

Utilities

See full summary documents for additional detail

Clarify Changes to On-Site Wastewater Statutes – 2023 Budget Technical/Other Corrections.

SL 2024-1 (S508), Sec. 3.9

Section 3.9 of S.L. 2024-1 makes various corrections to the changes in the on-site wastewater statutes made by S.L. 2023-90, including clarifying the responsibilities of the system owner, eliminating a redundant reference to a fee, requiring local health departments to notify inspections departments within two days of receiving required documentation for alternative on-site wastewater approvals, and restoring contracting language to its pre-S.L. 2023-90 status.

This section is effective retroactively to July 10, 2023.

Modify Rural Electrification Authority/Fee Update – Public Safety/Other Changes.

SL 2024-43 (H250), Sec. 4

Section 4 of S.L. 2024-43 increases the maximum fee that the Rural Electrification Authority (Authority) can charge telephone and electric membership corporations from four cents (4¢) to six cents (6¢) for each electric membership corporation's meter connected for service in the State and for each telephone membership corporation's access line connected for service in the State for each quarter of the year.

This section became effective July 8, 2024.

Increase Penalty Property Crimes Against Critical Infrastructure – Regulatory Reform Act of 2024.

SL 2024-45 (S607), Sec. 9

Section 9 of S.L. 2024-45 increases the penalties for property crimes committed against critical infrastructure and makes conforming changes to existing statutes as follows:

- Amends the statute governing contamination of a public water system to include injury to the system, include wastewater treatment facilities, require a \$250,000 fine, and authorize civil recovery by any person injured by reason of damage to a public water system or wastewater treatment facility.
- Increases the punishment for injury to property of a public utility from a Class 1 misdemeanor to a Class C felony and authorizes civil recovery by any person injured by reason of damage to a public utility.

- Creates a Class C felony, including a required \$250,000 fine, for injuring a manufacturing facility and authorizes civil recovery by any person whose property or person is injured by reason of violation of this offense.

This section becomes effective December 1, 2024, and applies to offenses committed on or after that date.

Expand Requirements for Issuance of 401 Certifications by the Department of Environmental Quality to Projects Located at an Existing or Former Electric Generating Facility – Regulatory Reform Act of 2024.

SL 2024-45 (S607), Sec. 11

Section 11 of S.L. 2024-45 extends statutory requirements applicable to the Department of Environmental Quality's (DEQ) handling of 401 certifications for certain projects to electric generation projects located at an existing or former electric generating facility.

This section became effective July 9, 2024, and applies to applications for 401 certifications pending or submitted on or after that date.

Prohibit Public Water and Sewer Systems from Imposing Unauthorized Conditions and Implementing Preference Systems for Allocating Service for Residential Development – Regulatory Reform Act of 2024.

SL 2024-45 (S607), Sec. 12

Section 12 of S.L. 2024-45 prohibits local government units from requiring an applicant for water or sewer service for residential development to agree to any condition not otherwise authorized by law, or to accept any offer by the applicant to consent to any condition not otherwise authorized by law. These conditions include, without limitation, any of the following:

- Payment of taxes, impact fees or other fees, or contributions to any fund.
- Adherence to any restrictions related to land development or land use, including those within the scope of G.S. 160D-702(c).
- Adherence to any restrictions related to building design elements within the scope of G.S. 160D-702(b).

This section also prohibits local government units from implementing a scoring or preference system to allocate water or sewer service among applicants for water or sewer service for residential development that does any of the following:

- Includes consideration of building design elements, as defined in G.S. 160D-702(b).
- Sets a minimum square footage of any structures subject to regulation under the North Carolina Residential Code.

- Requires a parking space to be larger than 9 feet wide by 20 feet long unless the parking space is designated for handicap, parallel, or diagonal parking.
- Requires additional fire apparatus access roads into developments of one- or two-family dwellings that are not in compliance with the required number of fire apparatus access roads into developments of one- or two-family dwellings set forth in the Fire Code of the North Carolina Residential Code.

This section became effective July 9, 2024.

Natural Gas Local Distribution Companies Cost Recovery Modifications – Regulatory Reform Act of 2024.

SL 2024-45 (S607), Sec. 13

Section 13 of S.L. 2024-45 amends statutes governing cost recovery for natural gas local distribution companies to provide that the Utilities Commission can authorize a rate adjustment mechanism for a company's recovery of costs to produce, purchase, and transport natural gas, which can include gas derived from renewable energy biomass resources. For purposes of the provision, "renewable energy biomass" includes agricultural waste, animal waste, wood waste, spent pulping liquors, organic waste, combustible residues, combustible gases, energy crops, landfill methane, or domestic wastewater. The company is prohibited, however, from recovering the incremental cost of natural gas attributable to renewable energy biomass resources that exceeds the average system cost of gas unattributable to renewable energy biomass resources.

This section became effective July 9, 2024, and applies to rate case proceedings filed on or after that date.

Require the Department of Environmental Quality to Report Quarterly on Applications for Permits Required for Natural Gas Pipelines and Gas-Fired Electric Generating Facilities – Regulatory Reform Act of 2024.

SL 2024-45 (S607), Sec. 28

Section 28 of S.L. 2024-45 requires the Department of Environmental Quality (DEQ) to report quarterly to the Joint Legislative Commission on Energy Policy on: (i) any applications received for permits required for siting or operation of natural gas pipelines and gas-fired electric generation facilities within the State; and, (ii) activities of DEQ to process such applications, including tracking of processing times.

This section became effective July 9, 2024, and apply to applications for permits for natural gas pipelines and gas-fired electric generation facilities pending on or received on or after that date. DEQ must submit the initial report no later than October 1, 2024.

2024 Building Code Regulatory Reform.

SL 2024-49 (S166)

Session Law 2024-49 amends various development regulations, amends various North Carolina State Building Codes, amends various construction contractors and design professionals' regulations, amends various environment and environmental health regulations, and reorganizes the Building Code Council.

This bill was vetoed by the Governor on July 5, 2024, and that veto was overridden by the General Assembly on September 11, 2024. This act has various effective dates. Please see the full summary for more details.

Completing Access to Broadband Program – Require ICE Cooperation & Budget Adjustments.

SL 2024-55 (H10), Sec. 10.1

Section 10.1 of S.L. 2024-55 makes the following changes to the Completing Access to Broadband (CAB) Program:

- Directs the Department of Information Technology (DIT) to utilize up to \$190 million of funds appropriated to the CAB Program, to provide the county project cost responsibility for the 37 counties that had committed, as of May 1, 2024, to both participate in the CAB Program and provide the county's cost share match.
- Requires broadband service providers selected for a project under the CAB Program to provide at least 30% of the total estimated project cost.
- Eliminates the requirement that county governments provide at least 35% of the total estimated project costs.
- Eliminates the requirement that county governments provide DIT its portion of total estimated project costs upon executing an agreement with a broadband service provider.

This bill was vetoed by the Governor on September 20, 2024, and that veto was overridden by the General Assembly on November 20, 2024. This section of the act became effective July 1, 2024, and applies to grant funding requests submitted on or after that date.

BEAD Deployment – Require ICE Cooperation & Budget Adjustments.

SL 2024-55 (H10), Sec. 10.2

Section 10.2 of S.L. 2024-55 makes various changes to the laws that relate to broadband deployment and the Department of Information Technology (DIT), which include:

- Establishing the Growing Rural Economies with Access to Technology for Broadband Equity, Access, and Deployment Fund (GREAT 3.0 Fund), as a special revenue fund in DIT, to pay for infrastructure costs of projects designed to extend broadband service to unserved and underserved areas and to community anchor institutions.

- Directing the Broadband Infrastructure Office in DIT to implement a competitive subgrantee selection process in conformance with the Broadband Equity, Access, and Deployment (BEAD) Program from the Infrastructure Investment and Jobs Act (P.L. 117-58).
- Requiring DIT to submit annual and periodic reports concerning the implementation of the GREAT 3.0 Program to the Joint Legislative Oversight Committee on Information Technology and the Fiscal Research Division.
- Appropriating to DIT up to \$23 million in federal funds received for digital literacy from the State Digital Equity Capacity Grant Program under the Infrastructure Investment and Jobs Act (P.L. 117-58), to be used in accordance with the North Carolina Digital Equity Plan.
- Eliminating the sunset provision for the Broadband Pole Replacement Program, which is set to expire on December 31, 2024.

This bill was vetoed by the Governor on September 20, 2024, and that veto was overridden by the General Assembly on November 20, 2024. This section of the bill became effective July 1, 2024.

Temporary Public Water System Approval in Disaster Areas – Disaster Relief-3/Budget/Various Law Changes.

SL 2024-57 (S382), Sec. 1D.5

Section 1D.5 of S.L. 2024-57 allows a supplier of water to temporarily operate a transient non-community public water system in the affected area for up to 59 days, without having been issued an operating permit by the Department of Environmental Quality (DEQ). DEQ can revoke this temporary authorization upon issuing a written notice to the transient non-community public water system citing a public health risk.

This bill was vetoed by the Governor on November 26, 2024, and that veto was overridden by the General Assembly on December 11, 2024. This section of the act became effective December 11, 2024.

Powers and Duties of the Attorney General – Disaster Relief-3/Budget/Various Law Changes.

SL 2024-57 (S382), Sec. 3D.1

Section 3D.1 of S.L. 2024-57 does the following:

- Removes the Attorney General's authority to intervene in matters before the Utilities Commission.
- Provides that the Judicial Department and Council of State agencies are not required to get permission from the Attorney General or the Governor before retaining private counsel.

- Requires the Attorney General to report annually to the Joint Legislative Commission on Governmental Operations on all contracts with private counsel to assist with any of the Attorney General's statutory duties.
- Prohibits the Attorney General from advancing any argument in an action in state or federal court in another state that would result in the invalidation of a North Carolina statute.
- Provides that whenever the General Assembly, through the Speaker and President Pro Tempore, participates in an action involving the validity of an act or the State Constitution, the Attorney General may not take positions that are contrary to the positions of the General Assembly.
- Clarifies that the counsel jointly designated as lead counsel by the President Pro Tempore and Speaker has the final decision-making authority regarding positions on behalf of the State.

This bill was vetoed by the Governor on November 26, 2024, and the veto was overridden by the General Assembly on December 11, 2024. This section became effective December 11, 2024.

Change Appointments to Utilities Commission – Disaster Relief- 3/Budget/Various Law Changes.

SL 2024-57 (S382), Sec. 3F.1

Section 3F.1 of S.L. 2024-57 eliminates one of the Governor's appointments to the Utilities Commission (Commission), and gives an appointment to the Treasurer. The appointment transfer would become effective July 1, 2025, upon expiration of the term of one of the Governor's current appointees. In addition, the section requires the Chair of the Commission to be elected by the membership, rather than appointed by the Governor.

This bill was vetoed by the Governor on November 26, 2024, and that veto was overridden by the General Assembly on December 11, 2024.

This section became effective December 11, 2024.