespie replied that permitting could drive economic development from more restrictive river basins to less restrictive river basins. Chairman Solomon observed that surface water storage and groundwater storage are handled differently. Dr. Meiburg asked whether sufficient data is available to make good system assessments regarding water allocation. Chairman Solomon stated that the EMC needs to link together and interpret reports and the data that is available. Mr. Puette asked whether information is available regarding which cities meter water use and bill for water use. Chairman Solomon stated that information is available; additionally, water loss or system inefficiencies are often addressed by economic concerns/financial losses. Water utilities are generally going a good job of metering water use. Generally, per capita water use has been declining, but it can't match growth rate. It was observed that we can't "conserve our way out" of current and future water needs.

The second report addressed was the Riparian Buffer Study. It was observed that there had been a stakeholder meeting on October 18, 2017. The third report addressed was the NPDES (National Pollution Discharge Elimination System) Compliance Enforcement Report. It was noted that having an awareness of the number of permits and violations being cited by the NPDES program provides a good perspective. All three reports were found to be ready to take before the full EMC in November.

B. Water Supply Planning: Current and Future Water Trends (Linwood Peele, DWR)

The primary goal behind water supply planning is to assure there are adequate supplies of good quality water to protect public health and support economic growth. North Carolina does not have a statewide water use permitting program but does have a statewide water use registration program and two areas with limited regional permitting. North Carolina and Alabama are the only two states east of the Mississippi River that don't have statewide permitting programs. The Local Water Supply Planning program was established in 1989 after a drought. The law requires water systems with more than 1,000 connections or serving more than 3,000 people to prepare a Local Water Supply Plan (LWSP). There are currently 553 systems that are required to submit a LWSP. A

LWSP assesses both current and future water needs and the ability of the system to meet those needs. A LWSP must include a number of required components, including information about the water system, water use including source and sales/purchases, and 50-year planning projections.

The Central Coastal Plain Capacity Use Area (CCPCUA) is one of the regional permitting programs in the state. The CCPCUA covers 15 eastern counties in the coastal plain. This permitting program was established to reduce groundwater withdrawal to prevent de-watering and salt water intrusion of the aquifers in that region. The third and final phase of reductions begins in 2018, where groundwater withdrawal reductions will range from 30-75% from the initial base rate.

The Water Withdrawal Registration Program was established in 1991. The law requires agricultural users that use more than one million gallons any single day or non-agricultural users that use more than 100,000 gallons any single day to register with the program. Session Law 2008-143 established the Agricultural Water Use Survey; prior to 2008 there was no official data set to represent agriculture. The law requires the NC Department of Agriculture and Consumer Services to collect annual information. However, the surveys remain confidential and are combined with other reports to produce totals, which dilutes knowledge about water use in specific areas, presenting challenges to water supply modeling and planning efforts. Seven annual statewide ag use surveys have been prepared. For effective water use management, planners need to know how much water different sectors are using, as well as future water needs. North Carolina seeks to minimize the impacts of drought and other water supply emergencies on public health and safety, environmental quality, and the economy. As such, rules have been developed governing water use during droughts and water emergencies.

North Carolina's population doubled between approximately 1970 and 2015, from 5 million to 10 million people. Projecting into the future, both population and water demand are expected to continue increasing. There are a number of challenges to water supply planning in North Carolina. Being a riparian rights state, there is no permitting program or comprehensive plan for water quantity management, nor is there any federal oversight or requirements for water quantity management. This can mean less government regulation, but it also means that conflicts between water users and the determination of reasonable use are decided by the courts. In the past, courts have found that municipal withdrawal for public water supply is not considered a riparian use. Challenges to water supply planning also include the difficulty in quantifying water availability, the need for more monitoring of both groundwater and surface water, data from all water users/sectors, challenges to developing new surface water sources, aging infrastructure, and the lack of funds for maintenance and planning.

Mr. Gillespie asked whether any CCPCUA permit holders were having difficulty meeting the 30-75% reduction of groundwater withdrawals in Phase 3 of the CCPCUA rules? Mr. Peele replied that when the CCPCUA rules first went into effect, most systems looked long-term to address meeting their water supply needs while transitioning to alternative water sources, and he's not aware of any systems having difficulty meeting the

requirements. Ms. Deerhake stated that she thought the presentation was very informative, it made the WAC aware of where there are coordinated statewide efforts; valuable for the commission to see whether we are adequately operating water management in the state with local programs, and whether a comprehensive approach is adequate now or if modifications are needed. Chairman Solomon said North Carolina has a solid foundation for water management planning in the drought management and LWSP programs.

C. Bi-State River Basin Commissions Discussion (Tom Fransen, DWR)

The purpose of bi-state river commissions is to provide guidance in an advisory role; they are not regulatory bodies. The commissions provide a forum for identifying problems and discussing issues affecting the river basins' water quantity and quality. Three river basin commissions have been created: 1) Catawba-Wataree Basin Advisory Commission; 2) Roanoke River Basin Bi-State Commission; and 3) Yadkin Pee Dee Basin Advisory Commission. The Yadkin Pee Dee Basin Commission has never had any members appointed, either from North Carolina or from South Carolina. The other two commissions are currently not very active; they have been more active in the past when fueled by controversies within their respective basins.

Mr. Gillespie observed that river basin commissions could be critical in addressing water allocation issues and to use as a forum for stakeholder meetings. He also stated that the commissions could be important in soliciting by-in from affected communities regarding controversial basin issues, when they arise. Mr. Fransen replied that it has been a challenge for DEQ to get the commissions to the table, especially when there isn't a current hot topic of interest to the commission. Ms. Deerhake asked whether flood management has ever been a charge of the commissions. Mr. Fransen replied that the commissions can work on any issues of interest to them, both quality and quantity; in the past commission action has been driven by IBTs.

III. Concluding Remarks:

Chairwoman Lazorick asked if there was anything else that needed to be discussed or if there were other comments. There were no additional comments by the committee members or staff. The meeting was adjourned.