GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1997

S 1 SENATE BILL 947 Short Title: Amend Interbasin Transfers. (Public) Sponsors: Senators Cochrane; Clark, Conder, East, Foxx, Horton, Jordan, Kincaid, Rand, Soles, and Webster. Referred to: Agriculture/Environment/Natural Resources. April 17, 1997 A BILL TO BE ENTITLED AN ACT TO MODIFY THE BURDEN OF PROOF THAT MUST BE SATISFIED TO OBTAIN AN INTERBASIN TRANSFER PERMIT, TO AUTHORIZE THE ENVIRONMENTAL MANAGEMENT COMMISSION TO ISSUE SPECIAL ORDERS FOR INTERBASIN TRANSFER VIOLATIONS, AND TO LIMIT THE TOTAL AMOUNT OF WATER THAT MAY BE TRANSFERRED OUT OF ANY RIVER BASIN. The General Assembly of North Carolina enacts: Section 1. G.S. 143-215.22I reads as rewritten: "§ 143-215.22I. Regulation of surface water transfers. No person, without first securing a certificate from the Commission, may: Initiate a transfer of 2,000,000 gallons of water or more per day from (1) one river basin to another. Increase the amount of an existing transfer of water from one river basin (2) to another by twenty-five percent (25%) or more above the average daily amount transferred during the year ending July 1, 1993, if the total transfer including the increase is 2,000,000 gallons or more per day.

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- (3) Increase an existing transfer of water from one river basin to another above the amount approved by the Commission in a certificate issued under G.S. 162A-7 prior to July 1, 1993.
- (b) Notwithstanding the provisions of subsection (a) of this section, a certificate shall not be required to transfer water from one river basin to another up to the full capacity of a facility to transfer water from one basin to another if the facility was existing or under construction on July 1, 1993.
- (c) An applicant for a certificate shall petition the Commission for the certificate. The petition shall be in writing and shall include the following:
 - (1) A description of the facilities to be used to transfer the water, including the location and capacity of water intakes, pumps, pipelines, and other facilities.
 - (2) A description of the proposed uses of the water to be transferred.
 - (3) The water conservation measures to be used by the applicant to assure efficient use of the water and avoidance of waste.
 - (4) Any other information deemed necessary by the Commission for review of the proposed water transfer.
- (d) Upon receipt of the petition, the Commission shall hold a public hearing on the proposed transfer after giving at least 30 days' written notice of the hearing as follows:
 - (1) By publishing notice in the North Carolina Register.
 - (2) By publishing notice in a newspaper of general circulation in the area of the river basin downstream from the point of withdrawal.
 - (3) By giving notice by first-class mail to each of the following:
 - a. A person who has registered under this Part a water withdrawal or transfer from the same river basin where the water for the proposed transfer would be withdrawn.
 - b. A person who secured a certificate under this Part for a water transfer from the same river basin where the water for the proposed transfer would be withdrawn.
 - c. A person holding a National Pollutant Discharge Elimination System (NPDES) wastewater discharge permit exceeding 100,000 gallons per day for a discharge located downstream from the proposed withdrawal point of the proposed transfer.
 - d. The board of county commissioners of each county that is located entirely or partially within the river basin that is the source of the proposed transfer.
 - e. The governing body of any public water supply system that withdraws water downstream from the withdrawal point of the proposed transfer.
- (e) The notice of the public hearing shall include a nontechnical description of the applicant's request and a conspicuous statement in bold type as to the effects of the water transfer on the source and receiving river basins. The notice shall further indicate the

procedure to be followed by anyone wishing to submit comments on the proposed water transfer.

- (f) In determining whether a certificate may be issued for the transfer, the Commission shall specifically consider each of the following items and state in writing its findings of fact with regard to each item:
 - (1) The necessity, reasonableness, and beneficial effects of the amount of surface water proposed to be transferred and its proposed uses.
 - (2) The present and reasonably foreseeable future detrimental effects on the source river basin, including present and future effects on public, industrial, and agricultural water supply needs, wastewater assimilation, water quality, fish and wildlife habitat, hydroelectric power generation, navigation, and recreation.
 - (3) The detrimental effects on the receiving river basin, including effects on water quality, wastewater assimilation, fish and wildlife habitat, navigation, recreation, and flooding.
 - (4) Reasonable alternatives to the proposed transfer, including their probable costs, and environmental impacts.
 - (5) If applicable to the proposed project, the applicant's present and proposed use of impoundment storage capacity to store water during high-flow periods for use during low-flow periods and the applicant's right of withdrawal under G.S. 143-215.44 through G.S. 143-215.50.
 - (6) If the water to be withdrawn or transferred is stored in a multipurpose reservoir constructed by the United States Army Corps of Engineers, the purposes and water storage allocations established for the reservoir at the time the reservoir was authorized by the Congress of the United States.
 - (7) Any other facts and circumstances that are reasonably necessary to carry out the purposes of this Part.
- (g) A-No certificate shall be granted for a water transfer unless the Commission concludes by a preponderance of the evidence based upon the findings of fact made under subsection (f) of this section that the potential detriments of the proposed transfer outweigh the benefits of the transfer. proposed transfer outweigh the potential detriments of the transfer and that those detriments have been mitigated to a reasonable degree.
- (h) The Commission may grant the certificate in whole or in part, or deny the certificate. The Commission may also grant a certificate with any conditions attached that the Commission believes are necessary to achieve the purposes of this Part. The conditions may include mitigation measures proposed to minimize any detrimental effects of the proposed transfer and measures to protect the availability of water in the source river basin during a drought or other emergency. The certificate shall indicate the maximum amount of water that may be transferred. No person shall transfer an amount of water that exceeds the amount in the certificate.
- (i) In cases where an applicant requests approval to increase a transfer that existed on July 1, 1993, the Commission shall have authority to approve or disapprove only the

amount of the increase. If the Commission approves the increase, however, the certificate shall be issued for the amount of the existing transfer plus the requested increase. Certificates for transfers approved by the Commission under G.S. 162A-7 shall remain in effect as approved by the Commission and shall have the same effect as a certificate issued under this Part.

- In the case of water supply problems caused by drought, a pollution incident, temporary failure of a water plant, or any other temporary condition in which the public health requires a transfer of water, the Secretary of the Department of Environment, Health, and Natural Resources may grant approval for a temporary transfer. Prior to approving a temporary transfer, the Secretary of the Department of Environment, Health, and Natural Resources shall consult with those parties listed in G.S. 143-215.22I(d)(3) that are likely to be affected by the proposed transfer. However, the Secretary of the Department of Environment, Health, and Natural Resources shall not be required to satisfy the public notice requirements of this section or make written findings of fact and conclusions in approving a temporary transfer under this subsection. If the Secretary of the Department of Environment, Health, and Natural Resources approves a temporary transfer under this subsection, the Secretary shall specify conditions to protect other water users. A temporary transfer shall not exceed six months in duration, but the approval may be renewed for a period of six months by the Secretary of the Department of Environment, Health, and Natural Resources based on demonstrated need as set forth in this subsection.
- (k) The amount of water transferred out of any river basin as a result of the aggregate of interbasin transfers in that basin shall not exceed two percent (2%) of the seven-day 10-year low flow of the river.
- (I) The Commission may issue, modify, or revoke, a special order, or other appropriate instrument, to any person whom it finds in violation of this section. The order or instrument may direct the person to take, or refrain from taking an action, or to achieve a result, within a period of time specified by the special order, as the Commission deems necessary and feasible in order to alleviate or eliminate the violation. The Commission may enter into consent special orders, assurances of voluntary compliance or other similar documents by agreement with the person responsible for the violation, subject to the provisions of G.S. 143-215.2(a1) and (b) regarding proposed orders, and the consent order, when entered into by the Commission after public review, shall have the same force and effect as a special order of the Commission issued pursuant to hearing.

Any person who complies with the terms of, or as a result of the conditions specified in, a permit issued pursuant to this section, or a special order, consent special order, assurance of voluntary compliance or similar document issued pursuant to this section, or a final decision of the Commission or a court rendered pursuant to this section, shall not be required to take or refrain from any further action nor be required to achieve any further results under the terms of this or any other State law relating to the regulation of interbasin transfers, for a period to be fixed by the Commission or court as it shall deem fair and reasonable in the light of all the circumstances after the date when the special

1	order, consent	special order, assurance of voluntary compliance, other document, or
2	decision, or the	conditions of such permit become finally effective, if:
3	<u>(1)</u>	The action taken results in the elimination or alleviation of the detriment
4		caused by the violation to the extent required by the permit, special
5		order, consent special order, assurance of voluntary compliance or other
6		document, or decision and complies with any other terms thereof; and
7	<u>(2)</u>	The person complies with the terms and conditions of the permit,
8		special order, consent special order, assurance of voluntary compliance,
9		other document, or decision within the time limit, if any, specified
10		therein or as the same may be extended, and thereafter remains in
11		compliance."
12	Section	on 2. This act is effective when it becomes law.