



NORTH CAROLINA  
*Environmental Quality*

ROY COOPER  
*Governor*

ELIZABETH S. BISER  
*Secretary*

Gary Salamido  
President and CEO, NC Chamber  
701 Corporate Center Dr, Suite 275  
Raleigh, NC 27607

Subject: DEQ's Commitment to Environmental Leadership and Business Opportunity

Dear Gary,

This letter is in response to your recent correspondence on DEQ's proposed 02B and 02L Surface Water and Groundwater Standards. This is an issue of utmost importance to our state. North Carolina is far too familiar with the environmental, health, and reputational effects of PFAS contamination.

As you know, North Carolina has been at the forefront of addressing contamination caused by per- and polyfluoroalkyl substances (PFAS) since the discovery of GenX in the Cape Fear River in 2017. Our initial response and ongoing proactive measures over the last several years underscore our dedication to safeguarding our environment, natural resources, and the health of our communities. These actions are vital: if you don't have clean drinking water, nothing else matters.

To date, over 8,500 homes across eight counties have been provided alternate drinking water supplies as a direct result of the Chemours Consent Order. Additionally, the Cape Fear Public Utility Authority (CFPUA) has spent \$46 million, and Brunswick County has spent over \$100 million to address Chemours-related PFAS in their systems. These costs, compounded by annual operating and maintenance costs, have had a direct impact on ratepayers— which include members of the business community— who are now having to pay more to treat contamination that they did not cause.

This extensive damage— to public health, the environment, and our economy— came at the hand of a single manufacturing facility.

While one facility contaminated an eight-county region, we are aware of PFAS pollution in areas throughout the state. This underscores the need for proactive, comprehensive actions to ensure that North Carolina has clean water to protect our quality of life and facilitate economic growth.

It has been nearly 18 years since the last federal drinking water standard was promulgated, and based on your letter, there appears to be a continued misunderstanding of how the process of setting state and federal water quality standards works. So, I'm concerned that your members lack vital information and context about this process and the health, economic, and reputational costs of water contamination in our communities.

- In your letter, you asked: "Before establishing a numeric standard, we request that further research is done to understand how requirements established by the US EPA intersect with state statutes..."

Under the Safe Drinking Water Act, the U.S. Environmental Protection Agency (EPA) establishes standards for drinking water to protect against health risks, including those posed by PFAS. Concurrently, the vast majority of states— including North Carolina— operate delegated programs, meaning that it is the state's responsibility to



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implement and enforce the Clean Water Act. Establishing surface water and groundwater standards is part of DEQ's authority under state and federal law.

To put it simply, the EPA does not establish surface water and groundwater standards. Rather, EPA expects states to address surface water and groundwater standards, especially once a federal drinking water standard is finalized. I've attached a diagram to show how the EPA requirements and proposed state regulations intersect. Discharges into surface water and groundwater directly impact drinking water intakes and public water supply wells, driving up the costs for public water systems to come into compliance with the new federal drinking water standards, which has a direct impact on out-of-pocket costs for North Carolinians.

- Your letter goes on to request "an estimate of the cost to local government and the business community to comply with these proposed regulations."

A fiscal note, which outlines costs and benefits, is required as part of the rulemaking process. This will detail the estimated costs and benefits. We do know the costs associated with having to clean up PFAS contamination at public water systems, as evidenced by CFPWA and Brunswick County, and we know that their costs are dependent on the amount of contamination in their drinking water sources, whether surface water or groundwater.

Absent DEQ's proposed rulemaking actions, the entire burden of complying with the new drinking water standards will fall to public water system customers, including your members. The cost associated with removing PFAS is much lower at the source than it is at the drinking water system. There are several known PFAS removal technologies, and these technologies are already being deployed in North Carolina.

The key question at hand is whether everyday North Carolinians should bear the entire burden of cleaning up PFAS contamination (while also dealing with the health impacts), or whether businesses releasing PFAS into the environment should also bear responsibility.

- You also raised concern about compliance with the Hardison Amendment: "...in conformance with the Hardison amendment, NC DEQ should align their scope of consideration to be consistent with the six standards proposed by the USEPA on 10 April 2024."

The Hardison amendment states that local and state environmental regulations cannot be more stringent than federal regulations. It is important to recognize that EPA regulates what comes out of the tap – in other words, public drinking water systems. NC DEQ regulates what goes into our drinking water supplies, whether those supplies are coming from surface or groundwater. These are complementary, but distinctly different regulations.

Put simply, the less contamination that goes into a water supply, the less effort and expense required to take it out before it reaches a resident's faucet.

In North Carolina, DEQ works diligently to ensure that our state standards not only correspond to but complement the EPA's regulations. In fact, we waited to take action until the EPA standards were finalized so that we could rely on the same rigorous science and data that informed EPA's decisions. By aligning our regulations with federal standards, we provide regulatory certainty for businesses and ensure cost-effectiveness for ratepayers.

As you are aware, DEQ has given informational presentations to the Environmental Management Commission (EMC) and its committees three times over the last six months to detail the proposed surface water and groundwater standards and their potential impacts. We have also held stakeholder meetings to gather input as we draft the rule language and have offered to do the same with the NC Chamber and its members. The EMC rule-making process also includes public comment and hearings to ensure input can be provided on the proposed rules.

We will put forward sensible and equitable regulations that provide regulatory certainty and protection of public health. We are committed to maintaining open lines of communication with all stakeholders, including the business community, as we work to protect the public health and financial wellbeing of North Carolinians. I'm



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sure we both agree that North Carolina residents should not shoulder the entire burden of cleaning up PFAS contamination.

Thank you for your engagement on this critical issue. Together, we can ensure that North Carolina remains a great place to live, work, and conduct business.

Sincerely,



Elizabeth Biser

Secretary, North Carolina Department of Environmental Quality

CC: John D. Solomon  
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