

1 efficiency plan that provides for reducing the long-term per capita demand for potable water
2 and submit it to the Department for approval. The local water efficiency plan under this section
3 shall include policies and practices that by the year 2016 will result in residential water use at a
4 level that does not exceed 100 gallons for each person each day, by 2025 will result in
5 residential water use at a level that does not exceed 75 gallons for each person each day, and by
6 2035 will result in residential water use at a level that does not exceed 45 gallons for each
7 person each day."

8 **SECTION 3.** G.S. 143-355.4(b) is amended by adding a new subdivision to read:

9 "(8) Has implemented a water fixture and appliance retrofit and incentive
10 program."

11 **SECTION 4.** G.S. 159-52(a) is amended by adding a new subdivision to read:

12 "(13) If a unit has prepared a local water efficiency plan under G.S. 143-355, the
13 unit's compliance with the local water efficiency plan."

14 **SECTION 5.** G.S. 159G-36 is amended by adding a new subsection to read:

15 "(d) DWSRF Set Aside for Water Use Reduction Goals. – Not less than twenty percent
16 (20%) of the Drinking Water Reserve shall be used for loans or grants for projects that would
17 assist recipients in achieving the residential water use reduction goals set out in local water
18 efficiency plans under G.S. 143-355."

19 **SECTION 6.** The Department of Environment and Natural Resources shall provide
20 statewide outreach and technical assistance as needed regarding water efficiency, which shall
21 include the development of best management practices for community water efficiency and
22 conservation. These best management practices shall address at least all of the following
23 practices:

- 24 (1) Integrating water efficiency and conservation into water supply plans.
- 25 (2) Conducting regular water audits to identify revenue and nonrevenue water
26 and water losses.
- 27 (3) Adopting water loss abatement programs.
- 28 (4) Metering and submetering of existing multiunit residential, commercial, and
29 industrial complexes.
- 30 (5) Retrofitting fixtures, equipment, and irrigation systems to make them more
31 water efficient.
- 32 (6) Landscaping in a manner that conserves water use and is regionally
33 appropriate.
- 34 (7) Employing water reuse practices that include harvesting rainwater and using
35 grey water.
- 36 (8) Pricing water to achieve comprehensive conservation and adopting full-cost
37 accounting in line with the recommendation approved by the State Water
38 Infrastructure Commission in November 2010.

39 **SECTION 7.** The State Water Infrastructure Commission, in consultation with the
40 Department of Environment and Natural Resources, the School of Government at the
41 University of North Carolina at Chapel Hill, the North Carolina Utilities Commission, the
42 Public Staff of the North Carolina Utilities Commission, and the Local Government
43 Commission shall examine the impacts and benefits of water conservation and efficiency on
44 utilities and users and develop recommendations for mitigating any of the financial impacts of
45 implementing this act for a unit of local government or public water supplier and for assuring
46 sustainable revenues to operate and maintain its water system.

47 **SECTION 8.** The State Water Infrastructure Commission and the North Carolina
48 Utilities Commission shall work together to develop recommendations for electric utility and
49 water utility coordination to increase both water efficiency and energy efficiency within their
50 systems. The State Water Infrastructure Commission and the North Carolina Utilities

- 1 Commission shall report to the Environmental Review Commission annually on the progress
2 and effectiveness of this coordination no later than November 1, 2012.
3 **SECTION 9.** This act becomes effective October 1, 2011.