



Concord/Kannapolis Interbasin Transfer (IBT) Update

Mountain Island Lake Marine Commission

July 5, 2006



The “Preferred Alternative” of taking 48 mgd from the Catawba and Yadkin-Pee Dee is:

- The **most consumptive** - requests more water than any other alternative
- **Excessive**-One of the largest interbasin transfer requests in the history or either North or South Carolina under current laws
- The **most expensive** - calls for acquisition of more property, construction of more water lines, pump stations and treatment facilities than any other alternative
- The **most detrimental to the environment** - has the most direct primary impacts and indirect secondary impacts to more land and water than any other alternative

Con/Kan Alternatives-Water Use Consumption

The Draft Environmental Impact Statement (EIS) provided the following Maximum Daily Demand usage calculations

- Alt 1: 28 mgd from Catawba River
- Alt 2: 38 mgd from Yadkin-Pee Dee
- Alt 3: 24 mgd from Yadkin-Pee Dee
- Preferred Alternative: 48 mgd
 - 38 mgd from Catawba; 10 mgd from Yadkin-Pee Dee
- Alt 4A: 22 mgd from the Rocky River
- Alt 4B: 24 mgd from Lake Norman with a return of 24 mgd to McAlpine Creek
- No Action alternative

Conclusion: Preferred alternative (48 MGD)
is the most consumptive.

How does the Con/Kan IBT compare to other IBT requests in NC?

IBT Certificates currently in process	MGD	Rivers Impacted
Kerr Lake Regional Water System	10 mgd	Roanoke to Tar
Union County	18 mgd	Catawba to Rocky
Cary/Apex	24 mgd	Haw to Neuse
Randleman Lake Project	30.5 mgd	Deep to Haw, Yadkin
Charlotte Mecklenburg Utilities	33 mgd	Catawba to Rocky
Concord/Kannapolis	48 mgd	Catawba and Yadkin/Pee Dee to Rocky

“Requested Action” Page 3 Concord/Kannapolis IBT Petition:

“The associated maximum day IBT would be up to 38 MGD from the Catawba Basin and up to 10 MGD from the Yadkin-Pee Dee Basin”

Conclusion: When compared to other IBT's the Con/Kan request is **Excessive**

Con/Kan IBT Alternatives-Expenses

The Final Environmental Impact Statement (EIS) provided the following Expense calculations:

● Alt 1	Lake Norman	\$86.5 M
● Alt 2	Badin Lake	\$116.3 M
● Alt 3	High Rock	\$80.4 M
● Preferred Alt	Norman/Badin	\$138.7 M
● Alt 4A	Rocky	\$93.4 M
● Alt 4B	Catawba	\$107.7 M

Conclusion: preferred alternative is the **most expensive** alternative

Policy Implications and Context of the Concord/Kannapolis IBT

- Excessive when compared to other IBT's
- The first of many additional IBT's coming
- Average Annual Withdrawal Rates vs Actual Use
- Drought Implications
- Petition/Final EIS unreliable
- Petition/final EIS incomplete
- Petition/final EIS has not met the standard of law
- Political reaction-local and bi-state
- Mandate on growth in NC

The first of many additional IBT's projected to occur in the future:

1. Union County
2. Lenoir
3. Newton
4. Mooresville-new connector across Hwy 150
5. Lugoff-Elgin

Policy Implication: If this one is granted, more IBT's will follow.

Average Annual Water Use vs Actual Water Use-CMU

“The FERC authorization for Mountain Island Lake also places a limit on the annual average daily combined withdrawals from Norman and Mountain Island Lake of 163 mgd.”

“For calendar year 2005, our annual average daily water consumption was 105.5 mgd and our highest single day was 156.9 mgd.”

-Barry Gullet, Charlotte Mecklenburg Utility Dept

CMU-Actual Water Use Source: Charlotte Observer June 7, 2006

January 2006	≈2.7 Billion gallons	Winter
February 2006	≈ 2.5 Billion gallons	Winter
March 2006	≈ 3.0 Billion gallons	Spring
April 2006	≈ 3.4 Billion gallons	Spring
May 2006	≈ 3.8 Billion gallons	Spring
June 2005	≈ 3.4 Billion gallons	Summer
July 2005	≈ 3.7 Billion gallons	Summer
August 2005	≈ 3.6 Billion gallons	Summer
September 2005	≈ 4.1 Billion gallons	Fall
October 2005	≈3.7 Billion gallons	Fall
November 2005	≈3.3 Billion gallons	Fall
December 2005	≈2.8 Billion gallons	Winter

Concord/Kannapolis's Actual Use

- Requested a maximum of up to 38 mgd from Catawba with an average use of 22 mgd
- **Actual use** may result in the permanent removal of **860 million gallons** of water per month during the summer/early fall months
- Summer/early fall are also the lowest inflow months when water use is at its highest

Context: Actual use during critical times of the year is much higher than average use



NCAA TOURNAMENT 2006 WOMEN'S FINAL

TERPS WIN IN OT

GAME COVERAGE IN SPORTS

Diet drinks: Are they safe?

NEW ASPARTAME STUDY | 11A



The Charlotte Observer

WEDNESDAY, APRIL 5, 2006

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INSIDE

Inside | 3A

Couric jumping to CBS anchor

Katie Couric, the popular 15-year veteran of the "Today Show," may be on the verge of quitting to take the anchor job for "CBS Evening News." Couric, 49, would be the first woman to be named as a sole host of a network evening newscast.



be on the verge of quitting to take the anchor job for "CBS

Nation | 6A

Hurricane season prediction for '06

Two hurricane specialists confirm we're headed for another busy hurricane season. We'll have 17 named storms, predict authors of the annual Colorado State University Tropical Meteorology Project. That's fewer than last year's record-setting numbers of 27, but still high compared

CHARLOTTE WATER | Praying for Rain

Drought fears grow after parched winter

Water flowing to lakes seen dropping quickly

BY DÁNICA COTO
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A moderate drought creeping across the Charlotte region could worsen by this summer, and concerned local officials already are monitoring water levels.

Heavy thunderstorms Monday brought little relief.

"We expect January, February, March and April to fill up all the lakes," said Donna Lisenby, Catawba Riverkeeper. "That's our rainy season."

It's been anything but.

From January to March, it was supposed to rain almost 12 inches. So far, it's rained almost 6 inches. And it won't get better, said meteorologist Scott Krentz with the National Weather Service in Greer, S.C.

In the next three months, it'll rain 33 percent to 40 percent be-



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A Lake Norman dock near Mooresville crosses about 30 feet of sand before reaching water. At full pond the sand is covered.

low normal, he said.

"There's a bull's-eye in the Southeast," regarding the drought, Krentz said.

About a week ago, officials with the U.S. Drought Monitor of North Carolina placed Mecklenburg and surrounding counties on a moderate drought advisory.

Northeastern counties are under a severe drought advisory.

The dry winter was likely caused by La Niña condition in the eastern Pacific Ocean, meteorologists say. SEE RAIN | 13A

NEWS YOU CAN USE

13A | Ways to conserve water.



U.S. Seasonal Drought Outlook

STREAM FLOW

1 LINVILLE RIVER

Mother said she's to blame for fire

Blaze at home killed her 2 kids

Midland woman admitted responsibility, search warrants say

BY VICTORIA CHERRIE
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A Midland mother has admitted responsibility for the Jan. 10 fire that killed her two children, according to search warrants obtained by the Observer.

In an interview with investigators, one warrant says, Lisa Louise Greene "admitted re-

the fire, the warrant says.

Daniel Macemore, 10, and his sister, Addison, 8, died from carbon monoxide poisoning and smoke inhalation, according to autopsy reports released Monday. Both had trace amounts of diphenhydramine, often sold as Benadryl, in their blood.

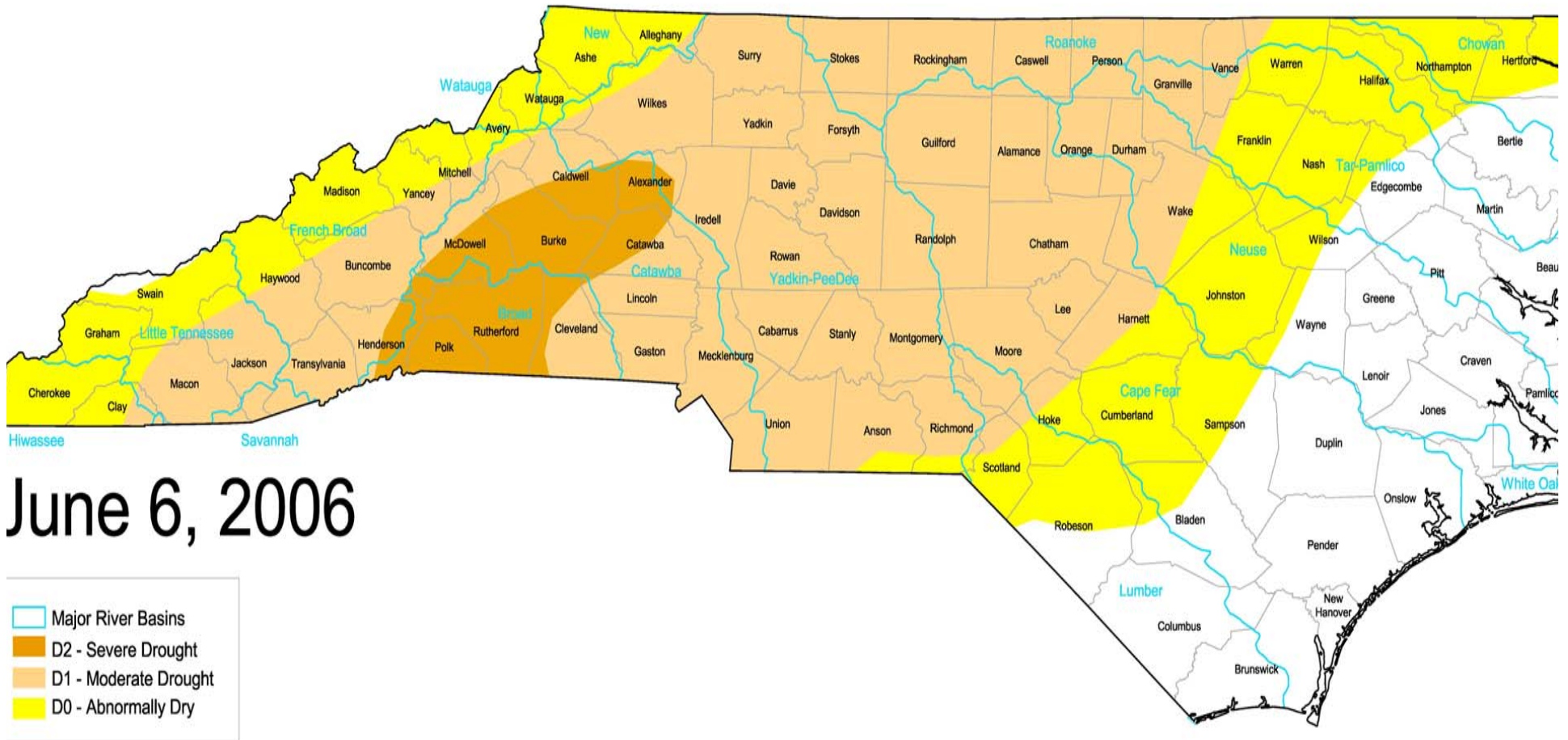
The autopsies also revealed further details about the crime scene.

According to the search war-



Greene

U.S. Drought Monitor of North Carolina



Drought Impacts Then and Now

- Last drought occurred 1998-2002
 - lasted 5 yrs
- More water withdrawals since then
 - Statesville: 12 mgd IBT
 - Per capita residential water use increasing (more irrigation)
- April-LIP Stage 0 declared
- May-LIP Stage 1 declared
- The Catawba basin is nearly 10 inches below average rainfall

Now it takes only three months of low rainfall to trigger Water Restrictions

Policy Implication: Short-term drought conditions now have an impact on current water users. It used to take a 5 year drought to see an impact, now it only takes three months of drought to see an impact on water levels and water providers.

The Catawba has reached its threshold for sustainable use.

It is not sustainable to keep increasing Interbasin Transfers (permanent removal of water) from a river that is impacted after just three months of low rainfall.

The Modeling in the Final EIS is unreliable.

In 2007, FERC will consider a new Duke Power license that will include:

- new minimum lake levels,
- continuous flows,
- aquatic flows,
- recreation flows,
- water user flows
- Low inflow protocol

These additional flows and operational requirements have not been approved by FERC.

All the water quantity modeling results reported in the Final EIS were based on speculative license conditions proposed by stakeholders. Neither SCDHEC nor the USFWS have agreed to the proposed conditions. The conditions could change.

None of the new flows, lake levels nor the Low Inflow Protocol will be approved by FERC until 2008 at the earliest. FERC could change everything, therefore none of the modeling results are reliable.

Division of Water Resources (DWR) modeling results

- The next slide depicts one of the only two Catawba Basin modeling results that the DWR presented to the EMC in early May.
- The next slide shows that with the Con/Kan IBT, the Low Inflow Protocol (LIP) Stage 1 is triggered 9 months earlier than without the IBT.
- A few days after these modeling results were made public, Senator Dan Clodfelter introduced amendments to NC's IBT Statute.
- Senator Coldfleter's IBT amendments have been widely supported by most Catawba Basin legislators—from Mitch Gillepsie up in McDowell County down to Senator Forrester in Gaston County
- Now suddenly after standing before the EMC and saying how confident they were in their modeling, the Division of Water Resources is now saying that the modeling data they published in the Final EIS and presented to the EMC are wrong
- The Division of Water Resources has done some new and improved modeling runs. These new runs now show the Concord/Kannapolis IBT keeps lakes higher and doesn't trigger drought conditions as often.
- No official word on whether the DWR will issue a formal retraction of their previous modeling results and attempt to replace them with these new results.
- No official word yet on whether the EMC plans to notify the public about the new and improved modeling results

Elevation During Dry Years @ Lake Norman

ERROR RIDDEN modeling results published in the Final Environmental Impact Statement and presented to the EMC by the Division of Water Resources in May

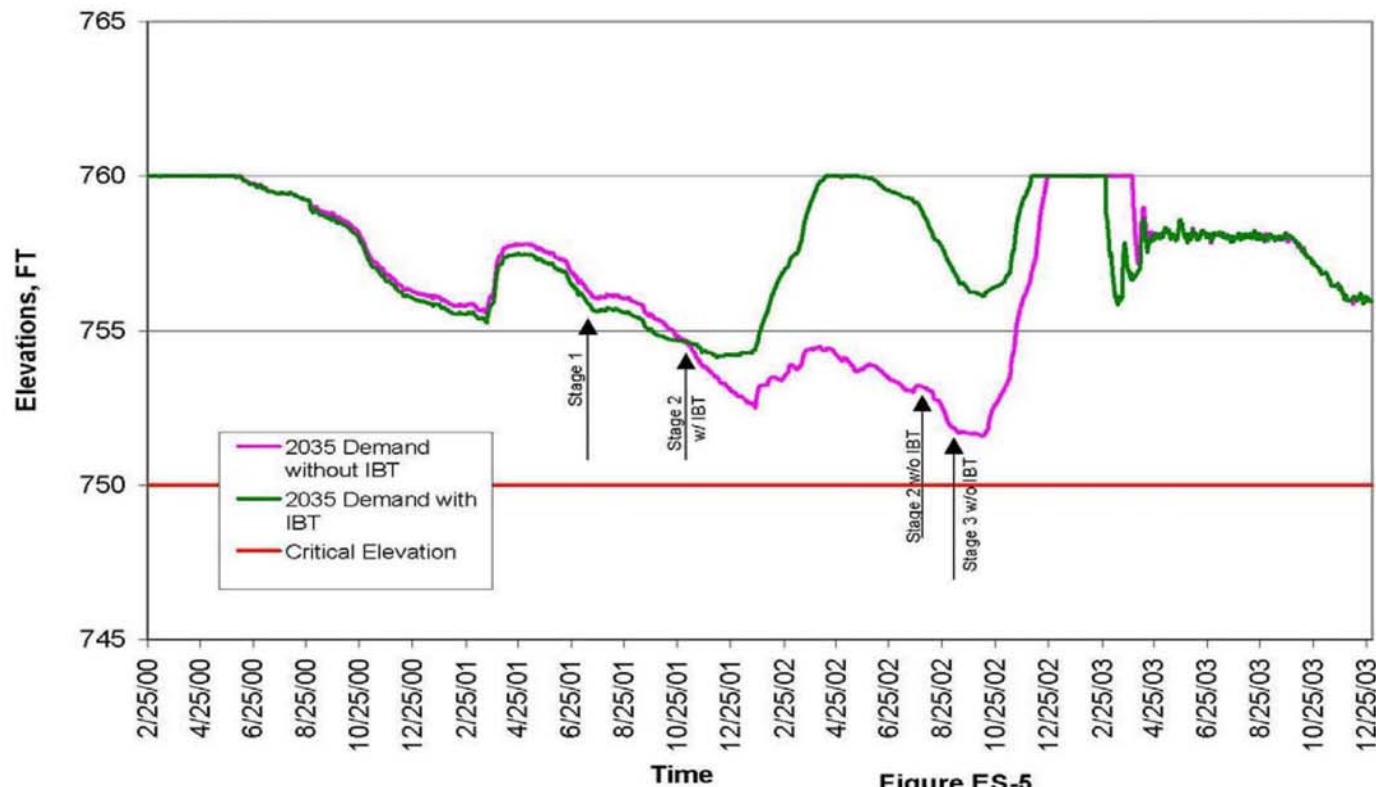


Figure ES-5
Comparison of Cowan Ford (Lake Norman)
Elevations Showing the Impacts of LIP

Concord/Kannapolis IBT Environmental Impact Statement

Legal Context: Does the petition meet the standard of law?

NC Interbasin Transfer Law NCGS § 143-215-22I

- Enacted July 15, 1993
- Intent was to make sure IBT decisions were made only after careful study and full disclosure of impacts to all communities in the impacted river basins
- Acknowledges that IBT's have detrimental impacts on the source river and requires full disclosure of the "detrimental effects"
- >2 mgd must get a certificate from EMC
- Contains mandatory requirements that must be in the IBT petition:

"(c)... The petition *shall* be in writing and *shall* include the following:"

IBT Petition Requirements from NCGS § 143-215-22I

- “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.”
- “A description of the proposed uses of the water to be transferred...”
- “The present and reasonably foreseeable future detrimental effects on the source river basin, including present and future effects on:”

IBT Petition Requirements

NCGSA § 143-215-22I

- “public, industrial and agricultural water supply needs,”
- “wastewater assimilation,”
- “water quality,”
- “fish and wildlife habitat,”
- “hydroelectric power generation,”
- “navigation and recreation.”

Does the petition meet the standard of law? Is it complete?

IBT Statute Requirement	Con/Kan Petition	Con/Kan DEIS	Con/Kan Final EIS
Facility/Infrastructure Description	No	No	No, data not complete*
Water Uses	Yes	Yes	Yes
Conservation Measures	Yes	Yes	Yes
Water Supply Effects	No	No	No, data not complete or accurate-unreliable
Wastewater Assimilation	No	No	No
Water Quality Impacts	No	No	No
Fish and Wildlife Impacts	No	No	No, data not complete
Hydro-generation Impacts	No	No	No, data not complete
Navigation and Recreation Impacts	No	No	No

*“Location(s) of specific infrastructure projects and potential impacts are speculative at this time.” Con/Kan Final EIS-page ES-1

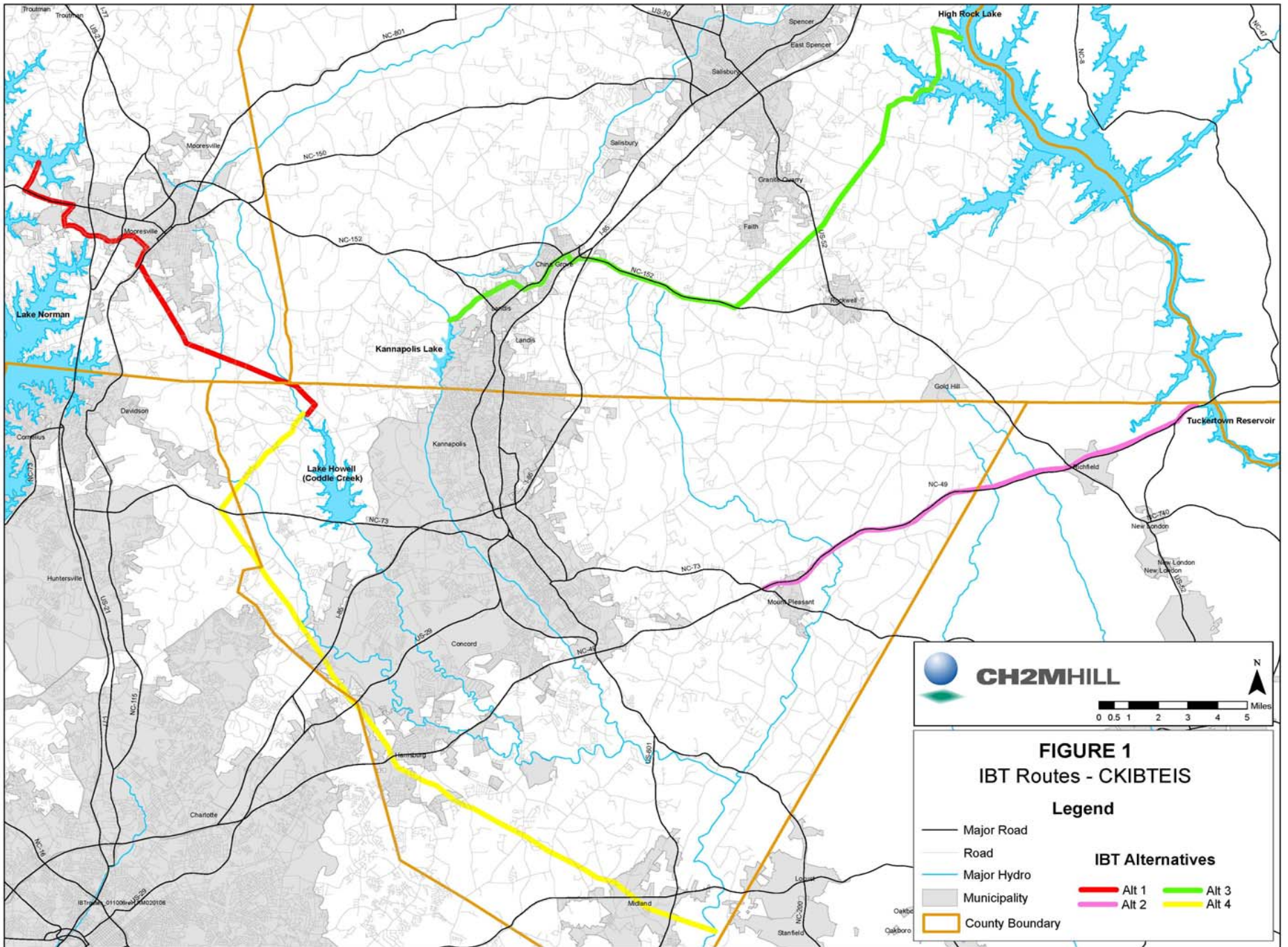


FIGURE 1
IBT Routes - CKIBTEIS

Legend

- Major Road
 - Road
 - Major Hydro
 - Municipality
 - County Boundary
- IBT Alternatives**
- Alt 1
 - Alt 2
 - Alt 3
 - Alt 4

Conclusions - Legal:

- Petition and final EIS are incomplete
 - Public comment section does not include the complete record of public comments made by Catawba Basin residents.
 - The comments and resolutions from the Marine Commissions, the South Carolina General Assembly, Caldwell County, Lincoln County, Gaston County, Belmont, Mount Holly, York County, Chester County, Lancaster County, Kershaw County, Fairfield County, Camden and Rock Hill are missing. EMC members are not being given all the information and comments received by the Division of Water Resources Staff
- Final EIS is inaccurate
 - Division of Water Resources admitted last week that there are errors in the modeling results published in the final EIS
 - Decision on whether corrected modeling results will be made public and whether the comment period will be extended not made public yet
- Petition and final EIS does not meet the legal requirements set forth by law

Policy Implications:

Interbasin Transfer law creates a level playing field for everyone.

If this applicant is granted an IBT certificate after submitting incomplete, inaccurate information then what precedent does that set for the next 5 IBT petitions?

Is it good public policy to let legal standards be ignored?

Is it good public policy to have a variable standard for IBT applications to be met or not met at the discretion of EMC members?

Political context-local and bi-state

IBT Opposition Status Report

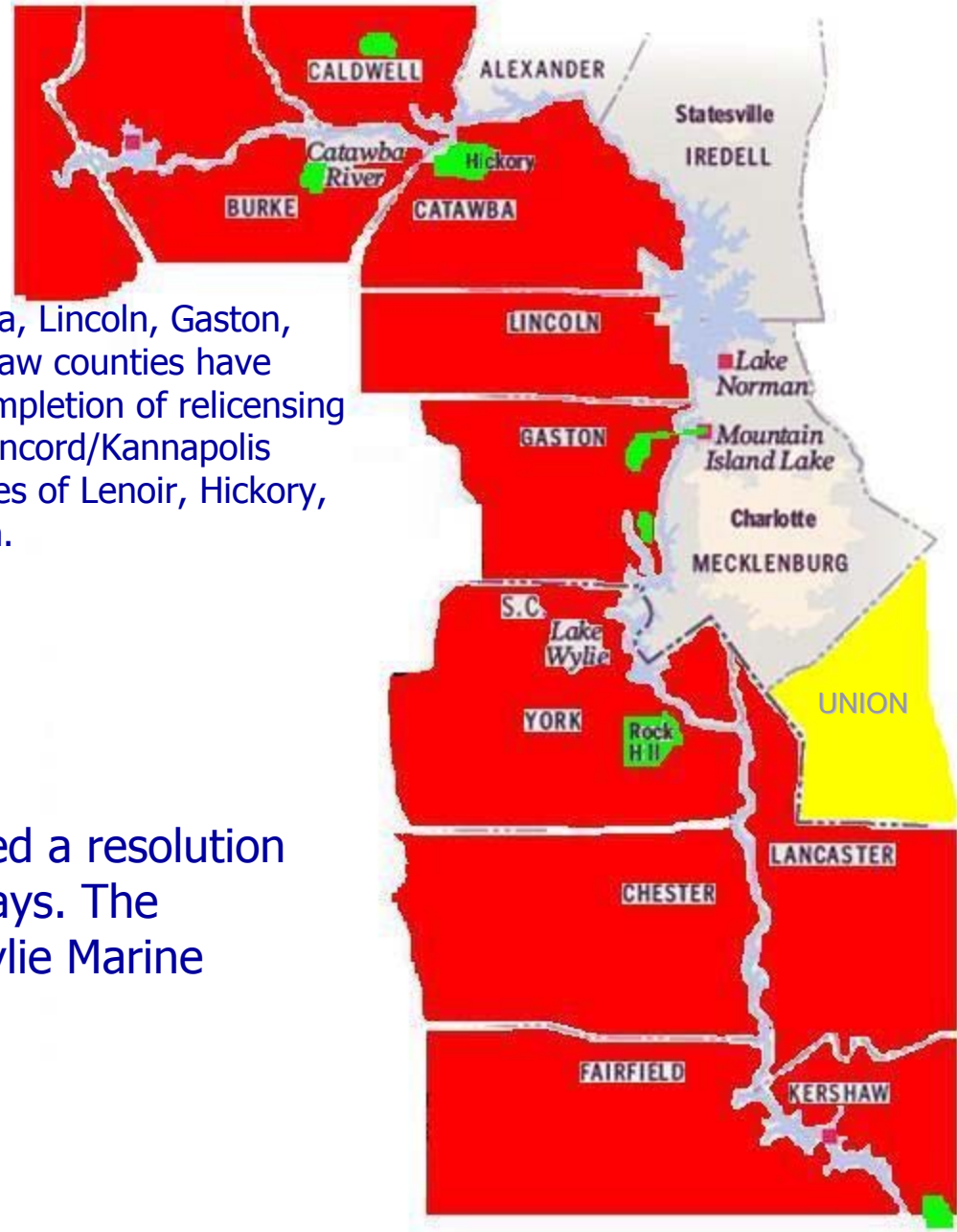
Red-Process complete, action taken

Results - McDowell, Burke, Caldwell, Catawba, Lincoln, Gaston, York, Lancaster, Chester, Fairfield and Kershaw counties have expressed concern, requested delay until completion of relicensing or passed resolutions in opposition to the Concord/Kannapolis Interbasin Transfer request. So have the cities of Lenoir, Hickory, Mount Holly, Belmont, Rock Hill and Camden.

Yellow-Action pending.

Gray-Presentation in process.

The SC General Assembly passed a resolution opposing the Con/Kan IBT in 18 days. The Mountain Island Lake and Lake Wylie Marine Commissions are also opposed.



Con/Kan IBT Backlash in NC

Because the Con/Kan IBT is so excessive, the most consumptive and the petition is incomplete and inaccurate legislators from the Catawba Basin have proposed:

- New amendments to the NC IBT Statute
 - Gives local governments more of a participatory role in the IBT process
 - Tries to prohibit over-allocation of NC's rivers beyond their capacity to provide water ("safe yield")
 - Caps IBT's at no more than 5%

Mandate on growth mgt in NC

- When a community depletes their own local water resources beyond their capacity to support growth will NC's public policy decision encourage them to control growth or will our policy reward wasteful, consumptive out of control growth by giving them access to a neighbor's water resources and allow that community to accelerate depletion of their neighbors water resources?
- Will we grant IBT after IBT until all NC's rivers are depleted?
- Or will we insist that communities live within the means of the local natural resources?
- Should Catawba River water be used to irrigate petunia's at the strip malls and big boxes in Concord and Kannapolis?
- Or would we all be better served if NC moved from the "first come, first served" water policy of the past to a water allocation policy based on "safe yield" and collaboration?

Mountain Island Marine Commission

The Catawba Riverkeeper Foundation respectfully asks if you will please :

- Join Lincoln, Gaston, York, Chester and Lancaster Counties, your regional stewardship partners of the Catawba River by sending a message to the EMC that it serves no interest to grant IBT certificates based on incomplete and inaccurate information
- Join the 17 other counties and cities in the Catawba Basin by encouraging the EMC to make better long term public policy decisions for how water resources are shared in NC
- Join the SC General Assembly in opposition to the Concord/Kannapolis IBT
- Insist that all IBT applications for Catawba River water meet the minimum requirements set forth by NC law
- Be a good steward of the Catawba River and join all the others who have analyzed the public policy implications of this Concord/Kannapolis IBT and concluded that is not sustainable and does not serve our community in the long run.



Thanks to all Catawba Riverkeeper
Foundation members for their ongoing
commitment and financial support.
You make presentations like this possible.