MEMORANDUM

To: Richard Rogers
Director, Division of Water Resources

From: Brandy Costner
Assistant Regional Supervisor, Mooresville Regional Office

Date: September 15, 2025

Subject: Hearing Officer's Report and Recommendations
Enbridge Gas North Carolina T-015 Reliability Project
Individual 401 Water Quality Certification
Person, Caswell, and Rockingham Counties

I served as the Hearing Officer for two Public Hearings held at the Piedmont Community College Person County Campus, in Roxboro, NC, on June 12, 2025, and at the Rockingham Community College Advanced Technologies Building Auditorium, in Wentworth NC on June 24, 2025. The public hearings were held under the authority of Title 15A NCAC 02H .0503. The purpose of this public hearing was to receive comments on the Division of Water Resources' 401 Water Quality Certification (401 WQC) application submitted by Enbridge Gas North Carolina (EGNC). A 401 WQC is needed to construct a proposed natural gas pipeline through Caswell, Person and Rockingham Counties.

In addition to listening to oral comments at the public hearings, I have reviewed all written comments received prior, during and after the public comment period. In preparation of this report, I have considered all of the public comments, the public record, discussions with Division of Water Resources (DWR) staff related to the rules, and their review of the applications for the project.

The report has been prepared using the following outline:

I. History / Background
II. Public Hearing Summary
III. Comments and Responses
IV. Recommendations
V. Summary

I. History / Background

On January 20, 2025, EGNC submitted an application for a 401 WQC. EGNC is proposing to construct and operate a natural gas transmission pipeline system from an interconnect location in Eden, NC, to a location on the south side of Hyco Lake in Person County.

EGNC's initial application proposed to temporarily impact 18,095 linear feet of streams, 13.603 acres of jurisdictional wetlands and 0.392 acres of a pond during the construction phase. The application proposes to permanently impact 680 linear feet of streams for the installation of permanent access roads and to permanently convert 1.4 acres of forested wetlands to herbaceous wetlands for maintenance corridors.

DWR requested and received additional information multiple times throughout the application review process:

Date	Action
February 20, 2025	Req. for Add Info (1)
March 21, 2025	Add Info Received (1)
April 17, 2025	Req. for Add Info (2)
May 12, 2025	Add Info Received (2)
July 7, 2025	Req. for Add Info (3)
July 31, 2025	Add Info Received (3)

An application addendum proposes the following modified impacts for final review:

Type of Impact	Proposed Permanent Impact Amount	Proposed Temporary Impact Amount	Mitigation Amount Required
Perennial Streams	240 linear feet (low water/ford crossings)	9520 linear feet	0 credits
Intermittent Streams	440 linear feet (low water/ford crossings)	8056 linear feet	0 credits
Riparian Wetlands	1.346 acres (conversion)	13.754 acres	0 credits
Open Waters	0 acres	0.392 acres	0 credits

Under the authority of Title 15A NCAC 02H .0503, DWR held a public comment period from May 8, 2025, until July 25, 2025, to accept public input on the application. The public comment period included two public hearings as described below.

In accordance with Title 15A NCAC 02H .0503, notice of the public hearing and availability of the application for the 401 WQC was posted on the Division's website and sent by email to the Water Quality Certification Listserv on May 8, 2025.

II. Public Hearings

Two public hearings were held on June 12, 2025, and June 24, 2025. The public hearings were held under the authority of Title 15A NCAC 02H .0503. These were public hearings for DWR to receive public comment and additional information relevant to DWR's review of the 401 WQC application submitted by EGNC.

Thirty-nine people attended the public hearing on June 12, and nineteen people attended the public hearing on June 24. As the hearing officer, I provided opening remarks, and Sue Homewood, DWR staff member, presented background information on the 401 WQC process and the proposed application. Sixteen attendees spoke at the June 12 hearing to provide comments and ten people spoke at the June 24 hearing to provide comments. Speakers were given five minutes for presentations. The list of speakers is included in the attendance lists.

The public hearing recordings are available in the Division's files. DWR also received 124 requests for multiple public hearings prior to the announcement of the 2 public hearings and an additional 72 written comments during the public comment period announced as part of the public hearing process. Some comments were submitted on behalf of multiple entities. A summary of the oral and written comments, along with detailed responses that have a direct impact on the certification decision making process, are included below in Section III.

III. Comments and Responses

The following is a summary of the comments received during both public hearings and during the public comment period. Because the comments received were numerous and similar in nature, it was possible to identify generalized areas of concern which are addressed in this report. The discussion below is intended to analyze and address all substantive comments received. All comments received are included in the Division's file which is accessible electronically. It should be noted that all the comments received outside of the public comment period were also made part of the public record.

Comment: Multiple comments were in favor of the proposed project. Specific comments were that:

- the existing pipeline needs to be upgraded to meet current safety standards and provide an essential energy supply
- EGNC can be trusted to conduct work responsibly and protect water resources and human health
- the impacts to streams and wetlands are minimal, and the project is good for the communities
- the replacement pipeline will allow Enbridge to operate safely, benefiting the entire community
- pipelines are among the safest and most environmentally friendly way of delivering the energy Americans rely upon every day and also play an important role in the state economy
- the pipeline construction will create well-paying jobs and support long-term economic growth to local communities

Response: *Comments are noted.*

Comment: Many of the comments received were related to the justification and/or need of the project. Comments relayed specific concerns that:

- the project is overbuilding gas infrastructure, and energy demand is being inflated/exaggerated
- there is no true need for this pipeline
- as far as the need to support data centers, the Southeast is bearing the burden of the nation's data needs, and data centers are unpredictable
- the pipeline is from "nowhere to nowhere," the MVP and Transco lines delivering gas to Eden are not approved yet/unknown if they will be, and Duke does not yet have infrastructure to use gas. DWR denied previous MVP 401 application for this reason and needs to treat this one consistently

Response: *While we understand the concerns expressed by the commenters, evaluation of the purpose and/or need for a given project is outside the evaluation criteria established in N.C. Administrative Code for the review of 401 Water Quality Certifications. With regards to the specific analogy between this project and the previous denial of the MVP Southgate project, the Southgate project was dependent upon the completion of the MVP Mainline project for which several necessary federal permits had been suspended and litigated, and the Federal Energy Regulatory Commission had issued a stop-work order, therefore the uncertainty of the MVP Mainline project posed a critical risk to the purpose of the MVP Southgate Project. The circumstances here are different. Section 324 of the Federal Fiscal Responsibility Act of 2023, Public Law 118-5 mandated that the Secretary of the Army issue all permits or verifications necessary to complete the Mountain Valley Pipeline. Since the passage of that statute, there have been no significant adverse court rulings against MVP Southgate that would raise substantial concerns about the likelihood of that project's completion.*

Comment: Many of the comments received were related to the health and safety of adjacent communities. Comments related specific concerns that:

- the project is impacting health and safety of the environment with no provided benefit to the area (i.e., no new jobs)
- children in nearby schools will be exposed to methane leaks, and there is no such thing as safe methane delivery
- the project targets communities of color and low-income communities
- the public is unable to review because this is not a FERC project and information is not available to the public

Response: *The Director evaluates a 401 WQC application based on six criteria including a no practical alternatives analysis, minimization of adverse impacts to surface waters, an analysis of the degradation of ground waters or surface waters, a cumulative impacts analysis, protection of downstream water quality through stormwater control measures, and replacement of existing uses through mitigation. These comments raise considerations outside the criteria upon which the Director must evaluate the application under 15A NCAC 02H .0506.*

Comment: There are many local residents using wells for drinking water, and those wells must be tested before, during and after construction and that EGNC must be held responsible for resolving any contamination.

Response: *The application has been thoroughly reviewed to ensure that all water quality standards are protected. The Division requested that the applicant address this concern and provide a drinking water well identification, monitoring and complaint resolution plan to specifically address concerns regarding adjacent residential wells. The applicant submitted the requested information on July 31, 2025.*

Comment: Many of the comments received were related to the impacts of construction activities on streams. Specific comments were that:

- construction activities will cause high turbidity, sediment and erosion

- residents know what damage construction projects can do because of recent construction of the Moriah Energy Center in Person County, which reportedly caused turbidity and degraded water quality

Response: *Under North Carolina law, EGNC is required to secure, and comply with, an approved Erosion and Sedimentation Control Permit issued by the Division of Energy and Mineral Resources (DEMLR). Compliance with the Erosion and Sediment Control Plan Approval will be enforced by DEMLR. Regardless of DEMLR's future compliance actions, DWR will maintain authority to address compliance concerns through the standard conditions included in the 401 Water Quality Certification and DWR's statutory authority to protect water quality standards. In their July 31, 2025 response to the DWR's request for additional information, EGNC reiterated that they will implement the measures required by the Sediment and Erosion Control Plan Approval in accordance with the North Carolina Erosion and Sediment Control Planning and Design Manual. Measures will be designed for a 10-year storm event except for the portion of the pipeline in Person County within one mile and draining to HQW waters where measures will be designed for a 25-year storm event.*

Comment: Many of the comments received were related to the impacts of construction activities on streams. Specific comments were that:

- DWR should consider the cumulative impact of construction within multiple streams draining to the same waterbody
- DWR should consider the cumulative impact of this project with other co-located pipelines (MVP, Transco) on the same waterbodies
- DWR should require monitoring of all streams and wetlands before, during and after construction to prove water quality standards are not exceeded

Response: *The application has been thoroughly reviewed to ensure that all water quality standards are protected. The applicant has proposed various techniques of protecting water quality during construction, such as trenchless crossing methods, isolation of the work area during installation, securing an approved Erosion Control Plan prior to construction and specific timing of construction activities at stream and wetland locations. The applicant has indicated that a dedicated environmental inspector will be present during all instream construction activities. DWR staff recommend no additional monitoring is justified prior to construction, and standard post-construction monitoring will be included in the 401 WQC.*

Comment: Some comments received were related to compliance if the application was approved. Specifically, that:

- Enbridge has a history of environmental non-compliance
- DEQ lacks resources/staff to ensure the project stays in compliance.

Response: *The applicant has indicated that a dedicated environmental inspector will be present during all instream construction activities and has provided a plan to address pollution during pipeline construction. The plan, titled:* Best Drilling Practices, Monitoring and Cleanup of Horizontal Directional Drilling Inadvertent Returns (May 2025), *provides prescriptive responses to protect water quality if an inadvertent release were to occur. Spill kits will be present at dewatering pump locations during construction. The applicant will also provide aerial and ground surveys for leakage*

during operation and implement a Spill Prevention, Control, and Countermeasure (SPCC) plan if issues are identified. These plans and commitments provide assurance that the project will be able to construct and operate in compliance with water quality standards.

Comment: Concern that application materials are not specific enough for each impact location.

Response: *The applicant has provided construction plans that describe in detail all steps and measures to be employed to protect downstream water quality during trenching activities. All areas will be dewatered during construction and immediately restored upon completion. DWR staff are satisfied with the level of detail provided within the application materials, as well as additional information that has been provided*

Comment: Methane from new gas pipelines will contribute to climate change. Request to seek renewable energy sources

Response: *While we understand the concerns expressed by the commenters, the comment is outside the evaluation criteria established in N.C. Administrative Code for the review of 401 Water Quality Certifications.*

Comment: Portions of the proposed pipeline were impacted by Tropical Storm Chantal, and DWR should gather more information, including conducting another public hearing in Caswell County about the impact of Chantal on the surface waters, before authorizing this project.

Response: *The project was noticed to the public twice, a written notice period from January 17 to February 17, and a Notice of Hearing with a comment period between May 8 and July 25. This provided the concerned public with ample time to submit comments regarding this proposed project.*

IV. Recommendations

Based on the review of public comments, the application and additional information, the North Carolina General Statutes and Administrative Code, and discussions with DWR staff, I offer the following comments and recommendations on the criteria for issuance of a 401 WQC pursuant to 15A NCAC 02H .0506(b).

(1) Has avoided and minimized impacts to surface waters and wetlands to ensure any remaining surface waters or wetlands, and any surface waters or wetlands downstream, continue to support existing uses during and after project completion."

EGNC has designed the proposed project such that it minimizes impacts to surface waters and wetlands to a practical extent. Permanent impacts proposed to streams and wetlands are limited to roads for equipment accesses. Crossings of the Dan River, an adjacent unnamed tributary to the Dan River, and Stoney Creek Reservoir will be conducted using horizontal directional drilling (HDD) to avoid open trenching. Five additional streams will be crossed using Conventional Boring methods to avoid sensitive aquatic ecosystems, and 26 additional streams will be crossed using Conventional Boring methods to comply with the Jordan Lake Buffer Rules. The magnitude of the temporary impacts is significant considering the size and scope of the project, but consistent with other large linear projects constructed throughout the state. The project design demonstrated minimization by proposing a narrower construction corridor when crossing wetlands, streams and buffered areas. Temporary impacts to stream and wetland areas will be restored to the original contours and revegetated with native plants in accordance with a restoration plan. Upon successful completion of the restoration and monitoring activities, the streams and wetland impact areas will continue to support existing uses of hydrology, vegetation, and aquatic and wildlife habitat.

The applicant has committed to several best management practices to avoid and minimize impacts to streams and wetlands.

- Demarcation of wetland boundaries with flagging and signs prior to start of construction
- Use of temporary work bridges, matting and pads to reduce the risk of soil compaction
- Trench backfilling using native material to prevent soil contamination and to accelerate revegetation
- A 25-foot buffer will be established along streambanks and wetlands within which grubbing or belowground vegetation removal will not occur until the commencement of pipeline construction.
- Installing trench breakers or plugs at the boundaries of wetlands to prevent draining of wetlands
- Pump-out activities in the work area will be routed through an energy dissipation/sediment filtration device prior to discharging to waterbodies
- Use of trenchless methods (conventional boring or horizontal directional drill (HDD) for large stream crossings and/or those with sensitive aquatic species
- Coordination with resource agencies: US Fish and Wildlife Service (USFWS) and the North Carolina Wildlife Resource Commission (NCWRC) to identify sensitive species, potential survey locations and time of year restrictions.

Recommendation:

The applicant has sufficiently demonstrated that impacts to surface waters and wetlands are required due to spatial considerations, natural features and the purpose of the project. The 401 WQC should require:

1) *monitoring of temporary impact areas in accordance with the proposed restoration and monitoring plan;*
2) *continued coordination with resource agencies and adherence to survey requests and time of year restrictions;*
3) *a condition that requires a preconstruction meeting with the permittee prior to incurring any project impacts.*

(2) Would not cause or contribute to a violation of water quality standards

The main risk to surface and groundwater from the project will be during construction activities. These risks include sedimentation and turbidity in surface waters, breaches of drilling fluids during HDD, and spills of petroleum products and hydraulic fluids from fueling and equipment maintenance. In addition, some commenters raised concerns regarding impacts to drinking water wells from activities associated with the pipeline installation and from possible contamination due to pipeline leaks during operation.

The applicant has committed to working in the dry for all stream and wetland crossings. Proper erosion and sedimentation control measures will be required for the entire project in accordance with an Erosion and Sediment Control Plan Approval from DEMLR. All temporary fill placed in surface waters related to construction of the pipeline will be removed once installation of the pipeline is completed at the crossing. The stream banks or wetlands will be restored to the original contours and revegetated with a native seed mix to prevent erosion.

The applicant has conducted a desktop review and route alignment civil surveying to identify all known drinking water wells and private water supply springs within 250 feet of the construction workspaces. The applicant proposes to contact property owners via certified mail and request permission to conduct pre and post water quantity and water quality testing of each well prior to construction. These tests will provide a baseline of groundwater quality and quantity against which to measure any construction-related impacts. Should the applicant receive a complaint regarding damage to well water quality or quantity, the applicant has established a complaint resolution process which includes proposed restoration remedies.

Operation of the pipeline is not expected to have adverse effects on surface waters and groundwater.

***Recommendation**:*

The project is not expected to violate water quality standards if the certification is issued and if the conditions in the 401 Water Quality Certification are fully complied with by the applicant (or its successor). The 401 WQC should also be contingent on the issuance of an Erosion and Sediment Control Plan Approval issued by DEMLR. The applicant has agreed to conduct pre-construction water quality testing for drinking water wells within 250 feet of the pipeline construction corridor. The 401 WQC should be conditioned to require EGNC to comply with their proposed Water Resources Identification and Testing Plan submitted on July 31, 2025. Should post-construction testing indicate that well water quality or quantity has been impacted by the construction, EGNC should be required to initiate their complaint resolution process and provide temporary water

supplies, and/or a new water treatment system or well. An independent, qualified groundwater specialist should determine whether an impact has occurred or not.

The 401 WQC should also require a pre-construction meeting with the construction contractors, EGNC staff, and DWR staff to review the conditions and requirements of the 401 certification and permits for clarity and understanding.

(3) would result in secondary or cumulative impacts that cause or contribute to, or will cause or contribute to, a violation of water quality standards.

The proposed project for the most part will consist of temporary water quality impacts from the installation of the pipeline. These impacts could include sedimentation and temporary disturbance of aquatic and riparian habitat during construction. Limited permanent impacts will occur in streams and wetlands from project activities. The impacts will be reduced through avoidance and mitigation efforts, erosion and sedimentation control and stormwater best management practices (BMPs), and spill prevention, control, and countermeasure practices.

In accordance with DWR's 401 Water Quality Certification Cumulative Impact Policy, the applicant completed a qualitative analysis and determined that there was no potential for secondary growth as a result of the proposed project other than from short term temporary (construction) impacts.

***Recommendation**:*

In accordance with DWR's 401 Water Quality Certification Cumulative Impact Policy the project is not expected to result in cumulative impacts that violate water quality standards, if the conditions in the 401 WQC are fully implemented by the applicant (or its successor).

(4) Provides for replacement of existing uses through mitigation.

DWR requires mitigation [15A NCAC 02H .0506(h)] at a minimum of a 1:1 ratio for loss of existing functions within perennial streams where impacts total above 300 linear feet and at a minimum of a 1:1 ratio for loss of existing functions within wetland impacts where impacts total equal to or greater than .10 acre. The project proposes that all permanent impacts to streams will be for low water crossings (fords) which will not constitute a loss of function and therefore will not require mitigation by DWR. All permanent impacts to wetland will be for conversion from forested wetland to herbaceous wetland which will not constitute a loss of function and therefore will not require mitigation by DWR.

***Recommendation**:*

No mitigation is required for stream or wetland impacts as a result of the proposed project. The 401 WQC should be conditioned to include language requiring mitigation should the project changes or otherwise result in permanent impacts that exceed mitigation thresholds.

V. Summary

Public comments received during the public hearings and public notice comment period focused on several major areas, including the degradation of water quality, project justification, concerns for human health, sedimentation and erosion control, the permitting process, and ground and surface water supply protection. Due to the number of public comments, many of which expressed concerns on the same issues, each comment is not addressed individually. Rather, the comments were categorized into major subject areas where responses and recommendations

could be presented in a coherent manner. A detailed compilation of all the comments received is presented in Appendix E. Only comments that have direct relevance to the 401 Water Quality Certification decisions have been addressed in the recommendations (Section IV).

As stated above, a thorough review of all public comments received, and the project record has been conducted and evaluated in context of all pertinent statutes and regulations governing the review of 401 Water Quality Certification applications. Based on all of this information, it is my recommendation that the 401 Water Quality Certification be issued and subject to the conditions included in the recommendations in Section IV. It is further recommended that DWR include any additional conditions necessary to ensure that the project will meet state water quality standards.