

1 **SUBCHAPTER 2E - WATER USE REGISTRATION AND ALLOCATION**

2
3 **SECTION .0400 - REGULATION OF SURFACE WATER TRANSFERS**

4
5 **15A NCAC 02E .0401 APPLICABILITY PURPOSE**

6 ~~(a) Pursuant to G.S. 143-215.22G(3), the amount of a transfer shall be determined by the amount~~
7 ~~of water moved from the source basin to the receiving basin, less the amount of the water returned~~
8 ~~to the source basin.~~

9 ~~(b) Pursuant to G.S. 143-215.22G(3)(a) and 143-215.22G(3)(b), and notwithstanding the~~
10 ~~definition of basin in G.S. 143-215.22G(1), the following are not transfers:~~

11 ~~(1) The discharge point is situated upstream of the withdrawal point such that the water~~
12 ~~discharged will naturally flow past the withdrawal point.~~

13 ~~(2) The discharge point is situated downstream of the withdrawal point such that water~~
14 ~~flowing past the withdrawal point will naturally flow past the discharge point.~~

15 ~~(c) The withdrawal of surface water from one river basin by one person and the purchase of all or~~
16 ~~any part of this water by another party, resulting in a discharge to another river basin, shall be~~
17 ~~considered a transfer. The person owning the pipe or other conveyance that carries the water across~~
18 ~~the basin boundary shall be responsible for obtaining a certificate from the Commission. Another~~
19 ~~person involved in the transfer may assume responsibility for obtaining the certificate, subject to~~
20 ~~approval by the Division of Water Resources.~~

21 ~~(d) Under G.S. 143-215.22I(b), a certificate is not required to transfer water from one river basin~~
22 ~~to another up to the full capacity of a facility to transfer water from one basin to another if the~~
23 ~~facility was existing or under construction on July 1, 1993. The full capacity of a facility to transfer~~
24 ~~water shall be determined as the capacity of the combined system of withdrawal, treatment,~~
25 ~~transmission, and discharge of water, limited by the element of this system with the least capacity~~
26 ~~as existing or under construction on July 1, 1993.~~

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28 The purpose of the Rules in this Section is to implement the provisions of G.S. 143-215.22L.

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30 *History Note: Authority G.S. 143-215.22G; 143-215.22I; 143B-282(a)(2);*

31 *Eff. September 1, 1994.*

1 **15A NCAC 02E .0402 JUDICIAL REVIEW DEFINITIONS**

2 ~~Judicial Review of the Commission's decision shall be as provided in G.S. 143-215.5.~~

3 The following definitions apply to this Section.

- 4 (1) “Co-applicant” means an entity other than the primary applicant identified on an
5 Interbasin Transfer Certificate, issued after 30 June 1993, as being eligible to send or
6 receive transferred water, often purchased from the primary applicant. A co-applicant
7 is subject to all the terms, conditions, limitations, benefits, and entitlements applicable
8 to the primary applicant.
- 9 (2) “Commission” means the Environmental Management Commission.
- 10 (3) “Department” means the North Carolina Department of Environmental Quality.
- 11 (4) “Division” means the Division of Water Resources.
- 12 (5) “Emergency transfer” means a temporary transfer surface water between river basins,
13 as defined in G.S. 143-215.22G(1b), in order to satisfy water demand needs as defined
14 in G.S. 143-215.22L(q), for anticipated or unanticipated situations in which the public
15 health, safety, or welfare requires a transfer of water.
- 16 (6) “Grandfathered capacity” means the existing water system transfer capacity prior to 1
17 July 1993, as defined in G.S. 143-215.22L(b). The transfer capacity of a water system
18 is limited by its most restrictive system element: potable water capacity, maximum
19 transfer capacity of distribution system, or discharge capacity in receiving basin.
- 20 a. Potable water capacity is the sum of all surface water inputs to the system
21 including, water treatment plant capacity and regular surface water contracts.
- 22 b. Maximum transfer capacity of the distribution network is the calculation of the
23 physical ability of the distribution system to transmit water across a basin
24 boundary, based on pipe sizing or pump systems.
- 25 (7) Discharge capacity in the receiving basin is a combination of wastewater discharges and
26 consumptive losses. “Interbasin Transfer Certificate” or “IBT Certificate” means an
27 authorization issued by the Commission to transfer up to a specified amount of water
28 between two river basins as defined in G.S. 143-215.22G(1b).
- 29 (8) “Large community water system” means a community water system, as defined in G.S.
30 130A-313(10), that regularly serves 1,000 or more service connections or 3,000 or more
31 individuals.

(9) “Major river basin” means the combination of the river basins, as defined in 143-215.22G(1b) sharing the numerical digits preceding the hyphen.

(10) “Primary applicant” means the entity who owns an existing or planned water line used to transmit raw or finished water from one river basin to another, as defined in G.S. 143-215.22G(1b). For water systems that involve crossing multiple river basin boundaries, the primary applicant represents the transfer pipe owner where the first river basin boundary crossing occurs.

*History Note: Authority G.S 143-215.5; 143B-282(a)(2);
Eff. September 1, 1994*

History Note: Authority G.S 143-215.22L; 143B-282(a)(2)

15A NCAC 02E .0403 APPLICABILITY

(a) The amount of a transfer shall be calculated as a net total, determined by the amount of surface water moved from the source river basin to the receiving basin, minus any water returned to the source river basin.

(b) Notwithstanding the definition of “river basin” in G.S. 143- 215.22G, the following are not transfers:

(1) The discharge point is situated upstream of the withdrawal point such that the water discharged will naturally flow past the withdrawal point.

(2) The discharge point is situated downstream of the withdrawal point such that water flowing past the withdrawal point will naturally flow past the discharge point.

(3) The withdrawal and discharge points are located in the same water impoundment.

(c) The withdrawal of surface water from one river basin by one entity and the transmission of all or any part of this water between by one or more entities, resulting in a discharge to another river basin, shall be considered a transfer. The entity owning the pipe or other conveyance that carries the surface water across the basin boundary shall be responsible for obtaining an IBT Certificate from the Commission. Another entity involved in the transfer

1 may assume responsibility for obtaining the IBT Certificate, with approval by the
2 Department.

3 (d) The full capacity of a facility to transfer water shall be determined as the capacity of the
4 system's potable water capacity, maximum transfer capacity of distribution system, or
5 discharge capacity in the receiving basin, limited by the element of this system with the
6 least capacity as existing or under construction on 1 July 1993. Existing conveyances and
7 infrastructure for basin transfers in place before 1 July 1993 are deemed grandfathered, per
8 G.S. 143-215.22L(b).

9 (e) To calculate a grandfathered transfer, the applicant shall provide data regarding the
10 movement of water within and outside of the water system distribution system. The
11 applicant shall provide to the Department a current and projected water balance that
12 includes:

- 13 (1) the total withdrawal from the surface water source;
- 14 (2) the treatment capacities;
- 15 (3) the consumptive losses, meaning water withdrawn from a stream, reservoir,
16 river, or other surface water source for any use which is not directly returned
17 to a waterbody, for both the source and receiving river basins;
- 18 (4) the treated wastewater discharges in both the source and receiving river basins;
- 19 (5) the total return to the source river basin; and
- 20 (6) the total surface water transfer.

21 The applicant shall provide this information for the current or baseline year and projected
22 data for a minimum of 30-years into the future in no less than 10-year intervals. Water
23 balances are to be conducted on an annual average day basis and a maximum-month average
24 day basis. The applicant may use the Grandfathered Transfer Capacity Worksheet as a guide
25 to complete the required information to help calculate and document a system's transfer
26 capacity. A copy of the Grandfathered Transfer Capacity Worksheet can be obtained free
27 of charge from the Water Supply Planning Branch, located in the Archdale Building at 512
28 N. Salisbury Street, Raleigh, NC 27604.

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30 History Note: Authority G.S. 143-215.22G; 143-215.22L; 143B-282(a)(2)
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1 **15A NCAC 02E .0404 NOTIFICATION**

- 2 (a) As used in G.S. 143-215.22L(c)(3)(c), notification of the “governing body of any public
3 water system” refers to public water systems that use surface water as their source rather
4 than groundwater. The governing body may be located in a state adjoining North Carolina
5 that is located in whole or in part of the surface drainage basin area of the source river basin.
- 6 (b) Notice shall be provided to all persons who hold a National Pollutant Discharge Elimination
7 System (NPDES) wastewater discharge permit for 100,000 gallons per day or more for a
8 discharge located within the area denoted by one of the eight-digit cataloging units listed in
9 G.S. 143-215.22L(c)(2)(b) in which the withdrawal or discharge will occur.
- 10 (c) Comments submitted pursuant to G.S. 143-215.22L(c), (e), and (j) that are received after the
11 30-calendar day comment period shall not be considered in making determinations unless
12 the Department extends the comment period.
- 13 (d) Notification is to be printed in a single newspaper of general circulation, as defined in G.S.
14 1-597, for each county in which notification is required as defined in 143-215.22L(c)(2)(b).

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16 *History Note: Authority G.S. 143-215.22L; 143B-282(a)(2)*
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18 **15A NCAC 02E .0405 ENVIRONMENTAL DOCUMENTS**

- 19 (a) An evaluation of beneficial and adverse impacts pursuant to 143-215.22L(d)(1) (3) shall
20 include, but not be limited to, the results of an approved basinwide hydrologic model
21 specified in G.S. 143-355(o), if available. The Applicant is responsible for any necessary
22 model modifications, scenario development, and analysis of results. All model modifications
23 and scenarios must be approved by the Department. All basinwide models used shall be
24 publicly available. The corresponding modeling results shall be made publicly available.
- 25 (b) For purposes of this Rule, an alternative is considered economically infeasible if the
26 demonstrated financial costs exceed the applicants’ ability to cover the cost of the action,
27 even when considered on at least a 30-year projection.
- 28 (c) The required environmental document shall include projections of future water supply,
29 transfers, and demands with a planning horizon of at least 30 years. The current or baseline
30 year shall be determined by the Division based on available data and estimated timing of

environmental document submittal. Projections shall be conducted on 10-year increments, at a minimum.

History Note: Authority G.S. 143-215.22L; 143B-282(a)(2)

15A NCAC 02E .0406 PETITION

(a) The evaluation of impacts to reservoir water levels shall take into consideration the purposes for which the reservoir was constructed, and any mandatory management activities required to maintain the reservoir per any binding agreements between two or more parties related to such purposes.

(b) Reasonably foreseeable future water supply needs shall mean the projected water transfers necessary to meet demands for not less than 30- years from the year in which the Notice of Intent is filed in compliance with G.S. 143-215.22L(c).

(c) Unless already approved by the Division, an updated local water supply plan meeting the requirements set forth in G.S. 143-355(l) for the previous full calendar year shall be submitted to the Division for review and approval. Once approved, the plan shall be adopted by the local government, large community water system governing board, or other appropriate governing board.

History Note: Authority G.S. 143-215.22L; 143B-282(a)(2)

15A NCAC 02E .0407 SETTLEMENT/MEDIATION

The Commission may appoint a mediation officer to initiate settlement discussions. The mediation officer shall follow the most recent guidance or mediation and settlement procedures approved by the Commission.

History Note: Authority G.S. 143-215.22L; 143B-282(a)(2)

15A NCAC 02E .0408 FINAL DETERMINATION

(a) The water conservation plan shall meet all the requirements of G.S. 143-215.22L(n)(1). Any

1 proposed ordinances, initiatives, or programs shall be approved by the unit of local
2 government within 90 calendar days of issuance of the IBT Certificate to document the water
3 conservation efforts.

- 4 (1) An applicant shall review the existing water conservation measures for all public
5 water systems who utilize surface water in the source basin. Based upon this
6 review, the applicant shall demonstrate, in the water conservation plan, that their
7 existing or proposed water conservation measures equal or exceed the most
8 stringent water conservation plan by any public water system in the source basin.
9 The water conservation plan is subject to approval by the Department.
- 10 (b) Examples of metrics for supply-side water conservation measures may include:
- 11 (1) regularly conducted water system water audits, where the schedule and
12 methodology used are outlined;
13 (2) a flushing optimization plan and accounting of use by fire department;
14 (3) a leak detection program where the repair program abilities are described;
15 (4) storage tank level and pressure management;
16 (5) water meter replacement;
17 (6) metering testing schedule;
18 (7) a plan to identify failing meters; and
19 (8) details of any existing water reuse programs.
- 20 (c) Examples of metrics for demand-side water conservation measures may include:
- 21 (1) a rate pricing structure that incentivizes customers to use less water than they
22 typically do while discouraging the wasting of water;
23 (2) public outreach and education programs;
24 (3) encouraging all households to conduct simple water audits to improve individual
25 water conservation and efficiency measures;
26 (4) the use of irrigation controls, including schedule restrictions, a ban on watering
27 impervious surfaces, a separate conservation rate pricing structure, encourage the
28 use of mulch, and the use of drought tolerant plants and grass species;
29 (5) the use of water conservation irrigation devices including rain or soil moisture
30 sensors, rain barrels or cisterns to collect rainwater for outdoor irrigation;
31 (6) registration of, and accounting for, pre-arranged (bulk) potable water usage sales;

- 1 (7) separate meters for outdoor irrigation; and
- 2 (8) encouraging the installation or replacement of older, inefficient water fixtures
- 3 with more water-efficient fixtures and devices.
- 4 (d) Pursuant to G.S 143-215.22L(n)(7), the certificate shall include all current and anticipated
- 5 applicants and co-applicants. To be eligible to receive transferred water under a certificate,
- 6 any public water system not listed as the primary applicant on a certificate but is anticipated
- 7 to receive transferred water made available through a certificate at any time, present or future,
- 8 shall be identified as a co-applicant on the certificate. All water systems beyond the applicant,
- 9 that serve customers or sell transferred water in the receiving basin, shall be listed as co-
- 10 applicants in the petition document. This shall include any projected water sales that are
- 11 anticipated to occur during the planning period identified in the Petition. A modification to
- 12 the certificate shall be necessary for sales to entities not listed on the certificate.
- 13 (e) Water use in receiving basins by water systems or wholesale customers not listed as co-
- 14 applicants, or are not listed in a modification, shall be considered a violation of the terms of
- 15 the certificate and could result in the Commission rescinding the certificate. Allowable
- 16 emergency transfers as outlined in Rule .0409 of this Section are not subject to this
- 17 Paragraph.
- 18 (f) As used in 143-215.22L(m), detriment means harmful or damaging conditions not caused by
- 19 a natural condition where an entity with a Department approved water use cannot carry out
- 20 the beneficial uses for which the water use was granted.
- 21 (g) As used in 143-215.22L(k), 143-215.22L(m), and 143-215.22L(n), detrimental effects means
- 22 harmful or damaging effects to the water quality, water quantity, fish and wildlife habitat,
- 23 wastewater assimilation, navigation, electric power generation, public water supplies, and
- 24 other industrial, economic, recreational, or agricultural water supply needs within either the
- 25 source or receiving river basins due to the proposed water transfer.
- 26

27 *History Note: Authority G.S. 143-215.22L; 143B-282(a)(2)*

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29 **15A NCAC 02E .0409 EMERGENCY TRANSFERS**

- 30 (a) An emergency or temporary transfer of water may be requested in situations resulting from
- 31 unexpected events such as drought, water quality event, damage to waterlines, water

1 treatment plant failure, casualty, or other unanticipated situation. An emergency or temporary
2 transfer of water may also be requested in short-term anticipated and necessary situations
3 such as pipeline testing for capability or capacity to avoid unexpected line failures,
4 hydrostatic testing, testing the emergency connections interconnected systems, or making
5 necessary repair to service lines to avoid disruption of service. Emergency transfers shall not
6 take the place of, or be issued in lieu of, a permanent or modified transfer certificate.

7 (b) To request an emergency or temporary transfer, the applicant shall submit, either in writing,
8 or electronically, to the Department:

- 9 (1) the nature of the event that is prompting the transfer request;
10 (2) the affected river basins between which the requested emergency or temporary
11 transfer would occur;
12 (3) the estimated quantity of water to be transferred; and
13 (4) the anticipated duration of the requested emergency or temporary transfer.

14 (c) It shall be demonstrated in the request that practices and policies are in effect with the
15 purpose of reducing water usage for the duration of the approved emergency or temporary
16 transfer.

17 (d) Within 60 calendar days from the end of the approved transfer period, the transfer recipient
18 shall submit to the Department a summary report detailing the transfer event. The report shall
19 include updated information as they pertain to all of the items required in the initial request.

20 (e) In cases of an emergency where a transfer cannot be requested beforehand due to extenuating
21 circumstances, the transfer recipient shall notify the Division that the transfer has occurred
22 within 72 hours. Within 60 calendar days after the transfer is completed, the applicant shall
23 submit to the Department a summary report detailing the transfer event. the report shall be
24 submitted either in writing or electronically to the Department and shall include:

- 25 (1) the nature of the event initiating the transfer;
26 (2) the affected river basins between which the transfer occurred;
27 (3) the estimated quantity of water transferred; and
28 (4) the duration of the transfer.

29 (f) Public water systems with existing conveyances or infrastructure to conduct a transfer, but
30 do not have an IBT Certificate or grandfathered allowance, may request an emergency or
31 temporary transfer, whereby the transfer can be initiated without immediate notice should an

emergency or temporary event arise. These plans must be resubmitted to the Department for renewal every six months. The transfer may occur all at once, at a regular recurring interval, or on an irregular basis. Summary reports will be required for all emergency or temporary transfers within 60 days following any event.

History Note: Authority G.S. 143-215.22L; 143B-282(a)(2)