2009-2010

ENVIRONMENTAL REVIEW COMMISSION

MINUTES

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ENVIRONMENTAL REVIEW COMMISSION

Thursday, January 15, 2009, 9:30 a.m.

Room 643, Legislative Office Building

The Environmental Review Commission (ERC) met Thursday, Jan 15, 2009 at 9:30 a.m. in Room 643 of the Legislative Office Building. Co-Chair Representative Pryor Gibson presided. ***(SEE ATTACHMENT: Members and Guests Attending.)***

There being no introductory remarks from any Co-Chair, Commission Counsel George Givens gave run down of the day's agenda and other pertinent information. He said that the ERC would meet again on January 22. That meeting, he said would close out the reports of the 2008-2009 interim period. Mr. Givens said that the ERC would likely meet again during the early part of the upcoming Session of the General Assembly. As to this meeting, he said that Members' packets would contain the various reports. The staff planning meeting for this meeting and the January 22nd meeting took place on January 6th. By way of a preview of the next meeting, he said that there would be a report on the Stanley County-ALCOA issue, which continues with staff and attorneys involvement. Mr. Givens said there would be additional reports on Water Allocation which would lead to legislation for the 2009 Session. Other items which had been deferred to that time include a status report the Stanly County-ALCOA issue, which has staff and attorneys for both sides involved. At the January 22nd meeting there would be additional information provided on the Disclosure of Coastal Hazardous Waste, Sedimentation Pollution, Parks and Recreation, Land Conservation, and Air Quality.

Before the presentations, Co-Chair Gibson urged ERC members to pay close attention to the 90 or so reports the ERC would receive. Furthermore, any Member who had an idea for legislation should contact staff as soon as possible. Mr. Givens followed by saying that the staff needed to meet with the Co-Chairs on possible legislation. The filing deadline for the Session is earlier than usual, thus there should be very few public bills to be put forth.

Additional matters include:

- The new Secretary of DENR, Mr. Dee Freeman has been invited to meet with the ERC.
- Consideration of the minutes for the December 18, 2008 will be carried over until the January 22nd meeting.

EMC Quarterly Report

This is the first report given by the new Chairman of the Environmental Management Commission (EMC), Mr. Stephen Smith. The report covers the EMC work from October 1, 2008 until December 31 of the year. (***SEE ATTACHMENT: EMC Oct-Dec. Quarterly Report.)***

Mr. Smith began with a history of the Jordan Lake Rules passed by the EMC. The process began in order to bring Jordan Lake into compliance with the Clean Water Act and reduce the nitrogen and phosphorous levels in the Lake, and comply with State statutes enacted in 1997 and 2005 to form permit rules for reservoirs. The Jordan Lake Rules cover the watershed, which begins near Greensboro and continues to Chapel Hill along the Haw River.

The rule production began with public comments in 2006. Sixty-four organizations provided information and compromises and modifications, which formed a draft in 2007. After the draft report, the hearing officers conducted three public hearings and heard comments. Many of the considerations addressed concerns from local governments. The Attorney General's Office participated with a determination that the EMC does have authority to make these rules. The results are to be presented to the ERC.

The EMC has passed rules concerning heavy duty truck idling. This restriction says that a heavy duty truck can idle no more than five minutes in 60 minute period. After a federal court vacated the Clean Air Interstate rule, which prompted serious criticism, the Court remanded the action. Thus, EPA was given two years to propose regulations, but Mr. Smith said that it was not clear if that was from the time of the order or two years after a draft was available. Meanwhile, he said temporary rules did not apply.

For new or expanding swine farms, the EMC has rules following the 2007 Statute. Then following petition from the Riverkeeper's Association, the EMC began a process to re-classify an intake point on the lower Cape Fear. The Lower Cape Fear Water and Sewer authority wanted the re-classification to allow the intake for potable water. This would serve the Smithfield Plant. This was prompted by a number of polluted wells in the area.

Various buffers, mitigation, and other controls have been put in place for the Goose Creek Watershed in the Yadkin-Wateree Basin. This action is to protect and federally recognized endangered species of freshwater heel splitter mussels.

During questions, Senator Bingham asked about the nutrients going into the Lake Jordan water shed. How much comes from agriculture and how much from development? Mr. Smith said he could provide the information to the ERC. Mr. Smith said that a lot of the land in the watershed that might be considered agricultural was property awaiting development. This was supported by a representative of the Department of Agriculture and Consumer Services.

Senator Kinnaird asked how much pollution could have been avoided in the lake if development had not been allowed? There was no conjecture on an answer. Mr. Smith said that while Jordan Lake was conceived for flood protection and recreation, if such a plan was devised now it would be considered for water supply.

ERC members followed with a brief discussion of the heel splitter mussel and the species value as a water filter organism.

Waste Water Discharge Elimination Annual Report

Mr. Walter Haven from the Division of Environmental Health of the Department of Environment and Natural Resources (DENR) presented the information on the program, called **WaDE** for short. ***(SEE ATTACHMENT: Waste Water Discharge Elimination.)*** The program began under 1996 legislation to identify failing waste water discharge systems, usually straight pipe elimination operations from residential homes. Funding comes from State appropriations and grants. The program is concentrated in the western part of the State out of the Asheville regional office. The focus is on public health and environmental issues.

WaDE deals with "gray water," which is discharged from kitchen sinks, washing machines, etc. "Black water" is discharged from commodes. With straight pipe discharge there is no use of a septic system. There is a manager for the program and an environmental senior health specialist, both of whom are full-time employees paid through appropriations. Three part-time employees are used on an as-needed basis and are paid through grants. Success of the program relies on a large amount of coordination with counties in the area.

Investigation of potential problems depends on watershed surveys. The watershed in this case may be as large as some given land area or a smaller area such as a subdivision. Complaints may come to the county from citizens or may be generated by the county itself. Investigation involves door to door canvassing of areas to obtain permission to examine the system. Dyes are used to track sources.

Many of the incidents involve a homeowner who cannot afford to fix the problem. When the owner lacks financial resources grants are used to assist the effort even to the point of installing an entire system. Many times volunteers are used to help install systems. Some of these volunteers are members of church groups, which come to western North Carolina each year to provide the needed labor to correct the problems.

Since 1998 when the program began to operate fully, 13,000 homes have been inspected, 1,800 violations have been found and 944 repairs have been made. There is a lag time between violations being sited and corrections due to labor needs, material needs etc.

In the last year, 200 homes were inspected. 115 violations were noted and 63 systems were repaired. Much of the volunteer work is used as hand labor, since mechanical equipment is not available usually.

In addition to using the dye system technique, a septic tank camera may be used to check the direction of pipelines to the source and the integrity of the piping. Other technology uses GPS and GIS tracking methods.

Responding to a question from Senator Kinnaird concerning possible use of interns to work in the program, Mr. Haven said that the part-time people currently being used are retired county sanitarians, but interns could be a possible source for some work.

During the discussion, Mr. Haven said the WaDE program usually dealt with homeowners, rather than people who were renting from landlords who failed to provide the proper services for the tenants. Furthermore, he said that he would provide numerical information concerning the prevalence of outhouses in the area. He also said that the majority of the systems concerned were in financially depressed areas. There are standards for installing outhouses. Mr. Haven said some State parks used outhouse systems.

Senator Bingham noted that mountainous terrain was difficult for waste system installation, but community treatment systems or spray fields have been used. Mr. Haven said that the work thus far had involved only individual septic systems.

Senator Kinnaird asked if composting toilets were approved for use could they be used? Mr. Haven said that would be an option, but would composting toilets would not deal with "gray water" discharges.

Mr. Haven indicated that the work of the program involves existing home locations, not new construction.

Previous Year Fish Kills

Mr. Mark Hale from the Division of Water Quality of DENR, brought the report for 2008. ***(SEE ATTACHMENT: 2008 FISH KILLS.)*** The program began in 1996. In 2008 there were 61 fish kills accounting for deaths of 7.5 million fish. This includes kills in both fresh and estuarine waters. The kills occurred in eight of the 17 river basins. Most of the fish kills were in the Tar-Pamlico or Neuse River estuaries. Both of these areas have been the major trouble spots since the creation of the program in 1996. Over half of the events and 92% of the mortality took place in these two basins. Most all of the kills were caused by oxygen depletion. Fish kills caused by spills usually come from sewage or chemical spills from a plant.

Mr. Hale said that the total number of fish kills and mortality peaked in 2001 through 2003 and then dropped. However, in 2008 both the number of fish kills and mortality had spiked

and was the highest since the program began. Forty-four species were affected by the kills. In estuarine waters the most common species affected were Menhaden, Spot and Flounder. In freshwater Sunfish, Shad, and Largemouth Bass were the most affected. Of the 13 events in 2008, over 50,000 fish were killed; over half of these in one event in the Pamlico River.

Drought conditions in 2007 lasted into the winter of 2008, thus no recovery was experienced. Salt water intrusion continued, dissolved oxygen levels persisted and water stratification occurred. Other weather conditions such as wind, rising temperatures had further negative impacts. Following a question from Senator Bingham, Mr. Hale explained water stratification deals with water temperature differences surface to bottom. In the shallow waters of North Carolina estuaries, these differences can change quickly due to weather factors leading to endangering the aquatic life.

Mr. Hale concluded by saying that fish kills could be tracked using Google Earth. The fish kill site was updated weekly between May and October.

Senator Kinnaird asked if development along the Intracoastal Waterway (ICW) contributed significantly to the dangers of fish in the areas. Mr. Hale said there was no doubt that human activity played a role, but it was difficult to measure the extent. He said that date from the 1930s showed fish kills occurred in these same waters. Senator Kinnaird noted that water treatment methods have improved since the 1930s. She asked if there was a method of development measures in place in areas like the ICW similar to the Coastal Area Management Act (CAMA). Co-Chair Gibson said that usually these developments involved local, State and sometimes federal regulations.

Senator Bingham asked how severe a weather event might be to trigger a fish kill? Mr. Hale said it could be a heavy rain or even high wind, which could churn the waters and since these waters are shallow and do not flush well, the dissolved oxygen would become a factor.

HAZARDOUS WASTE REPORTS

Annual Hazardous Waste Management Plan

Ms. Elizabeth Cannon, Chief of the Hazardous Waste Section of DENR provided the report. ***(SEE ATTACHMENT: Hazardous Waste Management Plan.)*** The annual report also included the annual report on the Implementation of the Resident Inspectors' Program at commercial hazardous waste facilities.

Ms. Cannon's figures were based on 2007. In that year, the 450 largest generators of hazardous waste created 100,000 tons. This is a slight increase in the amount. However, she said that hazardous waste creation seemed to track the economic trends: when the economy trend was down, waste creation also goes down and vice versa. She said that she expected waste

creation to show a decline in the 2009-2010 measures. There are 1900 small generators of such waste, but these are not measured.

The program had oversight of 31,000 gallons of hazardous waste and 667 tons of non-liquid hazardous waste, which resulted in protection of over 3,000 people, most of whom are workers at the generation sites.

In terms of permits, of the 109 sites targeted as high priority, 46% had cleanup remedies completed to protect soil and groundwater and 41% had a structure in place for the needed cleanup. The goal is to have all sites complete with proper structures and process in place by 2020.

In a school chemical cleanout program, the Division oversaw the removal of 3,500 unneeded and out-dated chemicals from high school chemistry labs. Additionally, 500 teachers from across the State have attended workshops on chemical management, green chemistry and microchemistry: using smaller amounts of chemicals in classes.

In response to the **Governor's Hazardous Material Task Force** following the 2006 fire at a hazardous waste site in Apex, Ms. Cannon said that work had been completed in terms of coordination with local response efforts, off-site storage methods, information to nearby residents, and round the clock security and these were in the rule-making stage. Regulations for material transfer, sensitive land use requirements and financial assurance requirements rules were not in place.

Ms. Cannon said there were 35 Hazardous Waste Transfer Sites the Division was directed to examine. She said that these sites were using protective management practices for environmental and worker safety. However, there was no universal set of standards for these safety needs. These are sites, which store materials for no more than ten days before transfer. The Division has recommended written records tracking the materials coming in and going out, site security with particular rules for final containment when a site is closed, annual notification of status, but no financial assurances since DOT already requires this for transporters.

Annual Report on Resident Inspectors Program

This program has been operating for 17 years and covers the commercial hazardous treatment and disposal facilities. In 2007 through 2008, the ten facilities in the State were inspected 469 times. These operations handled about 25,000 tons per year, which is a slight drop. Again, Ms. Cannon said the drop would follow economic trends. She said the largest site, in Reidsville is no longer receiving waste for disposal/treatment and had become a 10-day transfer site.

Annual Report on Mercury Minimization

This program implements removal of automobile mercury switches usually found under the hood or in the trunk. In the first year, July 07 through June 2008, 33,610 switches were removed and shipped to be recycled; totaling 40 pounds of mercury removed from the environment. North Carolina had set a goal of reaching 90% of the national goal, but the North Carolina program has achieved 139% of the national standard. Between July and December of 2008, 16,000 switches have been removed, ranking North Carolina 5th in the country for the number of switches removed.

Co-Chair Representative Allen asked if the Environmental Stewardship Program was working. This is a cooperative venture with the Department of Commerce and DENR. Mr. Jerry Hunt from the Division of Pollution Prevention and Environmental Assistance of DENR said that the program was working and that recently **Corning** in Hickory had joined. Mr. Hunt said companies were being rewarded for compliance and working toward hazardous waste reduction.

Annual Report on Inactive Hazardous Waste Sites

Ms. Charlotte Jesneck, Head of the Inactive Hazardous Waste Section of DENR noted that the enabling legislative required an annual report and that House Bill 2436 from the 2008 Session required site specific information to the Members of the General Assembly. ***(SEE ATTACHMENT: Annual Report of Inactive Hazardous Waste Sites. SITE SPECIFIC INFORMATION IS ON THE SECTION'S WEB SITE DUE TO VOLUME.)***

Of the 2,972 inactive sites in the State, 442 require no further action. Another 669 sites are old landfills that were used prior to permit requirements. These sites had to be located and identified. The majority of these have schools, residences with drinking water wells either on site or in closed proximity. Groundwater contamination is expected in these areas. In addition other potential hazards come from methane and materials migrating through the soils.

Senate Bill 1492, which was passed in 2007, sets up a disposal tax to deal with assessments and mitigation of the sites. The bill became law in 2008 and the first proceeds should be realized in February 2009.

There are 1,900 non-landfill open cases. Of those, 169 are undergoing responsible party cleanup operations under direction of staff. Various assessments, bankruptcy claims, implementation, sampling and investigation efforts continue. Ms. Jesneck said that about 18 new sites are located each month.

The **Inactive Hazardous Waste Sites Program** has no regular source of funding, however, $400,000 was obtained from the **Dry Cleaning Solvent Cleanup Act** for so-called "orphan sites." Most of this money will be used for providing water service for locations with contaminated wells.

Ms. Jesneck told Senator Kinnaird that the report could be provided on a county break-out for sites.

Representative Harrison asked about using **Bernard Allen Funds** for the water service needs. Ms. Jesneck said those funds could be used, but that some local governments did not want to participate in extending water lines and the Fund required a cost-sharing arrangement with local governments.

Noting that the $400,000 had been transferred from the Dry Cleaning Solvent Cleanup Act, Co-Chair Gibson said it was not good to take funds from the dedicated tax programs such as the dry cleaning tax, scrap tire tax, white goods tax, etc. and move that money for other programs. The Co-Chair told Representative Tucker that the transfer had been made by the Appropriations Committees. After Co-Chair Gibson promised to introduce legislation to stop such "raiding" of these funds, Representative Allen agreed to support. The Co-Chair applauded the efforts presented by Ms. Jesneck particularly with not direct fund. He went on to say that the "tipping fee" was dedicated to cleaning up the 67 orphan sites.

Commission Counsel Givens noted that the North Carolina Constitution required the Governor to balance the budget and this had been taken as leave to make such funds transfers. At the same time another provision said tax proceeds should only be used for the purpose directed. In a suit over **Title V Federal Air Quality** funds, the State was forced to pay that money back when it was transferred to another purpose.

The Co-Chair asked that staff and DENR representatives provide ERC members with briefs of the environmental litigation the State was involved in before the next meeting of the ERC.

Annual Report on Brownfields Reuse

Mr. Bruce Nicholson, Brownfields Program Manager of Division of Waste Management of DENR, said his report provided good news. ***(SEE ATTACHMENT: Brownfields Property Reuse Act.)*** Mr. Nicholson said 24 reuse agreements had been signed between Oct. 1, 2007 and Sept. 30, 2008. That brings the total agreements to 131 and a $4 billion private investment for the program; $1 billion in this past year.

Mr. Nicholson said this resulted in revenue for the State and local governments and for job creation. While there are some federal funds through the EPA, there are no State funds expended.

In response to Senator Kinnaird, Mr. Nicholson said the cleanup efforts often used funds from various cleanup projects, i.e. dry cleaning funds, etc. At other times, the re-developer might invest in the cleanup themselves or make arrangements with the party responsible for the polluted site.

North Carolina received $2.7 million on EPA grants to local governments in the past year. The Brownfields program joined with the Rural Center to sponsor two workshops aimed at providing information for local governments on how to obtain federal grants and other funds.

With potential redevelopment efforts outstripping staff availability, the Program has begun a fast track approach, which allows an applicant to pay a larger fee to avoid the waiting list. The normal fee of $5,500 is increased to $30,000. A compliance structure is in place to assure the necessary steps are followed by the redevelopers.

Responding to Senator Bingham's inquiry, Mr. Nicholson said that some re-developers could seek a permit on a site with little or no data on the possible pollution. The prospective developer will make the assessment. If there is no earlier date, Mr. Nicholson said the Program would require the site be made safe, with such things as suitable groundwater.

Representative Allen had some questions about a site in western North Carolina where a DuPont Plant had closed. This was not a Brownfield Site, and Mr. Dexter Matthews said he would brief her on the site.

Annual Report on Dry-Cleaning Solvent Cleanup Act

Mr. Jonathan Powers, Head of the Dry-Cleaning Cleanup Program, Division of Waste Management of DENR, said that the origin of the Program was two-fold: clean up existing sites and provide a structure to prevent other site contamination. ***(SEE ATTACHMENT: Dry Cleaning Solvent Cleanup Report.)***

There are at least 275 contaminated dry cleaning sites in the state, 200 are in the Program. Risk-Based Rules, i.e. clean up and close out goals, were put into effect in 2007. This brought an increase in activity in the program. Three sites have been closed; another nine sites should be closed by the end of the fiscal year. Clean water has been provided to those with contaminated water supplies; usually through the extension of water lines.

The Program considers vapor intrusion a major problem and soil excavation and other measures have been undertaken to allow other businesses to move into former sites. In prevention and identification, Mr. Powers said there is an estimated 1,500 contaminated new sites in the State and only about 20% have been identified and included in the Program. A portion of the funding provided is being used for this identification effort.

SOLID WASTE REPORTS

Mr. Paul Crissman, Chief of the Solid Waste Section of the Division of Waste Management of DENR, provided the ERC with findings of the report based on the various statutory requirements. ***(SEE ATTACHMENTS: Annual Solid Waste Management Report)***

Mr. Crissman said that waste will continue to be a dynamic activity in the State given the growing population. The large scale activity of waste handling requires that some waste is sent out of State. Other locations are seeking sites in North Carolina to accept that waste. As he put it, garbage is "not recession proof". Mr. Crissman said that the first year of the disposal tax will be reflected in the disposal rates. The presentation included slides of the percentage of changes in landfill acceptance and the capacity of landfills.

Next Meeting

The next meeting of the ERC is scheduled for Thursday, January 22, 2009 in Room 544 of the Legislative Office Building.

Minutes by Ted Harrison

General Assembly of North Carolina

Environmental Review Commission
State Legislative Building
Raleigh, North Carolina

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SENATOR DANIEL G. CLODFELTER

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REPRESENTATIVE PRYOR A. GIBSON

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REPRESENTATIVE LARRY W. WOMBLE

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COMMISSION ASSISTANT

JESSICA BENNETT
COMMISSION CLERK

AGENDA

9:30 a.m. Thursday 15 January 2009
Room 643 Legislative Office Building
Raleigh, North Carolina

1. Call to order
   Representative Pryor A. Gibson, Presiding

2. Introductory remarks by Cochairs *(5 minutes)*.
   Representative Pryor A. Gibson
   Senator Charles W. Albertson
   Representative Lucy T. Allen
   Senator Daniel G. Clodfelter

3. Report to the Commission and explanation of agenda items *(15 minutes)*
   George F. Givens, Commission Counsel

   Approval of the minutes for the 18 December 2008 meeting of the Commission.

4. Quarterly report by the Environmental Management Commission (EMC) as to its operations, activities, programs, and progress for the period of 1 October 2008 through 31 December 2008 (G.S. 143B-282(b)) *(30 minutes)*
   Stephen T. Smith, Chairman
   Environmental Management Commission

5. Annual report on the Wastewater Discharge Elimination Program (S.L. 2001-452, Sec. 2.9) *(15 minutes)*

   Walter "Walt" T. Haven, Head
   Private Water Supply Branch, On-site Water Protection Section,
   Division of Environmental Health
   Department of Environment and Natural Resources (DENR)

6. Annual report on fish kills in the previous year (G.S. 143B-279.7 (c)) *(10 minutes)*

   Mark T. Hale, Senior Environmental Specialist
   Environmental Sciences Section
   Division of Water Quality, DENR

Hazardous Waste Reports

7. Annual report on the North Carolina Hazardous Waste Management Plan (G.S. 130A-294(i))

   Annual report on implementation of the Resident Inspectors Program at commercial hazardous waste facilities (G.S. 130A-295.02(m))

   Annual report on the mercury minimization plan (G.S. 130A-310.57, Sec. 7) *(15 minutes)*

   Elizabeth W. Cannon, Chief
   Hazardous Waste Section
   Division of Waste Management (DWM), DENR

8. Annual report on the Inactive Hazardous Sites Program (G.S. 130A-310.10) *(10 minutes)*

   Charlotte Jesneck, Head
   Inactive Hazardous Sites Branch, Superfund Section
   DWM, DENR

9. Annual report on the effectiveness of the Brownfields Property Reuse Act (G.S. 130A-310.40) *(10 minutes)*

   Bruce Nicholson, Brownfields Program Manager
   DWM, DENR

10. Annual report on the Dry-Cleaning Solvent Cleanup Act of 1997 (G.S. 143-215.104U) *(10 minutes)*

    Jonathan A. Powers, Head
    Special Remediation Branch, Superfund Section
    DWM, DENR

Solid Waste Reports

11. Presentation of the findings of the annual solid waste management report (G.S. 130A-309.12(c), G.S. 130A-309.06(c)(6), G.S. 130A-309.06(c)(8), G.S. 130A-309.06(c)(9), G.S. 130A-309.06(c)(10), G.S. 130A-309.06(c)(11), G.S. 130A-309.06(c)(12), G.S. 130A-309.06(c)(13), G.S. 130A-309.63(e), G.S. 130A-309.85, G.S. 136-28.8(g), G.S. 143-58.2(f))

    Discussion of issues related to the use of plastic bags (S.L. 2008-181, Sec. 6.9) and recycling program for fluorescent lamps (S.L. 2008-181, Sec. 6.11) *(40 minutes)*

    Paul S. Crissman, Chief
    Solid Waste Section
    Division of Waste Management, DENR

    Scott B. Mouw, Chief
    Community and Business Assistance Section
    Division of Pollution Prevention and Environmental Assistance, DENR

12. Commission discussion and announcements

13. Adjourn

SCHEDULE OF FUTURE MEETINGS:

The next meeting of the Environmental Review Commission is scheduled for **Thursday 22 January 2009 in Room 544 of the Legislative Office Building in Raleigh**.

The Commission may meet while the General Assembly is in session (G.S. 120-70.44). When the Commission meets while the General Assembly is in session, notice will be given at a session of the Senate and House of Representatives as provided by G.S. 143-318.12(b) and will be distributed by email to the email notice distribution list, if possible. Notice will not be provided by first-class mail. The Commission will resume a schedule of regular monthly meetings following adjournment of the 2009 Session of the General Assembly.

ADDITIONAL INFORMATION:

Persons having questions about the Commission meeting or other matters related to the Commission may contact Commission Counsel or other Commission staff at (919) 733-2578 or may visit the Commission's website at http://www.ncleg.net/gascripts/DocumentSites/browseDocSite.asp?nID=12

General Assembly of North Carolina

Environmental Review Commission
State Legislative Building
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COMMISSION CLERK

14 January 2009

TO: Members of the Environmental Review Commission
Interested Parties

FROM: George F. Givens, Commission Counsel
Jessica Bennett, Commission Clerk

RE: **Reminder of Commission Meetings (two meetings)**
Additional Information

COMMISSION MEETINGS:

The Environmental Review Commission (Commission) will meet at 9:30 a.m. Thursday 15 January 2009 in Room 643 of the Legislative Office Building (LOB) in Raleigh AND at 9:30 a.m. Thursday 22 January 2009 in Room 544 LOB. A tentative agenda for each meeting follows. Please note that these tentative agenda are subject to revision.

Subject to revision, the agenda for the 15 January meeting will consist of:

1) Quarterly report by the Environmental Management Commission (EMC) as to its operations, activities, programs, and progress for the period of 1 October 2008 through 31 December 2008 (G.S. 143B-282(b)).

2) Annual report on the Wastewater Discharge Elimination Program (S.L. 2001-452, Sec. 2.9).

3) Annual report on fish kills in the previous year (G.S. 143B-279.7 (c)).

4) Annual report on the North Carolina Hazardous Waste Management Plan (G.S. 130A-294(i)).

5) Annual report on implementation of the Resident Inspectors Program at commercial hazardous waste facilities (G.S. 130A-295.02(m)).

6) Annual report on the mercury minimization plan (G.S. 130A-310.57, Sec. 7).

7) Annual report on the Inactive Hazardous Sites Program (G.S. 130A-310.10).

8) Annual report on the effectiveness of the Brownfields Property Reuse Act (G.S. 130A-310.40).

9) Annual report on the Dry-Cleaning Solvent Cleanup Act of 1997 (G.S. 143-215.104U).

10) Presentation of the findings of the annual solid waste management report (G.S. 130A-309.12(c), G.S. 130A-309.06(c)(6), G.S. 130A-309.06(c)(8), G.S. 130A-309.06(c)(9), G.S. 130A-309.06(c)(10), G.S. 130A-309.06(c)(11), G.S. 130A-309.06(c)(12), G.S. 130A-309.06(c)(13), G.S. 130A-309.63(e), G.S. 130A-309.85, G.S. 136-28.8(g), G.S. 143-58.2(f)).

11) Discussion of issues related to the use of plastic bags (S.L. 2008-181, Sec. 6.9) and recycling program for fluorescent lamps (S.L. 2008-181, Sec. 6.11).

Subject to revision, the agenda for the 22 January meeting will consist of:

1) Presentation of the Final Report of the Water Allocation Study (S.L. 2007-518, Sec. 1.(a) as amended by S.L. 2008-10) and issues related to increasing water supply and reservoir construction (S.L. 2008-143, Sec. 6).

2) Discussion of issues related to discussion of issues related to disclosure of coastal hazards in coastal real estate transactions (S.L. 2008-181, Sec. 6.6).

3) Annual report on implementation of the Sedimentation Pollution Control Act of 1973 (G.S. 113A-67).

4) Annual report on North Carolina Natural Heritage Trust Fund Award Report, Fiscal Year 2007-2008 (G.S. 113-77.9(e)).

5) Parks and Recreation Trust Fund Annual Report, Fiscal Year 2007-2008 (G.S. 113-44.15(c)).

6) Implementation of the Clean Water Management Trust Fund (G.S. 113A-257).

7) Annual report on progress towards attaining the State's goal of protecting one million acres of farmland, open space, and conservation lands (G.S. 113A-241(c)).

8) Annual report on implementation of the Conservation Easements Program and inventory of all conservation easements held by DENR (G.S. 113A-235(c)).

9) Annual report on North Carolina Development and Farmland Preservation Trust Fund Committee's activities (S.L. 2007-495, Sec. 23).

10) Annual report on the desirability of requiring and the feasibility of obtaining reductions in emissions of NOx and SO_2 beyond those required by the Clean Smokestacks Act (S.L. 2002-4, Sec. 11).

11) Discussion of the Auto Mobile Safety and Emissions Inspection Program.

12) Discussion of Clean Air Reductions Emissions Program.

ADDITIONAL INFORMATION:

If you have questions related to the Commission, please feel free to contact the Commission Counsel or other Commission staff at (919) 733-2578.

General Assembly of North Carolina

Environmental Review Commission
State Legislative Building
Raleigh, North Carolina

CO-CHAIRS
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JENNIFER R. F. MUNDT
COMMISSION ANALYST

MARIAH B. MATHESON
COMMISSION ASSISTANT

JESSICA BENNETT
COMMISSION CLERK

5 January 2009

TO: Members of the Environmental Review Commission
Interested Parties

FROM: George F. Givens, Commission Counsel
Jessica Bennett, Commission Clerk

RE: **Notice of Change of Meeting Time**

The Environmental Review Commission **Planning Meeting** will meet at **10:30 a.m. Tuesday 6 January 2009 in Room 605 of the Legislative Building in Raleigh. PLEASE NOTE THE TIME CHANGE.**

Persons having questions about the Commission meeting or other matters related to the Commission may contact Commission Counsel or other Commission staff at (919) 733-2578 or may visit the Commission's website at http://www.ncleg.net/gascripts/DocumentSites/browseDocSite.asp?nID=12

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MARIAH B. MATHESON
COMMISSION ASSISTANT

JESSICA BENNETT
COMMISSION CLERK

23 December 2008

TO: Members of the Environmental Review Commission
Interested Parties

FROM: George F. Givens, Commission Counsel
Jessica Bennett, Commission Clerk

RE: **Notice of Commission Meeting**
Notice of Planning Meeting
Schedule of Future Meetings
Meetings of Interested Parties (605 Working Groups)
Additional Information

COMMISSION MEETING:

The Environmental Review Commission (Commission) will meet at 9:30 a.m. Thursday 15 January 2009 in Room 643 of the Legislative Building in Raleigh.

At this meeting, the Commission will begin or continue studies for which the Commission is responsible, hear reports from State agencies, discuss topics to be considered at future meetings, and attend to other matters. Listed below are potential agenda topics for this meeting and for future meetings. More specific information regarding the agenda for the 18 December meeting of the Commission will be developed at the public staff planning meeting described below. Commission staff may publish a revised notice/draft agenda following the public staff planning meeting if circumstances permit.

STUDIES Listed below are topics that the Commission has been specifically authorized or directed by the General Assembly to study during the current legislative interim. (The specific legislative authorization or directive is set out in parentheses.) The list also includes other study topics and issues. (The general powers and duties of the Commission are set out in Article 12D of Chapter 120 of the General Statutes.) The Commission Counsel will, as circumstances permit, discuss the plans for and progress of the study of these topics, including the formation of "605" working groups, at the public staff planning meeting described below.

1) Allocation of surface water resources and their availability and maintenance in the State, including issues related to the transfer of water from one river basin to another, the withdrawal of water for consumptive use, and the accuracy and tolerance of equipment used to measure the flow of water transferred from one river basin to another river basin. (S.L. 2007-518, Sec. 1.(a)

as amended by S.L. 2008-10) Issues related to increasing water supply and reservoir construction. (S.L. 2008-143, Sec. 6)

2) Preparation of a revised map entitled "Major River Basins and Sub-basins in North Carolina" as a recommended replacement for the map referenced in G.S. 143-215.22G. The revised map shall define the extent to which any river basin that encompasses any river that flows from another state into North Carolina or that flows from North Carolina into another state extends into an adjacent state. (S.L. 2007-518, Sec. 1.(b)) Determine whether the definition of "river basin" set out in G.S. 143-215.22G should be revised. (S.L. 2007-518, Sec. 1.(b) as amended by S.L. 2008-125, Sec. 2)

3) The costs and benefits of the adoption of the California motor vehicle emissions standards in this State. (S.L. 2008-181, Sec. 6.2)

4) The feasibility of implementing a stormwater management program without requiring the issuance of a State permit prior to construction. (S.L. 2008-181, Sec. 6.3)

5) The desirability of abolishing the existing environmental regulatory commissions and replacing them with a new, full time environmental regulatory commission modeled on the Utilities Commission. (S.L. 2008-181, Sec. 6.4)

6) Methods for implementing a State level permitting system and siting requirements for commercial scale wind energy systems. (S.L. 2008-181, Sec. 6.5)

7) Issues related to disclosure of coastal hazards. (S.L. 2008-181, Sec. 6.6)

8) A date certain for the phase-out of hog lagoons. (S.L. 2008-181, Sec. 6.7)

9) The protection of conservation land from eminent domain. (S.L. 2008-181, Sec. 6.8)

10) Issues related to the use of plastic bags. (S.L. 2008-181, Sec. 6.9)

11) A ban on toxic brominated fire retardants (in consultation with the Child Fatality Task Force). (S.L. 2008-181, Sec. 6.10)

12) Issues related to a recycling program for fluorescent lamps. (S.L. 2008-181, Sec. 6.11)

13) The impacts on the State of the potential issuance of a new 50-year license by the Federal Energy Regulatory Commission to Alcoa Power Generating, Inc. (S.L. 2008-137, Secs. 1 and 2)

14) Alternative methods of disposing of treated wastewater.

15) Other topics carried over from, or not undertaken, in previous interims and other matters that have been referred to the Commission.

REPORTS Listed below are periodic and other reports that are due to be received by the Commission as of the meeting of the Commission described in this Notice (whether or not the report has been received). Reports received by the Commission may be scheduled for presentation at the meeting of the Commission described in this Notice, held for presentation at a future meeting of the Commission, or distributed to members and staff of the Commission as "read-only reports." All reports are included in the records of the Commission and, to the extent possible, are posted on the Commission's website. (Where appropriate and available, citations to the legislation that authorizes or requires the report is set out in parentheses.) *(Report due dates are set out italics in parentheses.)* The Commission Counsel and staff will solicit recommendations as to whether and when a report should be scheduled for presentation to the Commission or designated "read-only" and, in most cases, will make an initial determination at the public staff planning meeting described below.

General/Miscellaneous:

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Environmental Review Commission
State Legislative Building
Raleigh, North Carolina

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COMMISSION ASSISTANT

JESSICA BENNETT
COMMISSION CLERK

15 January 2009

MEMORANDUM

To: Members of the Environmental Review Commission
From: Mariah Matheson, Commission Assistant
Re: Disposition of Reports and Other Information Received by the Commission

The following reports and other information have been submitted to the Commission since the last reports distribution on 18 December 2008. These reports are distributed, held, or otherwise accounted for as follows:

A. The following report has been submitted by the Environmental Management Commission (EMC) and is being distributed in connection with today's agenda as follows:

1) Quarterly report by the EMC as to its operations, activities, programs, and progress during the previous quarter, 15 January 2009. Statutory Authority: G.S. 143B-282(b). ***Agenda Item #4***

B. The following reports have been submitted by the Department of Environment and Natural Resources (DENR) and are being distributed in connection with today's agenda as follows:

2) Annual report on the Wastewater Discharge Elimination Program. 15 October 2008. Authority: S.L. 2001-452, Sec. 2.9. ***Agenda Item #5***

3) Annual report on fish kills in the previous year. 1 December 2008. Statutory Authority: G.S. 143B-279.7 (c). ***Agenda Item #6***

4) Annual report on the North Carolina Hazardous Waste Management Plan. 1 October 2008. Statutory Authority: G.S. 130A-294(i). ***Agenda Item #7***

5) Annual report on implementation of the Resident Inspectors Program at commercial hazardous waste facilities. 1 October 2008. Statutory Authority: G.S. 130A-295.02(m). ***Agenda Item #7***

6) Annual report on the Mercury Minimization Plan. 1 October 2008. Statutory Authority: G.S. 130A-310.57, Sec. 7. ***Agenda Item #7***

7) Annual report on the Inactive Hazardous Sites Program. 1 October 2008. Statutory Authority: G.S. 130A-310.10. ***Agenda Item #8***

8) Annual report on the Effectiveness of the Brownfields Property Reuse Act. 1 October 2008. Statutory Authority: G.S. 130A-310.40. ***Agenda Item #9***

9) Annual report on the Dry-Cleaning Solvent Cleanup Act of 1997. 1 October 2008. Statutory Authority: G.S. 143-215.104U. ***Agenda Item #10***

10) Annual Solid Waste Management report. 15 January 2009. Statutory Authority: G.S. 130A-309.12(c), G.S. 130A-309.06(c)(6), G.S. 130A-309.06(c)(8), G.S. 130A-309.06(c)(9), G.S. 130A-309.06(c)(10), G.S. 130A-309.06(c)(11), G.S. 130A-309.06(c)(12), G.S. 130A-309.06(c)(13), G.S. 130A-309.63(e), G.S. 130A-309.85, G.S. 136-28.8(g), G.S. 143-58.2(f). ***Agenda Item #11***

C. The following reports have been submitted by DENR and are being held for distribution in connection with agenda items at a future meeting of the Commission:

11) Annual report on the desirability of requiring and the feasibility of obtaining reductions in emissions of NOx and SO_2 beyond those required by the Clean Smokestacks Act. 1 September 2008. Authority: S.L. 2002-4, Sec. 11.

12) Annual report on the activities and allocations from the Parks and Recreation Trust Fund from the prior fiscal year. 1 October 2008. Statutory Authority: G.S. 113-44.15(c).

13) Implementation of the Ecosystem Enhancement Program and use of the Ecosystem Enhancement Fund, including inventory of property and easements. 1 November 2008. Statutory Authority: G.S. 143-214.13.

14) Annual report on progress towards attaining the State's goal of protecting one million acres of farmland, open space, and conservation lands. 1 October 2008. Statutory Authority: G.S. 113A-241(c)).

Please contact George Givens, Jeff Hudson, Jennifer McGinnis, Jennifer Mundt, or Mariah Matheson at (919) 733-2578 if you have any questions or comments.

N.C. Wastewater Discharge Elimination Program

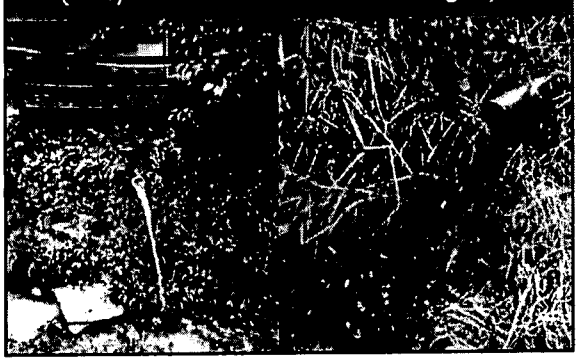
2008 Annual Report to the
North Carolina General Assembly

Walter T. Haven, P.G.

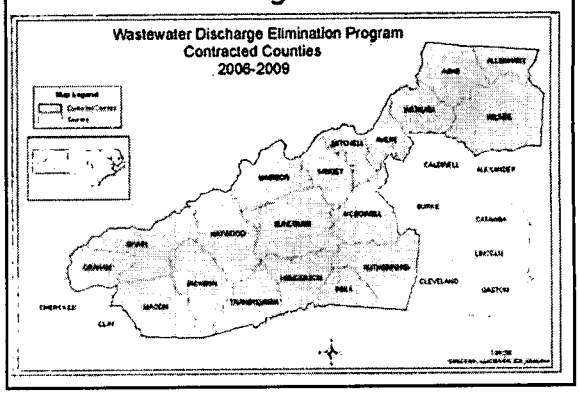
Program Description

- Established by S.L. 1996-18es2, Section 27.26
- Identify and eliminate straight pipes
- Identify failing septic systems
- Protect public health and environment
- Funding: state appropriations and grants
- Western N.C. – Asheville Regional Office

Examples
(Gray and Black Water Discharges)



Partnering Counties



WaDE Staffing

- 1 Program Manager
- 1 Environmental Senior Health Specialist
- 3 Part time Environmental Health Specialists

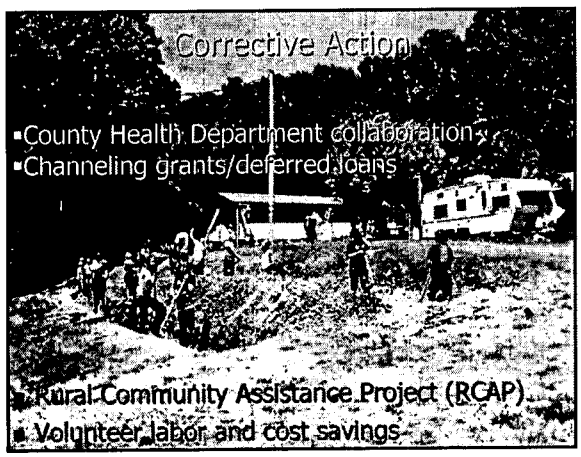
Investigation

- Watershed surveys
- DWQ, PWS request
- Door to door visits
- Health departments
- Neighbor complaints



Corrective Action

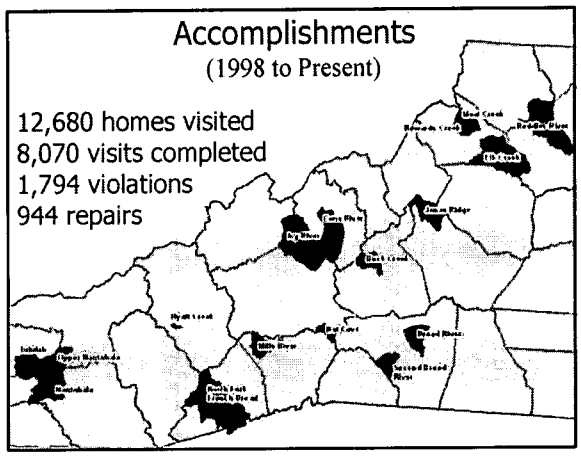
- County Health Department collaboration
- Channeling grants/deferred loans



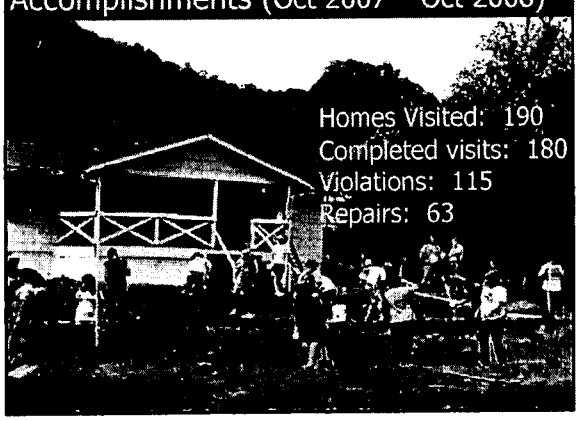
- Rural Community Assistance Project (RCAP)
- Volunteer labor and cost savings

Accomplishments
(1998 to Present)

12,680 homes visited
8,070 visits completed
1,794 violations
944 repairs



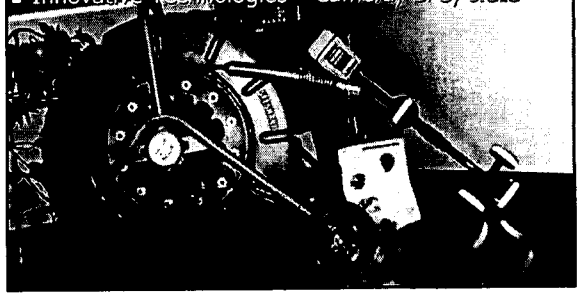
Accomplishments (Oct 2007 – Oct 2008)



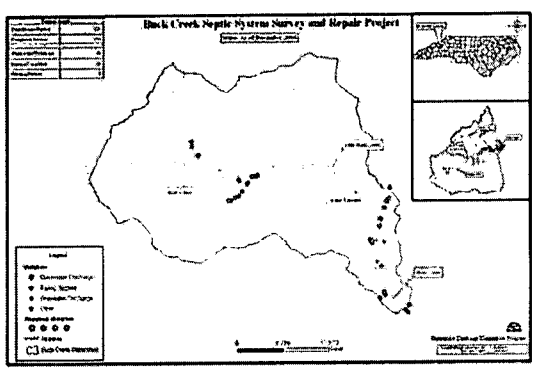
Homes Visited: 190
Completed visits: 180
Violations: 115
Repairs: 63

Future Directions

- Cartoogechey Watershed – Franklin water supply
- Expansion and working with other counties
- Innovative Technologies – Camera, GPS, &GIS



GIS Mapping



Discussion

Walter T. Haven, P.G.
Private Water Supply Branch Head
Division of Environmental Health
Walt.Haven@ncmail.net
(919) 715-3273

North Carolina Division of Water Quality
Annual Report of Fish Kill Events
2008

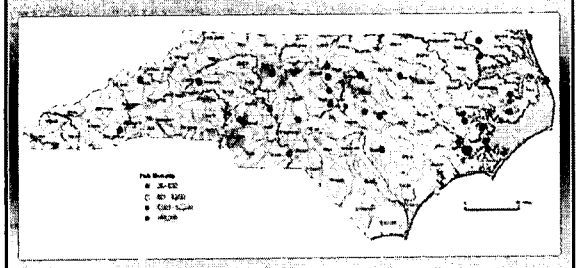
Mark Nale

Division of Water Quality
Environmental Sciences Section
Raleigh, NC

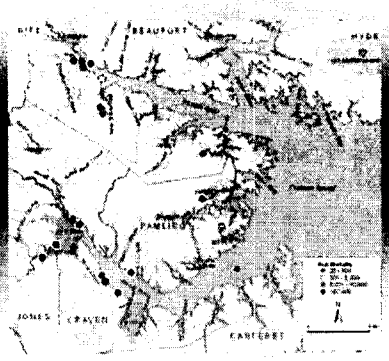
Fish Kills in North Carolina - 2008

Total Kill Events for 2008	61
Freshwater Kills	29
Estuarine Kills	30
Ocean Kills	2
Cumulative Mortality	**7,564,458**
Estuarine Mortality	7,380,580
Freshwater Mortality	173,678
Report Mortality Range	25 to 3,869,520
Basins with Kill Activity	**8 (of 17)**

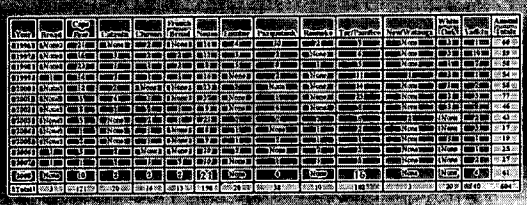
Fish Kills Reported to DWQ - 2008



Fish Kills Reported to DWQ - 2008
Tar/Pamlico and Neuse River Detail



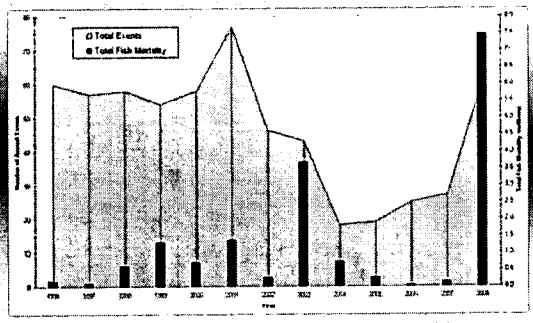
Fish Kill Activity by River Basin – 1996 to 2008



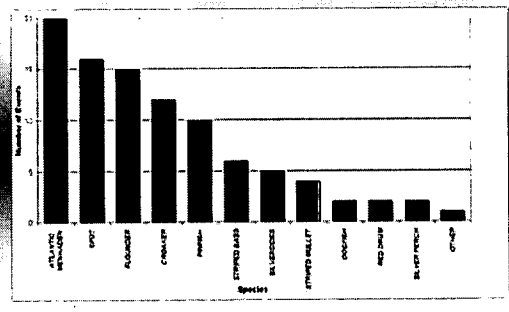
2008 Reported Fish Kill Causes

Reported Cause	Events	Mortality
Dissolved Oxygen Depletion	28	6,951,949
Unknown*	14	438,920
Spills	6	23,911
Algal/Phyto Blooms	6	127,554
Bycatch	5	1,994
Other**	2	30

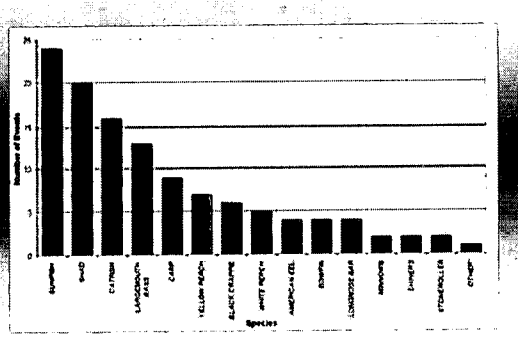
Total Annual Events and Fish Mortality



Species Reported - Estuarine



Species Reported - Freshwater



Largest Fish Kills – 2008

(13 events where mortality > 50,000 fish)

Date	Waterbody	Location	Fish Mortality	Cause
8/6/08	Pamlico River	Swan Point	3,409,520	DO depletion
10/1/08	Brown Creek	near Whiteville	1,125,900	DO depletion
9/30/08	Smith Creek	near Vanceboro	650,000	DO depletion
9/4/08	Neuse River	Bluewater Beach	331,920	DO depletion
9/8/08	Neuse River	near Seven Springs (Kent)	276,000	Unknown
9/2/08	Neuse River	Kipp Farm	164,200	DO depletion
6/2/08	Neuse River	Near Fisher Landing Ramp	161,900	DO depletion
9/9/08	Neuse River	Kennedy Beach	129,000	Unknown
8/12/08	Merchants Millpond	Entire pond	125,000	DO depletion
8/1/08	Blounts Creek	Cotton Patch Landing	83,900	DO depletion
8/2/08	Chocowinity Bay	Cypress Landing Docks	77,500	DO depletion
9/22/08	Cypress Lake	near Wilson Creek	75,000	Bloom
9/6/08	Trent River	near Island Creek,River Bend	53,130	DO depletion

Why so much kill activity in 2008 ?

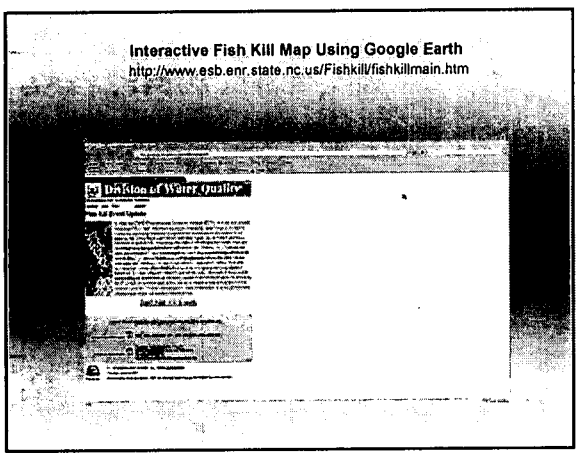
- Drought conditions (saltwater intrusion) continued from 2007
  - *No hydrologic "reset" prior to the 2008 season*
- Localized meteorological events (wind, heavy precipitation, high temps) played greater role
- Calm weather and elevated temperatures - allowed greater stratification and DO depletion

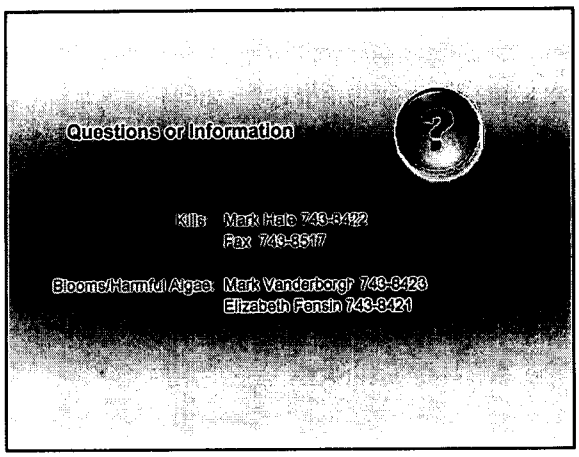
Division of Water Quality

Fish Kill Event Update

2008 Fish Kill Events

http://www.esb.enr.state.nc.us/Fishkill/fishkillmain.htm


Interactive Fish Kill Map Using Google Earth
http://www.esb.enr.state.nc.us/Fishkill/fishkillmain.htm
Division of Water Quality


Questions or Information
Kills: Mark Hale 749-8422
Fax 749-8517
Blooms/Harmful Algae: Mark Vanderborgh 749-8423
Elizabeth Fensin 743-8421

Annual Report to the Environmental Review Commission North Carolina General Assembly

The Dry-Cleaning Solvent Cleanup Act Program

October 2008

NCDENR

NORTH CAROLINA DEPARTMENT OF
ENVIRONMENT AND NATURAL RESOURCES

Superfund Section
Division of Waste Management
www.wastenotnc.org
www.ncdsca.org

Department of Environment and Natural Resources

Michael F. Easley
Governor

William G. Ross Jr.
Secretary
N. C. Department of Environment and Natural Resources

Dexter R. Matthews
Director
Division of Waste Management

DENR
Division of Waste Management
Superfund Section
1646 Mail Service Center
Raleigh, NC 27699-1646
(919) 508-8400

DRY-CLEANING SOLVENT CLEANUP ACT ANNUAL REPORT

Executive Summary

As required by the Dry-Cleaning Solvent Cleanup Act (DSCA) of 1997 and amendments (G.S. 143-215.104A *et seq.*), this report provides an annual update on activities conducted in the DSCA Program in 2008. The DSCA of 1997 and its amendments created a fund for assessment and cleanup of dry-cleaning solvent environmental contamination at dry-cleaning and wholesale distribution facilities and also authorized the program to develop and enforce rules relating to the prevention of dry-cleaning solvent releases at operating facilities.

Significant progress has been made in all aspects of program implementation. Risk-based rules used to establish the amount of remediation necessary at contaminated sites became effective on October 1, 2007. These rules have allowed the program to perform risk assessments and identify those sites that will require cleanup and those that are ready for closure. Eleven sites have been identified for no further action and are currently in the closure process. Cleanup of contamination through soil excavation has been performed at 17 sites and groundwater remediation has been initiated at eight sites. Assessment of the extent of contamination is progressing at many sites, while the program continues to provide groundwater users with clean sources of drinking water and to remove hazardous contaminant vapors from buildings.

The Department of Environment and Natural Resources (DENR) has identified 275 operating or abandoned dry-cleaning facilities with environmental contamination by dry-cleaning solvent. Of these, 221 have voluntarily petitioned for acceptance, and 199 have been certified into the DSCA Program. Assessment and Remediation Agreements have been executed for 192 sites.

The DSCA facility compliance group visited 254 facilities in FY 2007-08 and provided educational assistance to facility owners and operators on all environmental regulations applicable to dry cleaners. Follow-up inspections have begun at those facilities where violations were identified to ensure corrections were made. The compliance group also developed and distributed to cleaners a 2008 perchloroethylene compliance calendar that provides rules, guidance and recordkeeping tables.

The DSCA Fund continues to be solvent, with a fund balance of approximately $37.6 million and encumbered funds totaling $32 million. Annual fund expenditures increased 200 percent in FY 2007-08 compared to the previous year, primarily due to implementation of the risk-based rules. Approximately $60 million will be necessary to clean up the 199 sites currently in the program. However, new sites continue to be discovered and brought into the program and DENR estimates there may be as many as 1,500 contaminated sites in North Carolina. Projected costs to clean up 50 percent of those sites would exceed $250 million. As a result, the sunset dates both for program funding and implementation (that expire in 2010 and 2012, respectively) should be extended.

Program Activity

The General Assembly ratified DSCA and its subsequent amendments to remediate contaminated dry-cleaning and solvent wholesale distribution sites and to protect human health and the environment by preventing future releases from these facilities. DENR made significant progress during 2008 implementing both the cleanup and compliance components of DSCA.

Site Cleanups

During 2008, DSCA staff directed significant energy towards full implementation of the cleanup program through initiatives including risk-based rules, legislative amendments to DSCA, contracts with environmental firms and site assessment and remediation.

Sites in Program

Table 1 provides the current statistics for sites that have petitioned the DSCA Program. A listing of the certified sites along with current site status is shown in Appendix A. The cleanup unit now consists of a unit supervisor and seven project managers who oversee site work performed by six independent environmental engineering firms contracted by DENR. During FY 07-08, DSCA staff and the program's independent contractors performed the following activities:

- Screening sites for imminent hazards such as threatened supply wells and vapor intrusion into buildings;
- Providing alternative sources of clean drinking water;
- Abatement of indoor vapor hazards from contaminated soils;
- Site prioritization;
- Comprehensive site assessments delineating extent of contamination;
- Removal and remediation of contaminated soil; and
- Groundwater remediation.

Rules that establish a risk-based approach to assessing and cleaning up certified sites in the DSCA Program became effective on October 1, 2007. These rules and associated guidance allow program staff to determine the risk that is being posed by contamination to human health and the environment and, if necessary, to calculate the appropriate cleanup levels for soil and groundwater. Risk assessments that determine the risks posed by contamination to current and future receptors (public and private drinking water wells, surface water bodies, sensitive ecological environments) have been performed at 43 sites. Additional risk assessments will be performed as soon as the delineation of extent of contamination is completed at the other sites.

Eleven sites were identified where no further remediation would be required (see "Sites Pending Closure" in Table 1). The closure process consists of the preparation of a risk management plan that typically includes land-use restrictions and a plat map of the site. These documents are made available to the public through publication in the North Carolina Register, local newspapers and by posting a notice at the site. If no comments are received within the 60-day public notice period, DENR records the land-use restrictions and plat at the appropriate

county register of deeds office and issues a No-Further-Action letter to the petitioner. Closure of the program's first two sites should occur in November and December of 2008. The remaining nine sites should be closed prior to April 2009.

At most sites, remediation will be necessary to protect human health and ecological receptors. Soil excavation and, where necessary, soil-vapor extraction have been performed at 17 sites to remove contaminant sources that threaten indoor air in buildings and cause further degradation of groundwater. Remediation of groundwater was initiated at eight locations.

Investigation of Potential New Sites

An amendment to DSCA that went into effect in 2007 allowed the program to spend up to one percent of the DSCA fund balance each year to identify active and abandoned dry-cleaning sites that the program believes may be contaminated. If contamination is found that is attributed to a facility, the potential responsible party is given the choice of entering the program as a petitioner or allowing the site to be addressed under the Inactive Hazardous Sites Program. If they choose the latter, the responsible party is required to reimburse the program for all of the investigation costs that were incurred. The program has completed this type of investigation at six sites with work at another five locations currently underway.

The program is utilizing a variety of sources to identify new sites across the state. Data from the Inactive Hazardous Sites Program, the Underground Storage Tank Program and the Public Water Supply Program reveal water supply well samples containing contaminants that may have originated from dry-cleaning operations. The locations of approximately 2,000 active and abandoned dry-cleaning facilities obtained from the DSCA compliance program, the N.C. Department of Labor, and a commercial marketing firm have been entered into a geographic information system to identify facilities that are close to the contaminated wells. Although just begun, this analysis has already identified a number of sites where the program will perform sampling using the one-percent investigative allowance.

DSCA Contracts

In September 2008, DENR executed two new contracts totaling $12 million over three years with independent environmental engineering firms to perform assessment and remediation at DSCA sites. The program currently is managing ten contracts with a total encumbrance of $32 million.

Identified Contamination Sites

A total of 275 sites contaminated by dry-cleaning solvents have been reported to DSCA. As noted in Table 1, 221 of these sites have petitioned the program. Appendix B provides a list, by county, of all known sites contaminated with dry cleaning solvent. A total of 32 new dry-cleaning solvent releases were reported to DSCA in 2008. As noted above, the program anticipates that additional new contamination sites will be identified using the one-percent investigative allowance in 2009.

Outreach

DSCA staff continues to provide training on the cleanup program when requested. A brochure describing the program has been produced. Letters have been sent to property owners of former dry-cleaning facilities to inform them of the potential for contamination and the benefits that are provided by the program. The DSCA website continues to be used to distribute program documents and data to the public.

Table 1. DSCA Site Statistics

Petition Status	Number	Percent of Total
Sites Petitioned in Program	221	----
Sites Certified	199	90
Sites Pending Certification	18	8
Sites Denied Certification	4	2
Site Status		
Sites with Executed Agreements[1]	192	-
Sites in Prioritization	13	7
Sites in Assessment and Remediation	168	87
Sites Pending Closure	11	6
Site Classification		
Abandoned	121	61
Wholesale Distribution	2	1
Operating	76	38
Size Distribution of Operating Sites		
Small Size (1-4 employees)	35	46
Medium Size (5 - 9 employees)	21	28
Large Size (> 10 employees)	20	26
Distribution and Classification of Petitions [2]		
Property Owners	196	61
Dry-cleaning Business Owners/Operator	95	30

Facility Compliance

DENR has been authorized under DSCA to develop rules that operating dry-cleaning facilities must follow to prevent environmental contamination by dry-cleaning solvents. These rules, or Minimum Management Practices (MMPs), were implemented in 2001 as temporary rules and were approved as permanent rules in 2002. In 2005, the DSCA Program created and filled a new position that coordinates compliance assistance visits and formal inspections of facilities and also serves as the lead for enforcement actions where necessary. In 2006 and 2007, DSCA hired three inspectors to cover the state. DSCA will add a fourth inspector and an enforcement specialist in November 2008.

[1] Assessment and Remediation Agreements
[2] Reflects multiple petitioners for some sites

In addition to the program's MMP regulations, DSCA has been authorized to inspect facilities for compliance with Resource Conservation and Recovery Act (RCRA) regulations, which currently are administered by the Division of Waste Management's Hazardous Waste Section. The program also entered into a memorandum-of-agreement with the Division of Air Quality that enables DSCA staff to perform compliance inspections for air quality regulations that are applicable to dry-cleaning facilities. In June of 2008, DENR's Secretary delegated enforcement authority to the DSCA Program for violations of the air quality rules. Such multimedia inspections enable one program within DENR to ensure compliance with all environmental regulatory requirements and give dry cleaners and the public a single DENR point-of-contact for compliance questions or concerns.

Educational Assistance Visits

Approximately 850 active dry-cleaning facilities have been identified in the state based on lists obtained from other state programs. Because many of these facilities have never been inspected by a DENR program, DSCA is currently visiting every facility to provide educational assistance to owners and operators regarding MMPs, RCRA and air quality regulations. Inspectors also utilize these visits to thoroughly document all compliance issues that are observed. Follow-up inspections have begun at facilities where violations are identified to ensure that sufficient corrections have been made. Enforcement with civil penalties may be initiated against facilities that remain out of compliance. In 2006 and 2007, DSCA inspectors provided compliance assistance at 247 facilities. An additional 254 facilities were visited in 2008. The addition of a fourth compliance inspector will enable the program to address the remaining facilities (approximately 350) in 2009. Facilities will then be inspected on a two-to-four year cycle.

Additional Compliance Outreach

The DSCA Program developed a 2008 perchloroethylene (perc) compliance calendar that provides all applicable rules, recordkeeping, guidance and reference information in one document for the convenience of facility owners and operators. Mailed or hand-delivered to over 500 facilities across the state, the calendar has received positive reviews from both dry-cleaners in North Carolina and industry officials in other states where it has been praised for its comprehensive scope and functionality.

Program Financial Status and Projections

Fund Receipts and Disbursements

The primary funding sources for the dry-cleaning solvent cleanup fund are a tax on dry-cleaning solvents, the state portion of the current sales tax on dry-cleaning, deductible payments from petitioners participating in the cleanup program and interest earned on the account. Disbursements consist primarily of payments to the program's independent contractors for site assessment and remediation, reimbursements to petitioners for past-cost claims and program administration costs.

The DSCA Fund's finances through FY 2007-08 (ending June 30, 2008) are summarized below:

Receipts	**FY 2007-08**	**Duration of Program (through 6/30/08)**
Solvent Tax Revenue	$ 644,601.70	$ 8,827,080.26
Sales Tax Revenue	7,701,951.54	40,551,871.09
Petitioner Payments	62,515.18	611,761.14
Miscellaneous (file copying)	28.00	194.00
Interest	1,898,381.41	5,438,314.96
Total	$10,307,477.83	$55,429,221.45
Disbursements		
Dept. of Revenue[1]	$ 0	$ 57,272.02
Reimbursements to Petitioners	3,390.00	1,891,924.52
Contracts	7,273,995.35	11,699,356.37
Well Permit Fees	8,460.00	8,460.00
Hazardous Waste Fees	48,004.98	77,008.48
DENR Administration	1,079,390.42	4,108,877.47
Total	$ 8,413,240.75	$17,842,898.86

Total Receipts	$55,429,221.45
Total Disbursements	-17,842,898.86
Fund Balance	**$37,586,322.59**
Funds Encumbered in Contracts[2]	$32,029,136.00

A total of $3,390 was paid to petitioners for work conducted by petitioners under DSCA Prioritization Assessment Agreements for amounts that exceeded the petitioners' financial obligations (deductibles). Any additional claims against the fund for past work not performed by DSCA contractors may only be credited toward petitioners' financial obligations for each site.

1 This represents the actual amount charged by the Department of Revenue for its expenses. The Department of Revenue is authorized by DSCA to charge no more than $125,000 per year.

2 As of 9/30/08.

Estimated Future Assessment and Remediation Expenditures

Fund expenditures increased significantly in FY 07-08 over the previous year ($4.2 million to $8.4 million) primarily due to implementation of the risk-based rules on October 1, 2007. As the number of sites undergoing remediation continues to increase, expenditures are projected to increase to approximately $12 million in FY 08-09.

In House Bill 2436 in the 2008 session, the N.C. General Assembly approved the transfer of monies from the DSCA Fund to other programs. A total of $400,000 from the interest earned on the DSCA Fund will be transferred in FY 08-09 to the Inactive Hazardous Sites Cleanup Fund to assess and remove contamination from inactive hazardous waste sites throughout the State and to provide an alternative drinking water supply to any person whose water supply was contaminated by an inactive hazardous waste site. Up to $2 million may be transferred in FY 08-09 and beyond to the Green Square Project capital fund to cover the costs associated with remediation of dry-cleaning contamination on the Green Square Complex Site in Raleigh. This site was not eligible for the DSCA Program because a provision in DSCA prohibits dry-cleaning sites located on state-owned property from entering the cleanup program.

Based on costs figures provided by other states, DSCA can calculate an approximate total cleanup cost for those sites that have been certified into the program. Using an average total cleanup cost of $300,000 per site, the total projected cost to remediate the 199 presently certified sites is approximately $60 million. Based on data from the North Carolina Department of Labor, there are at least 2,000 active and abandoned dry-cleaning facilities in the state. Investigations performed across the nation indicate that contamination is present in about 75 percent of all dry-cleaning operations. Applying this percentage to the number of current and former facilities in North Carolina, a total of 1,500 contaminated sites may be present. If only 50 percent of these contaminated sites are accepted into the DSCA Program, the projected total cleanup cost (adjusted for inflation) would exceed $250 million.

Recommendations to Ensure Fund Solvency

The funding mechanisms for DSCA, the solvent tax and the sales tax on dry-cleaning services, are currently slated to sunset in 2010. In order to address new sites continuing to enter the program as the full impact of dry-cleaning solvent contamination across the state is revealed, the program will require the funding sources to be renewed to ensure solvency. To that end, the sunset dates for the tax revenues and program implementation should be extended.

As noted above, total collections for FY 2007-08 were approximately $10.3 million. Therefore, the DSCA Fund is solvent.

Appendix A.
DSCA Certified Dry-Cleaning Sites Status by County and City

ID	Name and Address	Site Status
Alamance (3)		
Burlington		
001-0003	A Cleaner World, 2781 S Church St	Assessment
001-0004	RE Boone Cleaners, 306 N Main ST	Assessment
Graham		
001-0001	Harden Cleaners, 218 W Harden St	Assessment
Brunswick (2)		
Calabash		
010-0002	Love Cleaners, Inc., 9956 Beach Dr	Pending Closure
Southport		
010-0001	Towngate Cleaners, 715 N Howe St	Assessment
Buncombe (5)		
Asheville		
011-0001	Swannanoa Laundry, 22 Church St	Assessment
011-0004	Swannanoa Cleaners, 712 Merrimon Ave	Assessment
011-0005	Nu-Way Cleaners, 171 Patton Ave	Prioritization
011-0006	Blue Ridge Cleaners, 1378 Hendersonville Rd	Assessment
011-0007	Swannanoa Cleaners, 1336 Patton AVE	Prioritization
Burke (2)		
Morganton		
012-0001	Ferree Cleaners, 406 S Sterling St	Prioritization
012-0002	Jordan's Cleaners, 302 College St	Assessment
Cabarrus (2)		
Concord		
013-0001	Fuller Supply Company, 191 NW Crowell Dr	Assessment
013-0002	Caldwell Cleaners, 800 N Church St	Assessment
Carteret (1)		
Morehead City		
016-0001	Coastal Dry Cleaners, 3000 Arendell St	Assessment
Catawba (1)		
Conover		
018-0001	Conover Cleaners, 430 Conover Blvd	Assessment
Chatham (1)		
Chapel Hill		
019-0001	Cole Park Cleaners, 11552 US Hwy 15 501 N	Monitoring
Cleveland (1)		
Shelby		
023-0001	Folks Dry Cleaners, 1165 E Marion St	Assessment

Appendix A.
DSCA Certified Dry-Cleaning Sites Status by County and City

ID	Name and Address	Site Status
Cumberland (6)		
Fayetteville		
026-0001	Mayflower Laundry And Dry Cleaning, 512 W Russell St	Assessment
026-0002	Easy Wash Dry Cleaners, 5308 Bragg Blvd	Interim Action
026-0003	Smittys Cleaners, 3060 Owen Dr	Assessment
026-0004	Kore-o-mat Laundromat, 3311 Bragg Blvd	Assessment
026-0005	Davis Cleaners, 1672 Owen Dr	Assessment
026-0006	One Hour Koretizing Cleaners, 4924 Raeford Rd	Assessment
Dare (1)		
Manteo		
028-0001	Ange Speed Wash, 118 US 64	Monitoring
Durham (12)		
Chapel Hill		
032-0016	Carolina Cleaners, 2214 Nelson HWY	Prioritization
Durham		
032-0002	Plants Unlimited, 3567 Hillsborough Rd	Assessment
032-0003	Triangle Square Cleaners, 4731 Apex Hwy	Assessment
032-0005	American Dry Cleaners, 4711 Hope Valley Rd	Assessment
032-0007	Model Laundry, 1001 Holloway St	On Hold
032-0008	W.P. Ballard, 639 Junction Rd	Assessment
032-0009	TNT Cleaners, 5314 N Roxboro Rd	Assessment
032-0010	Weavers Cleaners, 1212 Fayetteville St	Assessment
032-0011	Scott and Roberts Dry Cleaners, 733 Foster St	On Hold
032-0012	Shannon Dry Cleaning and Laundromat, 3710 Shannon Rd	Monitoring
032-0013	Former BB&T, 1103 West Club Blvd	Assessment
032-0015	Durham Dry Cleaners, 2526 B Erwin RD	Prioritization
Forsyth (11)		
Kernersville		
034-0007	Camelot Cleaners, 820 S Main St	Assessment
Winston Salem		
034-0016	$2.50 Krystal Cleaners, 357 Jonestown Rd	Assessment
034-0005	Klean Rite Cleaners, 1322 S Hawthorne Rd	Assessment
034-0008	Hour Glass Cleaners, 5967 University Pky	Pending Closure
034-0009	Smith Dry Cleaners, 310 N Martin Luther King Jr Dr	Assessment
034-0011	Camelot Cleaners, 1218 Waughtown St	Assessment
034-0012	A Cleaner World, 3251 Healy Dr	Assessment
034-0013	A Cleaner World #161, 101 S Peacehaven Rd	Assessment
034-0014	Camel City Cleaners, 2801 Reynolda Rd	Assessment
034-0015	Camel City Laundry, 501 E 3rd St	Assessment
034-0017	Trade Street Cleaners, 426 N Trade Street	Monitoring
Gaston (2)		
Gastonia		
036-0003	De-lux Cleaners, 2533 W Franklin Blvd	Assessment
036-0004	Union Road Cleaners, 2210 Union Rd	Pending Closure

Appendix A.
DSCA Certified Dry-Cleaning Sites Status by County and City

ID	Name and Address	Site Status
Guilford (19)		
Greensboro		
041-0001	Cleaner Image, 4711 Lawndale Dr	Assessment
041-0002	Former Cinderella Cleaners, 2043 Martin Luther King Jr Dr	Interim Action
041-0003	U.S. $1.75 Cleaners, 2900 Randleman Rd	Monitoring
041-0007	Master Kleen, 5324 Liberty Rd	Assessment
041-0009	Everhart Dry Cleaners, 1000 Summit Ave	Assessment
041-0014	Master Kleen Cleaners, 3402 High Point Rd	Assessment
041-0017	Premier Cleaners, 513 Summit Ave	Assessment
041-0018	Dry Clean America, 403 W Meadowview Rd	Assessment
041-0019	Burnetts Cleaner And Laundry, 1932 E Market St	Assessment
041-0023	A Cleaner City, 2804 Battleground Ave	Assessment
041-0024	A Cleaner World #162, 4506 High Point Rd	Assessment
041-0026	A Cleaner World #168, 1949 Battleground Ave	Assessment
041-0028	Columbia Laundry, 920 E Bessemer Ave	Assessment
041-0029	Presto Cleaners, 4625 High Point Rd	Assessment
High Point		
041-0006	Eastgate Cleaners, 101 Greensboro Rd	Assessment
041-0013	Banner Laundry, 2117 N Main St	Assessment
041-0021	Gingiss Formal Wear, 906 N Main St	Assessment
041-0030	$2.50 Cleaners, 1310 N Centennial St	Prioritization
Jamestown		
041-0008	A Cleaner World, 102 W Main St	Assessment
Henderson (1)		
Hendersonville		
045-0002	Village One Hour Cleaners, 120 N Barnwell St	Assessment
Hoke (1)		
Raeford		
047-0001	Smitty's Cleaners, 214 N Main St	Monitoring
Iredell (3)		
Statesville		
049-0002	Johnson Cleaners, Inc., 1563 E Broad St	Assessment
049-0003	Brookdale Cleaners, 975 Davie Ave	Assessment
Troutman		
049-0004	Campbell's Cleaners, 171 Wagner St	Assessment
Johnston (1)		
Smithfield		
051-0002	Glam-O-Rama Cleaners, 716 E Market St	Assessment
Lee (1)		
Sanford		
053-0001	Dryclean Express, 1117 Spring Ln	Assessment
Lenoir (1)		
Kinston		
054-0001	Vicks Cleaners, 2405 N Heritage St	Assessment

Appendix A.
DSCA Certified Dry-Cleaning Sites Status by County and City

ID	Name and Address	Site Status
Lincoln (1)		
Lincolnton		
055-0002	Lincoln Laundry and Dry Cleaners, 1220 E Main ST	Prioritization
Martin (1)		
Robersonville		
059-0001	Williford Cleaners, 203 E Academy St	Prioritization
Mecklenburg (36)		
Charlotte		
060-0001	A Cleaner, 5315 Monroe Rd	Assessment
060-0002	American Dry Cleaning Company, 309 E Morehead St	Prioritization
060-0004	Minute Man Cleaners, 3060 Eastway Dr	Pending Closure
060-0005	Mitchells Formal Wear Warehouse, 115 Scaleybark Rd	Remediation
060-0007	Quail Dry Cleaners, 8538 Park Rd	Assessment
060-0008	Sno-white Cleaners And Launderers, 4400 Sharon Rd	Assessment
060-0010	Boggs And Company, 3931 Glenwood Dr	Assessment
060-0011	Sno-white Cleaners, 7629 Pineville-matthews Rd	Assessment
060-0012	Domestic Laundry - CAMDUS site, 801 S McDowell St	Assessment
060-0014	One Price Drycleaning, 816 E Arrowood Rd	Monitoring
060-0015	Carriage Fine Dry Cleaning, 8020 Providence Rd	Monitoring
060-0016	60 Minute Cleaners, 9100 S Tryon St	Assessment
060-0023	Prestown Laundry And Cleaners, 6214 Idlewild Rd	Assessment
060-0024	60 Minute Cleaners, 4447 The Plaza	Assessment
060-0026	Sno-white Cleaners, 901 E 4th St	Assessment
060-0028	Sharon Cleaners, 4724 Sharon Rd	Monitoring
060-0029	Abra Costumes, 1611 Central Ave	On Hold
060-0030	Village Cleaners, 7221 Albemarle Rd	Monitoring
060-0031	Sno-white Cleaners, 5669 Farm Pond Lane Four Seasons Shopping	Assessment
060-0032	Eastway Quick Clean Service, 3052 Eastway Dr	Assessment
060-0033	Jones Dry Cleaning, 1601 E 4th St	Assessment
060-0035	Ivory Cleaners, 2511 Westerly Hills Dr	Assessment
060-0036	Faulk Cleaners, 2615 Westerly Hills Dr	Assessment
060-0037	Dryclean Carolinas, 2508 South Blvd	Assessment
060-0039	Providence Cleaners, 631 S Sharon Amity Rd	Assessment
060-0040	People's Dry Cleaners, 2133 Beatties Ford Rd	Assessment
060-0041	Holiday Cleaners, 2241 Beatties Ford Rd	Assessment
060-0042	Holiday Cleaners, 3221 Monroe Rd	Assessment
060-0044	Gay Laundry and Cleaners, 1101 N Brevard ST	Assessment
060-0045	Carillon Building, 227 W Trade ST	Assessment
060-0048	Dan Meigs Cleaners, 1101 Central Ave	Assessment
060-0049	Starmount Cleaners, 6215 South Boulevard	Assessment
Matthews		
060-0003	Crossroads Dry Cleaners, 3607 Matthews-Mint Hill Rd	Monitoring
060-0025	Ho Cleaners, 3116 Weddington Rd	Pending Closure
060-0034	Ho Cleaners, 10420 E Independence Blvd	Monitoring
Pineville		
060-0021	Hearts Dry Cleaners, 9101 Pineville-matthews Rd	Assessment

Appendix A.
DSCA Certified Dry-Cleaning Sites Status by County and City

ID	Name and Address	Site Status
Moore (4)		
Aberdeen		
063-0004	Soapy Bubbles, 1906 Poplar St	Assessment
Pinehurst		
063-0001	Pinehurst Hotel Cleaners, 270 Mccaskill Rd	Assessment
Southern Pines		
063-0003	Carters Laundry And Cleaning, 155 W New York Ave	Assessment
063-0005	Dry Clean Express, 1930 N Poplar St	Pending Closure
New Hanover (8)		
Wilmington		
065-0001	Modern Dry Cleaners And Laundry, 1104 Fordham Rd	Assessment
065-0002	Coastal Dry Cleaners, 4414 Shipyard Blvd	Assessment
065-0004	Coastal Dry Cleaners, 2629 Carolina Beach Rd	Assessment
065-0005	Williams Cleaners, 6845 Market St	Assessment
065-0006	Williams Fabricare Inc, 5521 Carolina Beach Rd	Assessment
065-0007	Coastal Dry Cleaners - Ogden Plaza, 6840 Market St	Assessment
065-0008	Kings Laundry, 4615 Market St	Prioritization
065-0009	Coastal Cleaners, 7 S Kerr Ave	Prioritization
Onslow (5)		
Jacksonville		
067-0002	Southern Cleaners And Laundry, 820 Court St	Interim Action
067-0006	Northwoods Cleaners, 327 Henderson Dr	On Hold
067-0007	Quality Cleaners and Laundry, 701 New Bridge St	Assessment
Midway Park		
067-0005	Village Cleaners, 175 Freedom Way	Assessment
Swansboro		
067-0003	Coastal Dry Cleaners, 628 W Corbett Ave	Assessment
Orange (6)		
Carrboro		
068-0007	Hangers Cleaners, 127 Fidelity St	Assessment
Chapel Hill		
068-0001	KSP Cleaners, 1490 FORDHAM Blvd	Monitoring
068-0002	American Dry Cleaners, 201 S Estes Dr	Assessment
068-0003	Deluxe Cleaners, 227 S Elliott Rd	Assessment
068-0005	Midtown Shops, 750 Martin Luther King Jr Blvd	Assessment
068-0006	One Hour Koretizing Cleaners, 301 W Franklin St	Emergency
Pasquotank (1)		
Elizabeth City		
070-0001	Southgate Koretizing, 1409 W Ehringhaus St	Monitoring
Pitt (3)		
Ayden		
074-0002	Ayden Plaza, 144 Third St	Monitoring

Appendix A.
DSCA Certified Dry-Cleaning Sites Status by County and City

ID	Name and Address	Site Status
Pitt (3)		
Greenville		
074-0004	Bowens Cleaners, 2480 Stantonsburg Rd	Monitoring
074-0005	Bowen Cleaners, 3314 S Evans St	Interim Action
Polk (1)		
Tryon		
075-0001	Brocks Cleaners, 46 Maple St	Assessment
Rockingham (2)		
Reidsville		
079-0001	Hicks Poly Clean Center Self Service Laundry, 812 S Scales St	Remediation
079-0002	Penrose Mall, 1601 S Scales St	Assessment
Rowan (4)		
Salisbury		
080-0002	Avalon Cleaners, 124 Avalon Dr	Emergency
080-0003	WMS Cleaners, 712 W Jake Alexander Blvd	Assessment
080-0005	M&S Cleaners, 1729 W Innes St	Assessment
Spencer		
080-0001	Shuping Cleaners, 21 Park Plaza Park Plaza Shopping Center	Interim Action
Scotland (1)		
Laurinburg		
083-0001	One Hour Cleaners, 1514 S Main St	Assessment
Stanly (1)		
Albemarle		
084-0001	Dry Clean Express, 636 E Highway 24/27 Byp	Monitoring
Surry (1)		
Mount Airy		
086-0001	Modern Laundry And Dry Cleaners, 526 W Lebanon St	Monitoring
Transylvania (1)		
Brevard		
088-0001	Rainbow Cleaners, 249 Caldwell St	Assessment
Union (1)		
Monroe		
090-0001	Prestown Presto Clean, 405 N Sutherland Ave	Assessment
Wake (37)		
Apex		
092-0030	Best Dry Cleaners, 1781 W William St	Pending Closure
Cary		
092-0004	Medlin-Davis Cleaners, 1207 Kildaire Farm Rd	Monitoring
092-0011	Medlin-Davis Cleaners, 107 S Edinburgh Dr	Emergency
092-0029	Galaxy Cleaners, 101 New Waverly Pl	Pending Closure
092-0037	Avalon Cleaners, 686 Cary Towne Blvd	Assessment
092-0038	Medlin Davis- Shoppes at Kildaire, 173 Cary Pky	Monitoring
092-0041	Martinizing Dry Cleaners, 4246 NW Cary Pky	Interim Action

Appendix A.
DSCA Certified Dry-Cleaning Sites Status by County and City

ID	Name and Address	Site Status
Wake (37)		
Raleigh		
092-0001	Pro Cleaners, 8377 N Creedmoor Rd	Monitoring
092-0003	Rainbow Cleaners And Laundry, 2915 Essex Cir	Pending Closure
092-0005	DJ Cleaners, 3591 Maitland Dr	On Hold
092-0006	Hilkers Cleaners, 4043 Wake Forest Rd	Assessment
092-0007	Brothers Cleaners, 6144 Falls Of The Neuse Rd	Assessment
092-0008	Johnsons Dry Cleaners, 3534 Wade Ave	Remediation
092-0010	Fuller Supply Company, 421 Eby Dr	Assessment
092-0012	Newtons Cleaners, 2023 Cameron St	Pending Closure
092-0013	Medlin-Davis Cleaners, 2028 Cameron St	Assessment
092-0014	Glam-o-rama Cleaners, 3165 Capital Blvd	Assessment
092-0015	Emporium Cleaners, 3501 Capital Blvd	Assessment
092-0016	New Hope Cleaners And Tailors, 3901 Capital Blvd	On Hold
092-0017	Brothers Cleaners, 4221 Six Forks Rd	Assessment
092-0018	Ace Dry Cleaners, 4701 Atlantic Ave	Monitoring
092-0019	Sanitary Laundry, 417 McDowell St	On Hold
092-0020	Sherrill's Dry Cleaning And Laundry, 7463 Six Forks Rd	Assessment
092-0021	T And J Cleaners, 2423 Crabtree Blvd	Interim Action
092-0022	Medlin Davis Cleaners, 4434 Creedmoor Rd	Monitoring
092-0023	Popes Dry Cleaners, 7713 Lead Mine Rd	Assessment
092-0024	Pleasant Valley Cleaners, 4112 Pleasant Valley Rd	Assessment
092-0025	Hilkers Cleaners, 6325 Falls Of Neuse Rd	Monitoring
092-0026	Ideal Cleaners, 7209 Sandy Forks Rd	Assessment
092-0027	Eagle Cleaners, 900 Spring Forest Rd	Assessment
092-0028	Joy Cleaners, 4503 Fayetteville Rd	Interim Action
092-0031	The Cleaners, 3209 Avent Ferry Rd	Assessment
092-0032	Greenbrier Cleaners, 4207 Fayetteville Rd	Assessment
092-0033	Courtesy Cleaners, 8111 Creedmoor Rd	Pending Closure
092-0034	S & S Cleaning, 425 Chapanoke Rd	Assessment
092-0035	Sherrill's Dry Cleaners, 5563 Western Blvd	Assessment
092-0036	North Boulevard Cleaners, 5141 New Hope Rd	Monitoring
Watauga (1)		
Boone		
095-0002	Trailway Laundry, 320 E King ST	Prioritization
Wayne (1)		
Goldsboro		
096-0002	Penny One Hour Cleaners and Laundry, 433 N Berkeley Blvd	Assessment
Wilson (6)		
Wilson		
098-0001	Koretizing Cleaners, 1313 Ward Blvd	Monitoring
098-0002	Discount Cleaners, 700 Highway 301 Blvd	Assessment
098-0003	Exclusive Cleaners, 725 S Goldsboro St	Monitoring
098-0004	Exclusive Cleaners, 1513 Ward Blvd	Assessment
098-0006	Exclusive Cleaners, 1673 Parkwood Blvd	Assessment
098-0007	Exclusive Cleaners, 2700 Ward Blvd	Prioritization

199 Certified Sites

Appendix B.
Sites with Dry-Cleaning Solvent Contamination by County and City

ID	Name and Address
Alamance (4)	
Burlington	
001-0003	A Cleaner World, 2781 S Church St
001-0004	RE Boone Cleaners, 306 N Main ST
Graham	
001-0001	Harden Cleaners, 218 W Harden St
Mint Hill	
001-0002	Workman Property, 1361 N Church St
Brunswick (2)	
Calabash	
010-0002	Love Cleaners, Inc., 9956 Beach Dr
Southport	
010-0001	Towngate Cleaners, 715 N Howe St
Buncombe (6)	
Asheville	
011-0001	Swannanoa Laundry, 22 Church St
011-0003	Swannanoa Cleaners, 916 Tunnel Rd
011-0004	Swannanoa Cleaners, 712 Merrimon Ave
011-0005	Nu-Way Cleaners, 171 Patton Ave
011-0006	Blue Ridge Cleaners, 1378 Hendersonville Rd
011-0007	Swannanoa Cleaners, 1336 Patton AVE
Burke (2)	
Morganton	
012-0001	Ferree Cleaners, 406 S Sterling St
012-0002	Jordan's Cleaners, 302 College St
Cabarrus (3)	
Concord	
013-0001	Fuller Supply Company, 191 NW Crowell Dr
013-0002	Caldwell Cleaners, 800 N Church St
Kannapolis	
013-0003	Jaye's One-hour Cleaners, 1803 N Main St
Carteret (1)	
Morehead City	
016-0001	Coastal Dry Cleaners, 3000 Arendell St
Catawba (1)	
Conover	
018-0001	Conover Cleaners, 430 Conover Blvd
Chatham (1)	
Chapel Hill	
019-0001	Cole Park Cleaners, 11552 US Hwy 15 501 N
Cleveland (1)	
Shelby	
023-0001	Folks Dry Cleaners, 1165 E Marion St

Appendix B.
Sites with Dry-Cleaning Solvent Contamination by County and City

ID	Name and Address
Cumberland (7)	
Fayetteville	
026-0001	Mayflower Laundry And Dry Cleaning, 512 W Russell St
026-0002	Easy Wash Dry Cleaners, 5308 Bragg Blvd
026-0003	Smittys Cleaners, 3060 Owen Dr
026-0004	Kore-o-mat Laundromat, 3311 Bragg Blvd
026-0005	Davis Cleaners, 1672 Owen Dr
026-0006	One Hour Koretizing Cleaners, 4924 Raeford Rd
026-0007	Parker Cleaners, 4950 Bragg BLVD
Dare (1)	
Manteo	
028-0001	Ange Speed Wash, 118 US 64
Davidson (1)	
Lexington	
029-0001	Country Club Cleaners, 972 S Main St
Davie (1)	
Mocksville	
030-0001	Fallies Dry Cleaning, 899 S Main St
Durham (14)	
Chapel Hill	
032-0016	Carolina Cleaners, 2214 Nelson HWY
Durham	
032-0001	One Hour Koretizing, 4404 N Roxboro Rd
032-0002	Plants Unlimited, 3567 Hillsborough Rd
032-0003	Triangle Square Cleaners, 4731 Apex Hwy
032-0004	Eakes Cleaners, 827 W Morgan St
032-0005	American Dry Cleaners, 4711 Hope Valley Rd
032-0006	American Drycleaners, 700 Mallard Ave
032-0007	Model Laundry, 1001 Holloway St
032-0008	W.P. Ballard, 639 Junction Rd
032-0009	TNT Cleaners, 5314 N Roxboro Rd
032-0010	Weavers Cleaners, 1212 Fayetteville St
032-0012	Shannon Dry Cleaning and Laundromat, 3710 Shannon Rd
032-0013	Former BB&T, 1103 West Club Blvd
032-0014	Hollywood Cleaners, 3823 Guess Rd
Edgecombe (1)	
Rocky Mount	
033-0001	Imperial Cleaners Inc, 571 N Raleigh St
Forsyth (17)	
Kernersville	
034-0007	Camelot Cleaners, 820 S Main St

Appendix B.
Sites with Dry-Cleaning Solvent Contamination by County and City

ID	Name and Address
Forsyth (17)	
Winston Salem	
034-0016	$2.50 Krystal Cleaners, 357 Jonestown Rd
034-0002	Shores Cleaners, 692 Hanes Mall Blvd
034-0003	A Cleaner World, 1221 W Academy St
034-0005	Klean Rite Cleaners, 1322 S Hawthorne Rd
034-0006	Young Cleaners, 4309 N Liberty St
034-0008	Hour Glass Cleaners, 5967 University Pky
034-0009	Smith Dry Cleaners, 310 N Martin Luther King Jr Dr
034-0010	C And S Cleaning Services, 595 Waughtown St
034-0011	Camelot Cleaners, 1218 Waughtown St
034-0012	A Cleaner World, 3251 Healy Dr
034-0013	A Cleaner World #161, 101 S Peacehaven Rd
034-0014	Camel City Cleaners, 2801 Reynolda Rd
034-0015	Camel City Laundry, 501 E 3rd St
034-0017	Trade Street Cleaners, 426 N Trade Street
034-0018	U.S. $2.09 Cleaners, 3915 Country Club Rd
034-0020	XL Cleaners, 3001 NW Cherry ST
Gaston (4)	
Belmont	
036-0001	Untz Drycleaners, 514 Woodlawn Ave
Gastonia	
036-0002	Carsons Drycleaners, 401 N CHESTER St
036-0003	De-lux Cleaners, 2533 W Franklin Blvd
036-0004	Union Road Cleaners, 2210 Union Rd
Granville (1)	
Oxford	
039-0001	Oxford Dry Cleaners, 700 Hillsboro St
Guilford (29)	
Greensboro	
041-0001	Cleaner Image, 4711 Lawndale Dr
041-0002	Former Cinderella Cleaners, 2043 Martin Luther King Jr Dr
041-0003	U.S. $1.75 Cleaners, 2900 Randleman Rd
041-0004	Columbia Laundry Corp, 2507 Battleground Ave
041-0007	Master Kleen, 5324 Liberty Rd
041-0009	Everhart Dry Cleaners, 1000 Summit Ave
041-0010	Glam-o-rama, 719 E Market St
041-0011	O Henry Cleaners, 3210 Summit Ave
041-0014	Master Kleen Cleaners, 3402 High Point Rd
041-0015	A Cleaner World, 4117 Spring Garden St
041-0017	Premier Cleaners, 513 Summit Ave
041-0018	Dry Clean America, 403 W Meadowview Rd
041-0019	Burnetts Cleaner And Laundry, 1932 E Market St
041-0022	Fordhams Cleaners, 1900 Spring Garden St

Appendix B.
Sites with Dry-Cleaning Solvent Contamination by County and City

ID	Name and Address
Guilford (29)	
Greensboro	
041-0023	A Cleaner City, 2804 Battleground Ave
041-0024	A Cleaner World #162, 4506 High Point Rd
041-0025	Former Cleaner, 611 S Eugene St
041-0026	A Cleaner World #168, 1949 Battleground Ave
041-0027	Lee's Cleaners, 2700 South Elm - Eugene St
041-0028	Columbia Laundry, 920 E Bessemer Ave
041-0029	Presto Cleaners, 4625 High Point Rd
High Point	
041-0005	Dutch Cleaners, 800 S Main St
041-0006	Eastgate Cleaners, 101 Greensboro Rd
041-0013	Banner Laundry, 2117 N Main St
041-0016	$2.50 Pro Cleaners, 2406 N Main St
041-0021	Gingiss Formal Wear, 906 N Main St
041-0030	$2.50 Cleaners, 1310 N Centennial St
Jamestown	
041-0008	A Cleaner World, 102 W Main St
Stokesdale	
041-0012	Stokesdale Fire Department, 8401 158 Hwy
Henderson (3)	
Fletcher	
045-0003	Fletcher Cleaners, 3056 Hendersonville Rd
Hendersonville	
045-0001	Blue Ridge Cleaners, 503 E Seventh Ave
045-0002	Village One Hour Cleaners, 120 N Barnwell St
Hoke (1)	
Raeford	
047-0001	Smitty's Cleaners, 214 N Main St
Iredell (4)	
Statesville	
049-0001	Smiths Dry Cleaners, 225 Gordon St
049-0002	Johnson Cleaners, Inc., 1563 E Broad St
049-0003	Brookdale Cleaners, 975 Davie Ave
Troutman	
049-0004	Campbell's Cleaners, 171 Wagner St
Johnston (1)	
Smithfield	
051-0002	Glam-O-Rama Cleaners, 716 E Market St
Lee (1)	
Sanford	
053-0001	Dryclean Express, 1117 Spring Ln

Appendix B.
Sites with Dry-Cleaning Solvent Contamination by County and City

ID	Name and Address
Lenoir (1)	
Kinston	
054-0001	Vicks Cleaners, 2405 N Heritage St
Lincoln (2)	
Lincolnton	
055-0001	Lincoln Cleaners, 130 Sigmon Rd
055-0002	Lincoln Laundry and Dry Cleaners, 1220 E Main ST
Martin (2)	
Robersonville	
059-0001	Williford Cleaners, 203 E Academy St
Williamston	
059-0002	Town & Country Cleaners, 617 Washington St
Mcdowell (1)	
Old Fort	
056-0001	Nichols Laundry And Dry Cleaning, Catawba Ave
Mecklenburg (48)	
Charlotte	
060-0001	A Cleaner, 5315 Monroe Rd
060-0002	American Dry Cleaning Company, 309 E Morehead St
060-0004	Minute Man Cleaners, 3060 Eastway Dr
060-0005	Mitchells Formal Wear Warehouse, 115 Scaleybark Rd
060-0006	Peoples Cleaners, 1930 Beatties Ford Rd
060-0007	Quail Dry Cleaners, 8538 Park Rd
060-0008	Sno-white Cleaners And Launderers, 4400 Sharon Rd
060-0009	Springfresh Cleaner, 9800 Monroe Rd
060-0010	Boggs And Company, 3931 Glenwood Dr
060-0011	Sno-white Cleaners, 7629 Pineville-matthews Rd
060-0012	Domestic Laundry - CAMDUS site, 801 S Mcdowell St
060-0013	Cunningham Cleaners, 104 S Sharon Amity Rd
060-0014	One Price Drycleaning, 816 E Arrowood Rd
060-0015	Carriage Fine Dry Cleaning, 8020 Providence Rd
060-0016	60 Minute Cleaners, 9100 S Tryon St
060-0017	Gateway Village Development, 700 W Trade St
060-0018	Dynasty Cleaners and Laundry, 3145 N Sharon Amity Rd
060-0019	Cunningham Cleaners, 2901 N Davidson St
060-0020	Midtown Square One Hour Valet Dry Cleaners, 401 S Independence Blvd
060-0023	Prestown Laundry And Cleaners, 6214 Idlewild Rd
060-0024	60 Minute Cleaners, 4447 The Plaza
060-0026	Sno-white Cleaners, 901 E 4th St
060-0027	Charlie Browns Dry Cleaners, 3701 Freedom Dr
060-0028	Sharon Cleaners, 4724 Sharon Rd
060-0029	Abra Costumes, 1611 Central Ave

Appendix B.
Sites with Dry-Cleaning Solvent Contamination by County and City

ID	Name and Address
Mecklenburg (48)	
Charlotte	
060-0030	Village Cleaners, 7221 Albemarle Rd
060-0031	Sno-white Cleaners, 5669 Farm Pond Lane Four Seasons Shopping Center
060-0032	Eastway Quick Clean Service, 3052 Eastway Dr
060-0033	Jones Dry Cleaning, 1601 E 4th St
060-0035	Ivory Cleaners, 2511 Westerly Hills Dr
060-0036	Faulk Cleaners, 2615 Westerly Hills Dr
060-0037	Dryclean Carolinas, 2508 South Blvd
060-0039	Providence Cleaners, 631 S Sharon Amity Rd
060-0040	People's Dry Cleaners, 2133 Beatties Ford Rd
060-0041	Holiday Cleaners, 2241 Beatties Ford Rd
060-0042	Holiday Cleaners, 3221 Monroe Rd
060-0043	Former Douglas Furrier and Cleaners, 1415 Elizabeth AVE
060-0044	Gay Laundry and Cleaners, 1101 N Brevard ST
060-0045	Carillon Building, 227 W Trade ST
060-0046	Arrow Laundry & Cleaners, 4735 Monroe Rd
060-0047	Mint Hill Cleaners, 7714 Matthews-Mint Hill Rd
060-0048	Dan Meigs Cleaners, 1101 Central Ave
060-0049	Starmount Cleaners, 6215 South Boulevard
Matthews	
060-0003	Crossroads Dry Cleaners, 3607 Matthews-Mint Hill Rd
060-0025	Ho Cleaners, 3116 Weddington Rd
060-0034	Ho Cleaners, 10420 E Independence Blvd
Pineville	
060-0021	Hearts Dry Cleaners, 9101 Pineville-matthews Rd
060-0022	Rainbow Cleaners, 8500 Pineville-matthews Rd
Moore (5)	
Aberdeen	
063-0002	Carters Fabricare, 1389 N Sandhills Blvd
063-0004	Soapy Bubbles, 1906 Poplar St
Pinehurst	
063-0001	Pinehurst Hotel Cleaners, 270 Mccaskill Rd
Southern Pines	
063-0003	Carters Laundry And Cleaning, 155 W New York Ave
063-0005	Dry Clean Express, 1930 N Poplar St
Nash (2)	
Rocky Mount	
064-0001	Clean-clean Dry Cleaners, 120 Winstead Ave
064-0002	Clean-clean Dry Cleaners, 2408 Sunset Ave
New Hanover (9)	
Wilmington	
065-0001	Modern Dry Cleaners And Laundry, 1104 Fordham Rd
065-0002	Coastal Dry Cleaners, 4414 Shipyard Blvd

Appendix B.
Sites with Dry-Cleaning Solvent Contamination by County and City

ID	Name and Address
New Hanover (9)	
Wilmington	
065-0003	Coastal Dry Cleaners And Coin Laundry, 4701 Oleander Dr
065-0004	Coastal Dry Cleaners, 2629 Carolina Beach Rd
065-0005	Williams Cleaners, 6845 Market St
065-0006	Williams Fabricare Inc, 5521 Carolina Beach Rd
065-0007	Coastal Dry Cleaners - Ogden Plaza, 6840 Market St
065-0008	Kings Laundry, 4615 Market St
065-0009	Coastal Cleaners, 7 S Kerr Ave
Onslow (7)	
Jacksonville	
067-0001	ABC One Hour Cleaners, 2127 Lejeune Blvd
067-0002	Southern Cleaners And Laundry, 820 Court St
067-0004	Coastal Dry Cleaners, 1170 Henderson Dr
067-0006	Northwoods Cleaners, 327 Henderson Dr
067-0007	Quality Cleaners and Laundry, 701 New Bridge St
Midway Park	
067-0005	Village Cleaners, 175 Freedom Way
Swansboro	
067-0003	Coastal Dry Cleaners, 628 W Corbett Ave
Orange (7)	
Carrboro	
068-0007	Hangers Cleaners, 127 Fidelity St
Chapel Hill	
068-0001	KSP Cleaners, 1490 FORDHAM Blvd
068-0002	American Dry Cleaners, 201 S Estes Dr
068-0003	Deluxe Cleaners, 227 S Elliott Rd
068-0005	Midtown Shops, 750 Martin Luther King Jr Blvd
068-0006	One Hour Koretizing Cleaners, 301 W Franklin St
Durham	
032-0011	Scott And Roberts Dry Cleaners, 733 Foster St
Pasquotank (1)	
Elizabeth City	
070-0001	Southgate Koretizing, 1409 W Ehringhaus St
Pender (1)	
Hampstead	
071-0001	Hampstead Village Dry Cleaners, 102 Hampstead Village
Pitt (6)	
Ayden	
074-0002	Ayden Plaza, 144 Third St
Greenville	
074-0001	Koretizing Cleaners, 2105 Charles St
074-0003	Better Look Garment Care, 600 SE Greenville Blvd

Appendix B.
Sites with Dry-Cleaning Solvent Contamination by County and City

ID	Name and Address
Pitt (6)	
Greenville	
074-0004	Bowens Cleaners, 2480 Stantonsburg Rd
074-0005	Bowen Cleaners, 3314 S Evans St
074-0006	Rabo Cleaners, 701 Hooker Rd
Polk (1)	
Tryon	
075-0001	Brocks Cleaners, 46 Maple St
Randolph (1)	
Asheboro	
076-0001	Hillside Laundromat, 1007 S Fayetteville St
Robeson (1)	
Fairmont	
078-0001	Stevens Dry Cleaners, 113 Center St
Rockingham (2)	
Reidsville	
079-0001	Hicks Poly Clean Center Self Service Laundry, 812 S Scales St
079-0002	Penrose Mall, 1601 S Scales St
Rowan (4)	
Salisbury	
080-0002	Avalon Cleaners, 124 Avalon Dr
080-0003	WMS Cleaners, 712 W Jake Alexander Blvd
080-0005	M&S Cleaners, 1729 W Innes St
Spencer	
080-0001	Shuping Cleaners, 21 Park Plaza Park Plaza Shopping Center
Rutherford (1)	
Forest City	
081-0001	Cone Mills, 139 Depot St
Scotland (1)	
Laurinburg	
083-0001	One Hour Cleaners, 1514 S Main St
Stanly (2)	
Albemarle	
084-0001	Dry Clean Express, 636 E Highway 24/27 Byp
Stanly (2)	
Norwood	
084-0002	Garment Care Center, 560 Fork RD
Surry (1)	
Mount Airy	
086-0001	Modern Laundry And Dry Cleaners, 526 W Lebanon St
Transylvania (1)	
Brevard	
088-0001	Rainbow Cleaners, 249 Caldwell St

Appendix B.
Sites with Dry-Cleaning Solvent Contamination by County and City

ID	Name and Address
Union (1)	
Monroe	
090-0001	Prestown Presto Clean, 405 N Sutherland Ave
Wake (41)	
Apex	
092-0030	Best Dry Cleaners, 1781 W William St
Cary	
092-0004	Medlin-Davis Cleaners, 1207 Kildaire Farm Rd
092-0011	Medlin-Davis Cleaners, 107 S Edinburgh Dr
092-0029	Galaxy Cleaners, 101 New Waverly Pl
092-0037	Avalon Cleaners, 686 Cary Towne Blvd
092-0038	Medlin Davis- Shoppes at Kildaire, 173 Cary Pky
092-0040	Village Cleaners, 6420 Tryon Rd
092-0041	Martinizing Dry Cleaners, 4246 NW Cary Pky
Knightdale	
092-0009	Knightdale Cleaners, 1013 N Smithfield Rd
Raleigh	
092-0001	Pro Cleaners, 8377 N Creedmoore Rd
092-0002	Sherrills Dry Cleaners, 5563 Western Blvd
092-0003	Rainbow Cleaners And Laundry, 2915 Essex Cir
092-0005	DJ Cleaners, 3591 Maitland Dr
092-0006	Hilkers Cleaners, 4043 Wake Forest Rd
092-0007	Brothers Cleaners, 6144 Falls Of The Neuse Rd
092-0008	Johnsons Dry Cleaners, 3534 Wade Ave
092-0010	Fuller Supply Company, 421 Eby Dr
092-0012	Newtons Cleaners, 2023 Cameron St
092-0013	Medlin-Davis Cleaners, 2028 Cameron St
092-0014	Glam-o-rama Cleaners, 3165 Capital Blvd
092-0015	Emporium Cleaners, 3501 Capital Blvd
092-0016	New Hope Cleaners And Tailors, 3901 Capital Blvd
092-0017	Brothers Cleaners, 4221 Six Forks Rd
092-0018	Ace Dry Cleaners, 4701 Atlantic Ave
092-0019	Sanitary Laundry, 417 McDowell St
092-0020	Sherrill's Dry Cleaning And Laundry, 7463 Six Forks Rd
092-0021	T And J Cleaners, 2423 Crabtree Blvd
092-0022	Medlin Davis Cleaners, 4434 Creedmoor Rd
092-0023	Popes Dry Cleaners, 7713 Lead Mine Rd
092-0024	Pleasant Valley Cleaners, 4112 Pleasant Valley Rd
092-0025	Hilkers Cleaners, 6325 Falls Of Neuse Rd
092-0026	Ideal Cleaners, 7209 Sandy Forks Rd
092-0027	Eagle Cleaners, 900 Spring Forest Rd
092-0028	Joy Cleaners, 4503 Fayetteville Rd
092-0031	The Cleaners, 3209 Avent Ferry Rd
092-0032	Greenbrier Cleaners, 4207 Fayetteville Rd

Appendix B.
Sites with Dry-Cleaning Solvent Contamination by County and City

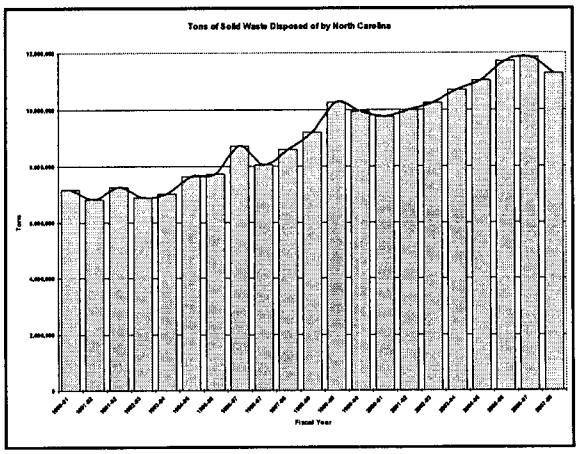
ID	Name and Address
Wake (41)	
Raleigh	
092-0033	Courtesy Cleaners, 8111 Creedmoor Rd
092-0034	S & S Cleaning, 425 Chapanoke Rd
092-0035	Sherrill's Dry Cleaners, 5563 Western Blvd
092-0036	North Boulevard Cleaners, 5141 New Hope Rd
092-0039	Former Brookside Dry Cleaners & Laundry, 1028 Brookside Dr
Watauga (2)	
Boone	
095-0001	High Country Cleaners, 396 E King ST
095-0002	Trailway Laundry, 320 E King ST
Wayne (2)	
Goldsboro	
096-0001	Penny Dry Cleaners, 212 E Ash St
096-0002	Penny One Hour Cleaners and Laundry, 433 N Berkeley Blvd
Wilson (7)	
Wilson	
098-0001	Koretizing Cleaners, 1313 Ward Blvd
098-0002	Discount Cleaners, 700 Highway 301 Blvd
098-0003	Exclusive Cleaners, 725 S Goldsboro St
098-0004	Exclusive Cleaners, 1513 Ward Blvd
098-0005	Friendly Cleaners, 605 S Pender St
098-0006	Exclusive Cleaners, 1673 Parkwood Blvd
098-0007	Exclusive Cleaners, 2700 Ward Blvd

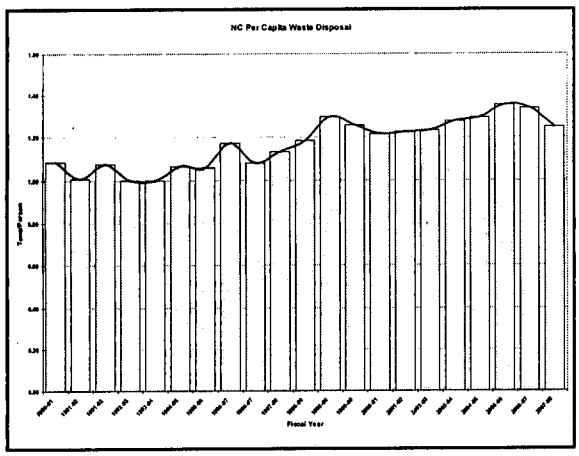
275 Identified Sites

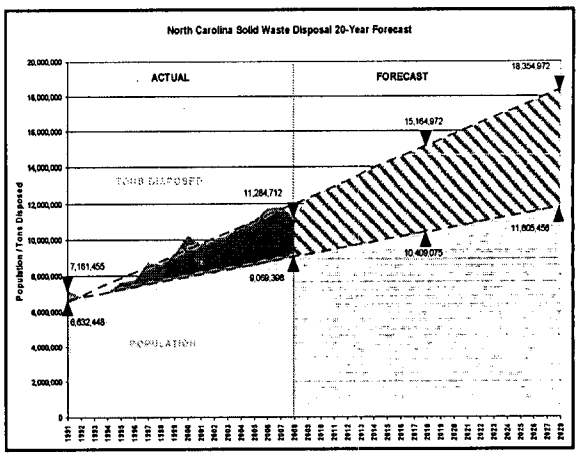
Paul Crissman,
Chief, Solid Waste Section
Division of Waste Management, DENR

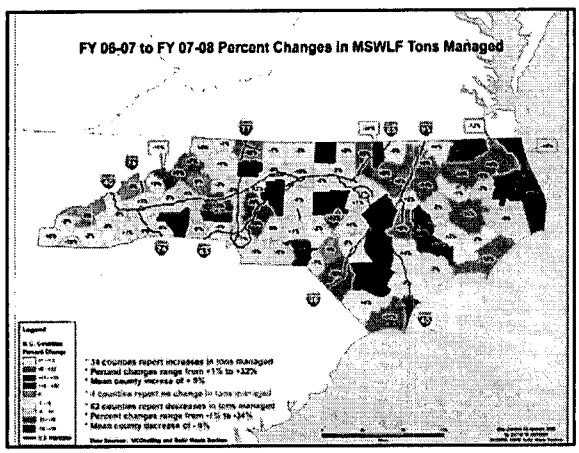
January 15, 2009
Environmental Review Commission

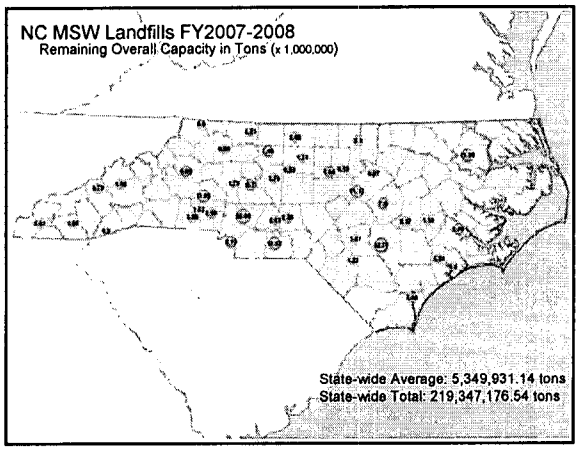


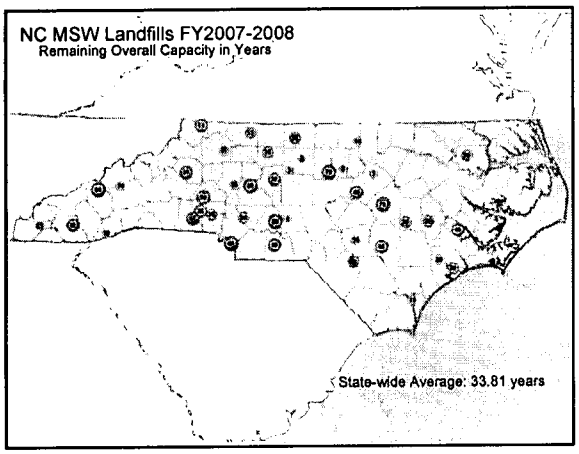


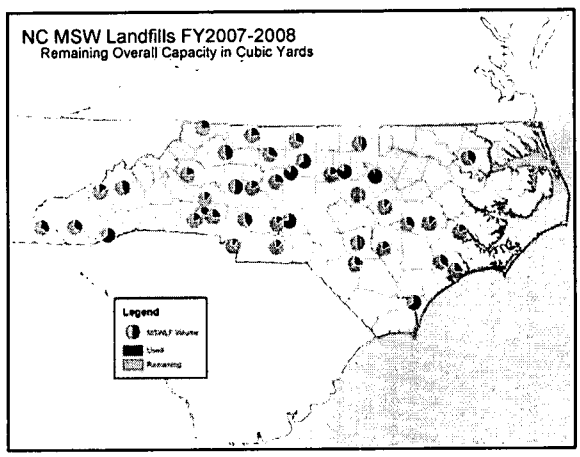


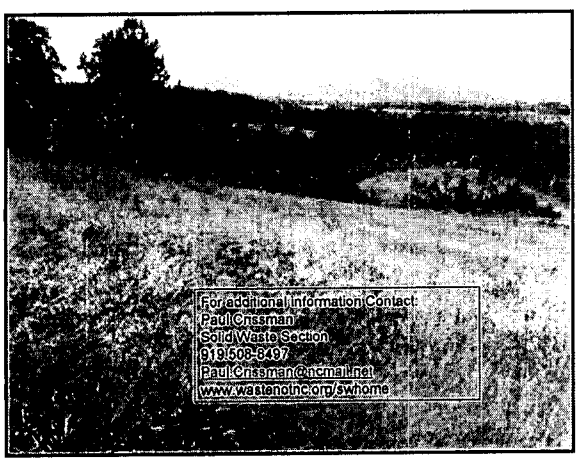







NC MSW Landfills FY2007-2008
Remaining Overall Capacity in Years
State-wide Average: 33.81 years


NC MSW Landfills FY2007-2008
Remaining Overall Capacity in Cubic Yards
Legend

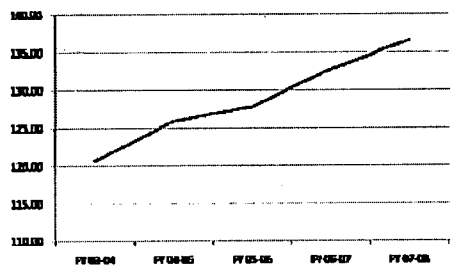

For additional information Contact:
Paul Crissman
Solid Waste Section
919.508-8497
Paul.Crissman@ncmail.net
www.wastenotnc.org/swhome

NC Recycling Picture Overview

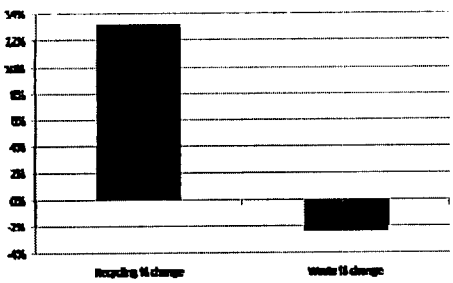
- Local government recycling tonnages continue to rise.
- Recycling contributing to strength of state economy.
- Global economic crisis abruptly ended the strong 5 year recycling price trend in late 2008.
- Near-term pace of recycling growth depends on:
  - improvement in prices
  - expansion of community programs
  - effect of new material bans.

Per Capita Increase in Recycling through Local Government Programs

(in lbs. per capita)



Percentage Change in Per Capita Disposal vs. Local Government Recycling, FY04 – FY08



Economic Crisis Affecting Recycling Material Prices

- As a commodity business, recycling wholly dependent on manufacturing demand.
- Auto, housing, and consumer product sectors especially important for recyclables.
- Chinese manufacturing demand also very important for recyclables.
- Collapse of manufacturing has lowered prices for all commodities, including recyclables.

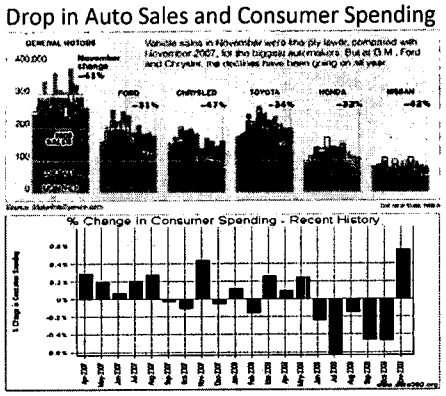
Global Manufacturing Collapse



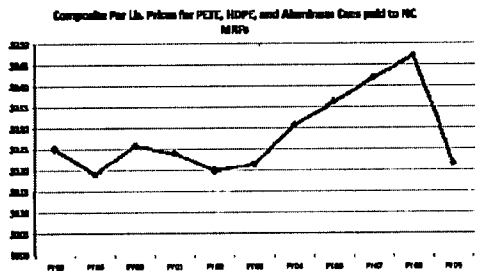
Source: JP Morgan December Global Manufacturing Purchasing Managers Index

- Chinese overseas shipments fell in November for the first time in seven years and Chinese industrial output grew by the smallest margin in almost a decade.

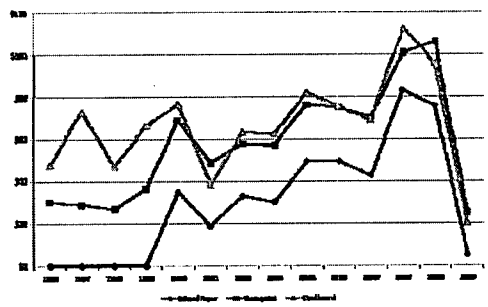
Drop in Auto Sales and Consumer Spending



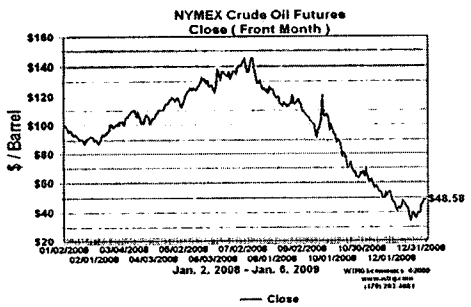
Container Material Prices Received by NC MRFs, FY 98 through half of FY 09



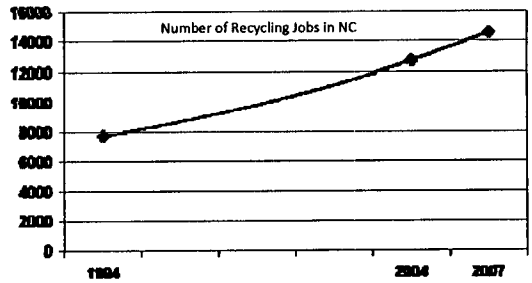
Paper Mill Prices, 1996-2009



Price Falling for Other Commodities – Example: Oil



Green Collar Jobs: Continued Growth of North Carolina's Recycling Economy



Examples of companies who have added employees since 2004

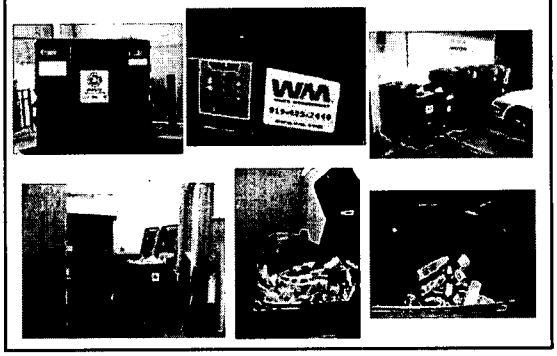
Company	2004 jobs	2008 jobs	% increase
ONP-based insulation manufacturer	15	40	167%
Processor (MRF) in Triangle	15	43	187%
Electronics recyclers in Charlotte, Triad and Triangle	35	84	140%
Rubber processor in western NC	12	38	217%
Processor (MRF) in central NC	4	20	400%
Processor (MRF) in western NC	23	34	48%



ABC Program Success

- Estimated Compliance:
  - Over 5,000 bars and restaurants recycling
  - Compliance rate probably around 70 percent
  - Average cost of compliance ~$100/month
- NC glass manufacturers receiving new supplies of clean "cullet."
- Estimated Tonnage Collected: 33,750 tons

Images of ABC Compliance

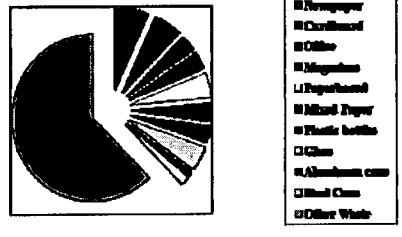


Progress in Curbside Recycling

- Number of curbside programs decreased, but number of households served by curbside increased by 80,000 (about 6%).
  - Expected to climb again next year
- Examples of curbside success:
  - New programs in Fayetteville, Mooresville.
  - Modernized programs in Wake Forest, Clayton, Archdale, Fuquay-Varina.
  - Rural subscription programs growing.

Household Recycling

- Estimated lbs of solid waste generated per household: 1,880
- Estimate recyclable lbs. per household: 745 (40%)
- Average NC program collection: 226 lbs per household served



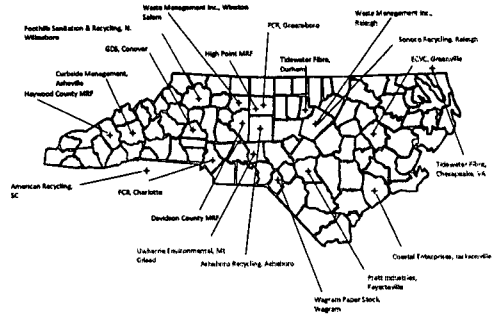
Conversion to Carts

- Single stream MRFs allow commingling.
- Carts give customers capacity to match their available materials.
- Communities converting to carts see increases in participation and recovery – 50% in most cases.
- Example - Wake Forest:
  - Converted to carts in 2005
  - Participation up from 60 to 80%
  - Recovery per household up 69%
  - Recovery rate at about 400 lbs/hh served



Material Recovery Facilities Serving NC

(single stream facilities in red)



Upcoming Disposal Bans

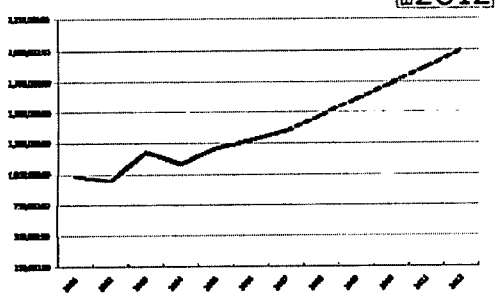
- Pallets – Oct 1, 2009
  - Pallets generated as C&D waste may go into CDLFs
- Rigid Plastic Bottles – October 1, 2009
  - Specifically excludes motor oil bottles
- Used Motor Oil Filters – Oct 1, 2009
- Televisions – Jan 1, 2011
- Computer Equipment – Jan 1, 2012

Main Near-Term Challenges for Recycling

- Weak economy will slow down expansions of local programs.
- Many communities may not invest their disposal tax revenues in recycling.
- Mass municipal conversion to curbside carts will be expensive.
- Recycling market prices will rebound slowly and rely on recovery of overall economy.

Reaching 2 Million by 2012

RECYCLE 2 MILLION TONS BY 2012



Plastic Bag Issues

- Plastic bags are recycled at a low rate, and generally "down-cycled" into plastic lumber.
- Plastic bags contribute to litter and are a major source of blown trash at landfills.
- There are some environmental advantages to plastic bags over paper and no clear-cut overall advantage to either.

Plastic Bag Use

- Specific data on plastic bag use difficult to find.
- EPA's data combines plastic bags, sacks, and wraps:
  - 380 billion used in U.S. each year
  - Approximate NC Share: 11.4 billion
- Some estimates of 84 to 100 billion plastics bags used per year in U.S. – NC share would be about 2.5 to 3 billion.
- Plastic bag tonnage in NC as much as 30,000 tons per year, possibly much higher.
- Estimated EPA recovery rate is 9%; other estimates as low as 1 to 2%.

Policy Activity on Plastic Bags

- Activity on local, state, and international levels.
- Partial or overall bans: 6 in African countries, 3 in Asia, 2 in Europe, and 6 local governments in U.S.
- Taxes placed on bag use in 6 countries around the world and in Seattle and Toronto.
  - Ireland example: 25 cent tax led to 94% reduction in bag use.
- Some retailers also active on plastic bag issues:
  - Many larger grocers and retailers offer recycling and sell reusable bags.
  - IKEA and Whole Foods have stopped using plastic bags.
  - Wal-Mart has goal of reducing bag use by 1/3rd – will cut 135 million lbs of plastic waste/year.
- Plastic bags will continue to be a focus of policy and corporate activity.

Update on Fluorescent Lights

- Additional studies confirm that using compact fluorescents (CFLs) reduces mercury emissions.
- CFLs continue to gain market share – estimated sales now about 9 million/year in NC.
- New recycling options available through Home Depot and Waste Management, Inc.
- New collection program in Watauga County offers good model for other communities.
- New State contract will make fluorescent light recycling much less costly for state and local agencies.

DENR Legislative Recommendations on Fluorescent Lights and Thermostats

- Require all state agencies, including universities, community colleges, and schools to recycle spent fluorescent lights and mercury thermostats and to submit a one-time report on their efforts by May 1, 2010.
- Ban all mercury containing products, including fluorescent lights and mercury thermostats, from disposal in ***unlined*** landfills, effective July 1, 2009.
- Require all demolition contractors to remove all fluorescent lights and mercury thermostats before a building is demolished, effective July 1, 2009.

General Assembly of North Carolina

Environmental Review Commission
State Legislative Building
Raleigh, North Carolina

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JESSICA BENNETT
COMMISSION CLERK

AGENDA

10:30 a.m. Thursday 22 January 2009
Room 544 Legislative Office Building
Raleigh, North Carolina

1. Call to order
   Senator Charles W. Albertson, Presiding

2. Introductory remarks by Cochairs *(5 minutes)*
   Senator Charles W. Albertson
   Representative Lucy T. Allen
   Senator Daniel G. Clodfelter
   Representative Pryor A. Gibson

3. Report to the Commission and explanation of agenda items *(10 minutes)*
   George F. Givens, Commission Counsel

   Approval of the minutes for the 18 December 2008 meeting of the Commission

4. Report from the Secretary of Environment and Natural Resources *(10 minutes)*
   Dee A. Freeman, Secretary
   Department of Environment and Natural Resources (DENR)

Air Quality Reports

5. Status of the litigation between North Carolina and the Tennessee Valley Authority (*State of North Carolina v. Tennessee Valley Authority* (Case No. 1:2006cv00020)) *(10 minutes)*
   James C. Gulick, Senior Deputy Attorney General
   Environmental Division, North Carolina Department of Justice

6. Discussion of the Clean Air Interstate Rule *(10 minutes)*
   James C. Gulick, Senior Deputy Attorney General
   Environmental Division, North Carolina Department of Justice

7. Annual report on the desirability of requiring and the feasibility of obtaining reductions in emissions of NOx and SO_2 beyond those required by the Clean Smokestacks Act (S.L. 2002-4, Sec. 11) *(10 minutes)*
   James C. Gulick, Senior Deputy Attorney General
   Environmental Division, North Carolina Department of Justice

8. Discussion of the Vehicle Safety and Emissions Inspection Program *(10 minutes)*
   Keith Overcash, Director
   DAQ, DENR

Water Allocation Study

9. Presentation of the Final Report of the Water Allocation Study (S.L. 2007-518, Sec. 1.(a) as amended by S.L. 2008-10) and issues related to increasing water supply and reservoir construction (S.L. 2008-143, Sec. 6) *(60 minutes)*

   Richard B. Whisnant, Principal Investigator
   Associate Professor of Public Law and Government
   University of North Carolina Institute of Government

   William E. Holman, Principal Investigator
   Visiting Senior Fellow
   Nicholas Institute for Environmental Policy Solutions
   Duke University

LUNCH BREAK 12:30 P.M. TO 1:30 P.M.

Coal Ash Storage and Disposal

10. Report on regulation and management of coal ash storage and disposal in the State *(10 minutes)*
    Edward S. Finley, Jr., Chairman
    Utilities Commission

    Robin W. Smith, Assistant Secretary for Environment
    DENR

Parks, Recreation, and Land Conservation Reports

11. Annual report on the Parks and Recreation Trust Fund, Fiscal Year 2007-2008 (G.S. 113-44.15(c)) *(20 minutes)*
    Lewis R. Ledford, Director
    Division of Parks and Recreation, DENR

12. Annual report on awards from the North Carolina Natural Heritage Trust Fund, Fiscal Year 2007-2008 (G.S. 113-77.9(e)) *(10 minutes)*
    Lisa D. Riegel, Executive Director
    North Carolina Natural Heritage Trust Funds
    Department of Environment and Natural Resources (DENR)

13. Annual report on the progress towards attaining the State's goal of protecting one million acres of farmland, open space, and conservation lands (G.S. 113A-241(c)) *(30 minutes)*

    Annual report on the implementation of the Conservation Easements Program and inventory of all conservation easements held by DENR (G.S. 113A-235(c))
    Linda P. Pearsall, Director
    Natural Heritage Program
    Office of Conservation & Community Affairs, DENR

14. Annual report on the implementation of the Clean Water Management Trust Fund (G.S. 113A-257) *(15 minutes)*
    Richard E. Rogers, Jr., Executive Director
    Clean Water Management Trust Fund

15. Annual report on the activities of the North Carolina Development and Farmland Preservation Trust Fund Committee (G.S. 106-744(i)) *(15 minutes)*
    D. Dewitt Hardee, Environmental Program Manager
    Department of Agriculture and Consumer Services

16. Update on Land for Tomorrow *(5 minutes)*
    David W. Knight, Executive Committee Member
    Land for Tomorrow

17. Commission discussion and announcements

18. Adjourn

FUTURE MEETINGS:

The Commission may meet while the General Assembly is in session (G.S. 120-70.44). When the Commission meets while the General Assembly is in session, notice will be given at a session of the Senate and House of Representatives as provided by G.S. 143-318.12(b) and will be distributed by email to the email notice distribution list, if possible. Notice will not be provided by first-class mail. The Commission will resume a schedule of regular monthly meetings following adjournment of the 2009 Session of the General Assembly.

ADDITIONAL INFORMATION:

Persons having questions about the Commission meeting or other matters related to the Commission may contact Commission Counsel or other Commission staff at (919) 733-2578 or may visit the Commission's website at http://www.ncleg.net/gascripts/DocumentSites/browseDocSite.asp?nID=12

VISITOR REGISTRATION SHEET

Environmental Review Commission — January 22, 2009

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMISSION ASSISTANT

NAME	FIRM OR AGENCY AND ADDRESS
JOHN SHAW	WAKE UP WAKE
Tommy Stevens	NCPC
DAVID BARNES	PowerSpring
Sharon Miller	CUCA
John Monaghan	Piedmont Natural Gas
Dow Rayno	DENR-DWR
Joe Smith	DENR. DWR
Carol Tingley	DENR-Parks & Recreation
LINWOOD PEELE	DENR-DWR
ANTHONY ALMON	NCACC
Leslie Arnold	SOG-Daily Bulletin

VISITOR REGISTRATION SHEET

Environmental Review Commission — January 22, 2009

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NAME	FIRM OR AGENCY AND ADDRESS
CT Taylor	SELC 200 W Franklin St Ste 330 CH, NC
Mallory Hatcher	McGuireWoods Consulting
Thomas Moore	Edwisom : Wells
Ken Melton	Ken. Melton & Assoc.
Linda Andrews	NCFB
Preston Howard	MCIC
Michelle C. Vaught	PCS Phosphate
Joyce Peters	LP Associates
Bob Koceun	NCFA
Sandy Sorg	NCSA
John Godman	KC Chamber

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Environmental Review Commission — January 22, 2009

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NAME	FIRM OR AGENCY AND ADDRESS
Dianna Jessup	Public Staff NCUC
W. Daniel Ashburn	Electric Cities
Nancy Thompson	Weyerhaeuser
ST Smith	EMC Chairman
Scott Gordon	Duke Energy
Lisa Martin	NC Home Builders
Jennifer Bumgarner	Governor's Office
Jay Stem	NCAA

VISITOR REGISTRATION SHEET

Environmental Review Commission — January 22, 2009

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NAME	FIRM OR AGENCY AND ADDRESS
Michelle Frazier	MFS
Amy McConkey	Smith Anderson
Tracy Kimbrell	Parker Poe
David Farrell	[illegible]
Brian Paul	Carolinas Golf Course Superintends Assoc.
John Morris	retired
Tom Fransen	NC DWR
Jim Lowry	NC Utility Contractors Association
Marty Wilder	DENR
Diana Kees	DENR
Mary Penny Thompson	DENR

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NAME	FIRM OR AGENCY AND ADDRESS
Dewitt Hardee	NC Dept of Ag - ADFP Trust
Lisa Riegel	NC-NHTF
David Knight	TNC
Steve Wall	DENR
Maximilian Merrill	NCDA&CS
Vernon Cox	DSWC
Pat Harris	DSWC
[illegible]	[illegible]
Joe Lanier	520 Wicker
Robin Smith	DENR
Dan Crawford	CCNC

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NAME	FIRM OR AGENCY AND ADDRESS
Tom Augspurger	tom_augspurger@fws.gov U.S. Fish and Wildlife Service, 551 Pylon Dr., Raleigh
KIM GARLIETT	KIMBERLY.GARLIETT@NCMAIL.NET NCUC - PUBLIC STAFF
Sheila Holman	NC DENR / Division of Air Quality 1641 mail service Center Raleigh, NC 27699-1641
Lori Cherry	NC DENR - Div. of Air Quality 1641 mail service Center Raleigh, NC 27699 lori.cherry@ncmail.net
DONNIE REDMOND	DENR - DAQ
KEITH OVERCASH	DENR - DAQ
BRIAN Phillips	DENR - DAQ
Lee Daniel	NC Division of Air Quality 1641 mail Service Center Raleigh, NC 27699-1641
Gudy Mendia	NC. Conservation Network.
AMY SIMES	DENR
DAVID McNAIGHT	Env. Defense Fund

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NAME	FIRM OR AGENCY AND ADDRESS
Jim Holman	Nicholas Institute / Duke Univ
Richard Whisnant	UNC School of Govt
Elizabeth Biser	DENR
Dee Freeman	DENR
Jim Gulick	NC DOJ
Marc Bernstein	NC DOJ
Reid Wilson	Conservation Trust for NC
George Everett	Duke Energy
Roger Knight	Wyrick Robbins / Weeks Industries

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Environmental Review Commission January 22, 2009

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NAME	FIRM OR AGENCY AND ADDRESS
Tom Bean	NC EDF, NCSEA, NCWF

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COMMISSION ASSISTANT

JESSICA BENNETT
COMMISSION CLERK

21 January 2009

TO: Members of the Environmental Review Commission
Interested Parties

FROM: George F. Givens, Commission Counsel
Jessica Bennett, Commission Clerk

RE: **Reminder of Commission Meeting**
Additional Information

COMMISSION MEETING: PLEASE NOTE TIME CHANGE

The Environmental Review Commission (Commission) will meet at 10:30 a.m. Thursday 22 January 2009 in Room 544 of the Legislative Office Building (LOB) in Raleigh. A tentative agenda for the meeting follows. Please note that changes have been made to the agenda since it was originally sent out on 14 January 2009 and the agenda is subject to further revision.

Subject to revision, the agenda for the 22 January meeting will consist of:

1) Report from the Secretary of Environment and Natural Resources.

2) Status of the litigation between North Carolina and the Tennessee Valley Authority.

3) Annual report on the desirability of requiring and the feasibility of obtaining reductions in emissions of NOx and SO_2 beyond those required by the Clean Smokestacks Act (S.L. 2002-4, Sec. 11).

4) Discussion of the Vehicle Safety and Emissions Inspection Program.

5) Discussion of the Clean Air Interstate Rule.

6) Annual report on implementation of the Sedimentation Pollution Control Act of 1973 (G.S. 113A-67).

7) Presentation of the Final Report of the Water Allocation Study (S.L. 2007-518, Sec. 1.(a) as amended by S.L. 2008-10) and issues related to increasing water supply and reservoir construction (S.L. 2008-143, Sec. 6).

8) Report on regulation and management of coal ash storage and disposal in the State.

9) Annual report on the Parks and Recreation Trust Fund, Fiscal Year 2007-2008 (G.S. 113-44.15(c)).

10) Annual report on awards from the North Carolina Natural Heritage Trust Fund, Fiscal Year 2007-2008.

11) Annual report on the progress towards attaining the State's goal of protecting one million acres of farmland, open space, and conservation lands (G.S. 113A-241(c)).

12) Annual report on the implementation of the Conservation Easements Program and inventory of all conservation easements held by DENR (G.S. 113A-235(c)).

13) Annual report on the implementation of the Clean Water Management Trust Fund (G.S. 113A-257).

14) Annual report on the activities of the North Carolina Development and Farmland Preservation Trust Fund Committee (G.S. 106-744(i)).

15) Update on Land for Tomorrow.

ADDITIONAL INFORMATION:

If you have questions related to the Commission, please feel free to contact the Commission Counsel or other Commission staff at (919) 733-2578.

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MARIAH B. MATHESON
COMMISSION ASSISTANT

JESSICA BENNETT
COMMISSION CLERK

14 January 2009

TO: Members of the Environmental Review Commission
Interested Parties

FROM: George F. Givens, Commission Counsel
Jessica Bennett, Commission Clerk

RE: **Reminder of Commission Meetings (two meetings)**
Additional Information

COMMISSION MEETINGS:

The Environmental Review Commission (Commission) will meet at 9:30 a.m. Thursday 15 January 2009 in Room 643 of the Legislative Office Building (LOB) in Raleigh AND at 9:30 a.m. Thursday 22 January 2009 in Room 544 LOB. A tentative agenda for each meeting follows. Please note that these tentative agenda are subject to revision.

Subject to revision, the agenda for the 15 January meeting will consist of:

1) Quarterly report by the Environmental Management Commission (EMC) as to its operations, activities, programs, and progress for the period of 1 October 2008 through 31 December 2008 (G.S. 143B-282(b)).

2) Annual report on the Wastewater Discharge Elimination Program (S.L. 2001-452, Sec. 2.9).

3) Annual report on fish kills in the previous year (G.S. 143B-279.7 (c)).

4) Annual report on the North Carolina Hazardous Waste Management Plan (G.S. 130A-294(i)).

5) Annual report on implementation of the Resident Inspectors Program at commercial hazardous waste facilities (G.S. 130A-295.02(m)).

6) Annual report on the mercury minimization plan (G.S. 130A-310.57, Sec. 7).

7) Annual report on the Inactive Hazardous Sites Program (G.S. 130A-310.10).

8) Annual report on the effectiveness of the Brownfields Property Reuse Act (G.S. 130A-310.40).

9) Annual report on the Dry-Cleaning Solvent Cleanup Act of 1997 (G.S. 143-215.104U).

10) Presentation of the findings of the annual solid waste management report (G.S. 130A-309.12(c), G.S. 130A-309.06(c)(6), G.S. 130A-309.06(c)(8), G.S. 130A-309.06(c)(9), G.S. 130A-309.06(c)(10), G.S. 130A-309.06(c)(11), G.S. 130A-309.06(c)(12), G.S. 130A-309.06(c)(13), G.S. 130A-309.63(e), G.S. 130A-309.85, G.S. 136-28.8(g), G.S. 143-58.2(f)).

11) Discussion of issues related to the use of plastic bags (S.L. 2008-181, Sec. 6.9) and recycling program for fluorescent lamps (S.L. 2008-181, Sec. 6.11).

Subject to revision, the agenda for the 22 January meeting will consist of:

1) Presentation of the Final Report of the Water Allocation Study (S.L. 2007-518, Sec. 1.(a) as amended by S.L. 2008-10) and issues related to increasing water supply and reservoir construction (S.L. 2008-143, Sec. 6).

2) Discussion of issues related to discussion of issues related to disclosure of coastal hazards in coastal real estate transactions (S.L. 2008-181, Sec. 6.6).

3) Annual report on implementation of the Sedimentation Pollution Control Act of 1973 (G.S. 113A-67).

4) Annual report on North Carolina Natural Heritage Trust Fund Award Report, Fiscal Year 2007-2008 (G.S. 113-77.9(e)).

5) Parks and Recreation Trust Fund Annual Report, Fiscal Year 2007-2008 (G.S. 113-44.15(c)).

6) Implementation of the Clean Water Management Trust Fund (G.S. 113A-257).

7) Annual report on progress towards attaining the State's goal of protecting one million acres of farmland, open space, and conservation lands (G.S. 113A-241(c)).

8) Annual report on implementation of the Conservation Easements Program and inventory of all conservation easements held by DENR (G.S. 113A-235(c)).

9) Annual report on North Carolina Development and Farmland Preservation Trust Fund Committee's activities (S.L. 2007-495, Sec. 23).

10) Annual report on the desirability of requiring and the feasibility of obtaining reductions in emissions of NOx and SO_2 beyond those required by the Clean Smokestacks Act (S.L. 2002-4, Sec. 11).

11) Discussion of the Auto Mobile Safety and Emissions Inspection Program.

12) Discussion of Clean Air Reductions Emissions Program.

ADDITIONAL INFORMATION:

If you have questions related to the Commission, please feel free to contact the Commission Counsel or other Commission staff at (919) 733-2578.

General Assembly of North Carolina

Environmental Review Commission
State Legislative Building
Raleigh, North Carolina

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COMMISSION CLERK

22 January 2009

MEMORANDUM

To: Members of the Environmental Review Commission
From: Mariah Matheson, Commission Assistant
Re: Disposition of Reports and Other Information Received by the Commission

The following reports and other information have been submitted to the Commission since the last reports distribution on 15 January 2009. These reports are distributed, held, or otherwise accounted for as follows:

A. The following reports have been submitted by the Department of Environment and Natural Resources (DENR) and are being distributed in connection with today's agenda as follows:

1) Annual report on the desirability of requiring and the feasibility of obtaining reductions in emissions of NOx and SO_2 beyond those required by the Clean Smokestacks Act. 1 September 2008. Authority: S.L. 2002-4, Sec. 11. ***Agenda Item #7***

2) Annual report on the Parks and Recreation Trust Fund, Fiscal Year 2007-2008. 1 October 2008. Statutory Authority: G.S. 113-44.15(c). ***Agenda Item #11***

3) Annual report on awards from the North Carolina Natural Heritage Trust Fund, Fiscal Year 2007-2008. (Semi-annually, within 30 days of each revision). Statutory Authority: G.S. 113-77.9(e). ***Agenda Item #12***

4) Annual report on progress towards attaining the State's goal of protecting one million acres of farmland, open space, and conservation lands. 1 October 2008. Statutory Authority: G.S. 113A-241(c)). ***Agenda Item #13***

5) Annual report on the implementation of the Conservation Easements Program and inventory of all conservation easements held by DENR. 1 October 2008. Statutory Authority: G.S. 113A-235(c). ***Agenda Item #13***

B. The following report has been submitted by the Principal Investigators in connection with the Water Allocation Resources Study to the Commission and will be distributed in connection with today's agenda as follows:

6) Report on the allocation of surface water resources and their availability and maintenance in the State and issues related to increasing water supply and reservoir construction to the 2009 Regular Session. 1 October 2008. Authority: S.L. 2007-518, Sec. 1.(a) as amended by S.L. 2008-10 and S.L. 2008-143, Sec. 6. ***Agenda Item #9***

C. The following report has been submitted by the Clean Water Management Trust Fund and is being distributed in connection with today's agenda as follows:

7) Annual report on the implementation of the Clean Water Management Trust Fund. 1 December 2008. Statutory Authority: G.S. 113A-257. ***Agenda Item #14***

D. The following report has been submitted by the Department of Agriculture and Consumer Services and is being distributed in connection with today's agenda as follows:

8) Annual report on the activities of the North Carolina Development and Farmland Preservation Trust Fund Committee. 1 May 2009. Statutory Authority: G.S. 106-744(i). ***Agenda Item #15***

E. The following report has been submitted by DENR and is being held for distribution in connection with agenda items at a future meeting of the Commission:

9) Implementation of the Ecosystem Enhancement Program and use of the Ecosystem Enhancement Fund, including inventory of property and easements. 1 November 2008. Statutory Authority: G.S. 143-214.13.

Please contact George Givens, Susan Iddings, Jeff Hudson, Jennifer McGinnis, Jennifer Mundt, or Mariah Matheson at (919) 733-2578 if you have any questions or comments.

NORTH CAROLINA GENERAL ASSEMBLY

ENVIRONMENTAL REVIEW COMMISSION

REPORT TO THE
2009 SESSION
of the
2009 GENERAL ASSEMBLY

JANUARY, 2009

DRAFT

TRANSMITTAL LETTER

The Environmental Review Commission respectfully submits the following report.

Representative Lucy T. Allen
Co-Chair

Senator Charles W. Albertson
Co-Chair

Representative Pryor A. Gibson
Co-Chair

Senator Daniel G. Clodfelter
Co-Chair

COMMISSION PROCEEDINGS

The Environmental Review Commission (Commission) met five times during the 2008-2009 Legislative Interim. Staff to the Commission held public planning meetings to determine the content of each meeting. The Commission met on the following dates and held public planning meetings on the dates indicated in parentheses: 9 October 2008 (29 September 2008), 25 November 2008 (12 November 2008), 18 December 2008 (2 December 2008), 15 January 2009 and 22 January 2009 (6 January 2009).

In fulfillment of its duty to provide legislative oversight of matters related to protection of the environment, environmental health, and conservation of natural resources, the Commission received numerous reports on various topics. A table that sets out the reports that are required to be made to the Commission, which reports have been received, and the disposition of those reports (presented orally before the Commission, or distributed to members of the Commission as read-only reports) is included as an attachment to this report.

A summary of the agenda items for each meeting follows below. In addition to the listed items, the Commission Counsel presented an oral report and explanation of agenda items to the Commission at each meeting. Detailed minutes of each meeting, with attachments, are being prepared by Commission staff and will be available in the Legislative Library.

Thursday 9 October 2008
Room 544 Legislative Office Building
Raleigh, North Carolina
Co-chairwoman Representative Lucy T. Allen presided

Stephen T. Smith and David H. Moreau, the current and former Chairmen of the Environmental Management Commission (EMC) respectively, presented the *quarterly reports on the EMC's operations, activities, programs, and progress for the period 1 April 2008 through 30 September 2008.* Dr. Moreau also reflected on his 16 years of service to the EMC.

Mr. Smith reported on the *EMC's progress in developing and implementing nutrient management strategies for certain water supply reservoirs.* He presented information on watershed management strategies for Jordan Lake and Falls Lake.

James B. Stanfill, Strategic Planning Coordinator for the Ecosystem Enhancement Program in the Department of Environment and Natural Resources (DENR) reported on the *progress in developing and implementing a new fee structure for the Nutrient Offset Program.* Mr. Stanfill presented the following:

- A brief history of the nutrient offset program including a description of the past fee structure and the study conducted by RTI, International that ultimately led to a legislated increase in the fees for nitrogen and phosphorus offsets in 2007.
- Objectives of the nutrient offset program include incorporating the actual costs of operating the program. He stated that all program costs must be accounted for and

the program needs to be understandable and easy to use given the wide spectrum of clients' knowledge.

- Another objective was that the program needs to be predictable and equitable. To better serve clients, a prototype was created to calculate cost predictions.

Edythe M. McKinney, Director of the Customer Service Center and Small Business Ombudsman in DENR presented the annual report on the *One-Stop Permit Assistance Program and the Express Permit and Certification Review Program.* Ms McKinney explained that the Express Permit program tracks seven permitting programs and made the following remarks about the program from the reporting period:

- A large percentage of permits in the seven tracked programs were issued in less than 90 days.
- For those permits that take more than 90 days to be issued, delays typically stem from complexities (Title V Air Quality and Coastal Area Management Act major permit applications).
- The lack of complete well-documented permit applications is the single biggest factor in protracted review process.
- The Express Permit program offers additional training opportunities and provides assistance to help applicants file completed permit applications.
- Express permit review is much quicker than the regular permit review process -- the program's ability to handle reviews expediently is largely attributed to adequate staffing and stringent oversight in the early steps of the application process.

North Carolina Utilities Commission Chairman Edward S. Finley presented two reports: (1) an *analysis of whether rate structures, policies, and measures, including decoupling, that promote a mix of generation involving renewable energy sources and demand reduction should be implemented in this State* and (2) the *annual report on the Renewable Energy and Energy Efficiency Portfolio Standard (REPS).*

Chairman Finley described the findings of the first report:

- With regard to decoupling, having only issued rules implementing Senate Bill 3 (Promote Renewable Energy/Baseload Generation) in early 2008, the Utilities Commission believes that it would be premature to adopt new major changes to electric utility rate structures before it has been determined whether the incentives under Senate Bill 3 serve their intended purpose and are sufficient. Additional decoupling measures should not be adopted at this time.
- The Utilities Commission recommends that electric utilities make efforts to increase the promotion and encourage utilization of time-differentiated rates by all customers.
- The Utilities Commission recommends that utilities reconsider the appropriateness of declining block rates and encourages utilities to carefully consider the implications and potential impacts to customers when designing increasing block rates.
- The Utilities Commission recommends that no action be taken by the General Assembly with regard to net-metering as the Commission has an open Docket on the appropriateness of allowing generators of up to 1MW to participate in net-metering (Docket No. E-100, Sub 83).

- The Utilities Commission encourages utilities to continue to evaluate advanced metering but believes it would not be cost-effective to remove large numbers of relatively new meters and replace them with more advanced meters. The Commission also recommends that utilities aggressively pursue opportunities for increased demand response that when used in conjunction with advanced metering, together can impact peak demand.

Chairman Finley described the findings of the annual report on the implementation and compliance of REPS requirements:

- The Utilities Commission adopted the final rules implementing Senate Bill 3 on 29 February 2008.
- Pursuant to these rules, utility's REPS compliance plans must be filed on or before 1 September of each year beginning in 2008. Utility compliance reports must be filed beginning in 2009.
    - Chairman Finley noted that utility compliance plans were received by the Utilities Commission as required by Senate Bill 3. The Commission granted requests for extension and pushed the deadline for filing the 2008 REPS compliance report to 3 November 2008 for all electric power suppliers.
- The Utilities Commission established a procedure for each electric public utility to recover incremental costs incurred to comply with REPS requirements.
- Implementation of Senate Bill 3 includes three rules specific to renewable energy facilities:
    - All obtain a Certificate of Public Convenience and Necessity (2 exemptions allowed by law).
        - For exempt renewable energy facilities, must file a report of proposed construction.
    - All must register with the Utilities Commission if the owner intends for renewable energy credits (REC) earned to be eligible for REPS compliance.
- Opened a Docket for defining the requirements for a third-party REC tracking system and to select an administrator.

Chairman Finley listed a number of issues for consideration that will require Utilities Commission interpretation in the future.

James C. Gulick, Senior Deputy Attorney General in the Office of the Attorney General provided an *update on air quality issues as well as the annual report on implementation of S.L. 2002-4 (Improve Air Quality/Electric Utilities (Clean Smokestacks Act (Act)))*. Mr. Gulick reported that both Duke Power and Progress Energy met the requirements of the Act. Mr. Gulick stated that two of the largest coal burning facilities (Roxboro and Belews Creek) had scrubbers installed making for much cleaner emissions. Furthermore, Mr. Gulick reported that the emissions reductions required by 2013 will be achieved. Both major utility companies met the required 70 percent amortization of costs between January 2003 and December 2007. Mr Gulick also addressed Section 10 of the Act that authorizes the State to use all resources

and means to achieve emissions reductions. As such, Mr. Gulick reported that the State is awaiting a Supreme Court judgment on a suit filed against the Tennessee Valley Authority. The suit would require TVA to install NO_x and SO_x controls at its fleet of coal-fired electric power plants to abate the nuisance caused by those emissions in North Carolina. Mr. Gulick is confident that the ruling will be in the State's favor.



Tuesday 25 November 2008
Room 544 Legislative Office Building
Raleigh, North Carolina
Co-chairman Representative Pryor A. Gibson presided

Principal Investigators Richard B. Whisnant, Associate Professor of Public Law and Government in the Institute of Government at the University of North Carolina at Chapel Hill and Bill Holman Visiting Senior Fellow at the Nicholas School for Environmental Policy Solutions at Duke University presented the *draft report on the Water Allocation Study (WAS)*. Mr. Whisnant and Mr. Holman recommended that the General Assembly take the following measures in 2009 in order to put North Carolina in a more secure position with respect to its water supply:

- Clearly state policy goals to guide administrative and judicial decisions.
- Establish a permit for large water withdrawals, either from groundwater or surface water.
- Conform existing laws to each other and to policy goals.
- Establish proactive, adaptive, river basin water supply planning.
- Simplify and integrate water and water-funding information.
- Address critical research and study needs.
- Ensure that water infrastructure is maintained.
- Reward and spread best practices and leadership efforts in water efficiency.
- Create more storage.

Mr. Whisnant and Mr. Holman called the Commission's attention to four scenarios described in the draft report that articulate how the present approach to water allocation works and where there are gaps and weaknesses that need legislative attention. Each of the scenarios presented, or a variation of it, had occurred in the past and can be expected to recur in the future.

Thomas Reeder, Director of the Division of Water Resources in DENR presented an *update on water quantity issues, the report of the Drought Management Advisory Council, and progress in water supply planning*. In his presentation, Mr. Reeder discussed the following topics:

- The status of the drought -- comparing drought monitor conditions in mid-November 2008 to those in late July 2008.
- The implementation of the drought legislation (Session Law 2008-143) including:
  - Update on the development of Water Conservation and Water Shortage Response Plans by water systems.
  - Updated water withdrawal registration form and response.
  - Status of the agriculture water use survey.
  - Discussion of water system efficiency.
- Daily water withdrawals in the State.
- Update on water supply river basin planning:
  - Draft plan for the Cape Fear will be available in January 2009.

- Neuse and Roanoke River Basin models to be completed in 2009 and draft plans completed in 2010.
- Tar-Pamlico and Broad River Basins to follow.

- Bi-State Commission Activities.
- Active and Upcoming Interbasin Transfers (IBTs)
  - Greenville Utilities Commission
  - Kerr Lake Regional Water System
  - Brunswick County

Jean Crews-Klein, Vice-President of Business and Natural Resource Development for Klein Consulting presented the *annual report of the State Water Infrastructure Commission.* Ms Crews-Klein presented SWIC's recommendations for consideration:

- Infrastructure financing:
  - Permanent State funding for water, wastewater, and stormwater improvements.
  - Reevaluation of Median Household Income Threshold for determining grant eligibility under State law.
  - Develop a process for reporting all grant and loan resources used for water, wastewater, and stormwater projects.
- Drought preparedness and resource management:
  - Develop guidelines for water rate structures consistent with State guidance on water conservation.
  - Water system efficiency improvements.
  - Incentives to encourage efficient water use.
- Water audits:
  - Require standard for water audits.
  - Modify local water supply plans to include information from water audits.
  - Require water audits for financing and make results of audits available to the public.
- Reclaimed water:
  - Recharacterize reclaimed water as a "resource."
  - Continued discussion of permitted uses and incentives for using reclaimed water.
  - Reduce competitive price disadvantages to expanded use of reclaimed water.
  - Develop or enhance existing local policy frameworks and institutions for management of water resources.
- Support development of regional infrastructure partnerships.

S. Art Barnhardt, Regional Supervisor of the Aquifer Protection Section in the Fayetteville Regional Office of the Division of Water Quality in DENR reported on the *status of contaminated wells in Montgomery, Moore, and Richmond counties.* Mr. Barnhardt stated that the source and concentration of contaminants appears to be residual from pesticide application associated with normal farming practices. Short-term and long-term solutions were proffered as well as statements regarding further sampling and study of wells.

John McAllister, Vice President of Governmental Affairs for the North Carolina Chamber and Mr. Thomas G. Bean Legislative Liaison for the North Carolina Wildlife Federation discussed the *desirability of abolishing the existing environmental regulatory commissions and replacing them with a new full-time environmental regulatory commission modeled on the Utilities Commission*.

Anne S. Galamb, an Environmental Specialist for the Technical Services Section in the Division of Air Quality in DENR presented an update on the *pilot program to retrofit school buses to reduce diesel emissions in non-attainment areas*. Ms Galamb reported that:

- Complete funding for this pilot program was expected in October 2008; $2 million in federal Congestion Mitigation and Air Quality (CMAQ) funds that are awarded by the State Department of Transportation (DOT) and $500,000 in matching funds from the State Department of Public Instruction. Because no funds were available as of the date of the report, no school buses have been retrofitted to date. She anticipates that 345 buses can be retrofitted with those funds.
- Retrofitting the buses with diesel particulate filters and crankcase ventilation systems should result in 85-90% reduction in emissions from the tail pipe and approximately 100% reduction of emissions from the crankcase. Based on average annual mileage for all retrofitted buses in the participating counties, the Department expects total annual emission reductions of:
  - 0.87 tons/year of particulate matter
  - 3.46 tons/year of hydrocarbons
  - 9.62 tons/year of carbon monoxide
- The report states that a program to accelerate the replacement of older buses with newer buses that are equipped with emission reduction devices would have a significant effect on air quality and children's health.
- To extend the pilot to all school districts in nonattainment and maintenance areas in the State (4,407 buses minus the 345 in the pilot) would cost approximately $5.7 million.
- The cost to extend the retrofits to all school buses in the State would be $13.8 million.

Patricia K. Harris, the Director of the Division of Soil and Water Conservation in DENR presented the annual report on the *implementation of animal waste performance standards for swine farms, the Lagoon Conversion Program, and the Swine Farm Waste Management System Conversion Account*. Ms Harris provided a background of the Lagoon Conversion Program (Program) and stated that the rulemaking to implement the provisions of the Program was approved by the EMC on 13 November 2008 and could be in effect as early as January 2009. Ms Harris explained that seven applications were received by the Division in the first round. First round offers 90% cost-share up to $500,000. Three applications from Sampson County were selected for participation in the Program.

Thursday 18 December 2008
Room 1228 Legislative Building
Raleigh, North Carolina
Co-chairwoman Representative Lucy T. Allen presided

Tamra Shaw, a Mobility Development Specialist in the Public Transportation Division of the Department of Transportation, presented the annual report on *development and implementation of a plan to reduce vehicle miles traveled (VMT) by State and private-sector employees and vehicle emissions resulting from job-related travel, including commuting to and from work.* Ms Shaw discussed the program and stated that from 2000 to 2008 VMT has been reduced by 24.6%. She remarked that the program is on track to achieve the 25% reduction target as directed by the Ambient Air Quality Improvement Act of 1999.

Bill Holman from the Nicholas School for Environmental Policy Solutions at Duke University returned to discuss the *draft report on the Water Allocation Study (WAS).* Mr. Holman stated that the Principal Investigators were receiving comment on the draft WAS and would incorporate those comments into the final WAS report. Mr. Holman also remarked that the Principal Investigators will draft legislation to implement the recommendations in the final WAS report.

Terry L. Pierce, Director of the Division of Environmental Health in DENR presented the annual report on the *program to streamline the process for the issuance of an improvement permit or an authorization to construct for an on-site subsurface wastewater system in certain counties.* Cherokee County was the only county that met the criteria for participation in the program. The pilot program authorizes Licensed Soil Scientists (LSS) that are both registered with the health department and provide proof of carrying liability insurance to submit applications for improvement permits. Mr. Pierce reported that by allowing LSS, in addition to registered sanitarians, to submit applications for permits the backlog of permit applications in Cherokee County was eliminated.

Francis A. Sanders, Director of Operations at the Onslow Water and Sewer Authority and Colleen H. Sullins, Director of the Division of Water Quality in DENR discussed *alternative methods of disposing of treated wastewater.* Mr. Sanders stated that the current uses of reclaimed water in the State are for spray irrigation and infiltration ponds and that proposed uses of reclaimed water could include crop irrigation and limited wetlands augmentation. Mr. Sanders described the benefits of wetlands augmentation and discussed the State's current posture on and the background for the prohibition on deep well injection. Mr. Sanders described the benefits to deep well injection of reclaimed water. Ms Sullins stated that the EMC approved rules for wetlands augmentation that may become effective in the summer of 2009. A discussion ensued regarding aquifer storage for reclaimed water.

T. Bradley Bennett, the Supervisor of the Stormwater Permitting Unit in the Division of Water Quality in DENR presented the annual report on the *implementation of stormwater rules and programs.* Mr. Bennett described the new coastal stormwater rules and the implementation of the Session Law (S.L. 2008-211, Improve Coastal Stormwater Management). He stated that five workshops on the new rules were held in September 2008 in the coastal counties. Mr. Bennett also discussed the ongoing implementation of the

federal Phase II municipal stormwater program. Mr. Bennett remarked on the post-construction stormwater management program and five general permits that were reissued in the industrial permitting program. According to Mr. Bennett, the Division has developed major areas of technical assistance and outreach with regard to stormwater.

Four people made presentations to the Commission on the topic of *protection of conservation land from eminent domain:*

1. W. Edward Poe, Jr., Board Member of the Catawba Lands Conservancy and on behalf of the North Carolina Land Trust Council, listed increasing population and decreasing natural landscapes as pressures on infrastructure. Mr. Poe described the current test for eminent domain and suggested recommendations for legislative action.
2. Kimberly S. Hibbard, Associate General Counsel for the North Carolina League of Municipalities, also spoke on behalf of the North Carolina Association of County Commissioners. Ms Hibbard explained that the municipal and county governments play a dual role in this area: (1) protect the easements and (2) participate in condemnation for public benefit. She expressed concerns regarding carving out a different test for eminent domain for easements and that county tax assessors account for easements and usually authorize lower taxes; as such the easement holders receive that benefit.
3. Jeffrey T. O'Briant, Manager of Siting and Acquisition for Progress Energy Carolinas stated that these issues are largely addressed in the North Carolina General Statues (NCGS) and under federal law as provided by the Fifth Amendment. Compensation for attorney's fees is already available under the NCGS. Mr. O'Briant fears that changes to the law would affect the public and add costs to rate payers. He also noted that there may be limited availability to provide electricity services to customers if easements are involved.
4. John M. Monaghan, Jr., Community Relations Manager for the North Carolina East Region of Piedmont Natural Gas Company stated that his company does not want conflicts with existing goals to provide natural gas to unserved areas of the State. Mr. Monaghan stated that many natural gas facilities and distribution lines are underground and are compatible with easement policy. He warned of unintended consequences from changes to existing law.

Thursday 15 January 2009
Room 643 Legislative Office Building
Raleigh, North Carolina
Co-chairman Representative Pryor A. Gibson presided

Stephen Smith, Chair of the EMC presented the *quarterly report on the EMC's operations, activities, programs, and progress for the period 1 October 2008 through 31 December 2008.* Mr. Smith's presentation focused on an in-depth discussion of the Jordan Lake Nutrient Rules Process.

Walt Haven, the Head of the Water Supply Branch of the On-Site Water Protection Section in the Division of Environmental Health in DENR presented the annual report on the *Wastewater Discharge Elimination Program.* Mr. Haven reported that from 2002 to 2008, 12,680 home visits were done, 8,070 surveys have been completed, 1,794 septic system violations were recorded, and 944 repairs were completed to correct violations. Mr. Haven noted that expanding the program to the whole State could help reduce the discharge of partially-treated or untreated wastewater to North Carolina's streams and rivers.

Mark Hale, a Senior Environmental Specialist in the Environmental Services Section of the Division of Water Quality in DENR presented the annual report on *fish kills for the previous year.* Mr. Hale reported that there were a total of 61 kill events in 2008, a cumulative mortality of 7,554,458, and that the kills occurred in 8 of the 17 river basins. According to Mr. Hale, the Neuse and Tar-Pamlico estuaries experienced the worst of the fish kills. The majority of the fish kills were due to reported dissolved oxygen depletion. Mr. Hale stated that conditions present due to the 2007 drought persisted through 2008 and contributed to the large number of kills.

Elizabeth Cannon, Chief of the Hazardous Waste Section (HWS) in the Division of Waste Management (DWM) in DENR presented the following three reports:

1. Annual report on the *North Carolina Hazardous Waste Management Plan.* Ms Cannon reported that for calendar year 2007, 450 large quantity generators generated 131,516 tons of hazardous waste. Although they are not required to report the amount of hazardous waste they generate, Ms Cannon noted that the State has 1,899 small quantity generators (and 4,562 conditionally exempt small quantity generators. 109 facilities are subject to RCRA corrective action. According to the report, HWS is engaged in hazardous waste reduction initiatives including: a commitment to hazardous waste minimization; environmental stewardship; mercury switch removal (see item 3 below for more information); the North Carolina School Chemical Cleanout and Maintenance Program; and other related activities.
2. Annual report on the *implementation of the Resident Inspectors Program at commercial hazardous waste facilities.* According to the report, the program just completed its 17th year of monitoring all aspects of commercial hazardous waste facilities in the State. The program is staffed by two resident inspectors, one administrative assistant, one half-time program supervisor, and requires the assistance of three part-time Compliance Branch hazardous waste inspectors in order to complete the minimum program requirements. During FY 2007-2008, a total of 469 inspections were conducted that included routine site inspections as well as specific inspections to

monitor cleanup activity and compliance performance. An overall compliance rate of 98.9% was reported during this time.

3. Annual report on the *mercury minimization plan.* According to the report, North Carolina currently ranks eighth in the country with respect to the number of participating facilities removing and disposing of mercury switches as part of the national End-of-Life Vehicle Solutions program. From October 2005 through the first half of 2008, the mercury switch removal program inspectors conducted a total of 1,263 inspections while visiting 962 facilities Statewide. For the previous FY, the facilities participating in the Program removed, collected, and shipped for recycling or disposal, 33,610 automotive convenience lighting mercury switches, which resulted in 40 pounds of mercury that was prevented from entering the State's atmosphere. Based on the number of switches removed in North Carolina as compared to that available for removal nationally, North Carolina achieved 139% of the national ratio, above the goal of at least 90% of the national ratio. North Carolina ranks sixth in the nation in the total number of switches removed or collected during the previous FY.

Charlotte Jesneck, Head of the Inactive Hazardous Sites Branch in the Superfund Section of DWM in DENR presented the annual report on the *Inactive Hazardous Sites Program.* According to the report, 2,972 chemical spill or disposal sites, unlined dumps or landfills have been catalogued that are not being addressed by other environmental authorities. Of this number, 2,530 require work to address site hazards. Of the total, 669 are non-permitted unlined landfills requiring action. Senate Bill 1492 established a statewide tax on waste disposal to address the hazards posed by these sites, the first proceeds of the tax are expected to be provided by the DWM in February 2009. As authorized by the General Assembly, Registered Environmental Consultants (REC) provide supervision for cleanup work on 51 sites. According to Ms Jesneck, 10 sites have had all work complete since the last report was made to the Commission in October 2007 and the total number of sites requiring no further action is 442. In addition to the 51 REC supervised site cleanup actions 118 staff-supervised assessment/cleanup actions are ongoing for a total of 169 during 2007-2008. Ms Jesneck also commented on the implementation of the 2008 Budget provision that requires the Department to report to each member of the General Assembly the location of each inactive hazardous substance or waste disposal site in the member's district, the type and amount of hazardous substances or waste known or believed to be located at each site, and the last action taken at each site. This inventory is available online.

Bruce Nicholson, Manager of the Brownfields Program in DWM in DENR presented the annual report on the *effectiveness of the Brownfields Property Reuse Act.* This report describes the activities and status of the program from 1 October 2007 through 30 September 2008. During the reporting period, 27 program applications were received, 24 Brownfields agreements were finalized, and $1.14 billion in estimated capital investment was made. According to the report, the total number of completed agreements is 131 since the inception of the program in 1997. The program reported some innovative approaches due to funding uncertainties at the federal level including the implementation of a pilot program "Redevelopment Now" that offers an option to developers with critical timing needs (parallel in concept to fast-track permitting). The program continues to work in partnership with local governments and maintains its commitment to public health protection.

Jonathan Powers, Head of the Special Remediation Branch of the Superfund Section in DWM in DENR presented the annual report on the *Dry-Cleaning Solvent Cleanup Act of 1997.* According to the report, DENR has identified 275 operating or abandoned dry-cleaning facilities with environmental contamination by dry-cleaning solvents. Of these, 221 have voluntarily petitioned for acceptance and 199 have been certified into the Dry-Cleaning Solvent Cleanup Program. Assessment and Remediation Agreements have been executed for 192 sites. The report states that during FY 2007-08, 254 facilities were visited and provided with compliance assistance on all environmental regulations applicable to dry cleaners. The Dry-Cleaning Solvent Cleanup Fund has a balance of approximately $37.6 million and encumbered funds totaling $32 million. Annual expenditures increased 200% in FY 2007-08 over the previous year primarily due to the implementation of the risk-based rules. DENR estimates that it will take approximately $60 million to clean up the 199 sites in the program, however new sites continue to be discovered and brought into the program. DENR estimates that there may be as many as 1,500 new sites at a projected cost of more than $250 million to clean only half of those sites. DENR recommends extending the sunset dates for program funding and implementation.

Paul Crissman, Chief of the Solid Waste Section in DWM in DENR presented the findings of the *annual solid waste management report.* Mr. Crissman noted that FY 2007-08 realized the first ever reduction in the tons of solid waste disposed of by North Carolina. He postured that the majority of this decrease stemmed from a decrease in disposal in construction and demolition landfills as well as a decrease in out-of-state waste exports. Mr. Crissman stated that there was a parallel decrease in the per capita waste disposal in North Carolina as well. Mr. Crissman showed the Commission maps of the 100 counties that illustrate the percentage of changes in municipal solid waste landfill tons managed from FY 2006-07 to FY 2007-08 and the remaining landfill capacity in tons. Mr. Crissman reported that Statewide, the average overall landfill capacity in years is 33.81 years.

Scott Mouw, Chief of the Community and Business Assistance Section in the Division of Pollution Prevention in DENR presented an update on *recycling* from the *annual solid waste management report.* Mr. Mouw reported that there continues to be an increase in recycling through local government programs. Mr. Mouw touched on how the current economic climate impacts markets for recyclable materials. Mr. Mouw also reported on the ABC Program and stated that the program compliance rate was at approximately 70% with an estimated 33,750 tons collected. Mr. Mouw listed the materials included in upcoming disposal bans and identified near-term challenges to recycling. Mr. Mouw also presented issues related to the use of plastic bags to the Commission. He stated that according to the Environmental Protection Agency, 380 billion bags are used annually in the United States and that North Carolina's share is approximately 11.4 billion. This amount is estimated to be as much as 30,000 tons in North Carolina. Mr. Mouw finished his presentation with a brief discussion of fluorescent lights and thermostats and articulated DENR's legislative recommendations for their management and disposal.

FINDINGS AND RECOMMENDATIONS

TBD

DRAFT

PROPOSED LEGISLATION

TBD



APPENDIX

TBD

DRAFT

ENVIRONMENTAL MANAGEMENT COMMISSION

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Chairman
Charles Peterson
Vice Chairman

NORTH CAROLINA
DEPARTMENT OF ENVIRONMENT AND NATURAL RESOURCES

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Kenny Waldroup
Steven D. Weber
Forrest R. Westall, Sr.

January 7, 2009

The Honorable Charles W. Albertson, Co-Chair
The Honorable Daniel G. Clodfelter, Co-Chair
The Honorable Lucy T. Allen, Co-Chair
The Honorable Pryor A. Gibson, Co-Chair
Environmental Review Commission

Subject: Emissions Reductions Beyond the Clean Smokestacks Act

Dear Senator Albertson, Senator Clodfelter, Representative Allen, Representative Gibson:

SL2002-4 Section 11 (attached) called for the Environmental Management Commission to study the desirability of requiring and the feasibility of obtaining reductions in emissions of oxides of nitrogen (NO_x) and sulfur dioxide (SO_2) beyond those required by the Clean Smokestacks Act. The EMC was also to report its findings and recommendations annually to the General Assembly and the Environmental Review Commission.

Since the Clean Smokestacks Act was passed in June 2002, significant Federal regulatory changes have occurred. The Clean Air Interstate Rule (CAIR) requires North Carolina's neighboring states to achieve major reductions in NO_x and SO_2 -- reductions that require installation of state-of-the-art control equipment. Although on July 11, 2008 the D.C. Circuit vacated CAIR, on December 23, 2008 the Court granted EPA's petition to remand the case without vacatur. EPA now expects to propose a revised CAIR rule in about two years.

As Federal decision-makers revise CAIR to address the Court's order, they may also consider a separate action taken on March 12, 2008 when the EPA promulgated the most stringent 8-hour standard ever for ozone, revising the standard for the first time in more than a decade. The North Carolina Division of Air Quality has begun the technical analysis necessary to define which sources need additional NOx controls beyond Clean Smokestacks requirements in order for areas in North Carolina to attain the new ozone standard. It is reasonable to believe that

the revised CAIR will require power plant emission reductions even greater than the original rule in order to meet the more stringent ozone standard.

The Clean Smokestacks Act already required installation of state-of-the-art control equipment on many units in North Carolina. CAIR annual budgets of NO_x and SO_2 emissions are even lower than those set by the Clean Smokestacks Act. Implementation of CAIR could result in installation of state-of-the-art control equipment on more units in N.C.

Given the recent actions by the Federal government and the D.C. Circuit Court regarding power plant emissions, it is recommended that the study of whether or not further State action is required be deferred for evaluation of the progress of North Carolina and its neighbors in complying with the original CAIR and of improvements EPA may propose to the revised CAIR. The EMC proposes to begin this reporting on December 1, 2013. This will give the specified electric generation facilities in North Carolina time to implement their control strategies and will also give the DAQ time to quantify the air quality impacts. Any reports made prior to the implementation of these control strategies likely would provide little new or beneficial information. Also since evolution of new control technologies is fairly long–term, we recommend that reporting thereafter be on a three-year basis.

Sincerely,

Stephen T. Smith

Stephen T. Smith
Chairman
N.C. Environmental Management Commission

Attachment

Cc: Keith Overcash, DAQ
Sheila Holman, DAQ
Donnie Redmond, DAQ
Elizabeth Biser, DENR

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 2001

SESSION LAW 2002-4
SENATE BILL 1078

AN ACT TO IMPROVE AIR QUALITY IN THE STATE BY IMPOSING LIMITS ON THE EMISSION OF CERTAIN POLLUTANTS FROM CERTAIN FACILITIES THAT BURN COAL TO GENERATE ELECTRICITY AND TO PROVIDE FOR RECOVERY BY ELECTRIC UTILITIES OF THE COSTS OF ACHIEVING COMPLIANCE WITH THOSE LIMITS.

The General Assembly of North Carolina enacts: ...

SECTION 11. The Environmental Management Commission shall study the desirability of requiring and the feasibility of obtaining reductions in emissions of oxides of nitrogen (NOx) and sulfur dioxide (SO2) beyond those required by G.S. 143-215.107D, as enacted by Section 1 of this act. The Environmental Management Commission shall consider the availability of emissions reduction technologies, increased cost to consumers of electric power, reliability of electric power supply, actions to reduce emissions of oxides of nitrogen (NOx) and sulfur dioxide (SO2) taken by states and other entities whose emissions negatively impact air quality in North Carolina or whose failure to achieve comparable reductions would place the economy of North Carolina at a competitive disadvantage, and the effects that these reductions would have on public health, the environment, and natural resources, including visibility. In its conduct of this study, the Environmental Management Commission may consult with the Utilities Commission and the Public Staff. The Environmental Management Commission shall report its findings and recommendations to the General Assembly and the Environmental Review Commission annually beginning 1 September 2005. ...

In the General Assembly read three times and ratified this the 19th day of June, 2002.

(Note: The initial reporting date was changed to 1 September 2007 by Senate Bill 1590, Section 12, Session 2005.)

Vehicle Emissions Inspections: Their Role in Cleaner Air

Keith Overcash, Director
Division of Air Quality
January 22, 2009

Inspection/Maintenance (I/M) Program Role in Cleaner Air

- Changes to I/M need to be done with clear understanding of other consequences
  - Background on I/M Program
  - Background on State Implementation Plan (SIP)
  - Current/future status of NC air quality
  - Program Evaluation Division report on safety and emissions programs
  - DAQ response

Inspection/Maintenance (I/M) Program Background

- Current program passed by the General Assembly in '99 and '00
  - Covers 48 counties
  - Uses onboard diagnostics (OBD) technology
  - 1996 and newer vehicles subject to testing
  - Fee set by General Assembly

State Implementation Plan (SIP)

- Federal Clean Air Act directs EPA to set national ambient air quality standards
- "Air pollution" is a variety of pollutants with a variety of solutions
- SIP is the state's plan to achieve federal standards and maintain into future years
- SIP developed by DAQ for the Governor, undergoes public process

SIP (cont.)

- SIP is updated whenever
  - New federal air quality standard is issued
  - New federal regulation is issued
  - On-the-ground monitors show the air fails to meet standard
  - When EPA finds SIP is deficient or disapproves a SIP revision

Current Situation

- Ozone has been NC's most stubborn air pollutant
- Ozone formation in NC dependent on NOx
  - Primarily from coal-burning power plants and motor vehicles
  - Reducing other pollutants, while generally beneficial, does not necessarily reduce ozone levels
- Air quality is improving, as measured by monitors
- Charlotte area is only area still above the old standard
  - May need additional specific local measures

Future Situation

- EPA established new standard in March 2008
  - Ozone levels will continue to improve with current programs, but may not be fast enough to meet federal standards
    - Clean Smokestacks implementation
    - Federal CAIR, possibly stronger rule in 2011
    - TVA case
    - Vehicle fleet turnover
      - Maintained by I/M
    - Cleaner diesel fuel/vehicles
- Next round of ozone standards
  - Clean Air Act requires EPA review every 5 years

Program Evaluation Division Study

- PED had different recommendations for safety and emissions
  - Repeal safety inspections
  - Continue emissions, but exempt newest 3 model years instead of just 1

I/M Air Quality Benefits

- Safety inspection in 52 counties
  - Visual inspection of catalytic converter and other emissions devices
- Emissions inspections in 48 counties
  - Typically the counties with air quality issues
  - Query of car's built-in computer system for problems with any of the emissions components

Model Years Subject to OBD

- DAQ looks at
  - Volume of emissions
  - Ability to control and cost of controls
  - Impact on monitors and modeling
- Newest cars vs. oldest cars
  - Reductions by volume or percentage
  - Acknowledge that failure rate is low among new cars, but contribution is still significant because of volume
  - Concerns: Warranty repairs vs. waivers

NOx Sources in NC

- NOx reductions mean less ozone in NC
  - Reducing other pollutant emissions, though beneficial for other reasons, do not affect ozone levels
- We don't have many other options to reduce NOx
  - 16% of emissions from electric generating units (EGU)
    - Already significantly reduced by Clean Smokestacks Act
  - 49% from mobile sources
  - 35% from all other industries (area, nonroad, non-EGU)
- Location of replacement reductions is important
  - Reductions in urban areas are typically more effective than similarly-sized reductions at distant sites

Effect of Exempting More Cars

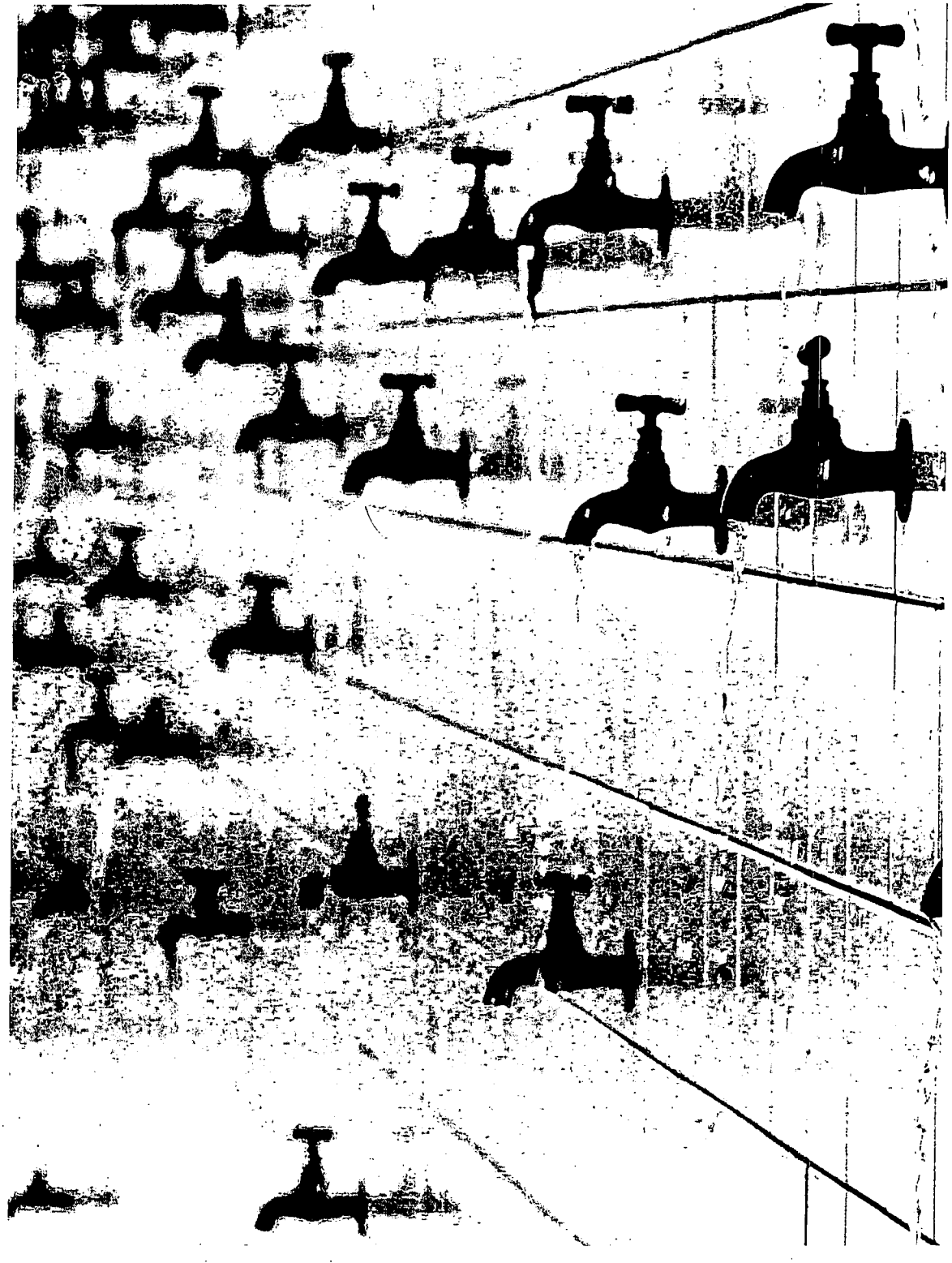
- Exempting more cars from inspection may increase NOx emissions
  - Amount of increase can be argued
    - Occurs when we are already looking for additional reductions
  - Possibly offset through additional industrial source control measures
  - Most likely replacement is other mobile sources

DAQ Website and Contact Info

- www.ncair.org
- keith.overcash@ncmail.net
- Telephone number – 919-715-6290

2008 Report of the Water Allocation Study

of the NC Environmental Review Commission



North Carolina
Parks and Recreation Trust Fund
2007–2008
ANNUAL REPORT



Division of Parks and Recreation

Department of Environment and Natural Resources

Michael F. Easley

Governor

William G. Ross Jr.

Secretary
Department
of Environment and
Natural Resources

Parks and Recreation Trust Fund
Annual Report 2007–2008

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1.0 Introduction

The North Carolina General Assembly established the North Carolina Parks and Recreation Trust Fund (PARTF) on July 16, 1994. The General Assembly made an initial appropriation of $1 million to the PARTF to fund improvements in state parks, to fund grants for local governments and to increase public access to the state's beaches. In 1995, the General Assembly dedicated funds from the excise stamp tax to the trust fund starting in FY 1996-97. The Parks and Recreation Authority, an 11 member board, was also created to allocate funds from the PARTF to projects in state parks and to grants for local governments.

The excise tax is the primary funding source for the PARTF. The tax is levied on each "deed, instrument, or writing by which interest in real property is conveyed to another person." The tax is levied at the rate of one dollar on each $500 of the interest or property conveyed. Each county remits one-half of the proceeds, less the county's allowance for administrative expenses, to the state. Effective July 1996, the General Assembly (G.S. 105-228.30) stipulated that part of the state's share would be allocated to the PARTF. Of the funds remitted, the Department of Revenue credits 75 percent to the Parks and Recreation Trust Fund and 25 percent to the Natural Heritage Trust Fund. Additional revenue is allocated from a portion of the fees from personalized license plates as well as investment earnings credited to the assets of the fund.

Pursuant to G.S. 113-44.15, the money from the Parks and Recreation Trust Fund is to be allocated as follows:

(1) Sixty-five percent (65 percent) for the State Parks System for capital projects, repairs and renovations of facilities and to acquire land.

(2) Thirty percent (30 percent) to provide grants to local governments on a dollar-for-dollar basis to create or improve parks and recreational projects.

(3) Five percent (5 percent) for the Coastal and Estuarine Water Beach Access Program.

(4) No more than three percent may be used by the Department of Environment and Natural Resources (DENR) for the operating expenses associated with managing capital improvements projects, acquiring land, and administering the grants program for local governments.

2.0 North Carolina Parks and Recreation Authority

The North Carolina Parks and Recreation Authority, a 15-member board which oversees the Parks and Recreation Trust Fund, was created by the General Assembly with the Authority's powers and duties becoming effective July 1, 1996. The membership on the board was expanded from 11 to 15 in 2007. The Governor appoints five members, including the chairperson. The General Assembly appoints 10 members, five upon the recommendation of the President Pro Tempore of the Senate and five upon the recommendation of the Speaker of the House.

The Authority is charged with six powers and duties: 1) to receive public and private donations and funds for deposit into the trust fund; 2) to allocate funds for land acquisition; 3) to allocate funds for capital projects; 4) to solicit financial and material support; 5) to develop effective support for parks and recreation; 6) and to advise the Secretary of DENR on any matter he may refer to the body.

Members are appointed for three-year terms and may serve no more than two consecutive three-year terms. After serving two consecutive three-year terms, a member is not eligible for appointment to the Authority for at least one year after the expiration of the member's last term. The Parks and Recreation Authority held four meetings during fiscal year 2007-2008.

The 2007-2008 Parks and Recreation Authority members are:

Jonathan Howes, Chairman
Chapel Hill

Timothy L. Aydlett
Elizabeth City

Wendell Begley
Black Mountain

Thomas Blue
Southern Pines

Daryle Bost
Winston-Salem

Robert Epting
Chapel Hill

Cody Grasty
Maggie Valley

Eddie Holbrook
Shelby

Ron Kincaid
Mount Gilead

Boyd Lee
Greenville

Philip McKnelly
Raleigh

Cynthia Tart
Oak Island

Lisa Weston
Belmont

Hollis Wild
West Jefferson

Edward Wood
Wilmington

3.0 Parks and Recreation Trust Fund Summary

The Parks and Recreation Trust Fund (PARTF) is housed within the Division of Parks and Recreation, which operates the North Carolina State Parks System. The Parks and Recreation Authority allocates PARTF revenue to the state parks capital improvement and land acquisition projects. This board also selects the recipients of the grants to local governments to create or improve parks and recreational projects. The Division of Parks and Recreation, under Lewis Ledford, Division Director, develops priorities for the state parks system and recommends projects for the board's approval. Once the board has allocated the PARTF funds, the Division manages the projects for state parks and for the grants program.

The Division of Parks and Recreation transfers 5 percent of PARTF revenue to the Division of Coastal Management (DCM) for the Coastal and Estuarine Water Beach Access Program. The Division of Coastal Management, under Division Director Jim Gregson, administers these funds and offers matching grants to local governments throughout the 20 coastal counties. Table 3-1 shows the revenues received into the Parks and Recreation Trust Fund and the allocation of revenues by program for Fiscal Year 2007-2008

Table 3-1. Parks and Recreation Trust Fund Deposits and Distribution of Revenues Fiscal Year 2007-2008

Deposits	**Amount**
Total 2007-2008 PARTF Revenues	**$ 52,481,200**
Personalized Registration Plates	$ 1,445,813
Investment Income	$ 2,359,502
Excise Tax	$ 48,675,885
Distribution	**Amount**
Public Beach and Coastal Waterfront Access Program	$ 2,624,060
Local Governments Matching Grants Program	$ 15,407,771
State Parks System	
Land Acquisition	$ 13,543,122
Capital Improvements	$ 18,083,320
COPs Repayment	$ 1,757,061
Administrative Expenses	
Contract with NCSU - Recreation Resources Service	$ 361,115
Division of Parks & Recreation staff and Authority members	$ 704,751

4.0 Grants Program for Local Governments

4.1 *Program Description*

The Parks and Recreation Trust Fund (PARTF) program provides dollar-for-dollar grants to local governments. All counties, incorporated municipalities and public authorities (as defined in N.C.G.S. 159-7) are eligible for funding. Two or more local governments may apply jointly. Recipients can acquire land to be used for public recreation or to protect the natural or scenic resources of the property. Recipients can also use a grant to build or renovate recreational and support facilities. All facilities must serve the general public.

In September, the Division of Parks and Recreation (DPR) mails a description of the PARTF program and a schedule to local governmental officials and parks and recreation directors. A local government can request a maximum grant amount of $500,000 in PARTF assistance with its grant application. The approved value of land that is donated to a local governmental unit or public authority may be applied to the 50 percent matching requirement.

The DPR provides assistance to local governments in several ways. In October, the PARTF staff conducts a workshop where local governments can learn about the program and how to complete an application. The workshop is presented simultaneously at University of North Carolina video conference sites. The DPR has a contract with the Recreation Resources Service (RRS) at North Carolina State University. The staff of RRS provide technical assistance to local governments who request help in planning projects and preparing grant applications. RRS has six consultants in regional offices across the state.

The members of the Parks and Recreation Authority select which applicants will receive a grant. The factors considered by the Authority as it selects recipients include, but are not limited to, the criteria contained in the PARTF scoring system, the population of the applicant, the geographic distribution of projects across the state, the presence or absence of other funding sources and compliance with prior grant agreements.

Applications are due January 31. The Parks and Recreation Authority meets in May to select recipients from PARTF revenues received for the first three-quarters of the fiscal year. The Authority meets in early July to select grant recipients from PARTF revenues received during the fourth quarter of the fiscal year.

4.2 *Description of Applications and Grants*

The PARTF revenues allocated to local grants for fiscal year 2007-2008 were $15,407,771. Eighty-nine units of local government submitted PARTF applications requesting a total of $27.2 million in PARTF assistance. The Authority awarded 44 grants for $16,426,029. The difference between the amount awarded and the fiscal year revenues is $882,516 from various cancelled projects, reductions in the scope of work or projects completed under budget.

Table 4-1 shows a list of the projects approved for fiscal year 2007-2008. The table is organized alphabetically by recipient.

4.3 *Geographic Distribution of Grants*

The members of the Parks and Recreation Authority consider the geographic distribution of funds across the state as one of the factors used in selecting grant recipients. Since 1995, the Authority has awarded more than $123 million in PARTF grants to 586 projects in 99 counties across North Carolina (Figure 4-1). Figure 4.2 presents the distribution of PARTF grants by county for the current fiscal year.

Table 4-1. North Carolina Parks and Recreation Trust Fund Grants Fiscal Year 2007-08

Applicant	County	Project	Grant Amount
Ahoskie	Hertford	Ahoskie Creek Recreational Complex	$500,000
Alamance County	Alamance	Alamance County Greenway	$400,000
Albemarle	Stanly	E.E. Waddell Community Center	$499,979
Avery	Avery	Avery Community Park	$376,125
Black Mountain	Buncombe	Lake Tomahawk Park	$500,000
Buncombe	Buncombe	Owen Park Renovation	$23,107
Cameron	Moore	Phillips Memorial Park	$30,000
Carteret	Carteret	Newport Park	$500,000
Chatham	Chatham	Northeast Community Park	$500,000
Cleveland	Cleveland	Kings Mountain Gateway Trail	$500,000
Conetoe	Edgecombe	Conetoe Town Park	$65,000
Edenton	Chowan	Meadow View Dairy Farm Park	$500,000
Elizabeth City	Pasquotank	South Park Sports Complex	$500,000
Forest City	Rutherford	Cool Springs Recreation Center Renovation	$150,000

Franklin	Franklin	Pilot Lion Community Park	$500,000
Gamewell	Caldwell	Gamewell Park	$185,503
Gaston County	Gaston	Poston Park Lake Project	$500,000
Greensboro	Guilford	Gateway Gardens	$500,000
Harnett County	Harnett	Barbecue Creek Park Improvements	$500,000
High Shoals	Gaston	High Shoals Park	$34,925
Hoke	Hoke	Community Center Project	$500,000
Jamestown	Guilford	Center City Park Land Acquisition	$55,863
Kenansville	Duplin	Kenan Park Improvements	$267,177
Kure Beach	New Hanover	Oceanfront Park Property Acquisition	$500,000
Lillington	Harnett	Lillington Recreational Facility	$500,000
Lincoln	Lincoln	Rock Springs Park/Pine Ridge	$500,000
Marion	McDowell	Catawba River Greenway-Phase I	$167,300
Morganton	Burke	Catawba River Soccer Complex Phase II	$385,000
Mount Airy	Surry	Ararat River Greenway Phase II	$500,000
Nags Head	Dare	Whalebone Park	$500,000
Oak Island	Brunswick	Yaupon Fishing Pier	$500,000
Person	Person	Mayo Park Environmental Education Center	$327,500
Pitt	Pitt	Pitt County District Park - Phase II	$100,000
Polk	Polk	Alexander's Ford Project	$500,000
Rutherfordton	Rutherford	Lights for Crestview Park Ball Fields	$100,000
Selma	Johnston	Richard Harrison Recreation Center Improvements	$291,000
Smithfield	Johnston	Smithfield Recreation & Aquatic Center - Phase II	$451,950
Stokesdale	Guilford	Stokesdale Town Park	$500,000
Surf City	Pender	Surf City Recreational Park	$212,950
Surry	Surry	Shoals Community Park	$477,000
Transylvania	Transylvania	Connestee Falls	$325,650
Union	Union	Jesse Helms Park (Passive Area) Phase 2	$500,000
Wagram	Scotland	Wagram Recreation Center	$500,000
Winterville	Pitt	Recreation Park Redevelopment Phase I	$500,000
		Total	**$16,426,029**

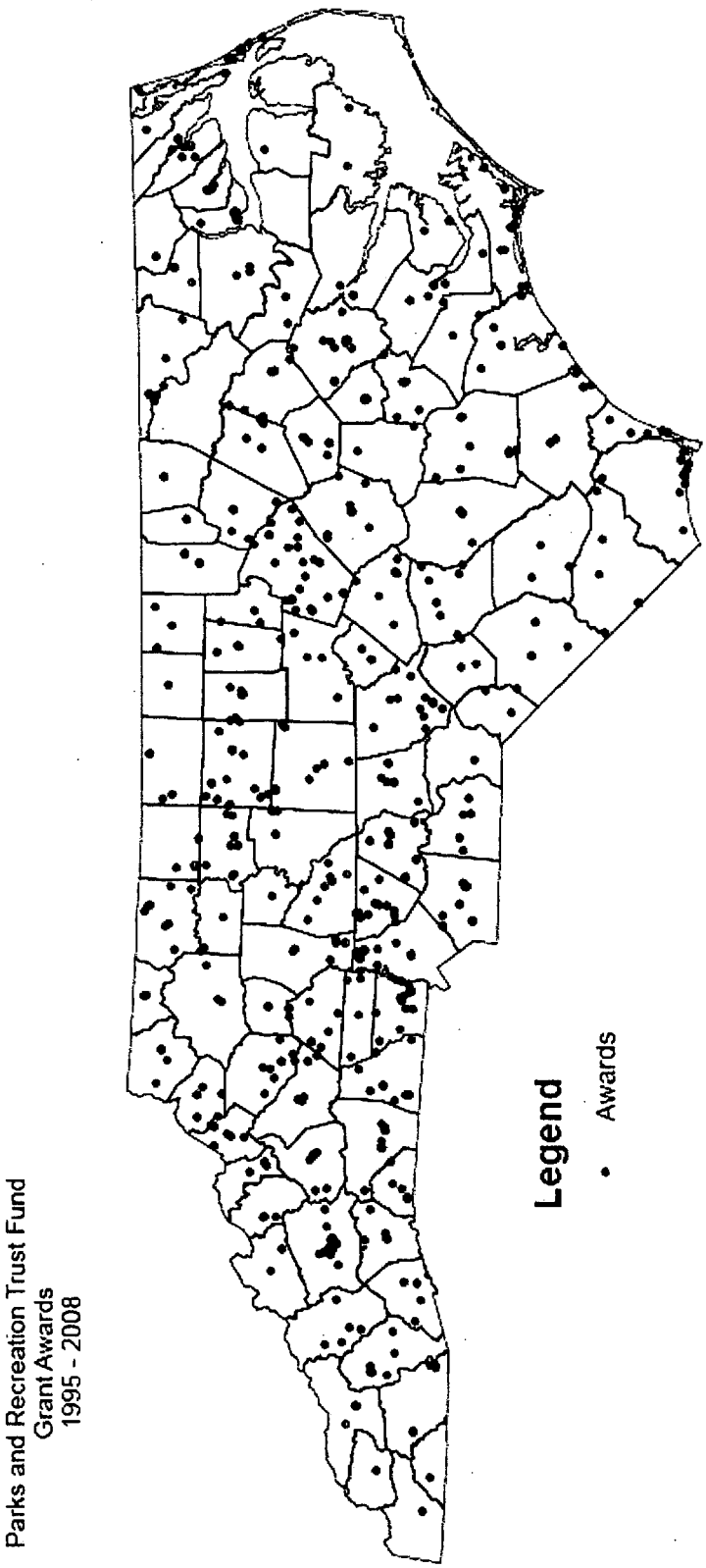


Figure 4-1. Distribution of PARTF Grants by County 1995-2008

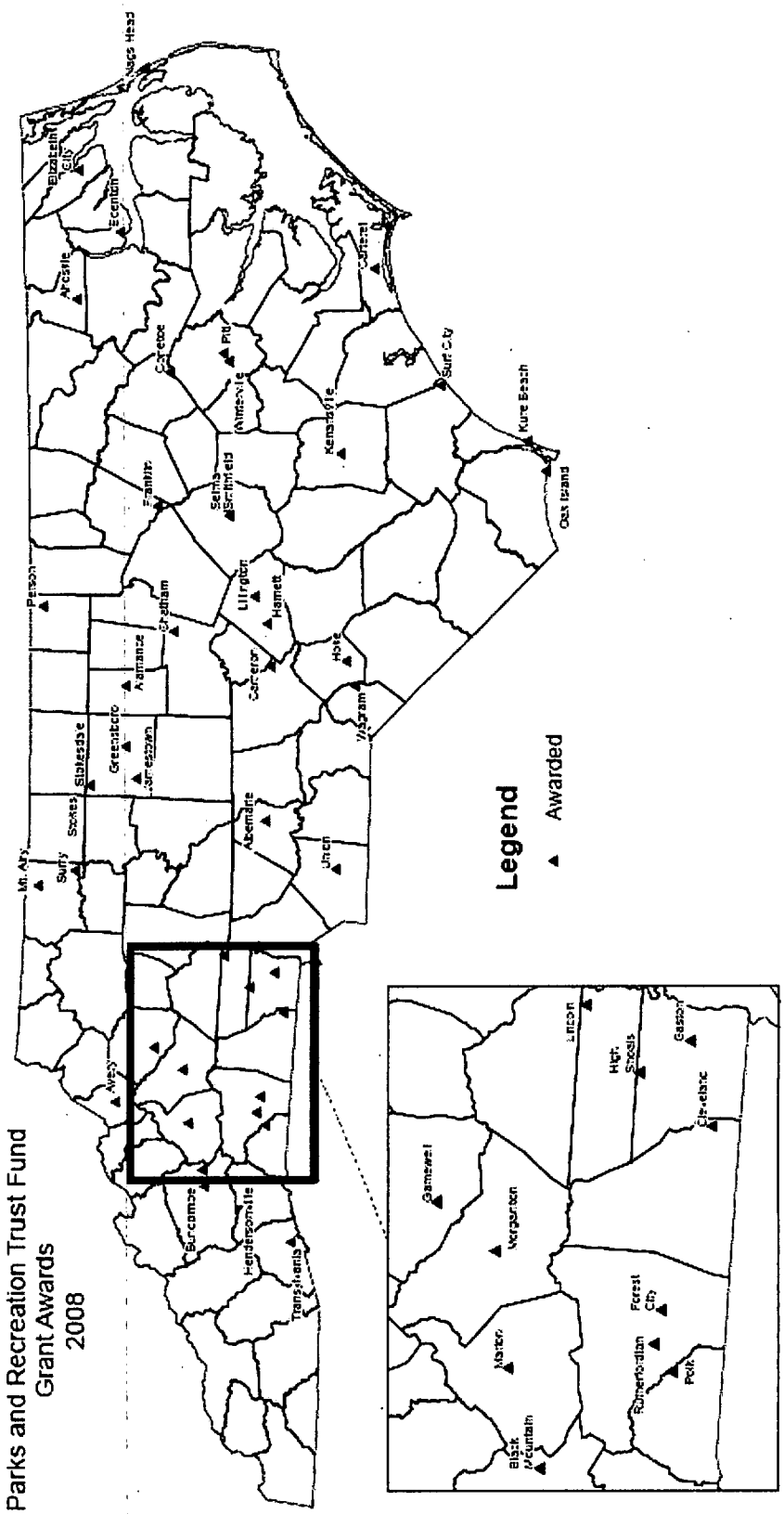


Figure 4-2. Distribution of PARTF Grants by County from 2008 Grant Cycle

Examples of Local Government Projects Funded by NC Parks and Recreation Trust Fund

Harnett County – Town of Lillington

The Lillington Recreational Facility project will provide the town's first indoor recreation space. The 6,000-square-foot facility will be located on a 21-acre site that has been donated to the town for a public park. The park and recreation center will help address the recreation needs of approximate 20,000 persons who live in and around this rapidly-growing community. The buildings will include an exercise and fitness room, a technology room oriented toward recreation users, a crafts and cultural activities area, as well as a kitchen.

Pasquotank County - Elizabeth City

The South Park Sports Complex is a joint effort between the Elizabeth City and Pasquotank County parks and recreation departments. This project will be located on property purchased with a previous PARTF land acquisition grant. The sports complex will feature five ball fields for youth baseball and softball, batting cages, a playground, a picnic area, and a multi-purpose trail. All of these facilities will be connected by walkways that are accessible according to Americans with Disabilities Act guidelines.

McDowell County - City of Marion

The Catawba River Greenway, Phase I project is the initial segment of City's efforts to establish a greenway for its citizens. The city has received a generous gift of five acres along the Catawba River, an ideal location for the greenway. When completed, the area will provide a variety of recreational activities. Phase I calls for nearly a mile of trail, picnic area, pier, canoe launch, wildlife observation deck and parking.

5.0 State Parks Program

5.1 *Land Acquisition*

For fiscal year 2007-2008, the Parks and Recreation Authority approved $13,543,122 for land acquisition projects in the state parks system (Table 5-1). These projects will help address the need for additional acreage at 15 state parks. However, it will cost an estimated $176 million to purchase the 43,752 acres needed to complete all of the current state park units.

Table 5-1 Division of Parks and Recreation Land Acquisition Projects for FY 2007 - 2008

Unit	Acres	Approved Cost	Description
Chimney Rock State Park	181	$ 3,880,000	Tracts on Rumbling Bald, Round Top Mountain and next to Chimney Rock Park to protect natural and scenic resources
Eno River State Park	42	$ 600,000	River corridor tracts for resource protection and public trails
Lake Norman State Park	115	$ 2,323,400	Tract to expand land base for trails and to protect water quality
Lake Waccamaw State Park	3	$ 372,000	Tract to provide public access to Lake Waccamaw on east side. Property includes boat ramp.
Mayo River State Park	350	$ 1,028,000	Mayo River corridor tracts and Cedar Mountain tracts.
Medoc Mountain State Park	60	$ 150,000	Buffer tracts and access control.
Mount Jefferson State Natural Area	34	$ 300,000	Tract for resource protection on the slopes of Mount Jefferson
New River State Park	22	$ 750,000	River corridor tracts for resource protection and public access
Raven Rock State Park	139	$ 800,000	Inholding near Cedar Rock and resource protection tracts on south side.
South Mountains State Park	459	$ 2,336,000	Multiple tracts in Henry Fork and on the west side of the park for resource protection
Associated Expenses	n/a	$ 1,003,122	Land expenses such as surveys, appraisals, title work, interest payments and other overhead expenses.
Total	**1,405**	**$13,543,122**	

Some highlights include acquisition of 181 acres at Chimney Rock State Park to protect scenic and natural views, and 115 acres at Lake Norman State Park to expand the trail park's trail system and protect water quality of the lake. However, it will cost an estimated $176 million to purchase the 43,752 acres needed to complete all of the current state park units.

Through its "New Parks for a New Century" initiative, the Division of Parks and Recreation has identified over 40 sites across the state that could be added as potential state park units. These areas are some of the most treasured and threatened natural resources in North Carolina and have been identified as high-priority acquisitions to the state parks system. Purchasing these new units would require an estimated $454 million to acquire 113,625 acres.

Land Acquisition Projects for the State Parks System
Funded by NC Parks and Recreation Trust Fund

Orange County - Eno River State Park

The Eno River is a nationally-significant aquatic system. The state has been working on protection the river corridor since the early 1970s. The three tracts to be purchased are adjacent river. Two are near Cabes Ford, which may be used as a trail crossing for the state park trails in the future. The third tract is near the Lawrence Road crossing of the river. All three tracts protect the riparian buffer of the Eno River and its tributaries as well as provide connections for trails along the river.

Burke County - South Mountains State Park

South Mountains State Park is part of the nationally significant South Mountains range. This acquisition project consists of tracts in three different parts of the state park: the Jacobs Fork and Henry Fork watersheds as well as the Hall Knob area. The properties are key pieces for the protecting the park's natural resources as well as locating facilities.

Ashe and Alleghany Counties - New River State Park

The South Fork of the New River is a state and federal scenic river. Protection by the state began in the early 1970s. This project will purchase several tracts in the river corridor identified as high priority sites to provide scenic protection and visitor use of the river.

5.2 *Construction and Renovation*

During fiscal year 2007-2008, the Parks and Recreation Authority approved state park construction and renovation projects totaling $18,083,320 (Table 5-2). With PARTF funds, the Division continues to address a lengthy backlog of construction and renovation projects in the state parks system. However, approximately $335.4 million is required to meet all of the needs for new construction and renovation for state parks.

Table 5-2 Division Parks and Recreation Trust Fund Capital Projects for Fiscal Year 2007-08

Park	Description	Cost
Park System	Major Maintenance Funds	$ 1,200,000
Park System	Trail Maintenance Funds	500,000
Park System	Statewide Construction Reserve	864,550
Carolina Beach State Park	Marina Dredging/Facility Improvements	2,300,000
Chimney Rock State Park	Trail Structure, Cistern, & Emergency Generator Improvements	865,550
Cliffs of the Neuse State Park	Visitor Center & Eastern District Office	3,299,260
Gorges State Park	Phase I-B: Visitor Center, Sewer, Picnic Area, Maintenance Area (Design Only)	695,900
Haw River State Park	Brown Summit Center Repairs/Renovations (Cottage 400)	450,000
Kerr Lake State Recreation Area	Henderson Point Campground Improvements	1,769,639
Morrow Mountain State Park	Shoreline Improvements & Boathouse Replacement	1,152, 596
Mount Mitchell State Park	Water System Improvements	450,000
Pettigrew State Park	New Maintenance Area & Conversion of Existing Area to Staff/Public Space	844,889
Pettigrew State Park	Pocosin Natural Area Improvements	101,970
Raven Rock State Park	Visitor Center & Picnic Area	3,588,966
TOTAL		**$18,083,320**

Capital Improvement Projects for the State Parks System
Funded by NC Parks and Recreation Trust Fund

Wayne County - Cliffs of the Neuse State Park Visitors Center

Cliffs of the Neuse State Park was established in 1945 when land on the south side of the Neuse River was donated through the Wayne Foundation. Additional purchases and donations increased the park to its present size of 890 acres. Today, the park office consists of a 600-square-foot building built in the 1950s. The park also services as the East District office which operates from a converted maintenance warehouse facility.

The new visitor center project includes an entrance road with 30-car parking lot, a 7500-square-foot building to house exhibits, an auditorium, a classroom, lobby area, and administrative office space for both the park and the district staff.

Harnett County - Raven Rock State Park Visitors Center & Picnic Area

The current visitor contact station is a converted single-wide mobile home. This project will construct a new visitor center that includes a museum-quality exhibit area, an auditorium, classroom, and office space for staff. Also included is expansion of the existing picnic area by adding two 12-table shelters, 10 individual picnic sites, parking lot expansion, and entrance road improvements.

Stanley County - Morrow Mountain State Park Boathouse Replacement

The existing boathouse serves visitors who use Lake Tillery and the Yadkin / Pee Dee rivers, but it is failing structurally. The project scope will include demolition and replacement of the boathouse, which also serves as a restroom and concession area. In addition to replacing the boat house, improvements will be made to the courtesy dock by adding mooring space for 6-8 boats, installing connecting ADA walkways, and installing one ADA boat launch ramp.

Special Financing for Projects in State Parks

In 2007, legislation approved by the General Assembly and Governor authorized the issuance of special indebtedness using certificates of participation (COPs) for land acquisition in the state parks system. The indebtedness is to be repaid by future PARTF revenue. A maximum amount of $50 million is to be used to finance the cost of land acquisition for the expansion of the State Parks System and the Mountains to the Sea Trail. The land acquisitions are to support the conservation priorities set out by the One North Carolina Naturally Program.

The Parks and Recreation Authority approved 11 projects totaling $50 million using the COPs funding (Table 5-3).

Examples of Projects Financed through the Certificates of Participation (COPs)

Rutherford County - Chimney Rock State Park

The Chimney Rock State Park project area contains many natural resources of national significance. The site was identified by the New Parks for a New Century planning effort and was authorized as a new state park by the General Assembly in 2005. This acquisition project will help to protect the resources around the Bottomless Pools between Chimney Rock Park and Cane Creek Mountain. The tract contains the plunge pools known as the Bottomless Pools, which was an attraction in the Town of Lake Lure for many years.

Guilford County - Haw River State Park

Located near the headwaters, Haw River State Park and Summit Environmental Education Center is situated on nearly 300 acres of piedmont forest, fields, wetlands, and uplands. This project adds nearly 1,000 acres to provide further resource protection of the Haw River corridor and recreational opportunities for park visitors. Future recreation opportunities are to include picnicking, camping, and hiking. The Haw River corridor is also a proposed route for the Mountains-to-Sea Trail.

Guilford, Alamance, Orange, Wake and Johnston Counties – The Mountains-to-Sea Trail

The Mountains-to-Sea Trail is an effort to link by trail Clingman's Dome in the Great Smoky Mountains National Park to Jockey's Ridge State Park on the Outer Banks. The trail is the flagship project of the NC State Trails System. Today, over 450 miles of the 1,000 mile route are open for use. These acquisitions, along with future partnerships across North Carolina, will eventually link communities together and to serve as the backbone for a growing system of land and water trails.

Table 5-3 Certificates of Participation (COPS) North Carolina Division of Parks and Recreation Land Acquisition Projects for FY 2007 – 2008			
Unit	**Acres**	**Approved Cost**	**Description**
Chimney Rock State Park	244	$5,500,000	Bottomless Pools, Bat Cave and Round Top Mountain tracts for resource protection
Elk Knob State Park	2,269	$13,100,000	Long Hope Valley property for natural and scenic resource protection
Deep River State Trail	73	$500,000	Tracts near White Pines for water quality and natural resource protection
Elk Knob State Park	309	$3,826,000	Snake Mountain and Elk Knob tracts for natural and scenic resource protection
Eno River State Park	20	$500,000	Resource protection tracts at the Pump Station access of the state park
Haw River State Park	800	$17,000,000	Key tracts in core area of state park, both up and down stream of the Summit
Mountains-to-Sea State Trail	200	$2,000,000	Alamance County keystone tracts for state trail north of I-40
Mountains-to-Sea State Trail	250	$3,000,000	Guilford County keystone tracts for state trail between Greensboro Lake and Haw River
Mountains-to-Sea State Trail	350	$985,000	Orange County tracts upstream of state park along the Eno River for state trail
Mountains-to-Sea State Trail	212	$2,589,000	Tracts along the Neuse River where Marks Creek joins the river for state trail
Mount Mitchell State Park	65	$1,000,000	Tracts for natural and scenic protection of the Black Mountains
Totals	**4,792**	**$50,000,000**	

Repayment of COPs Indebtedness

The Parks and Recreation Authority may allocate up to 50 percent of the portion of the Parks and Recreation Trust Fund dedicated for projects in state parks to repay the debt. The PARTF revenue designated for grants to local governments cannot be used to repay debt. This year's principal plus interest payment for COPs indebtedness issued in 2005 is $1,757,061. These funds repay $11,381,000 for projects approved by the Parks and Recreation Authority in Fiscal Year 2004-05 and $8,701,616 approved for projects in Fiscal Year 2005-06.

Pursuant to Session Law 2007-323, the Parks and Recreation Authority approved the repayment of up to $20 million for projects approved under the Waterfront Access and Marine Industry (WAMI) Fund from the state parks portion of PARTF. Repayment of the WAMI projects funds will begin after Fiscal Year 2007-08.

6.0 Public Beach and Coastal Waterfront Program

6.1 Program Description

North Carolina's Public Beach and Coastal Waterfront Access Program was established by the General Assembly in 1981. In fiscal year 1996-97, the program began receiving 5 percent of the revenues from the Parks and Recreation Trust Fund. The program enabling legislation (GS 113A-134.1) states that public purpose would be served by providing increased access to coastal waters, public parking facilities, or other related public uses.

The program provides matching grants to local governments for low-cost capital projects designed to improve pedestrian access to the state's beaches and waterways. The program, administered by the Division of Coastal Management (DCM), offers matching grant funds to local governments throughout the 20 coastal counties. Since 1981, over 300 public access sites have been either constructed or improved at a cost of over $30 million. The majority of the grant projects are managed by local governments who are responsible for construction, operation and long-term maintenance of the facilities. While most of the early projects were located along the oceanfront, more and more projects are now designed to improve access to estuarine shorelines, coastal rivers, and urban waterfronts.

The Division of Coastal Management sends pre-application requests for proposals (RFPs) to local governments in the 20 coastal counties in the fall of every year. Select communities are then invited to submit a final application with communities prioritized for funding being accomplished in May of every year. Recipients are usually selected in July and contracts are awarded in between September and January. Grant recipients have 18 months to complete their projects. However, extensions are granted for un-foreseen events and delays such as hurricanes. The maximum life of a contract with extensions is three (3) years.

The division uses criteria developed by the Coastal Resources Commission to select grant recipients. Local governments are required to match from 10 percent to 25 percent of the project costs depending on whether the request is for acquisition of land or improvements, as well as the communities' economic status.

The required match, based on recent rule changes, may include Federal and other State funds to be used as the local government cash contribution provided such funds are not already being used as matching funds for other state and federal programs. Minimum match requirements are based on the economic status of the local government per the North Carolina Department of Commerce's Tier designations, as outlined by the Lee Act (G.S. 105-129.3). Counties designated as Tier 1 and the municipalities located within them are considered economically distressed. Projects that are listed on Table 6.1 denoted by an (*) are able to take advantage of a lower match requirement.

6.2 Types of Projects Funded

Communities can apply for five different types of water access sites: local, neighborhood, regional, multi-regional and urban waterfront redevelopment projects.

- Local access sites include public access points, offering minimal, or no facilities. Pedestrians who reside within a few hundred yards of the site primarily use them. Generally, these access ways are a minimum of ten feet in width providing only a dune crossover or pier. Vehicle parking is generally not available at these access sites. Bicycle racks may be provided as well as litter receptacles and access signs.

- Neighborhood access sites are public access areas offering parking, usually for five to 25 vehicles, a dune crossover or pier, litter receptacles and public access signs. Such accesses are typically 40 to 60 feet in width and are primarily used by individuals within the immediate subdivision or vicinity of the site. Restroom facilities may be installed.

- Regional access sites serve the public throughout an island or community including day visitors. These sites normally provide parking for 25 to 80 vehicles, restrooms, a dune crossover, pier, foot showers, litter receptacles, and public access signs. Where possible, one-half acre of open space in addition to all required setback areas should be provided for buffering, day use, nature study or similar purposes.

- Multi-regional access sites are generally larger than regional accessways but smaller than state parks. Multi-regional facilities provide parking for 80 to 200 cars, restrooms with indoor showers and changing rooms, and concession.

- Urban waterfront redevelopment projects improve public access to urban waterfronts. Such projects include the establishment or rehabilitation of boardwalk areas, shoreline stabilization measures such as the installation or rehabilitation of bulkheads, and the placement or removal of pilings for the purpose of public safety and/or increased access and use of the urban waterfront.

Additionally as part of rule changes that took affect in 2007, boat ramps and motorized boating facilities may be included as part of any of the above types of access provided the pedestrian access is also part of the project.

6.3 PARTF Revenues and Awards Based on 2007-2008 Fiscal Year Deposits

The actual amount transferred from the PARTF fund to DCM during fiscal year 2007-2008 was $2,624,060. Including carryover funds, cancelled contracts and those completed under budget, the total funds available for awards was $5,475,696.

The DCM received 37 pre-applications from 24 local governments requesting over $8,230,000 in funds. Table 6-1 provides the list of local governments prioritized to receive funding following review of final applications. Two of the listed projects (Pender and Dare County), have received WAMI funding (w) totaling $1,135,365; a third is an accessory project to the Jeannette's Pier project ($568,500).

Table 6-1 Communities Prioritized for 2007-2008 Funding Based on 2007-2008 Deposits and Other Available Funds

Local Government	Project Name	Grant Requests	Total Cost w/Match
Ahoskie *	Recreational Land Acquisition Phase II	$96,017	$106,685
Beaufort County *	Cotton Patch Landing Public Access	$500,000	$700,000
Carolina Beach	Cape Fear Blvd. Access Enhancement	$100,000	$200,000
Carteret County	Cedar Point Boat Ramp	$300,000	$850,000
Dare County (w)	Manns Harbor Marina	$335,365	$4,256,515
Edenton	Public Waterfront Property Renovation Project	$13,374	$17,832
Hertford	Lower Perquimans River Kayak/Canoe Launch	$8,943	$11,924
Jacksonville	Sturgeon City	$300,000	$400,000
Kure Beach	Oceanfront Park Land Acquisition	$600,000	$3,625,080
Leland	Sturgeon Creek Land Acquisition	$168,000	$210,000
Nags Head (w)	Whalebone Park	$568,500	$1,068,500
Navassa	Davis Creek Regional Access Phase II Improvements	$117,221	$156,295
Oak Island	Yaupon Pier Acquisition	$300,000	$1,008,000
Onslow County	Oakhurst Nature Park	$52,275	$69,700
Oriental	Hodges Street Pier	$12,750	$17,000
Pender County (w)	Hampstead Waterfront Access and Park	$800,000	$10,000,000
Sunset Beach	Waterway Park Public Access	$500,000	$2,250,000
Totals		**$4,772,445**	**$24,947,531**

(w) WAMI related projects (*) Economically Distressed Communities Totals may be adjusted during the final contract process.

The above-prioritize $4,772,445 for grant contracts that will begin either the fall of 2008 or January 2009. Additionally $500,000 is held in reserve for the future Aquarium Emerald Isle Pier project, and a $100,000 for a previously awarded Fort Fisher project. *Total funds budgeted $5,392,445.*

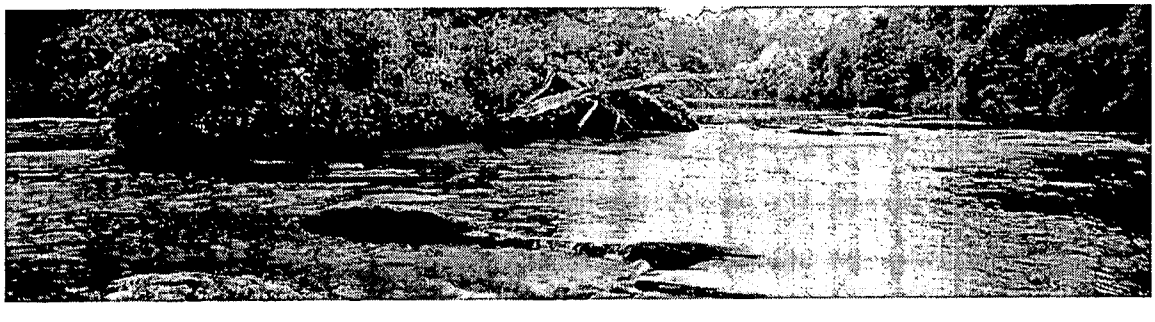
No PARTF funds are used for administrative costs associated with the grant program. The only non-award costs are about $20,000 a year used for access site signs made by the State Department of Corrections. Signs are provided for new sites as well as existing ones which regularly require replacement due to weathering and storm events.

NORTH CAROLINA
NATURAL
HERITAGE
TRUST FUND

ANNUAL REPORT

CALENDAR YEAR 2008

A Report to the Governor and General Assembly



Dee Freeman, Secretary
N.C. Department of Environment
and Natural Resources

J. Robert Gordon, Chairman
Board of Trustees
NC Natural Heritage Trust Fund

NORTH CAROLINA
NATURAL HERITAGE TRUST FUND
AWARD REPORT – CALENDAR YEAR 2008

Origins and Mission

The North Carolina Natural Heritage Trust Fund (NHTF) was established by the 1987 General Assembly (G.S. 113-77, effective July 1, 1987) as a supplemental funding source for state agencies to acquire lands and to pay for the inventory of natural areas by the North Carolina Natural Heritage Program. A twelve-member board of trustees administers the Trust Fund.

Board of Trustees

NHTF is delegated the authority to grant funds to eligible state agencies pursuant to applications which meet statutory criteria and board guidelines. The governing authority for the Trust Fund is a 12 member board of Trustees. This number was increased from nine members during the 2001 legislative session. Four members are appointed by the Governor who also designates the chairman. Eight members are appointed by the General Assembly with four recommended by the President Pro-Tempore of the Senate and four recommended by the Speaker of the House. Appointments are made effective January 1 and are for staggered six-year terms. Persons appointed are to be knowledgeable in the acquisition and management of natural areas.

Board of Trustees

Governor Appointees	Senate Appointees	House Appointees
Charles E. Clement Watauga County 2004-2010	J. Robert Gordon, Chairman Scotland County 2008-2013	Alan D. Briggs Wake County 2006-2011
Thomas D. "Bud" Hunter Henderson County 2004-2009	Lois McIver Winstead Person County 2005-2009	Alan S. Weakley, Ph.D. Chatham County 2008-2013
R. Michael Leonard Forsyth County 2006-2011	Portia Hawes Warren County 2006-2011	Henry L. Kitchin Richmond County 2008-2013
Elizabeth D. Taft, Ph.D. Pitt County 2008-2013	Sam P. Douglas, Jr. Wilson County 2008-2013	Thomas W. Reese Catawba County 2004-2010

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The NHTF funds a real estate agent housed in the Department of Administration's State Property Office (SPO) to assist applicant agencies in developing and implementing NHTF-funded land acquisitions. The real estate agent, Ken Eckenroth, has been instrumental in ensuring that acquisitions comply with state requirements and adding NHTF specifications.

The NHTF is also supported by Ann Prince (part-time) who works on dedicating the properties acquired with NHTF monies, and Eric Galamb (part-time) who assists in grant administration. Operating expenses for personnel, producing and distributing grant materials, meeting expenses, etc., continue to be below 1% of the program.

Funding Sources

Since 1987, and as of December 31, 2008, NHTF has received approximately $217 million dollars including an initial appropriation of $275,000 (Table 1). The primary source of funding for the NHTF is the state excise tax on real estate conveyances. NHTF receives 25% of the state's portion of the $2 per $1,000 value deed stamp tax. The County retains half of this tax while the state receives 50%, less allowable administrative costs. The second major source of funding is a portion of the additional fee charged for personalized license plates. The state charges an additional fee of $30 for each personalized license plate; $15 of this additional fee is credited to the NHTF. NHTF also receives a portion for specialty license plates in some cases: $10 for each "First in Forestry" license plate and $15 for each out-of-state college specialty license plate. Monies not expended remain in the interest-accumulating Natural Heritage Trust Fund account and do not revert to the General Fund. The final source of funding is interest from funds in this account.

Grant Criteria and Eligible Agencies

Grants are awarded for the purposes of acquiring lands that:

- represent the state's ecological diversity to ensure their preservation and conservation for recreation, scientific, education, cultural and aesthetic purposes;
- add to the system of parks, state trails, aesthetic forests, wild and scenic rivers, fish and wildlife management areas and other natural areas for the beneficial use and enjoyment of the public; and
- help to develop a balanced state program of historic properties.

Funds are also allocated to the N.C. Natural Heritage Program for natural area inventories and conservation and protection planning of natural areas. These data are then used to help guide land management and conservation decisions by state and federal agencies, and also by private groups and businesses, ensuring that conservation dollars are spent strategically to protect the highest quality areas.

In 2004, the General Assembly also authorized the NHTF to be used to retire debt incurred by granting land for the purposes listed above.

State agencies authorized to apply for grant awards are:

- Department of Environment and Natural Resources,
- Wildlife Resources Commission,
- Department of Cultural Resources, and
- Department of Agriculture and Consumer Services.

Priority consideration is given to protection of land having outstanding natural or cultural heritage values. Land with outstanding natural heritage values is land that is identified by the N.C. Natural Heritage Program as having state or national significance. Land with outstanding cultural heritage value is land that is identified, inventoried or evaluated by the Department of Cultural Resources.

Income and Awards

Between 1987and December 31, 2008, NHTF has contributed to the protection of more than 286,534 acres through 469 grants totaling over $300 million in funding (Table 2). The locations of these projects are shown on Figure 1.

As shown in Table 1, income for calendar year 2008 was **$17,850,401,** representing an overall decrease of 24% from the previous year (income of $23,547,817 in 2007). The decrease was stabilized somewhat by the interest income and by a slight increase in the income from the sale of personalized license plates. Income from the deed stamp tax (real estate transfer tax) alone was down 31% from the previous year, as might be expected given the current national real estate market.

During calendar year 2008, NHTF awarded 49 grants totaling **$82,675,345** which contributed to the protection of over 22,000 acres (Table 3). Grants far exceeded income in 2008 because NHTF was authorized to use a special financing mechanism (Certificates of Participation) as described in the section below. Detailed summaries of the Spring 2008 and Fall 2008 awards are included as Tables 5 and 6 respectively. Project locations are shown in Figure 2 (Spring 2008 projects) and Figure 3 (Fall 2008 projects). Important to note in the project descriptions of Tables 5 and 6 is the leveraging of NHTF funds; many, if not most, include matching funding from federal, private, and/or other state sources.

Certificates of Participation

Recognizing the need to protect important lands in our quickly developing state, the General Assembly authorized the use of a special financing mechanism referred to as

Certificates of Participation (COPs) during three legislative sessions – in 2004, 2007 and 2008. This past year's grants reflect the use of these COPS - $50 million from the 2007 and most of the $25 million from the 2008 authorization. This form of bond sales allowed the state to acquire properties of high natural and/or cultural heritage value that would have otherwise been lost to development. NHTF now repays the debt and interest on the 2004 and 2007 COPs using annual receipts. Due to a drop in annual receipts, debt repayment is expected to exceed 33% of NHTF income, leaving less funding for grants in the future.

Without the COPS funding, we would only have been able to fund a fraction of the requests this past year. In 2008, NHTF received almost $114 million in requests, of which approximately $31 million in high-quality projects did not get funded. It is important to note that due to the worsening economic forecast, NHTF awarded the 2008 COPS contingent upon the funds being available – the Council of State is determining if and when appropriate to sell these recently authorized bonds. This could mean that an additional $21 million of projects may go unfunded. NHTF plans to allocate the remaining $4 million of the 2008 COPS during our Spring 2009 cycle, again, contingent upon the availability of these funds.

Conclusions and Recommendations

This change in the real estate market represents an opportunity. Many of the projects we have authorized are coming in under budget as prices decline. A few key properties that our applicants thought were lost to developers are now on the market. However, the slowdown in the market also means a severe reduction in funds available as a portion of the transfer tax is the main income source for NHTF.

NHTF must continue to encourage creative funding of projects through bargain sales, matching funds from other grant programs or private donations. The statewide One NC Naturally Conservation Planning Tool, developed in part by a grant from NHTF, is helping NHTF and other organizations ensure that the state's limited resources are used most effectively on the highest priority areas.

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Map of Fall 2008 Project Locations.....Figure 3



Table 1
Natural Heritage Trust Fund
INCOME BY FUNDING SOURCE
as of December 31, 2008

Calendar Year	Personalized License Plates	Transfer Tax	Interest	TOTAL INCOME
Original Appropriation				$275,000
1988			$31,091	$31,091
1989	$183,899		$17,541	$201,440
1990	$1,798,712		$89,992	$1,888,704
1991	$1,713,063	$430,747	$199,333	$2,343,142
1992	$1,663,382	$1,792,224	$264,976	$3,720,582
1993	$1,685,086	$2,488,339	$332,429	$4,505,854
1994	$1,745,402	$2,108,936	$398,623	$4,252,961
1995	$1,817,824	$2,966,118	$352,204	$5,136,146
1996	$1,841,361	$3,925,536	$350,826	$6,117,723
1997	$1,929,377	$6,235,300	$909,096	$9,073,773
1998	$1,921,397	$7,288,799	$1,249,495	$10,459,691
1999	$2,149,821	$8,435,312	$1,579,600	$12,164,733
2000	$2,271,658	$8,542,866	$2,181,016	$12,995,540
2001	$2,304,127	$8,471,697	$1,348,659	$12,124,484
2002	$2,475,324	$8,969,100	$849,152	$12,293,576
2003	$2,593,762	$13,872,797	$439,952	$16,906,511
2004	$3,741,921	$11,597,598	$440,806	$15,780,325
2005	$4,964,969	$15,937,416	$662,851	$21,565,235
2006	$4,166,738	$18,981,304	$970,907	$24,118,949
2007	$4,317,063	$17,913,062	$1,317,692	$23,547,817
2008	$4,379,840	$12,357,922	$1,112,639	**$17,850,401**
Total Income	**$49,664,726**	**$152,315,073**	**$15,098,880**	**$217,353,678**

Table 2
Natural Heritage Trust Fund
INCOME and AWARD SUMMARY
as of December 31, 2008

Calendar Year	Income	Funds Returned	Funds Requested	Funds Awarded
1987	$275,000	$0	$0	$0
1988	$31,091	$0	$494,000	$270,000
1989	$201,440	$0	$1,383,000	$136,500
1990	$1,888,704	$21,892	$2,121,892	$946,792
1991	$2,343,142	$221,068	$6,519,385	$2,769,180
1992	$3,720,582	$1,157,400	$7,826,700	$4,013,425
1993	$4,505,854	$210,084	$7,688,259	$4,569,259
1994	$4,252,961	$30,302	$14,260,282	$5,389,291
1995	$5,136,146	$48,000	$16,023,050	$6,122,199
1996	$6,117,723	$9,670	$18,806,218	$4,639,473
1997	$9,073,773	$684,111	$17,058,459	$8,387,003
1998	$10,459,692	$2,153,819	$12,702,410	$11,554,810
1999	$12,164,733	$1,470,910	$23,856,006	$13,752,006
2000	$12,995,540	$1,085,982	$26,282,825	$13,499,293
2001	$12,124,484	$516,099	$23,253,591	$11,471,188
2002	$12,293,576	$263,337	$24,520,903	$9,688,240
2003	$16,906,511	$10,889	$37,542,616	$13,422,487
2004	$15,780,325	$1,798,769	$32,582,226	$16,858,150
2005	$21,565,235	$2,840,000	$50,596,522	$28,030,103
2006	$24,118,949	$1,541,958	$55,510,660	$26,643,982
2007	$23,547,817	$3,258,826	$73,289,835	$36,149,061
2008	$17,850,401	$1,051,740	$113,914,086	**$82,545,345**
Total 1987-2008	**$217,353,678**	**$18,374,855**	**$566,232,925**	**$300,857,787**

Figure 1
Natural Heritage Trust Fund
Project Locations
1988-Spring 2008

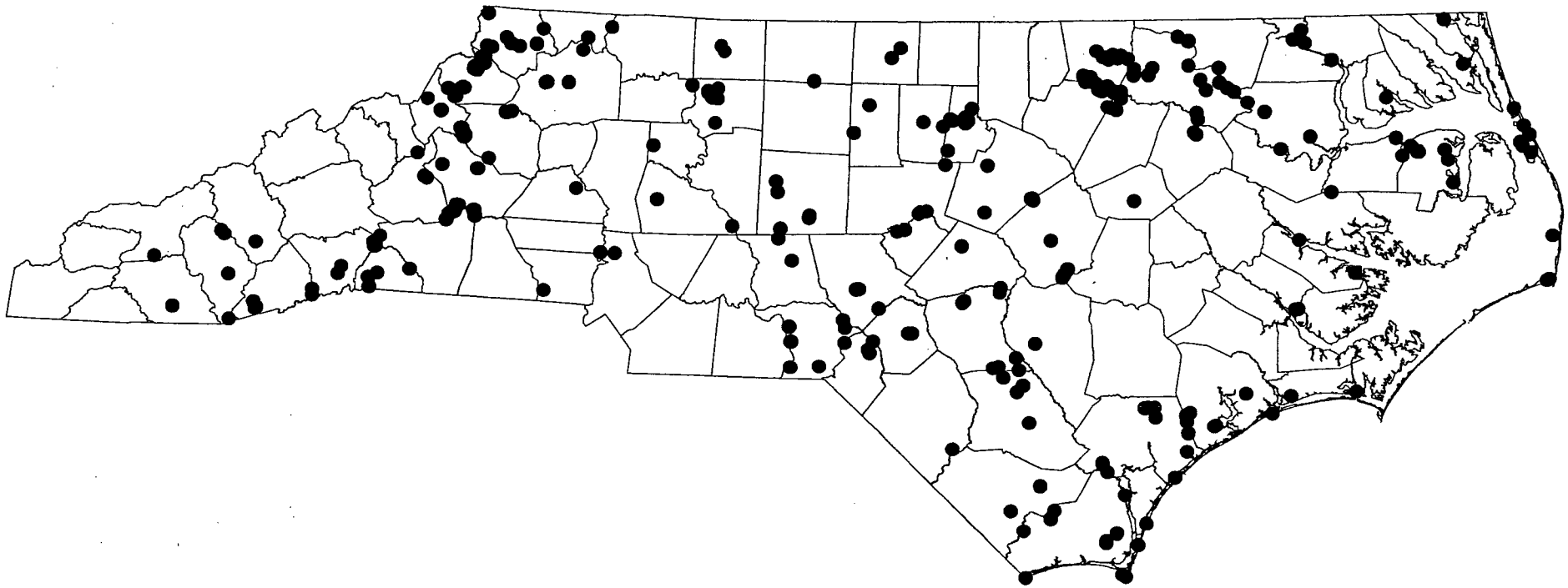


Table 3
Grant Awards Summary
1987 – December 2008

Total Awarded to Date (since 1987) (469 awards)	**$300,987,787**
Returned Funds (Applicant unable to acquire land; award money returned to NHTF)	$18,374,856
Total Transferred (spent)	$212,433,858
Total Obligated	$70,179,073
Acres Protected	**286,534 acres**
Requests to Date (645 requests)	$566,232,925
Requests Unable to Fill (47%)	$265,245,138

Table 4
Grant Award Totals by Agency
Calendar Year 2008

Agency	**Acres**	**Grant Total**
Department of Agriculture & Consumer Services *Plant Conservation Program* (5 grants)	1,074	$4,349,840
Department of Cultural Resources (3 grants)	207	$2,120,000
Department of Environment and Natural Resources (22 grants)	9,912	$49,538,595
Wildlife Resources Commission (19 grants)	10,882	$26,666,910
Total (49 grants)	22,075	$82,675,345

No.	Agency	Project Title	County	Award	Acres	Description
1	WRC	GMS Tract (Alligator River) - Final Phase	Tyrrell	$2,000,000	2,025	The GMS Tract is located within the Alligator River watershed (part of the Pasquotank River Basin), of which a major portion is classified as an Outstanding Resources Water (ORW). Several of the major tributaries are identified as anadromous fish spawning areas and are designated as inland primary nursery sites by the WRC. Primary anadroumous species include the blueback herring, alewife, hickory shad, American shad and striped bass. The annual economic return from these nationally important commercial and recreational fishery resources totals $1 billion and plays a critical role in North Carolina's coastal economy. In addition, the tract supports red-cockaded woodpeckers, red wolves and black bears. The GMS Tract will be incorporated into the WRC's Alligator River Game Land Program. Total project is $8.2 million with $6.2 million confirmed (CWMTF $4.2MM and NHTF $1MM previously and Coastal Wetland Fish & Wildlife Grant $1 MM) and large part of property already acquired with confirmed funds; this is the final phase. Total acreage will be 8,476 acres.
2	WRC	Chowan East (International Paper) Tract	Gates	$1,114,222	715	Fee Simple acquisition of this significant natural area (former International Paper land) and incorporate into a much larger landscape wetland protection project that includes Chowan Swamp, Chowan River Aquatic Habitat, and Chowan Sand Ridge. Continue expanding protected land holdings along the Chowan River and associated State Natural Heritage Areas, while contributing acreage to the WRC Game Land Program. Matching funds for this final phase include CWMTF ($2,876,506), NOAA-CELCP ($3 million) and Environmental Defense litigation fund ($100,000). Total project acreage for this phase is 6,449 acres. This is the final phase of the IP project.

No.	Agency	Project Title	County	Award	Acres	Description
3	WRC	Diggs (Pee Dee Game Lands)	Richmond	$400,000	1,062	This tract was previously leased for years by WRC, but owner subsequently put tract on the market for sale. This tract will help to form one of the core areas for an envisioned network of ecological preserves along the Pee Dee river corridor. This property will be managed by WRC for wildlife conservation and recreation and will be open to the public for hunting, fishing, wildlife viewing, canoeing, wildlife research, and other outdoor uses. This project will permanently protect 625 acres of the Pee Dee River Marsh Ponds Significant Natural Heritage area. Nearly three miles of shoreline on the Pee Dee River will also be protected, benefiting several listed aquatic species and numerous rare plants and animals. This region has been identified as a very high priority by several conservation planning efforts and as evidenced by matching funds from Cole (private) Foundation ($208,000), NAWACA ($1 million) and proposed CWMTF ($1.1 million). Total project acreage is 1,659 acres.
4	WRC	Lutz Tract - Wilson Creek	Caldwell	$2,280,720	188	The 649 acre Lutz tract is long and narrow in shape and the property adjoins the Pisgah Game Lands (Pisgah National Forest) and is within the nationally designated Wilson Creek Wild and Scenic River corridor. This corridor is also a nationally significant SNHA. The tract spans or borders approximately 3.5 miles of Wilson Creek and 3.4 miles of named and unnamed perennial streams tributary to Wilson Creek, including portions of Phillips Branch, Harper Creek, Estes Mill Branch and Thorps Creek. Because of the tract's linear shape along Wilson Creek, protection of the uplands is necessary to maintain water quality and aquatic habitat conditions of its flowing waters. WRC would manage the property to protect the aquatic habitat and resources it contains. The tract would be open to the public for outdoor recreation, primarily fishing. Land owner donation $786,600 and proposed matching grant from CWMTF ($4,857,255). Total acreage 649.

No.	Agency	Project Title	County	Award	Acres	Description
5	WRC	Pond Mountain	Ashe	**$2,500,000**	680	The Pond Mountain landscape offers the unique opportunity to manage for a host of state-listed and N.C. Wildlife Action Plan priority species that require habitat types which are rare in NC Approximately 750 acres of the Pond Mountain tract is currently in grassy/shrubby habitat and Christmas tree production and offers an excellent opportunity to manage for high elevation early successional habitat. The remainder of the tract contains northern hardwood forest. The tract will further serve as a wildlife corridor from the adjacent National Forests in Tennessee and Virginia south to conservation areas in NC such as Three Top Mtn. The tract also serves as the headwaters of both Big Laurel and Big Horse Creeks and acquisition of the tract will be a significant step in protecting water quality in these drainages. The tract will be entered into the WRC Game Lands Program and will offer a variety of dispersed recreational opportunities to the public. Confirmed $1 million private donation and proposed $7,426,498 grant from CWMTF. Total acres 1,795. COPS funds not used.
6	WRC	Coweeta Creek	Macon	$451,100	48	Protect 48 acres of rich, bottomland habitat in the Little Tennessee River Valley including nearly 5,200 feet of frontage along the Little Tennessee and 900 feet of frontage along Coweeta Creek. Also protect significant archeological resources (possible historic Cherokee outlying farmstead) on the tract as identified by the Archaeological Research Laboratory (University of Tennessee) and supported by the NC State Archaeologist (letter of support for project included). Provide and protect habitat and potential reintroduction sites for four (4) federally listed species, 16 state listed species, and federally designated Critical Habitat for the spotfin chub. Tracts would provide important stopover habitat for migratory birds. Establish a core area of conservation lands along the Little Tennessee River upstream of Franklin which is essential to providing water and habitat quality within the reach and as a foundation for additional cooperative conservation efforts in the upper river. Land Trust for the Little Tennessee bargain sale of land ($212,720)

No.	Agency	Project Title	County	Award	Acres	Description
7	WRC	Gull Island	Dare	$470,400	73	Insure through acquisition the protection of a 73.4 acre island that lies in the Pamlico Sound. According to the appraisal, 2.9 acres of this are developable. Aquisition would be part of a landscape approach to protect significant natural areas, wetlands and watersheds that contribute to species richness within the South Atlantic Coastal Plain. Contribute towards protecting colonial waterbird nesting habitat for thousands of gulls, terns, herons, egrets and pelicans through guidance of the NC Colonial Waterbird Management Plan. This sale represents a unique opportunity to protect remote, prime waterbird nesting habitat as true islands are neither plentiful nor readily available for purchase in our sounds. Will provide high quality waterfowl hunting habitat.
8	WRC	Mullberry Mill Bog	Wilkes	$253,130	40	Acquire a 40-acre parcel of land in Wilkes County that contains one of the largest known populations of bog turtles (State Threatened; Federally Threatened due to similarity in appearance) in the state. The bog/wetland is approximately 3-5 acres. Over 20 bog turtles have been captured, identified, and monitored at this site over the past five (5) years by Project Bog Turtle. Ensure through acquisition, protection of a tributary of Mulberry Creek, an important travel corridor for bog turtles between this site and the larger metapopulation of two other known sites, one of which has the most bog turtles of any known site in the entire southern population (from Maryland to Georgia). This corridor is crucial to the species' persistence in the region. Acquisition and management of the property will protect bog turtle populations and provide an opportunity to protect water quality in a developing watershed in the Yadkin basin.
9	WRC	Whitehurst Tract-Devils Garden (Neuse River Game Land)	Craven	$3,298,800	461	Through acquisition, protect pocosin and pine upland, which is critical black bear habitat and is part of Duck Creek Natural Area. Proximity to New Bern and Highway 55 make this large natural area highly threatened from impending urban development. This project is within the strategic landscape scale "Onslow Bight Conservation Design Plan" developed by a consortium of public and private organizations including the mililtary. This land acquisition is part of the large natural area that serves as a corridor along the outer Coastal Plain between Croatan National Forest and areas north of the Neuse River. WRC will manage land through incorporating into Neuse River Game Land. Confirmed CWMTF grant ($1,147,50) and confirmed Forest Legacy grant ($1,000,000). Total acreage is 775.5 acres.

No.	Agency	Project Title	County	Award	Acres	Description
10	WRC	Odom Tract (Sandhills Game Land)	Richmond	**$411,500**	161	Acquisition of an important inholding of the Sandhills Game Land will protect valuable foraging and potential expansion habitat for two groups of red-cockaded woodpeckers, and increase available public wildlife recreational opportunities. Management objectives for the property include: providing additional protected foraging habitat for the two red-cockaded woodpecker groups adjacent to the property, reintroduce regular fire to the property, and convert as much of the mixed loblolly/longleaf pine uplands to a more site appropriate longleaf pine canopy. US Fish&Wildlife Service (Section 6, Endangered Species) grant of $249,000 confirmed. Total acreage 260. COPs funds not used.
11	WRC	Tuckertown Tract	Davidson	$2,000,000	1,345	The acquisition of the Alcoa Tuckertown tracts will protect and maintain 6 SNHAs, freshwater resources, provide public recreational opportunities including fishing and hunting, provide public access to the Pee Dee River for canoeing and boating and establish state-owned game lands in the rapidly growing piedmont region of NC. Size of the tract and its location along the Tuckertown Reservoir make it highly valuable for conservation. WRC plans future acquisition of additional land from Progress Energy and other private industrial forest land owners along the Yadkin/Pee Dee River to help establish a network of public-owned game lands in the region. The Tuckertown Reservoir land has been made available for acquisition through Alcoa's Federal Energy Regulatory Commission settlement agreement. Alcoa is donating 1,085 acres to the State Park. Total acreage of this phase of acquisition from Alcoa is 2420, but a future 2311 acres is also being pursued for a second phase to this project. Pending grant with CWMTF for matching funds of $3,200,000.
12	WRC	Leggett Tract (Caswell Game Land)	Caswell	**$210,000**	77	The Leggett Tract is almost completely forested with the exception of a small pond and associated beaver dams that create a wetland area at the confluence of two unnamed tributaries of Country Line Creek. The tract contains a wide variety of wildlife habitats and is well suited to support a wide range of public uses. Without future security, degradation of this tract and its surrounding watersheds could contribute to devastating impacts to sensitive downstream vertebrate and invertebrate faunal assemblages. Country Line Creek and the Dan River into which it eventually flows are known to contain populations or posses potential habitat for three listed mollusk and two listed fish species. This project will contribute an additional 77 acres to the roughly 17,788 acres already permanently protected at Caswell Game Land by the WRC. COPs not used.

No.	Agency	Project Title	County	Award	Acres	Description
13	WRC	Wilkes Tract (Sandhills Game Land)	Scotland	**$170,000**	115	Protection of the Leonard Wilkes Tract in Scotland County will help maintain freshwater resources and preserve high quality habitat along Drowning Creek on property directly across from the number one land conservation priority in the NC Sandhills, the Blue Farm. The Wilkes tract touches existing Sandhills Game Lands and is an acquisition priority for WRC and the Sandhills Conservation Partnership, as it links into a system of wildlife corridors connecting the Sandhills Game Lands to Fort Bragg. It is also shares a ¾ mile boundary with a 95-acre property on which The Nature Conservancy is currently negotiating the purchase of a Conservation Easement. $50,000 confirmed funding from Army Compatible Use Buffer Program. COPs not used.
	WRC	**WRC**	**SUB-TOTAL**	**$15,559,872**	**6,990**	**$2,226**
I-1	DENR/ NHP	Continuation of County and Protection-focused Natural Area Inventories	Madison, Alleghany, Macon, Stanly, Anson, Robeson and other counties to be announced.	**$500,000**	N/A	The North Carolina Natural Heritage Program of the Office of Natural Resource Conservation & Planning requests funds to support county-wide, protection-focused natural area inventories. Funds will be used to support inventory staff from 2008-2010, and to contract with local land trusts or other partners. This allows us to conduct several inventories per year and provide targeted visits to numerous other sites to support conservation actions. COPs not used.
I-2	DENR/ NHP	Inventory of Aquatic Significant Natural Areas and Federally Listed Aquatic Species	Statewide	**$421,000**	N/A	The Natural Heritage Program of the Office of Natural Resource Planning & Conservation, in partnership with the Wildlife Resources Commission, requests funding of $421,000 over three years to fund the inventory and conservation planning of North Carolina's aquatic natural areas, including surveys of high priority populations of federally listed and candidate species of mussels and fish in historic and potential habitats. Both Natural Heritage Program and Wildlife Resources Commission staff will work together to obtain information that will contribute to the conservation of those streams and rivers identified as Aquatic Significant Natural Heritage Areas. COPs not used.

No.	Agency	Project Title	County	Award	Acres	Description
14	DENR/ DPR	Haw River State Park Land Acquisition	Guilford and Rockingham	$1,000,000	64	The property acquisition would protect about 3,500 feet along the Haw River and upland natural communities adjacent to the Summit Environmental Education Center (SEEC). The main route of the Mountains-to-Sea Trail goes through this tract. The upper Haw River was included on the New Parks for a New Century list for the extensive area of wildlife habitat along the river. Several rare species are in the project area. The hardwood natural communities in the Piedmont, and the project area in particular, are threatened by residential development; part of this tract has already been subdivided for development. These areas include the Mesic Mixed Hardwood natural communities on the north facing slopes and the Dry-Mesic Oak-Hickory Forest natural communities on the upland flats. The Piedmont Alluvial Forest natural communities are excellent examples in the project area and critical to the movement and healthy populations of wildlife in the region. This property is key to the environmental education effort at the SEEC. $3,260,000 to be funded by PARTF. Total acreage is 140.
15	DENR/ DPR	Elk Knob State Park (Snake Mountain Tracts) – Land Acquisition	Northern Watauga County, north of Boone, NC	$2,325,000	129	The proposed acquisitions would help protect the ridge of Snake Mountain (5,518 feet). These three properties support at least four different natural communities, including the rare Grassy Bald and Northern Hardwood Forest, and at least eight rare species, including the Federal Species of Concern Gray's Lily. These tracts will be part of Elk Knob State Park which is managed for the protection of significant natural resources and to provide interpretation of its ecosystems and low impact outdoor recreation. These tracts will help connect Elk Knob State Park to adjacent conservation lands including Tater Hill (managed by the Plant Conservation Program) and conservation land which High Country Conservancy currently owns but plans to donate to the State. This project will help provide the land base for a hiking trail from Elk Knob to Tater Hill and protect the undeveloped western views from the summit of Elk Knob. Confirmed $2,523,600 PARTF and proposed $2,016,000 CWMTF matching grants. Total acreage 370.

No.	Agency	Project Title	County	Award	Acres	Description
16	DENR/ DPR	Elk Knob State Park/Long Hope Valley – Land Acquisition	Ashe and Watauga counties, north of Boone, NC	$14,100,000	2,269	The proposed acquisition would protect Long Hope Valley and the slopes of the peaks surrounding it including Elk Knob (5,520') and Rittle Knob (4,860'). This project would preserve a globally significant natural heritage area and a rare hanging valley ecosystem. As part of the Amphibolite Mountain macrosite, Elk Knob State Park is part of a larger conservation effort that extends from Tater Hill to Mount Jefferson State Natural Area. The property in this request supports at least 10 high quality natural communities, 37 rare plant species, and eight rare animal species. The property includes 23 examples of Southern Appalachian bogs, the highest concentration in any area. The property in this request is owned by a family trust. The State and The Nature Conservancy (TNC) have been working on permanently protecting this property for many years. Matching grant from PARTF $15,100,000 (confirmed) and TNC $13,000,000 planned. Total acreage is 4,538.
17	DENR/ DPR	Boiling Spring Lakes, Section 14 (Pretty Pond Limesink Complex)	Brunswick	$365,000	8	Project area is located in the northeastern section of the City of Boiling Spring Lakes. It is immediately adjacent to the privately managed Orton Plantation (5,000 acres) and a 135-acre conservation easement held by The Nature Conservancy (TNC). Site contains undeveloped upland longleaf and pocosin habitat within the Pretty Pond Limesink Complex, a SNHA. Acquisition will protect habitat for current populations of the Federal and State endangered Red-cockaded woodpecker (Picoides borealis) and probable populations of the Federal species of concern Venus flytrap (Dionaea muscipula). It will complement the 7,000 acres of land previously protected in the Boiling Spring Lakes Plant Conservation Program Preserve and establish a core base for essential land management activities in the vicinity. The tracts will provide buffer for the privately held conservation lands, opportunity for passive recreation, and offer ecological research opportunities. NHP plans to manage the property through a management agreement with TNC.

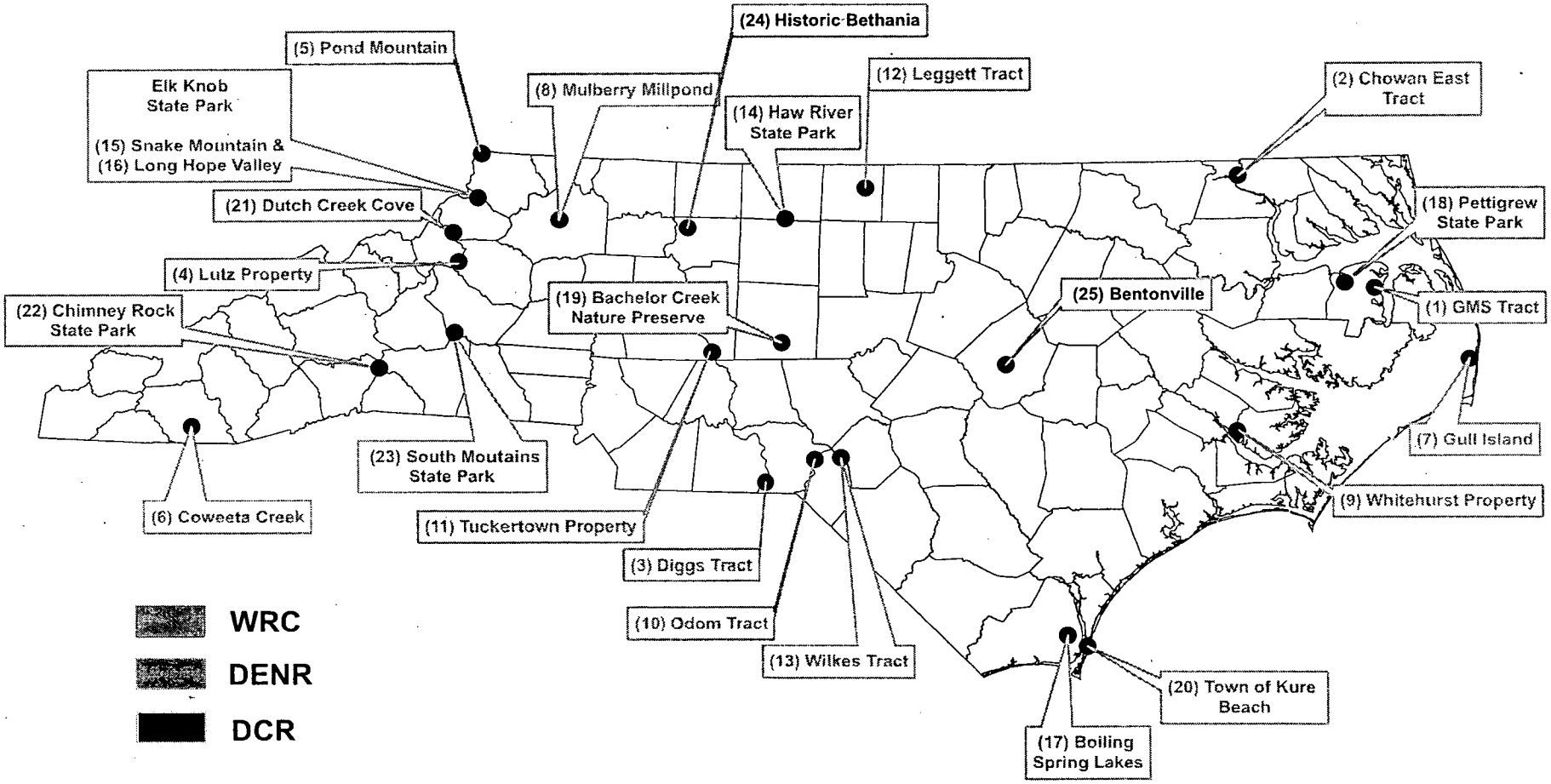
No.	Agency	Project Title	County	Award	Acres	Description
18	DENR/ DPR	Pettigrew State Park (Scuppernong River Section)	Tyrrell County	$483,000	537	The Scuppernong River corridor is part of a Nationally Significant Natural Heritage Area. The project area includes several rare and/or high quality natural communities: Peatland Atlantic White Cedar, Nonriverine Swamp Forest, and Cypress-Gum Swamp (Blackwater subtype). The tracts in this request contain two rare species and there are seven others documented in the project area, including the federally endangered Red-cockaded Woodpecker and Bald Eagle. The State-owned tracts will help connect existing tracts already in conservation ownership by the US Fish and Wildlife Service. Acquisition of these tracts will protect 4.6 miles of Scuppernong River frontage. The property will become part of Pettigrew State Park. Confirmed matching grants from PARTF ($108,000) and CWMTF ($483,000). Total acreage is 1,082.
19	DENR/ ZOO	Bachelor Creek Nature Preserve	SE Randolph County, northeast of Seagrove on Old NC Hwy 13	**$1,039,745**	184	This proposed project will preserve the 335-acre Ward tract, .75 mi. south of the North Carolina Zoological Park (Zoo).This project is sponsored by the Zoo in partnership with the Piedmont Land Conservancy for long-term protection of a biologically significant site linking the Zoo to other natural lands in an increasingly fragmented landscape. Funding is requested from NHTF for 184 acres of forested uplands, complementing a 151-acre riparian buffer acquisition request submitted to CWMTF ($931,889). Zoo contribution ($4,400). Request reduced at Board meeting because some tracts were unavailable. COPs not used.
20	DENR/ DCM	Town of Kure Beach Oceanfront Park	New Hanover	**$500,000**	0	Funding requested to assist the Town of Kure Beach in the debt service on the purchase price of 20,000 square feet of oceanfront property. A perpetual long-term conservation easement will be provided to the DENR/DCM as well as a detailed property management agreement. The Oceanfront Park faces the Atlantic Ocean and is the intended site of a local and regional public park. The park will expand public access to recreational opportunities, the beach, and the ocean. It will preserve open space and public access along the coast. New Hanover County confirmed grant of $500,000. Funding for remainder of $3.6 million project proposed to CWMTF, PARTF, DENR/DCM, DENR/DWR and Federal Appropriations. COPS not used.

No.	Agency	Project Title	County	Award	Acres	Description
21	DENR/ DPR	Dutch Creek Cove/ Bear Paw Natural Area - Land Acquisition	Watauga	$3,852,600	241	These acquisitions would help protect the Nationally Significant Hanging Rock Mountain SNHA and the cove forests containing the headwaters of Dutch Creek, a tributary of the Watauga River. These properties support at least four different natural communities, including the rare High Elevation Rocky Summit, and at least nine rare species including the Federally Endangered Big-eared Bat. These tracts will be managed as Dutch Creek Conservation Land until authorization of the State Natural Area which is proposed for the 2008 session of the General Assembly. Acquisition of these tracts will help protect a widely recognizable and visible peak and ridge and contribute to the connectivity of protected sites including nearby Grandfather Mountain. Confirmed private donation $1,314,000. Total acreage 341.
22	DENR/ DPR	Chimney Rock State Park–Bottomless Pools/Bat Cave/Round Top	Western Rutherford County	$4,488,000	212	This 212 acre project is part of a larger conservation effort including TNC's Bat Cave and Rumbling Bald Preserves. The site hosts distinctive geological features and a large diversity of natural community types. World's Edge contains a number of rock houses and small fissure caves as well as extensive, high quality examples of several community types, including low elevation rocky summit, low elevation granitic dome, and a unique community described as a semi-exfoliated basic glade. At least nine significantly rare plants have been documented on or very near the subject properties, two of which are federally endangered, and four rare, special concern animals have been found in close proximity to the project area and have the potential to be found on site as well. The tracts in this project are within the following SNHAs: Cane Creek Mountain (national significance); Chimney Rock (national significance) and Bottomless Pools (regional significance). Once acquired, these properties will be part of Chimney Rock State Park. Matching funds from PARTF $4,489,500. Total project acreage 423.

No.	Agency	Project Title	County	Award	Acres	Description
23	DENR/ DPR	South Mountains State Park - West Side II	Burke	**$605,000**	323	This 683 total acre project will help protect the Hall Knob SNHA included within the South Mountains Macrosite and the South Mountains/ Foothills Megasite. The tracts in this request contain at least six rare species, including the federally endangered White Irisette. The broader project area is known to contain at least four additional rare species. South Mountains State Park is part of a broader conservation effort including South Mountains Game Lands. This project will add to the nearly 40,000 acres of contiguous State-owned conservation land. Conservation of these tracst will also help protect undeveloped viewsheds for visitors approaching the state park and game lands from the west side. This area of the park is likely to see increased visitation following the development of facilities at the Clear Creek access area. Once acquired, the project area will be part of South Mountains State Park. Matching funds include PARTF ($648,309 confirmed), CWMTF ($932,140 proposed) and bargain sale donation ($81,966 confirmed). COPs not used
	DENR	**DENR**	**SUB-TOTAL**	**$29,679,345**	**3,968**	**$7,480**
24	DCR	Historic Bethania Land Acquisition	Forsyth	**$1,465,000**	69	Purchase of one of the few large, contiguous natural tracts of land remaining in Bethania will complement the 7 projects of nearly 100 acres previously protected by DCR. This project would completely protect "Bottom II," one of the bottomlands in Black Walnut Bottoms marked on the original survey of Bethania in 1768 by Christian Reuter. This historic area now holds the only remaining example of a European style "open field" agricultural village in North Carolina. A cell phone tower company has approached the landowner concerning the installation of a cell tower on the top of the ridgeline. Such a tower would significantly diminish the experience of visitors to Bethania. A management plan will be developed to provide guidance that is consistent with Bethania's Moravian culture and traditions and potentially restore the agricultural uses of the fertile bottomlands along Muddy Creek. Piedmont Land Conservancy is donating overhead costs and has applied for grants that could reduce the request to NHTF by as much as $200,000. COPS not used.

No.	Agency	Project Title	County	Award	Acres	Description
25	DCR	Bentonville Battlefield Site - Four Oaks Vicinity Acquisitions	Johnston	**$335,000**	130	This project will acquire 130 acres in three parcels to continue ongoing efforts to protect and preserve the battlefield at Bentonville Battlefield State Historic Site. This will add to the 880 acres that the DCR and the Civil War Preservation Trust (CWPT) purchased from 2002 and 2007 with assistance from the NHTF. The additional 130 acres will bring the total number of protected acres to approximately 1,030. The original battle covered 6,000 acres. At least 50% of cost will be funded by the CWPT. The DCR will manage this property as a part of its Bentonville Battlefield State Historic Site. COPs not used.
	DCR	**DCR**	**SUB-TOTAL**	**$1,800,000**	**199**	**$9,030**
27	**ALL APPs.**		**GRAND TOTAL**	**$47,039,217**	**11,157**	
		Awards Using	**COPS**	**$38,881,972**		**$8,157,245 using regular Fund Income; These project awards are in BOLD**
	NC = North Carolina					
	DACS/PCP = NC Department of Agriculture and Consumer Services - Plant Conservation Program					
	DENR = NC Department of Environment and Natural Resources					
	DPR = Division of Park Resources					
	DFR = Division of Forest Resources					
	NHP = Natural Heritage Program					
	OCP = Office of Conservation & Planning					
	SWCD = Soil and Water Conservation District					
	WRC = NC Wildlife Resources Commission					
	SNHA = Significant Natural Heritage Area					
	CWPT = Civil War Preservation Trust					
	DOT = Department of Transportation					
	CWMTF = Clean Water Management Trust Fund					
	NAWACA = North America					
	NOAA-CELCP = National Oceanic & Atmospheric					

Figure 2
Natural Heritage Trust Fund
Spring 2008 Awards
Project Locations



Agency	Project Title	County	Grant Total	Cash Funding	2007 COPS	2008 COPS	Acres	Description
DCR	Horne Creek State Historic Site	Surry	$190,000	$190,000	$0	$0	8.03	Fee simple acquisition of 8.03 acres immediately opposite the main visitor entrance to the Horne Creek Living Historical Farm State Historic Site, and across the main road from the site's extensive Southern Heirloom Apple Orchard. The objective of this acquisition is to provide a permanent scenic buffer property along the main visitor entrance to the site, to preserve the presently rural character and setting. The proposed property consists of seven platted lots in an area now being developed as part of a new subdivision in this location. The Horne Creek Living Historical State Historic Site is operated by the department's Division of State Historic Sites to preserve and demonstrate the methods of farming and the way of life of a typical northern Piedmont farmstead during the early 1900's. The farmstead consists of a two-story frame and log house built about 1880 for Thomas and Charlotte Hauser, along with six period outbuildings and the family cemetery. The proposed property will be maintained and managed by the DCR as an extension of the department's existing 104 acre historic site. No matching funds proposed.
DCR	***AWARDS***	***SUBTOTAL***	$190,000	$190,000			**8.03**	
WRC	Pond Mountain	Ashe	$5,000,000	$1,500,000	$0	$3,500,000	1,795.00	The Pond Mountain landscape offers the unique opportunity to manage for a host of state listed and SWAP priority species that require habitat types which are rare in NC. Approximately 750 acres of the Pond Mountain tract is currently in grassy/shrubby habitat and Christmas tree production and offers an excellent opportunity to manage for high elevation early successional habitat. The remainder of the tract contains northern hardwood forest. The tract will further serve as a wildlife corridor from the adjacent National Forests in TN and VA south to conservation areas in NC such as Three Top Mtn. and the Pisgah National Forest. The tract also serves as the headwaters of both Big Laurel and Big Horse Creeks and acquisition will be a significant step in protecting water quality in these drainages. As part of WRC game land program, will offer a variety of dispersed recreational opportunities to the public. Matching funds of $1.3 million private donor and $2 million CWMTF (Originally project was planned for $7,426,498 CWMTF funding.) Total cost is $13,458,955. Previous grant of $2.5 million from NHTF.

Agency	Project Title	County	Grant Total	Cash Funding	2007 COPS	2008 COPS	Acres	Description
WRC	Whitehall Plantation - Cape Fear Lowlands	Bladen	$4,212,000	$0	$4,212,000	$0	1,440.00	Time-sensitive acquisition to protect large natural area from future development to include upland pine and Cape Fear lowland hardwoods and swamp drainages. Will protect key neo-tropical migrant bird (one of only two possible nesting sites in NC for swallow-tailed kites), black bear, and waterfowl habitat. Protection of the site will reduce non-point source pollution into the Cape Fear River. The property falls within a strategic landscape scale conservation plan being developed by the Cape Fear Arch due to it's proximity to Bladen Lakes State Forest and Singletary Lake State Park and includes Regionally Significant Natural Areas – Cape Fear Lowlands, Cape Fear Sloughs, Cypress-Gum Swamps, Coastal Plain Levee Forest, and proximity to Conkill Bay Complex. WRC plans to incorporate site into the Cape Fear Wetlands Game Lands. No matching funds.
WRC	Miller-Hufnagel (Three Top Mountain Game Land Addition)	Ashe	$254,896	$254,896	$0	$0	103.26	The Miller-Hufnagel tract is adjacent Three Top Mountain Game Land and would provide direct access to the game land from SR 1125 where no public access currently exists. Acquisition of this property is also highly significant as part of the total management project in the Three Top Mountain area. The Three Top Mountain macrosite contains numerous plants and community types that are considered to be of national significance. Matching grants confirmed from both private ($270,447) and CWMTF ($316,000).

Agency	Project Title	County	Grant Total	Cash Funding	2007 COPS	2008 COPS	Acres	Description
WRC	Carpenter Tract - Sandhills Game Land	Scotland	$636,972	$0	$0	$636,972	263.00	Tract contains approx. 23 acres of mature longleaf pine forest including canebrake and streamhead pocosin, and 240 acres of readily-restorable longleaf/wiregrass forest with intact native groundcover diversity. Tract is extremely important as a strategic connector between large blocks of existing protected habitat of the Sandhills Game Lands, and barring protection was destined for horse farmettes. Currently the mature longleaf forest stand needs only fire to manage and maintain floral diversity, while the cut portion will be burned in the Spring of 2009, and planted back to longleaf pine that following Winter. While the tract is primarily made up of Xeric Sandhill Scrub and Pine/Scrub Oak Sandhill communities, its Southern boundary is a Streamhead Pocosin wetland along Little Muddy Creek, which the property shares with a 635 acre private conservation easement to the south that protects red-cockaded woodpecker habitat. This recent protection of both sides of Little Muddy Creek will allow the use of prescribed fire to open up the ecotone and to reduce shrub density along the creek. $208,000 Army ACUB funding confirmed. Total project cost $833,000.
WRC	Elam Tract - Wilson Creek	Caldwell	$238,500	$238,500	$0	$0	73.00	The Elam tract is surrounded by protected properties in the Wilson Creek watershed. To the north is the Edgemont Ltd. property, to the east is Pisgah National Forest, and to the south is the Lutz tract. The Foothills Conservancy of NC will close on a conservation easement on the Edgemont Ltd. Property in late 2008 or early 2009, the U.S. Forest Service owns the Pisgah National Forest, and WRC is acquiring the Lutz tract with NHTF and CWMTF grants. Much of the tract is in the nationally designated Wilson Creek Wild and Scenic River corridor. This corridor is a nationally significant aquatic natural heritage area and feeds the Johns River, a State SNHA. The tract is also within the Wilson Creek Slopes/Lost Cove Creek/Thorps Creek regionally SNHA. Although the tract contains only a small amount of perennial stream, its acquisition would link other existing protected lands. It would be accessible from the Lutz tract and national forest lands, but not from the road. Purchase of this tract would permanently protect the area from development. The owners have offered it at a bargain sale price, pending confirmation via appraisal.

Agency	Project Title	County	Grant Total	Cash Funding	2007 COPS	2008 COPS	Acres	Description
WRC	Johnson Tract	Ashe	$764,670	$764,670	$0	$0	218.00	The Johnson tract is the first of several expected opportunities to expand the adjacent Pond Mountain (pending) major acquisition. This tract would serve as a significant wildlife and ecological corridor from the adjacent National Forests in Tennessee and Virginia south to conservation areas in North Carolina such as Three Top Mountain, other Game Lands, various Natural Heritage areas and the Pisgah National Forest. Along with Pond Mountain, the Johnson tract offers a unique opportunity to manage for a host of state listed and SWAP priority species that require habitat types which are rare in NC. The majority of the tract contains northern hardwood forest. The tract also serves as the headwaters of Big Horse Creek further complimenting our anticipated purchase of Pond Mountain. The Johnson tract will be entered into the Game Lands Program and will offer a variety of dispersed recreational opportunities to the public. Total cost $1,721,770 with planned proposed application to CWMTF for $823,900 in 2/2009.
WRC	**AWARDS**	***SUB-TOTAL***	$11,107,038	$2,758,066	$4,212,000	$4,136,972	**3,892.26**	
DENR/ DPR	Proposed Grandfather Mountain State Park - Initial Acquisiton	Avery, Caldwell, Watauga	$6,000,000	$0	$6,000,000	$0	3,200.00	Funding requested for the initial acquisition for proposed Grandfather Mountain State Park. Project includes fee simple acquisition of 2,600 acres and a conservation easement on 600 acres. Property is a nationally significant SNHA and an International Biosphere Reserve. A total of 73 rare species have been documented for the mountain, and of these 32 are endangered or threatened. The mountain supports 16 distinct ecological communities including red spruce-Fraser fir forest, heath bald, high-elevation red oak forest, rich cove forest, Canada hemlock forest, and spray cliff. Grandfather Mountain also contains the headwaters of both the Linville and Watuaga rivers. Important component of a larger network of conservation lands in the area, which include the Blue Ridge Parkway, Pisgah National Forest, and holdings by TNC. Total cost $12,180,000. PARTF expected grant $6,180,000. Authorization for a new state park will be requested in the 2009 session.

Agency	Project Title	County	Grant Total	Cash Funding	2007 COPS	2008 COPS	Acres	Description
DENR/ DPR	Carvers Creek State Park - Clark II and Carvers Falls Tracts	Cumberland	$5,035,000	$401,500	$791,000	$3,842,500	1,316.00	Funding requested for two tracts as an addition to Carvers Creek State Park. One is Clark II tract located between existing state ownership and Fort Bragg and the other is around Carvers Falls. These two tracts are keystone tracts for this state park. The Clark II tract connects the existing state ownership to Fort Bragg permanently protecting this outstanding matrix of Sandhills natural communities and Red-cockaded woodpecker habitat. The Carvers Falls tract brings a unique geologic feature into public ownership that will eventually be accessible to the public. Once these tracts are acquired, they will be managed as part of Carvers Creek State Park for the protection of the natural resources and the interpretation of the resources and the natural processes that affect them. Total project cost $14,271,000; Army ACUB grant $3,850,000; PARTF proposed $5,253,500.
DENR/ DPR	Chimney Rock State Park - Round Top Mountain, Cane Creek and Lost Colony Tracts	Rutherford	$2,477,500	$0	$0	$2,477,500	287.00	As part of both the Southeastern Escarpment Megasite and the Hickory Nut Gorge Macrosite, this 287-acre project is part of a larger conservation effort including TNC's Bat Cave and Rumbling Bald Preserves. Because of the project area's position on the eastern edge of the Blue Ridge Escarpment, it hosts distinctive geological features and a large diversity of natural community types. At least nine significantly rare plants have been documented on or very near the subject properties, two of which are federally endangered, and four rare, special concern animals have been found in close proximity to the project area and have the potential to be found on site as well. The tracts in this project are within the following significant natural heritage areas: Cane Creek Mountain (national significance) and Round Top Mountain/Rumbling Bald (national significance.) Tracts will be managed as part of Chimney Rock State Park. Total cost $6,677,560; PARTF proposed grant $3,435,280.

Agency	Project Title	County	Grant Total	Cash Funding	2007 COPS	2008 COPS	Acres	Description
DENR/ DPR	Gorges State Park, Phase IV	Transylvania	$1,256,000	$768,500	$0	$487,500	190.00	Request funds for acquisition of four tracts in the acquisition plan for Gorges State Park. The tracts in this request are from landowners who contacted the state with their interest in selling to the state. Three of the four tracts are listed on the open market. Gorges State Park was established to protect the natural resources in the escarpment gorges and to provide outdoor recreation in the southwestern part of the state. There are 23 rare plant and animal species found in the Gorges State Park project area. The Gorges State Park project area encompasses the Toxaway River Gorge SNHA and is part of the Escarpment Gorges Megasite. Both of these are nationally significant. Once acquired, these properties will be managed as part of the Gorges State Park for the protection of the natural resources and water quality. Low impact public recreation such as hiking and nature study may occur on these tracts. Total cost $2,677,000; PARTF matching grant proposed - $1,384,500.
DENR/ DCM	Kitty Hawk Woods - Hard Tract	Dare	$87,500	$87,500	$0	$0	16.04	Kitty Hawk Woods Coastal Reserve is one of the largest (ca. 1,900 acres) maritime forests on the Outer Banks. The extensive maritime forest occupies a relict beach ridge and swale system. The ridges are comprised of Maritime Deciduous Forest while the swales support Maritime Swamp Forest and coastal marsh. According to the N.C. Natural Heritage Program, both community types are globally extremely rare. Kitty Hawk Woods and Nags Head Woods are the only extensive occurrences of Maritime Deciduous Forest in NC. The Hard Tract contains examples of both the Maritime Deciduous Forest and Swamp Forest, which have extreme ecological importance. The Maritime Deciduous Forest of Kitty Hawk Woods is one of only two extensive and diverse examples left in the state. The tract identified for acquisition is located adjacent to the Reserve, which has been designated by the NC Natural Heritage Program as a Nationally-significant SNHA. Total cost - $350,000; $262,500 USF&W Service Grant

Agency	Project Title	County	Grant Total	Cash Funding	2007 COPS	2008 COPS	Acres	Description
DENR/ ZOO	Ridges Mountain Nature Preserve - Phase II	Randolph	$490,000	$490,000	$0	$0	93.00	In partnership with the Piedmont Land Conservancy, the NC Zoo proposes to add 93 acres to the 186-acre Ridges Mountain Nature Preserve, a site that was identified during the Randolph County Natural Heritage Inventory as a top priority for protection. Ridges Mountain contains high quality examples of uncommon natural communities, including Basic Piedmont Monadnock Forest, Basic Oak-Hickory Forest, Upland Pools and Upland Depression Swamp Forest. Two of the three tracts have mature high-quality Basic Oak-Hickory Forest. A newly-discovered Upland Pool is located on the boundary between the Zoo property and the Allen tract. On a landscape scale, Ridges Mountain is significant due to its connectivity to other SNHAs. All three properties buffer the existing Preserve and provide breeding habitat for wildlife, including forest interior bird species and neotropical migrants. Tracts will provide nature-based recreation, such as low impact hiking and bird-watching, environmental education, and research on its biological and ecological resources. Threat of development is high for these parcels, which are convenient to a major highway. Zoo to contribute $2,000.
DENR/ DPR	Mount Jefferson State Park - Vannoy Heirs and Phillips Tracts	Ashe	$1,479,500	$187,500	$0	$1,292,000	253.50	Funds requested to acquire two key tracts on the slopes of Mount Jefferson. Mount Jefferson is an amphibolite peak and supports very high quality examples of natural communities. Twelve rare plant species and six rare animal species are found at Mount Jefferson State Natural Area. The addition of these two tracts to the state natural area will protect the mid slopes of Mount Jefferson from residential development. The owners of these tracts have been approached by developers. The larger tract is currently on the market. These slopes are very scenic as well as containing Northern Hardwood Forest natural communities. Once acquired, these tracts will be managed as part of Mount Jefferson State Natural Area for the protection of the natural and scenic resources and for low impact recreation such as hiking and nature study. Total cost $4,633,000 with PARTF grant expected for $2,332,000.

Agency	Project Title	County	Grant Total	Cash Funding	2007 COPS	2008 COPS	Acres	Description
DENR/ NHP	Boiling Spring Lakes, Sections 14 and 5 (Pretty Pond Limesink Complex)	Brunswick	$325,000	$325,000	$0	$0	9.40	Project area is located in the northeastern section of the City of Boiling Spring Lakes. It is immediately adjacent to the privately managed Orton Plantation (5,000 acres) and a 135-acre conservation easement held by TNC. Site contains undeveloped upland longleaf and pocosin habitat within the Pretty Pond Limesink Complex, a SNHA. Acquisition will protect habitat for current populations of the Federal and State endangered Red-cockaded woodpecker (Picoides borealis). It will complement the 7,000 acres of land previously protected in the Boiling Spring Lakes Plant Conservation Program Preserve and establish a core base for essential land management activities in the vicinity. The tracts will provide buffer for the privately held conservation lands, opportunity for passive recreation, and offer ecological research opportunities. NHP plans to manage the property through a management agreement with TNC.
DENR/ DPR	Mount Mitchell State Park - Bagwell, Begley and Wilson Heir tracts	Yancey	$833,750	$833,750	$0	$0	314.00	Funding requested for acquisition of key tracts to be added to Mount Mitchell State Park. Mount Mitchell State Park was the first state park in NC and includes the highest point east of the Mississippi River. The tracts in this request have the highest value in the DENR Conservation Planning Tool. These tracts contain high quality Northern Hardwood Forest and Red Spruce-Fraser Fir Forest natural communities. Both of these natural communities are high protection goals for the state parks system. These tracts are visible from multiple public use areas of the state park. The owners of these tracts have been approached by developers. These owners would prefer to sell to the state to avoid the development of their property. Once acquired, these tracts will be included in Mount Mitchell State Park and managed for the protection of the natural and scenic resources. Total cost $6,726,400 with expected $3,395,700 PARTF grant.

Agency	Project Title	County	Grant Total	Cash Funding	2007 COPS	2008 COPS	Acres	Description
DENR/ DPR	Roan Mountain - Atria Tract (Big Yellow Mountain)	Avery	$1,875,000	$1,875,000	$0	$0	265.00	Funds requested for acquisition of 265 acres to protect important natural resources in the Nationally Significant Big Yellow Mountain SNHA. This tract contains numerous, extensive High Elevation Seeps embedded within the Northern Hardwood Forest. Gray's Lily, a Federal species of concern and State Threatened species, is known to occur on the tract and the seeps have a high potential for other rare plant species. The tract adjoins the Big Yellow Mountain Preserve owned by TNC and is nearby the Roan Mountain Preserve owned by the Southern Appalachian Highlands Conservancy. The site will be managed for the protection of significant natural resources and to provide interpretation of its ecosystems. Acquisition of these tracts will help protect a widely recognizable and visible peak and ridge system and contribute to the connectivity of 17,000 acres of protected land, including nearby Roan Mountain in the Pisgah National Forest. Total cost $3,800,390. Adjoining 177 acres will be protected via donated easement valued at $1,875,000. Not eligible for PARTF because not in new Yellow Mt. State Natural Area.
DENR		***SUBTOTAL***	$19,859,250	$4,968,750	$6,791,000	$8,099,500	**5,944**	
DACS/ PCP	Ochlawaha Bog Preservation - Ward, Fortescue & CMLC Additions	Henderson	$347,590	$347,590	$0	$0	30.78	Request is to add 30.79 acres to the Ochlawaha Bog Plant Conservation Preserve,established in 1996 with the purchase of 2.4 acres, and which harbors Bunched Arrowhead, one of NC's most endangered plant species. Bunched Arrowhead is a federally and state endangered species known to persist in only two populations in NC. This site is considered to be a critical conservation priority and has been the focus of protection and restoration efforts by the state, CMLC, the US F&W Service and others. Site is currently ditched and used for growing tomatoes. The proposed acquisition would eliminate the most critical ongoing threat to the Bunched Arrowhead colony while providing PCP, and its partners, the opportunity to restore the hydrology in portions of the project area with the goal of re-establishing both a healthy, functioning riparian area as well as expanding the population of this endangered species. A feasibility study for wetland restoration, emphasizing creation and maintenance of suitable habitat for Bunched Arrowhead, has already been completed. Other funding: $6,350 CWMTF mini-grant and $85,000 private donor. Bargain sale, valued at $45,600.

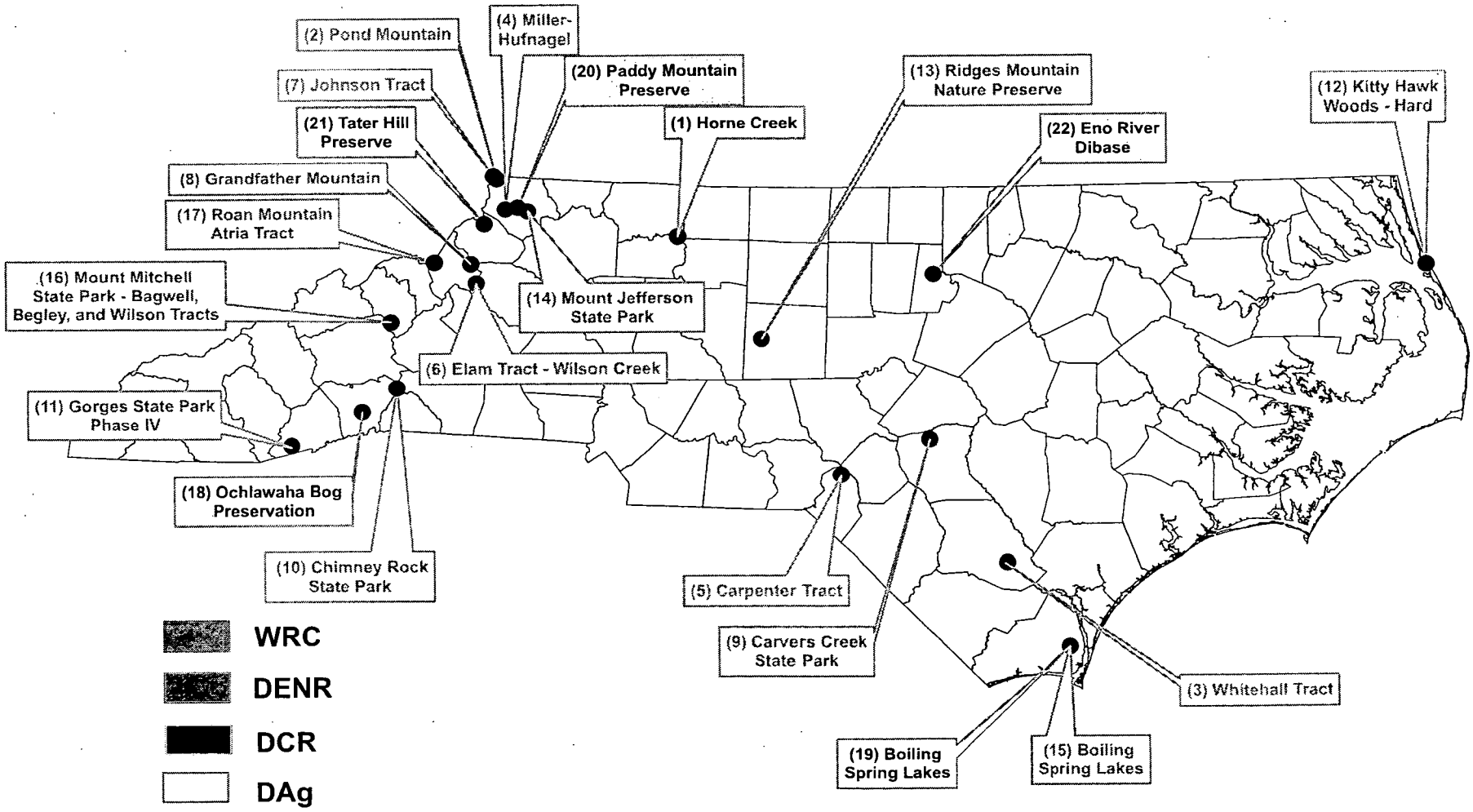
Agency	Project Title	County	Grant Total	Cash Funding	2007 COPS	2008 COPS	Acres	Description
DACS/ PCP	Boiling Spring Lakes - Management Areas 7 and 22	Brunswick	$360,000	$360,000	$0	$0	574.00	Proposed funding for inholdings in two of the most critical areas of the existing preserve. Boiling Spring Lakes (BSL) preserve, the largest existing PCP preserve, became a focus of major acquisition efforts in 1999, with NHTF supplying majority funding since that time. The Preserve, now exceeding 6,000 acres in size, features an outstanding complex of natural communities as well as a collection of rare plant and animal species. The Venus flytrap (*Dionaea muscipula*), and the federally endangered rough-leaf loosestrife (*Lysimachia asperulifolia*) are notable examples of some of the many rare plant species known to be present. Protecting and restoring the natural habitats and rare species populations is the overarching management goal upon acquisition, with a significant portion of the effort focused on reintroducing controlled burns across the Preserve. PCP has recently narrowed the Preserve focus area and this request is to complete two critical management areas in the newly defined focus area. Request includes $367,148 for management costs. Awarded the $300,000 estimated to close within a year plus $60,000 stewardship monies.
DACS/ PCP	Paddy Mountain Preserve - Cook & Rash Tracts	Ashe	$1,337,000	$0	$0	$1,337,000	143.00	Funding requested to add two tracts to the Paddy Mountain Plant Conservation Preserve. This Preserve, established with grants from the NHTF Board in 2002 and 2003, protects several rare plant species including the federally endangered Heller's Blazing Star (*Liatris helleri*), and one of only three known NC populations of the Allegheny Onion (*Allium allegheniense*). Protecting the high elevation rock outcrop habitats for these rare species as well as the surrounding rich forested slopes from incompatible land use is the primary protection and management goal. The proposed acquisitions are some of the most important parcels on the acquisition plan for the site.

Agency	Project Title	County	Grant Total	Cash Funding	2007 COPS	2008 COPS	Acres	Description
DACS/ PCP	Tater Hill - Ball and Greer Tracts	Watauga	$2,220,000	$0	$0	$2,220,000	324.00	Funding requested to add two tracts to the Tater Hill Plant Conservation Preserve. The project area has been a priority for protection efforts for years and the NHTF Board has awarded seven previous grants for acquisition efforts there. The Preserve is designed to protect a number of rare plant species and natural plant communities. Rare plants present include Gray's lily (*Lilium grayi*), American fly-honeysuckle (*Lonicera canadensis*), Tall larkspur (*Delphinium exaltatum*), and long-stalked holly (*Ilex collina*). The proposed tracts occur along the northern boundary of acquisition plan for the site. Protecting the rare plant species and natural habitats present on these tracts from incompatible land use is the primary protection and management goal.
DACS/ PCP	Eno River Diabase - Pickett and Arrington Tracts	Durham	$85,250	$85,250	$0	$0	2.11	PCP in partnership with Eno River Association is proposing to add two tracts to the Eno River Diabase Sill Plant Conservation Preserve. These tracts, which have been priorities since the project inception, were not previously acquired due to title issues (these issues are being addressed). The importance of establishing this Preserve has been well recognized by the NHTF Board, as evidenced by seven previous grants for the Preserve, which is designed to protect a host of rare plant species including the federally endangered Smooth Coneflower (*Echinacea laevigata*), and the Piedmont region's only remaining population of Tall Larkspur (*Delphinium exaltatum*). Restoration of the habitats for these species, once protected, is the number one management priority. Since 2004, management efforts by PCP and its partners have resulted in dramatic increases in several of these rare species, most notably the Smooth Coneflower.
DACS		***SUBTOTAL***	$4,349,840	$792,840	$0	**$3,557,000**	**1,073.89**	

Agency	Project Title	County	Grant Total	Cash Funding	2007 COPS	2008 COPS	Acres	Description
DCR	Averasboro Civil War Battlefield Site			$130,000				Amended Fall 2007 award by $130,000. Matching funds from Civil War Preservation Trust Fund will not be available in the court-mandated timeframe for closing on easement (result of 2-year litigation.)
ALL APPs.		**TOTAL**	**$35,636,128**	**$8,839,656**	**$11,003,000**	**$15,793,472**	**10,918.12**	
WRC	Tuckertown					$2,000,000		Was funded in Spring 2008 with 2007 COPS, now switched to 2008 COPS
DPR	Chimney Rock/Bottomless Pools					$3,500,000		Was funded in Spring 2008 with 2007 COPS, now switched to 2008 COPS
		GRAND TOTAL	**$41,136,128**	**$8,839,656**	**11,003,000**	**$21,293,472**		

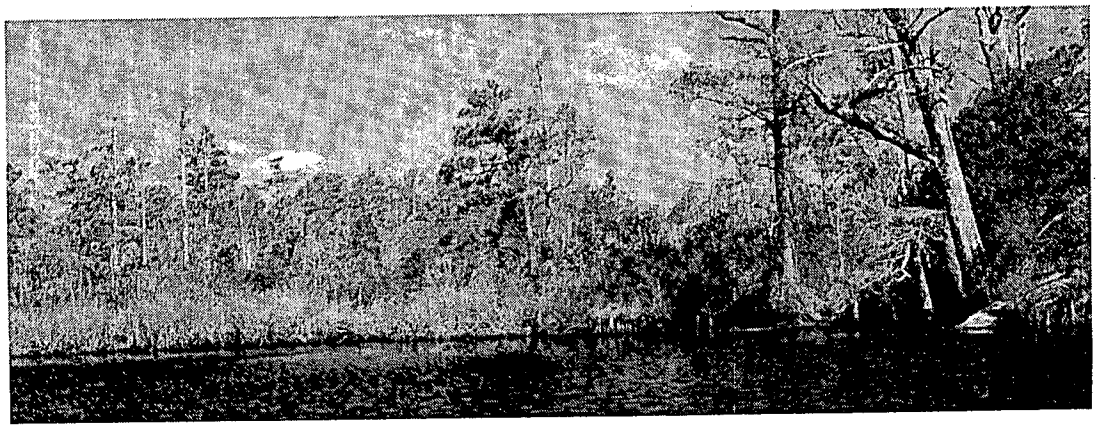
NC = North Carolina	SNHA = Significant Natural Heritage Area
DCR = NC Department of Cultural Resources	PARTF = Parks & Recreation Trust Fund
DACS = NC Department of Agriculture and Consumer Services	CWMTF = Clean Water Management Trust Fund
PCP = Plant Conservation Program	WRC = NC Wildlife Resources Commission
DENR = NC Department of Environment and Natural Resources	SWAP = WRC's Sate Wildlife Action Plan
DPR = Division of Park Resources	TNC = The Nature Conservancy
DFR = Division of Forest Resources	CMLC = Carolina Mountain Land Conservancy
NHP = N.C. Natural Heritage Program	ACUB = Army Compatible Use Buffer Program
DCM = Division of Coastal Management	USF&W = United States Fish and Wildlife
DWR = Division of Water Resources	
WRC = NC Wildlife Resources Commission	

Figure 3
Natural Heritage Trust Fund
Fall 2008 Awards



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NORTH CAROLINA
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North Carolina Department of Environment and Natural Resources

Michael F. Easley, Governor

William G. Ross Jr., Secretary

November 20, 2008

TO: Senator Charlie Albertson
Senator Dan Clodfelter
Representative Lucy Allen
Representative Pryor Gibson

FROM: William G. Ross Jr., Secretary WGR

RE: 2007 Annual Report on the North Carolina Million Acre Goal

As instructed by the Conservation, Farmland, and Open Space Protection and Coordination Act (G.S. 113A-241), I am providing to you the 2007 Annual Report on progress toward the North Carolina Million Acre Goal. The report summarizes the land conservation activities of numerous public and private partners during the year 2007. An additional 108,370 acres have been protected, bringing the total number of acres conserved under the Million Acre Initiative to 589,685. The report also describes several notable projects completed in 2007, discusses the role of the new statewide Conservation Planning Tool in prioritizing conservation opportunities, and identifies challenges to achieving the Million Acre goal by the end of 2009.

If you have questions or need additional copies, please contact Linda Pearsall, Director of the Division of Natural Resources Planning and Conservation, at linda.pearsall@ncmail.net or at 919-715-4195.

WGR/kka

Enclosure

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One NorthCarolina Naturally

2007 Annual Report
NC Million Acre Goal

Presented to the Governor of North Carolina and the Environmental Review Commission of the North Carolina General Assembly

Fall 2008

By the North Carolina Department of Environment and Natural Resources
Division of Natural Resources Planning and Conservation

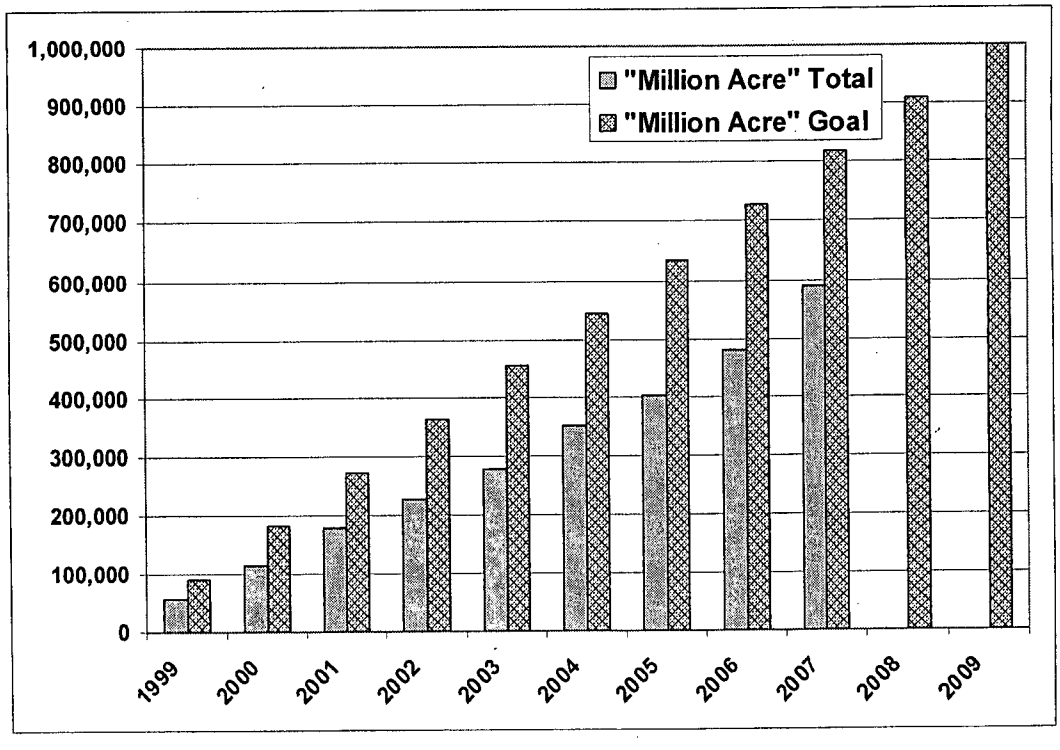
The Latest Numbers

Public and private partners protected an additional **108,370** acres in 2007, bringing the total number of acres conserved under the Million Acre goal to **589,685**. This is an increase in the rate of land protection in North Carolina from the previous year, due in part to an increase in State funds available for conservation. The General Assembly authorized special indebtedness financing of $50 million in certificates of participation in the 2007-2008 budget.

In 2006 the US Congress passed changes to federal tax incentives and the Farm Bill that improve the financial incentives for conservation easement donations. The changes are especially favorable to farmers and ranchers and have resulted in an increase in donations of conservation easements on agricultural lands. This effect may be temporary, however, as the incentives are currently set to expire in 2009.

The table at the end of this report describes in detail the number of acres protected by sector (state government, local government, etc.), by program, and by time period. To avoid confusion, only official reports of new acquisitions (from surveys, interviews and questionnaires) are counted in the final total. Estimates for non-respondents are not included. The lands protected in 2007 represent important natural areas for habitat, recreation opportunities, working forests, and riparian buffers that maintain water quality and protect floodplains, among others. Notable projects completed in 2007 include the addition of the 996-acre Chimney Rock Park to the State Parks System, a 1,088-acre conservation easement conveyed from the Town of Sylva to the State of North Carolina on the largest remaining unprotected tract in the Plott Balsam Mountains, and the transfer of nearly 60,000 acres of former International Paper land from The Nature Conservancy to the State. Table 1 illustrates our progress to date toward the Million Acre goal.

Table 1: Progress toward our goal of one million acres of permanently protected open space



However, the amount of land currently protected each year is insufficient to meet the goal of permanently protecting an additional million acres by December 31, 2009 (G.S. 113A-240 and 241). In fact, at our current pace, land protection efforts do not even match the rate at which natural and agricultural lands are being lost to development in North Carolina, which currently amounts to about 100,000 acres per year. At the current average rate of land protection and funding levels, we will not reach the Million Acre goal until 2014.

Although they do not count toward the Million Acre goal (per the 2000 legislation), temporary conservation measures often contribute to the permanent conservation goals of the Initiative. For example, the NC Natural Heritage Program maintains a registry of landowners who have voluntarily agreed to manage their land for the protection of a Significant Natural Heritage Area on their property. Currently over 18,000 acres have voluntary protection as part of this program. Indeed several of these agreements have led to permanent conservation measures. For example, the World's Edge Registered Heritage Area is now part of Chimney Rock State Park and habitat for eight rare plants within the Eno River Diabase Sill Registered Heritage Area was permanently protected by the NC Plant Conservation Program in 2007. Also, the NC Division of Soil and Water Conservation oversees the Conservation Reserve Enhancement Program which encourages farmers to place environmentally sensitive land near streams or water bodies into vegetative cover for a period of time. Since 1999, CREP has enrolled 18,684 acres into the 30-year easement program including 1,728 acres in 2007. Additional conservation programs, such as the Wetlands Reserve Program or Wildlife Habitat Incentives Program, authorized in the federal Farm Bill encourage other conservation measures on private lands.

The Program

In addition to working to increase the rate at which land is being protected in North Carolina, the Million Acre Initiative continues to work towards making information about land protection tools and techniques more broadly available, and to encourage conservation planning. As part of the One North Carolina *Naturally* program, the Million Acre Initiative and other partners continue to slowly but steadily increase awareness among North Carolinians about the need for additional land conservation to protect our valuable natural ecosystems.

The most significant improvement in this area is the statewide Conservation Planning Tool, developed by the staff of the One North Carolina *Naturally* program and introduced in 2007. The Conservation Planning Tool is a comprehensive reference that provides accurate information to support land use planning efforts. It uses scientific and strategic analysis to identify and prioritize the essential high quality natural resources across the state, as well as identify crucial protection gaps in our state's network of supporting ecosystems. The plan highlights opportunities for collaborative conservation that will contribute to sustaining the most significant natural resources across the state.

The plan consists of six assessments that identify the most essential and ecologically functional areas of land and water across the state. These assessments address two primary themes: ecosystem functions and ecosystem resources. Ecosystem functions consists of: the essential supporting landscape needs for terrestrial wildlife and its habitat, requirements for aquatic

wildlife and its habitat, overall landscape function and connectivity, and areas that are critical for maintaining ecosystem processes (e.g. wetlands, floodplains, stream buffers, and fire-adapted systems). Ecosystem resources addresses the essential landscape needs that support agriculture, forestry, fisheries, water supply protection, and recreation, and open space. Three of these assessments have been completed: Biodiversity and Wildlife Habitat, Open Space and Conservation Lands, and Water Services. The remaining three will be completed by early 2009: Agricultural Lands, Marine/Estuarine Systems, and Forest Lands. Each of these assessments will consist of a GIS data layer, which can be used on its own or in concert with the others. The CPT is available both through an online interactive map viewer on the One NC *Naturally* website as well as through data downloads for users with GIS software. Development of the assessments will be an iterative process with updates every six months.

The tool can be used by nonprofit organizations, state and local agencies, or funding groups to inform decisions about conservation and/or land use planning. Indeed, the staff of the One North Carolina *Naturally* program has presented it to many stakeholders and future users, especially the planning staff of local governments. The Natural Heritage Trust Fund first incorporated the tool into its application in the Fall 2007 cycle. Additional funding agencies are expected to follow suit as the applicable data layers are developed. Use of this and other planning tools will help ensure that the limited funds available for conservation will be spent on the most significant resources and in the most efficient manner. Even the preliminary data has yielded new insights such as the locations of the most significant natural resource core areas and connectors that do not have formal protection. Future layers will identify areas critical to the protection of ecosystem resources from an economic perspective.

Looking Ahead

The year 2007 was an unusually strong year for land conservation due in part to the significant increases in funding from the North Carolina General Assembly. With little federal funding available, the burden of funding land protection must be borne by the State. Nevertheless, funding requested in 2007 from the State's four major trust funds exceeded the funding available by $109.5 million, according to Land for Tomorrow.[1]

As noted in earlier reports, it will be difficult to meet the Million Acre goal without a working lands component targeted towards maintaining local production of agricultural and forest products. While partners in agricultural conservation have made exciting progress in mapping priority areas, funding for farmland preservation and conservation of forestry lands remains in short supply. In 2008, the Agricultural Development and Farmland Preservation Trust Fund received applications requesting $29 million, with only $7.6 million available. We look forward to including these protected acres in future Million Acre reports.

The primary finding and recommendation of the 2007 report from the Joint Legislative Commission on Land and Water Conservation was that "additional funding is needed to finance

[1] Land for Tomorrow (May 20, 2008). "State's land and water conservation trust fund shortfalls totaled $109.5 million in 2007." Press release. Retrieved September 29, 2008. Available at www.landfortomorrow.org/stuff/contentmgr/files/7c34ac47f77ea1984b374d64102ee30a/misc/press_release.pdf.

land and water conservation," and that "a larger dedicated source of revenue is needed to adequately address conservation and preservation needs." In recognition of this finding, the General Assembly authorized $120 million in Certificates of Participation in the 2007-2008 budget. This action enabled a number of agencies to take advantage of significant short-term opportunities, such as Chimney Rock Park and the International Paper tracts. This is reflected in the increased rate of land conservation in 2007 and will continue into 2008. Much like a bond, however, the 2007-2008 Certificates of Participation will have to be repaid by the Natural Heritage Trust Fund and the Parks and Recreation Trust Fund, limiting the amount of funding available for conservation opportunities in the more distant future. The General Assembly improved this situation in the 2008-2009 budget by authorizing $50 million in Certificates of Participation that will be repaid from the general fund, ensuring that future conservation opportunities will not be compromised by repayment obligations.

We should also note that the COPs financing authorized in the 2007-2008 budget included $20 million for the newly established Waterfront Access Marine Industry Fund. While the 13 projects that received funding are of critical importance for the continued health of North Carolina's marine economy and ecosystems, they tend to be small in size or are developed land that will not contribute significantly the Million Acre goal.

Conclusion

With at least 383 acres of natural lands converted to residential and commercial development each day, North Carolina cannot afford to wait any longer to conserve the most important of its natural resources. With the help of dozens of public and private partners, we have made significant progress towards the Million Acre goal. Nevertheless, with two years remaining to achieve the Million Acre goal, it has become clear that we will not reach that mark without additional funding for conservation. Coordinated planning efforts such as the statewide Conservation Planning Tool have made significant progress prioritizing areas for conservation in order to maximize both the cost-effectiveness and the long-term value of investment in conservation lands, but land costs are greater than when the Million Acre goal was announced. The Tool is also helping to raise awareness – at local, regional, and state levels – of the importance of planning for growth and protecting the natural resources that deliver so many benefits. 2007 demonstrated that increased funding leads directly to increased conservation accomplishments. In fact, 2007 was the only year in which net conservation land increased, that is the acreage of natural and agricultural lands permanently protected exceeded the acreage lost to development. With the powerful Conservation Planning Tool nearly completed, now is the time to make the necessary funding available to help implement its recommendations. Even though it will take longer than anticipated to achieve the *quantitative* Million Acre goal, we have made significant progress towards the *qualitative* goal at the heart of the Initiative: "to protect the water quality, wetlands, drinking water sources, natural beauty, and ecological diversity of North Carolina as well as provide opportunities for public recreation" in order to "provide a high-quality environment for present and future generations" (SL 2000-23).

Acres Under Permanent Protection

(note: a blank cell means no data were collected. 0 means no land was protected)

State Agency	category	Acres Protected 1/99 - 12/05	Acres Protected 1/06 - 12/06	Subtotal through 12/06	Acres Protected 1/07 - 12/07	"Million Acres" Total
DENR - FOREST RESOURCES	state forest	7,861	117	7,978	0	7,978
DENR - SOIL AND WATER	conservation reserve enhancement program	2,770	1,191	3,961	766	4,727
	hog farm buyout	1,669	20	1,689	154	1,843
WILDLIFE RESOURCES	game lands	105,734	39,258	144,992	64,435	209,427
DENR - Ecosystem Enhancement Program(*)	wetlands & riparian mitigation	11,464	1,229	12,693	1,479	14,172
DENR - PARKS AND REC.	state park	29,723	4,503	34,226	5,604	39,830
	state natural area	6,004	643	6,647	2,392	9,039
	state trails	765	189	954	74	1,028
	state rec area	2	0	2	0	2
DENR - COASTAL MNGMT.	coastal reserves	28,961	0	28,961	0	28,961
	submerged lands	0	0	0	0	0
DoA&CS - PLANT INDUSTRY	state nature preserve	9,547	274	9,821	567	10,388
	other lands	0		0	0	0
DCR - HISTORIC SITES	state historic sites	639	519	1,158	65	1,223
STATE UNIVERSITY SYSTEM	university property	0				0
SUBTOTALS		205,138	47,943	253,081	75,536	328,617
Local Governments						
CITY AND COUNTY GOVERNMENTS (**)	parklands, greenways, watershed protection, etc.	21,936	1,178	23,114	4,360	27,474
SUBTOTALS		21,936	1,178	23,114	4,360	27,474
Federal Agency						
US FISH AND WILDLIFE SERVICE	national wildlife refuge	12,679	0	12,679	133	12,813
USDA FOREST SERVICE(***)	national forests	7,084	17	7,101	34	7,135
USDA-NRCS WETLAND RESERVE PROGRAM	wetlands reserve	12,190	1,122	13,312	4,000	17,312
NATIONAL PARK SERVICE	national park	7,640	134	7,774	81	7,855
SUBTOTALS		39,593	1,273	40,866	4,249	45,115
Local Land Trusts						
NC LAND TRUSTS (****)	protected lands	93,955	19,505	113,460	19,948	133,408
SUBTOTALS		93,955	19,505	113,460	19,948	133,408
Other Conservation Groups						
THE NATURE CONSERVANCY(*****)	nature preserves	28,884	4,141	33,025	4,072	37,096
AUDUBON SOCIETY	nature preserves	0		0	0	0
AMERICAN FARMLAND TRUST	farmland	0	0	0	0	0
PRESERVATION NC	historic preservation	680		680	75	755
NC COASTAL FEDERATION	nature preserves	8,353	1,619	9,972		9,972
DUCKS UNLIMITED	waterfowl habitat	6,981	135	7,116	131	7,247
SUBTOTALS		44,898	5,895	50,793	4,278	55,070
TOTALS		405,521	75,794	481,315	108,370	589,685

*Formerly Wetlands Restoration Program.

**Local governments include LWCF projects closed, PARTF projects funded, CWMTF local projects closed, and counties that responded to information requests.

***National Forests in North Carolina report on fiscal year.

****25 local land trusts that regularly partner with the Conservation Trust for North Carolina. Local land trusts also conveyed 9,319 acres to local, state, and federal governments in 2007.

*****The Nature Conservancy transferred 65,137 acres to other agencies in 2007. Most of this was former International Paper property acquired by TNC in 2006.

Prepared by NCDENR (KKA) 9/15/2008

CONSERVATION EASEMENT PROGRAM
ANNUAL REPORT
TO THE
ENVIRONMENTAL REVIEW COMMISSION

November 1, 2008

Pursuant to NC G.S. 113A-235(c), the Department of Environment and Natural Resources reports to the Environmental Review Commission each year on the implementation of Article 16, the Conservation Easement Program. This Article, 113A-230 through 113A-235, includes enabling legislation for a program for conservation easement promotion/education, conservation tax credit promotion/education and quality assurance of conserved lands, and enabling legislation for a conservation grant fund. The following reports on these programs.

North Carolina Department of Environment and Natural Resources

Conservation Easement Program G.S.113A-235 (c), Article 16 (also known as the Conservation Incentives Program) includes 3 components:		
113A-230 Conservation Easement Program	113A-231 Conservation Tax Credit Program	113A-232 Conservation Grant Fund
Stewardship program monitors state-owned easements, currently EEP and CREP properties	Certifies donor gifts of interests in real property for conservation purposes	Currently holds funds for stewardship program; potentially applicable to other conservation programs

THE YEAR IN SUMMARY

Significant progress has been made in the development and integration of the programs within Article 16 during the past year.

Conservation Tax Credit Program

The number of acres and estimated value of donations of interests in real property donated for conservation purposes remains relatively stable, but the overall number of donations increased significantly in 2007. For fiscal year 2007-08, 156 applications for certification were approved for the conservation of 17,000 acres, which brings the cumulative total to 188,000 acres. A comprehensive review of the program was undertaken over the last year, resulting in changes to the process and materials used to implement the program.

Conservation Grant Fund

Only one of the programs authorized within this conservation tool received funds this year – the stewardship monitoring program for conservation easements held by the Ecosystem Enhancement Program and Conservation Reserve Enhancement Program. This was the third year of funding for the DENR Stewardship Program, which operates using only using interest earned above inflation on the endowment fund.

Conservation Easement Program

The use of conservation easements continues to grow. The Department of Environment and Natural Resources (DENR) has taken the role of administering the monitoring of Ecosystem Enhancement Program (EEP) preservation mitigation easements. The Stewardship Program Director coordinates these monitoring activities, and is advancing several strategies that will increase the program's efficiency and effectiveness. In 2009, DENR plans to expand these stewardship activities to include monitoring permanent conservation easements for the Conservation Reserve Enhancement Program (CREP). The broader category of stewardship, including management for ecological values, remains largely unaddressed.

ANNUAL PROGRAM UPDATE

Conservation Easement Program 113A-230

Established in 1997, this program is intended to use promotion, education, and quality assurance to increase the use of conservation easements as a tool to accomplish conservation goals, such as the Million Acre Initiative. The use of conservation easements continues to grow, especially as they provide a key mechanism for water quality protection used by the Clean Water Management Trust Fund, the Conservation Reserve Enhancement Program and the Ecosystem Enhancement Program. As evidence of the popularity of conservation easements, 114 of the 156 certified donations for the conservation tax credit this year were easements, compared to 42 fee simple donations.

There is also growing acceptance of conservation easements within the farming and forestry communities, due to increased incentives provided by several programs. The General Assembly's 2007 legislative changes to G.S. 105-130.34 and G.S. 105-151.12 explicitly identifies farmland conservation as a public benefit for the Conservation Tax Credit. The North Carolina Agricultural Development and Farmland Preservation Trust Fund has further promoted easements on working lands. The expanded Federal conservation tax incentive (Income Tax Charitable Contribution Deduction) gives particular inducement to farmers and ranchers. As a result, there are an increasing number of farmland easement donations being submitted for Conservation Tax Credit certification, accounting for the overall increase in number of donations this past year for Conservation Tax Credit (see graph 1 at end of report).

Stewardship of Conservation Easements

With the growing number of conservation easements generated through the Clean Water Management Trust Fund, Ecosystem Enhancement Program, Conservation Reserve Enhancement Program, and other programs, comes a growing responsibility for monitoring and effective management of their conservation values. In 2005 the Department began taking steps toward funding quality assurance-related activity for conservation easements. In 2006 the DENR Stewardship Program was implemented, which is supported by any agency prepared to make payments into the Conservation Grant Fund Endowment to cover administrative/management costs. The intent is to expand this Stewardship Program incrementally until all conservation easements held by the State are assured proper monitoring and management of their public purposes and values. Currently two agencies have contracted to participate in the Stewardship Program: the Ecosystem Enhancement Program (EEP) and the Conservation Reserve Enhancement Program (CREP). Through EEP, there are currently 102 projects on 12,740 acres. The current CREP totals are 154 projects on 5,596 acres.

In its initial year, the Stewardship program administered 71 properties in a pilot project. The cost to conduct monitoring visits to each of these properties to document site condition was $29,000, which did not include enforcement or management. Since this amount exceeded the available interest earned from the Conservation Grant Fund Endowment, the current endowment per property is inadequate. Additional expenses

resulted from enforcement of two easement violations reported as a result of the monitoring in 2007, which exacerbated the funding shortfall.

Partly in response to having an inadequate endowment, 15A NCAC 02R .0402 was amended. As of 2008, properties and easements donated to the NC Department of Environment and Natural Resources require a fee of one thousand dollars ($1,000) per acre at the time the land or easement is transferred to the Department's Conservation Grant Fund Endowment. For properties that are less than one acre in size, the minimum payment shall be one thousand dollars ($1,000). This charge applies only to properties and easements donated to the Department for the sole purpose of property or easement maintenance. This does not apply to properties or easements donated to the Department in association with restoration projects conducted by the Department.

The broader issue of long-term stewardship, including management for ecological values, remains largely unaddressed due to limited financial resources.

Conservation Tax Credit Program 113A-231

The state's Conservation Tax Credit was established in 1983 to respond to donors' applications for certification of their gifts of interests in real property for conservation purposes. In 2007, changes in the Conservation Tax Credit legislation (G.S. 105-130.34 and G.S. 105-151.12), as well as problems reported in other states' programs, led to a comprehensive review of the policies and guidelines used to implement the N.C. Conservation Tax Credit program. In 2008, program staff worked with resource agency reviewers, qualified recipients and others to review the Conservation Tax Credit program. The resulting improvements include a revised application, a new website and development of reviewer guidelines. These guidelines should help our conservation partners understand the expectations for qualified tax credit properties, simplify the certification process, and reduce confusion. Potential donors or recipients are encouraged to contact the Department with questions. The process for reconsideration of rejected applications was also formalized as part of the review. A Conservation Tax Credit Certification Review Committee was established, comprised of representatives of the resource agency reviewers. An added benefit of the Conservation Tax Credit Certification Review Committee is that it encourages communication among reviewers, and should help maintain consistency in the review process.

There is sustained and growing interest in the N.C. Conservation Tax Credit program:

- Over the past year, 159 applications were reviewed for eligibility, of which 156 were certified. (Graph 1 shows only 140 applications for 2007, because fifteen of the reviews conducted during 2007 were for donations that had been made in 2006.)
- The certified projects totaled almost 17,000 donated acres of property interests, worth an estimated $131 million. (See graphs 2 and 3 at end of report).
- Since its establishment, more than 188,000 acres have been donated, and the applicants have reported to the Conservation Tax Credit program an estimated value of $918 million for these donations over the duration of the program.

The number of applications that did not receive favorable review was low. Six that were initially disapproved gained approval during the reconsideration process. For the three applications that were not certified to provide public conservation benefit, the reasons for rejection included:

- The gift did not meet the statutory definition of a qualified donation.
- The protected area was a small and isolated habitat and retained rights to subdivide, develop or otherwise convert habitat. There was also inadequate riparian buffer.
- The spatial arrangement of the site was fragmented with degraded habitat, and retained rights included transferability of impacted areas.

One of the perceived strengths of conservation easements is that they are flexible and can be tailored to individual landowner's preferences. However, numerous or extensive retained rights within a conservation easement can create a challenge for reviewers, as they evaluate the public benefit of a donation. With multiple rights retained, the reviewers will continue to look for the balance of public benefit and resource protection with the cumulative potential impact of the retained rights.

The Conservation Tax Credit program is an effective leveraging tool. When used in conjunction with bargain sales, the Conservation Tax Credit can yield substantial savings for conservation trust funds, local governments, and nonprofit organizations purchasing land. At least 173 of the 1000+ certified donations made in the past 25 years have included some bargain sale component. It is estimated that over the duration of the program, all grantees (state, local and non-profits) have saved more than $152 million through bargain sales facilitated by the tax credit initiative.

The Department has the statutory responsibility to protect real property and interests in real property conserved in perpetuity by state incentive programs. Fulfillment of this responsibility will require monitoring of these properties to assure that their conservation purposes are not jeopardized. The new but limited stewardship program discussed earlier under the Conservation Easement Program needs to be expanded incrementally to provide quality assurance for all conserved properties. The current absence of permanent, full-time staff and line item budget prohibit implementation of those stewardship activities that would fully protect the public's conservation assets, but progress is being made. During the past year, advancements toward monitoring Conservation Tax Credit properties include:

- Scanning all applications, instruments of transfer, and certification letters, so that the documents could be stored digitally, and transmitted to DENR monitoring agents.
- Development of two databases: one for tracking current applications under review; and, one that contains all projects that have been certified in the past twenty-five years. This second database is understandably large, but almost populated, and greatly helps in compiling numbers for reports such as this.

Over time, the increasing benefits from the Conservation Tax Credit Program have been derived mostly from increases in the maximum tax credit allowed. Steadily increasing land values reduce the relative value of the incentive offered by the Conservation Tax Credit over time. To retain the program's effectiveness, the maximum credit allowed must increase periodically.

Another concern is that the Conservation Tax Credit is currently applied only against state income taxes. Some eligible landowners cannot use this conservation incentive because they are required to pay other types of taxes. Consideration might be directed toward broadening the types of taxes to which the credit can be applied.

Work remains to further refine the Conservation Tax Credit program. One question from the review process not yet addressed concerned the qualification of recipients. These and other questions are further addressed in the "Recommendations and Additional Topics for Consideration" at the end of this report.

Conservation Grant Fund 113A-232

The Conservation Grant Fund was established in 1997 to stimulate the use of conservation easements, to improve the capacity of private nonprofit land trusts and agencies to successfully accomplish conservation projects, to better equip real estate-related professionals to pursue opportunities for conservation, and to provide an opportunity to leverage private or other public monies for the stewardship of conservation easements.

In 2005, the General Assembly approved one-time funding in the amount of $1,000,000 directed to the conservation of land that buffers military bases and training areas with compatible land uses. Sixteen projects were funded, benefiting all North Carolina military installations.

The Conservation Grant Fund has proven to be a sound framework for moving worth conservation projects forward, and it could be utilized to a greater extent.

2008 LEGISLATIVE ACTIONS THAT IMPACT THE NCCTC PROGRAM

In August, the General Assembly passed HB 1889: "An Act to provide property tax relief for qualifying wildlife conservation land, to clarify the present-use valuation of property subject to a conservation easement, and to provide a property tax exemption for leasehold interest in certain exempted property." The change pertinent to the Conservation Tax Credit program is in Section 4, concerning "Exception for Easement of Qualified Conservation Lands Previously Appraised at Present Use Value." The change to this section specifies that "the taxpayer received no more than seventy-five percent (75%) of the fair market value of the donated property interest in compensation." However, the statute still requires that "the property is subject to an enforceable conservation easement that would qualify for the conservation tax credit provided in G.S. 105-130.34 and G.S. 105-151.12, without regard to actual production or income requirements of this section." This becomes effective on or after July 1, 2010. This legislation could potentially result in more applications to the Conservation Tax Credit program, but the direct impact can not be known until the legislation goes into effect.

RECOMMENDATIONS AND ADDITIONAL TOPICS FOR CONSIDERATION

Through management of the Conservation Tax Credit program and observation of evolving approaches to conservation through incentives, a number of topics have surfaced that may deserve consideration. The following could improve administration of the Conservation Tax Credit program and/or the incentive offered by the state for donation of interests in real property for conservation purposes.

Recommendation

Qualified Recipient Status

During the review of the N.C. Conservation Tax Credit program, the potential for exploitation of tax incentives was highlighted by partners, and concern was expressed about the potential subsequent damage to credibility of the NCCTC program. There was some question whether some of the recipients have a commitment to protect the conservation purposes of the donation, and the resources to monitor and defend conservation easements. Lessons from other states suggest a proactive approach. Updating the definition of qualified recipient would help North Carolina remain in line with Federal requirements to ensure adequate conservation and stewardship. The Department of Environment and Natural Resources looks forward to working with the Department of Revenue to determine the best approach to review and update the "qualification" of recipients. From the NCCTC program perspective, this is the highest-priority recommendation for legislative assistance.

Additional Topics for Consideration

Corporate Incentive to Donate

Since its creation in 1983, the NCCTC has only been applied against income taxes. With the sunset provision for the way the corporate pass-through entities claim tax credit, some

of the incentive for conservation donations has been eliminated. One approach for regaining the breadth of NCCTC applicability would be to allow the credit to be used against Franchise Tax and Gross Premium Tax. This would appeal to corporate landowners that may be otherwise constrained from considering the donation of real property for conservation purposes, because they are not required to pay income taxes or they have limited income tax liability. Graphs 4 and 5 are based on data from the N.C. Department of Revenue for the amount of credit used in the past few years, and demonstrate the recent decline in corporate Conservation Tax Credit donations compared to individual and pass-through entity donations. (see graphs 4 and 5 at end of report.)

NCCTC Refundability

The NCCTC was created as an incentive for landowners to donate interests in real property for conservation purposes. While the concept has been very successful and has been emulated in other states, there is still a category of landowner that finds little incentive in the program. "Land-rich and cash-poor" landowners (typically owners of working lands such as farms and planted forests) receive disproportionately low return from their conservation donation for a tax credit. Several states with more recent conservation tax credit programs have addressed this issue by authorizing "transferability" for their tax credits, but this involves a considerable administrative workload. The issue could be addressed more simply through "refundability," where those donors with larger income tax liabilities will have the option of electing a credit, while those donors with lower income tax liabilities will have the option of electing a partial refund. One proposal might be for a 50% refund of any remaining credit amount that would be authorized after the second year of carry-forward (third year including the year of donation). In this way, land-rich and cash-poor landowners would have more incentive to donate interests in real property for conservation purposes. If enacted, it would be three years before any refunds were paid.

Funding for Ecological Management

Attention recently given to red-cockaded woodpeckers (a federally listed species) on military bases has emphasized the lack of tools that would provide landowners the incentive for ecological management, especially those with conservation easements. In order to maximize their military lands for training, base managers have looked for help increasing red-cockaded woodpecker populations on adjacent private or public lands. In a similar manner to that used for the Military Support Act in 2005, the Conservation Grant Fund could provide the framework to competitively award grants to the most beneficial land management around military bases, if funded.

Smoke Easements

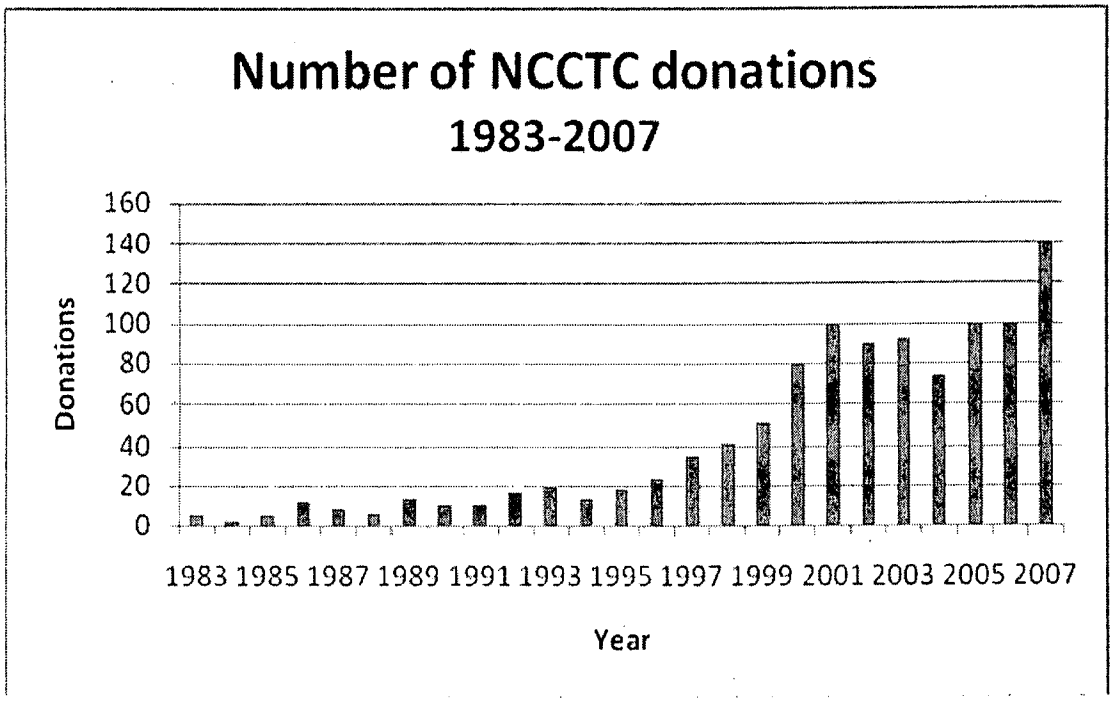
Initial inquiry with the State Property Office indicates that a conservation value could be determined for donation of smoke easements. Prescribed fire provides a public benefit for a number of reasons, including safety as a result of hazard reduction. For the Conservation Tax Credit program, the prime benefit would be habitat conservation. Permanent smoke easements would allow for controlled burning to reduce potentially hazardous fuel loads and to maintain North Carolina's native habitats. Typically, a smoke easement is put into place on parcels that are directly affected by the smoke of prescribed

burns on adjacent property. The smoke easement would recognize that prescribed burnings take place in a specified area, and gives the authorized agency the right to continue the practice. The advantage of a Smoke Easement is that 1) property owners of affected properties are notified prior to a burn, and 2) it ensures authorized agencies can continue managing lands through burning practices. Smoke easements would demonstrate the landowner's interest in or commitment to habitat conservation. Agreements, or the terms of such an agreement, would be encouraged in all conservation easements, especially those near conservation lands.

DATA REGARDING N.C. CONSERVATION TAX CREDIT PROGRAM

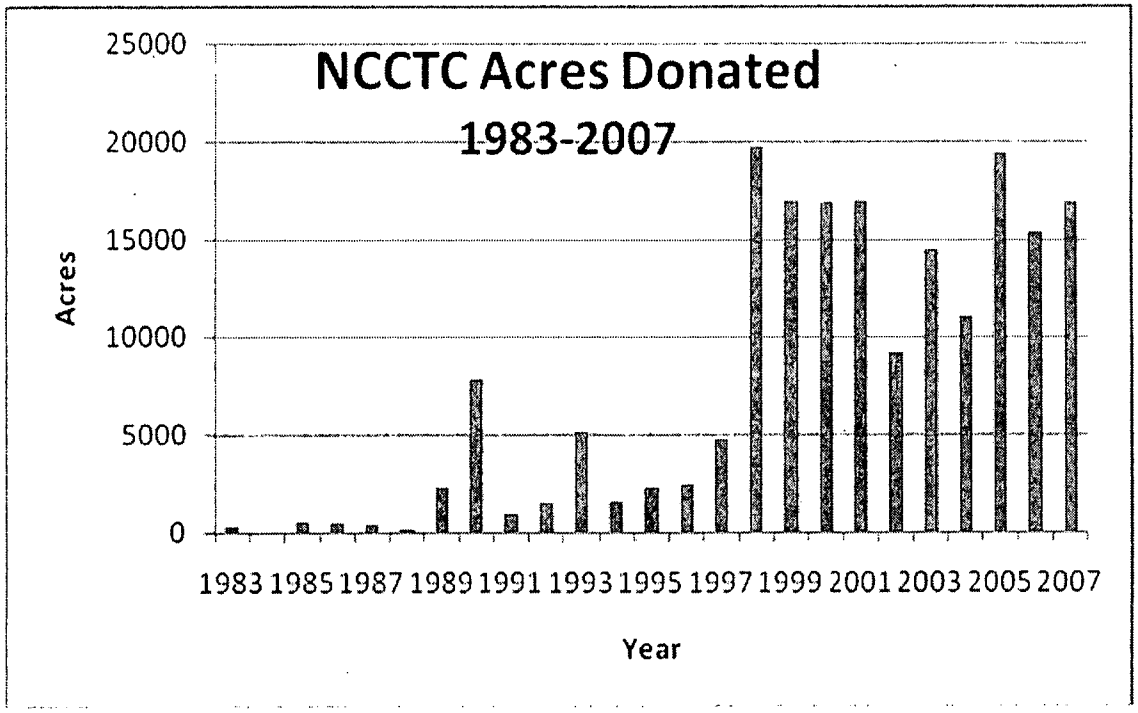
Graph 1: Cumulative Number of Donations since Inception of NCCTC Program
Over the past year, 159 applications were reviewed for eligibility, of which 156 were certified. (Graph 1 shows only 140 applications for 2007, because fifteen of the reviews conducted during 2007 were for donations that had been made in 2006.)

Graph 1

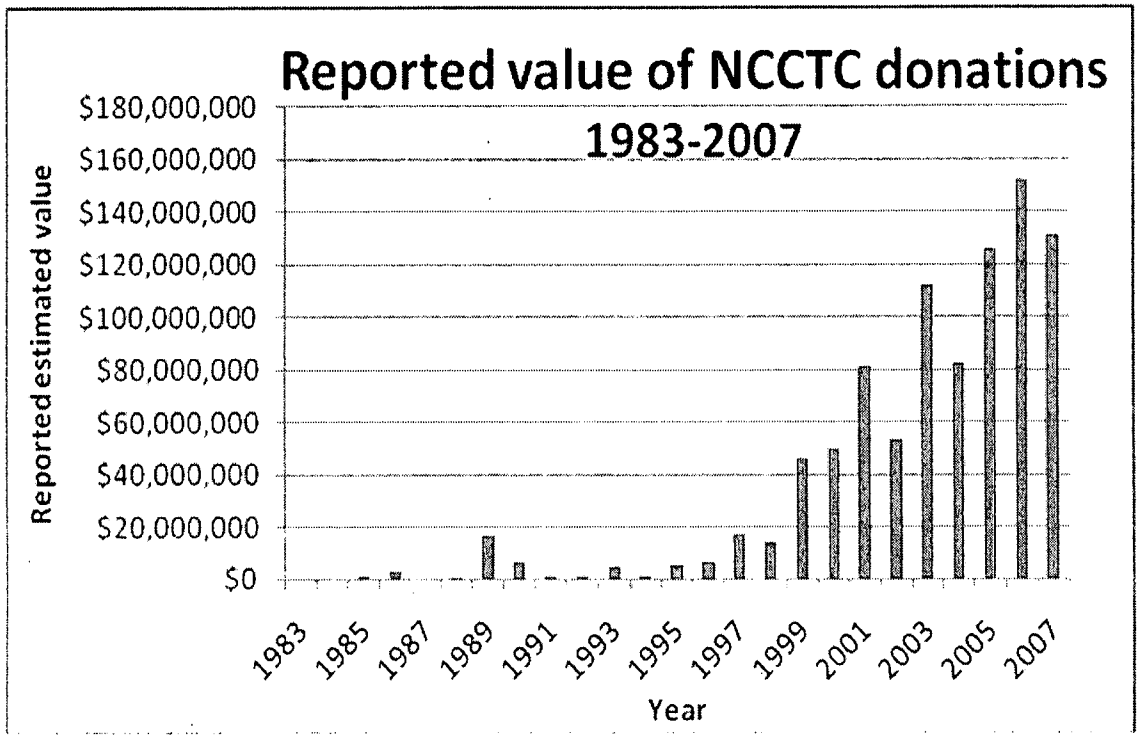


Graphs 2 and 3: Cumulative Acreage Donated and Estimated Value
For 2007, the certified projects totaled almost 17,000 donated acres of property interests. These are worth an estimated $131 million.

Graph 2

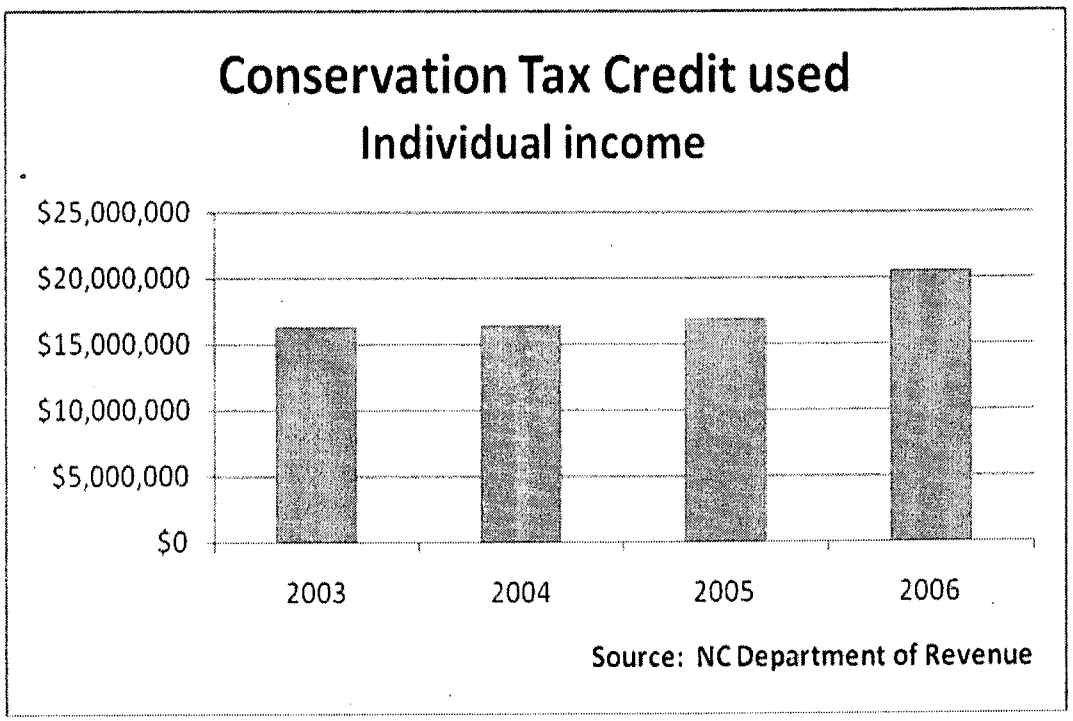


Graph 3

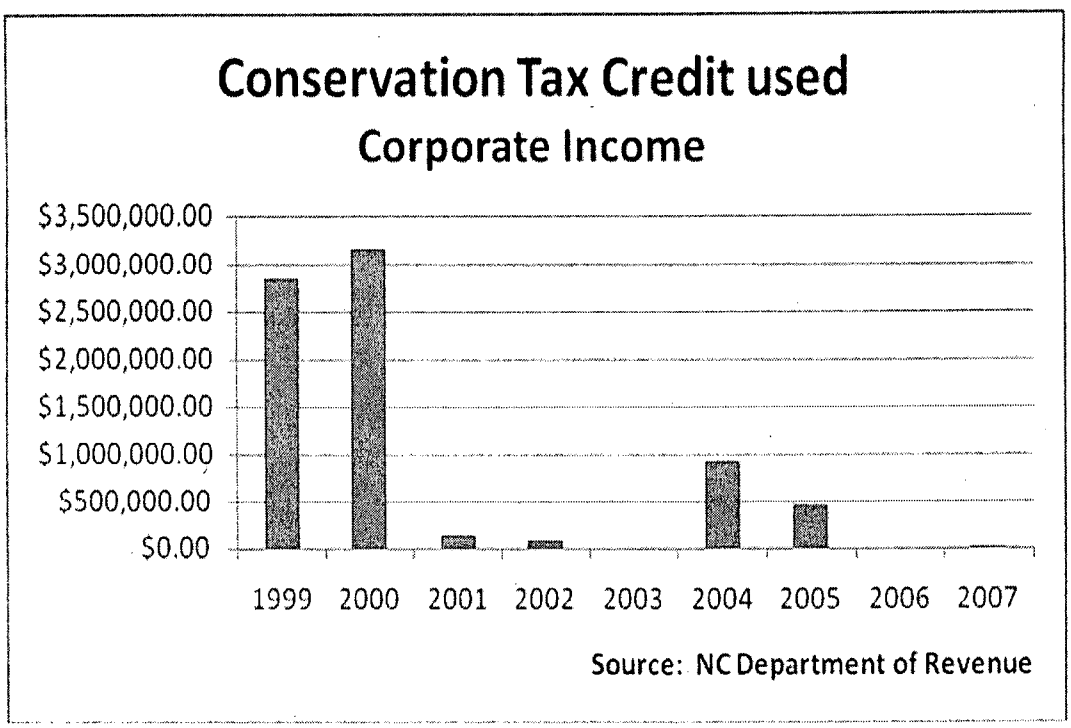


Graphs 4 and 5: Individual and Corporate Tax Credit Used 2003 – 2006
These graphs demonstrate the recent decline in corporate Conservation Tax Credit donations compared to individual and pass-through entity donations.

Graph 4



Graph 5



cleanwater
MANAGEMENT TRUST FUND

Richard Rogers
Executive Director

CWMTF TRUSTEES

Chair, Philip A. Baddour, Jr.
GOLDSBORO

Ron Beane
LENOIR

Yevonne S. Brannon
RALEIGH

Norman C. Camp. III
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Rick Coleman
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Peter Rascoe
EDENTON

Stan Vaughan
CHARLOTTE

Claudette Weston
WINSTON SALEM

Jerry Wright
JARVISBURG

January 22, 2009

MEMORANDUM

TO: The Honorable Marc Basnight, Co-Chair
The Honorable Joe Hackney, Co-Chair
Joint Legislative Commission on Government Operations

The Honorable Lucy Allen, Co-Chair
The Honorable Dan Clodfelter, Co-Chair
The Honorable Charlie Albertson, Co-Chair
The Honorable Pryor Gibson, Co-Chair
Environmental Review Commission

The Honorable David Weinstein, Chair
The Honorable Edith Warren, Co-Chair
The Honorable Mary McAllister, Co-Chair
Joint Appropriations Subcommittee on Appropriations for Natural and Economic Resources

Mr. Bob Weiss, Interim Director, Fiscal Research Division
Ms. Kristen Walker, Fiscal Research Division

FROM: Richard E. Rogers, Jr., Executive Director, CWMTF

Re: Clean Water Management Trust Fund's 2008 Annual Report

TEL 919 571-6767 | FAX (919) 571-6793 | www.cwmtf.net
100 E. Six Forks Rd., Suite 304, RALEIGH, NC 27609
1651 MAIL SERVICE CENTER, RALEIGH, NC 27699-1651

One North Carolina Naturally

Introduction

The Board of Trustees of the Clean Water Management Trust Fund (CWMTF) is writing to thank the members of the General Assembly of North Carolina for your continuing strong support for investments in clean water and to make our annual report to the General Assembly and the public pursuant to GS 113A-257.

Background

The 1996 General Assembly created the Clean Water Management Trust Fund (CWMTF) (Chapter 113A Article 18 (GS 113A-251 et seq.)), "to clean up pollution in the State's surface waters and to protect and conserve those waters that are not yet polluted."

The CWMTF "shall be used to help finance projects that specifically address water pollution problems and focus on upgrading surface waters, eliminating pollution, and protecting and conserving unpolluted surface waters, including urban drinking water supplies" and "to build a network of riparian buffers and greenways for environmental, educational, and recreational benefit."

The CWMTF's non-regulatory, incentive-based programs complement North Carolina's environmental regulatory and educational programs and help ensure both a strong economy and healthy environment.

The CWMTF is an independent agency housed for administrative purposes in the Department of Environment and Natural Resources (DENR.) A 21-member board of trustees establishes criteria, allocates funds, reviews applications, approves grants, and hires the executive director. Seven members are appointed by the Governor; seven by the General Assembly upon the recommendation of the President Pro Tempore of the Senate; and seven by the General Assembly upon the recommendation of the Speaker of the House. An advisory council composed of the Commissioner of Agriculture, Chair of the Wildlife Resources Commission, Secretary of DENR, and Secretary of Commerce or their designees advises the board of trustees.

Local governments, state agencies, and nonprofit conservation organizations, such as land trusts, may apply for grants. The next deadline for applications is February 2, 2009.

Moneys from CWMTF may be used to acquire conservation easements or land in fee simple to preserve riparian buffers, wetlands, floodplains, and greenways; to restore riparian buffers, streams, and wetlands; to repair failing wastewater collection and treatment systems; to eliminate failing septic tanks and straight pipes; to prevent, reduce, collect and treat stormwater pollution; to plan water quality projects; and for administration and staff. The board works through three principal committees: acquisitions, infrastructure/wastewater, and restoration/stormwater.

CWMTF application forms for grants, grant evaluation guidelines, enabling legislation, lists of the board of trustees, staff directory, news releases, and other reports and documents are available at www.cwmtf.net.

The executive director, two deputy directors, real property counsel, wastewater infrastructure project manager, restoration and stormwater project manager, administrative officer, public information officer, paralegal, executive assistant, and office assistant are based in the central office in Raleigh. Five field representatives cover the coast, piedmont and mountain regions of the state. In 2008, a part-time water quality advisor position was changed to full-time status and moved to the central office. Also in 2008, a stewardship coordinator was added to the Raleigh CWMTF staff.

The Board of Trustees authorized an annual administrative budget of up to $2.5 million fiscal year 2008-2009 at its August 2008 meeting.

In 2008, the Board of Trustees met six times – three times in Raleigh, and in Durham, Winston-Salem, and Hickory. In 2009, the Board plans to meet for its retreat in February in Durham and then three times in Raleigh and once in Boone and Wilmington for its regular meetings.

2008 Summary of Projects

In 2008, the CWMTF continued to make strides in significantly improving water quality throughout the state.

In the last year, CWMTF also continued to help the state achieve its goal of preserving a million acres of open space, as set out in GS 113A-240, and further assisted Governor Easley implement his One North Carolina Naturally initiative.

As of 2008 CWMTF has:

- preserved over 454,944 acres of land, thereby ensuring streams, rivers, lakes and shellfishing waters will be able to support their uses for drinking water, recreation, fisheries and other uses.
- protected over 4,859 miles of riparian buffers.
- invested more than $506.3 million in land and water conservation.
- funded 159 riparian buffer, stream and wetland restoration projects totaling more than $94.6 million.
- assisted local governments with 267 wastewater improvement projects, investing more than $248.3 million to reduce discharges and more effectively treat wastewater so that fewer nutrients and other pollutants enter our rivers.
- funded 80 stormwater management projects totaling more than $52.8 million to reduce pollution from urban runoff and decrease flooding.

On February 1, 2008, CWMTF received 282 applications totaling $183.1 million.

Thanks to appropriations from the General Assembly and to the closing out of old grants, the CWMTF Board of Trustees approved 195 grants, awarding a total of $107.1 million, not including mini-grants.

In 2008, the CWMTF Board continued to approve a diverse mix of projects: 55 percent of the approved requests involved land acquisitions; 27 percent involved infrastructure/wastewater projects; 16 percent involved restoration/stormwater; and the remainder of the 2008 grant awards involved planning projects and mini-grants.

Key projects for the year included:

- $2 million to the Blue Ridge Rural Land Trust to help purchase land to protect Big Horse Creek in Ashe County in the New River Basin;
- $3.2 million to the Triangle Land Conservancy to help purchase the Brumley Tract to help protect Stony Creek in Orange County in the Neuse River Basin;
- $3.5 million to The Nature Conservancy to help purchase the King Tract in Hickory Nut Gorge to help protect water quality in Rutherford County in the Broad River Basin;
- $3 million to the Catawba Lands Conservancy to help complete the Carolina Thread Trail;
- $3 million to the Tuckaseigee Water and Sewer Authority to make wastewater treatment improvements to help protect the Tuckaseigee River in Jackson County;
- $2.3 million to the North Carolina Aquariums to design rainwater collection, storage, and stormwater and wastewater treatment systems to capture and treat runoff from its planned Nags Head Pier educational facility;
- $750,000 to North Carolina State to design and build a similar stormwater harvesting system that will reduce runoff coming from the 20-acre Peace College campus.

2008-2009 CWMTF Focus

Budget and Funding

None of CWMTF's achievements in 2008 would have been possible without the support of the North Carolina legislature.

The General Assembly continued its strong support for protecting and restoring water quality in 2008. The FY 2008-2009 budget approved by the legislature once again appropriated $100,000,000 in recurring funds to CWMTF in each year of the biennium.

Toward the end of 2008, CWMTF trustees took appropriate steps to set aside sufficient funds to meet the anticipated budget shortfall.

CWMTF - Economically Essential to NC

CWMTF projects play an important role in protecting North Carolina's economy. Its water quality grants help meet infrastructure needs, increase recreational opportunities and enhance the quality of life component critical for economic development.

CWMTF protects more than the state's natural resources. Its grants support

North Carolina's:

- $16.5 Billion Tourism Economy
- $144 Million Fisheries Economy
- $71 Billion Agriculture Economy
- $6.1 Billion Forest Products Industry
- $23 Billion Military Economy

Important tourism destinations like Chimney Rock and Grandfather Mountain would likely have been lost if not for the availability of CWMTF dollars. Many of the state's important military bases could have been downsized if not for CWMTF partnerships to protect water quality and military installations from development pressure. CWMTF grants have restored thousands of acres of key wetlands to improve shellfishing waters and other important fisheries.

CWMTF - A Vital Resource for Local Government

Increasing numbers of wastewater and stormwater grants and resulting competitiveness for funds shows that local governments depend on CWMTF. Communities need CMWTF to balance infrastructure needs with environmental protection.

Clean Water Equals a Healthy NC

Sustainable water supplies are critical to the health of all North Carolinians Increased recreational opportunities created by CWMTF projects, including park expansions, gameland additions and greenways, improve the health and well-being of citizens.

Improved Organizational Management

In 2008, CWMTF trustees and staff focused on improving the agency's organizational efficiency, especially where contract processing and administration is concerned. CWMTF grants generated an average of 150 contracts per year. In previous years, backlogs existed in processing those contracts. In 2008, CWMTF accomplished its goal of moving grant contracts after award approval in four months time, getting signed contracts out the door by February.

Greenways

In keeping with its statutory directive, CWMTF developed and implemented a specific greenway funding program in 2008, increasing its presence in the Piedmont and other urbanized areas of the state.

Innovative Stormwater Management

The 2007 Session of the General Assembly passed Senate Bill 1468 requiring CWMTF to fund innovative efforts to improve stormwater management. The CWMTF focused its efforts on encouraging innovative stormwater technology and made funding those types of projects a priority in 2008 by creating an Innovative Stormwater Initiative. In the spring, CWMTF issued a Request for Proposals to fund $5 million in such projects. 32 responses totaling $8.6 million were received. CWMTF Trustees will evaluate the proposals and make final funding decisions in February 2009.

CWMTF Funded Projects By County

County: Alleghany

App. ID	*Project Name*	*App. Date*	*Amount Funded*
2008D-004	Blue Ridge Rural Land Trust- Donated Mini/ Black Tract/ UT Prathers Cr	6/30/2008	$25,000
2008-010	Conservation Trust for NC - Acq/ Carson Tract, Roaring Fork	2/1/2008	$96,000
2008-711	Pilot View RC&D - Storm/ Town of Sparta BMPs and Master Plan	2/1/2008	$310,000
2008-069	Sparta, Town of - Acq/ Bledsoe Creek Greenway	2/1/2008	$200,000
		Total Funded:	$631,000

County: Anson

App. ID	*Project Name*	*App. Date*	*Amount Funded*
2008-007	Catawba Lands Conservancy - Acq/ Carolina Thread Trail Greenway	2/1/2008	$3,000,000
2008-524	Lilesville, Town of - WW/ Sewer Rehabilitation, Smith Creek	2/1/2008	$1,088,000
2008-527	Morven, Town of - WW/ Sewer Rehabilitation, South Fork Jones Creek	2/1/2008	$1,247,000
		Total Funded:	$5,335,000

County: Ashe

App. ID	*Project Name*	*App. Date*	*Amount Funded*
2008-002	Blue Ridge Rural Land Trust - Acq/ Pond Mountain Tract, Big Horse Creek	2/1/2008	$5,000,000
2008-022	High Country Conservancy - Acq/ Bluff Mountain, Buffalo Creek	2/1/2008	$710,000
2008-811	National Committee for the New River - Plan/Rest/ Lambert-Leight Tracts, North Fork New River	2/1/2008	$25,000
2008-812	National Committee for the New River - Plan/Rest/ Old Field Creek Restoration	2/1/2008	$24,000
2008-409	National Committee for the New River - Rest/ NRSP Oliver Tract, South Fork New River	2/1/2008	$152,000
2008-052	NC Wildlife Resources Commission - Acq/ Miller-Hufnagel Tracts, Ben Bolen Creek	2/1/2008	$316,000
		Total Funded:	$6,227,000

County: Avery

App. ID	Project Name	App. Date	Amount Funded
2008-030	Nature Conservancy, The - Acq/ Alesco Tract, North Toe River	2/1/2008	$663,000
2008-036	Nature Conservancy, The - Acq/ Rhyne Tract, North Toe River	2/1/2008	$3,215,000
2008-415	Pilot View RC&D - Rest/ Linville River Watershed Restoration, Phase III	2/1/2008	$224,000
2008-067	Southern Appalachian Highlands Conservancy - Acq/ Alesco Tract, Mollies Branch	2/1/2008	$495,000
2008-068	Southern Appalachian Highlands Conservancy - Acq/ Jewell Tract, Elk River	2/1/2008	$276,000
		Total Funded:	$4,873,000

County: Beaufort

App. ID	Project Name	App. Date	Amount Funded
2008-502	Bath, Town of - WW/ Spray Field Upgrades, Bath Creek	2/1/2008	$117,000
		Total Funded:	$117,000

County: Bertie

App. ID	Project Name	App. Date	Amount Funded
2008-542	Windsor, Town of - WW/ Sewer Rehabilitation, Cashie River	2/1/2008	$1,147,000
		Total Funded:	$1,147,000

County: Bladen

App. ID	Project Name	App. Date	Amount Funded
2008-509	Clarkton, Town of - WW/ WWTP Upgrades, Septic Tanks, Brown Marsh Swamp	2/1/2008	$500,000
		Total Funded:	$500,000

County: Brunswick

App. ID	Project Name	App. Date	Amount Funded
2008-705	Leland, Town of - Rest/ Lanvale Trace Restoration and Stormwater Management	2/1/2008	$66,000
2008-818	NC Coastal Federation - Plan/Storm/ Low Impact Development Planning, Lockwoods Folly River	2/1/2008	$76,000
		Total Funded:	$142,000

County: Buncombe

App. ID	*Project Name*	*App. Date*	*Amount Funded*
2008-701	Asheville, City of - Storm/ Constructed Wetland and Dingle Creek Restoration	2/1/2008	$335,000
2007S-006	Black Mountain, Town of - Storm/Mini/Swannanoa	1/16/2008	$50,000
2008-060	RiverLink - Acq/ Holmes Tract, Flynn Branch	2/1/2008	$95,000
2008-422	RiverLink - Rest/ Dingle Creek Restoration	2/1/2008	$115,000
2008-079	Trust for Public Land - Acq/ Waller Tract, Hominy Creek	2/1/2008	$154,000
		Total Funded:	$749,000

County: Burke

App. ID	*Project Name*	*App. Date*	*Amount Funded*
2008S-005	Carolina Land & Lakes RC & D - Mini/Storm/Planning	5/8/2008	$50,000
2008-044	NC Div. Parks and Recreation - Acq/ Barron Tract, Hall Creek	2/1/2008	$719,000
		Total Funded:	$769,000

County: Cabarrus

App. ID	*Project Name*	*App. Date*	*Amount Funded*
2008-042	NC Coastal Land Trust - Acq/ Luken's Island Timber Tract, South River	2/1/2008	$1,007,000
		Total Funded:	$1,007,000

County: Caldwell

App. ID	*Project Name*	*App. Date*	*Amount Funded*
2008-018	Foothills Conservancy - Acq/ Hull Tract, Wilson Creek	2/1/2008	$693,000
2008-020	Foothills Conservancy - Acq/ Lutz Tract, Wilson Creek	2/1/2008	$4,858,000
		Total Funded:	$5,551,000

County: Carteret

App. ID	Project Name	App. Date	Amount Funded
2008-503	Beaufort, Town of - WW/ WWTP Construction, Taylor's Creek	2/1/2008	$1,500,000
2008-816	Emerald Isle, Town of - Plan/Storm/ Outfall, BMP Study, Archers Creek	2/1/2008	$75,000
2008-703	Emerald Isle, Town of - Storm/ Outfall Removal, Bogue Sound	2/1/2008	$97,000
2008S-008	Marine Fisheries, NC Div of- Mini/Storm/Bogue Sound	8/1/2008	$25,380
2008-040	NC Coastal Land Trust - Acq/ Henry Tract, Turnagain Bay	2/1/2008	$1,869,000
2008-041	NC Coastal Land Trust - Acq/ Jarrett Bay/Baker Tract, Core Sound	2/1/2008	$663,000
2008-819	Newport, Town of - Plan/Storm/ Stormwater Plannig, Newport River	2/1/2008	$56,000
		Total Funded:	$4,285,380

County: Catawba

App. ID	Project Name	App. Date	Amount Funded
2008-006	Catawba County - Acq/ Crescent Resource Tracts, Mountain Creek	2/1/2008	$2,629,000
		Total Funded:	$2,629,000

County: Chatham

App. ID	Project Name	App. Date	Amount Funded
2008-008	Chatham County - Acq/ County Park, Jordan Lake	2/1/2008	$218,000
2008-801	Chatham County - Plan/Acq/ Jordan Lake Watershed Protection Plan	2/1/2008	$40,000
2008-413	NC State University - Storm/ Town Lake Initiative, Robeson Creek	2/1/2008	$476,000
2008-078	Triangle Land Conservancy - Acq/ Williams Tract, Deep River	2/1/2008	$268,000
		Total Funded:	$1,002,000

County: Cherokee

App. ID	Project Name	App. Date	Amount Funded
2008-001	Andrews, Town of - Acq/ Water Supply Watershed, Beaver Creek	2/1/2008	$1,627,000
2008-808	Hiwassee River Watershed Coalition - Plan/Rest/ Persimmon Creek Restoration Plan	2/1/2008	$90,000
		Total Funded:	$1,717,000

County: Clay

App. ID	Project Name	App. Date	Amount Funded
2008-809	Hiwassee River Watershed Coalition - Plan/Rest/ Town Creek Restoration Plan	2/1/2008	$50,000
		Total Funded:	$50,000

County: Cleveland

App. ID	Project Name	App. Date	Amount Funded
2008-421	Resource Inst., Inc - Rest/ Upper Kings Creek Watershed Restoration	2/1/2008	$442,000
		Total Funded:	$442,000

County: Columbus

App. ID	Project Name	App. Date	Amount Funded
2008-508	Chadbourn, Town of - WW/ Sewer Rehabilitation, Soules Swamp	2/1/2008	$1,204,000
2008-715	Tabor City, Town of - Storm/ Stormwater Retention Basins, Grissett Swamp	2/1/2008	$157,000
		Total Funded:	$1,361,000

County: Cumberland

App. ID	Project Name	App. Date	Amount Funded
2008-037	Nature Conservancy, The - Acq/ Squires Tract, South River	2/1/2008	$185,000
2008-826	Spring Lake, Town of - Plan/WW/ Preliminary Engineering Report, Reuse, Little River	2/1/2008	$37,000
		Total Funded:	$222,000

County: Currituck

App. ID	Project Name	App. Date	Amount Funded
2008-538	Walnut Island Sanitary District - WW/ WWTP Upgrade, Poplar Branch Ba	2/1/2008	$500,000
		Total Funded:	$500,000

County: Dare

App. ID	Project Name	App. Date	Amount Funded
2008-013	Dare County - Acq/ Mann's Harbor Marina, Croatan Sound	2/1/2008	$1,283,000
2008-708	NC Aquarium - Storm/ Nags Head Stormwater, Roanoke Sound	2/1/2008	$2,328,000
		Total Funded:	$3,611,000

County: Davidson

App. ID	Project Name	App. Date	Amount Funded
2008-813	Piedmont Triad COG - Plan/Rest/ Abbots Creek Watershed Planning	2/1/2008	$103,000
		Total Funded:	$103,000

County: Duplin

App. ID	Project Name	App. Date	Amount Funded
2008-539	Warsaw, Town of - WW/ Sewer Rehabilitation, Stewart's Creek	2/1/2008	$400,000
		Total Funded:	$400,000

County: Durham

App. ID	Project Name	App. Date	Amount Funded
2008-014	Durham County - Acq/ McClendon Tract, Little River	2/1/2008	$284,000
2008-402	Durham SWC District - Rest/ Stirrup Iron Creek Tributary Restoration	2/1/2008	$136,000
2008-403	Durham SWC District - Rest/ Upper Sandy Creek Tributary Restoration	2/1/2008	$253,000
2008-016	Ellerbe Creek Watershed Association - Acq/ Dilweg Tract, Ellerbe Creek	2/1/2008	$276,000
2008-077	Triangle Land Conservancy - Acq/ Snow Hill IV Tract, Little River	2/1/2008	$618,000
		Total Funded:	$1,567,000

County: Edgecombe

App. ID	Project Name	App. Date	Amount Funded
2008-531	Princeville, Town of - WW/ Pump Station Rehabilitation, Tar River	2/1/2008	$80,000
2008-804	Tarboro, Town of - Plan/Acq/ Tar River Greenway Plan	2/1/2008	$56,000
		Total Funded:	$136,000

County: Forsyth

App. ID	Project Name	App. Date	Amount Funded
2008-414	Pilot View RC&D - Rest/ Lake Hills Restoration	2/1/2008	$1,395,000
		Total Funded:	$1,395,000

County: Franklin

App. ID	Project Name	App. Date	Amount Funded
2008-071	Tar River Land Conservancy - Acq/ Whitfield Farm, Cedar Creek	2/1/2008	$283,000
2008-543	Youngsville, Town of - WW/ Sewer Rehabilitation, Hattles Branch	2/1/2008	$734,000
		Total Funded:	$1,017,000

County: Gaston

App. ID	Project Name	App. Date	Amount Funded
2007S-005	Dallas, Town of - Storm/Mini/ South Fork	1/22/2008	$20,000
		Total Funded:	$20,000

County: Graham

App. ID	Project Name	App. Date	Amount Funded
2008-027	Land Trust for the Little Tennessee - Acq/ Miller Tract, Eller Mill Creek	2/1/2008	$2,362,000
		Total Funded:	$2,362,000

County: Granville

App. ID	Project Name	App. Date	Amount Funded
2008D-001	Butner, Town of - Mini (pre-acquisition)/ Lake Holt Tract, Knap of Reeds Creek	2/29/2008	$25,000
2008-012	Creedmoor, City of - Acq/ Fontaine Tract, Falls Lake	2/1/2008	$2,081,000
		Total Funded:	$2,106,000

County: Guilford

App. ID	Project Name	App. Date	Amount Funded
2008-404	Greensboro, City of - Rest/ South Buffalo Creek Habitat Restoration	2/1/2008	$325,000
		Total Funded:	$325,000

County: Halifax

App. ID	Project Name	App. Date	Amount Funded
2008-514	Enfield, Town of - WW/ Sewer Rehabilitation & Septic Tanks, Fishing Creek	2/1/2008	$1,393,000
2008-031	Nature Conservancy, The - Acq/ Gaines and Livermon-Bond Tracts, Lower Roanoke River	2/1/2008	$243,000
2008-533	Scotland Neck, Town of - WW/ Sewer Rehabilitation, Canal Creek	2/1/2008	$1,591,000
		Total Funded:	$3,227,000

County: Haywood

App. ID	Project Name	App. Date	Amount Funded
2008-009	Conservation Trust for NC - Acq/ Arrington Tract, Richland Creek	2/1/2008	$238,000
2008-423	Southwestern RC&D - Rest/ Richlands and Hominy Creeks Restoration	2/1/2008	$278,000
2008-714	Southwestern RC&D - Storm/ Richland Creek Stormwater Management	2/1/2008	$75,000
		Total Funded:	$591,000

County: Henderson

App. ID	Project Name	App. Date	Amount Funded
2008-004	Carolina Mountain Land Conservancy - Acq/ Redden Tract, Mills River	2/1/2008	$3,422,000
2007M-005	Carolina Mountain Land Conservancy-Mini(pre-acquisition)/ Ochlawaha Bog, Mud Creek	4/28/2008	$22,008
2008-005	Carolina Mountains Land Conservancy - Acq/ Rivercane Tract, Cane Creek	2/1/2008	$62,000
2007M-004	Carolina Mt. Land Conservancy - Mini (pre-acquisition)/ Ward Tract, Mud Creek	2/28/2008	$25,000
2007S-007	Henderson County - Storm/Mini/Mill Pond Creek	1/16/2008	$50,000
		Total Funded:	$3,581,008

County: Hyde

App. ID	Project Name	App. Date	Amount Funded
2008-410	NC Coastal Federation - Rest/ Hyde County-Alligator River Growers Project, Pamlico Sound	2/1/2008	$80,000
		Total Funded:	$80,000

County: Jackson

App. ID	Project Name	App. Date	Amount Funded
2008-536	Tuckaseigee Water and Sewer Authority - WW/ WWTP no. 1 Upgrades, Tuckaseigee River	2/1/2008	$3,000,000
		Total Funded:	$3,000,000

County: Johnston

App. ID	Project Name	App. Date	Amount Funded
2008-504	Benson, Town of - WW/ Reuse System Construction, Hannah Creek	2/1/2008	$1,201,000
2008-520	Kenly, Town of - WW/ WWTP Upgrades, Little River	2/1/2008	$479,000
2008-046	NC Div. Parks and Recreation - Acq/ Riverwalk Tract, MST, Marks Creek	2/1/2008	$1,700,000
2008D-009	Triangle Land Conservancy - Donated Mini/ White Tract Phase II, Neuse River	9/1/2008	$24,950
2008D-005	Triangle Land Conservancy- Donated Mini/ White Tract Phase I, Neuse River	7/16/2008	$20,950
		Total Funded:	$3,425,900

County: Jones

App. ID	Project Name	App. Date	Amount Funded
2008-526	Maysville, Town of - WW/ WWTP Upgrades, Septic Tanks, White Oak River	2/1/2008	$241,000
		Total Funded:	$241,000

County: Lenoir

App. ID	Project Name	App. Date	Amount Funded
2008-523	Kinston, City of - WW/ Reuse Facility, Neuse River (originally Lenoir Co)	2/1/2008	$143,000
2008-522	LaGrange, Town of - WW/ WWTP Headworks, Mosely Creek	2/1/2008	$401,000
		Total Funded:	$544,000

County: Macon

App. ID	Project Name	App. Date	Amount Funded
2008-405	Macon SWC District - Rest/ Little Tennessee Stream and Riparian Restoration Program	2/1/2008	$420,000
		Total Funded:	$420,000

County: McDowell

App. ID	Project Name	App. Date	Amount Funded
2008D-006	Foothills Conservancy of NC - Donated Mini/Melton Tr/S Fork Hoppers Cr	9/12/2008	$25,000
		Total Funded:	$25,000

County: Mecklenburg

App. ID	Project Name	App. Date	Amount Funded
2008-815	Charlotte, City of - Plan/Storm/ Beaverdam Creek Watershed Plan	2/1/2008	$162,000
2008-702	Charlotte, City of - Storm/ Campbell Creek Watershed Restoration	2/1/2008	$219,000
2008-406	Mecklenburg County - Rest/ McDowell & Torrence Creek Restoration Phase I	2/1/2008	$740,000
2008-707	Mecklenburg SWC District - Storm/ Urban Cost-Share Program, McAlpine Creek	2/1/2008	$70,000
		Total Funded:	$1,191,000

County: Mitchell

App. ID	Project Name	App. Date	Amount Funded
2008-011	Conservation Trust for NC - Acq/ MER Equity Tract, OVT, Rose Creek	2/1/2008	$4,215,000
		Total Funded:	$4,215,000

County: Montgomery

App. ID	Project Name	App. Date	Amount Funded
2008-507	Candor, Town of - WW/ Pump Station Upgrade, Drowning Creek	2/1/2008	$54,000
2008-025	Land Trust for Central NC - Acq/ Cochran,Thompson,DeBerry Tract, Uwharrie River	2/1/2008	$450,000
		Total Funded:	$504,000

County: Moore

App. ID	Project Name	App. Date	Amount Funded
2008-063	Sandhills Area Land Trust - Acq/ Matthews Tract, Drowning Creek	2/1/2008	$661,000
2008-064	Sandhills Area Land Trust - Acq/ McBrayer/Blue Tract, James Creek	2/1/2008	$534,000
2008-537	Vass, Town of - WW/ Vass and Crystal Lake Regionalization, Little River	2/1/2008	$192,000
		Total Funded:	$1,387,000

County: Nash

App. ID	Project Name	App. Date	Amount Funded
2008-817	High Country COG - Plan/Storm/ Regional Watersheds Stormwater Plan	2/1/2008	$50,000
		Total Funded:	$50,000

County: New Hanover

App. ID	Project Name	App. Date	Amount Funded
2008-704	Kure Beach, Town of - Storm/ Stormwater Management Project, Atlantic Ocean	2/1/2008	$204,000
		Total Funded:	$204,000

County: Northampton

App. ID	Project Name	App. Date	Amount Funded
2008-512	Conway, Town of - WW/ Sewer Rehabilitation, Kirby's Creek	2/1/2008	$1,612,000
2008-532	Rich Square, Town of - WW/ Sewer Rehabilitation, Bridgers Creek	2/1/2008	$1,619,000
		Total Funded:	$3,231,000

County: Onslow

App. ID	Project Name	App. Date	Amount Funded
2008-529	Onslow Water and Sewer Authority - WW/ Discharge Elimination and Sewer Rehabilitation, New River	2/1/2008	$188,000
		Total Funded:	$188,000

County: Orange

App. ID	Project Name	App. Date	Amount Funded
2008-519	Hillsborough, Town of - WW/ WWTP Upgrade, Eno River	2/1/2008	$492,000
2008-074	Triangle Land Conservancy - Acq/ Kirkland Tract, New Hope Creek	2/1/2008	$182,000
2008-075	Triangle Land Conservancy - Acq/ Brumley Tract, Stony Creek	2/1/2008	$3,275,000
		Total Funded:	$3,949,000

County: Pender

App. ID	Project Name	App. Date	Amount Funded
2008-602	Maple Hill Sewer District - Septic/ WW Collection and Treatment, Holly Shelter Creek	2/1/2008	$1,463,000
2008-033	Nature Conservancy, The - Acq/ McLean Tract, Merricks Creek	2/1/2008	$982,000
		Total Funded:	$2,445,000

County: Pitt

App. ID	Project Name	App. Date	Amount Funded
2008S-001	Ayden, Town of - Mini/Storm/Planning/ Neuse River	3/5/2008	$50,000
2008-821	Candlewick Sanitary District - Plan/WW/ Feasibility Study, Little Contentnea Creek	2/1/2008	$40,000
2008-511	Contentnea Metropolitan Sewer District - WW/ Force Main Rehabilitation, Contentnea Creek	2/1/2008	$400,000
2008-823	Farmville, Town of - Plan/WW/ Preliminary Engineering Report, Middle Swamp Outfall	2/1/2008	$100,000
2008-820	Pitt County - Plan/Storm/ Swift Creek Watershed Stormwater Initiative	2/1/2008	$168,000
		Total Funded:	$758,000

County: Polk

App. ID	Project Name	App. Date	Amount Funded
2008-417	Polk SWC District - Rest/ North Pacolet River Restoration - Reach 3	2/1/2008	$1,708,000
2008-418	Polk SWC District - Rest/ North Pacolet River Restoration - Reach 4	2/1/2008	$93,000
		Total Funded:	$1,801,000

County: Randolph

App. ID	Project Name	App. Date	Amount Funded
2008-054	NC Zoo - Acq/ Ward Tract, Batchelor Creek	2/1/2008	$932,000
		Total Funded:	$932,000

County: Richmond

App. ID	Project Name	App. Date	Amount Funded
2008-049	NC Wildlife Resources Commission - Acq/ Diggs Tract, Solomons Creek	2/1/2008	$1,100,000
		Total Funded:	$1,100,000

County: Robeson

App. ID	Project Name	App. Date	Amount Funded
2007S-010	Maxton, Town of - Storm/Mini/Planning-Lumber River	2/21/2008	$25,000
2008-530	Parkton, Town of - WW/ Red Springs Regionalization, Dunn's Marsh	2/1/2008	$145,000
2008-825	Red Springs, Town of - Plan/WW/ Collection System Survey, Little Raft Swamp	2/1/2008	$25,000
2008-534	St. Pauls, Town of - WW/ Sewer Rehabilitation, Big Marsh Swamp	2/1/2008	$2,173,000
		Total Funded:	$2,368,000

County: Rockingham

App. ID	Project Name	App. Date	Amount Funded
2008-814	Piedmont Triad COG - Plan/Rest/ Smith Creek Watershed Planning	2/1/2008	$244,000
		Total Funded:	$244,000

County: Rowan

App. ID	Project Name	App. Date	Amount Funded
2008D-002	Land Trust for Central NC - Donated Mini/Shaver Farm/Yadkin	4/24/2008	$24,600
		Total Funded:	$24,600

County: Rutherford

App. ID	Project Name	App. Date	Amount Funded
2008-824	Lake Lure, Town of - Plan/WW/ Sewer Evaluation, Broad River/Lake Lure	2/1/2008	$50,000
2008-032	Nature Conservancy, The - Acq/ King Tract, Hickory Nut Gorge	2/1/2008	$3,568,000
		Total Funded:	$3,618,000

County: Statewide/Regional

App. ID	Project Name	App. Date	Amount Funded
2008-709	NC Div Soil and Water Conservation - Rest/ Agricultural BMPs, Yadkin River Watershed Improvement	2/1/2008	$545,000
		Total Funded:	$545,000

County: Stokes

App. ID	Project Name	App. Date	Amount Funded
2008-057	Piedmont Land Conservancy - Acq/ Shaffer Tract, Hickory Creek	2/1/2008	$376,000
		Total Funded:	$376,000

County: Surry

App. ID	Project Name	App. Date	Amount Funded
2008-802	Northwest Piedmont COG - Plan/Acq/ Ararat River Greenway Plan	2/1/2008	$40,000
2008-055	Piedmont Land Conservancy - Acq/ Fisher Peak II Tract, Fisher River	2/1/2008	$708,000
2008-056	Piedmont Land Conservancy - Acq/ Freeman Tract, Fisher River	2/1/2008	$222,000
2008S-004	Pilot Mountain, Town of - Mini/Storm/Planning/Chinquapin Creek	5/8/2008	$50,000
2008-419	Resource Inst., Inc - Rest/ Big Creek Restoration, Phase II	2/1/2008	$205,000
		Total Funded:	$1,225,000

County: Transylvania

App. ID	Project Name	App. Date	Amount Funded
2008-003	Carolina Mountain Land Conservancy - Acq/ Camp Rockbrook, Dunns Creek	2/1/2008	$523,000
		Total Funded:	$523,000

County: Tyrrell

App. ID	Project Name	App. Date	Amount Funded
2008-510	Columbia, Town of - WW/ Sewer Rehabilitation, Scuppernong River	2/1/2008	$400,000
2008-412	NC Div. Coastal Management - Rest/ Buckridge Coastal Reserve, Alligator River	2/1/2008	$303,000
		Total Funded:	$703,000

County: Vance

App. ID	Project Name	App. Date	Amount Funded
2008-518	Henderson, City of - WW/ UV Disinfection System, Nutbush Creek	2/1/2008	$1,581,000
2008-070	Tar River Land Conservancy - Acq/ Morton Tract, Tar River	2/1/2008	$228,000
		Total Funded:	$1,809,000

County: Wake

App. ID	Project Name	App. Date	Amount Funded
2008-710	NC State University - Storm/ Peace College Rain Harvest System, Pigeon House Branch	2/1/2008	$750,000
2008-073	Triangle Greenways Council - Acq/ Walnut Creek Greenways	2/1/2008	$331,000
2008-080	Wake County - Acq/ Futrell Tract, Swift Creek	2/1/2008	$300,000
2008-081	Wake County - Acq/ Sinclair Tract, Falls Lake	2/1/2008	$1,180,000
2008-082	Wake County - Acq/ Walnut Hill Tract, Marks Creek	2/1/2008	$745,000
		Total Funded:	$3,306,000

County: Watauga

App. ID	Project Name	App. Date	Amount Funded
2008-401	Appalachian State University - Rest/ Boone Creek Restoration	2/1/2008	$500,000
2007S-009	Beech Mountain, Town of - Storm/Mini/Beech Creek	2/15/2008	$50,000
2008-810	National Committee for the New River - Plan/Rest/ Boone Greenway Restoration	2/1/2008	$25,000
2008-408	National Committee for the New River - Rest/ Jimmy Smith Park, Boone Creek	2/1/2008	$55,000
2008-047	NC Div. Parks and Recreation - Acq/ Snake Mountain Tract, North Fork New River	2/1/2008	$603,000
2008-420	Resource Inst., Inc - Rest/ Pine Orchard Creek Creek Restoration	2/1/2008	$374,000
2008-424	Western NC Alliance - Rest/ Watauga River Restoration	2/1/2008	$580,000
		Total Funded:	$2,187,000

County: Wayne

App. ID	Project Name	App. Date	Amount Funded
2008-528	Mount Olive - WW/ Sewer Rehabilitation, NE Cape Fear River	2/1/2008	$717,000
		Total Funded:	$717,000

County: Wilkes

App. ID	Project Name	App. Date	Amount Funded
2008D-003	Blue Ridge Rural Land Trust- Donated Mini/ Underwood Tract/Upper Yadkin River	6/9/2008	$25,000
2008-604	North Wilkesboro, Town of - Septic/ Damascus Church Road, Little Cub Creek	2/1/2008	$1,071,000
2008S-006	Wilkesboro, Town of - Mini/Storm/Planning/Moravian Creek	7/1/2008	$50,000
		Total Funded:	$1,146,000

County: Wilson

App. ID	Project Name	App. Date	Amount Funded
2007S-011	Wilson, City of - Mini/Storm/Mapping/Contentnea & Hominy Creeks	3/27/2008	$25,000
2008-541	Wilson, City of - WW/ Reuse System Upgrades, Hominy Creek	2/1/2008	$700,000
		Total Funded:	$725,000

County: Yadkin

App. ID	Project Name	App. Date	Amount Funded
2008-505	Boonville, Town of - WW/ Lift Station Upgrades, Tanyard Creek	2/1/2008	$41,000
2008-023	Jonesville, Town of - Acq/ Yadkin Greenway	2/1/2008	$455,000
		Total Funded:	$496,000



North Carolina Natural Heritage Trust Fund

Celebrating 20 Years of Conservation









Letter from the Chairman

The N.C. Natural Heritage Trust Fund has used its first 20 years quite productively. By the end of 2007, the NHTF had awarded more than $218 million in 420 conservation projects across the state. It's an accomplishment that we are extremely proud of.

Whenever I describe the mission of NHTF, people light up. "We help communities protect the land that they hold dear," I say. Such land may be cultural landmarks, or pristine rivers and streams, or forests and wetlands and farmlands, all of which help clean our air, filter our stormwater or protect us from floodwaters. Many of these special places will become part of the state parks system where young and old can experience nature first hand. They may become game lands where people can hunt and fish and delight in the solace of outdoor endeavor, or historic sites where they can touch the cultural history of the state.

The need for open space protection has never been greater. In the past 20 years, North Carolina has become one of the fastest growing states in the nation. Our population recently exceeded 9 million and we are now the 10th most populated state in the country, ahead of New Jersey. Our secret is out—people are discovering that North Carolina is a great place in which to live, work and play.

Yet the rampant residential and commercial development necessary to house, employ and entertain this swelling population has swallowed up farm and forest land at an alarming rate. Concern over disappearing open space has prompted the formation of numerous conservation groups that protect high-quality natural areas and cultural sites, a goal that has been embraced by a growing portion of the public. They do the work themselves; what they need is financial support.

This is the arena in which the Natural Heritage Trust Fund has made a difference. As fingers of suburban development have transformed the countryside from primarily a rural landscape into an urbanizing one, the General Assembly wisely established NHTF to provide the financial means by which these conservation groups can identify and protect the most important natural lands still remaining.

Most of the projects that you will read about in this booklet had many partners. Sometimes landowners are more willing to donate land or sell it at a bargain price when they see that the state is contributing funds for part of the project. A local land trust is more successful in fundraising when the project is so significant that the state is willing to invest millions. And if the land acquisition meets the goals of a federal program, state or other funds almost always are required to match the federal financial contribution. NHTF can help and does help in these situations.

In the year before his death, Martin Luther King Jr. spoke eloquently about the "fierce urgency of now." "Life often leaves us standing bare, naked and dejected with a lost opportunity," he added. Thousands of North Carolinians today are working to make sure that today's opportunities to save land for ourselves and our posterity are not lost. NHTF is a willing and effective partner in this great endeavor.

J. Robert Gordon
Chairman, Natural Heritage Trust Fund



left: Weymouth Woods (*Lawrence S. Earley*)

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inside back cover	NHTF Board of Trustees

Acknowledgments: *Special thanks to Trustees Bob Gordon, Mike Leonard, Dewey Wel and Bill Joslin for their review and inpu*

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A Conservation Milestone

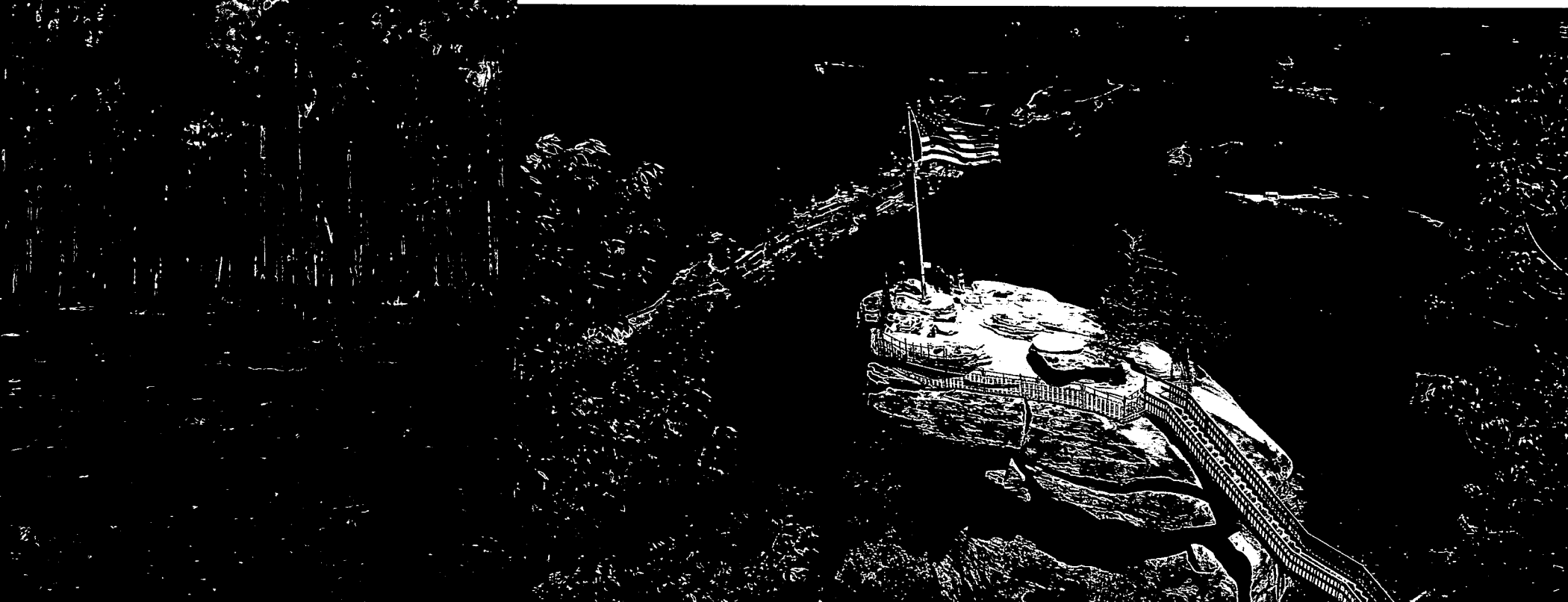
Over its 20-year history, the North Carolina Natural Heritage Trust Fund (NHTF) has remained true to its simple and exceptional mission: **to help protect the state's most important natural and cultural resources.** Among these resources are grasslands and forest lands, coastal marshes and mountain tops, wetlands and river frontage, historic structures, battlefields and viewsheds, all of them representing a wide swath of ecological diversity and historical significance.

NHTF was the first of four natural resource trust funds created and funded by the state.

This trust fund provides financial support for the purchase of natural lands for recreation, forestry, fish and wildlife habitat and wilderness. These lands, all of which are open to the public, become part of the state-owned system of parks, wildlife game lands, fish and wildlife management areas as well as wild and scenic rivers. NHTF also supports the protection of lands rich in historic and cultural significance to North Carolinians.

left: Sandhills Game Land (*Carrington Tract*); *below*: Chimney Rock





How NHTF Works

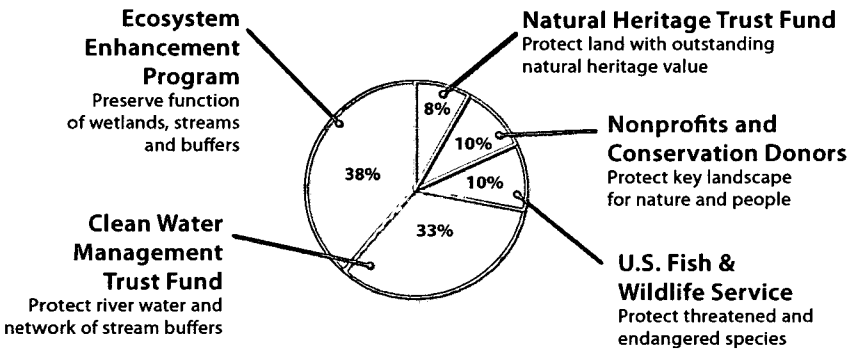
NHTF is administered by a 12-member board of trustees that is supported by an executive director, the trust fund's only full-time state employee. Members are appointed for staggered six-year terms, four by the governor and eight by the General Assembly (four each from the House and Senate).

Four state agencies—the N.C. Department of Environment and Natural Resources, the N.C. Wildlife Resources Commission, the N.C. Department of Cultural Resources and the N.C. Department of Agriculture & Consumer Services—are authorized to apply for grants from the fund. Twice a year (NHTF has two grant cycles per year), these agencies propose lands to be protected and document how they meet the main criterion of the awards: the protection of land with outstanding natural or cultural heritage values. From these proposals, NHTF trustees make their selections.

NHTF's awards are often multiplied by matches of federal money, private donations, bargain sale donations, nonprofit donations and income from other sources. When a tract of land is acquired, NHTF is often only one of many responsible partners.

NEEDMORE TRACT - Partnering In Action

Most projects require participation by several funding sources.
The $19 million Needmore Tract is an excellent example of this partnership.



History

The General Assembly created the NHTF in 1987 because the state's rapid growth was threatening to unravel the remarkable fabric of natural and cultural history that makes North Carolina such a special place. With at least 5,700 native plant species, more than 700 vertebrate species and 10,000 species of invertebrates, the state ranks ninth in the country in total number of species. It has an exceptionally large number of rare species. Yet as the pace of economic and residential development quickened, a host of environmental challenges appeared, from disappearing open space to suburban sprawl and polluted waterways.

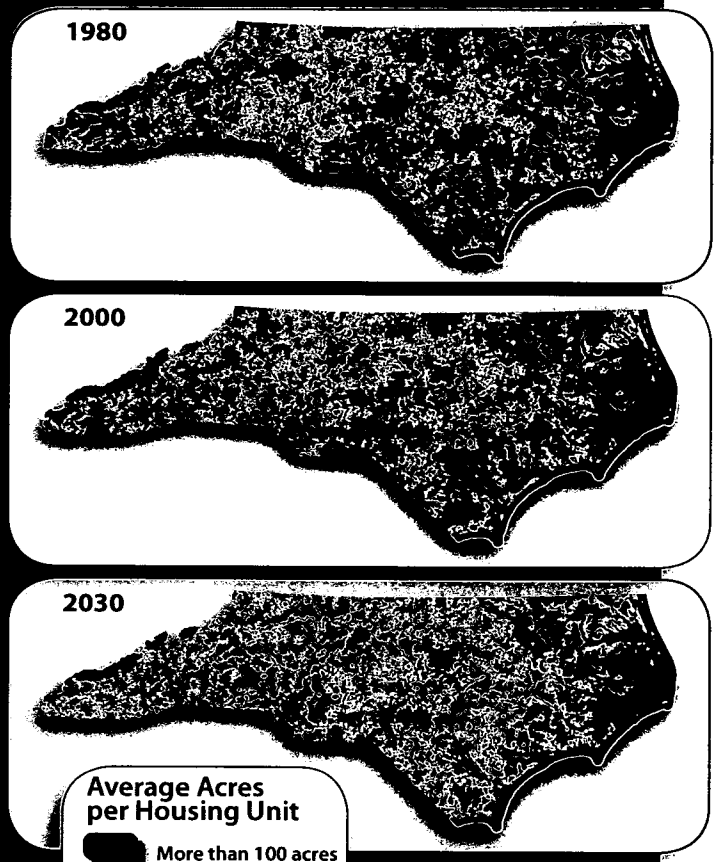
A permanent source of funding was needed so that state agencies could identify and protect the most significant natural and historic places. In 1987, two state senators, Lura Tally and Marc Basnight, sponsored legislation to create the Natural Heritage Trust Fund. The bill was passed with strong support from the North Carolina chapters of The Nature Conservancy and the Sierra Club, the Friends of State Parks and the N.C. Wildlife Federation. In 1988 the first NHTF Board was established and grants were awarded with an initial direct appropriation of $275,000. As a means to provide a recurring source of funds, in 1989, Sen. Basnight introduced a bill that placed a $10 charge on personalized license plates. The bill was enacted into law and gave NHTF its first dedicated stream of income.

Since then, NHTF has awarded more than $218 million to 420 projects across the state and has protected more than a quarter million acres. Some of these projects have been large, some small, but all of them have sprung from the deep emotional attachment of North Carolinians to their natural and cultural landscapes.

North Carolina Housing Density Growth

1980 - 2030

As North Carolina's housing density increases, open space and farms disappear and forests and wildlife habitat are fragmented. The growing density of housing affects the ability of forests, rivers and farms to provide clean drinking water, scenic beauty, places for recreation, wildlife habitat, food and fiber, and natural resource-based jobs.



Maps by The Wilderness Society, with data from R.B. Hammer and V.C. Radeloff, University of Wisconsin Madison and USDA Forest Service North Central Research Station.

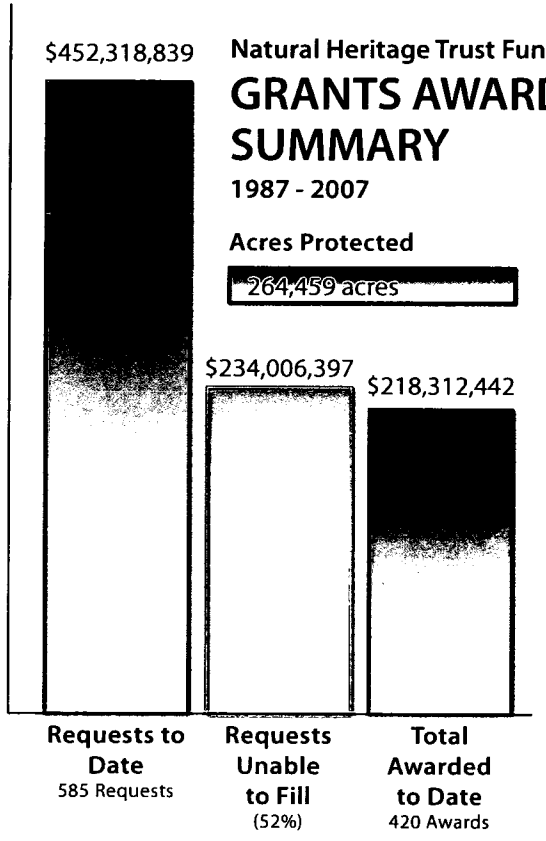
The Need for NHTF

Despite its success, the need for NHTF grows greater each year as demonstrated by these troubling trends:

- Every year, North Carolina loses more than 100,000 acres of forests, farmland and open space.
- According to the N.C. Farm Bureau, 2 acres of farmland are lost every minute.
- This means that in the past 20 years, 2 million acres of cropland and forestland were lost to development.

These trends have been driven by large increases in population. Between 1982 and 2002, North Carolina's population leaped by 42 percent. A recent statistic shows 21 people per hour moving to the state, requiring development of two acres per household. In the next two decades, the state's population may increase by another 4 million people, increasing the stress on air and water quality, wildlife habitat, recreation and quality of life. Nearly 20 percent of North Carolina's native species are in danger of extinction.

The opportunities for protecting large tracts of high-quality lands in North Carolina have never been greater. In recent years, hundreds of thousands of acres of timberland have been placed on the market by industrial owners eager to take advantage of high real estate prices. Competition is stiff for these valuable lands. Conservation groups have learned to be nimble, but their ability to protect land quickly is strained by the sheer number of acres available. Recognizing this need, the N.C. General Assembly in the 2007 legislative session authorized the issuance of an additional $50 million in special indebtedness funding, which will be paid back by the future income of the trust fund.



Economic Benefits

Our state's outstanding natural resources are a major factor in North Carolina's $16.5 billion per year tourism industry. Another industry that depends on natural area conservation is the military. The economic impact to North Carolina from the presence of military personnel, operation of the bases and the related economic activities is estimated to be about $23 billion per year. Preserving natural areas around military bases as buffers from development is critical to sustaining military operations and training. Therefore it is no surprise that the military is a key conservation partner - often these land acquisition projects are jointly funded by the federal government. In all, 25 percent of North Carolina's economy is based on preservation of our natural resources.

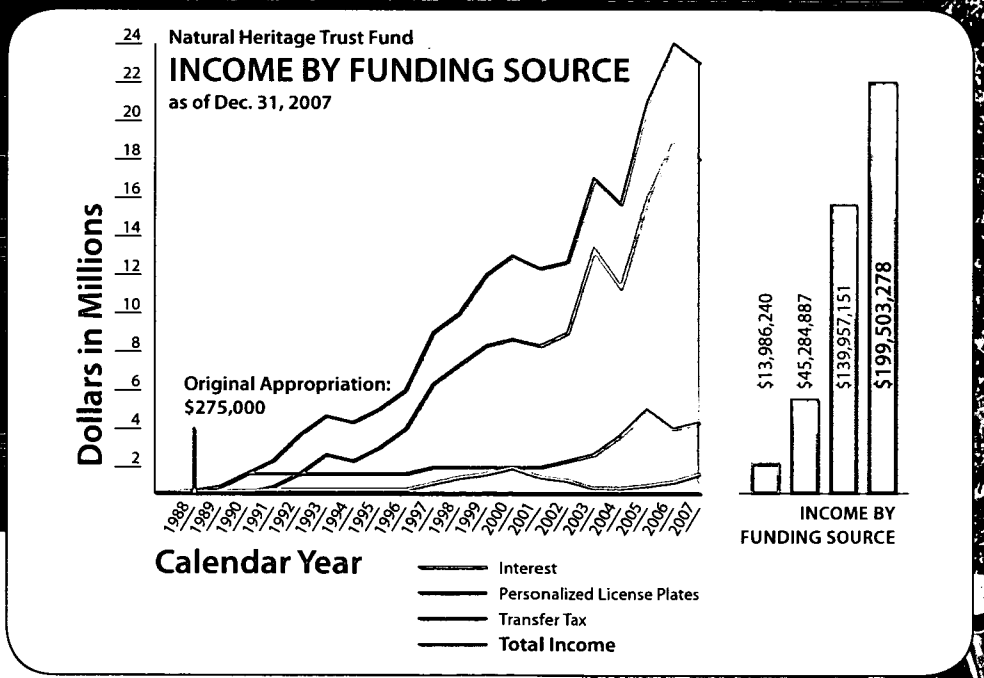
Natural resources, such as wetlands and forests, help clean our air and our water, while providing opportunities for outdoor recreation that improve our citizen's health. Surveys show that open space, outdoor recreational opportunities and other conservation benefits attract and keep knowledge-based workers, allowing the state to reap both short and long-term economic benefits. NHTF and its partner organizations have worked for years to protect these resources.

left: Crowders Mountain;
below: Yellow pitcher plants
in pocosin (*Lawrence S. Earley*)

How NHTF is Funded

Since 1991, the primary source of funding for NHTF is a tax on real estate deed transfers. The trust fund receives 25 percent of the state's portion of this tax that is charged whenever real estate is sold. Other sources of NHTF funding include fees charged for personalized and specialty license plates, and a smaller amount from interest on the funds.

NHTF's ability to protect land has expanded greatly since its inception. In 1989, two years after it was established, NHTF dispersed a little more than $1.1 million. In 1996, awards were slightly more than $5.3 million. By 2006, the fund awarded more than $26 million in 33 grants protecting 15,329 acres in 29 counties. The main reason for this growth has been the vigorous activity of the North Carolina real estate market and the remarkable increase in land values, estimated to be 285 percent increase in just the last 10 years (1996-2006). Yet even with the increased funding, NHTF has been unable to keep pace with appreciating land costs and with the amount of open space on the market—typically, NHTF receives twice the number of high-quality applications that it can fund.



Highlights of NHTF's 20 Years

Since its establishment 20 years ago, NHTF has been a dependable player in many conservation projects across North Carolina. Some of these outstanding projects are found on the following pages under the headings of the state agencies that proposed their protection. Such projects have enabled the state and its federal and private conservation partners to strategically protect some of the most valuable natural, historic and scenic assets in North Carolina at the same time that the state has achieved remarkable population and economic growth.

N.C. Department of Environment and Natural Resources

The N.C. Department of Environment and Natural Resources (DENR) is the lead stewardship agency for the preservation and protection of the state's outstanding natural resources. The department's Division of Parks and Recreation has benefited the most from funding by the Natural Heritage Trust Fund, but significant grants have also been made to the Division of Forest Resources and the Division of Coastal Management.

Lumber River State Park (4,719 acres, 1991-2001). At a time when other funding sources were scarce, NHTF awards helped acquire some of the first tracts for this park after it was created in 1989. The Lumber River has been designated not only a National Wild and Scenic River—the only black-water river with this designation in North Carolina—but also a State Natural and Scenic River. It's one of the state's most beautiful waterways. Historically, it was once an important avenue for the transportation of naval stores and logs to markets. Today, the park's swamp forests attract paddlers, birdwatchers, fishermen and others drawn to its serene waters. ***Robeson & Columbus counties.***

Weymouth Woods State Natural Area (199 acres, 1992). Another early NHTF award of $535,000 helped protect the Paint Hill Tract at Weymouth Woods Natural Area, strategically preserving a key longleaf pine forest in a rapidly growing area. This tract is one of three that comprise the Weymouth Woods Sandhills Nature Preserve, one of the state's most popular longleaf pine preserves. Longleaf pine, a fire-maintained forest type, once totaled millions of acres across the Coastal Plain and eastern Piedmont of North Carolina until the forests were decimated by logging and altered by fire suppression. Paint Hill's open longleaf pine forest hosts a population of the endangered red-cockaded woodpecker. ***Moore County.***

Kitty Hawk Woods (519 acres, 1994-2001). NHTF provides funding to the Division of Coastal Management to help protect unique coastal sites such as the nationally significant maritime forest at Kitty Hawk Woods. Maritime forests, such as Kitty Hawk Woods, are considered to be globally imperilled due to increasing development of coastal areas. Rapid development on North Carolina barrier islands has left very few remaining stands of undisturbed maritime forest, and there was a need to strategically



far-left: Rendezvous Mountain State Natural Area; *left*: Gorges State Park (*Lawrence S. Earley*); *right*: Lumber River State Park (*Lawrence S. Earley*)

protect certain key forest areas while allowing other portions of the barrier islands to continue to develop. Since 1990, the Division of Coastal Management has worked to acquire and protect the existing high-quality maritime forest sites remaining on the coast. The division continues to add land to these sites in order to preserve and increase their ecological integrity. NHTF has granted $10.1 million to the division that it has used to leverage $7.7 million in matching funds from federal sources for these projects. At Kitty Hawk Woods, NHTF has provided $1.6 million in five grants since 1994 to protect approximately 519 acres. ***Dare County.***

Gorges State Park (3,000 acres, 1998).
A grant of $2.65 million from NHTF helped acquire land that established Gorges State Park, the first state park west of Asheville. Among the partners in the acquisition were Duke Energy, which owned the land, other state agencies and environmental groups, and a private donor that provided $1 million. At the same time that the state protected 3,000 acres at Gorges State Park, the N.C. Wildlife Resources Commission and the U.S. Forest Services protected 2,000 acres of lands in North Carolina, and the state of South Carolina protected an additional 30,000 acres. Recently, conservation easements on an adjoining 3,500 acres have linked the Dupont State Forest to Jones Gap State Park and Caesar's Head State Park in South Carolina. With more than 100 inches of precipitation each year, this temperate rainforest supports one of the greatest concentrations of rare and unique species in the North Carolina mountains. At least 35 rare species have been identified in the area, as well as a wide array of wildlife and several unique natural communities. The park's elevation gain of 2,000 feet in four miles creates dozens of waterfalls that cascade through steep boulder-strewn gorges. ***Transylvania County.***

Crowders Mountain State Park (2,500 acres, 1999)
N.C. Division of Parks and Recreation, working with the Conservation Fund, secured 2,500 acres with the assistance of NHTF funding, thus linking this park with King's Mountain State Park in South Carolina, creating a 15,000-acre contiguous protected area within 30 miles of downtown Charlotte. The acquisition of this tract connected Crowders Mountain State Park in North Carolina with two parks in South Carolina, creating a matrix of conservation lands covering about 15,000 acres. The park protects the monadnocks of Crowders Mountain and King's Pinnacle. These peaks rise 800 feet above the surrounding countryside. The NHTF grants matched funds from the Parks & Recreation Trust Fund (PARTF) and the Clean Water Management Trust Fund (CWMTF). Governor Hunt used this project to announce his Million Acre Initiative. ***Gaston & Cleveland counties.***



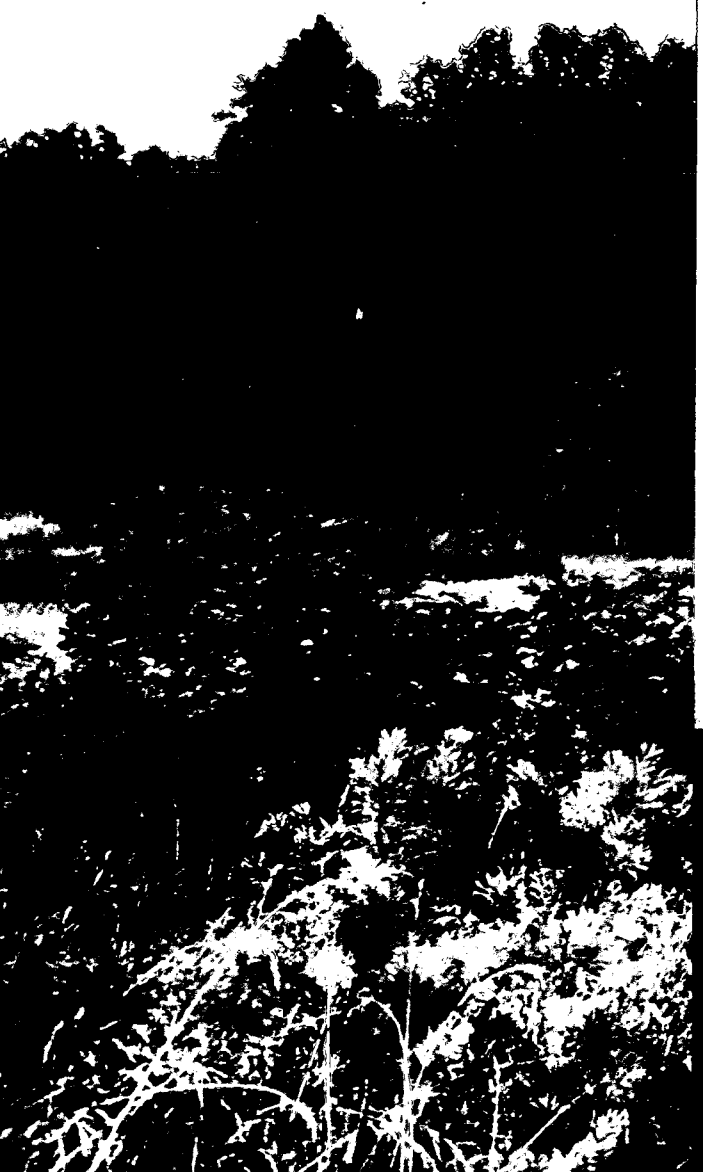
left: Live Oak at Kitty Hawk Woods (*Mike Lopazanski*); *right*: New River from Mount Jefferson

Dupont State Forest (10,300 acres, 1995-2000).
The Conservation Fund, a national nonprofit organization, negotiated a bargain sale of this Transylvania County property by the Dupont Corporation, with funding by NHTF. The tract was purchased in three phases, with a later addition bringing in three major waterfalls—High Falls, Triple Falls and Bridal Veil Falls. The Dupont State Forest is open to the public and offers 90 miles of hiking trails, mountain biking and superb trout fishing. Located in a fast-growing area near Hendersonville and Brevard, the forest shelters valuable plant and animal habitats. ***Henderson & Transylvania counties.***

Prestage Tract (253 acres, 2002).
NHTF helped fund the purchase of approximately 779 acres for inclusion in Bladen Lakes State Forest. The Prestage Tract connects two other blocks that are contiguous with the Cape Fear River and also contributing elements to wildlife corridors in the greater Bladen Lakes region. The tract's access to NC 53 improved public access to a portion of the state forest known as the Breece Tract that was already owned by the state. NHTF funds protected 253 acres of wetlands within the tract. ***Bladen County.***

New River State Park (568 acres, 2006).
NHTF's grant of $2 million was leveraged with $4.5 million in matching funds from PARTF and CWMTF to acquire the largest single tract at New River State Park in April 2006. The acquisition preserved 1.5 miles of undeveloped shoreline along the south fork of the New River, which has been named a National Wild and Scenic River, a state Natural and Scenic River and an American Heritage River. Second-home development along this ancient river is rampant within the entire North Carolina watershed. Purchase of the tract has prevented deterioration of the river's outstanding water quality. ***Ashe County.***

Highlights of NHTF's 20 Years



N.C. Wildlife Resources Commission

The N.C. Wildlife Resources Commission's goal is to conserve, manage and promote the wise use of the state's fish and wildlife resources. This mission requires a keen sensitivity to the habitat needs of the state's fish and wildlife in one of the fastest growing states in the country. Awards from the Natural Heritage Trust Fund have enabled the agency, often in partnership with The Nature Conservancy, to acquire thousands of acres of high-quality habitat for its statewide game lands. Some of the Wildlife Commission's notable conservation projects over the past 20 years are listed below.

Green River Game Land (5,078 acres, 1994).
In 1994, Duke Energy and its timber subsidiary Crescent Resources offered a tract of land for sale on the Green River headwaters in Polk and Henderson counties. With an award from NHTF, The Nature Conservancy bought 5,078 acres for the Wildlife Commission's Green River Game Land, a tract well-known for its trout fishing. Relatively undisturbed, this wilderness of old-growth forests and mixed hardwood forests lies in a rugged landscape of narrow gorges, steep ravines and coves. The Green River cascades off the Blue Ridge escarpment, dropping 400 feet in a distance of one and a half miles through one of these gorges. Since this original grant, almost 10,000 acres have been added to this game land, for a total of 14,308 acres. ***Polk & Henderson counties.***

Needmore Tract (4,600 acres, 2003).
The 4,600-acre Needmore Tract stretches 26 miles along the Little Tennessee River, embracing an additional 37 miles of tributary streams. The Little Tennessee is the only Blue Ridge river with all its native wildlife and plant life still intact. The Needmore Tract contains the best remaining examples of mountain floodplain forest, wetlands and habitat for many endangered wildlife species, including the greatest freshwater mussel diversity of any North Carolina river. With its Cherokee town sites, cemeteries, churches and farms, the tract has a rich cultural heritage as well.

Efforts by the Land Trust for the Little Tennessee, aided by a grant from NHTF, enabled the purchase of the tract from Duke Energy and Crescent Resources. Other conservation partners included The Nature Conservancy, local governments and





far-left: Green River Game Land
left: Needmore Tract;
right: Linville Game Land and Lake James (*Crescent Communities at Lake James*)

councils of government, Clean Water Management Trust Fund, Ecosystem Enhancement Program, Clean Water Management Trust Fund, United States Fish & Wildlife Service and other conservation donors. ***Macon & Swain counties.***

Upper Tar International Paper Tracts (886 acres, 2007).

A grant from NHTF enabled the Wildlife Commission to purchase an 886-acre tract along tributaries of the upper Tar River in Franklin, Nash, Warren and Halifax counties. The Upper Tar River is exceptionally rich in aquatic communities and wildlife, with good populations of numerous freshwater mussel species and more than 60 species of freshwater fish. Part of the 886-acre block will be included in the Shocco Creek Game Land, while the rest will create the new Embro Game Land.

This tract was part of a major divestment of forest land in the Carolinas by International Paper (IP). More than 76,000 acres were purchased for conservation from IP at a cost of almost $80 million along four different waterways—the Roanoke River, the Upper Tar and Chowan rivers and Juniper Creek. NHTF is assisting in funding acquisitions in all these IP tract areas. In addition to NHTF, the Clean Water Management Trust Fund will be a major funder because these tracts offer phenomenal water quality protection. The Wildlife Commission, Parks and Recreation Trust Fund and private conservation groups such as hunt clubs will also participate in the funding. ***Warren, Halifax, Franklin, Nash & Edgecombe counties.***

Carrington Tract (725 acres, 2005).

This significant acquisition, aided by a NHTF grant, added 725 acres of longleaf pine forest to the Sandhills Game Land. More important, it increased needed foraging habitat for the red-cockaded woodpecker, an endangered species associated with longleaf pine. The project contributes substantially to the overall goal of recovering the endangered populations of red-cockaded woodpeckers. The purchase of this tract has additionally helped the Wildlife Commission improve its management and restoration of longleaf pine habitat on the game land. ***Scotland County.***

Linville Gorge/Lake James (1425 acres, 2004) and Wallace Gray (1691 acres, 2004-2005)

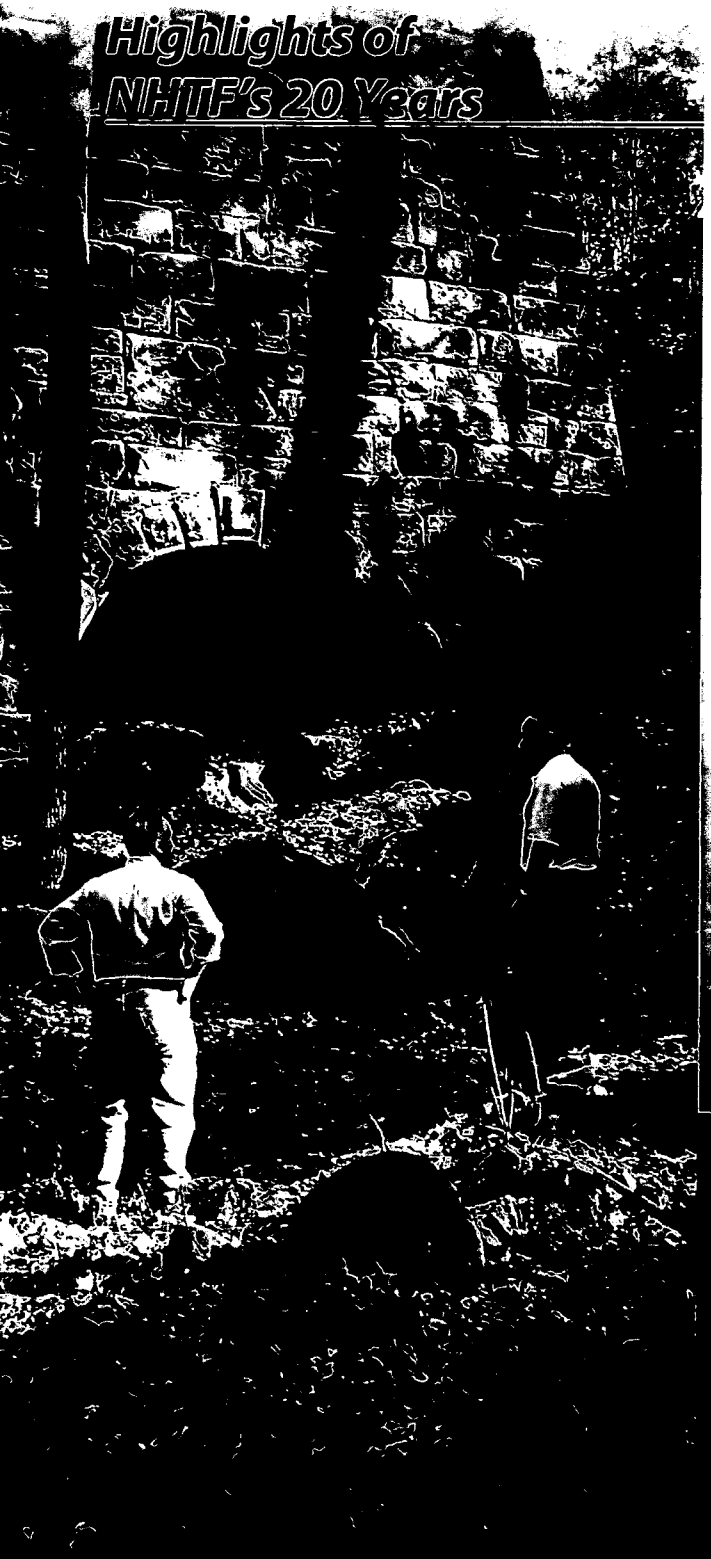
In a joint federal and state effort, several thousand acres of land were acquired from International Paper between Lake James and Linville Gorge with grant monies from the NHTF. These lands provide a key buffer on the south end of Pisgah National Forest and tie these game lands to state park land protected at Lake James. Centrally located in North Carolina, these lands are easily accessible and thus extremely well used for recreational activities such as boating, hiking, fishing and hunting. Several miles of the National Historic Overmountain Victory Trail are located on these lands and are now protected. ***Burke & McDowell counties.***

Angola Bay Pocosin (14,000 acres, 2002-2006).

NHTF was the sole funding source for the purchase of 14,000 acres of pocosin in Duplin County. Pocosin—a rare habitat type found only in North and South Carolina—is home to a substantial black bear population and rare and endangered species such as the red-cockaded woodpecker and the Venus flytrap. Angola Bay is one of the largest pocosins between the Green Swamp in Brunswick County and the Croatan National Forest. The tract was added to the Angola Bay Game Land, providing a natural corridor to the adjacent Holly Shelter Game Land. Funding for much of this land was made possible using Certificates of Participation (COPS) authorized by the N.C. General Assembly in 2004 to prevent encroachment on military bases. Protecting our military bases is critical because 10 percent of the state's workforce (contributing $18 billion to the state's economy) depends on these military bases. Angola Bay Game Land provides a critical buffer from development encroaching on nearby Camp Lejeune. ***Duplin County.***



right: Tar spinymussel from Upper Tar River; *far-right*: Venus Flytrap from Angola Bay Game Land



N.C. Department of Cultural Resources

The Natural Heritage Trust Fund achieves its mission to protect the cultural heritage of the state primarily through grants to the N.C. Department of Cultural Resources (DCR). The department maintains 27 state-owned historic properties, including governors' birthplaces, a plantation, a battleship, a state capitol, battlegrounds, farms and a palace, all of which demonstrate crafts and lifestyles typical of bygone eras. NHTF has helped the department in a number of important acquisitions.

Bentonville Battlefield (802 acres, 1993-2006).
A series of nine NHTF grants totaling more than $2 million has enabled DCR to acquire 802 acres of this Civil War battlefield. The Battle of Bentonville, fought March 19 to 21, 1865, was the largest ever in North Carolina and the only significant effort by Confederate forces to oppose the large Union army under the command of Gen. William T. Sherman during the Carolinas campaign in the spring of 1865. The battlefield retains miles of earthworks, giving it great integrity.

In 1996, the battlefield was designated a National Historic Landmark, following its designation in 1993 as a Priority One, Class A battlefield by the Civil War Sites Advisory Committee. The successful acquisition of available parcels through NHTF grants since 1993 has resulted in a large area of preserved open space in a region now being threatened by the growth of the Research Triangle. On many of these projects at Bentonville, NHTF funding leveraged equal amounts in additional Federal Battlefield Protection funds and private monies from the nonprofit Civil War Preservation Trust. ***Johnston County.***

Bethania (76 acres, 1997-2004).
The compact tree-shaded village of Bethania was the second Moravian settlement in Wachovia, laid out during the French and Indian War in 1759 with lots north and south of a central square, now lost and a church and graveyard to the west. It is a unique survival of European town planning, with the houses hugging the road and farming and orchard outlots extending beyond. Because of this example of medieval land use in which farmers lived in villages and farmed surrounding land



left: Endor Furnace;
right: Mast General Store

(instead of living on their farm), the 500-acre National Register Historic District was designated a National Historic Landmark district in 2001. In addition to retaining a wealth of 18th- and 19th-century dwellings, Bethania still exhibits the traditional Moravian land-use patterns of open fields composed of orchard lots, bottomland lots and upland lots.

Beginning in 1997 (with a total of $667,000 in four grants), NHTF funding helped to acquire 76 acres of these open fields and orchard lots in Forsyth County, plus the location of an historic African-American school. This has preserved the one-of-a-kind medieval character of the village and protected surrounding open lands from the extreme development pressure now moving into the area from rapidly growing Winston-Salem. Piedmont Land Conservancy and private landowners partnered with the state on this project, securing donations of about 14 acres and partial donation of the value of another 37 acres. ***Forsyth County.***

Endor Iron Furnace Site and Natural Area (83 acres, 2000).
The monumental stone Endor Iron furnace and its surrounding site along the Deep River was nominated to the National Register of Historic Places for the significant role it played during the Civil War as the state's largest iron mining and refining operation at that time. Built in 1862 of handsomely tooled and fashioned local brownstone, the furnace was once surrounded by a vast complex of factory buildings and iron ore processing equipment, now almost entirely vanished but forming an archaeological site of outstanding importance to the history of the iron industry. The site includes two natural heritage sites: the steep escarpment and floodplain surrounding the furnace and the Big Buffalo Creek Beech Slope, located along a major tributary of the Deep River that flows through the property.

An NHTF award enabled the Department of Cultural Resources to purchase 83 acres in Lee County that was merged into a larger parcel of 393 acres acquired with the help of other funding. Together, they permanently protect the rare historical and natural resources at this site. ***Lee County.***

Valle Crucis (135 acres, 2003, 2006, 2007).
In 1990, Valle Crucis was recognized as possessing extraordinary historic and scenic significance when approximately 1,000 acres were designated by Watauga County as the state's first locally zoned Rural Historic District. Valle Crucis received its name in the 1842 when Bishop Ives, the Episcopal Bishop of North Carolina, established the first Anglican Monastic Order to be established since King Henry VIII and started a monastery in a mountain valley where three streams met and formed a cross. The architectural and historical significance of Valle Crucis was further recognized in 2005, when this rural agricultural community was listed as a National Register Historic District in recognition of the remarkable survival of its traditional agrarian landscape and character.

Three NHTF grants (totaling $1,329,378) protected 135 acres of Valle Crucis, along with the preservation easement on the Mast General Store that was donated to encourage the state to provide funding to protect land in the area. Of this total, 35 acres were protected through outright acquisition, and the remaining 100 were protected through easements. The acquisition of these easements and parcels will permanently protect key portions of the viewshed of this significant historic district, including the open pastures and hillsides overlooking the district. High Country Conservancy was a critical partner working with NHTF to acquire the lands in all phases of the Valle Crucis project. ***Watauga County.***



right: Bentonville Battlefield; *far-right*: Bethania

Highlights of NHTF's 20 Years

N.C. Department of Agriculture & Consumer Services
Plant Conservation Program

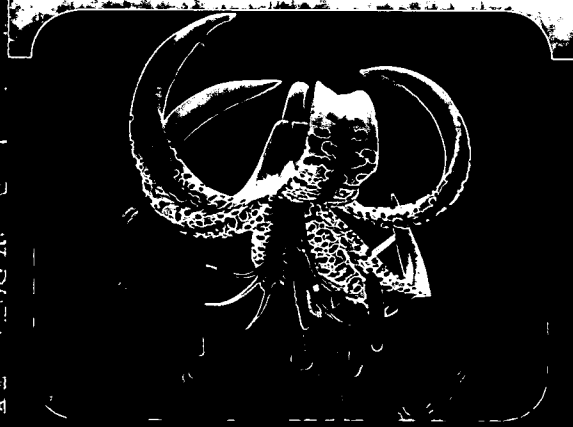
The Natural Heritage Trust Fund is the single most important source of funds for acquiring sites that will become plant conservation preserves managed by the N.C. Department of Agriculture and Consumer Services. By far the least well known of North Carolina's land conservation agencies, the Plant Conservation Program seeks to conserve the state's native plant species in their natural habitats. Plant conservation preserves are an important means to accomplish this conservation mission. Since 1999, approximately 11,000 acres within 14 different plant conservation preserves have been acquired.

Tater Hill Plant Conservation Preserve (780 acres, 2000, 2002, 2005, 2006).
This important Watauga County landscape was assembled in several acquisitions funded by NHTF. The Tater Hill Preserve is located in the Amphibolite Mountain range that stretches from northeastern Watauga County to central Ashe County. The underlying rock formations in this range produce soils rich in nutrients. The preserve features a number of unique habitats including mountain bog and high-elevation seep wetlands. One of the many rare species on the preserve is Gray's lily. Tater Hill's location near Boone made this area potentially valuable to developers. The Trust for Public Land has been a key partner in helping to negotiate with land owners on this project. NHTF's ability to step in with funding was critical for Tater Hill's protection.

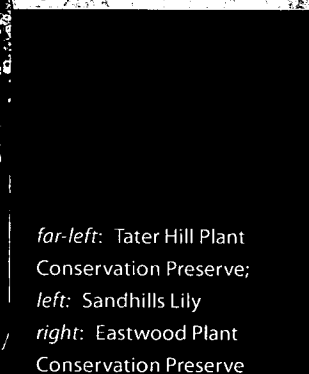
Tater Hill is among several other sites within the Amphibolite Mountain Range that have been protected. These include Elk Knob and additional land on Mount Jefferson, protected by N.C. State Parks; most of Three Top Mountain, protected by the N.C. Wildlife Resources Commission; Bluff Mountain, protected by The Nature Conservancy; and portions of Snake Mountain, protected by the High Country Conservancy. These conservation efforts have secured much of the ridgeline of the Northern Peaks. ***Watauga County.***

Eastwood Plant Conservation Preserve (171 acres, 2006).
NHTF again was a critical partner in the protection of this Moore County site. The fledgling preserve features open longleaf pine stands as well as streamhead wetlands. Mature longleaf pine forests like those found on the preserve contain a disproportionate share of the state's imperiled plant species. The









far-left: Tater Hill Plant Conservation Preserve; *left*: Sandhills Lily *right*: Eastwood Plant Conservation Preserve

primary conservation focus of the purchase is the Sandhills lily, a globally rare and state endangered species. The Eastwood Plant Conservation Preserve is the highest quality and best ranked site for this species in North Carolina.

Botanists have also found numerous other rare plants at this site, many of them located in streamhead habitats. These are typically narrow seepage-fed areas. When they are burned along with the longleaf pine woodlands, they can develop a diverse habitat of carnivorous plants, orchids and other rare plants. ***Moore County.***

Boiling Spring Lakes and Hog Branch Ponds Plant Conservation Preserve (6,000+ acres, 1999, 2000, 2003, 2004)

This Brunswick County preserve protects an outstanding complex of natural communities as well as a large collection of rare plant and animal species. It is one of the largest intact pine savanna-pocosin landscapes in North Carolina and the Southeast, and it hosts more than half of the world's distribution of two natural community types. Among the conservation targets at the preserve are the Venus flytrap and the federally and state-listed rough-leaf loosestrife, although numerous other rare plant species are also present. Active red-cockaded woodpecker clusters are also present in the preserve, as are extensive wetlands, including limesinks, an unusual wetland type found in greatest numbers in this vicinity. NHTF grants have been critical. Purchase of one tract with support from NHTF enabled a conservation easement to be placed on an adjoining parcel of 130 acres, owned by the Girl Scouts of America. The Plant Conservation Program, in partnership with The Nature Conservancy, has begun to restore the longleaf pine forest at Hog Branch and slowly reintroduce fire management to other portions of the preserve. ***Brunswick County.***

Eno River Diabase Sill Plant Conservation Preserve (250 acres, 2003-2006).

This small preserve in northern Durham County protects some of the Piedmont's rarest plant species. It has been suggested that this preserve has more rare species than any other site in the North Carolina Piedmont. The preserve protects one of only three significant remnants of smooth coneflower remaining in the state. This federally and state endangered plant had been lost from more than half its known North Carolina sites and was nearing local extinction. However, active management by the Plant Conservation Program and its partners (North Carolina Botanical Garden and Eno River Association) has increased the number of flowering individuals from 25 to more than 500 in two years. These efforts would not have been possible without funding from NHTF. ***Durham County.***





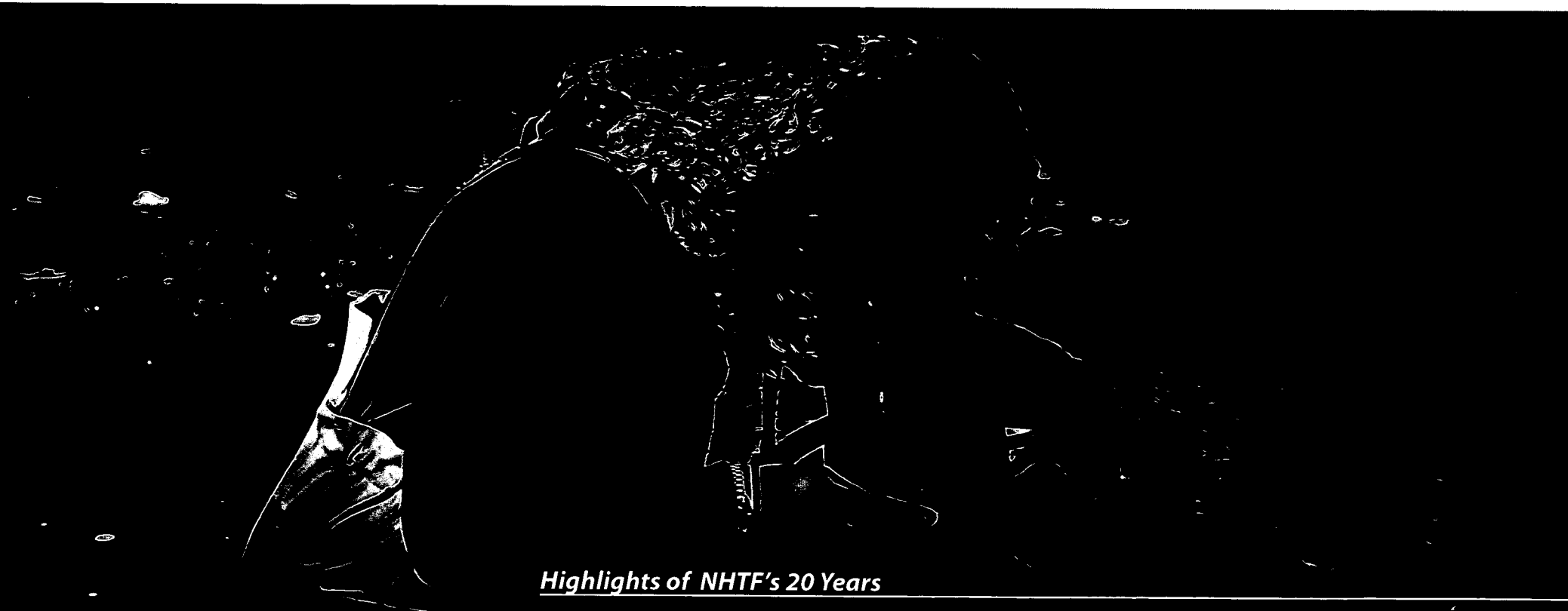
left: Hog Branch Ponds Plant Conservation Preserve; *right*: Smooth Coneflower at Eno River; *far right*: Tater Hill Plant Conservation Preserve

Natural Heritage Program

By statute, NHTF can also provide funding to inventory natural areas and for conservation and protection planning. Grants for these purposes are awarded to DENR's Natural Heritage Program. Data collected by the Natural Heritage Program through inventory of the state's 100 counties (82 of these county surveys have been completed) identify areas of outstanding natural significance. Such areas may be rare natural communities containing rare plants and animals, or they may be high-quality remnants of natural habitats important for wildlife. The data are compiled in a database to help guide land management and conservation decisions by state and federal agencies and also by private groups and businesses. This ensures that conservation dollars are strategically spent to protect the highest quality areas.

The natural heritage data provide a roadmap for many conservation efforts. State and federal agencies use the data to identify the most important areas for protection. Local governments use the data and associated maps to guide development away from sensitive areas. For example, Orange County uses Natural Heritage Program data to prioritize sites for land conservation through its Lands Legacy Program.

Natural Heritage Program scientists Sarah McRae and Bruce Sorrie (*opposite page*) perform field work.



Conservation groups such as The Nature Conservancy and local land trusts use the data in deciding which lands should be protected. Using these data, engineers with the state's Department of Transportation site new roadways away from areas rich in natural heritage, thus avoiding lengthy delays and red tape.

By means of a 2007 grant to the Natural Heritage Program, NHTF is funding the landscape planner position who is working with stakeholders and technical resources to develop the state's Conservation Planning Tool. This tool provides maps that identify not only essential high-quality natural resources across the state, but also areas where there are gaps in protection. The Conservation Planning Tool will be used to coordinate protection of ecosystems on a landscape scale as opposed to piecemeal conservation that may protect individual tracts of land with little thought to how they connect. A landscape perspective enables an understanding of how wildlife use different habitats and how such habitats are linked by ecosystem processes such as fire. The maps also identify and assess working landscapes such as private timberlands and farms. They recognize important fisheries and assess water quality, recreation and open space.

The Natural Heritage Program's work, supported by NHTF funding, is a critical component of North Carolina's conservation programs.



North Carolina's Other Conservation Trust Funds

Parks and Recreation Trust Fund.
The 1994 General Assembly of North Carolina established the Parks and Recreation Trust Fund to fund improvements in the state's park system, to award grants to local governments and to increase the public's access to the state's beaches.

Clean Water Management Trust Fund.
The 1996 General Assembly of North Carolina established the Clean Water Management Trust Fund to help local governments, state agencies and conservation nonprofit groups finance projects to protect and restore surface water quality.

Agricultural Development & Farmland Preservation Trust Fund.
First funded in 1998, the Agricultural Development & Farmland Preservation Trust Fund has provided funding to land trusts and governmental agencies to purchase development rights from farmers either as permanent conservation easements or term/agricultural agreements. Grants may also be awarded for sustainable or viable agricultural programs.

Looking Forward

While we celebrate our 20 years of past achievements with wise site selections for funding, the NHTF program looks forward to continuing to support land acquisition projects that preserve our natural and cultural heritage and protect the ecological diversity in our state



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The efficient and effective functioning of the N.C. Natural Heritage Trust Fund is due largely to the statutory requirement that the Board of Trustees be knowledgeable in natural areas management and land acquisition. Such knowledgeable trustees who care about land conservation and are willing to volunteer their time enable the trust fund to make fair decisions quickly. Their experience has helped these men and women change the face of conservation in North Carolina.

Dewey Wells and William Joslin retired Jan. 1, 2008, both having served the trust fund for almost the entire span of its life.



Dewey Wells. An attorney residing in Blowing Rock, Mr. Wells was appointed to the first board of the NHTF in 1988 and has served as a trustee now for almost 20 years. From 1997-2003, Mr. Wells served as chairman of the NHTF. Mr. Wells, an avid fisherman and game bird hunter, also served earlier as a commissioner on the N.C. Wildlife Resources Commission from 1975-1981. During this tenure Mr. Wells help found the North Carolina chapter of The Nature Conservancy (1977), a nonprofit organization that has worked with governmental agencies and other nonprofits to conserve more than 700,000 acres of significant natural areas in North Carolina.



William Joslin. A Raleigh attorney and a major supporter of the N.C. Botanical Garden, Mr. Joslin has been president of the Botanical Garden Foundation, a member of The Nature Conservancy Board of Trustees, and a member of the Triangle Land Conservancy River Society. While chair of The Nature Conservancy's Government Relations Committee, Mr. Joslin was instrumental in working with the legislature to get the original NHTF statute passed in 1987. Mr. Joslin was appointed to the NHTF Board in 1989 and has served now for almost 19 years. He served as chairman of the NHTF Board from 1994-1996. In recognition of more than 30 years service to the state, in 1993, Mr. Joslin received the Order of the Long Leaf Pine awarded by Gov. Hunt on behalf of the state of North Carolina.

Previous Board members over the past 20 years include many recognizable names: Lawrence G. Diedrick; Dr. Dirk Frankenberg; Dr. Richard Hoffman; The Honorable Hamilton C. Horton Jr.; Robert B. Jordan III; Kathryn C. McCoy; George G. Richards III; Dr. Dan Robinson; Dr. H. F. "Cotton" Robinson; James E. Sponenberg III; Nancy Gillam Spruill; Rick Webb; Jerry Wright.

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Cover: Longleaf Pines at Holly Shelter Game Land (*Johnny Randall*); Inset: Purple Orchids at Tater Hill (*Bob Lyons*); Worthington's Marsh Wren (*Bill Dunn*); Great Blue Heron at Stagville (*Peter Sandbeck*); Fox Squirrel (*N.C. Statepark*); Tar Spiny Mussel (*N.C. Wildlife Resource Commission*)

North Carolina General Assembly

ENVIRONMENTAL REVIEW COMMISSION

MINUTES

October 15, 2009

Welcome and Attendance

The Environmental Review Commission of the North Carolina General Assembly held its first meeting of the 2010 interim on October 15 in Room 544 of the Legislative Office Building.

Chairman Lucy Allen presided.

Also present with Chairman Allen was Co-Chairman Bob Atwater, Co-Chairman Daniel Clodfelter, Co-Chairman Pryor Gibson, Senator Charlie Albertson, Senator Stan Bingham, Senator Ellie Kinnaird, Senator A. B. Swindell, Representative Pricey Harrison and Representative Cullie Tarleton. Advisory members present were Senator Fletcher Hartsell, Representative Johnathan Rhyne and Representative Russell Tucker. Staff present was Commission Counsel Jeffrey Hudson, Commission Counsel Jennifer McGinnis, Assistant Commission Counsel Tim Dodge, Commission Analyst Jennifer Mundt, Research Assistant Mariah Matheson and Commission Clerk Jessica Kozma Bennett.

The meeting was called to order at 9:15 a.m. Chairman Allen welcomed members and guests. She then recognized staff, thanking them for their efforts. She noted that Ms. Bennett, Commission Clerk, would soon get married.

A draft agenda was distributed electronically October 8. A reminder note was distributed to membership October 14. Chairman Allen asked members to introduce themselves. Membership followed suit, stating their home counties or towns. Chairman Allen said she hoped membership would be "engaged" for this Interim. There would be many tough issues to tackle, she said, encouraging members to work with Co-chairs.

Introductory remarks by Co-chairmen

Having no additional comments added by Chairman Allen's fellow chairman, she moved to Item 3 of the agenda.

Report to the Commission, explanation of agenda items, and a discussion of studies that the Commission is authorized to undertake

Chairman Allen recognized Mr. Hudson, commission counsel, to speak to Item 3. Mr. Hudson thanked Chairman Allen and began explaining changes to Commission protocol. Planning meetings, "a 605," previously conducted each month prior to regular Commission meetings has ceased, Mr. Hudson said. The Commission will become more "electronic," he said, decreasing the amount of paper used by the Commission.

Report to the Commission on environmental legislation enacted during the 2009 Regular Session and pending for the 2010 Regular Session

Ms. McGinnis and Ms. Mundt, commission counsel and analyst, respectively, were recognized by Chairman Allen to review recently enacted and pending legislation. Ms. McGinnis and Ms. Mundt began their review of enacted legislation:

- *S.L. 2009-12*: Authorize Grandfather Mountain as a State Park
- *S.L. 2009-439*: Condemnation of Conservation Easements
- *S.L. 2009-163*: Ban Certain Single Use Plastic Bags
- *S.L. 2009-499*: Disposal of Pesticide Containers
- *S.L. 2009-483*: Dry Cleaning Solvent Act Amendments
- *S.L. 2009 406* and *572*: Extend Certain Development Approvals
- *S.L. 2009-478*: DWQ/Bridge Culvert Standards
- *S.L. 2009-92*: Update NPDES Permitting for CAFOs
- *S.L. 2009-337*: Promote Mitigation Banks
- *S.L. 2009-486*: Improve Upper Neuse Basin Water Quality
- *S.L. 2009-332*: Stormwater Controls for Compost
- *S.L. 2009-216* (also part of S.L. 2009-484): Restore Water Quality in Jordan Reservoir.

Their report also included review of the following pending legislation:

- *SB 1068/HB809*: Permitting of Wind Energy Facilities
- *Sec. 6.17 S.L. 2009-574/HB 643:* Study Reclaimed Water
- *Sec. 9, House Bill 1099*: Limit transfers of water from the Catawba River Basin under the Concord and Kannapolis interbasin transfer certificate (Amend Environmental Laws)
- *Sec. 10, House Bill 1099*: Create the Yadkin River Trust to acquire and operate the Yadkin Project (Amend Environmental Laws)
- *HB 1426, HB 1427, SB 887*: Amend Electronics Recycling Laws.

With no discussion regarding recent or pending legislation, Chairman Allen thanked Ms. McGinnis and Ms. Mundt for their hard work. She then recognized Dee A. Freeman, Secretary of the Department of Environment and Natural Resources.

Report from the Secretary of Environment and Natural Resources (DENR)

Secretary Freeman thanked Chairman Allen as he approached the podium, and then turned toward membership and thanked members for the opportunity to speak.

The Secretary began saying "a number of things have happened or are happening" since his last appearance at a Commission meeting.

Working with the Governor's office, Secretary Freeman is "looking at developing a new strategic plan," working in the new Governor's agenda. There are "wonderful" items on her agenda, he continued, but one issues prevails always: the issue of economics.

His department finished their last fiscal year within budget, because of, he said, "good planning by (our) fiscal staff, management and division heads. He then said that he longs for the day he can converse with fiscal staff and it be a pleasant conversation. Looking to the immediate future, Secretary Freeman acknowledged having to stretch his budget, and that he will continue to have to, until the economy further recovers. His department is managing roughly $150 million in American Reinvestment and Recovery Act funds; the majority of the funds are used for water and sewer projects. He commented on bills that have recently passed

Since becoming secretary, Mr. Freeman has visited DENR's seven regional offices. He was impressed with his staff: "What a great group of folks there are out there working for the State." And since becoming secretary, he has reached out to "stakeholders and has created three environmental roundtables.

He then began outlining goals for the department:

- Sustaining water for the future.
- Sustaining clean air: plan was vetted through senior management, through all division directors, including people from all across the state. Plan is currently at the Governor's office for any additional comments. He noted the Clean Smokestacks Act and how that act allowed the State to be in a leadership position. He then said the next step is to get a handle on diesel emissions.
- Growing a green economy: This is an issue that is "truly important to the State," he said.
- Sustaining working lands and farmlands: The Secretary noted that there was a lot of work to be done to better this goal.
- Climate change: This is an issue that the State "must get a handle on," he said, adding that any solutions are "long term."
- More effective environmental legislation: DENR has a "entire list of action statements on how to do a better job with the legislature, local governments and businesses.
- Growing visitor attraction: the State has a lot of assets, he said, including great parks.
- Customer service: he said it was a priority that his department be "friendly," no matter with whom they are dealing.

After reviewing seven of the eight goals, Secretary Freeman returned to the goal of sustaining water for the future. He is looking to implement the Drought Management Plan. Currently, he reported, DENR officials are considering a statewide management plan. He then discussed rule changes for Jordan Lake, praising the work of Environmental Management Commission Chairman Steve Smith and the commission itself.

He said there would be changes in water permitting and the process would be streamlined for the customer. Partnerships would be created with the Rural Center and other more localized organizations.

Chairman Allen recognized Representative Tarleton, who said he was pleased to hear discussion about strategic planning. He followed up asking how the Secretary planned to ensure strategic plan goals are achieved. Secretary Freeman answered that leadership meetings will occur every month, and that current goals would stay under constant review.

Senator Kinnaird was recognized, who said that idling trucks were a problem, and asked if the Secretary planned to "do anything about that." Secretary Freeman answered that there is already a conversation to address the issue. Senator Kinnaird followed up asking of vacant position at a dam site. Secretary Freeman answered that the vacant positions were eliminated because of the State's budget shortfall.

Chairman Allen thanked Secretary Freeman. She said that the Commission looks forward to working again with DENR, and also complimented NCDR staff, saying they are "excellent."

Quarterly reports by the Environmental Management Commission (EMC) as to its operations, activities, programs for the period of January 2009 through September 2009 (G.S. 143B-282(b)); and annual report on the desirability of requiring and the feasibility of obtaining reductions in emissions of NOx and SO2 beyond those required by the "Clean Smokestacks Act" (S.L. 2002-4, Sec. 11

Chairman Smith began saying he was appointed by the Governor. He then reviewed membership of the commission. A powerpoint presentation accompanied his report. The report may be accessed via the Internet or CD.

He then began to review the rule making process. There are four principal sources that beget rule making: State statutory authority, legislative directive, federal delegation or petition for rule making.

Chairman Smith expects additional reports presented to the EMC at their November 2009 and January 2010 meeting regarding Falls Lake. Public hearings should ensue in the early spring. He continued saying the EMC had an "optimistic" schedule and that Jordan Lake rules have "substantially benefited" the State. He then addressed the issue of idling trucks.

Senator Bingham was recognized. He commented that his business has used several trucks across the country, and that those trucks have plug-ins at truck stops. He continued that a majority of trucks do not have the capacity for plug-ins.

Senator Kinnaird followed up saying she grew up in Minnesota, where people often plug in their vehicles.

Chairman Smith then reviewed recent changes to the arsenic standard. Previously, that standard was .02 parts per billion; the EMC has reduced the standard to .01 parts per billion. He continued saying there was some concern that the new standard is too low if it is economically and technologically feasible at all.

Regarding the proposed Kerr Lake Interbasin Transfer, public meetings were held in April 2009. Notice was given to 37 newspapers, seven of which were in Virginia. Total costs for the notices was $22,000.

Senator Kinnaird asked if there was a way to electronically send a notice of public hearing. Chairman Smith said that was an excellent question, adding that there is discussion to use more electronic and less print sources. Senator Kinnaird followed up saying that she did not want to put newspapers out of business.

Chairman Allen said she sees notification as a responsibility of a county. Senator Swindell said electronic communication would be much more effective in reaching local governments.

Mr. Hudson said that there were extensive statutory requirements for public notices, including options for electronic notification. .

Chairman Allen said she hoped the Commission would develop substantive recommendations before beginning the short session. Mr. Hudson asked members to take note of agendas and future meeting topics. As discussion quelled and speakers completed their reports, Chairman Allen adjourned the meeting to meet again November 15, 2009 in Room 544 of the Legislative Office Building.

The meeting was adjourned at 11 a.m.

Approved at February 18, 2010 meeting.

Co-chair Daniel G. Clodfelter
Presiding

Co-chair Bob Atwater

Jessica Kozma Bennett
Commission Clerk

General Assembly of North Carolina

Environmental Review Commission
State Legislative Building
Raleigh, North Carolina

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REPRESENTATIVE JOHNATHAN RHYNE
REPRESENTATIVE RUSSELL E. TUCKER

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MARIAH B. MATHESON
COMMISSION ASSISTANT

JESSICA BENNETT
COMMISSION CLERK

AGENDA

9:00 a.m. Thursday, October 15, 2009
Room 544 Legislative Office Building
Raleigh, North Carolina

1. Call to order
   Representative Lucy T. Allen, Presiding

2. Introductory remarks by Cochairs *(5 minutes)*
   Representative Lucy T. Allen
   Representative Pryor A. Gibson
   Senator Robert C. Atwater
   Senator Daniel G. Clodfelter

3. Report to the Commission, explanation of agenda items, and a discussion of studies that the Commission is authorized to undertake *(15 minutes)*.
   Jeff W. Hudson, Commission Counsel

4. Report to the Commission on environmental legislation enacted during the 2009 Regular Session and pending for the 2010 Regular Session *(20 minutes)*
   Jennifer L. McGinnis, Commission Counsel
   Jennifer R.F. Mundt, Commission Analyst

5. Report from the Secretary of Environment and Natural Resources *(30 minutes)*
   Dee A. Freeman, Secretary
   Department of Environment and Natural Resources (DENR)

6. Quarterly reports by the Environmental Management Commission (EMC) as to its operations, activities, programs, and progress for the period from January 2009 through September 2009 (G.S. 143B-282(b)); and annual report on the desirability of requiring and the feasibility of obtaining reductions in emissions of NOx and SO_2 beyond those required by the "Clean Smokestacks Act" (S.L. 2002-4, Sec. 11) *(30 minutes)*
   Stephen T. Smith, Chairman
   Environmental Management Commission

7. Commission discussion and announcements

8. Adjourn

FUTURE MEETINGS:

The Environmental Review Commission will meet on the following dates at 9:00 a.m. in Room 544 of the Legislative Office Building, Raleigh, North Carolina. **This schedule is tentative and subject to adjustment.** For planning purposes, however, please reserve these dates. This schedule may be modified to allow for out-of-town business meetings or site visits and in the event that it becomes necessary to cancel a scheduled meeting due to hazardous weather conditions.

Thursday, November 12, 2009
Thursday, December 17, 2009
Thursday, January 21, 2010
Thursday, February 18, 2010
Thursday, March 18, 2010
Thursday, April 15, 2010

ADDITIONAL INFORMATION:

Persons having questions about the Commission meeting or other matters related to the Commission may contact Jennifer McGinnis, Commission Counsel, or other Commission staff at (919) 733-2578 or may visit the Commission's website at http://www.ncleg.net/gascripts/DocumentSites/browseDocSite.asp?nID=12

General Assembly of North Carolina

Environmental Review Commission
State Legislative Building
Raleigh, North Carolina

CO-CHAIRS
SENATOR ROBERT C. ATWATER
SENATOR DANIEL G. CLODFELTER

REPRESENTATIVE LUCY T. ALLEN
REPRESENTATIVE PRYOR A. GIBSON

MEMBERS
SENATOR CHARLES W. ALBERTSON
SENATOR STAN W. BINGHAM
SENATOR KATIE G. DORSETT
SENATOR ELEANOR G. KINNAIRD
SENATOR A.B. SWINDELL

REPRESENTATIVE PRICEY HARRISON
REPRESENTATIVE CAROLYN H. JUSTICE
REPRESENTATIVE RUTH SAMUELSON
REPRESENTATIVE CULLIE M.
TARLETON REPRESENTATIVE EDITH D.
WARREN
REPRESENTATIVE LARRY W. WOMBLE

ADVISORY MEMBERS
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SENATOR JOE SAM QUEEN

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MARIAH B. MATHESON
COMMISSION ASSISTANT

JESSICA BENNETT
COMMISSION CLERK

October 2, 2009

TO: Members of the Environmental Review Commission
Interested Parties

FROM: Jessica Bennett, Commission Clerk

RE: **Notice of Scheduled Meetings**

COMMISSION MEETINGS:

The Environmental Review Commission will meet on the following dates at 9:00 a.m. in Room 544 of the Legislative Office Building, Raleigh, North Carolina.

Thursday, October 15, 2009
Thursday, November 12, 2009

Please mark your calendars for these dates. Detailed information for each meeting will be sent in advance of the scheduled dates.

Persons having questions about the Commission meeting or other matters related to the Commission may contact Jennifer McGinnis, Commission Counsel, at (919) 733-2578 or Jessica Bennett, Commission Clerk, at (919) 733-5705.

General Assembly of North Carolina

Environmental Review Commission
State Legislative Building
Raleigh, North Carolina

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COMMISSION COUNSEL

MARIAH B. MATHESON
COMMISSION ASSISTANT

JESSICA BENNETT
COMMISSION CLERK

October 15, 2009

TO: Members of the Environmental Review Commission
Interested Parties

FROM: Jeff Hudson, Commission Counsel

RE: Environmental Review Commission: 2009-2010 Interim

Please find the following attached documents:

- Membership of the Environmental Review Commission for the 2009-2010 Interim
- Authorizing legislation for the Environmental Review Commission
- Environmental Review Commission Studies for the 2009-2010 Interim

Environmental Review Commission
Membership and Contact Information
2009-2010 Interim

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Environmental Review Commission
Membership and Contact Information
2009-2010 Interim

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North Carolina General Statutes

Article 12D.

Environmental Review Commission.

§ 120-70.41. Commission established.

The Environmental Review Commission is hereby established. (1987 (Reg. Sess., 1988), c. 1100, s. 4.1.)

§ 120-70.42. Membership; cochairs; vacancies; quorum.

(a) The Environmental Review Commission shall consist of six Senators appointed by the President Pro Tempore of the Senate, six Representatives appointed by the Speaker of the House of Representatives, who shall serve at the pleasure of their appointing officer, the Chair or a Cochair of the Senate Committee on Agriculture, Environment, and Natural Resources or the equivalent committee, the Chair or a Cochair of the House of Representatives Committee on Environment and Natural Resources or the equivalent committee, the Chair or a Cochair of the Senate Committee on Appropriations – Natural and Economic Resources or the equivalent committee, and the Chair or a Cochair of the House of Representatives Committee on Appropriations – Natural and Economic Resources or the equivalent committee.

(b) The President Pro Tempore of the Senate shall designate one Senator to serve as cochair and the Speaker of the House of Representatives shall designate one Representative to serve as cochair.

(c) Except as otherwise provided in this subsection, a member of the Commission shall continue to serve for so long as the member remains a member of the General Assembly and no successor has been appointed. A member of the Commission who does not seek reelection or is not reelected to the General Assembly may complete a term of service on the Commission until the day on which a new General Assembly convenes. A member of the Commission who resigns or is removed from service in the General Assembly shall be deemed to have resigned or been removed from service on the Commission. Any vacancy that occurs on the Environmental Review Commission shall be filled in the same manner as the original appointment.

(d) A quorum of the Environmental Review Commission shall consist of nine members. (1987 (Reg. Sess., 1988), c. 1100, s. 4.1; 1989, c. 727, s. 139; 1991, c. 739, s. 5; 1997-31, s. 1; 2002-176, s. 4; 2003-340, s. 4.)

§ 120-70.43. Powers and duties.

(a) The Environmental Review Commission shall have the following powers and duties:

(1) To evaluate actions of all boards, commissions, departments, and other agencies of the State and local governments as such actions relate to the environment or protection of the environment, including but not limited to an evaluation of:

a. Benefits of each program relative to costs;

b. Achievement of program goals;

c. Use of measures by which the success or failure of a program can be measured; and

d. Conformity with legislative intent;

(2) To study on a continuing basis the organization of State government as it relates to the environment or to the protection of public health and the environment, including but not limited to:
   a. Improvements in administrative structure, practices, and procedures;
   b. Increased integration and coordination of programs and functions;
   c. Increased efficiency in budgeting and use of resources;
   d. Efficient administration of licensing, permitting, and grant programs;
   e. Prompt, effective response to environmental emergencies;
   f. Opportunities for effective citizen participation; and
   g. Broadening of career opportunities for professional staff;

(3) To make any recommendations it deems appropriate regarding the reorganization and consolidation of environmental regulatory agencies and the recodification of statutes relating to the environment, including but not limited to:
   a. Ways in which agencies may operate more efficiently and economically;
   b. Ways in which agencies can provide better services to the State and to the people; and
   c. Instances in which functions of agencies are duplicative, overlapping, incomplete in scope or coverage, fail to accomplish legislative objectives, or for any other reason should be redefined or redistributed;

(4) To review and evaluate changes in federal law and regulations, relevant court decisions, and changes in technology affecting the environment or protection of the environment;

(5) To review existing and proposed State law and rules affecting the environment or protection of the environment and to determine whether any modification of law or rules is in the public interest;

(6) To make reports and recommendations, including draft legislation, to the General Assembly from time to time as to any matter relating to the powers and duties set out in this section; and

(7) To undertake such additional studies as it deems appropriate or as may from time to time be requested by the President Pro Tempore of the Senate, the Speaker of the House of Representatives, either house of the General Assembly, the Legislative Research Commission, the Joint Legislative Commission on Governmental Operations, the Joint Legislative Utility Review Committee, or the Joint Select Committee on Low-Level Radioactive Waste and to make such reports and recommendations to the General Assembly regarding such studies as it deems appropriate; provided that the Environmental Review Commission shall not undertake any study which the General Assembly has assigned to another legislative commission or committee.

(b) The Environmental Review Commission may continue the study of environmental agency consolidation and reorganization. The study of environmental agency consolidation shall include, but is not limited to:

(1) Monitoring the implementation of Session Laws 1989, c. 727;

(2) Evaluation of the organization, programs, and operation of the Department of Environment and Natural Resources;

(3) Evaluation of the organization, functions, powers, and duties of the components of the Department of Environment and Natural Resources, including boards, commissions, councils, and regional offices; and

(4) Recodification of the General Statutes relating to the environment and environmental agencies.

(c) In addition to its general powers and duties, the Environmental Review Commission shall have the following powers and duties with respect to hazardous waste management:

(1) To study the current and projected need for hazardous waste treatment, storage, and disposal capacity in the State in light of anticipated generation of hazardous waste and alternatives for hazardous waste treatment and disposal;

(2) To evaluate the potential for the development of additional hazardous waste treatment, storage, and disposal capacity by the private sector;

(3) To study the necessity for and scope of hazardous waste treatment, storage, and disposal facilities which are sited, owned, or operated by the State;

(4) To review progress in securing a volunteer county to host a hazardous waste treatment facility;

(5) To study incentives and compensation for the community which hosts, either voluntarily or involuntarily, a hazardous waste treatment facility, including any additional incentives and compensation which may be needed, whether there should be differential compensation for a volunteer county, options for use of funds by local governments, distribution of compensation among local governments, and methods of providing flexibility in the development of an incentives and compensation package for a particular local community;

(6) To review progress in developing interstate agreements for the treatment, storage, and disposal of hazardous waste;

(7) To assist in the development of cooperative, comprehensive regional approach to hazardous waste treatment and disposal;

(8),(9) Repealed by Session Laws 2001-474, s. 12.

(10) To study the capacity assurance requirement under the Comprehensive Environmental Response, Compensation and Liability Act of 1980, Pub. L. No. 96-510, 94 Stat. 2767, 42 U.S.C. 9601 et seq., as amended, and the Superfund Amendments and Reauthorization Act of 1986, Pub. L. No. 99-499, 100 Stat. 1613, as amended as it relates to the continued eligibility of North Carolina for remedial actions under Superfund;

(11) To study alternatives available to the State for dealing with hazardous waste and the ramifications of those alternatives; and

(12) To receive and evaluate reports of every State agency, board, and commission which has any power or duty with respect to hazardous waste management. (1987 (Reg. Sess., 1988), c. 1100, s. 4.1; 1989, c. 168, s. 46(b); c. 727, s. 225(a); 1991, c. 739, s. 6; 1991 (Reg. Sess., 1992), c. 990, s. 4; 1997-443, s. 11A.119(a); 2001-474, s. 12.)

§ 120-70.44. Additional powers.

(a) The Environmental Review Commission, while in the discharge of official duties, may exercise all the powers provided for under the provisions of G.S. 120-19, and G.S. 120-19.1 through G.S. 120-19.4. The Environmental Review Commission may meet at any time upon the call of either cochairman, whether or not the General Assembly is in session. The Environmental Review Commission may meet in the Legislative Building or the Legislative Office Building upon the approval of the Legislative Services Commission.

(b) Notwithstanding any rule or resolution to the contrary, proposed legislation to implement any recommendation of the Environmental Review Commission regarding any study the Environmental Review Commission is authorized to undertake or any report authorized or required to be made by or to the Environmental Review Commission may be introduced and considered during any session of the General Assembly.

(c) The Commission may contract for consultants or hire employees in accordance with G.S. 120-32.02. (1987 (Reg. Sess., 1988), c. 1100, s. 4.1; 1989, c. 784, s. 5; 2006-255, s. 3.1.)

§ 120-70.45. Compensation and expenses of members.

Members of the Environmental Review Commission shall receive subsistence and travel expenses at the rates set forth in G.S. 120-3.1. (1987 (Reg. Sess., 1988), c. 1100, s. 4.1.)

§ 120-70.46. Staffing.

The Legislative Services Officer shall assign as staff to the Environmental Review Commission professional employees of the General Assembly, as approved by the Legislative Services Commission. Clerical staff shall be assigned to the Environmental Review Commission through the offices of the Directors of the Legislative Assistants of the Senate and House of Representatives. The expenses of employment of clerical staff shall be borne by the Environmental Review Commission. (1987 (Reg. Sess., 1988), c. 1100, s. 4.1; 1996, 2nd Ex. Sess., c. 18, s. 8(f); 2007-495, s. 12.)

§ 120-70.47. Funding.

From funds available to the General Assembly, the Legislative Services Commission shall allocate monies to fund the work of the Environmental Review Commission. (1987 (Reg. Sess., 1988), c. 1100, s. 4.1.)

General Assembly of North Carolina

Environmental Review Commission
State Legislative Building
Raleigh, North Carolina

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COMMISSION ASSISTANT

JESSICA BENNETT
COMMISSION CLERK

October 15, 2009

TO: Members of the Environmental Review Commission
Interested Parties

FROM: Jeff Hudson, Commission Counsel

RE: Environmental Review Commission Studies: 2009-2010 Interim

Pursuant to the 2009 Studies Bill (S.L. 2009-574; HB 945), the Environmental Review Commission may study the topics listed below and report its findings, together with any recommended legislation, to the 2010 Regular Session of the 2009 General Assembly:

- The feasibility and environmental impact of interbasin netting of water withdrawals and discharges by contract among water systems subject to regulation by the North Carolina Utilities Commission. (Sec. 6.2)
- Continue study of those topics identified for further research and study in the 2008 Report of the Water Allocation Study (Water Resources Policy Act of 2009). (Sec. 6.3)
- The desirability and feasibility of consolidating the State's environmental policymaking, rule-making, and quasi-judicial functions into one commission. (Sec. 6.4)
- Issues related to the environmental impacts of cement plants. (Sec. 6.5)
- The feasibility and desirability of State government expanding its use of alternative sources of energy for fueling vehicles that are owned or leased by the State as well as for providing energy to power heating, ventilation, and air conditioning (HVAC) systems in buildings owned or leased by the State and to power other systems, motors, and appliances that are owned or leased by the State. (Sec. 6.6)
- How the State can grow and develop sustainably in the future through the year 2050. (Sec. 6.7)
- The possibility of establishing a green school construction loan fund. (Sec. 6.8)
- The establishment of a system whereby prospective purchasers of coastal properties subject to certain coastal hazards can receive reasonable notice of these hazards prior to purchase. (Sec. 6.9)

- Ways to phase out animal waste management systems that employ lagoon and sprayfield systems. (Sec. 6.10)
- Ways to phase out Polybrominated Diphenyl Ethers (PBDE's) and Bisphenol A in flame-retardant products. (Sec. 6.11)
- Ways to strengthen pesticide laws for the protection of workers. (Sec. 6.12)
- The possibility of requiring all public agencies to recycle all spent fluorescent lights and mercury thermostats and requiring the removal of all fluorescent lights and mercury thermostats from buildings prior to demolition. (Sec. 6.13)
- City and county ordinances prohibiting the installation of clotheslines. (Sec. 6.14)
- The possibility of requiring new and renovated commercial buildings and new residential buildings to comply with energy conservation standards. (Sec. 6.15)
- Whether the circumstances under which an environmental document must be prepared pursuant to G.S. 113A-4 should be clarified. (Sec. 6.16)
- Issues related to the use and storage of reclaimed water. (Sec. 6.17)
- Environmentally sound mechanisms for accelerating the remediation of industrial and commercial site contamination. (Sec. 6.18)
- The feasibility and the advisability of adopting requirements aimed at reducing diesel emissions for construction projects that are funded in whole or in part with State or federal funds. (Sec. 6.19)
- Renewable energy tax credits and incentives for energy conservation. (Sec. 7.5)

Update on Environmental Legislation in North Carolina



Jennifer McGinnis and Jennifer Mundt
Staff to Environmental Review Commission
General Assembly of North Carolina

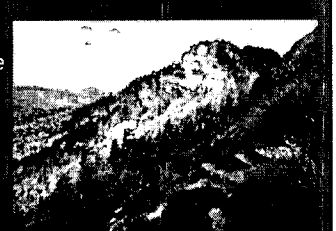
Key Environmental Legislation 2009

- Conservation and natural resources
- Solid and hazardous waste
- Economic development
- Water quantity and quality management

Legislation pending in 2010

Conservation and Natural Resources

- **S.L. 2009-12**
  - Adds Grandfather Mountain to the State Parks System
- **S.L. 2009-439**
  - Implements processes for situations in which conservation easements are condemned by public entities



From: North Carolina Division of Parks and Recreation: http://www.ncparks.gov/Visit/parks/gramain.php

Solid and Hazardous Waste

- **S.L. 2009-163**
  - Bans the use of certain plastic bags on the islands or peninsulas of Dare, Currituck, and Hyde Counties
- **S.L 2009-499**
  - Exempts pesticide containers from the prohibition on disposal of rigid plastic containers in landfills
- **S.L. 2009-483**
  - Amends the Dry-Cleaning Solvent Act



From: LAist: http://laist.com/2005/03/04/another_social_ploy_to_consider_harm.php

Economic Development

- **S.L. 2009-406, as amended**
  - Suspends the running of a development approval between Jan 1, 2008 and Dec 31, 2010 if it is current and valid during that time

Water Quantity and Water Quality Management

- **S.L. 2009-478**
  - Authorizes the use of three-sided, open-bottom, or bottomless culverts on private property when designed based on sound engineering practices
- **S.L. 2009-92**
  - Updates the State CAFO program to conform with revised federal NPDES discharge requirements
- **S.L. 2009-337**
  - Promotes the use of mitigation banks before mitigation by EEP

Water Quantity and Water Quality Management (cont'd)

- S.L. 2009-486
  - Upper Neuse River Basin / Falls Lake watershed management strategy
- S.L. 2009-322
  - Requires DENR to establish BMPs and wastewater treatment processes for stormwater discharges from composting facilities



From: N.C. Division of Park and Recreation
http://www.ncparks.gov/Visit/parks/falls/main.php

Water Quantity and Water Quality Management (cont'd)

- S.L. 2009-216 and Part II of S.L. 2009-484: **Restore water quality in Jordan Reservoir**
  - 13 rules adopted by EMC comprise the Jordan Water Supply Nutrient Management Strategy
  - Minor changes to 3 rules were addressed in S.L. 2009-484
  - Significant changes to 2 rules were addressed in S.L. 2009-216:
    - Wastewater discharge compliance date extended from calendar year 2014 to 2016
    - Provides for more gradual phase-in of existing development rules

Legislation Pending the 2010 Regular Session

- Senate Bill 1068 / House Bill 809
  - State permitting program for wind energy facilities
- Sec. 16.7, S.L. 2009-574 / House Bill 643
  - Study aquifer storage and other alternative methods for disposal of reclaimed water
- Secs. 9 and 10, House Bill 1099
  - §9: Limit water transfers from Catawba River under Concord-Kannapolis IBT
  - §10: Create Yadkin River Trust to acquire/operate Yadkin River Project
- House Bill 1426, House Bill 1427, Senate Bill 887
  - Amend electronics recycling provisions

Questions?

To access any of these laws, go to:
http://www.ncleg.net/

OR

Contact us at:
jenniferm@ncleg.net
jennifermu@ncleg.net
(919) 733-2578

Key Environmental Legislation
2009 Session of the North Carolina General Assembly

Jennifer McGinnis and Jennifer Mundt
Staff to Environmental Review Commission
General Assembly of North Carolina

Conservation and Natural Resources
S.L. 2009-12: Authorize Grandfather Mountain as a State Park
S.L. 2009-439: Condemnation of Conservation Easements

Solid and Hazardous Waste
S.L. 2009-163: Ban Certain Single-Use Plastic Bags
S.L. 2009-499: Disposal of Pesticide Containers
S.L. 2009-483: Dry-Cleaning Solvent Act Amendments

Economic Development
S.L. 2009-406 and S.L. 2009-572: Extend Certain Development Approvals

Water Quantity and Water Quality Management
S.L. 2009-478: DWQ/Bridge Culvert Standards
S.L. 2009-92: Update NPDES Permitting for CAFOs
S.L. 2009-337: Promote Mitigation Banks
S.L. 2009-486: Improve Upper Neuse Basin Water Quality
S.L. 2009-322: Stormwater Controls for Compost
S.L. 2009-216 and Part II of S.L. 2009-484: Restore Water Quality in Jordan Reservoir

Pending Legislation
SB 1068 / HB 809: Permitting of Wind Energy Facilities
Sec. 6.17, S.L. 2009-574 / HB 643: Study Reclaimed Water
Sec. 9, House Bill 1099: Limit transfers of water from the Catawba River Basin under the Concord and Kannapolis interbasin transfer certificate (Amend Environmental Laws)
Sec. 10, House Bill 1099: Create the Yadkin River Trust to acquire and operate the Yadkin Project (Amend Environmental Laws)
HB 1426, HB 1427, SB 887: Amend Electronics Recycling Laws

Environmental Management Commission

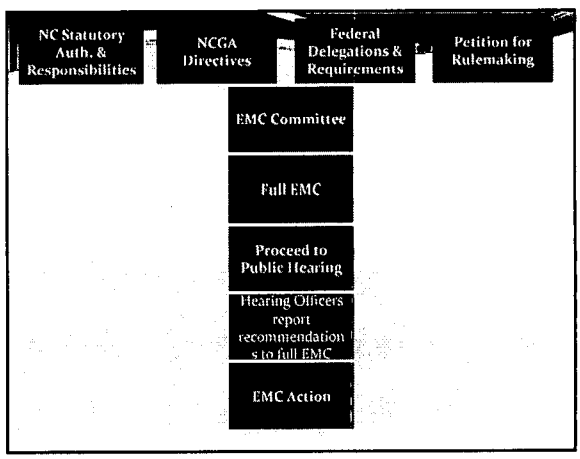
Membership

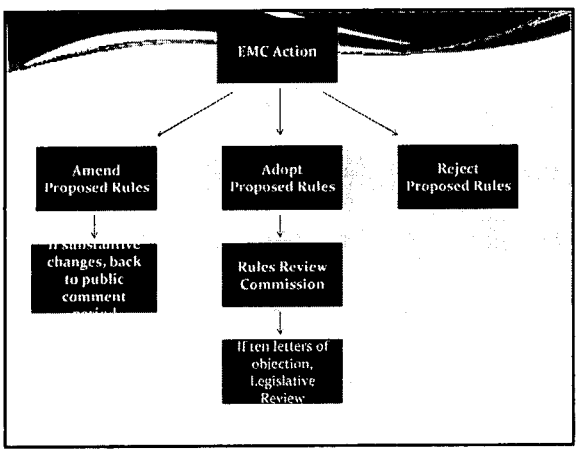
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- Dickson Phillips III (Gov)
- Jeff Morse (Gov)
- Forrest Westall, Sr. (Senate)

EMC Committees

- Air Quality Committee
- Groundwater Committee
- National Pollutant Discharge Elimination System (NPDES) Committee
- Renewable Energy Committee
- Water Allocation Committee
- Water Quality Committee

- Website: http://h2o.enr.state.nc.us/admin/emc/





General Assembly of North Carolina

Environmental Review Commission
State Legislative Building
Raleigh, North Carolina

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October 15, 2009

MEMORANDUM

To: Members of the Environmental Review Commission
From: Mariah Matheson, Commission Assistant
Re: Disposition of Reports

The following reports have been submitted to the Environmental Review Commission (Commission) since the last reports distribution on January 22, 2009. These reports are distributed, held, or otherwise accounted for as follows:

A. The following reports have been submitted by the Environmental Management Commission (EMC) and are being distributed in connection with today's agenda as follows:

1) Quarterly reports by the EMC as to its operations, activities, programs, and progress during the previous quarters, April 15, 2009, July 15, 2009, and October 15, 2009. Statutory Authority: G.S. 143B-282(b). ***Agenda Item #6.***

2) Recommendations of the EMC on the development of a wind energy permitting program. March 1, 2009. Statutory Authority: G.S. 62-133.7. ***Agenda Item #6.***

3) Annual report on the desirability of requiring and the feasibility of obtaining reductions in emissions of NOx and SO_2 beyond those required by the "Clean Smokestacks Act." September 1, 2009. Authority: S.L. 2002-4, Sec. 11. ***Agenda Item #6.***

B. The following reports have been submitted by the Utilities Commission and are being held for distribution at a future date:

1) Annual report on Renewable Energy and Energy Efficiency Portfolio Standard (REPS). October 1, 2009. Statutory Authority: G.S. 62-133.8(j).

2) Annual report on the Implementation of the "Clean Smokestacks Act." June 1, 2009. Authority: S.L. 2002-4, Sec. 14.

3) Biennial report on the actual results of the cost allocations for electric utilities involving REPS costs, demand-side management and energy efficiency programs costs, and certain fuel and fuel-related costs. October 1, 2009. Authority: S.L. 2007-397, Sec. 14.

C. The following report has been submitted by the Department of Agriculture and Consumer Services and is being held for distribution at a future date:

Report on the 2008 Agricultural Water Use Survey. July 1, 2009. Statutory Authority: G.S. 106-24(b).

D. The following report has been submitted by the North Carolina Water Quality Work Group (RiverNet) and is being held for distribution at a future date:

Annual report on RiverNet's previous year's activities, findings, and recommendations. January 30, 2009. Statutory Authority: G.S. 143-215.8D.

E. The following reports have been submitted by the Department of Environment and Natural Resources and are being held for distribution at a future date:

1) Biennial report on the activities of the past biennium and plans for the coming biennium, and specific recommendations for action of the Natural Heritage Program. February 15, 2009. Statutory Authority: G.S. 113A-164.4.

2) Annual progress report on the Parks and Recreation Trust Fund Fiscal Year 2008-2009. March 15, 2009. Statutory Authority: G.S. 113-44.15(c).

3) State Agency Purchases of Recycled Products and Source Reduction, Recycling, and Composting Efforts. January 15, 2009. Statutory Authority: G.S. 143-58.2(f) and 130A-309.06(c)(13).

4) Annual report on the implementation of the Ecosystem Enhancement Program and use of the Ecosystem Enhancement Fund, including inventory of property and easements. November 1, 2008. Statutory Authority: G.S. 143-214.13.

5) Annual Interagency Report on Litter Enforcement, Prevention, and Removal Efforts. March 1, 2009. Statutory Authority: G.S. 147-12(b).

6) Annual report on the Water Infrastructure Fund for the Fiscal Year 2008. November 1, 2008. Statutory Authority: G.S. 159G-26.

7) Report on the feasibility study of establishing a State park in the area surrounding Rutherford Trace in McDowell County. February 1, 2009. Authority: S.L. 2008-107, Sec. 12.12.

8) Report on recommendations for water efficiency standards for in-ground irrigation systems. January 1, 2009. Authority: S.L. 2008-143, Sec. 18.

9) Report on recommendations for water efficiency standards for water-using fixtures in residential and commercial buildings. January 1, 2009. Authority: S.L. 2008-143, Sec. 18.

N.C. ENVIRONMENTAL MANAGEMENT COMMISSION QUARTERLY REPORT TO THE ENVIRONMENTAL REVIEW COMMISSION

Covering the period April 1, 2009 to June 30, 2009

This quarterly report is submitted to the Environmental Review Commission on the EMC operations, activities, programs, and progress pursuant to the requirements of G.S. 143B-282(b). This report is for the period of April 1, 2009 to June 30, 2009 and provides information on the actions of the EMC.

I: Nutrient Control Strategies Section 2. (b) and Section 4 of Session Law 2005-190

Falls Lake - Section 2. (b) of Session Law 2005-190

The EMC is required to report its progress in assessing and identifying nutrient control strategies and criteria necessary to prevent excess nutrient loading in the Falls Lake water supply reservoir. The following is an update on the progress.

Both the watershed model and lake nutrient response models have been calibrated and validated, incorporating comments from the Falls Reservoir Technical Advisory Committee (TAC).

DWQ held its 5th meeting with stakeholders on May 21, 2009 as part of the rule making process to develop a nutrient management strategy for Falls Lake. The objective of this meeting was to provide stakeholders with general modeling information as well as the watershed model results. DWQ held the 6th stakeholder meeting on June 18, 2009 to present the lake nutrient response model to the stakeholders as well as the nitrogen and phosphorus reduction curve that will be used to determine the nutrient reduction targets. Stakeholders were also provided with a new timeline detailing the rulemaking schedule required to achieve a July 1, 2010 EMC adoption of the nutrient management strategy as proposed in HB1099. The stakeholder process was originally scheduled to run through April 2010, but will now run through September 2009. The next stakeholder meeting is scheduled for July 16th.

Jordan Reservoir - Section 4 of Session Law 2005-190 (amended by SL 2006-259)

The EMC is required to report its progress in developing and implementing nutrient management strategies for the B. Everett Jordan Reservoir. The following is an update on that progress.

All of the Jordan rules, approved by the RRC during the latter half of 2008, received sufficient objections to come before the 2009 session of the General Assembly. Of several bills filed to disapprove the rules, H239 became the one Jordan rules bill to make crossover. The Senate AENR Committee adopted a committee substitute on June 9th, the House concurred in those amendments on June 22nd, and the bill was ratified June 23rd. The bill affects only two of the RRC-approved set of rules. It disapproves the Existing Development Stormwater rule 15A NCAC 2B .0266 in favor of an alternative lake water quality-based conditional trigger for local government implementation of nutrient-reducing measures on developed lands, with reasonable cost and benefit limits on the extent of those measures. The Upper New Hope subwatershed may face additional measures if standards are not met in that arm of the lake by 2023. The bill would also shift the nitrogen compliance date for wastewater dischargers under rule 15A NCAC 2B .0270 from 2014 to 2016. Changes to the existing development stormwater requirements for NCDOT and other state and federal entities may be introduced into an active bill before end of session.

II: EMC Rulemaking Actions and Proposed Legislation

- Approved the modification of the exemption of Combustion Sources in the Air Toxics Rules.
- Approved the reclassification of Horsepasture River in Jackson and Transylvania Counties (Savannah River Drainage Area) to Class Outstanding Resource Waters with a Special Management Strategy.
- Approved the request to take the Greenville Utility Commission IBT Petition to Public Hearing.
- Approved withdrawal of amendments to the Municipal Waste Combustor Rules (15A NCAC 02D .1205 and .1212).
- Postponed the vote on the proposed amendments to the Emissions Reporting Rule to add greenhouse gases (GHG's).

III: Other EMC Actions

- Declined to make a declaratory ruling on an Open Burning Nuisance: 15A NCAC 2D .1901, .1902(11), .1903(b)(1)(E).
- Declined to make an interpretive ruling on the applicability of stormwater and buffer requirements under DWQ stormwater permits for the protection of the federally endangered Carolina heelsplitter aquatic mussel, on the basis that the agency already has the authority to apply such requirements.

N. C. ENVIRONMENTAL MANAGEMENT COMMISSION

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April 2, 2009

To: The Environmental Review Commission of the N.C. General Assembly

From: Stephen T. Smith,
Chairman
N.C. Environmental Management Commission

Enclosed is the quarterly report of the N.C. Environmental Management Commission. As you will see this report is considerably briefer than in the past and is more in the form of an executive summary. Please let me know if you prefer greater detail.

Also enclosed is the EMC's recommended legislation on permitting wind energy facilities. This results from the 2008 Studies Bill and the ERC's request that the EMC study methods for implementing a State-level permitting system and siting requirements for commercial-scale wind energy systems. This recommended legislation has been introduced this Session as HB 809 and SB 1068.

1617 Mail Service Center, Raleigh, NC 27699-1617

N.C. ENVIRONMENTAL MANAGEMENT COMMISSION QUARTERLY REPORT TO THE ENVIRONMENTAL REVIEW COMMISSION

Covering the period January 1, 2009 to March 31, 2009

This quarterly report is submitted to the Environmental Review Commission on the EMC operations, activities, programs, and progress pursuant to the requirements of G.S. 143B-282(b). This report is for the months of January 1, 2009 to March 31, 2009 and provides information on the actions of the EMC.

I: Nutrient Control Strategies Section 2. (b) and Section 4 of Session Law 2005-190

Falls Lake - Section 2. (b) of Session Law 2005-190

The EMC is required to report its progress in assessing and identifying nutrient control strategies and criteria necessary to prevent excess nutrient loading in the Falls Lake water supply reservoir. The following is an update on the progress.

The watershed model has been calibrated and validated, incorporating comments from the Falls Reservoir Technical Advisory Committee (TAC). A final watershed modeling report has been drafted. The lake nutrient response model calibration results were presented to the TAC on March 23, 2009. TAC members have 60 days to review the lake model and documentation.

DWQ held its 4th meeting with stakeholders on February 19, 2009 as part of the rule making process to develop a nutrient management strategy for Falls Lake. The objective of this meeting was to elicit stakeholder interests and expectations as well as review lessons learned from the Jordan Lake stakeholder and rule making process. The first stakeholder meeting was held on August 2008 with the stakeholder process currently scheduled to run through April 2010. The next stakeholder meeting is scheduled for May 21, 2009.

Jordan Reservoir - Section 4 of Session Law 2005-190 (amended by SL 2006-259)

The EMC is required to report its progress in developing and implementing nutrient management strategies for the B. Everett Jordan Reservoir. The following is an update on the progress.

All of the Jordan rules, approved by the RRC during the latter half of 2008, received sufficient objections to come before the 2009 session of the General Assembly. Bills were filed in both houses in the first days of the session to disapprove all of the rules–

H3, S166, and H350. To this point, no arbitration process has been initiated by the legislative staff. Affected parties have raised issues to the Department informally and negotiations are underway.

II: EMC Rulemaking Actions and Proposed Legislation

- Approved proceeding to public hearing to amend air quality permit noticing requirements for 15A NCAC 02Q .0518 Final Actions, and 15A NCAC 02Q .0521, Public Participation, to allow notice by internet posting in some instances.

- Approved proceeding to public hearing regulations on 15A NCAC 02D .1010, Heavy-Duty Vehicle Idling Restrictions regarding diesel idling.

- Approved proceeding to public hearing with the proposed reclassification of Dan River in Caswell County (Roanoke River Basin) to Class WS-IV and WS-IV CA

- Adopted revisions of the Well Construction Rules, 15A NCAC 2C .0100.

- Approved the reclassification of a 16 mile section of Boylston Creek in Transylvania and Henderson Counties (French Broad River Basin) to Trout Waters.

- Denied the reclassification of Fines Creek in Haywood County (French Broad River Basin) to Trout Waters.

- Recommended wind energy permitting legislation to the N.C. General Assembly

- Approved revised Municipal Waste Combustor Rules (15A NCAC 02D .1205 and .1212)

III: Other EMC Actions

- Found that substantial progress has been made by the City of Raleigh in the Upper Neuse River/Richland Creek Water Supply Watershed enforcement action.

- Approved the *Broad River and Yadkin –Pee Dee River Basinwide Water Quality Plans* as a guide to water quality program management and implementation by the Division of Water Quality as it carries out its Water Quality Program duties and responsibilities within the basins.

ENVIRONMENTAL MANAGEMENT COMMISSION

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To: The Honorable Charles W. Albertson, Co-Chair
The Honorable Daniel G. Clodfelter, Co-Chair
The Honorable Lucy T. Allen, Co-Chair
The Honorable Pryor A. Gibson, III, Co-Chair

From: Stephen T. Smith, Chairman, N. C. Environmental Management Commission
J. Dickson Phillips, III, Chairman, EMC Renewable Energy Committee

Re: Proposed Wind Energy Permitting Legislation

Date: March 17, 2009

Senate bill 3 (session law 2007-397) provided the Environmental Management Commission (EMC) with the authority to evaluate renewable energy technologies and establish environmental standards to ensure that renewable energy facilities do not harm the environment. Consistent with that authority, legislative staff counsel of the Environmental Review Commission requested that the EMC provide recommendations to the General Assembly on the development of a wind energy permitting program.

We are pleased to send you the attached report, which includes draft legislative language, fulfilling the request of the Environmental Review Commission. As outlined in detail in the report, during the course of the last nine months the EMC's Renewable Energy Committee heard a number of presentations on this subject, evaluated how other states have addressed this issue and convened a stakeholder advisory group to assist with our recommendations. The attached report was approved by the Renewal Energy Committee on March 11, 2009, and by the full EMC on March 12, 2009.

If you have any questions or would like further information, please contact Dickson Phillips at dphillips@lapgh.com or 919-967-8989 or Steve Smith at smith@mspraleigh.com or 919-821-5124.

cc: The Honorable Joe Hackney, Speaker of the House of Representatives
The Honorable Marc Basnight, President Pro-Tempore of the Senate

Report to the
Environmental Review Commission

Development of a Wind Energy Permitting Program in North Carolina

March 2009

Recommendations of the

North Carolina Environmental Management Commission

Background

Session law 2007-397, more commonly referred to as Senate bill 3, created a renewable energy and energy efficiency portfolio standard for North Carolina. The purposes of the portfolio standard as outlined in the session law are to diversify energy resources, encourage private investment in renewable energy and improve air quality.

Included in the session law was a provision directing the Environmental Management Commission to evaluate renewable energy technologies. The language in the session law reads as follows:

> The Commission may establish a procedure for evaluating renewable energy technologies that are, or are proposed to be, employed as part of a renewable energy facility, as defined in G.S. 62-133.7; establish standards to ensure that renewable energy technologies do not harm the environment, natural resources, cultural resources, or public health, safety or welfare of the State; and, to the extent that there is not an environmental regulatory program, establish an environmental regulatory program to establish these standards.

Following the passage of Senate bill 3 the Environmental Management Commission established a Renewable Energy Committee (Committee) for the purposes of evaluating and identifying whether appropriate regulatory programs for renewable energy facilities are in place to guide the development of renewable energy facilities.

The Committee's first order of business was to issue a public scoping notice. The Committee asked for public comments related to the current status of renewable energy development in North Carolina; the full range of human health, environmental and community impacts associated with renewable energy facilities; and all other relevant information. (See Appendix I)

In response to the scoping notice the Committee received a number of comments on varying renewable energy technologies from industry groups, environmental organizations and citizens. The comments received related to wind energy projects focused primarily on two distinct topics. First, commenters expressed support for the development of a statewide regulatory framework that would include environmental standards and also provide certainty for developers of wind projects. The second area of comments focused specifically on a proposed wind energy facility in Carteret County. That proposed project is no longer viable, in part, because of the wind energy ordinance recently adopted by the County.

Based on the comments received from the scoping notice the Committee began to gather more information and began scheduling presentations on wind energy. The Committee was presented information from a number of diverse entities, including the North Carolina State Energy Office, Duke Energy, Progress Energy, the North Carolina Utilities Commission, the North Carolina Sustainable Energy Association, the North Carolina Conservation Network, and Acciona Energy (a renewable energy development

company). The committee also sought the legal advice of the Attorney General's Office about its authority to establish a permitting system for wind energy facilities (Appendix II)

In addition to its own work on wind energy, the Committee was also aware of related ongoing efforts at the state level and made a substantial effort to coordinate its activities with these other efforts. For example, the current chair of the Environmental Management Commission presented to the Coastal Resources Commission about the ongoing work related to developing a wind energy permitting program. In addition, the Renewable Energy Committee devoted time to learning and understanding more about the ongoing wind study being conducted by UNC-Chapel Hill.

Near the conclusion of the 2008 legislative session the General Assembly passed the 2008 Studies Bill (Session Law 2008-181). Included in the session law was a provision authorizing the Environmental Review Commission to study methods for siting and permitting commercial scale wind energy facilities. The provision reads as follows:

> SECTION 6.5. Wind Permitting (H.B. 1821 – Harrison) – The Commission may study methods for implementing a State level permitting system and siting requirements for commercial-scale wind energy systems that will ensure that wind energy systems are sited in an orderly manner compatible with environmental preservation, sustainable development, and the efficient use of resources. In undertaking the study, the Commission may consider procedures for environmental review of commercial-scale wind energy systems, and standards necessary to minimize impacts in the following areas: noise, visual, environmental, sensitive habitats, wildlife, public health, safety. The Commission may form a technical advisory committee to include representatives from various stakeholder groups to assist in conducting this study.

Given that the Committee's work was already underway, legislative staff for the Environmental Review Commission requested that the work of the Committee serve as a substitute for this legislative study. Legislative staff also requested that the work of the Committee result in specific legislative recommendations.

Acting on the invitation of the legislature, the Committee turned its sole focus to developing legislative recommendations for a statewide wind energy permitting program. The Committee contracted with the North Carolina State University Solar Center to establish a technical advisory group that could provide assistance to the Committee. For the past several years the Solar Center has been convening a Wind Working Group and assisting with the development of the local model ordinance for wind facilities. The technical advisory group consists of representatives from state and federal environmental agencies, legislative staff, local governments, wind development companies, and environmental advocacy organizations. The group has provided assistance on such specific topics as construction standards, noise impacts, environmental and cultural impacts, shadow flicker, aviation impacts and regulatory barriers.

During the Committee's deliberations on developing a permitting program the Committee heard a presentation from an Assistant Secretary with DENR on the existing environmental state laws already applicable to the construction and development of wind energy facilities. (See Appendix III) This outline of existing statutory requirements helped shape the basis of the Committee's thinking as it worked to develop specific legislative recommendations.

Policy Decisions

In the development of the legislative recommendations the Committee made a number of policy decisions. The Committee started from the position that the state needs a clear statement of policy that supports development of wind energy resources in a responsible manner. The following briefly outlines a few of the critical decisions reflected in the legislative draft and elaborates on the reasoning behind the Committee's choices.

Threshold for State Permitting

The Committee made a determination early on in its work that some level of state involvement was appropriate for wind energy facilities of a certain size. The tougher question came as to where that threshold for state involvement should be set. Discussions on this topic included setting the state permit requirements at a level as low as 100 kilowatts. An examination of other states' statutes revealed that state involvement for wind facilities varies widely. For example, some states, such as Maine, regulate wind energy facilities as small as 100 kilowatts while other states, including the Dakotas and Oregon, do not regulate wind energy developments until they exceed 100 megawatts.

Ultimately, the Committee selected a two megawatt facility (one or more turbines) as significantly large in scope that it should require a state permit. The two megawatt threshold is also consistent with the requirements for facilities to obtain a certificate from the N.C. Utilities Commission under Senate bill 3. In order to ensure that cumulative impacts are addressed, wind energy facilities trigger the permit requirement when the two megawatt threshold is reached by aggregating the rated capacity of the subject project with any other wind energy facilities within one-half mile (which is the distance at which shadow flicker and noise impacts are observed to dissipate).

Permitting Framework

One of the fundamental questions facing the Committee involved identifying the proper agency or agencies to make permitting decisions for wind energy facilities. The discussion on this issue quickly focused on two alternatives. The first option considered was to create a new single statewide permitting agency for wind energy facilities. The obvious benefit of this proposal was the consistency that would be created both from permit standards and the permit review practice. However, one significant problem with this approach was the lack of resources to create a new permit review program.

With financial resources as a big concern and the acknowledgment that the number of permit applications may be minimal in the near future, the Committee turned to the second alternative. This alternative provides that in the coastal part of the state wind permitting will be carried out by the existing Coastal Area Management Act permitting program and that in the mountains and piedmont the Division of Land Resources will issue permits. Although some statutory changes to these existing regulatory programs would need to be made, in many cases the changes needed are relatively simple as reflected in the draft legislative language.

The disadvantage of using two different programs is the possibility of inconsistent implementation. The proposed draft requires consultation by the two permitting authorities in the further development of the permitting program, including rulemaking, to promote consistency where appropriate. However, because wind energy resources in North Carolina are found in two distinct regions, the location-based knowledge and expertise of the two different permitting authorities may be of benefit and may appropriately lead to some variation in the evaluation of permitting criteria. For example, the Division of Land Resources has expertise in mountain topography, including landslide hazards, which will entail siting considerations not present in the coastal area.

Local Government Authority

The Committee deliberated the issue of how to define local government authority with respect to wind energy facilities. The issue of state oversight versus local oversight of wind energy facilities was raised at the first Committee meeting and was a topic that was discussed and evaluated over months. The Committee heard presentations on how other states chose to handle this subject. The possibilities ranged from having no state oversight to complete state preemption over wind facilities. For example, Texas has little state regulation of wind energy developments, while in Wisconsin large wind energy facilities are regulated solely by the state.

From the outset, given the important state interests involved, the Committee asserted that some type of state oversight was necessary. The Committee also weighed closely the benefits and adverse consequences of limiting local government authority to regulate wind energy facilities based on the state's interest in developing renewable resources.

The Committee concluded that the best decision was to have state permitting oversight but to allow local governments to continue to exercise the full range of land use and police power ordinances. In reaching that decision the Committee recognized that in some cases local governments may choose to enact ordinances that directly or indirectly preclude wind energy development. However, several counties have already adopted wind energy ordinances that provide reasonable setbacks and other criteria for local permitting and there is reason to believe other counties are in the process of adopting their own ordinances that will invite responsible development of wind energy within their jurisdictions. A model local ordinance has been developed by the statewide Wind Working Group, which together with outreach efforts by the State Energy office,

Appalachian State University and the Solar Center, are serving to educate local officials and to encourage appropriate local regulation.

Mountain Ridge Protection Act

The Committee identified the current uncertainty related to the Mountain Ridge Protection Act (N.C.G.S. 113-205, et seq.) as a potential barrier to wind energy development. The Ridge Act prohibits construction of tall structures on mountain ridges with an elevation of greater than 3,000 feet. In a 2002 letter, North Carolina's Attorney General took the position that the Ridge Act's exemption of windmills does not cover utility-scale wind energy facilities (See Appendix IV). Given continued uncertainty related to the Ridge Act, the statute in its current form without change will likely have the continued effect of foreclosing any significant wind development in the mountains or of generating litigation over the proper interpretation of the exemption for "windmills".

In an effort to address this barrier the Committee is recommending a change to the Ridge Act that would allow local governments the ability to opt out of the Ridge Act to a limited degree. In order to opt out of the Ridge Act for wind energy facilities, the local government would have to adopt a local ordinance regulating wind energy facilities. It is important to note that this "opt out" option would only apply for wind turbines and not other tall structures.

In addition, the Committee is recommending that the Ridge Act be amended to make clear that wind turbines with generation capacity of less than 100 kilowatts are exempted from the Act. This recommendation is an effort to encourage small scale projects at schools, municipal facilities and other appropriate locations. Furthermore, this recommendation is consistent with the current exemption in the Ridge Act for windmills.

Water Dependent Structures

One important regulatory barrier to fully developing wind energy resources in the coastal area of the state arises from existing rules under the Coastal Area Management Act (CAMA). CAMA rules strictly limit development activities in coastal wetlands, estuarine waters and other public trust waters. The rule applicable to development in waters and wetlands currently prohibit structures that are not water-dependent. Under the rules, a structure is considered to be water dependent if it must be located in or over the water to serve its intended purpose.

The Committee is recommending statutory language that would make a legislative finding that wind energy facilities are water dependent. This finding is supported by wind resource data which identify winds over the sounds and over the ocean as the most productive and likely most commercially viable.

State Environmental Policy Act (SEPA) Applicability

The North Carolina State Environmental Policy Act (SEPA) requires the preparation of an environmental impact statement (EIS) for any state action (such as issuance of a permit) that involves use of public money or use of public land. In the absence of local, state or federal funding for a wind turbine project, the requirement for an EIS would be triggered only if the project was constructed on state lands, including state-owned submerged lands under coastal waters. Consequently, offshore wind turbines would likely trigger an EIS based on the impacts to state-owned submerged lands.

The Committee considered recommending that all wind energy facilities be required to go through the SEPA process. This idea followed recent legislative action which requires specific types of projects (landfills, inter-basin transfers) to go through the SEPA process regardless of whether public money or public land is involved. The Committee chose not to include this requirement for two primary reasons. First, the Committee was concerned about adding additional regulatory and financial burdens to an emerging industry. Secondly, the Committee believes the permitting process outlined in the draft proposal provides for a stringent review of any proposed wind energy facility. However, the Committee clearly expects that wind energy facility projects that would normally be subject to SEPA should remain so.

Public Notice Requirements

The Committee is recommending the requirement for a public hearing in every case where a wind energy facility is proposed. One of the key policy choices in that decision concerns when the proper time in the process is to hold the public hearing. Within those states that require public hearings for wind projects, some require that the hearings be held once the application has been received by the reviewer (Iowa), once the application has been deemed to be complete by the reviewer (New Hampshire), or once a draft order has been issued (Oregon).

In an effort to get the public and community involved as early as possible. The Committee is recommending a public hearing be required within sixty days of a completed application. Notice of this hearing must be provided at least thirty days before the public hearing.

Further Items for ERC Consideration

The Committee also identified additional issues for the Environmental Review Commission and the General Assembly to consider as it moves forward with any legislation related to wind permitting. However, the Committee does not have specific recommendations on these issues, but believes the resolution of these issues is of such significance that we have chosen to identify them here.

The first issue the Committee has identified for further study or examination involves private use of public trust resources. More specifically, the State should decide whether to and how much to charge wind energy facilities that lease public trust areas from the State. This examination would include consideration of a compensation policy that would require wind energy facilities to pay the State for the use of the water column above public submerged lands used in locating a wind facility. The Department of Administration should be involved in providing further recommendations on this topic.

The second issue the Committee has identified for further consideration relates to the potential for fundamental conflict among uses from the placement of wind energy facilities. One example of this type of conflict involves fisheries issues and siting of wind energy facilities offshore and in the sounds. While the Committee's proposed legislative language makes clear that all other applicable permits and approvals from local, state and federal agencies must be obtained, the issue of user conflicts should be further evaluated during the legislative consideration of this proposal.

Draft Legislative Language

"The Wind Energy Development Promotion Act of 2009"

Whereas, S.L. 2007-397 established a Renewable Energy and Energy Efficiency Portfolio Standard (REPS) to diversify the resources used to reliably meet the energy needs of consumers in the State; and

Whereas, wind energy generation is a critical component for the State to meet the requirements established by the REPS; and

Whereas, North Carolina has abundant wind resources in both the coastal and mountain regions; and

Whereas, wind energy facilities are large structures that are highly visible features on the landscape and have the potential to cause adverse environmental impacts; and

Whereas, it is the policy of the State to promote the development of wind energy in a manner compatible with environmental protection, sustainable development and the efficient use of resources;

Now, therefore,

The General Assembly of North Carolina enacts:

SECTION 1. CAMA Amendments

113A-103 reads as rewritten:

113A-103 Definitions

(12) "Wind energy facility" means the turbine or turbines, accessory buildings, transmission facilities and other equipment necessary for the operation of a facility that cumulatively with any other wind energy facility whose turbine or turbines are located within one-half mile of one another has a rated capacity in excess of two megawatts of energy.

113A-118.3 Permits for wind energy facilities

(a) In addition to the requirements of G.S. 113A-118, no person shall undertake development associated with a wind energy facility anywhere in the coastal area without first obtaining a permit from the Commission.

(b) A person applying for a permit for a wind energy facility shall include all of the following:

(1) A narrative description of the proposed facility;
(2) A map showing the location of the proposed facility;
(3) The capacity of proposed energy generation;
(4) A copy of a deed, purchase agreement, lease agreement or other legal instrument demonstrating the right to develop the property;
(5) Certification of adjacent property owner notification;
(6) A study of the noise impacts of the proposed facility;
(7) A study on shadow flicker impacts of the proposed facility;
(8) A study on avian and bat impacts of the proposed facility;
(9) A study on viewshed impacts of the proposed facility;
(10) An explanation of the how the proposed facility will be consistent with the requirements in 113-118.3(c).
(11) Application fee; and
(12) Such other data or information the Commission may reasonably require.

(c) The Commission shall deny an application for a permit for a wind energy facility if the Commission finds that:

(1) Construction or operation of the facility would result in significant adverse impacts to ecological systems, natural resources, cultural sites, recreation areas, or historic sites of more than local significance. These areas include, but are not limited to, national or State parks or forests; wilderness areas; historic sites; recreation areas; segments of the natural and scenic rivers system; wildlife refuges; preserves and management areas; areas that provide habitat for threatened or endangered species; and primary nursery areas and critical fisheries habitat designated by the Marine Fisheries Commission.

(2) Construction or operation of the facility would obstruct major navigation channels or create a significant obstacle to navigation in coastal waters. For purposes of this section, a wind energy facility in the coastal area is a water dependent use.

(3) Construction or operation of the facility would have a significant adverse impact on fish or wildlife.

(4) Construction or operation of the facility would have a significant adverse impact on views from any state or national park, wilderness area, significant natural heritage area or other designated public lands or dedicated private conservation lands with high recreational values.

(5) A permit for the facility would be denied under any other criteria set out in G.S. 113A-120.

(6) The cumulative impact of the proposed facility with other existing or proposed wind energy facilities would result in significant adverse impacts to ecological systems, natural resources, cultural sites, recreation areas, or historic sites of more than local significance.

(d) The Commission may include as a condition of a permit for a wind energy facility a requirement that the permit holder mitigate adverse impacts.

(e) An applicant for a permit for a wind energy facility shall pay an application fee upon submission of the application of $2000.

(f) The Commission shall require an applicant for a permit for a wind energy facility to provide a plan regarding the action to be taken upon the decommissioning and removal of the wind energy facility. The plan shall include estimates of monetary costs and the proposed site condition after decommissioning. The commission may require a bond, guarantee, insurance or other financial instrument to provide for decommissioning and removal of structures. The Commission shall consider the size of the wind energy facility, the location of the facility and the financial qualifications of the applicant in making its determination.

(g) The Commission shall hold a public hearing in the county of the proposed wind energy facility within 60 days of receipt of a complete application for a wind energy facility. The Commission shall give a minimum of 30 days notice of the public hearing.

(h) The issuance of a permit under this section shall not preclude the applicant from the requirement to obtain any and all other applicable local, state or federal permits, licenses or approvals.

(i) The Commission may adopt rules implementing this section. The Commission shall consult with the Department to ensure consistent statewide permitting requirements within and outside of the coastal area to the extent practicable.

SECTION 3.

143-215.74N Definitions.

(1) "Department" means the The Department of Environment and Natural Resources.
(2) "Wind energy facility" means the turbine or turbines, accessory buildings, transmission facilities and other equipment necessary for the operation of a facility that cumulatively with any other wind energy facility whose turbine or turbines are located within one-half mile of one another has a rated capacity in excess of two megawatts of energy.

SECTION 4.

143-215.74O Permit to site wind energy facilities outside the coastal counties.

(a) No person shall undertake development associated with a wind energy facility anywhere outside the coastal area without first obtaining a permit from the Department.

(b) A person applying for a permit for a wind energy facility shall include all of the following:

(1) A narrative description of the proposed facility;
(2) A map showing the location of the proposed facility;
(3) The capacity of proposed energy generation;
(4) A copy of a deed, purchase agreement, lease agreement or other legal instrument demonstrating the right to develop the property;
(5) Certification of adjacent property owner notification;
(6) A study of the noise impacts of the proposed facility;
(7) A study on shadow flicker impacts of the proposed facility;
(8) A study on avian and bat impacts of the proposed facility;
(9) A study on viewshed impacts of the proposed facility;
(10) An explanation of the how facility will be consistent with the requirements in 143-215.74O(c).
(11) Application fee; and
(12) Such other data or information the Department may reasonably require.

(c) The Department shall deny an application for a permit for a wind energy facility if the Department finds that:

(1) Construction or operation of the facility would be inconsistent with or violate rules adopted by the Department.

(2) Construction or operation of the facility would result in significant adverse impacts to ecological systems, natural resources, cultural sites, recreation areas, or historic sites of more than local significance. These areas include, but are not limited to, national or State parks or forests; wilderness areas; historic sites; recreation areas; segments of the natural and scenic rivers system; wildlife refuges; preserves and management areas; areas that provide habitat for threatened or endangered species; and primary nursery areas and critical fisheries habitat designated by the Marine Fisheries Commission.

(3) Construction or operation of the facility would have a significant adverse impact on fish or wildlife.

(4) Construction or operation of the facility would have a significant adverse impact on views from any state or national park, wilderness area, significant natural heritage area or other designated public lands or dedicated private conservation lands with high recreational values.

(5) The proposed facility would be located in a high hazard area, including areas identified as being at a high risk of landslides.

(6) The cumulative impact of the proposed facility with other existing or proposed wind energy facilities would result in significant adverse impacts to ecological systems, natural resources, cultural sites, recreation areas, or historic sites of more than local significance.

(d) The Department may include as a condition of a permit for a wind energy facility a requirement that the permit holder mitigate adverse impacts.

(e) An applicant for a permit for a wind energy facility shall pay an application fee upon submission of application of $2000.

(f) The Department shall require an applicant for a permit for a wind energy facility to provide a plan regarding the action to be taken upon the decommissioning and removal of the wind energy facility. The plan shall include estimates of monetary costs and the proposed site condition after decommissioning. The Department may require a bond, guarantee, insurance or other financial instrument to provide for decommissioning and removal of structures. The Department shall consider the size of the wind energy facility, the location of the facility and the financial qualifications of the applicant in making its determination.

(g) The Department shall hold a public hearing in the county of the proposed wind energy facility within 60 days of receipt of a complete application for a wind energy facility. The Department shall give a minimum of 30 days notice of the public hearing.

h) The issuance of a permit under this section shall not preclude the applicant from the requirement to obtain any and all other applicable local, state or federal permits, licenses or approvals.

(i) The Department may adopt rules governing the siting of wind energy facilities that are subject to the permit requirements of this section. The Department shall consult with the Coastal Resources Commission to ensure consistent statewide permitting requirements within and outside the coastal area to the extent practicable.

SECTION 5. Enforcement

143-215.74P Civil Penalties

(a) The Secretary of the Department may impose an administrative penalty on a person who constructs a wind energy facility without obtaining a permit or who constructs a wind energy facility in violation of its permit terms and conditions. Each day of a continuing violation shall constitute a separate violation. The penalty shall not exceed ten thousand dollars ($10,000) per day.

(b) The Secretary of the Department irrespective of all other remedies at law, may institute an action for injunctive relief against a person who constructs a wind energy facility without obtaining a permit or who constructs or operates a wind energy facility in violation of its permit terms and conditions.

SECTION 6 Local ordinances

G.S. 143-215.74Q Local ordinances authorized

(a) Nothing in this Article shall be interpreted to limit the ability of a city or county to plan for and regulate the siting of a wind energy facility in accordance with land use regulations authorized under Chapter 160A and Chapter 153A.

(b) Any person who proposes to construct or operate a wind energy facility within the planning jurisdiction of a city or county must demonstrate compliance with any local ordinances concerning land use and any applicable permitting processes.

SECTION 7. Ridge Protection Act Amendments

G.S. 113A-206 reads as rewritten:

113A-206. Definitions.

Within the meaning of this Article:

(1) The word "person" includes any individual, partnership, firm, association, joint venture, public or private corporation, trust, estate, commission, board, public or private institution, utility, cooperative, interstate body, the State of North Carolina and its agencies and political subdivisions, or other legal entity.

(2) A person, as defined in this section, doing business or maintaining an office within a county is a resident of the county.

(3) "Tall buildings or structures" include any building, structure or unit within a multiunit building with a vertical height of more than 40 feet measured from the top of the foundation of said building, structure or unit and the uppermost point of said building, structure or unit; provided, however, that where such foundation measured from the natural finished grade of the crest or the natural finished grade of the high side of the slope of a ridge exceeds 3 feet, then such measurement in excess of 3 feet shall be included in the 40-foot limitation described herein; provided, further, that no such building, structure or unit shall protrude at its uppermost point above the crest of the ridge by more than 35 feet. "Tall buildings or structures" do not include:

a. Water, radio, telephone or television towers or any equipment for the transmission of electricity or communications or both.

b. Structures of a relatively slender nature and minor vertical projections of a parent building, including chimneys, flagpoles, flues, spires, steeples, belfries, cupolas, antennas, poles, wires or windmills, <u>including wind turbines for the generation of electricity having less than 100 kilowatts rated capacity (cumulatively with any other turbines within one-half mile) and wind turbines of 100 kilowatts capacity and above (cumulatively with any other turbines within one-half mile) to the extent allowed by a city or county ordinance regulating the siting of wind turbines.</u>

c. Buildings and structures designated as National Historic Sites on the National Archives Registry.

Conclusion

The above recommended language represents the work of the Renewable Energy Committee and the Environmental Management Commission in the development of a statewide wind energy permitting program that will help the state guide the development of wind energy in a responsible manner. The language was approved by the Committee on March 11, 2009 on a consensus basis.

On March 12, 2009 the full Environmental Management Commission approved the report and voted to send the recommendations forward to the General Assembly's Environmental Review Commission for consideration.

The members of the Environmental Management Commission's Renewable Energy Committee are:

Mr. J. Dickson Phillips, III	Committee Chairman
Mr. Thomas F. Cecich	
Mr. Stan L. Crowe	
Mr. John S. Curry	
Ms. Marion E. Deerhake	
Mr. Tom Ellis	
Dr. Charles H. Peterson	
Mr. Stephen T. Smith	Environmental Management Commission Chair

APPENDIX I

EMC RENEWABLE ENERGY SCOPING NOTICE

North Carolina Department of Environment and Natural Resources

Michael F. Easley, Governor

William G. Ross Jr., Secretary

Scoping Process for Renewable Energy Facilities

Following the passage of NC senate bill 3, North Carolina is experiencing a surge in interest in the development of renewable energy facilities throughout the state. These facilities would generate electric power and other forms of energy through the use of renewable energy resources including solar, wind, methane capture and biomass (animal waste, wood waste and agricultural waste).

Section 2(c) of Session Law 2007-397 (senate bill 3) provides the Environmental Management Commission (EMC) with the authority to establish standards to ensure that the consumption of natural resources and renewable energy technologies do not harm the environment and to evaluate whether existing regulatory programs are sufficient to implement these standards.

Accordingly, the EMC is establishing an Alternative Energy Committee and launching a scoping process to lay the groundwork for evaluating whether North Carolina has in place the proper regulatory framework to guide the development of renewable energy facilities.

The EMC is interested in gathering information in the following areas:

- the current status of renewable energy development activities in NC;
- the full range of human health, environmental, and community impacts associated with renewable energy development;
- the existing regulations governing renewable energy facilities in North Carolina (including federal, state, regional and local contexts);
- best practices from other states and (if appropriate) other countries with regard to the permitting of renewable energy facilities; and
- any other relevant information on this topic.

Scoping comments should be sent to:

Environmental Management Commission
Attention: Renewable Energy Scoping Process
1617 Mail Service Center
Raleigh, NC 27699-1617

or

Electronically at: Renewable.Energy@ncmail.net

Comments are due no later than March 31, 2008.

The EMC will use the comments received during the scoping process to assist in its evaluation of existing regulations governing renewable energy facilities and intends to provide additional opportunity for public comment as the scoping process continues.

APPENDIX II

MEMORANDUM BY NC ATTORNEY GENERAL'S OFFICE ON SCOPE OF EMC AUTHORITY

State of North Carolina
Department of Justice
PO Box 629
Raleigh, North Carolina
27602

ROY COOPER
ATTORNEY GENERAL

REPLY TO: Francis W. Crawley
Environmental Division
fcrawley@ncdoj.com
Telephone: 919/716-6600
Fax: 919/716-6767

MEMORANDUM

TO: Stephen T. Smith, Chairman
Renewable Energy Committee

FROM: Francis W. Crawley
Jennie Wilhelm Hauser
Special Deputy Attorneys General
Commission Counsel

DATE: September 10, 2008

RE: Environmental Management Commission Power and Authority Regulate Renewable Energy Technologies and Facilities

You have requested this office to advise you and the Renewable Energy Committee on several issues regarding the Environmental Management Commission's (Commission) authority to regulate renewable energy technologies and facilities utilizing the renewable energy resources identified in Session Law 2007-397 ("Senate Bill 3").[1] You have asked whether the Commission is authorized to develop and implement regulatory programs for renewable energy resources that are not adequately covered by an existing regulatory program and whether the protective standards developed for a new regulatory program may be implemented through a permitting procedure? Our answer to both questions is "Yes."

Section 2.(c) of Senate Bill 3 amended the powers and duties of the Commission set forth in N.C.G.S § 143B-282(a) to provide:

> (6) The Commission may establish a procedure for evaluating renewable energy technologies that are, or are proposed to be, employed as part of a renewable energy facility, as defined in G.S. 62-133.7; establish standards to ensure that renewable energy technologies

[1] This is an advisory memorandum. It has not been reviewed and approved in accordance with procedures for issuing an Attorney General's opinion.

do not harm the environment, natural resources, cultural resources, or public health, safety, or welfare of the State; and, to the extent that there is not an environmental regulatory program, establish an environmental regulatory program to implement these protective standards.

Section 2.(a) of Senate Bill 3 also lists the renewable energy resources envisioned as the sources of energy to be utilized by renewable energy facilities that generate electric power for the State's public utilities. Section 2.(a) defines "renewable energy resource" as follows:

> (8) 'Renewable energy resource' means solar electric, solar thermal, wind, hydropower, geothermal, or ocean current or wave energy resource; a biomass resource, including agricultural waste, animal waste, wood waste, spent pulping liquors, combustible residues, combustible liquids, combustible gases, energy crops, or landfill methane; waste heat derived from renewable energy resource and used to produce electricity or useful, measurable thermal energy at a retail electric customer's facility; or hydrogen derived from a renewable energy resource. 'Renewable energy resource does not include peat, a fossil fuel, or nuclear energy resource.

The first question we address is whether the Commission is authorized to develop and implement regulatory programs for renewable energy resources that are not adequately covered by an existing regulatory program? The answer is yes; the Legislature has conferred upon the Commission the express authority to develop protective standards to be applied to renewable energy technologies and facilities and, to the extent the technologies and facilities are not adequately covered by existing regulatory programs, to establish new regulatory programs to implement the protective standards. The new statutory language says so in so many words.

Based upon the plain meaning of the amendment and the intent of the Legislature that the statute be read broadly to achieve its remedial purpose, the Commission is to establish standards to protect the environment, natural and cultural resources, and the public heath, safety or welfare from possible harm from facilities employing renewable energy technologies and, to the extent the technologies' environmental impacts fall outside of the existing regulatory programs for water and air pollution abatement and control, to design an environmental regulatory program to implement protective standards adopted by the Commission.

The Commission exercises its pre-existing authority to control and abate pollution of the water and air resources principally by establishing air and water quality standards and by issuing permits with appropriate and enforceable conditions. N.C.G.S. §§ 143-214.1, -215, -215.107 and -215.108. N.C.G.S. § 143-211(c) provides that "[s]tandards of water and air purity shall be designed to protect human health, to prevent injury to plant and animal life, to prevent damage to public and private property to ensure the continued enjoyment of the natural attractions of the State, . . . and to secure for the people of North Carolina, now and in the future, the beneficial uses of these great natural resources." The Commission's pre-existing air pollution control program will likely address the air pollution emissions from facilities utilizing biomass combustion renewable energy resources

and the water pollution control and dam safety programs will likely address the public health and safety and point and non-point discharges of pollutants to the State's surface waters and groundwater associated with renewable energy facilities, as defined in Senate Bill 3. If the Commission's evaluations of renewable energy resources and technologies find gaps in the coverage provided by the existing water or air quality standards or permitting requirements, the Commission's present statutory authority will allow it to adopt rules to provide the necessary corrections and protective standards for coverage by these existing regulatory programs.

Wind turbine, solar, geothermal, ocean current and wave energy are renewable energy resources that may not be adequately covered by existing regulatory programs. To provide the protection of the State's extensive resources intended by the statute may require the Commission to develop specific protective standards and regulatory programs to implement these standards. Under the State's current regulatory program structure, these renewable energy resources would be subject to laws and regulations that regulate the development of a particular location, such as buffer and density restrictions, standards for well construction, stormwater treatment and control requirements, and activities permitted in CAMA areas of environmental concern. Additionally, the location and operation of renewable energy facilities would not appear to be subject to regulation by the State's marine fisheries and wildlife agencies; these agencies' regulatory programs generally apply only to persons engaged in activities associated with "taking" the resource. The agencies regulating wildlife and marine fisheries can only indirectly influence the location and operation of a renewable energy facility by commenting upon potential impacts on the fisheries and wildlife resources during the CAMA, air or water pollution control permitting processes or, where available, the environmental impact statement process. By the plain wording of Section 2.(c) in Senate Bill 3 it appears that the Legislature intended, in these limited situations where there is no existing regulatory program to address the potential for renewable energy technologies to harm the State's natural and cultural resources and the health and safety of its citizens, for the Commission to establish protective standards and an environmental regulatory program to ensure that no harm results from the location and operation of such facilities to the "environment, natural resources, cultural resources, or public health, safety, or welfare of the State."

Before leaving this subject, we address a point that might be raised that the authorization to address renewable energy resources is contained in a paragraph in subsection (a) of N.C.G.S § 143B-282, which begins with these words:

"(a) There is hereby created the Environmental Management Commission of the Department of Environment and Natural Resources with the power and duty to promulgate rules to be followed in the protection, preservation, and enhancement of the water and air resources of the State."

Wind turbine, ocean current and wave energy all appear to fall comfortably within the broad parameters of the term "water and air resources of the State." On the other hand, it might be argued that solar and geothermal energy resources do not fall within the scope of water and air resources of the State. However, we believe that the General Assembly's express authorization that the

Commission "evaluat[e] renewable energy technologies that are, or are proposed to be, employed as part of a renewable energy facility" without express exception from those statutorily defined terms, reveals the General Assembly's intent better than its placement in Section 143B-282.

You also have asked whether the protective standards developed for a new regulatory program may be implemented through a permitting procedure? Our answer is "Yes."

In conferring upon the Commission the authority to adopt protective standards and, where a regulatory program does not exist, to establish "an environmental regulatory program" to implement the standards, it appears the Legislature intended to authorize the Commission to create a protective regulatory program with standards and permitting components similar to those contained in the existing dam safety and water and air pollution control programs. Applying the principle that the meanings of statutes "are to be found in what they necessarily imply as much as in what they specifically express," *Iredell Co. Board of Education v. Dickson*, 235 N. C. 359, 361 (1952), a more restrictive reading of the broad authority of Section 2.(c) of Senate Bill 3 would impair the express purpose of the statute to ensure that renewable energy technologies do not harm the environment, natural resources, cultural resources, or public health, safety, or welfare of the State. *Electric Supply Co. v. Swain Electrical Co.*, 328 N.C. 651, 656 (1971). Without implied authority[2] to incorporate into an environmental regulatory program a permitting procedure to identify covered technologies and facilities and to notify these facilities of the applicable protective standards and limitations, the Commission would be incapable of accomplishing the Legislature's goal of ensuring that renewable energy technologies do not harm the State's environmental and cultural resources and the public health, safety or welfare. As is true for the existing environmental regulatory programs, the scope of any new environmental regulatory program may extend only as far as the areas covered by the authority conferred on the Commission by the Legislature.

In summary, the State's existing air and water pollution control and safety programs will address the emission and discharge of pollution from the renewable energy resources identified in Senate Bill 3 and, to a limited extent, the siting of such facilities. The Commission can adopt rules and create new permits in order to fill gaps in existing regulatory programs. Section 2.(c) of Senate Bill 3 amends N.C.G.S. § 143B-282 to give the Commission broader authority to establish protective standards for renewable energy resources and a program to implement the standards, and to evaluate renewable energy technologies using the standards. An environmental regulatory program developed pursuant to Section 2.(c) of Senate Bill 3 may extend only as far as the power and authority conferred upon the Commission by constitution, statute, or other legislative enactment.

We trust that the foregoing response has answered the questions and that this discussion of the Commission's powers and authority will assist the Committee as it develops its recommendations for implementing Senate Bill 3.

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[2] In addition to express powers, administrative agencies have implied powers reasonably necessary for the proper execution of their express purposes. *In re A Declaratory Ruling by the N.C. Comm'r of Ins.*, 134 N.C. App. 22, 26 (1999)

APPENDIX III

MEMORANDUM BY NC DENR ON EXISTING STATE STATUTES APPLICABLE TO WIND ENERGY FACILITIES

North Carolina Department of Environment and Natural Resources

Michael F. Easley, Governor

William G. Ross Jr., Secretary

TO: Renewable Energy Committee (EMC)

FROM: Robin W. Smith
Assistant Secretary for Environment

RE: Regulation of Wind Energy Facilities

DATE: November 12, 2008

Attached is an outline of existing state laws that may apply to construction of wind energy facilities. The coastal area and mountain ridges offer the most potential for development of utility-scale wind energy development. In the coastal counties, the greatest potential for wind energy development would be offshore or on the narrow band of shoreline within 10-12 miles of the coastal sounds. Large wind energy facilities are not likely to be proposed in the piedmont or in the interior of the coastal counties. As a result, the potential for utility-scale wind energy projects --and corresponding need for environmental review --involves two very distinct and geographically separate areas of the state

In the 20 coastal counties, the Coastal Area Management Act (CAMA) could provide a comprehensive environmental review of proposed wind energy development projects, although some gaps in permit coverage would need to be addressed. There is not a program of comparable scope in the mountains. There, the scope of the environmental review would depend on the potential to impact particular natural resources. Permits would be required to the extent construction or operation of the project triggered a permit under existing water and air quality programs.

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STATE LAWS POTENTIALLY AFFECTING CONSTRUCTION OF WIND ENERGY FACILITIES

I. COASTAL AREA MANAGEMENT ACT (CAMA) N.C.G.S. 113A-100, et seq.

The Coastal Area Management Act gives the Coastal Resources Commission authority to develop standards for coastal development activities and requires a CAMA permit for development in designated areas of environmental concern in the 20 coastal counties. CAMA specifically authorizes the Coastal Resources Commission to exercise permitting authority over "key facilities" (defined to include facilities for generation and transmission of energy) in the 20 coastal counties.

The coastal management program has four major components:

Guidelines for coastal development adopted by the CRC. Rules set out the standards and policies applied to development proposals through the CAMA permitting program. The CRC has adopted coastal energy policies; those policies primarily address oil and gas exploration. Both CAMA and rules adopted by the CRC, however, set out development standards that would be applicable to construction of wind turbines and associated infrastructure in the 20 coastal counties.

Designation of areas of environmental concern. CAMA permits are required only for development in areas of environmental concern designated by the CRC. Most AECs have been designated by category – estuarine waters; coastal wetlands; public trust waters (which would include the waters of the Atlantic Ocean to the 3-mile limit of state jurisdiction); ocean and inlet hazard areas (defined by flood hazard zones and inlet hazard area maps); and the shoreline adjacent to estuarine and public trust waters. The width of the shoreline AEC varies depends on the classification of the adjacent waters.

The law also authorizes the CRC to designate any area that is or may be impacted by a "key facility" as an AEC. The term "key facilities" refers to public infrastructure projects and to "[m]ajor facilities on nonfederal lands for the development, generation, and transmission of energy".

Local land use plans adopted by coastal cities and counties. The 20 coastal counties are required to have a county-wide land use plan. An incorporated city or town can develop the land use plan provisions for areas within its planning jurisdiction. CAMA prohibits issuance of a CAMA permit for a project that is inconsistent with the local land use plan. As a result, local land use plans become part of the CAMA permit review.

Federal consistency review. Under the federal Coastal Zone Management Act a federal activity in or affecting the state's coastal zone must be consistent with the state's coastal management program to the maximum extent practicable. This federal consistency requirement applies to both federal agency activities and federally permitted activities. Consistency review may be required for an activity that would otherwise be outside the state's CAMA permitting jurisdiction. For example, consistency review is required for a federal activity beyond the 3-mile limit of state jurisdiction in the Atlantic Ocean if the activity affects resources in the state's coastal zone. In consistency review, the state can only apply mandatory, enforceable policies that have been approved as part of the state's coastal management program (CAMA, rules adopted by the CRC under CAMA, and the coastal land use plans).

G.S. 113A-120, which sets out the standards for grant or denial of CAMA permits, requires denial of the permit based on: significant impacts to coastal wetlands and estuarine waters; loss of long-term productivity of certain coastal resources; major damage to historic, cultural, scientific, or other values; interference with public trust rights to use navigable waters; and location in a natural hazard area (such as the ocean beach or inlet shoreline) in a manner that unreasonably endangers life or property. In addition to the general standards for permit denial, the statute requires denial of a permit for a "key facility", including an energy-related activity, if the CRC finds that "the development is inconsistent with the State guidelines [for coastal development] or the local land use plans."

CAMA statutes and rules do not specifically address wind turbines, but the general coastal development standards that apply to all projects requiring a CAMA permit would allow the CRC to consider impacts on fisheries resources, wildlife, important cultural and archaeological resources, public use of the waters and other coastal resources in reviewing a permit application for a wind facility. Some existing CAMA rules could pose an immediate obstacle to wind generation and transmission infrastructure – particularly in coastal waters. For example, the oceanfront setback rules would likely have to be amended to allow transmission lines for offshore wind energy to cross the ocean beach.

CAMA rules also strictly limit development activities in coastal wetlands (defined to be the regularly and irregularly flooded tidal marshes), estuarine waters and other public trust waters. The rules applicable to development in waters and wetlands currently prohibit structures that are not water-dependent. Under the rules, a structure is considered to be water dependent if it must be located in or over the water to serve its intended purpose.

The CRC's authority to regulate energy facilities under the CAMA permit program is limited in one respect. CAMA exempts construction of facilities for the development, generation, and transmission of energy from CAMA permit requirements to the extent that that "the activities are regulated by other law or by present or future rules of the State Utilities Commission regulating the siting of such facilities (including the environmental

aspects of such siting), and work on facilities used directly in connection with the above facilities".

Summary: A CAMA permit would be required for construction of a wind turbine and associated transmission infrastructure in coastal waters, coastal wetlands and in the existing shoreline areas of environmental concern. The CRC also has the authority to expand its permitting jurisdiction by designating an AEC category specifically for areas potentially impacted by energy facilities. CAMA development standards are broad enough to allow the CRC to fully consider the impacts of a wind generation or transmission facility on coastal resources. In the absence of either a variance or rule amendments, the current CAMA regulatory program could be a barrier to off-shore wind turbines. CAMA also provides a way to consider local government land use policies with respect to wind energy facilities as part of the state permitting process. Enforceable policies that become part of the state's federally approved coastal management program can also be used to review federal projects – including projects located outside the state's coastal zone.

II. MOUNTAIN RIDGE PROTECTION ACT N.C.G.S. 113A-205, et seq

The Mountain Ridge Protection Act regulates construction of tall structures on certain mountain ridges (those with elevations of 3,000 feet and 500 feet or more above the adjacent valley floor). The Act authorizes cities and counties to adopt ordinances regulating the construction of tall buildings or structures on protected mountain ridges and requiring permits prior to construction.

Local ordinances must require denial of the permit unless the applicant can demonstrate that the project:

1. Will be served by a sewer system that meets state and federal standards;
2. Has a water supply system that meets state standards and is adequate for fire protection and drinking water supply;
3. Complies with state and local sedimentation control requirements; and
4. Complies with local standards for protection of the natural beauty of the mountains.

If a city or county failed to adopt a local ordinance by January 1, 1984, G.S. 113A-209 prohibits construction of any tall building or structure on a protected mountain ridge.

It is not clear that the Mountain Ridge Protection Act applies to wind turbines. The Act defines "tall buildings or structures" in a way that specifically excludes:

> a. Water, radio, telephone or television towers or any equipment for the transmission of electricity or communications or both.

b. Structures of a relatively slender nature and minor vertical projections of a parent building, including chimneys, flagpoles, flues, spires, steeples, belfries, cupolas, antennas, poles, wires, or windmills.

c. Buildings and structures designated as National Historic Sites on the National Archives Registry.

N.C.G.S. § 113A-206(3). [Emphasis added]

By excluding "structures of a relatively slender nature...including windmills" from the definition of "tall buildings or structure", the Act appears to exempt windmills from regulation. A wind turbine constructed by the U.S. Department of Energy and NASA operated on Howard's Knob, just north of Boone, at the time the General Assembly debated the Mountain Ridge Protection Act. Nothing in the history of the Act (which was prompted by construction of a large condominium project) suggests a legislative intent to prohibit wind energy generation on mountain ridges.

III. NORTH CAROLINA UTILITIES COMMISSION

Construction of wind turbines for purposes of generating electric power to supply the public requires a certificate of convenience and necessity from the North Carolina Utilities Commission if the facility exceeds two megawatts in capacity. G.S. 62-110.1. The law does not identify environmental impacts as a factor in granting or denying a certificate. The Utilities Commission also has authority to regulate the siting of transmission lines. N.C.G.S. 62-101. In making a siting decision, the Utilities Commission is to consider "environmental compatibility and public convenience and necessity".

An application for a transmission line certificate must include a report on the environmental impacts of the proposed transmission line, including a description of mitigating measures and alternatives. Notice of the application must be served on several state agencies (including DENR), the county through which the transmission line will be constructed and any municipality affected by construction of the line. G.S. 62-102. To approve a transmission line certificate, the Commission must find:

> That the impact the proposed transmission line will have on the environment is justified considering the state of available technology, the nature and economics of the various alternatives, and other material considerations[.]

G.S. 62-105(a)(4).

The law does not preempt other state environmental laws. It does provide for preemption of local ordinances in some circumstances. Within 30 days after receiving notice of an application for a transmission line certificate, a city or county that would be affected by the line must provide both the Utilities Commission and the applicant with a copy of any local ordinance that would apply to the construction. If a city or county fails to provide

notice of the ordinance, the ordinance cannot be enforced with respect to the proposed line. The Utilities Commission can also preempt a local ordinance at the applicant's request if it finds "that the greater public interest requires it". G.S. 62-106. (The city or county has opportunity to participate in the Utilities Commission proceeding on a preemption request.)

IV. MISCELLANEOUS

Sedimentation Pollution Control Act. (G.S. 113A-50, et seq.). Construction of a wind energy facility would likely require a sedimentation and erosion control plan under the Sedimentation Act and a construction stormwater permit from the Division of Water Quality..

Clean Water Act. Construction impacts on surface waters and wetlands would be addressed by the existing Clean Water Act permitting process. Filling of waters or wetlands could require both a § 404 permit from the U.S. Army Corps of Engineers and a state water quality certification. Depending on the location of the project, it may also require a stormwater permit.

Endangered Species Act. In areas that provide habitat for federally listed threatened or endangered species, consultation with the United States Fish and Wildlife Service may be required.

The State Environmental Policy Act (G.S. 113A-1, et seq.) requires the preparation of an environmental impact statement for any state action (such as issuance of a permit) that involves use of public money or use of public land. In the absence of local, state or federal funding for a wind turbine project, the requirement for an EIS would be triggered only if the project was constructed on state lands – including state-owned submerged lands under coastal waters. Off-shore wind turbines would likely trigger an EIS based on the impacts to state-owned submerged lands.

V. SESSION LAW 2007-397 (S 3, Promote Renewable Energy/Energy Efficiency)

Legislation creating a renewable energy portfolio standard for North Carolina electric utilities included two environmental provisions.

Section 2(a) addresses air emissions from renewable energy resources, requiring BACT for biomass combustion sources

Section 2 (c) amended G.S. 143B-282(a) to give the Environmental Management Commission authority to:

> establish a procedure for evaluating renewable energy technologies that are, or are proposed to be, employed as part of a renewable energy facility, as defined in G.S. 62-133.8; establish standards to ensure that renewable energy technologies

do not harm the environment, natural resources, cultural resources, or public health, safety, or welfare of the State; and, to the extent that there is not an environmental regulatory program, establish an environmental regulatory program to implement these protective standards.

The provision limits the EMC's authority to create a new environmental regulatory program for renewable energy technologies to circumstances in which no existing environmental regulatory program exists.

APPENDIX IV

NORTH CAROLINA ATTORNEY GENERAL'S LETTER ON INTERPRETATION OF MOUNTAIN RIDGE PROTECTION ACT

State of North Carolina

Roy Cooper
Attorney General

February 4, 2002

Ms. Anita Rose
Tennessee Valley Authority
P.O. Box 1649
Norris, TN 37828

Transmission by U.S. Mail, facsimile to (865) 632-1493 and e-mail: akrose@tva.gov

Re: Environmental Assessment for the 20-MW Windfarm and Associated Energy Storage System Facility

Dear Ms. Rose:

I am making these comments on behalf of the State of North Carolina in my capacity as North Carolina's Attorney General. The State of North Carolina is pleased that TVA is considering wind-generated electricity alternatives. Like TVA, we are very interested in protecting the quality of our air and believe it is important to explore alternative ways to provide and conserve energy while pursuing that goal. It is, of course, also important when evaluating various alternatives in pursuit of this goal to balance them wisely with other important public values and concerns. It is mainly for this purpose that I write.

Unfortunately, the Environmental Assessment ("EA") has misinterpreted North Carolina's public policy with regard to mountain ridge top protection as set forth in "North Carolina Mountain Ridge Protection Act of 1983" N.C. Gen. Stat. §§ 113A-205 et seq. This public policy should be given due consideration and weight, because the Stone Mountain site is almost on the Tennessee-North Carolina border, and the EA itself concludes that "construction and operation of the [Stone Mountain] windfarm facilities would permanently alter the visual landscape character resulting in a significant [adverse] visual impact [in Watauga County, North Carolina,]" and "would create substantial visual discord and adverse contrast while reducing scenic attractiveness and tranquillity." (EA 4-30, 4-31).

The North Carolina Mountain Ridge Protection Act of 1983 N.C. Gen. Stat. §§ 113A-205 et seq. (1999)), prohibits the construction of buildings or structures over 40 feet tall on protected mountain ridges in North Carolina. According to the EA, "The North Carolina Act specifically excludes structures of a slender nature from being considered "tall buildings or structures"

regulated under the act."(EA 3-43) Apart from noting, correctly, that the windfarm will not actually be in North Carolina, this brief discussion is the EA's entire analysis of the North Carolina policy. It implies clearly, but incorrectly, that the North Carolina Mountain Ridge Protection Act would permit construction of the proposed windfarm in North Carolina. This is not the case.

The North Carolina Act must be interpreted in light of its purposes. These include the legislative finding that "Tall or major buildings and structures located on ridges are a hazard to air navigation and persons on the ground and detract from the natural beauty of the mountains." N.C. Gen. Stat. § 113A-207. In light of these findings, a windfarm such as that proposed here, with 13 to16 300-foot high towers (including the rotors) with flashing stroboscopic lights, spaced on average 900 feet apart for two miles along the top of a 4400 foot high mountain ridge, cannot properly be construed to fall within the exception for "Structures of a relatively slender nature and minor vertical projections of a parent building, including chimneys, flagpoles, flues, spires, steeples, belfries, cupolas, antennas, poles, wires, or windmills." N.C. Gen. Stat. § 113A-206 (3)(b). The Legislature in 1983 had in mind, the traditional, solitary farm windmill which has long been in use in rural communities, not windfarm turbines of the size, type or certainly number proposed here, especially when "*all the turbines would probably be seen together from most viewing locations.*" (EA 4-31)

The North Carolina Mountain Ridge Protection Act also has an exception for "any equipment for the transmission of electricity or communications or both," much like the Johnson County Act. N.C. Gen. Stat. § 113A-206 (3)(a) However, this exception would not apply to the proposed windfarm. The proposed windfarm would clearly be a "generating" facility. Traditionally, electricity generation and electricity transmission are viewed as distinct and separate concepts and functions. Indeed, separate certificates from our Utilities Commission are required for construction of electric transmitting lines and electric generating facilities. N.C. Gen. Stat. § 62-110; N.C. Gen. Stat. § 62-110.1. We believe that no interpretation of N.C. Gen. Stat. § 113A-206 (3)(a) is required. The windfarm would not be included within the exception by the plain meaning of the word "transmission." However, even if one were to conclude that there was some ambiguity requiring interpretation, we see no basis in this statute to read "transmission" more broadly. It is easy to see why the legislature would wish to make an exception for transmission lines which typically run up one side of a ridge, over the top at one point and down the other side. Such lines do relatively little to interfere with the beauty and integrity of a ridge line or create a potential safety hazard. The windfarm proposed here is a far cry from such a minimal intrusion.

The EA may well be correct that The Mountain Ridge Protection Act of Johnson County appears to be modeled after the North Carolina Mountain Ridge Protection Act and that the definition of protected mountain ridges used in the North Carolina statute is essentially the same as in the Johnson County Act. We do not purport to be experts in Tennessee law. However, for the reasons just mentioned, we question the validity of the EA's conclusion, apparently without analysis, that the exemption for equipment used for the "transmission of electricity" in the Mountain Ridge Protection Act of Johnson County exempts its application to the proposed windfarm "generating"

equipment. We would be surprised if Tennessee law, like North Carolina's and that of most states, generally does not distinguish between electric *generating* facilities and electric *transmission* facilities.

We hope that you will give these comments due consideration and weight when considering the Stone Mountain alternative.[1] Thank you for the opportunity to make these comments on behalf of the State of North Carolina.

Very truly yours,

Roy Cooper

RAC/sm

cc: The Honorable Michael F. Easley, Governor
State of North Carolina
The Honorable William Ross, Secretary
Department of Environment & Natural Resources

[1] We agree with your EA that "Comparing the two proposed locations for the windfarm, [the Stone Mountain] alternative would have greater visual impact due to the undisturbed ridge lines, clear views from the adjacent valleys, closer viewing distances, and absence of other features that disturb the visual harmony of the tranquil countryside." (EA 4-33) The EA makes clear that Buffalo Mountain has been significantly altered already by past strip mining. Beyond that, however, we express no opinion about the merits of the Buffalo Mountain alternative.

N.C. ENVIRONMENTAL MANAGEMENT COMMISSION QUARTERLY REPORT TO THE ENVIRONMENTAL REVIEW COMMISSION

Covering the period July 1, 2009 to September 30, 2009

This quarterly report is submitted to the Environmental Review Commission on the EMC operations, activities, programs, and progress pursuant to the requirements of G.S. 143B-282(b). This report is for the months of July 1, 2009 to September 30, 2009 and provides information on the actions of the EMC.

I: Nutrient Control Strategies Sections 2, 3 and 4 of Session Law 2005-190 (as amended by SL 2006-259 and SL 2009-486)

Falls Lake - Section 2. (b) of Session Law 2005-190

The EMC is required to report its progress in assessing and identifying nutrient control strategies and criteria necessary to prevent excess nutrient loading in the Falls Lake water supply reservoir. The following is an update on the progress.

DWQ is preparing to request approval of the calibrated nutrient response model from the EMC in accordance with G.S. 143-215.1(c5).

DWQ held its 7th meeting with stakeholders on July 16, 2009 as part of the rule making process to develop a nutrient management strategy for Falls Lake. The objective of this meeting was to engage stakeholders in discussion about the overall nutrient reduction needs of the lake and potential options for the general framework of a nutrient management strategy. DWQ held the 8th stakeholder meeting on August 20, 2009 to continue the discussion of nutrient management strategy concepts with stakeholders and review the new timeline and other requirements for Falls Lake passed by the 2009 General Assembly. The 2009 regular session produced SB1020, a bill devoted to water quality improvements in Falls Lake. This bill revised the EMC adoption deadline for a Falls Lake strategy to January 15, 2011 and added certain requirements aimed at water quality improvement in the watershed. The bill was ratified and presented for the Governor's signature Aug. 11, 2009.

On September 9, 2009 an update of the Falls Lake process was provided to the EMC's Water Quality Committee. Additional updates will be provided to the EMC in November and January. In September 2009 the Falls Lake Stakeholder group broke into four smaller subcommittee groups to continue work on detailed rule concepts and draft language for the different sources of nutrients to the lake. The New Development Stormwater Subcommittee and the Point Source Subcommittee met on September 17 and 21, respectively. Subcommittee meetings for Existing Development and Agriculture are

planned for the beginning of October. Each of these subcommittees will meet three to four times between September 2009 and November 2009 with the goal of developing draft rules to present to the full stakeholder group in late December or early January. Our present schedule for EMC action is as follows:

- November, 2009 and January 2010 EMC meetings - staff reports to the EMC.
- March 2010 EMC meeting- draft rule package to EMC
- March to September - public comment period, public hearings, hearing officer meetings and draft report.
- September 2010 EMC meeting - hearing officer report and recommendation to EMC.

Jordan Reservoir - Section 4 of Session Law 2005-190

The EMC is required to report its progress in developing and implementing nutrient management strategies for the B. Everett Jordan Reservoir. The following is an update on that progress.

All of the Jordan rules that had been adopted by the EMC and approved by the RRC, were affected by legislation of the 2009 General Assembly. Ultimately, two laws were enacted directly addressing Jordan rules. The first, SL 2009-216 effective June 30, 2009, affects two of the RRC-approved Jordan set. It disapproves the Existing Development Stormwater rule in favor of an alternative lake water quality-based conditional trigger for local government implementation of nutrient-reducing measures on developed lands within cost and benefit limits. The Upper New Hope subwatershed may face additional measures if standards are not met in that arm of the lake by 2023. The session law also shifts the nitrogen compliance date for dischargers under the wastewater rule from 2014 to 2016. The second law, SL 2009-484 effective August 11, 2009, makes discrete modifications to parts of three other Jordan rules. Onsite stormwater treatment requirements are modified in the New Development Stormwater rule, existing development requirements paralleling those in SL 2009-216 replace requirements in the State and Federal Entities Stormwater rule, and two clarifications are made to the Riparian Buffer Protection rule. The bill also requires the EMC to adopt these provisions into the Jordan rules at which point both of the session laws will sunset.

The remaining eight Jordan rules not modified during the session became effective August 11, 2009. Division of Water Quality staff began implementation and outreach activities immediately. The EMC approved a model local buffer ordinance at its September meeting, staff held an agriculture orientation meeting in September and will hold two open meetings geared to local governments and others the first week of October.

II: EMC Rulemaking Actions

- Approved the request to proceed to Public Hearing on Amendments to Fugitive Dust Rule.

- Approved the Hearing Officer's Report on Adoption of Heavy Duty Vehicle Idle Restrictions.

- Approved Revisions to the Well Construction Rules, 15A NCAC 2C .0100.

- Approved the Reclassification of a Haw River Segment in Chatham County (Cape Fear River Basin) as Critical Area (CA) for Pittsboro's WS-IV Water Supply Intake.

- Approved the Reclassifications of Big Laurel Creek and Spring Creek in Madison County (French Broad River Basin) to Class Outstanding Resource Waters (ORW).

- Approved the request to proceed to Public Hearing for High Quality Waters (HQW) Reclassification of Catawba Headwaters.

- Approved the request to proceed to Public Hearing for Outstanding Resource Waters (ORW) Reclassification of North Fork New River Watershed.

- Approved the Hearing Officers' Recommendations on Groundwater Standards Triennial Review Rule Revisions.

- Approved the request to proceed to Public Hearing on Amendments to Acceptable Ambient Level for Acrylonitrile.

- Approved the request to proceed to Public Hearing on Amendments to the NO_x Applicability Rules.

- Approved the request to proceed to Public Hearing on the Revised Lead Ambient Standard.

III: Other EMC Actions

- Approved the Neuse River Basinwide Water Quality Plan.

- Approved the Model Local Riparian Buffer Protection Ordinance under 15A NCAC 02B .0267, Jordan Lake Management Strategy.

ENVIRONMENTAL MANAGEMENT COMMISSION

NORTH CAROLINA
DEPARTMENT OF ENVIRONMENT AND NATURAL RESOURCES

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October 12, 2009

The Honorable Charles W. Albertson, Co-Chair
The Honorable Daniel G. Clodfelter, Co-Chair
The Honorable Lucy T. Allen, Co-Chair
The Honorable Pryor A. Gibson, Co-Chair
Environmental Review Commission

Subject: Emissions Reductions Beyond the Clean Smokestacks Act

Dear Senator Albertson, Senator Clodfelter, Representative Allen, Representative Gibson:

SL2002-4 Section 11 (attached) instructs the Environmental Management Commission (EMC) to study the desirability of requiring and the feasibility of obtaining reductions in emissions of oxides of nitrogen (NO_X) and sulfur dioxide (SO_2) beyond those required by the Clean Smokestacks Act (CSA). The EMC is also to report its findings and recommendations annually to the General Assembly and the Environmental Review Commission.

Since the CSA was passed in June 2002, significant Federal regulatory changes have occurred. The federal Clean Air Interstate Rule (CAIR) was promulgated to require North Carolina's neighboring states to achieve major reductions in NO_x and SO_2—reductions that require installation of state-of-the-art control equipment. Installation of state-of-the-art emissions control equipment was already required by the CSA; however CAIR may require controls on additional generating units. Although on July 11, 2008 the D. C. Circuit Court vacated CAIR, on December 23, 2008 the Court granted USEPA's petition to remand the case without vacatur, allowing CAIR to remain in effect until a replacement rule is promulgated. On August 7, 2009, consistent with the Court's order, USEPA proposed approval of North Carolina's Clean Air Interstate Rules (NC-CAIR) into the State Implementation Plan (SIP). This approval is based, in part, on North Carolina's use of the NO_x and SO_2 budgets outlined in the remanded rule. CAIR NO_x and SO_2 emissions allowances for North Carolina utilities are even lower than those set by the Clean Smokestacks Act. Final SIP approval by USEPA will likely occur in late October 2009.

On March 12, 2008, USEPA promulgated a more stringent 8-hour standard for ozone, revising the standard for the first time in more than a decade. In March 2009, the North Carolina Division of Air Quality made recommendations to USEPA on what areas of the state should be designated as nonattainment under the new standard. However, on September 16, 2009 the USEPA announced it would reconsider the 2008 ozone standard. The USEPA will propose a more-stringent ozone standard in December 2009 and issue a final decision by August 2010. The state's attainment demonstration SIP will be due to USEPA in December 2013 identifying any new NO_x control strategies that may be needed to attain the new standard. That analysis may require additional targeted emission reductions beyond CSA in certain critical areas in North Carolina and in other states.

On July 15, 2009 USEPA proposed a revision to the current annual NO_2 standard by adding a 1-hour daily NO_2 standard. Although this proposal seems to be aimed at emission reductions from sources other than utilities, the North Carolina Division of Air Quality is studying the potential effect of this new proposal on all emission sources.

In judicial actions pursuant to Section 10 of the Clean Smokestacks Act authorizing other actions to achieve emissions reduction in NO_x and SO_2 from other states and entities, the North Carolina Attorney General on January 20, 2006 filed suit alleging that NO_x and SO_2 emissions from Tennessee Valley Authority (TVA) power plants were inadequately controlled and created a public nuisance. On January 13, 2009 the federal District Court in Asheville found four TVA coal-fired generating facilities within 100 miles of North Carolina to be creating a public nuisance in the state. The court ordered that each unit at each of these facilities meet emission limits for NO_x and SO_2 consistent with the installation and continuous operation of modern pollution controls no later than December 2013. TVA has appealed the decision of the Court.

In other actions by the North Carolina Attorney General, a petition was filed under §126 of the Clean Air Act requesting that USEPA impose NO_x and SO_2 controls on large coal-fired utility boilers in 13 upwind states that impact air quality in North Carolina. Although USEPA originally denied both the petition and administrative reconsideration, the State petitioned the D.C. Circuit for judicial review. Based in part upon the outcome of the CAIR case, USEPA conceded that it must reconsider its earlier denial and the court remanded the matter back to the USEPA on March 5, 2009.

In April 2008, USEPA exempted sources of NO_x in Georgia from any summertime NO_x emissions cap. The NO_x cap had been required by a separate federal rule designed to help downwind states reduce ambient levels of ozone. Sources in Georgia are also exempt from summertime NO_x controls for ozone under the remanded CAIR. On June 20, 2008 the North Carolina Attorney General petitioned the D.C. Circuit for a review of USEPA's April 2008 action to exempt Georgia and a decision is expected on this petition in early 2010. The outcome of this case could impact the extent to which Georgia sources are controlled or participate in Federal cap and trade programs. The Division of Air Quality will need to analyze the downwind impacts in North Carolina as they study whether additional reductions are needed beyond CSA.

SL2009-390, passed in the 2009-2010 legislative session, has the potential to further reduce power plant emissions of NO_x and SO_2 from Progress Energy. SL2009-390 amends G.S. §62-110.1 by allowing an expedited certification process through the Utilities Commission when coal-fired generating units are retired and replaced by natural gas generating units. When compared to coal, natural gas will achieve reductions of NO_x and SO_2 and other air pollutants, promoting cleaner air. Progress Energy has formally announced that three coal-fired boilers at its Lee Plant in Wayne

County, N.C. will be replaced by gas-fired turbines by 2013. It is anticipated that federal climate change legislation may also result in further reductions of NO_x and SO_2 emissions as utility companies decide how to most economically address future required reductions of carbon dioxide emissions.

Given the recent actions by the state, the federal government, the Asheville federal District Court and the D.C. Circuit Court affecting power plant emissions and NO_x and SO_2 regulation, and given possible federal climate change legislation, it is recommended that the study of further State action to achieve additional reduction of these air contaminants be presented on December 1, 2013. That reporting date will:

- Allow the affected public utilities in North Carolina time to implement their control strategies to meet the compliance deadline under CSA,
- Give the Division of Air Quality time to quantify air quality impacts from CSA compliance, and
- Give industry and the Division time to implement new Federal rules and court actions.

Any reports made prior to the implementation of these control strategies would likely provide little new or beneficial information beyond the Division's ongoing analyses to meet other obligations, such as the federal Clean Air Act requirements. Furthermore, since evolution of new control technologies is fairly long-term, I recommend that reporting thereafter be on a three-year basis.

In the meantime, the EMC will continue to provide annual updates on the progress of past actions as well as assessments of other non-CSA activities that will reduce SO2 and NOx in North Carolina.

Sincerely,

Stephen T. Smith
Chairman
N.C. Environmental Management Commission

STS/lpc

Attachment

cc: Keith Overcash, DAQ
Sheila Holman, DAQ
Donnie Redmond, DAQ
Elizabeth Biser, DENR

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2001
SESSION LAW 2002-4
SENATE BILL 1078

AN ACT TO IMPROVE AIR QUALITY IN THE STATE BY IMPOSING LIMITS ON THE EMISSION OF CERTAIN POLLUTANTS FROM CERTAIN FACILITIES THAT BURN COAL TO GENERATE ELECTRICITY AND TO PROVIDE FOR RECOVERY BY ELECTRIC UTILITIES OF THE COSTS OF ACHIEVING COMPLIANCE WITH THOSE LIMITS.

The General Assembly of North Carolina enacts: ...

SECTION 11. The Environmental Management Commission shall study the desirability of requiring and the feasibility of obtaining reductions in emissions of oxides of nitrogen (NOx) and sulfur dioxide (SO2) beyond those required by G.S. 143-215.107D, as enacted by Section 1 of this act. The Environmental Management Commission shall consider the availability of emissions reduction technologies, increased cost to consumers of electric power, reliability of electric power supply, actions to reduce emissions of oxides of nitrogen (NOx) and sulfur dioxide (SO2) taken by states and other entities whose emissions negatively impact air quality in North Carolina or whose failure to achieve comparable reductions would place the economy of North Carolina at a competitive disadvantage, and the effects that these reductions would have on public health, the environment, and natural resources, including visibility. In its conduct of this study, the Environmental Management Commission may consult with the Utilities Commission and the Public Staff. The Environmental Management Commission shall report its findings and recommendations to the General Assembly and the Environmental Review Commission annually beginning 1 September 2005.

In the General Assembly read three times and ratified this the 19th day of June, 2002.

(Note: The initial reporting date was changed to 1 September 2007 by Senate Bill 1590, Section 12, Session 2005.)

North Carolina General Assembly

ENVIRONMENTAL REVIEW COMMISSION
MINUTES

November 12, 2009

The Environmental Review Commission met Thursday, November 12, 2009in Room 544 of the Legislative Office Building. Co-Chairman Robert Atwater presided, calling the meeting to order at 9:06 a.m.

Welcome and Attendance

Also present with Co-Chairman Atwater was Co-Chairman Daniel Clodfelter, Co-Chairman Lucy Allen, Co-Chairman Pryor Gibson, Senator Charlie Albertson, Senator Stan Bingham, Senator James Forrester, Senator Ellie Kinnaird, Representative Pricey Harrison, Representative Cullie Tarleton, Representative Ruth Samuelson, and Representative Edith Warren. Advisory members Senator Fletcher Hartsell and Representative Russell Tucker were present. Staff present was Commission Counsels Jeff Hudson, Jennifer McGinnis, Tim Dodge and Susan Iddings. Commission Analyst Jennifer Mundt and Committee Assistant Jessica Kozma Proctor were also present.

Membership, staff and outside parties were notified of the meeting electronically November 4. Signed visitors' sheets are attached to these minutes.

Report to the Commission and Explanation of Agenda Items

Co-Chairman Atwater called on Mr. Hudson to review the day's agenda. Mr. Hudson began saying that because a majority of members queried said they would prefer to meet at 10 a.m. rather than nine, future meetings would begin at ten. He continued saying all presentations would be posted on the Environmental Review Commission website, and then reviewed items on the agenda.

Following Mr. Hudson's comments, Co-Chairman Atwater thanked staff and sergeants-at-arms for their service to the Commission. He then called for comments from his fellow chairmen.

Co-Chairman Clodfelter was recognized. He said that he recently traveled to Germany to study the country's efforts with climate change. The delegation was from Ohio, Delaware and Michigan. "Intimidating" was how he described his discoveries on the trip. He said Germany has accomplished goals with regard to climate change in five years that "people in the United States claim will take 20 years" to accomplish.

Senator Bingham was then recognized. He said he looked forward to achieving goals with the Commission this Interim.

Report on recent federal actions related to climate change

Co-Chairman Atwater then recognized Mr. Victor Flatt, the Tom and Elizabeth Taft Distinguished Professor of Environmental Law, with the School of Law at the University of North Carolina at Chapel Hill.

Mr. Flatt thanked Commission members for the invitation to report to the Commission, and said the Commission showed foresight as what happens at the federal level concerning climate change does indeed have an impact on the State. A copy of his presentation is included in the minutes and uploaded to the Commission's webpage at www.ncleg.net.

Mr. Flatt reviewed two current pieces of federal climate change legislation, the Waxman-Markey Act (ACES) in the House and the Boxer-Kerry Act in the Senate. ACES passed the House in 2009 and is currently awaiting passage in the Senate. The Boxer-Kerry Act is similar to ACES and is still awaiting passage in the Senate. Mr. Flatt said the two bills "rounded out" what was currently important with regard to climate change. He noted that greenhouse gas emission caps are an important component of both pieces of legislation. For both ACES and the Boxer-Kerry Act there is a 17 and 20 percent reduction requirement, respectively, with a total 83 percent reduction by 2050.

He then moved on to discuss allocations of greenhouse gas emissions would be made in both bills. Allocations would be sold in the open market, with 85 percent of the rights to emit being given away on the open market. Both bills scale reductions and emissions up to year 2050.

Regarding industry allocations, Mr. Flatt explained that there would be 35 percent lottery for the utility sector, with the latest version of legislation giving a percentage of the allocations to rural electric cooperatives. Also, there would be a 15 percent allocation for carbon-sensitive industries, such as steel and cement, that would be required to achieve a 2 percent reduction every year. A three percent allocation would go to auto makers, two percent to oil refineries, and two percent for carbon capture and storage technology between the years 2014 to 2017. All industries would have reduction schedules in the legislation.

Regarding allocation to state and other funds, 10 percent would go for states to create renewable energy and efficiency investment over a three year period from 2012 to 2015. Mr. Flatt also reported that five percent would be used for tropical deforestation projects. Two percent will be used for domestic adaptation to climate change between 2012 and 2021, increasing to four percent between 2022 and 2026 and eight percent in 2027. A 1.5 percent allocation for programs helping home heating and propane users, with a goal to reduce to zero emissions between 2026 and 2030 is also included.

Under the current distribution formula, individual southern states would receive roughly even amounts in comparison to each other. Mr. Flatt said that in the ACES legislation there is a 6-to 20 percent reduction of greenhouse gas emissions to 2020, with the Boxer-Kerry legislation similar but probable to change in its final draft. For ACES, all renewable energies would apply. This includes: wind, solar, geothermal, renewable, certain biogas and biofuels, "qualified" hydropower, among others.

Co-Chairman Atwater thanked Mr. Flatt and told the Commission to please keep their questions brief in order to remain on schedule.

Senator Albertson asked what type of feed operation regulation might occur. Mr. Flatt said that there was proposed legislation for monitoring large feed operations. Under Boxer Kerry, however, the emphasis is different, and that has slowed down the EPA's work to regulate such operations. Senator Bingham asked about marine and tidal energy. Mr. Flatt said there were ongoing projects in Portugal and research in Alaska, though he was unsure about any studies on the Eastern Seaboard.

Co-Chairman Allen said she had recently returned from China and was interested in work between the United States and China. She noted that some Chinese corporations have reduced their emissions, including Kodak, due to public outcry regarding China's lack of pollution controls.

Report on the U.S. Environmental Protection Agency's reconsideration of the ground level ozone standard

Co-Chairman Atwater recognized Mr. Keith Overcash the Director of the Division of Air Quality (DAQ) with the Department of Environment and Natural Resources (DENR). A copy of the entire presentation on air quality from Mr. Overcash and his staff may be found online at the Environmental Review Commission website at www.ncleg.net. Mr. Overcash began thanking Co-Chairman Atwater and reviewing his staffs' participation in the day's agenda.

He began reviewing a history of ozone standards "of where we came from." The first ozone standards were established in 1971, with a one-hour standard of .08 parts per million. Over the past 39 years that standard has ebbed and flowed. In 1979, the standard was increased to .12 parts per million, and would remain as such until being reduced back to .08 ppm in 1997. In 2008, the standard was slightly reduced to .075 ppm.

Mr. Overcash then explained "non-attainment" with regard to ozone regulation. The Environmental Protection Agency determined it wanted individual states to develop plans demonstrating what control measures were needed to maintain federal ozone standards. Items considered for these plans included transportation conformity and new source reviews on industrial and other sources. Mr. Overcash then reviewed several maps showing ozone thresholds across the State. The maps projected future controls and potential ozone hazards for the State. He noted that increasing controls on industry could pose issues for incoming industries in higher ozone areas.

In completing his presentation, Co-Chairman Atwater called for discussion among members. Senator Kinnaird asked if ozone came only from vehicles. Mr. Overcash answered that it did not, but from various sources. Senator Kinnaird followed up asking about new power plant requirements. Mr. Overcash answered that (DENR officials) felt that ozone emissions dropped in the State because of tighter controls on power plants.

Representative Warren asked what was causing the amount of attainment in Pitt County. Mr. Overcash answered that it was primarily motor emissions. Representative Harrison said that she learned this summer that not all smokestacks were cleaned under the Clean Smokestacks Act, and that she appreciated that Progress Energy had converted on smokestack. She then asked if Mr. Overcash knew how many smokestacks were

"unscrubbed." Mr. Overcash answered that he did know and that he would provide the information for her after the meeting.

Discussion quelled, and Co-Chairman Atwater called on the next speaker.

Report on ozone control strategy options

Co-Chairman Atwater recognized Ms. Sheila Holman, Deputy Director of DAQ in DENR. Ms. Holman thanked Co-Chairman Atwater as she approached the podium. Her presentation is included in the same presentation as for Mr. Overcash, and begins on Slide 19.

Ms. Holman began noting that although significant progress was accomplished over the past decade to reduce ozone levels, she would not have all the answers regarding the subject in her presentation. She noted reductions occurred in the utility sector (Clean Smokestacks Act), in industrial boilers, in tighter regulations of federal engine and fuel standards, the State vehicle inspections program, and non-road standards. She then moved to a chart showing ozone trends in North Carolina since 1990. This chart showed a peak in the late 1990s to early 2000s, following with a steep, steady and sharp decline. She noted that times with higher heat showed higher ozone levels until recently. She the reviewed the cause of ground level ozone production: Oxides of oxygen combine with volatile organic compounds and are nurtured by a strong spring of summer and result in ozone. This type of ozone can create health hazards, making it a concern to State officials.

Continuing her presentation, Ms. Holman noted that in metrolina, vehicle emissions make up for roughly 50 percent of ozone emissions; with off-road vehicles contributing at 25 percent. Utilities and industrial sectors make up the remaining percentages. Noting future emissions reduction, Ms. Holman reported that on-road vehicles, including light and heavy, would see reductions, as well as large non-road diesel engines, locomotive engines and commercial diesel engines. To note; some 54 percent of on-road mobile NO{x} emissions come from large duty vehicles and 46 percent from light duty vehicles.

Ms. Holman completed her report and Co-Chairman Atwater called for discussion. Senator Kinnaird asked about the success of hybrid vehicles to lower emissions. Ms. Holman said hybrid vehicles do lower emissions, and would become more important in the future. With little more discussion, the Co-Chairman called on the next speaker.

Report on the Status of North Carolina's Idle Reduction Rule

Co-Chairman Atwater recognized and welcomed Mr. Michael Abraczinskas, Supervisor of the Rules Development Branch in DAQ (DENR). Mr. Abraczinskas' presentation, beginning on Slide 31, is also part of the larger presentation introduced by Mr. Overcash and is attached to the minutes or found at that Commission's website at www.ncleg.net. . He continued that Ms. Holman introduced him nicely; having outlined most of the "low lying fruit" of the day's agenda. He said that his division was looking at a mobile reduction emissions program that could be cost effective to the heavy duty

motorists. The goal of this program is to eliminate unnecessary idling of heavy duty vehicles. He acknowledged that some idling is necessary.

In reducing idling in heavy duty vehicles, one may also reduce the carbon footprint, he said. The rule requirements are simple, he noted. Operators are allowed five minutes of idling in a 60 minute period. An exemption is made for rigs with sleeper berth cabs, with the exemption lasting until 2011. He estimated that there could be up to a nine million gallon reduction of fuel per year as well as a 1300 ton yearly reduction of nitrogen oxides.

Mr. Abraczinskas then discussed idle reduction for sleeper berths. One significant option for operators of such rigs is to install an Auxiliary Power Unit (APU). According to his report, with a $10,000 investment in an APU, the payback period is between five and thirteen months depending on the costs of diesel fuel. In reviewing the rulemaking process, DAQ held two stakeholder meetings before starting the official rulemaking process. Feedback was a focal point of the original rules, including the sunset of the current sleeper berth exemption. During the rulemaking process, five written comments were received during an official 60-day comment period and the EMC unanimously approved the rule. The rules were again approved by the Rules Review Commission after which time 18 letters of objection were received calling for legislative review. Again, of concern was the sunset of sleeper berths being too quick for heavy rig operators.

Mr. Abraczinskas finished his report. Co-Chairman Gibson thanked him and called for Commission discussion. He then recognized Representative Tarleton.

Representative Tarleton began saying that "charity begins at home," then telling of a recent constituent concern about State motor vehicles being left to idle. He then asked what the State could do about this. He then followed up asking how to communicate this to departments. Mr. Abraczinskas answered that last year a general emissions reduction program began for all State departments, and a link to the idle reduction page is currently on his Department's website. The Division has also printed signs for areas where motorists would be inclined to idle in their vehicles. Senator Bingham was recognized. He said he runs trucks for business and suggested that truck stops have plug-ins to keep engines and drivers warm. He added that he thought a $10,000 investment might be rather steep for many truck drivers, but if they had a place to drive up and plug their trucks in, truckers would be receptive. Mr. Abraczinskas said there were several places in the State that had the ability for truckers to plug in.

Senator Clodfelter commented if the real goal was to have voluntary compliance, it seems that could be done without adopting a rule, but rather using education and outreach to achieve this.

Report on diesel emission reduction grants

Co-Chairman Atwater recognized Ms. Heather Hildebrandt an Environmental Engineer with DAQ in DENR. Her presentation is attached to the larger DAQ presentation and begins at Slide 41. She reviewed diesel grants and funding for the State.

Ms. Hildebrandt began with the fuel tax that targets all mobile sectors with an emphasis on diesel products over recent years. Also, funding for grants comes from the Diesel Emissions Reduction Act (DERA), which took its 2008 and 2009 State allocations

and used this into a grant call for projects. Both a competitive award and another grant to replace diesel engines exist for qualified participants.

Grant opportunities under the American Recovery and Reinvestment Act include:

- NC Diesel Emissions-Economic Recovery Grant
- NC Auxiliary Power Unit Rebate
- Wilson, Edgecombe, Pitt and Nash retrofit program
- GRADE+ expansion to more counties.

Under the School Bus Retrofit Law (S.L. 2007-465) $2.5 million is provided to retrofit school buses with priority given to level three emission control devices. Since this program began, all eligible counties have been contacted and better technologies identified. Ms. Hildebrandt then reviewed a map showing counties receiving funding from DAQ grants from 1995 through 2009. Urban counties received the highest number, with Wake County receiving the most (24).

In reviewing other efforts, Ms. Hildebrandt noted that the Clean Fuel Advanced Technology Grant and the DOE Clean Energy Award also offered grant incentives. She then concluded her report. Co-Chairman Atwater thanked Ms. Hildebrandt and called for Commission discussion.

Senator Albertson was recognized and asked prices for filters to reduce emissions. Ms. Hildebrandt said she could only answer the question if regarding a school bus. For a school bus, she said, costs for a emission filter would be roughly $10,000 installed. In some cases, the costs could be as low as $7,000.

Senator Bingham was recognized and asked if there were any federal interest to require John Deere and other companies to make mandatory NOX emission reductions for heavy equipment. Ms. Hildebrandt answered that there was a new program "in the works" that is scheduled to come out in August that would apply to all "new" equipment.

Report on climate initiatives within the Division of Air Quality of the Department of Environment and Natural Resources

Co-Chairman Atwater recognized Ms. Sushma Masemore, Supervisor of the Allied Programs Branch, in DAQ. She thanked the Co-Chairman. Her report is part of the larger DAQ report and begins on Page 50.

Ms. Masemore began saying that the EPA was working on rules to reduce greenhouse emissions. One rule, she said, was the proposed Greenhouse Gas Tailoring Rule (GHG), for Title V facilities and other sources. Another recent action is the Senate Climate Bill, introduced on September 9, 2009, calling for the EPA to regulate large sources and administer emission reduction program and oversee a cap and trade program implemented through the Title V permit program.

The creation of an advisory group recommended restrictions on heavy duty vehicle idling and for the State to become a member of The Climate Registry.

Ms. Masemore then reviewed DENR's "unified approach to address climate change." Items of this plan include the Department's Strategic Plan, participation in the Climate Change Steering Committee, a reduction in DENR's energy and water usage, education and outreach. CoChairman Atwater called for questions and discussion.

Representative Harrison asked if the State planned to have similar emission goals as the Obama administration has set. Ms. Masemore said she did not know the answer. Senator Albertson asked if Ms. Masemore knew when new guidelines would be presented by the EPA. Ms. Masemore suggested that guidelines would be finalized "soon." Other rules are expected to be finalized by March of 2010.

Commission discussion

Co-Chairman Gibson was recognized. He complimented Mr. Overcash for his hard work. The Co-Chairman then asked if it was a fair assumption that "we" are headed the right way with regard to reductions. Mr. Overcash answered "yes sir." Co-Chairman Gibson followed up asking if there was anything "we" (ERC) needed to do to assist in making "air attainment goals regardless." Mr. Overcash said his Division was "communicating this out." With little more discussion, Co-Chairman Atwater thanked the Commission for their hard work and adjourned the meeting at 11:21 a.m.

Co-Chair Robert Atwater
Presiding

Co-Chair Dan Clodfelter

Jessica Kozma Bennett
Commission Clerk

Approved at February 18, 2010 meeting.

General Assembly of North Carolina

Environmental Review Commission
State Legislative Building
Raleigh, North Carolina

CO-CHAIRS
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SENATOR DANIEL G. CLODFELTER

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TIMOTHY R. DODGE
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MARIAH B. MATHESON
COMMISSION ASSISTANT

JESSICA BENNETT
COMMISSION CLERK

AGENDA

9:00 a.m. Thursday, November 12, 2009
Room 544 Legislative Office Building
Raleigh, North Carolina

1. Call to order
   Senator Robert C. Atwater, Presiding

2. Introductory remarks by Cochairs *(5 minutes)*
   Senator Robert C. Atwater
   Senator Daniel G. Clodfelter
   Representative Lucy T. Allen
   Representative Pryor A. Gibson

3. Report to the Commission and explanation of agenda items *(10 minutes)*
   Jeff Hudson, Commission Counsel

4. Report on recent federal actions related to climate change *(60 minutes)*
   Victor Flatt, Tom & Elizabeth Taft Distinguished Professor of Environmental Law
   School of Law, University of North Carolina at Chapel Hill

5. Report on the U.S. Environmental Protection Agency's reconsideration of the ground level ozone standard *(15 minutes)*
   Keith Overcash, Director
   Division of Air Quality (DAQ), Department of Environment and Natural Resources (DENR)

6. Report on ozone control strategy options *(15 minutes)*
   Sheila Holman, Deputy Director
   DAQ, DENR

7. Report on the Status of North Carolina's Idle Reduction Rule *(15 minutes)*
   Michael Abraczinskas, Supervisor, Rules Development Branch
   DAQ, DENR

8. Report on diesel emission reduction grants *(10 minutes)*
   Heather Hildebrandt, Environmental Engineer
   DAQ, DENR

9. Report on climate initiatives within the Division of Air Quality of the Department of Environment and Natural Resources *(10 minutes)*
   Sushma Masemore, Supervisor, Allied Programs Branch
   DAQ, DENR

10. Commission discussion and announcements

11. Adjourn

FUTURE MEETINGS:

The Environmental Review Commission will meet on the following dates at 10:00 a.m. in Room 544 of the Legislative Office Building, Raleigh, North Carolina. **This schedule is tentative and subject to adjustment.** For planning purposes, however, please reserve these dates. This schedule may be modified to allow for out-of-town business meetings or site visits and in the event that it becomes necessary to cancel a scheduled meeting due to hazardous weather conditions.

Thursday, December 17, 2009
Thursday, January 21, 2010
Thursday, February 18, 2010
Thursday, March 18, 2010
Thursday, April 15, 2010

ADDITIONAL INFORMATION:

Persons having questions about the Commission meeting or other matters related to the Commission may contact Jennifer McGinnis, Commission Counsel, or other Commission staff at (919) 733-2578 or may visit the Commission's website at http://www.ncleg.net/gascripts/DocumentSites/browseDocSite.asp?nID=12

VISITOR REGISTRATION SHEET

ENVIRONMENTAL REVIEW COMMISSION

November 12, 2009
10 a.m.
LOB 544

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMISSION ASSISTANT

NAME	FIRM OR AGENCY AND ADDRESS
Doug Howey	NC Petroleum & Convenience Marketers
Rita Harris	Commerce
Michelle C. Vaught	PotashCorp
Lu-Ann C Bourgeois	MCIC
Doug Heron	Williams Mullen
Tracy Kimbrell	Parker Poe
[illegible]	NC Corps
Bo Heath	NWC
Amy McConkey	Smith Anderson

VISITOR REGISTRATION SHEET

ENVIRONMENTAL REVIEW COMMISSION

November 12, 2009
10 a.m.
LOB 544

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NAME	FIRM OR AGENCY AND ADDRESS
Patrick Baffkin	Nelson Mullins
Zeb Alley	" "
Preston Howard	MCIC
Jay Stem	NCAA
Anne Coan	NC Farm Bureau Fed
Brian J. Morton	UNC-CH
Chris Anderson	
Grady Shields	Womble Robbins Yates & Pantan
Jim Lowry	NC Utility Contractors Assn
DAVID BARNES	Poyner Spruill
Daniel Amburn	ElectriCities of N.C.

VISITOR REGISTRATION SHEET

ENVIRONMENTAL REVIEW COMMISSION

November 12, 2009
10 a.m.
LOB 544

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NAME	FIRM OR AGENCY AND ADDRESS
Travis Martinez	NC STATE
CHRIS JENNINGS	NC STATE
Bobby Trimble.	NC state
Kim Hibbard	NCLM
Erin Wynia	NCLM
JIM HAVEN	Global Warming Initatives
Jimmy Gentry	NC State Grange
Tommy Stevens	NCPC
Thomas Moore	Federation Hall
Wade Hall	Peter Hall

VISITOR REGISTRATION SHEET

ENVIRONMENTAL REVIEW COMMISSION

November 12, 2009
10 a.m.
LOB 544

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NAME	FIRM OR AGENCY AND ADDRESS
Hayley Rogers	NCRWA
Drew Ball	Sierra Club
George Everett	Duke Energy
Dan Holman	Natural First | Duke
Molly Diggins	Sierra Club
Amy Hobbs	MWC
Butch Gunnells	NC Beverage A
LISA RIGGS	NHTF

VISITOR REGISTRATION SHEET

ENVIRONMENTAL REVIEW COMMISSION

November 12, 2009
10 a.m.
LOB 544

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NAME	FIRM OR AGENCY AND ADDRESS
Jim Kuszas	MCIC
Della Shaw	NCSU
Ryan Klinge	NCSU
Michael Weyenberg	NCSU
~~Trent~~ Russell	NCSU
Madeleine Strum	NC DAQ
Sushma Masemore	NC DAQ
Michelle Frazier	MFS
Tom Bean	EDF, NCSEA
Sheila Holman	NCDENR, DAQ

VISITOR REGISTRATION SHEET

ENVIRONMENTAL REVIEW COMMISSION

November 12, 2009
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LOB 544

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NAME	FIRM OR AGENCY AND ADDRESS
Beth Warren	AG's Office
Laura Boothe	Div. of Air Quality
Keith Overcash	N
Elizabeth Biser	DENR
Mike Abraczinskas	DENR-DAQ
Heather Hildebrandt	Division of Air Quality
Mary Wilder	DENR
W. Gordon Culpepper	personal interest
Robin Smith	DENR
David Knight	DENR

Climate Change at the Federal Level

Victor B. Flatt

Tom & Elizabeth Taft Distinguished Professor of Environmental Law; Director, Center for Law Environment, Adaptation, and Resources; Distinguished Scholar of Carbon Markets and Carbon Trading, Global Energy Management Institute, University of Houston Bauer College of Business

CLEAR – www.law.unc.edu/centers/CLEAR



Overview

- Major Provisions of key climate change legislative proposals
- Impact on State and Regional Systems
- Prognostication – federal level
- Plan B – EPA Regulation
- Prognostication – International (Copenhagen and beyond)



Federal Legislation

- Current Templates:
  - ACES – Waxman-Markey (House)
  - Boxer-Kerry (Senate)
- Legislation addresses:
  - Cap
  - Allocation
  - Trading System – "Safety valve"?
  - Direct Energy and Efficiency Regulation
  - International

Federal Legislation

- Cap:
  - ACES – 17% from 2005 by 2020
  - Boxer-Kerry – 20% from 2005 by 2020
  - Both 83% reduction by 2050
  - Important in International Negotiations
- Allocation:
  - Similar
  - Allocation
  - Trading System

ACES – how allocated

- 15 % auctioned per year
- Initially, other percentage given away
- Approx. 59% to industry; 25% for needs/interest of public- adaptation, enviro, etc...

ACES – how allocated

2012	4,627
2013	4,544
2014	5,099 *INC COVERAGE
2015	5,003
2016	5,482*INC COVERAGE
2017	5,375
2018	5,269
2019	5,162
2020	5,056
2021	4,903
2022	4,751
2023	4,599
2024	4,446
2025	4,294
2026	4,142
2027	3,990
2028	3,837
2029	3,685
2030	3,533

- 2031 3,408
- 2032 3,283
- 2033 3,158
- 2034 3,033
- 2035 2,908
- 2036 2,784
- 2037 2,659
- 2038 2,534
- 2039 2,409
- 2040 2,284
- 2041 2,159
- 2042 2,034
- 2043 1,910
- 2044 1,785
- 2045 1,660
- 2046 1,535
- 2047 1,410
- 2048 1,285
- 2049 1,160

2050 and each year thereafter 1,035

ACES - Allocation

35% for electric utility sector;

- Last version gives percentage to rural electric cooperatives; fight over allocation

- 15% for carbon-intensive industries, such as steel and cement, in 2014 (reduced by 2% every year)
- 9% for local natural gas distribution companies, in 2016 (reduced to zero between 2026 and 2030)
- 3% for automakers toward advanced technologies through 2017 (reduced to 1% from 2018 and 2025)
- 2% for oil refineries from 2014 to 2026
- 2% for carbon capture and storage technology from 2014 to 2017 (increases to 5% after 2018)

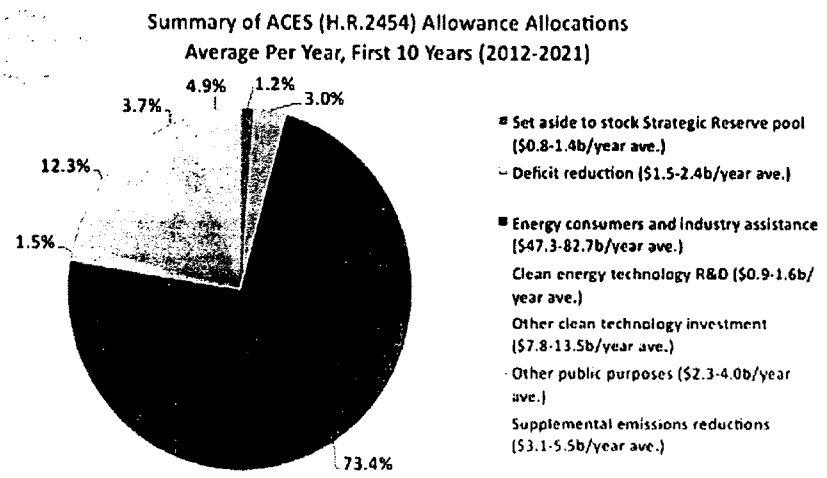
ACES - Allocation

To states and other funds:

- 10% for states for renewable energy and efficiency investment from 2012 to 2015 (reduced to 5% between 2016 to 2022)
- 5% for tropical deforestation prevention projects
- 2% for domestic adaptation to climate change between 2012 and 2021 (increases to 4% between 2022 to 2026, to 8% in 2027)
- 2% for international adaptation and clean technology transfer from 2012 to 2021 (increases to 4% between 2022 to 2026, to 8% in 2027)
- 1.5% for programs helping home heating oil and propane users (reduced to zero between 2026 and 2030)
- 1% for Clean Energy Innovation Centers for R&D funding
- 0.5% for job training from 2012 to 2021 (increases to 1% after 2022)

Revised through slide

ACES breakdown – Boxer-Kerry similar



ACES - Allocation

- Under Current distribution formula – Southern States about even
- Harder for Electricity Suppliers than Petroleum
  - 8-12 cents a gallon – pass through
  - $8-30 per month – electric (reduction in Pacific Northwest)

Renewable Electricity Standards

- Percentage
  - 6-20% in ACES to 2020
  - Boxer Kerry similar but could change
- Qualifies
  - ACES - Wind, solar, geothermal, renewable, certain biogas and biofuels, "qualified" hydropower, marine and hydrokinetic energy – gubernatorial waiver provision for increasing energy efficiency
- Pre-emption
  - ACES – floor pre-emption

Both – Pre-emption of State Programs

- First Five years
- Boxer- Kerry – (9 month delay)
- Pre-emption of RGGI as well
- Some play and compromise

Additional Big Issues

- Offsets
- Revenue
- Targets revisited

Prognostication

- 2010
- Driven by EPA regulation
- Close on targets
- Funding for states in pre-emption
- Offsets – maybe international agreement?

EPA Regulation

- Finalize endangerment finding by March 2010
- Regulate under Performance Stds.
  - Exemption of small sources - problematic
- NAAQS possible - difficulty
- Trading Preferred
- Offsets possible

International - Copenhagen

- Big Issues
  - Binding Targets by Developing Countries
  - Financial Assistance Transfer
    - Adaptation
    - Other Losers
- Anyone's Guess how will End
  - New agreement
  - Framework for moving forward
  - Role of US

North Carolina Department of Environment and Natural Resources
Division of Air Quality

Air Quality Issues

North Carolina Division of Air Quality

Environmental Review Commission
November 12, 2009

North Carolina Department of Environment and Natural Resources
Division of Air Quality

Topics

- EPA's Reconsideration of the Ozone Standard and the Impact on NC
- Ozone Control Strategy Options
- NC's Idle Reduction Rule
- NC's Mobile Source Grant Program
- DAQ's Climate Initiatives

North Carolina Department of Environment and Natural Resources
Division of Air Quality



The NC Ozone Picture Now and After Reconsideration

North Carolina Division of Air Quality

Keith Overcash
Director
NCDAQ

November 12, 2009

North Carolina Department of Environment and Natural Resources
Division of Air Quality



History of the Ozone Standards

- One hour standard of 0.08 parts per million (ppm) set in 1971
- One hour standard of 0.12 ppm set in 1979
- Eight-hour standard of 0.08 ppm set in 1997
- Eight-hour standard of 0.075 ppm set in 2008
- Primary standard = Secondary Standard

North Carolina Department of Environment and Natural Resources
Division of Air Quality



EPA's Reconsideration of the Ozone Standards

- Sept. 16, 2009 – EPA announced it would reconsider the 2008 ozone standards (primary and secondary) of 0.075 ppm
- 2008 ozone standards were not as protective as recommended by EPA's panel of science advisors, the Clean Air Scientific Advisory Committee (CASAC)

North Carolina Department of Environment and Natural Resources
Division of Air Quality



EPA's Reconsideration of the Ozone Standards

- CASAC recommended a range of 0.060-0.070 ppm for the primary (public health) standard, and a separate vegetation exposure type level for the secondary or welfare based standard
- Note, 0.075 ppm = 75 parts per billion (ppb)



Schedule

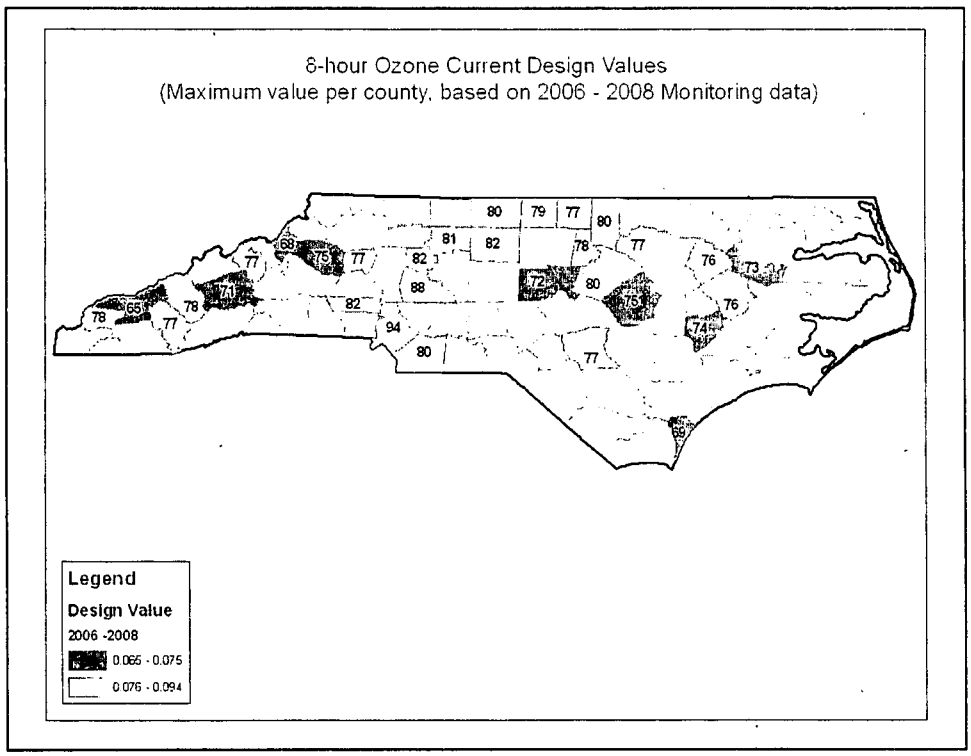
- December 2009 – Proposed Reconsidered Ozone Standards
- August 2010 – Final Reconsidered Ozone Standards
- August 2011- Final Boundary Designations
- December 2013 – State Implementation Plans (SIPs) Due

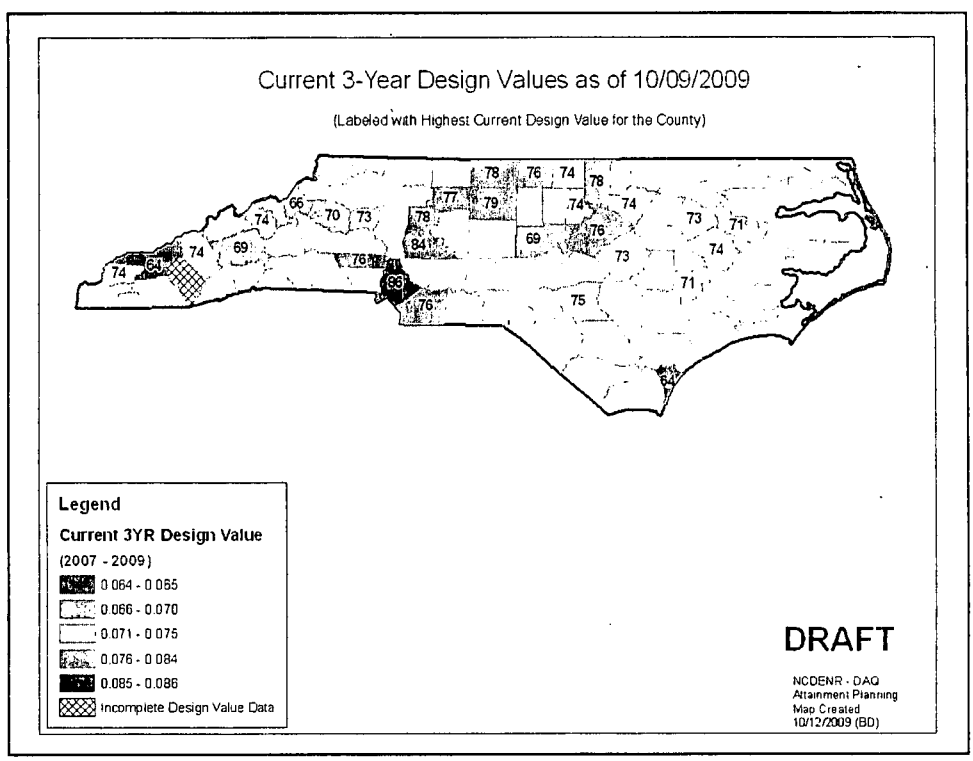
North Carolina Department of Environment and Natural Resources
Division of Air Quality

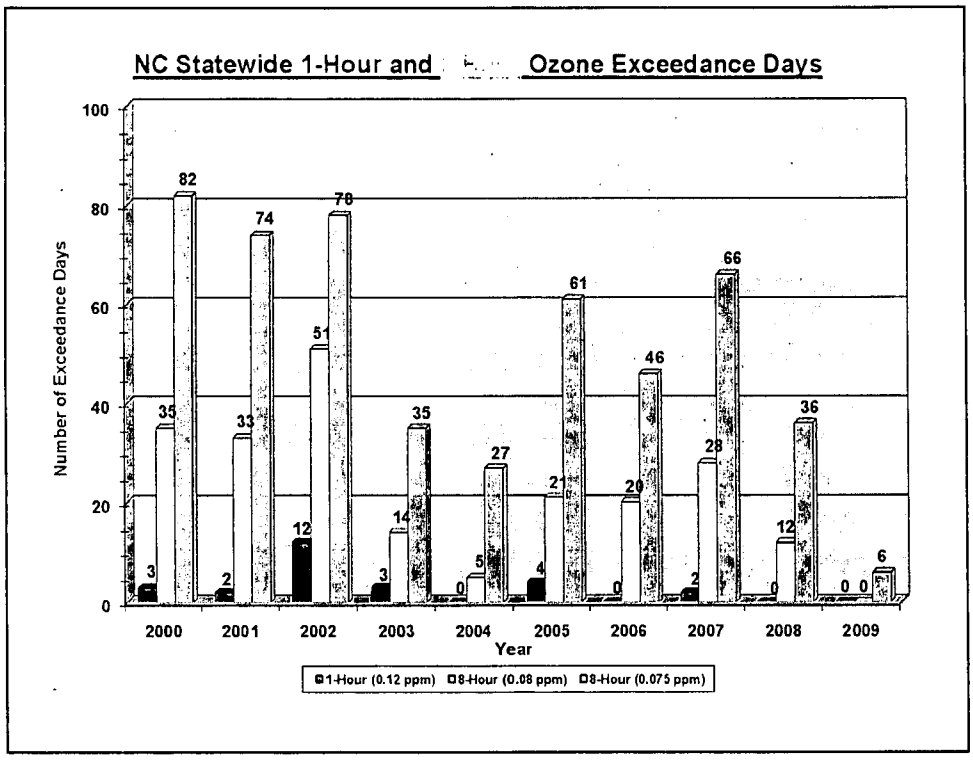


What Does Nonattainment Mean?

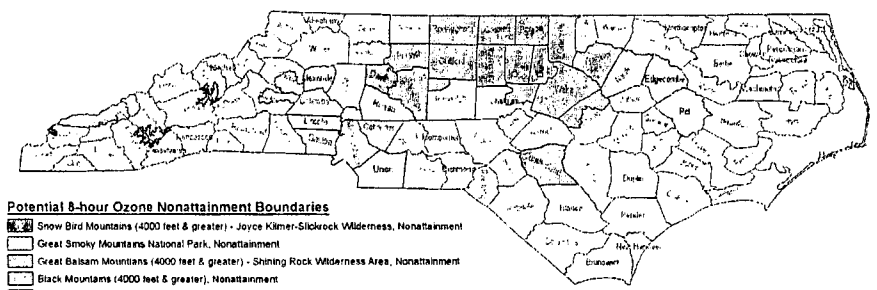
- EPA label declaring that air quality does not meet the National standards
- Requires State to develop a plan demonstrating what control measures are needed to meet & maintain the standard
- Requires transportation conformity
- Requires new source review on new major industrial sources & major modification on existing sources


8-hour Ozone Current Design Values
(Maximum value per county, based on 2006 - 2008 Monitoring data)
Legend
Design Value
2006 -2008
0.065 - 0.075
0.076 - 0.094


Current 3-Year Design Values as of 10/09/2009
(Labeled with Highest Current Design Value for the County)
Legend
Current 3YR Design Value
(2007 - 2009)
0.064 - 0.065
0.066 - 0.070
0.071 - 0.075
0.076 - 0.084
0.085 - 0.086
Incomplete Design Value Data
DRAFT
NCDENR - DAQ
Attainment Planning
Map Created
10/12/2009 (BD)



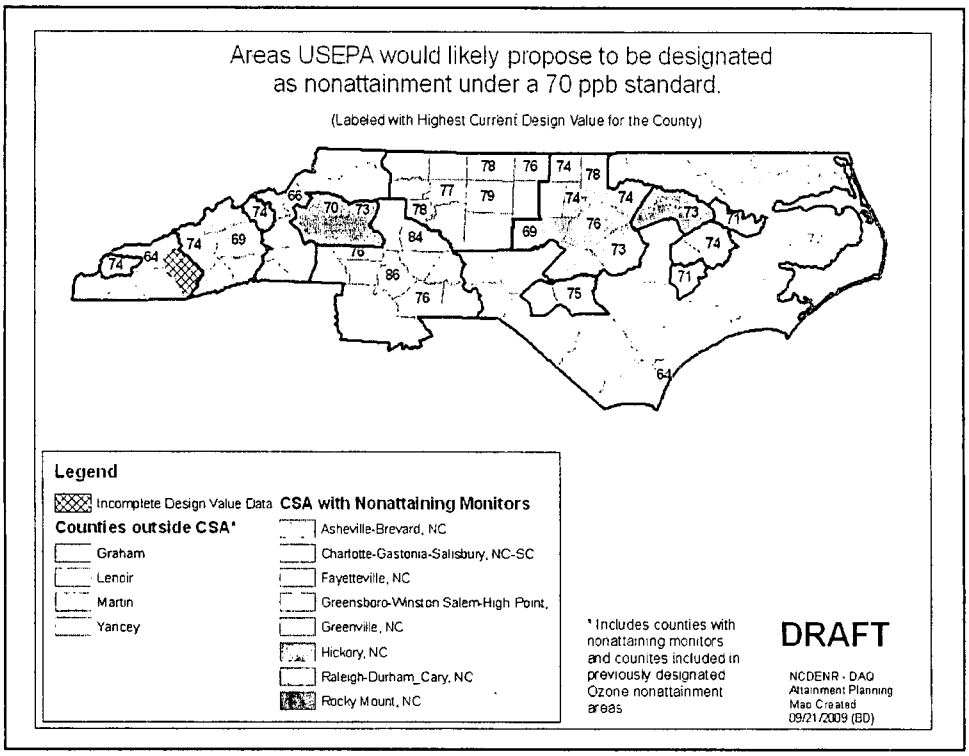
North Carolina Nonattainment Boundary Recommendations

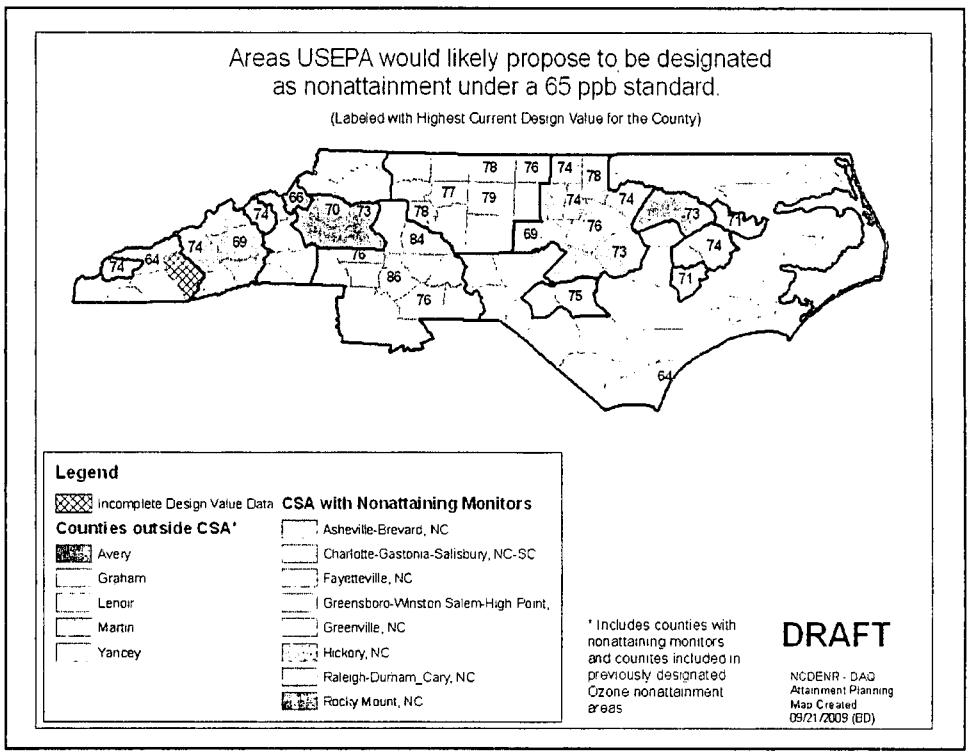


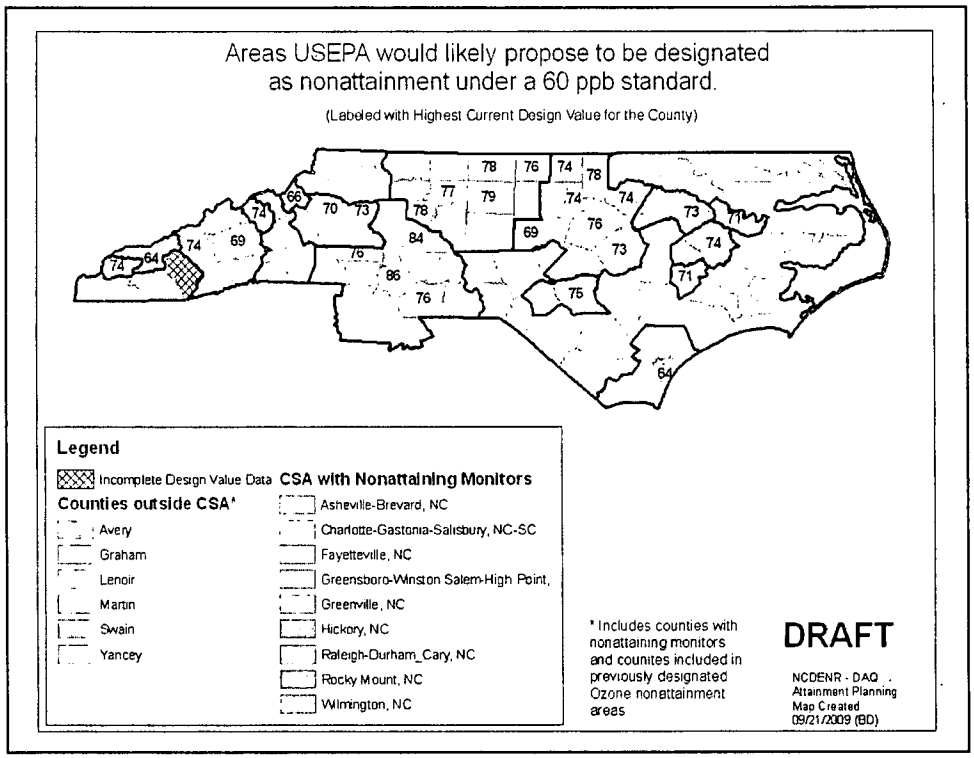
Potential 8-hour Ozone Nonattainment Boundaries

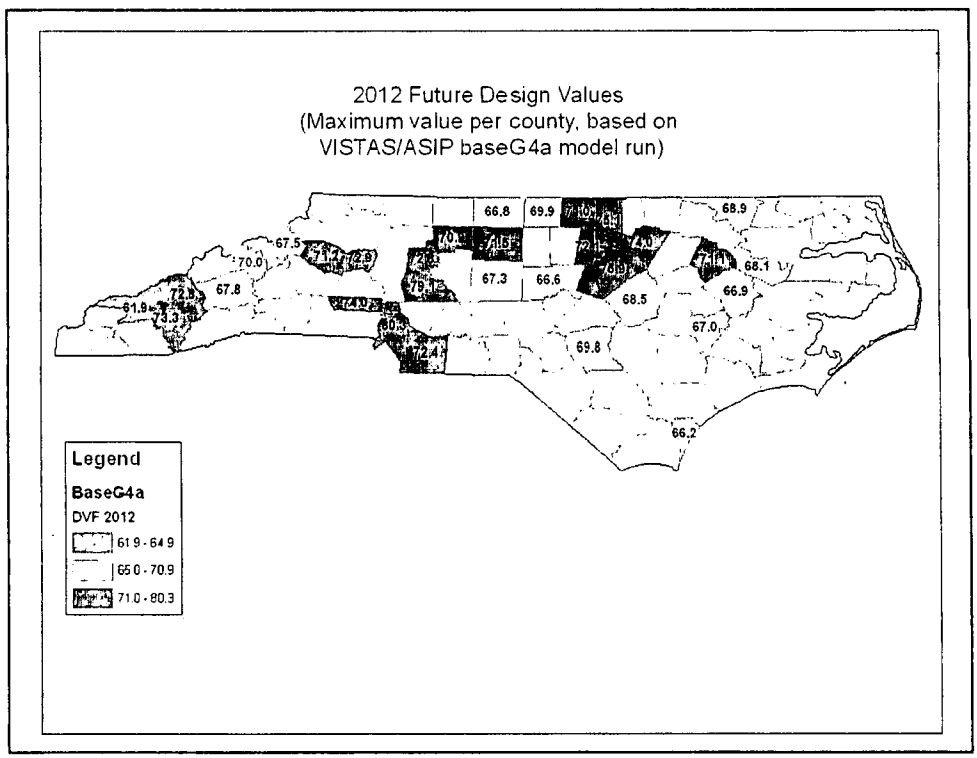
- Snow Bird Mountains (4000 feet & greater) - Joyce Kilmer-Slickrock Wilderness, Nonattainment
- Great Smoky Mountains National Park, Nonattainment
- Great Balsam Mountians (4000 feet & greater) - Shining Rock Wilderness Area, Nonattainment
- Black Mountains (4000 feet & greater), Nonattainment
- Hickory-Lenoir-Morganton, Nonattainment
- Charlotte-Gastonia-Salisbury, Nonattainment
- Greensboro-Winston-Salem-High Point, Nonattainment
- Raleigh-Durham-Cary, Nonattainment
- Fayetteville, Nonattainment
- Rocky Mount, Nonattainment
- Greenville, Unclassifiable

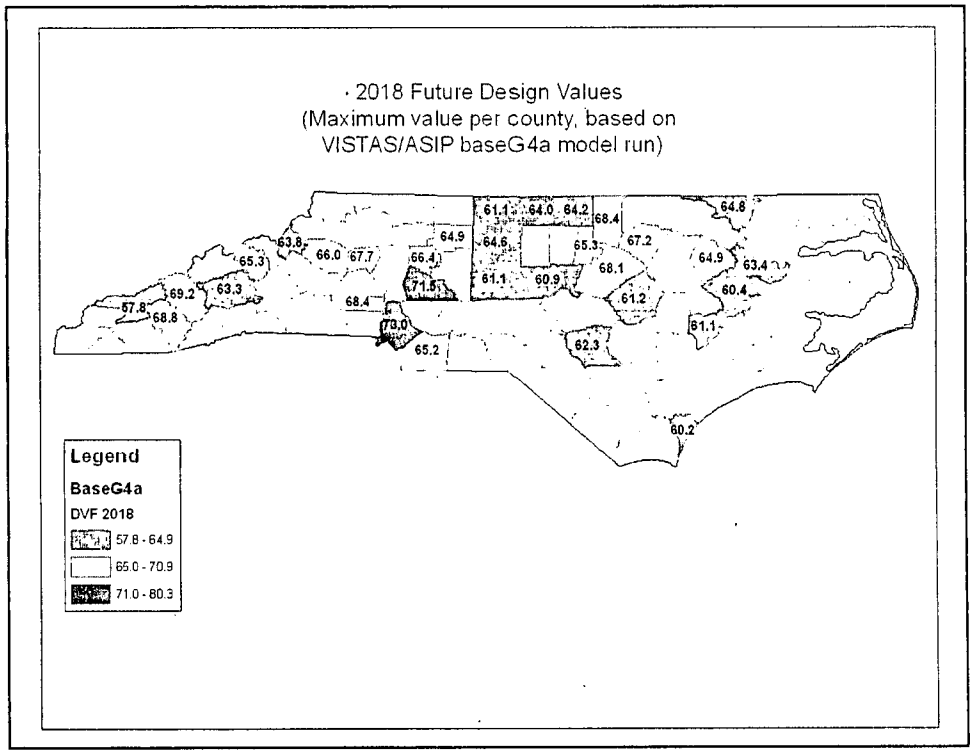
Map Drawn To Approximate Scale
North Is Represented As Up
Map Valid: 03-12-2009


Areas USEPA would likely propose to be designated as nonattainment under a 70 ppb standard.
(Labeled with Highest Current Design Value for the County)
78 76 74 78
77 79 74 74 73 71
66 70 73 78 84 69 76 74
74 64 74 69 76 73 74
86 76 75 71
64
Legend
Incomplete Design Value Data
Counties outside CSA*
Graham
Lenoir
Martin
Yancey
CSA with Nonattaining Monitors
Asheville-Brevard, NC
Charlotte-Gastonia-Salisbury, NC-SC
Fayetteville, NC
Greensboro-Winston Salem-High Point,
Greenville, NC
Hickory, NC
Raleigh-Durham_Cary, NC
Rocky Mount, NC
* Includes counties with nonattaining monitors and counites included in previously designated Ozone nonattainment areas
DRAFT
NCDENR - DAQ
Attainment Planning
Map Created
09/21/2009 (BD)


Areas USEPA would likely propose to be designated as nonattainment under a 65 ppb standard.
(Labeled with Highest Current Design Value for the County)
78 76 74 78
77 79 74 74 73 71
66 70 73 78 84 69 76 74
74 64 74 69 76 73 74
86 76 75 71
64
Legend
Incomplete Design Value Data
Counties outside CSA*
Avery
Graham
Lenoir
Martin
Yancey
CSA with Nonattaining Monitors
Asheville-Brevard, NC
Charlotte-Gastonia-Salisbury, NC-SC
Fayetteville, NC
Greensboro-Winston Salem-High Point,
Greenville, NC
Hickory, NC
Raleigh-Durham_Cary, NC
Rocky Mount, NC
* Includes counties with nonattaining monitors and counites included in previously designated Ozone nonattainment areas
DRAFT
NCDENR - DAQ
Attainment Planning
Map Created
09/21/2009 (BD)


Areas USEPA would likely propose to be designated as nonattainment under a 60 ppb standard.
(Labeled with Highest Current Design Value for the County)
Legend
Incomplete Design Value Data
Counties outside CSA*
Avery
Graham
Lenoir
Martin
Swain
Yancey
CSA with Nonattaining Monitors
Asheville-Brevard, NC
Charlotte-Gastonia-Salisbury, NC-SC
Fayetteville, NC
Greensboro-Winston Salem-High Point,
Greenville, NC
Hickory, NC
Raleigh-Durham_Cary, NC
Rocky Mount, NC
Wilmington, NC
* Includes counties with nonattaining monitors and counites included in previously designated Ozone nonattainment areas
DRAFT
NCDENR - DAQ
Attainment Planning
Map Created
09/21/2009 (BD)


2012 Future Design Values
(Maximum value per county, based on
VISTAS/ASIP baseG4a model run)
Legend
BaseG4a
DVF 2012
61.9 - 64.9
65.0 - 70.9
71.0 - 80.3



North Carolina Department of Environment and Natural Resources

Division of Air Quality

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Ozone Control Strategy Options

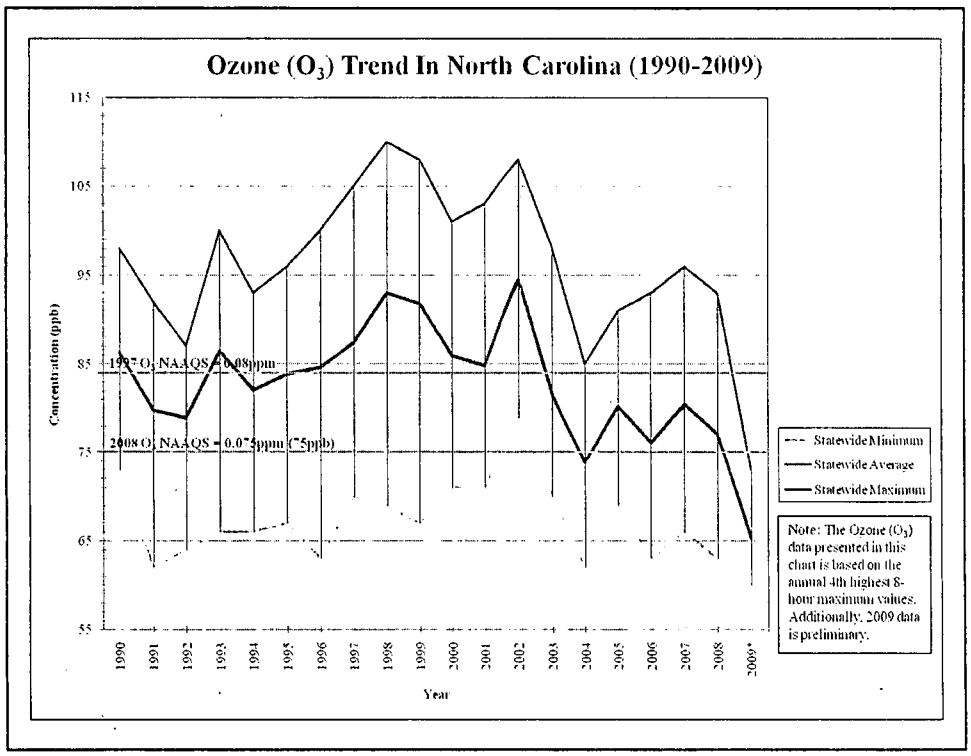
North Carolina Division of Air Quality

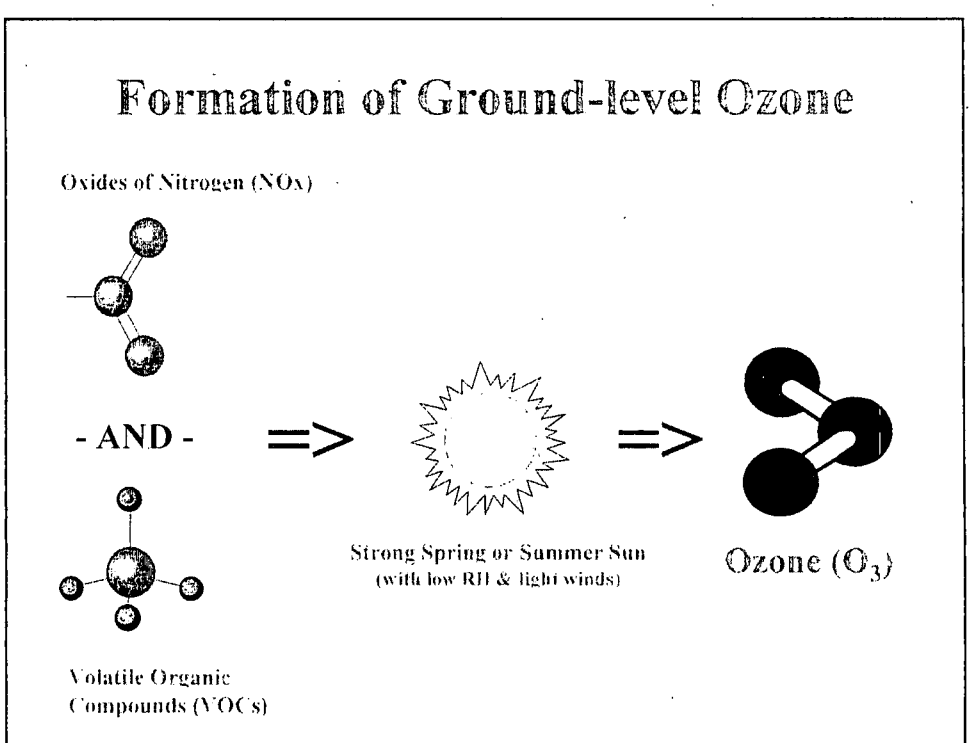
Sheila Holman
Deputy Director
NCDAQ
November 12, 2009

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Ozone Control Strategy Implementation

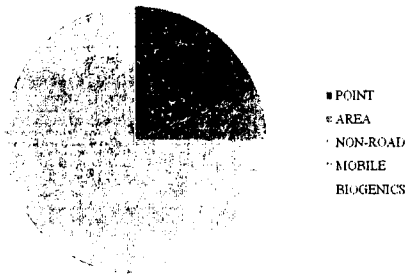
- Significant progress has been made in this decade to reduce emissions and lower ozone levels
- Reductions have been realized
  - utility sector (Clean Smokestacks Act),
  - industrial boilers (NOx SIP Call rule),
  - mobile (Federal engine and fuel standards, State vehicle inspection program)
  - nonroad (Federal engine standards)


Ozone (O_3) Trend In North Carolina (1990-2009)
Concentration (ppb)
115
105
95
85
75
65
55
1997 O_3 NAAQS = 0.08ppm
2008 O_3 NAAQS = 0.075ppm (75ppb)
1990
1991
1992
1993
1994
1995
1996
1997
1998
1999
2000
2001
2002
2003
2004
2005
2006
2007
2008
2009*
Year
Statewide Minimum
Statewide Average
Statewide Maximum
Note: The Ozone (O_3) data presented in this chart is based on the annual 4th highest 8-hour maximum values. Additionally, 2009 data is preliminary.

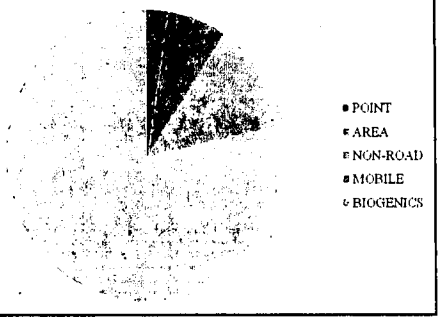

Formation of Ground-level Ozone
Oxides of Nitrogen (NOx)
- AND -
Volatile Organic Compounds (VOCs)
Strong Spring or Summer Sun
(with low RH & light winds)
Ozone (O_3)

2009 Episode Emission Summaries for Metrolina Counties (tons/summer day)

Total Metrolina NOx Emissions



Total Metrolina VOC Emissions

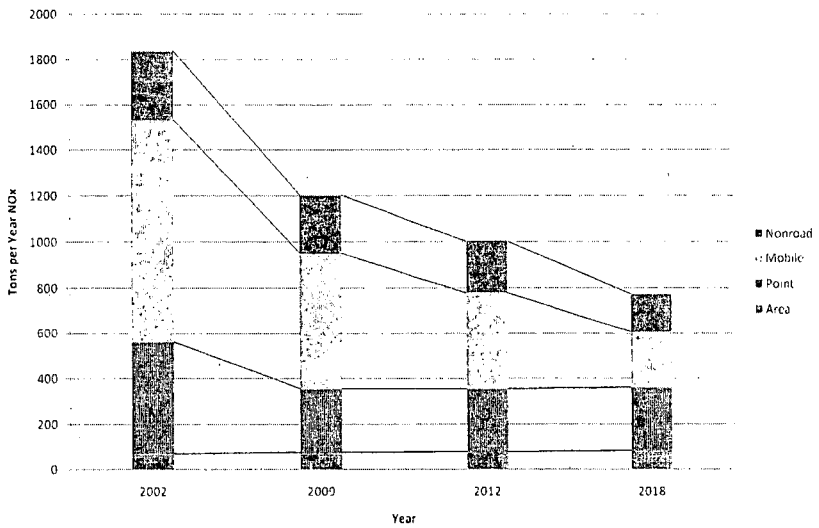


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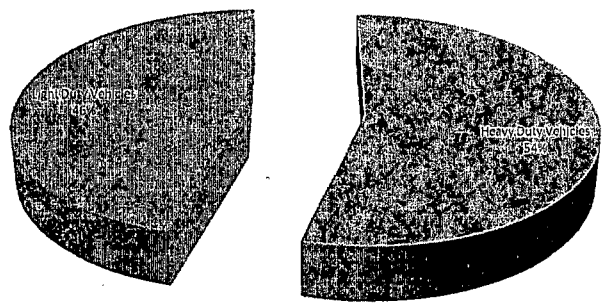
Federal Emission Reductions On the Way

- Onroad Vehicle Standards
  - Light duty gasoline trucks & cars (2007+)
  - Heavy duty vehicles (2007+)
- Nonroad Vehicle Standards
  - Large nonroad diesel engine standards (2008-2014+)
  - Locomotive engine standards (2015+)
  - Commercial marine diesel engine standards (2014+)
- Large Stationary Sources
  - Clean Air Interstate Rule replacement (2011)

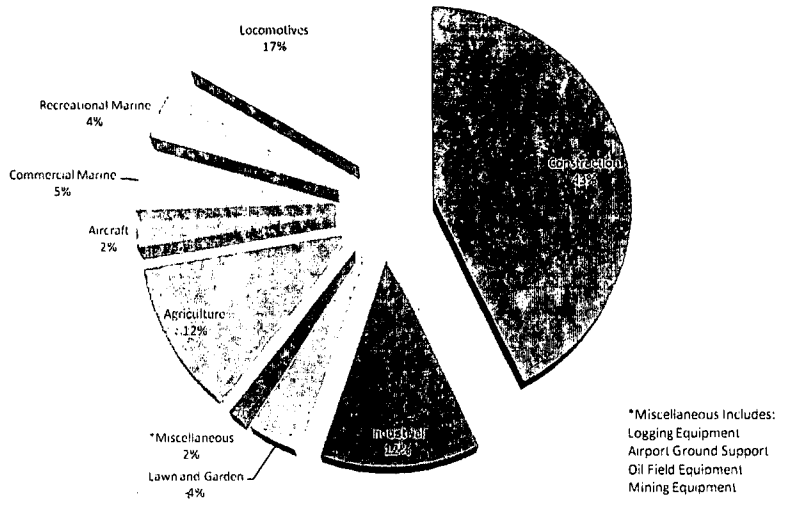
North Carolina NOx Emission Estimates



2009 North Carolina Onroad Mobile NOx Emissions from Heavy Duty and Light Duty Vehicles



2009 North Carolina Nonroad NOx Emission Estimates



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Control Strategies for New Ozone Standards

- Focus will need to continue to be on stationary sources, mobile and nonroad sectors
- What are cost effective control options for the stationary sources?
- What are control options to address the heavy duty portion of the mobile fleet?
- What are control options to address the construction, locomotive, industrial and agricultural sectors?

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Control Strategies for New Ozone Standards

- Attaining the new standards will require effective partnerships by Federal, State and local governments, as well as business and industry
- Innovative ideas to find funding for engine replacement

North Carolina Department of Environment and Natural Resources
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Division of Air Quality

Eliminating Unnecessary Idling of On-road Heavy Duty Vehicles

North Carolina Division of Air Quality

Mike Abraczinskas
Rules Development Branch Supervisor
NCDAQ
November 12, 2009

North Carolina Department of Environment and Natural Resources
Division of Air Quality

Goal of the rule

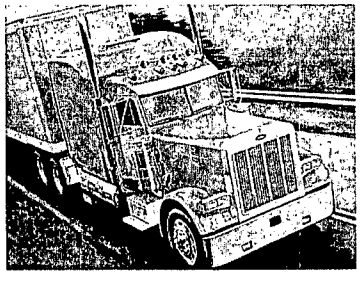
- Eliminate unnecessary idling from on-road heavy-duty vehicles
- Why?
  - Comply with Federal air quality standards
  - Reduce localized risks associated with fine particles (PM2.5) and toxics from idling vehicles
  - Reduce carbon footprint

Rule Requirements

- Limits idling of on-road heavy-duty vehicles to 5 consecutive minutes in any 60 minute period.

Rule Exemptions

- Safety
- Health
- Commerce
- Military
- Farm vehicles
- Sleeper-berth cabs until May 1, 2011





Idle Reduction - Projected Benefits

- DAQ estimated:
  - Up to 9 million gallons of fuel per year can be saved
  - Up to 1,300 tons per year of Nitrogen Oxides (NOx) can be reduced



Idle Reduction for Sleeper-Berths

- Options:
  - Primary alternative to idling the main engine is installing an Auxiliary Power Unit (APU)

Assume $10,000 investment in an APU:

- Payback period is:
  - 1.1 years when diesel is $2/gallon
  - 0.7 years when diesel is $3/gallon
  - 0.5 years when diesel is $4/gallon

The Rule-Making Process

- DAQ held 2 stakeholder meetings before starting the official rule-making process
- Original concepts of the rule were amended to incorporate feedback
  - Including the sun-setting of the sleeper-berth exemption

The Rule-Making Process

- Only 5 written comments were received during the official 60-day comment period.
- The Environmental Management Commission unanimously approved the rule.



The Rule-Making Process

- 18 letters of objection
- Requested legislative review
- Stated concern in some of the letters was the sun-setting of the sleeper-berth exemption in May of 2011.



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North Carolina Department of Environment and Natural Resources
Division of Air Quality

Diesel Grants/ Funding

North Carolina Division of Air Quality

Heather Hildebrandt
Environmental Engineer
NCDAQ
November 12, 2009

North Carolina Department of Environment and Natural Resources
Division of Air Quality

Diesel Grants/ Funding

- Fuel Tax
  - Mobile Source Emissions Reduction Grants (MSERG)
    - Targets all mobile sectors with emphasis on diesel projects in most recent years.
- Diesel Emissions Reduction Act (DERA)
  - Rolled 2008 & 2009 State Allocation into 2009 MSERG call for projects
    - All selected projects must reduce emissions from diesel engines.

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Diesel Grants/ Funding Cont.

- DERA Competitive Award
  - NC Leading to Early Adoption of Diesel Emission Reductions (NC LEADER) Grant
    - Targeted Diesel Construction Equipment
  - Grants to Replace Aging Diesel Engines (GRADE)
    - Mecklenburg County Air Quality (MCAQ) received DERA funding to continue their GRADE program.

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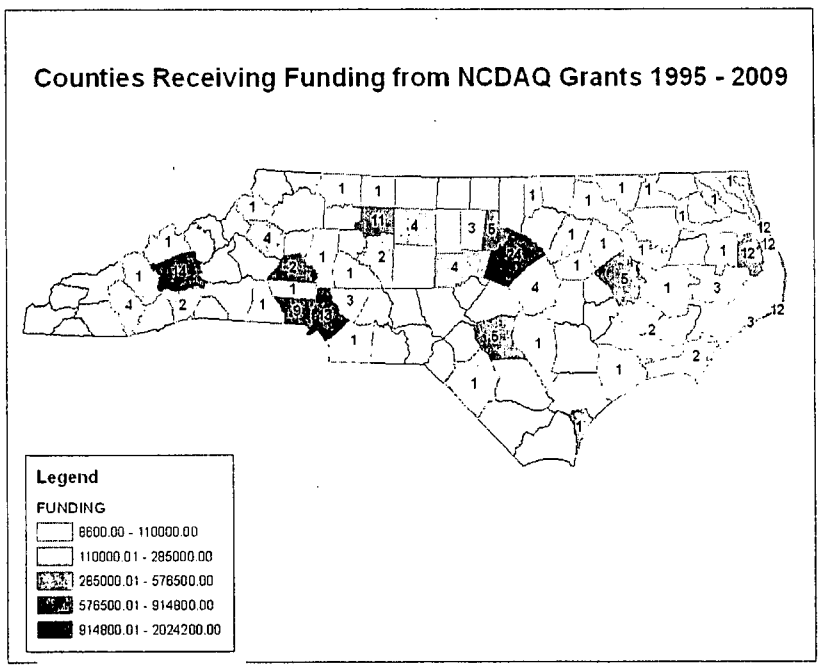


Diesel Grants/ Funding Cont.

- American Recovery and Reinvestment Act DERA
  - NC Diesel Emissions-Economic Recovery Grant
    - Targeted all mobile diesel sectors
  - NC Auxiliary Power Unit Rebate
  - Wilson, Edgecombe, Pitt, and Nash (WEPN) Retrofit Program
    - Provides funding for school bus retrofits and early replacements.
  - GRADE +
    - Expands MCAQ GRADE Program to more diesel sectors and more counties (including a few in South Carolina).

Diesel Grants/ Funding Cont.

- School Bus Retrofit Law (HB 1912, Session Law 2007-465)
  - Provides $2.5 Million to retrofit school buses with priority given to level 3 emission control devices.
    - All eligible counties have been contacted and preferred technologies identified.
    - Addressed technological issues with other states, Department of Instruction, and vendors to ensure best use of funds.





Other NC Efforts

- Clean Fuel Advanced Technology Grant
  - Congestion Mitigation Air Quality money funded to NC Solar Center.
- DOE Clean Energy Award
  - Awarded to Triangle J Council of Governments.

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Potential Future Funding

- Combined 2009/2010 Competitive DERA Awards
  - NC LEADER 2
    - Will expand NC LEADER Grant to all non-road mobile diesel engines and stationary diesel pumps and generators.
  - NC Clean Ferries
  - NC Clean Ports



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Climate Change Initiatives

North Carolina Division of Air Quality

Sushma Masemore
Allied Programs Branch Supervisor
NCDAQ
November 12, 2009



Implement Regulations

- Proposed Greenhouse Gas (GHG) Tailoring Rule
  - Title V Facilities & New Sources
- Senate Climate Bill (*introduced 9/30/09*)
  - EPA can regulate large sources and administer emission reduction program
  - Cap & trade program implemented through Title V permit program



Implement NC Climate Action Plan Advisory Group Recommendations

- Restrictions on Heavy Duty Vehicle Idling
- Member of The Climate Registry (TCR)

GHG Emissions Inventory For NC

- Encourage Voluntary Reporting For NC Facilities
  - Provide Technical Assistance
- Develop State Inventory Model
  - Annual estimates
  - Track impacts of future policy actions

DENR's Unified Approach to Address Climate Change

- DENR Strategic Plan (*August 2009*)
- Climate Change Steering Committee
  - Coordinate strategies across programs
  - Partner with other state, federal, and non-governmental orgs.
- Reduce DENR's Energy and Water Usage (*Session Law 2007-546, SB 668*)
- Education and Outreach



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2009-2010

ENVIRONMENTAL REVIEW COMMISSION

MINUTES

North Carolina General Assembly

ENVIRONMENTAL REVIEW COMMISSION

MINUTES

December 17, 2009

Welcome and Attendance

The Environmental Review Commission of the North Carolina General Assembly met December 17, 2009 in Room 544 of the Legislative Office Building.

Co-Chairman Pryor Gibson presided.

Also present with Co-Chairman Gibson was Co-Chairman Bob Atwater, Co-Chairman Daniel Clodfelter, Co-Chairman Lucy Allen, Senator Charlie Albertson, Senator Stan Bingham, Senator Ellie Kinnaird, Senator Floyd McKissick, Senator A. B. Swindell, Representative Pricey Harrison, Representative Carolyn Justice, Representative Ruth Samuelson, Representative Cullie Tarleton and Representative Edith Warren. Also present was advisory member Senator Fletcher Hartsell.

Staff present was Commission Counsel Jeffrey Hudson, Commission Counsel Jennifer McGinnis, Commission Counsel Susan Iddings, Commission Counsel Tim Dodge, Commission Analyst Jennifer Mundt, Research Assistant Mariah Matheson and Commission Clerk Jessica Kozma Proctor.

Co-Chairman Gibson called the meeting to order at 11:02 a.m. and welcomed members and guests.

A draft agenda was distributed electronically December 11, and redistributed December 14 due to computer problems. Mrs. Proctor sent an electronic reminder of the day's meeting on December 16. Co-Chairman Gibson asked for members to identify themselves. Membership followed suit, stating their home counties or towns. Chairman Gibson thanked members for their attendance and said that the Commission had a lengthy agenda, and for members to prepare themselves for this meaty agenda. He added that the day's subject, water, was one of the most important issues studied under the Commission's charge.

Introductory remarks by Co-chairmen

Having no additional comments added by Chairman Gibson's fellow chairmen, he moved to Item 3 of the Agenda.

Report to the Commission, explanation of agenda items, and a discussion of studies that the Commission is authorized to undertake

Chairman Gibson recognized Commission Counsel Jeff Hudson, who reviewed the day's agenda.

Report on the 2008 Agriculture Water Use Survey (G.S. 106-24 (b))

Chairman Gibson recognized Mr. Herb Vanderberry Director of the North Carolina Field Office of the National Agricultural Statistics Service of the United States Department of Agriculture. A copy of his presentation is attached to the minutes and may also be found online. Mr. Vanderberry began his presentation, a report on the 2008 North Carolina Agricultural Water Use Survey.

Reviewing the background of the study, Mr. Vanderberry noted that the recent drought of 2007 to 2008 increased awareness of water concerns and supplies in the State. He added that the 2008 legislation discussed at the meeting will better manage the State's water resources. Information from his presentation included a review of the State's drought of 2007. because of the drought, his presentation shows, there is an increased awareness of the State's water supply and legislation is currently before the General Assembly to better manage such water supplies. He then reviewed current legislative requirements, including an annual collection of water use data from operations using more than 10,000 GPD and that results are required to be published by July 1.

His survey was promoted via WebCast in September 2008. Community and county meetings, as well as work with the State's extension service. Basics of the survey include population selected from the 2007 Census of Agriculture. Some 9,000 forms were mailed to participants between January and February 2009, and that mailing was followed up with a telephone survey. In all, roughly 89 percent of those survey responded.

Among results, the survey concluded that the largest agriculture use is for irrigation. Irrigation use is "infrequent and seasonal," Mr. Vanderberry reported. Among the State's farms, agricultural irrigation is used between 12 to 16 days a month, despite surges in heat.

He continued his report and reviewed a chart of the State's water consumption by month for the year of 2008. Seasonal water use, he said, peaks in July, August and September of each year. Among agricultural users, it was reported that growers use more irrigation when working through rainfall shortages.

In beginning his conclusion to his report, Mr. Vanderberry said that the 2008 statewide study just reported on "is the first bench mark agricultural water use data." He warned, however, that caution should be used "when comparing the results to other data sources of non-agricultural water use."

Mr. Vanderberry finished his presentation. Co-Chairman Gibson thanked him and called for discussion among Commission members.

Representative Samuelson was recognized by the Co-Chairman. She asked how growers knew how much water they used on any given day. Mr. Vanderberry answered that hers was a very good question and that many farmer are required to keep records of

their water use. Livestock and poultry are required to report water use to their contracting companies.

Senator Bingham asked how many gallons of water are used on particularly hot days. Mr. Vanderberry said there was no data to measure such water use.

Having little more discussion, Co-Chairman Gibson thanked Mr. Vanderberry for his time. He then called on the next presenter.

Report on implementation of the State Water Supply Plan (G.S. 143-355 (n))

Co-Chairman Gibson recognized Mr. Thomas A. Reeder, Director of the Division of Water Resources (DWR) in the North Carolina Department of Environment and Natural Resources (NCDENR). A copy of his report is attached to the minutes and may also be found online at www.ncleg.net. Mr. Reeder, a; familiar face to the Commission, thanked both Co-Chairman Gibson and the Commission for the opportunity to report today.

In beginning his presentation, Mr. Reeder reviewed the process to create a water quantity basin plan. This includes having water resource, agricultural survey, registration and other data. This information is used to create river basin modeling that eventually is molded into water quantity basin plans. He then reviewed the local water supply plan program.

In this program, the first plans were submitted in 1990, and an assessment of a water system's current and future needs was compiled. This information was compiled for local governments, community water systems with more than 1,000 connections or serving more than 3,000 users. Plans are updated every five years and there is an electronic reporting system to compile yearly data. Local water supply plans are submitted electronically and reviewed and approved by DWR. Mr. Reeder noted that the data from these plans are essential for river basin models.

Items considered for supply plans include system information, water use information, water supply sources, wastewater information, system projections to 2050 and water shortage response plans. In continuing his report, Mr. Reeder reviewed the withdrawal and reporting program. To note in this program, only non-agricultural withdrawals of 100,000 gallons or more are required to register, and agriculture operations withdrawing more than 1,000,000 are required to register Registration is required regardless of ground of surface water withdrawals and annual reporting of water use for registered users is now required because of the 2008 Drought Bill. Addressing the agricultural survey, Mr. Reeder noted many items reported in the previous presentation. Continuing, water resource data comes from the State Ground Water Network, the NC-USGS Cooperative Program and the State Climate Office. He then reviewed two charts showing daily withdrawals, noting that residential public water systems withdrawal is the largest. Another chart was shown noting that the highest water withdrawals occur in the summer.

Mr. Reeder then reported on river basin plans. Reviewing benefits of the planning program, he noted that such plans identify potential problems or future shortfalls; potential conflict resolution; providing a valuable tool for local governments and for SEPA cumulative impact analysis. Mr. Reeder then looked at the consequence of a potential shortage of water. He said that projected demand "greatly exceeds" available

supply and that water plans have an opportunity for local "solutions" including improved comprehensive conservation and efficiency, potential regional solutions as well as new sources. Mr. Reeder finished his presentation. Co-Chairman Gibson called upon the Commission for discussion.

Co-Chairman Allen thanked Mr. Reeder and said that "was happy" to near that aquifers recovered despite having once been told that they did not. Co-Chairman Clodfelter noted that since 2008, plans are in five year cycles, and asked if this is now linked to local land use plans. Mr. Reeder answered that he could not say that they were "absolutely consistent."

Co-Chairman Clodfelter followed up and asked if looking at putting in a regime for withdrawals, the State needs to have the appropriate tools are quickly as we can. Co-Chairman Clodfelter then asked if the five year rules need to be submitted to allow faster development of river basin models. Mr. Reeder said that before the next update some guidelines would be created and that the Commission would be informed of them. Representative Justice thanked him for the presentation, calling it excellent, and asked how his Division helped growers and others withdrawing too much water. Mr. Reeder answered that DWQ could inform them that they are withdrawing too much water, and his Division has already helped many smaller local water systems. Representative Warren noted the Division's good work, particularly with regard to Pitt County. With little other discussion, Co-Chairman Gibson noted that with what is currently is on place, the State could effectively address a future drought. He then thanked Mr. Reeder.

Report on Basinwide Water Quality Management Plans

Co-Chairman Gibson then recognized Ms. Diane M. Reid, the Basinwide Planning Unit Supervisor in DWQ, DENR. A copy of her presentation is attached to the minutes and also may be found online at www.ncleg.net. Ms. Reid introduced herself and began her report explaining the purpose of river basin management plans. Such plans are helpful in protecting regional water quality, she said, and not just for improvement of areas where water quality is at risk. She then said that her Division is charged by the General Assembly to examine such water quality and looks at three to five basins a year, in conjunction with reporting cycles. Basinwide planning, as noted earlier by Mr. Reeder, began in 1990, and now includes effects of pollution and other factors in water quality. Also, her Division is charged with public awareness for water quality protection, she said.

In collecting data, her Division receives information from "inside" DWQ including information from ambient monitoring programs looking at chemical and physical factors. Also included is a fish program to identify protections for waters. Outside data, that the Division must be "comfortable with" may also be included.

In reviewing "purposes of basinwide water quality management plans, Ms. Reid noted that they include targeting area in need of additional water quality protection, better evaluating the cumulative effects of pollution, meeting EPA program reporting requirements, and improving public awareness and involvement.

Continuing her report, Ms. Reid noted that the State's benefits are many. These include increased pubic understanding, better focused resources, improved ecological planning and integration of programs and agencies.

She concluded her report and was thanked by Co-Chairman Gibson. The Co-Chairman then called for discussion. Representative Justice said her Division was among her favorites. Representative Justice asked about job growth versus environmental consequences, and with all the data and information given, do people listen in the regulatory sector.

Ms. Reid said that her Division was a regulatory Division. She added that she felt her Division was heard "for the most part." Co-Chairman Allen said she was concerned about future growth and its impacts. Her particular concern was clashes between development and watersheds. She asked if there were any efforts to look at these issues for future collaboration to allow for development, but without compromising water quality.

Ms. Reid answered that her Division is always looking to improve collaboration to improve water quality. She added that the move forward to work with water quality, merging plans, that would provide increased opportunity for participation.

Co-Chairman Gibson thanked Ms. Reid.

Discussion of stream and wetland mitigation issues, including treatment of projects with multiple environmental benefits

Co-Chairman Gibson recognized Ms. Robin W. Smith, Assistant Secretary for the Environment at DENR. Co-Chairman welcomed Ms. Smith. She reported on stream and wetland mitigation issues. A handout for her presentation is attached to the minutes and may also be found at the Commission's website at www.ncleg.net.

Ms. Smith thanked Co-Chairman Gibson. She explained her handout, including a description of a mitigation site in order to better demonstrate what makes such a site. She explained the 50-foot buffer zone around a steam. Co-Chairman Gibson asked Ms. Smith to better explain wetlands mitigation. Ms. Smith reviewed types of mitigation, which may be found in her handout. Two federal programs are assisted by DWQ on permitting and approval issues, but the programs remain under federal oversight. She then reviewed nutrient offset programs, which include offsets where there are nutrient strategies already in place. Many "players" participate in these programs, including the Army Corps of Engineers.

Report on the progress of efforts to develop a nutrient management strategy for the Upper Neuse River Basin, including Falls Lake

Co-Chairman Gibson recognized Mr. John W. Huisman, Environmental Senior Specialist for the Upper Neuse River Basin (including Falls Lake), NCDENR. Mr. Huisman thanked the co-chairman and approached the podium. A copy of his presentation is attached to the minutes or may be found at the Commission's website at www.ncleg.net.

Mr. Huisman began his report noting the recent history of Falls Lake. In 2004, he reported, a "focus" began on the lake's condition. This resulted in ratification of S.L. 2005-190 (SB 981 and S.L. 2006-259. These two bills charged the Environmental Management Commission to adopt nutrient rules for Falls Lake based on a calibrated model. Mr. Huisman then reviewed a map showing the percentage of data exceeding

chlorophyll at a standard of 40 ug/liter. The northern part of the lake showed dramatically higher percentages compared to the southeastern part of the lake.

He then began reviewing recently ratified laws regarding the lake. S.L. 2009-486 again charged the EMC with adopting nutrient rules, setting deadlines and a secondary mandate to adopt temporary rules. Also, S.L. 2009-486 called for crediting early reductions, have tighter erosion and sediment control standards and required DENR to report on septic systems in the watershed. Mr. Huisman then reviewed a "strategy development process." In this process two models were developed, involving a series of meetings as well as watershed and lake model to stakeholders of to the development process. Regarding the rulemaking process, Mr. Huisman reported that another series of meetings occurred, as well as the drafting of a fiscal note, Draft rules and the adoption of final rules to be approved no later than January 15, 2011. He reviewed a calendar of previous stakeholder meetings.

Moving back to Falls Lake nutrient data, Mr. Huisman reviewed 2006 estimated total nitrogen delivered load from its five watersheds. The majority of the load came from agricultural sources, the smallest, from the Department of Transportation. Reviewing the phosphorous load on the lake, agriculture again carried the largest share of the load with 46 percent.

Reporting on nutrient reduction goals, Mr. Huisman said that goals were set at a 40 percent reduction for nitrogen and 77 percent for phosphorous. With little more to report, Mr. Huisman completed his report and Co-Chairman Gibson called for Commission discussion.

Representative Samuelson was recognized. She commented that she was surprised that nutrient amounts declined as the lake went downstream. She asked Mr. Huisman to "educate" her on why this is. Mr. Huisman answered the majority of nutrients coming into the lake come from the northern part of the lake. "A lot more is going on with regard to the watershed," he said, "there's more being delivered." He added the local governments may have other requirements to help reductions.

Update on the Neuse River fish kill, presented in conjunction with the annual report on fish kills during the preceding year

Co-Chairman Gibson then recognized Mr. Jason Green, an Environmental Senior Specialist with the Neuse River Rapid Response Team (DWQ). Mr. Green thanked Co-Chairman Gibson. A handout was distributed to membership. This handout is attached to the minutes and may also be found at the Commission's website at www.ncleg.net.

Mr. Green began noting that there were 12 fish kill events in 2009, resulting in more than 13 million dead fish. In a major fall 2009 event, more than 10.2 million Atlantic Menhaden died within a 35 square mile area. This event lasted from September through October and was concentrated near New Bern on the lower Neuse River.

"We looked at a lot of dead fish this year," Mr. Green said.

He then reported on the "behavior" of the estuary. In a chart showing low dissolved oxygen, Mr. Green showed that in the lower Neuse there are smaller amounts of "good oxygen," typically less than 3 milligrams per liter. Where the river is at its most deficient is about 50 miles from New Bern. Reviewing salinity levels, the lower Neuse again had lower salinity closer to New Bern.

Menhaden, he reported, are prone to fish kills for several reasons. They are "small, sensitive fish" that swim in large, dense schools. Menhaden are also very susceptible to low dissolved oxygen. In determining the size of recent fish kills, Mr. Green reported that calibrated equipment were used, as well as sample collection and data review. Stressors examined after the 2009 fish kills included low dissolved oxygen, overcrowding of fish, toxic algae, ulcerative mycosis, parasite related stresses, and toxic compounds. In areas where fish kills occurred, nitrogen and phosphorus were elevated, as well as ammonia. In examining the fish themselves, no lesions, gill damage or other anomalies were observed. Mr. Green lastly reported that the cause of the 2009 fish kills was low dissolved oxygen stress. With little discussion ensuring, Co-Chairman Gibson thanked Mr. Green.

Annual report on activities associated with the Sedimentation

This item was displaced to be heard at the January Commission meeting. Co-Chairman Gibson thanked the Commission for their hard work and adjourned the meeting at 1:40 p.m.

Co-Chair Pryor Gibson
Presiding

Co-Chairman Dan Clodfelter

Jessica Kozma Bennett
Commission Clerk

General Assembly of North Carolina

Environmental Review Commission
State Legislative Building
Raleigh, North Carolina

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SENATOR DANIEL G. CLODFELTER

REPRESENTATIVE LUCY T. ALLEN
REPRESENTATIVE PRYOR A. GIBSON

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COMMISSION ANALYST

TIMOTHY R. DODGE
COMMISSION COUNSEL

MARIAH B. MATHESON
COMMISSION ASSISTANT

JESSICA K. PROCTOR
COMMISSION CLERK

AGENDA

11:00 a.m. Thursday, December 17, 2009
Room 544 Legislative Office Building
Raleigh, North Carolina

1. Call to order
   Representative Pryor A. Gibson, Presiding

2. Introductory remarks by Cochairs *(5 minutes)*
   Senator Robert C. Atwater
   Senator Daniel G. Clodfelter
   Representative Lucy T. Allen
   Representative Pryor A. Gibson

3. Report to the Commission and explanation of agenda items *(10 minutes)*
   Jeff Hudson, Commission Counsel

4. Report on the 2008 Agriculture Water Use Survey (G.S. 106-24(b)) *(30 minutes)*
   Herb Vanderberry, Director
   United States Department of Agriculture, National Agricultural Statistics Service, North Carolina Field Office

5. Report on implementation of the State Water Supply Plan (G.S. 143-355(n)) *(30 minutes)*
   Thomas A. Reeder, Director
   Division of Water Resources (DWR)
   Department of Environment and Natural Resources (DENR)

6. Report on Basinwide Water Quality Management Plans (G.S. 143-215.8B(d)) *(20 minutes)*
   Dianne M. Reid, Basinwide Planning Unit Supervisor
   Division of Water Quality (DWQ), DENR

7. Discussion of stream and wetland mitigation issues, including treatment of projects with multiple environmental benefits *(20 minutes)*
   Robin W. Smith, Assistant Secretary for the Environment
   DENR

8. Report on the progress of efforts to develop a nutrient management strategy for the Upper Neuse River Basin, including Falls Lake (S.L. 2009-486) *(15 minutes)*
   John W. Huisman, Environmental Senior Specialist
   NonPoint Source Planning Unit, DWQ, DENR

9. Update on the Neuse River fish kill, presented in conjunction with the annual report on fish kills occurring during the preceding year (G.S. 143B-279.7 (c)) *(20 minutes)*
   Jason C. Green, Environmental Senior Specialist
   Neuse River Rapid Response Team, DWQ, DENR

10. Annual report on activities associated with the Sedimentation Pollution Control Act of 1973 (G.S. 113A-67) *(15 minutes)*
    James D. Simons, Director and State Geologist
    Division of Land Resources, DENR

11. Commission discussion and announcements

12. Adjourn

FUTURE MEETINGS:

The Environmental Review Commission will meet on the following dates at 10:00 a.m. in Room 544 of the Legislative Office Building, Raleigh, North Carolina. **This schedule is tentative and subject to adjustment.** For planning purposes, however, please reserve these dates. This schedule may be modified to allow for out-of-town business meetings or site visits and in the event that it becomes necessary to cancel a scheduled meeting due to hazardous weather conditions.

Thursday, January 21, 2010
Thursday, February 18, 2010
Thursday, March 18, 2010
Thursday, April 15, 2010

ADDITIONAL INFORMATION:

Persons having questions about the Commission meeting or other matters related to the Commission may contact Jennifer McGinnis, Commission Counsel, or other Commission staff at (919) 733-2578 or may visit the Commission's website at http://www.ncleg.net/gascripts/DocumentSites/browseDocSite.asp?nID=12

VISITOR REGISTRATION SHEET

Environmental Review Commission

December 17, 2009
10 a.m.
Room 544, LOB

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMISSION ASSISTANT

NAME	FIRM OR AGENCY AND ADDRESS
Steve Wall	DENR
Elizabeth Biser	DENR
Phillip Aycock	NCDOT
Drew Ball	Sierra Club
DAN CRAWFORD	CCNC
Vernon Cox	
Jim Rogers	DENR
Amy Simes	DENR
Colleen Kochanek	NCGWA
Alexandra Cooney	Richardson Smith & Gardner

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Environmental Review Commission
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NAME	FIRM OR AGENCY AND ADDRESS
TYLER NEWMAN	BASE
ERIC KULZ	NCDWQ
Alissa Bierma	Neuse Riverkeeper Fdn 112 S. Blount St, 27601
Matt Matthews	NC DENR/DWQ
Diane Reid	NC DENR/DWQ
Ryke Longest	Duke Env'l Law & Policy Clinic
Don Conrad	NCCN
Will Kimmey	Wyrick Robbins / Waste Industries Yates Pearson
John Huisman	NC DENR/DWQ
Robin Smith	DENR

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Environmental Review Commission

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NAME	FIRM OR AGENCY AND ADDRESS
Coleen H. Sullins	DENR/DWQ
Don Carlton	Law Offices of Ken Carlton
Beth Warren	AGO
Mitch Peele	NCFB
LARRY Bewley	GIC
Michelle Frazier	MFS
Barrett Jenkins	Restoration Systems
Thomas Moore	Ft Jackson Water
[illegible]	Biogues Co of NC
Don Holman	Nicholas Inst / Duke U
TOM BEAN	EDF, NCSEA

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NAME	FIRM OR AGENCY AND ADDRESS
George Everett	Duke Energy
Michael Thompson	Dominion
Kathy Hawkins	Progress Energy
Berry Jenkins	Carolinas AGC
David Knight	DENR
Jon Carr	Jordan Price
Richard Whisnant	UNC SOG
Richard Rogers	CLEANTF
Martin Doyle	UNC-CH
Peter Raabe	American Rivers

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NAME	FIRM OR AGENCY AND ADDRESS
	NMFS
Patrick Buffkin	"
Lucius Pullen	Counsel NC Mining Association
Jay Stem	NCAA
Anne Coan	NC Farm Bureau Federation
Joe Schwartz	Independent Weekly
John Shaw	WakeUP Wake Co.
Bill Gilmore	DENR
Jim Stawfill	"
Tad Boggs	NCDENR

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December 17, 2009
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NAME	FIRM OR AGENCY AND ADDRESS
[illegible]	[illegible]
John Morris	retired
Jim Lowry	NC Utility Contractors Assn
L. Andrews	NCFB
Julie Youngman	Southern Envtl Law Center
Tommy Stevens	NCPC
Jay Hicks	NCDA&CS
[illegible]	NCFA
Don Safrit	NC AWWA WEA
DSP	NCFB
[illegible]	NCPC

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10 a.m.
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NAME	FIRM OR AGENCY AND ADDRESS
Ely Perry III	EBX PO Box 1475 Kinston, NC, 28503
Norton Webster	Environmental Bank & Exchange 909 Capability Dr Raleigh, NC 27606
Bo Heath	Melanie Woodz
James Kirby	Office of Sen. Queen
Linwood Peele	NCDENR - DWR
Harold Brady	NCDENR - DWR
Sara Stuckey	NC REDC
Erin Wynia	NC LM
Lisa Riegel	NHTF
Mark Hale	NCDWQ

VISITOR REGISTRATION SHEET

Environmental Review Commission
December 17, 2009
10 a.m.
Room 544, LOB

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NAME	FIRM OR AGENCY AND ADDRESS
David Kelly	Environmental Defense Fund
Sam Pearsall	Environmental Defense Fund
[illegible]	NS
[illegible]	NCSTA
Rita Harris	NC Commerce
[illegible]	MCIC
Michelle C. Vaught	Potash Corp
[illegible]	[illegible]
Nick Tosco	NCLM
Lisa Martin	NC Home Builders

VISITOR REGISTRATION SHEET

12/17/09

Name of Committee | Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
Ray Sterling	NCDA+CS
Susan Blaupied	LA (Johnathan Rhyne)
Dan McLawhorn	City of Raleigh
David McLeod	NCDA+CS
Howard Taylor	NCDA+CS
Jessie Hayes	NC HBA

2008 North Carolina Agricultural Water Use Survey

Agricultural Statistics Division
North Carolina Department of Agriculture & Consumer Services

Background

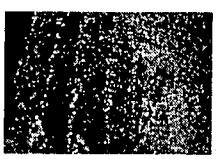


- Drought in 2007-08 raises awareness of water supplies in North Carolina
- Legislation is discussed to better manage the state's water resources
- Information for agricultural water use is available for the CCPCUA (15 counties) but not statewide (except over 1 mil GPD)
- SL2008-0143 is passed in 2008 – Section 2 outlines collection of agricultural water use data



Legislation Requirements

- Annually collect water use data from operations using 10,000 GPD or more
- Collaborate with DENR in design of form
- Publish results by July 1
- Voluntary and Confidential



Survey Promotion

- Statewide WebCast September 2008
  - Commissioner Troxler, NCDA
  - Larry Wooten, NC Farm Bureau
  - All Commodity & Ag Organizations invited
- Commodity meetings
- County meetings
- Extension Offices



Survey Basics

- Population selected from 2007 Census of Agriculture - > 5,000 GPD, yes/no
- Additionally, operation characteristics considered from regular survey contacts
- 9,000 forms mailed out Jan-Feb 2009
- Telephone follow-up
- 89% total response,86% usable responses

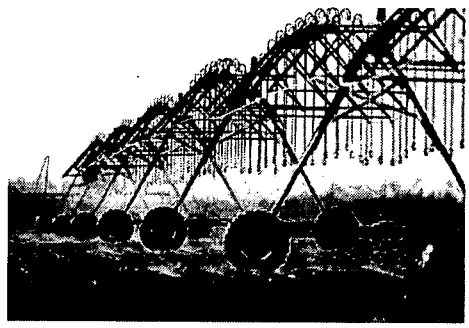


Survey Basics (cont'd)

- Survey Form – 1 page, legal size, front & back
- Withdrawal capacity in 1 day
- Total withdrawal
- Maximum any 1 day
- Ground and Surface breakout
- Type of Operation
  - Livestock, Irrigation, Aquaculture



Survey Results



Agriculture Uses Irrigation to Supplement Rainfall

- Largest water use in agriculture is irrigation, primarily from surface sources
- Irrigation use is infrequent and seasonal
- On average, irrigation is used on farms only 12-16 days of the month, even in the hottest/driest times of the year
- 2008 was a continuation of a drought period that began in 2007

Withdrawals versus Consumptive Use

- Results from the 2002 -2008 CCPCUA and the 2008 Statewide Ag Water Use Survey collected withdrawal data
- DENR assumes agriculture water use is 100% consumptive
- While we don't have survey data on agricultural consumptive use, we know it is less than 100%

2008 North Carolina Water Use by Month [1]

Month	# Operations (count)	Total Gallons Used ground	Total Gallons Used surface	Average Daily Volume – 365 ground	Average Daily Volume – 365 surface	Average for Demand Days ground	Average for Demand Days surface
January	844	366,976,523	219,751,835	11,837,952	7,088,762	15,437,944	18,486,355
February	858	362,172,409	216,888,050	12,934,732	7,810,288	17,311,332	20,899,000
March	907	451,170,758	621,280,327	14,553,895	20,041,301	26,278,661	65,908,847
April	1,060	568,368,467	908,445,100	18,612,949	30,281,503	36,143,817	92,745,073
May	1,165	768,218,651	1,453,611,599	24,781,247	46,890,697	49,639,222	131,254,942
June	1,397	1,270,987,489	3,314,635,093	42,366,249	110,487,836	76,938,479	241,306,416
July	1,513	1,343,510,973	4,345,408,077	43,339,064	140,174,454	79,529,803	285,904,645
August	1,349	1,069,036,392	3,595,927,024	35,130,174	115,997,646	64,109,829	228,946,521
September	1,055	683,525,032	1,704,887,616	22,784,168	56,829,587	44,301,488	113,466,308
October	950	596,282,669	661,769,166	19,299,447	21,347,392	38,302,748	55,607,710
November	858	398,253,417	326,007,153	13,275,114	10,866,905	22,028,747	23,629,452
December	797	361,739,277	217,956,778	11,669,009	7,030,864	19,103,207	18,612,536
Annual Average		690,188,444	1,465,697,302	22,632,000	47,903,936	40,760,440	108,063,984

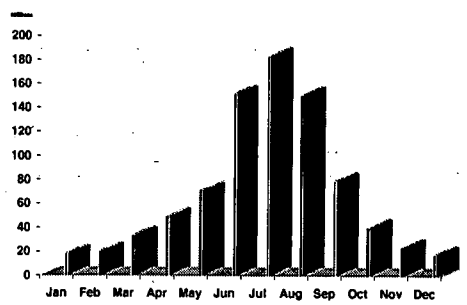
Operations [1]:
1,498 Total Operations
751 Livestock
801 Irrigation
84 Aquaculture

Daily Withdrawal Capacity (Incl. ground & surface):
1,162,654,576 (gallons)

[1] Users of 10,000 gallons or more per day. Does not include farms that have reported their withdrawals directly to DENR by July 1, 2009. [2] The type and monthly number of operations will not add to the total. Some operations reported multiple types and others reported both surface and ground water.

Seasonal Water Use

(Average Daily Gallons - 365)



Comparisons to Other Sectors

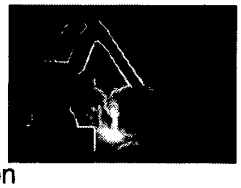
- While the 2008 Statewide study is the first benchmark agricultural water use data, caution should be used when comparing the results to other data sources of non-agricultural water use
- 10,000 versus 100,000 threshold
- Total volume of water used versus demand days
- Withdrawals versus consumptive use

Benefits

- Statewide agricultural water use data
  - Survey based
  - Defensible
  - Confidential
- Public/private collaboration
- Farmer awareness of use
- Document individual farm water needs



Appreciation

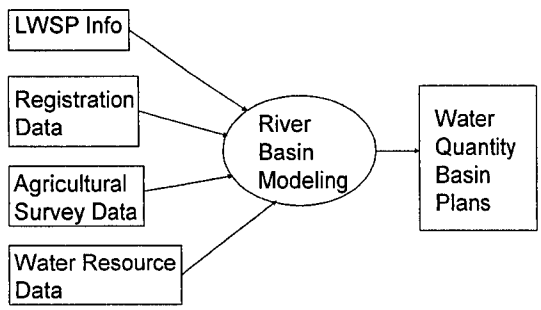


- NCDA&CS
- Farm Bureau
- Commodity Associations
- NC Cooperative Extension
- NCSU
- NC Foundation for Soil and Water Conservation

Water Supply Planning in North Carolina

Environmental Review Commission
December 17, 2009

Data + Modeling & Analysis = Plans



Data Sources

- Local Water Supply Plans (LWSPs)
- Water Withdrawal Registration Data
- Agricultural Water Use Survey Data
- Water Resources Data
  - State Ground Water Network
  - USGS
  - State Climate Office

Local Water Supply Plan Program

- 1st plans submitted in 1990.
- An assessment of a water system's current & future needs and its ability to meet those needs.
- Required for:
  - Units of local government
  - Community water systems with > 1,000 connections or serving > 3,000 people.
- Updated every 5 years.
- Annual water use reporting

Local Water Supply Plan Program

- Plans are submitted electronically.
- Reviewed and approved by NC DWR.
  - New requirement in 2008 Drought Bill.
- Data essential for river basin models.

Local Water Supply Plan Program

- Complete plan includes:
  - System Information
  - Water Use Information
  - Water Supply Sources
  - Wastewater Information
  - System Planning and Projections to 2050.
  - Water Shortage Response Plan
    - For managing water use during times of water shortages.

LWSP 80% Guideline

- When average daily demand is projected to exceed 80% of a system's available supply by 2030.
- Systems are asked to evaluate options such as:
  - Enhanced demand management and efficiency
  - Additional source of water
    - Interconnection, additional wells, surface water intake, etc
- Describe plan in LWSP
- DWR Staff reviews proposed plans for new supply to determine if water will be available.

Withdrawal Registration & Reporting Program

- Non-ag withdrawals >100,000 gpd required to register.
- Ag withdrawals >1,000,000 gpd required to register.
- Applies to surface and ground water withdrawals.
- Annual reporting of water use for registered users.
  - Requirement of 2008 Drought Bill.
- Local Water Supply Plan meets requirement.

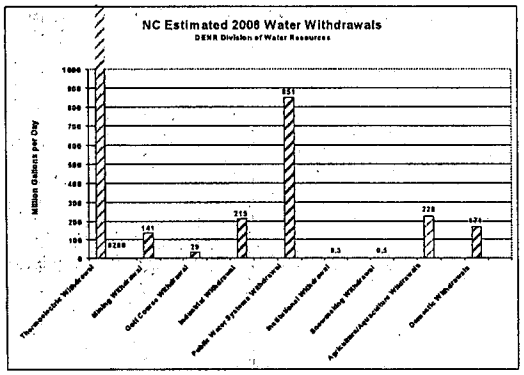
Agriculture Survey

- New requirement in 2008 Drought Bill.
- Conducted by Dept of Ag & Consumer Services
- Survey of ag users > 10,000 gallons per day.
- 86% response rate.
- Results of 1st Survey submitted July 1, 2009.
- Contains information & data previously unavailable.
- In 2008 agricultural water use exceeded use by large community and local government water systems in July and August.

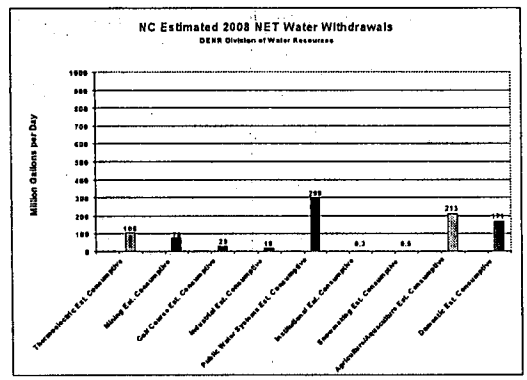
Water Resources Data

- State Ground Water Network
  - DWR monitors 561 wells across the State.
- NC – USGS Cooperative Program
  - Monitor 68 real-time stream flow gages.
  - Monitor 16 real-time wells.
- State Climate Office
  - Integrated database of streamflow, ground water levels, and climatic data.

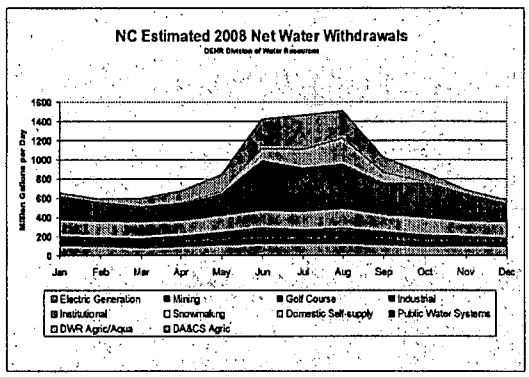
Average Daily Withdrawals



Average Daily Net Withdrawals – Consumptive Use

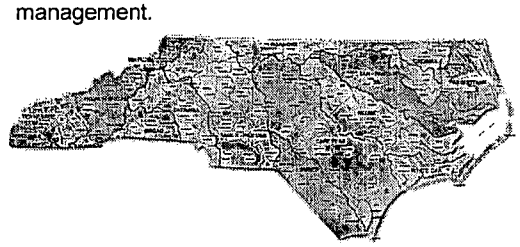


Monthly Average Daily Net Withdrawals



River Basin Modeling

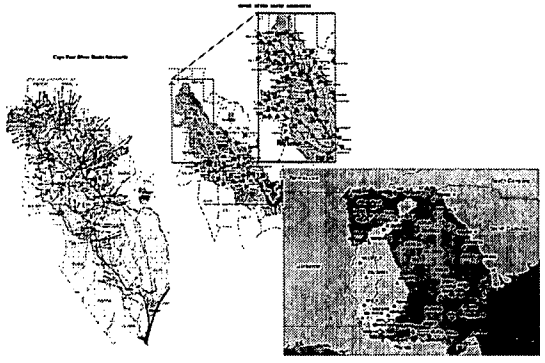
- Basin by basin approach.
- One of the most sophisticated programs in SE.
- Provide science based tools to study water management.



River Basin Model Basics

- Water Balance Model
  Inflow – Outflow = Change in Storage
- Model is like a checkbook
  Natural Inflow & WW Discharges = Salary
  Outflow & Withdrawals = Expenses
  Storage = Bank Account
- Calculated at many locations in basin.
- The complexity is developing the data and equations to describe the 3 variables.

NC – GA Model Comparison



Practical Applications of Modeling

- Determine the impacts of new & existing water withdrawals and wastewater discharges.
- Determine potential shortfalls based on projected uses detailed in Local Water Supply Plan.
- Scientifically defensible means of generating daily stream flows for ungaged stream segments.
- Safe yield estimates for run-of-the-river intakes and water supply impoundments.
- Develop and test drought management plans.

Schedule for Models Underway

Cape Fear	Update – 12/2010
Neuse	12/2009
Roanoke	Update - 6/2010
Tar-Pamlico	6/2011
Broad	6/2011

River Basin Plans

- River Basin Plans are the final product of process.
  - Provide analysis of model output.
- Information needed for long range planning.
- Similar to DWQ Basinwide Plans.
- DENR goal to better coordinate and integrate DWR & DWQ Basin Plans.

Schedule for Basin Plans Underway

Cape Fear	Revised – 6/2011
Neuse	6/2010
Roanoke	6/2011
Tar-Pamlico	6/2012
Broad	6/2012

Benefits of Planning Program

- Highlights potential problems or shortfalls in future.
  - Identifies areas where demand may exceed supply.
- Resolution of potential conflicts over water sources.
  - Multiple systems over-using a single source.
  - Competition for water during droughts
- Provides local governments a valuable planning tool.
  - Raleigh, Jordan Lake Partners, IBTs, etc...
- SEPA Cumulative Impact Analysis

What if there is not enough water?

- Projected demand greatly exceeds available supply.
- Opportunity for local solutions:
  - Comprehensive conservation & greater efficiency.
  - Joint ventures / regional solutions.
  - New sources, interconnections, IBTs, etc...
- One regulatory option currently available:
  - EMC designates area a "Capacity Use Area" (CUA)
- One area in State already designated as CUA:
  - 15 Counties in Central Coastal Plain CUA.

Challenges of Current Program

- Incorporation of Ecological Flows.
  - How much water needs to be left in the river?
  - Not a single number – a seasonal flow regime or hydrograph.
  - Complex issue for all States to address.
- Incorporation of groundwater impacts.
- Ensure model outputs reflect reality.

Value of Regional Water Supply Planning

	Total savings per mgd	Annual Net benefit per household	B/C Ratio
Atlanta	$1.48	$3.83	2.0
Boston	$3.45	$28.92	1.8
Seattle	$1.06	$6.95	2.1
Phoenix	$1.76	$10.32	4.3
Houston	$10.33	$14.44	1.7
Median	$1.76	$10.32	2.0

Data + Modeling & Analysis = Plans

- One of the most sophisticated programs in SE.
- Accomplished with a minimal amount of resources.
- Need to incorporate ecological flow regimes.
- Process constrained by existing staff resources.

Questions?

Contact Information:

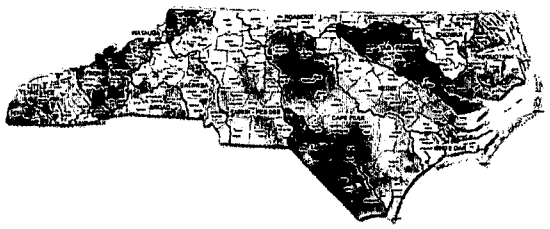
Tom Reeder
919-715-3045
tom.reeder@ncdenr.gov

DWR
Division of Water Resources

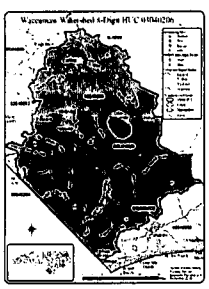
North Carolina's Basinwide Water Quality Management Planning Program

Division of Water Quality
Department of Environment and Natural Resources

NC River Basins for Water Quality Management Planning

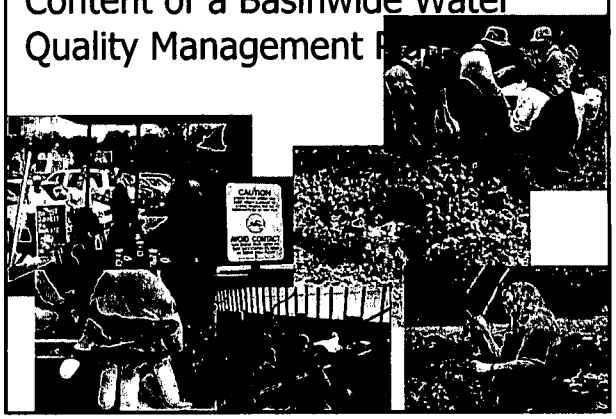


Purposes of the Basinwide Water Quality Management Plans

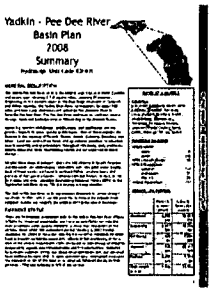


- Target areas in need of additional water quality protection;
- Better evaluate cumulative effects of pollution;
- Meet EPA program reporting requirements; and
- Improve public awareness and involvement.

Content of a Basinwide Water Quality Management P



What does NC get?



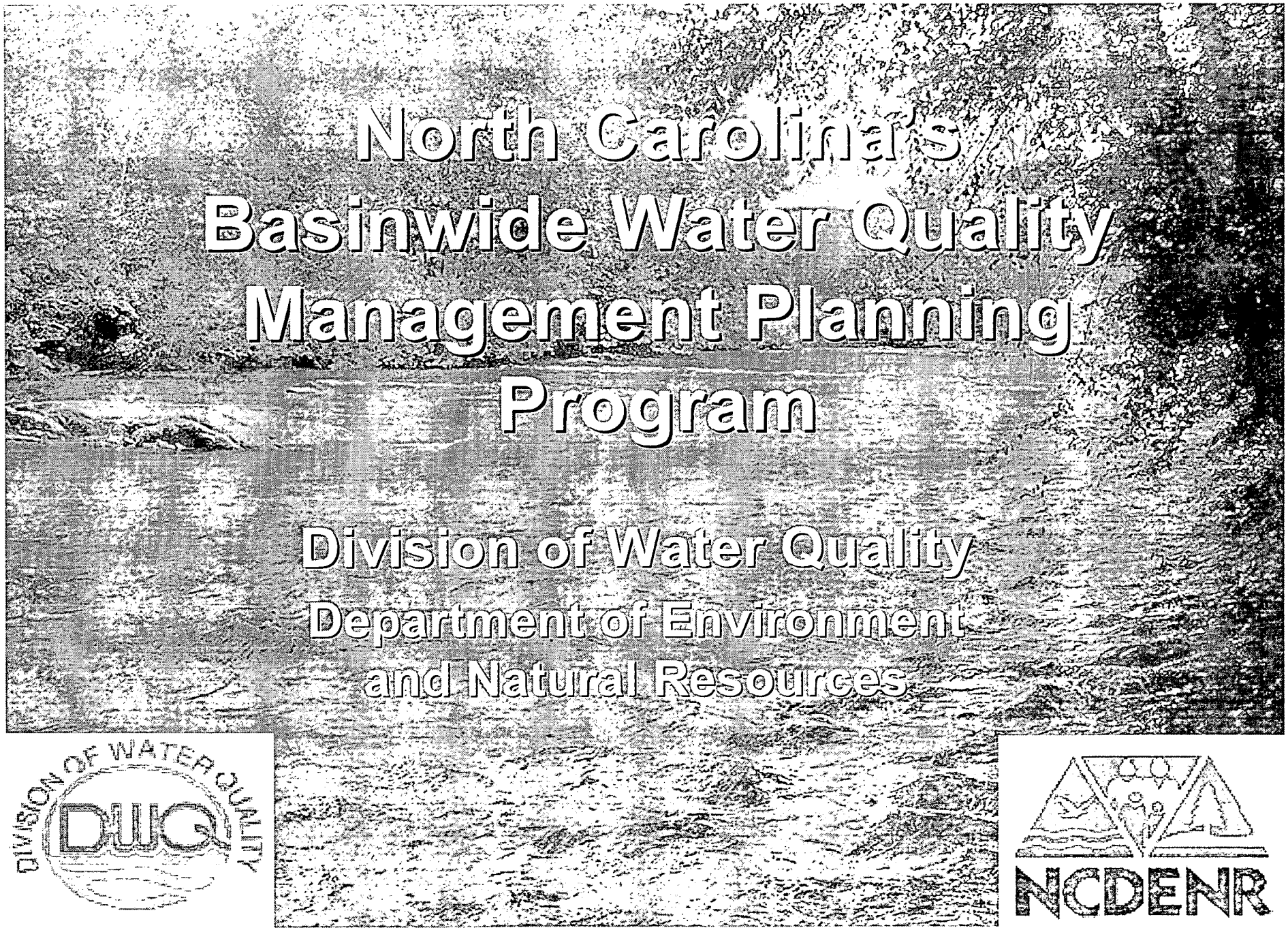
- Increased public understanding and participation;
- Focused resources;
- Comprehensive NPDES permitting;
- Sound ecological planning; and
- Integration and coordination of programs and agencies.

Annual Report to ERC

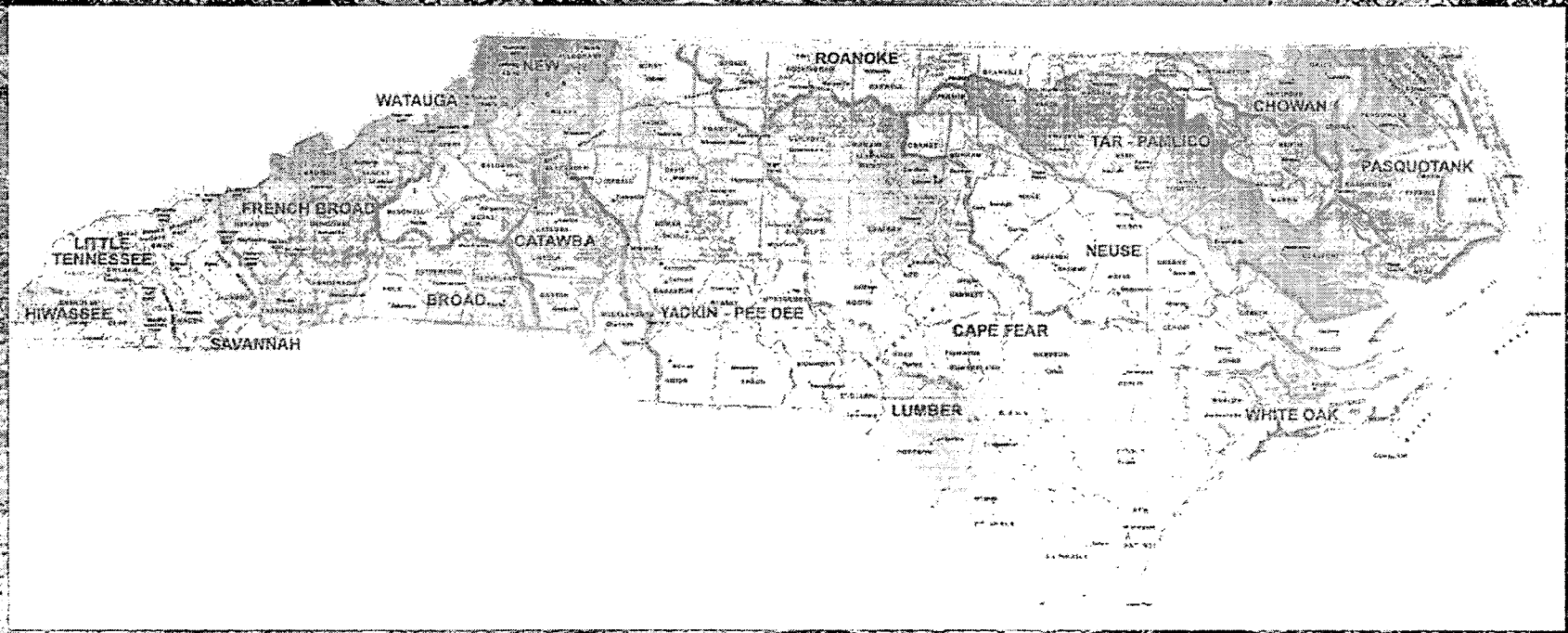
- Numerous Public Outreach Activities
- Completed Broad, Yadkin Pee-Dee & Neuse Plans
- Status of Water Quality in Those Basins
  - Metals below standards
  - Mercury fish consumption advisory
  - Closed Shellfish Waters
  - Chlorophyll-a above standards

QUESTIONS?

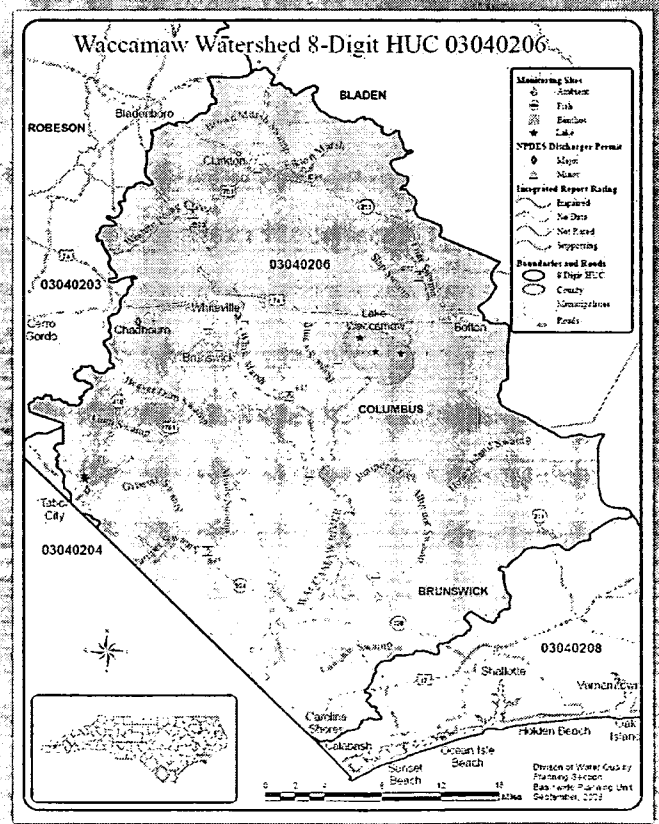
Contact:
Dianne Reid
919-807-6427
dianne.reid@ncdenr.gov
http://h2o.enr.state.nc.us/basinwide/


North Carolina's
Basinwide Water Quality
Management Planning
Program
Division of Water Quality
Department of Environment
and Natural Resources
DIVISION OF WATER QUALITY
DWQ
NCDENR

NC River Basins for Water Quality Management Planning

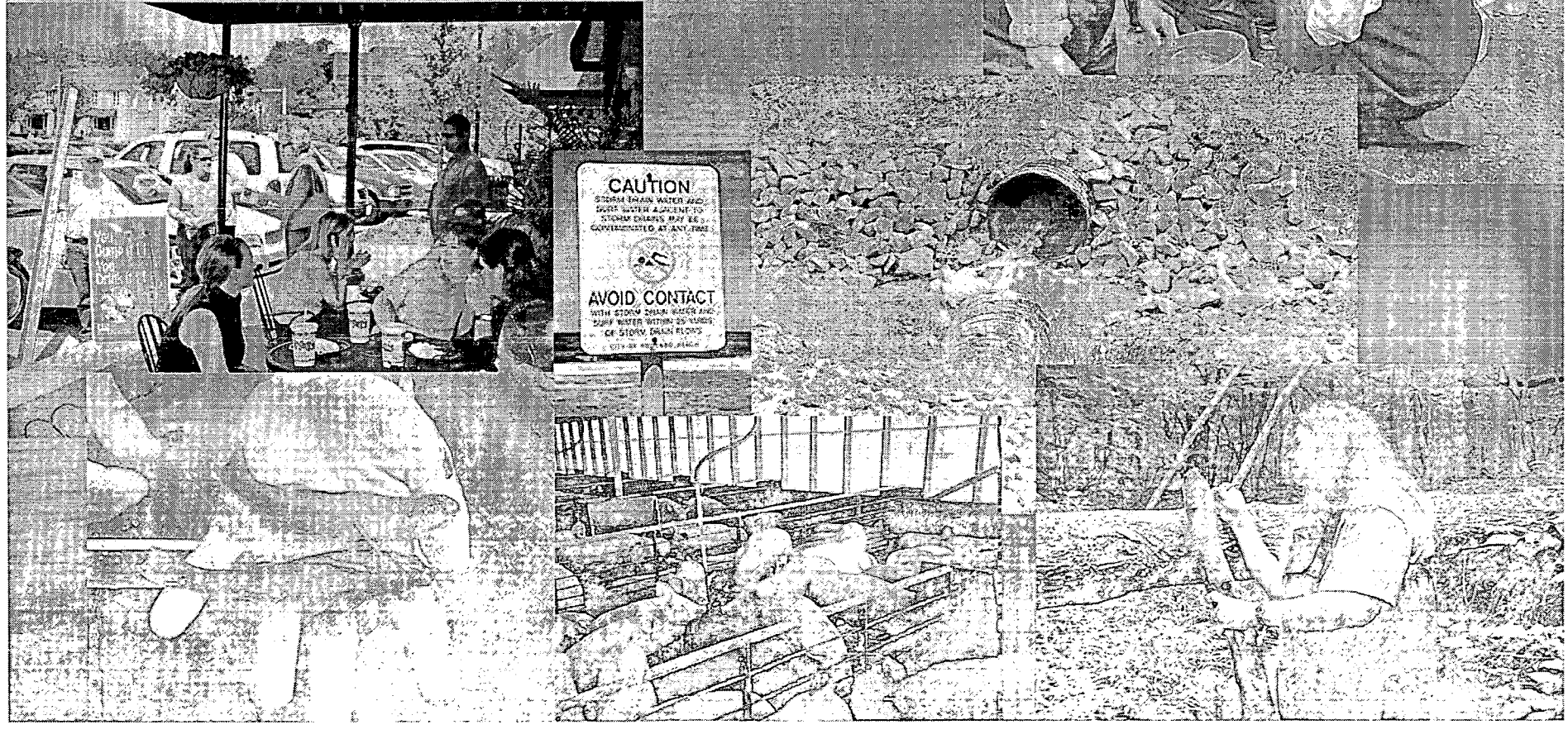


Purposes of the Basinwide Water Quality Management Plans

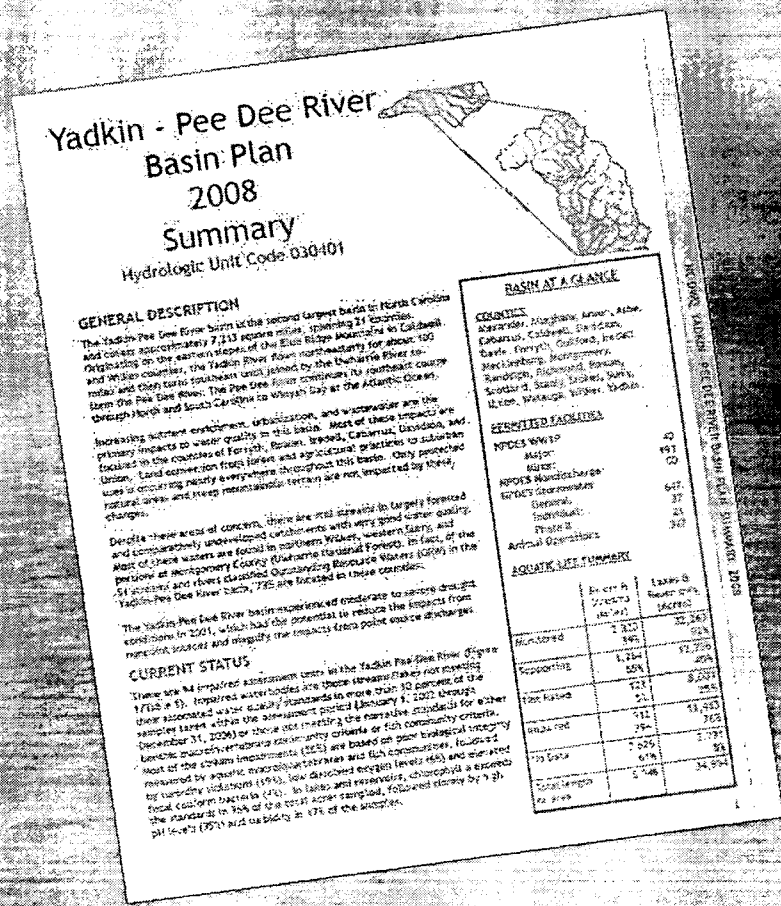


- Target areas in need of additional water quality protection;
- Better evaluate cumulative effects of pollution;
- Meet EPA program reporting requirements; and
- Improve public awareness and involvement.

Content of a Basinwide Water Quality Management Plan



What does NC get?



Yadkin - Pee Dee River
Basin Plan
2008
Summary
Hydrologic Unit Code 030401

GENERAL DESCRIPTION

The Yadkin-Pee Dee River basin is the second largest basin in North Carolina and covers approximately 7,213 square miles, spanning 21 counties. Originating on the northern slopes of the Blue Ridge Mountains in Caldwell and Watauga counties, the Yadkin River flows northeasterly for about 100 miles and then turns southeast until joined by the Uwharrie River to form the Pee Dee River. The Pee Dee River continues its southeast course through North and South Carolina to Winyah Bay at the Atlantic Ocean.

Increasing nutrient enrichment, urbanization, and wastewater are the primary impacts to water quality in this basin. Most of these impacts are located in the counties of Forsyth, Rowan, Iredell, Cabarrus, Davidson, and Union. Land conversion from forest and agricultural practices to suburban uses is occurring mostly everywhere throughout this basin. Only protected natural areas and steep mountainous terrain are not impacted by these changes.

Despite these areas of concern, there are still strengths in largely forested and comparatively undeveloped catchments with very good water quality. Most of these waters are found in northern Yadkin, western Surry, and portions of Montgomery County (Uwharrie National Forest). In fact, of the 51 streams and rivers classified Outstanding Resource Waters (ORW) in the Yadkin-Pee Dee River basin, 73% are located in these counties.

The Yadkin-Pee Dee River basin experienced moderate to severe drought conditions in 2001, which had the potential to reduce the impacts from nonpoint sources and magnify the impacts from point source discharges.

CURRENT STATUS

There are 44 impaired assessment units in the Yadkin Pee-Dee River (Figure 1/DWQ p 5). Impaired water bodies are those streams/lakes not meeting their associated water quality standards in more than 10 percent of the sample target within the assessment period (January 1, 2002 through December 31, 2006) or those not meeting the narrative standards for other benthic macroinvertebrate community criteria or fish community criteria. Most of the stream impairments (55%) are based on poor biological integrity measured by aquatic macroinvertebrates (narrative) and fish communities, followed by turbidity violations (19%), low dissolved oxygen levels (4%) and elevated fecal coliform bacteria (4%). In lakes and reservoirs, chlorophyll a exceeds the standard in 36% of the total acres sampled, followed closely by high pH levels (35%) and cyanobacteria in 17% of the samples.

BASIN AT A GLANCE

COUNTIES

Alexander, Alleghany, Anson, Ashe, Cabarrus, Caldwell, Davidson, Davie, Forsyth, Guilford, Iredell, Mecklenburg, Montgomery, Randolph, Richmond, Rowan, Scotland, Stanly, Stokes, Surry, Union, Watauga, Wilkes, Yadkin

PERMITTED FACILITIES

NPDES WWTP	40
Major	21
Minor	19
NPDES Municipal/Other	
NPDES Stormwater	647
General	37
Individual	24
Phase II	587
Animal Operations	

AQUATIC LIFE SUMMARY

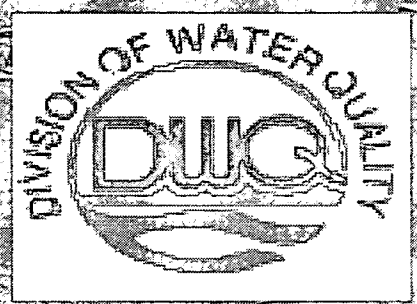
	Assessed Streams (miles)	Lakes & Reservoirs (acres)
Monitored	2,853	32,267
	39%	91%
Supporting	4,284	32,709
	59%	90%
Not Rated	121	3,558
	2%	10%
Impaired	722	33,493
	10%	93%
Total Data	7,029	1,791
	97%	5%
Total Length or Area	7,248	34,958

- Increased public understanding and participation;
- Focused resources;
- Comprehensive NPDES permitting;
- Sound ecological planning; and
- Integration and coordination of programs and agencies.

Annual Report to ERC

- Numerous Public Outreach Activities
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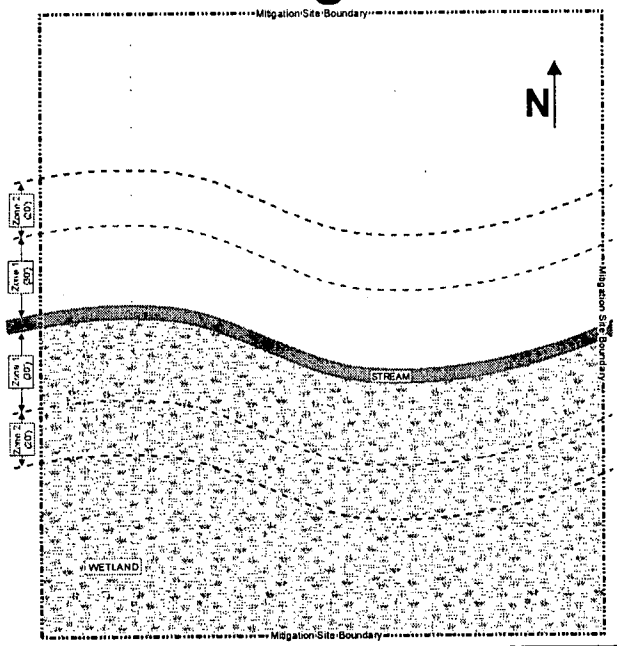
Dianne Reid

919-807-6427

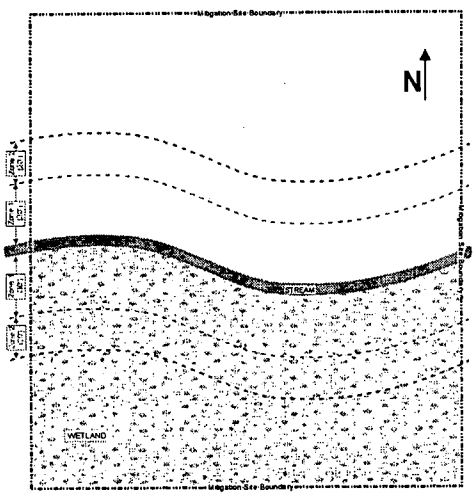
dianne.reid@ncdenr.gov

http://h2o.enr.state.nc.us/basinwide/

Model Mitigation Site



Mitigation Options (North side- no wetlands present)



Within 50 feet of stream

Buffer mitigation and stream mitigation

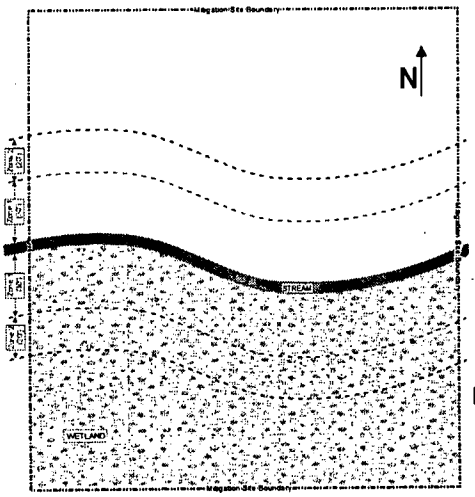
or

nutrient offset and stream mitigation

50 – 200 feet of stream

Nutrient offset only

Mitigation Options (South side-wetlands present)



Within 50 feet of stream

1) Wetland mitigation and stream mitigation (USACE)

or

Wetland mitigation or stream mitigation (USEPA)

2) Buffer mitigation and stream mitigation (DWQ)

or

Wetland mitigation and stream mitigation (DWQ)

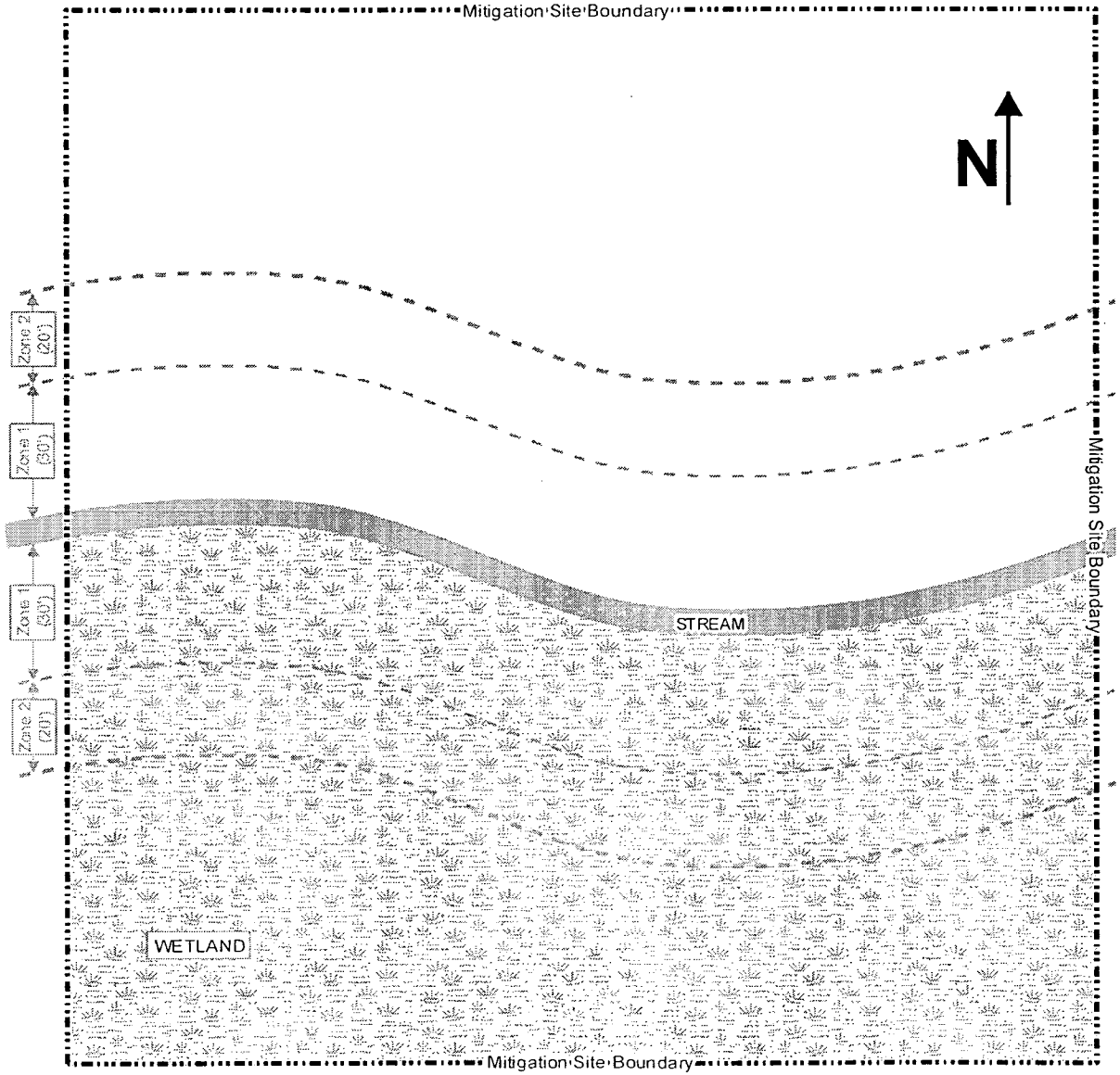
or

Nutrient offset and stream mitigation (DWQ)

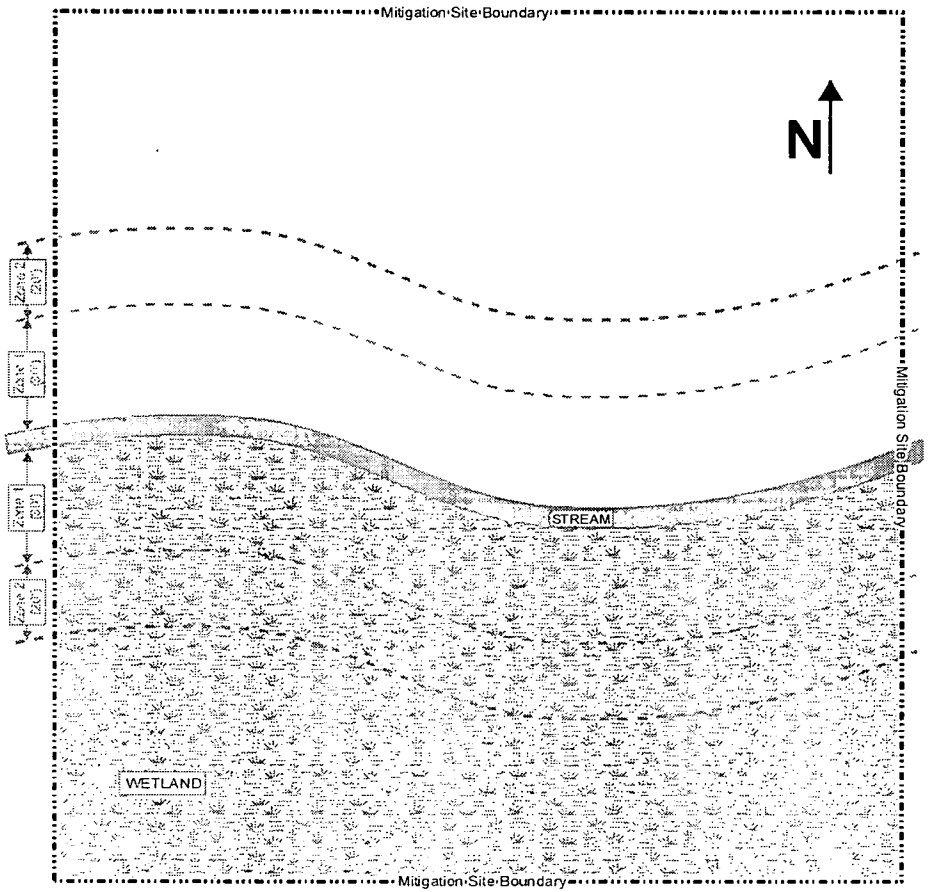
50 – 200 feet of stream

Wetland mitigation or nutrient offset

Model Mitigation Site



Mitigation Options (North side- no wetlands present)



Within 50 feet of stream

Buffer mitigation and stream mitigation

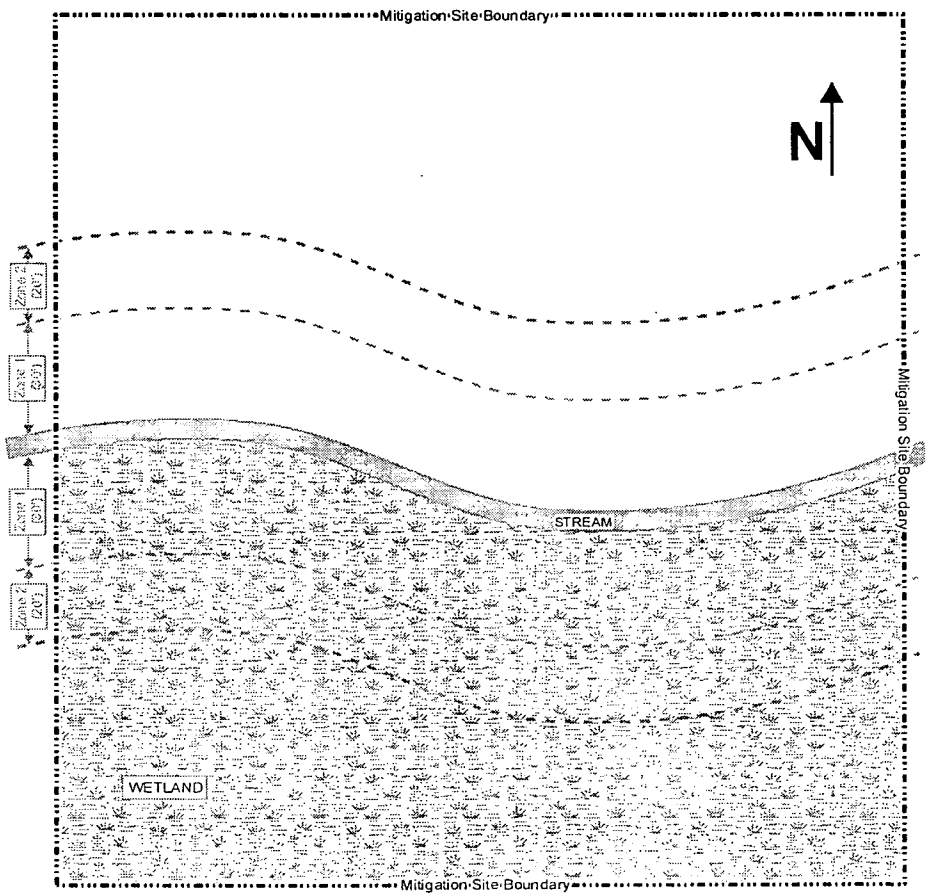
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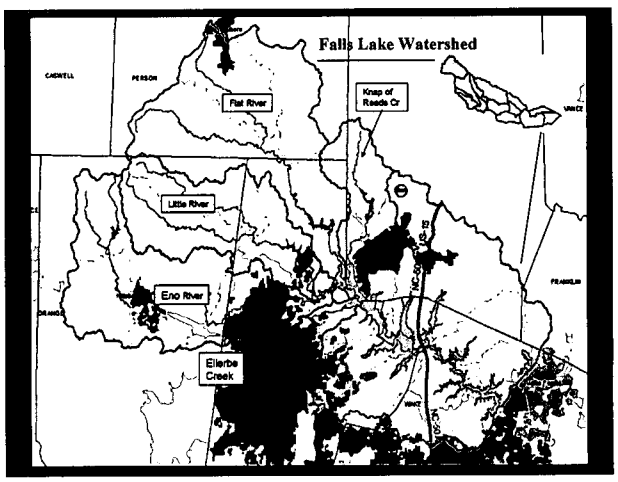
Nutrient offset and stream mitigation (DWQ)

50 – 200 feet of stream

Wetland mitigation or nutrient offset

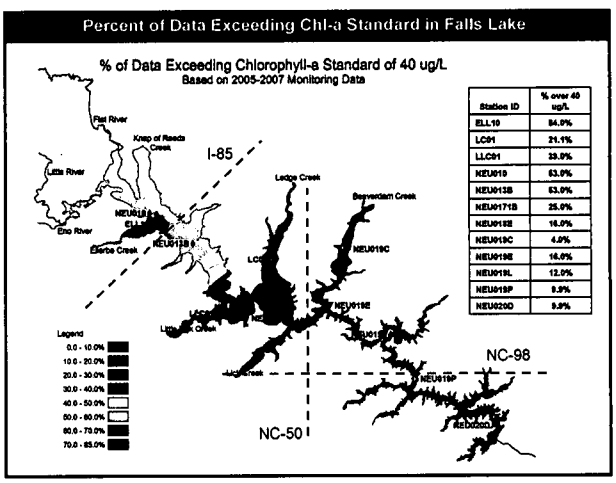
Falls Lake Update

John Huisman, NC DWQ
December 17, 2009



Recent Falls Lake History

- 2004 – focus on lake's condition
- SL 2005-190 (SB 981), SL 2006-259
  - EMC shall adopt nutrient rules
  - Based on calibrated model
- Lake Sampling
  - Special Study: Mar 2005 – Sep 2007
- Technical Advisory Committee
  - Input on data collection, model 2005-2009
- Water Quality Impairment identified
  - 2008 Draft EPA 303d List
    - Chl-a & Turbidity (Portion above I-85)



2009 Falls Lake Legislation
SL 2009-486 (s1020)

- EMC shall adopt nutrient rules:
  - January 15, 2011 adoption deadline
  - Concurrently adopt as temporaries
- Credit early reductions
- Buffer, nutrient mitigation – same watershed
- Tighter erosion/sediment control standards
- DENR report on septic by March 2010

Strategy Development Process

- Two Models Developed
  - 15 TAC Meetings - development / review of models
  - Watershed model to stakeholders May '09
  - Lake model to stakeholders June '09
- Rulemaking Process
  - 9 Stakeholder Meetings Aug '08 - Jan '10
  - 12 Subcommittee Meetings Sept - Dec '09
  - Fiscal Note to OSBM - Jan. 31, '10 (target)
  - Draft rules to WQC and EMC - Mar '10
  - Final Rules to EMC no later than January 15, 2011

Stakeholder Subcommittee Meetings

New Development Subcommittee

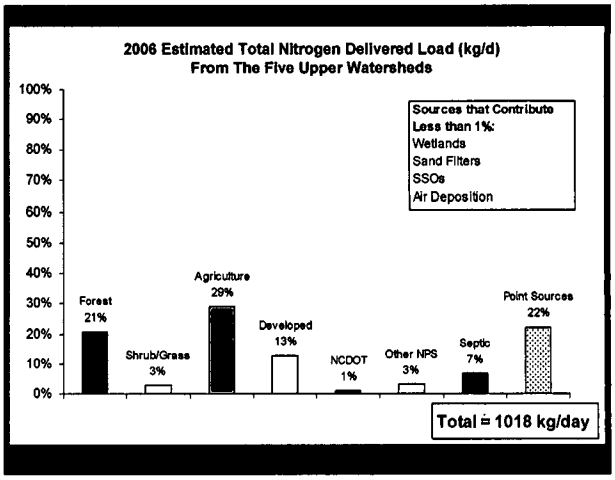
Point Source and Package Plants Subcommittee

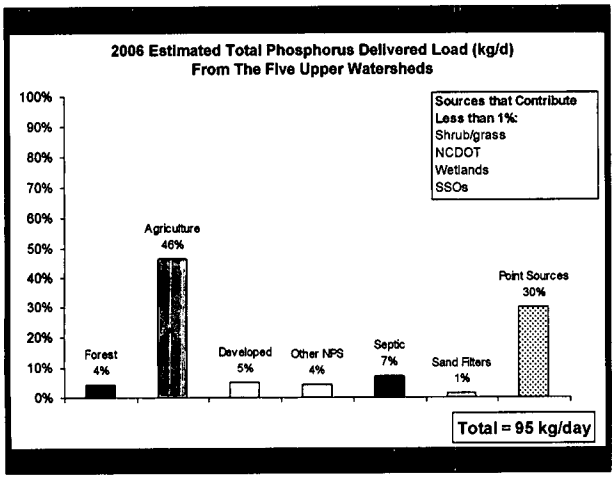
Existing Development and Onsite Wastewater Subcommittee

Local Jurisdictional Approach Subcommittee

Agriculture Subcommittee







Overall Reduction Goals

Nutrient Reduction Goal

40 % TN and 77% TP

Note

The nutrient reduction goal has been adjusted to represent the redistribution of load reductions from background sources and accounts for predicted reductions from atmospheric sources

NMS Approach

- Adaptive / staged approach
  - Recognizes large reduction needs
  - Ongoing water quality monitoring in lake
  - Calls for reductions from point and nonpoint sources
- Stage 1
  - Start with nutrient reduction controls watershed-wide
  - Achieve water quality standards in the lower lake
- Stage 2
  - Additional reductions in upper watershed over time
  - Achieve the overall reductions needs

Review of Next Steps

- Dec. 23rd ~ Stakeholder comments on 1st draft rule due back to DWQ
- Jan 14th ~ Revised draft rules out to stakeholders
- Jan 21st ~ Final Full Stakeholder Meeting
- Jan 29th ~ Comments on 2nd draft of rules due back to DWQ
- January 31st ~ Fiscal Note to OSBM (target date)
- March 2010 ~ WQC /EMC
- Draft rules out for public comment
- January 15, 2011 ~ EMC Adoption of Final Rules

Questions

John Hunsman

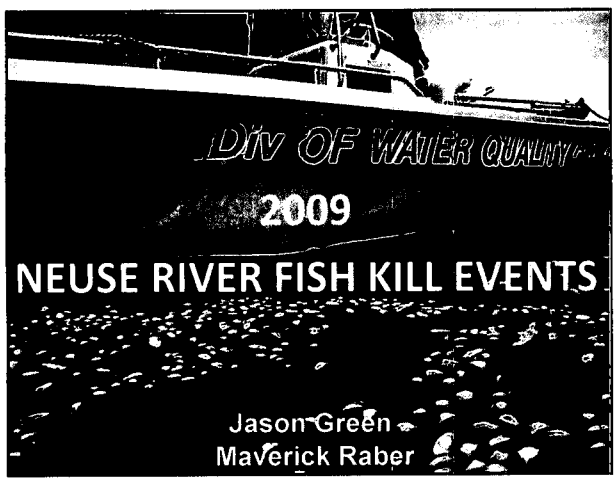
DWQ Nonpoint Source Planning Unit

Phone (919) 807-6436

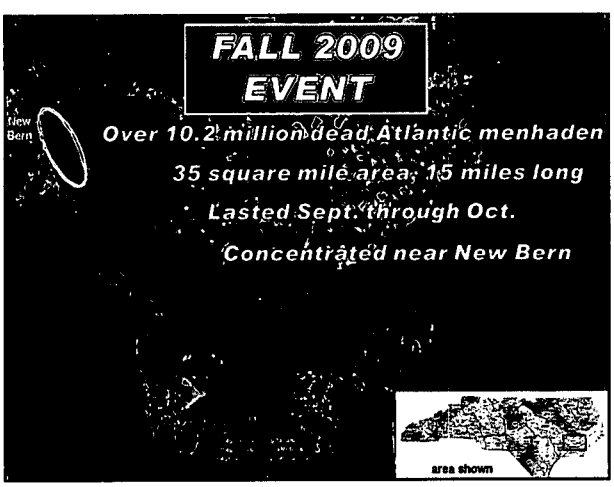
E-mail john.hunsman@ncdenr.gov

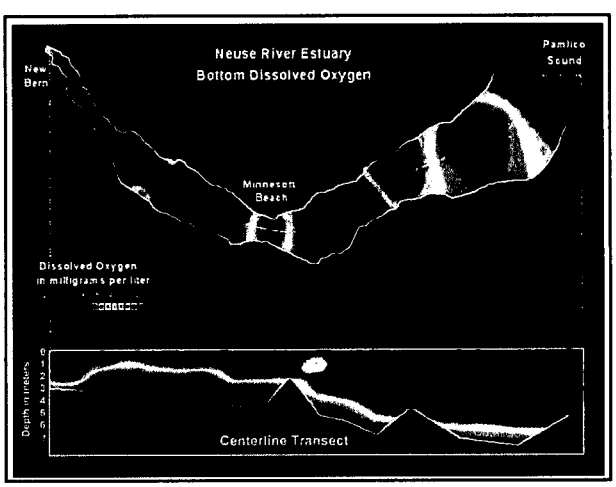
LIC OG Falls Lake Stakeholder Website:

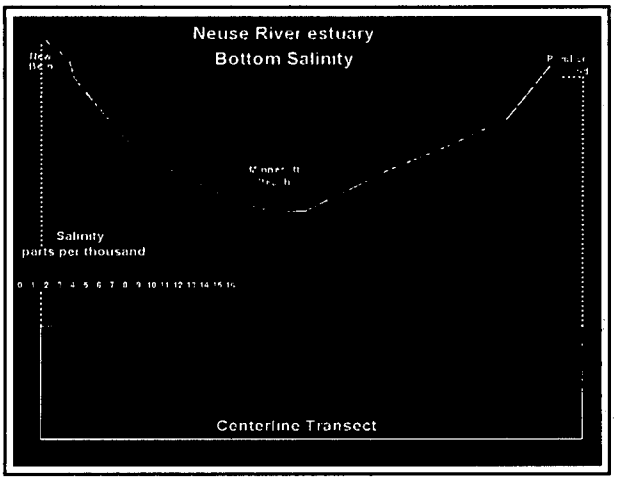


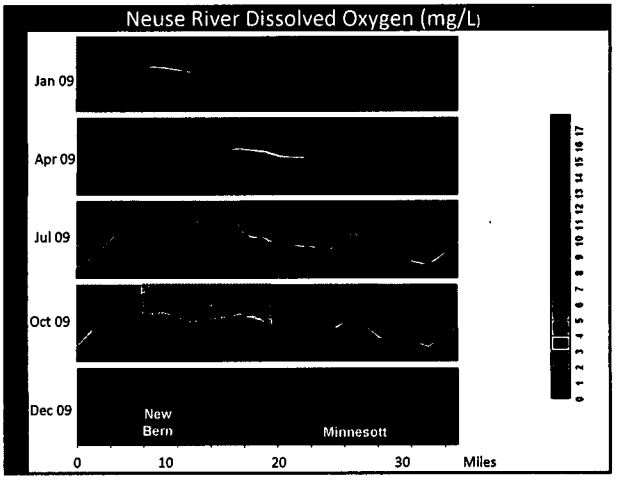

DIV OF WATER QUALITY
2009
NEUSE RIVER FISH KILL EVENTS
Jason Green
Maverick Raber


Beaufort
2009
12 fish kill events
Over 13 million dead fish
Pamlico
Neuse River
Cherry Point
Casteret


FALL 2009
EVENT
New Bern
Over 10.2 million dead Atlantic menhaden
35 square mile area, 15 miles long
Lasted Sept. through Oct.
Concentrated near New Bern
area shown

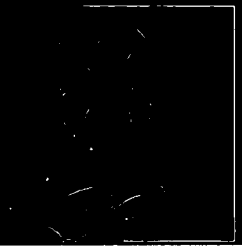

Neuse River Estuary
Bottom Dissolved Oxygen
New Bern
Pamlico Sound
Minnesott Beach
Dissolved Oxygen in milligrams per liter
Depth in meters
Centerline Transect





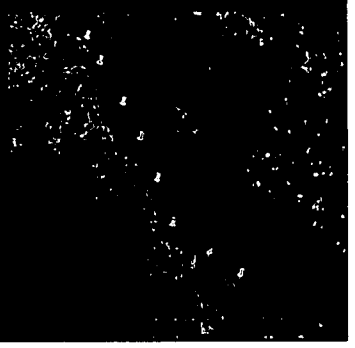
Why Menhaden?

- *Small sensitive fish*
- *Swim in large, dense schools*
- *Are very susceptible to Low D.O.*



Neuse fish kill investigations

- *Methods (American Fisheries Society)*
- *Use calibrated equipment*
- *Collect samples*
- *Review data*



Stressors examined fall 2009

· Low dissolved oxygen	present
· Overcrowding of fish	present
· Toxic Algae	ruled out
· Ulcerative Mycosis (lesions)	ruled out
· Parasite related stresses	ruled out
· Toxic compounds	no indication

Fall 2009 fish kill sampling results

Nutrients

- Elevated Nitrogen and Phosphorus
- High ammonia
- Suggests nutrient cycling



Algae

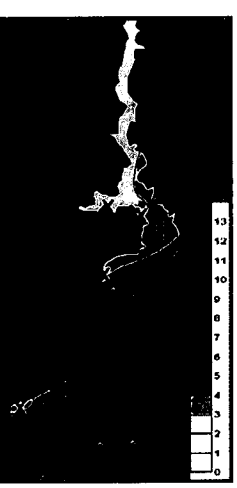
- Typical species for Neuse estuary
- No toxic species in bloom stages (no pfiesteria)

Fish Tissue Analysis (NCSU)

- No lesions observed
- No gill damage
- No other anomalies during histopathic analysis

Similar Previous events (Broad Creek 2001)

- Similar observations in 2009.
- Large dense schools of menhaden
- Fish dying over 1 month
- Singular species involved in event
- Low oxygen levels inside schools
- Normal oxygen levels outside schools
- Low incidence of HAB's , and lesions

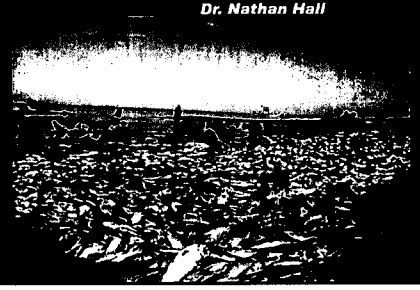


Cause of fall 2009 Neuse River fish kill

LOW DISOLVED OXYGEN STRESS

Consulted with university researchers to support theory

NCSU Vet School — Dr. Mac Law
UNC — Dr. Hans Pearl, Dr. Ben Pierls, Dr. Nathan Hall



General Assembly of North Carolina

Environmental Review Commission
State Legislative Building
Raleigh, North Carolina

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December 17, 2009

MEMORANDUM

To: Members of the Environmental Review Commission
From: Mariah Matheson, Commission Assistant
Re: Disposition of Reports

The following reports have been submitted to the Environmental Review Commission (Commission) since the last reports distribution on October 15, 2009.

A. The following reports have been submitted and are being distributed in connection with today's agenda as follows:

1) Department of Agriculture and Consumer Services

   a. Report on the 2008 Agricultural Water Use Survey. July 1, 2009. Statutory Authority: G.S. 106-24(b). ***Agenda Item #4*** (\\ncgawebpi\DocumentSites\Committees\ERC\2009-2010 ERC Documents\December 17, 2009\Handouts & Presentations\2008 Agricultural Water Use.pdf)

2) Department of Environment and Natural Resources

   a. Annual report on the progress of water supply planning. September 1, 2009. Statutory Authority: G.S. 143-355(n). ***Agenda Item #5*** (\\ncgawebpi\DocumentSites\Committees\ERC\2009-2010 ERC Documents\December 17, 2009\Handouts & Presentations\2009 Water Supply Planning Status.pdf)

   b. Annual report on Basinwide Water Quality Management Plans. October 1, 2009. Statutory Authority: G.S. 143-215.8B(d). ***Agenda Item #6*** (\\ncgawebpi\DocumentSites\Committees\ERC\2009-2010 ERC Documents\December 17, 2009\Handouts & Presentations\2009 Annual ERC Basinwide Report.pdf)

c. Annual report on fish kills in the previous year. December 1, 2009. Statutory Authority: G.S. 143B-279.7 (c). ***Agenda Item #9*** (\\ncgawebpi\DocumentSites\Committees\ERC\2009-2010 ERC Documents\December 17, 2009\Handouts & Presentations\2009 DWQ Fish Kill Report.pdf)

d. Annual report on implementation of the Sedimentation Pollution Control Act of 1973. October 1, 2009. Statutory Authority: G.S. 113A-67. ***Agenda Item #10*** (\\ncgawebpi\DocumentSites\Committees\ERC\2009-2010 ERC Documents\December 17, 2009\Handouts & Presentations\2009 ERC Sediment Report.pdf)

B. The following reports have been submitted and may be distributed in conjunction with a presentation at a future meeting of the Commission. These reports will be made electronically available at the Commission's website: (http://www.ncleg.net/gascripts/DocumentSites/browseDocSite.asp?nID=12) in advance of the next meeting. If you would like a hardcopy of one of these reports, please contact Mariah Matheson at (919) 733-2578 or mariahm@ncleg.net for assistance.

1) North Carolina Water Quality Work Group (RiverNet)

a. Annual report on RiverNet's previous year's activities, findings, and recommendations. January 30, 2009. Statutory Authority: G.S. 143-215.8D.

2) Department of Transportation

a. Annual report on development and implementation of a plan to reduce vehicle miles traveled by State and private sector employees and vehicle emissions resulting from job-related travel, including commuting to and from work. October 1, 2009. Statutory Authority: G.S. 143-215.107C (d) and (e).

3) State Water Infrastructure Commission

a. Annual report by the State Water Infrastructure Commission on its activities and findings. November 1, 2009. Statutory Authority: G.S.159G-67.

4) Utilities Commission and Department of Environment and Natural Resources

a. Annual report on implementation of S.L. 2002-4 (Improve Air Quality/Electric Utilities). June 1, 2009. Authority: S.L. 2002-4, Sec. 14.

5) Department of Environment and Natural Resources

a. Annual report on the cost of implementing the Mining Act of 1971. September 1, 2009. Statutory Authority: G.S. 74-54.1(c).

b. Annual report on the Bernard Allen Memorial Emergency Drinking Water Fund. October 1, 2009. Statutory Authority: G.S. 87-98(e).

c. Annual report on progress towards attaining the State's goal of protecting one million acres of farmland, open space, and conservation lands. October 1, 2008 and October 1, 2009. Statutory Authority: G.S. 113A-241(c)).

d. Biennial report on the activities of the past biennium and plans for the coming biennium, and specific recommendations for action of the Natural Heritage Program. February 15, 2009. Statutory Authority: G.S. 113A-164.4.

e. Annual *progress* report on the Parks and Recreation Trust Fund Fiscal Year 2008-2009. March 15, 2009. Statutory Authority: G.S. 113-44.15(c).

f. Annual report on the Parks and Recreation Trust Fund, Fiscal Year 2007-2008 and 2008-2009. October 1, 2008 and October 1, 2009. Statutory Authority: G.S. 113-44.15(c).

g. Annual report on awards from the North Carolina Natural Heritage Trust Fund, Fiscal Year 2007-2008 and 2008-2009. October 1, 2008 and October 1, 2009. Statutory Authority: G.S. 113-77.9(e).

h. Annual report on the Inactive Hazardous Sites Program. October 1, 2009. Statutory Authority: G.S. 130A-310.10.

i. State Agency Purchases of Recycled Products and Source Reduction, Recycling, and Composting Efforts. January 15, 2009. Statutory Authority: G.S. 143-58.2(f) and 130A-309.06(c)(13).

j. Annual report on the implementation of stormwater rules and programs. October 1, 2009. Statutory Authority: GS. 143-214.7(e).

k. Annual report on the implementation of the Ecosystem Enhancement Program and use of the Ecosystem Enhancement Fund, including inventory of property and easements. November 1, 2008 and November 1, 2009. Statutory Authority: G.S. 143-214.13.

l. Annual report on the cost of the Title V program. November 1, 2009. Statutory Authority: G.S. 143-215.3A(c).

m. Annual report on the compliance/enforcement of water quality laws for facilities that discharge into surface waters. October 1, 2009. Statutory Authority: G.S. 143-215.9A.

n. Semiannual report on the pilot program for inspection of animal waste management systems including a comparison of the costs of conducting operations reviews and inspections under the pilot program with the costs of conducting operations and inspections. October 15, 2009. Statutory Authority: G.S. 143-215.10D and G.S. 143-215.10F.

o. Annual report on permitting and inspecting animal waste management systems/Animal Waste Compliance Report. October 1, 2009. Statutory Authority: G.S. 143-215.10M.

p. Annual report on the status of leaking petroleum underground storage tanks, the State cleanup fund, and the Groundwater Protection Loan Fund. September 1, 2009. Statutory Authority: G.S. 143-215.94M.

q. Annual report on the progress in developing and implementing the Coastal Habitat Protection. September 1, 2009. Statutory Authority: G.S. 143B-279.8(e).

r. Annual Interagency Report on Litter Enforcement, Prevention, and Removal Efforts. March 1, 2009. Statutory Authority: G.S. 147-12(b).

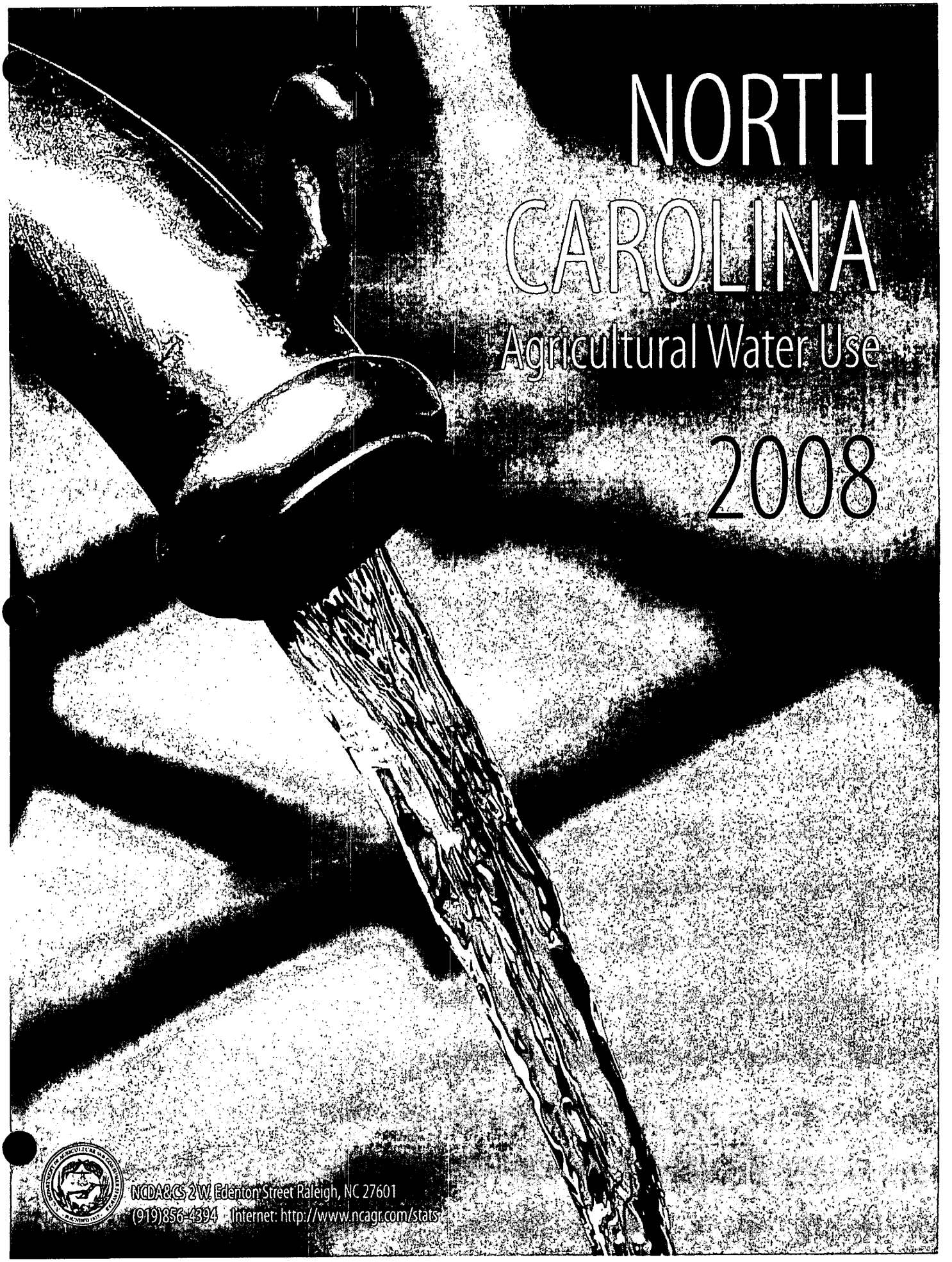
s. Annual report on the Water Infrastructure Fund for the Fiscal Year 2008 and 2009. November 1, 2008 and November 1, 2009. Statutory Authority: G.S. 159G-26.

t. Annual report on animal waste management performance standards for swine farms, the Lagoon Conversion Program, and the Swine Farm Waste Management System Conversion Account. October 1, 2009. Authority: S.L. 2007-523, Sec.2(f).

u. Report on the feasibility study of establishing a State park in the area surrounding Rutherford Trace in McDowell County. February 1, 2009. Authority: S.L. 2008-107, Sec. 12.12.

v. Report on recommendations for water efficiency standards for in-ground irrigation systems. January 1, 2009. Authority: S.L. 2008-143, Sec. 18.

w. Report on recommendations for water efficiency standards for water-using fixtures in residential and commercial buildings. January 1, 2009. Authority: S.L. 2008-143, Sec. 18.



NORTH CAROLINA

Agricultural Water Use

2008

NCDA&CS 2 W. Edenton Street Raleigh, NC 27601
(919)856-4394 Internet: http://www.ncagr.com/stats

NORTH CAROLINA
Agricultural Wateruse

2008

The first statewide survey was conducted to document water use for the agricultural sector during 2008. As directed in legislation enacted in 2008 (SL2008-0143), the North Carolina Department of Agriculture and Consumer Services, Agricultural Statistics Division, is required to collect annual information from farmers who withdraw 10,000 gallons or more in any one day. Individual responses remain confidential and are only used in combination with other reports to produce county totals.

Farmers who use over 1,000,000 gallons in any one day are required to report their water usage directly to the Department of Environment and Natural Resources (DENR). DENR's report can be found on http://www.ncwater.org/Water_Withdrawals/ResultsTabJS?tab=data.

Of the farms surveyed in the state, 1,498 withdrew over 10,000 gallons of water in any one day. Extreme and severe drought conditions plagued the state through early April and then vacillated between moderate to severe levels through the end of September before improving to abnormally dry ratings throughout the end of the year. July was the largest water use month in 2008, averaging 365.4 million gallons daily, with a maximum daily withdrawal of 436.4 million gallons. The annual average daily water use for 2008 was 148.8 million gallons. The daily withdrawal capacity for the 1,498 operations totals 1162.7 million gallons in 2008.

A questionnaire was mailed to operations which had potential for large water usage. Operations that did not respond were contacted by telephone follow-up.

The total number of operations by type, the annual average daily ground and surface usage, as well as the capacity is published by county. The type of operations will not add to the total in all counties, because some operations had irrigated cropland and livestock. The capacity is the potential amount of ground and/or surface water that could be utilized in a 24-hour period. The published capacity represents the sum of capacities for all reporting operations in that county. In nearly all cases, this capacity was never met. Data was not disclosed if there were less than three operations in any category or if one report comprised 60 percent or more of the total.

One survey instrument was used to gather data for the whole state as well as for the Central Coastal Plain Capacity Use Area (CCPCUA). Results for the CCPCUA are summarized and published in a separate table. Caution should be used in comparing the 2008 summary with prior year summaries due the impact of a more comprehensive source of names, primarily from the 2007 Census of Agriculture.

2008 North Carolina Water Use by Month [1]

Month	# Operations	Total Avg. Daily-Ground	Total Avg. Daily-Surface	Total Max Daily-Ground	Total Max Daily-Surface
	(count)	*(gallons)*	*(gallons)*	*(gallons)*	*(gallons)*
January	844	15,437,944	18,486,355	19,528,901	19,431,981
February	858	17,311,332	20,899,000	22,684,899	21,954,354
March	907	26,278,661	65,908,847	32,368,802	86,447,733
April	1,060	36,143,817	92,745,073	49,665,894	121,191,087
May	1,165	49,639,222	131,254,942	64,835,011	153,263,997
June	1,397	76,938,479	241,306,416	92,052,359	288,838,822
July	1,513	79,529,803	285,904,645	98,291,558	338,158,068
August	1,349	64,109,829	228,946,521	77,541,215	268,598,601
September	1,055	44,301,488	113,466,308	55,099,503	130,094,975
October	950	38,302,748	55,607,710	46,822,267	62,429,006
November	858	22,028,747	23,629,452	38,379,422	27,995,723
December	797	19,103,207	18,612,536	24,453,088	21,583,812
Annual Average		**40,760,440**	**108,063,984**		

Operations [2]:

1,498 Total Operations
751 Livestock
801 Irrigation
54 Aquaculture

Daily Withdrawal Capacity (incl. ground & surface):

1,162,654,576 (gallons)

[1] Users of 10,000 gallons or more per day. Does not include farms that have reported their withdrawals directly to DENR by July 1, 2009. [2] The type and monthly number of operations will not add to the total. Some operations reported multiple types and others reported both surface and ground water.

2008 North Carolina Water Use - County Summary

County	Unique Operations[1]	Livestock Operations	Irrigation Operations	Aquaculture Operations	Annual Average Daily Ground	Annual Average Daily Surface	Capacity
	(count)	*(count)*	*(count)*	*(count)*	*(gallons)*	*(gallons)*	*(gallons)*
Alamance	17	5	14	*	*	483,178	14,670,800
Alexander	10	8	3	*	102,535	*	414,680
Anson	14	13	*	*	75,028	*	754,400
Beaufort	12	*	3	7	2,214,258	*	7,813,680
Bertie	21	13	9	*	243,567	6,488,324	53,303,233
Bladen	44	24	21	*	4,636,302	7,446,163	170,327,857
Cabarrus	6	*	4	*	32,470	*	412,340
Caldwell	11	*	9	*	*	291,629	2,598,400
Caswell	17	*	16	*	*	1,153,511	7,495,000
Catawba	12	3	10	*	216,178	772,895	7,806,080
Chatham	18	12	6	*	87,326	*	1,682,960
Chowan	14	*	14	*	88,867	2,405,893	18,068,257
Cleveland	11	6	5	*	70,354	19,108	1,667,400
Columbus	18	13	6	*	291,615	*	3,143,668
Craven	10	*	5	4	295,900	*	2,554,200
Cumberland	16	6	11	*	345,633	590,423	12,941,300
Duplin	102	92	12	*	2,066,928	1,559,348	38,034,822
Edgecombe	19	7	14	*	24,693	3,181,076	20,309,140
Franklin	28	*	26	3	*	3,442,972	53,699,760
Gates	5	3	*	*	30,169	*	62,000
Granville	20	4	19	*	*	1,060,772	21,293,400
Greene	22	13	11	*	142,685	620,946	9,107,457
Guilford	18	*	17	*	233,222	899,733	10,995,520
Harnett	31	15	15	*	60,115	583,057	6,588,700
Haywood	10	*	10	*	*	328,833	3,502,220
Henderson	15	3	13	*	*	777,286	5,522,000
Hertford	15	8	8	*	291,298	1,505,471	20,401,463
Hoke	8	5	3	*	71,945	*	9,002,000
Iredell	14	9	9	*	126,799	468,448	5,026,395
Jackson	3	8	3	*	*	41,895	154,000
Johnston	52	16	37	*	656,629	3,265,314	30,719,124
Jones	11	10	*	*	85,512	*	1,119,600
Lee	14	4	12	*	18,415	115,787	6,719,460
Madison	6	*	6	*	5,906	27,333	985,800
Montgomery	18	13	5	*	116,689	*	1,469,300

2008 North Carolina Water Use - County Summary

County	Unique Operations[1]	Livestock Operations	Irrigation Operations	Aquaculture Operations	Annual Average Daily Ground	Annual Average Daily Surface	Capacity
	(count)	*(count)*	*(count)*	*(count)*	*(gallons)*	*(gallons)*	*(gallons)*
Moore	38	21	19	*	422,037	1,461,420	21,459,854
Nash	28	5	24	*	223,721	1,722,224	30,066,960
Northampton	24	14	10	*	531,159	1,274,000	11,473,855
Onslow	14	9	5	*	148,186	*	2,604,640
Orange	8	*	8	*	15,683	36,987	4,973,000
Pender	21	13	8	*	370,954	827,949	68,446,917
Perquimans	5	*	3	*	67,582	*	977,600
Person	17	4	15	*	*	792,414	11,525,400
Pitt	32	12	16	4	800,442	1,153,623	25,414,660
Randolph	36	24	14	*	318,616	489,764	11,152,546
Richmond	22	19	6	*	421,436	455,837	12,539,220
Robeson	32	24	10	*	1,134,225	*	14,489,680
Rockingham	37	6	35	4	43,018	1,987,793	19,795,780
Rowan	12	3	11	*	54,904	658,602	5,464,300
Sampson	110	91	29	*	4,408,618	*	28,950,660
Scotland	8	6	*	*	23,101	*	12,504,720
Stanly	4	4	*	*	28,275	*	389,120
Stokes	13	*	12	*	*	160,798	7,046,800
Surry	26	17	12	*	287,227	1,349,402	12,550,371
Union	41	33	8	*	666,686	244,443	12,425,510
Vance	12	*	12	*	6,164	373,284	12,385,000
Wake	40	3	38	*	180,497	3,773,822	21,356,296
Warren	12	6	11	*	44,999	263,606	10,291,300
Wayne	53	44	17	*	1,055,447	298,859	14,802,720
Wilkes	16	15	*	*	138,233	*	1,173,920
Wilson	16	*	15	*	25,890	1,621,577	19,822,560
Yadkin	14	7	8	*	86,895	392,464	5,565,800
Other[2]	145	44	93	16	16,625,412	51,195,725	212,638,970
State	**1498**	**751**	**801**	**54**	**40,760,440**	**108,063,984**	**1,162,654,576**

** disclosure - one operation is greater than 60% of total or less than 3 operations. [1] The type of operations will not add to the unique operations in all counties since some operations used water for multiple purposes. [2] Other counties include all data for Alleghany, Ashe, Avery, Brunswick, Buncombe, Burke, Camden, Carteret, Cherokee, Clay, Currituck, Dare, Davidson, Davie, Durham, Forsyth, Gaston, Graham, Halifax, Hyde, Lenoir, Lincoln, McDowell, Macon,Martin, Mecklenburg, Mitchell, New Hanover, Pamlico, Pasquotank, Polk, Rutherford, Swain, Transylvania, Tyrrell, Washington, Watauga, Yancey, as well as non-disclosed data from the published counties.*

2008 North Carolina Water Use - Hydrologic Unit Code Summary

Hydrologic Unit Code	Unique Operations[1]	Livestock Operations	Irrigation Operations	Aquaculture Operations	Annual Average Daily Ground	Annual Average Daily Surface	Capacity
	(count)	*(count)*	*(count)*	*(count)*	*(gallons)*	*(gallons)*	*(gallons)*
3010103	30	5	27	3	59,674	885,840	14,260,980
3010104	20	*	19	*	*	1,428,426	12,258,400
3010107	36	20	16	*	810,216	6,734,658	65,392,945
3010203	28	13	17	*	525,516	3,965,242	43,629,520
3010204	17	10	7	*	406,415	896,197	9,069,920
3010205	18	*	14	3	595,262	1,539,217	15,174,457
3020101	60	8	54	3	442,368	4,590,508	77,566,320
3020102	18	10	14	*	77,572	711,222	19,267,163
3020103	40	14	26	*	188,073	5,949,195	47,672,340
3020104	13	4	3	6	1,743,184	*	15,990,800
3020201	123	40	91	*	1,351,792	7,573,954	72,354,534
3020202	41	19	14	8	2,897,792	97,779	18,432,690
3020203	70	23	53	3	787,447	4,333,154	50,710,937
3020204	16	6	8	*	321,399	47,456	7,778,600
3020302	13	10	3	*	173,098	*	1,724,400
3030002	72	14	64	3	430,210	3,007,058	41,963,276
3030003	76	41	39	*	497,491	1,963,630	32,094,680
3030004	52	26	27	*	673,610	1,508,070	13,700,820
3030005	17	10	7	*	810,149	*	58,853,543
3030006	135	93	51	*	4,140,342	16,625,171	173,135,164
3030007	159	135	31	*	4,407,192	3,622,756	108,438,959
3040101	67	37	35	*	627,592	2,523,845	22,976,211
3040102	21	15	13	*	148,453	569,041	8,296,020
3040103	20	10	10	*	217,447	797,726	6,518,806
3040104	31	25	6	*	179,211	*	2,005,034
3040105	54	42	12	*	682,463	752,037	16,021,150
3040201	6	6	*	*	60,483	*	379,400
3040203	59	44	20	*	1,513,794	568,435	36,276,608
3040204	17	14	4	*	703,837	*	30,294,840
3040206	15	12	4	*	368,268	*	3,398,280
3050101	37	11	27	*	*	3,030,267	26,794,900
3050102	16	9	8	*	276,827	*	1,195,280
3050105	19	7	13	*	115,078	520,749	5,017,880
6010105	34	6	26	4	87,280	1,001,645	14,418,360
6010106	10	*	10	*	*	328,833	3,502,220
Other [2]	38	7	28	4	14,440,907	32,491,457	86,089,139
State	**1498**	**751**	**801**	**54**	**40,760,440**	**108,063,567**	**1,162,654,576**

** disclosure - one operation is greater than 60% of total or less than 3 operations. [1] The type of operations will not add to the unique operations in all counties since some operations used water for multiple purposes. [2] Other hydrologic unit codes include all data for 03010102, 03010106, 03010201 ,03020105, 03020301, 03040202, 03040208, 03050103, 03060101, 03060102, 05050001, 06010108 , 06010202, 06010203, 06020002, 06020003 as well as non-disclosed data from the published hucs.*

2008 Central Coastal Plain Total Water Use by Month[1]

Month	# Operations [2]	Total Avg. Daily-Ground	Total Avg. Daily-Surface	Total Max Daily-Ground	Total Max Daily-Surface
	(count)	*(gallons)*	*(gallons)*	*(gallons)*	*(gallons)*
January	217	5,722,350	1,138,431	6,923,440	1,173,431
February	218	4,951,750	1,113,684	5,943,593	1,160,156
March	232	9,462,709	6,866,244	10,548,378	7,239,812
April	248	12,520,537	11,006,986	13,597,867	11,866,114
May	265	13,650,895	22,798,010	17,012,944	26,210,679
June	326	23,110,175	39,880,273	27,770,214	46,531,124
July	320	22,961,999	40,030,271	28,029,909	47,420,198
August	284	20,817,339	27,320,165	25,258,319	33,230,170
September	244	11,122,932	7,921,706	14,365,240	9,623,979
October	235	13,051,579	3,078,201	14,963,962	3,818,318
November	222	7,021,287	2,200,626	18,855,215	2,562,183
December	211	5,272,326	2,215,612	6,662,523	2,250,612
Annual Average		**12,472,157**	**13,797,517**		

Operations [2]:

334 Total Unique Operations

202 Livestock

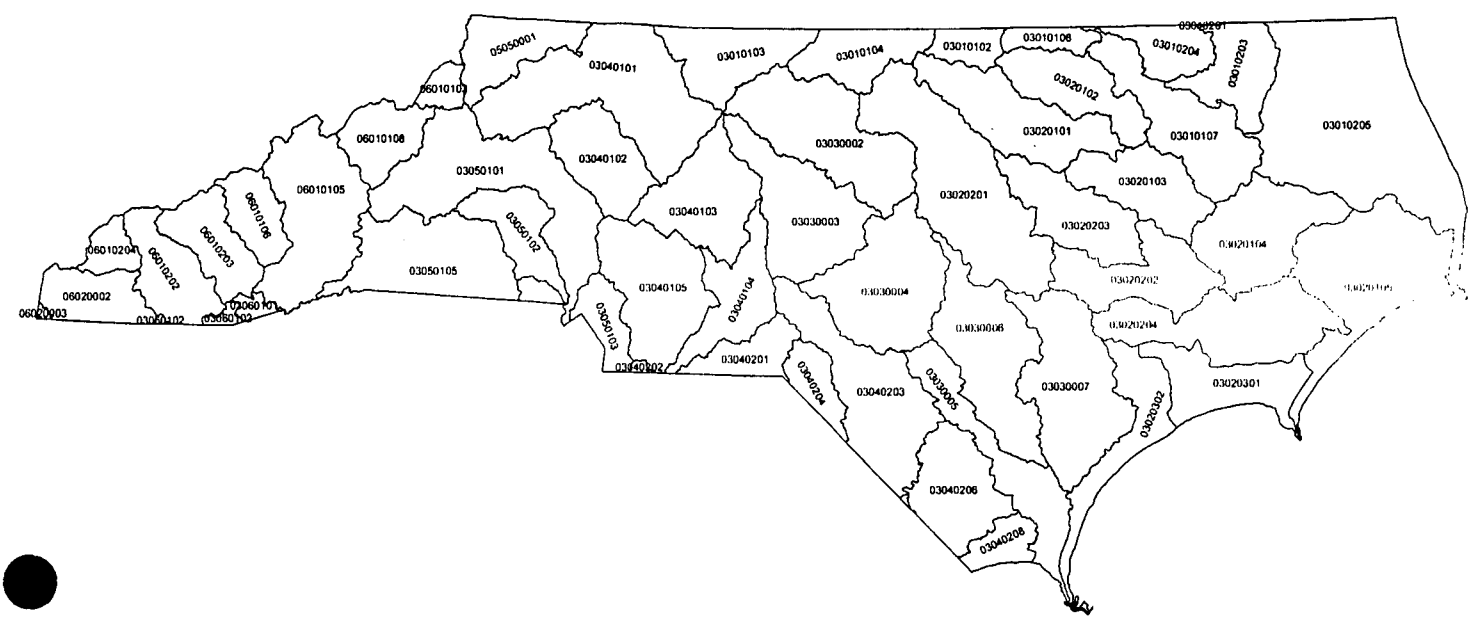
122 Irrigation

25 Aquaculture

Daily Withdrawal Capacity (incl. ground & surface):

175,038,489 (gallons)

[1] Users of 10,000 gallons or more per day. Does not include farms that have reported their withdrawals directly to DENR by July 1, 2009. [2] The type and monthly number of operations will not add to the total. Some operations reported multiple types and others reported both surface and ground water.



Department of Environment and Natural Resources
Division of Water Resources
STATUS REPORT TO THE GENERAL ASSEMBLY
ON
WATER SUPPLY PLANNING
SEPTEMBER 1, 2008 THROUGH AUGUST 31, 2009

Assuring a sustainable water supply for the citizens of North Carolina is the primary mission of the Division of Water Resources (DWR or the Division). To carry out this responsibility, the Division administers several monitoring, planning and regulatory programs.

In partnership with the US Geological Survey, the Division monitors the availability of water across the state through a network of monitoring wells and stream gages. DWR monitors water withdrawals using data reported by water users under programs that require the mandatory registration of large water withdrawals, the development of Local Water Supply Plans and the adherence to management rules in designated capacity use areas. Additional information is received from annual water use reporting by withdrawers required to register and systems required to submit a Local Water Supply Plan and special data requests during drought conditions. Beginning in 2009 DWR also receives summaries of an annual survey of agricultural water users conducted by the Department of Agriculture and Consumer Services.

The Division administers the local water supply planning program, which was established after serious droughts in the 1980s disrupted local communities' water supplies. DWR assists community water systems with the preparation of Local Water Supply Plans. The information contained in these local plans, combined with data from other sources, was used to prepare the North Carolina Water Supply Plan. The Division is in the process of preparing long-term water supply plans for each of our seventeen major river basins in partnership with local governments, water users and other stakeholders.

The Division regulates water withdrawals associated with the transfer of surface water between designated river basins and in designated capacity use areas. As staff to the Environmental Management Commission, DWR processes applications for interbasin transfers of surface water and makes recommendations to the Commission. DWR conducts evaluations of resource conditions, oversees rule development and issues water withdrawal permits in designated capacity use areas. In addition, DWR chairs the Drought Management Advisory Council, manages drought response activities and is the lead for the Department of Environment and Natural Resources for the relicensing of hydroelectric projects. All of these activities affect and are affected by water supply planning issues.

This status report provides an update on these water supply programs and on other related Division activities for the period from September 1, 2008 to August 31, 2009.

Monitoring Water Resources

The Division maintains ground water and surface water monitoring networks directly and in partnership with federal agencies. The data from these networks provide essential information on the conditions of water resources throughout the state. North Carolina

cooperates with the United States Geological Survey to maintain stream gage sites with near-real time data collection capabilities. The Division also maintains an extensive network of ground water monitoring wells. Data from these wells are collected by DWR personnel quarterly. Sixty-seven percent of these wells have data recorders that collect daily water level data. Much of the ground water monitoring and data collection focuses on improving the understanding of the complex aquifer structures in the Coastal Plain.

The Division has joined with the State Climate Office at NC State University, the US Army Corps of Engineers, the United States Geological Survey and other data collection agencies to develop a uniform database to store and disseminate water resources data. The product of this effort, the "Water Resources Information, Storage, Analysis, and Retrieval System" (WRISARS), is available on the Division's website at www.ncwater.org.

The ongoing support of the General Assembly has allowed the Division to improve the data on aquifer conditions in the Coastal Plain by expanding the monitoring well network. Since 1998, DWR has added 144 wells at 38 monitoring stations in the Coastal Plain. The Division will continue to expand the monitoring well network to improve data for ground water management as funds permit. Data on ground water conditions are available on the Division's web site under the link for "Ground Water Data"

Monitoring Water Use

Since 1991 North Carolina has required registration of large surface water or ground water withdrawals. Owners of agricultural operations must register their water use if the sum of their withdrawals is 1,000,000 or more gallons on any day. Non-agricultural users must register their use if the sum of their withdrawals is 100,000 or more gallons on any day. The authorizing legislation requires that registrations be updated every five years. In addition, the recently established drought rules require annual reporting of water use by owners that are required to register their withdrawals. Beginning in 2009, the Division will receive summaries of agricultural water use data that are reported by operations that use 10,000 gallons per day or more through an annual survey conducted by the Department of Agriculture and Consumer Services. Many community water systems meet their registration requirement by preparing a Local Water Supply Plan.

Local Water Supply Planning

In the aftermath of serious droughts in the 1980s, the General Assembly established a water supply planning program under General Statutes 143-355(l) and (m) to assure the availability of adequate supplies of good quality water to protect the public health and to support desirable economic growth. Local Water Supply Plans are required from units of local government that supply or plan to supply water to the public and from large community water systems that regularly serve 1,000 or more service connections or 3,000 or more individuals.

Local Water Supply Plans describe current water use and future water needs and identify the water system's expected future sources of water. This data provides valuable information on how much water communities are using and how much they anticipate needing in the future. The plans must be adopted by the water system's local governing board and be updated at least every five years. DWR is responsible for reviewing and

approving Local Water Supply Plans. DENR developed approval criteria for these plans in consultation with representatives of local government water systems. Explanations of the criteria are being incorporated into the instructions for developing a Local Water Supply Plan and will be available on the Division's web site. The local plans provide a valuable source of data for local and regional water supply planning. Information from the local plans is available on the Division's web site at www.ncwater.org.

The number of water systems that are required to prepare a Local Water Supply Plan changes over time. Some community water systems grow large enough that they exceed the legislative size thresholds and then have to prepare a local plan. Also, some community water systems find it in their best interest to merge with one or more neighboring systems reducing the number of plans submitted to DWR. Currently, DWR expects to receive 534 Local Water Supply Plans. Of the water systems expected to submit a local plan, 527 submitted plans in 2008 based on water use and system conditions in 2007. Almost all were submitted using DWR's online plan submission program. This program has simplified the process, has aided database development and has provided the opportunity for real time technical assistance from Division staff during plan preparation and review. Water systems required to prepare a Local Water Supply Plan must annually report water use to DWR. Annual water use data can be reported using the online program and many water systems took the opportunity to update their local plan when reporting 2008 water use. As of the end of August, 513 water systems have reported 2008 water use.

North Carolina Water Supply Planning

The Division uses the information from the LWSPs and other sources to develop the North Carolina Water Supply Plan (NCWSP), mandated by G.S. 143-355(m). The NCWSP presents a summary of water use by major river basin and identifies areas of concern where water availability or conflicts between users may limit the ability to meet water demands. The 2001 NCWSP is available on the Division's web site at www.ncwater.org. The plan is based on information from the 1992 and 1997 LWSPs and 1999 water withdrawal registrations submitted pursuant to General Statute 143-215.22H. No changes were made to this document during the period covered by this report. Sections of the NCWSP will be updated to reflect information in the River Basin Water Supply Plans discussed in the next section.

Planning for Future Water Needs

To further the legislative goal of assuring the availability of adequate supplies of water, the Division of Water Resources is developing a river basin water supply plan for each of the major river basins in the state. River basin water supply planning is a tool to support sustainable management of our river basins. This program will provide reliable, quantitative methods to plan for sustainable water use and an objective basis for management and regulatory decisions.

Data submitted to DWR through the water supply planning program, the water withdrawal registration program, capacity use area reporting requirements and annual water use reporting provide critical information for the river basin planning program.

The river basin water supply plans provide a basin analysis of estimated future water supply withdrawals using a computer-based hydrologic model that characterizes water flow in a basin. The hydrologic model provides a tool to analyze the effects of future water withdrawals and wastewater discharges over the range of high and low river flows that have occurred in the basin over the last 75 years. By projecting water needs to 2050 and evaluating these future demands with a hydrologic model, DWR is able to identify areas where supplies may not be adequate to meet projected demands as well as when and where water use conflicts may develop. The river basin water supply plans and the hydrologic models will provide the Division, local governments and other water users a reliable, quantitative framework within which to plan for sustainable and cost-effective water sources to meet future needs.

The Division developed a Cape Fear River Basin Water Supply Plan in 2002 as a tool for the analysis of allocations of water supply storage in B. Everett Jordan Lake. This prototype model has been updated with the technical and financial support of water users in the basin that recognized the value of the model as a water supply planning tool. The Division is in the process of revising the Cape Fear River Basin Water Supply Plan based on the updated model and water demand information for the water systems that depend on water from the basin. A summary of the modeling results is available on the Division's web site under the link for "Cape Fear River Basin Model".

The Division has contracted for the development of a hydrologic model for the Neuse River Basin to support the development of the Neuse River Basin Water Supply Plan. This project got underway in early summer 2008 and is expected to produce a usable model by late 2009. Division staff members worked in close coordination with the contractor and water withdrawers in the basin to compile a seventy-six year record of hydrologic and water use data and to characterize accurately the complex public water systems found in this basin.

A reservoir operations model for the Roanoke River Basin was developed in the late 1990s. This model has been upgraded to take advantage of improved computing capabilities. Currently, the model is being updated to add more detail for water withdrawals and wastewater discharges by users in North Carolina and Virginia.

Work will begin in the near future on hydrologic models for the Broad and Tar-Pamlico River Basins. Contracts for these two models are under development.

As noted in previous status reports, hydrologic models were constructed for the Catawba and Yadkin river basins in conjunction with the relicensing of the hydropower projects on these rivers. The Division worked closely with the utility companies and other interested parties in these basins to estimate long-term water supply needs that were then included in the modeling of proposed management options for the future. These analyses formed the basis of settlement agreements included with the license applications submitted to the Federal Energy Regulatory Commission (FERC). The Catawba River Basin Water Supply Plan based on this work is available on the Division's web site. When FERC issues the new licenses for the hydropower projects, finalizing the management schemes that will apply for the duration of the licenses, the water supply components of the modeling will be reviewed.

DWR is working with the Division of Water Quality to share data from the river basin hydrologic models and water supply plans for use in the development of their Basinwide Water Quality Plans.

Planning for Water Shortages

After the 1998-2002 drought, the General Assembly added a provision to the local water supply planning statute requiring water systems to include a description of how they "will respond to drought and other water shortage emergencies and continue to meet essential public water supply needs during the emergency". Rules adopted in 2007 by the Environmental Management Commission governing water use during droughts provided guidance on what should be included in these plans to respond to water shortages. Session Law 2008-143 made Water Shortage Response Plans mandatory and gave the Department authority to approve or disapprove them. Session Law 2008-143 created the presumption of approval upon submission of a Water Shortage Response Plan. Upon review by DENR if a plan fails to include the required components and is disapproved then the submitting water system is required to comply with the default rules in 15A NCAC 02E .0600 during extreme and exceptional drought conditions, until a revised Water Shortage Response Plan is submitted.

DENR developed protocols for the review of Water Shortage Response Plans in consultation with representatives of the affected parties. As of the end of August, 478 plans have been submitted to DWR. To date DWR has reviewed 232 of these plans and staff members are working with water systems to remedy deficiencies.

Drought Management

Drought was a significant issue during the time covered by this report. September 2008 saw much of North Carolina experiencing moderate to exceptional drought conditions, especially in the mountains. Serious drought conditions improved over the rest of 2008 and we began 2009 with no areas in the state experiencing extreme or exceptional drought conditions. Drought conditions continued to improve throughout 2009. As of August 31, about 60 percent of the state experienced abnormally dry conditions indicating slightly drier than usual conditions, but not drought conditions. Information on drought conditions throughout the past year as well as current conditions is available at the NC Drought Management Advisory Council link on the Division's web site.

The Division of Water Resources provides the chair for the NC Drought Management Advisory Council. The technical committee of the council regularly monitors drought conditions and consults weekly with the authors of the US Drought Monitor so the weekly drought status accurately portrays conditions in North Carolina.

Hydropower Facility Relicensing

The Federal Energy Regulatory Commission (FERC) licenses non-federal hydroelectric generation projects on navigable waterways. The licenses, issued for 30 to 50 years, govern management of hydroelectric projects. Prior to the expiration of an existing license, the licensee has to apply for a new license in order to continue operating the project.

Timely applications were submitted by the current licensees for projects on the Nantahala, Tuckasegee, Catawba and Yadkin-Pee Dee Rivers. The environmental studies have been completed for these projects, although there are several appeals of the water quality certifications that were issued by the Division of Water Quality. The FERC has not issued new licenses for these projects, due in part to various legal challenges, and is still reviewing the applications. Because the old licenses have expired these projects are operating under annual licenses that extend the conditions in the old licenses. When, and if, the new licenses are issued the ecological flows and recreational opportunities included in the negotiated settlement agreements will be implemented.

DWR worked closely with the licensees to ensure that water supply issues were given due consideration in the relicensing process. Development of the Division's river basin water supply plans for the Catawba-Wateree and Yadkin-Pee Dee river basins has been greatly facilitated by the river basin hydrologic computer models developed in conjunction with the relicensing process. In the Catawba-Wateree River Basin, the licensee funded an independent study of future water use in North Carolina and South Carolina through 2058. The results of this study were used in the analysis of alternative operating scenarios. DWR prepared a Catawba River Basin Water Resources Plan based in large part on the water use projections and hydrologic modeling done for relicensing. A copy of the plan is available on the Division's web site at: http://www.ncwater.org/basins/Catawba/ .

Regulation

Central Coastal Plain Capacity Use Area

The Water Use Act of 1967 provides a mechanism for the regulation of water withdrawals in areas where water use requires coordination to protect the public interest or the interests and rights of residents or property owners. Monitoring data collected over the last several decades and an investigative study conducted by DWR indicated that the water levels in the confined aquifers in the Coastal Plain were declining. In some areas the decline threatened the integrity of the aquifer system and ground water quality. After several years of work with interested parties in the affected areas, the Environmental Management Commission designated fifteen counties in the Coastal Plain as a capacity use area.

Rules creating the Central Coastal Plain Capacity Use Area (CCPCUA) and establishing a water withdrawal permitting system became effective August 1, 2002. The rules were designed to regulate and gradually reduce ground water withdrawals from the endangered Black Creek and Upper Cape Fear aquifers in the fifteen designated counties. Three stages of reductions in withdrawals from the endangered aquifers are required over a sixteen-year transition period. The rules encourage the development of alternative sustainable sources of water. Anyone wishing to withdraw more than 100,000 gallons a day of ground water must apply for and receive a permit from the Division of Water Resources. There are 218 active permits for ground water withdrawals in the Central Coastal Plain Capacity Use Area. In addition to the users with active permits there are 72 registered water withdrawers that withdraw 10,000 gallons or more in a day. The registered users include surface water withdrawers that use over 10,000 gallons per day and ground water users that withdraw over 10,000 but less than 100,000 gallons per day. The Division continually monitors conditions in the affected aquifers and regularly updates the Environmental Management

Commission. The Black Creek and Upper Cape Fear aquifers are still being overdrawn and the water level decline trends documented in 1998 are still prevalent.

The period covered by this report marks the beginning of the second stage in the withdrawal reduction process when regulated water systems are expected to withdraw less water from the endangered aquifers. Public water supply systems have made significant progress toward meeting these goals through development of regional water authorities and other water sharing arrangements.

In September 2008 the Neuse Regional Water and Sewer Authority, which was formed in response to the CCPCUA rules, began providing water to its member communities from a new surface water treatment plant on the Neuse River. Switching to a surface water source produced demonstrable improvements in regional water levels. The measurable improvements produced by the use of this alternative source of water reinforces the premise on which the rules depend, that reducing withdrawals will allow the aquifers to recover and water levels will rise. Additional information on the Central Coastal Plain Capacity Use Area and the associated rules are available on the Division's website at www.ncwater.org.

Interbasin Transfer of Surface Water

Many communities in North Carolina are located on or near the high ground that creates the divides between river basins. Other communities are located in the headwaters of river basins where the limited water supply has proven to be inadequate as the economy and population of the state has grown. In these situations, municipal water systems may need to move water between river basins. Carefully regulated interbasin transfers can be the most practical, economical and environmentally sound way to provide water and sewer service to the residents of some communities and to support the growth of the State's economy while protecting our natural resources.

The 2007 session of the General Assembly made significant changes to the legislation regulating surface water transfers. Session Law 2007-518 repealed G.S. 143-215.22I and replaced it with G.S 143-215.22L which added additional requirements for notifications to the public of proposed withdrawals and specified additional criteria that must be considered by the Environmental Management Commission in deciding whether or not to grant an interbasin transfer certificate. These changes became effective on August 31, 2007 except for some proposed surface water transfers in the Central Coastal Plain Capacity Use Area for which the new regulations become effective on January 1, 2011. The river basin boundaries established by this statute are defined in G.S. 143-215.22G and an associated map. Session Law 2008-198 extended these basins into neighboring states for the purposes of the expanded notification requirements that are specified in G.S. 143-215.22L.

The statute grandfathers the ability to transfer water that was already in place on July 1, 1993, but requires anyone wishing to initiate a transfer of two million gallons or more of surface water a day and anyone wishing to increase a transfer permitted prior to July 1, 1993 to obtain permission from the Environmental Management Commission. Likewise, any system wishing to increase an existing transfer to 2 million gallons per day or more must also obtain permission from the Environmental Management Commission.

G.S. 143-215.22L specifies detailed notification and procedural requirements that must be met as well as a list of potential impacts in the source and receiving basins that must be considered by the EMC in determining whether or not to grant a certificate. The process requires an environmental analysis and provides opportunities for public comment. If the EMC concludes, based on the findings of fact, that the benefits outweigh the detriments, a proposed transfer certificate is issued for a specific volume of water and will include provisions to mitigate the impacts of this surface water transfer. The EMC can issue a certificate for a volume other than that requested by the applicant and can attach conditions to the certificate.

While many communities move water between river basins, prior to 2007, only three Interbasin Transfer Certificates had been issued under G.S. 143-215.22I and precursor legislation. Charlotte Mecklenburg Utilities has a certificate to transfer up to 33 million gallons per day from the Catawba River to the Rocky River basin. Cary, Apex, Morrisville, and Wake County jointly hold a certificate to transfer up to 24 million gallons per day from the Haw River basin to the Neuse River basin. The Piedmont Triad Regional Water Authority has permission to transfer up to 30.5 million gallons per day from the Deep River to the Haw River and Yadkin River Basins.

In March 2007 the Environmental Management Commission issued an Interbasin Transfer Certificate to the Cities of Concord and Kannapolis granting them permission to transfer up to 10 million gallons per day from the Catawba River Basin and 10 million gallons per day from the Yadkin River Basin to the Rocky River Basin. This decision is being challenged under the Administrative Procedures Act.

Interbasin Transfer Requests

The Greenville Utilities Commission is working with several neighboring communities to develop a regional surface water source to replace ground water withdrawals from the regulated aquifers in the Central Coastal Plain Capacity Use Area. Sharing surface water to reduce ground water withdrawals will require an IBT certificate. As provided for in Session Law 2007-518, the decision on whether or not to issue this IBT certificate will be made under the procedures and standards set out in G.S. 143-215.22I that were in effect on July 1, 2007.

The Greenville Utility Commission has submitted its petition to transfer a total of 12.3 million gallons per day from the Tar River Basin to the Contentnea Creek and Neuse River Basins to provide drinking water for the Farmville, Winterville and Greene County water systems. A public hearing will be held on November 5, 2009 to receive comments on this petition.

The Kerr Lake Regional Water System has indicated it intends to submit a petition requesting an increase in their existing 10 million gallons per day transfer to 24 million gallons per day. KLRWS proposes to transfer water withdrawn from Kerr Lake on the Roanoke River to public water systems in the Tar, Neuse and Fishing Creek River Basins. DWR expects to receive a Draft Environmental Impact Statement for this proposed transfer increase in early 2010.

Brunswick County has submitted a notice of intent to apply for an expansion of their grandfathered interbasin transfer. They currently receive surface water from the Lower Cape Fear Water and Sewer Authority and provide treated water to customers in the Cape Fear,

Waccamaw and Shallotte River Basins. A Draft EIS is under development to support a request for an increase in their grandfathered transfer amount of 10.44 million gallons per day to 19.29 million gallons per day. DWR expects to receive the Draft EIS in early 2010.

Division staff members expect to receive applications for certification of interbasin transfers from several other communities in the near future. Information on Interbasin Transfer petitions is available on the Division's web site under the link "Interbasin Transfer".

Recent legislative actions affecting future Water Supply Planning

Public water systems in North Carolina use a wide variety of combinations of water sources and system configurations to reliably provide water to their customers. Since the beginning of the water supply planning program, the Local Water Supply Plans submitted by units of local government and large community water systems have been reviewed for completeness and consistency with the statutes. Statutory language provided water systems with a lot of flexibility as to the level of detail and documentation on which they could base their local plan and on which the Division could base its decisions on completeness and consistency. With the passage of Session Law 2008-143 the Division, acting for the Department, is now responsible for approving or disapproving these plans and the evaluation of local municipalities' calculations of future needs will be subject to disapproval based on a set of criteria that must of necessity be applicable statewide. Protocols for review and approval of Local Water Supply Plans are being added to the guidance documents available on the Division's web site.

North Carolina Department of Environment and Natural Resources

Beverly Eaves Perdue
Governor

Dee Freeman
Secretary

October 1, 2009

TO: Environmental Review Commission Members

FROM: Dee Freeman, Secretary

RE: Annual Report on Basinwide Water Quality Management Plans

G.S. 143-215.8B requires the Department of Environment and Natural Resources to report to the Environmental Review Commission each year on the progress in developing and implementing basinwide water quality management plans and on increasing public involvement and public education in connection with basinwide water quality management planning. If you have any questions please contact Alan Clark at (919) 807-6441.

Attachment

cc: Coleen Sullins

1601 Mail Service Center, Raleigh, North Carolina 27699-1601
Phone: 919-733-4984 \ FAX: 919-715-3060 Internet: www.enr.state.nc.us

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One North Carolina Naturally

The Division of Water Quality Basinwide Planning Program's Annual Report to the ERC – October 1, 2008 through September 30, 2009

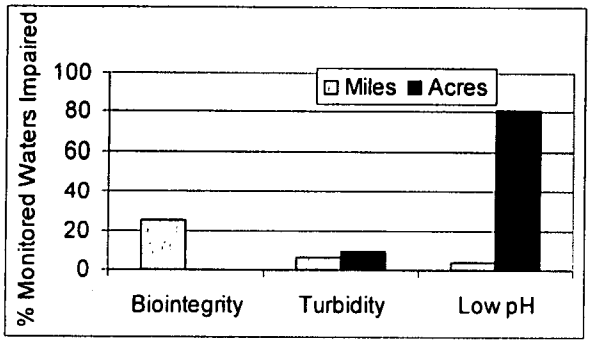
During this reporting period, the Basinwide Planning Unit completed the Broad, Yadkin and Neuse River Basin Water Quality Management Plans and has begun work on the Catawba, Lumber and Tar Pamlico plans. Those plans will be completed by June 2010.

Staff activities related to development and implementation of current plans included:

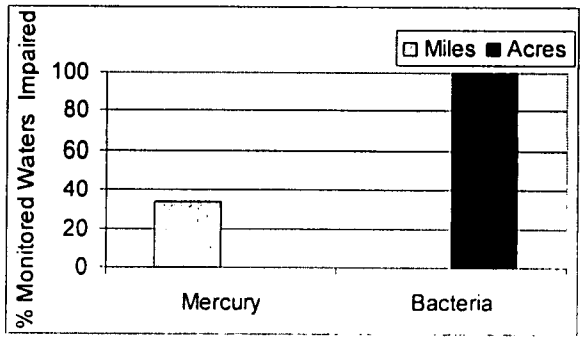
- Implementation of the Neuse River Basin Action Plan found in the Neuse River Basinwide Water Quality Plan approved by the EMC in July 2009. Presented Phase II delegations to the WQC for public release. Met with the Division of Air Quality regarding atmospheric deposition. Working on the Falls Lake NSW rules and the CAFO rules including extensive stakeholder involvement. These activities are related to development of nutrient management strategies for drinking water supplies per SB 981 (Session Law 2005-190).
- Participation in several technical advisory groups - Little River Reservoir (EIS and flow study work groups), Wake County - Falls Lake 319, Lick Creek watershed planning, Wake County watershed planning, Swift Creek implementation planning, Falls Lake model/NSW, Cape Fear DO Estuary modeling assessment and on the Rocky River management team.
- Continued work with a variety of stakeholders including Western Piedmont Council of Governments, Catawba Wateree Water Management Group, Dan River Coalition, Centralina Council of Government, and the Roanoke River Bi-State Commission on identifying opportunities for water quality protection and improvement.
- Documenting restoration work in the French Broad, Yadkin, Cape Fear, and Catawba River basins.

The graphs below show the major pollutants or indicators and the percentages of impaired monitored freshwaters by miles and acres they impact. Only those parameters that were exceeded in more than 10 percent of the waters are shown. Biointegrity (biological integrity as indicated by benthic macroinvertebrate and fish communities) is an indicator of impaired aquatic life and shows the impact of a variety of insults to the aquatic system, such as excessive stormwater runoff, erosion, toxicants, metals and other pollutants. Turbidity is a measure of clarity of water and is frequently related to sediment impacts. No metals measured were above standards; however, mercury fish consumption advisories for the entire South Atlantic Coast resulted in all 17 coastal miles of the Tar-Pamlico River basin being rated as impaired. Monitoring conducted by the Division of Environmental Health has closed by proclamation all of the shellfish acreage in the Lumber and all of the coastal miles of shellfish waters in the Tar-Pamlico to shellfish harvesting. These closures are, for the most part, related to stormwater runoff. Also in the Tar-Pamlico, all of the monitored freshwater acres (370 acres in the lower Tar River and Kennedy Creek) exceed the chlorophyll-a standard. These waters are under the Tar-Pamlico River Basin NSW strategy.

Percentage of Impaired Monitored Freshwaters in the Catawba, Lumber and Tar-Pamlico River Basins by Indicator or Pollutant

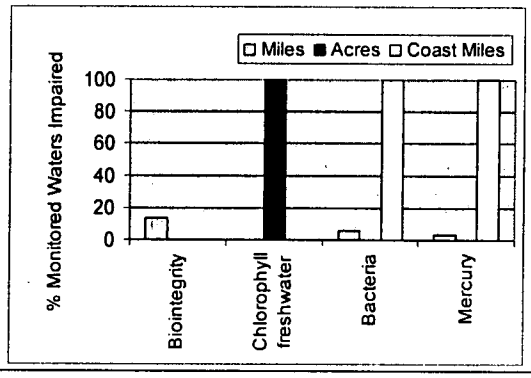


Catawba River Basin



Lumber River Basin

Tar-Pamlico River Basin



North Carolina Division of Water Quality
Annual Report of Fish Kill Events
2009

North Carolina Department of Environment and Natural Resources
Division of Water Quality
Raleigh, NC

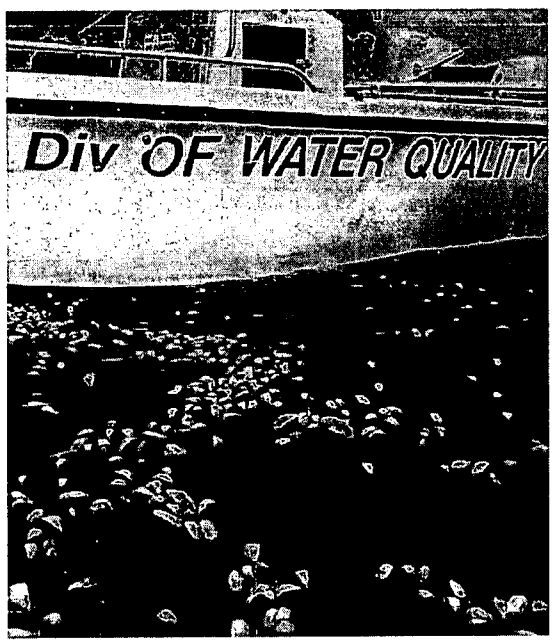
December 2009

Introduction

The investigation of fish kill activity across North Carolina currently involves protocols established by the North Carolina Division of Water Quality (DWQ) in 1996. The protocols were developed with assistance from DWQ Regional Office staff, North Carolina Wildlife Resources Commission biologists, and Division of Marine Fisheries personnel as a means to improve the tracking and reporting of fish kill events throughout the state. Fish kill and fish health investigation data are recorded on a standardized form and sent to the Division's Environmental Sciences Section DWQ where the data are reviewed and compiled. Data from fish kill investigation forms, laboratory test results and supplemental information sent to the ESS are entered into a central database where the information can be managed, queried and reported. The procedure also requires the notification of appropriate state officials and scientists associated with the investigation of such events. The protocols have proven successful in standardizing reporting methods and enhancing the quality and quantity of information reported from kill events.

Fish kill information is posted weekly from June to November on the ESS website: http://h2o.enr.state.nc.us/esb/Fishkill/fishkillmain.htm. Kill reports for the current year are now available in a new interactive format using Google Earth software. The new format provides better visual representations of current fish kill activity across the state and allows the user more control in the visualization process. The following report will also be available at the ESS website after submittal.

This document is a summary of fish kill events reported to the DWQ from January to early December, 2009. The report is mandated under Section 4 of Chapter 633 of the 1995 North Carolina General Assembly Session Laws.



Dead menhaden, Neuse River at Union Point, September 2009.

2009 Fish Kill Event Summary

To date, investigators have reported 33 fish kill events statewide for 2009 (Figure 1). Kill events were reported from coastal and inland waters across the state as far west as Union County. Kill activity was documented during the year in 5 of the state's 17 major river basins with nearly two thirds of the year's reported events occurring in the Neuse and Tar/Pamlico estuaries (Figure 2).

While the number of statewide fish kill events in 2009 is comparable to previous years, fish mortality (observed dead fish) was at the highest level since systematic reporting began in 1996. According to DWQ investigations, the total statewide mortality figure for the year is over 13.8 million fish. Investigators acknowledged that the reported mortality figures for a number of Neuse estuary events are extremely conservative and that actual fish counts for the Neuse events could have been nearly double what was observed. Mortality totals for individual events in 2009 ranged from 100 to over 7.3 million.

ESS records fish kill events when at least 25 fish are affected and the event is confirmed by trained investigators from regional offices and cooperating agencies.

• **Total Reported Events for 2009**	**33**
• **Freshwater Kills**	**12**
• **Estuarine Kills**	**21**
• **Cumulative Mortality for 2009**	**13,800,000***
▪ *Estuarine Mortality*	*13,783,800*
▪ *Freshwater Mortality*	*16,200*
• **Report Mortality Range**	**100 to 7,350,000**
• **River Basins with Kill Activity**	**5 (of 17)**

** Investigators acknowledged that mortality estimates were extremely conservative and that actual fish counts could have been nearly double what was observed.*

Figure 1 : Fish kill events and observed mortality reported to NCDWQ during 2009

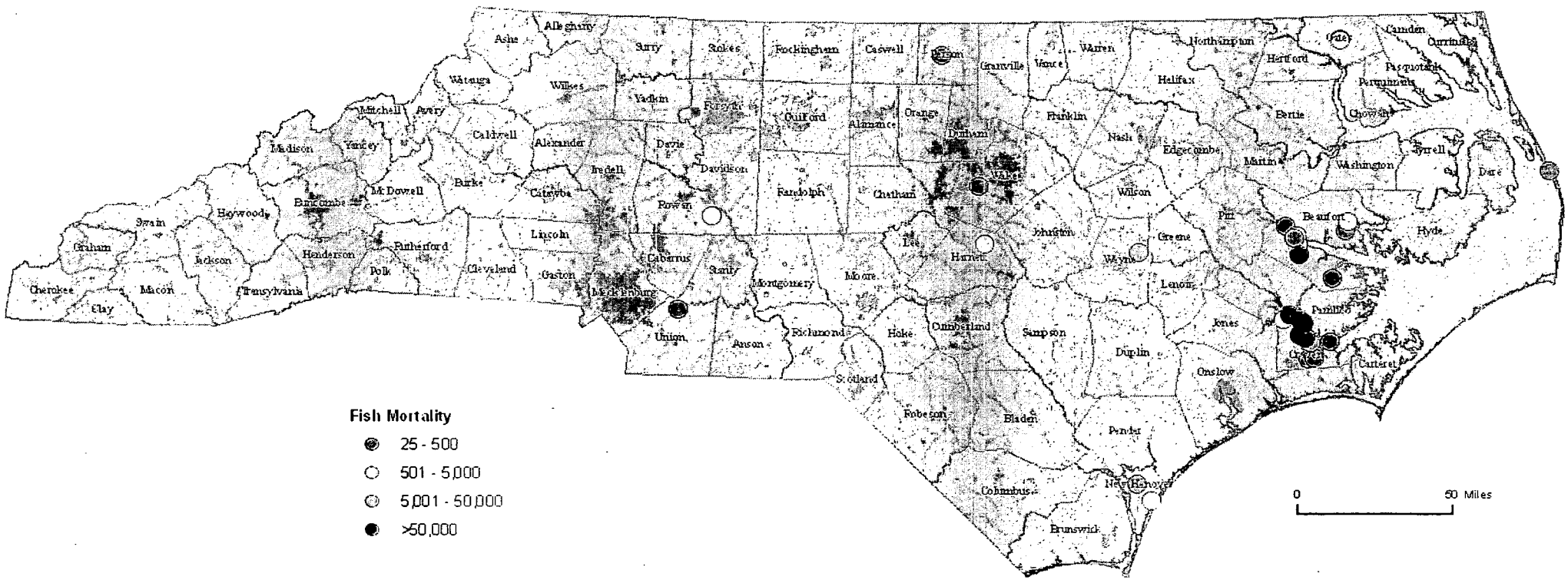
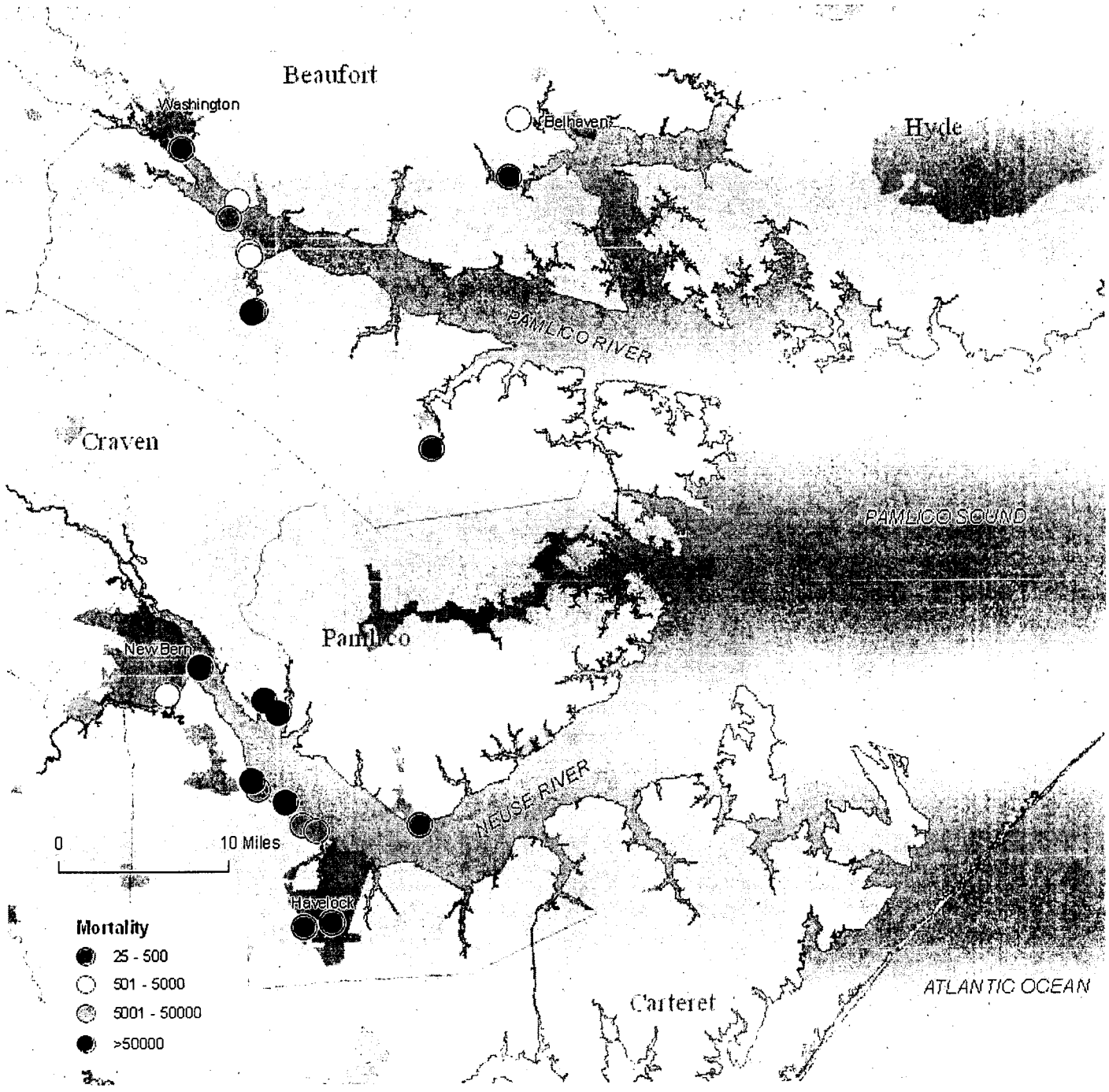


Figure 2 : Fish kill events and observed mortality reported to NCDWQ during 2009 – LowerTar/Pamlico and Neuse River estuaries



Basin Activity

Investigators reported fish kill events in 5 of the state's 17 major river basins during the 2009 season (Figure 1, Table 1). Kill activity was most frequent in the Neuse basin (15 events), a trend that has continued nearly every year since systematic reporting was implemented in 1996. Frequent kill activity was also reported in the Tar/Pamlico basin. The lower Neuse, as well as the lower Tar/Pamlico estuary, have experienced adverse environmental factors such as low dissolved oxygen, high water temperatures, and fluctuating salinities. These factors have played a significant role in the frequency of events reported annually from the two areas. Activity in other river basins across the state remained relatively light or absent throughout the 2009 season. The statewide number of reported events decreased from a total of 61 observed in 2008 to 33. The 2009 total is comparable to the range of annual report totals received since 1997 (Figure 3).

Table 1: Fish kill reports by basin, 1996 – 2009

Year	Broad	Cape Fear	Catawba	Chowan	French Broad	Neuse	Lumber	Pasquotank	Roanoke	Tar/Pamlico	New/Watauga	White Oak	Yadkin	Annual Totals
1996	None	21	None	2	None	14	4	10	2	3	None	3	1	60
1997	None	16	3	2	2	12	3	2	None	6	None	3	10	59
1998	None	23	1	1	3	8	5	8	1	5	None	1	2	58
1999	1	14	3	1	1	16	None	2	None	11	1	3	1	54
2000	None	12	2	None	None	23	2	None	None	14	None	3	2	58
2001	None	5	4	1	None	37	None	1	None	23	None	3	3	77
2002	None	8	1	2	1	9	None	6	None	8	None	3	8	46
2003	None	3	None	2	1	21	2	2	2	6	2	None	2	43
2004	None	1	None	1	None	8	1	None	1	2	None	None	3	17
2005	None	2	None	1	None	9	1	2	1	1	None	1	1	19
2006	1	5	2	None	None	10	2	None	2	2	None	None	1	25
2007	1	1	2	1	3	10	None	1	1	5	None	None	2	27
2008	None	10	2	2	2	21	None	4	None	16	None	None	4	61
2009	None	3	None	2	None	15	None	None	None	11	None	None	2	33
Total	3	124	20	18	13	213	20	38	10	113	3	20	42	637

** No fish kill reports have been received from the Hiwassee, Little Tennessee., and Savannah basins since 1996.*

Fish Mortality

While the number of statewide fish kill events in 2009 is comparable to previous years, the fish mortality rates were significantly higher as a result of a series of large events in the Neuse estuary (Figure 4). The 2009 season produced a reported fish mortality total of over 13.7 million individuals, however, investigators commented that mortality estimates for the large Neuse estuary kills were extremely conservative, possibly resulting in an annual total of nearly double that reported. The 2009 total is the highest since systematic reporting began in 1996. The majority of the annual mortality for 2009 was reported from a few events located in estuarine waterbodies. Over 97% of the total dead (13 million) were reported from the Neuse estuary and nearly 75% (9.8 million) from one prolonged event on the Neuse during September.

Figure 3: Reported annual fish kill events, 1996 to 2009

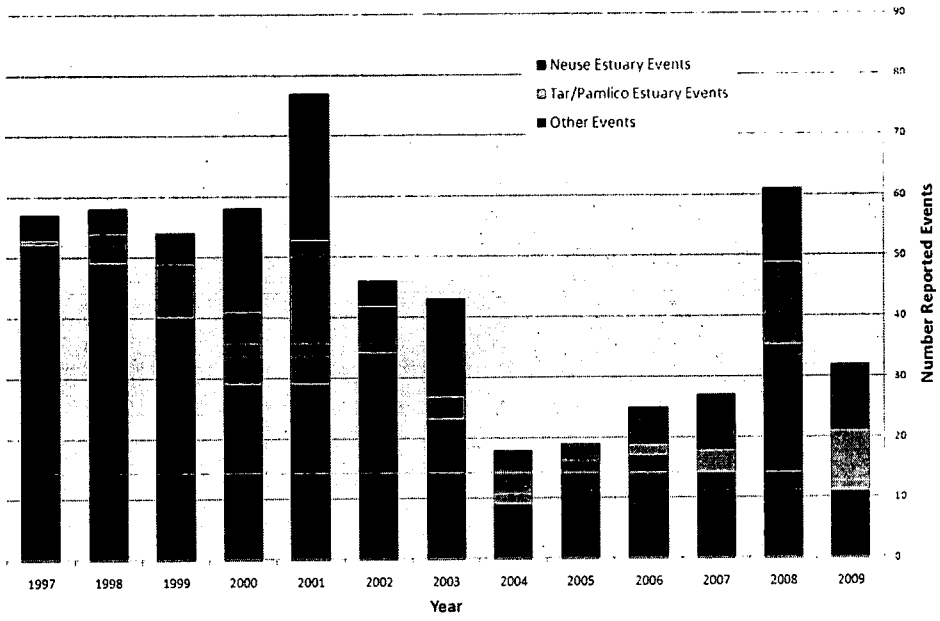
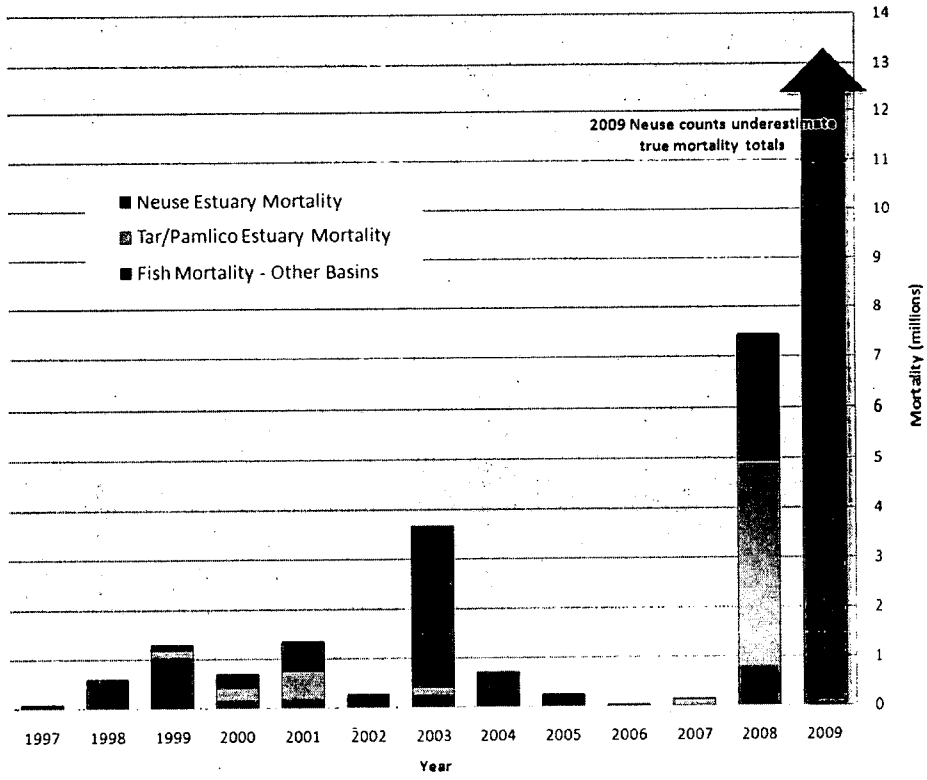


Figure 4: Reported annual fish kill mortality, 1996 to 2009



Finfish and Other Species Reported

Fish kill events in 2009 involved at least 35 species of fish in estuarine and freshwaters (Figures 5 and 6). Estuarine species most frequently reported included Atlantic menhaden, spot, flounder and croaker. Freshwater species most frequently observed included sunfishes, largemouth bass, carp, and catfish. Atlantic menhaden, by all accounts comprised the vast majority of the total mortality during 2009. Huge numbers of menhaden (nearly 97% of the 2009 total) were reported from a series of large fish kills in the Neuse estuary during August and September.

Non-finfish species were observed at eight kill events during 2009. These included blue crab and crayfish. Most notable was kill of over 17,000 blue crab during a large event on the Neuse River near Flanners Beach (August 21, 2009). Historically, the frequency and numbers of non-finfish species reported in association with fish kills has remained relatively low.

Figure 5: Estuarine/Ocean finfish and frequencies observed during 2009 fish kill events

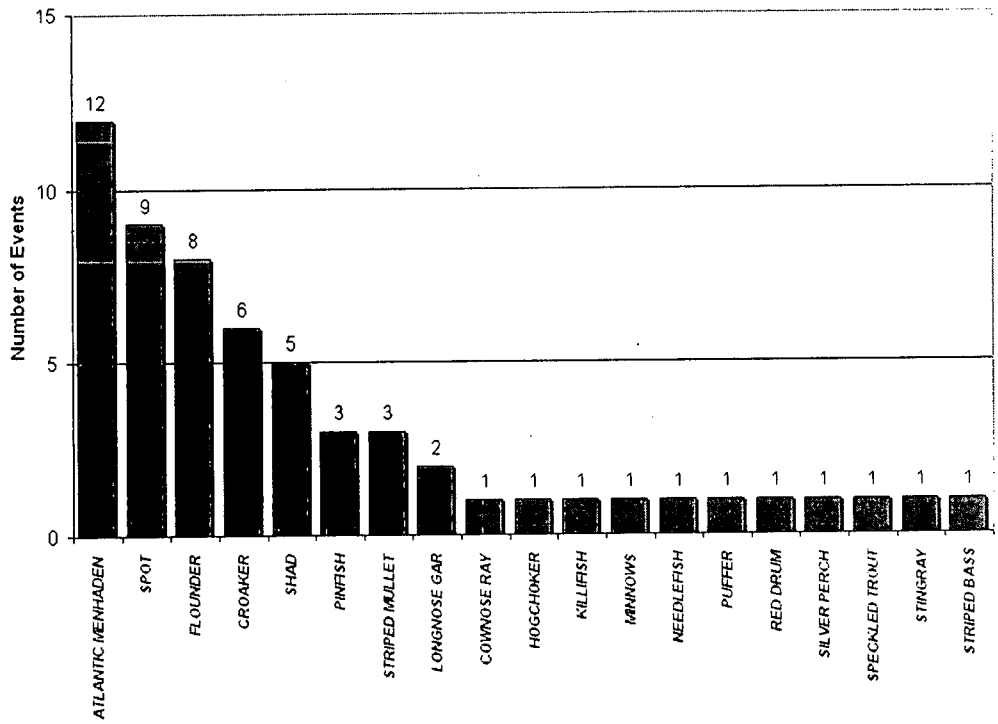
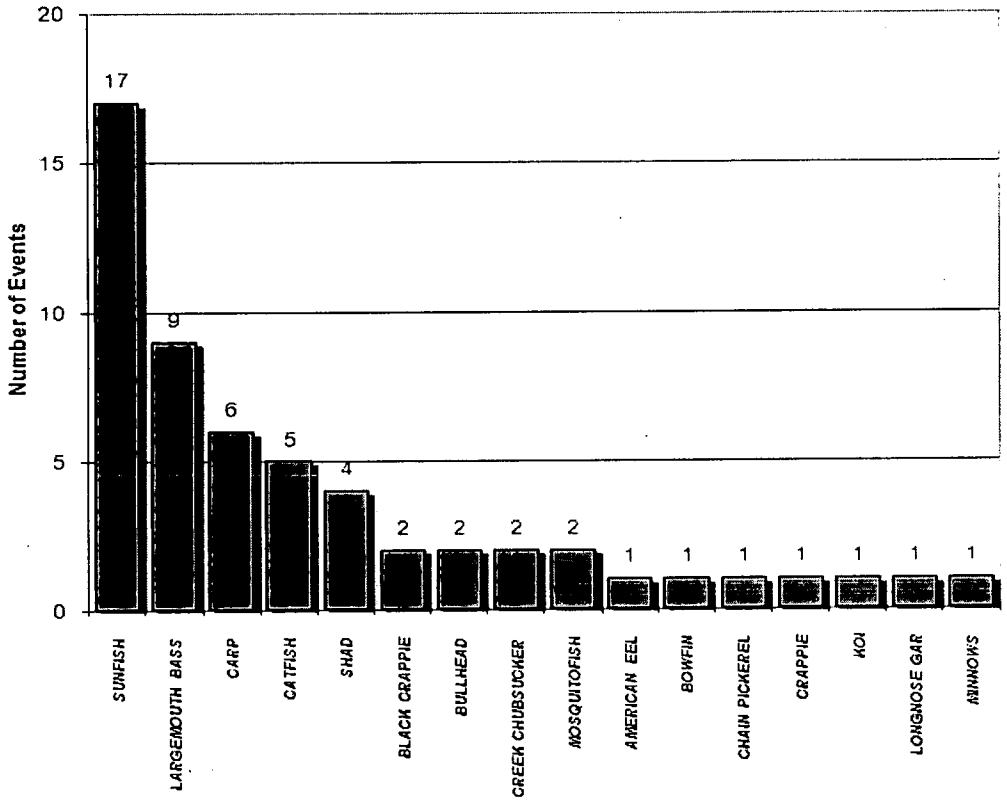


Figure 6: Freshwater finfish and frequencies observed during 2009 fish kill events



Reported Causes for Fish Kill Events

Specific causes of fish kill events may or may not be obvious to investigators depending on a number of factors. Causes are often identified, but others remain unconfirmed or unclear due to an investigation occurring hours or days after the actual event. Kill events often result from many environmental factors, and sorting out the major reason(s) why a fish kill occurs is frequently a difficult and often subjective task. Investigators generally monitor water quality and environmental conditions surrounding an event and are encouraged to submit this information on reports along with observations regarding a suspected cause. This information aids in evaluating potential water quality trends and problems, and assists scientists and decision-makers with formulating future courses of action. Reported causes should not be viewed as a definitive label for a particular event. Reported causes of 2009 kill events are listed in Table 2 in order of frequency. The statewide fish mortality associated with each cause category is also shown.

Table 2: Reported causes, frequencies, and associated fish mortality for 2009 fish kill events

Reported Cause	Events	Mortality
Dissolved Oxygen Depletion	15	11,800,000
Unknown*	12	1,944,000
Algal/Phyto Blooms	5	55,700
Spills	1	200

* *"Unknown" causes were reported for those events where no specific causes could be determined.*

Dissolved Oxygen Depletion: Low dissolved oxygen (DO) was the most frequently reported cause for fish kill events during the 2009 season. DO stress was cited as a factor in nearly half of the years events and associated with over 85 percent of the year's fish mortality. DO depletion was reported as a likely cause in most large events in the lower Neuse and Tar/Pamlico estuaries. Estuarine fish kills have historically been associated with upwelling of hypoxic water from the river bottom or a depletion of DO in warm shallow areas, especially during the season's warmest months.

Unknown Causes: Causes for kill events are reported as "unknown" when investigators fail to cite specific reasons for an event. Investigations may not provide definitive causes when they are conducted too long after an event and no clear factors are determined, or when causes are suspected but not confirmed. Investigations for such events yielded few clues and environmental conditions or water quality measurements were often reported as normal by the time personnel arrived on scene. Investigators failed to cite or confirm causes for 12 of the year's events. Kills with unknown causes occurred in both fresh and estuarine waters and included several large events in the lower Neuse and Tar/Pamlico basins.

Algal Blooms: Algal bloom activity was a reported factor in five kills during 2009. ESS staff members identified at least 19 algal species in both fresh and estuarine waters in association with fish kill events (Table 3). Several algal species known in academic literature as capable of producing toxins were found in samples collected during 2009 investigations, but none were identified as a source of toxicity. It should be noted that the presence of these species alone does not infer toxicity or environmental concerns. In general, all coastal algal species identified by DWQ staff were typical for local estuarine rivers during the summer season. Most of the blooms recorded in the state's coastal waters this year were dominated by diatoms, chrysophytes, and dinoflagellates.

Algal blooms reported this year in the state's freshwaters were dominated by bluegreen and green algae. The most notable was observed on the Cape Fear River and extended from Lock and Dam 1, downstream to Brunswick County. The event was considered harmless but created taste and odor problems in municipal water supplies. The freshwater algal community seen this summer is similar to those observed in recent years.

ESS staff members routinely examine water samples associated with kills for the presence of harmful species. Samples that contain significant amounts potentially

harmful algae are often sent to research laboratories throughout the state. The Center for Applied Aquatic Ecology in Raleigh has the ability to examine samples under scanning electron microscopy. Laboratories at the University of North Carolina at Greensboro and the National Oceanic and Atmospheric Administration laboratory in Beaufort can examine samples with molecular probes. Laboratories at UNC-Chapel Hill and UNC-Wilmington provide valuable taxonomic expertise. Algal samples and results are collected, exchanged, and discussed between labs.

Table 3: Algal species collected during 2009 fish kill events and identified by ESS staff.

Genus	Waterbody Type	Fish Kill Reports Cited
Diatoms	Estuary	11
Cylindrospermopsis	Estuary	6
Leptocylindrus	Estuary	3
Gyrodinium instriatum	Estuary	2
Chattonella	Estuary	2
Karlodinium	Estuary	2
Scrippsiella	Estuary	2
Chaetoceros	Estuary	1
Pseudonitzschia	Estuary	1
Heterosigma	Estuary	1
Oxyrrhis	Estuary	1
Prorocentrum minimum	Estuary	1
Peridiniella	Estuary	1
Polykrikos	Estuary	1
Microcystis	Freshwater	1
Aphanizomenon	Freshwater	1
Trachelomonas	Freshwater	1
Coelastrum	Freshwater	1
Chlamydomonas	Freshwater	1

Spills: Toxic spills may deplete DO levels in receiving streams or induce kills outright through physical or chemical toxicity. During 2009, investigators reported one event where the release of toxic substances induced a fish kill. In March, 2009 MCAS Cherry Point Environmental Division officials reported a suspected spill and associated fish kill in a stormwater ditch leading to Schoolhouse Branch, a tributary to Slocum Creek (Neuse River). The spilled substance was not identified but results from water samples did not indicate metals or cyanide concentrations above state standards. The spill resulted in a kill of at least 200 mosquitofish, sunfish and crayfish.

Notable Events

Investigators reported six events where fish mortality exceeded 50,000 individuals (Table 4). All but one of these large events occurred in the Neuse estuary during August and September. Physical conditions in the Neuse River, combined with nutrient cycling processes, algae blooms, waste produced by massive, concentrated schools of menhaden and depletion of oxygen levels created significant areas of low oxygen water. Low DO concentrations were observed near the bottom of the river and also in proximity to large schools of menhaden.

A large kill of primarily Atlantic menhaden and spot was also documented in the Blounts Creek near Blounts Bay in June. Investigators indicated that heavy algae bloom activity and the subsequent algal decomposition likely created a low DO environment within the creek, resulting in the death of over 54,000 fish.

Table 4: Large (Mortality > 50,000) fish kill events reported during 2009

Date	Waterbody	Location	Mortality
9/16/2009	Neuse River	New Bern	7,350,000
8/21/2009	Neuse River	Flanners Beach to Slocum Creek	3,400,000
9/4/2009	Neuse River	Black Beacon Pt to Carolina Pines	1,900,000
9/16/2009	Northwest Creek	Fairfield Harbor	658,000
9/29/2009	Broad Creek	near mouth	333,000
6/10/2009	Blounts Creek	near Blounts Bay	54,500

2009 Summary

Investigators reported fish kill events in 5 of the state's major river basins during 2009. Kill activity was documented throughout the state but was heaviest in historical trouble spots within the lower Neuse and Tar/Pamlico basins. The number of fish kills reported during the year totaled 33, a decrease from the previous year and in the range of totals seen since systematic reporting was established in 1996. While the number of statewide fish kill events is comparable to DWQ historical data, the fish mortality total reported during 2009 was significantly higher than any year since 1996. The increase was due to a series of large fish kill events in the Neuse estuary during August and September.

DWQ investigations place the total statewide mortality figure for the year at over 13.4 million fish. Over 97% of the total (13 million) was reported from the Neuse estuary, and nearly 75% (9.8 million) from one prolonged event on the Neuse during September. Investigators stressed that the reported mortality figures for the Neuse events are extremely conservative and that actual fish counts could be nearly double what was observed. Reports from the Tar/Pamlico estuary show much lighter kill activity with a total mortality of around 83,000 mixed species individuals.

Feedback from investigators and review of fish kill reports revealed several factors that may explain the sharp increase in fish kill mortality in the Neuse during the 2009 season. Physical and chemical measurements taken at the time of the Neuse investigations indicated the large events were related to fish stresses incurred during exposures to waters containing little or no oxygen (hypoxia). Estuarine fish kills are often associated with upwelling of hypoxic water from the river bottom or depletion of dissolved oxygen in warm shallow areas. Hypoxic conditions have historically occurred in North Carolina's estuaries as nutrient and organic loading coupled with water column stratification deplete dissolved oxygen levels during the summer and early fall months. Episodic and climatic events such as storms and hurricanes have also played a major role in large fish kill events, causing sudden shifts in wind direction and velocity, and exposing fish to underlying hypoxic water. Estuarine reports received during 2009 do not indicate any events were caused by specific pollutants or toxic releases. NCDWQ data and observations by investigators indicate conditions that determine dissolved oxygen levels in coastal estuaries appear to be significant drivers of fish kill activity.

Investigators and fisheries experts suspect the extreme density of Atlantic menhaden schools observed during 2009 may have also played a role in the large kill events on the Neuse. Studies indicate that large menhaden schools have a significant impact on surrounding waters through feeding, respiration and excretion of wastes. These activities could potentially result in a substantial decrease in dissolved oxygen as dense schools enter enclosed waterbodies and consume the available oxygen (NCDMF). Low DO concentrations were observed during numerous investigations near the bottom of the river and also in proximity to large schools of menhaden. Furthermore, coastal fish kill reports indicated that very few Atlantic menhaden individuals (1%) displayed lesions or sores

historically associated with the species. Further analyses of menhaden tissue samples revealed no widespread signs disease, parasites, or damage from toxic agents.

Algal blooms were observed throughout the time frame of a number of estuarine kills this year; however, none have been identified as a direct cause for fish mortality. In general, all coastal algal species associated with fish kill events and identified by DWQ staff were typical for local estuarine rivers during the summer/fall season. No harmful algal species were found in numbers to infer toxicity or acute environment concerns. Investigators and scientists point to algal blooms as an indirect factor in fish kill activity. Nutrient enriched waters may produce blooms that act as a source of organic matter and can increase the potential for hypoxia.

Results from 2009 fish kill investigations continue to suggest that a majority of North Carolina's annual kill activity is dependent on crucial environmental conditions in key areas of the state, namely, the Neuse and Tar/Pamlico estuaries. Results further suggest that the interaction of several key biological, chemical, and physical elements in the Neuse estuary produced an especially intense and prolonged series of events in August and September.

Appendix: 2009 Fish Kill Event Summaries Listed by County

Total 2009 Fish Kills: 33

Total 2009 Fish Mortality: 13794083

2009 Fish Kill Events (by County)

Date	Kill Number	Waterbody	Location	Mortality	Comments
Beaufort					
5/1/2009	WA09001	Pamlico River	Washington Park	126	The Pamlico Response Team investigated a fish kill today, Friday May 1st. DMF dispatch relayed a phone call from a resident in Washington Park. Staff responded on scene to find 112 fish washed up on the shoreline from the Mouth of Jacks Creek to a canal just downstream of Washington Park. This area covered approximately 1 shoreline mile and consisted mainly of menhaden (170 mm), gar, bowfin, carp, and crab. The decomposition of the fish ranged from 24- 48 hours old. Gill net activities have been observed in the area. However, no lesions or scars were observed. Physical data recorded Tuesday April 26th indicated warmer water temperatures (20 deg C) and salinities increasing (0-5 ppt, top-bottom) from Hwy 17 bridge to Blount's bay (5-10 ppt, top-bottom). Dissolved oxygen ranged from 7 mg/L to less than 3 mg/L at 2 meters depth. Several sites exhibited elevated algae bloom activity (DO >120%) from Blount's Bay to Chocowinity Bay. Winds were variable and from the northwest until Wednesday evening, switching to northeast winds Thursday morning. Surface foam was observed since Tuesday. Real time bottom WQ data from the Hwy 17 bridge indicated a drop in DO Wednesday evening to <2 mg/L, dropping further to near zero by Thursday morning. Surface WQ data also dropped to < 3 mg/L Thursday morning. Physical data recorded on scene indicated salinities from 2 -4 ppt (top-bottom). DO values ranged from 8 to 2 ppt (top-bottom). Water temperatures were 22 deg C. Based upon the variable stages of decomposition, these fish may have succumbed to low dissolved oxygen, resulting from previous bloom activity. Water samples were collected at the fish kill site and sent to Raleigh's ESS for further analysis. The samples indicated a bloom of small round diatoms and the dinoflagellate Prorocentrum. All taxa seen in the sample are typical in local estuarine rivers during spring.
6/10/2009	WA09006	Blounts Creek	near Blounts Bay	54500	The Pamlico Response Team investigated a fishkill in Blounts Creek at 10:00 a.m. this morning, June 10th. The kill claimed 54,524 fish, consisting primarily of Menhaden and Spot. The area extended 1.6 miles upstream from Cotton Patch Landing to the confluence with Nancy Run. Due to the decomposition of the fish, investigators believed that two separate fish kills occurred within 24 hours of each other. Menhaden and Spot (1 - 4 inches) were within 12-18 hours old. The remaining fish were 6- 14 inches (sunfish, bream, gizzard shad) and observed to be at least 24 hours old. No lesions were observed. Investigators began recording physical data near Cotton Patch Landing with surface DO levels near 3.3 mg/L to 2.9 mg/L (1 meter down). Fish were observed swimming in the area. As they worked their way upstream, surface DO levels were 0.4 mg/L to 0 1 mg/L (1 meter down). The few fish observed in this area were lethargic. An oily sheen and grey-colored water was observed in this area. Salinity levels along the entire stretch of the event were consistent from 5.5 to 6.6 ppt. Investigators arrived back at Cotton Patch Landing within 2 hours and noticed green water. Physical data indicated an algae bloom (161% Saturation). Previous weather events included 60 mph winds and heavy rainfall in the area Tuesday evening. Although dissolved oxygen may be the obvious culprit in this event, the factors contributing to low DO are still in question. Perpetual algae blooms and the resultant decomposition may have created a hypoxic environment. Strong Northeast winds and heavy rainfall may have exacerbated the issue. Water samples were collected and sent to ESS for further analysis.

2009 Fish Kill Events (by County)

Date	Kill Number	Waterbody	Location	Mortality	Comments
6/14/2009	WA09008	Pungo Creek	near Sullivan Point	350	The Pamlico River Response Team investigated a fish kill in a small section of Pungo Creek at 11:30 a.m. on Sunday, June 14th. The fish kill zone was located along 3,000 linear feet of shoreline on the north side across from Sullivan Point. The PRRT counted a total 350 finfish and 3 blue crab that were involved in the kill. The dead fish were believed to have died recently since rigor mortis had not occurred yet and many of the fish were on the bottom of the creek. Investigators also observed 5 flounder, 1 gizzard shad, 12 hogchokers, and 2 eels that were still breathing, but were very sluggish and appeared to be dying. No lesions were observed. Some fish were observed swimming in the fish kill zone at the time of the investigation. Water quality parameters indicated good oxygen levels at the surface (7.4 mg/L, 103 % saturation), but the dissolved oxygen levels at the bottom (depths of 1.2-2.0 m) were low (0.27 mg/L to 0.43 mg/L). The salinities ranged from 9.1 ppt at the surface to 10.5 ppt at the bottom. At the time of the investigation water quality parameters indicated a slight phytoplankton bloom, but observations and citizen accounts indicate that a dense phytoplankton bloom may have occurred during the previous days. Weather conditions over the pass several days included hot, sunny, and calm days with scattered afternoon thunderstorms. Hypoxic conditions from oxygen and salinity stratification, coupled with phytoplankton blooms may have stressed and killed the fish that were unable to find refuge from low oxygen water. Water samples were collected and were sent to Raleigh Lab Monday for phytoplankton and nutrient analysis. The samples indicated a bloom of small round diatoms and the dinoflagellate Karlodinium. All taxa seen in the samples were typical in local estuarine rivers during summer. Several area residents observed a crop duster plane flying over Pungo Creek very low on Friday 6/12/2009. They said they were spraying cucumber fields. PRRT did observed several cucumbers in the creek. Residents observed thick brown, discolored water several days ago and they believe the spray event may have contributed to the local kill.
6/22/2009	WA09009	Broad Creek	near Belhaven	1600	The Pamlico Response Team responded to a citizen's report of a fish kill in Broad Creek on Monday afternoon, June 22, 2009. Broad Creek is located upstream of Pantego Creek, near Belhaven. The kill seemed to be located in a wide and shallow (1.0 m deep) section of the creek. The team found a total of 1,596 dead fish consisting mostly of spot , and gizzard shad . Other fish species included sunfish, catfish, largemouth bass, minnows (silversides, mud minnows, and finger mullet), silver perch, flounder, striped bass, and cownose ray. Numerous fish were observed swimming in the fish kill zone during the investigation, including menhaden. The estimated time of death may have occurred within 36-48 hours prior to the investigation. Physical parameters measured during the investigation did not point to any specific cause of death, although conditions indicated an algal bloom in progress. Temperatures have been extremely hot and winds have been strong over the last several days. Given the diversity of fish species and high water temperatures, it is highly likely there has been an on-going bloom in this area that may have caused DO to drop during its decomposition phase. Water samples were taken and sent to Raleigh for further analysis. Samples indicated a bloom of small round diatoms and the dinoflagellates Scrippsiella and Karlodinium. All taxa seen in the sample are typical in local estuarine rivers during summer.

2009 Fish Kill Events (by County)

Date	Kill Number	Waterbody	Location	Mortality	Comments
6/26/2009	WA09010	Blounts Bay	Blounts Creek	5000	The Pamlico Response Team responded to a citizen's report of a fish kill on the Western Shore of Blount's Bay on Friday afternoon, June 26th. This Bay is located on the south side of the Pamlico River near the mouth of Blount's Creek. The team counted approximately 5,000 croaker and 4 small flounder. Numerous fish were observed swimming in the fish kill zone during the investigation. No lesions were observed. Water quality parameters measured on site indicated DO near 6 mg/L and salinities near 9.4 ppt. Although no specific cause of death was apparent, temperatures have been extremely hot over the last several days. Two algal blooms were recorded on June 23rd within a mile radius of the kill zone during the team's Ambient Sampling. The occurrence of these blooms near the fish kill area may be an indication that blooms were on-going during this week and may have caused short localized drops in DO during the late evening or early morning. The team was unable to take water samples due to a thunderstorm that occurred during the investigation.
8/19/2009	WA09016	Pamlico River	Camp Hardee	17830	The Pamlico Response Team received a call from PTRF Wednesday morning, indicating a fish kill near Camp Hardee on the south side of the Pamlico River. Local residents observed the fishkill Tuesday evening between 6 and 7 p.m. Staff observed spot & croaker, blue crab, and flounder along a 1.2 mile stretch of shoreline extending from Hill Creek's mouth downstream, past Camp Hardee to Hills Point. Fish totals were approximated near 17,973. The majority of fish were juvenile spot and croaker, ranging from 30 to 60 mm. No lesions or sores were observed. Physical data on site indicated an active bloom (DO % > 150). Salinity values were near 9 ppt. Water temperatures were over 30 degrees C. The Response Team was also on the Pamlico River Tuesday collecting physical data and water samples from regularly scheduled monitoring. Tuesday's physical data indicated algal blooms extending from Chocowinity Bay downstream to the mouth of the Pungo River. DO values dropped to near zero at 2 meters. The past several days have been near 100 degrees with relatively little wind activity. Tuesday winds steadily increased to 10 mph by late afternoon from the southwest. A localized upwelling event may have occurred during this time, bringing near anoxic waters towards the surface of the south side of the Pamlico River. Bloom samples were collected and sent to Raleigh's ESS for analysis. Phyto samples indicated a bloom of the flagellated raphidophyte Chattonella and the filamentous bluegreen Cylindrospermopsis. All taxa seen in the sample are typical in local estuarine rivers during summer.
8/23/2009	WA09018	Blounts Creek	above Cotton Patch Landing	220	Pamlico River Rapid Response team responded to a fish kill in Blounts Creek on Sunday, August 23, 2009. Physical data at the time of the investigation revealed dead water with little to no oxygen (0.07 mg/L to 0.40 mg/L) 1.0 meter and deeper throughout the 2.5 mile fish kill site. The salinity at the center of the fish kill site ranged from 9.41 ppt at the surface to 10.50 ppt at the bottom (2.0 m). Extensive decay and missing tails from scavengers were observed. Investigators believe the fish kill occurred 48+ hours prior to the investigation. Investigators observed live fish in the fish kill site and did not observe any fish succumbing to the low oxygen during the investigation. This fish kill was similar in location to previous fish kills. Blounts Creek's headwaters to the mouth, is much deeper than the adjoining Blounts Bay and Pamlico River. When the creek's water column turns over, the large volume of dead water (1-3 m) tends to cause large drops in dissolved oxygen throughout the length and width of the creek. The drop in dissolved oxygen in the narrow and winding creek likely lead to a multispecies fish kill. Investigators believes that many factors could have lead to the fish kill. These include algal die-off, high decomposition levels from higher than normal nutrient inputs, recent rains flushing local swamp areas, or possibly an upwelling event caused by winds/rains preceded by several days of hot and calm winds, high salinity levels, and high temperatures. Water quality samples were collected and sent to Raleigh's ESS for analysis. Samples revealed a bloom of cryptomonads, the dinoflagellate Scrippsiella, small round diatoms, and the filamentous bluegreen Cylindrospermopsis. The algae found in the sample are common in local estuarine rivers during summer

2009 Fish Kill Events (by County)

Date	Kill Number	Waterbody	Location	Mortality	Comments
8/24/2009	WA09019	South Creek	near Idalia	200	The Pamlico Response Team received a phone call from a resident near Aurora concerning dead fish along the headwaters of South Creek. Upon investigation, the team observed catfish and carp along a 1.7 mile stretch from the confluence of Broomfield Swamp Creek upstream towards the confluence of Gum Swamp Run. A majority of the fish were approximately 48 hours with only a handful of fish less than 36 hours old. Dissolved oxygen values along the 1.7 mile stretch were near 4.0 mg/L at the surface. DO dropped to near zero within 1 meter. Salinities in general ranged from 11.8ppt (surface) to 14 ppt (bottom). Salinity values towards the headwaters of South Creek ranged from 8 ppt (surface) to 11.8 ppt (bottom). Water temperatures were near 30 degrees C. Precipitation totals in the area within the past 48 hours were from 1 -1.5 inches. It is highly likely that these fish were already stressed from high salinities. Heavy rainfall and winds combined with high salinities and near-anoxic waters may have contributed to the demise of these freshwater fish. Water samples were collected and sent to Raleigh's ESS for further analysis. The samples indicated a bloom of small round diatoms, the dinoflagellate Peridiniella, cryptomonads, and the filamentous bluegreen Cylindrospermopsis. All taxa seen in the sample are typical in local estuarine rivers during summer.
8/26/2009	WA09021	Blounts Bay	West Side	1100	The Pamlico Rapid Response Team received a citizen's report of a fish kill on the Western Shore of Blount's Bay on Wednesday, August 26, 2009. The total finfish mortality was 1,111. The kill area was localized, extending about 150' along the shoreline. The mortalities appeared to be fresh, within 12 to 18 hours. Mullet and small fish were seen swimming in the fish kill site. No lesions or sores were observed. Water quality conditions at the time of the investigation revealed high dissolved oxygen levels (10.6 mg/L, 151 %), high temperatures (31.1 degrees Celsius), high pH (8.1) and high salinities (10.45 ppt). This physical data indicated an algal bloom was in progress. There have been no major weather condition changes in the previous days which could have contributed to major water quality changes. It is possible that an algal bloom die-off occurred leading to low dissolved oxygen levels. The possible combination of low dissolved oxygen levels with high water temperatures, high pH, and high salinities along with the topography of the bay may have contributed to the fish kill. Water quality samples were collected and sent to Raleigh's ESS for analysis. Samples showed a bloom of small round diatoms and the filamentous bluegreen Cylindrospermopsis. The algae found in this sample are common in local estuarine rivers during summer.
8/27/2009	WA09022	Pamlico River	Swan Point	2240	The Pamlico Response Team received a phone call from PTRF concerning dead fish along the northern shoreline of the Pamlico River near Swan Point. Upon investigation, the team observed 2237 juvenile spot and 2 pinfish along a 869 foot stretch. These fish were well into the decomposition phase, suggesting the kill began at least 2-3 days prior. Physical parameters at the surface were as follows: DO 13.4 mg/L ; DO% 198; water temp 34 deg C ; salinity 8.5 ppt. Bottom physical parameters at 1 meter were as follows: DO 5.4 mg/L; temp 30 deg C; salinity 10.4 ppt. Given the state of decay, wind direction, composition and small number of species (mainly spot), and short length of the kill, it is likely that this fishkill originated from the south side of the Pamlico River, near the Blounts Bay area. Water samples were collected and sent to Raleigh's ESS for further analysis. Samples indicated a bloom of small round diatoms and the flagellated raphidophyte Chattonella. All taxa seen in the sample are typical in local estuarine rivers during summer.
					Total Kills for County: 10 **Total Mortality for County:** 8311

2009 Fish Kill Events (by County)

Date	Kill Number	Waterbody	Location	Mortality	Comments
Craven					
3/9/2009	WA09005	Trib to Schoolhouse Branch (Slocum Creek)	MCAS Cherry Point	200	On March 11, 2009, MCAS Cherry Point Environmental Assessment Division (EAD) officials reported to the Neuse River Response Team (NRRT) a suspected spill and associated fish kill in a stormwater ditch leading to Schoolhouse Branch, a tributary to Slocum Creek. NRRT staff investigated the afternoon of March 11. MCAS officials on site stated that the kill and orange, turbid, water was initially discovered the evening of March 9, 2009. During the NRRT investigation, a milky white liquid was observed discharging from a stormwater pipe at a rate of approximately 3 gpm into an open stormwater junction area. The junction had five inlet pipes and two outlet pipes. Clear water was discharging from the other four inlet pipes. The two outlet pipes led to a stormwater ditch that lead to Schoolhouse Branch. A flood control valve was located at the end of the ditch and was closed. It appeared that all mortality was confined to the stormwater system and did not affect Schoolhouse Branch. Mortality from this event included 209 mosquitofish, 108 Louisiana red crayfish, and 8 bluegill. The fish and crayfish appeared to have been dead 48-60 hours. A 3,000 gallon capacity pump-out truck was actively pumping stormwater and the white liquid from the storwater convergence for disposal. This was the third truckload that had been pumped out and MCAS officials estimated approximately 5,000 gallons had been pumped out up to that time. MCAS officials had taken toxicity, metals, and cyanide samples from the convergence area on March 10, 2009. Preliminary metals and cyanide results from those samples did not indicate concentrations above state standards. Based on the lack of recent rains and observations from MCAS officials, it is likely the white liquid was directly discharged into a stormwater drain on March 8 or 9 and that the substance was the cause of the kill. Prior to the NRRT departing the site, MCAS officials received an anecdotal report of a construction crew discharging a white liquid into a storm drain in the area around the time of the fish kill. MCAS officials stated they would continue to pump out the stormwater junction area and the stormwater ditch, continue monitoring the area, and prepare an incident report and send it to the NRRT and Al Hodge at the Washington Regional Office.
5/12/2009	WA09002	Neuse River	Carolina Pines	25640	The Neuse River Response Team investigated a fish kill on the Neuse River that extended 7.5 river miles between Flanners Beach and Slocum Creek on May 12 and 13, 2009. The initial report was given to the NRRT from a citizen in the Carolina Pines subdivision on May 12, 2009. Total mortality for this event was 25,647 and was exclusively Atlantic Menhaden. These Menhaden ranged from 1-5 inches long and were approximately 24 hours old at the time of the initial investigation. Lesion prevalence on the Menhaden involved in this event was 90% and was observed on only the larger individuals (which made up the vast majority of the total mortality). Algae bloom conditions were observed at the time of investigation. Water and fish tissue samples were collected for analysis by the Division of Water Quality's Environmental Sciences Section and other interested parties. Continuous water quality monitors in the area did not indicate any unusual hydrologic events that may have led to this fish kill. The event appeared to be completed at the time of investigation and several schools of fish were observed swimming in shallow water near shore along the length of the kill. Water samples were collected at the fish kill site and sent to Raleigh's ESS for further analysis. The samples collected contained a bloom of small round diatoms and the chain forming diatom Chaetoceros. Some dinoflagellates and a few clumps of the diatom Pseudonitzschia were also present. Almost all of the algae found in the sample are typical for local estuarine rivers. The Pseudonitzschia may have been blown into the area by recent storm activity

2009 Fish Kill Events (by County)

Date	Kill Number	Waterbody	Location	Mortality	Comments
5/13/2009	WA09003	Slocum Creek	Southwest Prong	241	A fish kill was reported and investigated by the NRRT in the headwaters of Slocum Creek on May 13, 2009. NC Wildlife Resources referred a call that was received from a private citizen about dead fish and a suspected wastewater spill in Slocum Creek. NRRT staff counted 241 dead freshwater species fish during the investigation. Channel catfish, Longnose gar, Largemouth Bass, Chain Pickeral, Bluegill, and various sunfish were involved. All fish appeared to be at least 48 hours old. Physical measurements recorded very low oxygen levels from surface to bottom in the area of the kill. The creek was very stratified with surface salinities less than one ppt and bottom salinity at 10 ppt. It appears as though recent rains led to headwater swamp areas draining into the Southwest Prong of Slocum Creek. This, in turn, created a high level of biological activity that consumed most of the oxygen in the creek and produced a septic smell when bottom waters were disturbed by boating activities.
5/17/2009	WA09004	Neuse River	Wilkinson Point	100	The Neuse River Rapid Response Team (NRRT) began a fish kill investigation at Wilkinson Point on the Neuse River during the afternoon of Sunday, May 17, 2009. The kill was reported to the NRRT the same afternoon by a homeowner that lives in the vicinity of the kill area. The kill was ongoing during the investigation and was exclusively juvenile Atlantic Menhaden (Menhaden). The Menhaden involved in this kill were either 1inch in length (from this year's recruitment class) or 4-5 inches in length (most likely 2008's recruitment class). Approximately 100 Menhaden were counted during the initial investigation but weather and daylight constraints prevented NRRT staff from determining the total mortality and extent of the kill the same day. None of the smaller 2009 young of the year Menhaden involved in the kill had visible lesions. The larger Menhaden from the 2008 recruitment class (which made up the majority of the kill and those observed actively dying) had nearly 100% visible lesioned. Physical parameters and visual characteristics of the water during the investigation did not indicate an active bloom and real-time water quality monitors in the area did not indicate any unusual hydrologic events that may have led to this kill. Water samples were collected for interested parties. The NRRT continued the fish kill investigation from the Wilkinson Point area on the Neuse River on Monday, May 18, 2009. The tide during Monday's investigation was high (versus a low tide during Sunday's investigation). No additional dead fish were found during Monday's investigation. Schools of jellyfish, shrimp, and Menhaden were observed swimming in the area where the dead and dying Menhaden were found on Sunday. No additional samples were collected.
6/17/2009	WA09007	Hawks Pond	near New Bern	680	NRRT received a report of a fish kill in Hawk's Pond off the Trent River in New Bern on 6/16/09. Staff investigated the area and counted 680 freshwater fish. Individual species included Largemouth Bass, Bluegill, White Crappie, Gizzard shad, Longnose Gar, and Grass Carp. Conditions observed at the time of investigation showed dissolved oxygen levels below 1 mg/L. Numerous live fish were observed gasping for air near the surface throughout the pond. Although no bloom activity was observed during staff investigation, the reporting party described what could be considered a bloom several days prior to investigation. This would coincide with the estimated time of the fish kill based on the decomposition level of the dead fish. This event has been attributed to hypoxic/anoxic conditions related to an algae bloom and possible stagnant (low D.O.) water draining into the pond from adjacent wetlands. This event may continue for several days with continued low oxygen levels.

2009 Fish Kill Events (by County)

Date	Kill Number	Waterbody	Location	Mortality	Comments
6/26/2009	WA09011	Neuse River	Fisher Landing Point	19900	The Neuse Response Team responded to a fishkill call Friday afternoon June 26th 2009. The Neuse Riverkeeper Foundation relayed information regarding a multiple species fishkill near Fisher Point (in between Johnson Point and Flanner's Beach) on the Neuse River. Once on site, the team recorded slight bloom conditions. DO levels were over 6 mg/L, salinities near 14ppt. The fishkill zone extended for approximately 0.2 miles of shoreline downstream from Fisher Point. NRRT counted a total of 19,902 fish with a majority of these consisting of juvenile spot and croaker (30-100 mm). Other fish counted included flounder, southern stingray, blue crab, speckled trout, and pinfish. No lesions were observed. Schooling fish were seen swimming in the fishkill zone. Based on NCSU's water quality and meteorological profiles on the 25th, near Carolina Pines and across the River at Kennels Beach, there may have been an upwelling event due to a shift in wind direction and strength from the north to the southwest sometime between 6 and 9pm. This shift would have brought low oxygen waters to upwell near Fisher Landing Point.
7/2/2009	WA09013	Neuse River	Carolina Pines	7700	The Neuse River Rapid Response Team (NRRT) investigated a fish kill near Carolina Pines on the Neuse River the afternoon of July 2, 2009. The kill was reported to the NRRT the same afternoon by the lower Neuse River Riverkeeper, Larry Baldwin. Team members calculated the total mortality of this kill at 7,783, although this number is biased low as numerous birds were observed eating dead fish from the kill area. The kill was approximately 12-18 hours old at the time of investigation and was comprised of multiple species, primarily Atlantic menhaden, croaker, and spot. No lesions were observed. Dissolved oxygen (DO) and pH measured at the kill site during the investigation were elevated (DO 126% and pH 8.0) indicating a mild algal bloom in progress. Water quality data from NCSU's water quality profile at Carolina Pines did not indicate a drop of DO concentration below 6.6 mg/L during the estimated time of the kill (DO concentration below 2.5 mg/L is considered stressful). Nutrients and phytoplankton samples were collected and were analyzed by the DWQ's Environmental Sciences Section in Raleigh. Additional water was collected and is available for interested parties upon request. Samples contained a bloom of small round diatoms with some dinoflagellates. All of the algae found in the sample are typical for local estuarine rivers.
8/21/2009	WA09017	Neuse River	Flanners Beach to Slocum Creek	3400000	The Neuse River Response Team investigated a mixed-species fish kill in the Neuse River on August 21, 2009. The kill extended 4.0 river miles from Flanners Beach to Slocum Creek on the south side of the river and from Beard Creek to Kendall Point on the north side of the river (14 square miles of open water). Total mortality from this kill event was 3,407,715, primarily Atlantic Menhaden. No visible lesions were observed. During the investigation, a strong upwelling was evident in the area of the kill based on water color, physical measurements, and the strong smell of hydrogen sulfide. Dissolved oxygen was low (less than 0.8 mg/L) along the southern shoreline of the river while an algae bloom was present along the north shoreline of the river, resulting in DO concentrations greater than 10 mg/L. It is likely that the kill occurred along the southern shoreline and some of the fish were blown to open water and to the northern shoreline by relatively strong south to southwest winds. Water quality conditions (i.e. low DO concentrations) may result in additional fish mortality through the weekend. Algae bloom sample were collected from multiple locations and were sent to the Environmental Sciences Section for analysis. Extra sample water was also collected for interested parties. The samples contained blooms of the flagellated raphidophyte Chattonella and the dinoflagellates Gyrodinium and Scrippsiella. All of the algae found in the sample are typical for local estuarine rivers during summer.

2009 Fish Kill Events (by County)

Date	Kill Number	Waterbody	Location	Mortality	Comments
9/4/2009	WA09025	Neuse River	Black Beacon Point to Carolina Pines	1900000	The Neuse Response Team responded to several phone calls concerning dead fish along the south side of the Neuse River. Upon investigation, the team estimated over 1.9 million juvenile menhaden (2-6") washed up along the shoreline. The kill area extended approximately 10 miles, from Black Beacon Point downstream to Carolina Pines. Based on observation, there were two sets of fish wrack lines along the shoreline and two stages of fish decay. The oldest wrack line seemed to be at least 2-3 days old. The second set was near the waterline and was estimated near 24 hours old. No sores or lesions were observed. Initial physical parameters did not indicate low or hypoxic DO conditions. Surface DO values were from 6.8 to 8.0 mg/L (from Black Beacon to Flanner's Beach). DO was observed to steadily increase as the sun became stronger during the investigation. Fish continued to float towards the shoreline from the north side of the River. Based on the time of death of these fish, it is highly likely that this event was similar to the August 21st fishkill, as wind velocities averaged from 10-25 mph and continued from a northerly direction for the previous 4 days. Strong, consistent northerly winds may have caused an upwelling event on the north side of the River, killing these fish and pushing them to the south River shoreline.
9/16/2009	WA09023	Neuse River	New Bern	7350000	The Neuse River Response Team investigated an ongoing fish kill in the Neuse River and Northwest Creek area on Wednesday 9/16/09. This large scale fish kill involved only juvenile Atlantic Menhaden, none of which had lesions. At most areas there was no dissolved oxygen from one meter below the surface down. A high percentage of the dead and dying fish were observed with bloodshot or missing eyes. Very large, dense schools of live menhaden were also observed along the entire length of the kill. Fish near New Bern appeared lethargic, while schools observed farther downstream from New Bern were more active and healthier in appearance. Mortality estimates were made for the the Neuse River (12 river miles). Estimates of fish killed from the previous 48 hours in the Neuse River from New Bern to Carolina Pines were 5.8 million. Samples were collected at areas where algae blooms were observed. These samples coincide with samples collected from the same areas earlier in the week. The high mortatlity number in this event appeared in part due to the massive schooling behavior of menhaden in areas that were highly stratified and hypoxic below 1 meter in depth. Fish in this area were being exposed to very stressful and potentially lethal low oxygen levels. Additional fish counts were made on 9/23 upstream from Neuse River into Lawson Cr in New Bern and along the shoreline and open water areas of a 11.4 mile stretch of the Neuse Between New Bern and Carolina Pines. Additional fish counts brought the mortality total for the extended event to over 7.3 million. Water samples analyzed by ESS staff were dominated by the chain-forming diatom Leptocylindrus.
9/16/2009	WA09024	Northwest Creek	Fairfield Harbor	658000	The Neuse River Response Team investigated an ongoing fish kill in Fairfield Harbor and Northwest Creek area on Wednesday 9/16/09. This large scale fish kill involved only juvenile Atlantic Menhaden, none of which had lesions. During investigation, algae bloom conditions were present at the surface, and low oxygen levels were present below 2 meters. Fish were observed actively dying and many had bloody or missing eyes, bloody nasal areas, and red fin roots. This is characteristic of exposure to low dissolved oxygen conditions. Separate mortality estimate methods were used in Northwest Cr. and Fairfield Harbor Marina due to differing waterbody types. These estimates were then totalled to 657,808 fish dead in the area.
					Total Kills for County: 11 Total Mortality for County: 1.3E+07
Dare					
8/12/2009	WA09015	Pamlico Sound	near Oregon Inlet	150	Investigators measured water quality parameters in 2 locations: Dissolved O was 7.7, Salinity 30.1ppt, Temp 21.6. Fish were in equal stage of decomposition No disease was noted.

2009 Fish Kill Events (by County)

Date	Kill Number	Waterbody	Location	Mortality	Comments
					Total Kills for County: 1 Total Mortality for County: 150
Gates					
7/2/2009	WA09012	Bennetts Creek	below Merchants Millpond Dam	500	Extremely low dissolved oxygen was the likely cause of this fish kill and most likely due no water flow over the dam and ambient conditions associated with hypoxia. During these conditions, fish in pools below millponds are subject to fish kills and thus, this situation was likely unavoidable.
7/9/2009	WA09014	Merchants Millpond		600	Dense matS of mosquito fern and duckweed nearly covered entire millpond and most likely contributed to the anoxic conditions. Estimates of number of dead fish may be low as the dense mat of vegetation limited visibility of dead fish as well as smaller fish that did not break through the mat. Although severly limited, D.O levels near the aeration unit nearest the visitor center were 0.6 to 0.8 mg/L. Decomposition of aquatic plants and dead fish continued to decrease available refugia and numbers of dead fish associated with this event probably increased after investigation.
					Total Kills for County: 2 Total Mortality for County: 1100
Harnett					
8/18/2009	FA09001	Private Pond	Matthews Millpond Rd	2000	The pond water level was approximately 3 feet lower than normal. There was a heavy rain approximately 5 days prior to the fishkill. Algal samples were submitted to ESS for analysis. ESS staff identified the samples as the colonial blue green alga Microcystis aeruginosa.This alga is common throughout North Carolina and is known to form blooms in the summer, especially during hot weather.
					Total Kills for County: 1 Total Mortality for County: 2000
New Hanover					
5/19/2009	WL09001	UT Smiths Creek	Stormwater Pond	106	Water samples collected in ditches around N Kerr Indusrial Park. Possible spill incident but unconfirmed at time of investigation.
7/23/2009	WL09002	Airlie Gardens Pond	Pond 2	1000	Investigators reported large amounts of surface algae and macrophytes at time of investigation. Fish appeared dead for 1-2 days. Samples submiitted to ESS staff showed the euglenoid Trachelomonas and possiblty blue-green algae Cylindrospermopsis. Trachelomonas is associated with poor water quality.
					Total Kills for County: 2 Total Mortality for County: 1106

2009 Fish Kill Events (by County)

Date	Kill Number	Waterbody	Location	Mortality	Comments
Pamlico					
9/29/2009	WA09026	Broad Creek	near mouth	333000	The Neuse River Response Team (NRRT) conducted an investigation and performed fish counts on Broad Creek the afternoon of September 29, 2009. The kill extended from the mouth of the creek upstream 2.1 river miles. A total of 333,000 deceased Atlantic menhaden (menhaden) were counted and the kill was ongoing during the investigation. No other species of dead fish were observed and very few menhaden were observed with lesions (<1%). Several of the fish had bloodshot or missing eyes and/or red splotches on various parts of the body. Several very large, dense schools of live menhaden were observed both inside and outside the kill area. Within the kill area itself, these schools ranged from active and healthy in appearance (dark, normal coloration) to lethargic and unhealthy in appearance (light coloration, red splotches on body). Dissolved oxygen (DO) concentrations were measured at 1.8 mg/L or less throughout the water column along the western shoreline of Broad Creek from the mouth to approximately 0.5 miles upstream of the Blackbeard Sailing Club marina. DO measured throughout the rest of the creek was considered to be at healthy concentrations (4.7 to 9.8 mg/L). The area of low DO water along the western shoreline may have been the result of upwelling, fish behavior, or both. Strong westerly winds began blowing the day prior to the investigation and during the investigation and given the general north to south orientation of Broad Creek, upwelling may have occurred. The schools of menhaden observed in the creek, and particularly those in Blackbeard Sailing Club marina and downstream to the mouth, were incredibly large and dense. The marina itself was almost entirely filled with live menhaden. The number and density of menhaden alone may have been enough to consume the majority of oxygen in the water column in the kill area.
					Total Kills for County: 1 Total Mortality for County: 333000
Person					
5/29/2009	RA09001	Pine Lake	near Roxboro	100	This pond is near town, commericial and industrial area, Pump Station and old residential septic discharging systems (most old and unpermitted) are scattered in the area. The pond receives SW as well as stream flow. Over the years it apppears sediment has filled the pond and the depth of the pond has decreased. The shallow state of the pond coupled with the pollution loading and the heavy rain event is suspected to be the cuase of the fish kill. The specific septic system identifed that is leaking into upstream is being investigated. The system was recently dug up and repaired, but is not permitted by the state and is still leaking based on the fecal results obtained at the site.
					Total Kills for County: 1 Total Mortality for County: 100
Rowan					
10/27/2009	MO09002	High Rock Lake	Tributary to Second Creek Arm	1000	Initial call on 10/25/09 to DWQ Emergency Management was made by Wildlife Resource Commission (WRC) Enforcement Officer. Witness on 10/27 stated to DWQ that on 10/26 a few fish that were gasping for air were transferred to High Rock Lake from the affected cove and some were able to recover. This indicates there was probably low dissolved oxygen in the cove. Cove only has small connection with High Rock Lake which would preclude good mixing of water between the two waterbodies. Data collected from the temperature sensors nearby indicate a rapid decrease in temperature days before the event followed by a near stabilization of water temperature at 3 meters below the surface, suggesting a possible turnover of lake water around the fish kill location.
					Total Kills for County: 1 Total Mortality for County: 1000

2009 Fish Kill Events (by County)

Date	Kill Number	Waterbody	Location	Mortality	Comments
Union					
5/13/2009	MO09001	Private Pond off Crooked Creek	near Fairview	400	At the time of the investigation multiple species of fish, both large and small, were dead and decomposing. The largest fish was approximately 10" and the smallest was approximately 1". No fish were seen dying at the time of the inspection. The farmer's field remained unplanted. A small amount of ground water containing iron oxidizing bacteria was seen entering Pond 1 from the farmer's field. According to Mark Clontz, Jerry Clontz's brother, Pond 1 had been completely drained and dredged 3-4 years ago. The water was discolored with a reddish tint. Pond 1 was about .75 acres with an overflow pipe that leads to Pond 2. Pond 2 was about 1.25 acres with spillway that discharged to an unnamed tributary (UT) to Goose Creek. No water had discharged from Pond 2 to the UT. Pond 2 was slightly discolored with a reddish tintand appeared to be more shallow than Pond 1. The fish kill strted in Pond 2 then moved to Pond 1. Two adult and 4 baby Canada geese were observed at the ponds.
					Total Kills for County: 1 Total Mortality for County: 400
Wake					
8/13/2009	RA09002	MacGregor Lake	Cary	100	Fish Kill reported on third of sucessive 99 degree F days. Possibility of thunderstorm during the afternoon of 8-11-09. Dead fish were at bottom of spillway which was dry on the inspection date (8-13-09)..
					Total Kills for County: 1 Total Mortality for County: 100
Wayne					
8/14/2009	WA09020	Raintree Lake	near Goldsboro	9500	The Neuse River Response Team investigated a fish kill on Friday, August 14, 2009. The team was notified of this kill by a citizen the afternoon of August 13, 2009. This kill occurred in a 55 acre impoundment located on West Bear Creek near Hood Swamp. Approximately 9,500 finfish were killed during this event. Species affected were largemouth bass, gizzard shad, bluegill, catfish, and grass carp. These fish were primarily adults. Physical conditions in the impoundment indicated an algal bloom in the decomposition phase. Dissolved oxygen concentrations measured during the investigation were 3.8 mg/L or less. With heavy rains several consecutive days prior, it is believed that nutrients associated with stormwater runoff resulted in an intense algal bloom in the impoundment. This event may have been ongoing during the investigation and continued after the investigation based on visual observations of an intense algal bloom, relatively low dissolved oxygen measurements throughout the water column, and observations of live fish swimming near the surface. Nutrients, chlorophyll, and phytoplankton samples were collected and sent to the DWQ's Environmental Sciences Section in Raleigh. Additional water has been collected and is available for interested parties upon request. Water samples showed phytoplankton too concentrated to analyze even after a 50% dilution. The algal assemblage was extremely diverse with several different species from 5 different algal groups. No one species or group dominated the bloom. The taxa seen are common in the state's fresh waters during summer.
					Total Kills for County: 1 Total Mortality for County: 9500

North Carolina Department of Environment and Natural Resources

Beverly Eaves Perdue
Governor

Dee Freeman
Secretary

December 3, 2009

MEMORANDUM

TO: The Honorable Bob Atwater, Co-Chair, Environmental Review Commission
The Honorable Daniel Clodfelter, Co-Chair, Environmental Review Commission
The Honorable Charles Albertson, Co-Chair, Environmental Review Commission
The Honorable Lucy Allen, Co-Chair, Environmental Review Commission

FROM: Dee Freeman

RE: Annual Sedimentation Program Report

G. S. 113A-67 of The Sedimentation Pollution Control Act of 1973 requires the Department of Environment and Natural Resources to report annually to the Environmental Review Commission on the implementation of the Act. Attached is this year's report.

If you have any questions, please contact Mell Nevils, with the Division of Land Resources, at 733-4574.

Cc: Ms. Elizabeth Biser
Ms. Robin Smith
Ms. Kristin Walker

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One North Carolina Naturally

Report to the Environmental Review Commission On the Implementation of the Sedimentation Pollution Control Act By the Department of Environment and Natural Resources Division of Land Resources, Land Quality Section

October 1, 2009

§ 113A-67. Annual report. The Department shall report to the Environmental Review Commission on the implementation of this Article on or before 1 October of each year. The Department shall include in the report an analysis of how the implementation of the Sedimentation Pollution Control Act of 1973 is affecting activities that contribute to the sedimentation of streams, rivers, lakes, and other waters of the State. The report shall also include a review of the effectiveness of local erosion and sedimentation control programs.

The following information is submitted to fulfill this reporting requirement.

Executive Summary

This reporting period has presented a number of challenges to the administration of the State Sedimentation Control Program, mostly related to the slow economy. The number of new projects approved this past fiscal year decreased for a second year. However, the total number of projects still active and requiring inspections did not similarly decline because construction has slowed or stalled on many projects before final stabilization. The State Sedimentation Control Program is funded approximately 75% by receipts. As a result of the severe economic downturn and the sharp reduction in receipts, the program was forced to eliminate three positions this year and leave four additional positions vacant.

The Sedimentation Pollution Control Act was also subject to statutory amendments and legal interpretation this year. Existing procedures for appealing the assessment of a civil penalty assessed by a local government have been the subject of legal dispute. Determining if a land disturbing activity was for development or for forestry was also the subject of legal interpretation this year. Development on steep slopes in the mountains continues to cause problems in erosion and sedimentation control and long term problems of slope stability.

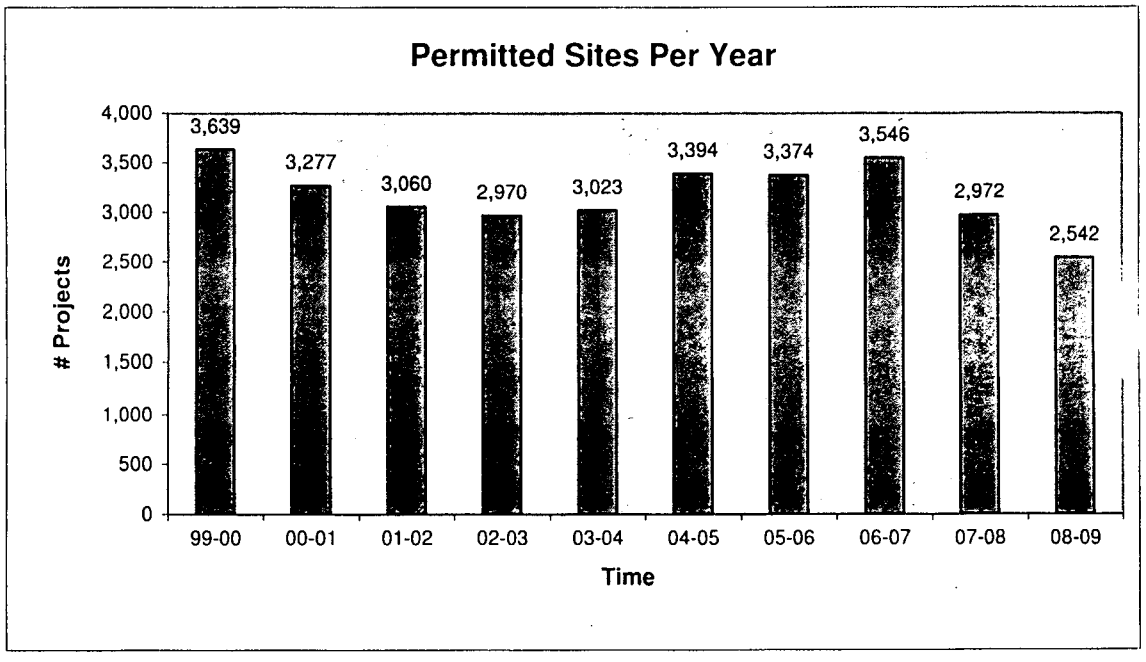
The economic situation has resulted in many disturbed tracts of land being abandoned without completion of development. Soil erosion and sedimentation damage from these bankrupt, foreclosed or abandoned developments is a serious problem. The Department is working with lending institutions that receive these properties to take remedial actions. However, there are a number of sites that have been completely abandoned with no responsible party to take remedial action. Several local governments with delegated erosion and sedimentation control programs have been able to stabilize abandoned sites because they require reclamation bonds or securities. On a positive note, staff turnover that previously had been a chronic problem was not a problem this year. The increase in the number of sedimentation inspections is a result of not having to spend as much program time recruiting and training new personnel.

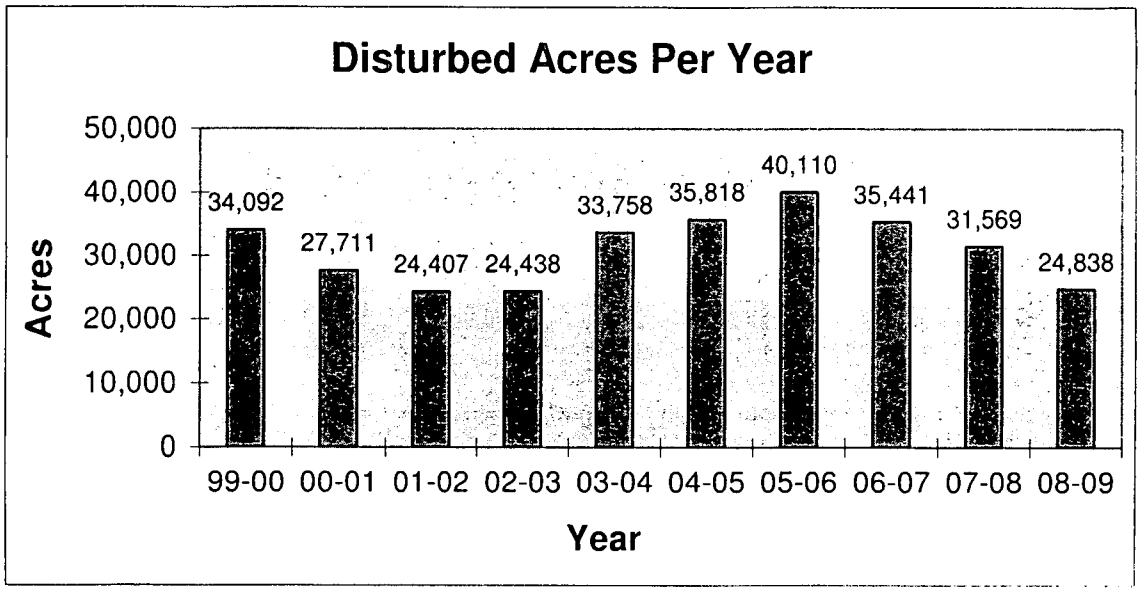
Additional amendments to the Sedimentation Pollution Control Act may be necessary to address these problems of funding and clarification of jurisdiction.

Background

"The sedimentation of streams, lakes and other waters of this State constitute a major pollution problem. Sedimentation occurs from the erosion or depositing of soil and other materials into the waters, principally from construction sites and road maintenance. The continued development of this State will result in an intensification of pollution through sedimentation unless timely and appropriate action is taken. Control of erosion and sedimentation is deemed vital to the public interest and necessary to the public health and welfare, and expenditures of funds for erosion and sedimentation control programs shall be deemed for a public purpose". –Preamble to the Sedimentation Pollution Control Act of 1973

The number of new projects under State jurisdiction was at its lowest level since the 1994-95 fiscal year. New projects have steadily declined from 3,546 in the 2006-07 fiscal year to 2,542 in the 2008-09 fiscal year. However, the overall number of 8000 active projects has not significantly decreased during the fiscal year because projects have not been completed and closed out. The actual area of land-disturbance covered by new approved erosion and sedimentation control plans decreased to 24,838 acres for the 2008-2009 fiscal year, the lowest level in six years. These totals do not include areas administered by local governments, or land disturbed by the Department of Transportation.





Implementation

The Division of Land Resources, Land Quality Section, administers the SPCA within the Department of Environment and Natural Resources. The Sedimentation Control Commission has also delegated administration of the SPCA to 52 county or municipal governments. These local program delegations do not regulate land-disturbing activities conducted by local, State or United States government or persons with the power of eminent domain (e.g. public utilities), which remain under jurisdiction of the Land Quality Section.

The Land Quality Section has 61 full time equivalent positions (FTE) to handle the administration, plan review, inspection and enforcement of the sedimentation program. Three positions were eliminated to meet budget reductions. Fifty-five of the positions are located in the Department's seven regional offices, where they conduct inspections and review erosion and sedimentation control plans.

Regional activities for the 2008-2009 Fiscal Year include:

3,260 erosion and sedimentation control plan reviews,
19,884 sedimentation site inspections,
557 notices of violation, and
60 enforcement case referrals.

The Land Quality Section Program collaborates closely with the Division of Water Quality's stormwater management program in permitting, inspection and enforcement activities. The Land Quality Section encloses a copy of the general stormwater permit for construction activities with each erosion and sedimentation control plan approval, and provides the Division of Water Quality with a copy of the financial responsibility/ownership form that accompanies each plan submittal. When sedimentation inspection reports document potential violations of the general stormwater

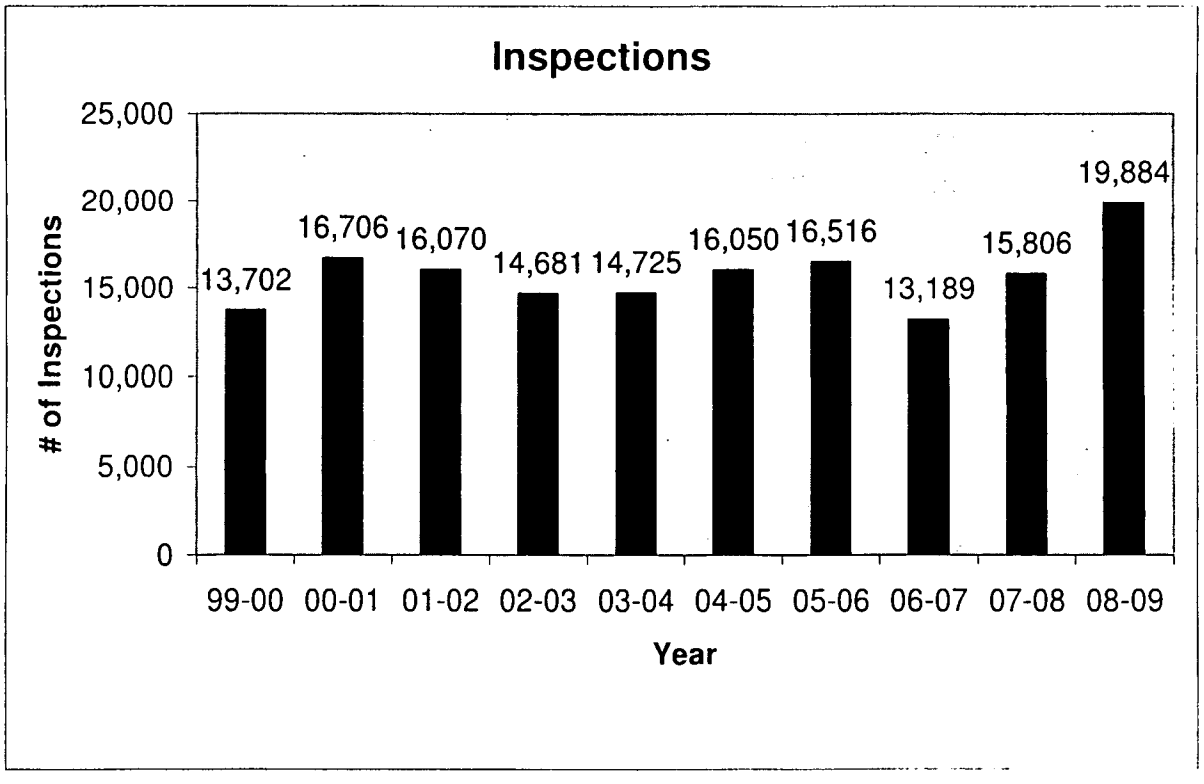
permit for construction activities, a copy is furnished to the Division of Water Quality. Any enforcement activities are coordinated between the agencies.

Plan Approval

The SPCA requires a review of the required erosion and sedimentation control plan within 30 days for a new plan submittal and 15 days for a revised plan. However, an Express Permitting program for erosion and sedimentation control plans provides for plan review within three days for an additional fee, and is now available at all regional offices. During the 2008-2009 Fiscal Year, Express Permit reviews decreased to 434, compared to 584 the year before. The most express reviews were in the Wilmington Region, where it is advantageous to package express reviews of the coastal stormwater permit and the erosion and sedimentation control plan.

Inspection

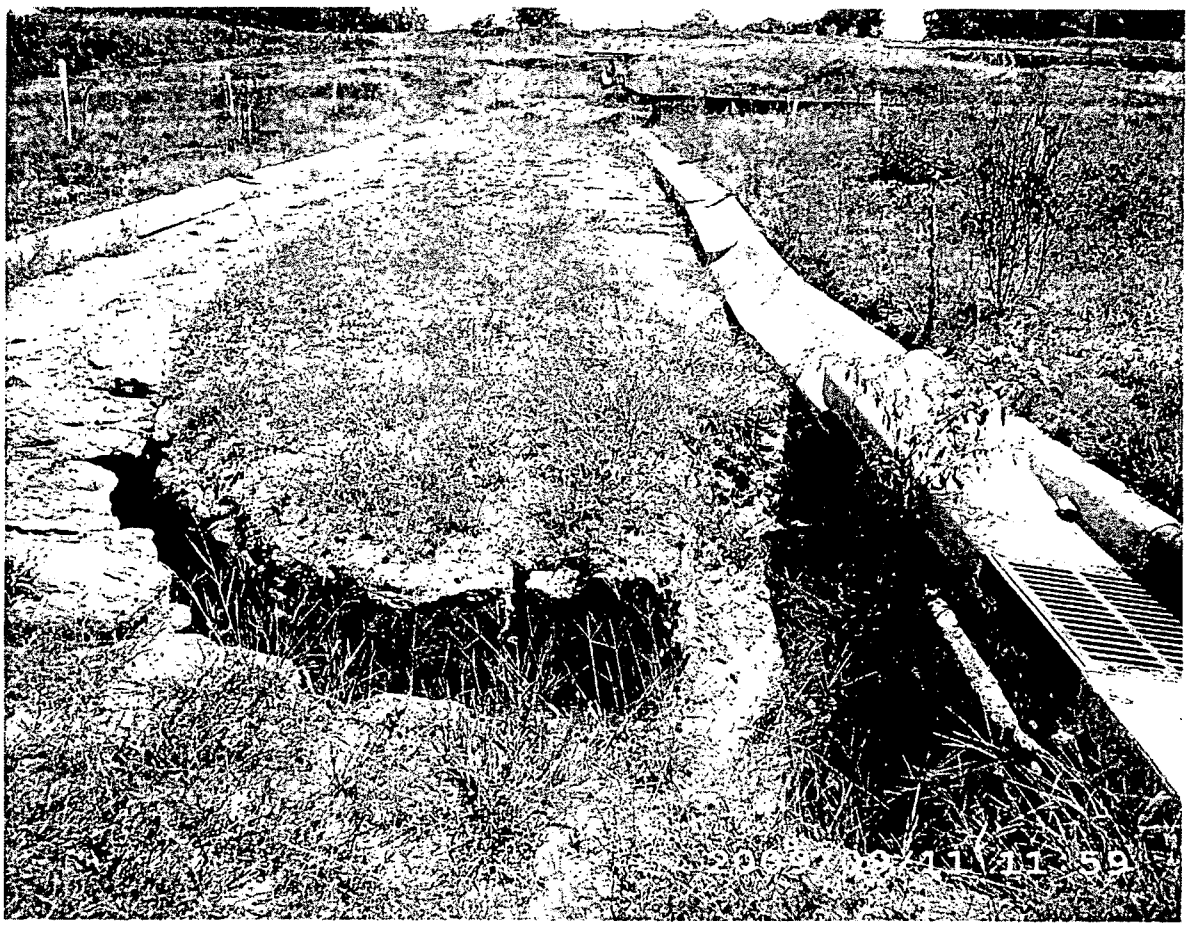
Inspectors from the seven regional offices inspect land-disturbing activities and complete sedimentation inspection reports. The reports document field observations and compliance or non-compliance with the SPCA. The infrequency of inspections remains a chronic problem that limits the effectiveness of the sedimentation program. Regional staff completed a record 19,884 sedimentation inspection reports in the 2008-2009 Fiscal Year. However, this still resulted in an average interval between inspections of 4.4 months. Complaints remained almost exactly the same as the previous year at 1,030. The Asheville Region again received the most complaints, reflecting public awareness and concern for protecting our valuable mountain water resources.



Enforcement

The Division of Land Resources documents compliance or non-compliance with the SPCA through sedimentation inspection reports. Most violations are resolved by providing an inspection report to the responsible party and requesting correction of the deficiencies. Of the 19,884 inspections conducted during the 2008-2009 Fiscal Year, 557 (2.8%) resulted in a Notice of Violation. The Notices of Violation led to 60 requests from the regional offices for additional enforcement action (11% of NOV's issued). Forty-six civil penalties were assessed, including 17 initial penalties of $5000 or less.

The greatest dilemma this past year has been projects that stopped short of completion. Many residential subdivisions were abandoned before completion, without sufficient storm drainage facilities or ground cover to prevent soil erosion. The consequence has been many bare sites left exposed to the rain and wind. Stormwater runoff is often concentrated by graded roadbeds, but is not conveyed in a stable manner by storm drains or permanent channels. The result is deep gully erosion of the roadbeds, fill slopes and unstable ditches. Dramatic collapse of curbing and drop inlets has been observed where all the soil was lost around the structures. Temporary sedimentation basins are not maintained, and eventually overflow with sediment.



Bankrupt subdivision in Gaston County

The Department has sought cooperation with lending institutions that take possession of these bankrupt or foreclosed developments to "limit the bleeding" of sediment into streams and adjoining property.



Foreclosed site in Rowan County with remedial measures provided by lending institution.

There are a number of projects that have been completely abandoned. The developers of these projects have gone bankrupt and the banks have refused to take the property or the Bankruptcy Court Trustee has abandoned the property.

Local Programs

The Sedimentation Control Commission encourages local governments to administer a delegated erosion and sedimentation control program by providing a model ordinance, cost share funding for start-up and technical assistance. Once a program is delegated to a local government, the Land Quality Section provides periodic oversight to ensure that the local programs are meeting the standards for the State program. State personnel informally assist and advise the local staff on problematic sites. A review of each local program is scheduled at least every two years. Land Quality and the Attorney General's Office review the city or county ordinance to ensure that it is as stringent as State law and rules. The Land Quality Regional Engineer and Sediment Specialist and/or their assistants meet with the local program staff during the review. A detailed report is provided back to the local government, noting strengths, deficiencies and corrective actions. A summary report is presented to the Sedimentation Control Commission at its quarterly meetings. The Commission then takes action to continue the delegation, place the program on probation, or give 30 days' notice that the Commission will assume administration and enforcement of the program.

Seventeen local program reviews were conducted during the past fiscal year. No programs were placed on probation by the Sedimentation Control Commission. Two of the reviews found problems that warranted a follow-up review to ensure that remedial actions had been taken. One local government placed on probation last year voluntarily rescinded its program. The Town of Columbus in Polk County received new program delegation this year.

Local programs have also experienced the same challenges from bankrupt developments and budget constraints. Some local governments have cut staff or reassigned them to other tasks.

The fees charged by local programs were surveyed and are included in this report. The fee for approval and/or permitting of land-disturbing activity ranges widely, from $8 to $980 per acre. The average fee is $274 per acre and the median fee is $170 per acre. North Carolina General Statues set the review fee charged by the Division of Land Resources at $65 per acre. (To compare the rates of various local programs and the State, a table was developed for the fees associated with a five-acre land-disturbing activity. Using a five-acre site allowed comparison of programs that charge a flat rate, a rate per acre or a combination of both. The resulting values were divided by five to get the per acre rates presented above.)

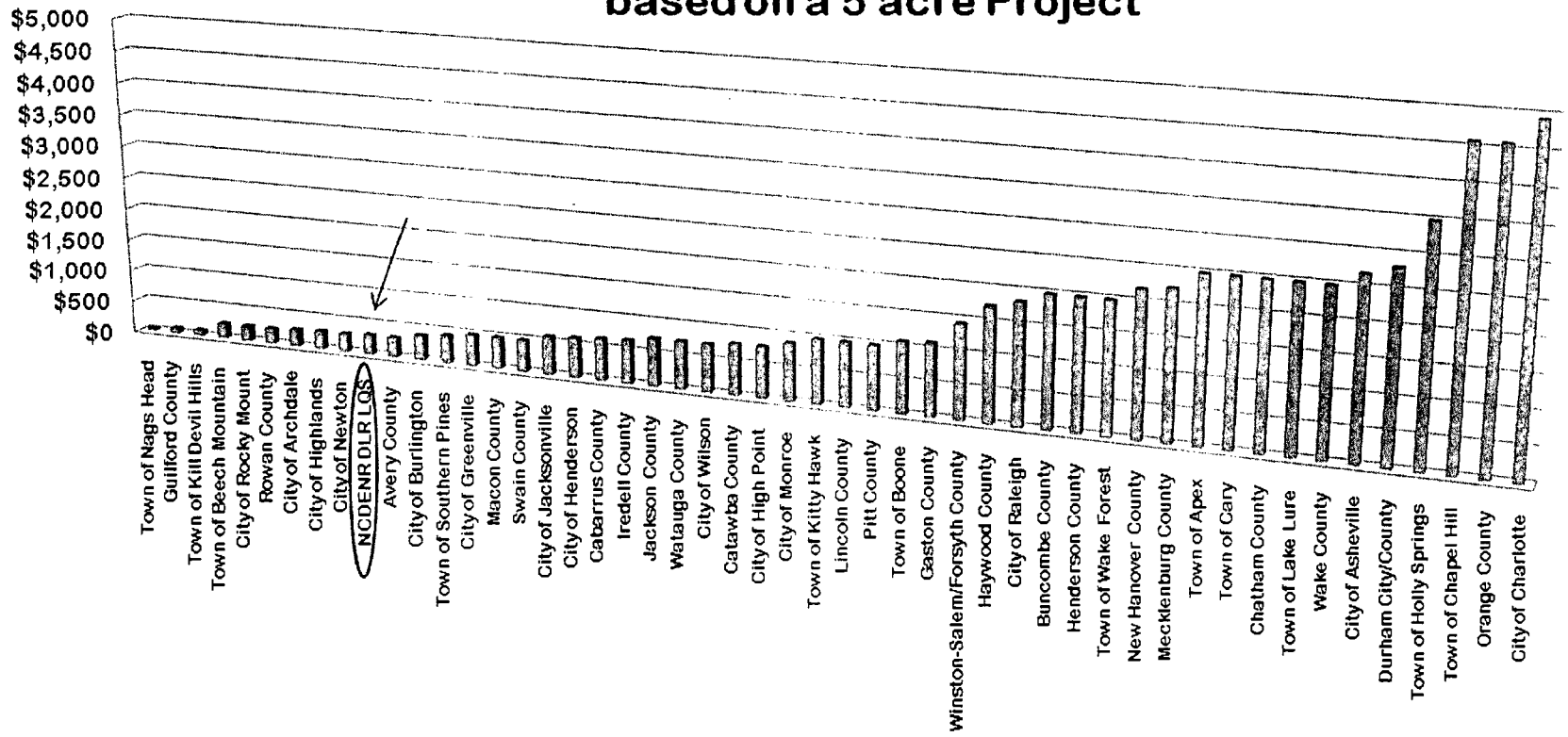
Training

Three workshops were held for design professionals, along with the annual workshop for local government erosion and sedimentation control personnel. N.C. State University is independently offering training workshops on various aspects of erosion and sedimentation control. The N. C. Department of Transportation requires its employees and contractors to obtain certification in erosion and sediment control and stormwater management through one-day courses offered by N. C. State University.

Statutory Amendments

Session Laws 2009-269, 2009-406 and 2009-486 affect the SPCA. S.L. 2009-269 provided that when injunctive relief is sought pursuant to the SPCA, notice should be filed with the Clerk of Superior Court in accordance with N. C. General Statue 1-117. S.L. 2009-406 extended the expiration date of approved erosion and sedimentation control plans. Normally, an approved plan will expire in three years if the project is never started. As a result of S.L. 2009-406, the running of this three year period is suspended until after December 31, 2010. S.L. 2009-486 prescribes temporary erosion and sedimentation control standards for the Upper Neuse River Basin, or Falls Lake watershed. It also requires the Sedimentation Control Commission to develop permanent rules for the watershed by December 31, 2011.

Erosion and Sediment Control Plan Review/Permit Fees based on a 5 acre Project



Regulatory Issues

Development in areas with a high landslide hazard potential, and the construction of artificial slopes remains a serious concern. Whether implemented by local governments or a state agency, uniform standards for development on steep slopes are needed.



Rockfall at a Subdivision in Polk County.

In 2008, House Bill 2506 sought to clarify the process for considering appeals of civil penalties assessed by local governments and to establish the authority of local governments to issue stop work orders. The bill was not reintroduced in 2009, but there may be continuing interest on the part of local governments to have these issues clarified.

The abandonment of developments this past year has renewed interest in requiring reclamation bonds or securities for land-disturbing activity. Nine local governments require a bond as part of their erosion and sedimentation control ordinance. Forfeited reclamation bonds and securities have allowed them to establish adequate groundcover on abandoned developments. The potential environmental damage from an abandoned site increases with the size of the area left bare and eroding. Consideration may now be appropriate for requiring bonding for larger sites. The bonding would target larger projects that have the most potential for sediment loss and not place a financial burden on small projects. Currently, mining activities are bonded in North

Carolina. Reclamation costs for abandoned development are comparable to those for a soil mine, which requires a bond of $2000 per acre for regrading and establishment of ground cover.

The review fee for erosion and sedimentation control plans is set in the SPCA at $65 per acre. The funds generated from the review fee have been significantly drained during the past year, requiring the Section to eliminate three positions and leave an additional four positions vacant. By comparison, the fees charged by delegated local programs to cover their costs have a median of $174 per acre and an average of $274 per acre. The General Assembly may want to review the adequacy of the review fee to cover state program costs.

North Carolina General Assembly

ENVIRONMENTAL REVIEW COMMISSION

MINUTES

February 18, 2010

Welcome and Attendance

The Environmental Review Commission of the North Carolina General Assembly met Thursday, February 18, 2010 in Room 544 of the Legislative Office Building.

Co-Chairman Dan Clodfelter presided.

Also present with Co-Chairman Clodfelter was Co-Chairman Bob Atwater, Co-Chairman Lucy Allen, Co-Chairman Pryor Gibson, Senator Stan Bingham, Senator Katie Dorsett, Senator Floyd McKissick, Senator A. B. Swindell, Representative Pricey Harrison, Representative Ruth Samuelson, Representative Edith Warren and Advisory Member Representative Russell Tucker.

Staff present was Senior Commission Counsel Jennifer McGinnis, Senior Commission Counsel Jeffrey Hudson, Commission Counsel Susan Iddings, Commission Counsel Tim Dodge, Commission Analyst Jennifer Mundt, Research Assistant Mariah Matheson and Commission Clerk Jessica Kozma Proctor.

Co-Chairman Clodfelter called the meeting to order at 10:15 a.m. and welcomed members and guests. The presiding Co-Chairman then noted that members had received copies of minutes for the Commission from October 15, 2009 and November 12, 2009. He asked if there were any changes to the minutes. Hearing none, he asked for a motion to approve. A motion was given by Co-Chairwoman Allen and seconded by Representative Samuelson. Minutes were approved by unanimous vote.

Ms. McGinnis was then asked to review the day's agenda.

A draft agenda was distributed electronically February 10, 2010. Reminders of the meeting were sent electronically February 16 and 17, 2010.

Annual Report on the status of leaking petroleum underground storage tanks, the State cleanup fund and the Groundwater Protection Loan Fund (G.S. 143-215.94M)

Mr. Grover Nicholson, Chief of the Underground Storage Tank Section with the (DWM) of the North Carolina Department of Natural Resources (DENR) was recognized by Co-Chairman Clodfelter. A handout that was distributed in conjunction with his presentation, entitled "Report to the Environmental Review Commission on the North

Carolina Underground Storage Tank Program," may be found on the Commission's website at www.ncleg.net and is attached to the minutes. His presentation included a description of the progress of the program through June 30, 2009.

Mr. Nicholson reported that of the almost 17,000 petroleum releases from regulated USTs discovered, roughly 10,500 were currently cleaned up and closed, leaving some 6,500 releases yet to be cleaned up. Mr. Nicholson reported that cleanup efforts were underway for some 2,296 estimated high risk and intermediate risk regulated UST releases. On average, he continued, 426 new releases are discovered each year, although over the past ten years more releases were closed than discovered.

"Slow progress is being made to clean up the backlog of releases," Mr. Nicholson said.

However, the amount of unregulated UST releases needing cleanup is slowly increasing, Mr. Nicholson reported. Roughly 550 new releases are reported each year, with 510 cleaned up and closed. In addition to the unregulated releases, there are records of approximately 6,800 UST systems that are closed with no releases discovered.

Continuing his presentation, Mr. Nicholson reported that in September of 2006, the EPA notified DENR that the existing Commercial Cleanup Fund provided by the State may not prove to be a viable financial "responsibility mechanism" for UST owners and operators in the State. The General Assembly responded in 2008 with legislation made effective January 2009, increasing operating fees charged to UST owners and operators, thus increasing available funds.

Discussing prevention efforts, Mr. Nicholson reviewed three ways the State has strengthened efforts to prevent releases from USTs.

Concerning those three ways:

1) "North Carolina has enacted statutes and rules requiring all components of new and replacement UST systems to be secondarily contained–that is, to be double-walled and have interstitial monitoring devices that will alert UST operators of the presence of liquid in the space between the inner and outer walls."
2) " ... North Carolina has increased the frequency of compliance inspections of UST facilities ... part of the increase in fee revenue is used to hire, train and equip those additional compliance inspectors so that the UST program can inspect every UST facility at least once every three years."
3)" ... North Carolina is instituting training for UST system operators by incorporating operator training into the compliance inspection process ... (T)he UST program has developed, and implemented, a formal operator training program (tank school) for operators whose systems are found to be significantly out of compliance during compliance inspections."

Mr. Nicholson then reported on American Recovery and Reinvestment Act (ARRA) awards for the State. To date, the State (DENR) has received a $7,554,000 grant from the EPA for assessment and cleanup efforts at 172 UST releases across the state. This grant was one among some $200 million appropriated by ARRA to address leaking storage tank cleanups. All funds are to be expended by September 30, 2011.

Continuing, Mr. Nicholson reported that more than 97 percent of the ARRA grant has been obligated for contract work. In addition, roughly $700,000 is allocated for work on the first 65 releases, $96,000 expended on cleanup, and $19,000 used for administrative costs. He then discussed "legislative actions to call in outstanding claims."

Following amended legislation from the 2007 Session of the General Assembly, UST owners are encouraged to "call in" all claims against the Cleanup Funds that have not yet been filed. The goal of this is to continue a current baseline determination of the "true amount of North Carolina's obligation for reimbursement of cleanup costs."

In December 2009, the UST Section received 407 Commercial Cleanup Fund reimbursement claims, Mr. Nicholson reported, totaling roughly $2,900,000. He then reviewed recommendations from his section's Annual Report.

Among these recommendations:

- "Transition from (to ultimately terminate) providing required financial responsibility for owners and operators of regulated, commercial USTs from the Commercial Cleanup Fund to other FR mechanisms, such as private insurance, bonding, letters of credit, self-insurance and others ..."
- "Prevent releases by maintaining the triennial compliance inspection frequency for UST systems in North Carolina ..."
- Prevent releases by enacting legislation requiring UST owners and operators to receive training in UST system operation, including release prevention and detection ..."
- Continue to find and implement better and more cost-effective methods for assessing and cleaning up petroleum releases, including reviewing existing rules and regulations and reducing or eliminating requirements whenever practical while maintaining a sufficient level of protection for public health and the environment ..."
- "Continue to encourage responsible parties of UST releases to consider pay-for-performance cleanups of their incidents."

Concluding his presentation, Co-Chairman Clodfelter thanked Mr. Nicholson and called for discussion and questions from Commission membership. Co-Chairman Allen commented that all legislative members work with constituents in their districts on UST cleanup. "There is not a soul up here that doesn't have a nightmare with UST."

Co-Chairman Gibson questioned the cost of cleanups. Saying that he knew further legislation would be needed to address the subject, Co-Chairman Gibson commented that current costs per cleanup were "horrible," adding that "we have to figure out some way to adjust how we evaluate or at least have a system for the general public and the tank owner." Co-Chairman Gibson thanked him for his "diligent" work.

Conversation continued between Co-Chairman Gibson and Mr. Nicholson, with Co-Chairman Gibson commenting that he was concerned of high spending with low closure on cases. Senator McKissick asked whether fiberglass tanks were double-walled, to which Mr. Nicholson answered that they were.

Co-Chairman Clodfelter commented that the State "should get out of the funding program, as most states have done." The Co-Chairman then asked to look at current

legislation and an executive summary provided by the General Assembly's Program Evaluation Division. In the executive summary it is estimated that it will take 25 years to complete the cleanup of the State's commercial backlog (with its current funding); that the State's liability is increased because of tank owners reliance on the Commercial Fund for cleanup costs; that non-commercial solvency is in jeopardy as the State continues to pay total costs for cleanups and; operation limitations limit the Section's ability to prevent and cleanup incidents.

Co-Chairman Clodfelter continued saying that the State "should not be in the insurance business," adding that Commission Co-Chairmen might consider drafting legislation addressing this for the upcoming session. Discussion quelled and Co-Chairman Clodfelter recognized the next presenter, thanking her in advance for her presentation.

Presentation of the findings of the annual solid waste management report

Ms. Ellen Lorscheider, the Head of the Solid Waste Planning and Program Management Branch of the Solid Waste Section (DENR) was recognized by Co-Chairman Clodfelter. A copy of her presentation may be found on the website at www.ncleg.net and is attached to the minutes. Ms. Lorscheider reviewed the State's municipal solid waste landfills as well as the construction and demolition of municipal solid waste landfills. She noted that "activities of society" were the largest producer of waste, including homes, industries and business. The second largest producer of the State's waste was construction and demolition. Because of this, there are 60 landfills specified solely for construction and demolition waste. She then reviewed tonnage of the State waste from the early 1990s until 2009, showing a peak in mid-1996 but a decline since. This year, there were 9.9 million tons of wastes. She continued that there are 9.2 million people in the State, and that the tonnage of waste is almost "equal" per capita, some 1.07 tons per capita.

She reviewed another slide showing 60 tons of waste from homes, business, industry and institutions. Ms. Lorscheider noted that the 9.9 tons might sound bad, but that it is the same amount of waste disposed some 21 years before, when the State first began collecting waste data. This is despite a dramatic increase in population versus a gradual decline in waste, with some peaks along the way.

Ms. Lorscheider then reviewed reasons to keep waste disposal at reasonable levels, including air and water quality, as well as disposal costs and the benefits of recycling programs. She added that the recession has positively impacted waste disposal as less construction led to less construction waste.

Ms. Lorscheider completed her presentation. Co-Chairman Clodfelter thanked her again and called for discussion from Commission membership.

Representative Tarleton asked how the State compared to other states. Ms. Lorscheider answered that she did not know. Representative Tarleton followed up saying that anecdotally he did not feel that the State did a good job with its recycling programs, and that there needed to be improved outreach and education projects to encourage state residents to recycle. Senator Swindell commented that he learned once in a federal position that "the first law of garbage is everybody wants you to pick it up and nobody

wants you to put it down ... if you aren't selling shoes, no shoe boxes go out the back door."

Senator Bingham complimented the Town of Garner for its recycling program. He added that he has shared Garner's program with other small towns, and these towns have successfully copied the program.

Co-Chairman Clodfelter recognized Mr. Scott Mouw to discuss the State's recycling markets.

Presentation on the status of recycling and recycling markets in North Carolina

Mr. Scott Mouw, the Chief of the Community and Business Assistance Section for the Division of Pollution Prevention and Environmental Assistance in DENR. Mr. Mouw thanked the Commission and Co-Chairman and began his presentation. A copy of his presentation may be found on the Commission's website at www.ncleg.net and is attached to the minutes.

Reviewing market prices, Mr. Mouw noted that prices have: "followed the general trends in the global economy; from all time highs in 2008, dropped dramatically with the onset of the recession; rebounded to historically average levels or above and; shown that demand heating for some key commodities that will lead to strong pricing in 2010."

Mr. Mouw continued reviewing graphs (found on page one of his report) detailing the "price history for key container materials" and "recent recycling price history for key fiber commodities." He then reviewed another graph showing local government recycling efforts, with items recycled delineated among items recycled such as glass, paper, plastics, metals and so forth.

Reviewing the collection of container materials, Mr. Mouw showed that efforts have overall increased during the past ten years, with a decline in 2004-2005. Recycling efforts currently are at the highest they have been in a ten year period. He then listed the top ten per capita recycling counties. These include Pitt, Catawba, Dare, Buncombe, Orange, Swain, Macon, Watauga, Guilford and Pamlico.

Previewing that the next speaker will discuss a similar topic, Mr. Mouw discussed how the need for recycled plastic bottles has continually increased. He added that interest in recycling among State residents continues to increase, and that there a positive trend exists in the growth of recycling programs statewide.

Senator Swindell said that there is a company in his district that manufacturers 1 billion beer bottles a year. He said that it "was a shame" that this company had to purchase its cullet from across the country rather than solely North Carolina. Mr. Mouw agreed and said that a newly enacted ABC restaurant and bar recycling law needs to be examined and perhaps better enforced. Representative Harrison asked about mercury, saying there was a "great bill" in the Senate. Mr. Mouw said that Senate bill would better regulate mercury, potentially keeping it from landfills and having mercury devices removed prior to building demolition. Some communities have begun their own collection programs for mercury laden items, he added, and Progress Energy has created a new program to collect fluorescent lights.

Co-Chairman Gibson asked when recycling would become a "great success." Mr. Mouw said that success would mean recycling more than 50 percent of discarded bottles, but working to exceed that percentage is critical for the future.

Co-Chairman Clodfelter thanked Mr. Mouw and recognized the next speaker.

Presentation from Clear Path Recycling

Mr. Ron Salati, Vice President and General Manager of Clear Path Recycling, LLC was recognized by Co-Chairman Clodfelter. Mr. Salati used a PowerPoint presentation that is attached to the minutes and may be found online at the Commission's website, www.ncleg.net.

Mr. Salati began with a review his company's ownership and creation. Owned by DAK Americas LLC and Shaw Industries. Shaw Industries is a subsidiary of Berkshire Hathaway, Inc. DAK Americas is one of the largest PET, fiber and PTA producers in the country; Shaw is one of the largest carpet and flooring producers in the world. In all, the two companies employ roughly 29,200 people.

The Clear Path startup plan includes two phases to process "post-consumer" bottles. In its building phase, the company provided 30 to 40 temporary jobs. Currently, there are 16 permanent employees. The company's plans show an anticipated growth of 80 additional jobs created by the fourth quarter of 2010 and an additional 29 jobs created in Phase Two of the company's "post-consumer" bottle collection program.

Mr. Salati reviewed slides to assist in explaining infrastructure and other progress in bringing Clear Path to fruition. He said that most jobs are performed by North Carolina residents. He added that an advantage to Clear Path is that although a "start up" company, its two parent companies are financially well-footed, so Clear Path can begin production without any debt.

He continued reviewing the plant's adherence to Brownfield's resgulations as well as its burgeoning growth as a facility. The then thanked the Commission. Co-Chairmen Clodfelter thanked Mr. Salati and called for questions and discussion among members. Representative Samuelson said that in some places it is worthwhile for people to pick bottles from the trash for money, and asked if there are times that bottles become so worthwhile that the need and profit from these bottles may encourage new business. Mr. Salati said he did not think so as of yet. Mr. Mouw added that there are more and more businesses collecting and transporting recycled item for processing. Co-Chairman Clodfelter thanked Mr. Salati and commented that it was good to see green jobs in different areas.

Annual report on the Inactive Hazardous Sites Program

Co-Chairman Clodfelter called on Ms. Charlotte Jesneck, Head, Inactive Hazardous Sites Branch, Superfund Section with the Division of Water Management with DENR.

Ms. Jesneck reviewed the revenues and collections of claims paid out under this program. Pursuant to at Senate Bill 6, solid waste landfill applicants could make a claim for reimbursement. In Ms. Jesneck's program, there are 233 cleanups being supervised by

staff. In addition, program staff assists with bankruptcy claims and the discovery of hazardous sites.

In concluding her report, Co-Chairman Clodfelter called for questions and discussion. Representative Harrison asked how costs for a "volunteer" cleanup could increase significantly from the 2007 to the 2009 budget. Ms. Jesneck said that once a volunteer enters an agreement, and that site is a priority, there is a cap of five million dollars.

Co-Chairman Gibson asked rhetorically if "five million of responsible cleanup is better than $50 million of (ir)responsible cleanup." He followed saying that he wanted to talk about non-responsible parties. He added that it was important to start addressing the 1500 identified sites that are neither considered priorities nor have responsible parties to work with the Division.

Annual report on the effectiveness of the Brownfields Property Reuse Act

Co-Chairman Clodfelter thanked Ms. Jesneck and recognized Mr. Bruce Nicholson, Brownfields Program Manager with Division of Water Management, DENR. Mr. Nicholson used a PowerPoint presentation with his report. This presentation is attached to the minutes and may be found on the Commission's website at www.ncleg.net.

Mr. Nicholson began his report discussing the public policy of the Brownfields Program, including its charges to: a) address contaminated sites with redevelopment potential in a way that encourages safe development; b) preserves responsible party liability to discourage future contamination and; c) sets up two public policies on cleanup, one for polluters and one for non-polluters. He then reviewed hypothetical cases as well as the breadth of Brownfields cleanup sites. Of these sites, he said, there are thousands of "abandoned, idled or underused properties where redevelopment is hindered by real or perceived environmental contamination."

Reviewing the Brownfields Property Reuse Act of 1997, Mr. Nicholson reviewed the Act's specific mechanisms available to assist re-development, including: a) creating a special class of remediating parties; b) providing (responsible parties) with liability protection in return for measures that make property safe for reuse; c) providing (responsible) parties with a tax incentive to assist in costs and; d) ensuring enforceability of Land Use Restriction as per the act.

Reviewing where the program currently stands, Mr. Nicholson said that more than 150 Brownfields agreements are recorded, with $4 billion in facilitated private investment. Five municipalities and the Land-of-Sky Council have received Brownfields grants and another seven municipalities are in the application process. Showing a map of completed Brownfields agreements, Mr. Nicholson said that although a majority of agreements are in the Charlotte area, agreements are spread out throughout the state.

He then reviewed economic development success factors affected by the program. These include:

- Defined and limited liability;
- Break barriers to financing;
- Financial and tax incentives;

- Controlled and defined cleanup costs;
- Land use planning and decisions;
- Addressing public health;
- Risk communication to the public;
- Return investments.

He reviewed the grant process and re-development projects currently underway with the Brownfields program, including the RBC Plaza in Raleigh. In closing his report, Mr. Nicholson thanked the Commission. Co-Chairman Clodfelter thanked him for his report.

Adjournment

The meeting was adjourned at 1:15 p.m.

Co-Chairman Dan Clodfelter
Presiding

Co-Chairman Pryor Gibson

Jessica Kozma Bennett
Commission Clerk

General Assembly of North Carolina

Environmental Review Commission
State Legislative Building
Raleigh, North Carolina

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AGENDA

10:00 a.m. Thursday, February 18, 2010
Room 544 Legislative Office Building
Raleigh, North Carolina

1. Call to order
   Senator Daniel G. Clodfelter, Presiding

2. Introductory remarks by Cochairs *(5 minutes)*
   Senator Robert C. Atwater
   Senator Daniel G. Clodfelter
   Representative Lucy T. Allen
   Representative Pryor A. Gibson

3. Report to the Commission and explanation of agenda items *(10 minutes)*
   Jennifer McGinnis, Commission Counsel

   Approval of the minutes for the October 15 and November 12, 2009 meetings of the Commission

4. Annual report on the status of leaking petroleum underground storage tanks, the State cleanup fund, and the Groundwater Protection Loan Fund (G.S. 143-215.94M) *(15 minutes)*
   Grover Nicholson, Chief
   Underground Storage Tank Section, Division of Waste Management (DWM)
   Department of Environment and Natural Resources (DENR)

5. Solid Waste Management *(1 hour)*

Presentation of the findings of the annual solid waste management report (G.S. 130A-309.12(c), G.S. 130A-309.14, G.S. 130A-309.06(c)(6), G.S. 130A-309.06(c)(8), G.S. 130A-309.06(c)(9), G.S. 130A-309.06(c)(10), G.S. 130A-309.06(c)(11), G.S. 130A-309.06(c)(12), G.S. 130A-309.06(c)(13), G.S. 130A-309.63(e), G.S. 130A-309.85, G.S. 136-28.8(g), G.S. 143-58.2(f)) *(20 minutes)*

Ellen Lorscheider, Head
Solid Waste Planning and Program Management Branch
Solid Waste Section, DWM, DENR

Presentation on the status of recycling and recycling markets in North Carolina *(20 minutes)*

Scott B. Mouw, Chief
Community and Business Assistance Section
Division of Pollution Prevention and Environmental Assistance, DENR

Presentation from Clear Path Recycling, LLC *(20 minutes)*

Ron Salati, Vice President and General Manager
Clear Path Recycling, LLC

6. Annual report on the Inactive Hazardous Sites Program (G.S. 130A-310.10) *(20 minutes)*

Charlotte Jesneck, Head
Inactive Hazardous Sites Branch, Superfund Section
DWM, DENR

7. Annual report on the effectiveness of the Brownfields Property Reuse Act (G.S. 130A-310.40) *(15 minutes)*

Bruce Nicholson, Brownfields Program Manager
DWM, DENR

8. Commission discussion and announcements

9. Adjourn

FUTURE MEETINGS:

The Environmental Review Commission will meet on the following dates at 10:00 a.m. in Room 544 of the Legislative Office Building, Raleigh, North Carolina. **This schedule is tentative and subject to adjustment.** For planning purposes, however, please reserve these dates. This schedule may be modified to allow for out-of-town business meetings or site visits and in the event that it becomes necessary to cancel a scheduled meeting due to hazardous weather conditions.

Thursday, March 18, 2010
Thursday, April 15, 2010

ADDITIONAL INFORMATION:

Persons having questions about the Commission meeting or other matters related to the Commission may contact Jennifer McGinnis, Commission Counsel, or other Commission staff at (919) 733-2578 or may visit the Commission's website at
http://www.ncleg.net/gascripts/DocumentSites/browseDocSite.asp?nID=12

NORTH CAROLINA GENERAL ASSEMBLY
ENVIROMENTAL REVIEW COMMISSION
VISITOR REGISTRATION SHEET

February 18, 2010 10 a.m. Room 544 LOB

NAME	FIRM OR AGENCY AND ADDRESS
Edward G. Aguirre	Ed Aguirre & Associates, Inc. 1300C Corporation Parkway Raleigh, NC 27610
I Thomas Moore	Entergy Wholesale
M. Ann C Pergram	ITW
Preston Howard	MCIC
Nancy Thompson	Weyerhaeuser
Jeff Judkins	NCBEV
JAMES KIRBY	SEN. QUEEN'S OFFICE NCGA
John Monaghan	Piedmont Natural Gas
Gary Fuller	Johnston's Mowers.
JOHN GOODMAN	NC CHAMBER
L. Andrews	NCFB

NORTH CAROLINA GENERAL ASSEMBLY
ENVIROMENTAL REVIEW COMMISSION
VISITOR REGISTRATION SHEET

February 18, 2010 10 a.m. Room 544 LOB

NAME	FIRM OR AGENCY AND ADDRESS
Robert Davies	NCDENR/DWM
John Shaw	Wake UP Wake Co.
Nick Tosco	NC LM
Ashley [illegible]	Biojues Wagner NC
George Everett	Duke Energy
Grady McGee	NC Conservation Network
Chris Anderson	
W. Gardner Culpepper	Personal Interest
David Barnes	Poyner Spruill
Bill Schrum	Republic Services
Mace Goff	Smith Anderson

NORTH CAROLINA GENERAL ASSEMBLY
ENVIROMENTAL REVIEW COMMISSION
VISITOR REGISTRATION SHEET

February 18, 2010 10 a.m. Room 544 LOB

NAME	FIRM OR AGENCY AND ADDRESS
Amy McConkey	NC Bev Assn
Butch Gunnells	NC Bev Assoc

NORTH CAROLINA GENERAL ASSEMBLY
ENVIROMENTAL REVIEW COMMISSION
VISITOR REGISTRATION SHEET

February 18, 2010 10 a.m. Room 544 LOB

NAME	FIRM OR AGENCY AND ADDRESS
Ken Melton	K.M.A.
Daniel Baum	Troutman Sanders
Daniel Amburn	Electricities of N.C.
Kathy Hawkins	Progress Energy
Bruce Nicholson	NC DENR/DWM

NORTH CAROLINA GENERAL ASSEMBLY
ENVIROMENTAL REVIEW COMMISSION
VISITOR REGISTRATION SHEET

February 18, 2010 10 a.m. Room 544 LOB

NAME	FIRM OR AGENCY AND ADDRESS
Paul Crissman	NCDENR
EDmussler	NC DENR
Michelle Frazier	MFS
Doug Hawey	NCPCM
Ted Boggs	NCDENR
Jeryl W. Covington	City of Greensboro
Ellen Lorscheider	NCDENR - DWM
Charlotte Jesneck	NCDENR - DWM
Ruth Strauss	NC DENR - DWM
George Matthis	NCDENR - DWM - UST
Clare Estes	NC DENR

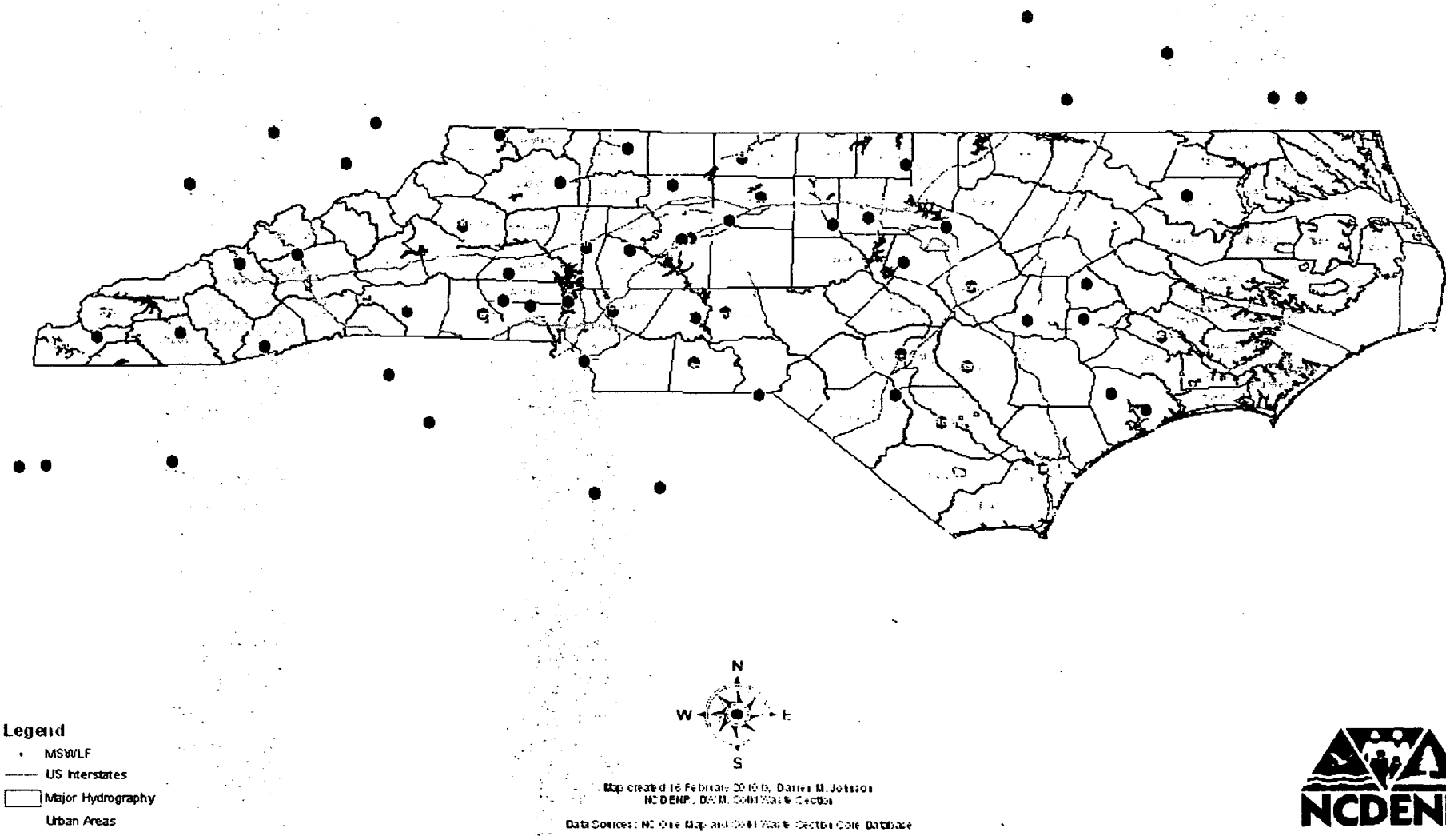
NORTH CAROLINA GENERAL ASSEMBLY
ENVIROMENTAL REVIEW COMMISSION
VISITOR REGISTRATION SHEET

February 18, 2010 10 a.m. Room 544 LOB

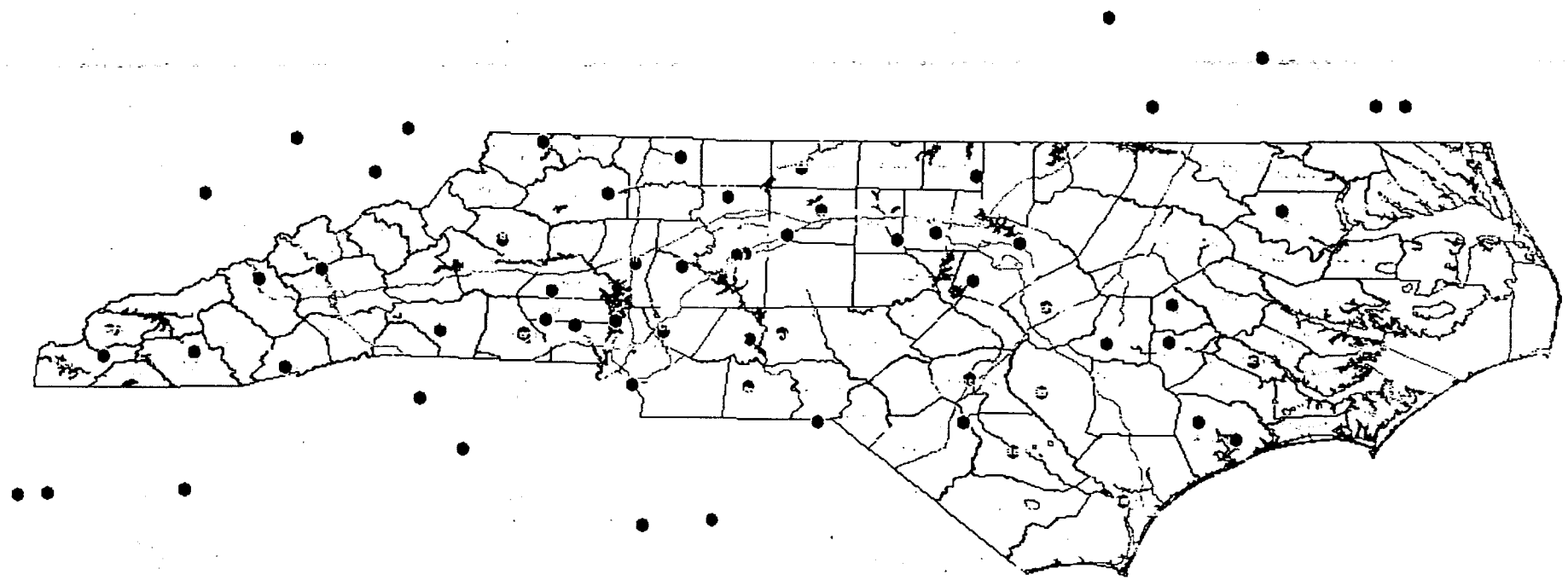
NAME	FIRM OR AGENCY AND ADDRESS
Mark Poindexter	NC DENR-DWM
Michael Scott	NC DENR - DWM
Alexandra Causey	RSG Eng.
David Mickey	Blue Ridge Env. Defense League
Tom Yanoschak	HDR Engineering.
GARY HUNT	DENR - OPPEA
Steve Wall	DENR
Elizabeth Biser	DENR
Scott Mouw	DENR - OPPEA
Ron Salati	Clear Path Recycling.
Robin Smith	DENR

Solid Waste Management Annual Report
Environmental Review Commission
February 18, 2010

Ellen Lorscheider
Solid Waste Section
Division of Waste Management



Municipal Solid Waste Landfills



Legend
- MSWLF
- US Interstates
- Major Hydrography
- Urban Areas

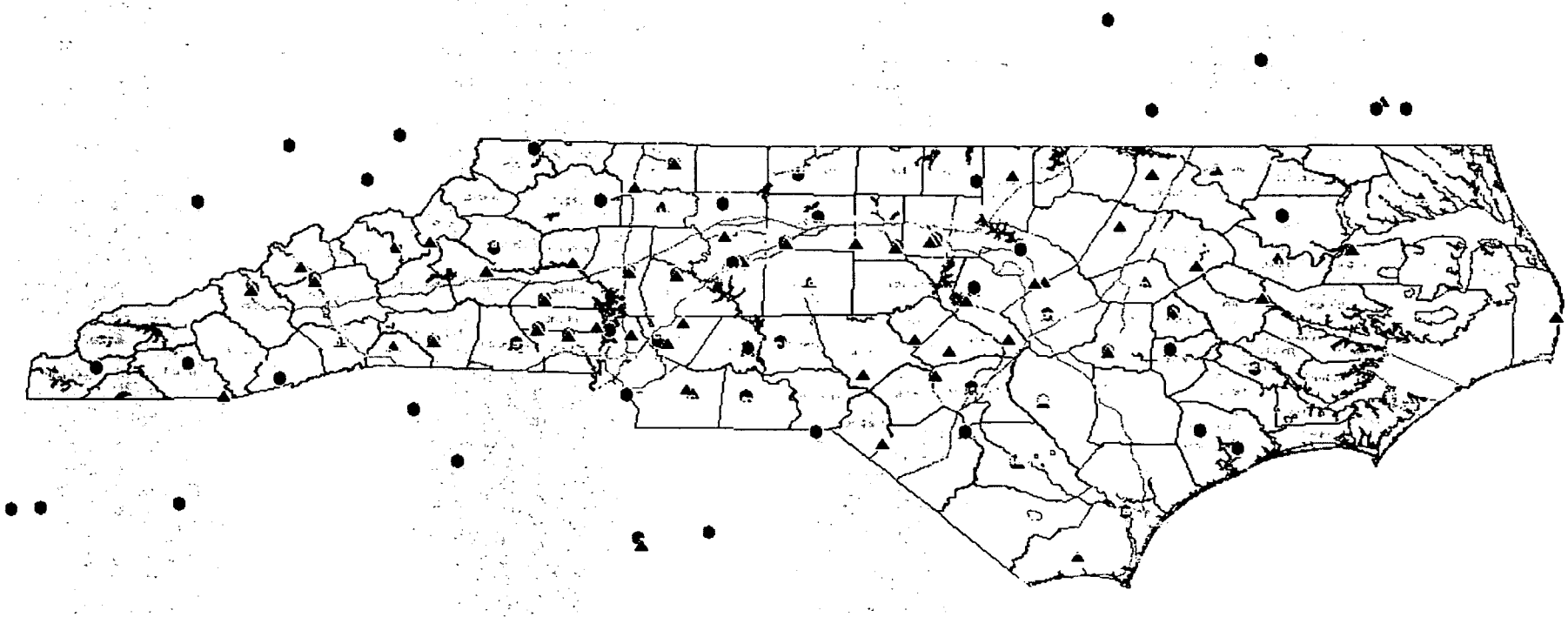
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Map created 16 February, 2010 By: Daniel M. Johnson
NC DENR, D.W.M. Solid Waste Section

Data Sources: NC One Map and Solid Waste Section Core Database

NCDENR

Construction & Demolition and Municipal Solid Waste Landfills



Legend

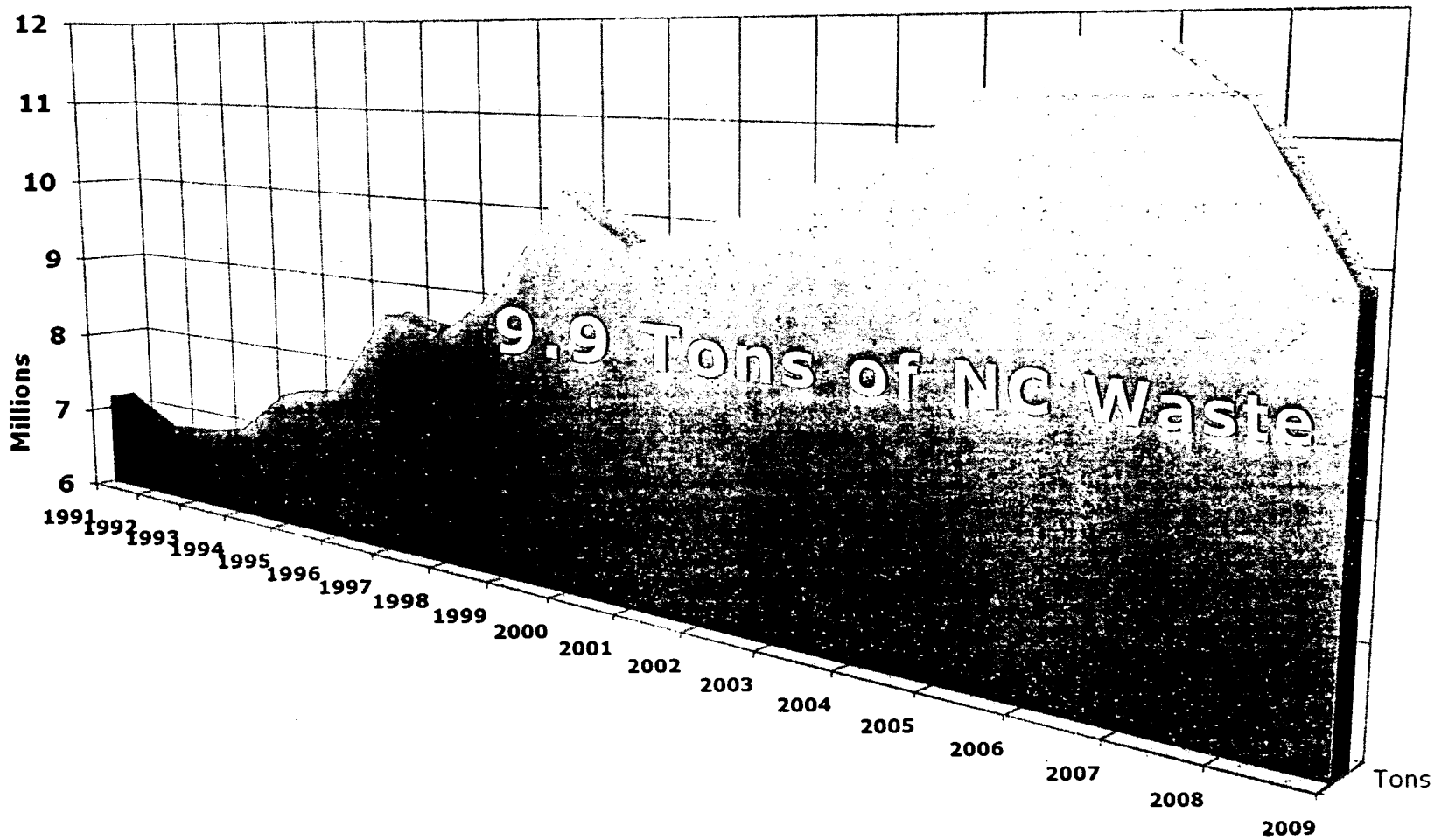
- CDLF
- MSWLF
- US Interstates
- Major Hydrography
- Urban Areas

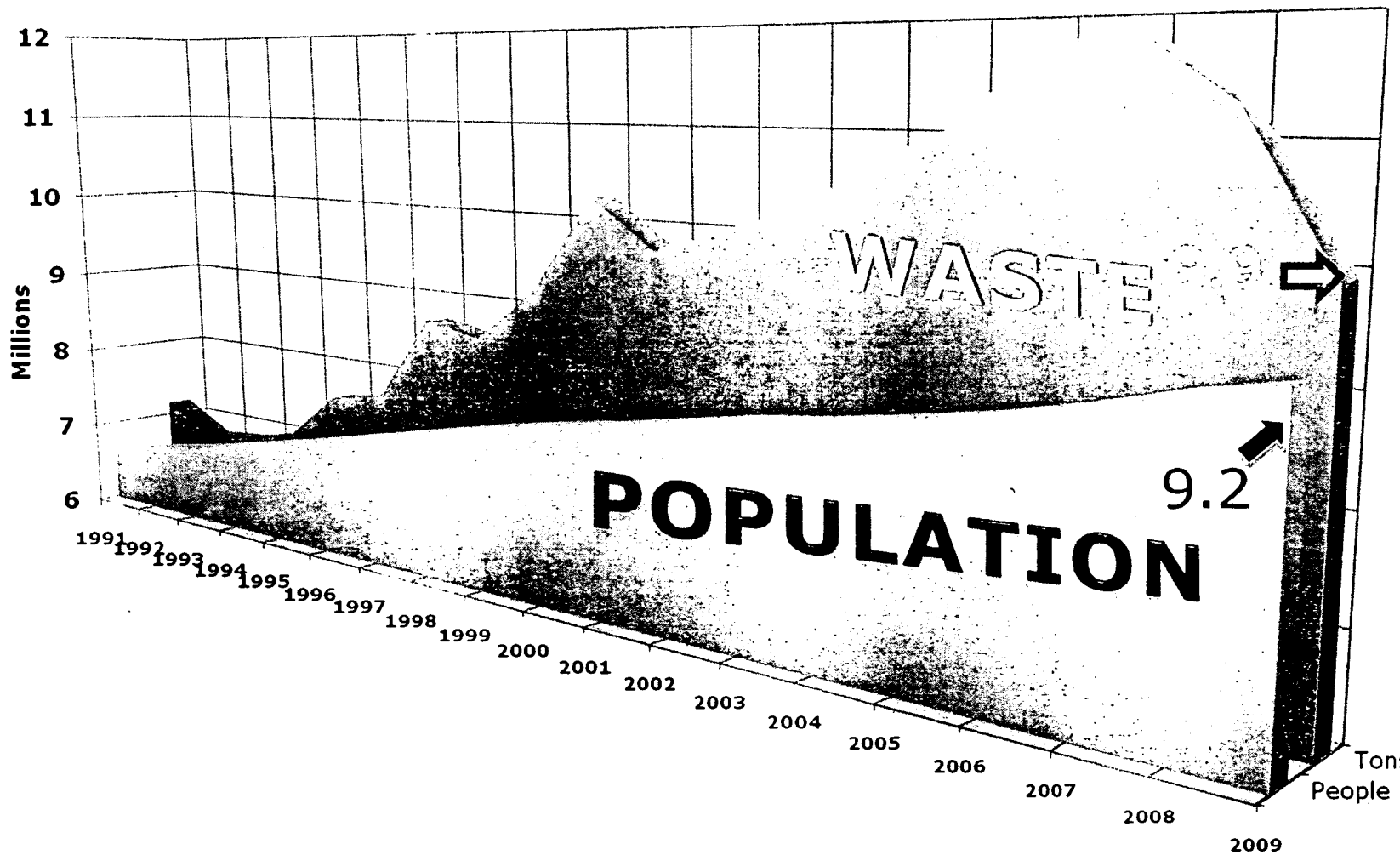
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Map created 15 February 2010 by Darren M. Johnson
NCDENR, DWM, Solid Waste Section

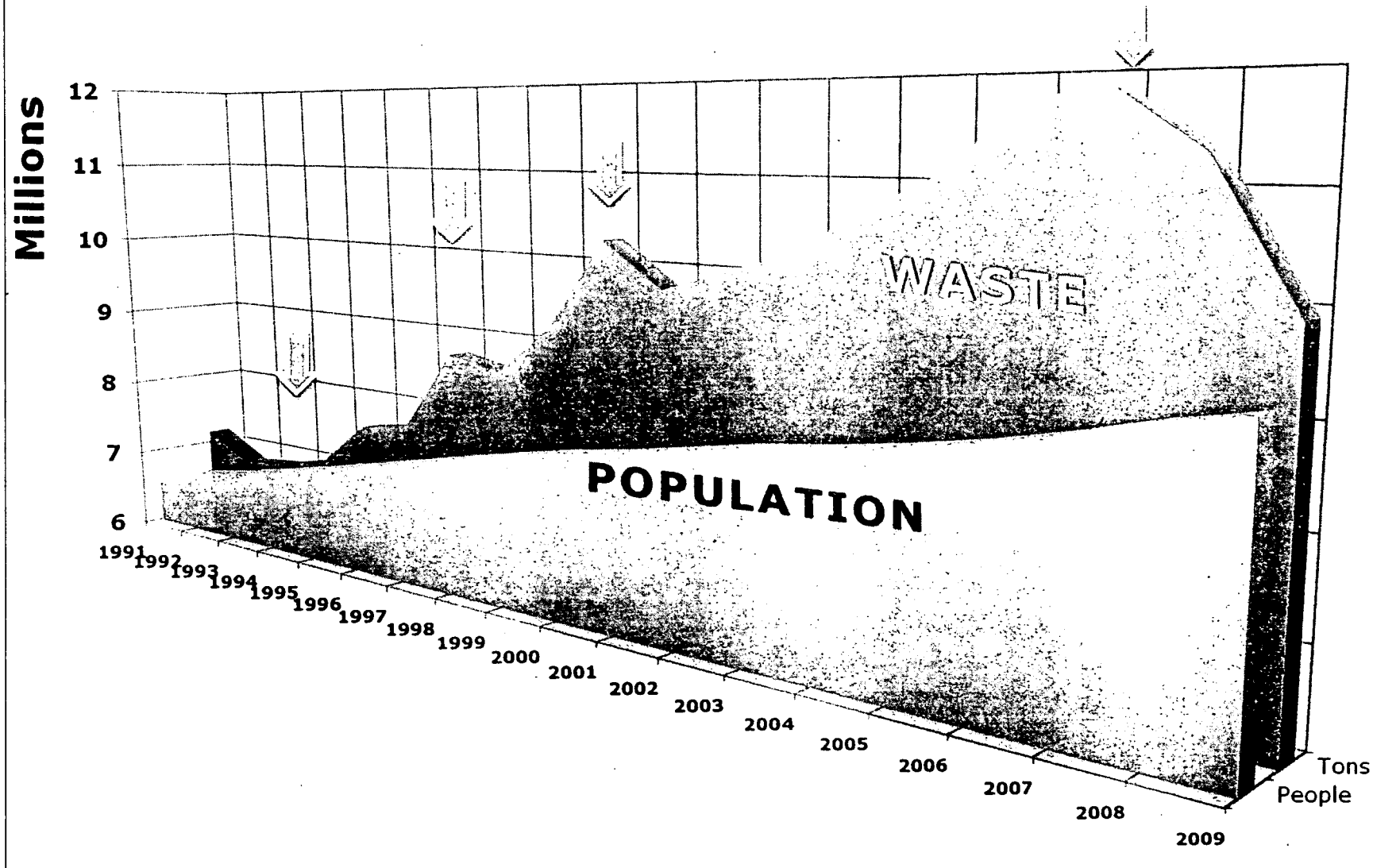
Data Sources: NC One Map and Solid Waste Section Core Database

NCDENR

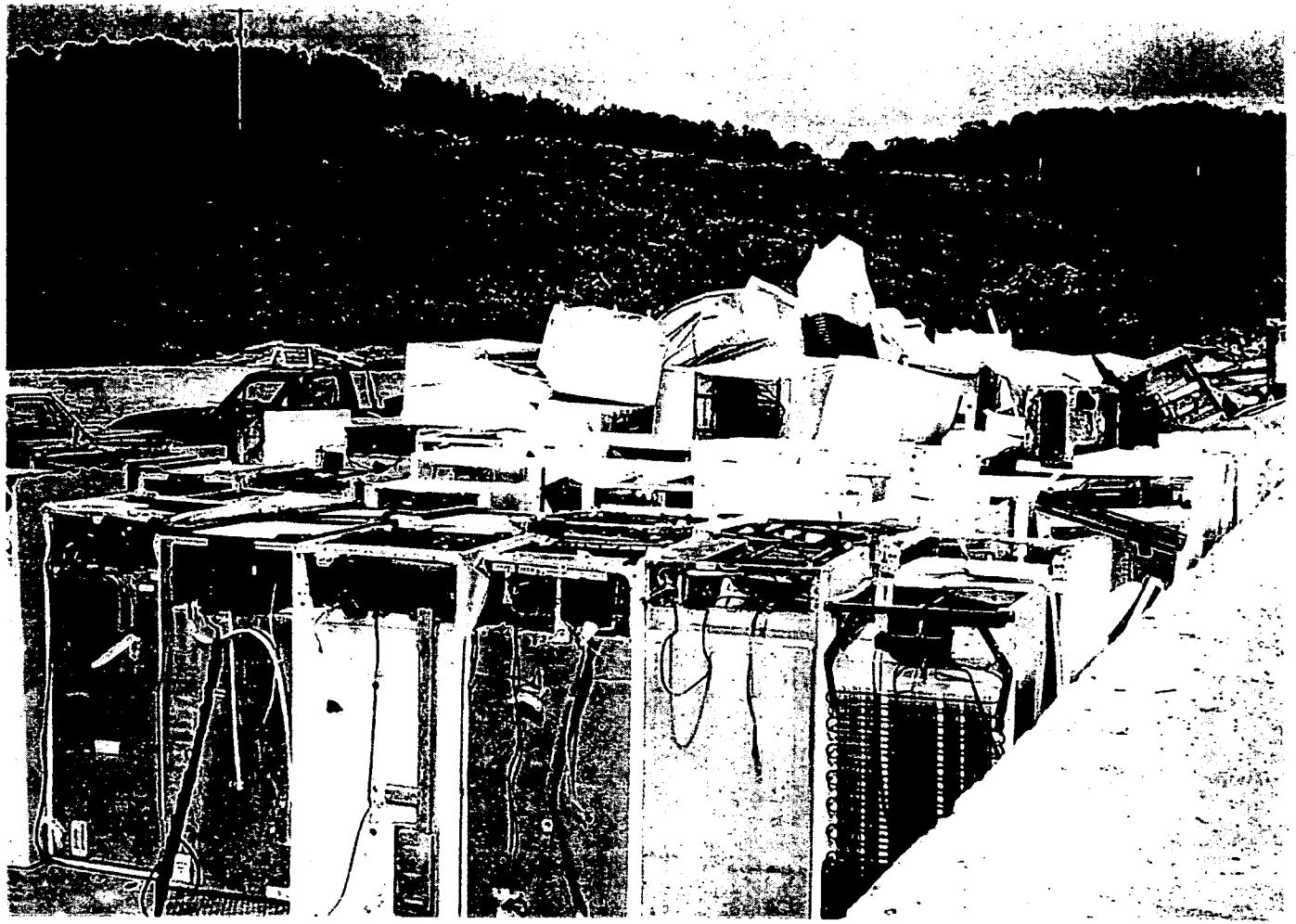

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20 TONS

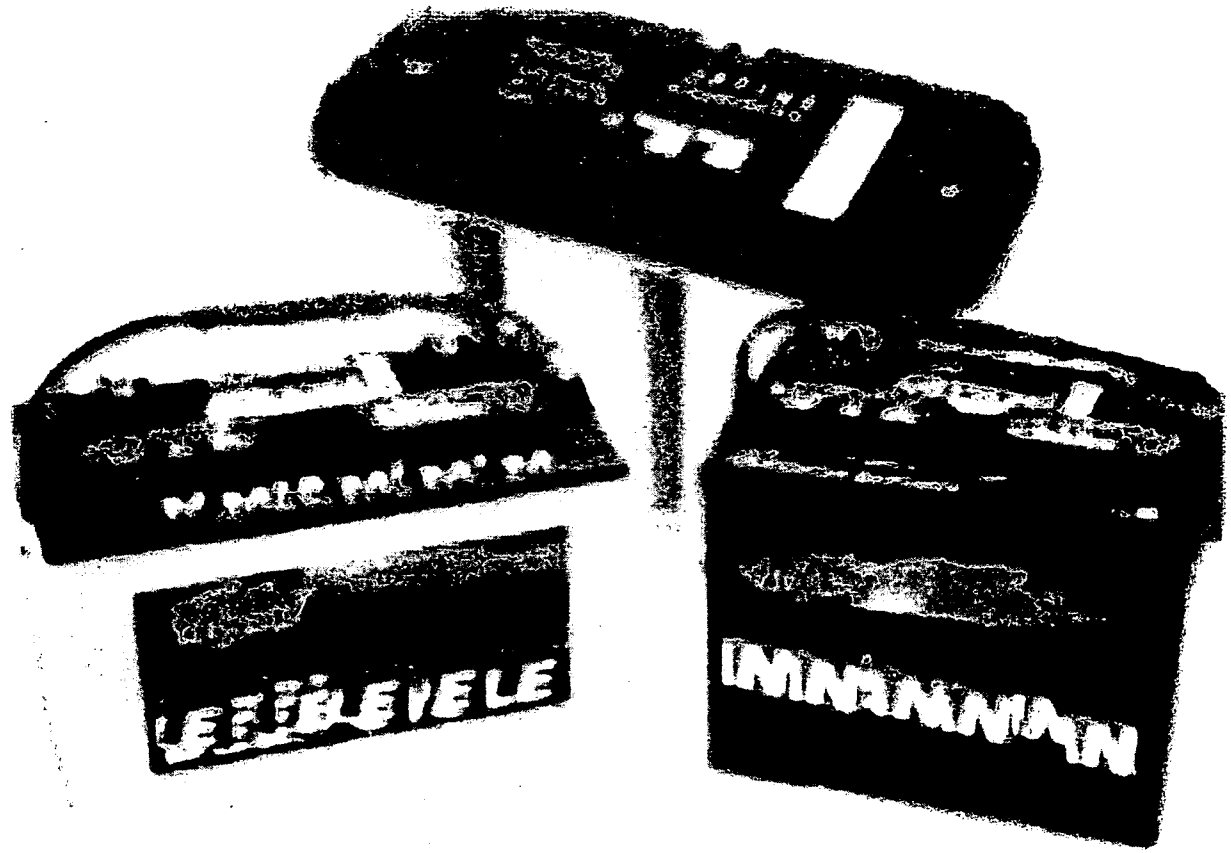

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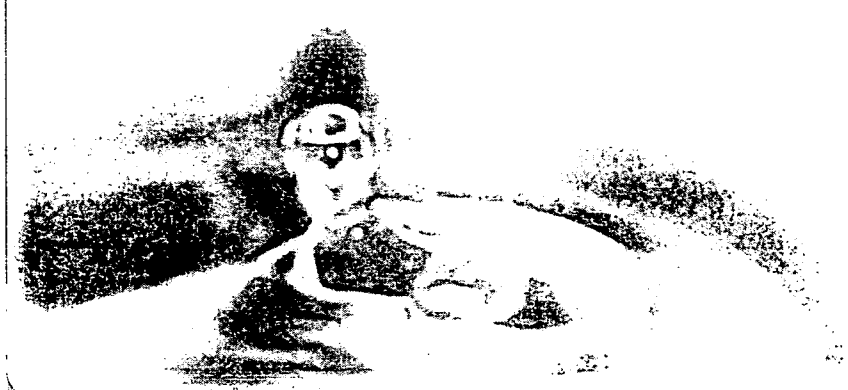
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WATER



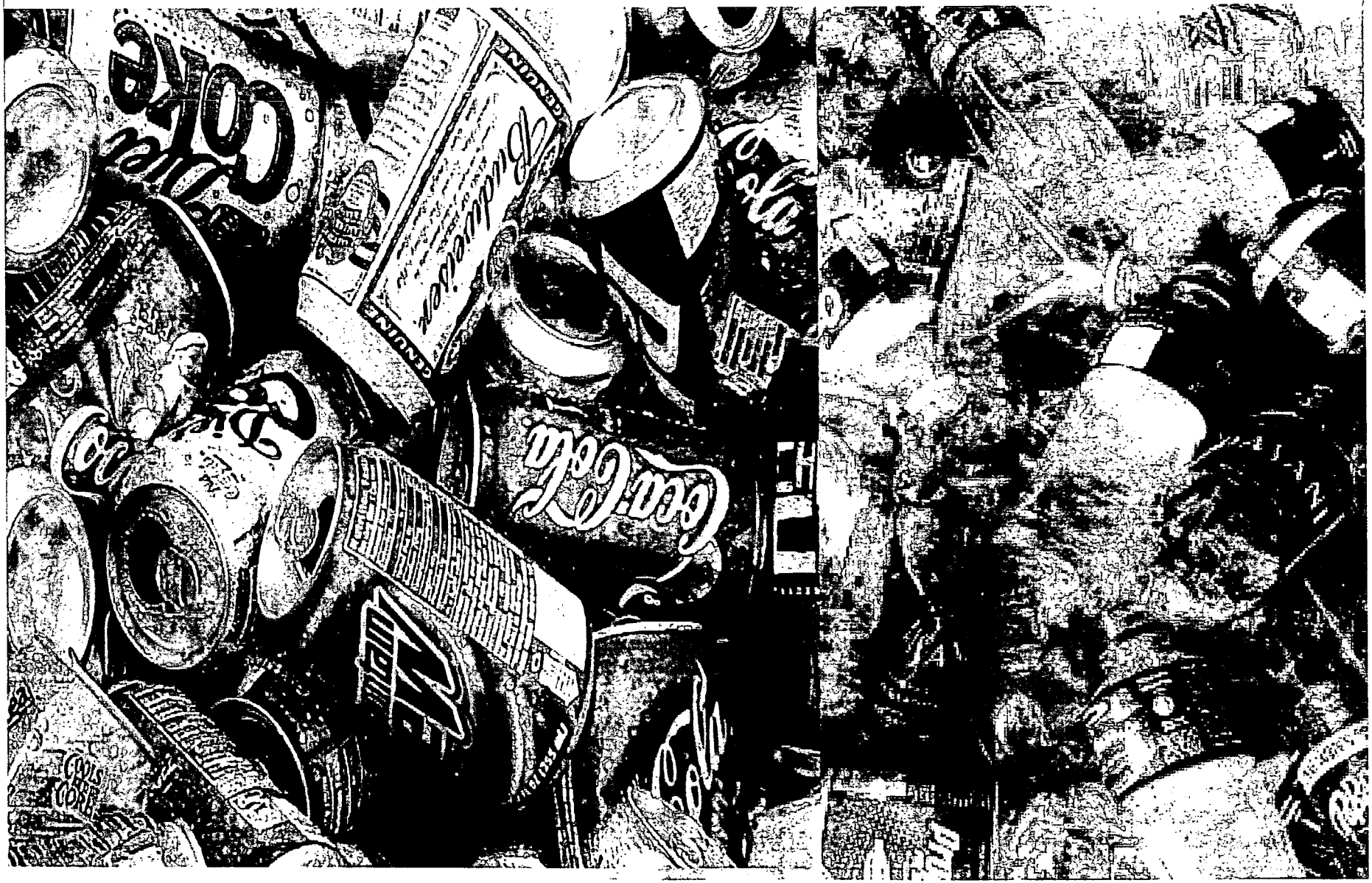


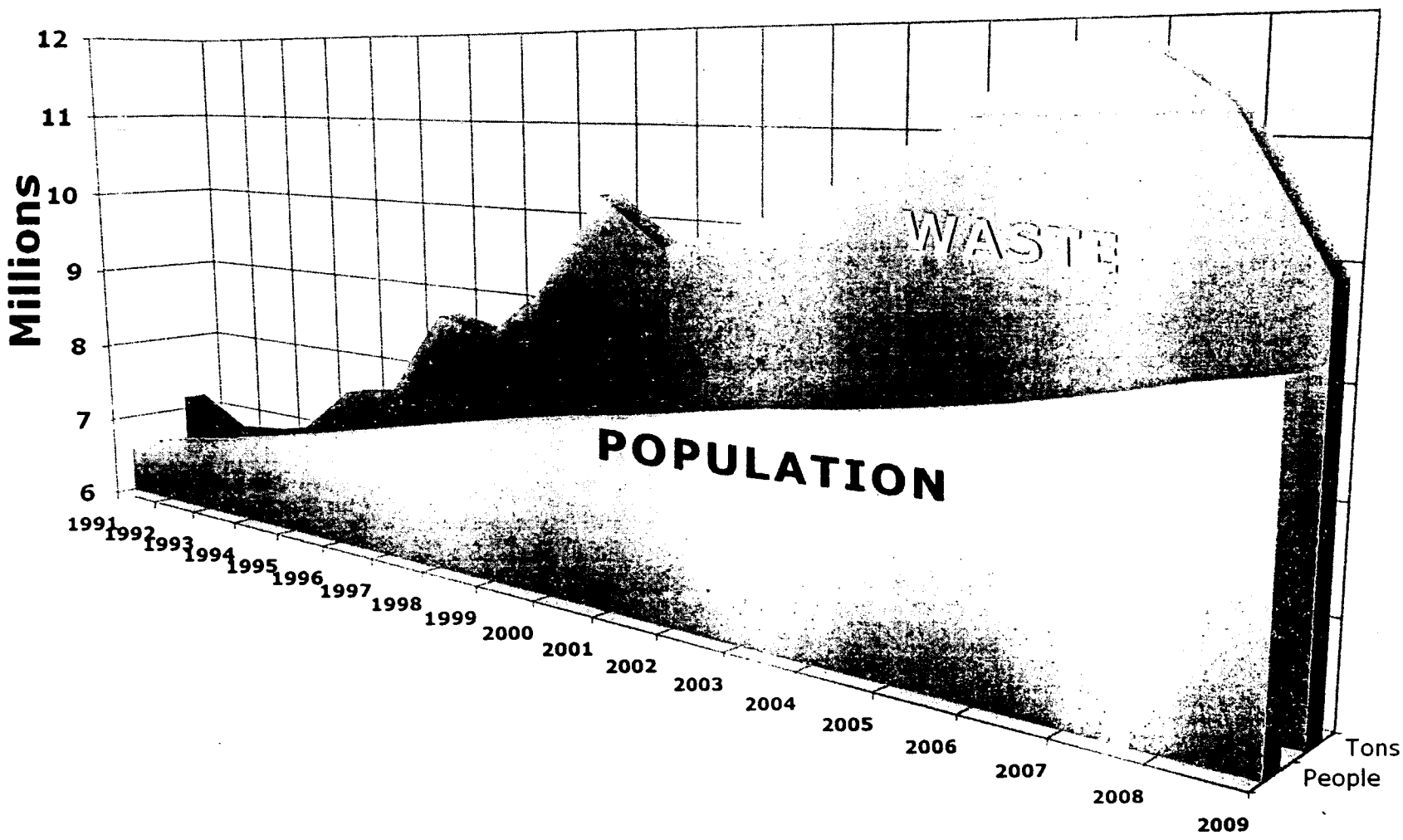


DISPOSAL COSTS



DIVERSION PAYS

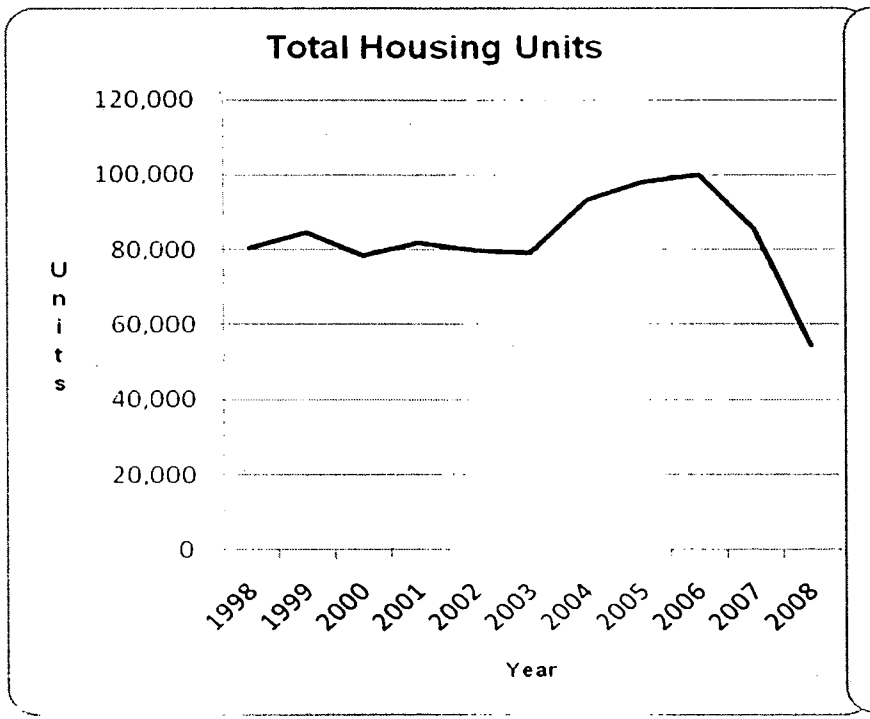

Budweiser
Budweiser
Coca-Cola
Coca-Cola
Coke
Coke
Coke

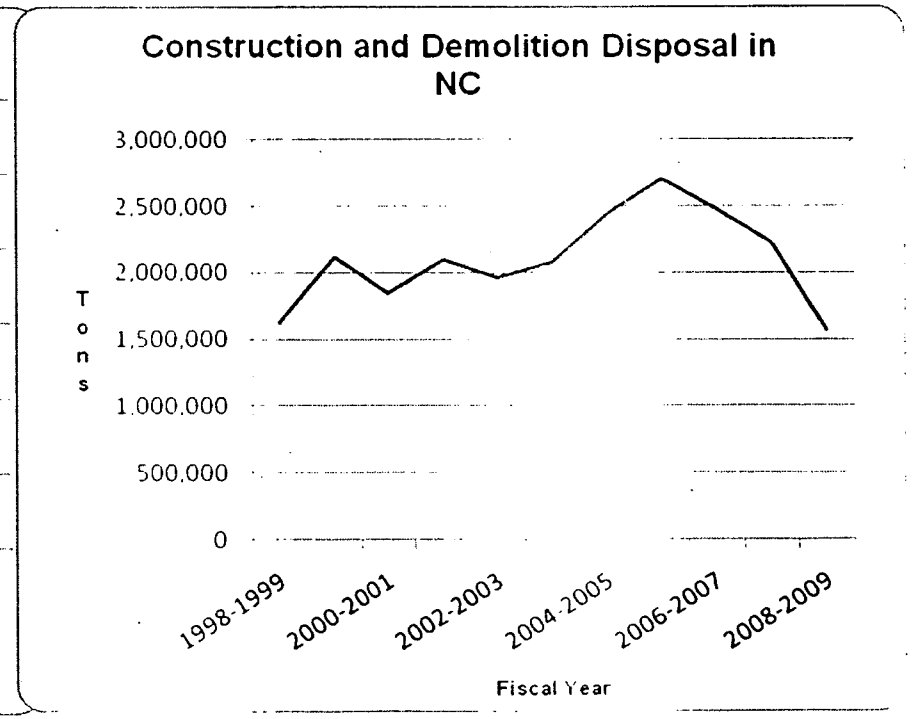

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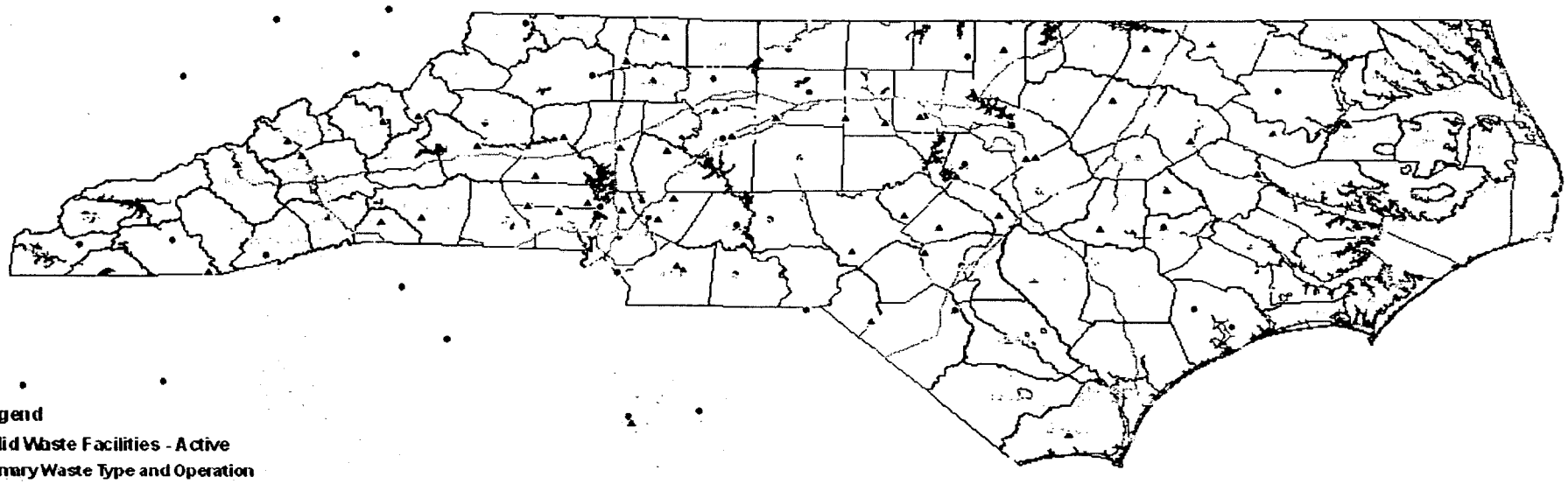


Less Construction = Less Disposal





Public and Private Municipal Solid Waste and Construction & Demolition Disposal, Fiscal Year 2008-2009



Legend

Solid Waste Facilities - Active

Primary Waste Type and Operation

- CDLF
- MSWLF

NC Counties by Region

Region Type

- Mountain Counties
- Piedmont Counties
- Inner Coastal Plain Counties
- Tidewater Counties

State Features

- US Interstates
- Major Hydrography
- Urban Areas

Map created 16 February 2010 by Darren M. Johnson
NCDENR, DWM, Solid Waste Section

Data Sources: NC One Map and Solid Waste Section Core Database

1 inch equals 62 miles

0 50 100 150 200

Miles

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Permit and Annual Fees

Facility Type		Category	New *New Property, Substantial Amendment*	Amendment *5 year renewal, Phase PTC/PTO,*	Modification	Annual Fee
Landfills						
	Municipal Solid Waste	Less Than 100,000 tpy	$25,000	$15,000	$1,500	$3,500
		100,000 tpy or more	$50,000	$30,000	$3,000	$3,500
		Post-Closure	-	-	-	$1,000
	Construction and Demolition	Less Than 100,000 tpy	$15,000	$9,000	$1,500	$2,750
		100,000 tpy or more	$30,000	$18,500	$2,500	$2,750
		Post-Closure	-	-	-	$500
	Industrial Solid Waste	Less Than 100,000 tpy	$15,000	$9,000	$1,500	$2,750
		100,000 tpy or more	$30,000	$18,500	$2,500	$2,750
		Post-Closure	-	-	-	$500
	Tire Monofill	All Categories	$1,750	$1,250	$500	$500
	Land Clearing and Inert Debris	Larger than 2-Acres	$1,000	$500	$250	$500
Other facilities						
	Treatment and Processing	All Categories	$1,750	$1,250	$500	$500
	Transfer Station	All Categories	$5,000	$3,000	$500	$750
	Incinerator	All Categories	$1,750	$1,250	$500	$500
	Compost Facility	Large	$1,750	$1,250	$500	$500

	Tire Collection		$25 (apply to Annual Fee)			$250

Permit Fees

	Issued 05-06	Issued 06-07	Issued	Fees Paid 07-08	Paid	Issued	Fees Paid 08-09	Paid	Issued	Fees Paid 09-10	Paid
CONSTRUCTION AND DEMOLITION LANDFILL	27	22	14	$214,500	21	13	$240,000	49	4	$10,000	4
INCINERATORS	0	1	0	$1,750	2		$1,500	1		$1,500	1
COMPOST FACILITY				$1,250	1	1	$1,000	2	1	$1,000	2
INDUSTRIAL LANDFILL	9	5	12	$118,500	10	1	$8,750	5	1	$8,750	5
RECOVERY PROCESSING AND STORAGE FACILITY	2	4	2	$2,500	2	4	$10,750	5	4	$10,750	5
LAND CLEARING AND INERT DEBRIS	4	4	2	$2,500	5	6	$ 76,000	12	6	$76,000	12
MUNICIPAL SOLID WASTE LANDFILL	25	17	34	$569,000	33	19	$92,250	17	19	$92,250	17
TRANSFER STATIONS	11	22	18	$ 56,000	17	21	$163,500	35	21	$163,500	35
MIXED WASTE PROCESSING	1	0	0	$ 1,750	1	1			1		
TIRE RECOVERY AND PROCESSING				$1,750	1				2	$3,500	2
TIRE LANDFILL	0	0	0	$500	1						
Totals	**96**	**79**	**102**	***$970,000**	**94**	**68**	**$593,750**	**126**	**68**	$367,250	6

Annual Fees

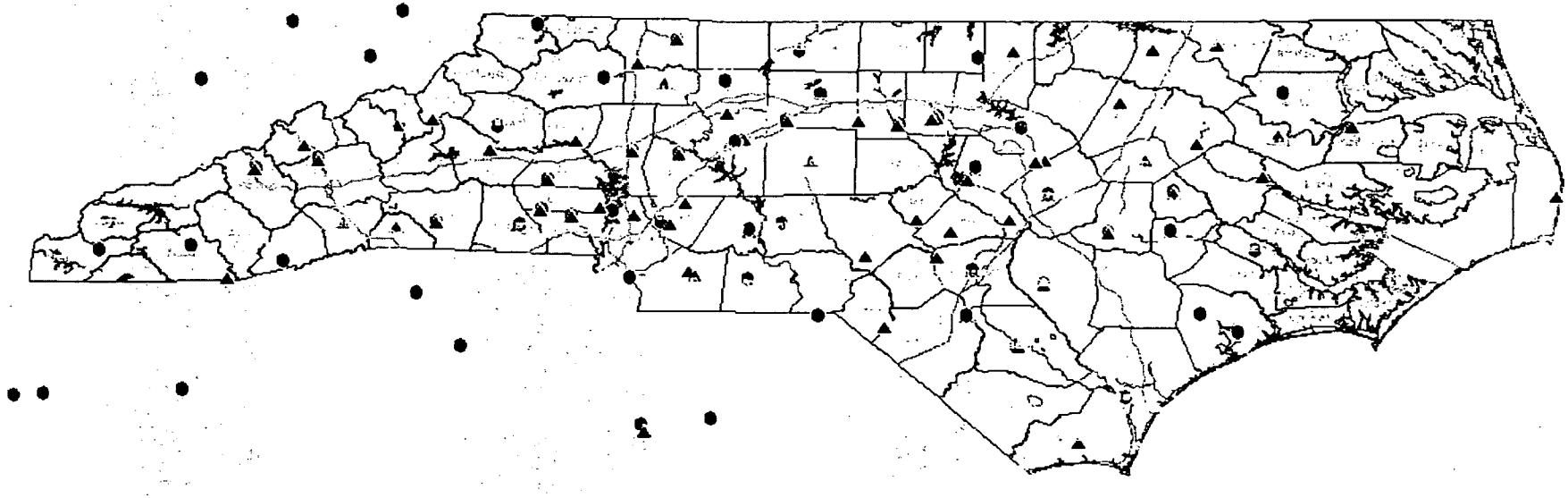
	2008-09 BILLINGS		2009-10 BILLINGS		2010-11 FORECAST	
MSW LANDFILL OR INCINERATOR	43	150500	42	144000	40	140000
C&D LANDFILLS	58	159500	52	143000	46	126500
INDUSTRIAL LANDFILLS	17	42250	12	33000	11	30250
TRANSFER STATIONS	86	64500	82	60750	83	60750
LAND CLEARING AND INERT DEBRIS LANDFILLS	70	35500	67	33500	67	33500
INCINERATORS MEDICAL OR INDUSTRIAL	4	2000	4	2000	4	2000
LARGE COMPOST	18	9000	31	15500	32	16000
RECOVERY PROCESSING AND STORAGE or MIXED WASTE PROCESSOR	29	15000	30	15000	32	15500
TIRE LANDFILL	2	1000	2	1000	2	1000
TIRE RECOVERY AND PRECESSING	3	1500	2	1000	2	1000
POST CLOSURE MSW LANDFILL	116	116000	121	121000	123	123000
POST CLOSURE C&D/INDUSTRIAL LANDFILL	17	8500	29	14500	37	18500
TOTAL COLLECTED	**463**	**605250**	**474**	**584250**	**480**	**568000**

Total Permit Fees and Annual Fees

FY 2008-2009	FY 2009-2010	Forecast 2010-2011
593,750.00	367,250.00	367,250.00
605,250.00	584,250.00	568,000.00
1,199,000.00	951,500.00	935,250.00

For additional information contact:

Ellen Lorscheider
Solid Waste Section
Division of Waste Management
919.508.8499
Ellen.Lorscheider@ncdenr.gov
www.wastenotnc.org



Legend
- CDLF
- MSWLF
- US Interstates
- Major Hydrography
- Urban Areas

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Map created 18 February 2010 by Daniel M. Johnson
NCDENR, DWM, Solid Waste Section

Data Sources: NC One Map and Solid Waste Section Core Database

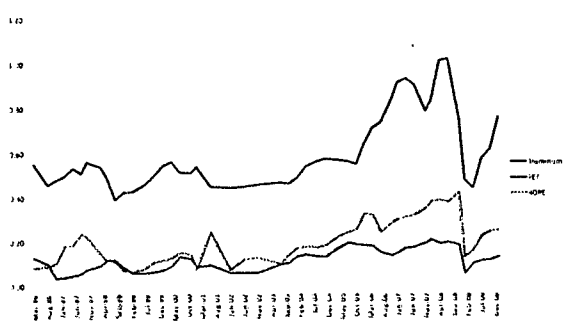
NCDENR

Recycling Market and Collection Trends in North Carolina

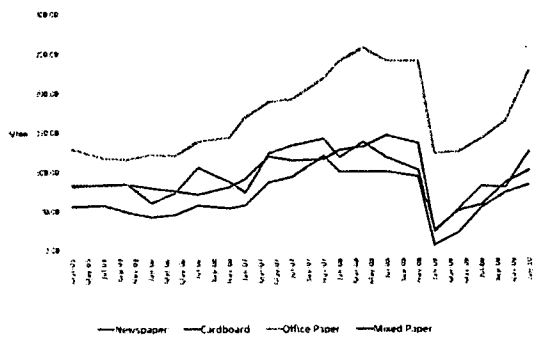
Recycling Market Prices

- Prices have followed the general trends in the global economy.
- From all time highs in 2008, prices dropped dramatically with the onset of the recession.
- Prices have rebounded to historically average levels or above.
- Signs that demand heating up for some key commodities that will lead to strong pricing in 2010.

Recycling Price History for Key Container Materials



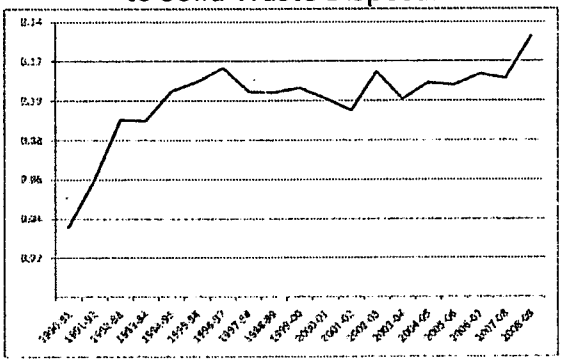
Recent Recycling Price History For Key Fiber Commodities



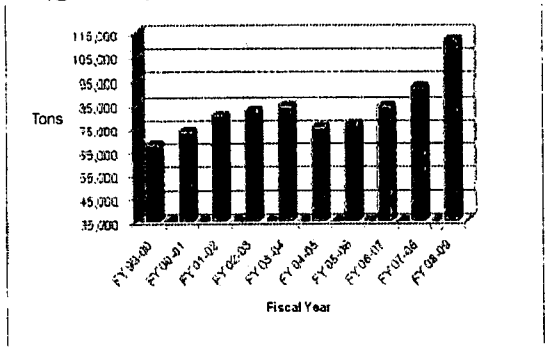
Local Government Recycling Efforts

Material	FY 04-05	FY 05-06	FY 06-07	FY 07-08	FY 08-09
Total Paper	303,514	292,641	305,615	321,019	342,008
Total Glass	44,003	45,421	51,883	56,837	69,446
Total Plastics	18,320	18,177	19,373	22,298	23,947
Total Metal	109,612	108,488	98,884	84,740	89,242
Total Organics	583,101	619,494	631,393	554,576	593,323
Special Wastes	6,690	8,955	8,304	7,195	8,433
Construction and Demolition Debris	20,292	24,001	40,352	59,501	33,209
Tires	113,670	146,177	187,273	142,160	147,055
Other	5,677	7,743	5,558	6,753	8,474
Totals	**1,204,879**	**1,269,097**	**1,346,635**	**1,255,079**	**1,295,173**
Per Capita Recovery (lbs.)	**282.13**	**292.35**	**303.97**	**276.77**	**280.73**
Recovery Ratio (Recycling:Disposal)	**0.11**	**0.11**	**0.11**	**0.11**	**0.13**

Ratio of Local Government Recycling to Solid Waste Disposal



Collection of Container Materials (glass, plastic, aluminum, steel)



Top Ten Recycling Counties

(Combined Efforts of County and Its Municipalities)

- Pitt
- Catawba
- Dare
- Buncombe
- Orange
- Swain
- Macon
- Watauga
- Guilford
- Pamlico

Major Trends in Recycling in NC

- Conversion to carts and single stream collection in curbside programs – more MRFs also becoming single stream.
- Some communities continuing to expand recycling efforts to points of generation beyond households.
- Very slow development of programs to divert household hazardous waste and problematic materials (cost a big factor).
- Growing interest in diverting other types of plastics, C&D wastes, food waste and other organics.
- Continued growth and development of recycling businesses.

Images of Recycling Advancements in NC



Shingle Recycling in Pitt County



Recycling at ABC Permit Holders in Raleigh



Electronics Processing at Synergy in Madison

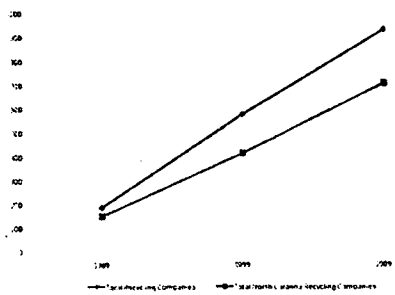


Use of Recycling Carts in Archdale

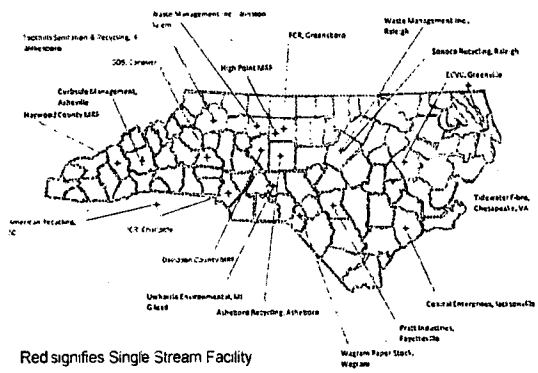


Recycling at the Blue Ridge BBQ Festival in Tryon

Companies Listed in North Carolina's Recycling Markets Directory

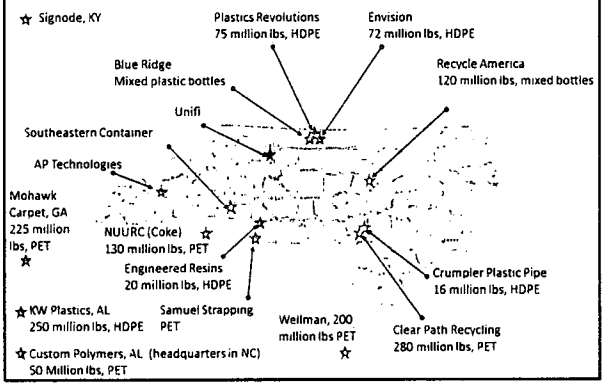


Material Recovery Facilities in North Carolina



Red signifies Single Stream Facility

Snapshot of In-state and Nearby Plastics Bottle Processing and End-use Capacity



Preliminary Effects of Disposal Bans on Oil Filters, Pallets, and Plastic Bottles

- Increase in public interest in recycling.
- Increase in collection of materials in public programs and expansion of programs.
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- Next year's data will provide better detail on the effects of the ban among local programs.

Recycling Market and Collection Trends in North Carolina

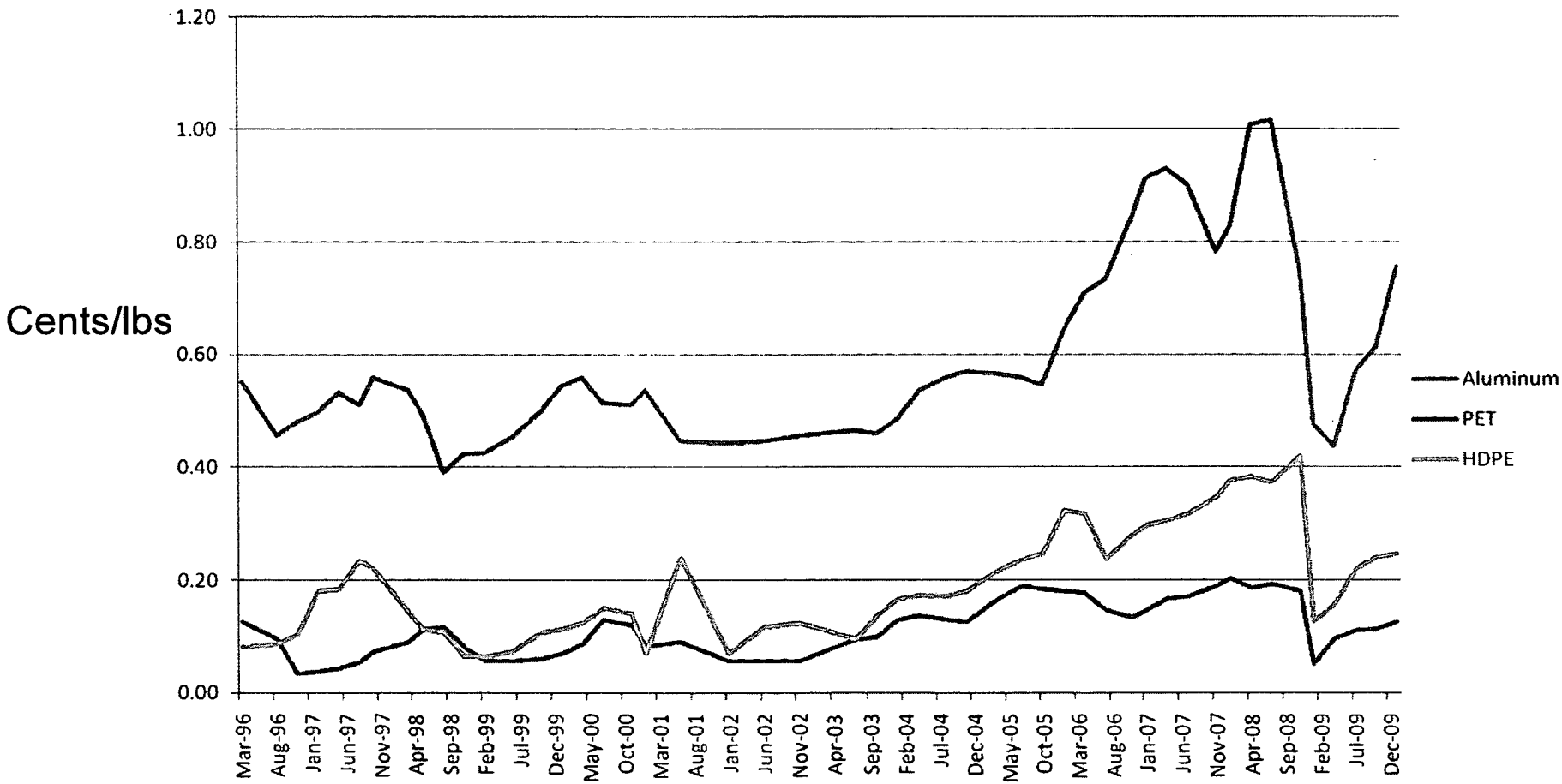
Scott Mouw

Division of Pollution Prevention and Environmental Assistance

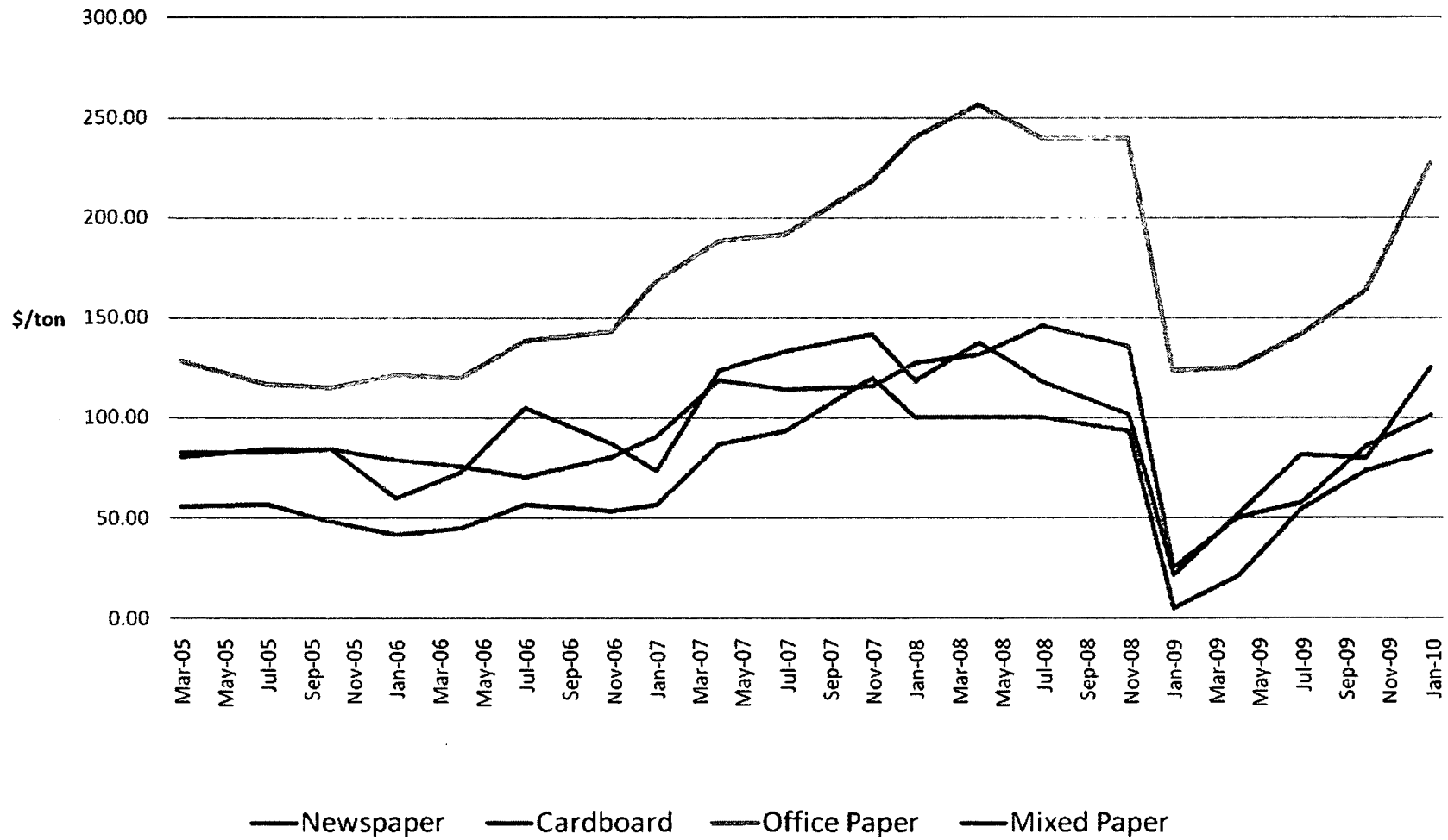
Recycling Market Prices

- Prices have followed the general trends in the global economy.
- From all time highs in 2008, prices dropped dramatically with the onset of the recession.
- Prices have rebounded to historically average levels or above.
- Signs that demand heating up for some key commodities that will lead to strong pricing in 2010.

Recycling Price History for Key Container Materials



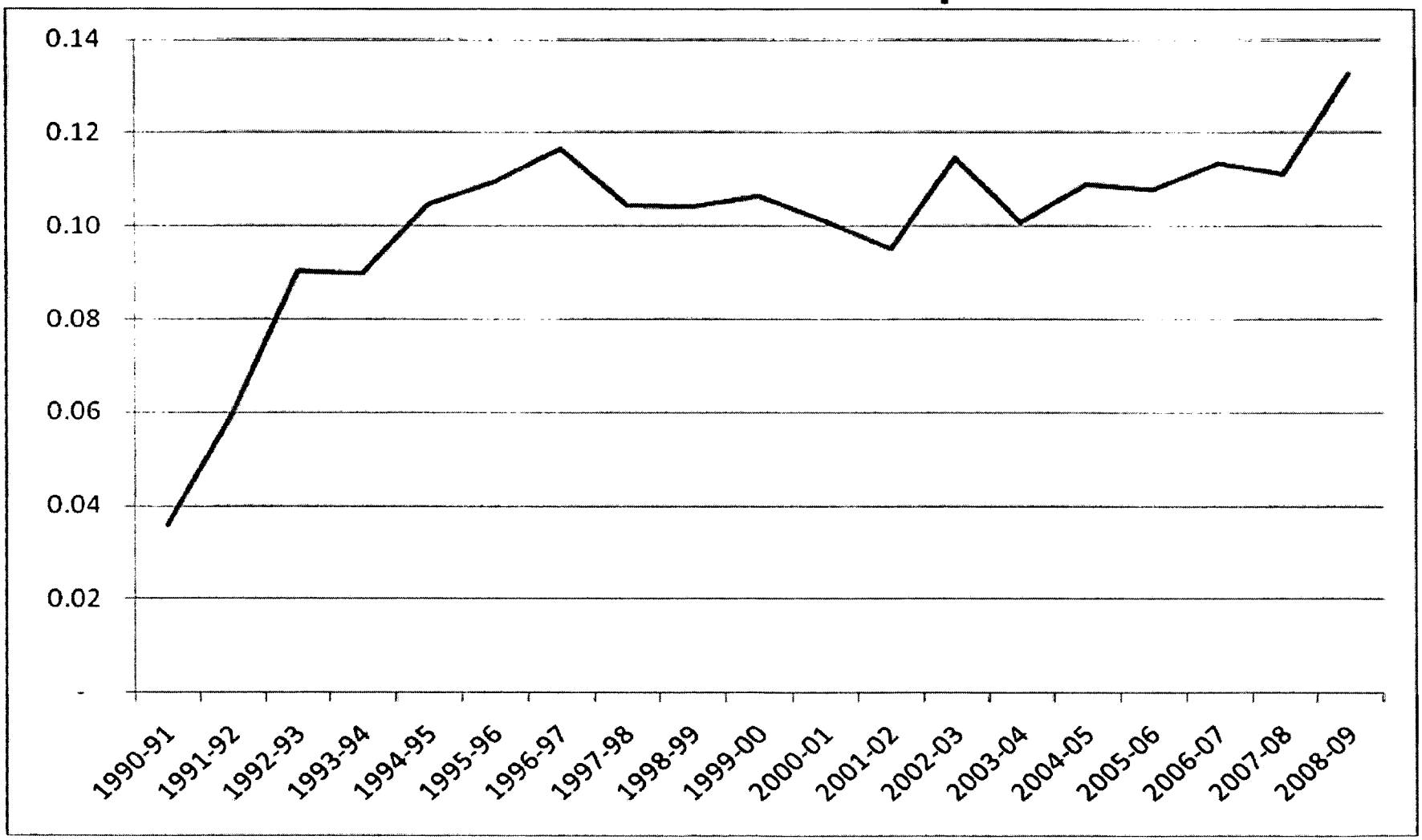
Recent Recycling Price History For Key Fiber Commodities



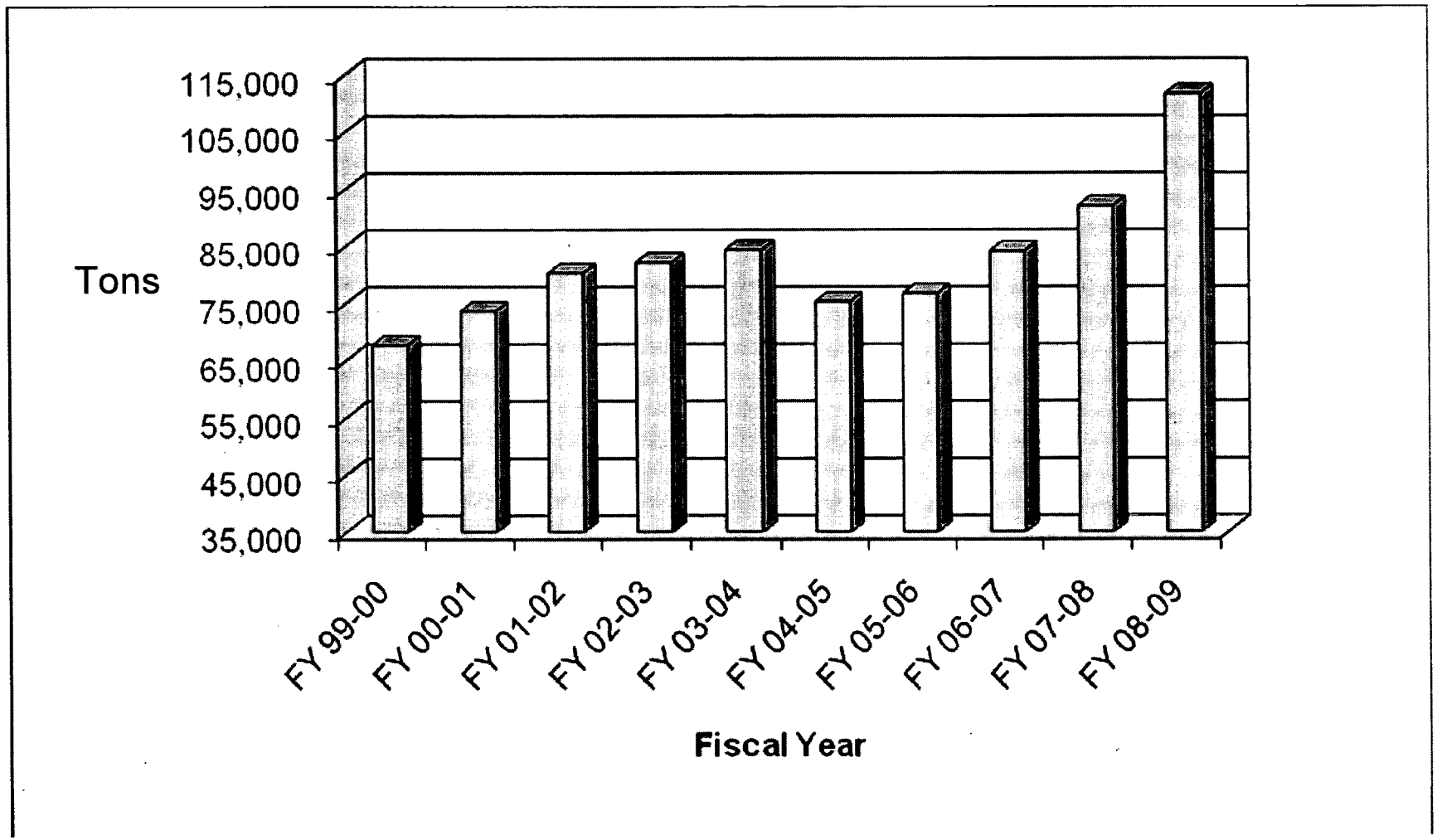
Local Government Recycling Efforts

Material	FY 04-05	FY 05-06	FY 06-07	FY 07-08	FY 08-09
Total Paper	303,514	292,641	305,615	321,019	342,008
Total Glass	44,003	45,421	51,883	56,837	69,446
Total Plastics	18,320	18,177	19,373	22,298	23,947
Total Metal	109,612	108,488	96,884	84,740	69,242
Total Organics	583,101	619,494	631,393	554,576	593,323
Special Wastes	6,690	6,955	8,304	7,195	8,433
Construction and Demolition Debris	20,292	24,001	40,352	59,501	33,209
Tires	113,670	146,177	187,273	142,160	147,055
Other	5,677	7,743	5,558	6,753	8,474
Totals	**1,204,879**	**1,269,097**	**1,346,635**	**1,255,079**	**1,295,173**
Per Capita Recovery (lbs.)	**282.13**	**292.35**	**303.97**	**276.77**	**280.73**
Recovery Ratio (Recycling:Disposal)	**0.11**	**0.11**	**0.11**	**0.11**	**0.13**

Ratio of Local Government Recycling to Solid Waste Disposal



Collection of Container Materials (glass, plastic, aluminum, steel)



Top Ten Recycling Counties

(Combined Efforts of County and Its Municipalities)

- Pitt
- Catawba
- Dare
- Buncombe
- Orange
- Swain
- Macon
- Watauga
- Guilford
- Pamlico

Major Trends in Recycling in NC

- Conversion to carts and single stream collection in curbside programs – more MRFs also becoming single stream.
- Some communities continuing to expand recycling efforts to points of generation beyond households.
- Very slow development of programs to divert household hazardous waste and problematic materials (cost a big factor).
- Growing interest in diverting other types of plastics, C&D wastes, food waste and other organics.
- Continued growth and development of recycling businesses.

Images of Recycling Advancements in NC



Shingle Recycling in Pitt County



Recycling at ABC Permit Holders in Raleigh



Electronics Processing at Synergy in Madison

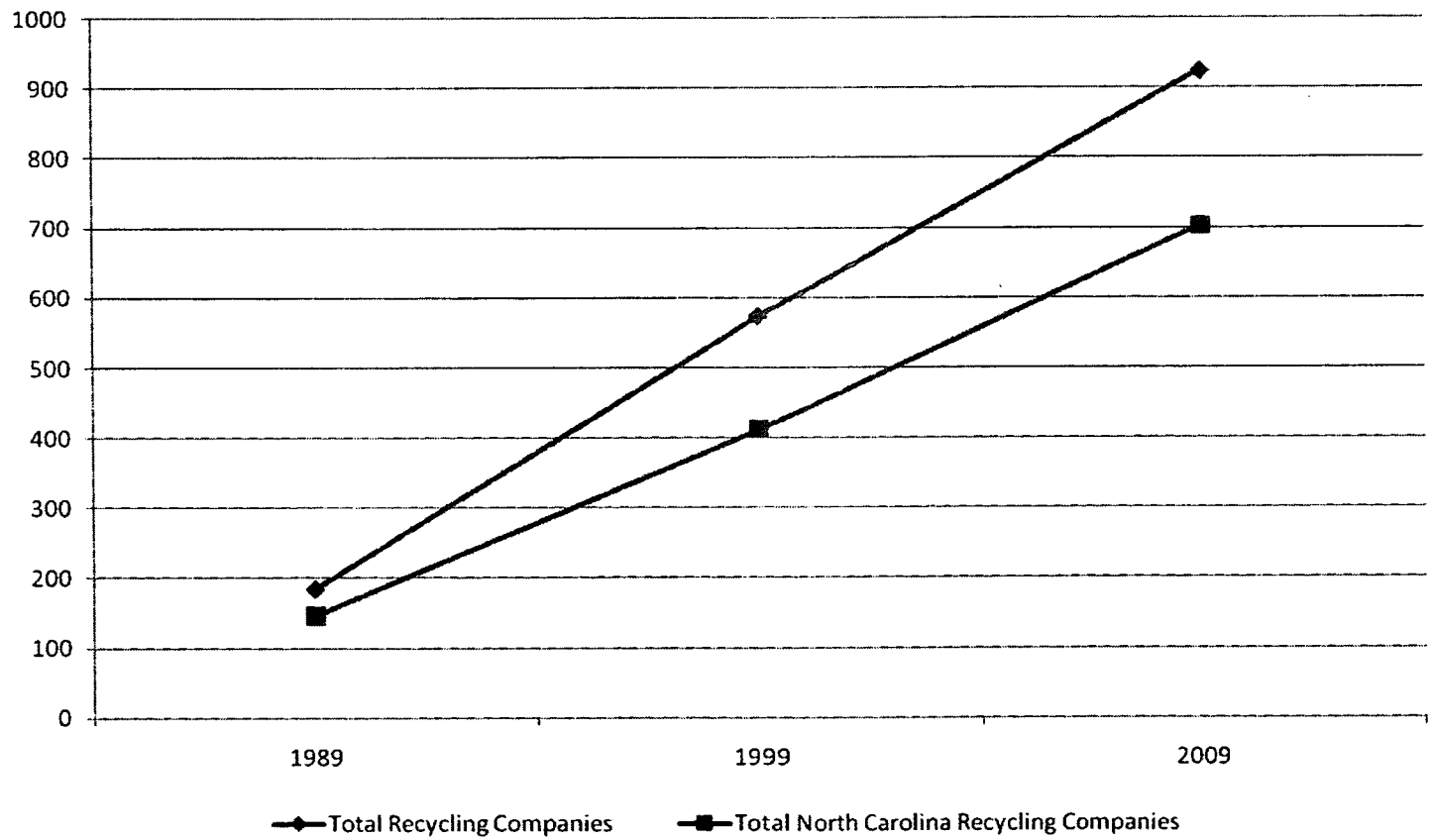


Use of Recycling Carts in Archdale

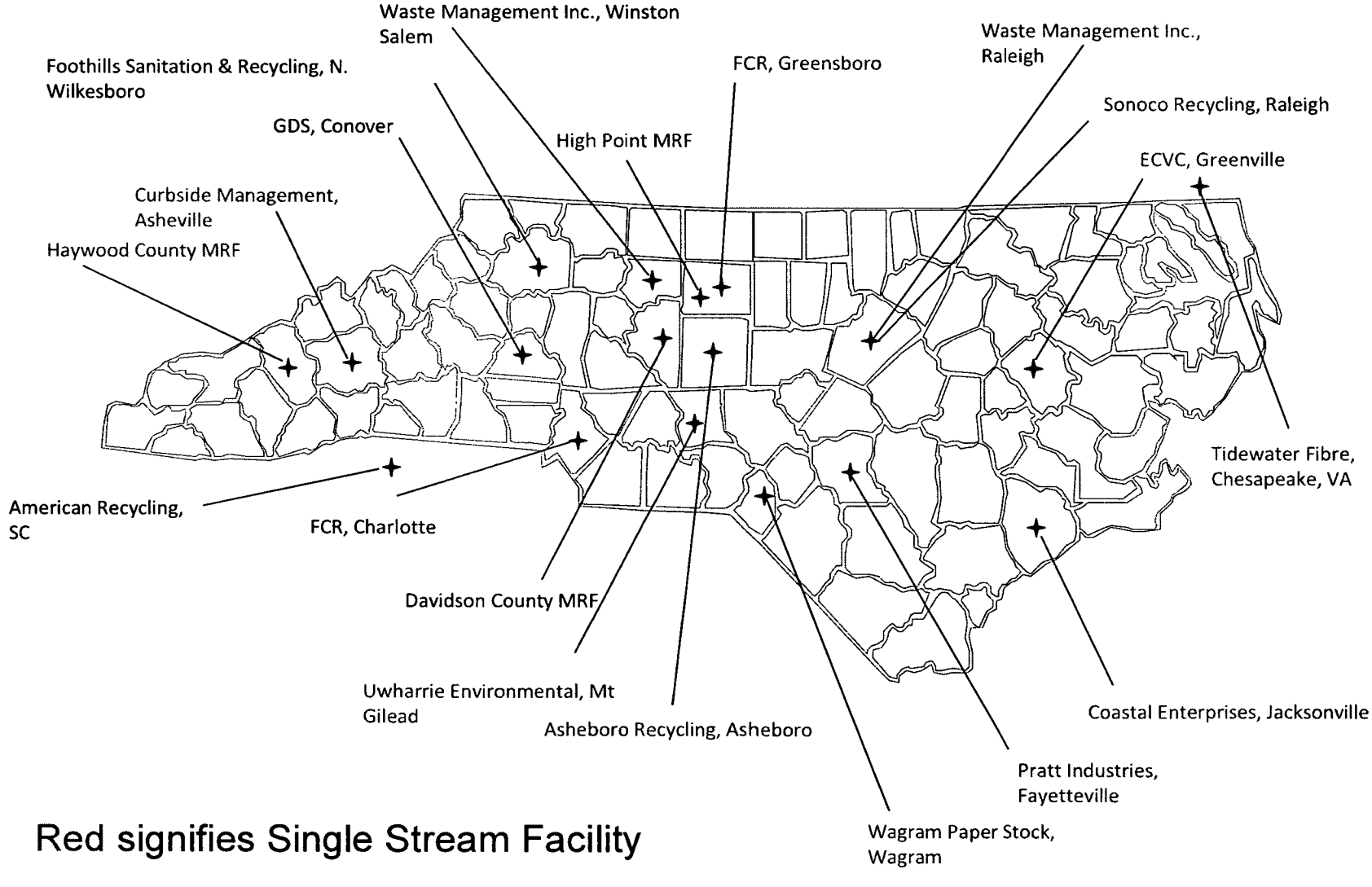


Recycling at the Blue Ridge BBQ Festival in Tryon

Companies Listed in North Carolina's Recycling Markets Directory

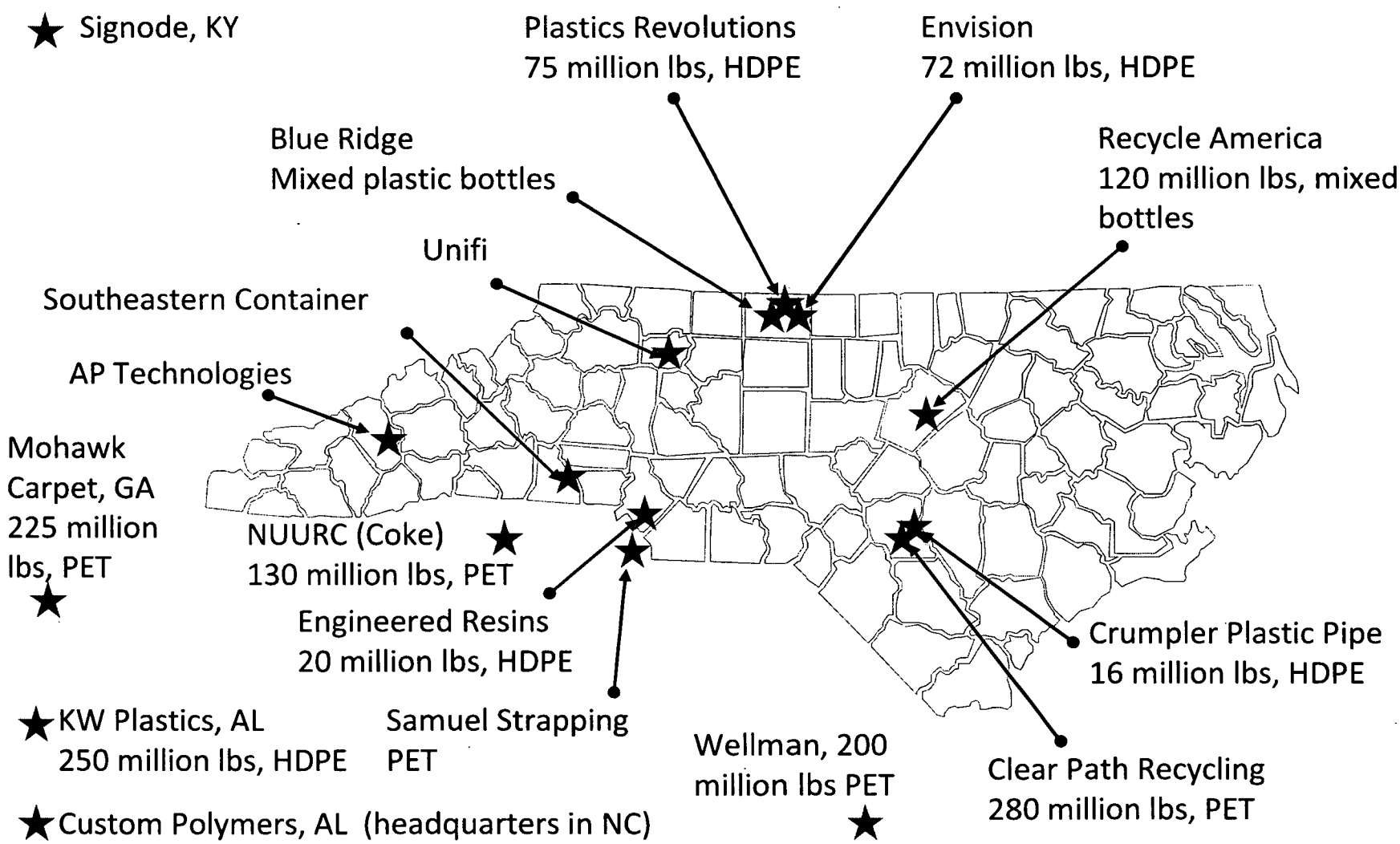


Material Recovery Facilities in North Carolina



Red signifies Single Stream Facility

Snapshot of In-state and Nearby Plastics Bottle Processing and End-use Capacity



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Shaw

DAK Americas

Environmental Review Commission



February 18, 2010

Ronald Salati

DAK Americas

Shaw

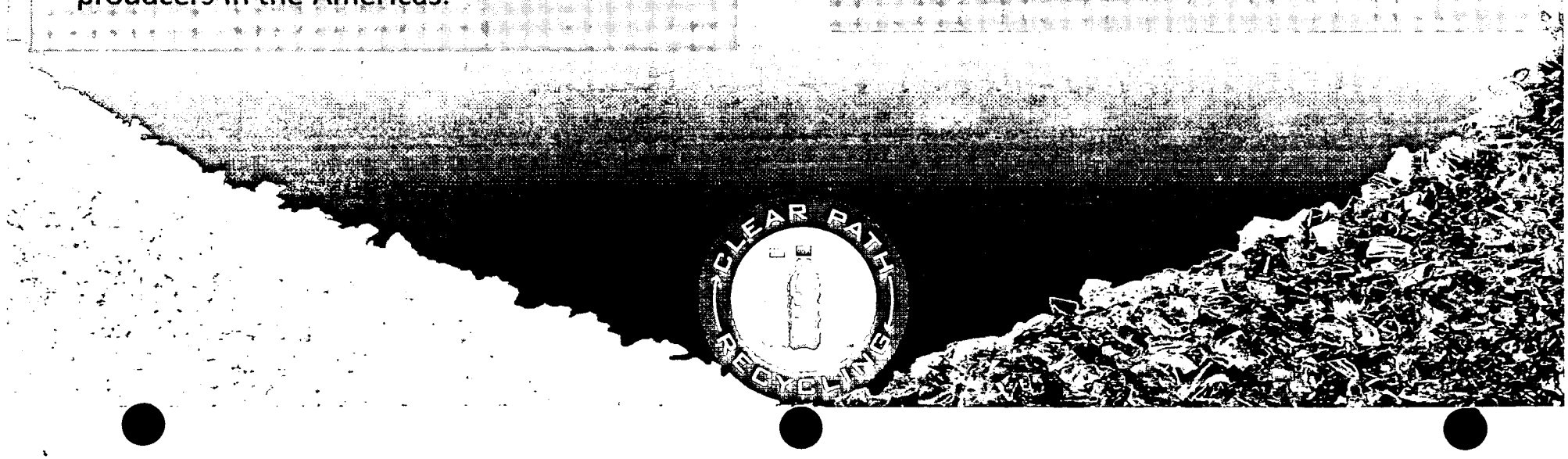
Ownership of Clear Path Recycling LLC

DAK Americas LLC - Highlights

- **Ownership** - Division of Alfa S.A.B. de C.V., Monterrey, Mexico
- **U.S. Employment** – 1,200 people
- One of the largest PET, Fiber, and PTA producers in the Americas.

Shaw Industries - Highlights

- **Ownership** - Subsidiary of Berkshire Hathaway, Inc.
- **Employment** - 28,000 Employees
- One of the largest carpet and flooring producers in the world.



Clear Path Recycling LLC

– Plant Startup Plan

- **Phase 1 (Q4 2010) – 160MM lbs of postconsumer bottles consumed**
- **Phase 2 (Decision in 2011) – Additional 120MM lbs of postconsumer bottles needed.**

– Job Creation

- **Construction Phase (Temporary Jobs) – Currently 30-40 people working on site.**
  - Waste Water Pre-Treatment Plant
  - Refurbishing Renovating Operations Buildings
  - Electrical and Utilities Infrastructure Delivery
  - Recycling Equipment receiving and installation
  - Silo product storage and bulk loading
  - Administrative Office Construction
- **Plant Operations (Permanent Jobs) – Current Payroll is 16**
  - 80 jobs created by Q4 2010
  - 29 additional jobs created in Phase 2

– Cumberland County NC - Economic Stimulus

- **Construction Jobs – related hotel and food & beverage sales**
- **Operations Jobs – Strengthened Tax Base (Wage, Sales, etc...)**
- **Equipment/Services Purchases – Plant truck, Cleaning, Other support Services, Etc...**

Cedar Creek Site

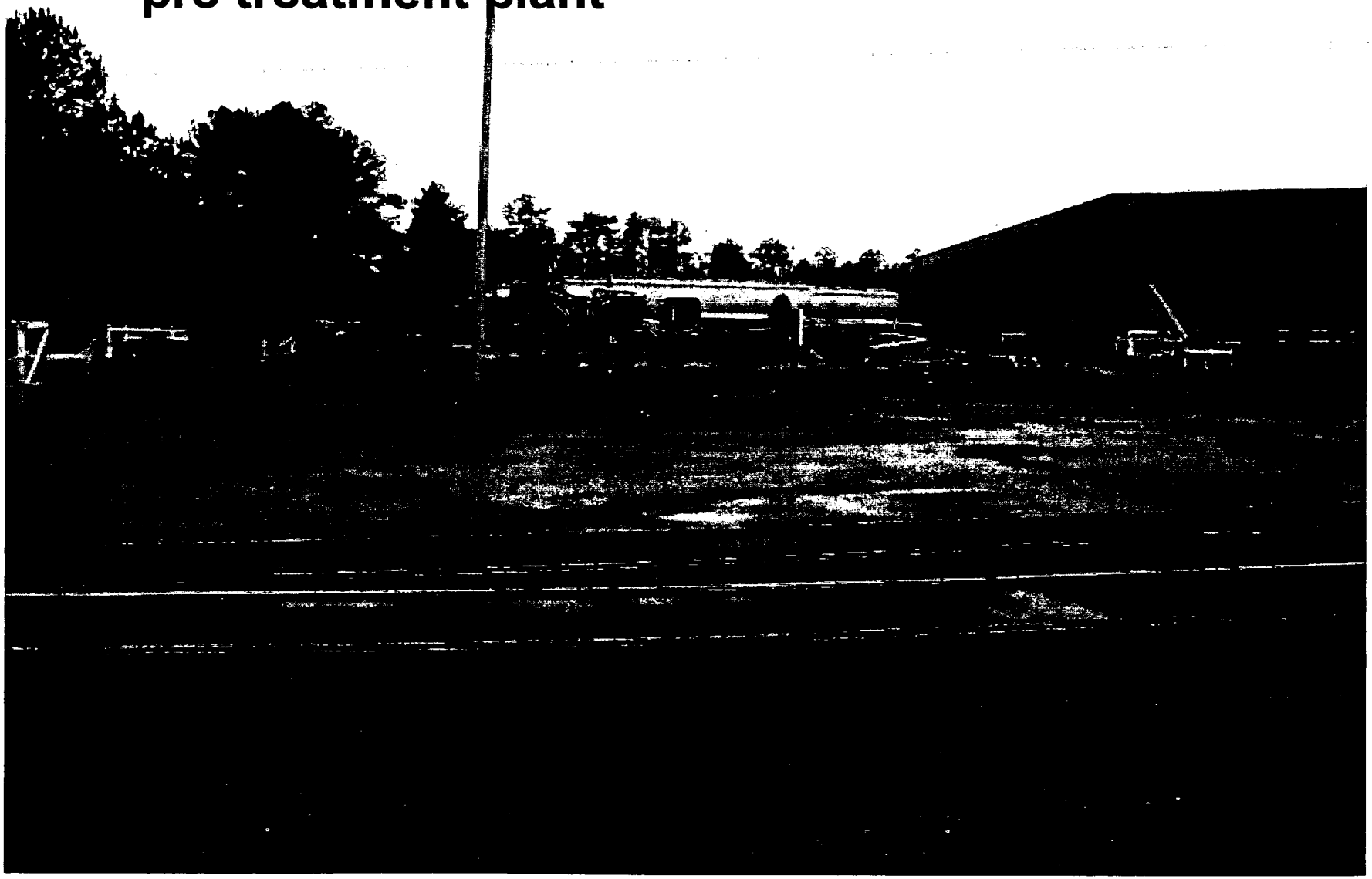
Fayetteville, NC, USA



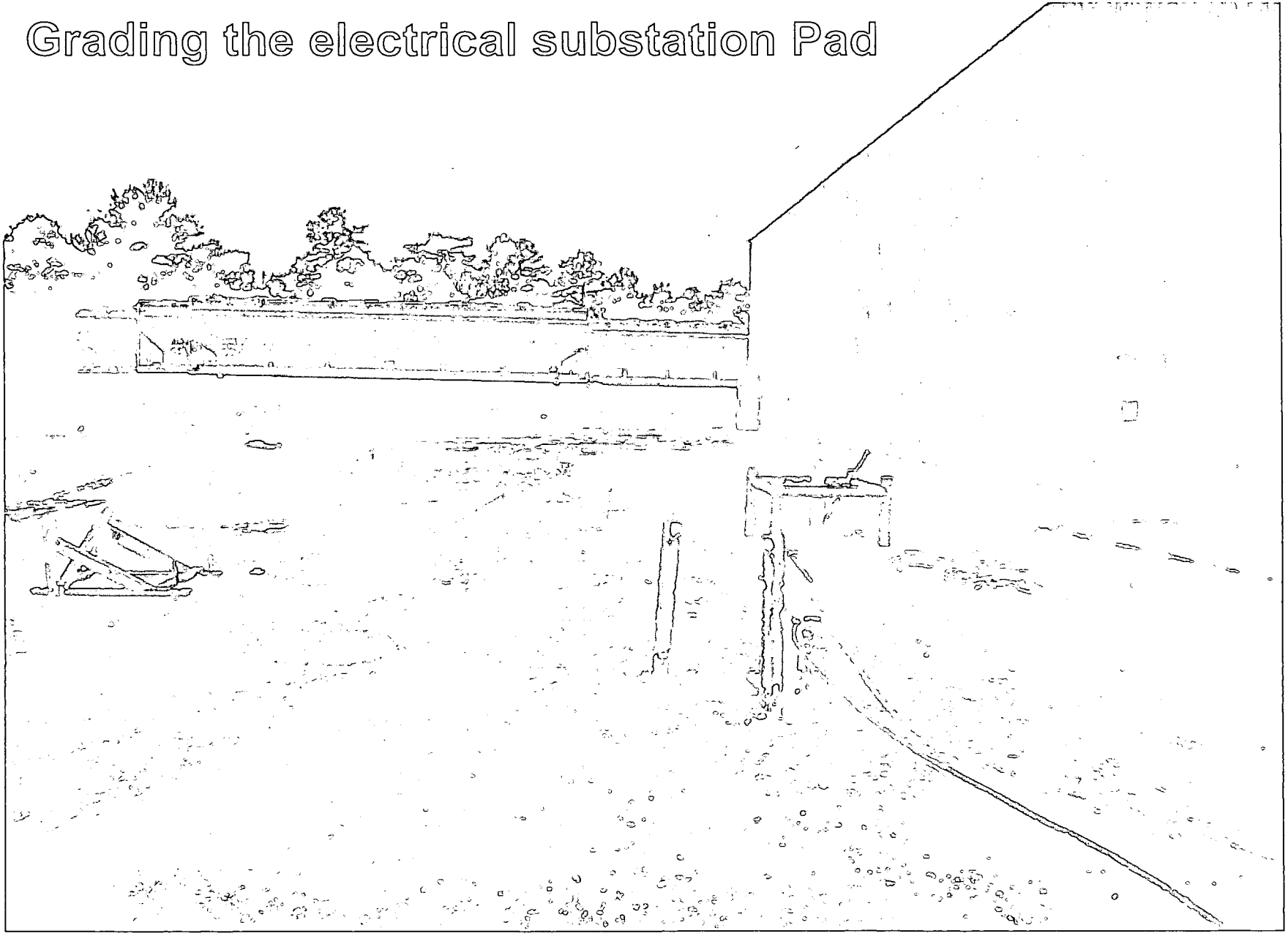
Unloading PET bottles onto the bottle storage yard, prior to startup.



Grading and construction of the waste water pre treatment plant



Grading the electrical substation Pad



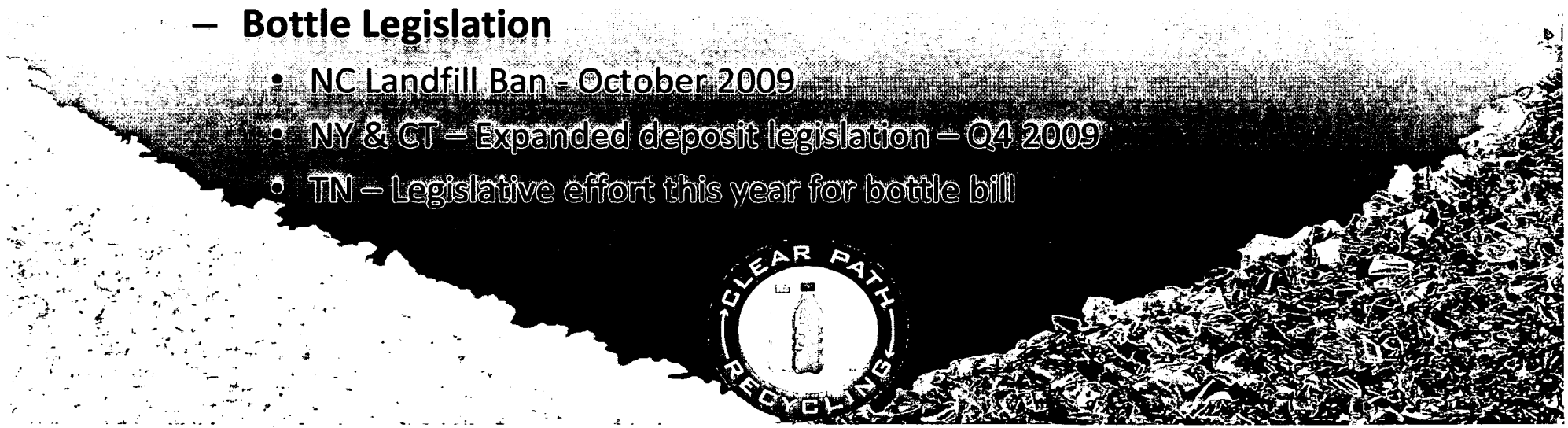

Refurbishment of existing building
requirement for alterations and

Importance of Recycling in the Community

- **Current US Collection Statistics (NAPCOR)**
  - Recycle rate nationally is 27%
  - Bottles currently collected for recycling 1.4 Billion lbs.

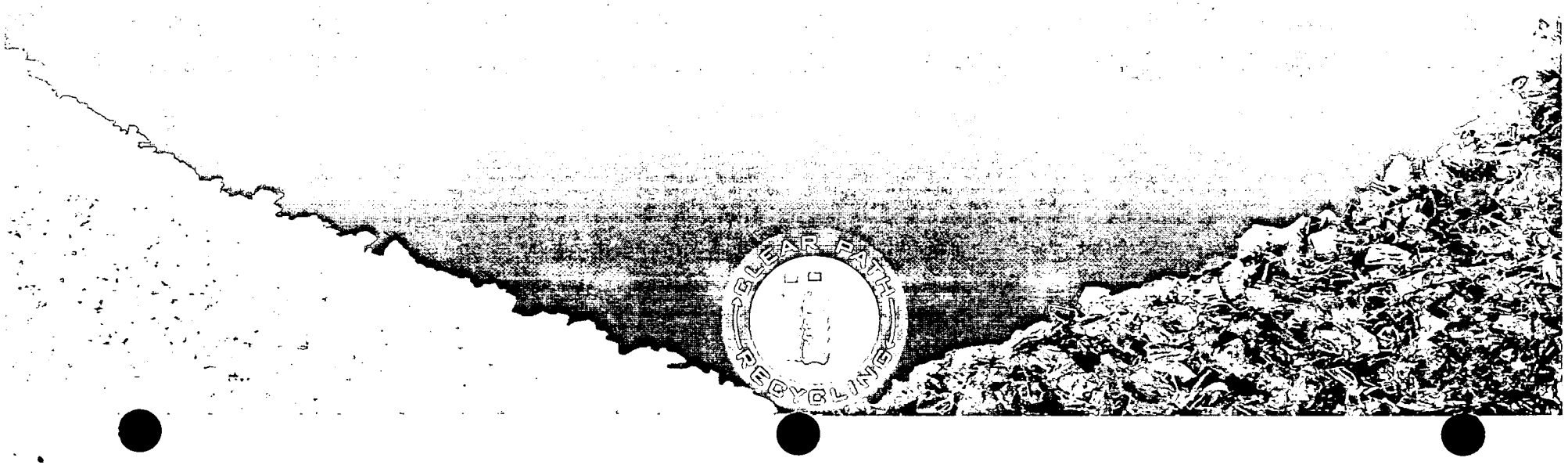
- **Total # of bottles needed by CPR: 5 Billion bottles per year**
  - The equivalent volume of 9 Wal-Mart Supercenters per year.
  - Equivalent to 900,000 barrels of oil per year.

- **Bottle Legislation**
  - NC Landfill Ban - October 2009
  - NY & CT – Expanded deposit legislation – Q4 2009
  - TN – Legislative effort this year for bottle bill



Thank You

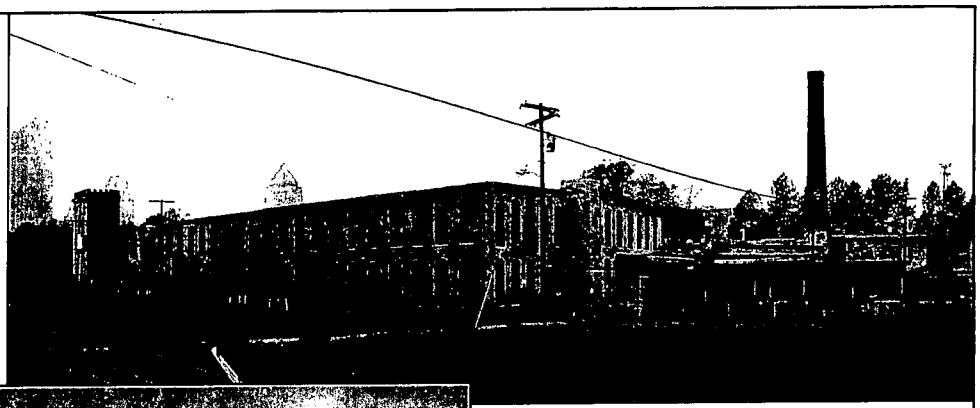
Ronald Salati
Clear Path Recycling LLC
rsalati@clearpathrecycling.com



Presented to

Environmental Review Commission of the General Assembly

February 18, 2010





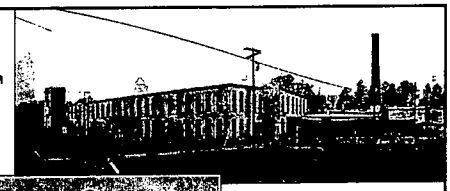
The Brownfields Program

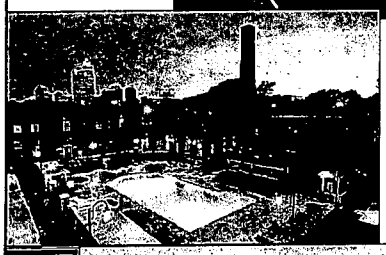
Bruce Nicholson
NC DENR
Division of Waste Management

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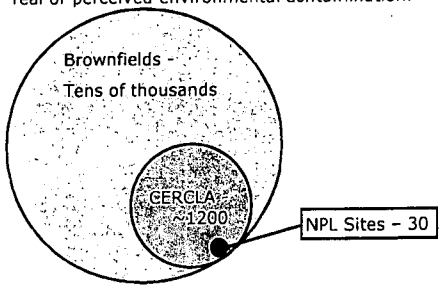


The Brownfields Program

Bruce Nicholson
NC DENR
Division of Waste Management

Cleanup Site Universe: Brownfields, CERCLA, or Worse?

Brownfield: "Abandoned, idled, or underused property where redevelopment is hindered by real or perceived environmental contamination."



Brownfields Public Policy

- Address contaminated sites with redevelopment potential in a way that encourages safe redevelopment
- Preserve Responsible Party Liability to discourage future contamination
- In effect, set two public policies on cleanup... one for polluters and one for non-polluters (Brownfields Property Reuse Act)

Brownfields Property Reuse Act of 1997

- Create Special Class of Remediating Parties... "prospective developers" of abandoned sites
- Provide them with liability protection in return for measures that make property safe for reuse
- Provide them with a tax incentive to assist in costs
- Ensure Enforceability of Land Use Restrictions

Hypothetical Cases

Contamination	Non-Brownfields Typical *Polluter* Requirements	Brownfields *Prospective Developer* Actions
Lead in Soil	Further Assess Soil, Excavate/Remove/ Treat Soil to Remedial Goals	Depending on desired use: Cap soil restrict use of land to safe uses, incorporate caps into parking plan, or excavate
Chlorinated Solvents in Groundwater	Define extent of contamination, remediate groundwater to NC GW Stds and VI Issues	Assess groundwater, search for potential receptors or wells, prohibit GW use, review Site for VI issues

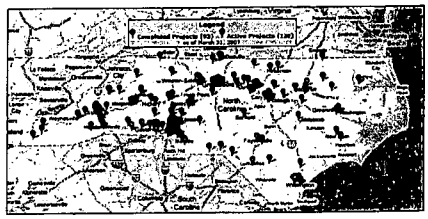
Hypothetical Cases: Vary Property Use to Control Risk

Contamination	Somewhat restricted Residential Use	More restricted Residential Use	Commercial or Industrial Use
Solvents in Groundwater beneath bldg.	Subslab vapor mitigation and monitoring; prohibit use of GW	No basements, parking only on ground floor, residential above, prohibit use of GW	No basements, seal cracks, VI ranges from HVAC upgrade to vapor mitigation
Lead in soil	Excavate and remove	Excavate or Cap, multifamily use only, sampling of common play area; no commercial day care	Cap, restriction on excavations

Where We Are

- 152 Brownfields Agreements Recorded
- $4+ billion in facilitated private investment
- Lender recognition of BFAs as trigger to release funds

Completed Agreements



Recent Progress

- Land use restriction compliance monitoring and innovative compliance assistance a model for other states
- Redevelopment Now Program provides option for prospective developers needing fast turnaround
- Improved public comment process from last session law implemented October 1, 2009
- Exploring "ready for reuse" options for local governments and nonprofits to in attracting developers and economic development
- Partnering with NC Rural Center and Local Governments to Support local Brownfields initiatives and grant efforts.
- $2.7 million in competitive federal grants to local govts in FFY 2009

2009 U.S. EPA Brownfield Grant Recipients

- Concord
- Durham
- Greensboro
- Greenville
- New Bern
- Land-of-Sky Regional Council

2010 U.S. EPA Brownfield Grant Applicants

- Elizabethtown
- Wayne County
- Whiteville
- Wilson
- Northwest Piedmont COG
- Centralina COG
- Upper Coastal Plain COG

Recipients of 2009 NC Rural Center Brownfields Grant

Federal and State Roles

Federal Program	State Program
Funding to States NC Brownfields Program, $950K	**Liability Protection to PD** Brownfields Agreement
Competitive Brownfields Grants to Local Governments $2.7 million in NC last year	**Guidance for Safe Redevelopment** Brownfields Agreement Deed Recordation
	Tax Incentives to PD BF Property tax abatement

Economic Development Success Factors Affected by Brownfields Program

- Defined and limited liability
  - Brownfields Agreement is a Covenant not-to-sue
- Break Barriers to Financing
- Financial/Tax Incentives
- Controlled and Defined Cleanup Costs
- Land Use Planning/Decisions
- Addressing Public Health
- Risk Communication to Public
- Return on Investment

Goal: Something For Everyone

NCDENR / EPA
- Risk Reduction / Public Protection
- Smart Growth
- Sustainability

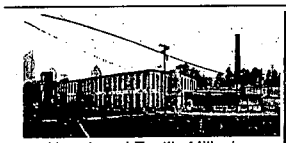
Prospective Developer
- Profit
- Reduced Uncertainty
- Lower Liability

Local Govt.
- Economic Devel.
- Jobs
- Sustainability
- Risk Reduction

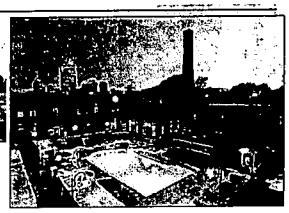
Lender
- Reduced Uncertainty
- Profit

Neighbors
- Economic Benefits, Jobs
- Risk Reduction
- Quality of Life

From Former Alpha Mill to Alpha Mill Apartments



Abandoned Textile Mill, circa 1888 and Chromium Electroplater, circa 1955

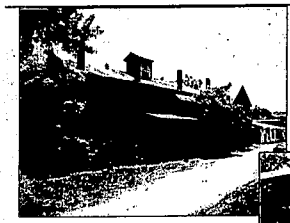


Alpha Mill Apartments bordering uptown Charlotte

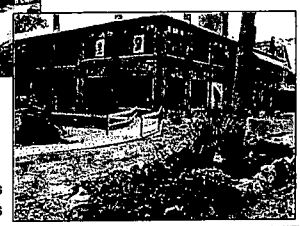


Preservation of historic architectural heritage

From Former Schoonmaker Mica Co. to Mica Village Lofts

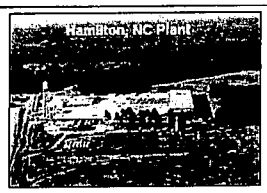


Abandoned Mica Plant, circa 1905 in Biltmore Village, Asheville



Green building redevelopment as Mica Village Loft Condominiums

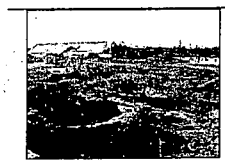
From Alamac Textiles to Penco Metal Products -Hamilton



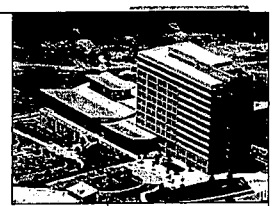
School locker manufacturer relocates manufacturing operations to 400,000 ft² former textile mill.

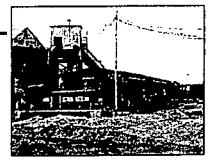
- Hamilton, Martin County
- 300 manufacturing jobs replaced those lost by Alamac Textiles bankruptcy
- Brownfields Agreement facilitated Dept. of Commerce recruitment

From Former Almont Shipping Co. to PPD World Headquarters - Wilmington



Abandoned Fertilizer Stockyard/Shipping Facility





PPD World Headquarters in downtown Wilmington, 400,000-ft², and 1,800 workers

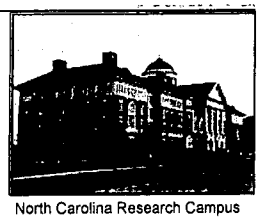


From Pillowtex Plant 1 to NC Research Campus - Kannapolis



Former Pillowtex and Canon Mill on 150 acres in Kannapolis

Largest single layoff in State history (4800 jobs lost)



North Carolina Research Campus

David Murdock/Dole/University Public-Private Venture Nutrition/Ag Research Park

$500 Mil – $1 Bil investment

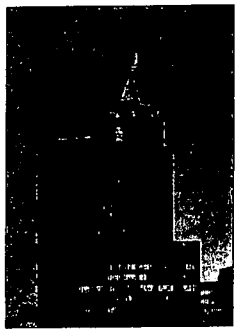
Thousands of jobs

Core Labs built, more to follow

From Vacant Lot to RBC Plaza - Raleigh



Vacant lot with former drycleaning history needed brownfields agreement



At 538 feet, the RBC Plaza and Condominiums is presently the tallest building in Raleigh

From Former Pilot Mill to Pilot Mill Office Complex - Raleigh



Abandoned Turn of the Century Textile Mill Slated For Demolition

Tax Value:$200,000

Cleanup Cost:~$1 million



Fully Leased Office Complex on National Register of Historic Places

Value over $13 million

Cleanup Cost:~$100,000

Spurred Neighborhood invstmnt $100 million

Brownfields Program Staff

www.ncbrownfields.org

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General Assembly of North Carolina

Environmental Review Commission
State Legislative Building
Raleigh, North Carolina

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COMMISSION CLERK

February 18, 2010

MEMORANDUM

To: Members of the Environmental Review Commission
From: Mariah Matheson, Commission Assistant
Re: Disposition of Reports

The following reports have been submitted to the Environmental Review Commission (Commission) since the last reports distribution on December 17, 2009.

A. The following reports have been submitted and are being distributed in connection with today's agenda as follows:

1) Department of Environment and Natural Resources

a. Annual report on the status of leaking petroleum underground storage tanks, the State cleanup fund, and the Groundwater Protection Loan Fund. September 1, 2009. Statutory Authority: G.S. 143-215.94M. ***Agenda Item #4*** (http://www.ncleg.net/documentsites/committees/ERC/ERC%20Reports%20Received/2009-2010/Dept%20of%20Environment%20and%20Natural%20Resources/2009-Sept%20-%20LUST%20Annual%20Report%20FY%202009.pdf)

online only

b. Annual solid waste management report. January 15, 2010. Statutory Authority: G.S. 130A-309.12(c), G.S. 130A-309.14, G.S. 130A-309.06(c)(6), G.S. 130A-309.06(c)(8), G.S. 130A-309.06(c)(9), G.S. 130A-309.06(c)(10), G.S. 130A-309.06(c)(11), G.S. 130A-309.06(c)(12), G.S. 130A-309.06(c)(13), G.S. 130A-309.63(e), G.S. 130A-309.85, G.S. 136-28.8(g), G.S. 143-58.2(f). ***Agenda Item #5*** (http://www.ncleg.net/documentsites/committees/ERC/ERC%20Reports%20Received/2009-2010/Dept%20of%20Environment%20and%20Natural%20Resources/2010-Jan%20-%20Solid%20Waste%20Report%20FY2008-2009.pdf)

c. Annual report on the Inactive Hazardous Sites Program. October 1, 2009. Statutory Authority: G.S. 130A-310.10. ***Agenda Item #6*** (http://www.ncleg.net/documentsites/committees/ERC/ERC%20Reports%20Received/2009-2010/Dept%20of%20Environment%20and%20Natural%20Resources/2009-Oct%20Inactive%20Hazrdous%20Waste%20Report.pdf)

d. Annual report on the Effectiveness of the Brownfields Property Reuse Act. October 1, 2009. Statutory Authority: G.S. 130A-310.40. ***Agenda Item #7*** (http://www.ncleg.net/documentsites/committees/ERC/ERC%20Reports%20Received/2009-2010/Dept%20of%20Environment%20and%20Natural%20Resources/2009-Oct%20Annual%20Report%20Brownfields%20and%20appendix.pdf)

B. The following reports have been submitted and may be distributed in conjunction with a presentation at a future meeting of the Commission. These reports are electronically available at the Commission's website: (http://www.ncleg.net/gascripts/DocumentSites/browseDocSite.asp?nID=12&sFolderName=\ERC%20Reports%20Received) in advance of the next meeting. If you would like a hardcopy of one of these reports, please contact Mariah Matheson at (919) 733-2578 or mariahm@ncleg.net for assistance.

1) North Carolina Water Quality Work Group (RiverNet)

a. Annual report on RiverNet's previous year's activities, findings, and recommendations. January 30, 2009. Statutory Authority: G.S. 143-215.8D.

2) Department of Transportation

a. Annual report on development and implementation of a plan to reduce vehicle miles traveled by State and private sector employees and vehicle emissions resulting from job-related travel, including commuting to and from work. October 1, 2009. Statutory Authority: G.S. 143-215.107C (d) and (e).

3) State Water Infrastructure Commission

a. Annual report by the State Water Infrastructure Commission on its activities and findings. November 1, 2009. Statutory Authority: G.S.159G-67.

4) Environmental Management Commission

a. Quarterly reports by the EMC as to its operations, activities, programs, and progress during the previous quarters. December 31, 2009. Statutory Authority: G.S. 143B-282(b).

5) Department of Environment and Natural Resources

a. Annual report on the cost of implementing the Mining Act of 1971. September 1, 2009. Statutory Authority: G.S. 74-54.1(c).

b. Annual report on the Bernard Allen Memorial Emergency Drinking Water Fund. October 1, 2009. Statutory Authority: G.S. 87-98(e).

c. Annual report on progress towards attaining the State's goal of protecting one million acres of farmland, open space, and conservation lands. October 1, 2008 and October 1, 2009. Statutory Authority: G.S. 113A-241(c)).

d. Biennial report on the activities of the past biennium and plans for the coming biennium, and specific recommendations for action of the Natural Heritage Program. February 15, 2009. Statutory Authority: G.S. 113A-164.4.

e. Annual *progress* report on the Parks and Recreation Trust Fund Fiscal Year 2008-2009. March 15, 2009. Statutory Authority: G.S. 113-44.15(c).

f. Annual report on the Parks and Recreation Trust Fund, Fiscal Year 2007-2008 and 2008-2009. October 1, 2008 and October 1, 2009. Statutory Authority: G.S. 113-44.15(c).

g. Annual report on awards from the North Carolina Natural Heritage Trust Fund, Fiscal Year 2007-2008 and 2008-2009. October 1, 2008 and October 1, 2009. Statutory Authority: G.S. 113-77.9(e).

h. Annual report on implementation of the Sedimentation Pollution Control Act of 1973. October 1, 2009. Statutory Authority: G.S. 113A-67.

i. Annual report on the North Carolina Hazardous Waste Management Plan. October 1, 2009. Statutory Authority: G.S. 130A-294(i).

j. Annual report on implementation of the Resident Inspectors Program at commercial hazardous waste facilities. October 1, 2009. Statutory Authority: G.S. 130A-295.02(m).

k. Annual report on the Mercury Minimization Plan. October 1, 2009. Statutory Authority: G.S. 130A-310.57, Sec. 7.

l. State Agency Purchases of Recycled Products and Source Reduction, Recycling, and Composting Efforts. January 15, 2009. Statutory Authority: G.S. 143-58.2(f) and 130A-309.06(c)(13).

m. Annual report on the implementation of stormwater rules and programs. October 1, 2009. Statutory Authority: GS. 143-214.7(e).

n. Annual report on the implementation of the Ecosystem Enhancement Program and use of the Ecosystem Enhancement Fund, including inventory of property and easements. November 1, 2008 and November 1, 2009. Statutory Authority: G.S. 143-214.13.

o. Annual report on the cost of the Title V program. November 1, 2009. Statutory Authority: G.S. 143-215.3A(c).

p. Annual report on the compliance/enforcement of water quality laws for facilities that discharge into surface waters. October 1, 2009. Statutory Authority: G.S. 143-215.9A.

q. Semiannual report on the pilot program for inspection of animal waste management systems including a comparison of the costs of conducting operations reviews and inspections under the pilot program with the costs of conducting operations and inspections. October 15, 2009. Statutory Authority: G.S. 143-215.10D and G.S. 143-215.10F.

r. Annual report on permitting and inspecting animal waste management systems/Animal Waste Compliance Report. October 1, 2009. Statutory Authority: G.S. 143-215.10M.

s. Annual report on the Community Conservation Assistance Program. January 31, 2009. Statutory Authority: G.S. 143-215.74M(e).

t. Annual report on the Dry-Cleaning Solvent Cleanup Act of 1997. October 1, 2009. Statutory Authority: G.S. 143-215.104U.

u. Annual report on fish kills in the previous year. December 1, 2009. Statutory Authority: G.S. 143B-279.7 (c).

v. Annual report on the progress in developing and implementing the Coastal Habitat Protection Plan. September 1, 2009. Statutory Authority: G.S. 143B-279.8(e).

w. Annual Interagency Report on Litter Enforcement, Prevention, and Removal Efforts. March 1, 2009. Statutory Authority: G.S. 147-12(b).

x. Annual report on animal waste management performance standards for swine farms, the Lagoon Conversion Program, and the Swine Farm Waste Management System Conversion Account. October 1, 2009. Authority: S.L. 2007-523, Sec.2(f).

y. Annual report on the implementation of the Swine Farm Methane Capture Pilot Program including a program evaluation, and legislative proposals. January 1, 2010. Authority: S.L. 2007-523, Sec. 4(d).

z. Report on the feasibility study of establishing a State park in the area surrounding Rutherford Trace in McDowell County. February 1, 2009. Authority: S.L. 2008-107, Sec. 12.12.

aa. Report on recommendations for water efficiency standards for in-ground irrigation systems. January 1, 2009. Authority: S.L. 2008-143, Sec. 18.

bb. Report on recommendations for water efficiency standards for water-using fixtures in residential and commercial buildings. January 1, 2009. Authority: S.L. 2008-143, Sec. 18.

cc. Report on the progress of the implementation of stormwater control best management practices and process water treatment processes for composting operations. December 31, 2009. Authority: S.L. 2009-322, Sec. 2.

Annual Report to the Environmental Review Commission North Carolina General Assembly

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The Status of Leaking Petroleum Underground Storage Tanks, the State Cleanup Funds, and the Groundwater Protection Loan Fund For Fiscal Year 2009 (1 July 2008 to 30 June 2009)

1 September 2009



NORTH CAROLINA DEPARTMENT OF ENVIRONMENT AND NATURAL RESOURCES

Underground Storage Tank Section
N. C. Division of Waste Management

North Carolina

Department of Environment

and

Natural Resources

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Appendices (available upon request - please contact Ms. Jane Comer at (919) 733-1302)

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Executive Summary

North Carolina's underground storage tank program is administered by the N.C. Division of Waste Management's Underground Storage Tank (UST) Section in DENR. The section enforces UST regulations and manages funds used to perform cleanups of petroleum UST discharges or releases (UST incidents). The program was initiated in 1988 in response to growing reports of USTs leaking petroleum into soil and drinking water supplies. Funding for the program has been provided by the Commercial and Noncommercial Cleanup Funds, the Groundwater Protection Loan Fund, the federal UST regulatory grant and the federal Leaking UST Fund cooperative agreement.

This is the summary of the statistics described in this report for FY 2009 (1 July 2008 through 30 June 2009).

Commercial Fund Revenues	$31,026,131
Commercial Fund Expenditures	$18,387,732
Noncommercial Fund Revenues *	$ 6,178,730
Noncommercial Fund Expenditures	$ 7,203,764
Petroleum UST Incidents – Reported	778
Petroleum UST Incidents - Closed Out	974

*Includes transfers of $2,009,790. $1,004,895 from commercial fund to non-commercial trust fund per G.S. 119-18(b). $1,004,895 from DOT

This is the summary of the statistics for the entire history of the UST program (1 July 1988 to 30 June 2009).

Commercial Fund Revenues	$538,234,514
Commercial Fund Expenditures	$481,263,586
Noncommercial Fund Revenues	$122,174,605
Noncommercial Fund Expenditures	$119,847,222
Petroleum UST Incidents – Reported	24,462
Petroleum UST Incidents - Closed Out	15,918

As of 30 June 2009, the statuses of the Commercial and Noncommercial Funds were:

Commercial Fund Assets	$75,328,321
Commercial Fund Expenditures	$18,387,732
Commercial Fund Obligations (projected)	$42,954,597
Estimated Commercial Fund Balance	**$13,985,992**
Noncommercial Fund Assets	$ 9,533,143
Noncommercial Fund Expenditures	$ 7,203,764
Noncommercial Obligations (projected)	$ 4,550,532
Estimated Noncommercial Fund Balance	**($ 2,221,153)**

For FY 2009 cost management of the cleanup funds was continued in accordance with the requirements of Session Law 2004-124, effective 1 October 2004. As described in the annual reports since FY 2004, the department is prohibited from pre-approving tasks that will be reimbursed by either fund unless the claim(s) can be paid within 90 days of their approval. Therefore, the department is only approving further assessment and remediation for those incidents judged to be emergency situations and those incidents that pose the highest risk to human health and the environment. The combined actions continue to result in focusing available resources on those sites warranting the most urgent attention, while maintaining fiscal integrity of the cleanup funds. The approach taken in addressing this mandate has been to utilize a Risk, Rank, and Abatement (RRA) scoring system that allows the UST program to direct work at the highest risk incidents and reimburse claims for that work in a timely manner. Every week the department reviews balances, encumbrances, and outlays of both the Commercial and Noncommercial Funds, and periodically adjusts the RRA score to direct as much cleanup work as resources will allow. At the start of FY 2009, the RRA was H200 for commercial incidents and H350 for noncommercial incidents. By the close of FY 2009, the RRA was H100 and H350 for commercial and noncommercial incidents, respectively. For the 12-month period from 1 July 2008 through 30 June 2009 as in the previous 3 fiscal years, the Commercial Fund balance exceeded obligations. As presented beginning in FY 2008, the balance for FY 2009 is considerably less than in historical fiscal years because fund obligations now include un-reimbursed costs of non-directed work. This reporting change more accurately depicts the true fund balance. The Noncommercial Fund shows a negative balance because claims exceeded revenue. As with the Commercial Fund, the obligations include un-reimbursed costs of non-directed work. Based on the eligibility application and claim request activity in FY 2009, claim reimbursements are expected to continue to deplete revenues in both the Commercial and Noncommercial Funds.

North Carolina's Regulated and Unregulated USTs

The North Carolina underground storage tank (UST) program deals with both regulated and unregulated USTs.

Regulated petroleum UST facilities are typically gasoline stations or government-owned fueling facilities. Regulated USTs, even ones in temporary closure, are required to be registered with the UST program, must comply with all aspects of leak prevention (such as leak detection, spill and overfill prevention, and corrosion protection), and receive inspections to ensure their compliance. Owners of all regulated petroleum UST facilities, with the exception of federally-owned UST facilities, pay annual operating fees and are eligible for reimbursement from the Commercial Cleanup Fund for the costs of assessing and cleaning up contamination. Regulated petroleum UST facilities must have valid operating permits to receive deliveries of fuel.

Unregulated USTs include small tanks used to store home heating oil for individual homes and larger tanks used to store heating oil for schools, hospitals, multi-family residences, manufacturing facilities, and government facilities. The smaller home heating oil USTs, which are typically about 550 gallons in capacity, are not registered or inspected, and are not required to have leak detection, corrosion protection, spill/overfill prevention, or operating permits. Heating oil USTs larger than 1100 gallons in capacity which store fuel for consumptive use on the premises where stored are registered and must have valid operating permits to receive deliveries of fuel.

Table 1 – Regulated Petroleum USTs – Active & Temporarily Closed		
	Number of USTs	Number of Facilities
Privately Owned	26587	8116
Federally Owned	191	49
State Owned	340	204
Municipality/County Owned	685	323
Totals	27803	8692

In North Carolina, slightly more than 60 % of the regulated USTs are owned by about 15% of the total number of owners. Generally, these are companies that own multiple facilities, and government entities. About one-third of USTs are owned by businesses having only one UST facility.

Table 2 – Ownership of Regulated Petroleum USTs Active & Temporarily Closed			
	# of Owners	# of USTs	# of Facilities
Owners of Only One Facility	3580	10583	3580
Owners of Two Facilities	245	1356	476
Owners of Three Facilities	82	829	258
Owners of Four Facilities	63	794	244
Owners of Five or More Facilities	231	14241	4134
Totals	4201	27803	8692

About one out of every four USTs in North Carolina is more than 28 years old. Only about 6% of the USTs are double-walled. This percentage is rising because on 1 November 2007, North Carolina's secondary containment rules became effective. These rules require all UST systems (tanks, lines, and dispensers) installed or replaced after that date to be secondarily contained; that is, to have double-walled construction with leak detection monitoring devices in the spaces between the inner and outer walls.

Table 3 – Age of Regulated Petroleum USTs Active & Temporarily Closed			
	Active	Temporarily Closed	Total
Installed in or before 1973	2620	967	3587
Installed in 1974 to 1980	2667	360	3027
Installed in 1981 to 1990	10056	525	10581
Installed in 1991 to 2000	7685	182	7867
Installed in 2001 to 6/30/2009	2719	22	2741
Totals	25747	2056	27803

Over the last nine years, the number of installations of new UST systems has been decreasing, while the number of permanent closures has been relatively constant (except for the most recent three years). The number of permanent closures in any year has always exceeded the number of new installations.

Table 4 – New Installations & Permanent Closures of Regulated Petroleum USTs

Year	# of New Installations	# of Permanent Closures
FY 2000	546	1035
FY 2001	513	742
FY 2002	450	805
FY 2003	294	712
FY 2004	328	689
FY 2005	335	754
FY 2006	396	846
FY 2007	299	550
FY 2008	263	622
FY 2009	225	484

Commercial USTs also include unregulated large heating oil USTs, which are greater than 1100 gallons in capacity and store oil for consumptive use on the premises. These USTs are typically owned by hospitals, industries, schools, and government agencies. These USTs must have valid operating permits in order to receive deliveries of fuel.

Table 5– Number of Unregulated Commercial Heating Oil Petroleum USTs

	Number of USTs	Number of Facilities
Privately Owned	765	553
Federally Owned	28	57
State Owned	134	78
Municipality/County Owned	1378	1023
Totals	**2305**	**1711**

In 1988, there were approximately 58,000 commercial tanks in North Carolina whose owners were required to pay annual operating fees (billable tanks). Each year since 1988, the number of billable tanks has almost always decreased. Currently, North Carolina has about 29,156 active regulated USTs at 9,882 facilities. Inspection data show that 59% of tank owners and operators comply with UST regulations, which is an increase of 15% from FY 2008. These regulations cover proper operation and maintenance of UST systems and emphasize leak detection.

To help the state meet the requirements of the federal Energy Policy Act of 2005, the North Carolina General Assembly (under Session Law 2008-107) authorized DENR to annually use $791,614 in additional funds from the Commercial Leaking Petroleum Underground Storage Tank Cleanup Fund to establish and support 11 positions within the UST program, including one environmental program supervisor, nine environmental specialists, and one environmental engineer. Adding these positions to the UST program enables DENR to increase compliance inspection frequency and conduct UST operator training, actions which are required by the federal Energy Policy Act, and which will prevent releases of petroleum from USTs into the environment. The additional funds are made available from part of the increase in annual operating fees.

Petroleum UST Incidents – Regulated and Unregulated USTs

Discharges or releases from petroleum USTs, called incidents, are reported to DENR regional offices where they are added to an incident management database. Table 6 lists the number of incidents reported and closed out in each region during this fiscal year as well as the number of incidents reported and closed out since the UST program began in 1988.

Table 6 Petroleum UST Incidents By Region [1]

Region	7/1/08 – 6/30/09			7/1/88 – 6/30/09		
	Reported	Closed	Clean Closures	Reported	Closed	Clean Closures
Asheville	97	86	8	2,533	1,579	866
Fayetteville	39	73	49	1,789	976	1,414
Mooresville	137	211	12	4,870	3,479	1,278
Raleigh	123	161	22	4,944	3,190	673
Washington	90	111	2	3,169	1,967	114
Wilmington	73	69	11	1,893	1,137	468
Winston-Salem	219	263	59	5,389	3,579	1,983
	778	974	163	24,587	15,907	6,796

Total reported incidents affecting groundwater that have been closed out:	5,430
Total reported incidents closed out since implementation of RBCA[1]:	11,714
Total remaining open incidents:	8,635
Open commercial incidents:	6,541
Open noncommercial incidents:	2,094

1. Risk-based corrective action implemented 1/2/98.

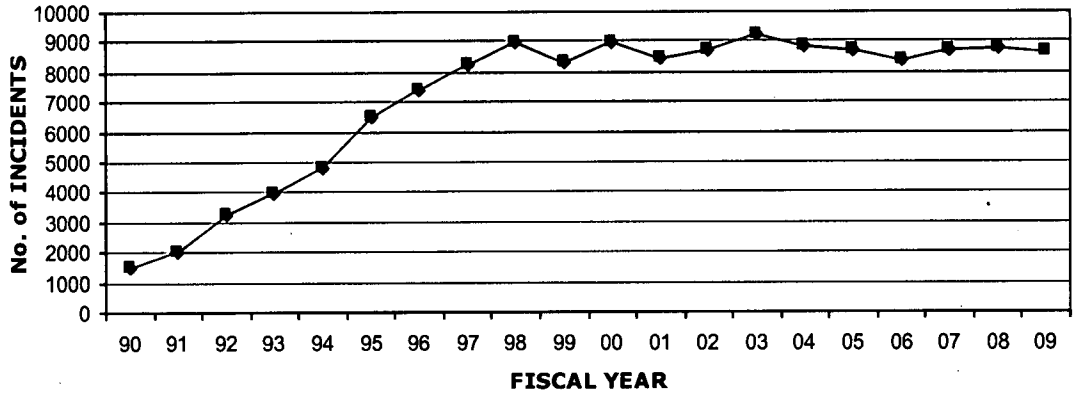
At present, there are approximately 6,541 commercial incidents, in all risk categories, that have yet to be closed out. DENR implemented the requirements of Session Law 2004-124 by developing and putting into practice a system that assigns to each incident a numerical value that represents the relative risk of that incident and its priority for being cleaned up. That system allows DENR to use the resources available in both cleanup funds to direct cleanup work first for those incidents that have the highest relative risks and the highest priorities for cleanup. Although the statutory responsibility of responsible parties to clean up their incidents remains, Session Law 2004-124 limits the amount of cleanup work that DENR can direct at any one time to the amount that can be paid for by the resources available in the funds. This procedure has eliminated the negative balance of the Commercial Fund, has reduced the negative balance of the Noncommercial Fund, and has improved the management of cleanup activities, but has resulted in a backlog of open incidents waiting to be cleaned up.

Data tracking improvements are continuously made to the UST incident management database. These changes will enable the UST Section to better predict the number of incident closures and project Commercial Fund expenditures.

UST systems pose a substantial threat to human health and the environment. The number of releases reported decreased by approximately 150 from 917 in FY 2008 to 778 in FY 2009. Maintaining the quality of North Carolina's drinking water and groundwater depends on preventing releases to the environment. Direct education and technical assistance for tank owners and operators is critical. Only education and assistance ensure responsible handling of petroleum products (including methyl tert-butyl ether) and early detection in the event of a leak. The decrease in reported releases is believed to be a function of the increase in staffing in the compliance and the effort to improve the technical expertise of the owner/operators.

Beginning 2 January 1998, DENR implemented risk-based corrective action rules for petroleum UST incidents. Under these rules, each incident receives a risk classification of "high," "intermediate," or "low" based on its potential threat to human health and the environment. The rules allow intermediate and low risk incidents to be cleaned up to less stringent standards than high risk incidents, since, by rule, lower risk incidents have much less chance of contaminating water supplies used by people than high risk incidents. Of the total number of UST incidents closed since 1988, approximately 50% were closed following implementation of risk-based corrective action. As indicated in Figure 1, the number of open incidents increased from FY 1990 through FY 1998, remained fairly constant from FY 1998 until FY 2003, and has slightly declined from FY 2003 until the present.

Figure 1 - Open UST Incidents



Funding for the Underground Storage Tank Cleanup Program

The funds to administer all aspects of the UST program (about $8.4 million per year) are provided (1) about 64% by legislative allowances to use specific amounts of the receipts in the Commercial and Noncommercial Cleanup Funds; (2) about 23% by a federal UST regulatory grant and a federal Leaking UST cooperative agreement, both provided by the US Environmental Protection Agency; and (3) about 13% by monies appropriated by the NC General Assembly. Of the 98.3 Full Time Equivalent (FTE) positions assigned to the UST program, 62.5 positions are supported by receipts, 29.9 by federal grants, and 5.9 by state appropriations. In addition, the cleanup funds and federal grant monies pay for four regional administrative positions which support the program.

Commercial and Noncommercial Leaking UST Cleanup Funds

The Leaking Petroleum Underground Storage Tank Cleanup Act of 1988 (GS 143-215.94A et. seq) established two separate funds: the Commercial Cleanup Fund and the Noncommercial Cleanup Fund. Both may be used to reimburse eligible UST owners, operators, and landowners for the reasonable and necessary costs of environmental cleanup and third party liability claims. Additionally, both funds enable DENR staff to:

- record and track UST release incidents;
- register and permit regulated USTs, manage tracking databases, and collect annual UST operating fees;
- identify parties responsible for releases;
- provide technical assistance and training to tank owners and operators;
- inspect UST systems to ensure compliance with leak prevention and detection regulations;
- monitor cleanups or releases;
- review site assessments and corrective action plans;
- evaluate innovative assessment and cleanup technologies;
- review reimbursement claim procedures;
- manage contracts for cleanups designated as "State Lead";
- inspect and monitor land applications of contaminated soil; and
- identify, evaluate, and remove abandoned petroleum USTs.

DENR has the authority to contract for the cleanup of petroleum UST incidents if the owner or operator cannot be identified or located, if the owner or operator is financially unable to perform cleanup, or if the owner or operator refuses to perform the required cleanup. In the latter case, DENR is authorized by general statute to recover costs incurred during assessment and cleanup activities.

Commercial Fund Receipts and Disbursements

Revenue into the Commercial Cleanup Fund

The sources of funding for the Commercial Fund include:

- one-half of approximately 30% of the motor fuel and kerosene inspection tax of 1/4 of one cent per gallon;
- 19/32 of the excise tax of ½ cent per gallon on motor fuel and kerosene;
- annual UST operating fees;

- costs recovered from UST owners and operators for work performed by state contractors;
- loan collection and interest for the Groundwater Protection Loan Fund; and
- interest earned on the account.

Owners and operators of commercial petroleum USTs are required to pay annual operating fees to receive operating permits and to be eligible for reimbursement from the Commercial Fund. Annual operating fees for commercial USTs were first set at $30 for tanks with capacities equal to or less than 3,500 gallons (small tanks) and $60 for tanks with capacities in excess of 3,500 gallons (large tanks). Annual operating fees increased almost annually from 1989, reaching $150 for small tanks and $225 for large tanks by 1993. On 1 January 1997, fees increased to $200 for small tanks and $300 for large tanks. On 1 January 2009 annual operating fees were increased to $420 per tank, regardless of capacity by House Bill 2498.

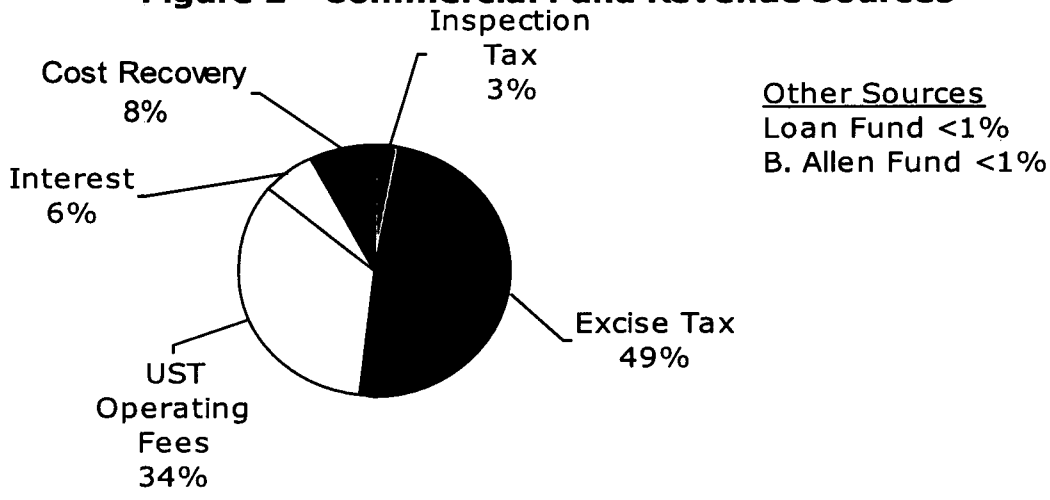
Revenues received for the Commercial Fund for the 12-month period from 1 July 2008 to 30 June 2009 were approximately $29.9 million (Table 7). The relative contributions to the Commercial Fund from each of the funding sources are illustrated in Figure 2.

Table 7 - Commercial Fund Revenues
7/1/08- 6/30/09

Motor Fuel & Kerosene Inspection Tax	$ 1,004,895
Motor Fuel & Gasoline Excise Tax	$ 15,044,580
Operating Fees	$ 10,686,223
State Lead Cost Recovery	$ 2,412,056
Interest	$ 1,862,140
Loan Fund Collection and Interest	$ 9,688
Transfer from Bernard Allen Fund*	$ 6,549
Total Commercial Revenues	**$ 31,026,131**
Transfer to Noncommercial Fund	$(1,004,895)
Transfer to Department of Agriculture	$(90,000)
Transfer to Federal LUST Program (cost recovery)	$(0)
Net Commercial Revenues	**$ 29,931,236**

*One-time repayment of non-UST remediation expenses for the Rim Road incident in Fayetteville, NC.

Figure 2 - Commercial Fund Revenue Sources



Disbursements from the Commercial Trust Fund

UST owners, operators and landowners may request reimbursement of reasonable and necessary costs incurred for environmental assessment and cleanup activities. Claims may be submitted if the eligibility requirements for the cleanup funds are met. Deductibles that must be met before receiving reimbursement from the Commercial Fund are generally $20,000, $50,000 or $75,000. In some cases, variations of the standard eligibility deductibles do occur because of compliance related issues or multiple releases on one property. Table 8 lists the receipts, disbursements and administrative expenses by fiscal year for the commercial fund for the period 1 July1988 to 30 June 2009.

Table 8
Receipts, Disbursements & Administrative Expenses for the Commercial Fund

Fiscal Year	Receipts	Disbursements[1]	Administrative Expenditures
FY 1989	$ 2,337,685	$ 14,768	
FY 1990	5,773,632	79,080	$ 201,255
FY 1991	7,330,573	1,616,760	547,595
FY 1992	13,484,008	4,409,229	517,221
FY 1993	18,032,784	9,651,948	601,687
FY 1994	24,438,966	22,904,802	694,424
FY 1995	56,037,135[2]	37,405,510	666,270
FY 1996	28,178,768	44,060,639	2,322,632
FY 1997	28,564,034	44,163,273	2,623,339
FY 1998	27,291,220	30,267,392	2,530,036
FY 1999	26,783,344	16,104,152	2,567,668
FY 2000	27,178,623	22,820,069[3]	2,579,540
FY 2001	27,240,303	24,566,132[4]	2,730,236
FY 2002	27,124,210	36,872,426	2,397,264
FY 2003	27,055,759	26,498,565	2,221,851
FY 2004	26,934,685	23,514,179[5]	2,527,451
FY 2005	50,255,908[7]	46,966,083[6]	2,654,447
FY 2006	28,143,119	15,474,991[8]	2,636,228
FY 2007	27,564,837	7,372,403[9]	2,725,418
FY 2008	27,458,790	11,511,344[10]	2,859,460
FY 2009	31,026,131	15,007,590[11]	3,380,143
TOTAL	**$538,234,514**	**$441,281,335**	**$ 39,894,165**

1. Does not include administrative costs.
2. Commercial receipts for FY 1995 include $31,288,889 that was transferred from the Groundwater Protection Loan Fund.
3. Adjustment due to a transfer from the Commercial Fund to the Federal Trust Fund of $288,117 as a cleanup expenditure rather than as an administrative cost.
4. $33,866 transferred to Federal Trust Fund as a cleanup expenditure.
5. Includes transfer of $2,036,932 from Commercial Fund to Noncommercial Fund per GS 119-18(b); transfer of $90,000 to Department of Agriculture; and transfer of 452,722 to Federal Trust Fund as a cleanup expenditure.
6. Includes transfer of $3,150,730 from Commercial Fund to Noncommercial Fund per GS 119-18(b). Transfer from Department of Agriculture of $38,702 to Federal Trust Fund.
7. Includes additional revenue from the 1-year 1.1cent per gallon excise tax or $19,000,000 to the Cleanup Fund.
8. Includes $1,922,601 transfer to Noncommercial Fund, $90,000 transfer to Dept. of Agriculture, and $30,016 transfer to repay Federal Trust Fund for State Lead program expenses.
9. Includes transfer to Noncommercial Fund of $598,935 and disbursement from the Commercial Fund to the Department of Agriculture ($90,000) and Federal LUST Grant ($108,904).
10. Includes transfer to Noncommercial Fund of $1,381,848, and disbursement from the Commercial Fund to the Department of Agriculture ($90,000), and Federal LUST Grant ($53,752).
11. Includes transfer to Noncommercial Fund of $1,004,895, and disbursement from the Commercial Fund to the Department of Agriculture ($90,000).

Claims Against the Commercial Cleanup Fund

Claims against the Commercial Cleanup Fund are processed on a "first-come, first-serve" basis. The status of all claims requesting reimbursement from the Commercial Fund that were received as of 30 June 2009 is presented in Table 9. These claims only include costs claimed to date, and do not represent the total costs for cleanups.

This year, UST Section staff supervised contract cleanups at 697 commercial UST releases. The next three-year contract period (2009-2012) was initiated. However, it was not started until the beginning of the calendar year of 2009 due to a delay in completing the selection of the contractors. The program has also subdivided the state into three regions, hiring three contractors per region to provide environmental cleanup. A total of five contractors were selected to fill these nine contracts and provide assessment and remediation of the state-lead incidents.

Table 9 – Claims Against the Commercial Cleanup Fund

	Number	Cost
Claims Paid	27,903	$414,232,100
Incidents Denied Totally[1]	33	$4,573,040
Claims Denied Partially[2]	15,487	$85,235,920
Total Deductibles Paid	---------	$74,744,761
Claims Pending	426	$4,880,771
Contracted Cleanups[3]	697	$16,622,237

[1] Ineligible

[2] Excessive or undocumented costs

[3] State Lead actions undertaken or completed

Commercial Fund Balance and Projected Needs

As of 30 June 2009, the Commercial Fund balance was $56,940,589 with pending claims of $42,954,597 (see Figure 3). The estimated/projected Commercial Fund balance for FY 2009 is $13,985,992 (See Figure 4). From FY 2000 through FY 2004, the difference between the fund balance and the pending claim amounts steadily increased (see Figure 3). This was largely due to the fact that the UST Section implemented an expedited review process during FY 2002 in an effort to reduce the time for claim review. While claim review time was reduced, the result was a delay in the reimbursement payment, since the Commercial Fund could only pay out what had been received for the month.

This trend continued up to FY 2005. With the passage of Session Law 2004-124, the difference decreased markedly. The present situation represents a significant change in the complexion of the Commercial Fund over previous years because the UST Section now directs most of the work that is done, and only the owners of those commercial and noncommercial incidents with threshold level risks are directed to continue with assessments and remediation. This results in greater fiscal control over the fund and focuses resources on those incidents exhibiting the greatest risks to human health and the environment. Nevertheless, the fund balance has remained greater than disbursements and claims pending (Table 10) and DENR has been able to periodically direct cleanups of more high risk incidents.

Figure 3 - Commercial Fund Balance and Claims Pending & Obligations

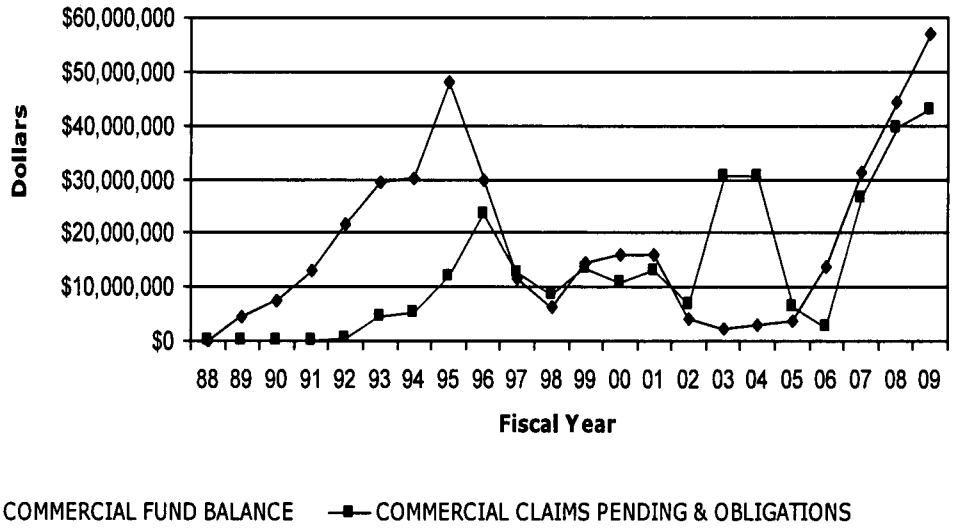


Figure 4 - Commercial Fund Balance Minus Claims Pending &Obligations

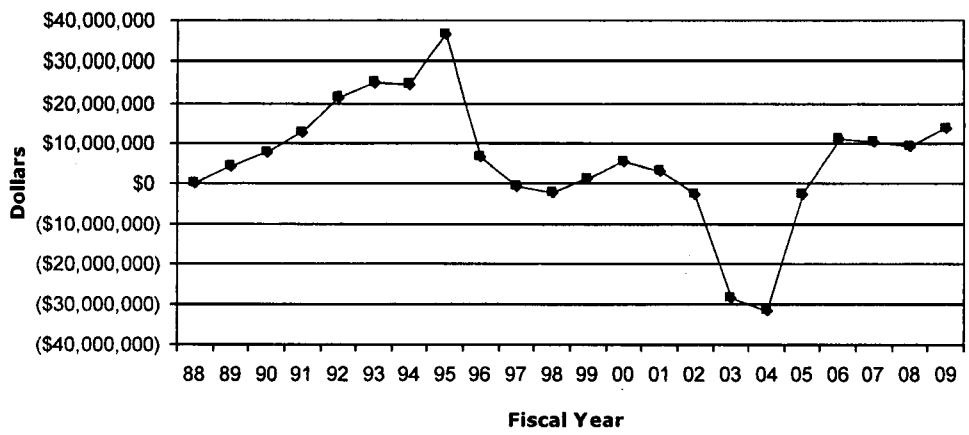


Table 10 – Total Commercial Fund Revenues and Expenditures
7/1/08 – 6/30/09

Commercial Fund Balance as of 6/30/08	**$ 44,302,190**
Total Commercial Revenues (see Table 3)	**$ 31,026,131**
Total Commercial Expenditures	**($18,387,732)**
Total Claims and Contracted Cleanups - $13,912,694	
Transfers[1] - $ 1,094,085	
Administrative Costs - $ 3,380,143	
Commercial Fund Balance as of 6/30/09	**$ 56,940,589**
Total Projected Estimated Obligations[2]	**($42,954,597)**
Estimated Commercial Fund Balance as of 6/30/09	**$ 13,985,992**

1. From Table 8, footnote 12, transfer to the Noncommercial Fund for State Lead expenses.

2. Obligations are an estimated cost to the Fund not previously developed for the annual report. Obligations include estimates of un-reimbursed costs for tasks not requiring pre-approval that were incurred prior to implementation of Session Law 2004-124, outstanding un-reimbursed costs for pre-approved directed tasks, requested reimbursement costs for claims under review, and approved claim costs awaiting reimbursement.

One initiative which may affect future demand on the Commercial Fund is pay-for-performance (PFP) cleanups. On 1 October 2001, the General Assembly ratified House Bill 1063, which allows responsible parties to participate in the pay-for-performance program on a voluntary basis. PFP requires cleanup goals to be met before payments can be made to environmental consultants. This reimbursement method requires the Commercial Fund to obligate the contracted cleanup costs. PFP obligations may initially place a higher demand on the Commercial Fund, but should decrease the costs of cleanups. PFP was re-authorized by House Bill 2498 in 2008.

Another factor that may increase future demands on the Commercial Fund is the increase in claims for bodily injuries and property damages brought by third parties. In FY 2009, there were seven on-going and/or new third party claim actions. One of the actions was completed in which the third-party claim was denied. At the close of FY 2009, there were six third-party claims in progress. The financial impact of third party claims cannot be estimated with certainty because the Commercial Fund does not directly control award amounts resulting from legal actions due to third-party claims.

After UST operating fees were increased on 1 January 1997, revenue from this funding source declined through the end of FY 1999 (Table 11). This decline was likely due to a reduction in the number of registered USTs which occurred after implementation of the 1998 federal upgrade requirements for USTs. Many tank owners chose to close their USTs rather than bring them into compliance with the new standards. Since 1 January 1997 annual operating fees remained unchanged, at $200 to $300 per tank, until 1 January 2009 when House Bill 2498 increased the annual operating fee to $420 per tank, regardless of tank capacity. This legislation was enacted in order to bring sufficient additional revenue into the Commercial Fund to help the state meet two requirements of the federal Energy Policy Act of 2005 – removing free product petroleum at all releases and conducting compliance inspections at every UST facility at least once every three years.

Table 11 – Commercial UST Population and Operating Fee Revenue

Fiscal Year	No. of Commercial USTs Billed	Operating Fee Revenue
FY 1989	-	$ 4,322,917
FY 1990	-	$ 8,086,895
FY 1991	57,385	$ 6,889,969
FY 1992	52,529	$ 9,910,737
FY 1993	48,812	$18,032,784
FY 1994	43,314	$23,661,875
FY 1995	39,289	$ 8,500,000
FY 1996	37,529	$11,050,000
FY 1997	37,776	$10,839,975
FY 1998	36,563	$10,008,917
FY 1999	34,428	$ 8,697,468
FY 2000	33,558	$ 8,844,093
FY 2001	33,776	$ 8,464,019
FY 2002	32,839	$ 8,553,715
FY 2003	31,155	$ 8,087,033
FY 2004	32,005	$ 8,309,807
FY 2005	31,518	$ 7,987,101
FY 2006	30,638	$ 7,951,508
FY 2007	30,145	$ 7,937,236
FY 2008	28,477	$ 7,686,324
FY 2009	29,156	$ 10,686,223

Noncommercial Fund Receipts and Disbursements

Revenue into the Noncommercial Cleanup Fund

The sources of funding for the Noncommercial Fund include:

- one-half of approximately 30% of the motor fuel and kerosene inspection tax of 1/4 of one cent per gallon;
- 3/32 of the excise tax of ½ cent per gallon on motor fuel and kerosene; and
- interest earned on the account.

Owners and operators of noncommercial USTs are not required to pay annual operating fees. Revenues received for the Noncommercial Fund for the 12-month period from 1 July 2008 to 30 June 2009 were slightly greater than $ 6 million (Table 12).

Table 12 - Noncommercial Fund Revenues
7/1/08 – 6/30/09

Motor Fuel & Kerosene Inspection Tax	$ 1,692,306
Motor Fuel & Gasoline Excise Tax	$ 2,376,927
Interest	$ 99,707
Transfer from Comm.Fund & DOT	$ 2,009,790
Cost Recovery	$ 0
Total Noncommercial Revenues	$ 6,178,730

North Carolina General Statute 119-18(b) states that if the amount of revenue in the Noncommercial Fund at the end of the month is at least $5 million, one-half of the motor fuel inspection tax must be credited to the Commercial Fund and one-half must be credited to the Noncommercial Fund. If the amount of revenue in the Noncommercial Fund at the end of the month is less than this threshold amount, all of the inspection tax will be credited to the Noncommercial Fund. For FY 2009, the net transfer of money from the Commercial to the Noncommercial Fund was $1,004,895.

Disbursements from the Noncommercial Cleanup Fund

Noncommercial Fund deductibles are $0 for UST owners and operators, and $5,000 for landowners. Table 13 lists the receipts and disbursements by fiscal year for both funds for the period from 1 July 1988 to 30 June 2009.

Table 13 - Receipts & Disbursements for Noncommercial Cleanups
7/1/88 - 6/30/09

Fiscal Year	Receipts	Disbursements[1]	Admin Expenses
FY 1989	$ 0	$ 0	$ 0
FY 1990	2,905,035	0	201,254
FY 1991	2,934,347	564,206	547,595
FY 1992	3,018,344	2,143,155	517,221
FY 1993	7,693,288	4,069,497	601,686
FY 1994	3,404,086	2,012,312	694,423
FY 1995	5,194,725	2,900,368	666,270
FY 1996	5,215,550	5,029,109	783,684
FY 1997	5,587,781	5,924,799	801,143
FY 1998	5,717,592	3,869,091	667,724
FY 1999	5,945,461	2,776,105	620,574
FY 2000	5,636,563	5,028,505	570,738
FY 2001	5,811,666	7,890,618[2]	733,811
FY 2002	6,620,808[3]	9,182,320	913,755
FY 2003	7,664,329[4]	9,898,806	1,166,494
FY 2004	8,060,151	7,756,579	1,244,864
FY 2005	14,885,997[5]	11,326,318	1,265,079
FY 2006	7,615,613[6]	5,005,578	1,298,441
FY 2007	6,053,993[7]	5,099,349	1,349,006
FY 2008	6,030,546[8]	6,105,295	1,416,685
FY 2009	6,178,730[9]	5,878,808	1,324,956
TOTAL	**$122,174,605**	**$102,470,815**	**$ 17,385,403**

1. Does not include administrative costs.
2. $2 million transferred out of Noncommercial Fund to the State's General Fund.
3. Includes transfer of $784,382 from Circle K Settlement Fund.
4. Includes transfer of $3,418,990 of motor fuel and kerosene tax from Commercial Fund to Noncommercial Fund due to balance below $5 million as per GS 119-18(b).
5. Includes additional revenue from the 1-year 1.1 cent per gallon excise tax or $19,000,000 to the Cleanup Fund.
6. Includes $1,922,601 transfer to Noncommercial Fund, $90,000 transfer to the Dept. of Agriculture, and $30,016 transfer to repay Federal Trust Fund for State Lead program expenses.
7. Includes transfer to Noncommercial Fund of $598,935 and disbursement from Commercial Fund to Dept. of Agriculture ($90,000) and Federal LUST Grant ($108,904).
8. Includes transfer to Noncommercial Fund of $1,381,848, and disbursement from the Commercial Fund to the Dept. of Agriculture ($90,000), and Federal LUST Grant ($53,752).
9. Includes transfer to Noncommercial Fund of $1,004,895, and disburse from the Comm. fund to Dept. of Agriculture. ($90,000).

Claims Against the Noncommercial Cleanup Fund

Claims against the Noncommercial Fund are processed on a "first-come, first-serve" basis. The status of all claims requesting reimbursement from the fund that were received as of 30 June 2009 is presented in Table 14. These claims only include costs claimed to date, and do not represent the total costs for cleanups. This year, UST Section staff supervised contract cleanups at 151 noncommercial UST releases.

Table 14 – Claims Against the Noncommercial Cleanup Fund

	Number	Cost
Claims Paid	12,117	$97,140,845
Incidents Denied Totally[1]	4	$59,845
Claims Denied Partially[2]	5,166	$12,332,756
Total Deductibles Paid	--------	$936,708
Claims Pending	162	$1,286,690
Contracted Cleanups[3]	151	$1,855,471

[1] Ineligible

[2] Excessive or undocumented costs

[3] State Lead actions undertaken or completed

Noncommercial Fund Balance and Projected Needs

As of 30 June 2009, the Noncommercial Fund balance was $2,329,380 (Table 15). The total for pending claims stood at $1,286,690 (Table 14). Compared to the previous fiscal year, claims against the Noncommercial Fund and reimbursements from the Noncommercial Fund have increased. This trend is most likely the result of increased environmental awareness on the part of buyers and lenders during sales of residential property where most unregulated tanks (heating oil USTs) are located. Many of the releases from unregulated USTs are discovered during property transfers. The department expects this trend will continue for the foreseeable future (see Figures 5 and 6).

Table 15 - Total Noncommercial Fund Revenues, Expenditures and Balance 7/1/08-6/30/09

Noncommercial Fund Balance as of 6/30/08	**$3,354,414**
Total Noncommercial Revenues (see Table 2, page 3)	**$6,178,730**
Total Noncommercial Expenditures	**($7,203,764)**
Total Claims and Contracted Cleanups - $5,878,808	
Administrative Costs - $1,324,956	
Noncommercial Fund Balance as of 6/30/09	**$2,329,380**
Projected Noncommercial Fund Obligations[1]	**($4,550,532)**
Estimated Noncommercial Fund Balance as of 6/30/09	**($2,221,152)**

1. Obligations are an estimated cost to the Fund not previously developed for the annual report. Obligations include estimates of un-reimbursed costs for tasks not requiring pre-approval that were incurred prior to implementation of Session Law 2004-124, outstanding un-reimbursed costs for pre-approved directed tasks, requested reimbursement costs for claims under review, and approved claim costs awaiting reimbursement.

Figure 5 - Noncommercial Fund Balance and Claims Pending & Obligations

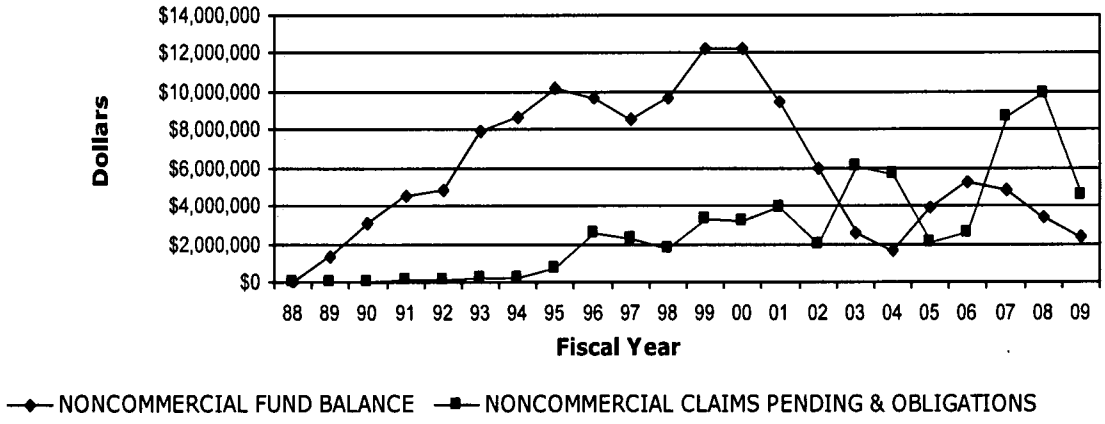


Figure 6 - Noncommercial Fund Balance Minus Claims Pending & Obligations

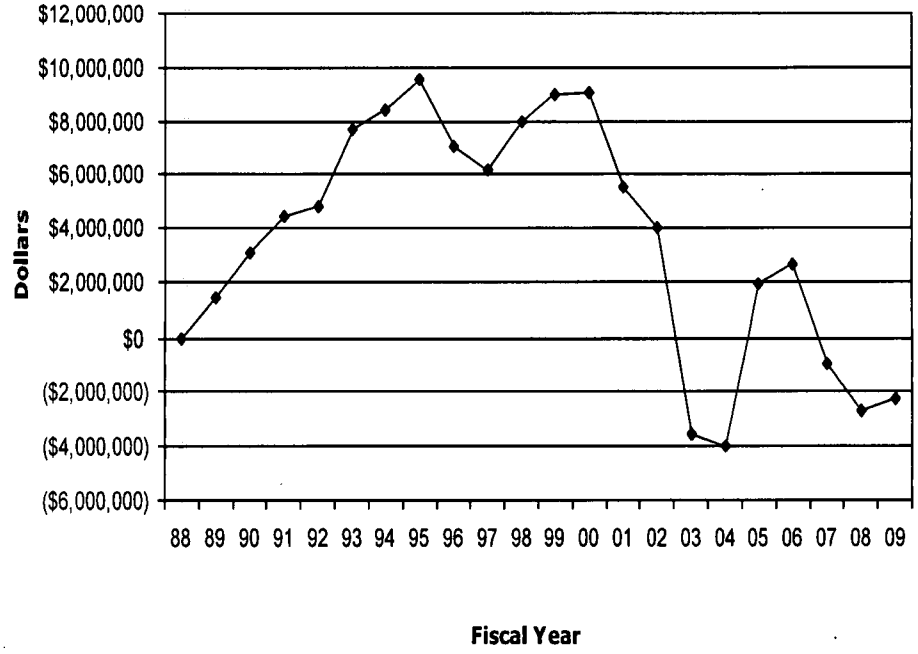


Table 16 shows the estimated cost to complete cleanups for noncommercial incidents reported from 1 July 2008 to 30 June 2009. It should be noted, however, that cleanups can easily extend over several years and costs may vary greatly. In addition, these figures do not include remedial costs for reported releases from past fiscal years.

Table 16 – Estimate of Cleanup Costs for Noncommercial Incidents Reported 1 July 2008 – 30 June 2009

Region	Incidents*	Total Estimated Cleanup Cost**
Asheville	28	$ 279,440
Fayetteville	8	$ 79,840
Mooresville	78	$ 778,440
Raleigh	79	$ 788,420
Washington	56	$ 558,880
Wilmington	58	$ 578,840
Winston-Salem	153	$ 1,526940
Total	**460**	**$4,590,800**

*In evaluating the last 12-month period, approximately 59% of reported new releases are from noncommercial sites

**An average cost of $ 9,980 is used as an estimate of total cleanup costs for noncommercial sites

Federal UST Regulatory Program Grant

The UST Section receives grant money from the federal government to promote compliance with federal and state UST regulations. The UST Section received $1,006,500 for three years (1 July 2008 through 30 September 2010) to fund these activities as well as activities related to implementing provisions of the Federal Energy Policy Act of 2005. The provisions of the Energy Policy Act include inspecting UST facilities at least every three years, implementing secondary containment requirements for all new and replacement UST systems, prohibiting delivery of fuel to non-compliant UST systems, training UST operators and maintaining and publishing information about sources and causes of releases from UST systems. The grant funds two permanent technical positions and two time-limited UST inspector positions. The grant will also fund contracts to upgrade the existing permitting and inspection database.

Federal Leaking UST Trust Fund Program Cooperative Agreement

The Federal Leaking UST Trust Fund Program Cooperative Agreement is used to clean up petroleum contamination from leaking USTs, provide alternative water supplies to affected third-parties, perform emergency activities, temporarily relocate residents affected by leaking USTs and conduct enforcement activities. The use of this cooperative agreement is limited to regulated USTs, primarily commercial tanks used for storing motor fuels. Releases from USTs used for heating oil and those used for farm or residential uses (1,100 gallons capacity or less) are not eligible for resources from this cooperative agreement.

Individuals (i.e., owners/operators) do not have access to the federal LUST Trust Fund. Only the federal government and states with cooperative agreements with the EPA can draw on the Trust Fund. It may be used in situations when: (1) the responsible party cannot be identified; (2) the responsible party is financially unable to pay for the cleanup; or (3) the responsible party is unwilling and refuses to undertake assessment and/or cleanup actions.

Since the state's UST program began in 1988, the federal Leaking UST Trust Fund Program Cooperative Agreement has made 29 awards totaling $51,364,279. This fiscal year's award did not change the total monetary value reported because the grant was not awarded until 26 June 2009. The funds were not available for use by the UST Section until after 1 July 2009. As of 30 June 2009, the state has spent $50,852,094 of these awards. Of that amount, approximately $22,549,671 has been spent on cleanup activities; $4,452,461 on enforcement actions; and $24,386,321 on program administration. Administrative costs include personnel costs, operating costs, travel costs and equipment costs. Because of limitations in program tracking capabilities, program element costs through FY 2001 are estimated. However, in FY 2002, program tracking capabilities were improved such that disbursements can be more accurately reconciled with grant awards.

The program is obligated to seek recovery of all costs incurred during state lead cleanups. For FY 2009, the UST Section recovered $32,003 and since the programs implementation a total of $1,868,168 has been recovered in federal cleanup money. Of the total amount recovered, $1,075,067 has come from the North Carolina Commercial Fund for sites determined eligible for Commercial Fund reimbursement after cleanup activities had begun. For this fiscal year there were no funds transferred from the Commercial Fund to cost recovery.

The EPA approved $2,069,000 for North Carolina from the federal Leaking UST Trust Fund for FY 2009. However, almost all of the approved monies were not available until after 1 July 2009.

Groundwater Protection Loan Fund

The Groundwater Protection Loan Fund Program was created in 1991.* It provided financial assistance to owners of commercial USTs who replaced or upgraded their tanks to meet the performance standards required for all USTs by 22 December 1998. Administrative rules implementing the program were adopted by DENR and became effective 1 December 1992. Revenues for the fund were generated through a 0.0025 cent (one quarter of one cent) per gallon motor fuel excise tax received from 1 January 1992 through 31 December 1994.

Once the usefulness of the Groundwater Protection Loan Fund was completed, the balance of the fund ($31,288,899) was transferred into the Commercial Cleanup Fund.

*Session Laws 1991, c. 538, s. 25 - G.S. 143-215.94P

Pay for Performance

On 15 October 2001, House Bill 1063 was enacted by the North Carolina General Assembly. This bill gives the Division of Waste Management's Underground Storage Tank program the authority to allow voluntary performance-based cleanups of discharges or releases of petroleum from underground storage tanks. Two petroleum release incidents were ultimately selected for the initial pilot program and performance-based contracts were awarded to two qualified environmental service providers to cleanup the releases for set costs and in specified time periods. In both cases, specified milestones (generally percentage reductions in contaminate levels in the soil and groundwater) must be achieved before reimbursements for costs are made to the environmental service providers from the Commercial Trust Fund. Cleanup continues in accordance with the awarded contracts at both incidents with both incidents having reached the 75% cleanup milestones ahead of the projected schedule.

House Bill 2498 extended the voluntary pilot program retroactively back to 1 October 2001 with a new expiration date of 1 October 2011. The UST Section will continue to notify applicants to the UST Program of the availability of pay-for-performance and encourage responsible parties of UST releases to consider pay-for-performance cleanups of their incidents.

Recommendations

The UST Section makes the following recommendations for the Commercial and Noncommercial Cleanup Funds and the UST program:

- Transition from (and ultimately terminate) providing required financial responsibility (FR) for owners and operators of regulated, commercial USTs from the Commercial Cleanup Fund to other FR mechanisms, such as private insurance, bonding, letters of credit, self-insurance, and others. This action will initially reduce and ultimately end the use of fund resources to clean up new releases from UST systems that have responsible owners and operators. Fund resources will continue to be used to clean up existing releases at UST systems for which the fund is now providing financial responsibility, and new releases from UST systems owned or operated by non-viable parties. Transitioning to other approved FR mechanisms will also help to reduce the number and severity of releases by giving tank owners and operators additional economic incentives to prevent releases and clean up releases before contamination reaches the state's soil and ground water.

- Prevent releases by maintaining the triennial compliance inspection frequency for UST systems in North Carolina. Triennial inspections will help keep UST systems in compliance with all release prevention and detection requirements, detect and correct out-of-compliance equipment and operating procedures that could allow a release, and detect some undiscovered releases before extensive contamination of the soil and ground water occurs.

- Prevent releases by enacting legislation requiring UST owners and operators to receive training in UST system operation, including release prevention and detection. Base the amount and degree of owner/operator training necessary on the compliance of UST systems. Owner/operator training is required by the federal Energy Policy Act of 2005. It is also particularly important in North Carolina due to

the large number of UST facilities being bought and operated each year by new and inexperienced owners and operators.

- Continue to find and implement better and more cost-effective methods for assessing and cleaning up petroleum releases, including reviewing existing rules and regulations and reducing or eliminating requirements whenever practical while maintaining a sufficient level of protection for public health and the environment.

- Continue to encourage responsible parties of UST releases to consider pay-for-performance cleanups of their incidents. Pay-for-performance (PFP) is a reimbursement method that requires cleanup goals to be met before payments can be made to environmental consultants. The PFP pilot program indicates that cost savings are realized in cleaning up the pilot program sites selected.

REPORT TO THE ENVIRONMENTAL REVIEW COMMISSION ON THE NORTH CAROLINA UNDERGROUND STORAGE TANK PROGRAM

18 February 2010

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An electronic copy of the 1 September 2009 "Annual Report on the Status of Leaking Underground Storage Tanks, the State Cleanup Funds, and the Groundwater Protection Loan Fund" can be found at http://www.wastenotnc.org/ust/ust_main.html under "Reports" and then "09".

Cleanup Progress as of 30 June 2009

Of the 16,998 petroleum releases from regulated USTs discovered and reported, 10,539 have been cleaned up and closed. There are about 6,541 petroleum releases from regulated USTs not yet cleaned up; however, cleanup activities are being directed for all 2,296 High Risk regulated UST releases and some Intermediate Risk UST releases. Over the last 10 years, on average, 426 new releases have been reported each year. Nevertheless, this past year, as in the nine preceding years, more releases were closed than discovered, so slow progress is being made toward cleaning up the backlog of releases needing cleanup.

Of the 8,410 petroleum releases from unregulated USTs (primarily home heating oil tanks) discovered and reported, 6,293 have been cleaned up and closed. There are about 2,316 petroleum releases from unregulated USTs not yet cleaned up. Much of the money in the Noncommercial Cleanup Fund is being used to conduct initial abatement and assessment activities at newly discovered releases from home heating oil tanks. Cleaning up new releases drains much of the resources of the Noncommercial Cleanup Fund that could be used for addressing older releases. As such, cleanup activities can be directed for only 38 High Risk older unregulated UST releases. Over the last 8 years, on average, 550 new releases have been reported each year, but only 510 cleaned up and closed each year. The backlog of unregulated UST releases needing cleanup is slowly increasing.

In addition, there are records of approximately 6800 UST systems that have been closed with no releases discovered. About 5400 of these are regulated USTs and 1400 are unregulated USTs.

Free Product Removal Effort

In September 2006, the US EPA notified DENR of their concern that the state's Commercial Cleanup Fund may not be a viable financial responsibility mechanism for UST system owners and operators in North Carolina. That concern arose after legislation enacted in 2004 restricted the use of the limited monies in both Cleanup Funds to cleanups of the highest risk releases, allowing contamination (including free product) at many lower risk releases to remain until monies were available for their cleanups. EPA's concern was that North Carolina's Commercial Cleanup Fund was not financially able to meet the federal minimum standard of providing for removal of free product at every release where it was found.

In 2008, the NC General Assembly enacted legislation, effective 1 January 2009, that increased the annual operating fee paid by UST owners and operators in order to increase the funds available to remove free product at UST releases, specifying that up to $3,000,000 per year of the increase could be used for that purpose. On that date, there were a reported 771 releases with free product present. Of these, 270 are High Risk and are already being addressed. The UST program directed free product assessments of the remaining 501 reported Intermediate Risk releases with free product, and ranked them in order of priority as information from the assessments became available. To date, information has been received for 206 release assessments from UST owners, who report free product still present at 181 releases and no free product present at 25. Although assessment information is still being received, the UST program has directed free product removal activities at those incidents where free product remains and removal tasks totaling approximately $300,000 have been preapproved. As of February 15, 2010, $63,394 has been spent.

Prevention of Releases from UST Systems

North Carolina's response to the requirements of the Underground Storage Tank Compliance Act of 2005 (part of the federal Energy Policy Act) strengthened the efforts to prevent releases from USTs in three main ways.

First, North Carolina has enacted statutes and rules requiring all components of new and replacement UST systems to be secondarily contained – that is, to be double-walled and have interstitial monitoring devices that will alert UST operators of the presence of liquid in the space between the inner and outer walls. Detecting petroleum or water in the interstice indicates a breach of either the inner or outer wall (or both) of a UST system. Repairing the breach, and cleaning up the leaked petroleum before it contaminates the surrounding soil and underlying groundwater, not only eliminates health risks to people who would be exposed to the contaminated soil and groundwater but also eliminates the expense of cleaning up contamination in the environment.

Second, North Carolina has increased the frequency of compliance inspections of UST facilities. In 2008, the NC General Assembly enacted legislation that increased the annual operating fee paid by UST owners and operators, and legislation that created additional compliance inspector positions. Part of the increase in fee revenue is used to hire, train, and equip those additional compliance inspectors so that the UST program can inspect every UST facility at least once every three years. Frequent compliance inspections lead to early discovery of system shortcomings that can lead to releases, and also to early discovery of undetected leaks. During the last 12 month period, the program conducted 2806 compliance inspections, as well as complaint inspections and installation inspections. Now that all inspectors are hired and trained, the program will meet the federal inspection frequency mandate (every three years) by inspecting at least 2884 UST facilities per year.

Third, federal law requires that all UST operators be trained by 8 August 2012. North Carolina is instituting training for UST system operators by incorporating operator training into the compliance inspection process. This approach makes sure the UST system operator is trained on the specific type of

equipment used in his/her UST system and how to properly respond to alarms and emergencies associated with releases. The operator training pilot program began on 1 November 2009: 93 UST facilities were inspected and 34 operators were trained. Full scale training will begin on 1 April 2010. The UST program has developed, and implemented, a formal operator training program (tank school) for operators whose systems are found to be significantly out of compliance during compliance inspections and, after 8 August 2012, for new operators who have not been trained. The first tank school session was held on 26 January 2010 and the next is scheduled for 9 March 2010.

The American Recovery and Reinvestment Act (ARRA)

The NCDENR received a $7,554,000 grant from the US EPA that is being used to conduct assessment and cleanup activities at approximately 172 UST releases located throughout the state. This grant was a portion of the $200 million of LUST funding allocated by the American Recovery and Reinvestment Act of 2009 (ARRA) for cleanups of leaking underground storage tanks (LUST cleanups) nationwide. All releases being cleaned up are those for which the parties responsible for the releases are unable or unwilling to conduct cleanups. The funding will allow the DENR to carry on the cleanup processes at these UST releases that pose risks to public health and the environment, and later seek to recover cleanup expenditures from the parties responsible for releases whenever required and appropriate. The grant was awarded 10 July 2009 with a grant period of 27 months, beginning on 1 July 2009 and ending on 30 September 2011. All ARRA funds are expected to be expended by 30 September 2011.

To conduct the cleanup work, the UST program awarded five contracts (worth $6,763,343) to environmental cleanup companies and two contracts (worth $594,265) to two laboratory service providers. The contracts were advertised, bid, and awarded through the normal state contracting process, and were awarded in early November 2009. In addition, $196,392 was used to hire and support two hydrogeologists for the grant period to oversee the assessment and cleanup activities of the cleanup companies, to assist in managing the contracts, to assist in reporting accomplishments, and to monitor the contracted cleanup companies and laboratories for compliance with all ARRA rules and guidelines.

Grant conditions require the state to obligate 30 % of the grant and spend 15% of the grant by 9 April 2010. Already over 97% ($7,357,608) has been obligated for contract work. To date, $695,896 has been allocated for work on the first 65 releases and $96,333 has been expended on cleanup. An additional $19,255 has been spent on administration of the program. Although the grant condition for obligating the funding has been reached, spending is currently at about 1.5%. However, the actual program is only three months old and we expect spending to increase sharply as contractors complete work and submit invoices, and as we provide them with additional releases to clean up.

Pilot Program for Evaluating Site Specific Risk Based Cleanups at Intermediate Risk Petroleum UST Incidents

In 2008, the General Assembly passed Session Law 2008-195 which directed NCDENR to establish a pilot program to evaluate the cleanup safety and cost-effectiveness of using of site-specific cleanup standards for certain Intermediate Risk petroleum UST incidents. This voluntary pilot program would allow responsible parties to determine cleanup levels using the Standard Guide for Risk-Based Corrective Action Applied at Petroleum Release Sites adopted by the American Society for Testing and Materials (ASTM) as E1739-95(2002) for Intermediate Risk incidents where contamination had not and would not move past the property boundaries of the site. Since participation in the pilot program is at the election of the owner, operator, or landowner, the UST Section solicited volunteers by sending a memo discussing SL 2008-195 to the responsible parties and consultants on our contact list and posted the memo on our website. To date, there have been four inquires about participating in the pilot program, with one consultant pursuing the details of task codes for the required analyses.

Legislative Actions to Call In Outstanding Claims

In the 2007 Session, the General Assembly amended the primary UST statute to "call in" all claims against the Cleanup Funds that had not yet been filed, and to encourage UST owners to file claims in a timely manner. The intent of this change is to make a baseline determination of, and keep current, the true amount of North Carolina's obligation for reimbursement of cleanup costs. The deadline for the first part of this change was 1 January 2010. On or before that date, UST owners were required to submit all reimbursement claims for UST cleanup work that had been completed prior to 1 January 2009. The UST Section accepted all claim packages delivered before the end of business on 31 December 2009 or postmarked before midnight on 1 January 2010.

In December 2009, the UST Section received 407 Commercial Cleanup Fund reimbursement claims, totaling $ 9,103,037, and 161 Noncommercial Cleanup Fund reimbursement claims, totaling $2,917,070. For the six month period prior to December 2009, the UST program received, on average, 115 claims per month, totaling $1,733,402, against the Commercial Cleanup Fund, and 50 claims per months, totaling $818,252, from the Noncommercial Cleanup Fund. The December claims represent a 425% increase in claims against the Commercial Cleanup Fund and a 256% increase in claims against the Noncommercial Cleanup Fund. Overall, the intent of the legislative action seems to have been successful. There were only six reimbursement claims received after the deadline that were either not eligible (1 = $4,597) or partially eligible (5 = $ 163,271) for reimbursement as a result of the one year statute of limitations. Of the six requests, five can be resubmitted after the ineligible costs ($58,598.50) are removed.

Recommendations from the Annual Report

Transition from (and ultimately terminate) providing required financial responsibility (FR) for owners and operators of regulated, commercial USTs from the Commercial Cleanup Fund to

other FR mechanisms, such as private insurance, bonding, letters of credit, self-insurance, and others. This action will initially reduce and ultimately end the use of fund resources to clean up new releases from UST systems that have responsible owners and operators. Fund resources will continue to be used to clean up existing releases at UST systems for which the fund is now providing financial responsibility, and new releases from UST systems owned or operated by non-viable parties. Transitioning to other approved FR mechanisms will also help to reduce the number and severity of releases by giving tank owners and operators additional economic incentives to prevent releases and clean up releases before contamination reaches the state's soil and ground water.

Prevent releases by maintaining the triennial compliance inspection frequency for UST systems in North Carolina. Triennial inspections will help keep UST systems in compliance with all release prevention and detection requirements, detect and correct out-of-compliance equipment and operating procedures that could allow a release, and detect some undiscovered releases before extensive contamination of the soil and ground water occurs.

Prevent releases by enacting legislation requiring UST owners and operators to receive training in UST system operation, including release prevention and detection. Base the amount and degree of owner/operator training necessary on the compliance of UST systems. Owner/operator training is required by the federal Energy Policy Act of 2005. It is also particularly important in North Carolina due to the large number of UST facilities being bought and operated each year by new and inexperienced owners and operators.

Continue to find and implement better and more cost-effective methods for assessing and cleaning up petroleum releases, including reviewing existing rules and regulations and reducing or eliminating requirements whenever practical while maintaining a sufficient level of protection for public health and the environment.

Continue to encourage responsible parties of UST releases to consider pay-for-performance cleanups of their incidents. Pay-for-performance (PFP) is a reimbursement method that requires cleanup goals to be met before payments can be made to environmental consultants. The PFP pilot program indicates that cost savings are realized in cleaning up the pilot program sites selected.

North Carolina Underground Storage Tank (UST) Program
Regulated USTs and the Commercial Cleanup Fund
as of 30 June 2009

NC UST Universe

Regulated petroleum UST facilities are typically privately-owned gasoline stations (26,587 USTs at 8,116 stations) or government-owned fueling facilities (1,216 USTs at 576 facilities). Regulated petroleum USTs are required to be registered, must comply with all aspects of leak prevention, receive compliance inspections, and must have valid operating permits to receive deliveries of fuel. All regulated petroleum UST facilities, except federally-owned facilities, pay annual operating fees and are eligible for reimbursement from the Commercial Cleanup Fund for the costs of cleaning up contamination.

Program Statistics

Total releases discovered	16,998
Total releases closed	10,539
Releases remaining	6,541
Wells contaminated	1157
Costs of Alternative Water	$3,738,344
Total receipts	$538,234,514
Cleanup expenses	$441,281,335
Admin expenses	$ 39,894,165

Commercial Cleanup Fund History				Release Discovery and Cleanup History		
State Fiscal Year	Fund Income	Cleanup Expenditures	Fund Balance	# Releases Discovered	# Releases Closed	# Releases Open
FY 88/89	$2,337,685	$14,768	$2,322,917	739	67	1003
FY 89/90	$5,773,632	$79,080	$7,816,214	946	130	1488
FY 90/91	$7,330,573	$1,616,760	$12,982,432	1089	252	2325
FY 91/92	$13,484,008	$4,409,229	$21,539,990	1570	569	3326
FY 92/93	$18,032,784	$9,651,948	$29,319,139	1560	528	3438
FY 93/94	$24,438,966	$22,904,802	$30,158,879	1787	474	4479
FY 94/95	$56,037,135	$37,405,510	$48,124,237	1371	432	5503
FY 95/96	$28,178,768	$44,060,639	$29,919,733	843	368	6275
FY 96/97	$28,564,034	$44,163,273	$11,697,154	885	572	7027
FY 97/98	$27,291,220	$30,267,392	$6,269,595	896	507	7616
FY 98/99	$26,783,344	$16,104,152	$14,381,090	1049	881	7070
FY 99/00	$27,178,623	$22,820,069	$16,160,104	516	532	7611
FY 00/01	$27,240,303	$24,566,132	$16,104,036	468	894	7171
FY 01/02	$27,124,210	$36,872,426	$3,958,556	459	479	7211
FY 02/03	$27,055,759	$26,498,565	$2,184,943	403	526	7562
FY 03/04	$26,934,685	$23,514,179	$3,077,997	424	524	7006
FY 04/05	$50,255,908	$46,966,083	$3,715,289	398	637	7401
FY 05/06	$28,143,119	$15,474,991	$13,747,190	450	605	6565
FY 06/07	$27,564,837	$7,372,403	$31,214,205	378	542	6668
FY 07/08	$27,458,790	$11,511,344	$44,302,190	433	525	6620
FY08/09	$31,026,131	$15,007,590	$56,940,489	334	495	6286
Totals	**$538,234,514**	**$441,281,335**		**16,998**	**10,539**	**6,541**

Commercial Cleanup Fund Balances and Obligations as of 30 June 2009	Amount
Commercial Fund Balance	**$56,427,349**
Unreimbursed costs for tasks not requiring preapproval	$53,411
Unreimbursed costs for preapproved directed tasks	$29,293,548
Amount of requested reimbursement for claims under review	$3,894,056
Amount of approved claims awaiting reimbursement	$1,110,468
Amount for cleanup contracts, alternative water contracts, & free product removal	$8,990,550
Weekly costs for program administration	$74,201
Unreimbursed costs for preapproved nondirected tasks	$8,603,114
Unobligated Commercial Fund Balance	**$4,408,001**

Average time from claim approval to claim reimbursement	8 days
Total not-yet-closed releases from regulated USTs	6,541
Number of these releases where funding is sufficient for cleanup activities to be directed	2,296
Backlog of releases where funding is not yet sufficient to allow cleanup activities to be directed	4,245

North Carolina Underground Storage Tank (UST) Program
Unregulated USTs and the Noncommercial Cleanup Fund
as of 30 June 2009

UST Universe

Unregulated petroleum USTs are typically privately-owned home heating oil tanks (an estimated 250,000 in the state) or commercial heating oil tanks (765 USTs at 553 facilities). Only commercial heating oil USTs are required to be registered, pay annual operating fees, and receive permits. Other unregulated USTs do not. In general, unregulated USTs do not have to comply with leak prevention rules and do not receive compliance inspections. Generally, unregulated USTs are eligible for reimbursement from the Noncommercial or Commercial Cleanup Funds for costs of cleanups.

Program Statistics

Total releases discovered	8,410
Total releases closed	6,293
Releases remaining	2,316
Total receipts	$122,174,605
Cleanup expenses	$102,470,815
Admin expenses	$17,385,403

Noncommercial Cleanup Fund History				Release Discovery and Cleanup History		
State Fiscal Year	Fund Income	Cleanup Expenditures	Fund Balance	# Releases Discovered	# Releases Closed	# Releases Open
FY 88/89	$0	$0	$0	53	16	98
FY 89/90	$2,905,035	$0	$2,703,781	155	28	234
FY 90/91	$2,934,347	$564,206	$4,526,327	191	50	383
FY 91/92	$3,018,344	$2,143,155	$4,884,295	250	129	520
FY 92/93	$7,693,288	$4,069,497	$7,906,400	292	127	691
FY 93/94	$3,404,086	$2,012,312	$8,603,750	335	124	927
FY 94/95	$5,194,725	$2,900,368	$10,231,837	382	116	1146
FY 95/96	$5,215,550	$5,029,109	$9,634,592	385	175	1381
FY 96/97	$5,587,781	$5,924,799	$8,496,420	376	238	1526
FY 97/98	$5,717,592	$3,869,091	$9,677,207	352	164	1728
FY 98/99	$5,945,461	$2,776,105	$12,225,989	379	304	1806
FY 99/00	$5,636,563	$5,028,505	$12,263,308	457	251	2014
FY 00/01	$5,811,666	$7,890,618	$9,452,544	459	495	1979
FY 01/02	$6,620,808	$9,182,320	$5,977,277	503	361	2124
FY 02/03	$7,664,329	$9,898,806	$2,576,307	589	415	2302
FY 03/04	$8,060,151	$7,756,579	$1,635,015	549	568	2286
FY 04/05	$14,885,997	$11,326,318	$3,928,614	529	605	2214
FY 05/06	$7,615,613	$5,005,578	$5,240,209	547	551	2210
FY 06/07	$6,053,993	$5,099,349	$4,845,847	601	509	2302
FY 07/08	$6,030,546	$6,105,295	$3,354,413	596	548	2351
FY08/09	$6,178,730	$5,878,808	$2,329,379	484	519	2316
Totals	**$122,174,605**	**$102,470,815**		**8,410**	**6,293**	**2,316**

Noncommercial Cleanup Fund Balances and Obligations as of 30 June 2009	Amount
Noncommercial Fund Balance	**$2,329,379**
Unreimbursed costs for tasks not requiring preapproval	$86,143
Unreimbursed costs for preapproved directed tasks	$1,278,005
Amount of requested reimbursement for claims under review	$2,562,149
Amount of approved claims awaiting reimbursement	$19,431
Amount for cleanup contracts & emergency abandoned tank removal	$1,021,630
Weekly costs for program administration	$29,089
Unreimbursed costs for preapproved nondirected tasks	$604,804
Unobligated Noncommercial Fund Balance	**($2,667,068)**

Average time from claim approval to claim reimbursement	8 days
Total not-yet-closed releases from unregulated USTs	2,316
Number of these releases where funding is sufficient for cleanup activities to be directed	38
Backlog of releases where funding is not yet sufficient to allow cleanup activities to be directed	2,278

PROGRAM EVALUATION DIVISION
NORTH CAROLINA GENERAL ASSEMBLY

November 2009 Report No. 2009-03

Eliminating the Underground Storage Tank Cleanup Backlog Will Require at Least $549 Million

Summary

The North Carolina General Assembly established the Underground Storage Tank (UST) Program within the Department of Environment and Natural Resources in 1985 in response to a federal mandate to regulate USTs. The UST Program enforces the federal regulatory standards for commercial USTs, oversees site cleanup of UST incidents, and manages operations for the Commercial and Noncommercial Leaking Petroleum UST Trust Funds.

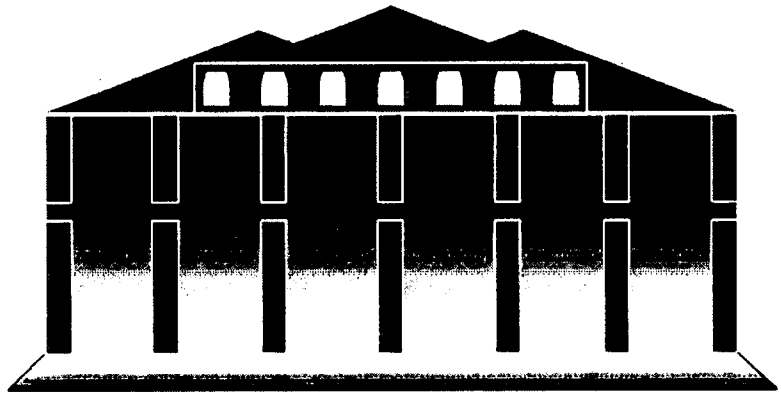
An UST incident occurs when any petroleum release of more than 25 gallons or any release of less than 25 gallons causes a sheen on surface water or cannot be cleaned up within 24 hours. The Commercial Fund assists commercial tank owners in meeting their federal financial responsibility requirements. The Noncommercial Fund reimburses private property owners for cleanup costs and leak-related damages.

Since the UST Program's inception, North Carolina has spent more than $543.7 million to clean up UST incidents. Even so, significant cleanup work remains. The Program Evaluation Division found

- it is projected to take 25 years to complete the cleanup of North Carolina's commercial backlog with current funding;
- commercial tank owners' continued reliance on the Commercial Fund increases North Carolina's future liability for cleanup costs;
- Noncommercial Fund solvency is in jeopardy because North Carolina pays the entire cost of cleanup for a growing number of sites; and
- operational limitations hinder the UST Section's ability to prevent and clean up incidents.

In light of these findings, the Program Evaluation Division recommends the General Assembly increase revenue to the two funds to allow the UST Program to expedite cleanup of the backlog. To reduce North Carolina's future liability, the General Assembly should introduce a risk-based system of financial responsibility for commercial tank owners and require noncommercial tank owners to pay a share of cleanup costs. The General Assembly also should provide policy direction and increased regulatory authority to the UST Section to improve program operations.

Eliminating the Underground Storage Tank Cleanup Backlog Will Require at Least $549 Million

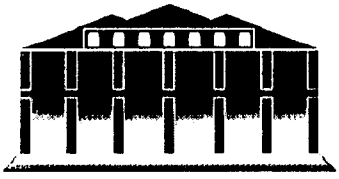


PROGRAM EVALUATION DIVISION
NORTH CAROLINA GENERAL ASSEMBLY

Final Report to the Joint Legislative Program Evaluation Oversight Committee

Report Number 2009-03

November 9, 2009



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GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 2005

S 1

SENATE BILL 1565*

Short Title:	Underground Storage Tank Amendments 2006.	(Public)
Sponsors:	Senator Clodfelter.	
Referred to:	Agriculture/Environment/Natural Resources.	

May 18, 2006

A BILL TO BE ENTITLED

AN ACT (1) TO PROVIDE FOR A TRANSITION TO RELIANCE ON PRIVATE INSURANCE AND SIMILAR MECHANISMS FOR THE DEMONSTRATION OF FINANCIAL RESPONSIBILITY REQUIRED UNDER FEDERAL LAW OF OWNERS AND OPERATORS OF COMMERCIAL PETROLEUM UNDERGROUND STORAGE TANKS, (2) TO IMPLEMENT THE TRANSITION TO PRIVATE INSURANCE BY MEANS OF A MARKET-BASED APPROACH THAT UTILIZES A PROGRESSIVE SCHEDULE OF INCREASES IN TANK FEES, (3) TO REDUCE THE INCIDENCE OF LEAKS BY REQUIRING SECONDARY CONTAINMENT FOR ALL COMPONENTS OF REGULATED PETROLEUM UNDERGROUND STORAGE TANK SYSTEMS, (4) TO PROVIDE FOR EXPEDITED ASSESSMENT AND CLEANUP OF RELEASES AND DISCHARGES FROM PETROLEUM UNDERGROUND STORAGE TANKS BY REQUIRING THE DEPARTMENT OF ENVIRONMENT AND NATURAL RESOURCES TO ESTABLISH A PILOT PROGRAM TO EVALUATE THE USE OF SITE-SPECIFIC CLEANUP STANDARDS, (5) TO PROVIDE FOR VARIOUS STUDIES AND REPORTS, AND (6) TO MAKE OTHER IMPROVEMENTS TO THE UNDERGROUND STORAGE TANK CLEANUP PROGRAM, AS RECOMMENDED BY THE ENVIRONMENTAL REVIEW COMMISSION.

The General Assembly of North Carolina enacts:

SECTION 1. G.S. 143-215.94B reads as rewritten:

"**§ 143-215.94B. Commercial Leaking Petroleum Underground Storage Tank Cleanup Fund.**

(a) There is established under the control and direction of the Department the Commercial Leaking Petroleum Underground Storage Tank Cleanup Fund. This Commercial Fund shall be a nonreverting revolving fund consisting of any monies appropriated for such purpose by the General Assembly or available to it from grants.

other monies paid to it or recovered on behalf of the Commercial Fund, and fees paid pursuant to this Part.

(b) The Commercial Fund shall be used for the payment of the following costs up to an aggregate maximum of one million dollars ($1,000,000) per occurrence resulting from a discharge or release of a petroleum product from a commercial underground storage tank:

(1) For discharges or releases discovered or reported between 30 June 1988 and 31 December 1991 inclusive, the cleanup of environmental damage as required by G.S. 143-215.94E(a) in excess of fifty thousand dollars ($50,000) per occurrence.

(2) For discharges or releases discovered on or after 1 January 1992 and reported between 1 January 1992 and 31 December 1993 inclusive, the cleanup of environmental damage as required by G.S. 143-215.94E(a) in excess of twenty thousand dollars ($20,000) per occurrence.

(2a) For discharges or releases discovered and reported on or after 1 January 1994 and prior to 1 January 1995, the cleanup of environmental damage as required by G.S. 143-215.94E(a) in excess of twenty thousand dollars ($20,000) if the owner or operator (i) notifies the Department prior to 1 January 1994 of its intent to permanently close the tank in accordance with applicable regulations or to upgrade the tank to meet the requirements that existing underground storage tanks must meet by 22 December 1998, (ii) commences closure or upgrade of the tank prior to 1 July 1994, and (iii) completes closure or upgrade of the tank prior to 1 January 1995.

(3) For discharges or releases reported on or after 1 January ~~1994.~~1994 and prior to 1 January 2017, the cleanup of environmental damage as required by G.S. 143-215.94E(a) in excess of twenty thousand dollars ($20,000) if, prior to the discharge or release, the commercial underground storage tank from which the discharge or release occurred met the performance standards applicable to tanks installed after 22 December 1988 or met the requirements that existing underground storage tanks must meet by 22 December 1998.

(4) For discharges or releases reported on or after 1 January 1994 and prior to 1 January 2017 from a commercial underground storage tank that does not qualify under subdivision (2a) of this subsection or does not meet the standards in subdivision (3) of this subsection, sixty percent (60%) of the costs per occurrence of the cleanup of environmental damage as required by G.S. 143-215.94E(a) that exceeds twenty thousand dollars ($20,000) but is not more than one hundred fifty-seven thousand five hundred dollars ($157,500) and one hundred percent (100%) of the costs above this amount, up to the limits established in this section.

(5) Compensation to third parties for bodily injury and property damage in excess of one hundred thousand dollars ($100,000) per occurrence.

(6) Reimbursing the State for damages or other costs incurred as a result of a loan from the Loan Fund. The per occurrence limit does not apply to reimbursements to the State under this subdivision.

(7) Recordation of residual petroleum as required by G.S. 143B-279.11 if the Commercial Fund is responsible for the payment of costs under subdivisions (1) through (4) of this subsection.

(b1) In the event that two or more discharges or releases at any one facility, the first of which was discovered or reported on or after 30 June 1988, result in more than one plume of soil, surface water, or groundwater contamination, the Commercial Fund shall be used for the payment of the costs of the cleanup of environmental damage as required by G.S. 143-215.94E(a) in excess of the multiple discharge amount up to the applicable aggregate maximum specified in subsections (b) and (b2) of this section. The multiple discharge amount shall be calculated as follows:

(1) Each discharge or release shall be considered separately as if it were the only discharge or release, and the cost for which the owner or operator is responsible under subdivisions (1), (2), (2a), or (3) of subsection (b) of this section, whichever are applicable, shall be determined for each discharge or release. For each discharge or release for which subdivision (4) of subsection (b) of this section is applicable, the cost for which the owner or operator is responsible, for the purpose of this subsection, shall be seventy-five thousand dollars ($75,000). For purposes of this subsection, two or more discharges or releases that result in a single plume of soil, surface water, or groundwater contamination shall be considered as a single discharge or release.

(2) The multiple discharge amount shall be the lesser of:

a. The sum of all the costs determined as set out in subdivision (1) of this subsection; or

b. The product of the highest of the costs determined as set out in subdivision (1) of this subsection multiplied by one and one-half (1 1/2).

(b2) In the event that the aggregate costs per occurrence described in subsection (b) or (b1) of this section exceed one million dollars ~~($1,000,000),~~ ($1,000,000) for a discharge or release that is reported prior to 1 January 2017, the Commercial Fund shall be used for the payment of eighty percent (80%) of the costs in excess of one million dollars ($1,000,000) up to a maximum of one million five hundred thousand dollars ($1,500,000). The Department shall not pay or reimburse costs under this subsection unless the owner, operator, or landowner eligible for reimbursement under G.S. 143-215.94E(b1) submits proof that the owner, operator, or landowner eligible for reimbursement under G.S. 143-215.94E(b1) has paid at least twenty percent (20%) of the costs for which reimbursement is sought.

(b3) For purposes of subsections (b) and (b1) of this section, the cleanup of environmental damage includes connection of a third party to a public water system if the Department determines that connection of the third party to a public water system is a cost-effective measure, when compared to other available measures, to reduce risk to

human health or the environment. A payment or reimbursement under this subsection is subject to the requirements and limitations of this section. This subsection shall not be construed to limit any right or remedy available to a third party under any other provision of law. This subsection shall not be construed to require a third party to connect to a public water system. Except as provided by this subsection, connection to a public water system does not constitute cleanup under Part 2 of this Article, G.S. 143-215.94E, G.S. 143-215.94V, any other applicable statute, or at common law.

(b4) The Commercial Fund shall pay any claim made after 1 September 2001 for compensation to third parties pursuant to subdivision (5) of subsection (b) of this section only if the owner, operator, or other party responsible for the discharge or release has complied with the requirements of G.S. 143B-279.9 and G.S. 143B-279.11, unless compliance is prohibited by another provision of law.

(c) The Commercial Fund is to be available on an occurrence basis, without regard to number of occurrences associated with tanks owned or operated by the same owner or operator.

(d) The Commercial Fund shall not be used for:

(1) Costs incurred as a result of a discharge or release from an aboveground tank, aboveground pipe or fitting not connected to an underground storage tank, or vehicle.

(2) The removal or replacement of any tank, pipe, fitting or related equipment.

(3) Costs incurred as a result of a discharge or release of petroleum from a transmission pipeline.

(4) Costs intended to be paid by the Noncommercial Fund.

(5) Costs associated with the administration of any underground storage tank program other than the program administered pursuant to this Part.

(6) Costs paid or reimbursed by or from any source other than the Commercial Fund, including but not limited to, any payment or reimbursement made under a contract of insurance.

(7) Costs incurred as a result of the cleanup of environmental damage to groundwater to a more protective standard than the risk-based standard required by the Department unless the cleanup of environmental damage to groundwater to a more protective standard is necessary to resolve a claim for compensation by a third party for property damage.

(8) Costs in excess of those required to achieve the most cost-effective cleanup.

(9) Costs incurred as a result of a discharge or release from an underground storage tank first placed in service on or after 1 January 2007 if either of the following apply:

a. The facility of which the tank is a component is first placed in service on or after 1 January 2007.

b. The underground storage tank is a component of a facility at which all underground storage tanks are replaced on or after 1 January 2007.

(e) The Commercial Fund shall be treated as a special trust fund and shall be credited with interest by the State Treasurer pursuant to G.S. 147-69.2 and G.S. 147-69.3.

(f) During each fiscal year, the Department may use up to two million five hundred thousand dollars ($2,500,000) of the funds in the Commercial Fund for performance-based cleanups as provided in this subsection. The Department may also use any funds that are available from any other source and that are specifically intended to be used for performance-based cleanups as provided in this section. Each performance-based cleanup shall comply with the requirements of this Part and any other provisions of law that govern the cleanup of environmental damage resulting from the discharge or release of a petroleum product from a commercial underground storage tank. The Department or any owner, operator, or landowner may contract for performance-based cleanups with environmental services firms that the Department has determined to be qualified to satisfactorily complete the work associated with a cleanup. Before the award of the contract, the environmental services firms shall secure a surety or performance bond equal to the price of the firm's services under the contract and shall demonstrate having secured the surety or performance bond to the satisfaction of the Department. The surety shall be liable on the bond obligation when the environmental services firms fail to perform as specified in the contract. A performance-based contract shall provide that cleanup will be completed within the time and for the cost stated in the contract. The Department or any owner, operator, or landowner shall select environmental services firms for performance-based cleanup through a competitive bidding process. The Commission shall adopt rules governing the competitive bidding process and any other rules necessary to implement this subsection. The rules shall establish qualifications for environmental services firms and for individuals and firms that provide engineering services as part of a contract to satisfactorily complete work associated with cleanup."

SECTION 2. G.S. 143-215.94C reads as rewritten:

"**§ 143-215.94C. Commercial leaking petroleum underground storage tank cleanup fees.**

(a) ~~For purposes of this subsection, each compartment of a commercial underground storage tank that is designed to independently contain a petroleum product is a separate petroleum commercial underground storage tank.~~ The owner or operator of a commercial petroleum underground storage tank facility shall pay to the Secretary for deposit into the Commercial Fund an annual operating ~~fee according to the following schedule:~~permit fee. In addition to the operating permit fee, an owner or operator of a commercial petroleum underground storage tank facility who demonstrates financial responsibility as required by G.S. 143-215.94H on the basis of eligibility for the payment of any of the costs described in subsections (b) or (b1) of G.S. 143-215.94B from the Commercial Fund shall pay to the Secretary for deposit into the Commercial Fund an annual financial responsibility fee. The operating permit fee and the financial

responsibility fee shall be paid together as one annual comprehensive fee. The annual comprehensive fee shall be determined from the following schedule. For purposes of this subsection, each compartment of a commercial underground storage tank that is designed to independently contain a petroleum product is a separate petroleum commercial underground storage tank.

Year	Operating Permit Fee Per Tank	Financial Responsibility Fee Per Tank	
		Tanks of 3,500 gallons capacity or less	Tanks greater than 3,500 gallons capacity
2007	$72.00	$228.00	$384.00
2008	$72.00	$228.00	$384.00
2009	$72.00	$252.00	$396.00
2010	$72.00	$312.00	$420.00
2011	$72.00	$468.00	$468.00
2012	$72.00	$588.00	$588.00
2013	$72.00	$732.00	$732.00
2014	$72.00	$912.00	$912.00
2015	$72.00	$1,152.00	$1,152.00
2016	$72.00	$1,512.00	$1,512.00
2017+	$72.00	Not available	Not available

~~(1) For each petroleum commercial underground storage tank of 3,500 gallons or less capacity two hundred dollars ($200.00).~~

~~(2) For each petroleum commercial underground storage tank of more than 3,500 gallon capacity three hundred dollars ($300.00).~~

(a1) Once an owner or operator of a commercial petroleum underground storage tank facility elects to demonstrate financial responsibility as required by G.S. 143-215.94H without reliance on the Commercial Fund, the owner or operator must continue to demonstrate financial responsibility as required by G.S. 143-215.94H without reliance on the Commercial Fund.

(b) The annual ~~operating~~ comprehensive fee shall be determined on a calendar year basis. For petroleum commercial underground storage tanks in use on 1 January and remaining in use on or after 1 December of that year, the annual ~~operating~~ comprehensive fee due for that year shall be as specified in subsection (a) of this section. For a petroleum commercial underground storage tank that is first placed in service in any year, the operating permit fee due for that year shall not be prorated. For a petroleum commercial underground storage tank that is first placed in ~~use~~ service in any year, the ~~annual operating~~financial responsibility fee due for that year shall be determined by multiplying one-twelfth (1/12) of the amount specified in subsection (a) of this section by the number of months remaining in the calendar year. For a petroleum commercial underground storage tank that is permanently removed from use in any year, the ~~annual operating~~financial responsibility fee due for that year shall be determined by multiplying one-twelfth (1/12) of the amount specified in subsection (a) of this section by the number of months in the calendar year preceding the permanent removal from use. In calculating the pro rata ~~annual operating~~financial responsibility fee for a tank that is first placed in ~~use~~ service or permanently removed during a calendar

year under the preceding two sentences, a partial month shall count as a month, except that where a tank is permanently removed and replaced by another tank, the total of the ~~annual operating~~financial responsibility fee for the tank that is removed and the replacement tank shall not exceed the ~~annual operating~~financial responsibility fee for the replacement tank. The annual ~~operating~~ comprehensive fee shall be due and payable on the first day of the month in accordance with a staggered schedule established by the Department. The Department shall implement a staggered schedule to the end that the total amount of fees to be collected by the Department is approximately the same each quarter. A person who owns or operates more than one petroleum commercial underground storage tank may request that the fee for all tanks be due at the same time. The fee for all commercial underground storage tanks located at the same facility shall be due at the same time. A person who owns or operates 12 or more commercial petroleum storage tanks may request that the total of all fees be paid in four equal payments to be due on the first day of each calendar quarter, provided that the fee for all commercial underground storage tanks located at the same facility shall be due at the same time.

(c) Beginning no later than sixty days before the first due date of the annual ~~operating~~ comprehensive fee imposed by this section, any person who deposits a petroleum product in a commercial underground storage tank that would be subject to the annual ~~operating~~ comprehensive fee shall, at least once in each calendar year during which such deposit of a petroleum product is made, notify the owner or operator of the duty to pay the annual ~~operating~~ comprehensive fee. The requirement to notify pursuant to this subsection does not constitute a duty owed by the person depositing a petroleum product in a commercial underground storage tank to the owner or operator and the person depositing a petroleum product in an underground storage tank shall not incur any liability to the owner or operator for failure to give notice of the duty to pay the ~~operating~~ annual comprehensive fee.

(d) Repealed by Session Laws 1991, c. 538, s. 3.1.

(e) An owner or operator of a commercial underground storage tank who fails to pay an annual ~~operating~~ comprehensive fee due under this section within 30 days of the date that the fee is due shall pay, in addition to the fee, a late penalty of five dollars ($5.00) per day per commercial underground storage tank, up to a maximum equal to the annual ~~operating~~ comprehensive fee due. The Department may waive a late penalty in whole or in part if:

(1) The late penalty was incurred because of the late payment or nonpayment of an annual ~~operating~~ comprehensive fee by a previous owner or operator.

(2) The late penalty was incurred because of a billing error for which the Department is responsible.

(3) Where the late penalty was incurred because the annual ~~operating~~ comprehensive fee was not paid by the owner or operator due to inadvertence or accident.

(4) Where payment of the late penalty will prevent the owner or operator from complying with any substantive law, rule, or regulation

applicable to underground storage tanks and intended to prevent or mitigate discharges or releases or to facilitate the early detection of discharges or releases."

SECTION 3.(a) G.S. 143-215.94E is amended by adding two new subsections to read:

"(j) An owner, operator, or landowner shall request that the Department determine whether any of the costs of assessment and cleanup of a discharge or release from a petroleum underground storage tank are eligible to be paid or reimbursed from either the Commercial Fund or the Noncommercial Fund within one year after completion of any task that is eligible to be paid or reimbursed under G.S. 143-215.94B(b), 143-215.94B(b1), or 143-215.94D(b1).

(k) An owner, operator, or landowner shall request payment or reimbursement from the Commercial Fund or the Noncommercial Fund for the cost of a task within one year after the completion of the task. The Department shall deny any request for payment or reimbursement of the cost of any task that would otherwise be eligible to be paid or reimbursed if the request is not received within 12 months after the later of the date on which the:

(1) Department determines that the cost is eligible to be paid or reimbursed.

(2) Task is completed."

SECTION 3.(b) Notwithstanding G.S. 143-215.94E(k), as enacted by subsection (a) of this section, an owner, operator, or landowner shall request payment or reimbursement of the cost of any task completed prior to 1 January 2007 that is eligible to be paid or reimbursed from the Commercial Fund or the Noncommercial Fund no later than 1 January 2008. The Department shall deny any request for payment or reimbursement of the cost of any task to which this subsection applies that is made after 1 January 2008.

SECTION 4. G.S. 143-215.94G is amended by adding four new subsections to read:

"(g) If the Department paid or reimbursed costs that are not authorized to be paid or reimbursed under G.S. 143-215.94B or G.S. 143-215.94D as a result of a misrepresentation by an agent who acted on behalf of an owner, operator, or landowner, the Department shall first seek reimbursement, pursuant to subdivision (1) of subsection (d) of this section, from the agent of monies paid to or retained by the agent.

(h) The Department shall take administrative action to recover costs or bring a civil action pursuant to subdivision (1) of subsection (d) of this section to seek reimbursement of costs in accordance with the time limits set out in this subsection.

(1) The Department shall take administrative action to recover costs or bring a civil action to seek reimbursement of costs that are not authorized to be paid from the Commercial Fund under subdivisions (1), (2), (3), or (9) of G.S. 143-215.94B(d) or from the Noncommercial Fund under subdivisions (1), (2), or (3) of G.S. 143-215.94D(d) within five years after payment.

(2) The Department shall take administrative action to recover costs or bring a civil action to seek reimbursement of costs other than those described in subdivision (1) of this subsection within three years after payment.

(3) Notwithstanding the time limits set out in subdivisions (1) and (2) of this subsection, the Department may take administrative action to recover costs or bring a civil action to seek reimbursement of costs paid as a result of fraud or misrepresentation at any time.

(i) An administrative action or civil action that is not commenced within the time allowed by subsection (h) of this section is barred.

(j) Except with the consent of the claimant, the Department may not withhold payment or reimbursement of costs that are authorized to be paid from the Commercial Fund or the Noncommercial Fund in order to recover any other costs that are in dispute unless the Department is authorized to withhold payment by a final decision of the Commission pursuant to G.S. 150B-36 or an order or final decision of a court."

SECTION 5. G.S. 143-215.94H reads as rewritten:

"**§ 143-215.94H. Financial responsibility.**

(a) The Department shall require each owner and operator of a petroleum underground storage tank who is required to demonstrate financial responsibility under rules promulgated by the United States Environmental Protection Agency pursuant to 42 U.S.C. § 6991b(d) to maintain evidence of financial responsibility ~~of not less than~~ that is the lesser of:

(1) The full amount of the financial responsibility that an owner or operator is required to demonstrate under rules promulgated by the United States Environmental Protection Agency pursuant to 42 U.S.C. § 6991b(d).

(2) The amounts required to be paid for by the owner or operator pursuant to G.S. 143-215.94E(b) per occurrence for costs described in G.S. 143-215.94B(b) and ~~G.S. 143-215.94D(b1).~~ G.S. 143-215.94B(b1) if costs are eligible to be paid under those subsections.

(b) Financial responsibility may be established in accordance with rules adopted by the Commission which shall provide that financial responsibility may be established by either insurance, guarantee, surety bond, letter of credit, qualification as a self-insurer, or any combination thereof. The compliance date schedule for demonstrating financial responsibility shall conform to the schedule adopted by the Environmental Protection Agency."

SECTION 6. G.S. 143-215.94T reads as rewritten:

"**§ 143-215.94T. Adoption and implementation of regulatory program.**

(a) The Commission shall adopt, and the Department shall implement and enforce, rules relating to underground storage tanks as provided by G.S. 143-215.3(a)(15) and G.S. 143B-282(2)h. These rules shall include standards and requirements applicable to both existing and new underground storage tanks and tank systems, may include different standards and requirements based on tank capacity, tank

location, tank age, and other relevant factors, and shall include, at a minimum, standards and requirements for:

(1) Design, construction, and installation, including monitoring systems.
(2) Notification to the Department, inspection, and registration.
(3) Recordation of tank location.
(4) Modification, retrofitting, and upgrading.
(5) General operating requirements.
(6) Release detection.
(7) Release reporting, investigation, and confirmation.
(8) Corrective action.
(9) Repair.
(10) Closure.
(11) Financial responsibility.
(12) Tank tightness testing procedures and certification of persons who conduct tank tightness tests.
(13) Secondary containment for ~~nontank~~ all components of petroleum underground storage tank systems.

(b) Rules adopted pursuant to subsection (a) of this section that apply only to commercial underground storage tanks shall not apply to any:

(1) Farm or residential underground storage tank of 1,100 gallons or less capacity used for storing motor fuel for noncommercial purposes.
(2) Underground storage tank of 1,100 gallons or less capacity used for storing heating oil for consumptive use on the premises where stored.
(3) Underground storage tank of more than 1,100 gallon capacity used for storing heating oil for consumptive use on the premises where stored by four or fewer households.

(c) Rules adopted pursuant to subdivision (13) of subsection (a) of this section shall require secondary containment for all ~~nontank~~ components of underground storage tank systems, ~~including all piping and~~ including, but not limited to, tanks, piping, fittings, pump heads, and dispensers. Secondary containment requirements shall include standards for double wall ~~piping~~ tanks, piping, and fittings and for sump containment for pump heads and dispensers. The rules shall provide for ~~monthly~~ release detection monitoring of double wall interstices and sump containments. The rules shall apply to any underground storage tank system that is installed on or after the date on which the rules become effective and to the replacement of any ~~nontank~~ component of an underground storage tank system on or after that date."

SECTION 7. The Environmental Management Commission shall adopt rules to require and set standards for secondary containment for all components of underground storage tank systems pursuant to G.S. 143-215.94T, as amended by Section 4 of this act. The rules shall apply to any underground storage tank system that is installed on or after 1 January 2007 and to the replacement of any component of an underground storage tank system on or after 1 January 2007. To the extent that the rules that are required to be adopted by this section are not effective on or after 1 January 2007, the provisions of 40 Code of Federal Regulations § 280.42(b)(1) through

§ 280.42(b)(4) (1 July 2004 Edition) shall govern any component of an underground storage tank system that is installed on or after 1 January 2007 and to the replacement of any component of an underground storage tank system on or after 1 January 2007.

SECTION 8. G.S. 143-215.94U reads as rewritten:

"**§ 143-215.94U. Registration of petroleum commercial underground storage tanks; operation of petroleum underground storage tanks; operating permit required.**

(a) The owner or operator of each petroleum commercial underground storage tank shall annually obtain an operating permit from the Department for the facility at which the tank is located. The Department shall issue an operating permit only if the owner or ~~operator:~~operator has done all of the following:

(1) ~~Has notified~~Notified the Department of the existence of all tanks as required by 40 Code of Federal Regulations § 280.22 (1 July 1994 Edition) or 42 U.S.C. § 6991a, if applicable, at the ~~facility;~~facility.

(2) ~~Has paid~~Paid all fees required under G.S. 143-215.94C for all commercial petroleum underground storage tanks located at the ~~facility;~~facility.

(3) Complies with applicable release detection, spill and overfill protection, and corrosion protection requirements set out in rules adopted pursuant to this Chapter, notifies the Department of the method or combination of methods of leak detection, spill and overfill protection, and corrosion protection in use, and certifies to the Department that all applicable release detection, spill and overfill protection, and corrosion protection requirements are being met for all petroleum underground storage tanks located at the ~~facility;~~facility.

(4) If applicable, complies with the Stage I vapor control requirements set out in 15A North Carolina Administrative Code 2D.0928, effective 1 March 1991, notifies the Department of the method or combination of methods of vapor control in use, and certifies to the Department that all Stage I vapor control requirements are being met for all petroleum underground storage tanks located at the ~~facility; and~~facility.

(5) ~~Has substantially~~Substantially complied with the air quality, groundwater quality, and underground storage tank standards applicable to any activity in which the applicant has previously engaged and has been in substantial compliance with federal and State laws, regulations, and rules for the protection of the environment. In determining substantial compliance, the compliance history of the owner or operator and any parent, subsidiary, or other affiliate of the owner, operator, or parent may be considered.

(6) Demonstrated financial responsibility as required by G.S. 143-215.94H.

(b) The operating permit shall be issued at the time the commercial underground storage annual ~~tank operating~~ comprehensive fee required under G.S. 143-215.94C(a) is paid and shall be valid from the first day of the month in which the fee is due through

the last day of the last month for which the fee is paid in accordance with the schedule established by the Department under G.S. 143-215.94C(b).

(c) No person shall place a petroleum product, and no owner or operator shall cause a petroleum product to be placed, into an underground storage tank at a facility for which the owner or operator does not hold a currently valid operating permit.

(d) The Department shall issue an operating permit certificate for each facility that meets the requirements of subsection (a) of this section. The operating permit certificate shall identify the number of tanks at the facility and shall conspicuously display the date on which the permit expires. Except for the owner or operator, no person shall be liable under subsection (c) of this section if an unexpired operating permit certificate is displayed at the facility, unless the person knows or has reason to know that the owner or operator does not hold a currently valid operating permit for the facility.

(e) The Department may revoke an operating permit only if the owner or operator fails to continuously meet the requirements set out in subdivisions (1) through (4) of subsection (a) of this section. If the Department revokes an operating permit, the owner or operator of the facility for which the operating permit was issued shall immediately surrender the operating permit certificate to the Department, unless the revocation is stayed pursuant to G.S. 150B-33. An owner or operator may challenge a decision by the Department to deny or revoke an operating permit by filing a contested case under Article 3 of Chapter 150B of the General Statutes. The Secretary shall make the final agency decision regarding the revocation of a permit under this section."

SECTION 9.(a) The definitions set out in G.S. 143-215.94A apply to this section. As used in this section, "Department" means the Department of Environment and Natural Resources and, with respect to any power or duty assigned to the Environmental Management Commission under Article 21A of Chapter 143 of the General Statutes, includes the Environmental Management Commission. As used in this section, "site-specific cleanup standards" means standards developed using the methodology described in the Standard Guide for Risk-Based Corrective Action Applied at Petroleum Release Sites adopted by the American Society for Testing and Materials (ASTM) as E1739-95(2002).

SECTION 9.(b) The Department shall establish a pilot program to evaluate the use of site-specific cleanup standards for the cleanup of discharges or releases of petroleum from underground storage tanks as an alternative to the use of the risk-based assessment and corrective action standards set out in 15A NCAC 2L.0115. The purpose of the pilot program is to determine the extent to which the use of site-specific standards would provide effective protection of public health, safety, and the environment in a cost-effective manner and at a lower overall cost as compared with the use of the risk-based standards set out in 15A NCAC 2L.0115. The pilot program shall apply only to discharges or releases that are classified as intermediate risk under 15A NCAC 2L.0115(d). The pilot program shall evaluate the use of site-specific standards in the cleanup of contamination that results from a discharge or release of petroleum from: (i) an underground storage tank; and (ii) an underground storage tank that is commingled

with petroleum contamination from a source of contamination other than an underground storage tank, as provided in G.S. 143-215.94V(h).

SECTION 9.(c) Participation in the pilot program shall be at the election of the owner, operator, or landowner. To participate in the pilot program, an owner, operator, or landowner shall perform a site-specific risk assessment and submit the assessment to the Department. If the Department determines that the use of site-specific cleanup standards will provide effective protection of public health, safety, and the environment, the Department shall set site-specific soil and groundwater cleanup standards for the discharge or release. These site-specific standards shall apply in lieu of the risk-based assessment and corrective action standards set out in 15A NCAC 2L.0115.

SECTION 9.(d) If soil and groundwater contamination from a discharge or release is no greater than the site-specific soil and groundwater cleanup standards set by the Department, the Department shall notify an owner, operator, or landowner that no cleanup, further cleanup, or further action will be required. If soil and groundwater contamination from a discharge or release is greater than the site-specific soil and groundwater cleanup standards set by the Department, the owner, operator, or landowner shall submit a corrective action plan to achieve the standards. The Department may require the owner, operator, or landowner to evaluate the impact of the site-specific cleanup standards on public health, safety, and the environment through use of an appropriate model. The Department shall not set site-specific soil and groundwater cleanup standards for the discharge or release that allow for contamination in excess of unrestricted use standards, as defined in G.S. 143B-279.9, on any real property that is not subject to land-use restrictions under G.S. 143B-279.9 and recordation under G.S. 143B-279.11.

SECTION 9.(e) Except as provided in this section, the provisions of Part 2A and Part 2B of Article 21A of Chapter 143 of the General Statutes apply to this section.

SECTION 9.(f) The Department shall annually report to the Environmental Review Commission on the number of site-specific risk assessments submitted to the Department under the pilot program, the disposition of those submissions, and, for any submissions for which site-specific soil and groundwater cleanup standards are not set, the basis for the decision not to set site-specific cleanup standards. The report shall include a comparison of assessment and corrective action of discharges or releases under the pilot program to assessment and corrective action of intermediate risk discharges or releases pursuant to the risk-based assessment and corrective action standards set out in 15A NCAC 2L.0115. The comparison shall include all of the following:

(1) The costs associated with investigation, assessment, initial response, abatement, analysis of risk, and development and implementation of a corrective action plan.

(2) The immediate and long-term impacts on public health, safety, and the environment.

(3) The need for and use of land-use restrictions as part of the corrective action plan.

(4) The extent to which corrective action addresses vapor intrusion.

SECTION 9.(g) The Department shall submit the first report required by subsection (f) of this section on or before 1 September 2007. The Department shall include in the report due on or before 1 September 2011 any recommendations, including legislative proposals, based on the findings of the pilot program.

SECTION 10.(a) The definitions set out in Section 9(a) of this act apply to this section. It is the policy of the State that a discharge or release be reclassified as low-risk if, based on site-specific cleanup standards, investigation, assessment, initial response, abatement, risk-based corrective action, or other corrective action, the Department determines that the discharge or release poses no significant risk to human health or the environment. An owner, operator, or landowner may request that a discharge or release be reclassified to a lower risk classification. If the Department denies a request to reclassify a discharge or release to a lower risk classification, the owner, operator, or landowner may file a petition for a contested case hearing as provided in Article 3 of Chapter 150B of the General Statutes.

SECTION 10.(b) The Department shall report on or before 1 September of each year to the Environmental Review Commission on the number of sites for which reclassification was requested based on site-specific information and the disposition of each request. The Department shall submit the first report required by this section on or before 1 September 2007.

SECTION 11. The Department of Environment and Natural Resources shall establish a process to provide informal notice of any proposed policy change or rule interpretation that is not a rule, as defined in G.S. 150B-2, to interested parties. Except in a situation that requires immediate action, the Department shall receive and consider oral and written comment from interested parties before the Department implements the proposed policy change or rule interpretation. Except in a situation that requires immediate action, the Department shall provide written notice of a policy change or rule interpretation to interested parties at least 30 days prior to its implementation.

SECTION 12. The Department of Insurance, in consultation with the Petroleum Underground Storage Tank Funds Council and the Department of Environment and Natural Resources, shall provide guidance and technical assistance for the formation of an insurance pool pursuant to G.S. 143-215.94I to any responsible entity that requests assistance.

SECTION 13. Section 8 of S.L. 2001-442 reads as rewritten:

"**SECTION 8.** Sections 1 through 5 of this act become effective 1 October 2001. Sections 6, 7, and 8 of this act are effective when this act becomes law. Sections 1, 2, 3, 4, 5, and 7 of this act expire 1 October ~~2006.~~2007."

SECTION 14. This act shall not be construed to amend Section 11.4 of S.L. 2003-284 as modified by subsection (b) of Section 30.10 of S.L. 2004-124. The designation of a portion of the commercial leaking petroleum underground storage tank cleanup fees due under G.S. 143-215.94C(a), as amended by Section 2 of this act, as an annual operating permit fee shall not be construed to alter the amount available to the Department of Environment and Natural Resources from the Commercial Fund for the

administration of Parts 2A and 2B of Article 21A of Chapter 143 of the General Statutes.

SECTION 15. Sections 1, 4, 5, 6, 7, 11, 12, 13, and 15 of this act are effective when it becomes law. Sections 2, 8, and 14 of this act become effective 1 January 2007. Section 3 of this act becomes effective 1 January 2007 and applies to determinations of eligibility and requests for payments made on or after that date. Sections 9 and 10 of this act are effective when it becomes law and expire 1 September 2012.

SENATE BILL 1565:
Underground Storage Tank Amendments 2006

BILL ANALYSIS

Committee:
Introduced by: Sen. Clodfelter
Version: First Edition

Date: May 18, 2006
Summary by: Tim Dodge
Legislative Analyst

SUMMARY: ***Senate Bill 1565 amends the statutes related to the cleanup of leaking underground storage tank (UST) sites under the Commercial Leaking Petroleum Underground Storage Tank Cleanup Fund (Commercial Fund) and the Noncommercial Leaking Petroleum Underground Storage Tank Cleanup Fund (Noncommercial Fund) to provide for a transition to private insurance and other mechanisms to demonstrate compliance with federal financial responsibility requirements.***

This bill is part of a two-bill package that includes Senate Bill 1584 (UST Program Funds).

[As introduced, this bill was identical to H2163, as introduced by Reps. Gibson and Harrison, which is currently in House Environment and Natural Resources.]

BILL ANALYSIS:

Senate Bill 1565 would begin the process of transitioning commercial USTs to private insurance or other mechanisms to demonstrate financial assurance (compliance with federal financial responsibility requirements) by progressively increasing tank fees, modifying regulatory requirements, and making other substantive changes to the UST cleanup program. The various provisions of the bill are interrelated and are intended to be considered as a whole in order to achieve major reforms in the UST cleanup program. Specifically, the bill would make the following changes:

Transition to private insurance or other private financial assurance mechanisms:

- Limits the eligibility for reimbursement of cleanup costs from the Commercial Fund to discharges or releases from existing tanks that are reported prior to 1 January 2017. *(Section 1)*
- Requires all new UST facilities and fully-upgraded UST facilities that that are placed in service on or after 1 January 2007 to obtain private insurance or other private mechanisms to demonstrate financial assurance. *(Section 1)*
- Divides the commercial UST operating fee into two segments: the operating permit fee, which all commercial UST owners or operators must pay, and the financial responsibility fee, which commercial UST owners or operators that rely on the Commercial Fund to demonstrate financial assurance must pay. *(Section 2)*
- Provides for a progressive schedule of fee increases for the annual financial responsibility fee until the year 2017, at which time the Commercial Fund will no longer be available to provide financial assurance. *(Section 2)*
- Sets the annual operating permit fee for commercial USTs at $72. *(Section 2)*

- Directs the Department of Insurance, in consultation with the Petroleum Underground Storage Tank Funds Council (Funds Council) and the Department of Environment and Natural Resources (DENR), to provide guidance and technical assistance for the formation of insurance pool for USTs. *(Section 12)*
- Extends by one year the period of time during which DENR may use up to $250,000 of the funds in the Noncommercial Fund and $2,500,000 in the Commercial Fund during each fiscal year for performance-based cleanups of leaking UST sites. *(Section 13)*

Regulatory Reform:

- Increases secondary containment requirements for commercial UST systems by requiring all new commercial USTs installed on or after 1 January 2007 to be double-walled. *(Sections 6 and 7)*
- Establishes a pilot program to evaluate the use of site-specific cleanup standards at UST sites as an alternative to the risk-based assessment and corrective action standards currently in use. Participation in the pilot program is voluntary and would be available to responsible parties of a discharge or release that is classified as an intermediate risk. *(Section 9 and 10)*

Other Changes:

- Requires responsible parties to submit applications to determine eligibility for reimbursement from the Commercial Fund or the Noncommercial Fund within one year after completion of any task that is eligible for reimbursement. *(Section 3)*
- Requires responsible parties to submit requests for payment or reimbursement within one year of the date of completion of the task or the date on which DENR determines the site is eligible for reimbursement. *(Section 3)*
- Directs DENR to seek reimbursement of unauthorized costs that were paid or reimbursed from the Commercial Fund or Noncommercial Fund as a result of misrepresentation by an agent acting on behalf of the responsible party first from the agent of monies paid to or retained by the agent. *(Section 4)*
- Requires that DENR seek reimbursement of unauthorized costs that were paid or reimbursed within certain time limits, with the exception of cases involving fraud or misrepresentation. *(Section 4)*
- Directs DENR to establish a process to provide informal notice of any proposed policy change or rule interpretation at least 30 days prior to implementation of the policy change or rule interpretation. *(Section 11)*
- Makes other clarifying and conforming changes.

EFFECTIVE DATE:

Sections 1, 4, 5, 6, 7, 11, 12, 13, and 15 of the bill would become effective when it becomes law. Sections 2, 8, and 14 of the bill would become effective 1 January 2007. Section 3 of the bill would become effective 1 January 2007 and apply to determinations of eligibility and requests for payments made on or after that date. The pilot program established in Sections 9 and 10 of this bill would become effective when the bill becomes law and expire 1 September 2012

BACKGROUND:

In 1988, the General Assembly established the Commercial Fund and the Noncommercial Fund to provide reimbursement for costs incurred during the cleanup of soil and groundwater contamination resulting from a release of petroleum from a UST. The Commercial Fund receives revenue from three sources: a small portion of the motor fuel excise tax, an inspection tax on motor fuel and kerosene, and an operating fee for USTs. The Noncommercial Fund receives revenue from the motor fuel excise tax and the inspection tax on motor fuel and kerosene. While the Funds continue to provide reimbursement for some assessment and remediation activities, the costs have continued to exceed the revenues to the Funds.

S1565e1-SMSY

Report to the North Carolina General Assembly on the Inactive Hazardous Sites Program

October 2009

Superfund Section
Division of Waste Management
North Carolina Department of Environment and Natural Resources

http://www.wastenotnc.org

EXECUTIVE SUMMARY

The Inactive Hazardous Sites Program was created by the North Carolina General Assembly to identify, control and correct properties contaminated with hazardous substances. To date, 2,990 chemical spill or disposal sites and old, unlined dumps or landfills have been catalogued that are not being addressed by other environmental authorities. Of this number, 2,543 still require work to address their hazards.

Of the 2,543 remaining open cases, 671 are old, non-permitted, unlined landfills (pre-regulatory landfills) requiring action. Senate Bill 1492, enacted in 2007, directed half of the proceeds of a statewide waste disposal tax to the Inactive Hazardous Sites Cleanup Fund for purposes of addressing contamination at pre-regulatory landfills. The provisions of the bill which relate to the assessment and abatement of contamination went into effect July 2008. The first proceeds of the tax were received by the Division of Waste Management in February 2009, which has allowed the Division to staff the program and establish contracts to address the landfills

Based on data from the Environmental Protection Agency and the Division of Waste Managment, most of North Carolina's unlined landfills can be expected to have groundwater contamination. These landfills pose threats in that contaminated groundwater can reach drinking water wells, and explosive methane and hazardous substance vapors (off-gassing from the waste and contaminated groundwater) can make it into structures on or near the landfill. Based on inspections of the pre-regulatory landfill sites, 82 percent have a residence, school, church, day care or drinking water source on or within 1,000 feet of the landfill. There are 166 landfills that have drinking water wells within 500 feet, 26 that have residences on the landfill, 64 that have buildings other than residences on the landfill, and 22 in use as a day care, park, school or other non-residential sensitive use.

SB 1492 required that the tax credited toward addressing the pre-regulatory landfills be deposited in the Inactive Hazardous Sites Cleanup Fund and that those funds could only be used to implement an assessment and cleanup program for the pre-regulatory landfills. SB 1492 established in G.S. 130A-295.9(1) that up to 7 percent of the tax credited to the fund could be used for administration of the program. Revenue from the tax has been 35 percent lower than expected. In addition, the 2009-2010 appropriations bill cut $300,000 (approximately 65-70 percent) from the Inactive Hazardous Sites Program administration budget. The appropriations bill made up the shortfall by modifying G.S. 130A-295.9(1) to allow revenue from the waste disposal tax to be used to cover administration of the Inactive Hazardous Sites Program starting in fiscal 2020-11, but did not raise the 7 percent cap on the use of tax revenues for administrative purposes. Based on current revenue from the waste disposal tax, 7 percent will not be sufficient to cover the administrative costs of both the new Pre-Regulatory Landfill Program and the Inactive Hazardous Sites Program for cleanup of non-landfill sites.

Limited funds are available for non-landfill orphan site assessment and cleanup. The Inactive Hazardous Sites Branch has been able to collect some funds through bankruptcy claims for a few sites. All available funds are dedicated to specific site actions. The appropriations bill (HB2436) for budget year FY08/09 authorized the transfer of $400,000 from the Dry Cleaning

Solvent Cleanup Fund to the Inactive Hazardous Sites Cleanup Fund to assess and clean up contaminated sites or to provide alternate sources of drinking water to contaminated private wells. A description of the work conducted with those funds is provided in chapter II. Those funds are depleted with the final processing of bills for contractor services.

There remain many high-risk sites without financially-viable responsible parties. There are currently 240 non-landfill sites with one or more drinking water wells having detectable contamination. Half of these cases have no known responsible party. Twenty sites have one or more drinking water wells with contamination exceeding the federal drinking water standards and no responsible party. None of the cases have been found to be eligible for Bernard Allen funding for alternate water supplies based on the current criteria set out in that law. The Inactive Hazardous Sites Branch has been able to solicit the EPA's help in handling 10 of these sites. A new provision in the 2009 appropriations bill provides that 2.5 percent of the scrap tire tax now be deposited in the Inactive Hazardous Sites Cleanup Fund. An estimated $325,000 annually is expected based on previous receipt collections. These funds will be used to conduct contaminant assessment and cleanup at sites and to provide alternate water supplies.

To increase the program's effectiveness, the General Assembly authorized the use of private environmental consulting firms to oversee voluntary cleanup actions. Registered Environmental Consultants (RECs) are providing supervision for cleanup work on 100 sites. State staff members audit a portion of the REC's work activities. In addition, oversight of several remedial actions is being provided by federally-funded staff and staff from Guilford County, and oversight of work at 34 former manufactured gas plant sites is being provided through an agreement with a consortium of utilities and municipalities that presently funds one staff member.

The following summarizes site cleanup activities during the past reporting year.

Sites Identified	
Chemical spill or disposal sites	2,319
Old unlined dumps and landfills	671
Total Number Sites Identified	**2,990**
Sites With All Work Complete Since last status report	10
Total Number Sites Requiring No Further Action	**447**
Note: Five sites reactivated based on new information.	
Ongoing Cleanup Actions	
Ongoing REC-Supervised Site Cleanup Actions	100
Staff-Supervised Responsible Party Assessment/Cleanup Actions 08-09	133
Total	**233**

Note that staff activities also include overseeing orphan site cleanups, filing bankruptcy claims, emergency response activities, responding to requests for "no further action status" reviews, prioritization of sites, responding to public inquiries and issuing Notices of Regulatory Requirements for newly reported sites.

The Inactive Hazardous Sites Response Act requires annual reporting to the General Assembly. All of the reporting requirements specified under N.C.G.S. 130A-310.10 are met in this report. In 2008, HB 2436 added further reporting requirements to N.C.G.S. 130A-310.2(b). A table of available data is being provided separately in electronic format due to its size. Hard copies can be made upon request.

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I. THE INACTIVE HAZARDOUS SITES INVENTORY AND THE INACTIVE HAZARDOUS WASTE SITES PRIORITY LIST

The Inactive Hazardous Sites Branch is part of the North Carolina Department of Environment and Natural Resources' Division of Waste Management. It implements the Inactive Hazardous Sites Response Act of 1987 (IHSRA). The IHSRA requires DENR to maintain a catalog of inactive hazardous substance or waste disposal sites. There are 2,318 chemical spill sites and 671 old unlined landfills cataloged. Of these, 447 sites now have all work completed and are assigned "No Further Action" status. Ten sites completed all work and were assigned "No Further Action" status this reporting year. Table 2, on page 4, provides a list of sites assigned "No Further Action" status this reporting year. Table 1, on page 2, provides a list of sites added to that inventory since the last program report in October 2008. A total of 75 sites were added this year.

N.C.G.S. 130A-310.2 requires that sites catalogued in the Inactive Hazardous Sites Inventory be prioritized based on their threat to public health and the environment. After discovery, sites are first cataloged in the "Evaluations Pending" category of the Inactive Hazardous Sites Inventory until their rank is determined. Site rankings are determined using the rules found in 15A NCAC 13C .0200. Once ranked, sites are transferred to the Inactive Hazardous Waste Sites Priority List. This list is provided in an appendix to this report organized in order of the threat to public health and the environment. The entire inventory can be provided upon request.

TABLE 1. INACTIVE HAZARDOUS SITES INVENTORY
LIST OF NEW AND REACTIVATED SITES FY08-09

NEW SITES:

ID Number	*Site Name*	*City*	*County*
NONCD0002857	ABERDEEN FLORIST & GARDEN CENTER	ABERDEEN	MOORE
NONCD0001851	ALCATEL	CLINTON	SAMPSON
NONCD0002420	APAC MAINTENANCE SHOP (FRMR)	JACKSONVILLE	ONSLOW
NONCD0002867	ATKINSON ST CONTAMINATION	HAMLET	RICHMOND
NONCD0002837	B & C GROCERY	GRAHAM	ALAMANCE
NONCD0002863	BABY DIAPER SERVICE	GREENSBORO	GUILFORD
NONCD0002860	BREVARD & 4TH STS CONTAMINATION	CHARLOTTE	MECKLENBURG
NCN000410098	BURLINGTON	RHODHISS	BURKE
NONCD0002834	BURLINGTON INDUSTRIES	RAEFORD	HOKE
NONCD0002850	BUSICK ROAD TCE	REIDSVILLE	ROCKINGHAM
NONCD0002845	CLAWSON RADIATOR (FORMER)	CHARLOTTE	MECKLENBURG
NONCD0002852	CLAYTON FARMS	CLAYTON	JOHNSTON
NONCD0002851	COCA-COLA BOTTLING FACILITY	WILMINGTON	NEW HANOVER
NONCD0001847	COLUMBIA LAUNDRY	GREEENSBORO	GUILFORD
NONCD0001824	COMPONENT REMANUFACTURING SPECIALISTS	GASTONIA	GASTON
NONCD0002864	CONSIGNMENT FURNITURE	WINSTON-SALEM	FORSYTH
NONCD0002875	CONTEMPORARY ART MUSEUM	RALEIGH	WAKE
NONCD0001223	CONTINENTAL TIRE (AKA CTNA)	CHARLOTTE	MECKLENBURG
NCN000410375	COUNTRY CLUB LANE CONTAMINATION	ROXBORO	PERSON
NONCD0001586	DANA TRANSPORT FACILITY (FORMER)	CHARLOTTE	MECKLENBURG
NONCD0002847	DISTRICT 12 HEADQUARTERS	MOUNT HOLLY	GASTON
NONCD0002289	DUNN, R.F. PROPERTY	RALEIGH	WAKE
NONCD0002858	DURHAM PUBLIC SERVICE CO PROP (FORMER)	DURHAM	DURHAM
NONCD0002853	EATON MANUFACTURING	SELMA	JOHNSTON
NONCD0002854	FIBER DYNAMICS	HIGH POINT	GUILFORD
NONCD0002879	FRANCES GANN PROPERTY	STONEVILLE	ROCKINGHAM
NONCD0002841	GOBLE WELL	GASTONIA	GASTON
NCN000410293	GURMICO CHEMICALS	PRINCETON	JOHNSTON
NONCD0001296	H&G PROPERTY #1	WALTSONBURY	GREENE
NONCD0002846	HICKORY WIRE (AKA MOSER PROPERTY)	HICKORY	CATAWBA
NONCD0002290	HILLIARD FOREST	CARY	WAKE
NONCD0001857	KURTZ PROPERTY, STEPHEN	GIBSONVILLE	GUILFORD
NONCD0002848	LOXCREEN	ROXBORO	PERSON
NONCD0002300	MARGARET WALLACE ROAD SITE	MATTHEWS	MECKLENBURG
NONCD0002832	MARY CHAPPEL RESIDENCE	HAMLET	RICHMOND
NONCD0002876	MERIDIAN KIOSK/COLONIAL ABRASIVES	ABERDEEN	MOORE
NONCD0002874	MOHAWK-KARASTAN	GREENVILLE	PITT
NONCD0002030	MYERS BROTHERS RECYCLING (FORMER)	GREENSBORO	GUILFORD
NONCD0002869	NCDOT ASPHALT TESTING SITE #70	LUMBERTON	ROBESON
NONCD0002873	NELLO TEER QUARRY-DENFIELD	DURHAM	DURHAM
NONCD0002844	OAK HAVEN MHP	SALISBURY	ROWAN
NONCD0002866	OMC/BOMBARDIER	BURNSVILLE	YANCEY

ID Number	*Site Name*	*City*	*County*
NONCD0002880	PATCHES BODY SHOP	HIGH POINT	GUILFORD
NONCD0001937	PATRICIAN FURNITURE-RAVINE	HIGH POINT	GUILFORD
NONCD0002855	PATTERSON PROPERTY	ROANOKE RAPIDS	HALIFAX
NONCD0002506	PAWLEY DRIVE CONTAMINATION	CHARLOTTE	MECKLENBURG
NONCD0002839	PERRY AUTO/YOUNG RESIDENCE	DUDLEY	WAYNE
NONCD0002865	PIEDMONT TRIAD AIRPORT-AIR CARGO	GREENSBORO	GUILFORD
NONCD0002835	PRIME EQUIPMENT CO	WILMINGTON	NEW HANOVER
NONCD0002836	RABO CLEANERS	GREEENVILLE	PITT
NONCD0002849	RANLO DUMP	RANLO	GASTON
NCN000410302	RIDGE LANE RD DIELDRIN CONTAMINATION	CHARLOTTE	MECKLENBURG
NCN000410290	RIVERSIDE CHEMICAL	AHOSKIE	HERTFORD
NONCD0002878	ROBERTS ST HATCHERY	ASHEVILLE	BUNCOMBE
NONCD0002078	ROCHELLE STREET WELLS	DURHAM	DURHAM
NONCD0002870	RPM NISSAN	DURHAM	DURHAM
NONCD0002295	SAINT FRANCIS DRIVE CONTAMINATION	CHARLOTTE	MECKLENBURG
NONCD0002842	SOUTH COLLEGE RD PCP SPILL	WILMINGTON	NEW HANOVER
NCD986176980	SOUTHEASTERN ELECTRO POLISHING	GASTONIA	GASTON
NONCD0002868	STATESVILLE BLVD CONTAMINATION	SALISBURY	ROWAN
NONCD0001365	STEVECOKNIT FABRICS COMPANY-B	GREENSBORO	GUILFORD
NONCD0002380	SUTTON PARK GROCERY	MONROE	UNION
NONCD0002856	TOWN OF MOCKSVILLE MAINTENANCE SHOP	MOCKSVILLE	DAVIE
NONCD0002843	TRION, INC	SANFORD	LEE
NONCD0002831	TWIN LAKES SUBDIVISION	MORRISVILLE	WAKE
NONCD0002833	UMICORE CSM NA	MAXTON	SCOTLAND
NONCD0002877	VIRGINIA AVE PCE CONTAMINATION	BESSEMER CITY	GASTON
NONCD0002838	WACCAMAW TRANSPORT (FORMER)	WILMINGTON	NEW HANOVER
NONCD0001294	WACHOVIA CENTER TOWER	WINSTON-SALEM	FORSYTH
NONCD0002672	WAKE ENTERPRISES, INC	FUQUAY-VARINA	WAKE
NONCD0002872	WALNUT COVE TIRE CENTER, INC	WALNUT COVE	STOKES
NONCD0002861	WAY, PHILLIP PROPERTIES-LAUREL KNOLL DR	PLEASANT GARDEN	GUILFORD
NONCD0002862	WAY, PHILLIP PROPERTIES-PLSNT GARD RD	PLEASANT GARDEN	GUILFORD
NONCD0002840	WEST CLAYTON MOBILE VILLAGE	CLAYTON	JOHNSTON
NONCD0002859	WILCO #301	GREENSBORO	GUILFORD

REACTIVATED SITES:

ID Number	*Site Name*	*City*	*County*
NCD045920279	HOLDING POND FOR WASTE/USS	NAVASSA	BRUNSWICK
NCD980557631	LIVEWIRE ELEC CO/CALIFORNIA SPRAY	GOLDSBORO	WAYNE
NCD986215499	PARKER INDUSTRIES	CONNELLY SPRINGS	BURKE
NCD991278300	UNITED DRUM T/A RELIANCE UNIV.	HIGH POINT	GUILFORD
NCD093334209	WILSON, RALPH PLASTICS	FLETCHER	HENDERSON

TABLE 2. INACTIVE HAZARDOUS SITES INVENTORY
SITES RECEIVING NO FURTHER ACTION STATUS FY08-09

ID Number	*Site Name*	*City*	*County*
NCD053488409	ALLIED CHEMICAL CORPORATION	MONCURE	CHATHAM
NCD119168813	ANILOX ROLL COMPANY	CHARLOTTE	MECKLENBURG
NCD003467099	CONE MILLS CORP/GRANITE FINISHING	HAW RIVER	ALAMANCE
NCD981468622	FORK SWAMP/GRADY WHITE BOAT	AYDEN	PITT
NCD003225620	HIGH POINT FURNITURE INDUSTRIES	HIGH POINT	GUILFORD
NONCD0002007	LIMITORQUE FACILITY	GREENSBORO	GUILFORD
NONCD0002076	MILLERS AUTO SALES	CLAYTON	JOHNSTON
NONCD0002196	NEVAMAR DECORATIVE SURFACES	TARBORO	EDGECOMBE
NONCD0001062	SWAIM'S TRUCK PARTS & SERVICE	HENDERSON	VANCE
NONCD0002856	TOWN OF MOCKSVILLE MAINTENANCE SHOP	MOCKSVILLE	DAVIE

II. SITES THAT MAY OR ARE KNOWN TO REQUIRE USE OF THE INACTIVE HAZARDOUS SITES CLEANUP FUND

Purpose of the Fund

The Inactive Hazardous Sites Cleanup Fund is used to: (1) address imminent hazard sites; (2) pay for assessment and cleanup when responsible parties do not comply with orders to clean up sites; (3) pay for assessment and cleanup of sites that do not have financially-viable responsible parties (orphan sites); and (4) pay for state-contracted survey and legal assistance necessary to prepare notices of Inactive Hazardous Substance or Waste Disposal Sites where owners do not comply with orders to conduct such work. The state must attempt to recover its expenditures from responsible parties in the first, second and fourth cases.

The Inactive Hazardous Waste Sites Priority List helps determine priorities for cleanup. Responsible parties for top priority sites are encouraged to voluntarily clean up their sites. When a responsible party does not comply with a request and subsequent order to clean up a site, the state must perform the cleanup using the Inactive Hazardous Sites Cleanup Fund. The demand for state funds to conduct site cleanups depends on two factors: (1) how often responsible parties refuse to comply with orders to conduct cleanup and (2) the number of sites that lack financially-viable responsible parties. To date, the program has been successful in obtaining cleanup by responsible parties. Funds are mainly needed for orphan sites where the responsible party either cannot be located or has no financial resources.

The statute requires that the program report the list of sites known to require funds and the list of sites suspected to require funds for cleanup. Determining if responsible parties exist (and thus, if funds are needed) is often a complex and lengthy process. This information can become dated as owners and operators of the facilities change over time. To avoid the need to update the information several times, responsible party research is not done until a site is next in priority for action. For this reason, the total number of orphan sites on the Inactive Hazardous Waste Sites Priority List requiring state funds is not presently known.

Orphan Chemical Sites

The North Carolina General Assembly directed the transfer of $400,000 from the Dry Cleaning Solvent Cleanup Fund to the Inactive Hazardous Sites Cleanup Fund in fiscal 2008/09. These funds were used to address several sites this year. A summary of the work is provided in Table 3.

Table 3. Summary of Inactive Hazardous Sites Cleanup Fund Expenditures FY08/09

Site Name	City/County	Activity	Cost
Atkinson St. Contamination	Hamlet/ Richmond	A groundwater assessment was conducted of most of the area surrounding a residential owner's water supply well that was contaminated with dichloroethane above the federal drinking water standard (MCL) to help identify sources of contamination. No	$34,410.77

Site Name	City/County	Activity	Cost
		groundwater contamination was detected in the test wells. The owner of a property located upgradient of the contaminated drinking water well (property that may have been the site of a junkyard) would not allow access for monitoring well installation during the first phase of testing. Because warrants can only be issued for 24-hour periods, this work was not planned for the first phase. Additional sampling of the drinking water well later showed dichloroethane just below the MCL. Plans were to install two more wells in the area of the junkyard however no funding is available to continue groundwater assessment at this time.	
Carbonton Road Drum	Sanford/ Lee	A former drum dump area on a residential property was remediated by US EPA in June 1988. Limited soil testing was conducted after the drum removal. Arsenic levels remained above unrestricted use levels in one sample. In April 2009, DENR conducted a soil assessment of the site. All soil samples were found below soil remediation goals. The site is being evaluated for No Further Action status.	$6,928.75
Chapel Street Battery Dump	Kannapolis/ Rowan	Crushed battery chips found in a residential area. In April 2009, DENR conducted a soil assessment to define the extent of battery waste. Five different areas of battery chip disposal were found with lead concentrations in soils above cleanup levels. A total of approximately 31 tons of lead contaminated waste/soil needs to be removed.	$4,357.17
Cheeseman Property	Rockwell/ Cabarrus	Soil sampling was conducted at a former battery dump located on residential property to determine if any contamination remained and the extent. Owner had previously removed the battery casings. The soil samples were found to be below acceptable direct contact levels but exceeded protection of groundwater cleanup goals. Groundwater testing and/or additional deeper soil testing is needed to determine if	$2,732.72

Site Name	City/County	Activity	Cost
		leachable levels do in fact threaten groundwater.	
Cone Mills-Granite Finishing Plant	Haw River/ Alamance	Soil and groundwater assessment has been completed. Most of the assessment costs were covered by monies received through a bankruptcy claim filed by DENR. The costs shown in this table only reflect the non-bankruptcy funds used to complete the work. All soil and groundwater samples were found to be below soil and groundwater remediation goals and the site was assigned No Further Action status.	$4,450.23
Crowder's Mountain State Park	Gastonia/ Gaston	A large volume of drummed wastes were dumped on border of state park and residential property. Five water supply wells from adjacent mobile homes were sampled and found to be clean. However, exposed wastes posed threats to residents and park visitors. 1000 tons of contaminated soils determined to be hazardous wastes were excavated. In addition, 275 gallons of liquid hazardous wastes plus 10 overpacked drums of leaded paints, solvents, and lacquers considered hazardous waste were removed from the site. The Inactive Hazardous Sites Cleanup Fund did not have sufficient revenue to complete the removal because the volume was discovered to be much larger than originally estimated. The US EPA agreed to remove stockpiled excavated soil and will excavate and remove the remainder of the wastes. At least an additional 1000 tons of hazardous waste is anticipated to require removal.	$55,757.33
G&B/Farmer Property	Scotland Neck/ Halifax	Site was a piece of residential property where contaminated soils from a local wood treating industry were dumped. DENR conducted a soil and groundwater assessment. Groundwater is clean, but soils will require cleanup. While investigating the site, the property ceased to be used as residential property.	$24,030.76

Site Name	City/County	Activity	Cost
Oak Haven Mobile Home Park	Salisbury/ Rowan	The owner of mobile home park found battery casings while installing a sewer line. A soil and waste investigation was conducted and site found to have a large volume of battery chips and lead-contaminated soils exceeding acceptable direct contact levels. DENR initiated the site contamination delineation testing and soil/waste removal in the spring of 2009 and work has been ongoing since. DENR anticipates completion of the removal in September 2009. Final bills are pending.	$85,183.48 (another $268,000 in bills pending)
Old Stake Road	Chadbourn/ Columbus	Site was a former battery dump on residential property. The US EPA previously removed some of the casings and some soil. The US EPA response was interrupted by other priorities and the remaining contaminated materials have not been deemed a priority for further US EPA removal work. DENR conducted a soil assessment of the affected properties in May 2009 to determine if contamination remained and to define the extent of the contamination. Approximately 115 tons of lead contaminated soil and battery chips were identified as needing removal.	$2,733.75
Paziuk Warehouse	Wilmington/ New Hanover	Contractor conducted research and prepared a work plan for assessment to determine responsible party for site. Due to other priorities, further work was discontinued.	$1,030.38
Pondview Lane	Durham/ Durham	Contractor conducted sampling of 20 residential water supply wells (WSWs) in the area of a WSW contaminated with tetrachloroethane located at 6506 Pondview Lane. Some of the work was initiated in the previous fiscal year. All WSWs were found to be below state standards except for the WSW at 6506 Pondview Lane. In June-July 2008, all residents were provided with lab data and the resident at 6506 Pondview was provided with a health risk evaluation and advised not to drink the water.	$678.56
Scott's Creek Battery	New Bern/ Craven	In 1985, the US EPA excavated and removed battery casings and lead contaminated soil from this residential	$3,384.16

Site Name	City/County	Activity	Cost
		property but did not collect confirmation soil samples. In May 2009, DENR conducted a soil assessment. All soil samples were found to be below soil remediation goals. The site has been assigned No Further Action status.	
Texfi Industries	Fayetteville/ Cumberland	See text for details. Work at this site was funded through bankruptcy proceeds and special appropriations for the site.	$44,280 (special appropriation); $217,307.40 (bankruptcy funds)
Ulah Battery	Asheboro/ Randolph	Site was formerly a large battery dump in a residential neighborhood. DENR conducted a removal of the batteries and contaminated soil in 1988. Later additional disposal areas were discovered. The US EPA then conducted two removal actions in the neighborhood. Following the last removal, DENR found some material still remained. In the spring of 2009, DENR conducted soil testing to determine the volume of what remained and to search for any other disposal areas. Three areas remain. DENR conducted testing to delineate the extent of these areas. An estimated 400 cubic yards of contaminated soil/battery chips remain requiring excavation.	$5,416.63
Walker Drum Disposal - Cedar Springs Trailer Park	Gold Hill/ Rowan	Walker Shoe Company removed drums from a trailer park years ago under US EPA direction. No soil sampling was conducted. DENR conducted a soil assessment at the site to determine if any contamination exists from leakage of the drums and to determine its extent. Contamination was confirmed. Additional soil sampling and a soil removal action will need to be conducted when funds are available.	$12,769.22
Watts, Levi Property	Tabor City/ Columbus	Former battery dump on residential property. Owner previously removed battery casings. DENR conducted soil testing in the spring of 2009 to determine what contamination exists and the extent. Two areas found to exceed unrestricted use cleanup levels. These areas will require excavation.	$3,532.44

DENR has also recovered some funds to address specific sites through bankruptcy claims. The following summarizes work activities in fiscal 2008-09 using bankruptcy funds:

Burlington Industries

Approximately $465,000 was obtained in 2007 through a claim for six Burlington Industries properties. While the amount of funds is limited, the funds were used to remove sources of contamination, thereby reducing the further spread of groundwater contamination and encouraging natural attenuation processes. A total of $42,989 remains of these funds. Work will continue on source removal and testing until the funds are depleted.

Pillowtex

In fiscal 2008-09, $160,000 was recovered to address the Fieldcrest Mills site in Spencer and the Cannon Mills site in Kannapolis. There is a small possibility of additional payout from this bankruptcy, which could provide some additional revenue. Work on these sites will begin in late 2009.

Cone Mills

In 2005, approximately $26,000 was recovered to address two former Cone Mills sites. Those funds have been used to conduct testing at one of the sites. That site has since been assigned "No Further Action" status this reporting year. These funds are now depleted.

Texfi, Inc.

DENR has also recovered approximately $940,000 in funds through a bankruptcy claim against Texfi, Inc., that is being used to remove sources of contamination at the Fayetteville property. A total of $402,688 remains. Work is continuing. Activities at the Texfi site are discussed further in the next paragraph.

Inactive Hazardous Sites Cleanup funds have been used to conduct an on-going interim cleanup measure at the Texfi site in Fayetteville, Cumberland County. Groundwater contaminated with hazardous substances migrated from Texfi to the adjoining city of Fayetteville's Hoffer Water Plant property. The contaminated groundwater has been in contact with the city's primary finished drinking water holding tank (clear well). This concrete tank sits, in part, below the groundwater table. The groundwater contamination may also threaten the city's drinking water intakes on the Cape Fear River, 450 feet downstream from the Texfi property, and a city park adjoining the Texfi property. The interim measure involved construction of a subsurface barrier wall in 2001 to prevent additional flow of contaminated water toward the tank. Extraction wells were installed to remove contaminated water that had already passed on to the water plant property around the tank. Groundwater contaminant concentrations on the tank side of the wall have been reduced approximately 95 percent as a result of this action. Thus far, analyses show the city's drinking water has not been affected. This work depleted the Inactive Hazardous Sites Cleanup Fund.

Funds of up to $50,000 were authorized in each fiscal year 2004-05 and 2005-06 from the state's National Priorities List Cost Share Fund to continue the monitoring and maintenance of the Texfi interim measure. The General Assembly appropriated $100,000 in fiscal 2006-07 for monitoring and cleanup of the site. DENR has used a combination of these appropriations and some minor interest income to monitor the test wells surrounding the clear well and to regularly test the clear well while source treatment is occurring at the Texfi property. DENR discontinued operation of the extraction wells in early 2009. These wells had performed well in significantly reducing the

contaminant concentrations between the barrier wall and the clear well. Since extraction wells induce groundwater flow toward them, DENR was concerned continued operation of these wells could be inducing contaminated groundwater from the Texfi property to flow from around the lateral end of the barrier wall and toward the clear well in an area of now relatively clean groundwater. Testing has shown contaminant concentrations in all of the extraction wells and monitoring wells in the area of the clear well except one to remain low or be further reduced since shutdown of the extraction wells. Localized excavation or source treatment may be needed in the area of the one well that increased in concentration. The extensive monitoring well network in this area indicates that this contamination is most likely limited to the immediate vicinity of the one well and at a particular depth, which suggests that a pocket of contamination may have migrated along a buried pipe. Additional testing will be needed to determine this. A total of $11,831 remained of the special appropriations/interest monies as of July1, 2009.

There is a risk that the barrier wall will fail overtime. Thus, it is important to remove the source of the groundwater contamination on the Texfi property. The sources are solvents in the subsurface. Settlement of North Carolina's bankruptcy claim against the Texfi estate mandated that a portion of the proceeds from the estate's lawsuits and property sales are to be set aside to conduct the removal/treatment of contaminant sources. On June 20, 2006, when the final disbursement of funds was received from the bankruptcy trustee, a total of approximately $940,000 became available to conduct the source remediation. A pilot test for determining whether the preferred treatment technology would work at the site was completed in November 2007. The results were used to design the first phase of source treatment at the site. This technology involves subsurface injection of materials that are designed to break down the source material. Site preparation for full-scale implementation of the first phase of treatment occurred in February 2008. The first phase of full-scale injection took place May through July of 2008. Monitoring will continue during this first phase until the injected agents are expended (estimated to be 3 to 5 years). Treatment thus far appears to be successful. Note however that one portion of the source area has a contaminant that has not been responsive to this type of treatment. Additional injection phases will likely need to occur after this first phase and other treatment will need to be conducted in the area of the recalcitrant compound. A total of $402,688 remains of the bankruptcy source treatment funds as of July 1, 2009. This will likely not be sufficient funds to complete treatment of all source material. After treating the sources contributing to groundwater contamination, it could take many years before significant reductions in groundwater contaminant concentrations occur.

Pre-Regulatory Landfills

A total of 671 unpermitted, unlined landfills have been cataloged. Landfill permitting requirements did not go into effect until January 1983. Based on information on permitted, unlined landfills, a majority of the unpermitted landfills are expected to have groundwater contaminated with hazardous substances. Hazardous waste disposal regulations did not exist until the 1980s. Therefore, these older pre-regulatory landfills have an even larger potential for releases of hazardous substances. These landfills pose threats from contaminated groundwater reaching drinking water wells and from methane and hazardous substance vapors off-gasing from the waste and contaminated groundwater, traveling into structures on or near the landfill thereby posing health threats and explosion hazards.

Location and use information has been collected for most of the landfills. Of those inspected, 82 percent have a house, school, day care, church or drinking water source within 1,000 feet of the landfill. There are 166 landfills that have drinking water wells within 500 feet, 26 that have residences on the landfill, 64 with structures other than residences, and many others with sensitive uses such as parks.

Senate Bill 1492, enacted in 2007, established a state-wide tax on waste disposal, half of which goes to address the hazards posed by the pre-regulatory landfills. The provisions of the bill that relate to the assessment and abatement of contamination at these pre-regulatory landfills went into effect in July 2008. The first proceeds of this tax were received by the Division of Waste Management in February 2009. The Division has since been hiring staff to implement the program, collecting site information and inspecting sites with existing contracts, and establishing new contracts to conduct assessment and mitigation of the landfills.

SB 1492 required that the tax credited toward addressing the pre-regulatory landfills be deposited in the Inactive Hazardous Sites Cleanup Fund and that those funds could only be used to implement an assessment and cleanup program for the pre-regulatory landfills. SB 1492 established in G.S. 130A-295.9(1) that up to 7 percent of the tax credited to the Fund could be used for administration of the program. Revenue from the tax has been 35 percent lower than expected. In addition, a provision in this year's appropriations bill cut $300,000 (approximately 65-70 percent) from the Inactive Hazardous Sites Program administration budget. The appropriations bill made up the shortfall by amending G.S. 130A-295.9(1) to allow use of waste disposal tax revenues for administration of the Inactive Hazardous Sites Program starting in fiscal 2010-11. The bill did not raise the 7 percent cap on use of tax proceeds for administrative purposes, however. Based on current tax revenues, the 7 percent set aside for administrative costs will not be sufficient to cover both the new Pre-Regulatory Landfill Program and the Inactive Hazardous Sites Program for cleanup of non-landfill sites.

Cleanup Funds Needed

Currently 371 sites, of which 340 are higher priority cases, have been identified that have no financially-viable responsible parties and require further action. As explained earlier in this chapter, the total number of orphan sites is not presently known.

Orphan site work can include assessment only, small-to-large soil and waste cleanup, water line installation or larger groundwater restoration projects. An average cost-per-site was determined by first calculating the average cost for orphan soil cleanup actions conducted by DENR's Inactive Hazardous Sites Branch and averaging that figure with an average site cleanup cost for several state programs published by the Association of State and Territorial Solid Waste Management Officials, adjusting for inflation. That figure comes to $531,230 per site. The total cost for cleanup is estimated then to be $197,086,330 for 371 orphan sites or $180,618,200 for 340 higher priority orphan sites.

As of July 1, 2008, the balance of the Inactive Hazardous Sites Cleanup Fund totaled $923,694. Of this, $402,688 is bankruptcy proceeds dedicated to conducting contaminant source remediation at the Texfi-Fayetteville site. An additional $11,831 is committed to continue the operation and maintenance of the Texfi interim remedy. The remaining $509,175 has already

been obligated for assessment and cleanup of the sites listed in Table 3. Bills for work conducted are pending payment. An amount of $42,989 in remaining bankruptcy proceeds for on-going work at the six Burlington Industry sites is held in separate trust funds. An amount of $160,000 for two Pillowtex bankruptcy sites is also held in a separate trust account. Work will commence at the Pillowtex sites in the later part of 2009.

III. NATIONAL PRIORITIES LIST SITES REQUIRING A STATE COST SHARE

National Priorities List sites are those hazardous substance or waste disposal sites that are priorities for cleanup under the federal Comprehensive Environmental Response, Compensation and Liability Act, more commonly known as Superfund. North Carolina has 32 NPL sites.

The NPL includes both sites with financially-viable responsible parties and orphan sites. Cleanup costs are financed either by responsible parties or by a federal trust fund with a state cost share. When the federal trust fund is used, CERCLA requires North Carolina to pay 10 percent of the cleanup cost plus 100 percent of the cost to operate and maintain the remediation system.

Table 4 provides a list of the North Carolina NPL sites, their locations, investigation/cleanup status, estimated costs, and projected start dates for cleanup. Part I of Table 4, found on page 15, includes those sites where the Federal Trust Fund/North Carolina cost share is required. A summary of North Carolina's cost share obligations is provided at the end of this part. Part II of Table 4, found on page 17, includes the status of responsible party funded cleanups.

TABLE 4. NORTH CAROLINA NATIONAL PRIORITIES LIST SITES
PART 1 – SITES WHERE FEDERAL TRUST FUND/NORTH CAROLINA COST SHARE IS REQUIRED

NPL Site	*City/County*	*Operable Unit*	*Cleanup Status*	*Cleanup Cost*	*Cleanup Start Date***
ABC One Hour Cleaners	Jacksonville, Onslow	OU1-Groundwater	RA	$3,760,000	In Progress
		OU2-Soil	RA	$750,000	In Progress
Aberdeen Contaminated Groundwater	Aberdeen, Moore	Groundwater	RI/FS	Not Determined	2009
Barber Orchard	Waynesville, Haywood	OU1-Soil	RD	$24,300,000	2009
		OU2-Groundwater	FS	Not Determined	Not Determined
Benfield Industries	Waynesville, Haywood	Entire Site		$6,729,200	
		Soil	RA		Complete
		Groundwater	RA		In Progress
Blue Ridge Plating	Arden, Buncombe	Entire Site	RA	$1,357,600	In Progress
Cape Fear Wood Preserving	Fayetteville, Cumberland	Entire Site		$24,407,574	
		Soil	Complete		Complete
		Groundwater	RA		In Progress
Carolina Transformer	Fayetteville, Cumberland	Soil/Sediment	RA	$22,000,000	Complete
		Groundwater	RA	$328,300	In Progress
Davis Park Road TCE	Gastonia, Gaston	Groundwater	O&M	$3,873,299	In Progress
FCX, Inc.-Statesville	Statesville, Iredell	OU1-Groundwater	RA	$4,161,525	In Progress
		OU2-Soil	Complete	$6,000,000	Complete
FCX, Inc.-Washington	Washington, Beaufort	OU1-Groundwater	RA	$255,791	In Progress
		OU2-Soil/Surface Water/Sediment	Complete	No Cost Share	Complete
North Belmont PCE	Belmont, Gaston	Groundwater	RA	$7,535,000	In Progress
Potter's Septic Tank Service	Maco, Brunswick	Entire Site		$8,350,000	
		Soil	Complete		Complete
		Groundwater	RA		In Progress
Ram Leather	Mint Hill, Mecklenburg	Entire Site	Interim RA	$2,244,800	In Progress

TABLE 4. NORTH CAROLINA NATIONAL PRIORITIES LIST SITES
PART 1 – SITES WHERE FEDERAL TRUST FUND/NORTH CAROLINA COST SHARE IS REQUIRED

NPL Site	*City/County*	*Operable Unit*	*Cleanup Status*	*Cleanup Cost*	*Cleanup Start Date***
Sigmon's Septic Tank	Statesville, Iredell	Entire Site	ROD In Progress	$2,189,494	2009
Ward Transformer	Raleigh, Wake	OU1	ROD	$4,982,000	2010
		OU2	TCRA	No Cost Share	In Progress

FS - Feasibility Study
O&M - Remedy Operation and Maintenance
OU - Operable Unit
RA - Remedial Action
RD - Remedial Design
RI - Remedial Investigation
TCRA – Time Critical Removal Action

SUMMARY OF NORTH CAROLINA COST SHARE REQUIREMENTS
As of August 1, 2009

Estimated total cost of pending/ongoing federal trust fund/N.C. cost share cleanups (based on signed contracts):	$121,545,040*
N.C.'s 10 percent cost share for pending/ongoing cleanups (current contract commitments):	$12,154,504*
Fund disbursements for cost share payments:	$6,748,366
Current fund balance:	$7,978,957
Encumbered amount of the fund balance for cost share payments:	$5,406,138

* This number will increase due to remedial action cost estimates not being available for all sites. Also, other sites may be added to the National Priorities List which will require a state cost share. Also increases in remedial costs from the original State/US EPA contract amounts can occur.

** Date applies to either entire site or operable unit.

TABLE 4. NORTH CAROLINA NATIONAL PRIORITIES LIST SITES
PART II - RESPONSIBLE PARTY FUNDED CLEANUPS

NPL Site	*City/County*	*Operable Unit*	*Cleanup Status*
Aberdeen Pesticides	Aberdeen, Moore	OU1 & OU4 - Soils-All Sites	Complete
		OU3-Groundwater for FC, TS, F6	O&M
		OU5-Groundwater for Rt 211 & McIver	O&M
Bypass 601/Martin Scrap	Concord, Cabarrus	OU1-Soil/Sediment at Martin Scrap	O&M
		OU2-Off-Site Soil/Sediment	Complete
		OU3-Groundwater	O&M
Charles Macon Lagoon and Drum	Cordova, Richmond	Soil	Complete
		Groundwater	O&M
Celanese Corporation	Shelby, Cleveland	OU1-Groundwater	O&M
		OU2-Soil	Complete
		Surface Water	Complete
Chemtronics, Inc.	Swannanoa, Buncombe	Soil	O&M
		Groundwater	O& M
FCX, Inc.	Statesville, Iredell	OU3-Burlington Industries Site	In Progress
Geigy Chemical	Aberdeen, Moore	Soil	Complete
		Groundwater	O&M
General Electric/ Shepherd Farm	East Flat Rock, Henderson	Soil	O&M
		Groundwater	O&M
		Surface Water/Sediment	Complete
Jadco-Hughes	Belmont, Gaston	Soil/Sediment	O&M
		Groundwater	O&M
JFD Electronics/ Channel Master	Oxford, Granville	Soil	Complete
		Groundwater	O&M

TABLE 4. NORTH CAROLINA NATIONAL PRIORITIES LIST SITES
PART II - RESPONSIBLE PARTY FUNDED CLEANUPS

NPL Site	*City/County*	*Operable Unit*	*Cleanup Status*
Koppers Company, Inc.	Morrisville, Wake	Soil	Complete
		Groundwater	O&M
		Surface Water	Complete
Martin Marietta/Sodyeco	Charlotte, Mecklenburg	Soil	O&M
		Groundwater	O&M
National Starch & Chemical	Salisbury, Rowan	OU1-Groundwater in Western Part of Site	O&M
		OU2-Trench Area Soil/Surface Water	Complete
		OU3-Area 2 Groundwater/Wastewater Treatment Area/Surface Water/ Sediments in NE Tributary	O&M
		OU4-Area 2 Soil/Wastewater Treatment Lagoon Area	RA
New Hanover County Airport	Wilmington, New Hanover	Groundwater	O&M
NCSU	Raleigh, Wake	Soil	O&M
		Groundwater	O&M
Reasor Chemical	Castle Hayne, New Hanover	Soil	Complete
		Groundwater	O&M
USMC Camp LeJeune	Jacksonville, Onslow	Multiple Units	Various Stages
Cherry Point	Cherry Point, Craven	Multiple Units	Various Stages

O&M - Remedy Operation and Maintenance
OU – Operable Unit
RD - Remedial Design

IV. RESPONSIBLE PARTY VOLUNTARY SITE REMEDIAL ACTION

When the Inactive Hazardous Sites Branch solicits the cooperation of responsible parties in taking action at a priority site, most parties agree to voluntarily conduct a cleanup with approval. In addition to these voluntary actions, responsible parties and owners often come forward on their own to initiate an approved assessment and/or remedial action. Due to the number of volunteers and very limited staff resources, the General Assembly has authorized DENR to privatize its oversight role at lower priority, voluntary site remedial actions. Sites with more severe public health threats or concerns are still reviewed by state staff.

The privatized portion of the voluntary cleanup program is called the Registered Environmental Consultant, or REC Program. Under this program, a responsible party hires an REC to conduct the site assessment and cleanup and to certify that those activities comply with regulations. The REC certification replaces state oversight of the assessment and cleanup. For a firm to qualify as an REC, it must meet certain qualifications. The state audits a portion of the REC projects each year to ensure the integrity of the program. The state sanctions RECs where necessary. A state staff auditor is funded through fees collected from the voluntary participants.

A current list of sites where assessments and cleanups are underway in accordance with an administrative agreement with the state is provided in Table 5 on the following page. These are a mixture of REC-directed and DENR-directed actions. Table 6, found on page 24, is a list of additional DENR-directed responsible party assessment and cleanup actions not under consent agreements.

TABLE 5. SITES UNDERGOING VOLUNTARY REMEDIAL ACTION BY RESPONSIBLE PARTIES

ID Number	*Site Name*	*City*	*County*
NONCD0000040	ABBOTT LABORATORIES	LAURINBURG	SCOTLAND
NONCD0000039	ABITIBI-PRICE CORPORATION	ROARING RIVER	WILKES
NCD024462327	ACADEMY STEEL DRUM	MATTHEWS	MECKLENBURG
NCD045924339	ACME UNITED CORPORATION	FREMONT	WAYNE
NONCD0001226	ADAMS-MILLIS PLANT 2/33 - NONUST	MOUNT AIRY	SURRY
NONCD0001081	ALCOA-NARROWS POWERHOUSE		MONTGOMERY
NONCD0001275	AO SMITH ELECTRIC MOTOR	MEBANE	ALAMANCE
NCD042423087	APOLLO CHEMICAL CORPORATION	GRAHAM	ALAMANCE
NCD047257472	APPLIED RESEARCH GROUP, INC.	CHARLOTTE	MECKLENBURG
NCD986188787	ASHEVILLE COAL GAS PLANT #1	ASHEVILLE	BUNCOMBE
NONCD0000032	ASHEVILLE COAL GAS PLANT #2	ASHEVILLE	BUNCOMBE
NCD072003635	ATHOL MANUFACTURING COMPANY	BUTNER	GRANVILLE
NONCD0001318	BARBER PARK	GREENSBORO	GUILFORD
NCD003193588	BARBOUR BOAT WORKS, INC.	NEW BERN	CRAVEN
NONCD0001335	BELMONT DYERS	BELMONT	GASTON
NONCD0001345	BEST SAND & GRAVEL MAINT. SHOP	GOLDSBORO	WAYNE
NCD054412283	BLACK & DECKER PLANT (FORMER)	TARBORO	EDGECOMBE
NCD003189024	BORDEN CHEMICAL FAYETTEVILLE PLANT	FAYETTEVILLE	CUMBERLAND
NONCD0000002	BURLINGTON COAL GAS PLANT	BURLINGTON	ALAMANCE
NONCD0001416	CALDWELL FREIGHT LINES	LENOIR	CALDWELL
NCD986171965	CARO-KNIT	WILMINGTON	NEW HANOVER
NCD000608117	CELANESE CORPORATION/FIBERS TECH	CHARLOTTE	MECKLENBURG
NCD986188803	CHARLOTTE COAL GAS PLANT NO. 2	CHARLOTTE	MECKLENBURG
NONCD0000041	CIBA-GEIGY	CHARLOTTE	MECKLENBURG
NONCD0001092	CMI WWTP (PARCEL1)	ELKIN	SURRY
NONCD0001187	COFFING HOISTS	WADESBORO	ANSON
NCD986197333	CONCORD COAL GAS PLANT	CONCORD	CABARRUS
NONCD0001544	COOKSON FIBERS	ANSONVILLE	ANSON
NONCD0001097	COPES-VULCAN, INC	CHARLOTTE	MECKLENBURG
NONCD0001061	CP&L NORTHERN DIVISION COMPLEX	GARNER	WAKE
NONCD0001569	CROWN HONDA & CAMCO	GREENSBORO	GUILFORD
NONCD0002776	CSX-ROSINDALE	CLARKTON	BLADEN
NONCD0001577	CULP, INC. (FORMERLY ARTEE INDUSTRIES)	LINCOLNTON	LINCOLN
NONCD0001181	CUMMINS ATLANTIC-DISTRIBUTORSHIP	CHARLOTTE	MECKLENBURG
NONCD0001182	CUMMINS ATLANTIC-GENERAL OFFICE BLDG	CHARLOTTE	MECKLENBURG
NCD062567623	DIAMOND SHAMROCK CORP/HENKEL PROCES	CHARLOTTE	MECKLENBURG
NCD057454670	DIAMOND SHAMROCK CORP/OCCIDENTAL	CASTLE HAYNE	NEW HANOVER
NONCD0001141	DIAZIT COMPANY	YOUNGSVILLE	FRANKLIN
NCD981861743	DUKE POWER/GREENSBORO GAS PLANT	GREENSBORO	GUILFORD
NCD000813519	DUKE UNIVERSITY	DURHAM	DURHAM
NCD986173938	DURHAM GAS PLANT	DURHAM	DURHAM
NONCD0001661	EATON CORPORATION	LAURINBURG	SCOTLAND
NCD004520136	EATON CORPORATION	ROXBORO	PERSON

TABLE 5. SITES UNDERGOING VOLUNTARY REMEDIAL ACTION BY RESPONSIBLE PARTIES

ID Number	*Site Name*	*City*	*County*
NONCD0001662	EATON CORPORATION - SANFORD	SANFORD	LEE
NONCD0002853	EATON MANUFACTURING	SELMA	JOHNSTON
NCD986197267	ELIZABETH CITY COAL GAS	ELIZABETH CITY	PASQUOTANK
NCD003201837	ENCEE CHEMICAL SALES, INC.	BRIDGETON	CRAVEN
NONCD0001683	ENERGY CONVERSION SYSTEMS	DUNN	HARNETT
NONCD0001700	FAIRCHILD INDUSTRIAL PRODUCTS CO.	WINSTON-SALEM	FORSYTH
NCD062566047	FASCO CONTROLS CORPORATION	SHELBY	CLEVELAND
NCD986197341	FAYETTEVILLE COAL GAS/RAY AVE	FAYETTEVILLE	CUMBERLAND
NONCD0002854	FIBER DYNAMICS	HIGH POINT	GUILFORD
NONCD0000017	FLAKT PRODUCTS	WINSTON-SALEM	FORSYTH
NONCD0000029	FLEET AEROSPACE CORP./AERONCA	CHARLOTTE	MECKLENBURG
NONCD0001730	FONTAINE FIFTH WHEEL (FORMER)	ROCKY MOUNT	NASH
NCD980559975	GA-PACIFIC CORP/RESIN DIV	CONWAY	NORTHAMPTON
NCD986188829	GASTONIA COAL GAS PLANT	GASTONIA	GASTON
NCD051322980	GENERAL ELECTRIC CO.	CHARLOTTE	MECKLENBURG
NCD003163730	GENERAL INSTRUMENT CORP.	FAIRVIEW	BUNCOMBE
NONCD0001069	GENERAL MARBLE COMPANY	LINCOLNTON	LINCOLN
NONCD0001764	GENUINE PARTS COMPANY 1	CHARLOTTE	MECKLENBURG
NCD986197309	GOLDSBORO COAL GAS PLANT #1	GOLDSBORO	WAYNE
NONCD0001083	GOLDSBORO COAL GAS PLANT #2	GOLDSBORO	WAYNE
NONCD0001089	GREENSBORO COAL GAS PLANT #1	GREENSBORO	GUILFORD
NCD986188886	GREENVILLE COAL GAS PLANT	GREENVILLE	PITT
NCD981922362	GREIF, INC	BLADENBORO	BLADEN
NCD986232379	GRESHAMS LAKE INDUSTRIAL PARK	RALEIGH	WAKE
NCD009305699	GTE SYLVANIA, INC.	SMITHFIELD	JOHNSTON
NCD051739209	HARRELSON RUBBER COMPANY	ASHEBORO	RANDOLPH
NONCD0001059	HARRIS TRUCKING EQUIPMENT (FORMER)	NEW BERN	CRAVEN
NONCD0001828	HAVELOCK WASTEWATER TREATMENT	NEW BERN	CRAVEN
NONCD0001084	HENDERSON COAL GAS PLANT	HENDERSON	VANCE
NCD981003957	HENSON LANDFILL	FOREST CITY	RUTHERFORD
NCD039102959	HEVI-DUTY ELECTRIC/GENERAL SIG	GOLDSBORO	WAYNE
NONCD0001085	HICKORY COAL GAS PLANT	HICKORY	CATAWBA
NCD986188837	HIGH POINT COAL GAS PLANT	HIGH POINT	GUILFORD
NCD051745685	HOLDING POND FOR WASTE/USS	GREENSBORO	GUILFORD
NCD054283189	HOOVER MACHINE SHOP	GASTONIA	GASTON
NCD003215696	HUNT MANUFACTURING	STATESVILLE	IREDELL
NONCD0001159	HYDRO TUBE SOUTH	PITTSBORO	CHATHAM
NONCD0001202	INGRAM PLYWOOD INC	THOMASVILLE	DAVIDSON
NONCD0001948	KAYSER-ROTH - ASHEBORO	ASHEBORO	RANDOLPH
NONCD0001953	KEYSTONE POWDERED METAL COMPANY	CHERRYVILLE	GASTON
NONCD0001093	KIDDE FIRE FIGHTING	ANGIER	HARNETT
NONCD0001118	KIDDE TECHNOLOGIES	WILSON	WILSON
NCD986197366	KINSTON COAL GAS PLANT	KINSTON	LENOIR

TABLE 5. SITES UNDERGOING VOLUNTARY REMEDIAL ACTION BY RESPONSIBLE PARTIES

ID Number	*Site Name*	*City*	*County*
NCD986197358	LEXINGTON COAL GAS PLANT	LEXINGTON	DAVIDSON
NONCD0001056	LITTLE MOUNTAIN LANDFILL	TRYON	POLK
NCD003183167	LONG MANUFACTURING	TARBORO	EDGECOMBE
NCD062552989	MALLARD CREEK RD/UNION OIL CO OF CA	CHARLOTTE	MECKLENBURG
NCD055359079	MASONITE CORP. FIBERBOARD DIV.	SPRING HOPE	NASH
NONCD0002615	MEDLIN-DAVIS DRY CLEANERS-SALISBURY	RALEIGH	WAKE
NONCD0002784	MGM TRANSPORT CORP	HIGH POINT	GUILFORD
NONCD0002068	MICROMATIC/TEXTRON FACILITY	SWANNANOA	BUNCOMBE
NONCD0002085	MITSUBISHI ELECTRONICS	DURHAM	DURHAM
NONCD0002090	MOEN - SANFORD	SANFORD	LEE
NONCD0002101	MOUNT HOPE FACILITY	CHARLOTTE	MECKLENBURG
NONCD0001086	MT AIRY COAL GAS PLANT	MT AIRY	SURRY
NONCD0002194	NCSPA BLDG C-1	WILMINGTON	NEW HANOVER
NCD986197259	NEW BERN COAL GAS PLANT	NEW BERN	CRAVEN
NCD055162069	PELTON & CRANE PLANT (FORMER)	CHARLOTTE	MECKLENBURG
NONCD0002810	PEP BOYS #150	MATTHEWS	MECKLENBURG
NONCD0001939	PETRO EXPRESS NO. 56	KINGS MOUNTAIN	CLEVELAND
NONCD0001020	PRECISION FABRICS GROUP, INC	GREENSBORO	GUILFORD
NONCD0002345	PUROLATOR PRODUCTS, INC.	FAYETTEVILLE	CUMBERLAND
NONCD0002350	QUALITY FOREST PRODUCTS	ENFIELD	HALIFAX
NCD062548995	QUORUM KNITTING	WEAVERVILLE	BUNCOMBE
NONCD0002361	RADIOSHACK PROPERTY	SWANNANOA	BUNCOMBE
NCD986188894	RALEIGH COAL GAS PLANT NO. 1	RALEIGH	WAKE
NCD986188902	RALEIGH COAL GAS PLANT NO. 2	RALEIGH	WAKE
NCD045915568	RALEIGH METAL PROCESSORS	RALEIGH	WAKE
NONCD0002795	RD PATE ESTATE	PIKEVILLE	WAYNE
NONCD0001201	REEVES BROTHERS-BAILEY RD DUMP	CORNELIUS	MECKLENBURG
NONCD0001087	REIDSVILLE COAL GAS PLANT	REIDSVILLE	ROCKINGHAM
NCD053009510	RELIANCE UNIVERSAL OF KENTUCKY	LENOIR	CALDWELL
NONCD0001108	RENTAL UNIFORM SERVICE	ASHEVILLE	BUNCOMBE
NONCD0001171	RENTAL UNIFORM SERVICES	CLINTON	SAMPSON
NONCD0002404	RITTER MILLWORKS SHOP	CASTLE HAYNE	NEW HANOVER
NONCD0001157	ROBERT BOSCH TOOL CORP	GREENVILLE	PITT
NONCD0001154	ROBERT BOSCH TOOL CORP	LINCOLNTON	LINCOLN
NCD986197325	ROCKY MOUNT COAL GAS PLANT NO. 1	ROCKY MOUNT	NASH
NCD986197317	ROCKY MOUNT COAL GAS PLANT NO. 2	ROCKY MOUNT	NASH
NCD981933096	ROCKY MOUNT, OLD AIRPORT	ROCKY MOUNT	NASH
NCD986197283	SALISBURY COAL GAS PLANT #1	SALISBURY	ROWAN
NONCD0001088	SALISBURY COAL GAS PLANT #2	SALISBURY	ROWAN
NCD003234549	SCM PROCTOR SILEX/WEAREVER	SOUTHERN PINES	MOORE
NCD000616516	SCOVILL INC/SECURITY PRODUCTS	MONROE	UNION
NONCD0002456	SEARS 8075 SOLVENTS	CHARLOTTE	MECKLENBURG
NCN000407206	SHULIMSON BROTHERS SCRAP YARD	ASHEVILLE	BUNCOMBE

TABLE 5. SITES UNDERGOING VOLUNTARY REMEDIAL ACTION BY RESPONSIBLE PARTIES

ID Number	*Site Name*	*City*	*County*
NCD083678631	SINCLAIR AND VALENTINE CO.	CHARLOTTE	MECKLENBURG
NONCD0002488	SONOCO CARTON FACILITY, FORMER	CHARLOTTE	MECKLENBURG
NONCD0001204	SOUTHERN STATES-AHOSKIE SERVICE	AHOSKIE	HERTFORD
NCD053488557	SOUTHERN WOOD PIEDMONT COMPANY	GULF	CHATHAM
NCD058517467	SOUTHERN WOOD PIEDMONT COMPANY	WILMINGTON	NEW HANOVER
NCD986197291	STATESVILLE COAL GAS PLANT	STATESVILLE	IREDELL
NCD083669952	STORY BURIAL AREAS/UNION CHEMICAL	CHARLOTTE	MECKLENBURG
NCD986176444	STROH/CHITTY FARM	WINSTON-SALEM	FORSYTH
NONCD0001101	STRONGHAVEN WAREHOUSE	MATTHEWS	MECKLENBURG
NONCD0002575	TAKEDA - BASF	WILMINGTON	NEW HANOVER
NCD986166700	TOISNOT SWAMP	WILSON	WILSON
NONCD0002645	UNIFIRST	WILMINGTON	NEW HANOVER
NONCD0002646	UNIFIRST CORPORATION (FORMERLY	GOLDSBORO	WAYNE
NCD980557623	UNIVERSITY OF NC/ARPT WASTE DISP	CHAPEL HILL	ORANGE
NCD053485991	VARCO-PRUDEN BUILDINGS	KERNERSVILLE	FORSYTH
NONCD0001139	VERMONT AMERICAN	BOONE	WATAUGA
NONCD0001103	WALTER KIDDE PORTABLE EQUIPMENT	MEBANE	ALAMANCE
NCD986197275	WASHINGTON COAL GAS PLANT	WASHINGTON	BEAUFORT
NCD001493931	WECK, EDWARD INC.	RTP	DURHAM
NCN000407582	WEST PHARMACEUTICAL SERVCES	KINSTON	LENOIR
NCD003195963	WESTINGHOUSE ELEC METER & LIGHT	RALEIGH	WAKE
NCD003220969	WHITE FURNITURE CO.	MEBANE	ALAMANCE
NCD986188910	WILMINGTON COAL GAS PLANT	WILMINGTON	NEW HANOVER
NCD093334209	WILSON, RALPH PLASTICS	FLETCHER	HENDERSON
NCD986188845	WINSTON-SALEM COAL GAS PLANT NO. 1	WINSTON-SALEM	FORSYTH
NCD986188852	WINSTON-SALEM COAL GAS PLANT NO. 2	WINSTON-SALEM	FORSYTH
NONCD0002799	WRIGHTSVILLE AVE	WILMINGTON	NEW HANOVER

TABLE 6. ADDITIONAL STATE-DIRECTED RESPONSIBLE PARTY ASSESSMENTS/CLEANUPS NOT UNDER VOLUNTARY ADMINISTRATIVE AGREEMENTS JULY 08-JULY 09

ID Number	*Site Name*	*City*	*County*
SITE NOT ADDED	ALBERT JOHNSON/DOT PROJECT	FLAT ROCK	HENDERSON
NONCD0001081	ALCOA NARROWS POWERHOUSE	BADIN	MONTGOMERY
NONCD0001250	ALMONT SHIPPING	WILMINGTON	NEW HANOVER
NONCD0001257	AMERICAN TRUETZSCHLER	CHARLOTTE	MECKLENBURG
NONCD0001259	AMI LIMITED	BURLINGTON	ALAMANCE
NONCD0002779	APAC-CASTLE HAYNE	CASTLE HAYNE	NEW HANOVER
NONNCD0001165	ARNOLD, CHARLES RESIDENCE	WAKE FOREST	WAKE
NONCD0001707	BADIN LAKE FAMILY BOAT	BADIN LAKE	DAVIDSON
NONCD0002837	B&C GROCERY	GRAHAM	ALAMANCE
NONCD0001316	BULLARD PROPERTY	GREENSBORO	GUILFORD
NONCD0001400	BURLINGTON HOUSE	REIDSVILLE	ROCKINGHAM
NONCD0000695	BURNT MILL CREEK LDFL	WILMINGTON	NEW HANOVER
NCD000608117	CELANESE CORP/FIBERS DIV	CHARLOTTE	MECKLENBURG
NONCD0001487	CHEMATRON	CHARLOTTE	MECKLENBURG
NONCD0001490	CHEMSERVE TERMINAL	WILMINGTON	NEW HANOVER
NCD061801361	CIBA-GEIGY CORP	GREENSBORO	GUILFORD
NCD980844732	CLAYTON BALL FIELD	CLAYTON	JOHNSTON
NONCD0000016	CMC HOLDING	ELKIN	SURRY
NONCD0000065	CMI-DRUM STORAGE AREA	ELKIN	SURRY
NONCD0002851	COCA-COLA BOTTLING	WILMINGTON	NEW HANOVER
NONCD0001544	COOKSON FIBERS	ANSONVILLE	ANSON
NONCD0001551	COTTON MILL SQUARE	GREENSBORO	GUILFORD
NONCD0001180	CTI	WILMINGTON	NEW HANOVER
NCD003149556	CTS OF ASHEVILLE	ASHEVILLE	BUNCOMBE
NONCD0001595	DEAN'S PICKLES	FAISON	DUPLIN
NONCD0001137	FABCO FASTENERS	STANDFIELD	STANLY
NONCD0001720	FLEET SUPPLY	WINSTON-SALEM	FORSYTH
NONCD0001723	FLINT HILLS RESOURCES @ CMT	WILMINGTON	NEW HANOVER
NCD986172617	FORBES RD WELLS-RAUCH IND	GASTONIA	GASTON
NONCD0001739	FULFLEX	SCOTLAND NECK	HALIFAX
NONCD0001745	GAINES CORPORATION	GREENSBORO	GUILFORD
NCD000773515	GA-PACIFIC	BOWDENS	DUPLIN
NCD000773507	GA-PACIFIC	ENFIELD	HALIFAX
NONCD0001757	GB LABELS	BURLINGTON	ALAMANCE
NCD982124646	GREGSON FURNITURE	LIBERTY	RANDOLPH
NONCD0001800	GRIFFON FERTILIZER SPILL	ROCKY MOUNT	NASH
NONCD0001064	GUILFORD MILLS	FUQUAY-VARINA	WAKE
NONCD0001075	HIGGINS TOWNSHIP FIRING RANGE	MARION	MCDOWELL
NONCD0000665	HOLLY SPRINGS DUMP	HOLLY SPRINGS	WAKE

NCD048401087	HOOKER FURNITURE	PLEASANT GARDEN	GUILFORD
NCD003464369	IMC/INTERNATIONAL MINERALS	WINSTON-SALEM	FORSYTH
NCD980729677	KNOB CREEK FLYASH	BREVARD	TRANSYLVANIA
NONCD0001173	LEBANON CHEMICAL	HERTFORD	PERQUIMANS
NONCD0002012	LIVINGSTONE COATINGS CORP	CHARLOTTE	MECKLENBURG
NONCD0002874	MOHAWK-KARASTAN PLANT	GREENVILLE	PITT
NONCD0002135	NCDOT SITE 10	JAMESTOWN	GUILFORD
NONCD0002139	NCDOT SITE 25	GREENSBORO	GUILFORD
NONCD0002149	NCDOT SITE 72	HIGH POINT	GUILFORD
NCD986171379	NEW HAVEN DRIVE TCE	GASTONIA	GASTON
NONCD0000610	OLD RALIEGH LF #11	RALEIGH	WAKE
NONCD0002236	OLYMPIC PRODUCTS	GREENSBORO	GUILFORD
NCD986215499	PARKER INDUSTRIES	CONNELLY SPRINGS	BURKE
NCD144192606	PARKER-ZENITH	ABERDEEN	MOORE
NONCD0002839	PERRY AUTO/YOUNG RESIDENCE	DUDLEY	WAYNE
NONCD0002819	PLANTER'S WAREHOUSE	TABOR CITY	COLUMBUS
NCD040047425	PRILLIMAN CHEMICAL	FAYETTEVILLE	CUMBERLAND
NCD053009510	RELIANCE UNIVERSAL	LENOIR	CALDWELL
NONCD0002391	REXHAM CORPORATION	GREENSBORO	GUILFORD
NONCD0002395	RHONE-POULENC (RHODIA)	GASTONIA	GASTON
NONCD0001145	SALISBURY ASPHALT PLANT	SALISBURY	ROWAN
NONCD0002445	SANTARO HOT MIX ASPHALT	KERNERSVILLE	FORSYTH
NCD093338119	SCM CORP/GLIDDEN COATINGS	CHARLOTTE	MECKLENBURG
NCD986176980	SOUTHEASTERN ELECTROPOLISHING	GASTONIA	GASTON
NONCD0002515	SPECTRUM DYED YARNS	KINGS MOUNTAIN	CLEVELAND
NCD024895864	STEWART-WARNER	WINSTON-SALEM	FORSYTH
SITE DELETED	SUMMIT SPRINGS	HENDERSONVILLE	HENDERSON
NONCD0002801	SWANNANOA 4-H CAMP	SWANNANOA	BUNCOMBE
ID NOT YET ASSIGNED	TERMINEX	WINSTON-SALEM	FORSYTH
NCD002560159	THIELE-ENGDAHL	WINSTON-SALEM	FORSYTH
NONCD0002599	TICAR CHEMICAL	ASHEVILLE	BUNCOMBE
NONCD0002615	TOYOTA OF BOONE	BOONE	WATAUGA
NCD082362989	TUNGSTEN QUEEN MINE	TUNGSTEN	VANCE
NONCD0002831	TWIN LAKES SUBDIVISION	MORRISVILLE	WAKE
NONCD0001248	UNITED SALVAGE	ROANOKE RAPIDS	HALIFAX
NONCD0002838	WACCAMAW TRANSPORT	WILMINGTON	NEW HANOVER
NCN000407302	WILMINGTON GUN CLUB	WILMINGTON	NEW HANOVER
NONCD0001110	WOODSON-TENET	GOLDSTON	CHATHAM

V. IMMINENT HAZARD SITES

The N.C. Department of Environment and Natural Resources and the US EPA are committed to addressing imminent hazard sites when identified. Table 7 provides a list of sites where imminent hazards have been discovered, or where abatement activities have continued, in fiscal 2008-09. Their location, a site description, status and funding source are also provided.

In addition to the cases outlined in Table 7, there are many contaminated drinking water well cases the program must address. A few hundred high risk sites were transferred to the Inactive Hazardous Sites Branch as part of the consolidation of remediation programs within DENR in 2007. DENR has conducted a limited review of these cases to help determine enforcement priorities and identify sites that may qualify for federal assistance for immediate hazard abatement. This review indicated 300 sites may have one or more drinking water supply wells having contaminant detections. Further research of these sites has been needed as much of the information was fairly old. Funding from the Bernard Allen Emergency Drinking Water Fund has been instrumental in identifying residential properties that are still not connected to city water service and to retest these wells.

Of the 53 sites that have one or more wells above the federal drinking water standards, 20 have no known financially viable responsible party. Under the Bernard Allen legislation, the funds cannot pay for more than 1/3 of the cost of a water line extension. The Bernard Allen Fund also limits assistance to residences with owners having income below 300 percent of the federal poverty level and where contamination exceeds the federal drinking water standards. Based on these criteria, contaminated residential wells around only one Inactive Hazardous Substance or Waste Disposal Site have qualified. However, there are about ten sites the Bernard Allen funded research has helped obtain US EPA funding for potential water line installation and connection. The US EPA is evaluating those cases now. We may discover others the federal government may pursue as the research continues on these cases.

TABLE 7. SUMMARY OF IMMINENT HAZARD SITES

Site	*City/ County*	*Site Description*	*Status*	*Funding Source*
Bechmann Technologies	Durham/ Durham	Several residences and other property found to have drinking water wells with contaminants above federal drinking water standards. Source of contamination not known.	US EPA provided bottled water to 4 residences and will be connecting those plus 1 currently vacant home to city water. Additional wells are being tested.	US EPA
Borden Chemical	Fayetteville/ Cumberland	Methanol spill.	40K gallons of material recovered. Abatement of immediate spill issues completed December 2008. Responsible party signed an agreement to conduct a voluntary cleanup of the entire site with DENR approval.	Responsible Party
Caswell Center Research Farm	Kinston/ Lenoir	8K gallon liquid fertilizer spill on residential property.	Responsible party conducted a removal of recoverable materials and applied lime to the discharge area. Groundwater was contaminated as a result of the discharge. The immediate hazard abatement is complete. Additional investigation will be required to	Responsible Party

			determine if the site requires further cleanup work.	
ConAgra	Garner/Wake	Plant explosion and ammonia release.	Several plant workers injured or lost their lives in a plant explosion in June 2009. Ammonia containing equipment was damaged and ammonia was released. Immediately prior to the event, ConAgra had planned to conduct a voluntary cleanup with DENR approval of other contamination at the site. ConAgra still plans to conduct that work once the immediate building hazards have been addressed.	Responsible Party
Crowders Mountain State Park	Gastonia/ Gaston	Large disposal of drummed wastes located next to a residential area and a state park.	The DENR conducted removal of a portion of the drums. Due to large numbers, the DENR did not have the resources to remove all of the drums and contaminated soils. The US EPA agreed to take over the drum/contaminated soil removal.	State/ US EPA
CSX Train Derailment	Burke County	Train derailment caused an estimated 100 gallons of ethanol to be spilled.	Responsible party conducted cleanup. No further work needed.	Responsible Party
Douglas Battery	Winston Salem/ Forsyth	>1000 pounds of sulfuric acid spilled.	Owner neutralized acid and conducted excavation. DENR overseeing responsible party assessment of off-property areas near creek.	Responsible Party
East Arcadia Train Derailment	East Arcadia/ Bladen	Train derailment resulted in 10K gallon ethanol release.	Material vacuumed up and work completed.	Responsible Party
Halifax Truck Spill	Roanoke Rapids/ Halifax	300 gallons of a phenolic laminating resin was spilled over several miles of roadway in July of 2008.	Spill did not reach soils. NCDOT recovered material with absorbent placed on roadway. No further work required.	NCDOT
Hertford Fertilizer Spill	Hertford/ Perquimans	Approximately 1400 gallons of nitrogen fertilizer spilled in March of 2009.	Contaminated soils excavated and used as fertilizer on farm land. Confirmation samples indicate no further action needed.	Responsible Party
I-95 Methanol Spill	Cumberland	230 gallons of methanol and 20 gallons of diesel fuel spilled in truck accident.	Responsible party removed contaminated soils. The DENR reviewed post-cleanup sample data. Work completed.	Responsible Party
International Paper	Reigelwood/ Columbus	An unknown amount of salt cake containing 3% sulfuric acid was spilled in April 2009.	Soda ash was used to neutralize spill. The pH of soils post treatment shows abatement to be complete.	Responsible Party
Invista (aka Hercofina/ Cape Industries	Wilmington/ New Hanover	200 gallons of unstripped oxidate (contains 2-3% para-xylene) spilled in April 2009.	Responsible party contained and cleaned up spill. Site has an existing groundwater contamination problem and thus will require more work before the site can be assigned no further action status.	Responsible Party
Invista (aka Hercofina/ Cape Industries)	Wilmington/ New Hanover	64 gallons of sodium hypochlorite spilled in May 2009	Responsible Party dug up contaminated area. Some soil contamination remains. Will require further work before site can be assigned no further action status.	Responsible Party
Kinder Morgan Terminal	Selma/ Johnston	Unknown amount of urea and ammonium nitrate solution spilled in late 2008.	Some soils excavated at area of release. Further work will be required on this and other areas at the site before site can be assigned NFA status.	Responsible Party
K&S Logistics Fertilizer Spill	Pantego/ Beaufort	4000 gallons of fertilizer spilled and entered canal in May of 2009.	Spill contained. Reviewing completion report.	Responsible Party
Norfolk Southern Train Derailment	Durham/ Durham	6000 gallons of sodium hydroxide released in a train derailment in May of 2009.	Responsible party removed spilled liquids and contaminated soils. Waiting on final clean confirmation sample results.	Responsible Party
Oak Haven Mobile Home Park	Salisbury/ Rowan	Mobile home park built on battery casing dump. Elevated lead in soils on the property.	The DENR is conducting a removal of the contaminated soils and the battery casings from the property.	State
Ore Knob Mine	Jefferson/ Ashe	Large volume of mine tailings waste have produced acid conditions and elevated metals. Wastes have slumped past the dam containing the wastes.	US EPA has been conducting sampling of the site to determine how to control the wastes.	US EPA

Southeastern Electropolishing	Gastonia/ Gaston	Fire at an electroplating facility. Release of approximately 1000 gallons of phosphoric/sulfuric acid. Leaking vats of other plating solutions present in building.	US EPA conducted cleanup of spill area and stabilized/removed other waste in containers. Limited samples collected and contamination remains on the property. The DENR solicited the responsible party (RP) in conducting a voluntary assessment/cleanup of the remainder of the contamination. The RP has not volunteered. Immediate spill issues have been addressed by the US EPA, but the Site will require further action to complete cleanup.	US EPA
Stony Creek School Road Dumping	Reidsville/ Caswell	Drums containing waste oil and paint dumped.	US EPA removed drums and cleaned up site. Post-removal samples clean. Work completed January 2009.	US EPA
Superior Products	Greensboro/ Guilford	Metals recycler was releasing hazardous substances and oil contents of tanks to environment.	US EPA removed contents of 34 tanks, drummed wastes and contaminated soils. Work completed last quarter of 2008. Immediate hazards removed, but site remains contaminated and requires further action.	US EPA
Texfi Industries	Fayetteville/ Cumberland	Chlorinated solvent groundwater contaminant plume has migrated from a former textile mill to the City of Fayetteville's water plant property. The city's finished drinking water holding tank sits in contact with contaminated groundwater. The city's drinking water intakes on the Cape Fear River are 450 feet downstream from the Texfi property line.	The State constructed a subsurface barrier wall in 2001 to prevent further contaminant migration to the holding tank area and installed extraction wells to remove contaminated groundwater in the area of the tank. Concentrations have been reduced. The State has previously been provided special appropriated funds to continue to operate the extraction wells and monitor the groundwater on the City's property. The State is addressing the source area through use of funds from a bankruptcy settlement. Source treatment in groundwater is underway.	State
Town of Enfield Transformer Spill	Enfield/Halifax	Three transformers at an abandoned facility released an estimated 600 gallons of transformer oil to a storm ditch. Believed to be the result of vandals seeking copper from the transformers.	US EPA excavated soil along the ditch. The US EPA completed work in November of 2008 and plans no further action.	US EPA
Unimin Mine Fire	Spruce Pine/ Mitchell	Industrial fire caused the release of caustics and acids to a fire pond.	Immediate contaminant release dispersed. DENR plans to inspect facility to see if any issues remain.	No Expenses
Whitin Roberts, #2	Sanford/Lee	35 drums abandoned in a closed facility.	US EPA removed the drums in February 2009.	US EPA

VI. SUMMARY OF THE INACTIVE HAZARDOUS SITES CLEANUP FUND AND NATIONAL PRIORITIES LIST COST SHARE FUND

Inactive Hazardous Sites Cleanup Fund

Revenue Not Dedicated to the Pre-Regulatory Landfills
As of July 1, 2009

Deposits (08-09)	
Interest	$32,328
No further action review fees	$3,500
Total Deposits	**$35,828**
Withdrawals (08-09)	
Texfi Industries-Fayetteville emergency abatement contract	$44,280
Texfi Industries-Fayetteville source remediation contract	$217,307
Orphan priority site sampling/removal contract	$103,500
Total Withdrawals	**$365,087**
Current Balance	**$923,694**
Obligations	
Texfi emergency abatement contract	$11,831
Texfi source remediation contract	$509,175
Orphan priority site sampling/removal contract & pending water line contract	$402,688
Total Current Obligations	**$923,694**
Effective Balance	**$0**
Orphan Cleanup Cost Requirements (see Chapter II for more details)	
Funds needed for 340 priority orphan sites identified	$180,618,200
Funds needed for 31 additional orphan sites identified	$16,468,130
Orphan Site Cleanup Costs	**$197,086,330**

Funding Notes:
A total of $464,785 was recovered through a bankruptcy claim for addressing six former Burlington Industries contaminated sites. In fiscal 2008-09, $160,000 was recovered through a bankruptcy claim for two former Pillowtex contaminated sites. These monies have been deposited in separate special trust funds. A total of $42,989 remains of the Burlington funds. We anticipate completing the Burlington work and depleting the remaining funds by the end of calendar year 2009. No funds have yet been spent on the Pillowtex sites. DENR anticipates possibly receiving additional bankruptcy funds for the Pillowtex sites. Work will begin on these sites in the later part of calendar year 2009.

Revenue Dedicated to the Pre-Regulatory Landfills
As of July 1, 2009

Deposits (08-09)	**$3,889,209**
Current Balance:	**$3,863,171***

* This revenue is for use by the new Pre-Regulatory Landfill program established by the legislature in 2007. The tax that funds this program went into effect in July 2008 and the first proceeds were received in February 2009. Funds are used to contract assessment and cleanup work at uncontrolled pre-regulatory landfills and to fund state staff to implement the program. The appropriations bill that was enacted in 2009 provided that starting in fiscal 2010-11, $300,000 of the Inactive Hazardous Sites Program operating budget that is used to fund staff to address all other hazardous substance contaminated sites, must also come out of this revenue source. Formerly the staff members were funded through appropriations.

National Priorities List Cost Share Fund
As of August 1, 2009

Estimated cost of federal trust fund/N.C. cost share cleanups	$121,545,040
N.C.'s 10 percent cost share for pending/ongoing cleanups	$12,154,504*
Fund disbursements for cost share payments	$6,748,366
Current balance	$7,978,957
Encumbered amount of the fund balance for cost share payments	$5,406,138
Effective Balance	**$2,572,819***

* Cleanup cost estimates are not yet available for all sites. The cost share figure will increase as cost estimates become available. Also, other sites may be added to the National Priorities List that will require a state cost share. This account will also be required to pay for the state's operation and maintenance obligations which will begin in the next few years at some sites. Aside from interest, the fund has no continuing source of income.

APPENDIX. INACTIVE HAZARDOUS WASTE SITES PRIORITY LIST (In Order By County)

Id Number	*Site Name*	*Site Address*	*City*	*Score*	*Medium*	*Contaminant*	
NCD980848667	ONE HOUR KORETIZING	4404 ROXBORO ROAD	DURHAM	DURHAM	62.56	groundwater	organics
NCN000407672	BEACON MANUFACTURING	2425 US HWY 70	SWANNANOA	BUNCOMBE	58.93	soil groundwater soil surface water groundwater	metals metals organics organics organics
NONCD0001179	WILMINGTON IRON WORKS (FORMER)	S WATER, S FRONT, & ORANGE	WILMINGTON	NEW HANOVER	57.88	known/suspected	
NCN000407302	WILMINGTON GUN CLUB (FORMER)	MILITARY CUTOFF ROAD	WILMINGTON	NEW HANOVER	57.68	soil sediment surface water groundwater	metals metals metals metals
NONCD0002734	WILMINGTON FERTILIZER COMPANY	1702 NORTH 6TH STREET	WILMINGTON	NEW HANOVER	57.49	groundwater	inorganics
NONCD0002736	WILMINGTON SHIPYARD (FORMER)	1500 POINT HARBOR RD.	WILMINGTON	NEW HANOVER	57.49	groundwater soil	metals organics
NCD003184710	CAROLINA CREOSOTING CORPORATION	EASTBROOK ROAD	LELAND	BRUNSWICK	57.17	groundwater soil	organics organics
NONCD0001100	SIMPSON WELL CONTAMINATION	8 EASTWOOD DRIVE	BELMONT	GASTON	56.35	groundwater	organics
NCD000605303	FEDERAL PAPER BOARD CO., INC.	865 JOHN L RIEGEL RD	RIEGELWOOD	COLUMBUS	56.08	groundwater groundwater	metals organics

APPENDIX. INACTIVE HAZARDOUS WASTE SITES PRIORITY LIST (In Order By County)

Id Number	*Site Name*	*Site Address*	*City*	*Score*	*Medium*	*Contaminant*
NONCD0001250	ALMONT SHIPPING	423 NUTT STREET	WILMINGTON	NEW HANOVER	56.01	
					soil	organics
					soil	metals
					groundwater	inorganics
					groundwater	organics
					groundwater	metals
NCD050409150	GENERAL ELECTRIC CO/WILMINGTON	3901 CASTLE HAYNE RD	WILMINGTON	NEW HANOVER	55.76	
					groundwater	organics
NCD981864614	ULAH BATTERY/BATTERY PILES	SR 1219/DINAH RD	ASHEBORO	RANDOLPH	55.64	
					soil	acids
					soil	metals
NCD074511361	AQUAIR CORPORATION	133000 SAM NEELY RD	CHARLOTTE	MECKLENBURG	55.35	
					groundwater	metals
					soil	organics
					groundwater	organics
					soil	metals
NONCD0001098	NATIONAL TEXTILES, LLP	REEP DRIVE	MORGANTON	BURKE	54.94	
					groundwater	organics
					soil	organics
					surface water	organics
NCD045920279	HOLDING POND FOR WASTE/USS	100 QUALITY DR	NAVASSA	BRUNSWICK	54.35	
					groundwater	metals
					groundwater	organics
					groundwater	pesticides/herbicides
NONCD0001646	DUPONT CEDAR CREEK SITE	3216 CEDAR CREEK RD	FAYETTEVILLE	CUMBERLAND	53.70	
					surface water	organics
					groundwater	organics
NONCD0001555	COX MOBILE HOME PARK	ROCKY KNOLL RD.	ASHEBORO	RANDOLPH	53.37	
					groundwater	organics
					soil	organics

APPENDIX. INACTIVE HAZARDOUS WASTE SITES PRIORITY LIST (In Order By County)

Id Number	*Site Name*	*Site Address*	*City*	*Score*	*Medium*	*Contaminant*
NCD003229358	SCM PROCTOR-SILEX/WEAREVER	HAY ST	MOUNT AIRY	SURRY	53.02	
					soil	metals
					sediment	organics
					groundwater	metals
					sediment	metals
					surface water	metals
NCD000830646	CAROLINA P&L CO. SUTTON STEAM	HWY 421	WILMINGTON	NEW HANOVER	52.85	
					sediment	metals
					groundwater	metals
					soil	metals
NCN000407584	SOUTHERN METALS RECYCLING, INC	1002 SOUTH FRONT STREET	WILMINGTON	NEW HANOVER	52.56	
					soil	metals
					groundwater	metals
NCD980729677	KNOB CREEK FLYASH DISPOSAL	SR 1540	BREVARD	TRANSYLVANIA	52.53	
					soil	metals
NCD986166692	HARWELL ROAD SEPTIC PIT	HARWELL ROAD	GASTONIA	GASTON	52.37	
					groundwater	organics
NCD003167780	SPRAGUE ELECTRIC COMPANY	HWY 194	LANSING	ASHE	52.33	
					groundwater	metals
					soil	metals
					groundwater	organics
NONCD0002857	ABERDEEN FLORIST & GARDEN CENTER	500 S SANDHILLS BLVD	ABERDEEN	MOORE	52.02	
					groundwater	organics
NCN000407775	ROYSTER FERTILIZER	1690 NE ROYSTER RD	LELAND	BRUNSWICK	52.02	
					groundwater	organics
					surface water	metals
					soil	metals
					soil	organics
					groundwater	metals
NCD088563242	MONSANTO COMPANY/ROHM & HAAS	CEDAR CREEK RD	FAYETTEVILLE	CUMBERLAND	51.78	
					sediment	metals
					groundwater	organics

APPENDIX. INACTIVE HAZARDOUS WASTE SITES PRIORITY LIST (In Order By County)

Id Number	*Site Name*	*Site Address*	*City*	*Score*	*Medium*	*Contaminant*
NCN000407333	TRIAD USED AUTO SALES	1520 ALAMANCE CHURCH RD	GREENSBORO	GUILFORD	51.53	
					soil	organics
					groundwater	metals
					soil	metals
					groundwater	organics
NONCD0001025	TOOMEY PROPERTY	1020 HICKORY GROVE ROAD	SPRINGWOOD	GASTON	51.23	
					soil	organics
					groundwater	organics
NONCD0001554	COX DODGE (FORMER)	1501 LIPSCOMB ROAD	WILSON	WILSON	51.05	
					groundwater	organics
					surface water	organics
NCD982117590	CUSTOM PROCESSING AND	1110 SURRETT DRIVE	HIGH POINT	GUILFORD	51.04	
					groundwater	metals
					soil	organics
					groundwater	organics
NONCD0000016	CMC LANDFILL	EAST MAIN STREET	ELKIN	SURRY	51.02	
					soil	organics
					groundwater	organics
NCD986178226	TEXFI INDUSTRIES, INC	601 HOFFER DRIVE	FAYETTEVILLE	CUMBERLAND	50.55	
					groundwater	organics
					soil	organics
NCD093338119	SCM CORP. GLIDDEN COATINGS & RESINS	3926 GLENWOOD DRIVE	CHARLOTTE	MECKLENBURG	50.29	
					groundwater	organics
NCD986172518	OLD MOUNT HOLLY ROAD PCE SITE	OLD MT HOLLY RD & FREEDOM DR	CHARLOTTE	MECKLENBURG	50.26	
					groundwater	organics
NONCD0002835	PRIME EQUIPMENT CO	1020 N FRONT ST	WILMINGTON	NEW HANOVER	50.19	
					groundwater	organics
					soil	organics

APPENDIX. INACTIVE HAZARDOUS WASTE SITES PRIORITY LIST (In Order By County)

Id Number	*Site Name*	*Site Address*	*City*	*Score*	*Medium*	*Contaminant*
NCN000407480	HORTON IRON & METAL	2216 US HWY 421 N	WILMINGTON	NEW HANOVER	49.83	
					groundwater	pesticides
					groundwater	metals
					soil	metals
					sediment	metals
					surface water	metals
					surface water	pesticides
					sediment	pesticides
NCD003231545	SHERWOOD TREATING CO., INC.	1660 SILAS CREEK PKWAY	WINSTON-SALEM	FORSYTH	49.78	
					groundwater	metals
					soil	metals
NCD047371794	COASTAL LUMBER CO	934 N CRAVEN ST	NEW BERN	CRAVEN	49.73	
					groundwater	inorganics
					soil	inorganics
NONCD0002564	ALLEN'S FARM SUPPLY	511 N 3RD ST	WILMINGTON	NEW HANOVER	49.72	
					groundwater	organics
					groundwater	metals
NONCD0000004	STURGEON CITY PROPERTY	4 COURT STREET	JACKSONVILLE	ONSLOW	49.67	
					groundwater	organics
					sediment	metals
NCD038551263	TRI-COUNTY COMMUNITY COLLEGE	OFF US 64 E SOUTH OF NC 1	MURPHY	CHEROKEE	49.66	
					soil	organics
					groundwater	organics
NONCD0002852	CLAYTON FARMS	1833 LOOP RD	CLAYTON	JOHNSTON	49.63	
					groundwater	pesticides/herbicides
					soil	pesticides/herbicides
NCD000813592	GA-PACIFIC CORP/HDWD SAW	PLYWOOD DR	PLYMOUTH	WASHINGTON	49.53	
					groundwater	organics
					sediment	organics
					soil	metals
					groundwater	metals
					sediment	metals
					soil	pesticides
					groundwater	pesticides
					soil	organics

APPENDIX. INACTIVE HAZARDOUS WASTE SITES PRIORITY LIST (In Order By County)

Id Number	*Site Name*	*Site Address*	*City*	*Score*	*Medium*	*Contaminant*
NONCD0001052	THOMASVILLE FURNITURE	151 SMETHPORT DRIVE	WEST JEFFERSON	ASHE	49.51	
					groundwater	organics
					soil	inorganics
					soil	metals
NONCD0002822	GRAY & CREECH (FRMR)	8024 GLENWOOD AVE	RALEIGH	WAKE	49.37	
					groundwater	organics
NCD000772046	MOBIL OIL CORP/KOCH REFINING	3334 RIVER RD	WILMINGTON	NEW HANOVER	49.07	
					soil	metals
					groundwater	organics
					groundwater	metals
NC0001279710	WOODY WILSON BATTERY/ASHLEY	HWY 211	ASHLEY HEIGHTS	HOKE	49.02	
					soil	metals
					soil	organics
NCD986171379	NEW HAVEN DRIVE TCE	NEW HAVEN DRIVE	GASTONIA	GASTON	48.98	
					groundwater	organics
NCD000770487	JOHNSON CONTROLS GLOBE BATTERY	OLD GREENSBORO ROAD	WINSTON-SALEM	FORSYTH	48.85	
					soil	organics
					sediment	metals
					surface water	metals
NCD046148540	CENTRAL TRANSPORT COMPANY	600 MELYNDA ROAD	CHARLOTTE	MECKLENBURG	48.84	
					sediment	organics
					groundwater	organics
					sediment	metals
					groundwater	metals
					groundwater	inorganics
NCSFN0407074	NC MARITIME MUSEUM	310 FRONT ST	BEAUFORT	CARTERET	48.84	
					sediment	pesticides
					sediment	metals
					sediment	organics
NCD986175636	ASHE PATTERN SHOP (FORMER)	4411 BEATY ROAD	GASTONIA	GASTON	48.82	
					groundwater	organics

APPENDIX. INACTIVE HAZARDOUS WASTE SITES PRIORITY LIST (In Order By County)

Id Number	*Site Name*	*Site Address*	*City*	*Score*	*Medium*	*Contaminant*
NCD986180909	SHELBY DYEING & FINISHING	2270 SAM LATTIMORE ROAD	SHELBY	CLEVELAND	48.82	
					soil	metals
					groundwater	metals
					groundwater	organics
					soil	organics
NCD980729412	CAROLINA TANK CLEANING COMPANY	HWY 68-4 MI N OF I-40	GREENSBORO	GUILFORD	48.53	
					soil	metals
					soil	organics
NONCD0000085	JONES & PRESNELL STUDIO	433 LAWTON ROAD	CHARLOTTE	MECKLENBURG	48.48	
					groundwater	organics
NCD986175628	LEE'S MOTOR WORKS	BEATY ROAD	GASTONIA	GASTON	48.48	
					groundwater	organics
					soil	organics
					surface water	organics
NCD000623223	MARTIN MANUFACTURING PROPERTIES	E MAIN ST US 17	WILLIAMSTON	MARTIN	48.40	
					groundwater	metals
					groundwater	organics
NCD986186518	OLD ATC REFINERY	801 SURRY STREET	WILMINGTON	NEW HANOVER	48.40	
					soil	organics
					sediment	metals
					soil	metals
					groundwater	metals
NCD042269134	SOUTHERN SCREW/FARLEY METALS	1225 BARKLEY RD	STATESVILLE	IREDELL	48.40	
					groundwater	cyanide
					soil	metals
					groundwater	metals
					soil	bases
					groundwater	organics
NCD981474158	SWEETEN CREEK DRUM SITE	115 SWEETEN CREEK ROAD	ASHEVILLE	BUNCOMBE	48.40	
					soil	metals

APPENDIX. INACTIVE HAZARDOUS WASTE SITES PRIORITY LIST (In Order By County)

Id Number	*Site Name*	*Site Address*	*City*	*Score*	*Medium*	*Contaminant*
NCD041230418	AMP INCORPORATED	3900 REIDSVILLE ROAD	WINSTON-SALEM	FORSYTH	48.35	
					sediment	metals
					soil	organics
					surface water	metals
					sediment	cyanide
					soil	metals
					soil	cyanide
NCD986188027	CHAMPION LANDFILL #3	SR 1550 I40	CANTON	HAYWOOD	48.25	
					soil	metals
NONCD0001185	CSX-NUTT ST	525 NUTT ST	WILMINGTON	NEW HANOVER	48.21	
					groundwater	organics
					groundwater	metals
NCD986185411	OLD WESTERN NC FAIRGROUNDS	BTWN US 176 & SOUTHER RR	EAST FLAT ROCK	HENDERSON	48.18	
					groundwater	organics
					soil	pesticides
					soil	organics
					groundwater	metals
NCD980600449	SED, INC. RADAR ROAD	500 RADAR ROAD	GREENSBORO	GUILFORD	48.18	
					soil	organics
NCD003163888	HENREDON FURNITURE	HENREDON RD	MORGANTON	BURKE	48.17	
					groundwater	organics
					soil	organics
NCD003198520	HONEYWELL, INC	921 HOLLOWAY STREET	DURHAM	DURHAM	48.17	
					groundwater	metals
					groundwater	organics
					soil	metals
					soil	organics
NCD041414780	FIELDCREST MILLS INC./NC FINISHING	US 29/70 N	SPENCER	ROWAN	48.07	
					groundwater	metals
					soil	metals
					groundwater	organics
					soil	organics
NCD091572073	NATIONAL STARCH & CHEMICAL	HWY 74/76 WEST	LELAND	BRUNSWICK	48.04	
					known/suspected	

APPENDIX. INACTIVE HAZARDOUS WASTE SITES PRIORITY LIST (In Order By County)

Id Number	*Site Name*	*Site Address*	*City*	*Score*	*Medium*	*Contaminant*
NCD045924032	WEST POINT PEPPERELL LUMBERTON	CHESTNUT ST EXTN	LUMBERTON	ROBESON	48.02	
					soil	organics
					groundwater	organics
NCD045924065	AMF/HATTERAS YACHTS	110 N GLENBURNE ROAD	NEW BERN	CRAVEN	48.00	
					groundwater	organics
NCD065288847	CF NITROGEN, INCORPORATED	HWY 45	WINTON	HERTFORD	47.99	
					soil	metals
					groundwater	metals
NONCD0001843	HERCULES	9 DAVIS DRIVE	DURHAM	DURHAM	47.93	
					surface water	organics
					groundwater	organics
NCD024477556	WINSTON CONTAINER COMPANY	4732 MORRIS FIELD RD	CHARLOTTE	MECKLENBURG	47.89	
					soil	organics
NONCD0001094	ALLISON MANUFACTURING CO	930 OLD CHARLOTTE ROAD	ALBEMARLE	STANLY	47.87	
					groundwater	organics
					soil	organics
NONCD0000023	CAROLINA P&L CO. FAYETTEVILLE	CUMBERLAND RD & OWEN DR	FAYETTEVILLE	CUMBERLAND	47.78	
					groundwater	organics
					soil	organics
					surface water	organics
NONCD0001058	ELECTRONICS COMPONENT	200 ELECTRONICS PARKWAY	BURGAW	PENDER	47.78	
					groundwater	organics
NONCD0002201	NEWS & OBSERVER MECH BLV-SPILL	1400 MECHANICAL BLVD.	GARNER	WAKE	47.78	
					groundwater	organics
NONCD0001779	GLENN MANUFACTURING/DECORATIVE	HWY 52 & RATLIFF GIN ROAD	MORVEN	ANSON	47.76	
					groundwater	organics
					soil	organics
NCD980848840	SCOTT'S CREEK BATTERY SITE	402 HOWELL ROAD	NEW BERN	CRAVEN	47.75	
					soil	metals
NCD003448610	GALVAN INDUSTRIES, INC.	HWY 49	HARRISBURG	CABARRUS	47.62	
					soil	metals
					groundwater	metals

APPENDIX. INACTIVE HAZARDOUS WASTE SITES PRIORITY LIST (In Order By County)

Id Number	*Site Name*	*Site Address*	*City*	*Score*	*Medium*	*Contaminant*	
NCN000409881	PAYNE RD SOLVENTS	105 PAYNE RD	BESSEMER CITY	GASTON	47.59	groundwater	organics
						soil	organics
NONCD0001200	COASTLINE INN PROPERTY	503 NUTT ST	WILMINGTON	NEW HANOVER	47.44	groundwater	organics
						groundwater	metals
NCD990883001	MONARCH FURNITURE CORPORATION	300 SCIENTIFIC ST	JAMESTOWN	GUILFORD	47.40	groundwater	metals
						soil	metals
NONCD0001550	COTTMAN TRANSMISSION	145-147 S. COLLEGE ROAD	WILMINGTON	NEW HANOVER	47.30	soil	organics
						groundwater	organics
NCD986180917	SPANN PROPERTY	US HIGHWAY 25	HENDERSONVILLE	HENDERSON	47.26	known/suspected	
NONCD0001029	R & D LAMINATORS INC	HOLLOMAN ROAD (SR 1187)	AHOSKIE	HERTFORD	47.21	groundwater	organics
NCD024895864	STEWART-WARNER CORP/BASSICK	2941 INDIANA AVE	WINSTON-SALEM	FORSYTH	47.19	soil	organics
NCD037160439	TOASTMASTER, INCORPORATED	OLD LAUREL HILL CHURCH RD	LAURINBURG	SCOTLAND	47.08	soil	organics
						groundwater	cyanide
						groundwater	organics
						groundwater	metals
						soil	cyanide
						soil	metals
NCD986176030	RHODERIA DRIVE WELLS	LAKEWOOD & RHODERA DRIVE	STALLINGS	UNION	46.98	groundwater	organics
						soil	metals
NCD044444735	CROMPTON & KNOWLES CORP.	SPENCER MT RD	LOWELL	GASTON	46.97	soil	metals
						soil	organics

APPENDIX. INACTIVE HAZARDOUS WASTE SITES PRIORITY LIST (In Order By County)

Id Number	*Site Name*	*Site Address*	*City*	*Score*	*Medium*	*Contaminant*
NCD986231967	TOM SADLER ROAD WELLS	TOM SADLER RD	CHARLOTTE	MECKLENBURG	46.92	
					soil	metals
					groundwater	metals
					groundwater	organics
NCD003183571	WINTERVILLE MACHINE WORKS, INC.	209 S MILL ST	WINTERVILLE	PITT	46.90	
					soil	metals
NONCD0001173	LEBANON CHEMICAL	ALBERMARLE ST	HERTFORD	PERQUIMANS	46.89	
					soil	pesticides
					groundwater	organics
					groundwater	pesticides
					soil	organics
NCN000407188	US 1-15/501 ABERDEEN	517 S SANDHILLS BLVD	ABERDEEN	MOORE	46.88	
					sediment	metals
					sediment	organics
					surface water	organics
					soil	metals
					soil	organics
					groundwater	organics
NONCD0000081	TRITON, INC	1610 SOUTH WARD BLVD	WILSON	WILSON	46.84	
					groundwater	metals
					groundwater	organics
NCD003233673	HOOVER REPAIR SHOP	461 N SOUTH STREET SR1669	MT AIRY	SURRY	46.69	
					soil	cyanide
					groundwater	metals
					groundwater	cyanide
					soil	metals
NCD980518211	IRT/IBM CORPORATION	4101 S I-85	CHARLOTTE	MECKLENBURG	46.67	
					groundwater	metals
NONCD0002874	MOHAWK-KARASTAN	2007 DICKINSON AVE	GREENVILLE	PITT	46.67	
					soil	metals
					groundwater	metals
					soil	organics

APPENDIX. INACTIVE HAZARDOUS WASTE SITES PRIORITY LIST (In Order By County)

Id Number	*Site Name*	*Site Address*	*City*	*Score*	*Medium*	*Contaminant*
NONCD0002779	APAC-CASTLE HAYNE ASPHALT PLANT	4909 N COLLEGE RD	CASTLE HAYNE	NEW HANOVER	46.65	
					soil	organics
					groundwater	organics
NCD003197704	SALT WOOD PRODUCTS, INC.	SR 1005	COVE CITY	CRAVEN	46.59	
					soil	organics
					groundwater	metals
					groundwater	organics
					soil	metals
NONCD0001155	D&G PROPERTIES-SLAUGHTERHOUSE	ROYSTER RD	NAVASSA	BRUNSWICK	46.57	
					groundwater	metals
					soil	metals
NCD072012354	SINGER CO/FURNITURE DIV WASHINGTON	STATE ROAD 1175	CHOCOWINITY	BEAUFORT	46.57	
					groundwater	pesticides
					groundwater	metals
					soil	organics
					groundwater	organics
					sediment	organics
NCD041519364	TEXASGULF CHEMICALS COMPANY	HWY 306 NORTH	AURORA	BEAUFORT	46.56	
					sediment	metals
					groundwater	organics
					sediment	organics
					soil	organics
					soil	pesticides
					surface water	metals
					groundwater	pesticides
NCD003184249	UNION CARBIDE CORP/EVEREADY	264 BYPASS-EVANS ST EXTN	GREENVILLE	PITT	46.52	
					groundwater	metals
					groundwater	organics
NC5210022906	USA RESERVE XVIII AIRBORNE CORPS	405 FISHER ST	MOREHEAD CITY	CARTERET	46.51	
					known/suspected	
NONCD0001049	LEXINGTON FURNITURE IND. PLNT #7	178 LFI COMPLEX LANE	LEXINGTON	DAVIDSON	46.43	
					groundwater	metals
					groundwater	organics

APPENDIX. INACTIVE HAZARDOUS WASTE SITES PRIORITY LIST (In Order By County)

Id Number	*Site Name*	*Site Address*	*City*	*Score*	*Medium*	*Contaminant*
NCD980844336	UNION CARBIDE BATTERY	5400 HOVIS ROAD	CHARLOTTE	MECKLENBURG	46.30	
					soil	metals
					surface water	organics
NONCD0001186	CARR MILL MALL	200 N GREENSBORO ST	CARRBORO	ORANGE	46.28	
					groundwater	organics
NCN000409811	ELECTRIC MOTOR & TRANSFORMER	1900 S SANDERS ST	RALEIGH	WAKE	46.21	
					groundwater	organics
					soil	organics
NONCD0001128	RESOLUTION PACKAGING	468 CAROLINA AVE	MARION	MCDOWELL	46.21	
					groundwater	metals
NONCD0001023	HEAVY EQUIPMENT SCHOOL	HEAVY EQUIPMENT ROAD	CHARLOTTE	MECKLENBURG	46.20	
					groundwater	organics
NCSFN0406906	OLD STAKE ROAD	OLD STAKE ROAD	CHADBOURNE	COLUMBUS	46.17	
					soil	metals
					groundwater	metals
NCD003149663	RADIATOR SPECIALTY COMPANY	1900 WILKINSON BLVD	CHARLOTTE	MECKLENBURG	46.16	
					groundwater	organics
					sediment	organics
					sediment	metals
					soil	organics
					soil	metals
NCD049772023	H & S PROCESSORS, INC.	NC HIGHWAY 150 WEST	LINCOLNTON	LINCOLN	46.11	
					groundwater	organics
NCD003216462	UNION CARBIDE CORP/EVEREADY	800 ALBEMARLE RD	ASHEBORO	RANDOLPH	45.97	
					soil	organics
					groundwater	organics
NONCD0002555	WHITEVILLE BUMPER & GLASS (FORMER)	824 WEST JEFFERSON STREET	WHITEVILLE	COLUMBUS	45.86	
					soil	metals
					groundwater	organics
					soil	organics

APPENDIX. INACTIVE HAZARDOUS WASTE SITES PRIORITY LIST (In Order By County)

Id Number	*Site Name*	*Site Address*	*City*	*Score*	*Medium*	*Contaminant*
NONCD0001112	OLD JOHN'S RIVER ROAD DUMP	MILE MARKER 296.1, BR PKWY	BLOWING ROCK	WATAUGA	45.81	
					soil	organics
					soil	metals
NCD003213030	DOUGLAS BATTERY MANUFACTURING	500 BATTERY DR	WINSTON-SALEM	FORSYTH	45.69	
					groundwater	metals
NCD144192606	PARKER-ZENITH	TAYLOR STREET	ABERDEEN	MOORE	45.67	
					groundwater	organics
NONCD0001074	OLD FORD BLDG	FIFTH ST	TABOR CITY	COLUMBUS	45.62	
					soil	metals
					soil	organics
					groundwater	metals
NCD981015746	CAROLINA ALUMINUM/HERBERT	SR 1125	ROPER	WASHINGTON	45.33	
					soil	organics
NCD003167988	MARANTZ PIANO CO INC/ANEVKA, INC	HWY 64/70 E	MORGANTON	BURKE	45.30	
					soil	metals
					groundwater	organics
					groundwater	metals
					soil	organics
NCD024600579	SUPERIOR PRODUCTS COMPANY	HWY 70A	GREENSBORO	GUILFORD	45.25	
					soil	metals
NCN000409779	WAYNE AGRICULTURAL WORKS	700 S JOHN ST	GOLDSBORO	WAYNE	45.25	
					groundwater	organics
					groundwater	metals
NONCD0001174	ARROW LAUNDRY	4735 MONROE RD	CHARLOTTE	MECKLENBURG	45.15	
					groundwater	organics
					soil	organics
NONCD0002277	PAZIUK WAREHOUSE	710 SUNNYVALE DRIVE	WILMINGTON	NEW HANOVER	45.15	
					soil	organics
					groundwater	organics
NCD981861214	CHARLOTTE TRANSPORTATION	2246 OLD STEELE CREEK RD	CHARLOTTE	MECKLENBURG	45.07	
					groundwater	organics

APPENDIX. INACTIVE HAZARDOUS WASTE SITES PRIORITY LIST (In Order By County)

Id Number	*Site Name*	*Site Address*	*City*	*Score*	*Medium*	*Contaminant*
NCD981473150	CHERRY MT STREET DRUM	602 CHERRY MOUNTAIN	FOREST CITY	RUTHERFORD	45.07	
					soil	metals
NCN000407830	CLOROX CHEMICAL	800 GESCO ST	CHARLOTTE	MECKLENBURG	45.07	
					sediment	organics
					soil	organics
					surface water	organics
					surface water	metals
					sediment	pesticides
					soil	metals
					soil	pesticides
					sediment	metals
					surface water	pesticides
NONCD0001022	GIBBS ELECTROPLATING - OLD LOCATION	2229 N DAVIDSON	CHARLOTTE	MECKLENBURG	45.07	
					groundwater	organics
					soil	organics
					soil	metals
					groundwater	metals
NCD980728745	OSHIELDS FLY ASH	SR 1510	BREVARD	TRANSYLVANIA	44.80	
					known/suspected	
NCD066327313	FINETEX, INC.	I85 HACKETT ST EXIT	SPENCER	ROWAN	44.77	
					groundwater	organics
					soil	organics
NONCD0001011	JUNG CORPORATION	718 INDUSTRIAL PARK AVE	ASHEBORO	RANDOLPH	44.77	
					groundwater	organics
NONCD0001169	LIBERTY FABRICS (FORMER)	US 64	JAMESVILLE	MARTIN	44.72	
					groundwater	organics
NCD986228054	KANNAPOLIS PCE SPILL	ENOCHVILLE ROAD	KANNAPOLIS	CABARRUS	44.71	
					groundwater	organics
NCD981863228	SCHERER, R.P.	2021 E. ROOSEVELT BLVD.	MONROE	UNION	44.71	
					soil	organics
					groundwater	organics

APPENDIX. INACTIVE HAZARDOUS WASTE SITES PRIORITY LIST (In Order By County)

Id Number	*Site Name*	*Site Address*	*City*	*Score*	*Medium*	*Contaminant*	
NCD002560159	THIELE-ENGDAHL, INCORPORATED	1100 FAIRCHILD RD	WINSTON-SALEM	FORSYTH	44.71	soil	metals
						soil	organics
NCD990734055	HERCOFINA/CAPE INDUSTRIES	HWY 421 N	WILMINGTON	NEW HANOVER	44.62	groundwater	organics
						soil	metals
						soil	organics
						groundwater	metals
NONCD0002792	MARSHALLBERG BOAT YARD	MILTON WILLIS LANE	MARSHALLBERG	CARTERET	44.57	known/suspected	
NCD093334969	S & S METALS RECYCLING COMPANY	SHORTCUT ROAD/SR 2455	GOLD HILL	CABARRUS	44.49	soil	metals
						surface water	metals
NONCD0000060	WATTS REGULATOR-GENERAL AIDES	WITHROW ROAD	FOREST CITY	RUTHERFORD	44.49	soil	metals
NONCD0001116	REPUBLIC SERVICES OF NC	312 JACK SHERMAN RD	ROUGEMONT	PERSON	44.48	groundwater	organics
NCD042091215	RJR TECH COMPANY	841 AVOCA FARM RD	MERRY HILL	BERTIE	44.48	soil	organics
NONCD0001079	LES MYERS PARK	LAWNDALE AVENUE EXT.	CONCORD	CABARRUS	44.42	soil	metals
NONCD0002228	OAK ISLAND POLICE DEPT.	4621 E. OAK ISLAND DRIVE	OAK ISLAND	BRUNSWICK	44.36	soil	pesticides/herbicides
						soil	organics
						groundwater	organics
						groundwater	pesticides/herbicides
NCD040047425	PRILLAMAN CHEMICALS	WORTH STREET	FAYETTEVILLE	CUMBERLAND	44.36	soil	metals
						groundwater	metals
						groundwater	organics
						soil	organics

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Id Number	*Site Name*	*Site Address*	*City*	*Score*	*Medium*	*Contaminant*
NCD981928088	TEXFI INDUSTRIES, INC/NEW BERN	SR 1317/BOSCH STREET	NEW BERN	CRAVEN	44.30	
					groundwater	organics
NC0000195743	JIMMY GREEN METALS	BARN HILL CHURCH ROAD	NASHVILLE	NASH	44.29	
					soil	metals
NCD042891663	MITCHELL ENGR CO/CECO BLDG. DIV.	BYPASS 301	ROCKY MOUNT	NASH	44.27	
					soil	metals
					groundwater	organics
NCD084167444	STANADYNE, INC/DIESEL SYSTEMS	405 WHITE ST	JACKSONVILLE	ONSLOW	44.22	
					soil	organics
					soil	metals
NONCD0001034	GEORGE STREET PESTICIDE	SOUTH GEORGE STREET	GOLDSBORO	WAYNE	44.16	
					groundwater	pesticides
					soil	pesticides
NONCD0002838	WACCAMAW TRANSPORT (FORMER)	1106 S 2ND ST	WILMINGTON	NEW HANOVER	44.12	
					groundwater	organics
					groundwater	metals
					soil	organics
NONCD0001432	CAPE GOLF COURSE	535 THE CAPE BLVD	WILMINGTON	NEW HANOVER	43.99	
					groundwater	metals
					groundwater	organics
NONCD0002851	COCA-COLA BOTTLING FACILITY	921 PRINCESS ST	WILMINGTON	NEW HANOVER	43.99	
					groundwater	organics
					soil	organics
NONCD0001178	PACKER PROPERTY	US 701 & JEWEL ST	WHITEVILLE	COLUMBUS	43.99	
					groundwater	organics
NONCD0001054	WILLIAMS AUTO CENTER	401 D STREET	BRIDGETON	CRAVEN	43.93	
					groundwater	metals
					soil	metals
					soil	organics
NONCD0000038	AYCOCK PROPERTY	SR 1162 & 1103	WILSON	WILSON	43.92	
					groundwater	organics

APPENDIX. INACTIVE HAZARDOUS WASTE SITES PRIORITY LIST (In Order By County)

Id Number	*Site Name*	*Site Address*	*City*	*Score*	*Medium*	*Contaminant*
NONCD0002711	WESTPOINT STEVENS	AIRPORT ROAD	WAGRAM	SCOTLAND	43.92	
					groundwater	organics
NCD003164464	UNIROYAL INC/UNIROYAL CHEMICAL	214 W RUBY AVE	GASTONIA	GASTON	43.79	
					soil	organics
NONCD0002543	STEVCOKNIT FABRICS COMPANY	601 WILMINGTON ROAD	WALLACE	DUPLIN	43.75	
					groundwater	organics
					soil	organics
NONCD0002777	APAC-GOLDSBORO ASPHALT PLANT	2421 ARRINGTON BRIDGE RD	GOLDSBORO	WAYNE	43.72	
					groundwater	organics
					soil	organics
NCD003149556	CTS OF ASHEVILLE, INC.	MILLS GAP RD	SKYLAND	BUNCOMBE	43.44	
					surface water	metals
					surface water	organics
					soil	organics
					soil	metals
NONCD0001045	FREIGHTLINER	1800 N MAIN ST	MT HOLLY	GASTON	43.38	
					groundwater	metals
					soil	metals
NCD053487765	STRATFORD METAL FINISHINGS, INC.	807 S MARSHALL ST	WINSTON-SALEM	FORSYTH	43.38	
					soil	metals
NONCD0000043	GREAT LAKES CARBON CORPORATION	307 JAMESTOWN ROAD	MORGANTON	BURKE	43.36	
					groundwater	organics
					groundwater	metals
NONCD0001273	ANSELL HEALTHCARE	2906 ANACONDA ROAD	TARBORO	EDGECOMBE	43.34	
					groundwater	organics
					soil	organics
NCD062571658	HONEYWELL MICRO SWITCH DIV.	1 HICKORY DRIVE	MARS HILL	MADISON	43.33	
					soil	metals
					soil	organics
NCD082363102	HELENA CHEMICAL COMPANY	HARRY MALLEY RD	LAURINBURG	SCOTLAND	43.32	
					groundwater	pesticides
					soil	metals

APPENDIX. INACTIVE HAZARDOUS WASTE SITES PRIORITY LIST (In Order By County)

Id Number	*Site Name*	*Site Address*	*City*	*Score*	*Medium*	*Contaminant*	
NONCD0001046	B&H RECYCLERS	7526 US 74 W	POLKTON	ANSON	43.31	soil	organics
						groundwater	organics
NCD060306727	RICHARDS WC COMPANY, INC.	101 EAST MAPLE STREET	ABERDEEN	MOORE	43.31	soil	metals
						soil	organics
NONCD0002531	STANLEY FASTENING	2903 LEE AVE	SANFORD	LEE	43.31	groundwater	organics
NCD986211274	STONEY FORK CREEK DRUM DUMP SITE	MT. ZION ROAD	DEEP GAP	WILKES	43.31	known/suspected	
NONCD0001168	RIVER CITY CONSTRUCTION CO	3534 CHERRY RUN RD	WASHINGTON	BEAUFORT	43.30	soil	metals
						groundwater	metals
						soil	organics
						groundwater	organics
NCD986232676	ROCK-TENN MARION FOLDING	33 BURGIN ST	MARION	MCDOWELL	43.30	groundwater	metals
NONCD0001564	CRIBBS HOBBY	6225 CAROLINA BEACH RD.	WILMINGTON	NEW HANOVER	43.19	groundwater	organics
NONCD0001138	DEUTSCH RELAYS	2021 GARDNER DR	WILIMINGTON	NEW HANOVER	43.19	groundwater	organics
NONCD0001095	MOSES CONE MEMORIAL PARK	BLUE RIDGE PKWY	BLOWING ROCK	WATAUGA	43.19	soil	metals
NONCD0002818	DUPONT-KENTEC	BRAXTON RD (SR 1802)	GRIFTON	LENOIR	43.17	groundwater	organics
NCD981022072	BETTIS PROPERTY	1/2 MI. E OF BETTIS RD &	EARL	CLEVELAND	43.16	known/suspected	
NCSFN0406953	G&B/FARMER PROPERTY	DOUG HILL FARM RD (SR 1100)	SCOTLAND NECK	HALIFAX	43.04	soil	organics
						soil	metals

APPENDIX. INACTIVE HAZARDOUS WASTE SITES PRIORITY LIST (In Order By County)

Id Number	*Site Name*	*Site Address*	*City*	*Score*	*Medium*	*Contaminant*
NONCD0000027	MEADOWVIEW ROAD	MEADOWVIEW ROAD	GREENSBORO	GUILFORD	43.04	
					groundwater	organics
NCD986172617	FORBES ROAD WELLS/RAUCH IND	2408 FORBES ROAD	GASTONIA	GASTON	43.02	
					soil	organics
					surface water	organics
					groundwater	organics
NCD048401087	HOOKER FURNITURE	1212 THROWER ROAD	PLEASANT	GUILFORD	43.00	
					groundwater	metals
					groundwater	organics
					soil	organics
NONCD0001102	ENQUIRER JOURNAL	500 W JEFFERSON ST	MONROE	UNION	42.99	
					groundwater	organics
NONCD0001346	BETTER LOOK GARMENT CARE	622 SE GREENVILLE BLVD	GREENVILLE	PITT	42.94	
					soil	organics
					groundwater	organics
NONCD0002798	TOWN AND COUNTRY CLEANERS	617 WASHINGTON ST	WILLIAMSTON	MARTIN	42.91	
					groundwater	organics
					soil	organics
NCD003230836	DUKE REFINING CORPORATION	2020 JARRELL STREET	HIGH POINT	GUILFORD	42.87	
					soil	organics
					groundwater	organics
					sediment	organics
NONCD0001538	CONFLANDEY INC.	3620 CHADBOURN HIGHWAY	WHITEVILLE	COLUMBUS	42.84	
					groundwater	metals
					soil	metals
NONCD0001113	SOUTHERN STATES (FORMER)	125 LINE AVE	GREENVILLE	PITT	42.81	
					soil	organics
					groundwater	pesticides
NONCD0000025	RANGE ROAD BURN SITE	RANGE ROAD	BUTNER	GRANVILLE	42.80	
					soil	organics
					soil	metals

APPENDIX. INACTIVE HAZARDOUS WASTE SITES PRIORITY LIST (In Order By County)

Id Number	*Site Name*	*Site Address*	*City*	*Score*	*Medium*	*Contaminant*
NONCD0001090	OLD MILL BLDG	301 FOURTH AVE EAST	HENDERSONVILLE	HENDERSON	42.75	groundwater organics
NCN000407197	LEARY BROTHERS STORAGE (FORMER)	VIRGINIA & BROAD STREET	EDENTON	CHOWAN	42.74	soil metals soil organics groundwater organics groundwater metals
NONCD0001016	ROYSTER-CLARK FERTILIZER PLANT	SR 1321	OAK CITY	MARTIN	42.74	groundwater pesticides groundwater inorganics soil organics
NCD000615872	AMP INCORPORATED	1260 SHANNON-BRADLEY RD	GASTONIA	GASTON	42.72	soil metals soil organics groundwater metals
NCD981014517	DYNATECH	TOOMEY AVE	CHARLOTTE	MECKLENBURG	42.60	groundwater metals sediment metals
NONCD0001105	WETSIG YACHTS	4022 MARKET STREET	WILMINGTON	NEW HANOVER	42.60	soil metals groundwater metals
NCD130708126	CONSOLIDATED WAREHOUSE	8300 MOORES CHAPEL RD	CHARLOTTE	MECKLENBURG	42.58	groundwater organics soil organics surface water organics
NCD003198967	GENERAL ELECTRIC CO/CAROLINA	900 N GEORGE ST	GOLDSBORO	WAYNE	42.53	groundwater metals
NCD051853547	AUSTIN FOODS	ONE QUALITY LANE	CARY	WAKE	42.43	soil organics groundwater organics soil pesticides groundwater pesticides

APPENDIX. INACTIVE HAZARDOUS WASTE SITES PRIORITY LIST (In Order By County)

Id Number	*Site Name*	*Site Address*	*City*	*Score*	*Medium*	*Contaminant*	
NONCD0001330	BECKER BUILDERS SUPPLY COMPANY	4614 MARKET STREET	WILMINGTON	NEW HANOVER	42.43	groundwater	organics
NONCD0001193	COASTAL DRY CLEANERS	1170 HENDERSON DR	JACKSONVILLE	ONSLOW	42.43	groundwater	organics
						soil	organics
NCN000409865	FORSHAW CHEMICALS	650 STATE ST	CHARLOTTE	MECKLENBURG	42.43	surface water	metals
						soil	pesticides
						soil	metals
						surface water	organics
						surface water	pesticides
						soil	organics
NONCD0001117	HILLSIDE SHOPPING CENTER	1077 FAYETTEVILLE ST	ASHEBORO	RANDOLPH	42.43	groundwater	organics
NCSFN0407140	CARDINAL CONTAINER SERVICES	138 WALSER ROAD	LEXINGTON	DAVIDSON	42.30	groundwater	organics
						groundwater	metals
NCN000409854	ROMATIC MANUFACTURING	402 E ROSE ST	SANFORD	LEE	42.27	sediment	organics
						sediment	metals
NC0002374445	GASTONIA INDUSTRIAL TRUCK	HEMPHILL ROAD	GASTONIA	GASTON	42.08	groundwater	organics
NCD043711977	CHEMICAL LEAMAN TANK LINES, INC.	6600 WEST MARKET STREET	GREENSBORO	GUILFORD	42.05	groundwater	organics
NONCD0001072	J & C DYEING	1000 WEST GROVER STREET	SHELBY	CLEVELAND	41.98	soil	metals
						groundwater	organics
						groundwater	metals
NCD002571438	ABC ENGRAVERS	724 NORTH I-85	CHARLOTTE	MECKLENBURG	41.91	groundwater	metals
						groundwater	organics
						soil	metals

APPENDIX. INACTIVE HAZARDOUS WASTE SITES PRIORITY LIST (In Order By County)

Id Number	*Site Name*	*Site Address*	*City*	*Score*	*Medium*	*Contaminant*
NONCD0002880	PATCHES BODY SHOP	1903 E GREEN ST	HIGH POINT	GUILFORD	41.91	groundwater organics
NCD981932023	TARBORO-EDGECOMBE AIRPORT	HWY 44	TARBORO	EDGECOMBE	41.81	soil organics
NCN000407243	WOODY'S SALVAGE YARD	4139 CLINTON RD	VANDER	CUMBERLAND	41.80	known/suspected
NCD003155587	SCOTT AVIATION OF MONROE/TOOL SERV	309 W. CROWELL ST	MONROE	UNION	41.73	soil metals groundwater organics
NCD981031578	RAINBOW DRIVE BATTERY	SR 1646	KANNAPOLIS	CABARRUS	41.66	soil metals
NCD981030893	MUSIC CLUB PESTICIDE SITE	SE QUADRANT OF INT US 17	WILLIAMSTON	MARTIN	41.61	soil pesticides
NCD991278730	SQUIBB E R & SONS	FLOWERS RD	KENLY	JOHNSTON	41.61	groundwater organics
NCD000830620	CAROLINA P&L CO. WEATHERSPOON	74 EAST	LUMBERTON	ROBESON	41.55	known/suspected
NONCD0002790	RIVERS JUNKYARD	5501 DOGWOOD ST	WINNABOW	BRUNSWICK	41.52	known/suspected
NONCD0000073	H. M. WADE FURNITURE	SOUTH GRAHAM STREET	CHARLOTTE	MECKLENBURG	41.50	groundwater organics
NONCD0001125	RALEIGH TTA-DILLON PARCEL A	102 S WEST ST	RALEIGH	WAKE	41.50	groundwater organics soil metals soil inorganics soil organics
NONCD0001126	RALEIGH TTA-DILLON PARCEL B	S WEST ST	RALEIGH	WAKE	41.50	groundwater organics soil organics

APPENDIX. INACTIVE HAZARDOUS WASTE SITES PRIORITY LIST (In Order By County)

Id Number	*Site Name*	*Site Address*	*City*	*Score*	*Medium*	*Contaminant*	
NCD002972966	REA MAGNET WIRE COMPANY	OLD LAUREL HILL CHURCH RD	LAURINBURG	SCOTLAND	41.49		
						surface water	organics
						soil	organics
NCD982124646	GREGSON FUNITURE INDUSTRIES	206 E FRAIZER AVENUE	LIBERTY	RANDOLPH	41.48		
						groundwater	metals
						soil	metals
						soil	organics
						surface water	metals
NCD003195161	CORNING GLASS WORKS	3900 ELECTRONICS DRIVE	RALEIGH	WAKE	41.47		
						known/suspected	
NC0002178580	VC CHEMICAL-ALMONT WORKS	2400 US 421 NORTH	WILMINGTON	NEW HANOVER	41.47		
						soil	metals
NCD980557854	FMC/NIAGARA PESTICIDES	OLD ST HWY 11 NORTH	AYDEN	PITT	41.44		
						soil	organics
						soil	pesticides
NONCD0001127	RALEIGH TTA-DILLON PARCEL C	510 & 602 W MARTIN ST	RALEIGH	WAKE	41.40		
						groundwater	organics
						soil	organics
NCD055165609	PANTASOTE INC. FILM/COMPOUND DIV.	1508 S CENTER ST	HICKORY	CATAWBA	41.38		
						groundwater	metals
						soil	metals
						groundwater	organics
NONCD0001176	MURFREESBORO VENEER	307 N 2ND ST	MURFREESBORO	HERTFORD	41.37		
						groundwater	organics
NCD991278755	MARTIN'S BATTERY SALVAGE, INC.	ASHLAND RD	KANNAPOLIS	CABARRUS	41.22		
						soil	metals
NONCD0000047	MEADS AIRFIELD PESTICIDES	SR 1100	WEEKSVILLE	PASQUOTANK	41.22		
						soil	pesticides
NCD986171445	BENFIELD CHEMICALS	OLD CANTON CLYDE HWY	CANTON	HAYWOOD	41.20		
						soil	organics
						soil	metals
						soil	pesticides

APPENDIX. INACTIVE HAZARDOUS WASTE SITES PRIORITY LIST (In Order By County)

Id Number	*Site Name*	*Site Address*	*City*	*Score*	*Medium*	*Contaminant*	
NONCD0001099	C & L SURPLUS	1868 HWY 64 W	HAYESVILLE	CLAY	41.20	sediment	metals
NCD980848782	MADISON COUNTY CYANIDE SITE	RT 2/HWY 63		MADISON	41.20	known/suspected	
NCD062664883	REINCO CHEMICAL COMPANY	EAST 11 ST	ROANOKE RAPIDS	HALIFAX	41.20	soil	organics
						groundwater	organics
NCD024817827	HENREDON FURNITURE	ALTAPASS ROAD	SPRUCE PINE	MITCHELL	41.19	soil	organics
						soil	metals
NONCD0002284	PENDER PLATING COMPANY	107 EAST HAYES ST.	BURGAW	PENDER	41.19	soil	metals
NCD981016280	DURHAM ANIMAL CLINIC	4306 ROXBORO ROAD	DURHAM	DURHAM	41.13	groundwater	organics
NONCD0001209	APAC-NEW BERN ASPHALT PLANT	510 S GLENBURNIE RD	NEW BERN	CRAVEN	41.11	soil	organics
						groundwater	organics
NONCD0002319	POLYLOK, INC./WELLINGTON SEARS	3006 ANACONDA RD.	TARBORO	EDGECOMBE	41.09	groundwater	organics
						soil	organics
NCD001704980	WILMINGTON BRANCH/BORDEN/SMITH	NAVASSA ROAD	NAVASSA	BRUNSWICK	40.81	soil	organics
						groundwater	organics
NONCD0001107	CONE MILLS - FLORENCE PLANT	FLORENCE & DEPOT RDS	FOREST CITY	RUTHERFORD	40.75	soil	organics
						groundwater	organics
NONCD0001077	CATAWISSA LUMBER CO	301 LOCUST ST	WEST JEFFERSON	ASHE	40.72	groundwater	organics

APPENDIX. INACTIVE HAZARDOUS WASTE SITES PRIORITY LIST (In Order By County)

Id Number	*Site Name*	*Site Address*	*City*	*Score*	*Medium*	*Contaminant*	
NONCD0002815	CAROLINA CHEMICAL CORP (FORMER)	6600 WARD BLVD	WILSON	WILSON	40.71	soil	pesticides/herbicides
						soil	metals
						groundwater	pesticides/herbicides
						groundwater	organics
NCD075570820	PLYMOUTH WOOD TREATING COMPANY	N HWY 45	PLYMOUTH	WASHINGTON	40.68	groundwater	metals
NCD982119463	DAYCO LANDFILL CRYME COVE ROAD	SR 1134	WAYNESVILLE	HAYWOOD	40.52	soil	organics
NCD981927908	KIDD LANE BATTERY DISPOSAL	3607 KIDD LANE	CHARLOTTE	MECKLENBURG	40.49	soil	metals
NCD003235066	NEW AGE FURNITURE CO/MILLER TOOL	PROSPECT STREET	LEXINGTON	DAVIDSON	40.42	known/suspected	
NCD082362989	TUNGSTEN QUEEN MINE/ATLAS MINE	SR 1348	TOWNSVILLE	VANCE	40.34	soil	metals
NONCD0000031	INDEPENDENCE MALL OUTPARCEL	OLEANDER & FORDHAM RDS	WILMINGTON	NEW HANOVER	40.19	groundwater	organics
NONCD0002378	REA CONSTRUCTION-ROCKY MOUNT	SR 1401	ROCKY MOUNT	EDGECOMBE	40.19	groundwater	organics
NCD980838379	ROWE CORP PROPERTY/BOULIGNY SITE	433 W MOREHEAD ST	CHARLOTTE	MECKLENBURG	40.18	soil	metals
						groundwater	metals
NCD986172492	CRESTLINE CONTAMINATED WELLS	ROUTE 211	ABERDEEN	MOORE	40.12	groundwater	organics
						groundwater	metals
NONCD0001124	RALEIGH TTA-WILSON PARCEL	200 S WEST ST	RALEIGH	WAKE	40.07	groundwater	organics
NCD093334894	BURLINGTON INDUSTRIES, INC.	PHOENIX STREET	STATESVILLE	IREDELL	40.03	soil	metals
						groundwater	organics

APPENDIX. INACTIVE HAZARDOUS WASTE SITES PRIORITY LIST (In Order By County)

Id Number	*Site Name*	*Site Address*	*City*	*Score*	*Medium*	*Contaminant*
NCD003158094	GLEN RAVEN MILLS	EAST MAIN STREET	BURNSVILLE	YANCEY	40.02	soil metals
NCD986166379	PILOT MOUNTAIN TIRE FIRE	DAVENPORT ROAD	PILOT MOUNTAIN	SURRY	39.94	known/suspected
NCSFN0406911	CAROLINA ASSOCIATED MILL	766 HWY 10 W	NEWTON	CATAWBA	39.88	soil metals
NCN000407700	SPRINGS ROAD GO CART TRACK	4254 SPRINGS RD	CONOVER	CATAWBA	39.86	surface water organics sediment organics
NONCD0000012	WHITE'S GRAVEL PIT	1515 HWY 49 SOUTH	CONCORD	CABARRUS	39.83	soil metals
NCD986223170	MCBESS INDUSTRIES	OLD HWY 321	HIGH SHOALS	GASTON	39.75	sediment metals soil organics
NONCD0001188	SHELBY BODY SHOP	1904 E DIXON BLVD	SHELBY	CLEVELAND	39.74	groundwater organics
NCD980839757	INDIAN GRAVE GAP DRUM DISPOSAL	APPROX 2 MLS N OF SR 1513	LENOIR	CALDWELL	39.69	surface water metals
NCD986172500	MCLEAN BROTHERS FARM	SR 1415	WAGRAM	SCOTLAND	39.67	soil organics soil pesticides
NCD048958615	KELLY-SPRINGFIELD TIRE CO/GOODYEAR	NAVASSA RD	FAYETTEVILLE	CUMBERLAND	39.64	soil organics
NCD986170694	POULOS GROUNDWATER	SOUTH BOULEVARD	CHARLOTTE	MECKLENBURG	39.63	groundwater organics
NONCD0000011	TERRELL MACHINE SHOP	3000-3030 SOUTH BLVD	CHARLOTTE	MECKLENBURG	39.62	groundwater organics soil organics
NONCD0001483	POPE PROPERTY	800 S WILSON AVE	DUNN	HARNETT	39.58	groundwater inorganics groundwater organics

APPENDIX. INACTIVE HAZARDOUS WASTE SITES PRIORITY LIST (In Order By County)

Id Number	*Site Name*	*Site Address*	*City*	*Score*	*Medium*	*Contaminant*
NONCD0001041	MITCHELL & BECKER	1928 SOUTH BOULEVARD	CHARLOTTE	MECKLENBURG	39.56	
					groundwater	organics
					groundwater	metals
					soil	metals
NC0001402213	ELLIS JUNK YARD	NEEDMORE DRIVE	HAYESVILLE	CLAY	39.52	
					soil	metals
					soil	organics
NONCD0001697	EXXON CORPORATION	3340 RIVER ROAD	WILMINGTON	NEW HANOVER	39.43	
					groundwater	organics
NCD024766719	WRIGHT CHEMICAL CORP.	333 NEILS EDDY RD	RIEGELWOOD	COLUMBUS	39.37	
					groundwater	organics
					soil	organics
					soil	metals
					groundwater	metals
NCD980502827	BROWN #1	SR 1504 VANDERBILT RD	PISGAH FOREST	TRANSYLVANIA	39.30	
					soil	metals
NCD079066833	LENOIR REFINING COMPANY	263 PENNTON AVE NW	LENOIR	CALDWELL	39.26	
					soil	organics
NCD003216397	HIGHLAND INDUSTRIES/BURLINGTON	215 DRUMMOND ST/SR 2089	KERNERSVILLE	FORSYTH	39.25	
					groundwater	organics
					soil	organics
NCD003154960	FLEMING LABORATORIES	2205 THRIFT ROAD	CHARLOTTE	MECKLENBURG	39.24	
					groundwater	organics
					soil	organics
NCD981863277	PERRY BUILDERS - RALEIGH RD	2846 RALEIGH RD	HENDERSON	VANCE	39.05	
					surface water	metals
NONCD0001143	PRESTIGE LABELS	151 INDUSTRIAL DR	BURGAW	PENDER	38.97	
					groundwater	organics

APPENDIX. INACTIVE HAZARDOUS WASTE SITES PRIORITY LIST (In Order By County)

Id Number	*Site Name*	*Site Address*	*City*	*Score*	*Medium*	*Contaminant*
NCD033978396	ATEC INDUSTRIES	PERKINS DRIVE	ROXBORO	PERSON	38.92	
					soil	organics
					groundwater	metals
					groundwater	organics
					soil	metals
NCD982115040	PERRY BUILDERS - MOBILE TRACT	NICHOLAS ST & SKENES AVE	HENDERSON	VANCE	38.91	
					surface water	metals
NCD986215499	PARKER INDUSTRIES	4867 RHONEY ROAD	CONNELLY	BURKE	38.88	
					groundwater	organics
NCN000407686	CARALEIGH PHOSPHATE AND	1601 LAKE WHEELER ROAD	RALEIGH	WAKE	38.87	
					soil	metals
NCD089914311	MILLER BREWING CO/CONT DIV	1900 BARNES ST	REIDSVILLE	ROCKINGHAM	38.85	
					soil	pesticides
					groundwater	pesticides
NCD075582197	AMORE/WORTH CHEMICAL	2418 EAST PETTIGREW ST	DURHAM	DURHAM	38.82	
					groundwater	organics
					soil	organics
NONCD0000001	STANLY NEWS & PRESS	237 W NORTH STREET	ALBEMARLE	STANLY	38.78	
					soil	metals
NONCD0001110	WOODSON-TENET LABORATORIES	17570 HWY 902	GOLDSTON	CHATHAM	38.76	
					soil	metals
					surface water	metals
					sediment	metals
NONCD0002786	METAL RECYCLING SERVICES	5192 JAMES B WHITE HWY	WHITEVILLE	COLUMBUS	38.75	
					groundwater	organics
					surface water	metals
NCD000827832	ELECTRICAL UTILITIES/CO BB&T	309 ANDERSON AVE	FARMVILLE	PITT	38.70	
					groundwater	organics
NONCD0001122	CABARRUS ROUNDABOUT	CABARRUS AVE & OLD	CONCORD	CABARRUS	38.69	
					groundwater	metals
					soil	metals

APPENDIX. INACTIVE HAZARDOUS WASTE SITES PRIORITY LIST (In Order By County)

Id Number	*Site Name*	*Site Address*	*City*	*Score*	*Medium*	*Contaminant*
NCD003520301	OVERCASH MACHINE SHOP, INC.	865 CONNOR STREET	STATESVILLE	IREDELL	38.69	known/suspected
NONCD0000083	CHEESMAN PROPERTY	3251 GREGORY ROAD	ROCKWELL	CABARRUS	38.68	known/suspected
NCD105797922	TECHNIBILT/DIV OF WHITTAKER	EAST PEACE ST	NEWTON	CATAWBA	38.61	soil metals soil organics
NONCD0001018	HWY 49 BATTERY DUMP	NC HIGHWAY 49	CHARLOTTE	MECKLENBURG	38.47	soil metals groundwater metals
NONCD0000015	CENTRAL TRANSPORT COMPANY	215 SAMPSON ST	WILMINGTON	NEW HANOVER	38.45	surface water metals
NONCD0000044	CHEMICAL AND SOLVENTS, INC.	2804 PATTERSON STREET	GREENSBORO	GUILFORD	38.45	soil organics
NCD986190239	CHEROKEE OIL	925 SOUTH SUMMIT AVE	CHARLOTTE	MECKLENBURG	38.45	soil metals
NCD081428104	SUN CHEM CORPORATION/GPI DIV	2400 0LD LEXINGTON ROAD	WINSTON-SALEM	FORSYTH	38.41	soil organics soil metals
NCD052553641	WEYERHAEUSER CO/LEWISTON	HWY 308 W	LEWISTON	BERTIE	38.38	soil metals
NONCD0001121	R & R PLATING	OLD WILMINGTON RD	WHITEVILLE	COLUMBUS	38.37	soil metals
NONCD0002816	RADCLIFFE MARINE (PRIVATEER BOATS)	HWY 264 BYPASS N	BELHAVEN	BEAUFORT	38.20	groundwater organics
NONCD0001148	UNION CARBIDE	HWY 42	CLAYTON	JOHNSTON	38.19	soil organics
NCD001871854	FRUEHAUF TRAILER CORPORATION	310 DALTON	CHARLOTTE	MECKLENBURG	38.12	groundwater organics

APPENDIX. INACTIVE HAZARDOUS WASTE SITES PRIORITY LIST (In Order By County)

Id Number	*Site Name*	*Site Address*	*City*	*Score*	*Medium*	*Contaminant*
NONCD0000055	GLISSON ENTERPRISES	HWY 903	GREENVILLE	PITT	38.12	known/suspected
NONCD0001080	SOUTH EUGENE CLEANERS	611 S EUGENE ST	GREENSBORO	GUILFORD	38.05	groundwater organics soil organics
NONCD0001076	SOUTHSIDE INVESTMENTS LLC	2222 SOUTH BLVD	CHARLOTTE	MECKLENBURG	38.05	soil organics groundwater metals groundwater organics soil metals
NONCD0000003	VAN WATERS & ROGERS	ATANDO INDUSTRIAL PARK	CHARLOTTE	MECKLENBURG	38.05	groundwater organics soil organics
NONCD0000030	COLLINS AND AIKMAN	327 EAST ELM ST.	GRAHAM	ALAMANCE	38.04	groundwater organics
NONCD0000066	WAKE AUTO PARTS (FORMER)	3520 TRYON RD	RALEIGH	WAKE	38.03	soil metals
NCD980503148	SOUTHCHEM LANDFILL	750 EAST MARKHAM AVE	DURHAM	DURHAM	37.98	sediment pesticides surface water organics surface water pesticides soil pesticides
NONCD0001064	GUILFORD MILLS PLANT	200 DICKENS ROAD	FUQUAY-VARINA	WAKE	37.89	groundwater organics
NCN000407491	P&B DISTRIBUTION CHEMICAL FIRE	744 CHATHAM RD	WINSTON-SALEM	FORSYTH	37.89	soil organics soil metals
NCD980559983	PPG IND., INC./WKS 52	WASHBURN SWITCH ROAD	SHELBY	CLEVELAND	37.89	known/suspected
NCD003148889	CHAMPION INTERNATIONAL/CANTON	NEWFOUND STREET	CANTON	HAYWOOD	37.79	groundwater organics

APPENDIX. INACTIVE HAZARDOUS WASTE SITES PRIORITY LIST (In Order By County)

Id Number	*Site Name*	*Site Address*	*City*	*Score*	*Medium*	*Contaminant*
NCD053010724	ICI - AMERICAS, INC.	2130 N TRYON	CHARLOTTE	MECKLENBURG	37.67	known/suspected
NCN000409780	INDUSTRIAL METAL ALLOY	20 E ACADIA AVE	WINSTON-SALEM	FORSYTH	37.67	soil metals sediment metals
NONCD0000074	TEXTILE CHEMICAL FACILITY	GRAHAM STREET	CHARLOTTE	MECKLENBURG	37.60	groundwater organics
NC0001606250	CRISTEX DRUM	INDUSTRIAL DR & PINE TREE RD	OXFORD	GRANVILLE	37.58	groundwater organics
NCN000407564	WATHA FIRING RANGE	3311 SHILOH RD	WATHA	PENDER	37.54	groundwater metals
NONCD0000024	GAITHER TRANSOU PROPERTY	1202 GUILFORD COLLEGE RD	GREENSBORO	GUILFORD	37.52	soil metals soil organics
NCD981928021	HOLLINGSWORTH PROPERTY	BROADFOOT AVE & CLARK ST	FAYETTEVILLE	CUMBERLAND	37.34	soil pesticides
NCD986171338	PEELE CO. PESTICIDE DISPOSAL	NC 42 EAST	CLAYTON	JOHNSTON	37.13	soil metals soil pesticides
NONCD0000057	WATTS, LEVI PROPERTY	103 FAIRBLUFF ROAD	TABOR CITY	COLUMBUS	37.09	known/suspected
NCD101750305	INDUSTRIAL PLASTICS, INC.	CLOVER & MCONNELL ROAD	GREENSBORO	GUILFORD	36.97	groundwater metals
NCD980503098	PFIZER INC/SKATE STADIUM	4500 BLOCK OF HIGH POINT	GREENSBORO	GUILFORD	36.93	known/suspected
NCD986166759	WILSON SEPTIC PITS	SR 1131	HICKORY	CATAWBA	36.90	soil organics soil metals
NCN000409783	WHITIN ROBERTS PLANT #2	202 MAPLE AVE	SANFORD	LEE	36.89	soil organics

APPENDIX. INACTIVE HAZARDOUS WASTE SITES PRIORITY LIST (In Order By County)

Id Number	*Site Name*	*Site Address*	*City*	*Score*	*Medium*	*Contaminant*
NCD067428821	SIEMENS-ALLIS, INC/SWITCHGEAR DIV	5000 WOMACK ROAD	SANFORD	LEE	36.86	sediment organics groundwater metals
NCD981022288	C&T REFINERY	4800 SOUTH BOULEVARD	CHARLOTTE	MECKLENBURG	36.80	soil organics
NCD081332900	INX (FORMER) FACILITY	3200 & 3210 CULLMAN AVE	CHARLOTTE	MECKLENBURG	36.75	soil organics soil metals
NCD982095093	JAY'S CLEANERS	1803 N MAIN ST	KANNAPOLIS	ROWAN	36.75	soil organics
NCD003196847	NATIONAL SPINNING COMPANY	WEST 3RD STREET	WASHINGTON	BEAUFORT	36.61	groundwater organics
NCD981929813	CARBONTON ROAD DRUM SITE	2816 CARBONTON ROAD	SANFORD	LEE	36.60	soil metals
NONCD0001207	APAC-WASHINGTON ASPHALT PLANT	DIRT RD	WASHINGTON	BEAUFORT	36.59	groundwater organics
NCD044447639	CROWN CENTRAL PETROLEUM CORP.	7720 MOUNT HOLLY ROAD	PAW CREEK	MECKLENBURG	36.59	groundwater organics soil organics
NCD024577421	NORTH CAROLINA SALVAGE CO.	HWY 117 SOUTH	GOLDSBORO	WAYNE	36.38	soil metals
NCD986188001	CHAMPION INTERNATIONAL LANDFILL	SR 1571 & 1573	CANTON	HAYWOOD	36.35	soil organics
NCD000830919	CAROLINA P&L CO. CAPE FEAR STM	SR 1916	MONCURE	CHATHAM	36.33	groundwater metals
NCD980712038	SED, INC. SWING COURT	SWING COURT	GREENSBORO	GUILFORD	36.30	known/suspected
NONCD0000065	CMI INDUSTRIES	304 EAST MAIN STREET	ELKIN	SURRY	36.25	soil organics groundwater organics

APPENDIX. INACTIVE HAZARDOUS WASTE SITES PRIORITY LIST (In Order By County)

Id Number	*Site Name*	*Site Address*	*City*	*Score*	*Medium*	*Contaminant*
NCD991279118	MEREDITH/BURDA, INC.	ST JAMES CHURCH RD	NEWTON	CATAWBA	36.12	
					soil	metals
NONCD0001009	SINGER PLANT #2	VIRGINIA STREET	LENOIR	CALDWELL	36.09	
					soil	organics
NCD986188019	CHAMPION LANDFILL #2	SR 1539	CANTON	HAYWOOD	36.04	
					soil	organics
NCD981015886	CAROLINA PRODUCTION FINISHING	105 FAIRVIEW RD	ASHEVILLE	BUNCOMBE	35.86	
					groundwater	organics
NCD981021702	CAMP, LEONARD PROPERTY	SR 2226	EARL	CLEVELAND	35.79	
					sediment	organics
NONCD0001130	SOUTH MAIN ST SEWER LINE EXT	4660 FOLLANSBEE RD	WINSTON-SALEM	FORSYTH	35.47	
					soil	metals
NONCD0002561	SUNOCO BULK TERMINAL	RIVER ROAD	WILMINGTON	NEW HANOVER	35.41	
					soil	organics
					groundwater	organics
NCD070619911	TELEDYNE ALLVAC MONROE PLANT	2020 ASHCRAFT AVE	MONROE	UNION	35.37	
					soil	metals
NONCD0001598	DEHAVEN	413 AIRPORT BLVD.	MORRISVILLE	WAKE	35.29	
					groundwater	organics
NONCD0002728	WILLIAMS, E. W. FACILITY	8200 FAYETTEVILLE ROAD	RALEIGH	WAKE	35.29	
					groundwater	organics
					soil	organics
NCD067437400	GULF OIL CORPORATION	SR 2813	MCLEANSVILLE	GUILFORD	35.22	
					surface water	metals
NCD003216413	RALEIGH ROAD FURNITURE	802 WEST CENTER ROAD	LEXINGTON	DAVIDSON	35.22	
					known/suspected	
NONCD0001115	HAHN DAIRY FARM	LONG RUN FARM RD	MOUNT PLEASANT	CABARRUS	35.20	
					soil	organics
					soil	metals

APPENDIX. INACTIVE HAZARDOUS WASTE SITES PRIORITY LIST (In Order By County)

Id Number	*Site Name*	*Site Address*	*City*	*Score*	*Medium*	*Contaminant*
NONCD0000088	TRANS TECHNOLOGY	5535 WILKINSON BLVD	CHARLOTTE	MECKLENBURG	35.19	groundwater organics soil organics
NCD044515211	HAYES-ALBION CORP/BRIGGS-SHAFFNER	3760 KIMWELL DR	WINSTON-SALEM	FORSYTH	35.17	soil metals
NONCD0002836	RABO CLEANERS	701 HOOKER RD	GREEENVILLE	PITT	35.17	known/suspected
NCD072028251	TORPEDO WIRE & STRIP, INC.	INSTRUMENT DR	ROCKY MOUNT	NASH	35.10	soil metals
NCD044514602	RJR ARCHER, INC.	CUNNINGHAM AVE	WINSTON-SALEM	FORSYTH	35.04	known/suspected
NCD108702606	HARTSOE BATTERY	2513 LINA AVE	KANNAPOLIS	ROWAN	35.01	soil metals
NCD003183480	UNION CAMP CORPORATION	524 BROGDEN RD	SMITHFIELD	JOHNSTON	35.01	known/suspected
NCD041466525	ROCKY MOUNT FIBER DUMP	ATLANTIC AVE EXTENSION	ROCKY MOUNT	EDGECOMBE	34.94	known/suspected
NCD024459471	GUYTON BATTERY SERVICE	HWY 401 S	CHADBOURN	COLUMBUS	34.92	soil metals
NCN000407205	TRI-COUNTY AIRPORT	NC 561	AULANDER	HERTFORD	34.92	soil pesticides
NCD061795696	UNITEX CHEMICALS	520 BROOME RD	GREENSBORO	GUILFORD	34.91	groundwater organics
NCD981023732	NEUVILLE SOCK PROPERTY	US 64/70 I-40 ACCESS ROAD	HILDEBRAN	BURKE	34.80	soil metals
NCD986227965	STOLLER CHEMICAL - SEVERN	HIGHWAY 35	SEVERN	NORTHAMPTON	34.73	soil organics soil pesticides

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Id Number	*Site Name*	*Site Address*	*City*	*Score*	*Medium*	*Contaminant*	
NCD086326741	TEXACO INC/APEX	APEX & MCCULLERS RDS	APEX	WAKE	34.66	groundwater	organics
						groundwater	metals
NONCD0000028	CAROLINA P&L CO. SPRUCE PINE	MOUNTAIN LAUREL DR	SPRUCE PINE	MITCHELL	34.62	known/suspected	
NONCD0001038	BRYANT FARM DRUM DUMP	W OF NC 86 400 FT S OF VA LINE	GATEWOOD	CASWELL	34.61	known/suspected	
NCD000616219	GA-PACIFIC CORP	HWY 177 S	HAMLET	RICHMOND	34.61	known/suspected	
NONCD0001048	LEXINGTON FURNITURE IND. PLNT #2	3979 OLD LINWOOD ROAD	LEXINGTON	DAVIDSON	34.53	soil	organics
						groundwater	organics
NONCD0002778	APAC-DEPPE #2 ASPHALT PLANT	6190 NEW BERN HWY	MAYSVILLE	ONSLOW	34.50	soil	organics
NONCD0000075	FOAMEX/REEVES BROTHERS	18801 OLD STATESVILLE RD	CORNELIUS	MECKLENBURG	34.50	soil	organics
NC0001206473	GLEN RAVEN MILLS	TUCKER STREET C	BURLINGTON	ALAMANCE	34.27	groundwater	organics
NCD990867855	FAWN PLASTICS CO., INC.	317 JEFFREYS ROAD	ROCKY MOUNT	NASH	34.23	known/suspected	
NCD040042426	AEROQUIP/FAWN PLASTICS	HIGHWAY 264 ALT.	MIDDLESEX	NASH	34.22	groundwater	organics
NCD093132207	VOICE OF AMERICA RELAY STATION	COUNTY ROAD 1212	GREENVILLE	PITT	34.21	known/suspected	
NCD098765506	SINGER CO/FURNITURE DIV BRYSON	BRYSON WALK	BRYSON CITY	SWAIN	34.16	groundwater	organics
NONCD0001109	FRIENDLY CLEANERS	605 S. PENDER ST	WILSON	WILSON	34.14	soil	organics
NCD083673616	REEVES BROTHERS	RAILROAD AVE	RUTHERFORDTON	RUTHERFORD	34.10	soil	organics

APPENDIX. INACTIVE HAZARDOUS WASTE SITES PRIORITY LIST (In Order By County)

Id Number	*Site Name*	*Site Address*	*City*	*Score*	*Medium*	*Contaminant*	
NONCD0000042	SOUTHMET, INC.	NORTH GREENE STREET	GREENVILLE	PITT	34.04	known/suspected	
NCD000006361	SUPERIOR ELECTRO FINISHES	115 EAST POLO ROAD	WINSTON SALEM	FORSYTH	34.04	soil	metals
NONCD0001151	MATTHEWS BLDG SUPPLY/ESTUL TOOL	215 AMES ST	MATTHEWS	MECKLENBURG	33.98	soil groundwater	organics organics
NCD986209575	CARDINAL CHEMICAL WAREHOUSE FIRE	NC 211 & NC 72	LUMBERTON	ROBESON	33.96	soil	pesticides
NONCD0001114	CONOVER METAL PRODUCTS	315 S MCLIN CREEK RD	CONOVER	CATAWBA	33.96	soil	metals
NONCD0000078	CAROLINA METAL AND ALLOYS	1016 E. SPRINGFIELD AVENUE	HIGH POINT	GUILFORD	33.72	soil	metals
NCD097361018	KIN PROPERTIES ABANDONED DRUMS	920 EASTWAY DRIVE	CHARLOTTE	MECKLENBURG	33.72	soil	organics
NCD990715658	SOUTHERN MANUFACTURING, INC.	1000 SEABOARD ST	CHARLOTTE	MECKLENBURG	33.72	soil	inorganics
NONCD0001150	CHARLOTTE BATTERY	2926 YOUNGBLOOD ST	CHARLOTTE	MECKLENBURG	33.67	known/suspected	
NCD003196193	PIFER INDUSTRIES, INC.	2210 E PETTIGREW ST	DURHAM	DURHAM	33.67	known/suspected	
NCD003162500	CONSOLIDATED ENGRAVERS CORP.	311 E 12TH ST	CHARLOTTE	MECKLENBURG	33.51	sediment surface water sediment surface water soil groundwater soil groundwater	metals metals organics organics metals metals organics organics
NCD065295495	TEXFI IMPRESSIONS	PALETOWN RD	GOLDSBORO	WAYNE	33.41	soil	organics

APPENDIX. INACTIVE HAZARDOUS WASTE SITES PRIORITY LIST (In Order By County)

Id Number	*Site Name*	*Site Address*	*City*	*Score*	*Medium*	*Contaminant*
NONCD0000054	MOORES COMPANY	US 1 BUSINESS & SR 1001	HENDERSON	VANCE	33.35	
					soil	organics
NCD055550560	GULF ADHESIVES & RESINS/PERKINS	1717 WARD STREET	HIGH POINT	GUILFORD	33.33	
					soil	organics
					groundwater	organics
NCD000281832	SANFORD PLATING COMPANY	SR 1466	SANFORD	LEE	33.32	
					soil	organics
					soil	metals
NONCD0000097	MORRIS, NORMAN	HIGHWAY 87 NORTH	ELON COLLEGE	ALAMANCE	33.23	
					soil	metals
NONCD0001119	EDWARDS PROPERTY FOUNDRY SAND	10209 ROZZELLE'S FERRY RD	CHARLOTTE	MECKLENBURG	33.18	
					soil	metals
NCD054417308	COASTAL CHEMICAL CORP.	NC 42	CLAYTON	JOHNSTON	33.11	
					soil	pesticides
NONCD0001075	HIGGINS TOWNSHIP FIRING RANGE	NC 226	MARION	MCDOWELL	33.09	
					soil	metals
NONCD0001208	APAC-PRINCETON ASPHALT PLANT	1288 RAINS MILL RD	PRINCETON	JOHNSTON	33.08	
					groundwater	organics
					soil	organics
NONCD0000096	MASON DRUM STORAGE	42 FIBERVILLE STREET	CANTON	HAYWOOD	32.99	
					known/suspected	
NCD981928385	JOHN DEERE TRACTOR	HWY 601 AND SR 1413	MOCKSVILLE	DAVIE	32.95	
					known/suspected	
NONCD0001164	COOPERAGE TRACT	NC 99 & US 264	BELHAVEN	BEAUFORT	32.94	
					groundwater	inorganics
					groundwater	organics
NONCD0001123	RALEIGH TTA-SE PARCEL	S WEST ST & MORGAN ST	RALEIGH	WAKE	32.94	
					soil	organics
					groundwater	organics
NCD072018252	GENERAL ELECTRIC CO/MED STEAM	OLD RALEIGH RD	DURHAM	DURHAM	32.88	
					groundwater	organics

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Id Number	*Site Name*	*Site Address*	*City*	*Score*	*Medium*	*Contaminant*
NCD093783876	VANIER GRAPHICS CORPORATION	655 MEADOW RD	EDEN	ROCKINGHAM	32.86	
					soil	organics
					groundwater	organics
NCD980729479	CAROLAWN COMPANY	1426 W MOUNTAIN ST	KERNERSVILLE	FORSYTH	32.81	
					soil	organics
NONCD0001032	COCA COLA BOTTLING WORKS INC	HIGHWAY 17	NEW BERN	CRAVEN	32.59	
					groundwater	organics
NCD000653576	KERN RUBBER CO. URETHANE PLANT	1415 SALISBURY RD S	SALISBURY	ROWAN	32.59	
					sediment	organics
NCD000623199	TEXACO INC/FAYETTEVILLE	992 SHAW MILL RD	FAYETTEVILLE	CUMBERLAND	32.56	
					groundwater	organics
NCD002388965	LACKAWANNA LEATHER CO., INC.	HWY 70A WEST	CONOVER	CATAWBA	32.48	
					groundwater	metals
NCD981472624	US 70 DRUM DUMP	US 70	MORGANTON	BURKE	32.41	
					soil	organics
NONCD0001036	JOYCETON WATER WORKS WELL #2	300 FT N OF SWANSON RD	LENOIR	CALDWELL	32.38	
					groundwater	organics
NONCD0001037	JOYCETON WATER WORKS WELL #9	600 FT N OF SWANSON RD	LENOIR	CALDWELL	32.38	
					groundwater	organics
NCD980502892	CREEK BRIDGE/BORDEN CHEMICAL	US HWY 24-87 (GROVE ST)	FAYETTEVILLE	CUMBERLAND	32.35	
					known/suspected	
NCD095470332	THONIT A SIMMONS COMPANY	11900 STEELE CREEK ROAD	CHARLOTTE	MECKLENBURG	32.33	
					soil	metals
					soil	organics
NCD080885551	DAUGHERTY CHEMICAL COMPANY	307 WALKER STREET	DURHAM	DURHAM	32.27	
					soil	metals
NCD980848766	GIBBS ELECTROPLATING	5210 HOVIS ROAD	CHARLOTTE	MECKLENBURG	32.27	
					soil	metals
NCD980847123	HURT RESIDENCE	HWY 64	MORGANTON	BURKE	32.27	
					soil	organics

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Id Number	*Site Name*	*Site Address*	*City*	*Score*	*Medium*	*Contaminant*
NCD982098774	CAL-TONE PAINTS	5115 NEW BERN AVE	RALEIGH	WAKE	31.94	
					soil	organics
NONCD0001006	WESTINGHOUSE TURBINE	WESTINGHOUSE ROAD	CHARLOTTE	MECKLENBURG	31.94	
					soil	organics
NCD003221868	CENTURY FURNITURE COMPANY	401 11TH ST NW	HICKORY	CATAWBA	31.90	
					soil	metals
NONCD0000084	THERMO PRODUCTS, INC.	800 JONES STREET	DENTON	DAVIDSON	31.77	
					soil	organics
					soil	metals
NCD980799019	CHEROKEE OIL	1201 BERRYHILL ROAD	CHARLOTTE	MECKLENBURG	31.76	
					soil	metals
					soil	organics
					surface water	metals
NONCD0000059	DAYCO COCHRAN LANDFILL	RT 1 HYATT CREEK ROAD	WAYNESVILLE	HAYWOOD	31.71	
					soil	organics
NCSFN0407143	AMERICAN ELEMENTS	500 WALLACE ST	FARMVILLE	PITT	31.68	
					soil	metals
NCD986180883	CCFC PESTICIDE DISPOSAL	607 HILLSBOROUGH STREET	OXFORD	GRANVILLE	31.67	
					known/suspected	
NCD980557847	KAISER ACME FARMARKET	SR 1870	RIEGELWOOD	COLUMBUS	31.60	
					soil	pesticides
					groundwater	organics
NONCD0001177	ALCOA-PINE RD RAVINE DISPOSAL	PINE RD		MONTGOMERY	31.53	
					soil	cyanide
					soil	metals
					soil	inorganics
					soil	organics
NCD980845119	BUCKHORN PESTICIDES	NC 581 & NC 42	WILSON	WILSON	31.36	
					soil	organics
					soil	pesticides

APPENDIX. INACTIVE HAZARDOUS WASTE SITES PRIORITY LIST (In Order By County)

Id Number	*Site Name*	*Site Address*	*City*	*Score*	*Medium*	*Contaminant*
NCD003229762	STRUCTURAL WOODS PRESERVING CO.	HWY 22	COLERIDGE	RANDOLPH	31.34	
					soil	metals
					groundwater	metals
NCSFN0406924	VC CHEMICAL	STANBACK FERRY RD	WADESBORO	ANSON	31.34	
					soil	metals
NCD000828566	TARTAN MARINE PROPERTY	NC HIGHWAY 77 & SR 2032	HAMLET	RICHMOND	31.33	
					soil	metals
NCD981863814	LANCASTER PLATING	802 EDWARDS ROAD	LILLINGTON	HARNETT	31.32	
					soil	metals
NONCD0001015	MARY CIRCLE BATTERY	ZION CHURCH & MARY CRL	CONCORD	CABARRUS	31.18	
					soil	metals
NCD045451473	ACE CHEMICAL CORPORATION	9801 YORK ROAD	CHARLOTTE	MECKLENBURG	31.05	
					soil	organics
					groundwater	organics
NCD049845266	STANLEY CASE GOODS (FORMER)	HWY 211	WEST END	MOORE	31.01	
					groundwater	organics
NONCD0000019	SIR WALTER GUN CLUB	US 64	RALEIGH	WAKE	30.96	
					soil	metals
NONCD0002788	ALLOWAY RESIDENCE	405 PARADISE LANE	SHALLOTTE	BRUNSWICK	30.88	
					groundwater	organics
NONCD0000070	BENFIELD SANITATION SERVICE	1809 W FRONT ST	STATESVILLE	IREDELL	30.87	
					known/suspected	
NCD980843460	GRANT CREEK WWTP	CRUSE ROAD	SALISBURY	ROWAN	30.66	
					soil	organics
NONCD0001060	DIXIE MACHINE & TOOL CO	2204 PATTERSON ST	GREENSBORO	GUILFORD	30.46	
					soil	organics
NCD024740433	EC MANUFACTURING	413 N. POLK STREET	PINEVILLE	MECKLENBURG	30.45	
					soil	metals
NONCD0001033	AMERICAN CONTRACT COATINGS	HWY 55	APEX	WAKE	30.43	
					known/suspected	

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Id Number	*Site Name*	*Site Address*	*City*	*Score*	*Medium*	*Contaminant*
NONCD0001067	CC DICKSON	1524 SOUTH BOULEVARD	CHARLOTTE	MECKLENBURG	30.43	
					soil	organics
					groundwater	organics
NCD003938586	CORNING GLASS WORKS	310 NORTH COLLEGE ROAD	WILMINGTON	NEW HANOVER	30.37	
					known/suspected	
NCSFN0406962	VINEGAR HILL LEAD SITE	HWY 701 N	TABOR CITY	COLUMBUS	30.30	
					soil	metals
NC0000998336	CP PROPERTIES	2350 BROWN ROAD	SANFORD	LEE	30.23	
					sediment	metals
					soil	metals
					soil	organics
NONCD0001595	DEANS PICKLES, FMR CATES	354 N. FAISON AVE.	FAISON	DUPLIN	30.23	
					groundwater	inorganics
NCD003186004	INTERNATIONAL PAPER/RICHMOND	2215 S. WILMINGTON STREET	RALEIGH	WAKE	30.10	
					soil	organics
					groundwater	organics
NONCD0001175	MIDTOWN SQUARE VALET DRY	401 S INDEPENDENCE BLVD	CHARLOTTE	MECKLENBURG	30.06	
					soil	organics
					groundwater	organics
NCD024762668	BUSH BROTHERS PLATING INC/GREER	107 NE MARKET ST	REIDSVILLE	ROCKINGHAM	30.05	
					known/suspected	
NCD981748403	HOME DEPOT-PRO CLEANERS	2310 N MAIN STREET	HIGH POINT	GUILFORD	30.05	
					groundwater	organics
NONCD0000072	LOWE'S PROPERTY	4891 LONG BEACH RD	SOUTHPORT	BRUNSWICK	30.02	
					soil	organics
NONCD0000035	CHAPEL STREET BATTERY DUMP	CHAPEL STREET	KANNAPOLIS	ROWAN	30.00	
					known/suspected	
NCD980557722	HARRISBURG BATTERY	HIGHWAY 49	HARRISBURG	CABARRUS	30.00	
					soil	metals
NCD067392175	TRAMCO, INC.	SR 1611	CONNELLY	BURKE	29.87	
					soil	organics

APPENDIX. INACTIVE HAZARDOUS WASTE SITES PRIORITY LIST (In Order By County)

Id Number	*Site Name*	*Site Address*	*City*	*Score*	*Medium*	*Contaminant*
NCD991277724	MITCHELL SYSTEMS, INC.	ALTAPASS RD	SPRUCE PINE	MITCHELL	29.82	soil metals
NCD057248759	PATCH RUBBER POND	GRACE BOULEVARD	ROANOKE RAPIDS	HALIFAX	29.82	soil organics
NONCD0002781	ADAMS PAINTING SERVICE	722 WELLINGTON AVE	WILMINGTON	NEW HANOVER	29.71	known/suspected
NCD003213568	LIBERTY FURNITURE CORP/CHROMCRAFT	HWY 421	LIBERTY	RANDOLPH	29.60	soil organics
NCD986170678	WOOD ROAD DRUM BURIAL	CIRCLE WOOD RD/SR 2641	GASTONIA	GASTON	29.44	known/suspected
NCD049845548	REICHHOLD CHEMICAL, INC.	SR 1916	MONCURE	CHATHAM	29.33	soil organics
NONCD0002280	PCS NITROGEN, FMRLY ARCADIAN	2830 HWY 421 NORTH	WILMINGTON	NEW HANOVER	29.09	groundwater inorganics
NCD003218161	CORNELL-DUBILIER ELECTRONICS	2652 DALYRUMPLE STREET	SANFORD	LEE	29.02	soil organics groundwater organics
NONCD0001106	MICROTRON ABRASIVES, INC	10242 RODNEY BLVD	PINEVILLE	MECKLENBURG	28.94	groundwater organics soil organics
NCD991278714	CAROCHEM, INC.	540 GULF ST	DURHAM	DURHAM	28.72	soil organics
NCD002464691	ALLIANCE CAROLINA TOOL AND MOLD	SR 3495-GLENN BRIDGE RD	ARDEN	BUNCOMBE	28.70	groundwater organics
NONCD0001050	LEXINGTON FURNITURE IND. PLNT #12	3301 COTTON GROVE LANE	LEXINGTON	DAVIDSON	28.59	soil organics
NCD980843528	TOWN CREEK REGIONAL WWTP	HEILIGTOWN ROAD	SALISBURY	ROWAN	28.50	known/suspected
NCD048184451	BURLINGTON HOME CHAIR	HIGHWAY 268	RONDA	WILKES	28.49	known/suspected

APPENDIX. INACTIVE HAZARDOUS WASTE SITES PRIORITY LIST (In Order By County)

Id Number	*Site Name*	*Site Address*	*City*	*Score*	*Medium*	*Contaminant*
NCD000828616	USS AGRI-CHEMICALS FARM SERVICE	HWY 701	WHITEVILLE	COLUMBUS	28.45	known/suspected
NONCD0001805	EXXON PIPELINE	RIVER RD	LELAND	BRUNSWICK	28.37	groundwater organics
NCD003149291	GASTON COUNTY DYEING MACHINE CO.	HWY 27 EAST	MOUNT HOLLY	GASTON	28.34	groundwater organics
NCD991277922	GASTON COUNTY DYEING MACHINE CO.	200 S MAIN ST	STANLEY	GASTON	28.34	groundwater organics
NCD003186178	COASTAL CHEMICAL CORP.	EVANS ST EXT	GREENVILLE	PITT	28.33	soil pesticides
NONCD0001985	LEBANON CHEMICAL CORPORATION	1665 HIGHWAY 64 EAST	PLYMOUTH	WASHINGTON	28.22	groundwater inorganics
NCD991278581	BURLINGTON FURNITURE/LUMBER PL	US 64 EAST	LEXINGTON	DAVIDSON	28.12	known/suspected
NCD980483275	HELENA CHEMICAL COMPANY	DENNIS STREET EXTENSION	ENFIELD	HALIFAX	28.04	soil organics soil pesticides soil metals
NONCD0001149	VC CHEMICAL	2700 ANGIER AVE	DURHAM	DURHAM	27.95	soil organics soil metals
NCD003151651	WILLARD SMELTING CO.	101 NEWBERN ST	CHARLOTTE	MECKLENBURG	27.86	soil metals
NCD991278839	NORTH STATE CHEMICALS	6211 HUNT RD	PLEASANT	GUILFORD	27.60	groundwater organics soil organics soil metals
NONCD0001030	BLR	2911 LEE AVENUE	SANFORD	LEE	27.50	groundwater organics soil organics

APPENDIX. INACTIVE HAZARDOUS WASTE SITES PRIORITY LIST (In Order By County)

Id Number	*Site Name*	*Site Address*	*City*	*Score*	*Medium*	*Contaminant*	
NONCD0000013	CAROLINA HARDWOODS	158 FACTORY STREET	WILLIAMSTON	MARTIN	27.49	surface water	metals
NCD024770125	BURLINGTON FURNITURE	ATOAH STREET	ROBBINSVILLE	GRAHAM	27.10	soil	organics
NONCD0000091	DUKE POWER/WALNUT COVE	POWER HOUSE ROAD	WALNUT COVE	STOKES	26.95	known/suspected	
NCD980557664	BURLINGTON INDUSTRIES, INC.	US 1 NORTH	RALEIGH	WAKE	26.86	soil	organics
NCD024468597	CHARLOTTE STEEL DRUM	2900 WEST TRADE STREET	CHARLOTTE	MECKLENBURG	26.67	known/suspected	
NCD991278300	UNITED DRUM T/A RELIANCE UNIV.	214 BERKLEY ST	HIGH POINT	GUILFORD	26.55	groundwater groundwater	organics metals
NCD003213881	BENDIX CORPORATION	I-85 INNES ST EXIT	SALISBURY	ROWAN	26.36	soil	metals
NCD986166288	WOODY'S TIRE FIRE	HIGHWAY 321	GASTONIA	GASTON	26.35	known/suspected	
NONCD0002819	PLANTER'S WAREHOUSE	1003 PIREWAY RD	TABOR CITY	COLUMBUS	26.34	groundwater	inorganics
NCD990868168	INMONT CORP/BASF CORPORATION	1701 W WESTINGHOUSE BLVD	CHARLOTTE	MECKLENBURG	26.22	soil groundwater	organics organics
NCD003218492	CAROLINA RUBBER HOSE COMPANY	1801 SOUTH RAILROAD	SALISBURY	ROWAN	26.04	soil soil	organics metals
NCD003464765	VAUGHAN-BASSETT FURNITURE CO.	ROUTE 268 EAST	ELKIN	SURRY	25.93	soil	organics
NONCD0001039	OVERCASH GRAVEL & GRADING CO. INC.	1150 SHELTON ROAD	CONCORD	CABARRUS	25.71	known/suspected	

APPENDIX. INACTIVE HAZARDOUS WASTE SITES PRIORITY LIST (In Order By County)

Id Number	*Site Name*	*Site Address*	*City*	*Score*	*Medium*	*Contaminant*
NCD980602791	SALVAGE OIL OF AMERICA	1227 MCLEOD STREET	ROCKINGHAN	RICHMOND	25.68	
					soil	organics
NCD000822130	HARRELSON RUBBER COMPANY	HWY 220 SOUTH	ASHEBORO	RANDOLPH	25.45	
					known/suspected	
NCD003200656	FEATHER PROCESSORS, INC	HWY 117 NORTH	ROSE HILL	DUPLIN	25.30	
					soil	metals
NCD003148798	DAYCO CORP	BALSAM RD	WAYNESVILLE	HAYWOOD	25.26	
					soil	organics
					groundwater	organics
NCSFN0406894	STALLINGS SALVAGE	SECREST AVE	MONROE	UNION	24.89	
					known/suspected	
NCD067191262	FIRESTONE TIRE AND RUBBER	HWY 301	WILSON	WILSON	24.45	
					soil	organics
NONCD0000048	WALKER DRUM DISPOSAL	WYATTS CHURCH GROVE ROAD	GOLD HILL	ROWAN	23.80	
					soil	metals
					soil	organics
NCD077821296	SOUTHERN RESIN/US INDUSTRIES INC	1510 DENTON ROAD	THOMASVILLE	DAVIDSON	23.62	
					groundwater	organics
NCD982174492	NATIONAL PIN	SR 1572	SARATOGA	WILSON	23.37	
					known/suspected	
NCD077838589	THOMASVILLE FOREST PRODUCTS	CLARKSBURY CHRUCH ROAD	THOMASVILLE	DAVIDSON	23.10	
					soil	metals
NCD980838551	MCDOWELL FIREMAN ASSOCIATION	SR 1214 GREENLEE ROAD	MARION	MCDOWELL	23.09	
					known/suspected	
NCD096158696	BURLINGTON INDUSTRIES, INC.	6008 HIGH POINT RD	GREENSBORO	GUILFORD	22.43	
					soil	bases
					groundwater	organics
					soil	organics
					groundwater	metals

APPENDIX. INACTIVE HAZARDOUS WASTE SITES PRIORITY LIST (In Order By County)

Id Number	*Site Name*	*Site Address*	*City*	*Score*	*Medium*	*Contaminant*	
NCD071579528	FORBUSH METAL	SPEER BRIDGE ROAD	YADKINVILLE	YADKIN	21.90	soil	metals
						soil	organics
						soil	cyanide
NCS000000478	CROWDERS MOUNTAIN STATE PARK	CROWDERS MOUNTAIN STATE	GASTONIA	GASTON	21.57	known/suspected	
NCD003236841	WARLICK PAINT COMPANY	945 MONROE ST	STATESVILLE	IREDELL	21.47	known/suspected	
NCD986232213	SUMMIT RESOURCE MANAGEMENT	3501 GRIBBLE ROAD	STALLINGS	UNION	21.45	soil	organics
						soil	inorganics
						surface water	organics
NCD000776732	SAFETY-KLEEN CORP 3-031-02	HWY 41W	WALLACE	DUPLIN	21.26	known/suspected	
NCD003223799	CLAYTON-MARCUS CO., INC.	HWY 127 N	BETHLEHEM	ALEXANDER	21.11	soil	organics
						soil	cyanide
						soil	metals
NCD054284518	STANDARD PACKAGING CORPORATION	HWY 73 W	MT GILEAD	MONTGOMERY	21.07	known/suspected	
NCD003214574	SPRUANCE SOUTHERN, INC.	HWY 8	WINSTON-SALEM	FORSYTH	20.81	known/suspected	
NCD046149019	HISTRAND CHEMICAL, INC.	HWY 9	LENOIR	CALDWELL	20.72	known/suspected	
NCD980559637	BEAUNIT CORP./DYING & FINISHING	LINEBERGER STREET	LOWELL	GASTON	19.99	known/suspected	
NONCD0002780	APAC-CLARKS ASPHALT PLANT	OLD US HWY 70	CLARKS	CRAVEN	19.82	soil	organics
NONCD0001005	TRANSEASTERN CORP.	509 S LODGE ST	WILSON	WILSON	19.56	known/suspected	

APPENDIX. INACTIVE HAZARDOUS WASTE SITES PRIORITY LIST (In Order By County)

Id Number	*Site Name*	*Site Address*	*City*	*Score*	*Medium*	*Contaminant*	
NCD048462881	ARMOLOY CO OF NC/HI-TECH	1603 SALISBURY ROAD	STATESVILLE	IREDELL	19.37	known/suspected	
NCD003152659	REICHHOLD CHEMICAL, INC.	161 BUFFALO AVENUE	CONCORD	CABARRUS	19.32	known/suspected	
NCD053528170	LAURENS GLASS/BALL-INCON GLASS	US 1 SOUTH	HENDERSON	VANCE	19.23	groundwater	organics
NCD981921083	SWIFT ADHESIVES	9724 INDUSTRIAL DRIVE	PINEVILLE	MECKLENBURG	19.19	known/suspected	
NONCD0000014	BOISE CASCADE	SR 1916	MONCURE	CHATHAM	18.86	known/suspected	
NCD057037178	PFIZER INC/COTY DIVISION	COX MILL RD & HWY 42 E	SANFORD	LEE	18.48	soil	organics
NONCD0000092	FUNDER AMERICA	200 FUNDER RD	MOCKSVILLE	DAVIE	18.33	known/suspected	
NCD067178707	FAWN PLASTICS CO., INC.	RT 264 BUSINESS	MIDDLESEX	NASH	17.34	soil	organics
NONCD0002848	LOXCREEN	RT 501 S	ROXBORO	PERSON	16.41	known/suspected	
NONCD0000034	ASHEVILLE INDUSTRIES	20 GLEN BRIDGE RD/SR3495	ARDEN	BUNCOMBE	16.30	soil	organics
NCD071567259	WEYERHAEUSER CO/MONCURE	STATE ROAD 1916	MONCURE	CHATHAM	16.04	known/suspected	
NONCD0002498	SOUTHERN GRAPHICS SYSTEMS	2406 N. 23RD STREET	WILMINGTON	NEW HANOVER	15.92	groundwater	metals
NONCD0001129	MARBLE RD PAINT DISPOSAL	MARBLE RD	STATESVILLE	IREDELL	15.84	known/suspected	
NONCD0000053	CAROLINA MARBLE CO.	INDIAN MOUND ROAD	ALBEMARLE	STANLY	15.28	known/suspected	

APPENDIX. INACTIVE HAZARDOUS WASTE SITES PRIORITY LIST (In Order By County)

Id Number	*Site Name*	*Site Address*	*City*	*Score*	*Medium*	*Contaminant*	
NONCD0000099	PARTON'S MOTOR COMPANY	2800 SOUTH YORK ROAD	GASTONIA	GASTON	15.22	known/suspected	
NONCD0000082	CAPE FEAR CHEMICALS/HL BRICE	HWY 701 S	ELIZABETHTOWN	BLADEN	11.48	soil	pesticides
NCD081333858	HOLSTON ENERGY INC/HOLSTON FUEL	HWY 19A/235 BYPASS	WAYNESVILLE	HAYWOOD	7.70	soil	organics

Inactive Hazardous Waste Sites Priority List
By County

ID #	SITE NAME	ADDRESS	CITY	SCORE
COUNTY: ALAMANCE				
NONCD0000030	COLLINS AND AIKMAN	327 EAST ELM ST.	GRAHAM	38.04
NC0001206473	GLEN RAVEN MILLS	TUCKER STREET C	BURLINGTON	34.27
NONCD0000097	MORRIS, NORMAN	HIGHWAY 87 NORTH	ELON COLLEGE	33.23
Number of Sites:	**3**			
COUNTY: ALEXANDER				
NCD003223799	CLAYTON-MARCUS CO., INC.	HWY 127 N	BETHLEHEM	21.11
Number of Sites:	**1**			
COUNTY: ANSON				
NONCD0001046	B&H RECYCLERS	7526 US 74 W	POLKTON	43.31
NONCD0001779	GLENN MANUFACTURING/DECORATIVE HOME	HWY 52 & RATLIFF GIN ROAD	MORVEN	47.76
NCSFN0406924	VC CHEMICAL	STANBACK FERRY RD	WADESBORO	31.34
Number of Sites:	**3**			
COUNTY: ASHE				
NONCD0001077	CATAWISSA LUMBER CO	301 LOCUST ST	WEST JEFFERSON	40.72
NCD003167780	SPRAGUE ELECTRIC COMPANY	HWY 194	LANSING	52.33
NONCD0001052	THOMASVILLE FURNITURE	151 SMETHPORT DRIVE	WEST JEFFERSON	49.51
Number of Sites:	**3**			
COUNTY: BEAUFORT				
NONCD0001207	APAC-WASHINGTON ASPHALT PLANT	DIRT RD	WASHINGTON	36.59
NONCD0001164	COOPERAGE TRACT	NC 99 & US 264	BELHAVEN	32.94
NCD003196847	NATIONAL SPINNING COMPANY	WEST 3RD STREET	WASHINGTON	36.61
NONCD0002816	RADCLIFFE MARINE (PRIVATEER BOATS)	HWY 264 BYPASS N	BELHAVEN	38.2
NONCD0001168	RIVER CITY CONSTRUCTION CO	3534 CHERRY RUN RD	WASHINGTON	43.3
NCD072012354	SINGER CO/FURNITURE DIV WASHINGTON	STATE ROAD 1175	CHOCOWINITY	46.57
NCD041519364	TEXASGULF CHEMICALS COMPANY	HWY 306 NORTH	AURORA	46.56
Number of Sites:	**7**			
COUNTY: BERTIE				
NCD042091215	RJR TECH COMPANY	841 AVOCA FARM RD	MERRY HILL	44.48
NCD052553641	WEYERHAEUSER CO/LEWISTON	HWY 308 W	LEWISTON	38.38
Number of Sites:	**2**			
COUNTY: BLADEN				
NONCD0000082	CAPE FEAR CHEMICALS/HL BRICE	HWY 701 S	ELIZABETHTOWN	11.48
Number of Sites:	**1**			
COUNTY: BRUNSWICK				
NONCD0002788	ALLOWAY RESIDENCE	405 PARADISE LANE	SHALLOTTE	30.88
NCD003184710	CAROLINA CREOSOTING CORPORATION	EASTBROOK ROAD	LELAND	57.17
NONCD0001155	D&G PROPERTIES-SLAUGHTERHOUSE PARCEL	ROYSTER RD	NAVASSA	46.57
NONCD0001805	EXXON PIPELINE	RIVER RD	LELAND	28.37
NCD045920279	HOLDING POND FOR WASTE/USS	100 QUALITY DR	NAVASSA	54.35
NONCD0000072	LOWE'S PROPERTY	4891 LONG BEACH RD	SOUTHPORT	30.02
NCD091572073	NATIONAL STARCH & CHEMICAL COMPANY	HWY 74/76 WEST	LELAND	48.04
NONCD0002228	OAK ISLAND POLICE DEPT.	4621 E. OAK ISLAND DRIVE	OAK ISLAND	44.36
NONCD0002790	RIVERS JUNKYARD	5501 DOGWOOD ST	WINNABOW	41.52
NCN000407775	ROYSTER FERTILIZER	1690 NE ROYSTER RD	LELAND	52.02
NCD001704980	WILMINGTON BRANCH/BORDEN/SMITH DOUGL	NAVASSA ROAD	NAVASSA	40.81
Number of Sites:	**11**			

ID #	SITE NAME	ADDRESS	CITY	SCORE
COUNTY: BUNCOMBE				
NCD002464691	ALLIANCE CAROLINA TOOL AND MOLD	SR 3495-GLENN BRIDGE RD	ARDEN	28.7
NONCD0000034	ASHEVILLE INDUSTRIES	20 GLEN BRIDGE RD/SR3495	ARDEN	16.3
NCN000407672	BEACON MANUFACTURING	2425 US HWY 70	SWANNANOA	58.93
NCD981015886	CAROLINA PRODUCTION FINISHING	105 FAIRVIEW RD	ASHEVILLE	35.86
NCD003149556	CTS OF ASHEVILLE, INC.	MILLS GAP RD	SKYLAND	43.44
NCD981474158	SWEETEN CREEK DRUM SITE	115 SWEETEN CREEK ROAD	ASHEVILLE	48.4
Number of Sites:	**6**			
COUNTY: BURKE				
NONCD0000043	GREAT LAKES CARBON CORPORATION	307 JAMESTOWN ROAD	MORGANTON	43.36
NCD003163888	HENREDON FURNITURE	HENREDON RD	MORGANTON	48.17
NCD980847123	HURT RESIDENCE	HWY 64	MORGANTON	32.27
NCD003167988	MARANTZ PIANO CO INC/ANEVKA, INC	HWY 64/70 E	MORGANTON	45.3
NONCD0001098	NATIONAL TEXTILES, LLP	REEP DRIVE	MORGANTON	54.94
NCD981023732	NEUVILLE SOCK PROPERTY	US 64/70 I-40 ACCESS ROAD	HILDEBRAN	34.8
NCD986215499	PARKER INDUSTRIES	4867 RHONEY ROAD	CONNELLY SPRINGS	38.88
NCD067392175	TRAMCO, INC.	SR 1611	CONNELLY SPRINGS	29.87
NCD981472624	US 70 DRUM DUMP	US 70	MORGANTON	32.41
Number of Sites:	**9**			
COUNTY: CABARRUS				
NONCD0001122	CABARRUS ROUNDABOUT	CABARRUS AVE & OLD	CONCORD	38.69
NONCD0000083	CHEESMAN PROPERTY	3251 GREGORY ROAD	ROCKWELL	38.68
NCD003448610	GALVAN INDUSTRIES, INC.	HWY 49	HARRISBURG	47.62
NONCD0001115	HAHN DAIRY FARM	LONG RUN FARM RD	MOUNT PLEASANT	35.2
NCD980557722	HARRISBURG BATTERY	HIGHWAY 49	HARRISBURG	30
NCD986228054	KANNAPOLIS PCE SPILL	ENOCHVILLE ROAD	KANNAPOLIS	44.71
NONCD0001079	LES MYERS PARK	LAWNDALE AVENUE EXT.	CONCORD	44.42
NCD991278755	MARTIN'S BATTERY SALVAGE, INC.	ASHLAND RD	KANNAPOLIS	41.22
NONCD0001015	MARY CIRCLE BATTERY	ZION CHURCH & MARY CRL	CONCORD	31.18
NONCD0001039	OVERCASH GRAVEL & GRADING CO. INC.	1150 SHELTON ROAD	CONCORD	25.71
NCD981031578	RAINBOW DRIVE BATTERY	SR 1646	KANNAPOLIS	41.66
NCD003152659	REICHHOLD CHEMICAL, INC.	161 BUFFALO AVENUE	CONCORD	19.32
NCD093334969	S & S METALS RECYCLING COMPANY	SHORTCUT ROAD/SR 2455	GOLD HILL	44.49
NONCD0000012	WHITE'S GRAVEL PIT	1515 HWY 49 SOUTH	CONCORD	39.83
Number of Sites:	**14**			
COUNTY: CALDWELL				
NCD046149019	HISTRAND CHEMICAL, INC.	HWY 9	LENOIR	20.72
NCD980839757	INDIAN GRAVE GAP DRUM DISPOSAL	APPROX 2 MLS N OF SR 1513	LENOIR	39.69
NONCD0001036	JOYCETON WATER WORKS WELL #2	300 FT N OF SWANSON RD	LENOIR	32.38
NONCD0001037	JOYCETON WATER WORKS WELL #9	600 FT N OF SWANSON RD	LENOIR	32.38
NCD079066833	LENOIR REFINING COMPANY	263 PENNTON AVE NW	LENOIR	39.26
NONCD0001009	SINGER PLANT #2	VIRGINIA STREET	LENOIR	36.09
Number of Sites:	**6**			
COUNTY: CARTERET				
NONCD0002792	MARSHALLBERG BOAT YARD	MILTON WILLIS LANE	MARSHALLBERG	44.57
NCSFN0407074	NC MARITIME MUSEUM	310 FRONT ST	BEAUFORT	48.84
NC5210022906	USA RESERVE XVIII AIRBORNE CORPS	405 FISHER ST	MOREHEAD CITY	46.51
Number of Sites:	**3**			
COUNTY: CASWELL				
NONCD0001038	BRYANT FARM DRUM DUMP	W OF NC 86 400 FT S OF VA LINE	GATEWOOD	34.61
Number of Sites:	**1**			

ID #	SITE NAME	ADDRESS	CITY	SCORE
COUNTY: CATAWBA				
NCSFN0406911	CAROLINA ASSOCIATED MILL	766 HWY 10 W	NEWTON	39.88
NCD003221868	CENTURY FURNITURE COMPANY	401 11TH ST NW	HICKORY	31.9
NONCD0001114	CONOVER METAL PRODUCTS	315 S MCLIN CREEK RD	CONOVER	33.96
NCD002388965	LACKAWANNA LEATHER CO., INC.	HWY 70A WEST	CONOVER	32.48
NCD991279118	MEREDITH/BURDA, INC.	ST JAMES CHURCH RD	NEWTON	36.12
NCD055165609	PANTASOTE INC. FILM/COMPOUND DIV.	1508 S CENTER ST	HICKORY	41.38
NCN000407700	SPRINGS ROAD GO CART TRACK	4254 SPRINGS RD	CONOVER	39.86
NCD105797922	TECHNIBILT/DIV OF WHITTAKER	EAST PEACE ST	NEWTON	38.61
NCD986166759	WILSON SEPTIC PITS	SR 1131	HICKORY	36.9
Number of Sites:	**9**			
COUNTY: CHATHAM				
NONCD0000014	BOISE CASCADE	SR 1916	MONCURE	18.86
NCD000830919	CAROLINA P&L CO. CAPE FEAR STM	SR 1916	MONCURE	36.33
NCD049845548	REICHHOLD CHEMICAL, INC.	SR 1916	MONCURE	29.33
NCD071567259	WEYERHAEUSER CO/MONCURE	STATE ROAD 1916	MONCURE	16.04
NONCD0001110	WOODSON-TENET LABORATORIES	17570 HWY 902	GOLDSTON	38.76
Number of Sites:	**5**			
COUNTY: CHEROKEE				
NCD038551263	TRI-COUNTY COMMUNITY COLLEGE	OFF US 64 E SOUTH OF NC 1	MURPHY	49.66
Number of Sites:	**1**			
COUNTY: CHOWAN				
NCN000407197	LEARY BROTHERS STORAGE (FORMER)	VIRGINIA & BROAD STREET	EDENTON	42.74
Number of Sites:	**1**			
COUNTY: CLAY				
NONCD0001099	C & L SURPLUS	1868 HWY 64 W	HAYESVILLE	41.2
NC0001402213	ELLIS JUNK YARD	NEEDMORE DRIVE	HAYESVILLE	39.52
Number of Sites:	**2**			
COUNTY: CLEVELAND				
NCD981022072	BETTIS PROPERTY	1/2 MI. E OF BETTIS RD &	EARL	43.16
NCD981021702	CAMP, LEONARD PROPERTY	SR 2226	EARL	35.79
NONCD0001072	J & C DYEING	1000 WEST GROVER STREET	SHELBY	41.98
NCD980559983	PPG IND., INC./WKS 52	WASHBURN SWITCH ROAD	SHELBY	37.89
NONCD0001188	SHELBY BODY SHOP	1904 E DIXON BLVD	SHELBY	39.74
NCD986180909	SHELBY DYEING & FINISHING	2270 SAM LATTIMORE ROAD	SHELBY	48.82
Number of Sites:	**6**			
COUNTY: COLUMBUS				
NONCD0001538	CONFLANDEY INC.	3620 CHADBOURN HIGHWAY	WHITEVILLE	42.84
NCD000605303	FEDERAL PAPER BOARD CO., INC.	865 JOHN L RIEGEL RD	RIEGELWOOD	56.08
NCD024459471	GUYTON BATTERY SERVICE	HWY 401 S	CHADBOURN	34.92
NCD980557847	KAISER ACME FARMARKET	SR 1870	RIEGELWOOD	31.6
NONCD0002786	METAL RECYCLING SERVICES	5192 JAMES B WHITE HWY	WHITEVILLE	38.75
NONCD0001074	OLD FORD BLDG	FIFTH ST	TABOR CITY	45.62
NCSFN0406906	OLD STAKE ROAD	OLD STAKE ROAD	CHADBOURNE	46.17
NONCD0001178	PACKER PROPERTY	US 701 & JEWEL ST	WHITEVILLE	43.99
NONCD0002819	PLANTER'S WAREHOUSE	1003 PIREWAY RD	TABOR CITY	26.34
NONCD0001121	R & R PLATING	OLD WILMINGTON RD	WHITEVILLE	38.37
NCD000828616	USS AGRI-CHEMICALS FARM SERVICE	HWY 701	WHITEVILLE	28.45
NCSFN0406962	VINEGAR HILL LEAD SITE	HWY 701 N	TABOR CITY	30.3
NONCD0000057	WATTS, LEVI PROPERTY	103 FAIRBLUFF ROAD	TABOR CITY	37.09
NONCD0002555	WHITEVILLE BUMPER & GLASS (FORMER)	824 WEST JEFFERSON STREET	WHITEVILLE	45.86
NCD024766719	WRIGHT CHEMICAL CORP.	333 NEILS EDDY RD	RIEGELWOOD	39.37

ID #	SITE NAME	ADDRESS	CITY	SCORE
Number of Sites:	**15**			
COUNTY: CRAVEN				
NCD045924065	AMF/HATTERAS YACHTS	110 N GLENBURNE ROAD	NEW BERN	48
NONCD0002780	APAC-CLARKS ASPHALT PLANT	OLD US HWY 70	CLARKS	19.82
NONCD0001209	APAC-NEW BERN ASPHALT PLANT	510 S GLENBURNIE RD	NEW BERN	41.11
NCD047371794	COASTAL LUMBER CO	934 N CRAVEN ST	NEW BERN	49.73
NONCD0001032	COCA COLA BOTTLING WORKS INC	HIGHWAY 17	NEW BERN	32.59
NCD003197704	SALT WOOD PRODUCTS, INC.	SR 1005	COVE CITY	46.59
NCD980848840	SCOTT'S CREEK BATTERY SITE	402 HOWELL ROAD	NEW BERN	47.75
NCD981928088	TEXFI INDUSTRIES, INC/NEW BERN	SR 1317/BOSCH STREET	NEW BERN	44.3
NONCD0001054	WILLIAMS AUTO CENTER	401 D STREET	BRIDGETON	43.93
Number of Sites:	**9**			
COUNTY: CUMBERLAND				
NONCD0000023	CAROLINA P&L CO. FAYETTEVILLE	CUMBERLAND RD & OWEN DR	FAYETTEVILLE	47.78
NCD980502892	CREEK BRIDGE/BORDEN CHEMICAL	US HWY 24-87 (GROVE ST)	FAYETTEVILLE	32.35
NONCD0001646	DUPONT CEDAR CREEK SITE	3216 CEDAR CREEK RD	FAYETTEVILLE	53.7
NCD981928021	HOLLINGSWORTH PROPERTY	BROADFOOT AVE & CLARK ST	FAYETTEVILLE	37.34
NCD048958615	KELLY-SPRINGFIELD TIRE CO/GOODYEAR	NAVASSA RD	FAYETTEVILLE	39.64
NCD088563242	MONSANTO COMPANY/ROHM & HAAS	CEDAR CREEK RD	FAYETTEVILLE	51.78
NCD040047425	PRILLAMAN CHEMICALS	WORTH STREET	FAYETTEVILLE	44.36
NCD000623199	TEXACO INC/FAYETTEVILLE	992 SHAW MILL RD	FAYETTEVILLE	32.56
NCD986178226	TEXFI INDUSTRIES, INC	601 HOFFER DRIVE	FAYETTEVILLE	50.55
NCN000407243	WOODY'S SALVAGE YARD	4139 CLINTON RD	VANDER	41.8
Number of Sites:	**10**			
COUNTY: DAVIDSON				
NCD991278581	BURLINGTON FURNITURE/LUMBER PL	US 64 EAST	LEXINGTON	28.12
NCSFN0407140	CARDINAL CONTAINER SERVICES	138 WALSER ROAD	LEXINGTON	42.3
NONCD0001050	LEXINGTON FURNITURE IND. PLNT #12	3301 COTTON GROVE LANE	LEXINGTON	28.59
NONCD0001048	LEXINGTON FURNITURE IND. PLNT #2	3979 OLD LINWOOD ROAD	LEXINGTON	34.53
NONCD0001049	LEXINGTON FURNITURE IND. PLNT #7	178 LFI COMPLEX LANE	LEXINGTON	46.43
NCD003235066	NEW AGE FURNITURE CO/MILLER TOOL	PROSPECT STREET	LEXINGTON	40.42
NCD003216413	RALEIGH ROAD FURNITURE CORP/STANLEY	802 WEST CENTER ROAD	LEXINGTON	35.22
NCD077821296	SOUTHERN RESIN/US INDUSTRIES INC	1510 DENTON ROAD	THOMASVILLE	23.62
NONCD0000084	THERMO PRODUCTS, INC.	800 JONES STREET	DENTON	31.77
NCD077838589	THOMASVILLE FOREST PRODUCTS	CLARKSBURY CHRUCH ROAD	THOMASVILLE	23.1
Number of Sites:	**10**			
COUNTY: DAVIE				
NONCD0000092	FUNDER AMERICA	200 FUNDER RD	MOCKSVILLE	18.33
NCD981928385	JOHN DEERE TRACTOR	HWY 601 AND SR 1413	MOCKSVILLE	32.95
Number of Sites:	**2**			
COUNTY: DUPLIN				
NONCD0001595	DEANS PICKLES, FMR CATES	354 N. FAISON AVE.	FAISON	30.23
NCD003200656	FEATHER PROCESSORS, INC	HWY 117 NORTH	ROSE HILL	25.3
NCD000776732	SAFETY-KLEEN CORP 3-031-02	HWY 41W	WALLACE	21.26
NONCD0002543	STEVCOKNIT FABRICS COMPANY	601 WILMINGTON ROAD	WALLACE	43.75
Number of Sites:	**4**			
COUNTY: DURHAM				
NCD075582197	AMORE/WORTH CHEMICAL	2418 EAST PETTIGREW ST	DURHAM	38.82
NCD991278714	CAROCHEM, INC.	540 GULF ST	DURHAM	28.72
NCD080885551	DAUGHERTY CHEMICAL COMPANY	307 WALKER STREET	DURHAM	32.27
NCD981016280	DURHAM ANIMAL CLINIC	4306 ROXBORO ROAD	DURHAM	41.13
NCD072018252	GENERAL ELECTRIC CO/MED STEAM TURBIN	OLD RALEIGH RD	DURHAM	32.88
NONCD0001843	HERCULES	9 DAVIS DRIVE	DURHAM	47.93

ID #	SITE NAME	ADDRESS	CITY	SCORE
NCD003198520	HONEYWELL, INC	921 HOLLOWAY STREET	DURHAM	48.17
NCD980848667	ONE HOUR KORETIZING	4404 ROXBORO ROAD	DURHAM	62.56
NCD003196193	PIFER INDUSTRIES, INC.	2210 E PETTIGREW ST	DURHAM	33.67
NCD980503148	SOUTHCHEM LANDFILL	750 EAST MARKHAM AVE	DURHAM	37.98
NONCD0001149	VC CHEMICAL	2700 ANGIER AVE	DURHAM	27.95
Number of Sites:	**11**			

COUNTY: EDGECOMBE

NONCD0001273	ANSELL HEALTHCARE	2906 ANACONDA ROAD	TARBORO	43.34
NONCD0002319	POLYLOK, INC./WELLINGTON SEARS	3006 ANACONDA RD.	TARBORO	41.09
NONCD0002378	REA CONSTRUCTION-ROCKY MOUNT	SR 1401	ROCKY MOUNT	40.19
NCD041466525	ROCKY MOUNT FIBER DUMP	ATLANTIC AVE EXTENSION	ROCKY MOUNT	34.94
NCD981932023	TARBORO-EDGECOMBE AIRPORT	HWY 44	TARBORO	41.81
Number of Sites:	**5**			

COUNTY: FORSYTH

NCD041230418	AMP INCORPORATED	3900 REIDSVILLE ROAD	WINSTON-SALEM	48.35
NCD980729479	CAROLAWN COMPANY	1426 W MOUNTAIN ST	KERNERSVILLE	32.81
NCD003213030	DOUGLAS BATTERY MANUFACTURING CO.	500 BATTERY DR	WINSTON-SALEM	45.69
NCD044515211	HAYES-ALBION CORP/BRIGGS-SHAFFNER	3760 KIMWELL DR	WINSTON-SALEM	35.17
NCD003216397	HIGHLAND INDUSTRIES/BURLINGTON IND.	215 DRUMMOND ST/SR 2089	KERNERSVILLE	39.25
NCN000409780	INDUSTRIAL METAL ALLOY	20 E ACADIA AVE	WINSTON-SALEM	37.67
NCD000770487	JOHNSON CONTROLS GLOBE BATTERY	OLD GREENSBORO ROAD	WINSTON-SALEM	48.85
NCN000407491	P&B DISTRIBUTION CHEMICAL FIRE	744 CHATHAM RD	WINSTON-SALEM	37.89
NCD044514602	RJR ARCHER, INC.	CUNNINGHAM AVE	WINSTON-SALEM	35.04
NCD003231545	SHERWOOD TREATING CO., INC.	1660 SILAS CREEK PKWAY	WINSTON-SALEM	49.78
NONCD0001130	SOUTH MAIN ST SEWER LINE EXT	4660 FOLLANSBEE RD	WINSTON-SALEM	35.47
NCD003214574	SPRUANCE SOUTHERN, INC.	HWY 8	WINSTON-SALEM	20.81
NCD024895864	STEWART-WARNER CORP/BASSICK-SACK	2941 INDIANA AVE	WINSTON-SALEM	47.19
NCD053487765	STRATFORD METAL FINISHINGS, INC.	807 S MARSHALL ST	WINSTON-SALEM	43.38
NCD081428104	SUN CHEM CORPORATION/GPI DIV	2400 0LD LEXINGTON ROAD	WINSTON-SALEM	38.41
NCD000006361	SUPERIOR ELECTRO FINISHES	115 EAST POLO ROAD	WINSTON SALEM	34.04
NCD002560159	THIELE-ENGDAHL, INCORPORATED	1100 FAIRCHILD RD	WINSTON-SALEM	44.71
Number of Sites:	**17**			

COUNTY: GASTON

NCD000615872	AMP INCORPORATED	1260 SHANNON-BRADLEY RD	GASTONIA	42.72
NCD986175636	ASHE PATTERN SHOP (FORMER)	4411 BEATY ROAD	GASTONIA	48.82
NCD980559637	BEAUNIT CORP./DYING & FINISHING	LINEBERGER STREET	LOWELL	19.99
NCD044444735	CROMPTON & KNOWLES CORP.	SPENCER MT RD	LOWELL	46.97
NCS000000478	CROWDERS MOUNTAIN STATE PARK	CROWDERS MOUNTAIN STATE	GASTONIA	21.57
NCD986172617	FORBES ROAD WELLS/RAUCH IND	2408 FORBES ROAD	GASTONIA	43.02
NONCD0001045	FREIGHTLINER	1800 N MAIN ST	MT HOLLY	43.38
NCD003149291	GASTON COUNTY DYEING MACHINE CO.	HWY 27 EAST	MOUNT HOLLY	28.34
NCD991277922	GASTON COUNTY DYEING MACHINE CO.	200 S MAIN ST	STANLEY	28.34
NC0002374445	GASTONIA INDUSTRIAL TRUCK	HEMPHILL ROAD	GASTONIA	42.08
NCD986166692	HARWELL ROAD SEPTIC PIT	HARWELL ROAD	GASTONIA	52.37
NCD986175628	LEE'S MOTOR WORKS	BEATY ROAD	GASTONIA	48.48
NCD986223170	MCBESS INDUSTRIES	OLD HWY 321	HIGH SHOALS	39.75
NCD986171379	NEW HAVEN DRIVE TCE	NEW HAVEN DRIVE	GASTONIA	48.98
NONCD0000099	PARTON'S MOTOR COMPANY	2800 SOUTH YORK ROAD	GASTONIA	15.22
NCN000409881	PAYNE RD SOLVENTS	105 PAYNE RD	BESSEMER CITY	47.59
NONCD0001100	SIMPSON WELL CONTAMINATION	8 EASTWOOD DRIVE	BELMONT	56.35
NONCD0001025	TOOMEY PROPERTY	1020 HICKORY GROVE ROAD	SPRINGWOOD	51.23
NCD003164464	UNIROYAL INC/UNIROYAL CHEMICAL	214 W RUBY AVE	GASTONIA	43.79
NCD986170678	WOOD ROAD DRUM BURIAL	CIRCLE WOOD RD/SR 2641	GASTONIA	29.44
NCD986166288	WOODY'S TIRE FIRE	HIGHWAY 321	GASTONIA	26.35
Number of Sites:	**21**			

ID #	SITE NAME	ADDRESS	CITY	SCORE
COUNTY: GRAHAM				
NCD024770125	BURLINGTON FURNITURE	ATOAH STREET	ROBBINSVILLE	27.1
Number of Sites:	**1**			
COUNTY: GRANVILLE				
NCD986180883	CCFC PESTICIDE DISPOSAL	607 HILLSBOROUGH STREET	OXFORD	31.67
NC0001606250	CRISTEX DRUM	INDUSTRIAL DR & PINE TREE RD	OXFORD	37.58
NONCD0000025	RANGE ROAD BURN SITE	RANGE ROAD	BUTNER	42.8
Number of Sites:	**3**			
COUNTY: GUILFORD				
NCD096158696	BURLINGTON INDUSTRIES, INC.	6008 HIGH POINT RD	GREENSBORO	22.43
NONCD0000078	CAROLINA METAL AND ALLOYS	1016 E. SPRINGFIELD AVENUE	HIGH POINT	33.72
NCD980729412	CAROLINA TANK CLEANING COMPANY	HWY 68-4 MI N OF I-40	GREENSBORO	48.53
NONCD0000044	CHEMICAL AND SOLVENTS, INC.	2804 PATTERSON STREET	GREENSBORO	38.45
NCD043711977	CHEMICAL LEAMAN TANK LINES, INC.	6600 WEST MARKET STREET	GREENSBORO	42.05
NCD982117590	CUSTOM PROCESSING AND MANUFACTURING	1110 SURRETT DRIVE	HIGH POINT	51.04
NONCD0001060	DIXIE MACHINE & TOOL CO	2204 PATTERSON ST	GREENSBORO	30.46
NCD003230836	DUKE REFINING CORPORATION	2020 JARRELL STREET	HIGH POINT	42.87
NONCD0000024	GAITHER TRANSOU PROPERTY	1202 GUILFORD COLLEGE RD	GREENSBORO	37.52
NCD055550560	GULF ADHESIVES & RESINS/PERKINS	1717 WARD STREET	HIGH POINT	33.33
NCD067437400	GULF OIL CORPORATION	SR 2813	MCLEANSVILLE	35.22
NCD981748403	HOME DEPOT-PRO CLEANERS	2310 N MAIN STREET	HIGH POINT	30.05
NCD048401087	HOOKER FURNITURE	1212 THROWER ROAD	PLEASANT GARDEN	43
NCD101750305	INDUSTRIAL PLASTICS, INC.	CLOVER & MCONNELL ROAD	GREENSBORO	36.97
NONCD0000027	MEADOWVIEW ROAD	MEADOWVIEW ROAD	GREENSBORO	43.04
NCD990883001	MONARCH FURNITURE CORPORATION	300 SCIENTIFIC ST	JAMESTOWN	47.4
NCD991278839	NORTH STATE CHEMICALS	6211 HUNT RD	PLEASANT GARDEN	27.6
NONCD0002880	PATCHES BODY SHOP	1903 E GREEN ST	HIGH POINT	41.91
NCD980503098	PFIZER INC/SKATE STADIUM	4500 BLOCK OF HIGH POINT	GREENSBORO	36.93
NCD980600449	SED, INC. RADAR ROAD	500 RADAR ROAD	GREENSBORO	48.18
NCD980712038	SED, INC. SWING COURT	SWING COURT	GREENSBORO	36.3
NONCD0001080	SOUTH EUGENE CLEANERS	611 S EUGENE ST	GREENSBORO	38.05
NCD024600579	SUPERIOR PRODUCTS COMPANY	HWY 70A	GREENSBORO	45.25
NCN000407333	TRIAD USED AUTO SALES	1520 ALAMANCE CHURCH RD	GREENSBORO	51.53
NCD991278300	UNITED DRUM T/A RELIANCE UNIV.	214 BERKLEY ST	HIGH POINT	26.55
NCD061795696	UNITEX CHEMICALS	520 BROOME RD	GREENSBORO	34.91
Number of Sites:	**26**			
COUNTY: HALIFAX				
NCSFN0406953	G&B/FARMER PROPERTY	DOUG HILL FARM RD (SR 1100)	SCOTLAND NECK	43.04
NCD980483275	HELENA CHEMICAL COMPANY	DENNIS STREET EXTENSION	ENFIELD	28.04
NCD057248759	PATCH RUBBER POND	GRACE BOULEVARD	ROANOKE RAPIDS	29.82
NCD062664883	REINCO CHEMICAL COMPANY	EAST 11 ST	ROANOKE RAPIDS	41.2
Number of Sites:	**4**			
COUNTY: HARNETT				
NCD981863814	LANCASTER PLATING	802 EDWARDS ROAD	LILLINGTON	31.32
NONCD0001483	POPE PROPERTY	800 S WILSON AVE	DUNN	39.58
Number of Sites:	**2**			
COUNTY: HAYWOOD				
NCD986171445	BENFIELD CHEMICALS	OLD CANTON CLYDE HWY	CANTON	41.2
NCD986188001	CHAMPION INTERNATIONAL LANDFILL #1	SR 1571 & 1573	CANTON	36.35
NCD003148889	CHAMPION INTERNATIONAL/CANTON MILL	NEWFOUND STREET	CANTON	37.79
NCD986188019	CHAMPION LANDFILL #2	SR 1539	CANTON	36.04
NCD986188027	CHAMPION LANDFILL #3	SR 1550 I40	CANTON	48.25
NONCD0000059	DAYCO COCHRAN LANDFILL	RT 1 HYATT CREEK ROAD	WAYNESVILLE	31.71

ID #	SITE NAME	ADDRESS	CITY	SCORE
NCD003148798	DAYCO CORP	BALSAM RD	WAYNESVILLE	25.26
NCD982119463	DAYCO LANDFILL CRYME COVE ROAD	SR 1134	WAYNESVILLE	40.52
NCD081333858	HOLSTON ENERGY INC/HOLSTON FUEL	HWY 19A/235 BYPASS	WAYNESVILLE	7.7
NONCD0000096	MASON DRUM STORAGE	42 FIBERVILLE STREET	CANTON	32.99
Number of Sites:	**10**			

COUNTY: HENDERSON

NONCD0001090	OLD MILL BLDG	301 FOURTH AVE EAST	HENDERSONVILLE	42.75
NCD986185411	OLD WESTERN NC FAIRGROUNDS	BTWN US 176 & SOUTHER RR	EAST FLAT ROCK	48.18
NCD986180917	SPANN PROPERTY	US HIGHWAY 25	HENDERSONVILLE	47.26
Number of Sites:	**3**			

COUNTY: HERTFORD

NCD065288847	CF NITROGEN, INCORPORATED	HWY 45	WINTON	47.99
NONCD0001176	MURFREESBORO VENEER	307 N 2ND ST	MURFREESBORO	41.37
NONCD0001029	R & D LAMINATORS INC	HOLLOMAN ROAD (SR 1187)	AHOSKIE	47.21
NCN000407205	TRI-COUNTY AIRPORT	NC 561	AULANDER	34.92
Number of Sites:	**4**			

COUNTY: HOKE

NC0001279710	WOODY WILSON BATTERY/ASHLEY HEIGHTS	HWY 211	ASHLEY HEIGHTS	49.02
Number of Sites:	**1**			

COUNTY: IREDELL

NCD048462881	ARMOLOY CO OF NC/HI-TECH	1603 SALISBURY ROAD	STATESVILLE	19.37
NONCD0000070	BENFIELD SANITATION SERVICE	1809 W FRONT ST	STATESVILLE	30.87
NCD093334894	BURLINGTON INDUSTRIES, INC.	PHOENIX STREET	STATESVILLE	40.03
NONCD0001129	MARBLE RD PAINT DISPOSAL	MARBLE RD	STATESVILLE	15.84
NCD003520301	OVERCASH MACHINE SHOP, INC.	865 CONNOR STREET	STATESVILLE	38.69
NCD042269134	SOUTHERN SCREW/FARLEY METALS	1225 BARKLEY RD	STATESVILLE	48.4
NCD003236841	WARLICK PAINT COMPANY	945 MONROE ST	STATESVILLE	21.47
Number of Sites:	**7**			

COUNTY: JOHNSTON

NONCD0001208	APAC-PRINCETON ASPHALT PLANT	1288 RAINS MILL RD	PRINCETON	33.08
NONCD0002852	CLAYTON FARMS	1833 LOOP RD	CLAYTON	49.63
NCD054417308	COASTAL CHEMICAL CORP.	NC 42	CLAYTON	33.11
NCD986171338	PEELE CO. PESTICIDE DISPOSAL	NC 42 EAST	CLAYTON	37.13
NCD991278730	SQUIBB E R & SONS	FLOWERS RD	KENLY	41.61
NCD003183480	UNION CAMP CORPORATION	524 BROGDEN RD	SMITHFIELD	35.01
NONCD0001148	UNION CARBIDE	HWY 42	CLAYTON	38.19
Number of Sites:	**7**			

COUNTY: LEE

NONCD0001030	BLR	2911 LEE AVENUE	SANFORD	27.5
NCD981929813	CARBONTON ROAD DRUM SITE	2816 CARBONTON ROAD	SANFORD	36.6
NCD003218161	CORNELL-DUBILIER ELECTRONICS	2652 DALYRUMPLE STREET	SANFORD	29.02
NC0000998336	CP PROPERTIES	2350 BROWN ROAD	SANFORD	30.23
NCD057037178	PFIZER INC/COTY DIVISION	COX MILL RD & HWY 42 E	SANFORD	18.48
NCN000409854	ROMATIC MANUFACTURING	402 E ROSE ST	SANFORD	42.27
NCD000281832	SANFORD PLATING COMPANY	SR 1466	SANFORD	33.32
NCD067428821	SIEMENS-ALLIS, INC/SWITCHGEAR DIV	5000 WOMACK ROAD	SANFORD	36.86
NONCD0002531	STANLEY FASTENING	2903 LEE AVE	SANFORD	43.31
NCN000409783	WHITIN ROBERTS PLANT #2	202 MAPLE AVE	SANFORD	36.89
Number of Sites:	**10**			

COUNTY: LENOIR

NONCD0002818	DUPONT-KENTEC	BRAXTON RD (SR 1802)	GRIFTON	43.17

ID #	SITE NAME	ADDRESS	CITY	SCORE
Number of Sites:	**1**			
COUNTY: LINCOLN				
NCD049772023	H & S PROCESSORS, INC.	NC HIGHWAY 150 WEST	LINCOLNTON	46.11
Number of Sites:	**1**			
COUNTY: MADISON				
NCD062571658	HONEYWELL MICRO SWITCH DIV.	1 HICKORY DRIVE	MARS HILL	43.33
NCD980848782	MADISON COUNTY CYANIDE SITE	RT 2/HWY 63		41.2
Number of Sites:	**2**			
COUNTY: MARTIN				
NONCD0000013	CAROLINA HARDWOODS	158 FACTORY STREET	WILLIAMSTON	27.49
NONCD0001169	LIBERTY FABRICS (FORMER)	US 64	JAMESVILLE	44.72
NCD000623223	MARTIN MANUFACTURING PROPERTIES	E MAIN ST US 17	WILLIAMSTON	48.4
NCD981030893	MUSIC CLUB PESTICIDE SITE	SE QUADRANT OF INT US 17	WILLIAMSTON	41.61
NONCD0001016	ROYSTER-CLARK FERTILIZER PLANT	SR 1321	OAK CITY	42.74
NONCD0002798	TOWN AND COUNTRY CLEANERS	617 WASHINGTON ST	WILLIAMSTON	42.91
Number of Sites:	**6**			
COUNTY: MCDOWELL				
NONCD0001075	HIGGINS TOWNSHIP FIRING RANGE	NC 226	MARION	33.09
NCD980838551	MCDOWELL FIREMAN ASSOCIATION SITE	SR 1214 GREENLEE ROAD	MARION	23.09
NONCD0001128	RESOLUTION PACKAGING	468 CAROLINA AVE	MARION	46.21
NCD986232676	ROCK-TENN MARION FOLDING	33 BURGIN ST	MARION	43.3
Number of Sites:	**4**			
COUNTY: MECKLENBURG				
NCD002571438	ABC ENGRAVERS	724 NORTH I-85	CHARLOTTE	41.91
NCD045451473	ACE CHEMICAL CORPORATION	9801 YORK ROAD	CHARLOTTE	31.05
NCD074511361	AQUAIR CORPORATION	133000 SAM NEELY RD	CHARLOTTE	55.35
NONCD0001174	ARROW LAUNDRY	4735 MONROE RD	CHARLOTTE	45.15
NCD981022288	C&T REFINERY	4800 SOUTH BOULEVARD	CHARLOTTE	36.8
NONCD0001067	CC DICKSON	1524 SOUTH BOULEVARD	CHARLOTTE	30.43
NCD046148540	CENTRAL TRANSPORT COMPANY	600 MELYNDA ROAD	CHARLOTTE	48.84
NONCD0001150	CHARLOTTE BATTERY	2926 YOUNGBLOOD ST	CHARLOTTE	33.67
NCD024468597	CHARLOTTE STEEL DRUM	2900 WEST TRADE STREET	CHARLOTTE	26.67
NCD981861214	CHARLOTTE TRANSPORTATION TERMINAL	2246 OLD STEELE CREEK RD	CHARLOTTE	45.07
NCD980799019	CHEROKEE OIL	1201 BERRYHILL ROAD	CHARLOTTE	31.76
NCD986190239	CHEROKEE OIL	925 SOUTH SUMMIT AVE	CHARLOTTE	38.45
NCN000407830	CLOROX CHEMICAL	800 GESCO ST	CHARLOTTE	45.07
NCD003162500	CONSOLIDATED ENGRAVERS CORP.	311 E 12TH ST	CHARLOTTE	33.51
NCD130708126	CONSOLIDATED WAREHOUSE	8300 MOORES CHAPEL RD	CHARLOTTE	42.58
NCD044447639	CROWN CENTRAL PETROLEUM CORP.	7720 MOUNT HOLLY ROAD	PAW CREEK	36.59
NCD981014517	DYNATECH	TOOMEY AVE	CHARLOTTE	42.6
NCD024740433	EC MANUFACTURING	413 N. POLK STREET	PINEVILLE	30.45
NONCD0001119	EDWARDS PROPERTY FOUNDRY SAND	10209 ROZZELLE'S FERRY RD	CHARLOTTE	33.18
NCD003154960	FLEMING LABORATORIES	2205 THRIFT ROAD	CHARLOTTE	39.24
NONCD0000075	FOAMEX/REEVES BROTHERS	18801 OLD STATESVILLE RD	CORNELIUS	34.5
NCN000409865	FORSHAW CHEMICALS	650 STATE ST	CHARLOTTE	42.43
NCD001871854	FRUEHAUF TRAILER CORPORATION	310 DALTON	CHARLOTTE	38.12
NCD980848766	GIBBS ELECTROPLATING	5210 HOVIS ROAD	CHARLOTTE	32.27
NONCD0001022	GIBBS ELECTROPLATING - OLD LOCATION	2229 N DAVIDSON	CHARLOTTE	45.07
NONCD0000073	H. M. WADE FURNITURE	SOUTH GRAHAM STREET	CHARLOTTE	41.5
NONCD0001023	HEAVY EQUIPMENT SCHOOL	HEAVY EQUIPMENT ROAD	CHARLOTTE	46.2
NONCD0001018	HWY 49 BATTERY DUMP	NC HIGHWAY 49	CHARLOTTE	38.47
NCD053010724	ICI - AMERICAS, INC.	2130 N TRYON	CHARLOTTE	37.67
NCD990868168	INMONT CORP/BASF CORPORATION	1701 W WESTINGHOUSE BLVD	CHARLOTTE	26.22
NCD081332900	INX (FORMER) FACILITY	3200 & 3210 CULLMAN AVE	CHARLOTTE	36.75

ID #	SITE NAME	ADDRESS	CITY	SCORE
NCD980518211	IRT/IBM CORPORATION	4101 S I-85	CHARLOTTE	46.67
NONCD0000085	JONES & PRESNELL STUDIO	433 LAWTON ROAD	CHARLOTTE	48.48
NCD981927908	KIDD LANE BATTERY DISPOSAL	3607 KIDD LANE	CHARLOTTE	40.49
NCD097361018	KIN PROPERTIES ABANDONED DRUMS	920 EASTWAY DRIVE	CHARLOTTE	33.72
NONCD0001151	MATTHEWS BLDG SUPPLY/ESTUL TOOL	215 AMES ST	MATTHEWS	33.98
NONCD0001106	MICROTRON ABRASIVES, INC	10242 RODNEY BLVD	PINEVILLE	28.94
NONCD0001175	MIDTOWN SQUARE VALET DRY CLEANERS	401 S INDEPENDENCE BLVD	CHARLOTTE	30.06
NONCD0001041	MITCHELL & BECKER	1928 SOUTH BOULEVARD	CHARLOTTE	39.56
NCD986172518	OLD MOUNT HOLLY ROAD PCE SITE	OLD MT HOLLY RD & FREEDOM	CHARLOTTE	50.26
NCD986170694	POULOS GROUNDWATER CONTAMINATION	SOUTH BOULEVARD	CHARLOTTE	39.63
NCD003149663	RADIATOR SPECIALTY COMPANY	1900 WILKINSON BLVD	CHARLOTTE	46.16
NCD980838379	ROWE CORP PROPERTY/BOULIGNY SITE	433 W MOREHEAD ST	CHARLOTTE	40.18
NCD093338119	SCM CORP. GLIDDEN COATINGS & RESINS	3926 GLENWOOD DRIVE	CHARLOTTE	50.29
NCD990715658	SOUTHERN MANUFACTURING, INC.	1000 SEABOARD ST	CHARLOTTE	33.72
NONCD0001076	SOUTHSIDE INVESTMENTS LLC	2222 SOUTH BLVD	CHARLOTTE	38.05
NCD981921083	SWIFT ADHESIVES	9724 INDUSTRIAL DRIVE	PINEVILLE	19.19
NONCD0000011	TERRELL MACHINE SHOP	3000-3030 SOUTH BLVD	CHARLOTTE	39.62
NONCD0000074	TEXTILE CHEMICAL FACILITY	GRAHAM STREET	CHARLOTTE	37.6
NCD095470332	THONIT A SIMMONS COMPANY	11900 STEELE CREEK ROAD	CHARLOTTE	32.33
NCD986231967	TOM SADLER ROAD WELLS	TOM SADLER RD	CHARLOTTE	46.92
NONCD0000088	TRANS TECHNOLOGY	5535 WILKINSON BLVD	CHARLOTTE	35.19
NCD980844336	UNION CARBIDE BATTERY	5400 HOVIS ROAD	CHARLOTTE	46.3
NONCD0000003	VAN WATERS & ROGERS	ATANDO INDUSTRIAL PARK	CHARLOTTE	38.05
NONCD0001006	WESTINGHOUSE TURBINE	WESTINGHOUSE ROAD	CHARLOTTE	31.94
NCD003151651	WILLARD SMELTING CO.	101 NEWBERN ST	CHARLOTTE	27.86
NCD024477556	WINSTON CONTAINER COMPANY	4732 MORRIS FIELD RD	CHARLOTTE	47.89
Number of Sites:	**57**			
COUNTY: MITCHELL				
NONCD0000028	CAROLINA P&L CO. SPRUCE PINE	MOUNTAIN LAUREL DR	SPRUCE PINE	34.62
NCD024817827	HENREDON FURNITURE	ALTAPASS ROAD	SPRUCE PINE	41.19
NCD991277724	MITCHELL SYSTEMS, INC.	ALTAPASS RD	SPRUCE PINE	29.82
Number of Sites:	**3**			
COUNTY: MONTGOMERY				
NONCD0001177	ALCOA-PINE RD RAVINE DISPOSAL	PINE RD		31.53
NCD054284518	STANDARD PACKAGING CORPORATION	HWY 73 W	MT GILEAD	21.07
Number of Sites:	**2**			
COUNTY: MOORE				
NONCD0002857	ABERDEEN FLORIST & GARDEN CENTER	500 S SANDHILLS BLVD	ABERDEEN	52.02
NCD986172492	CRESTLINE CONTAMINATED WELLS	ROUTE 211	ABERDEEN	40.12
NCD144192606	PARKER-ZENITH	TAYLOR STREET	ABERDEEN	45.67
NCD060306727	RICHARDS WC COMPANY, INC.	101 EAST MAPLE STREET	ABERDEEN	43.31
NCD049845266	STANLEY CASE GOODS (FORMER)	HWY 211	WEST END	31.01
NCN000407188	US 1-15/501 ABERDEEN	517 S SANDHILLS BLVD	ABERDEEN	46.88
Number of Sites:	**6**			
COUNTY: NASH				
NCD040042426	AEROQUIP/FAWN PLASTICS	HIGHWAY 264 ALT.	MIDDLESEX	34.22
NCD067178707	FAWN PLASTICS CO., INC.	RT 264 BUSINESS	MIDDLESEX	17.34
NCD990867855	FAWN PLASTICS CO., INC.	317 JEFFREYS ROAD	ROCKY MOUNT	34.23
NC0000195743	JIMMY GREEN METALS	BARN HILL CHURCH ROAD	NASHVILLE	44.29
NCD042891663	MITCHELL ENGR CO/CECO BLDG. DIV.	BYPASS 301	ROCKY MOUNT	44.27
NCD072028251	TORPEDO WIRE & STRIP, INC.	INSTRUMENT DR	ROCKY MOUNT	35.1
Number of Sites:	**6**			
COUNTY: NEW HANOVER				
NONCD0002781	ADAMS PAINTING SERVICE	722 WELLINGTON AVE	WILMINGTON	29.71

ID #	SITE NAME	ADDRESS	CITY	SCORE
NONCD0002564	ALLEN'S FARM SUPPLY	511 N 3RD ST	WILMINGTON	49.72
NONCD0001250	ALMONT SHIPPING	423 NUTT STREET	WILMINGTON	56.01
NONCD0002779	APAC-CASTLE HAYNE ASPHALT PLANT	4909 N COLLEGE RD	CASTLE HAYNE	46.65
NONCD0001330	BECKER BUILDERS SUPPLY COMPANY	4614 MARKET STREET	WILMINGTON	42.43
NONCD0001432	CAPE GOLF COURSE	535 THE CAPE BLVD	WILMINGTON	43.99
NCD000830646	CAROLINA P&L CO. SUTTON STEAM	HWY 421	WILMINGTON	52.85
NONCD0000015	CENTRAL TRANSPORT COMPANY	215 SAMPSON ST	WILMINGTON	38.45
NONCD0001200	COASTLINE INN PROPERTY	503 NUTT ST	WILMINGTON	47.44
NONCD0002851	COCA-COLA BOTTLING FACILITY	921 PRINCESS ST	WILMINGTON	43.99
NCD003938586	CORNING GLASS WORKS	310 NORTH COLLEGE ROAD	WILMINGTON	30.37
NONCD0001550	COTTMAN TRANSMISSION	145-147 S. COLLEGE ROAD	WILMINGTON	47.3
NONCD0001564	CRIBBS HOBBY	6225 CAROLINA BEACH RD.	WILMINGTON	43.19
NONCD0001185	CSX-NUTT ST	525 NUTT ST	WILMINGTON	48.21
NONCD0001138	DEUTSCH RELAYS	2021 GARDNER DR	WILIMINGTON	43.19
NONCD0001697	EXXON CORPORATION	3340 RIVER ROAD	WILMINGTON	39.43
NCD050409150	GENERAL ELECTRIC CO/WILMINGTON	3901 CASTLE HAYNE RD	WILMINGTON	55.76
NCD990734055	HERCOFINA/CAPE INDUSTRIES	HWY 421 N	WILMINGTON	44.62
NCN000407480	HORTON IRON & METAL	2216 US HWY 421 N	WILMINGTON	49.83
NONCD0000031	INDEPENDENCE MALL OUTPARCEL	OLEANDER & FORDHAM RDS	WILMINGTON	40.19
NCD000772046	MOBIL OIL CORP/KOCH REFINING	3334 RIVER RD	WILMINGTON	49.07
NCD986186518	OLD ATC REFINERY	801 SURRY STREET	WILMINGTON	48.4
NONCD0002277	PAZIUK WAREHOUSE	710 SUNNYVALE DRIVE	WILMINGTON	45.15
NONCD0002280	PCS NITROGEN, FMRLY ARCADIAN	2830 HWY 421 NORTH	WILMINGTON	29.09
NONCD0002835	PRIME EQUIPMENT CO	1020 N FRONT ST	WILMINGTON	50.19
NONCD0002498	SOUTHERN GRAPHICS SYSTEMS	2406 N. 23RD STREET	WILMINGTON	15.92
NCN000407584	SOUTHERN METALS RECYCLING, INC	1002 SOUTH FRONT STREET	WILMINGTON	52.56
NONCD0002561	SUNOCO BULK TERMINAL	RIVER ROAD	WILMINGTON	35.41
NC0002178580	VC CHEMICAL-ALMONT WORKS	2400 US 421 NORTH	WILMINGTON	41.47
NONCD0002838	WACCAMAW TRANSPORT (FORMER)	1106 S 2ND ST	WILMINGTON	44.12
NONCD0001105	WETSIG YACHTS	4022 MARKET STREET	WILMINGTON	42.6
NONCD0002734	WILMINGTON FERTILIZER COMPANY	1702 NORTH 6TH STREET	WILMINGTON	57.49
NCN000407302	WILMINGTON GUN CLUB (FORMER)	MILITARY CUTOFF ROAD	WILMINGTON	57.68
NONCD0001179	WILMINGTON IRON WORKS (FORMER)	S WATER, S FRONT, & ORANGE	WILMINGTON	57.88
NONCD0002736	WILMINGTON SHIPYARD (FORMER)	1500 POINT HARBOR RD.	WILMINGTON	57.49
Number of Sites:	**35**			
COUNTY: NORTHAMPTON				
NCD986227965	STOLLER CHEMICAL - SEVERN	HIGHWAY 35	SEVERN	34.73
Number of Sites:	**1**			
COUNTY: ONSLOW				
NONCD0002778	APAC-DEPPE #2 ASPHALT PLANT	6190 NEW BERN HWY	MAYSVILLE	34.5
NONCD0001193	COASTAL DRY CLEANERS	1170 HENDERSON DR	JACKSONVILLE	42.43
NCD084167444	STANADYNE, INC/DIESEL SYSTEMS	405 WHITE ST	JACKSONVILLE	44.22
NONCD0000004	STURGEON CITY PROPERTY	4 COURT STREET	JACKSONVILLE	49.67
Number of Sites:	**4**			
COUNTY: ORANGE				
NONCD0001186	CARR MILL MALL	200 N GREENSBORO ST	CARRBORO	46.28
Number of Sites:	**1**			
COUNTY: PASQUOTANK				
NONCD0000047	MEADS AIRFIELD PESTICIDES	SR 1100	WEEKSVILLE	41.22
Number of Sites:	**1**			
COUNTY: PENDER				
NONCD0001058	ELECTRONICS COMPONENT CORPORATION	200 ELECTRONICS PARKWAY	BURGAW	47.78
NONCD0002284	PENDER PLATING COMPANY	107 EAST HAYES ST.	BURGAW	41.19
NONCD0001143	PRESTIGE LABELS	151 INDUSTRIAL DR	BURGAW	38.97

ID #	SITE NAME	ADDRESS	CITY	SCORE
NCN000407564	WATHA FIRING RANGE	3311 SHILOH RD	WATHA	37.54
Number of Sites:	**4**			
COUNTY: PERQUIMANS				
NONCD0001173	LEBANON CHEMICAL	ALBERMARLE ST	HERTFORD	46.89
Number of Sites:	**1**			
COUNTY: PERSON				
NCD033978396	ATEC INDUSTRIES	PERKINS DRIVE	ROXBORO	38.92
NONCD0002848	LOXCREEN	RT 501 S	ROXBORO	16.41
NONCD0001116	REPUBLIC SERVICES OF NC	312 JACK SHERMAN RD	ROUGEMONT	44.48
Number of Sites:	**3**			
COUNTY: PITT				
NCSFN0407143	AMERICAN ELEMENTS	500 WALLACE ST	FARMVILLE	31.68
NONCD0001346	BETTER LOOK GARMENT CARE	622 SE GREENVILLE BLVD	GREENVILLE	42.94
NCD003186178	COASTAL CHEMICAL CORP.	EVANS ST EXT	GREENVILLE	28.33
NCD000827832	ELECTRICAL UTILITIES/CO BB&T	309 ANDERSON AVE	FARMVILLE	38.7
NCD980557854	FMC/NIAGARA PESTICIDES	OLD ST HWY 11 NORTH	AYDEN	41.44
NONCD0000055	GLISSON ENTERPRISES	HWY 903	GREENVILLE	38.12
NONCD0002874	MOHAWK-KARASTAN	2007 DICKINSON AVE	GREENVILLE	46.67
NONCD0002836	RABO CLEANERS	701 HOOKER RD	GREEENVILLE	35.17
NONCD0001113	SOUTHERN STATES (FORMER)	125 LINE AVE	GREENVILLE	42.81
NONCD0000042	SOUTHMET, INC.	NORTH GREENE STREET	GREENVILLE	34.04
NCD003184249	UNION CARBIDE CORP/EVEREADY BATTERY	264 BYPASS-EVANS ST EXTN	GREENVILLE	46.52
NCD093132207	VOICE OF AMERICA RELAY STATION	COUNTY ROAD 1212	GREENVILLE	34.21
NCD003183571	WINTERVILLE MACHINE WORKS, INC.	209 S MILL ST	WINTERVILLE	46.9
Number of Sites:	**13**			
COUNTY: RANDOLPH				
NONCD0001555	COX MOBILE HOME PARK	ROCKY KNOLL RD.	ASHEBORO	53.37
NCD982124646	GREGSON FUNITURE INDUSTRIES	206 E FRAIZER AVENUE	LIBERTY	41.48
NCD000822130	HARRELSON RUBBER COMPANY	HWY 220 SOUTH	ASHEBORO	25.45
NONCD0001117	HILLSIDE SHOPPING CENTER	1077 FAYETTEVILLE ST	ASHEBORO	42.43
NONCD0001011	JUNG CORPORATION	718 INDUSTRIAL PARK AVE	ASHEBORO	44.77
NCD003213568	LIBERTY FURNITURE CORP/CHROMCRAFT	HWY 421	LIBERTY	29.6
NCD003229762	STRUCTURAL WOODS PRESERVING CO.	HWY 22	COLERIDGE	31.34
NCD981864614	ULAH BATTERY/BATTERY PILES	SR 1219/DINAH RD	ASHEBORO	55.64
NCD003216462	UNION CARBIDE CORP/EVEREADY BATTERY	800 ALBEMARLE RD	ASHEBORO	45.97
Number of Sites:	**9**			
COUNTY: RICHMOND				
NCD000616219	GA-PACIFIC CORP	HWY 177 S	HAMLET	34.61
NCD980602791	SALVAGE OIL OF AMERICA	1227 MCLEOD STREET	ROCKINGHAN	25.68
NCD000828566	TARTAN MARINE PROPERTY	NC HIGHWAY 77 & SR 2032	HAMLET	31.33
Number of Sites:	**3**			
COUNTY: ROBESON				
NCD986209575	CARDINAL CHEMICAL WAREHOUSE FIRE	NC 211 & NC 72	LUMBERTON	33.96
NCD000830620	CAROLINA P&L CO. WEATHERSPOON STEAM	74 EAST	LUMBERTON	41.55
NCD045924032	WEST POINT PEPPERELL LUMBERTON	CHESTNUT ST EXTN	LUMBERTON	48.02
Number of Sites:	**3**			
COUNTY: ROCKINGHAM				
NCD024762668	BUSH BROTHERS PLATING INC/GREER	107 NE MARKET ST	REIDSVILLE	30.05
NCD089914311	MILLER BREWING CO/CONT DIV	1900 BARNES ST	REIDSVILLE	38.85
NCD093783876	VANIER GRAPHICS CORPORATION	655 MEADOW RD	EDEN	32.86
Number of Sites:	**3**			

ID #	SITE NAME	ADDRESS	CITY	SCORE
COUNTY: ROWAN				
NCD003213881	BENDIX CORPORATION	I-85 INNES ST EXIT	SALISBURY	26.36
NCD003218492	CAROLINA RUBBER HOSE COMPANY	1801 SOUTH RAILROAD	SALISBURY	26.04
NONCD0000035	CHAPEL STREET BATTERY DUMP	CHAPEL STREET	KANNAPOLIS	30
NCD041414780	FIELDCREST MILLS INC./NC FINISHING	US 29/70 N	SPENCER	48.07
NCD066327313	FINETEX, INC.	I85 HACKETT ST EXIT	SPENCER	44.77
NCD980843460	GRANT CREEK WWTP	CRUSE ROAD	SALISBURY	30.66
NCD108702606	HARTSOE BATTERY	2513 LINA AVE	KANNAPOLIS	35.01
NCD982095093	JAY'S CLEANERS	1803 N MAIN ST	KANNAPOLIS	36.75
NCD000653576	KERN RUBBER CO. URETHANE PLANT	1415 SALISBURY RD S	SALISBURY	32.59
NCD980843528	TOWN CREEK REGIONAL WWTP	HEILIGTOWN ROAD	SALISBURY	28.5
NONCD0000048	WALKER DRUM DISPOSAL	WYATTS CHURCH GROVE	GOLD HILL	23.8
Number of Sites:	**11**			
COUNTY: RUTHERFORD				
NCD981473150	CHERRY MT STREET DRUM	602 CHERRY MOUNTAIN	FOREST CITY	45.07
NONCD0001107	CONE MILLS - FLORENCE PLANT	FLORENCE & DEPOT RDS	FOREST CITY	40.75
NCD083673616	REEVES BROTHERS	RAILROAD AVE	RUTHERFORDTON	34.1
NONCD0000060	WATTS REGULATOR-GENERAL AIDES SITE	WITHROW ROAD	FOREST CITY	44.49
Number of Sites:	**4**			
COUNTY: SCOTLAND				
NCD082363102	HELENA CHEMICAL COMPANY	HARRY MALLEY RD	LAURINBURG	43.32
NCD986172500	MCLEAN BROTHERS FARM	SR 1415	WAGRAM	39.67
NCD002972966	REA MAGNET WIRE COMPANY	OLD LAUREL HILL CHURCH RD	LAURINBURG	41.49
NCD037160439	TOASTMASTER, INCORPORATED	OLD LAUREL HILL CHURCH RD	LAURINBURG	47.08
NONCD0002711	WESTPOINT STEVENS	AIRPORT ROAD	WAGRAM	43.92
Number of Sites:	**5**			
COUNTY: STANLY				
NONCD0001094	ALLISON MANUFACTURING CO	930 OLD CHARLOTTE ROAD	ALBEMARLE	47.87
NONCD0000053	CAROLINA MARBLE CO.	INDIAN MOUND ROAD	ALBEMARLE	15.28
NONCD0000001	STANLY NEWS & PRESS	237 W NORTH STREET	ALBEMARLE	38.78
Number of Sites:	**3**			
COUNTY: STOKES				
NONCD0000091	DUKE POWER/WALNUT COVE	POWER HOUSE ROAD	WALNUT COVE	26.95
Number of Sites:	**1**			
COUNTY: SURRY				
NONCD0000016	CMC LANDFILL	EAST MAIN STREET	ELKIN	51.02
NONCD0000065	CMI INDUSTRIES	304 EAST MAIN STREET	ELKIN	36.25
NCD003233673	HOOVER REPAIR SHOP	461 N SOUTH STREET SR1669	MT AIRY	46.69
NCD986166379	PILOT MOUNTAIN TIRE FIRE	DAVENPORT ROAD	PILOT MOUNTAIN	39.94
NCD003229358	SCM PROCTOR-SILEX/WEAREVER	HAY ST	MOUNT AIRY	53.02
NCD003464765	VAUGHAN-BASSETT FURNITURE CO.	ROUTE 268 EAST	ELKIN	25.93
Number of Sites:	**6**			
COUNTY: SWAIN				
NCD098765506	SINGER CO/FURNITURE DIV BRYSON	BRYSON WALK	BRYSON CITY	34.16
Number of Sites:	**1**			
COUNTY: TRANSYLVANIA				
NCD980502827	BROWN #1	SR 1504 VANDERBILT RD	PISGAH FOREST	39.3
NCD980729677	KNOB CREEK FLYASH DISPOSAL	SR 1540	BREVARD	52.53
NCD980728745	OSHIELDS FLY ASH	SR 1510	BREVARD	44.8
Number of Sites:	**3**			

ID #	SITE NAME	ADDRESS	CITY	SCORE
COUNTY: UNION				
NONCD0001102	ENQUIRER JOURNAL	500 W JEFFERSON ST	MONROE	42.99
NCD986176030	RHODERIA DRIVE WELLS	LAKEWOOD & RHODERA DRIVE	STALLINGS	46.98
NCD981863228	SCHERER, R.P.	2021 E. ROOSEVELT BLVD.	MONROE	44.71
NCD003155587	SCOTT AVIATION OF MONROE/TOOL SERV	309 W. CROWELL ST	MONROE	41.73
NCSFN0406894	STALLINGS SALVAGE	SECREST AVE	MONROE	24.89
NCD986232213	SUMMIT RESOURCE MANAGEMENT	3501 GRIBBLE ROAD	STALLINGS	21.45
NCD070619911	TELEDYNE ALLVAC MONROE PLANT	2020 ASHCRAFT AVE	MONROE	35.37
Number of Sites:	**7**			
COUNTY: VANCE				
NCD053528170	LAURENS GLASS/BALL-INCON GLASS PACK	US 1 SOUTH	HENDERSON	19.23
NONCD0000054	MOORES COMPANY	US 1 BUSINESS & SR 1001	HENDERSON	33.35
NCD982115040	PERRY BUILDERS - MOBILE TRACT	NICHOLAS ST & SKENES AVE	HENDERSON	38.91
NCD981863277	PERRY BUILDERS - RALEIGH RD	2846 RALEIGH RD	HENDERSON	39.05
NCD082362989	TUNGSTEN QUEEN MINE/ATLAS MINE	SR 1348	TOWNSVILLE	40.34
Number of Sites:	**5**			
COUNTY: WAKE				
NONCD0001033	AMERICAN CONTRACT COATINGS	HWY 55	APEX	30.43
NCD051853547	AUSTIN FOODS	ONE QUALITY LANE	CARY	42.43
NCD980557664	BURLINGTON INDUSTRIES, INC.	US 1 NORTH	RALEIGH	26.86
NCD982098774	CAL-TONE PAINTS	5115 NEW BERN AVE	RALEIGH	31.94
NCN000407686	CARALEIGH PHOSPHATE AND FERTILIZER	1601 LAKE WHEELER ROAD	RALEIGH	38.87
NCD003195161	CORNING GLASS WORKS	3900 ELECTRONICS DRIVE	RALEIGH	41.47
NONCD0001598	DEHAVEN	413 AIRPORT BLVD.	MORRISVILLE	35.29
NCN000409811	ELECTRIC MOTOR & TRANSFORMER	1900 S SANDERS ST	RALEIGH	46.21
NONCD0002822	GRAY & CREECH (FRMR)	8024 GLENWOOD AVE	RALEIGH	49.37
NONCD0001064	GUILFORD MILLS PLANT	200 DICKENS ROAD	FUQUAY-VARINA	37.89
NCD003186004	INTERNATIONAL PAPER/RICHMOND GRAVURE	2215 S. WILMINGTON STREET	RALEIGH	30.1
NONCD0002201	NEWS & OBSERVER MECH BLV-SPILL	1400 MECHANICAL BLVD.	GARNER	47.78
NONCD0001125	RALEIGH TTA-DILLON PARCEL A	102 S WEST ST	RALEIGH	41.5
NONCD0001126	RALEIGH TTA-DILLON PARCEL B	S WEST ST	RALEIGH	41.5
NONCD0001127	RALEIGH TTA-DILLON PARCEL C	510 & 602 W MARTIN ST	RALEIGH	41.4
NONCD0001123	RALEIGH TTA-SE PARCEL	S WEST ST & MORGAN ST	RALEIGH	32.94
NONCD0001124	RALEIGH TTA-WILSON PARCEL	200 S WEST ST	RALEIGH	40.07
NONCD0000019	SIR WALTER GUN CLUB	US 64	RALEIGH	30.96
NCD086326741	TEXACO INC/APEX	APEX & MCCULLERS RDS	APEX	34.66
NONCD0000066	WAKE AUTO PARTS (FORMER)	3520 TRYON RD	RALEIGH	38.03
NONCD0002728	WILLIAMS, E. W. FACILITY	8200 FAYETTEVILLE ROAD	RALEIGH	35.29
Number of Sites:	**21**			
COUNTY: WASHINGTON				
NCD981015746	CAROLINA ALUMINUM/HERBERT TAYLOR	SR 1125	ROPER	45.33
NCD000813592	GA-PACIFIC CORP/HDWD SAW	PLYWOOD DR	PLYMOUTH	49.53
NONCD0001985	LEBANON CHEMICAL CORPORATION	1665 HIGHWAY 64 EAST	PLYMOUTH	28.22
NCD075570820	PLYMOUTH WOOD TREATING COMPANY	N HWY 45	PLYMOUTH	40.68
Number of Sites:	**4**			
COUNTY: WATAUGA				
NONCD0001095	MOSES CONE MEMORIAL PARK	BLUE RIDGE PKWY	BLOWING ROCK	43.19
NONCD0001112	OLD JOHN'S RIVER ROAD DUMP	MILE MARKER 296.1, BR PKWY	BLOWING ROCK	45.81
Number of Sites:	**2**			
COUNTY: WAYNE				
NONCD0002777	APAC-GOLDSBORO ASPHALT PLANT	2421 ARRINGTON BRIDGE RD	GOLDSBORO	43.72
NCD003198967	GENERAL ELECTRIC CO/CAROLINA	900 N GEORGE ST	GOLDSBORO	42.53
NONCD0001034	GEORGE STREET PESTICIDE	SOUTH GEORGE STREET	GOLDSBORO	44.16

ID #	SITE NAME	ADDRESS	CITY	SCORE
NCD024577421	NORTH CAROLINA SALVAGE CO.	HWY 117 SOUTH	GOLDSBORO	36.38
NCD065295495	TEXFI IMPRESSIONS	PALETOWN RD	GOLDSBORO	33.41
NCN000409779	WAYNE AGRICULTURAL WORKS	700 S JOHN ST	GOLDSBORO	45.25

Number of Sites: 6

COUNTY: WILKES

NCD048184451	BURLINGTON HOME CHAIR	HIGHWAY 268	RONDA	28.49
NCD986211274	STONEY FORK CREEK DRUM DUMP SITE	MT. ZION ROAD	DEEP GAP	43.31

Number of Sites: 2

COUNTY: WILSON

NONCD0000038	AYCOCK PROPERTY	SR 1162 & 1103	WILSON	43.92
NCD980845119	BUCKHORN PESTICIDES	NC 581 & NC 42	WILSON	31.36
NONCD0002815	CAROLINA CHEMICAL CORP (FORMER)	6600 WARD BLVD	WILSON	40.71
NONCD0001554	COX DODGE (FORMER)	1501 LIPSCOMB ROAD	WILSON	51.05
NCD067191262	FIRESTONE TIRE AND RUBBER COMPANY	HWY 301	WILSON	24.45
NONCD0001109	FRIENDLY CLEANERS	605 S. PENDER ST	WILSON	34.14
NCD982174492	NATIONAL PIN	SR 1572	SARATOGA	23.37
NONCD0001005	TRANSEASTERN CORP.	509 S LODGE ST	WILSON	19.56
NONCD0000081	TRITON, INC	1610 SOUTH WARD BLVD	WILSON	46.84

Number of Sites: 9

COUNTY: YADKIN

NCD071579528	FORBUSH METAL	SPEER BRIDGE ROAD	YADKINVILLE	21.9

Number of Sites: 1

COUNTY: YANCEY

NCD003158094	GLEN RAVEN MILLS	EAST MAIN STREET	BURNSVILLE	40.02

Number of Sites: 1

NUMBER OF SITES IN THE SPL CATEGORY: 537

Site ID #	Site Name	Street Address	City	SPL	Voluntary Action Under Agreement	Evaluation Pending	Pollutant Only Site - Open	Pollutant Only Site-NFA	Pollutant Only Site-NFA Restricted	No Further Action	NFA-Restricted Use

Total Number of Sites: 2319

Site ID #	*Site Name*	*Street Address*	*City*	*SPL*	*Voluntary Action Under Agreement*	*Evaluation Pending*	*Pollutant Only Site - Open*	*Pollutant Only Site-NFA*	*Pollutant Only Site-NFA Restricted*	*No Further Action*	*NFA-Restricted Use*
NONCD0000050	HWY 268 MIRROR WASTE DUMP	HWY 268	NORTH WILKESBORO	No	No	No	No	No	No	No	Yes
NONCD0002474	SINK PROPERTY, CHARLES	VANCE STREET	NORTH WILKESBORO	No	No	Yes	No	No	No	No	No
NONCD0002529	STALEY RESIDENCE, WILLIAM	13442 BOONE TRAIL ROAD	PURLEAR	No	No	Yes	No	No	No	No	No
NCD986211274	STONEY FORK CREEK DRUM DUMP	MT. ZION ROAD	DEEP GAP	Yes	No	No	No	No	No	No	No
NONCD0002719	WILBORN PROPERTY, GARFIELD	2366 RED, WHITE AND BLUE ROAD	ROARING RIVER	No	No	Yes	No	No	No	No	No
Number of Sites:	9										
WILSON											
NONCD0000038	AYCOCK PROPERTY	SR 1162 & 1103	WILSON	Yes	No	No	No	No	No	No	No
NCD980845119	BUCKHORN PESTICIDES	NC 581 & NC 42	WILSON	Yes	No	No	No	No	No	No	No
NONCD0001395	BULLARD, MILDRED FARM	2359 TUCKER COURT	WILSON	No	No	Yes	No	No	No	No	No
NONCD0002815	CAROLINA CHEMICAL CORP	6600 WARD BLVD	WILSON	Yes	No	No	No	No	No	No	No
NONCD0001447	CAROLINA TELEPHONE-ELM CITY			No	No	Yes	No	No	No	No	No
NONCD0001554	COX DODGE (FORMER)	1501 LIPSCOMB ROAD	WILSON	Yes	No	No	No	No	No	No	No
NONCD0001686	ERSHIGS, INC.	300 LAYTON ST.	WILSON	No	No	Yes	No	No	No	No	No
NCD067191262	FIRESTONE TIRE AND RUBBER	HWY 301	WILSON	Yes	No	No	No	No	No	No	No
NONCD0001735	FOSTER FORBES GLASS	2200 FIRESTONE PARKWAY	WILSON	No	No	Yes	No	No	No	No	No
NONCD0001109	FRIENDLY CLEANERS	605 S. PENDER ST	WILSON	Yes	No	No	No	No	No	No	No
NCD003182805	HACKNEY BROTHERS BODY CO.	HERRING AVE & PENDER ST	WILSON	No	No	No	No	No	No	Yes	No
NONCD0000089	JOHN MORRELL & CO		WILSON	No	No	Yes	No	No	No	No	No
NONCD0001118	KIDDE TECHNOLOGIES	4200 AIRPORT DR	WILSON	No	Yes	No	No	No	No	No	No
NONCD0002023	M&A AMOCO (STOP & SHOP)	WARD BLVD (U.S. HWY. 301)	WILSON	No	No	Yes	No	No	No	No	No
NCD982174492	NATIONAL PIN	SR 1572	SARATOGA	Yes	No	No	No	No	No	No	No
NONCD0002268	PARKER HANNIFIN-WILSON	2600 WILCO BLVD.	WILSON	No	No	Yes	No	No	No	No	No
NCD981468960	ROCK QUARRY FARM DRUM BURIAL	1/3MI SW SR1400/1402 INT	ELM CITY	No	No	No	No	No	No	Yes	No
NONCD0002528	ST WOOTEN ASPHALT /P-27	SR 1301 (GREEN POND RD.)	SIMS	No	No	Yes	No	No	No	No	No
NONCD0002606	TOBACCO PROCESSORS, INC.	1920 FARRIOR ROAD	WILSON	No	No	Yes	No	No	No	No	No
NCD986166700	TOISNOT SWAMP	NC 42	WILSON	No	Yes	No	No	No	No	No	No
NONCD0001005	TRANSEASTERN CORP.	509 S LODGE ST	WILSON	Yes	No	No	No	No	No	No	No
NONCD0000081	TRITON, INC	1610 SOUTH WARD BLVD	WILSON	Yes	No	No	No	No	No	No	No
NONCD0002737	WILSON CO. PROPERTIES, INC	MERCK ROAD & NOVOPHARM	WILSON	No	No	Yes	No	No	No	No	No
NONCD0002740	WILSON TECH-FIRE TRAINING	HWY 301 & WHITLEY ROAD(42)	WILSON	No	No	Yes	No	No	No	No	No
Number of Sites:	24										
YADKIN											
NCD071579528	FORBUSH METAL	SPEER BRIDGE ROAD	YADKINVILLE	Yes	No	No	No	No	No	No	No
NONCD0001873	HOWARD STREET WELL	165 HOWARD STREET	BOONVILLE	No	No	Yes	No	No	No	No	No
NONCD0002020	LYDALL, INC. - NONUST	HWY 421	HAMPTONVILLE	No	No	Yes	No	No	No	No	No
Number of Sites:	3										
YANCEY											
NONCD0001305	AVONDALE MILLS/HIGH FIVE	400 EAST MAIN STREET	BURNSVILLE	No	No	Yes	No	No	No	No	No
NCD003158094	GLEN RAVEN MILLS	EAST MAIN STREET	BURNSVILLE	Yes	No	No	No	No	No	No	No
NONCD0002866	OMC/BOMBARDIER	185 ALTEC DR	BURNSVILLE	No	No	Yes	No	No	No	No	No
NONCD0001004	TIPTON HILL SCHOOL	TIPTON HILL SCHOOL ROAD	BURNSVILLE	No	No	No	No	No	No	Yes	No
Number of Sites:	4										

Site ID #	Site Name	Street Address	City	SPL	Voluntary Action Under Agreement	Evaluation Pending	Pollutant Only Site - Open	Pollutant Only Site-NFA	Pollutant Only Site-NFA Restricted	No Further Action	NFA-Restricted Use
NONCD0001736	FRA-MAR, INC.	ROUTE 5 BOX 283	BOONE	No	No	Yes	No	No	No	No	No
NONCD0001825	HARMON RESIDENCE, LARRY	5195 OLD HIGHWAY 321	SUGAR GROVE	No	No	Yes	No	No	No	No	No
NONCD0001907	INTERNATIONAL RESISTIVE CORP.	736 GREENWAY RD.	BOONE	No	No	Yes	No	No	No	No	No
NONCD0001927	JIM HENSON	834 LAUREL EXTENSION	BOONE	No	No	Yes	No	No	No	No	No
NONCD0001967	KNOWLES RESIDENCE, L.R.	787 STONE MTN. RD.	VILAS	No	No	Yes	No	No	No	No	No
NONCD0001095	MOSES CONE MEMORIAL PARK	BLUE RIDGE PKWY	BLOWING ROCK	Yes	No	No	No	No	No	No	No
NONCD0002141	NCDOT - SITE #38 BROWN BROTHERS	HWY 105	BOONE	No	No	Yes	No	No	No	No	No
NONCD0001112	OLD JOHN'S RIVER ROAD DUMP	MILE MARKER 296.1, BR PKWY	BLOWING ROCK	Yes	No	No	No	No	No	No	No
NONCD0002370	RANDALL HONEYCUTT	1045 HUNTING HILLS LANE	BOONE	No	No	Yes	No	No	No	No	No
NONCD0001205	TOYOTA OF BOONE	665 E KING ST	BOONE	No	No	Yes	No	No	No	No	No
NONCD0001139	VERMONT AMERICAN	STATE FARM RD	BOONE	No	Yes	No	No	No	No	No	No
NONCD0001013	VERMONT AMERICAN CORP-WOOD		BLOWING ROCK	No	No	No	No	No	No	Yes	No
Number of Sites:	12										

WAYNE

NCD045924339	ACME UNITED CORPORATION	HWY 117	FREMONT	No	Yes	No	No	No	No	No	No
NONCD0002777	APAC-GOLDSBORO ASPHALT PLANT	2421 ARRINGTON BRIDGE RD	GOLDSBORO	Yes	No	No	No	No	No	No	No
NONCD0001345	BEST SAND & GRAVEL MAINT. SHOP	117 BEST SAND AND GRAVEL ROAD	GOLDSBORO	No	Yes	No	No	No	No	No	No
NCD000830661	CAROLINA P&L CO. LEE STEAM ELEC	SR 1007	GOLDSBORO	No	No	No	No	No	No	Yes	No
NONCD0001558	DANIELS PROPERTY	200 N MALLORY ST	GOLDSBORO	No	No	Yes	No	No	No	No	No
NONCD0001744	GAF MATERIALS	430 OLD MOUNT OLIVE HIGHWAY	GOLDSBORO	No	No	Yes	No	No	No	No	No
NCD000813683	GA-PACIFIC CORP CHIP-N-SAW	OLD MOUNT OLIVE HIGHWAY	DUDLEY	No	No	No	No	No	No	Yes	No
NCD000813659	GA-PACIFIC CORP COMPLY	OLD MOUNT OLIVE HIGHWAY	DUDLEY	No	No	No	No	No	No	Yes	No
NCD003198967	GENERAL ELECTRIC CO/CAROLINA	900 N GEORGE ST	GOLDSBORO	Yes	No	No	No	No	No	No	No
NONCD0001034	GEORGE STREET PESTICIDE	SOUTH GEORGE STREET	GOLDSBORO	Yes	No	No	No	No	No	No	No
NCD986197309	GOLDSBORO COAL GAS PLANT #1	W. BEECH & N. VIRGINIA ST	GOLDSBORO	No	Yes	No	No	No	No	No	No
NONCD0001083	GOLDSBORO COAL GAS PLANT #2		GOLDSBORO	No	Yes	No	No	No	No	No	No
NONCD0001785	GOLDTEX	401 PATETOWN ROAD	GOLDSBORO	No	No	Yes	No	No	No	No	No
NCD039102959	HEVI-DUTY ELECTRIC/GENERAL SIG	HWY 117 S	GOLDSBORO	No	Yes	No	No	No	No	No	No
NONCD0000018	ICI AMERICAS (FORMER)	703 NOR-AM ROAD	PIKEVILLE	No	No	No	No	No	No	Yes	No
NCD980557631	LIVEWIRE ELEC CO/CALIFORNIA	1004 SOUTH GEORGE STREET	GOLDSBORO	No	No	Yes	No	No	No	No	No
NONCD0000052	NC CONSOLIDATED HIDE CO.	BRICK ROAD	GOLDSBORO	No	No	No	No	No	No	Yes	No
NCD024577421	NORTH CAROLINA SALVAGE CO.	HWY 117 SOUTH	GOLDSBORO	Yes	No	No	No	No	No	No	No
NONCD0001053	PARAMOUNT CHEVROLET	3300 HWY 70 BYPASS EAST	GOLDSBORO	No	No	Yes	No	No	No	No	No
NONCD0002839	PERRY AUTO/YOUNG RESIDENCE	4172 US 117 SOUTH	DUDLEY	No	No	Yes	No	No	No	No	No
NCD986188043	PINEWOOD DUMP SITE	302 NEW HOPE ROAD	GOLDSBORO	No	No	No	No	No	No	Yes	No
NONCD0002795	RD PATE ESTATE	101 E MAIN ST	PIKEVILLE	No	Yes	No	No	No	No	No	No
NONCD0002421	ROHR CHEMICAL, INC.	694 SHERIDAN FORREST RD.	GOLDSBORO	No	No	Yes	No	No	No	No	No
NCD065295495	TEXFI IMPRESSIONS	PALETOWN RD	GOLDSBORO	Yes	No	No	No	No	No	No	No
NONCD0002646	UNIFIRST CORPORATION (FORMERLY	800 SOUTH JOHN STREET	GOLDSBORO	No	Yes	No	No	No	No	No	No
NCN000409779	WAYNE AGRICULTURAL WORKS	700 S JOHN ST	GOLDSBORO	Yes	No	No	No	No	No	No	No
Number of Sites:	26										

WILKES

NONCD0000039	ABITIBI-PRICE CORPORATION	US 268	ROARING RIVER	No	Yes	No	No	No	No	No	No
NONCD0001254	AMERICAN DREW PLANT 12	1101 WEST D STREET	NORTH WILKESBORO	No	No	Yes	No	No	No	No	No
NCD048184451	BURLINGTON HOME CHAIR	HIGHWAY 268	RONDA	Yes	No	No	No	No	No	No	No
NCD003221462	GARDNER MIRROR CORPORATION	HWY 268 E	NORTH WILKESBORO	No	No	No	No	No	No	Yes	No

Site ID #	*Site Name*	*Street Address*	*City*	*SPL*	*Voluntary Action Under Agreement*	*Evaluation Pending*	*Pollutant Only Site - Open*	*Pollutant Only Site-NFA*	*Pollutant Only Site-NFA Restricted*	*No Further Action*	*NFA-Restricted Use*
NONCD0002448	SBI FACILITY	121 EAST TRYON STREET	RALEIGH	No	No	Yes	No	No	No	No	No
NONCD0000019	SIR WALTER GUN CLUB	US 64	RALEIGH	Yes	No	No	No	No	No	No	No
NONCD0002475	SIRCHIE FINGERPRINT LAB	5825 TRIANGLE DR.	RALEIGH	No	No	Yes	No	No	No	No	No
NONCD0002546	STOCK BUILDING SUPPLY	1701 NORTH SALEM STREET	APEX	No	No	Yes	No	No	No	No	No
NONCD0002552	STONEROSE SUBDIVISION	STONEROSE CIRCLE	CARY	No	No	Yes	No	No	No	No	No
NONCD0001165	STONY HILL ROAD CONTAMINATION	7305 STONY HILL	WAKE FOREST	No	No	Yes	No	No	No	No	No
NCD981028236	TAYLOR'S POND TOWNHOUSES	115 BRIGHTLEAF COURT	CARY	No	No	No	No	No	No	Yes	No
NCD086326741	TEXACO INC/APEX	APEX & MCCULLERS RDS	APEX	Yes	No	No	No	No	No	No	No
NONCD0002593	THOMPSON CABINET SHOP 1998	4712 FAYETTEVILLE ROAD	MORRISVILLE	No	No	Yes	No	No	No	No	No
NONCD0002624	TRIAD GRADING COMPANY/	3740 OVERLOOK ROAD	RALEIGH	No	No	Yes	No	No	No	No	No
NONCD0002629	TRIANGLE RESEARCH & DEVELOPMEN	6809 DAVIS CIRCLE	RALEIGH	No	No	Yes	No	No	No	No	No
NONCD0002634	TRI-POINTE STERLING, INC.	3500 YONKERS ROAD	RALEIGH	No	No	Yes	No	No	No	No	No
NONCD0002831	TWIN LAKES SUBDIVISION	223 ROPE WALK COURT	MORRISVILLE	No	No	Yes	No	No	No	No	No
NC9210020732	USA RESERVE XVIII AIRBORNE	3115 WESTERN BLVD	RALEIGH	No	No	No	No	No	No	Yes	No
NC4210022907	USA RESERVE XVIII AIRBORNE	2017 W GARNER ST	GARNER	No	No	No	No	No	No	Yes	No
NONCD0002683	W.E. GARRISON COMPANY	5820 FAYETTEVILLE ROAD	RALEIGH	No	No	Yes	No	No	No	No	No
NONCD0000066	WAKE AUTO PARTS (FORMER)	3520 TRYON RD	RALEIGH	Yes	No	No	No	No	No	No	No
NONCD0002688	WAKE COUNTY HOMELESS	1420 S. WILMINGTON STREET	RALEIGH	No	No	Yes	No	No	No	No	No
NONCD0002689	WAKE COUNTY SCHOOLS-NOBLE	503 NOBLE ROAD	RALEIGH	No	No	Yes	No	No	No	No	No
NONCD0002672	WAKE ENTERPRISES, INC	3333 AIR PARK RD	FUQUAY-VARINA	No	No	Yes	No	No	No	No	No
NCD065302267	WASTE INDUSTRIES	4900 CRAFTSMAN DRIVE	RALEIGH	No	No	No	No	No	No	Yes	No
NCD980843106	WEATHERSFIELD PLACE	774 WEATHERGREE DRIVE	RALEIGH	No	No	No	No	No	No	Yes	No
NONCD0002701	WEAVEXX CORPORATION	11120 CAPITOL BOULEVARD	WAKE FOREST	No	No	Yes	No	No	No	No	No
NONCD0002707	WESTGATE PROPERTY	8720 FLEET SERVICE DRIVE	RALEIGH	No	No	Yes	No	No	No	No	No
NCD003195963	WESTINGHOUSE ELEC METER & LIGHT	US 1 N	RALEIGH	No	Yes	No	No	No	No	No	No
NONCD0002715	WHITE WALL SHELL	HILLSBOROUGH ST	RALEIGH	No	No	Yes	No	No	No	No	No
NONCD0002728	WILLIAMS, E. W. FACILITY	8200 FAYETTEVILLE ROAD	RALEIGH	Yes	No	No	No	No	No	No	No
NCD991277807	WOOLFOLK CHEMICAL WORKS	WILSON ROAD	WENDELL	No	No	No	No	No	No	Yes	No
NONCD0002773	ZEMA CORP.	6514 CHAPEL HILL RD.	RALEIGH	No	No	Yes	No	No	No	No	No

Number of Sites: 115

WARREN

NONCD0001449	CAROLINA TELEPHONE-WARREN	US HWY 158	WARRENTON	No	No	Yes	No	No	No	No	No

Number of Sites: 1

WASHINGTON

NCD981015803	CAROLINA ALUMINUM STATE RD	SR 1126 1.7 MILES SOUTH O	CRESWELL	No	No	No	No	No	No	Yes	No
NCD981015746	CAROLINA ALUMINUM/HERBERT	SR 1125	ROPER	Yes	No	No	No	No	No	No	No
NONCD0001629	DOT ASPHALT PLANT (OUTER	SR 1820	PLYMOUTH	No	No	Yes	No	No	No	No	No
NONCD0001632	DOWNING RESIDENCE	511 MONROE STREET	PLYMOUTH	No	No	Yes	No	No	No	No	No
NCD000813592	GA-PACIFIC CORP/HDWD SAW	PLYWOOD DR	PLYMOUTH	Yes	No	No	No	No	No	No	No
NONCD0001985	LEBANON CHEMICAL CORPORATION	1665 HIGHWAY 64 EAST	PLYMOUTH	Yes	No	No	No	No	No	No	No
NCD000605055	PLYMOUTH SHOPPING CENTER	HIGHWAY 64 & 32	PLYMOUTH	No	No	No	No	No	No	Yes	No
NCD075570820	PLYMOUTH WOOD TREATING	N HWY 45	PLYMOUTH	Yes	No	No	No	No	No	No	No

Number of Sites: 8

WATAUGA

Site ID #	Site Name	Street Address	City	SPL	Voluntary Action Under Agreement	Evaluation Pending	Pollutant Only Site - Open	Pollutant Only Site-NFA	Pollutant Only Site-NFA Restricted	No Further Action	NFA-Restricted Use
NONCD0002822	GRAY & CREECH (FRMR)	8024 GLENWOOD AVE	RALEIGH	Yes	No	No	No	No	No	No	No
NCD986232379	GRESHAMS LAKE INDUSTRIAL PARK	3220 NORTHSIDE DRIVE	RALEIGH	No	Yes	No	No	No	No	No	No
NONCD0001064	GUILFORD MILLS PLANT	200 DICKENS ROAD	FUQUAY-VARINA	Yes	No	No	No	No	No	No	No
NONCD0001811	HADLEY PROPERTY (FORMER)	209 LORD BERKLEY ROAD	RALEIGH	No	No	Yes	No	No	No	No	No
NONCD0001827	HARRIS WHOLESALE PROPERTY	1400 CAPITAL BLVD.	RALEIGH	No	No	Yes	No	No	No	No	No
NONCD0002290	HILLIARD FOREST	7503 GREEN HOPE SCHOOL RD	CARY	No	No	Yes	No	No	No	No	No
NONCD0001865	HOMESTEAD VILLAGE MOBILE HM	7434 CAPITAL BLVD.	RALEIGH	No	No	Yes	No	No	No	No	No
NCD003186004	INTERNATIONAL PAPER/RICHMOND	2215 S. WILMINGTON STREET	RALEIGH	Yes	No	No	No	No	No	No	No
NONCD0001021	ISLEY ESTATE	5640 WESTGATE ROAD	RALEIGH	No	No	No	No	No	No	Yes	No
NCD000616276	ITT CORPORATION	1208 FRONT ST BLDG K	RALEIGH	No	No	No	No	No	No	Yes	No
NCD000616284	ITT CORPORATION	3004 INDUSTRIAL DR BDG D	RALEIGH	No	No	No	No	No	No	Yes	No
NCN000410369	JAMES AUSTIN RD TCE	7834 JAMES AUSTIN ROAD	WILLOW SPRINGS	No	No	Yes	No	No	No	No	No
NONCD0001960	KINGSWOOD SCHOOL SPILL	519 FERRELL STREET	CARY	No	No	Yes	No	No	No	No	No
NONCD0001965	KNIGHT PROP/KNIGHTDALECLEANERS	MCKNIGHT DRIVE	KNIGHTDALE	No	No	Yes	No	No	No	No	No
NONCD0001980	LAN-O-SHEEN, INC.	201 DICKENS DRIVE	FUQUAY-VARINA	No	No	Yes	No	No	No	No	No
NONCD0002029	MANGUM,MARY RESI./PRINCES GRO	456 MAIN STREET	APEX	No	No	Yes	No	No	No	No	No
NONCD0002615	MEDLIN-DAVIS DRY CLEANERS-	W JONES AND SALISBURY STS	RALEIGH	No	Yes	No	No	No	No	No	No
NONCD0002069	MICROWAVE LABORATORIES, INC.	8917 GLENWOOD AVE.	RALEIGH	No	No	Yes	No	No	No	No	No
NONCD0002082	MITCHELL PROPERTY (FORMER)	3601 DOYLE ROAD	ZEBULON	No	No	Yes	No	No	No	No	No
NONCD0002108	MURRAY, CHARLES - N. BLVD	3204 NORTH BLVD.	RALEIGH	No	No	Yes	No	No	No	No	No
NONCD0002116	NAPA/LOCKAMY'S BODY SHOP	1301 HIGHWAY 70 WEST	GARNER	No	No	Yes	No	No	No	No	No
NCD991277856	NCDA PESTICIDE LAB STORAGE	BLUE RIDGE ROAD	RALEIGH	No	No	No	No	No	No	Yes	No
NONCD0002187	NCDOT SITE # 29	NORTHSIDE DRIVE	RALEIGH	No	No	Yes	No	No	No	No	No
NONCD0002191	NCDOT SITE-C.C. MANGUM US 64E	5201 OLD US 64 EAST	RALEIGH	No	No	Yes	No	No	No	No	No
NONCD0002201	NEWS & OBSERVER MECH BLV-SPILL	1400 MECHANICAL BLVD.	GARNER	Yes	No	No	No	No	No	No	No
NONCD0002216	NORTH CAROLINA EQUIPMENT FACIL.	REEDY CREEK ROAD AND CHAPEL HI	CARY	No	No	Yes	No	No	No	No	No
NONCD0000077	OLD STATE LAB	950 E. CHATHAM STREET	CARY	No	No	No	No	No	No	Yes	No
NCD000831065	PHOTO CHEMICAL SYSTEMS, INC	105 FOREST DRIVE	KNIGHTDALE	No	No	No	No	No	No	Yes	No
NCD986229359	PHOTO CHEMICAL SYSTEMS, INC.	11 N. PINE STREET	WENDELL	No	No	No	No	No	No	Yes	No
NCD986166171	PIERCE (LYNN) PROPERTY	ROUTE 5	APEX	No	No	No	No	No	No	Yes	No
NONCD0002339	PSNC SPILL	901 EAST CHATHAM ST.	CARY	No	No	Yes	No	No	No	No	No
NONCD0002346	PUTT PUTT	4020 TRYON ROAD	RALEIGH	No	No	Yes	No	No	No	No	No
NONCD0002360	RADIO COMMUNICATIONS	8035 CHAPEL HILL ROAD	CARY	No	No	Yes	No	No	No	No	No
NCD986188894	RALEIGH COAL GAS PLANT NO. 1	S MCDOWELL & W CABARRUS STS	RALEIGH	No	Yes	No	No	No	No	No	No
NCD986188902	RALEIGH COAL GAS PLANT NO. 2	WEST CABARRUS STREET	RALEIGH	No	Yes	No	No	No	No	No	No
NCD045915568	RALEIGH METAL PROCESSORS	2310 GARNER RD	RALEIGH	No	Yes	No	No	No	No	No	No
NCD991278920	RALEIGH NEUSE RIVER WWTP	BATTLE-BRIDGE RD SR 2552	RALEIGH	No	No	No	No	No	No	Yes	No
NONCD0002363	RALEIGH NEUSE RIVER WWTP	NEUSE RIVER WWTP	RALEIGH	No	No	Yes	No	No	No	No	No
NONCD0001125	RALEIGH TTA-DILLON PARCEL A	102 S WEST ST	RALEIGH	Yes	No	No	No	No	No	No	No
NONCD0001126	RALEIGH TTA-DILLON PARCEL B	S WEST ST	RALEIGH	Yes	No	No	No	No	No	No	No
NONCD0001127	RALEIGH TTA-DILLON PARCEL C	510 & 602 W MARTIN ST	RALEIGH	Yes	No	No	No	No	No	No	No
NONCD0001123	RALEIGH TTA-SE PARCEL	S WEST ST & MORGAN ST	RALEIGH	Yes	No	No	No	No	No	No	No
NONCD0001124	RALEIGH TTA-WILSON PARCEL	200 S WEST ST	RALEIGH	Yes	No	No	No	No	No	No	No
NONCD0002365	RALEIGH WELDING WORKS	414 SOUTH EAST STREET	RALEIGH	No	No	Yes	No	No	No	No	No
NONCD0002374	RAY PAVING (FORMER)/98 FOOD MART	991-1000 DURHAM HIGHWAY	WAKE FOREST	No	No	Yes	No	No	No	No	No
NONCD0002377	RC MOTOR COMPANY	6501 CAPITAL BLVD.	RALEIGH	No	No	Yes	No	No	No	No	No
NONCD0002379	REA CONSTRUCTION-WEST RALEIGH	5801 CHAPEL HILL ROAD	RALEIGH	No	No	Yes	No	No	No	No	No
NONCD0002416	ROGERS REALTY PROPERTY	500 WEST MORGAN, 10 S. STREET	RALEIGH	No	No	Yes	No	No	No	No	No
NONCD0001203	ROYAL/CROWN PONTIAC	2501 CAPITAL BLVD	RALEIGH	No	No	No	No	No	No	Yes	No

Site ID #	*Site Name*	*Street Address*	*City*	*SPL*	*Voluntary Action Under Agreement*	*Evaluation Pending*	*Pollutant Only Site - Open*	*Pollutant Only Site-NFA*	*Pollutant Only Site-NFA Restricted*	*No Further Action*	*NFA-Restricted Use*
NONCD0000054	MOORES COMPANY	US 1 BUSINESS & SR 1001	HENDERSON	Yes	No	No	No	No	No	No	No
NONCD0002222	NOVAK, GENE	1259 OAK RIDGE AVE	HENDERSON	No	No	Yes	No	No	No	No	No
NCD982115040	PERRY BUILDERS - MOBILE TRACT	NICHOLAS ST & SKENES AVE	HENDERSON	Yes	No	No	No	No	No	No	No
NCD981863277	PERRY BUILDERS - RALEIGH RD	2846 RALEIGH RD	HENDERSON	Yes	No	No	No	No	No	No	No
NONCD0002526	SPUR STATION #1286	404 N. GARNETT ST.	HENDERSON	No	No	Yes	No	No	No	No	No
NONCD0001062	SWAIM'S TRUCK PARTS & SERVICE	WELCOME AVENUE	HENDERSON	No	No	No	No	No	No	Yes	No
NCD082362989	TUNGSTEN QUEEN MINE/ATLAS MINE	SR 1348	TOWNSVILLE	Yes	No	No	No	No	No	No	No
NC0001122142	VANCE COUNTY DRUM FIRE	HWY 39 N	HENDERSON	No	No	No	No	No	No	Yes	No
Number of Sites:	14										
WAKE											
NONCD0001033	AMERICAN CONTRACT COATINGS	HWY 55	APEX	Yes	No	No	No	No	No	No	No
NONCD0001266	AMPLE STORAGE	3450 BUSH STREET	RALEIGH	No	No	Yes	No	No	No	No	No
NONCD0001170	ARROW DRIVE-CRABTREE CREEK	ARROW DR & GLENWOOD AVE	RALEIGH	No	No	Yes	No	No	No	No	No
NCD981929615	AUBURN CHURCH ROAD DRUM	AUBURN CHURCH ROAD	RALEIGH	No	No	No	No	No	No	Yes	No
NCD051853547	AUSTIN FOODS	ONE QUALITY LANE	CARY	Yes	No	No	No	No	No	No	No
NCD986166155	BAKER (MAGGIE) PROPERTY	1209 TRINITY ROAD	RALEIGH	No	No	No	No	No	No	Yes	No
NONCD0001311	BAKER ROOFING	655 MAYWOOD AVE	RALEIGH	No	No	Yes	No	No	No	No	No
NONCD0001322	BARWELL ROAD WELLS	INTERSECTION OF POOLE AND BARW	RALEIGH	No	No	Yes	No	No	No	No	No
NONCD0001325	BAZEMORE WAKE LLC SITE	9440 DURANT ROAD	RALEIGH	No	No	No	No	No	No	Yes	No
NONCD0001399	BURKE'S HARDWARE	5227 HILLSBOROUGH STREET	RALEIGH	No	No	Yes	No	No	No	No	No
NCD980557664	BURLINGTON INDUSTRIES, INC.	US 1 NORTH	RALEIGH	Yes	No	No	No	No	No	No	No
NCD982098774	CAL-TONE PAINTS	5115 NEW BERN AVE	RALEIGH	Yes	No	No	No	No	No	No	No
NONCD0001433	CAPITAL BL. SH. CT-GLAM-O-RAMA	3100 CAPITAL BLVD	RALEIGH	No	No	Yes	No	No	No	No	No
NCN000407686	CARALEIGH PHOSPHATE AND	1601 LAKE WHEELER ROAD	RALEIGH	Yes	No	No	No	No	No	No	No
NCD991278284	CAROLINA P&L CO. HARRIS	SR 1134	NEW HILL	No	No	No	No	No	No	Yes	No
NONCD0001453	CAROLINA TRAILWAYS			No	No	Yes	No	No	No	No	No
NONCD0001057	CARPENTER BATTERY DUMP	CARPENTER FIRE STATION ROAD	CARY	No	No	No	No	No	No	Yes	No
NONCD0001460	CARY KEYBOARD/MAYNARD PLAZA	1401 S. E. MAYNARD ROAD	CARY	No	No	Yes	No	No	No	No	No
NONCD0001461	CARY VILLAGE 66	1101 WALNUT ST.	CARY	No	No	Yes	No	No	No	No	No
NONCD0001468	CC MANGUM-HIGHWAY 54	6105 CHAPEL HILL ROAD	RALEIGH	No	No	Yes	No	No	No	No	No
NCD080894645	CHLORIDE AUTOMOTIVE BATTERIES	2539 TIMBER LAKE ROAD	RALEIGH	No	No	No	No	No	No	Yes	No
NONCD0002821	COMPLETE AUTO CENTER	909 CAPITAL BLVD	RALEIGH	No	No	Yes	No	No	No	No	No
NCD982116477	CONAGRA FOODS, INC	4851 JONES SAUSAGE RD	GARNER	No	No	Yes	No	No	No	No	No
NONCD0002875	CONTEMPORARY ART MUSEUM	409 W MARTIN ST	RALEIGH	No	No	Yes	No	No	No	No	No
NCD003195161	CORNING GLASS WORKS	3900 ELECTRONICS DRIVE	RALEIGH	Yes	No	No	No	No	No	No	No
NONCD0001061	CP&L NORTHERN DIVISION COMPLEX	902 WITHERS RD; SR 1466	GARNER	No	Yes	No	No	No	No	No	No
NONCD0001598	DEHAVEN	413 AIRPORT BLVD.	MORRISVILLE	Yes	No	No	No	No	No	No	No
NONCD0001642	DUMAS ESTATE	1512 OLD GARNER ROAD	RALEIGH	No	No	Yes	No	No	No	No	No
NONCD0002289	DUNN, R.F. PROPERTY	6425 GLENWOOD AVE	RALEIGH	No	No	Yes	No	No	No	No	No
NONCD0000037	DURANT PARK	DURANT ROAD	RALEIGH	No	No	No	No	No	No	Yes	No
NCD040047466	EAST CAROLINA METAL TREAT, INC.	1014 S. SAUNDERS STREET	RALEIGH	No	No	No	No	No	No	Yes	No
NCN000409811	ELECTRIC MOTOR & TRANSFORMER	1900 S SANDERS ST	RALEIGH	Yes	No	No	No	No	No	No	No
NCD075563932	ESB INC/EXIDE CORPORATION	2510 NORTH BOULEVARD	RALEIGH	No	No	No	No	No	No	Yes	No
NONCD0001708	FARM HOUSE RESTAURANT	3001 HILLSBOROUGH STREET	RALEIGH	No	No	Yes	No	No	No	No	No
NONCD0001709	FAST FARE 581	2721 MCNEIL STREET	RALEIGH	No	No	Yes	No	No	No	No	No
NCD981929243	GILLCREST ROAD DRUM MIDNIGHT	GILLCREST ROAD	WAKE FOREST	No	No	No	No	No	No	Yes	No
NONCD0001780	GLENWOOD AVENUE	413 SOUTH GLENWOOD AVENUE	RALEIGH	No	No	Yes	No	No	No	No	No

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TYRRELL											
NONCD0001505	CITY MOTOR PARTS	HWY 64	COLUMBIA	No	No	Yes	No	No	No	No	No
NONCD0002203	NILO-OLIN INC (FORMER BUTLERS	NCSR 1112 (BUTLER ROAD)	COLUMBIA	No	No	Yes	No	No	No	No	No
NONCD0002677	VOLIVA OIL COMPANY SITE	201 WATER STREET	COLUMBIA	No	No	Yes	No	No	No	No	No
Number of Sites:	3										
UNION											
NONCD0001225	ADA MC GEE	5212 LEE MASSEY RD	WAXHAW	No	No	Yes	No	No	No	No	No
NONCD0001292	ASSOCIATED ENGINEERING	3512 FAITH CHURCH RD	INDIAN TRAIL	No	No	Yes	No	No	No	No	No
NONCD0001355	BLOOMSBURG MILLS PLANT -	3000 STITT ST	MONROE	No	No	Yes	No	No	No	No	No
NONCD0001516	CLONTZ RESIDENCE	5304 LANDSFORD RD	MARSHVILLE	No	No	Yes	No	No	No	No	No
NONCD0001604	DIAMOND OAK DEVELOPMENT SITE	HOWIE MINE CHURCH RD	WAXHAW	No	No	Yes	No	No	No	No	No
NONCD0001102	ENQUIRER JOURNAL	500 W JEFFERSON ST	MONROE	Yes	No	No	No	No	No	No	No
NONCD0001717	FIRST CITIZENS BANK	2743 W. ROOSEVELT BLVD	MONROE	No	No	Yes	No	No	No	No	No
NONCD0001068	GENCORP PRINTWORLD INC	2011 ROCKY RIVER ROAD	MONROE	No	No	No	No	No	No	Yes	No
NONCD0002039	MASON RESIDENCE	409 BIVENS RD	MONROE	No	No	Yes	No	No	No	No	No
NONCD0002044	MATHIS RESIDENCE (RHODERA	2126 RHODERIA DR.	MATTHEWS	No	No	Yes	No	No	No	No	No
NONCD0002054	MCGEE BROS.-CARRIKER RD -	4608 CARRIKER RD	MONROE	No	No	Yes	No	No	No	No	No
NONCD0002412	MINERAL SPRINGS FERTILIZER CO	5901 EUBANKS ST	MINERAL SPRINGS	No	No	Yes	No	No	No	No	No
NONCD0002091	MONROE CHAINSAW & LAWNMOVER	312 OLD MORGAN MILL RD	MONROE	No	No	Yes	No	No	No	No	No
NONCD0002092	MONROE ICE AND FUEL (SOLVENTS)	601 NORTH CHARLOTTE AVE	MONROE	No	No	Yes	No	No	No	No	No
NONCD0002093	MONROE MUNICIPAL SERVICE	2401 WALKUP AVE	MONROE	No	No	Yes	No	No	No	No	No
NONCD0002157	NCDOT ASPHALT SITE #12 / BOGGS	2318 CONCORD HWY	MONROE	No	No	Yes	No	No	No	No	No
NONCD0002329	PRICES PHILLIPS 66	1601 ROOSEVELT AVE	MONROE	No	No	Yes	No	No	No	No	No
NCD986176030	RHODERIA DRIVE WELLS	LAKEWOOD & RHODERA DRIVE	STALLINGS	Yes	No	No	No	No	No	No	No
NCD981863228	SCHERER, R.P.	2021 E. ROOSEVELT BLVD.	MONROE	Yes	No	No	No	No	No	No	No
NCD095458709	SCHRADER AUTOMOTIVE PRODUCTS	1609 AIRPORT ROAD	MONROE	No	No	Yes	No	No	No	No	No
NCD003155587	SCOTT AVIATION OF MONROE/TOOL	309 W. CROWELL ST	MONROE	Yes	No	No	No	No	No	No	No
NCD000616516	SCOVILL INC/SECURITY PRODUCTS	HWY 74 E	MONROE	No	Yes	No	No	No	No	No	No
NONCD0002527	SQUARE D - CATCH BASIN	1809 AIRPORT RD	MONROE	No	No	Yes	No	No	No	No	No
NCSFN0406894	STALLINGS SALVAGE	SECREST AVE	MONROE	Yes	No	No	No	No	No	No	No
NCD986191484	STOUT INTERNATIONAL OF NC, INC	HIGHWAY 74 EAST	MONROE	No	No	Yes	No	No	No	No	No
NCD986232213	SUMMIT RESOURCE MANAGEMENT	3501 GRIBBLE ROAD	STALLINGS	Yes	No	No	No	No	No	No	No
NONCD0002380	SUTTON PARK GROCERY	2701 WALKUP AVE	MONROE	No	No	Yes	No	No	No	No	No
NCD070619911	TELEDYNE ALLVAC MONROE PLANT	2020 ASHCRAFT AVE	MONROE	Yes	No	No	No	No	No	No	No
NCD981930217	UNION COUNTY DRUM	SOUTHERLIN AVENUE	MONROE	No	No	No	No	No	No	Yes	No
NCD981030836	WAXHAW STORAGE TANKS	NW CORNER S PROVIDENCE ST	WAXHAW	No	No	No	No	No	No	Yes	No
Number of Sites:	30										
VANCE											
NONCD0001371	BOWMAN BODY SHOP(FREDS)	ST. ANDREWS CHURCH RD	HENDERSON	No	No	Yes	No	No	No	No	No
NONCD0001397	BURKART CAROLINA	1730 DABNEY DRIVE	HENDERSON	No	No	Yes	No	No	No	No	No
NONCD0001527	COFFEY, SARA PROPERTY	339 WEST YOUNG AVENUE	HENDERSON	No	No	Yes	No	No	No	No	No
NONCD0001084	HENDERSON COAL GAS PLANT		HENDERSON	No	Yes	No	No	No	No	No	No
NCD986215697	KRAJACK TRUCK SPILL	PARHAM ROAD	HENDERSON	No	No	No	No	No	No	Yes	No
NCD053528170	LAURENS GLASS/BALL-INCON GLASS	US 1 SOUTH	HENDERSON	Yes	No	No	No	No	No	No	No

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NONCD0001226	ADAMS-MILLIS PLANT 2/33 - NONUST	838 S. MAIN ST.	MOUNT AIRY	No	Yes	No	No	No	No	No	No
NONCD0001486	CHATHAM, INC.	304 EAST MAIN STREET	ELKIN	No	No	Yes	No	No	No	No	No
NONCD0000016	CMC LANDFILL	EAST MAIN STREET	ELKIN	Yes	No	No	No	No	No	No	No
NONCD0001082	CMI FLYASH DISPOSAL (PARCEL 2)	HWY 268	ELKIN	No	No	No	No	No	No	No	Yes
NONCD0000065	CMI INDUSTRIES	304 EAST MAIN STREET	ELKIN	Yes	No	No	No	No	No	No	No
NONCD0001092	CMI WWTP (PARCEL1)	HWY 268	ELKIN	No	Yes	No	No	No	No	No	No
NONCD0001613	DIVERSIFIED SENIOR SERVICES	MAIN STREET @ FRONT STREET	ELKIN	No	No	Yes	No	No	No	No	No
NONCD0001719	FLAVOR-O-RICH	1607 WEST PINE STREET	MT. AIRY	No	No	Yes	No	No	No	No	No
NONCD0001748	GANT STATION, FORMER	102 WEST LEBANON STREET	MOUNT AIRY	No	No	Yes	No	No	No	No	No
NONCD0001763	GENTRY RESIDENCE, IRIS	2657 ARARAT ROAD	ARARAT	No	No	Yes	No	No	No	No	No
NONCD0001821	HANNA SHOEMAKER RESIDENCE	194 ARARAT LONGHILL ROAD	PILOT MOUNTAIN	No	No	Yes	No	No	No	No	No
NCD003233673	HOOVER REPAIR SHOP	461 N SOUTH STREET SR1669	MT AIRY	Yes	No	No	No	No	No	No	No
NONCD0001446	INTERSTATE SIGN CO	1990 ROCKFORD ST	MOUNT AIRY	No	No	Yes	No	No	No	No	No
NONCD0001086	MT AIRY COAL GAS PLANT		MT AIRY	No	Yes	No	No	No	No	No	No
NONCD0002125	NC FOAM INDUSTRIES - NONUST	511 CARTER ST.	MOUNT AIRY	No	No	Yes	No	No	No	No	No
NONCD0002151	NCDOT - SURRY COUNTY	HWY 601 NORTH	DOBSON	No	No	Yes	No	No	No	No	No
NONCD0002306	PIKE ELECTRIC, INC.	418 SMITH STREET	MT. AIRY	No	No	Yes	No	No	No	No	No
NCD986166379	PILOT MOUNTAIN TIRE FIRE	DAVENPORT ROAD	PILOT MOUNTAIN	Yes	No	No	No	No	No	No	No
NONCD0002311	PINE STATE KNITWEAR - C	630 INDEPENDENCE BL	MOUNT AIRY	No	No	Yes	No	No	No	No	No
NCD003229358	SCM PROCTOR-SILEX/WEAREVER	HAY ST	MOUNT AIRY	Yes	No	No	No	No	No	No	No
NONCD0002536	STATE ROAD GROCERY	3323 U.S. HIGHWAY 21 NORTH	STATE ROAD	No	No	Yes	No	No	No	No	No
NCD986171254	SURRY COUNTY TIRE FIRE	HWY 268	DOBSON	No	No	No	No	No	No	Yes	No
NONCD0002588	THE STORE - SILOAM	3069 SILOAM ROAD	SILOAM	No	No	Yes	No	No	No	No	No
NONCD0002791	THE TRIBUNE	214 E MAIN ST	ELKIN	No	No	Yes	No	No	No	No	No
NONCD0002652	UNITED TECHNOLOGIES AUTOMOTIVE	511 HAY ST.	MOUNT AIRY	No	No	Yes	No	No	No	No	No
NCD003464765	VAUGHAN-BASSETT FURNITURE CO.	ROUTE 268 EAST	ELKIN	Yes	No	No	No	No	No	No	No
NONCD0002772	YOCO RENTAL PROPERTY	110 QUAKER ROAD	MT. AIRY	No	No	Yes	No	No	No	No	No

Number of Sites: 27

SWAIN

NCD098765506	SINGER CO/FURNITURE DIV BRYSON	BRYSON WALK	BRYSON CITY	Yes	No	No	No	No	No	No	No

Number of Sites: 1

TRANSYLVANIA

NCD980502827	BROWN #1	SR 1504 VANDERBILT RD	PISGAH FOREST	Yes	No	No	No	No	No	No	No
NCD980729537	CAMP STRAUSS	BOLVESTON HIGHWAY SR 276	BREVARD	No	No	No	No	No	No	Yes	No
NONCD0001523	COATS AMERICAN-SYLVAN PLANT	OLD US 64	ROSMAN	No	No	Yes	No	No	No	No	No
NCD980729677	KNOB CREEK FLYASH DISPOSAL	SR 1540	BREVARD	Yes	No	No	No	No	No	No	No
NCD055167324	MITCHELL-BISSELL PLANT	HWY US 64	ROSMAN	No	No	Yes	No	No	No	No	No
NONCD0002182	NCDOT ROSMAN-SALT STORAGE	SR 1388	ROSMAN	No	No	Yes	No	No	No	No	No
NCD980728745	OSHIELDS FLY ASH	SR 1510	BREVARD	Yes	No	No	No	No	No	No	No
NCD980503072	OWENS LANDFILL/OLIN	OSBORNE ROAD	BREVARD	No	No	No	No	No	No	Yes	No
NONCD0002621	TRANSAMERICA MEDICAL BUILDING	40 MCCLEAN ROAD	BREVARD	No	No	Yes	No	No	No	No	No
NCN000410007	TRANSYLVANIA TANNING CO	SILVERSTEEN AVENUE	BREVARD	No	No	Yes	No	No	No	No	No
NC7210022045	USA RESERVE XVIII AIRBORNE	E FRENCH BROAD ST	BREVARD	No	No	No	No	No	No	Yes	No

Number of Sites: 11

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NCD002972966	REA MAGNET WIRE COMPANY	OLD LAUREL HILL CHURCH RD	LAURINBURG	Yes	No	No	No	No	No	No	No
NONCD0002418	ROGOSIN CONVERTERS (KORDSA	10461 OLD WIRE ROAD	LAUREL HILL	No	No	Yes	No	No	No	No	No
NCD037160439	TOASTMASTER, INCORPORATED	OLD LAUREL HILL CHURCH RD	LAURINBURG	Yes	No	No	No	No	No	No	No
NONCD0002833	UMICORE CSM NA	17180 AIRPORT RD	MAXTON	No	No	Yes	No	No	No	No	No
NONCD0001153	UNITED AGRI PRODUCTS	17221 OLD MAXTON RD	LAURINBURG	No	No	Yes	No	No	No	No	No
NONCD0002685	WAGRAM INTENTIONAL DUMP	OFF 401	WAGRAM	No	No	Yes	No	No	No	No	No
NONCD0002711	WESTPOINT STEVENS	AIRPORT ROAD	WAGRAM	Yes	No	No	No	No	No	No	No

Number of Sites: 18

STANLY

NONCD0001238	ALBEMARLE CITY HALL EXPANSION	144 NORTH SECOND STREET	ALBEMARLE	No	No	Yes	No	No	No	No	No
NONCD0001094	ALLISON MANUFACTURING CO	930 OLD CHARLOTTE ROAD	ALBEMARLE	Yes	No	No	No	No	No	No	No
NONCD0001287	AREY/TAYLOR WELLS	24459 HIGHWAY 52	ALBEMARLE	No	No	Yes	No	No	No	No	No
NONCD0001063	ARROWOOD, INC	13183 INDIAN MOUND ROAD	NORWOOD	No	No	No	No	No	No	Yes	No
NONCD0001309	BADIN AIR NATIONAL GUARD	32777 GUARD ROAD	BADIN	No	No	Yes	No	No	No	No	No
NONCD0001319	BAREFOOT-CAROLINA OIL	850 SOUTH SECOND STREET	ALBEMARLE	No	No	Yes	No	No	No	No	No
NONCD0001388	BROOKWOOD INDUSTRIAL	CHARTER ROAD		No	No	Yes	No	No	No	No	No
NONCD0000053	CAROLINA MARBLE CO.	INDIAN MOUND ROAD	ALBEMARLE	Yes	No	No	No	No	No	No	No
NONCD0001536	CONCORD TELEPHONE	250 N 1ST ST	ALBEMARLE	No	No	Yes	No	No	No	No	No
NONCD0001120	EATON AEROQUIP, INC (FORMER)	680 LANIER RD	NORWOOD	No	No	Yes	No	No	No	No	No
NONCD0001137	FABCO FASTENING SYSTEMS/DIXIE	NC 200	STANFIELD	No	No	Yes	No	No	No	No	No
NONCD0001888	HYDROLABS, INC. (ALLIED	2028 KINGSLEY DRIVE	ALBEMARLE	No	No	Yes	No	No	No	No	No
NONCD0001955	KIKER HOSIERY	BROWNS HILL RD	LOCUST	No	No	Yes	No	No	No	No	No
NONCD0002018	LOVE LUMBER COMPANY #3	301 WEST STANLY STREET	STANFIELD	No	No	Yes	No	No	No	No	No
NONCD0002026	MAIN STREET SOLVENT SITE	WEST MAIN STREET	LOCUST	No	No	Yes	No	No	No	No	No
NONCD0002098	MORGAN MILLS (DAWSON PLANT #6)	200 HWY 24/27	ALBEMARLE	No	No	Yes	No	No	No	No	No
NONCD0002100	MORTON RESIDENCE	HWY 200, S OF STANFIELD	STANFIELD	No	No	Yes	No	No	No	No	No
NCD000773655	OLDOVER CORP/CAROLINA SOLITE	RT 2 - SR 2001	NORWOOD	No	No	No	No	No	No	Yes	No
NONCD0002358	RACHEL PITTMAN RESIDENCE	OLD SALISBURY RD	ALBEMARLE	No	No	Yes	No	No	No	No	No
NONCD0002812	RANDALLS FERRY RD SUPPLY	17586 RANDALLS FERRY RD	NORWOOD	No	No	Yes	No	No	No	No	No
NONCD0002384	REEVES BROTHERS, INC.	1135 MONTGOMERY AVE	ALBEMARLE	No	No	Yes	No	No	No	No	No
NONCD0000001	STANLY NEWS & PRESS	237 W NORTH STREET	ALBEMARLE	Yes	No	No	No	No	No	No	No
NONCD0002651	UNITED SCREEN PRINTERS, INC.	BROWNS HILL ROAD	LOCUST	No	No	Yes	No	No	No	No	No
NC6210022046	USA RESERVE XVIII AIRBORNE	1816 E MAIN ST	ALBEMARLE	No	No	No	No	No	No	Yes	No
NONCD0002749	WISCASSETT MILLS	233 MONTGOMERY AVENUE	ALBEMARLE	No	No	Yes	No	No	No	No	No
NONCD0002770	YADKIN BRICK COMPANY	44052 YADKIN BRICK ROAD	NEW LONDON	No	No	Yes	No	No	No	No	No

Number of Sites: 26

STOKES

NONCD0000091	DUKE POWER/WALNUT COVE	POWER HOUSE ROAD	WALNUT COVE	Yes	No	No	No	No	No	No	No
NONCD0002330	PRIDDY PROPERTY, WINIFRED	4707 HIGHWAY 8 N.	LAWSONVILLE	No	No	Yes	No	No	No	No	No
NCD980250450	REYNOLDS, RJ TOBACCO CO/BROOK	BROOKE COVE STREET SR1941	GERMANTOWN	No	No	No	No	No	No	Yes	No
NONCD0002872	WALNUT COVE TIRE CENTER, INC	1293 US HWY 311	WALNUT COVE	No	No	Yes	No	No	No	No	No
NONCD0002692	WALNUT COVE, TOWN OF/PUBLIC	MAIN STREET	WALNUT COVE	No	No	Yes	No	No	No	No	No

Number of Sites: 5

SURRY

Site ID #	*Site Name*	*Street Address*	*City*	*SPL*	*Voluntary Action Under Agreement*	*Evaluation Pending*	*Pollutant Only Site - Open*	*Pollutant Only Site-NFA*	*Pollutant Only Site-NFA Restricted*	*No Further Action*	*NFA-Restricted Use*
NCD980843528	TOWN CREEK REGIONAL WWTP	HEILIGTOWN ROAD	SALISBURY	Yes	No	No	No	No	No	No	No
NCD079054979	UNITED HOUSE OF PRAYER DRUM	501 OLD CONCORD ROAD	SALISBURY	No	No	No	No	No	No	Yes	No
NC5210022047	USA RESERVE XVIII AIRBORNE	1825 WOODLEAF RD	SALISBURY	No	No	No	No	No	No	Yes	No
NONCD0000048	WALKER DRUM DISPOSAL	WYATTS CHURCH GROVE ROAD	GOLD HILL	Yes	No	No	No	No	No	No	No
NONCD0002754	WOODLEAF ROAD SOLVENT SITE	2021 WOODLEAF ROAD	SALISBURY	No	No	Yes	No	No	No	No	No
Number of Sites:	50										
RUTHERFORD											
NONCD0001384	BROAD RIVER FARMS	SR 1111	HARRIS	No	No	Yes	No	No	No	No	No
NCD986166411	CAMPBELL PROPERTY DRUM	STATE ROAD 1181	RUTHERFORDTON	No	No	No	No	No	No	Yes	No
NCD981473150	CHERRY MT STREET DRUM	602 CHERRY MOUNTAIN	FOREST CITY	Yes	No	No	No	No	No	No	No
NONCD0001107	CONE MILLS - FLORENCE PLANT	FLORENCE & DEPOT RDS	FOREST CITY	Yes	No	No	No	No	No	No	No
NONCD0001562	CRELLIN CORP.	PINE ST.	ALEXANDER MILLS	No	No	Yes	No	No	No	No	No
NCD003162971	ELMORE, CORP THE	204 OAK STREET	SPINDALE	No	No	No	No	No	No	Yes	No
NCD981003957	HENSON LANDFILL	US HIGHWAY 221 SOUTH	FOREST CITY	No	Yes	No	No	No	No	No	No
NONCD0002237	OMC FACILITY (FORMER)	160 EXECUTIVE DRIVE	RUTHERFORDTON	No	No	Yes	No	No	No	No	No
NCD066307851	POLYSAR INC RESINS DIV	688 VANCE ST	FOREST CITY	No	No	No	No	No	No	Yes	No
NCD083673616	REEVES BROTHERS	RAILROAD AVE	RUTHERFORDTON	Yes	No	No	No	No	No	No	No
NONCD0002551	STONECUTTER MILLS CORPORATION	300 DALLAS STREET	SPINDALE	No	No	Yes	No	No	No	No	No
NONCD0002603	TIMKEN US CORP.	1510 HIGHWAY 221 SOUTH	RUTHERFORDTON	No	No	Yes	No	No	No	No	No
NONCD0000060	WATTS REGULATOR-GENERAL AIDES	WITHROW ROAD	FOREST CITY	Yes	No	No	No	No	No	No	No
Number of Sites:	13										
SAMPSON											
NONCD0001851	ALCATEL	510 COMMERCE ST	CLINTON	No	No	Yes	No	No	No	No	No
NONCD0001713	FEED MILL ROAD POULTRY LITTER	1958-2241 FEED MILL ROAD	ROSEBORO	No	No	Yes	No	No	No	No	No
NONCD0001815	HAMILTON BEACH-PROCTOR SILEX	100-A FONTANA STREET	CLINTON	No	No	Yes	No	No	No	No	No
NONCD0001908	INTERPANE GLASS COMPANY	520 EAST RAILROAD STREET	CLINTON	No	No	Yes	No	No	No	No	No
NONCD0001171	RENTAL UNIFORM SERVICES	117 W ELIZABETH STREET	CLINTON	No	Yes	No	No	No	No	No	No
NCD981929797	SAMPSON COUNTY TRASH DUMPSTER	NEAR SPIVEY'S CORNER	DUNN	No	No	No	No	No	No	Yes	No
NONCD0002504	SOUTHERN STATES COOP SPILL	SR 1130 LUNDY RD	CLINTON	No	No	No	No	Yes	No	No	No
NONCD0002668	VANN CROSSROADS	ROANOKE AND CHURCH ROADS	CLINTON	No	No	Yes	No	No	No	No	No
NCD000613364	WEST POINT PEPPERELL CLINTON	HWY 421	CLINTON	No	No	No	No	No	No	Yes	No
Number of Sites:	9										
SCOTLAND											
NONCD0000040	ABBOTT LABORATORIES	HWYS 401 AND 15-501	LAURINBURG	No	Yes	No	No	No	No	No	No
NCD082358854	ARMSTRONG RUBBER COMPANY	STATE ROAD 1304	LAUREL HILL	No	No	No	No	No	No	Yes	No
NONCD0001574	CSX-GIBSON TRAIN DERAILMENT	HIGHWAY 79	GIBSON	No	No	Yes	No	No	No	No	No
NONCD0001661	EATON CORPORATION	HWY 401 BYPASS NORTH	LAURINBURG	No	Yes	No	No	No	No	No	No
NCD982119620	GIBSON MIDNIGHT DUMPING SITE	OFF HIGHWAY 391	GIBSON	No	No	No	No	No	No	Yes	No
NCD082363102	HELENA CHEMICAL COMPANY	HARRY MALLEY RD	LAURINBURG	Yes	No	No	No	No	No	No	No
NONCD0000056	JAMES LANDFILL	HWY 74 & SR 1369	LAURINBURG	No	No	No	No	No	No	No	Yes
NONCD0002050	MAXTON OIL & FERT. CO.	SR 1424	WAGRAM	No	No	Yes	No	No	No	No	No
NCD986172500	MCLEAN BROTHERS FARM	SR 1415	WAGRAM	Yes	No	No	No	No	No	No	No
NONCD0002308	PILKINGTON-LIBBY OWEN FORD	US HIGHWAY 74 EAST	LAURINBURG	No	No	Yes	No	No	No	No	No
NCD000605022	PLANT MANAGERS PROPERTY	SR 1614	LAURINBURG	No	No	No	No	No	No	Yes	No

Site ID #	Site Name	Street Address	City	SPL	Voluntary Action Under Agreement	Evaluation Pending	Pollutant Only Site - Open	Pollutant Only Site-NFA	Pollutant Only Site-NFA Restricted	No Further Action	NFA-Restricted Use
Number of Sites:	20										
ROWAN											
NONCD0000058	ABEX CORP.	US 29 SOUTH	SALISBURY	No	No	No	No	No	No	Yes	No
NONCD0001242	ALCHEM, INC.	CRESCENT RD	ROCKWELL	No	No	Yes	No	No	No	No	No
NONCD0000036	BALFOUR ROAD BATTERY	BALFOUR ROAD	GRANITE QUARRY	No	No	No	No	No	No	Yes	No
NCD003213881	BENDIX CORPORATION	I-85 INNES ST EXIT	SALISBURY	Yes	No	No	No	No	No	No	No
NONCD0001367	BOSTIAN HEIGHTS SOLVENTS	8211 OLD CONCORD ROAD	SALISBURY	No	No	Yes	No	No	No	No	No
NONCD0001427	CANNON BLVD SOLVENT SITE	2800 BLOCK CANNON BLVD	KANNAPOLIS	No	No	Yes	No	No	No	No	No
NCD003218492	CAROLINA RUBBER HOSE COMPANY	1801 SOUTH RAILROAD	SALISBURY	Yes	No	No	No	No	No	No	No
NONCD0000035	CHAPEL STREET BATTERY DUMP	CHAPEL STREET	KANNAPOLIS	Yes	No	No	No	No	No	No	No
NONCD0001494	CHEVRON	1825 JAKE ALEXANDER BLVD WEST	SALISBURY	No	No	Yes	No	No	No	No	No
NONCD0001588	DAUGHERTY ROAD	DAUGHERTY ROAD	LANDIS	No	No	Yes	No	No	No	No	No
NONCD0001601	DERRICK TRUCK STOP #2	PEELER ROAD AND I-85	SALISBURY	No	No	Yes	No	No	No	No	No
NONCD0001626	DOMINION YARN - CORLIN PLANT	414 NORTH MARIAH STREET	LANDIS	No	No	Yes	No	No	No	No	No
NONCD0001658	EAST RIDGE ROAD	155 EAST RIDGE ROAD	SALISBURY	No	No	Yes	No	No	No	No	No
NONCD0001664	EBENEZER LUTHERAN CHURCH	JCT OF OLD BEATTY FORD RD AND	ROCKWELL	No	No	Yes	No	No	No	No	No
NONCD0001665	EBERHARDT WELL (AKA	4145 STRIDER CIRCLE	KANNAPOLIS	No	No	Yes	No	No	No	No	No
NCD041414780	FIELDCREST MILLS INC./NC FINISHING	US 29/70 N	SPENCER	Yes	No	No	No	No	No	No	No
NCD066327313	FINETEX, INC.	I85 HACKETT ST EXIT	SPENCER	Yes	No	No	No	No	No	No	No
NCD081322117	GENERAL ELECTRIC CO/SALISBURY	1114 OLD CONCORD RD	SALISBURY	No	No	No	No	No	No	Yes	No
NCD980843460	GRANT CREEK WWTP	CRUSE ROAD	SALISBURY	Yes	No	No	No	No	No	No	No
NCD021388939	HARRIS BATTERY AND METAL CO.	300 W CEMETARY ST	SALISBURY	No	No	No	No	No	No	Yes	No
NCD108702606	HARTSOE BATTERY	2513 LINA AVE	KANNAPOLIS	Yes	No	No	No	No	No	No	No
NONCD0001872	HOT SPOT SOLVENTS	MIDWAY DRIVE AND SOUTH MAIN ST	SALISBURY	No	No	Yes	No	No	No	No	No
NCD981471873	HWY 801 BARBER	SR 1958 (100 FT. S OF SR1	BARBER	No	No	No	No	No	No	Yes	No
NCD982095093	JAY'S CLEANERS	1803 N MAIN ST	KANNAPOLIS	Yes	No	No	No	No	No	No	No
NONCD0001936	JOHNSON WELL	135 DILLON STREET	CHINA GROVE	No	No	Yes	No	No	No	No	No
NONCD0001951	KERN POLYMERIC	465 AIRPORT ROAD	SALISBURY	No	No	Yes	No	No	No	No	No
NCD000653576	KERN RUBBER CO. URETHANE	1415 SALISBURY RD S	SALISBURY	Yes	No	No	No	No	No	No	No
NONCD0002000	LESLEY WELL	1325 EAST COUNCIL STREET	SALISBURY	No	No	Yes	No	No	No	No	No
NONCD0002073	MILFORD HILLS PCE SITE	SPRING AND COLONIAL DRIVES	SALISBURY	No	No	Yes	No	No	No	No	No
NONCD0002095	MOORES RENTAL #2	625 NORTH MAIN STREET	SALISBURY	No	No	Yes	No	No	No	No	No
NONCD0002110	MYERS BROTHERS GIN SOLVENTS	3165 WOODLEAF ROAD	SALISBURY	No	No	Yes	No	No	No	No	No
NONCD0002166	NCDOT ASPHALT SITE #35	500 INDUSTRIAL AVE	ROCKWELL	No	No	Yes	No	No	No	No	No
NONCD0002844	OAK HAVEN MHP	775 AIRPORT RD	SALISBURY	No	No	Yes	No	No	No	No	No
NCD980557755	OWENS ILL/SALISBURY BOX PLT	OLD US 29 NORTH	SPENCER	No	No	No	No	No	No	Yes	No
NCD980503080	PAUL LOVE'S PIT		SPENCER	No	No	No	No	No	No	Yes	No
NCD048469993	PROCTOR CHEMICAL CO	LUMBER STREET	SALISBURY	No	No	No	No	No	No	Yes	No
NONCD0002389	REPUBLIC FOIL, INC.	SR 1002 AT INTERSECTION WITH S	SALISBURY	No	No	Yes	No	No	No	No	No
NONCD0002393	REYNOLDS METALS-SALISBURY CAN	200 PEELER ROAD	SALISBURY	No	No	Yes	No	No	No	No	No
NONCD0002410	ROCKWELL WELL 003	HWY 52	ROCKWELL	No	No	Yes	No	No	No	No	No
NONCD0002424	ROWLAND WELL	1703 DANIEL STREET	KANNAPOLIS	No	No	Yes	No	No	No	No	No
NONCD0001145	SALISBURY ASPHALT PLANT	JAKE ALEXANDER BLVD	SALISBURY	No	No	Yes	No	No	No	No	No
NCD986197283	SALISBURY COAL GAS PLANT #1	324 EAST LIBERTY STREET	SALISBURY	No	Yes	No	No	No	No	No	No
NONCD0001088	SALISBURY COAL GAS PLANT #2		SALISBURY	No	Yes	No	No	No	No	No	No
NONCD0002868	STATESVILLE BLVD	2620 STATESVILLE BLVD	SALISBURY	No	No	Yes	No	No	No	No	No
NONCD0002562	SUNSHINE MFG - PCE	HIGHWAY 52 SOUTH	ROCKWELL	No	No	Yes	No	No	No	No	No

Site ID #	*Site Name*	*Street Address*	*City*	*SPL*	*Voluntary Action Under Agreement*	*Evaluation Pending*	*Pollutant Only Site - Open*	*Pollutant Only Site-NFA*	*Pollutant Only Site-NFA Restricted*	*No Further Action*	*NFA-Restricted Use*
NONCD0002400	RICHMOND APPAREL/FRUIT OF THE	HWY 74 WEST	ROCKINGHAM	No	No	Yes	No	No	No	No	No
NCD980602791	SALVAGE OIL OF AMERICA	1227 MCLEOD STREET	ROCKINGHAN	Yes	No	No	No	No	No	No	No
NONCD0001712	SOLENE INDUSTRIAL LUBRICANTS	109 AIRPORT RD	ROCKINGHAN	No	No	Yes	No	No	No	No	No
NCD000828566	TARTAN MARINE PROPERTY	NC HIGHWAY 77 & SR 2032	HAMLET	Yes	No	No	No	No	No	No	No
NONCD0002741	WIND BLOW PRIVATE SUPPLY	2691 DERBY ROAD	ELLERBE	No	No	Yes	No	No	No	No	No

Number of Sites: 10

ROBESON

NONCD0001236	ALAMNAC KNIT PRODUCTS, INC.	1885 ALAMAC ROAD (SR 2289)	LUMBERTON	No	No	Yes	No	No	No	No	No
NCD982078271	BARNES PROPERTY	ROUTE 2	FAIRMONT	No	No	No	No	No	No	Yes	No
NCD097728000	CAMPBELL SOUP	HIGHWAY 71 NORTH	MAXTON	No	No	No	No	No	No	Yes	No
NCD986209575	CARDINAL CHEMICAL WAREHOUSE	NC 211 & NC 72	LUMBERTON	Yes	No	No	No	No	No	No	No
NCD000830620	CAROLINA P&L CO. WEATHERSPOON	74 EAST	LUMBERTON	Yes	No	No	No	No	No	No	No
NONCD0001466	CATES PICKLE--PARKTON	REX RD., BOX 146	PARKTON	No	No	Yes	No	No	No	No	No
NONCD0001540	CONGENTRIX-LUMBERTON	HESTERTOWN ROAD (SR 2202)	LUMBERTON	No	No	Yes	No	No	No	No	No
NCD067200949	CROFT METALS	HWY 71 S	LUMBER BRIDGE	No	No	No	No	No	No	Yes	No
NONCD0001947	KAYSER-ROTH	3707 W. 5TH ST	LUMBERTON	No	No	Yes	No	No	No	No	No
NONCD0002049	MAXTON OIL & FERT. CO.		MAXTON	No	No	Yes	No	No	No	No	No
NONCD0002869	NCDOT ASPHALT TESTING SITE #70	HWY 74	LUMBERTON	No	No	Yes	No	No	No	No	No
NONCD0002250	OXENDINE PORK FARM	SR 1318	SHANNON	No	No	Yes	No	No	No	No	No
NCD057454571	ROYAL DEVELOPMENT CO., INC.	HWY 71 W	RED SPRINGS	No	No	No	No	No	No	Yes	No
NONCD0002444	SANFATEX	HIGHWAY 211	RED SPRINGS	No	No	Yes	No	No	No	No	No
NONCD0002542	STEPHENS CLEANERS	IONA AND MAIN STREET	FAIRMONT	No	No	Yes	No	No	No	No	No
NC9210022043	USA RESERVE XVIII AIRBORNE	1400 CARTHAGE RD	LUMBERTON	No	No	No	No	No	No	Yes	No
NCD045924032	WEST POINT PEPPERELL LUMBERTON	CHESTNUT ST EXTN	LUMBERTON	Yes	No	No	No	No	No	No	No

Number of Sites: 17

ROCKINGHAM

NONCD0001256	AMERICAN TOBACCO CO. - NONUST	301 N.SCALES STREET	REIDSVILLE	No	No	Yes	No	No	No	No	No
NONCD0001348	BIG APPLE FARM SUPPLY -	407 SW MARKET STREET	REIDSVILLE	No	No	Yes	No	No	No	No	No
NONCD0001390	BROWN, FRANCES AND LARRY	3089 NC 150	REIDSVILLE	No	No	Yes	No	No	No	No	No
NONCD0001400	BURLINGTON HOUSE REIDSVILLE	2362 HOLIDAY LOOP ROAD	REIDSVILLE	No	No	Yes	No	No	No	No	No
NCD024762668	BUSH BROTHERS PLATING INC/GREER	107 NE MARKET ST	REIDSVILLE	Yes	No	No	No	No	No	No	No
NONCD0002850	BUSICK ROAD TCE	BUSICK RD	REIDSVILLE	No	No	Yes	No	No	No	No	No
NONCD0001715	FIELDCREST BLANKET MILL	WAREHOUSE STREET	EDEN	No	No	Yes	No	No	No	No	No
NCD003218203	FIELDCREST MILLS INC.	326 STADIUM DRIVE	EDEN	No	No	No	No	No	No	Yes	No
NONCD0002879	FRANCES GANN PROPERTY	801 TAYLOR RD	STONEVILLE	No	No	Yes	No	No	No	No	No
NCD003530078	GTE PRODUCTS CORPORATION	1704 BARNES STREET	REIDSVILLE	No	No	No	No	No	No	Yes	No
NCD089914311	MILLER BREWING CO/CONT DIV	1900 BARNES ST	REIDSVILLE	Yes	No	No	No	No	No	No	No
NCD085438810	MILLER BREWING CO/PHILLIP MORRIS	863 E MEADOW RD	EDEN	No	No	No	No	No	No	Yes	No
NONCD0002147	NCDOT - SITE #59 WENTWORTH	HWY 65/87	WENTWORTH	No	No	Yes	No	No	No	No	No
NONCD0002276	PAYNTER RESIDENCE, MARVIN -	973 TATE ROAD	REIDSVILLE	No	No	Yes	No	No	No	No	No
NONCD0001087	REIDSVILLE COAL GAS PLANT		REIDSVILLE	No	Yes	No	No	No	No	No	No
NONCD0002385	REIDSVILLE INDUSTRIAL PARK	US HIGHWAY 29 BYPASS & REIDSVI	REIDSVILLE	No	No	Yes	No	No	No	No	No
NONCD0002388	RENTZ OIL CO.-KENAN TRANSPORT	2502 RICHARDSON DR.	REIDSVILLE	No	No	Yes	No	No	No	No	No
NONCD0002553	STONEVILLE FURNITURE COMPANY	525 SOUTH HENRY STREET	STONEVILLE	No	No	Yes	No	No	No	No	No
NCD093783876	VANIER GRAPHICS CORPORATION	655 MEADOW RD	EDEN	Yes	No	No	No	No	No	No	No
NONCD0002757	WOOLRIDGE RESIDENCE	141 FOREST RIDGE	MADISON	No	No	Yes	No	No	No	No	No

Site ID #	Site Name	Street Address	City	SPL	Voluntary Action Under Agreement	Evaluation Pending	Pollutant Only Site - Open	Pollutant Only Site-NFA	Pollutant Only Site-NFA Restricted	No Further Action	NFA-Restricted Use
POLK											
NCD991278045	RECON DRUM COMPANY	ROUTE 1	COLUMBUS	No	No	No	No	No	No	Yes	No
Number of Sites:	1										
RANDOLPH											
NONCD0001329	BEAMAN CORP.	6306 N.OLD HWY 421	LIBERTY	No	No	Yes	No	No	No	No	No
NCD000822064	BURLINGTON INDUSTRIES, INC.	229 W. CENTRAL AVENUE	ASHEBORO	No	No	No	No	No	No	Yes	No
NONCD0001470	CENTRAL TRANSPORT - SOLVENTS	2829 UWHARRIE ROAD	ARCHDALE	No	No	Yes	No	No	No	No	No
NONCD0001541	CONITRON	WINOLA RD.	TRINITY	No	No	Yes	No	No	No	No	No
NONCD0001555	COX MOBILE HOME PARK	ROCKY KNOLL RD.	ASHEBORO	Yes	No	No	No	No	No	No	No
NONCD0001136	EASTSIDE GROCERY	1339 E SALISBURY ST	ASHEBORO	No	No	Yes	No	No	No	No	No
NCD003236437	GENERAL ELECTRIC CO/BLACK &	1758 S FAYETTEVILLE	ASHEBORO	No	No	No	No	No	No	Yes	No
NC0001351212	GRAVE'S PROPERTY	FORT CREEK MILL ROAD	SEAGROVE	No	No	No	No	No	No	Yes	No
NCD982124646	GREGSON FUNITURE INDUSTRIES	206 E FRAIZER AVENUE	LIBERTY	Yes	No	No	No	No	No	No	No
NONCD0002814	HANCOCK COUNTRY HAMS	3484 NC HWY 22 N	FRANKLINVILLE	No	No	Yes	No	No	No	No	No
NCD000822130	HARRELSON RUBBER COMPANY	HWY 220 SOUTH	ASHEBORO	Yes	No	No	No	No	No	No	No
NCD051739209	HARRELSON RUBBER COMPANY	408 TELEPHONE AVE	ASHEBORO	No	Yes	No	No	No	No	No	No
NONCD0001117	HILLSIDE SHOPPING CENTER	1077 FAYETTEVILLE ST	ASHEBORO	Yes	No	No	No	No	No	No	No
NONCD0001011	JUNG CORPORATION	718 INDUSTRIAL PARK AVE	ASHEBORO	Yes	No	No	No	No	No	No	No
NONCD0001948	KAYSER-ROTH - ASHEBORO	515 W. BALFOUR AVE.	ASHEBORO	No	Yes	No	No	No	No	No	No
NCD003213568	LIBERTY FURNITURE	HWY 421	LIBERTY	Yes	No	No	No	No	No	No	No
NONCD0002004	LIBERTY, TOWN OF - PUBLIC WELL	BUTLER AVE.	LIBERTY	No	No	Yes	No	No	No	No	No
NCN000407301	LOFLIN GOLD MINE		TRINITY	No	No	No	No	No	No	Yes	No
NONCD0002142	NCDOT - SITE #42 APAC ASPHALT	PINE VIEW ROAD	ASHEBORO	No	No	Yes	No	No	No	No	No
NONCD0002143	NCDOT - SITE #43 RILEY PAVING	HWY 421	LIBERTY	No	No	Yes	No	No	No	No	No
NONCD0002292	PERDUE FARMS - LIBERTY -	2607 OLD HIGHWAY 421	STALEY	No	No	Yes	No	No	No	No	No
NONCD0002371	RANDOLPH ELECTRIC	HWY 42 @ PATTON STREET	ASHEBORO	No	No	Yes	No	No	No	No	No
NONCD0002372	RANDOLPH SCH. - BUS GARAGE-B	2234-AENTERPRISE ST.	ASHEBORO	No	No	Yes	No	No	No	No	No
NCD003226560	STEVENS JP AND COMPANY, INC.	NAOMI STREET	RANDELMAN	No	No	No	No	No	No	Yes	No
NONCD0002554	STOUT CHAIR FACILITY	204 EAST KIMES STREET	LIBERTY	No	No	Yes	No	No	No	No	No
NCD003229762	STRUCTURAL WOODS PRESERVING	HWY 22	COLERIDGE	Yes	No	No	No	No	No	No	No
NONCD0002602	TIMBER LEA ROAD	TIMBER LEA ROAD	RAMSEUR	No	No	Yes	No	No	No	No	No
NONCD0002633	TRINITY AMERICAN CORP.	5275 GLENOLA IND. DR	GLENOLA	No	No	Yes	No	No	No	No	No
NCD981864614	ULAH BATTERY/BATTERY PILES	SR 1219/DINAH RD	ASHEBORO	Yes	No	No	No	No	No	No	No
NCD000822957	UNION CARBIDE CORP/EVEREADY	ART BRYAN DR	ASHEBORO	No	No	No	No	No	No	Yes	No
NCD003216462	UNION CARBIDE CORP/EVEREADY	800 ALBEMARLE RD	ASHEBORO	Yes	No	No	No	No	No	No	No
NONCD0002676	VITAFOAM, INC.	2222 SURRETT DRIVE	HIGH POINT	No	No	Yes	No	No	No	No	No
NONCD0002766	WRIGHT OF THOMASVILLE - NONUST	SR 1619	THOMASVILLE	No	No	Yes	No	No	No	No	No
Number of Sites:	33										
RICHMOND											
NONCD0002867	ATKINSON ST CONTAMINATION	109 ATKINSON ST	HAMLET	No	No	Yes	No	No	No	No	No
NCD071061147	CLARK EQUIPMENT COMPANY	HIGHWAY 74 WEST	ROCKINGHAM	No	No	No	No	No	No	Yes	No
NCD000616219	GA-PACIFIC CORP	HWY 177 S	HAMLET	Yes	No	No	No	No	No	No	No
NONCD0002832	MARY CHAPPEL RESIDENCE	1061 HWY 177	HAMLET	No	No	Yes	No	No	No	No	No
NONCD0002164	NCDOT ASPHALT SITE #3/BROWN	INTERSECTION OF SR 1305 AND HW	ROCKINGHAM	No	No	Yes	No	No	No	No	No

Site ID #	*Site Name*	*Street Address*	*City*	*SPL*	*Voluntary Action Under Agreement*	*Evaluation Pending*	*Pollutant Only Site - Open*	*Pollutant Only Site-NFA*	*Pollutant Only Site-NFA Restricted*	*No Further Action*	*NFA-Restricted Use*
PERQUIMANS											
NONCD0001167	CENTRAL GRAIN-CHAPANOKE	647 CHAPANOKE RD	HERTFORD	No	No	Yes	No	No	No	No	No
NONCD0001173	LEBANON CHEMICAL	ALBERMARLE ST	HERTFORD	Yes	No	No	No	No	No	No	No
Number of Sites:	2										
PERSON											
NCD003194271	ALUMARK CORP/HUNTER DOUGLAS,	HWY 501 S	ROXBORO	No	No	No	No	No	No	Yes	No
NCD033978396	ATEC INDUSTRIES	PERKINS DRIVE	ROXBORO	Yes	No	No	No	No	No	No	No
NCN000410375	COUNTRY CLUB LANE	192 COUNTRY CLUB LANE	ROXBORO	No	No	Yes	No	No	No	No	No
NCD004520136	EATON CORPORATION	ROUTE 501 SOUTH	ROXBORO	No	Yes	No	No	No	No	No	No
NCN000410161	HALIFAX RD/VIRGILINA RD DCE SITE	HALIFAX & VIRGILINA RDS	ROXBORO	No	No	Yes	No	No	No	No	No
NONCD0001862	HOLLOWAY, OSCAR	HICKS HEIGHTS	ROXBORO	No	No	Yes	No	No	No	No	No
NONCD0002848	LOXCREEN	RT 501 S	ROXBORO	Yes	No	No	No	No	No	No	No
NONCD0001116	REPUBLIC SERVICES OF NC	312 JACK SHERMAN RD	ROUGEMONT	Yes	No	No	No	No	No	No	No
NONCD0002503	SOUTHERN STATES - ROXBORO	1112 N. MAIN STREET	ROXBORO	No	No	Yes	No	No	No	No	No
Number of Sites:	9										
PITT											
NCSFN0407143	AMERICAN ELEMENTS	500 WALLACE ST	FARMVILLE	Yes	No	No	No	No	No	No	No
NONCD0001346	BETTER LOOK GARMENT CARE	622 SE GREENVILLE BLVD	GREENVILLE	Yes	No	No	No	No	No	No	No
NCD003186178	COASTAL CHEMICAL CORP.	EVANS ST EXT	GREENVILLE	Yes	No	No	No	No	No	No	No
NCD980600951	EAST CAROLINA MEDICAL SCHOOL		GREENVILLE	No	No	No	No	No	No	Yes	No
NCD000827832	ELECTRICAL UTILITIES/CO BB&T	309 ANDERSON AVE	FARMVILLE	Yes	No	No	No	No	No	No	No
NONCD0001681	EMPIRE BRUSH FACILITY	105 STATON ROAD	GREENVILLE	No	No	Yes	No	No	No	No	No
NCD980557854	FMC/NIAGARA PESTICIDES	OLD ST HWY 11 NORTH	AYDEN	Yes	No	No	No	No	No	No	No
NCD981468622	FORK SWAMP/GRADY WHITE BOAT	SR 1725	AYDEN	No	No	No	No	No	No	Yes	No
NONCD0000055	GLISSON ENTERPRISES	HWY 903	GREENVILLE	Yes	No	No	No	No	No	No	No
NCD986171296	GRAY FARM SITE	SR 1545	STOKES	No	No	No	No	No	No	Yes	No
NCD986188886	GREENVILLE COAL GAS PLANT	PLANT STREET	GREENVILLE	No	Yes	No	No	No	No	No	No
NONCD0001930	JOEL ROGERS	713 WEST 8TH STREET	AYDEN	No	No	Yes	No	No	No	No	No
NCD095119210	MCGRAW EDISON COMPANY	251 INDUSTRIAL BLVD	GREENVILLE	No	No	No	No	No	No	Yes	No
NONCD0002874	MOHAWK-KARASTAN	2007 DICKINSON AVE	GREENVILLE	Yes	No	No	No	No	No	No	No
NCD072020399	PROCTER & GAMBLE PAPER PRODS	STATE ROAD 1529	GREENVILLE	No	No	No	No	No	No	Yes	No
NONCD0002836	RABO CLEANERS	701 HOOKER RD	GREEENVILLE	Yes	No	No	No	No	No	No	No
NONCD0002366	RALPH H. FISHER	3135 BELLS FORK ROAD	GREENVILLE	No	No	Yes	No	No	No	No	No
NCD075575191	REED NATIONAL CORPORATION	S FIELDS ST	FARMVILLE	No	No	No	No	No	No	Yes	No
NONCD0001157	ROBERT BOSCH TOOL CORP	310 STATON RD	GREENVILLE	No	Yes	No	No	No	No	No	No
NONCD0001113	SOUTHERN STATES (FORMER)	125 LINE AVE	GREENVILLE	Yes	No	No	No	No	No	No	No
NONCD0000042	SOUTHMET, INC.	NORTH GREENE STREET	GREENVILLE	Yes	No	No	No	No	No	No	No
NCD003185311	STARLING DAVID PROPERTY	HWY 258 N	FARMVILLE	No	No	No	No	No	No	Yes	No
NONCD0000008	UNION CARBIDE (FORMER)	14TH AND COTANCHE STREETS	GREENVILLE	No	No	No	No	No	No	Yes	No
NCD003184249	UNION CARBIDE CORP/EVEREADY	264 BYPASS-EVANS ST EXTN	GREENVILLE	Yes	No	No	No	No	No	No	No
NC8210022044	USA RESERVE XVIII AIRBORNE	1391 N MEM DR	GREENVILLE	No	No	No	No	No	No	Yes	No
NCD093132207	VOICE OF AMERICA RELAY STATION	COUNTY ROAD 1212	GREENVILLE	Yes	No	No	No	No	No	No	No
NCD003183571	WINTERVILLE MACHINE WORKS,	209 S MILL ST	WINTERVILLE	Yes	No	No	No	No	No	No	No
Number of Sites:	27										

Site ID #	Site Name	Street Address	City	SPL	Voluntary Action Under Agreement	Evaluation Pending	Pollutant Only Site - Open	Pollutant Only Site-NFA	Pollutant Only Site-NFA Restricted	No Further Action	NFA-Restricted Use
NONCD0001570	CROWN HONDA AND VOLVO	1730 NORTH FORDHAM BOULEVARD	CHAPEL HILL	No	No	Yes	No	No	No	No	No
NONCD0001641	DUKE POWER -UNC MANNIN	MANNING DRIVE	CHAPEL HILL	No	No	Yes	No	No	No	No	No
NONCD0001961	KIRSCHNER, GEORGE PROPERTY	6806 MILLHOUSE ROAD	CHAPEL HILL	No	No	Yes	No	No	No	No	No
NCD991277757	NC MEMORIAL HOSPITAL	MANNING DRIVE	CHAPEL HILL	No	No	No	No	No	No	Yes	No
NONCD0002247	OWASA - NELLO TEER QUARRY	HIGHWAY 54	CARBORRO	No	No	Yes	No	No	No	No	No
NONCD0002254	PAK-LITE	6508 EAST WASHINGTON ST.	MEBANE	No	No	Yes	No	No	No	No	No
NONCD0002382	REDMAN FACILITY (FRMR)	200 REDMAN CROSSING ROAD	MEBANE	No	No	Yes	No	No	No	No	No
NCD084172188	ROGERS-TRIEM INC/AMETEK INC	501 S GREENSBORO ST	CARRBORO	No	No	No	No	No	No	Yes	No
NONCD0002577	TALBERTS FOOD MART #3 (OLD)	RT 1	CHAPEL HILL	No	No	Yes	No	No	No	No	No
NONCD0002610	TOMMYS COLONIAL 66 (SEE	137 NORTH CHURTON STREET	HILLSBOROUGH	No	No	Yes	No	No	No	No	No
NCD980515308	UNIVERSITY OF NC AT CHAPEL HILL	FINLEY GOLF COURSE RD	CHAPEL HILL	No	No	Yes	No	No	No	No	No
NCD980557623	UNIVERSITY OF NC/ARPT WASTE DISP	AIRPORT RD	CHAPEL HILL	No	Yes	No	No	No	No	No	No
NCD003203213	UNIVERSITY OF NORTH CAROLINA	B-5 VENABLE HALL	CHAPEL HILL	No	No	No	No	No	No	Yes	No
NCD003185816	WHITE FURNITURE CO.	HIGHWAY 70A EAST	HILLSBOROUGH	No	No	No	No	No	No	Yes	No
Number of Sites:	16										
PAMLICO											
NONCD0001614	DIXIE CHEMICALS	NC 55 AND VIRGINIA AVENUE	ALLIANCE	No	No	Yes	No	No	No	No	No
Number of Sites:	1										
PASQUOTANK											
NONCD0001379	BRICKHOUSE PROPERTY UTILITY	PARSONAGE STREET EXTENSION	ELIZABETH CITY	No	No	Yes	No	No	No	No	No
NONCD0001166	CENTRAL GRAIN-MORGANS CORNER	1312 HASSELL RD	ELIZABETH CITY	No	No	Yes	No	No	No	No	No
NONCD0001493	CHESAPEAK WOOD PRODUCTS	WOOD TREATING PLANT	ELIZABETH CITY	No	No	Yes	No	No	No	No	No
NCD981929318	ELIZABETH CITY ABANDONED DRUMS	5 BRIDGES RD SR 1223	ELIZABETH CITY	No	No	No	No	No	No	Yes	No
NCD986197267	ELIZABETH CITY COAL GAS	WARD AND FOURTH STREETS	ELIZABETH CITY	No	Yes	No	No	No	No	No	No
NONCD0001786	GOOD NEWS BAPTIST	FEDERAL TRUST FUND SITE		No	No	Yes	No	No	No	No	No
NCD986166163	JENNINGS (DON) PROPERTY	215 SMALL DRIVE	ELIZABETH CITY	No	No	No	No	No	No	Yes	No
NONCD0000047	MEADS AIRFIELD PESTICIDES	SR 1100	WEEKSVILLE	Yes	No	No	No	No	No	No	No
NONCD0002129	NCDOT - ATL 16-6	OFF NCSR 1387, NEAR ELIZ. CITY	ELIZABETH CITY	No	No	Yes	No	No	No	No	No
NONCD0002155	NCDOT ASPHALT LAB SITE NO.71	NORTHSIDE ROAD(HWY-158)	ELIZABETH CITY	No	No	Yes	No	No	No	No	No
NCD986175610	POPLAR DRIVE DRUM DUMP	POPLAR DRIVE	ELIZABETH CITY	No	No	No	No	No	No	Yes	No
NONCD0002565	SWAIN PROPERTY	2733 PEARTREE ROAD	ELIZAVBETH CITY	No	No	Yes	No	No	No	No	No
NONCD0002745	WINSLOW MEMORIAL HOME	1700 WEST EHRINGHUAS STREET	ELIZABETH CITY	No	No	No	No	No	No	Yes	No
Number of Sites:	13										
PENDER											
NCD062677273	CHEMICAL LEAMAN TANK LINES, INC.	120 COWPEN LANDING	NEAR WILMINGTON	No	No	No	No	No	No	Yes	No
NONCD0001058	ELECTRONICS COMPONENT	200 ELECTRONICS PARKWAY	BURGAW	Yes	No	No	No	No	No	No	No
NONCD0002284	PENDER PLATING COMPANY	107 EAST HAYES ST.	BURGAW	Yes	No	No	No	No	No	No	No
NONCD0002325	POTTER SEPTIC SPILL	COLONIAL FORREST II, LOT 7	BURGAW	No	No	Yes	No	No	No	No	No
NONCD0001143	PRESTIGE LABELS	151 INDUSTRIAL DR	BURGAW	Yes	No	No	No	No	No	No	No
NONCD0002413	ROCKY POINT TRADING POST TCE	8160 US HWY 117S, ROCKY POINT	BURGAW	No	No	Yes	No	No	No	No	No
NONCD0002451	SCHOONMAKERS-DECORATIVE TIN	NEAR WATHA		No	No	Yes	No	No	No	No	No
NCN000407564	WATHA FIRING RANGE	3311 SHILOH RD	WATHA	Yes	No	No	No	No	No	No	No
Number of Sites:	8										

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NONCD0002612	TOWN OF CAROLINA BEACH	DOW ROAD	CAROLINA BEACH	No	No	Yes	No	No	No	No	No
NONCD0002645	UNIFIRST	1821 DAWSON STREET	WILMINGTON	No	Yes	No	No	No	No	No	No
NONCD0002650	UNITED PARCEL SERVICE	1620 NORTH 23RD STREET	WILMINGTON	No	No	Yes	No	No	No	No	No
NC0210021929	USA RESERVE XVIII AIRBORNE	2144 LAKESHORE DR	WILMINGTON	No	No	No	No	No	No	Yes	No
NC0002178580	VC CHEMICAL-ALMONT WORKS	2400 US 421 NORTH	WILMINGTON	Yes	No	No	No	No	No	No	No
NONCD0002838	WACCAMAW TRANSPORT (FORMER)	1106 S 2ND ST	WILMINGTON	Yes	No	No	No	No	No	No	No
NONCD0001105	WETSIG YACHTS	4022 MARKET STREET	WILMINGTON	Yes	No	No	No	No	No	No	No
NONCD0002789	WHITE RESIDENCE	406 LINDEN LANE	WILMINGTON	No	No	Yes	No	No	No	No	No
NCD986188910	WILMINGTON COAL GAS PLANT	CASTLE & SURRY STS	WILMINGTON	No	Yes	No	No	No	No	No	No
NONCD0002734	WILMINGTON FERTILIZER COMPANY	1702 NORTH 6TH STREET	WILMINGTON	Yes	No	No	No	No	No	No	No
NCN000407302	WILMINGTON GUN CLUB (FORMER)	MILITARY CUTOFF ROAD	WILMINGTON	Yes	No	No	No	No	No	No	No
NONCD0001179	WILMINGTON IRON WORKS (FORMER)	S WATER, S FRONT, & ORANGE STS	WILMINGTON	Yes	No	No	No	No	No	No	No
NONCD0002735	WILMINGTON RESOURCES	2200 US HWY 421 N	WILMINGTON	No	No	Yes	No	No	No	No	No
NONCD0002736	WILMINGTON SHIPYARD (FORMER)	1500 POINT HARBOR RD.	WILMINGTON	Yes	No	No	No	No	No	No	No
NONCD0001042	WILMINGTON SOUTH LINE &	6854 CAROLINA BEACH ROAD	WILMINGTON	No	No	No	No	No	No	Yes	No
NONCD0002750	WK HOBBS BP SITE	2461 CAROLINA BEACH ROAD	WILMINGTON	No	No	Yes	No	No	No	No	No
NONCD0002763	WORTHINGTON HEATING OIL SPILL			No	No	Yes	No	No	No	No	No
NONCD0002799	WRIGHTSVILLE AVE	2501-2509 WRIGHTSVILLE AVE	WILMINGTON	No	Yes	No	No	No	No	No	No
Number of Sites:	88										

NORTHAMPTON

NCD980559975	GA-PACIFIC CORP/RESIN DIV	AMPAC RD	CONWAY	No	Yes	No	No	No	No	No	No
NONCD0001750	GARRISS, ELSIE RESIDENCE	ROUTE 1, BOX 134 B	MARGARETTESVILLE	No	No	Yes	No	No	No	No	No
NONCD0001781	GLOVER PROPERTY	ROUTE 1, BOX 182	SEABOARD	No	No	Yes	No	No	No	No	No
NONCD0002040	MASON, ELLIOTT	RT. 2 BARRETT CABIN ROAD	MURFREESBORO	No	No	Yes	No	No	No	No	No
NONCD0002333	PRODUCER SERVICE & SUPPLY	HWY 186	SEABOARD	No	No	Yes	No	No	No	No	No
NCD986227965	STOLLER CHEMICAL - SEVERN	HIGHWAY 35	SEVERN	Yes	No	No	No	No	No	No	No
Number of Sites:	6										

ONSLOW

NONCD0002420	APAC MAINTENANCE SHOP (FRMR)	240 CENTER ST	JACKSONVILLE	No	No	Yes	No	No	No	No	No
NONCD0002778	APAC-DEPPE #2 ASPHALT PLANT	6190 NEW BERN HWY	MAYSVILLE	Yes	No	No	No	No	No	No	No
NCD982119554	BOSTIC DRUM	US HWY 17	HOLLY RIDGE	No	No	No	No	No	No	Yes	No
NONCD0001193	COASTAL DRY CLEANERS	1170 HENDERSON DR	JACKSONVILLE	Yes	No	No	No	No	No	No	No
NONCD0001876	HUBERT PARKER POND	145 HUMPHREY RD.	JACKSONVILLE	No	No	Yes	No	No	No	No	No
NONCD0001995	LENOIR AUTO PARTS	804 NEW BRIDGE ST.	JACKSONVILLE	No	No	Yes	No	No	No	No	No
NONCD0002156	NCDOT ASPHALT MATERIAL TEST	HWY 17, JACKSONVILLE, BARRUS C	DEPPE	No	No	Yes	No	No	No	No	No
NCD980728687	RENROH	HIGHWAY 50 AND LLOYD ST	HOLLY RIDGE	No	No	No	No	No	No	Yes	No
NCD084167444	STANADYNE, INC/DIESEL SYSTEMS	405 WHITE ST	JACKSONVILLE	Yes	No	No	No	No	No	No	No
NONCD0000004	STURGEON CITY PROPERTY	4 COURT STREET	JACKSONVILLE	Yes	No	No	No	No	No	No	No
NONCD0002567	SWANSBORO DRY CLEANING SITE	CORNER OF CORBET STREET AND LI	SWANSBORO	No	No	Yes	No	No	No	No	No
NONCD0002608	TOMMY POLLARD PROPERTY,	INTERSECTION OF HWY. 24 & 53	JACKSONVILLE	No	No	Yes	No	No	No	No	No
Number of Sites:	12										

ORANGE

NONCD0001393	BUCKNER STEEL CO.	MT. CARMEL CHURCH RD.	CHAPEL HILL	No	No	Yes	No	No	No	No	No
NONCD0001186	CARR MILL MALL	200 N GREENSBORO ST	CARRBORO	Yes	No	No	No	No	No	No	No

Site ID #	Site Name	Street Address	City	SPL	Voluntary Action Under Agreement	Evaluation Pending	Pollutant Only Site - Open	Pollutant Only Site-NFA	Pollutant Only Site-NFA Restricted	No Further Action	NFA-Restricted Use
NONCD0001564	CRIBBS HOBBY	6225 CAROLINA BEACH RD.	WILMINGTON	Yes	No	No	No	No	No	No	No
NONCD0001185	CSX-NUTT ST	525 NUTT ST	WILMINGTON	Yes	No	No	No	No	No	No	No
NONCD0001579	CYPRESS GROVE SUBDIVISION	LEIUTENANT CONGLETON ROAD	WILMINGTON	No	No	Yes	No	No	No	No	No
NCD006991210	DEPOORTERE CORPORATION	240 CASTLE HAYNE RD	WILMINGTON	No	No	No	No	No	No	Yes	No
NONCD0001138	DEUTSCH RELAYS	2021 GARDNER DR	WILIMINGTON	Yes	No	No	No	No	No	No	No
NCD042890525	DIAMOND SHAMROCK	SR 1002	CASTLE HAYNE	No	No	Yes	No	No	No	No	No
NCD057454670	DIAMOND SHAMROCK	SR 1002	CASTLE HAYNE	No	Yes	No	No	No	No	No	No
NONCD0001624	DODGES STORE AGST	5224 MARKET STREET	WILMINGTON	No	No	Yes	No	No	No	No	No
NONCD0001628	DORTHY B. JOHNSON SCHOOL YARD	1100 MCRAY STREET	WILMINGTON	No	No	Yes	No	No	No	No	No
NCD980557821	DOW CHEMICAL PLANT CAPE FEAR	MOTSU BUFFER ZONE	CAPE FEAR	No	No	No	No	No	No	Yes	No
NONCD0001651	EAGLE ISLAND,CSX PROPERTY	PETER POINT, EAGLE ISLAND	WILMINGTON	No	No	Yes	No	No	No	No	No
NONCD0001697	EXXON CORPORATION	3340 RIVER ROAD	WILMINGTON	Yes	No	No	No	No	No	No	No
NONCD0001723	FLINT HILLS RESOURCES-CMT SITE	3330 RIVER ROAD	WILMINGTON	No	No	Yes	No	No	No	No	No
NCD050409150	GENERAL ELECTRIC	3901 CASTLE HAYNE RD	WILMINGTON	Yes	No	No	No	No	No	No	No
NONCD0001801	GRIFFIN HEATING OIL TANK INCIDENT	5601 CAROLINA BEACH ROAD	WILMINGTON	No	No	Yes	No	No	No	No	No
NCD990734055	HERCOFINA/CAPE INDUSTRIES	HWY 421 N	WILMINGTON	Yes	No	No	No	No	No	No	No
NONCD0001856	HILTON HOTEL	301 NORTH WATER STREET	WILMINGTON	No	No	Yes	No	No	No	No	No
NONCD0001860	HOECHST CELANESE - #6 FUEL SPILL			No	No	Yes	No	No	No	No	No
NCN000407480	HORTON IRON & METAL	2216 US HWY 421 N	WILMINGTON	Yes	No	No	No	No	No	No	No
NCD980557839	IDEAL BASIC INDS/PLANT MARL	HOLLY SHELTER ROAD	CASTLE HAYNE	No	No	No	No	No	No	Yes	No
NONCD0000031	INDEPENDENCE MALL OUTPARCEL	OLEANDER & FORDHAM RDS	WILMINGTON	Yes	No	No	No	No	No	No	No
NONCD0002797	KOCH NORTH PARAXYLENE	3225 RIVER RD	WILMINGTON	No	No	Yes	No	No	No	No	No
NONCD0001968	KOCH SULPHUR PRODUCTS	2600 HWY 421 NORTH	WILMINGTON	No	No	Yes	No	No	No	No	No
NONCD0002787	LOWE RESIDENCE	105 RITTER DR	CASTLE HAYNE	No	No	Yes	No	No	No	No	No
NONCD0002052	MCCARTHY COMPLAINT	1411 AIRLIE ROAD	WILMINGTON	No	No	Yes	No	No	No	No	No
NONCD0002074	MILLER & TALENT RADIATOR	1815 CASTLE STREET	WILMINGTON	No	No	Yes	No	No	No	No	No
NONCD0002087	MOBIL CAROLINA MILLS	23RD ST, 500 FROM SMITH CREEK	WILMINGTON	No	No	Yes	No	No	No	No	No
NCD000772046	MOBIL OIL CORP/KOCH REFINING	3334 RIVER RD	WILMINGTON	Yes	No	No	No	No	No	No	No
NONCD0002089	MODERN LAUNDRY AND DRY	3501-3545 OLEANDER DRIVE	WILMINGTON	No	No	Yes	No	No	No	No	No
NONCD0002194	NCSPA BLDG C-1	2202 BURNETT BLVD	WILMINGTON	No	Yes	No	No	No	No	No	No
NONCD0002198	NEW HANOVER COUNTY WASTEC	3002 US HWY 421 NORTH	WILMINGTON	No	No	Yes	No	No	No	No	No
NCD986186518	OLD ATC REFINERY	801 SURRY STREET	WILMINGTON	Yes	No	No	No	No	No	No	No
NONCD0002277	PAZIUK WAREHOUSE	710 SUNNYVALE DRIVE	WILMINGTON	Yes	No	No	No	No	No	No	No
NONCD0002280	PCS NITROGEN, FMRLY ARCADIAN	2830 HWY 421 NORTH	WILMINGTON	Yes	No	No	No	No	No	No	No
NONCD0002281	PEARSON PROPERTY-AST OVERFILL	2402 JEFFERSON STREET	WILMINGTON	No	No	Yes	No	No	No	No	No
NONCD0002322	PORTERS NECK ROAD UNKNOWN	719 PORTERS NECK ROAD	SCOTTS HILL	No	No	Yes	No	No	No	No	No
NCD075562074	POTTER'S SEPTIC TANK SERVICE	MASONBORO LOOP RD	WILMINGTON	No	No	No	No	No	No	Yes	No
NONCD0002835	PRIME EQUIPMENT CO	1020 N FRONT ST	WILMINGTON	Yes	No	No	No	No	No	No	No
NONCD0002404	RITTER MILLWORKS SHOP	2913 CASTLE HAYNE RD	CASTLE HAYNE	No	Yes	No	No	No	No	No	No
NONCD0002426	ROYSTER TRANSPORT CO., INC.	206 SHIPYARD BLVD.	WILMINGTON	No	No	Yes	No	No	No	No	No
NC0000102228	SHACKLEFORD BANKS DRUMS		WILMINGTON	No	No	No	No	No	No	Yes	No
NCD980801484	SHEPARD CHEMICAL WORKS	US 70 EAST	WILMINGTON	No	No	No	No	No	No	Yes	No
NONCD0002842	SOUTH COLLEGE RD PCP SPILL	145-147 S COLLEGE RD	WILMINGTON	No	No	Yes	No	No	No	No	No
NONCD0002498	SOUTHERN GRAPHICS SYSTEMS	2406 N. 23RD STREET	WILMINGTON	Yes	No	No	No	No	No	No	No
NCN000407584	SOUTHERN METALS RECYCLING, INC	1002 SOUTH FRONT STREET	WILMINGTON	Yes	No	No	No	No	No	No	No
NCD058517467	SOUTHERN WOOD PIEDMONT	GREENFIELD ST	WILMINGTON	No	Yes	No	No	No	No	No	No
NONCD0002544	STEVE BRAILSFORD COMPLAINT	216 PINE GROVE DRIVE	WILMINGTON	No	No	Yes	No	No	No	No	No
NONCD0002561	SUNOCO BULK TERMINAL	RIVER ROAD	WILMINGTON	Yes	No	No	No	No	No	No	No
NONCD0002575	TAKEDA - BASF	101 VITAMIN DRIVE	WILMINGTON	No	Yes	No	No	No	No	No	No

Site ID #	*Site Name*	*Street Address*	*City*	*SPL*	*Voluntary Action Under Agreement*	*Evaluation Pending*	*Pollutant Only Site - Open*	*Pollutant Only Site-NFA*	*Pollutant Only Site-NFA Restricted*	*No Further Action*	*NFA-Restricted Use*
NONCD0001073	BONE FARM PESTICIDE AREA	HWY 58/SR 1717	NASHVILLE	No	No	No	No	No	No	Yes	No
NONCD0001445	CAROLINA FREIGHT-ROCKY MOUNT	1431 WESLEYAN BLVD	ROCKY MONUT	No	No	Yes	No	No	No	No	No
NONCD0001511	CLAY STRICKLAND/LITTLE RIVER	1216 MACEDONIA ROAD (ST. HWY 1	SPRING HOPE	No	No	Yes	No	No	No	No	No
NONCD0001156	CLEAN-CLEAN DRY CLEANERS	2408 SUNSET AVE	ROCKY MOUNT	No	No	Yes	No	No	No	No	No
NONCD0001571	CS HENRY TRANSFER #2,3	2440 N. CHURCH ST.	ROCKY MOUNT	No	No	Yes	No	No	No	No	No
NCD990867855	FAWN PLASTICS CO., INC.	317 JEFFREYS ROAD	ROCKY MOUNT	Yes	No	No	No	No	No	No	No
NCD067178707	FAWN PLASTICS CO., INC.	RT 264 BUSINESS	MIDDLESEX	Yes	No	No	No	No	No	No	No
NONCD0001730	FONTAINE FIFTH WHEEL (FORMER)	3883 SOUTH CHURCH STREET	ROCKY MOUNT	No	Yes	No	No	No	No	No	No
NONCD0001762	GENTEX PRINTING	1021 THORPE ROAD	ROCKY MOUNT	No	No	Yes	No	No	No	No	No
NONCD0001784	GOLD ROCK TEXACO	RT 1 BOX 161	BATTLEBORO	No	No	Yes	No	No	No	No	No
NONCD0001800	GRIFFIN FERTILIZER SPILL	GREEN HILLS ROAD	ROCKY MOUNT	No	No	Yes	No	No	No	No	No
NONCD0001831	HAYNES RUBBER & SUPPLY COMPANY	942 NORTH CHURCH STREET	ROCKY MOUNT	No	No	Yes	No	No	No	No	No
NONCD0001837	HEILIG MYERS DIST. WHSE. (FORMER)	109 RIVERSIDE DRIVE	ROCKY MOUNT	No	No	Yes	No	No	No	No	No
NONCD0001896	INDUSTRIAL ELECTRIC/HALE	HWY 97 W.	ROCKY MOUNT	No	No	Yes	No	No	No	No	No
NC0000195743	JIMMY GREEN METALS	BARN HILL CHURCH ROAD	NASHVILLE	Yes	No	No	No	No	No	No	No
NCD055359079	MASONITE CORP. FIBERBOARD DIV.	HWY 64 & SR 1306	SPRING HOPE	No	Yes	No	No	No	No	No	No
NCD042891663	MITCHELL ENGR CO/CECO BLDG. DIV.	BYPASS 301	ROCKY MOUNT	Yes	No	No	No	No	No	No	No
NCD986197325	ROCKY MOUNT COAL GAS PLANT	SOUTH MAIN STREET	ROCKY MOUNT	No	Yes	No	No	No	No	No	No
NCD986197317	ROCKY MOUNT COAL GAS PLANT	NORTH MAIN STREET	ROCKY MOUNT	No	Yes	No	No	No	No	No	No
NCD981933096	ROCKY MOUNT, OLD AIRPORT	US 301 BUSINESS	ROCKY MOUNT	No	Yes	No	No	No	No	No	No
NONCD0002582	TAU VALLEY APARTMENTS	237 WINSTEAD AVENUE	ROCKY MOUNT	No	No	Yes	No	No	No	No	No
NCD072028251	TORPEDO WIRE & STRIP, INC.	INSTRUMENT DR	ROCKY MOUNT	Yes	No	No	No	No	No	No	No
NONCD0002712	WESTRIDGE VILLAGE SH. CENTER	2600 SUNSET AVENUE	ROCKY MOUNT	No	No	Yes	No	No	No	No	No
NONCD0002714	WHITE OAK HILL RD. S/D	WHITE OAK HILL RD.	BAILEY	No	No	Yes	No	No	No	No	No

Number of Sites: 28

NEW HANOVER

NONCD0002781	ADAMS PAINTING SERVICE	722 WELLINGTON AVE	WILMINGTON	Yes	No	No	No	No	No	No	No
NCD981929557	ALANDALE DR 4008 CHEMICALS	4008 ALANDALE DRIVE	WILMINGTON	No	No	No	No	No	No	Yes	No
NONCD0002564	ALLEN'S FARM SUPPLY	511 N 3RD ST	WILMINGTON	Yes	No	No	No	No	No	No	No
NONCD0001250	ALMONT SHIPPING	423 NUTT STREET	WILMINGTON	Yes	No	No	No	No	No	No	No
NONCD0001253	AMERICAN CRANE CORPORATION	202 RALEIGH ST.	WILMINGTON	No	No	Yes	No	No	No	No	No
NONCD0002779	APAC-CASTLE HAYNE ASPHALT	4909 N COLLEGE RD	CASTLE HAYNE	Yes	No	No	No	No	No	No	No
NONCD0001306	B&K AUTO SERVICES	5932 CAROLINA BEACH ROAD	WILMINGTON	No	No	Yes	No	No	No	No	No
NONCD0001330	BECKER BUILDERS SUPPLY COMPANY	4614 MARKET STREET	WILMINGTON	Yes	No	No	No	No	No	No	No
NONCD0001391	BROWNS RADIATOR SERVICE	2136 WRIGHTSVILLE AVE	WILMINGTON	No	No	Yes	No	No	No	No	No
NONCD0001432	CAPE GOLF COURSE	535 THE CAPE BLVD	WILMINGTON	Yes	No	No	No	No	No	No	No
NCD986171965	CARO-KNIT	SMITH CREEK PKWY & 23RD	WILMINGTON	No	Yes	No	No	No	No	No	No
NCD000830646	CAROLINA P&L CO. SUTTON STEAM	HWY 421	WILMINGTON	Yes	No	No	No	No	No	No	No
NONCD0000015	CENTRAL TRANSPORT COMPANY	215 SAMPSON ST	WILMINGTON	Yes	No	No	No	No	No	No	No
NONCD0001490	CHEMSERVE TERMINAL CAUSTIC	6TH STREET	WILMINGTON	No	No	No	No	No	No	Yes	No
NONCD0001200	COASTLINE INN PROPERTY	503 NUTT ST	WILMINGTON	Yes	No	No	No	No	No	No	No
NONCD0002851	COCA-COLA BOTTLING FACILITY	921 PRINCESS ST	WILMINGTON	Yes	No	No	No	No	No	No	No
NCD980557813	CONTAINER PRODUCTS CORP.	1223 N. 23RD STREET	WILMINGTON	No	No	No	No	No	No	Yes	No
NCD003938586	CORNING GLASS WORKS	310 NORTH COLLEGE ROAD	WILMINGTON	Yes	No	No	No	No	No	No	No
NONCD0001550	COTTMAN TRANSMISSION	145-147 S. COLLEGE ROAD	WILMINGTON	Yes	No	No	No	No	No	No	No
NONCD0001556	CP&L	CONSTRUCTION SITE, HOLDEN PLAC	WILMINGTON	No	No	Yes	No	No	No	No	No
NONCD0001557	CP&L TRANSFORMER SITE	HWY 421 N., NEXT TO SUTTON PLA	WILMINGTON	No	No	Yes	No	No	No	No	No

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NONCD0002760	WORTH CHEMICAL	818 TUCKASEEGEE ROAD	CHARLOTTE	No	No	Yes	No	No	No	No	No
NONCD0002771	YELLOW FREIGHT SYSTEM 3	11001 REAMES ROAD	CHARLOTTE	No	No	Yes	No	No	No	No	No
NONCD0001051	YUASA-EXIDE DISTRIBUTION CTR	3713 N. DAVIDSON ST.	CHARLOTTE	No	No	No	No	No	No	Yes	No
Number of Sites:	327										
MITCHELL											
NONCD0000028	CAROLINA P&L CO. SPRUCE PINE	MOUNTAIN LAUREL DR	SPRUCE PINE	Yes	No	No	No	No	No	No	No
NCD986188795	CARTERS RIDGE ROAD SITE	CARTER'S RIDGE ROAD	SPRUCE PINE	No	No	No	No	No	No	Yes	No
NCD986171171	ETHAN ALLEN-SPRUCE PINE	200 ETHAN ALLEN DRIVE	SPRUCE PINE	No	No	No	No	No	No	Yes	No
NCD024817827	HENREDON FURNITURE	ALTAPASS ROAD	SPRUCE PINE	Yes	No	No	No	No	No	No	No
NCD981929375	HUMPBACK MOUNTAIN ROAD DRUM	4 MI EAST OF SPRUCE PINE	SPRUCE PINE	No	No	No	No	No	No	Yes	No
NCD991277724	MITCHELL SYSTEMS, INC.	ALTAPASS RD	SPRUCE PINE	Yes	No	No	No	No	No	No	No
Number of Sites:	6										
MONTGOMERY											
NONCD0001081	ALCOA-NARROWS POWERHOUSE	PINE STREET		No	Yes	No	No	No	No	No	No
NONCD0001177	ALCOA-PINE RD RAVINE DISPOSAL	PINE RD		Yes	No	No	No	No	No	No	No
NONCD0001476	CHAPPEL FARM SITE	228 SULFER SPRINGS RD	CANDOR	No	No	Yes	No	No	No	No	No
NONCD0002106	MULLINEX GROCERY LINDA	845 HIGHWAY 109	TROY	No	No	Yes	No	No	No	No	No
NCD054284518	STANDARD PACKAGING	HWY 73 W	MT GILEAD	Yes	No	No	No	No	No	No	No
Number of Sites:	5										
MOORE											
NONCD0002857	ABERDEEN FLORIST & GARDEN	500 S SANDHILLS BLVD	ABERDEEN	Yes	No	No	No	No	No	No	No
NONCD0001184	CARTER'S CLEANERS	1389 N SANDHILLS BLVD	ABERDEEN	No	No	Yes	No	No	No	No	No
NONCD0001528	COLONIAL ABRASIVES	312 SOUTH PINE STREET	ABERDEEN	No	No	Yes	No	No	No	No	No
NCD986172492	CRESTLINE CONTAMINATED WELLS	ROUTE 211	ABERDEEN	Yes	No	No	No	No	No	No	No
NONCD0001582	DAIRY MART #5433	205 WEST MORGAN ROAD	SOUTHERN PINES	No	No	Yes	No	No	No	No	No
NONCD0001716	FIRST BANK PROPERTY-OLD DUMP	OFF HWY 211	PINEHURST	No	No	Yes	No	No	No	No	No
NCD060291051	HOW ENTERPRISES	TAYLOR STREET	ABERDEEN	No	No	No	No	No	No	Yes	No
NONCD0001989	LEE PAVING COMPANY/NCDOT SITE 21	LEE PAVING DRIVE OFF S NC 211	ABERDEEN	No	No	Yes	No	No	No	No	No
NONCD0002876	MERIDIAN KIOSK/COLONIAL	312 PINE ST	ABERDEEN	No	No	Yes	No	No	No	No	No
NCD144192606	PARKER-ZENITH	TAYLOR STREET	ABERDEEN	Yes	No	No	No	No	No	No	No
NCD060306727	RICHARDS WC COMPANY, INC.	101 EAST MAPLE STREET	ABERDEEN	Yes	No	No	No	No	No	No	No
NONCD0000064	ROY F. BURT ENTERPRISES	HWY 15/501	CARTHAGE	No	No	No	No	No	No	Yes	No
NCD003234549	SCM PROCTOR SILEX/WEAREVER	575 YADKIN RD	SOUTHERN PINES	No	Yes	No	No	No	No	No	No
NONCD0002461	SEVEN LAKES WELL # 3	NC 211	SEVEN LAKES	No	No	Yes	No	No	No	No	No
NCD049845266	STANLEY CASE GOODS (FORMER)	HWY 211	WEST END	Yes	No	No	No	No	No	No	No
NCN000407188	US 1-15/501 ABERDEEN	517 S SANDHILLS BLVD	ABERDEEN	Yes	No	No	No	No	No	No	No
NCD981929391	VASS TRUCK WRECK	US 1	VASS	No	No	No	No	No	No	Yes	No
Number of Sites:	17										
NASH											
NCD040042426	AEROQUIP/FAWN PLASTICS	HIGHWAY 264 ALT.	MIDDLESEX	Yes	No	No	No	No	No	No	No
NONCD0001247	ALLIED SIGNAL/FMR BENDIX	HWY301/SR1540,WESLEYLAN BLVD N	ROCKY MOUNT	No	No	Yes	No	No	No	No	No
NONCD0001258	AMERLINK SPILL	PO BOX 669	BATTLEBORO	No	No	Yes	No	No	No	No	No
NONCD0001047	BAILEY SUBSTATION	NC 581 SOUTH	BAILEY	No	No	No	No	No	No	Yes	No

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NONCD0002563	SUPERIOR INK COMPANY	4820 ROZZELLS FERRY ROAD	CHARLOTTE	No	No	Yes	No	No	No	No	No
NONCD0002568	SWARTZ & SONS (SMITH METAL &	W. 3RD AND CEDAR	CHARLOTTE	No	No	Yes	No	No	No	No	No
NCD981921083	SWIFT ADHESIVES	9724 INDUSTRIAL DRIVE	PINEVILLE	Yes	No	No	No	No	No	No	No
NCD980557763	SWIFT ADHESIVES &	2917 YOUNGBLOOD STREET	CHARLOTTE	No	No	No	No	No	No	Yes	No
NONCD0002573	TACO BELL #2	2405 SOUTH BOULEVARD	CHARLOTTE	No	No	Yes	No	No	No	No	No
NONCD0002574	TAKATORI INTECH FACILITY	4102 MONROE ROAD	CHARLOTTE	No	No	Yes	No	No	No	No	No
NONCD0002583	TAYLOR SALT & CHEMICAL 2	3915 GLENWOOD DRIVE	CHARLOTTE	No	No	Yes	No	No	No	No	No
NONCD0002585	TEMCO (FORMER VENTURA)	2711 WILKINSON BLVD	CHARLOTTE	No	No	Yes	No	No	No	No	No
NONCD0000011	TERRELL MACHINE SHOP	3000-3030 SOUTH BLVD	CHARLOTTE	Yes	No	No	No	No	No	No	No
NCD000770016	TEXAS CITY REFINING COMPANY	732 MT HOLLY RD	PAW CREEK	No	No	Yes	No	No	No	No	No
NONCD0000074	TEXTILE CHEMICAL FACILITY	GRAHAM STREET	CHARLOTTE	Yes	No	No	No	No	No	No	No
NONCD0002589	THIRD AND CHURCH STREET	THIRD AND CHURCH STREET	CHARLOTTE	No	No	Yes	No	No	No	No	No
NONCD0002591	THOMAS CONCRETE	3701 N GRAHAM STREET	CHARLOTTE	No	No	Yes	No	No	No	No	No
NCD095470332	THONIT A SIMMONS COMPANY	11900 STEELE CREEK ROAD	CHARLOTTE	Yes	No	No	No	No	No	No	No
NONCD0002600	TILLET CHEMICAL, INC.	316 COLLEGE STREET	PINEVILLE	No	No	Yes	No	No	No	No	No
NCD981478480	TODDVILLE OPERATIONS/DUKE	610 TODDVILLE ROAD	CHARLOTTE	No	No	No	No	No	No	Yes	No
NCD986231967	TOM SADLER ROAD WELLS	TOM SADLER RD	CHARLOTTE	Yes	No	No	No	No	No	No	No
NONCD0002609	TOMMYS AUTOMOTIVE - SOLVENTS	6000 THE PLAZA	CHARLOTTE	No	No	Yes	No	No	No	No	No
NONCD0002611	TOWN CENTER PROJECT	20101 N MAIN ST	CORNELIUS	No	No	Yes	No	No	No	No	No
NONCD0002618	TRADEMART ASSOC UNITED PROP	500 BLOCK S COLLEGE STREET	CHARLOTTE	No	No	Yes	No	No	No	No	No
NONCD0002620	TRANE SERVICE FIRST	4500 MORRIS FIELD DRIVE	CHARLOTTE	No	No	Yes	No	No	No	No	No
NONCD0000088	TRANS TECHNOLOGY	5535 WILKINSON BLVD	CHARLOTTE	Yes	No	No	No	No	No	No	No
NC0001290667	TRYON STREET U-HAUL	1224 NORTH TRYON STREET	CHARLOTTE	No	No	No	No	No	No	Yes	No
NCD980844336	UNION CARBIDE BATTERY	5400 HOVIS ROAD	CHARLOTTE	Yes	No	No	No	No	No	No	No
NCD000623207	UNION CARBIDE-LINDE DIVISION	6017 BELHAVEN BLVD	CHARLOTTE	No	No	No	No	No	No	Yes	No
NONCD0002654	UNIVERSAL STAINLESS	10801 NATIONS FORD ROAD	CHARLOTTE	No	No	Yes	No	No	No	No	No
NONCD0002656	UNOCAL - GOODRICH	12040 GOODRICH DRIVE	CHARLOTTE	No	No	Yes	No	No	No	No	No
NONCD0002657	US AIRWAYS MAINTENANCE FACILITY	5020 HANGAR ROAD	CHARLOTTE	No	No	Yes	No	No	No	No	No
NC3210021330	USA RESERVE XVIII AIRBORNE	1412 WESTOVER DR	CHARLOTTE	No	No	No	No	No	No	Yes	No
NC6210022905	USA RESERVE XVIII AIRBORNE	1300 WESTOVER DR	CHARLOTTE	No	No	No	No	No	No	Yes	No
NONCD0000003	VAN WATERS & ROGERS	ATANDO INDUSTRIAL PARK	CHARLOTTE	Yes	No	No	No	No	No	No	No
NONCD0002674	VIRGINIA CAROLINA FREIGHT LINES	710 CALVERT STREET	CHARLOTTE	No	No	Yes	No	No	No	No	No
NONCD0002675	VIRKLER CO. PLANT	1022 PRESSLEY ROAD	CHARLOTTE	No	No	Yes	No	No	No	No	No
NONCD0002686	WAHLRAB RESIDENCE	3040 SHAMROCK DRIVE	CHARLOTTE	No	No	Yes	No	No	No	No	No
NONCD0002690	WALDON ROAD	WALDON ROAD & KIKER ROAD	CHARLOTTE	No	No	Yes	No	No	No	No	No
NONCD0002691	WALLACE FARMS	14410 EASTFIELD ROAD	HUNTERSVILLE	No	No	Yes	No	No	No	No	No
NONCD0002697	WARREN ROAD	WARREN ROAD - NEAR CHAR-DOUG A	CHARLOTTE	No	No	Yes	No	No	No	No	No
NONCD0002705	WEST LIDDELL ST	235 WEST LIDDELL STREET	CHARLOTTE	No	No	Yes	No	No	No	No	No
NONCD0001091	WEST MOREHEAD ST PESTICIDE	147 W MOREHEAD ST	CHARLOTTE	No	No	No	No	No	No	Yes	No
NONCD0002708	WESTINGHOUSE & CORDAGE	WESTINGHOUSE BV & CORDAGE ST V	CHARLOTTE	No	No	Yes	No	No	No	No	No
NONCD0000026	WESTINGHOUSE DISTRIBUTION	2001 W MOREHEAD ST	CHARLOTTE	No	No	No	No	No	No	Yes	No
NONCD0001006	WESTINGHOUSE TURBINE	WESTINGHOUSE ROAD	CHARLOTTE	Yes	No	No	No	No	No	No	No
NONCD0002709	WESTOVER SHOPPING CENTER	1506 - 1550 WEST BOULEVARD	CHARLOTTE	No	No	Yes	No	No	No	No	No
NONCD0002724	WILGROVE EXPRESS - SOLVENTS	10102 ALBEMARLE ROAD	CHARLOTTE	No	No	Yes	No	No	No	No	No
NONCD0002725	WILGROVE MOBILE HOME PARK	ALBEMARLE RD	CHARLOTTE	No	No	Yes	No	No	No	No	No
NCD003151651	WILLARD SMELTING CO.	101 NEWBERN ST	CHARLOTTE	Yes	No	No	No	No	No	No	No
NCD024477556	WINSTON CONTAINER COMPANY	4732 MORRIS FIELD RD	CHARLOTTE	Yes	No	No	No	No	No	No	No
NONCD0002753	WOODLAWN CENTER PROPERTY	1600 WOODLAWN ROAD	CHARLOTTE	No	No	Yes	No	No	No	No	No
NONCD0002756	WOODWARD NITRATES	19714 STOUGH FARM ROAD	CORNELIUS	No	No	Yes	No	No	No	No	No

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NONCD0002327	POWELL LUMBER COMPANY	300 CROMPTON STREET	CHARLOTTE	No	No	Yes	No	No	No	No	No
NONCD0002331	PRIME EQUIPMENT COMPANY	1901 SOUTH TRYON STREET	CHARLOTTE	No	No	Yes	No	No	No	No	No
NONCD0001000	PRINTING TECHNOLOGY	1009 CARPET STREET	CHARLOTTE	No	No	No	No	No	No	Yes	No
NONCD0002348	QUALEX	2519 DISTRIBUTION STREET	CHARLOTTE	No	No	Yes	No	No	No	No	No
NCD079045027	QUEENS PROPERTY	RESEARCH DRIVE	CHARLOTTE	No	No	No	No	No	No	Yes	No
NONCD0002356	R.H. BOULIGNY #2	2320 NORTH DAVIDSON STREET	CHARLOTTE	No	No	Yes	No	No	No	No	No
NCD003149663	RADIATOR SPECIALTY COMPANY	1900 WILKINSON BLVD	CHARLOTTE	Yes	No	No	No	No	No	No	No
NONCD0002362	RAINBOW CLEANERS	8500 PINEVILLE-MATTHEWS ROAD	PINEVILLE	No	No	Yes	No	No	No	No	No
NONCD0002369	RAMSEY PRODUCTS	3701 PERFORMANCE ROAD	CHARLOTTE	No	No	Yes	No	No	No	No	No
NONCD0002373	RANGER TRANSPORT WELL	6624 LAKEVIEW RD	CHARLOTTE	No	No	Yes	No	No	No	No	No
NONCD0001201	REEVES BROTHERS-BAILEY RD	BAILEY RD	CORNELIUS	No	Yes	No	No	No	No	No	No
NCD000773663	REICHHOLD CHEMICAL, INC.	DORMAN ROAD	PINEVILLE	No	No	No	No	No	No	Yes	No
NONCD0002390	REXAM FACILITY, FORMER	700 CRESTDALE ROAD	MATTHEWS	No	No	Yes	No	No	No	No	No
NONCD0002392	REYNOLDS & SON CONSTRUCTION	11401 LAWYERS ROAD	MINT HILL	No	No	Yes	No	No	No	No	No
NONCD0002397	RHYNE ROAD	RHYNE ROAD	CHARLOTTE	No	No	Yes	No	No	No	No	No
NCN000410302	RIDGE LANE RD DIELDRIN	RIDGE LANE RD	CHARLOTTE	No	No	Yes	No	No	No	No	No
NONCD0002419	ROHM & HAAS	215 LAWTON ROAD	CHARLOTTE	No	No	Yes	No	No	No	No	No
NONCD0002423	ROUNTREE PLANTATION GARDEN	517 ROUNTREE ROAD	CHARLOTTE	No	No	Yes	No	No	No	No	No
NCD980838379	ROWE CORP PROPERTY/BOULIGNY	433 W MOREHEAD ST	CHARLOTTE	Yes	No	No	No	No	No	No	No
NONCD0002433	RYERSON FACILITY, FORMER	5435 HOVIS ROAD	CHARLOTTE	No	No	Yes	No	No	No	No	No
NONCD0002295	SAINT FRANCIS DRIVE	5916 SAINT FRANCIS DRIVE	CHARLOTTE	No	No	Yes	No	No	No	No	No
NCD000609859	SCA CHEMICAL SERVICES, INC.	WAS NEVER BUILT	CHARLOTTE	No	No	No	No	No	No	Yes	No
NONCD0002450	SCERCY WELL	5101 ROBINWOOD DRIVE	CHARLOTTE	No	No	Yes	No	No	No	No	No
NCD093338119	SCM CORP. GLIDDEN COATINGS &	3926 GLENWOOD DRIVE	CHARLOTTE	Yes	No	No	No	No	No	No	No
NONCD0002456	SEARS 8075 SOLVENTS	11407 GRANITE ST	CHARLOTTE	No	Yes	No	No	No	No	No	No
NONCD0002458	SERVCO - STATESVILLE AVE	2200 STATESVILLE AVE JCT WITH	CHARLOTTE	No	No	Yes	No	No	No	No	No
NONCD0002462	SHADY LANE	2923 SHADY LANE	CHARLOTTE	No	No	Yes	No	No	No	No	No
NONCD0002472	SIDES RESIDENCE	336 FIELDING ROAD	CHARLOTTE	No	No	Yes	No	No	No	No	No
NONCD0001002	SIGNART		CHARLOTTE	No	No	No	No	No	No	Yes	No
NCD083678631	SINCLAIR AND VALENTINE CO.	515 S TURNER AVE	CHARLOTTE	No	Yes	No	No	No	No	No	No
NCD024488025	SMITH METAL & IRON COMPANY	712 W 3RD ST	CHARLOTTE	No	No	No	No	No	No	Yes	No
NONCD0002488	SONOCO CARTON FACILITY,	8800 SOUTH BOULEVARD	CHARLOTTE	No	Yes	No	No	No	No	No	No
NCD024488355	SOUTHEASTERN EXTERMINATING	4037 E INDEPENDENCE BLVD	CHARLOTTE	No	No	No	No	No	No	Yes	No
NCD980728620	SOUTHEASTERN POLLUTION		PINEVILLE	No	No	No	No	No	No	Yes	No
NONCD0002497	SOUTHERN CAST	801 PECAN AVENUE	CHARLOTTE	No	No	Yes	No	No	No	No	No
NCD990715658	SOUTHERN MANUFACTURING, INC.	1000 SEABOARD ST	CHARLOTTE	Yes	No	No	No	No	No	No	No
NONCD0002500	SOUTHERN METALS - SOLVENTS	2200 DONALD ROSS ROAD	CHARLOTTE	No	No	Yes	No	No	No	No	No
NONCD0001003	SOUTHLAND	4450 SOUTH BOULEVARD	CHARLOTTE	No	No	No	No	No	No	Yes	No
NONCD0001076	SOUTHSIDE INVESTMENTS LLC	2222 SOUTH BLVD	CHARLOTTE	Yes	No	No	No	No	No	No	No
NONCD0002520	SPEIZMAN PROPERTY	4801 SILABERT AVENUE	CHARLOTTE	No	No	Yes	No	No	No	No	No
NONCD0002523	SPRINGFRESH CLEANERS	SARDIS VILLAGE SHOPPING CENTER	CHARLOTTE	No	No	Yes	No	No	No	No	No
NONCD0002538	STATESVILLE ROAD AND COCHRANE	STATESVILLE ROAD AND COCHRANE	CHARLOTTE	No	No	Yes	No	No	No	No	No
NONCD0002541	STEELE CREEK COMMONS	YORK RD, 9100 SOUTH TRYON AND	CHARLOTTE	No	No	Yes	No	No	No	No	No
NCD083669952	STORY BURIAL AREAS/UNION	6101 ORR ROAD	CHARLOTTE	No	Yes	No	No	No	No	No	No
NONCD0001101	STRONGHAVEN WAREHOUSE	433 EAST JOHNS ST	MATTHEWS	No	Yes	No	No	No	No	No	No
NONCD0002809	SUGAR CREEK WASTEWATER	5301 CLOSEBURN RD	CHARLOTTE	No	No	Yes	No	No	No	No	No
NCD980503155	SUMMIT AVENUE SITE	420 SOUTH SUMMIT AVE	CHARLOTTE	No	No	No	No	No	No	Yes	No
NONCD0002559	SUMMIT GRANDVIEW DEVELOPMENT	300 BLOCK EAST MOREHEAD ST / S	CHARLOTTE	No	No	Yes	No	No	No	No	No
NONCD0002560	SUNOCO #4-1475 - SOLVENTS	1138 N TRYON STREET	CHARLOTTE	No	No	Yes	No	No	No	No	No

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NONCD0002820	MELATEX INC (FORMER MELODY	3818 NORTHMORE ST	CHARLOTTE	No	No	Yes	No	No	No	No	No
NONCD0002062	MERIDIAN CORPORATE CENTER	8501 IBM DRIVE	CHARLOTTE	No	No	Yes	No	No	No	No	No
NCD086861770	METAL IMPROVEMENT COMPANY	10000 OLD PINEVILLE RD	PINEVILLE	No	No	No	No	No	No	Yes	No
NONCD0001106	MICROTRON ABRASIVES, INC	10242 RODNEY BLVD	PINEVILLE	Yes	No	No	No	No	No	No	No
NONCD0001175	MIDTOWN SQUARE VALET DRY	401 S INDEPENDENCE BLVD	CHARLOTTE	Yes	No	No	No	No	No	No	No
NONCD0001041	MITCHELL & BECKER	1928 SOUTH BOULEVARD	CHARLOTTE	Yes	No	No	No	No	No	No	No
NCD024481848	MORELAND MCKESSON COMPANY	7901 BROOKSHIRE BOULEVARD	CHARLOTTE	No	No	No	No	No	No	Yes	No
NONCD0002099	MORRISON WELL	910 REVERDY LANE	MATTHEWS	No	No	Yes	No	No	No	No	No
NONCD0002101	MOUNT HOPE FACILITY	2000 DONALD ROSS ROAD	CHARLOTTE	No	Yes	No	No	No	No	No	No
NONCD0002111	MYERS WELL	14217 SPRINGWATER DRIVE	MATTHEWS	No	No	Yes	No	No	No	No	No
NONCD0002112	N. TRYON MALL	4500 N. TRYON ROAD	CHARLOTTE	No	No	Yes	No	No	No	No	No
NONCD0002119	NATIONAL TRANSPORT #2	601 JOHNSON ROAD	CHARLOTTE	No	No	Yes	No	No	No	No	No
NONCD0002121	NATIONS BANK - SOLVENT	201 NORTH TRYON STREET	CHARLOTTE	No	No	Yes	No	No	No	No	No
NONCD0002122	NAVAL AMMUNITION DEPOT	WESTINGHOUSE BLVD	CHARLOTTE	No	No	Yes	No	No	No	No	No
NONCD0002158	NCDOT ASPHALT SITE #13/REA	6001 OLD DOWD ROAD	CHARLOTTE	No	No	Yes	No	No	No	No	No
NONCD0002159	NCDOT ASPHALT SITE #14	OLD NATIONS FORD RD	PINEVILLE	No	No	Yes	No	No	No	No	No
NONCD0002160	NCDOT ASPHALT SITE #17/BLYTHE	OFF OF ERVIN LANE - 9510 RODNE	PINEVILLE	No	No	Yes	No	No	No	No	No
NONCD0002161	NCDOT ASPHALT SITE #2 (CROWDER	CROWDER CONST, HWY 16, 6433 BR	CHARLOTTE	No	No	Yes	No	No	No	No	No
NONCD0002170	NCDOT ASPHALT SITE #5 (REA	1220 NORTH WENDOVER ROAD	CHARLOTTE	No	No	Yes	No	No	No	No	No
NONCD0002171	NCDOT ASPHALT SITE #56/BLYTHE	2911 NORTH GRAHAM STREET	CHARLOTTE	No	No	Yes	No	No	No	No	No
NONCD0002172	NCDOT ASPHALT SITE #57 - REA	2701 YOUNGBLOOD COURT	CHARLOTTE	No	No	Yes	No	No	No	No	No
NONCD0002174	NCDOT ASPHALT SITE #67	11333 REAMES ROAD	CHARLOTTE	No	No	Yes	No	No	No	No	No
NONCD0002177	NCDOT BRIDGE 108	GRAHAM STREET BRIDGE OVER RR T	CHARLOTTE	No	No	Yes	No	No	No	No	No
NONCD0002179	NCDOT DIV 10 FACILITY (FORMER)	1119 E SUGAR CREEK RD	CHARLOTTE	No	No	Yes	No	No	No	No	No
NONCD0002204	NIVENS PROPERTY	3022 GRIFFITH STREET	CHARLOTTE	No	No	Yes	No	No	No	No	No
NONCD0002211	NORFOLK SOUTHERN RAILWAY-	2100 NORTH TRYON ST.	CHARLOTTE	No	No	Yes	No	No	No	No	No
NONCD0002232	OLD COLONIAL MARBLE	9943 PACKARD ST	PINEVILLE	No	No	Yes	No	No	No	No	No
NCD986172518	OLD MOUNT HOLLY ROAD PCE SITE	OLD MT HOLLY RD & FREEDOM DR	CHARLOTTE	Yes	No	No	No	No	No	No	No
NONCD0002243	ORR ROAD (RESIDENTIAL)	ORR ROAD	CHARLOTTE	No	No	Yes	No	No	No	No	No
NONCD0000098	OZONIC INTERNATIONAL	2033 SOUTH BOULEVARD	CHARLOTTE	No	No	No	No	No	No	Yes	No
NCD000828905	PACKAGE PRODUCTS COMPANY	1930 CAMDEN RD	CHARLOTTE	No	No	No	No	No	No	Yes	No
NONCD0002256	PALOMINO CLUB	9607 ALBEMARLE ROAD	CHARLOTTE	No	No	Yes	No	No	No	No	No
NONCD0002260	PANTRY #824 SOLVENTS	8925 NATIONS FORD ROAD	CHARLOTTE	No	No	Yes	No	No	No	No	No
NONCD0002270	PARKER NALL WELL	8702-B STATESVILLE RD	CHARLOTTE	No	No	Yes	No	No	No	No	No
NONCD0002506	PAWLEY DRIVE CONTAMINATION	312 PAWLEY DRIVE	CHARLOTTE	No	No	Yes	No	No	No	No	No
NCD055162069	PELTON & CRANE PLANT (FORMER)	200 CLANTON ROAD	CHARLOTTE	No	Yes	No	No	No	No	No	No
NONCD0002287	PEOPLES CLEANERS	1930 BEATTIES FORD ROAD	CHARLOTTE	No	No	Yes	No	No	No	No	No
NONCD0002810	PEP BOYS #150	9415 E INDEPENDENCE BLVD	MATTHEWS	No	Yes	No	No	No	No	No	No
NONCD0002293	PERFECTING SERVICE DIVISION	332 ATANDO AVENUE	CHARLOTTE	No	No	Yes	No	No	No	No	No
NONCD0002294	PERIGON	107 INDUSTRIAL DRIVE	MATTHEWS	No	No	Yes	No	No	No	No	No
NONCD0002296	PETROLEUM TANK SERVICE #2	7335 ORR ROAD	CHARLOTTE	No	No	Yes	No	No	No	No	No
NCD980558779	PHOENIX RESOURCES, INC.	1373 E MOREHEAD STREET	CHARLOTTE	No	No	No	No	No	No	Yes	No
NCD059144188	PHOTO CORPORATION OF AMERICA	801 CRESTDATEL AVE	MATTHEWS	No	No	No	No	No	No	Yes	No
NCD066309113	PIEDMONT HEAT TREATING CORP	3311 GRIFFITH STREET	CHARLOTTE	No	No	No	No	No	No	Yes	No
NONCD0002124	PIEDMONT NATURAL GAS	11001 MCCOY RD	HUNTERSVILLE	No	No	Yes	No	No	No	No	No
NONCD0002310	PINE ISLAND DRIVE	10135 LITTLE FIELD RD	CHARLOTTE	No	No	Yes	No	No	No	No	No
NONCD0000069	PLANK ROAD/UNION CARBIDE	OLD PLANK RD	CHARLOTTE	No	No	No	No	No	No	Yes	No
NONCD0002324	POTPOURRI SUPPLY/JAMES WASTE	210 AND 220 DALTON	CHARLOTTE	No	No	Yes	No	No	No	No	No
NCD986170694	POULOS GROUNDWATER	SOUTH BOULEVARD	CHARLOTTE	Yes	No	No	No	No	No	No	No

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NONCD0001078	HIGHLAND MILLS	2901 N DAVIDSON ST	CHARLOTTE	No	No	Yes	No	No	No	No	No
NONCD0001864	HOMESTEAD	OLD MT HOLLY RD/WEST AVE	CHARLOTTE	No	No	Yes	No	No	No	No	No
NCD986171957	HOSKINS MILL	201 S. HOSKINS MILL ROAD	CHARLOTTE	No	No	No	No	No	No	Yes	No
NONCD0001878	HUGHS SUPPLY #0939	1927 SOUTH TRYON STREET	CHARLOTTE	No	No	Yes	No	No	No	No	No
NONCD0001881	HUNTER AVENUE	HUNTER AVENUE	CHARLOTTE	No	No	Yes	No	No	No	No	No
NONCD0001019	HUTTIG SASH AND DOOR COMPANY	1018 JAY STREET	CHARLOTTE	No	No	No	No	No	No	Yes	No
NONCD0001018	HWY 49 BATTERY DUMP	NC HIGHWAY 49	CHARLOTTE	Yes	No	No	No	No	No	No	No
NCD000623165	IBM CORPORATION	1001 W.T. HARRIS BLVD	CHARLOTTE	No	No	No	No	No	No	Yes	No
NCD053010724	ICI - AMERICAS, INC.	2130 N TRYON	CHARLOTTE	Yes	No	No	No	No	No	No	No
NONCD0001893	INDUSTRIAL & TEXTILE SUPPLY	1300 S. MINT STREET	CHARLOTTE	No	No	Yes	No	No	No	No	No
NONCD0001894	INDUSTRIAL DRIVE	1121 INDUSTRIAL DRIVE	MATTHEWS	No	No	Yes	No	No	No	No	No
NONCD0001895	INDUSTRIAL DYNAMICS CORP. (IDC)	536 JETTON ST	DAVIDSON	No	No	Yes	No	No	No	No	No
NCD990868168	INMONT CORP/BASF CORPORATION	1701 W WESTINGHOUSE BLVD	CHARLOTTE	Yes	No	No	No	No	No	No	No
NONCD0001909	INTERSTATE N. BUS. PRK	2200 & 2233 INTERSTATE N. DRIV	CHARLOTTE	No	No	Yes	No	No	No	No	No
NCD081332900	INX (FORMER) FACILITY	3200 & 3210 CULLMAN AVE	CHARLOTTE	Yes	No	No	No	No	No	No	No
NCD980518211	IRT/IBM CORPORATION	4101 S I-85	CHARLOTTE	Yes	No	No	No	No	No	No	No
NONCD0001917	JAMGOTCH WELL	4640 RANDOLPH ROAD	CHARLOTTE	No	No	Yes	No	No	No	No	No
NONCD0002794	JET LINE PRODUCTS, INC	720 MATTHEWS MINT HILL RD	MATTHEWS	No	No	Yes	No	No	No	No	No
NONCD0001932	JOHN PLUMIDES	4642 SHARON VIEW ROAD	CHARLOTTE	No	No	Yes	No	No	No	No	No
NONCD0000085	JONES & PRESNELL STUDIO	433 LAWTON ROAD	CHARLOTTE	Yes	No	No	No	No	No	No	No
NCD002462414	JONES CHEMICALS INC. OF NORTH	610 MCNINCH STREET	CHARLOTTE	No	No	No	No	No	No	Yes	No
NONCD0001938	JONES ELECTRIC REPAIR CO	4251 GOLF ACRES DR	CHARLOTTE	No	No	Yes	No	No	No	No	No
NONCD0001946	KAISER FLUID TECHNOLOGIES	530 EAST SUGAR CREEK ROAD	CHARLOTTE	No	No	Yes	No	No	No	No	No
NCD980729545	KELLY ROAD/BAILEY PROPERTY	2905 BAILEY RD	CHARLOTTE	No	No	No	No	No	No	Yes	No
NONCD0001954	KFC - UNIVERSITY PARK SHOPPING	2121 BEATTIES FORD ROAD	CHARLOTTE	No	No	Yes	No	No	No	No	No
NCD981927908	KIDD LANE BATTERY DISPOSAL	3607 KIDD LANE	CHARLOTTE	Yes	No	No	No	No	No	No	No
NONCD0001956	KILDARE DRIVE SITE	KILDARE DRIVE	CHARLOTTE	No	No	Yes	No	No	No	No	No
NCD097361018	KIN PROPERTIES ABANDONED	920 EASTWAY DRIVE	CHARLOTTE	Yes	No	No	No	No	No	No	No
NONCD0001962	KITTY DRIVE	4126 KITTY DRIVE	CHARLOTTE	No	No	Yes	No	No	No	No	No
NCD093344133	KOPPERS COMPANY, INC/KOCH	SEABOARD COASTLINE SIDING	PAW CREEK	No	No	No	No	No	No	Yes	No
NONCD0001973	KYSOR-MICH. FLEET DIVISION	5019 HOVIS ROAD	CHARLOTTE	No	No	Yes	No	No	No	No	No
NC0001329507	LAKE WYLIE PARTNERS, LLC	MALLARANNY & OUTWELL ROAD	CHARLOTTE	No	No	No	No	No	No	Yes	No
NONCD0001982	LAWYERS ROAD WELLS	12315 LAWYERS ROAD	CHARLOTTE	No	No	Yes	No	No	No	No	No
NONCD0001983	LB FOSTER (FORMER)	1625 & 1701 STARITA ROAD	CHARLOTTE	No	No	Yes	No	No	No	No	No
NONCD0002009	LINDE GASES, FORMER	2810 WEST TRADE STREET	CHARLOTTE	No	No	Yes	No	No	No	No	No
NONCD0002011	LITTON-AIRTRON	1201 CONTINENTAL BLVD.	CHARLOTTE	No	No	Yes	No	No	No	No	No
NONCD0002012	LIVINGSTONE COATINGS	240 RHYNE ROAD	CHARLOTTE	No	No	Yes	No	No	No	No	No
NONCD0002019	LUCAS WELL	1829 AZALEA LANE	CHARLOTTE	No	No	Yes	No	No	No	No	No
NONCD0002022	LYONS RESIDENCE	3800 GLENWOOD DRIVE	CHARLOTTE	No	No	Yes	No	No	No	No	No
NONCD0002024	MAGLA PRODUCTS 1	404 NORTH CHURCH STREET	HUNTERSVILLE	No	No	Yes	No	No	No	No	No
NCD062552989	MALLARD CREEK RD/UNION OIL CO	14700 MALLARD CREEK RD	CHARLOTTE	No	Yes	No	No	No	No	No	No
NONCD0001144	MAMMOTH OAKS WATER SUPPLY	434 MAMMOTH OAKS DR	CHARLOTTE	No	No	Yes	No	No	No	No	No
NONCD0002300	MARGARET WALLACE ROAD SITE	3534 MARGARET WALLACE RD	MATTHEWS	No	No	Yes	No	No	No	No	No
NONCD0000095	MARKEM CORPORATION	11401 WILMAR BOULEVARD	CHARLOTTE	No	No	No	No	No	No	Yes	No
NONCD0001151	MATTHEWS BLDG SUPPLY/ESTUL	215 AMES ST	MATTHEWS	Yes	No	No	No	No	No	No	No
NONCD0002046	MATTHEWS COUNTRY CLUB	465 SAM NEWELL ROAD	MATTHEWS	No	No	Yes	No	No	No	No	No
NONCD0002055	MCKELVEY NITRATES	6148 ST JOHNS LANE	CHARLOTTE	No	No	Yes	No	No	No	No	No
NONCD0002056	MCLEAN ROAD	2532 MCLEAN ROAD	CHARLOTTE	No	No	Yes	No	No	No	No	No
NCD986189983	MECKLENBURG CO. OIL SPILL BASIN	626 MILLER STREET	CHARLOTTE	No	No	No	No	No	No	Yes	No

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NONCD0001066	DIMETRICS INC	404 ARMOUR STREET	DAVIDSON	No	No	Yes	No	No	No	No	No
NONCD0001607	DIRTY LAUNDRY CLEANERS	511, 513, 515 WEST TRADE STREE	CHARLOTTE	No	No	Yes	No	No	No	No	No
NONCD0001608	DISCOVERY PLACE	301 N. TRYON STREET	CHARLOTTE	No	No	Yes	No	No	No	No	No
NONCD0001610	DIVERSEY WATER TECHNOLOGIES	1201 SOUTH GRAHAM STREET	CHARLOTTE	No	No	Yes	No	No	No	No	No
NONCD0001617	DIXIE TRUCKING - SOLVENTS	3606 NORTH GRAHAM STREET	CHARLOTTE	No	No	Yes	No	No	No	No	No
NCD074518671	DOW CHEMICAL CORP/ALLIED	2 WOODLAWN GREEN RD	CHARLOTTE	No	No	No	No	No	No	Yes	No
NCD981014517	DYNATECH	TOOMEY AVE	CHARLOTTE	Yes	No	No	No	No	No	No	No
NONCD0001657	EAST GIBBON ROAD	2727 AND 2731 EAST GIBBON ROAD	CHARLOTTE	No	No	Yes	No	No	No	No	No
NCD024740433	EC MANUFACTURING	413 N. POLK STREET	PINEVILLE	Yes	No	No	No	No	No	No	No
NONCD0001119	EDWARDS PROPERTY FOUNDRY SAND	10209 ROZZELLE'S FERRY RD	CHARLOTTE	Yes	No	No	No	No	No	No	No
NONCD0001676	ELECTO-MEK	1412 WEST CRAIGHEAD ROAD	CHARLOTTE	No	No	Yes	No	No	No	No	No
NONCD0001678	ELMWOOD CIRCLE	ELMWOOD CIRCLE	CHARLOTTE	No	No	Yes	No	No	No	No	No
NONCD0001679	ELOX CORPORATION FACILITY	GRIFFITH STREET	DAVIDSON	No	No	Yes	No	No	No	No	No
NONCD0002584	EPICENTRE	210 E TRADE ST	CHARLOTTE	No	No	Yes	No	No	No	No	No
NCD091258806	ESB EXIDE CHARLOTTE SERVICE	3300 PIPER LN	CHARLOTTE	No	No	No	No	No	No	Yes	No
NONCD0001696	EXXON 4-3524 SOLVENTS	11208 INDEPENDENCE BLVD	CHARLOTTE	No	No	Yes	No	No	No	No	No
NONCD0001698	F T WILLIAMS TRUCKING FACILITY	3001/3009 ROZZELLES FERRY ROAD	CHARLOTTE	No	No	Yes	No	No	No	No	No
NONCD0001702	FAIRFAX PROPERTIES(FORMER	8900 RESEARCH DRIVE	CHARLOTTE	No	No	Yes	No	No	No	No	No
NONCD0000029	FLEET AEROSPACE CORP./AERONCA	BROOKFORD STREET	CHARLOTTE	No	Yes	No	No	No	No	No	No
NCD062553490	FLEET TRANSPORT CO., INC.	6712 FREEDOM DRIVE	CHARLOTTE	No	No	Yes	No	No	No	No	No
NCD003154960	FLEMING LABORATORIES	2205 THRIFT ROAD	CHARLOTTE	Yes	No	No	No	No	No	No	No
NCD093340487	FLORIDA STEEL CORPORATION	LAKEVIEW RD	CHARLOTTE	No	No	No	No	No	No	No	Yes
NONCD0000075	FOAMEX/REEVES BROTHERS	18801 OLD STATESVILLE RD	CORNELIUS	Yes	No	No	No	No	No	No	No
NCN000409865	FORSHAW CHEMICALS	650 STATE ST	CHARLOTTE	Yes	No	No	No	No	No	No	No
NCD024473423	FROEHLING AND ROBERTSON, INC.	208 N GRAHAM ST	CHARLOTTE	No	No	No	No	No	No	Yes	No
NCD001871854	FRUEHAUF TRAILER CORPORATION	310 DALTON	CHARLOTTE	Yes	No	No	No	No	No	No	No
NONCD0001741	FULTON WELL	8501 OLD CONCORD ROAD	CHARLOTTE	No	No	Yes	No	No	No	No	No
NONCD0001747	GAMBLE PALLET CO. (FORMER)	3320 GIBBON ROAD (FORMER ADDRE	CHARLOTTE	No	No	Yes	No	No	No	No	No
NONCD0001758	GEE'S FOOD STORE - SOLVENTS	3600 TUCKASEEGEE ROAD	CHARLOTTE	No	No	Yes	No	No	No	No	No
NCD051322980	GENERAL ELECTRIC CO.	2328 THRIFT RD	CHARLOTTE	No	Yes	No	No	No	No	No	No
NCD081430258	GENERAL LATEX & CHEM CORP (OF	2321 N. DAVIDSON ST	CHARLOTTE	No	No	No	No	No	No	Yes	No
NCD043679349	GENERAL TIRE & RUBBER CO	1100 CONTINENTAL BLVD	CHARLOTTE	No	No	Yes	No	No	No	No	No
NONCD0001764	GENUINE PARTS COMPANY 1	124 ATANDO AVENUE	CHARLOTTE	No	Yes	No	No	No	No	No	No
NONCD0001769	GERRARD TIRE	11252 LAWYERS ROAD	CHARLOTTE	No	No	Yes	No	No	No	No	No
NCD980848766	GIBBS ELECTROPLATING	5210 HOVIS ROAD	CHARLOTTE	Yes	No	No	No	No	No	No	No
NONCD0001022	GIBBS ELECTROPLATING - OLD	2229 N DAVIDSON	CHARLOTTE	Yes	No	No	No	No	No	No	No
NONCD0001776	GLEN CLARENCE CLINE PROP	11431 US HWY 29	CHARLOTTE	No	No	Yes	No	No	No	No	No
NONCD0001782	GM TRAINING CENTER	5500 N TRYON STREET	CHARLOTTE	No	No	Yes	No	No	No	No	No
NONCD0001792	GRANITEVILLE TWO SITE	2508 LUCENA STREET	CHARLOTTE	No	No	Yes	No	No	No	No	No
NONCD0001803	GRINNELL SUPPLY SALES 2	1431 W MOREHEAD ST	CHARLOTTE	No	No	Yes	No	No	No	No	No
NONCD0000073	H. M. WADE FURNITURE	SOUTH GRAHAM STREET	CHARLOTTE	Yes	No	No	No	No	No	No	No
NONCD0001823	HANSARD DRIVE	132 HANSARD DRIVE & 109 LEE DR	CHARLOTTE	No	No	Yes	No	No	No	No	No
NONCD0000093	HARPER CORP. OF AMERICA	311 CROMPTON STREET	CHARLOTTE	No	No	No	No	No	No	Yes	No
NONCD0000087	HARPER CRAWFORD BAG CO.	401 PARKWOOD AVE	CHARLOTTE	No	No	No	No	No	No	Yes	No
NONCD0001835	HEATH WELL	2231 BELLMEADE ROAD	CHARLOTTE	No	No	Yes	No	No	No	No	No
NONCD0001023	HEAVY EQUIPMENT SCHOOL	HEAVY EQUIPMENT ROAD	CHARLOTTE	Yes	No	No	No	No	No	No	No
NONCD0001836	HEFNER WELL	509 W. SUGAR CREEK	CHARLOTTE	No	No	Yes	No	No	No	No	No
NONCD0001839	HENDERSON WELL	9744 IDLEWILD ROAD	CHARLOTTE	No	No	Yes	No	No	No	No	No
NCD990715062	HENKEL CORPORATION	600 E SUGAR CREEK RD	CHARLOTTE	No	No	No	No	No	No	Yes	No

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NONCD0001387	BROOKWOOD DEVELOPMENT	301 SOUTH COLLEGE STREET	CHARLOTTE	No	No	Yes	No	No	No	No	No
NCD055165005	BUDD LEE PAVING COMPANY	8521 MT. HOLLY RD	CHARLOTTE	No	No	No	No	No	No	Yes	No
NONCD0001413	C BAKER WELL	6505 WISTERIA DRIVE	CHARLOTTE	No	No	Yes	No	No	No	No	No
NCD981022288	C&T REFINERY	4800 SOUTH BOULEVARD	CHARLOTTE	Yes	No	No	No	No	No	No	No
NONCD0001426	CANNON AVENUE WELLS	1719 CANNON AVE & 4800 WILD RO	CHARLOTTE	No	No	Yes	No	No	No	No	No
NCD003150208	CAROLINA COATINGS, INC.	711 PRESSLEY RD	CHARLOTTE	No	No	No	No	No	No	Yes	No
NONCD0001104	CATO FARMS	11415 TOM SHORT ROAD	CHARLOTTE	No	No	Yes	No	No	No	No	No
NONCD0001067	CC DICKSON	1524 SOUTH BOULEVARD	CHARLOTTE	Yes	No	No	No	No	No	No	No
NCD000608117	CELANESE CORPORATION/FIBERS	2300 ARCHDALE DR	CHARLOTTE	No	Yes	No	No	No	No	No	No
NCD046148540	CENTRAL TRANSPORT COMPANY	600 MELYNDA ROAD	CHARLOTTE	Yes	No	No	No	No	No	No	No
NONCD0001477	CHARLIE BROWNS DRY CLEANERS	FREEDOM DRIVE	CHARLOTTE	No	No	Yes	No	No	No	No	No
NONCD0001478	CHARLOTTE AIRCRAFT #3	7705 EAST W.T. HARRIS BLVD	CHARLOTTE	No	No	Yes	No	No	No	No	No
NONCD0001479	CHARLOTTE ARMY MISSILE PLANT	1860 STATESVILLE AVE	CHARLOTTE	No	No	Yes	No	No	No	No	No
NONCD0001150	CHARLOTTE BATTERY	2926 YOUNGBLOOD ST	CHARLOTTE	Yes	No	No	No	No	No	No	No
NCD986188811	CHARLOTTE COAL GAS PLANT NO. 1	S. COLLEGE STREET	CHARLOTTE	No	No	No	No	No	No	Yes	No
NCD986188803	CHARLOTTE COAL GAS PLANT NO. 2	SOUTH BOULEVARD	CHARLOTTE	No	Yes	No	No	No	No	No	No
NONCD0001480	CHARLOTTE DOUGLAS AIRPORT 7	5501 JOSH BIRMINGHAM PARKWAY	CHARLOTTE	No	No	Yes	No	No	No	No	No
NCD024468597	CHARLOTTE STEEL DRUM	2900 WEST TRADE STREET	CHARLOTTE	Yes	No	No	No	No	No	No	No
NCD981861214	CHARLOTTE TRANSPORTATION	2246 OLD STEELE CREEK RD	CHARLOTTE	Yes	No	No	No	No	No	No	No
NONCD0001487	CHEMATRON	5216 HOVIS ROAD	CHARLOTTE	No	No	Yes	No	No	No	No	No
NCD980799019	CHEROKEE OIL	1201 BERRYHILL ROAD	CHARLOTTE	Yes	No	No	No	No	No	No	No
NCD986190239	CHEROKEE OIL	925 SOUTH SUMMIT AVE	CHARLOTTE	Yes	No	No	No	No	No	No	No
NONCD0002806	CHILDRESS DRY CLEANING/GREYLN	9101 MONROE RD	CHARLOTTE	No	No	Yes	No	No	No	No	No
NONCD0001498	CHRISTENBURY WELL	3616 MARSHALL AVENUE	CHARLOTTE	No	No	Yes	No	No	No	No	No
NONCD0001499	CHT FACILITY M-2 WAREHOUSE	5046 OLD PINEVILLE ROAD	CHARLOTTE	No	No	Yes	No	No	No	No	No
NONCD0000041	CIBA-GEIGY	WESTINGHOUSE BLVD	CHARLOTTE	No	Yes	No	No	No	No	No	No
NONCD0001501	CIRCLE K # 5111 - SOLVENTS	2833 FREEDOM DRIVE	CHARLOTTE	No	No	Yes	No	No	No	No	No
NONCD0001206	CITY OF CHARLOTTE	4600 SWEDEN RD	CHARLOTTE	No	No	Yes	No	No	No	No	No
NONCD0002805	CITY OF CHARLOTTE-SCALEYBARK	3610 SOUTH BLVD & CLANTON RD	CHARLOTTE	No	No	Yes	No	No	No	No	No
NONCD0001507	CITY PLUMBING & HEATING CO	211 TUCKASEEGEE ROAD	CHARLOTTE	No	No	Yes	No	No	No	No	No
NONCD0001509	CLAIRE MANUFACTURING	2120 NORTH CHURCH STREET	CHARLOTTE	No	No	Yes	No	No	No	No	No
NONCD0002845	CLAWSON RADIATOR (FORMER)	108 WEST PARK RD	CHARLOTTE	No	No	Yes	No	No	No	No	No
NONCD0001515	CLINIPAD	7101 MACFARLANE BLVD	CHARLOTTE	No	No	Yes	No	No	No	No	No
NCN000407830	CLOROX CHEMICAL	800 GESCO ST	CHARLOTTE	Yes	No	No	No	No	No	No	No
NONCD0001531	COMMERCE BUSINESS PARK	S. COMMERCE BLVD.	CHARLOTTE	No	No	Yes	No	No	No	No	No
NCD003162500	CONSOLIDATED ENGRAVERS CORP.	311 E 12TH ST	CHARLOTTE	Yes	No	No	No	No	No	No	No
NCD130708126	CONSOLIDATED WAREHOUSE	8300 MOORES CHAPEL RD	CHARLOTTE	Yes	No	No	No	No	No	No	No
NONCD0001542	CONTINENTAL IND. CHEMICALS,INC	5010 HOVIS ROAD	CHARLOTTE	No	No	Yes	No	No	No	No	No
NONCD0001223	CONTINENTAL TIRE (AKA CTNA)	1900 CONTINENTAL BLVD	CHARLOTTE	No	No	Yes	No	No	No	No	No
NONCD0001097	COPES-VULCAN, INC	601 W SUMMIT AVE	CHARLOTTE	No	Yes	No	No	No	No	No	No
NONCD0001563	CRESCENT EMC - CORNELIUS #2	18014 STATESVILLE ROAD	CORNELIUS	No	No	Yes	No	No	No	No	No
NCD044447639	CROWN CENTRAL PETROLEUM CORP.	7720 MOUNT HOLLY ROAD	PAW CREEK	Yes	No	No	No	No	No	No	No
NONCD0001572	CSX RAILROAD	SOUTH CEDAR STREET	CHARLOTTE	No	No	Yes	No	No	No	No	No
NONCD0001181	CUMMINS ATLANTIC-	3700 JEFF ADAMS DR	CHARLOTTE	No	Yes	No	No	No	No	No	No
NONCD0001182	CUMMINS ATLANTIC-GENERAL	11101 NATIONS FORD RD	CHARLOTTE	No	Yes	No	No	No	No	No	No
NONCD0001586	DANA TRANSPORT FACILITY	7254 MT HOLLY RD	CHARLOTTE	No	No	Yes	No	No	No	No	No
NONCD0001592	DAWN CIRCLE	601 DAWN CIRCLE	CHARLOTTE	No	No	Yes	No	No	No	No	No
NCD003149283	DELMAR COMPANY	3300 MONROE ROAD	CHARLOTTE	No	No	No	No	No	No	Yes	No
NCD062567623	DIAMOND SHAMROCK CORP/HENKEL	3300 WESTINGHOUSE BLVD	CHARLOTTE	No	Yes	No	No	No	No	No	No

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Number of Sites:	11										
MCDOWELL											
NCD003157377	AMERICAN THREAD/SEVIER PLANT	US 221 NORTH	MARION	No	No	No	No	No	No	No	Yes
NONCD0000021	CRABTREE MEADOWS DUMP	BLUE RIDGE PKWY MP 340.2	LITTLE SWITZERLAND	No	No	Yes	No	No	No	No	No
NONCD0001014	ETHAN ALLEN FURNITURE	HWY 70	OLD FORT	No	No	No	No	No	No	Yes	No
NCD074510728	ETHAN ALLEN INC./BLUE RIDGE DIV.	COMMERCE STREET	OLD FORT	No	No	No	No	No	No	Yes	No
NONCD0001075	HIGGINS TOWNSHIP FIRING RANGE	NC 226	MARION	Yes	No	No	No	No	No	No	No
NCD980838551	MCDOWELL FIREMAN ASSOCIATION	SR 1214 GREENLEE ROAD	MARION	Yes	No	No	No	No	No	No	No
NONCD0002063	METAL INDUSTRIES	HWY 70 WEST	MARION	No	No	Yes	No	No	No	No	No
NONCD0002202	NICHOLS LAUNDRY & DRY CLEANING	CATAWBA AVE.	OLD FORT	No	No	Yes	No	No	No	No	No
NONCD0001128	RESOLUTION PACKAGING	468 CAROLINA AVE	MARION	Yes	No	No	No	No	No	No	No
NCD986232676	ROCK-TENN MARION FOLDING	33 BURGIN ST	MARION	Yes	No	No	No	No	No	No	No
NCD059140764	TRAVENOL LABS, INCORPORATED	HWY 221 N	MARION	No	No	No	No	No	No	Yes	No
NONCD0000010	UNITED MERCHANTS/OLD FORT	NORTH OF INTERSTATE 40	OLD FORT	No	No	Yes	No	No	No	No	No
Number of Sites:	12										
MECKLENBURG											
NONCD0001211	200 NORTH TRYON STREET	200 N. TRYON STREET	CHARLOTTE	No	No	Yes	No	No	No	No	No
NCD002571438	ABC ENGRAVERS	724 NORTH I-85	CHARLOTTE	Yes	No	No	No	No	No	No	No
NCD024462327	ACADEMY STEEL DRUM	3213 RIDGE RD	MATTHEWS	No	Yes	No	No	No	No	No	No
NCD045451473	ACE CHEMICAL CORPORATION	9801 YORK ROAD	CHARLOTTE	Yes	No	No	No	No	No	No	No
NONCD0001231	AIR LIQUIDE	2414 SOUTH BOULEVARD	CHARLOTTE	No	No	Yes	No	No	No	No	No
NONCD0001251	ALPHAGARY CORP	9635 INDUSTRIAL DRIVE	PINEVILLE	No	No	Yes	No	No	No	No	No
NCD085082311	AMERICAN COLORS INCORPORATED	831 MORETZ AVE	CHARLOTTE	No	No	No	No	No	No	Yes	No
NONCD0001255	AMERICAN FENCE SOLVENTS	3605 SOUTH TRYON STREET	CHARLOTTE	No	No	Yes	No	No	No	No	No
NONCD0001257	AMERICAN TRUETZSCHLER	12300 MOORES CHAPEL ROAD	CHARLOTTE	No	No	Yes	No	No	No	No	No
NCD119168813	ANILOX ROLL COMPANY	4840 WALLACE NEAL RD	CHARLOTTE	No	No	No	No	No	No	Yes	No
NCD047257472	APPLIED RESEARCH GROUP, INC.	2221 N. DAVIDSON STREET	CHARLOTTE	No	Yes	No	No	No	No	No	No
NCD074511361	AQUAIR CORPORATION	133000 SAM NEELY RD	CHARLOTTE	Yes	No	No	No	No	No	No	No
NONCD0001282	ARATEX FACILITY (ARAMARK)	2321 WILKINSON BLVD	CHARLOTTE	No	No	Yes	No	No	No	No	No
NONCD0001174	ARROW LAUNDRY	4735 MONROE RD	CHARLOTTE	Yes	No	No	No	No	No	No	No
NONCD0001301	AUTO VERKS	1800 COMMONWEALTH AVENUE	CHARLOTTE	No	No	Yes	No	No	No	No	No
NONCD0001132	BALDOR ELECTRIC COMPANY	3821 BARRINGER RD	CHARLOTTE	No	No	Yes	No	No	No	No	No
NONCD0000068	BARON-BLAKESLEE DIVISION		CHARLOTTE	No	No	No	No	No	No	Yes	No
NCD003149705	BASF WAYNDOTTE CORPORATION	4330 CHESAPEAKE DR	CHARLOTTE	No	No	No	No	No	No	Yes	No
NONCD0001326	BEACHAM PROPERTY	420 W TREMONT AVENUE	CHARLOTTE	No	No	Yes	No	No	No	No	No
NONCD0001334	BELLSOUTH WORK CENTER	24TH STREET	CHARLOTTE	No	No	Yes	No	No	No	No	No
NONCD0001338	BENDEL CORPORATION	4823 NORTH GRAHAM STREET	CHARLOTTE	No	No	Yes	No	No	No	No	No
NCD083673590	BENDIX CORPORATION	701 NORTH I-85 ACCESS RD	CHARLOTTE	No	No	No	No	No	No	Yes	No
NONCD0001352	BIRNAMWOOD LANE	14624 BIRNAMWOOD LANE	CHARLOTTE	No	No	Yes	No	No	No	No	No
NONCD0001360	BLYTHE CONSTRUCTION-PINEVILLE	10500 OLD NATIONS FORD ROAD	PINEVILLE	No	No	Yes	No	No	No	No	No
NONCD0001366	BONDS DISTRIBUTING - SOLVENTS	10227 MALLARD CREEK ROAD	CHARLOTTE	No	No	Yes	No	No	No	No	No
NCD049774375	BORDEN CHEMICAL PRINTING INK	3013 GRIFFITH ST	CHARLOTTE	No	No	No	No	No	No	Yes	No
NONCD0001372	BOXER TEXTILE MACHINERY CO	1000 WEST MOREHEAD STREET	CHARLOTTE	No	No	Yes	No	No	No	No	No
NONCD0002796	BRENNTAG SOUTHEAST	11750 FRUEHAUF DR	CHARLOTTE	No	No	Yes	No	No	No	No	No
NONCD0002860	BREVARD & 4TH STS	BREVARD AND 4TH STS	CHARLOTTE	No	No	Yes	No	No	No	No	No
NONCD0001380	BRIDGESTONE/FIRESTONE RETAIL	530 S TRYON STREET	CHARLOTTE	No	No	Yes	No	No	No	No	No

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NONCD0002028	MALLARD GRIFFIN LUMBER	1401 W. VERNON AVE.	KINSTON	No	No	Yes	No	No	No	No	No
NCN000407582	WEST PHARMACEUTICAL SERVCES	2525 ROUSE RD EXT	KINSTON	No	Yes	No	No	No	No	No	No
NONCD0002755	WOODS SERVICE STATION - FORMER	108 W. WASHINGTON STREET	LA GRANGE	No	No	Yes	No	No	No	No	No
Number of Sites:	11										
LINCOLN											
NONCD0001526	COCHRANE FURN. DIV #15	402 SOUTH EDWARDS ST	LINCOLNTON	No	No	Yes	No	No	No	No	No
NONCD0001577	CULP, INC. (FORMERLY ARTEE	1808 INDIAN CREEK ROAD	LINCOLNTON	No	Yes	No	No	No	No	No	No
NONCD0002673	ENVIRONETICS BURN SITE	ASHBURY CHURCH RD	IRON STATION	No	No	Yes	No	No	No	No	No
NONCD0001703	FAIRLAND LANE	125 FAIRLAND LANE	LINCOLNTON	No	No	Yes	No	No	No	No	No
NCD981929367	FURNACE ROAD ABANDONED DRUMS	SR 1355	LINCOLNTON	No	No	No	No	No	No	Yes	No
NONCD0001069	GENERAL MARBLE COMPANY	350 NORTH GENERALS BLVD	LINCOLNTON	No	Yes	No	No	No	No	No	No
NCD049772023	H & S PROCESSORS, INC.	NC HIGHWAY 150 WEST	LINCOLNTON	Yes	No	No	No	No	No	No	No
NONCD0001838	HELMER WELL	5420 BIG CREEK HOLLAR	ALEXIS	No	No	Yes	No	No	No	No	No
NONCD0001883	HWY 1405 AND 321 INTERSECTION	N. ASPEN, LINCOLN	LINCOLNTON	No	No	Yes	No	No	No	No	No
NONCD0002386	REINHARDT CIRCLE TCE SITE	REINHARDT CIRCLE	IRON STATION	No	No	Yes	No	No	No	No	No
NONCD0002396	RHYNE MILLS, INC.	HWY 150, LINCOLNTON	LINCOLNTON	No	No	Yes	No	No	No	No	No
NONCD0001154	ROBERT BOSCH TOOL CORP	129 LEGIONAIRE RD	LINCOLNTON	No	Yes	No	No	No	No	No	No
NONCD0002509	SOUTHSIDE DRIVE INCIDENT	SOUTHSIDE DRIVE	LINCOLNTON	No	No	Yes	No	No	No	No	No
NONCD0002587	TEXTILE PIECE DYEING	HIGHWAY 321, NORTH BYPASS	LINCOLNTON	No	No	Yes	No	No	No	No	No
NCD990745242	VERMONT AMERICAN CORPORATION	MAIDEN HWY 321 N	LINCOLNTON	No	No	No	No	No	No	Yes	No
NONCD0002696	WARLICKS GROCERY	2673 PLATEAU ROAD	VALE	No	No	Yes	No	No	No	No	No
Number of Sites:	16										
MACON											
NONCD0001737	FRANKLIN QUARRY-NCDOT-SITE #15	HIGHWAY 64	FRANKLIN	No	No	Yes	No	No	No	No	No
Number of Sites:	1										
MADISON											
NONCD0001543	COOKS FARM AND GARDEN	4050 NC HIGHWAY 208	MARSHALL	No	No	Yes	No	No	No	No	No
NCD062571658	HONEYWELL MICRO SWITCH DIV.	1 HICKORY DRIVE	MARS HILL	Yes	No	No	No	No	No	No	No
NONCD0001884	HWY 23 ACETIC ACID SPILL	HIGHWAY 23	MARS HILL	No	No	Yes	No	No	No	No	No
NCD980848782	MADISON COUNTY CYANIDE SITE	RT 2/HWY 63		Yes	No	No	No	No	No	No	No
Number of Sites:	4										
MARTIN											
NONCD0001235	ALAMAC KNITS (DYERSBURG CORP.)	NC HWY 125	HAMILTON	No	No	Yes	No	No	No	No	No
NONCD0000013	CAROLINA HARDWOODS	158 FACTORY STREET	WILLIAMSTON	Yes	No	No	No	No	No	No	No
NONCD0001169	LIBERTY FABRICS (FORMER)	US 64	JAMESVILLE	Yes	No	No	No	No	No	No	No
NONCD0002006	LILLEY INTERNATIONAL	HWY 264	WILLIAMSTON	No	No	Yes	No	No	No	No	No
NCD000623223	MARTIN MANUFACTURING	E MAIN ST US 17	WILLIAMSTON	Yes	No	No	No	No	No	No	No
NCD981030893	MUSIC CLUB PESTICIDE SITE	SE QUADRANT OF INT US 17	WILLIAMSTON	Yes	No	No	No	No	No	No	No
NONCD0002381	REDDICK FUMIGANTS, INC.	3002 WEST MAIN STREET	WILLIAMSTON	No	No	Yes	No	No	No	No	No
NONCD0001016	ROYSTER-CLARK FERTILIZER PLANT	SR 1321	OAK CITY	Yes	No	No	No	No	No	No	No
NONCD0002798	TOWN AND COUNTRY CLEANERS	617 WASHINGTON ST	WILLIAMSTON	Yes	No	No	No	No	No	No	No
NCD981744618	UNITED ORGANICS		WILLIAMSTON	No	No	No	No	No	No	Yes	No
NCD003184520	WEST POINT PEPPERELL HAMILTON	HWY 125	HAMILTON	No	No	No	No	No	No	Yes	No

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NONCD0002720	WILCO TRAVEL PLAZA	1000 TRUCKSTOP ROAD	KENLY	No	No	Yes	No	No	No	No	No
Number of Sites:	31										
JONES											
NONCD0001270	ANDRE DIXON	125 GIBBS LANE	TRENTON	No	No	Yes	No	No	No	No	No
Number of Sites:	1										
LEE											
NONCD0001030	BLR	2911 LEE AVENUE	SANFORD	Yes	No	No	No	No	No	No	No
NCD982119588	BUCKHORN ROAD	2427 BUCKHORN ROAD	SANFORD	No	No	No	No	No	No	Yes	No
NONCD0000049	C. E. SMITH PROPERTY	1400 TRAMWAY ROAD	SANFORD	No	No	No	No	No	No	Yes	No
NCD981929813	CARBONTON ROAD DRUM SITE	2816 CARBONTON ROAD	SANFORD	Yes	No	No	No	No	No	No	No
NONCD0001456	CARRIER RENTAL SYSTEMS	4300 OAK PARK	SANFORD	No	No	Yes	No	No	No	No	No
NCD003218161	CORNELL-DUBILIER ELECTRONICS	2652 DALYRUMPLE STREET	SANFORD	Yes	No	No	No	No	No	No	No
NCD981747934	COX MILL ROAD PLATING	3723 COX MILL ROAD	SANFORD	No	No	No	No	No	No	Yes	No
NC0000998336	CP PROPERTIES	2350 BROWN ROAD	SANFORD	Yes	No	No	No	No	No	No	No
NONCD0001662	EATON CORPORATION - SANFORD	LEE AVENUE	SANFORD	No	Yes	No	No	No	No	No	No
NONCD0001988	LEE PAVING / NCDOT SITE #31	SR 1179 (ROCKY FORK CH.RD.)	SANFORD	No	No	Yes	No	No	No	No	No
NONCD0002013	LOCK ON	1506 LANDIS STREET	SANFORD	No	No	Yes	No	No	No	No	No
NONCD0002027	MAKEPEACE PROPERTY	1214 HAWKINS AVENUE	SANFORD	No	No	Yes	No	No	No	No	No
NONCD0002090	MOEN - SANFORD	2609 COX MILL RD.	SANFORD	No	Yes	No	No	No	No	No	No
NONCD0002188	NCDOT SITE #44/QUAIL RIDGE	QUAIL RIDGE DR.	SANFORD	No	No	Yes	No	No	No	No	No
NCD057037178	PFIZER INC/COTY DIVISION	COX MILL RD & HWY 42 E	SANFORD	Yes	No	No	No	No	No	No	No
NCN000409854	ROMATIC MANUFACTURING	402 E ROSE ST	SANFORD	Yes	No	No	No	No	No	No	No
NONCD0002436	SAIDEN TECHNOLOGIES	5618 CLYDE RHYNE DRIVE	SANFORD	No	No	Yes	No	No	No	No	No
NCD981021652	SAN LEE PARK	PUMPING STATION RD-NC1510	SANFORD	No	No	No	No	No	No	Yes	No
NCD000281832	SANFORD PLATING COMPANY	SR 1466	SANFORD	Yes	No	No	No	No	No	No	No
NONCD0002446	SAPONA MILLS	311 EAST ROSE STREET	SANFORD	No	No	Yes	No	No	No	No	No
NCD067428821	SIEMENS-ALLIS, INC/SWITCHGEAR DIV	5000 WOMACK ROAD	SANFORD	Yes	No	No	No	No	No	No	No
NCD053490462	SINGER CO/FURNITURE DIV	133 CHARLOTTE AVE	SANFORD	No	No	No	No	No	No	Yes	No
NONCD0002512	SPANCO INDUSTRIES	1605 BOON TRAIL RD.	SANFORD	No	No	Yes	No	No	No	No	No
NCD067427922	STANADYNE, INC.	COX MILL RD	SANFORD	No	No	No	No	No	No	Yes	No
NONCD0002531	STANLEY FASTENING	2903 LEE AVE	SANFORD	Yes	No	No	No	No	No	No	No
NONCD0002843	TRION, INC	101 MCNEILL RD	SANFORD	No	No	Yes	No	No	No	No	No
NONCD0002669	VEINGOLEA, JAMIE	ROD SULLIVAN ROAD	SANFORD	No	No	Yes	No	No	No	No	No
NCN000409783	WHITIN ROBERTS PLANT #2	202 MAPLE AVE	SANFORD	Yes	No	No	No	No	No	No	No
Number of Sites:	28										
LENOIR											
NONCD0002576	CASWELL CENTER RESIDENTIAL FARM	2415 W VERNON AVE	KINSTON	No	No	Yes	No	No	No	No	No
NONCD0001521	COASTAL LUMBER COMPANY -	800 HULL ROAD	KINSTON	No	No	Yes	No	No	No	No	No
NONCD0001524	COCA COLA WAREHOUSE			No	No	Yes	No	No	No	No	No
NCD091219188	DALY-HERRING COMPANY/PRILLAMAN	NEUSE RD	KINSTON	No	No	No	No	No	No	Yes	No
NONCD0002818	DUPONT-KENTEC	BRAXTON RD (SR 1802)	GRIFTON	Yes	No	No	No	No	No	No	No
NONCD0001877	HUGH D. WALLER-TRAVELERS			No	No	Yes	No	No	No	No	No
NCD986197366	KINSTON COAL GAS PLANT	WEST SOUTH STREET	KINSTON	No	Yes	No	No	No	No	No	No
NCD986214989	KINSTON TORNADO SITE	STATE ROAD 1921	KINSTON	No	No	No	No	No	No	Yes	No

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NONCD0002465	SHELBY WILLIAMS - STATESVILLE	401 MEACHAM ROAD	STATESVILLE	No	No	Yes	No	No	No	No	No
NONCD0002481	SMITHS DRY CLEANERS #2	225 GORDON AVENUE	STATESVILLE	No	No	Yes	No	No	No	No	No
NCD042269134	SOUTHERN SCREW/FARLEY METALS	1225 BARKLEY RD	STATESVILLE	Yes	No	No	No	No	No	No	No
NONCD0000033	SPRINGS IND/UNIGLASS IND.	535 CONNER ST.	STATESVILLE	No	No	Yes	No	No	No	No	No
NCD986197291	STATESVILLE COAL GAS PLANT	615 SOUTH CENTER STREET	STATESVILLE	No	Yes	No	No	No	No	No	No
NONCD0002596	THONET PROPERTY #2	WISE STREET AND MEETING STREET	STATESVILLE	No	No	Yes	No	No	No	No	No
NONCD0002622	TRANSCO	236 TRANSCO RD, MOORESVILLE	MOORESVILLE	No	No	Yes	No	No	No	No	No
NONCD0002635	TROUTMAN PULPWOOD #2	116 WHITE MILL RD	STATESVILLE	No	No	Yes	No	No	No	No	No
NONCD0002649	UNITED ENGRAVING	320 MEACHAM ROAD	STATESVILLE	No	No	Yes	No	No	No	No	No
NCD003236841	WARLICK PAINT COMPANY	945 MONROE ST	STATESVILLE	Yes	No	No	No	No	No	No	No
NONCD0002722	WILDWOOD LOOP	133 - 137 WILDWOOD LOOP	STATESVILLE	No	No	Yes	No	No	No	No	No
Number of Sites:	42										
JACKSON											
NONCD0001630	DOT-ASPHALT TESTING SITE #18	SR 1377	DILLSBORO	No	No	Yes	No	No	No	No	No
Number of Sites:	1										
JOHNSTON											
NCD000770032	AMERICAN PETROFINA MKTG	SR 1929	SELMA	No	No	No	No	No	No	Yes	No
NONCD0001208	APAC-PRINCETON ASPHALT PLANT	1288 RAINS MILL RD	PRINCETON	Yes	No	No	No	No	No	No	No
NCD042888230	ASM CORPORATION	525 TRUCK LANE	SMITHFIELD	No	No	No	No	No	No	Yes	No
NONCD0001340	BENSON NEWSPAPER PRINTING	611 CHICOPEE ROAD	BENSON	No	No	Yes	No	No	No	No	No
NONCD0001341	BENSON RESIDENCE	2501 OLD US HIGHWAY 70 W	CLAYTON	No	No	Yes	No	No	No	No	No
NCD075559526	BP OIL/GULF PRODUCTS DIVISION	WILSON'S MILL RD SR 1003	SELMA	No	No	No	No	No	No	Yes	No
NONCD0001405	BURLINGTON INDUSTRIES-	1305 GRAM STREET, PO BOX 691	SMITHFIELD	No	No	Yes	No	No	No	No	No
NONCD0001463	CASTLEBERRY PROPERTY	451 EAST MAIN STREET	CLAYTON	No	No	Yes	No	No	No	No	No
NONCD0002852	CLAYTON FARMS	1833 LOOP RD	CLAYTON	Yes	No	No	No	No	No	No	No
NCD054417308	COASTAL CHEMICAL CORP.	NC 42	CLAYTON	Yes	No	No	No	No	No	No	No
NONCD0001547	CORINTH HOLDERS SCHOOL	NC 231 & NC 96	HOCUTTS XRDS.	No	No	Yes	No	No	No	No	No
NCD086330412	DATA GENERAL CORPORATION	NC 42 E	CLAYTON	No	No	No	No	No	No	Yes	No
NONCD0001654	EARP, JOE RESIDENCE	PO BOX 908	SMITHFIELD	No	No	Yes	No	No	No	No	No
NONCD0002853	EATON MANUFACTURING	1100 E PRESTON ST	SELMA	No	Yes	No	No	No	No	No	No
NCD003528825	FIELDCREST MILLS INC.	WALPAT RD	SMITHFIELD	No	No	No	No	No	No	Yes	No
NCD009305699	GTE SYLVANIA, INC.	INDUSTRIAL PARK DR	SMITHFIELD	No	Yes	No	No	No	No	No	No
NCN000410293	GURMICO CHEMICALS	9710 HWY 70 E	PRINCETON	No	No	Yes	No	No	No	No	No
NONCD0001958	KINDER MORGAN S.E. TERMINAL #1	OAK STREET	SELMA	No	No	Yes	No	No	No	No	No
NONCD0002060	MERCER FARM EQUIPMENT REPAIR	4457 SHOE HEEL ROAD	KENLY	No	No	Yes	No	No	No	No	No
NONCD0002076	MILLERS AUTO SALES	13513 US HIGHWAY 70	CLAYTON	No	No	No	No	No	No	Yes	No
NONCD0002186	NCDOT SELMA PLANT P-11	PEEDIN STREETA.G. LEE TRUCK ST	SELMA	No	No	Yes	No	No	No	No	No
NONCD0002271	PARKER/ LASSITER FARMS	223 KINGS MILL ROAD	FOUR OAKS	No	No	Yes	No	No	No	No	No
NCD986171338	PEELE CO. PESTICIDE DISPOSAL	NC 42 EAST	CLAYTON	Yes	No	No	No	No	No	No	No
NONCD0002376	RAY'S GARAGE	8535 HIGHWAY 31 SOUTH	FOUR OAKS	No	No	Yes	No	No	No	No	No
NONCD0002447	SAUCEDO PROP. / NCDOT SITE #69	US HWY. 701	NEWTON GROVE	No	No	Yes	No	No	No	No	No
NONCD0002469	SHORT JOURNEY SCHOOL	P.O. BOX 1336	SMITHFIELD	No	No	Yes	No	No	No	No	No
NCD991278730	SQUIBB E R & SONS	FLOWERS RD	KENLY	Yes	No	No	No	No	No	No	No
NCD003183480	UNION CAMP CORPORATION	524 BROGDEN RD	SMITHFIELD	Yes	No	No	No	No	No	No	No
NONCD0001148	UNION CARBIDE	HWY 42	CLAYTON	Yes	No	No	No	No	No	No	No
NONCD0002840	WEST CLAYTON MOBILE VILLAGE	OLD US 70 WEST	CLAYTON	No	No	Yes	No	No	No	No	No

Site ID #	*Site Name*	*Street Address*	*City*	*SPL*	*Voluntary Action Under Agreement*	*Evaluation Pending*	*Pollutant Only Site - Open*	*Pollutant Only Site-NFA*	*Pollutant Only Site-NFA Restricted*	*No Further Action*	*NFA-Restricted Use*
Number of Sites:	14										
HOKE											
NONCD0002834	BURLINGTON INDUSTRIES	1000 TURNPIKE RD	RAEFORD	No	No	Yes	No	No	No	No	No
NCD981021546	KOPPERS BORROW PIT	RT. 211	ASHLEY HEIGHTS	No	No	No	No	No	No	Yes	No
NONCD0001998	LEONARD THOMPSON (GROVES	T C JONES ROAD	RAEFORD	No	No	Yes	No	No	No	No	No
NC0001279710	WOODY WILSON BATTERY/ASHLEY	HWY 211	ASHLEY HEIGHTS	Yes	No	No	No	No	No	No	No
NONCD0000005	WOODY WILSON-MCCAIN	SR1215 & SR1219	MCCAIN	No	No	Yes	No	No	No	No	No
Number of Sites:	5										
HYDE											
NONCD0001886	HYDE COUNTY COURTHOUSE	MAIN STREET AND OYSTER CREEK R	SWAN QUARTER	No	No	Yes	No	No	No	No	No
NC6570027460	USAF DARE COUNTY RANGE	HWY 264	ENGLEHART	No	No	Yes	No	No	No	No	No
Number of Sites:	2										
IREDELL											
NONCD0001230	AG LIQUIDS	2504 DAVIE AVENUE	STATESVILLE	No	No	Yes	No	No	No	No	No
NCD048462881	ARMOLOY CO OF NC/HI-TECH	1603 SALISBURY ROAD	STATESVILLE	Yes	No	No	No	No	No	No	No
NONCD0000070	BENFIELD SANITATION SERVICE	1809 W FRONT ST	STATESVILLE	Yes	No	No	No	No	No	No	No
NONCD0001339	BENFIELDS PAINT AND BODY SHOP	SR 2308	STATESVILLE	No	No	Yes	No	No	No	No	No
NCD097362594	BERNHART FURNITURE CO. PLANT	HWY 21	TROUTMAN	No	No	No	No	No	No	Yes	No
NONCD0001402	BURLINGTON INDUSTRIES	476 SOUTH MAIN STREET	MOORESVILLE	No	No	Yes	No	No	No	No	No
NCD093334894	BURLINGTON INDUSTRIES, INC.	PHOENIX STREET	STATESVILLE	Yes	No	No	No	No	No	No	No
NONCD0001481	CHARLOTTE HIGHWAY WELLS	CHARLOTTE HIGHWAY AND CORNELIU	MOORESVILLE	No	No	Yes	No	No	No	No	No
NCD081434219	CLARK EQUIPMENT COMPANY/AXLE	I40 & I77	STATESVILLE	No	No	No	No	No	No	Yes	No
NONCD0001580	D&G MART SOLVENTS	792 BRAWLEY SCHOOL ROAD	MOORESVILLE	No	No	Yes	No	No	No	No	No
NONCD0001761	GENERAL STORE SOLVENTS	849 OAKRIDGE FARM ROAD	MOORESVILLE	No	No	Yes	No	No	No	No	No
NCD980600530	GTE PRODUCTS CORPORATION	SR 2350	TROUTMAN	No	No	No	No	No	No	Yes	No
NCD003215696	HUNT MANUFACTURING	2301 SPEEDBALL ROAD	STATESVILLE	No	Yes	No	No	No	No	No	No
NONCD0001902	INGERSOLL RAND	800-A BEATY RD.	DAVIDSON	No	No	Yes	No	No	No	No	No
NONCD0000094	IREDELL COUNTY FIRE TRAINING	MURDOCK ROAD	TROUTMAN	No	No	No	No	No	No	Yes	No
NONCD0001918	JANTZEN WELL- G.L.WILSON	WILSON PARK ROAD	STATESVILLE	No	No	Yes	No	No	No	No	No
NONCD0001931	JOHN BOYLE FACILITY	STATESVILLE	STATESVILLE	No	No	Yes	No	No	No	No	No
NONCD0001129	MARBLE RD PAINT DISPOSAL	MARBLE RD	STATESVILLE	Yes	No	No	No	No	No	No	No
NONCD0002034	MARTIN PROPERTY #2	2328 DAVIE AVE	STATESVILLE	No	No	Yes	No	No	No	No	No
NONCD0002173	NCDOT ASPHALT SITE #66/APAC	164 BOSTIAN BRIDGE DR (OFF BUF	STATESVILLE	No	No	Yes	No	No	No	No	No
NCD003235413	NIEMAND INDUSTRIES	2500 WEST FRONT STREET	STATESVILLE	No	No	No	No	No	No	Yes	No
NONCD0002213	NORTEX INTERNATIONAL, INC	523 PATTERSON AVE	MOORESVILLE	No	No	Yes	No	No	No	No	No
NONCD0002214	NORTH AMERICAN PRODUCTS	1053 CRAWFORD RD	STATESVILLE	No	No	Yes	No	No	No	No	No
NONCD0002226	O W SLANE GLASS WELL	606 MECHAM ROAD	STATESVILLE	No	No	Yes	No	No	No	No	No
NONCD0002813	OLD MOUNTAIN RD WATER SUPPLY	OLD MOUNTAIN RD & N MAIN ST	TROUTMAN	No	No	Yes	No	No	No	No	No
NCD003520301	OVERCASH MACHINE SHOP, INC.	865 CONNOR STREET	STATESVILLE	Yes	No	No	No	No	No	No	No
NONCD0002804	PETRO EXPRESS #31	131 TURNERSBURG HWY (HWY21)	STATESVILLE	No	No	Yes	No	No	No	No	No
NONCD0002307	PILCH, INC (FORMERLY PEARTREE	PILCH RD	TROUTMAN	No	No	Yes	No	No	No	No	No
NONCD0002337	PSNC ENERGY MOORESVILLE,	1116 & 1122 NORTH MAIN STREET	MOORESVILLE	No	No	Yes	No	No	No	No	No
NONCD0002342	PUBLIC SERVICE COMPANY OF	433 DRAKE STREET	STATESVILLE	No	No	Yes	No	No	No	No	No
NONCD0002427	ROYSTER-CLARK FERTILIZER	3210 TAYLORSVILLE HIGHWAY	STATESVILLE	No	No	Yes	No	No	No	No	No

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NCD986188027	CHAMPION LANDFILL #3	SR 1550 I40	CANTON	Yes	No	No	No	No	No	No	No
NONCD0001473	CHAMPION-PIGEON RIVER SEEP	CANTON MILL	CANTON	No	No	Yes	No	No	No	No	No
NONCD0000059	DAYCO COCHRAN LANDFILL	RT 1 HYATT CREEK ROAD	WAYNESVILLE	Yes	No	No	No	No	No	No	No
NCD003148798	DAYCO CORP	BALSAM RD	WAYNESVILLE	Yes	No	No	No	No	No	No	No
NCD982119463	DAYCO LANDFILL CRYME COVE ROAD	SR 1134	WAYNESVILLE	Yes	No	No	No	No	No	No	No
NONCD0001714	FERGUSON RESIDENCE	288 LAUREL RIDGE ROAD	CANTON	No	No	Yes	No	No	No	No	No
NCD081333858	HOLSTON ENERGY INC/HOLSTON FUEL	HWY 19A/235 BYPASS	WAYNESVILLE	Yes	No	No	No	No	No	No	No
NONCD0000096	MASON DRUM STORAGE	42 FIBERVILLE STREET	CANTON	Yes	No	No	No	No	No	No	No
NONCD0002262	PANTRY 421 FORMER	P. O. BOX 1410	CANTON	No	No	Yes	No	No	No	No	No
NCD024852675	SCHULHOFFER JUNKYARD	HOWELL MILL ROAD	WAYNESVILLE	No	No	No	No	No	No	Yes	No
NCD986231520	ZOE LABS	HIGHWAY 19/23	CANTON	No	No	No	No	No	No	Yes	No

Number of Sites: 16

HENDERSON

NCD024617524	BELDING CORTICELLI THREAD CO.	US 64 W	HENDERSONVILLE	No	No	No	No	No	No	Yes	No
NCD054282272	CAROLINA LOG BLDGS, INC.	HOWARD GAP RD	FLETCHER	No	No	No	No	No	No	Yes	No
NONCD0001497	CHRISMAN'S GARAGE	6352 B HENDERSONVILLE ROAD	FLETCHER	No	No	Yes	No	No	No	No	No
NCD003150539	CRANSTON PRINT WORKS COMPANY	US 25	FLETCHER	No	No	No	No	No	No	Yes	No
NONCD0001603	DIAMOND BRAND CANVAS PRODUCTS	HIGHWAY 25	NAPLES	No	No	Yes	No	No	No	No	No
NONCD0001663	EATON FACILITY (FORMER)	LANE CREEK INDUSTRIAL PK.	FLETCHER	No	No	Yes	No	No	No	No	No
NCD003155405	FEDERAL PAPER BOARD CO., INC.	200 TABOR RD, SR 1809	EAST FLAT ROCK	No	No	No	No	No	No	Yes	No
NONCD0001722	FLETCHER PUBLIC WORKS SITE	21 HOWARD GAP RD.	FLETCHER	No	No	Yes	No	No	No	No	No
NONCD0001852	HIGHWAY 26 EAST WEIGHT STATION	HIGHWAY 26 EAST 15 MILE MARK	NAPLE	No	No	Yes	No	No	No	No	No
NONCD0001090	OLD MILL BLDG	301 FOURTH AVE EAST	HENDERSONVILLE	Yes	No	No	No	No	No	No	No
NCD986185411	OLD WESTERN NC FAIRGROUNDS	BTWN US 176 & SOUTHER RR	EAST FLAT ROCK	Yes	No	No	No	No	No	No	No
NONCD0002455	SEARCY PROPERTY	CHIMNEY ROCK ROAD	DANA	No	No	Yes	No	No	No	No	No
NONCD0002502	SOUTHERN SERVICE STATION	403 S MAIN ST	HENDERSONVILLE	No	No	Yes	No	No	No	No	No
NCD986180917	SPANN PROPERTY	US HIGHWAY 25	HENDERSONVILLE	Yes	No	No	No	No	No	No	No
NCD062572391	STEELCASE, INCORPORATED	CANE CREEK IND PARK	FLETCHER	No	No	No	No	No	No	Yes	No
NONCD0002617	TRACY LIPE	31 KINGWOOD HILLS DR.	FLETCHER	No	No	Yes	No	No	No	No	No
NCD093334209	WILSON, RALPH PLASTICS	CANE CREEK IND PARK	FLETCHER	No	Yes	No	No	No	No	No	No

Number of Sites: 17

HERTFORD

NCD045924487	CAROLINA ALUMINUM/EASCO	METCALF STREET	WINTON	No	No	No	No	No	No	Yes	No
NCD065288847	CF NITROGEN, INCORPORATED	HWY 45	WINTON	Yes	No	No	No	No	No	No	No
NONCD0001677	ELECTRIC MOTOR SERVICE	US HYW 13 SOUTH	AHOSKIE	No	No	Yes	No	No	No	No	No
NCD097724306	GA-PACIFIC CORP CHIP-N-SAW	HARRELLSVILLE HWY 561	AHOSKIE	No	No	No	No	No	No	Yes	No
NONCD0001768	GEORGIA-PACIFIC CORP.	MURFREESBORO	MURFREESBORO	No	No	Yes	No	No	No	No	No
NONCD0001952	KERR FACILITY - AHOSKIE	JOHNNY MITCHELL RD.	AHOSKIE	No	No	Yes	No	No	No	No	No
NCD981929185	MIDNIGHT DUMPING	NC 11 & SR 1106	AHOSKIE	No	No	No	No	No	No	Yes	No
NONCD0001176	MURFREESBORO VENEER	307 N 2ND ST	MURFREESBORO	Yes	No	No	No	No	No	No	No
NONCD0002180	NCDOT FACILITY-UNION	NCSR 1130	UNION	No	No	Yes	No	No	No	No	No
NONCD0001029	R & D LAMINATORS INC	HOLLOMAN ROAD (SR 1187)	AHOSKIE	Yes	No	No	No	No	No	No	No
NCN000410290	RIVERSIDE CHEMICAL	110 NC42 WEST	AHOSKIE	No	No	Yes	No	No	No	No	No
NONCD0001204	SOUTHERN STATES-AHOSKIE SERVICE	1383 MEMORIAL DR	AHOSKIE	No	Yes	No	No	No	No	No	No
NCN000407205	TRI-COUNTY AIRPORT	NC 561	AULANDER	Yes	No	No	No	No	No	No	No
NCD050412923	WEST POINT PEPPERELL AHOSKIE	MITCHEL ROAD	AHOSKIE	No	No	No	No	No	No	Yes	No

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NONCD0002859	WILCO #301	3610 W WENDOVER AVE	GREENSBORO	No	No	Yes	No	No	No	No	No
NONCD0002723	WILEY DAVIS LANDFILL	WILEY DAVIS RD.	GREENSBORO	No	No	Yes	No	No	No	No	No
NONCD0002765	WRE COLORTECH	533 BANNER AVENUE	GREENSBORO	No	No	Yes	No	No	No	No	No
NONCD0001007	ZIMMERMAN AND ASSOCIATES	5512 WEST MARKET STREET	GREENSBORO	No	No	No	No	No	No	Yes	No
Number of Sites:	176										
HALIFAX											
NONCD0001246	ALLEN-MCDANIEL I	HWY 198 N.	WELDON	No	No	Yes	No	No	No	No	No
NONCD0001435	CAR CORNER	1049 EAST 10TH ST.		No	No	Yes	No	No	No	No	No
NONCD0002830	CSX RAILWAY, NORLINA TO	RR TRACK NORLINA TO LITTLETON		No	No	Yes	No	No	No	No	No
NONCD0001071	DOE-SPUN	GIBBS AVE	HOLLISTER	No	No	No	No	No	No	Yes	No
NONCD0001666	ECKERD DRUG STORE	1845 E. 10TH STREET	ROANOKE RAPIDS	No	No	Yes	No	No	No	No	No
NONCD0001682	ENDERS RESIDENCE, FRANK	SR 1615	DARLINGTON	No	No	Yes	No	No	No	No	No
NONCD0001739	FULFLEX	500 E. 7TH STREET	SCOTLAND NECK	No	No	Yes	No	No	No	No	No
NCSFN0406953	G&B/FARMER PROPERTY	DOUG HILL FARM RD (SR 1100)	SCOTLAND NECK	Yes	No	No	No	No	No	No	No
NCD000773507	GA-PACIFIC CORP/HDWD SAW	S DENNIS ST EXTENSION	ENFIELD	No	No	Yes	No	No	No	No	No
NCD000773499	GA-PACIFIC CORP/TIMBER	SOUTH DENNIS STREET EXT.	ENFIELD	No	No	No	No	No	No	Yes	No
NCD980483275	HELENA CHEMICAL COMPANY	DENNIS STREET EXTENSION	ENFIELD	Yes	No	No	No	No	No	No	No
NCD000645705	KENNAMETAL, INC.	BECKER INDUSTRIAL PARK	ROANOKE RAPIDS	No	No	No	No	No	No	Yes	No
NONCD0001994	LENNON RESIDENCE	RT 2, BOX 417 A	ROANOKE RAPIDS	No	No	Yes	No	No	No	No	No
NCD057248759	PATCH RUBBER POND	GRACE BOULEVARD	ROANOKE RAPIDS	Yes	No	No	No	No	No	No	No
NONCD0002855	PATTERSON PROPERTY	900 JEFFERSON ST	ROANOKE RAPIDS	No	No	Yes	No	No	No	No	No
NCD980602163	PCB SPILLS	210 MILES OF NC HIGHWAY	ROANOKE RAPIDS	No	No	No	No	No	No	Yes	No
NONCD0002350	QUALITY FOREST PRODUCTS	HWY 301	ENFIELD	No	Yes	No	No	No	No	No	No
NCD062664883	REINCO CHEMICAL COMPANY	EAST 11 ST	ROANOKE RAPIDS	Yes	No	No	No	No	No	No	No
NONCD0002556	STWOOTEN		WELDON	No	No	Yes	No	No	No	No	No
NONCD0001248	UNITED SALVAGE	BUTTERCUP LANE	ROANOKE RAPIDS	No	No	Yes	No	No	No	No	No
NONCD0002706	WEST SIDE FOOD MART (FORMER)	GLENVIEW RD	ENFIELD	No	No	Yes	No	No	No	No	No
Number of Sites:	21										
HARNETT											
NCD986188498	DURA-BUILT ENGINES CO	OFF HWY 55	COATS	No	No	No	No	No	No	Yes	No
NONCD0001683	ENERGY CONVERSION SYSTEMS	1 MORGANITE DRIVE	DUNN	No	Yes	No	No	No	No	No	No
NONCD0001687	ERWIN MILLS/BURLINGTON IND.	SOUTH BURLINGTON ST.	ERWIN	No	No	Yes	No	No	No	No	No
NONCD0001010	HARDEE SEPTAGE FARM		BUIES CREEK	No	No	No	No	No	No	Yes	No
NONCD0001093	KIDDE FIRE FIGHTING	141 JUNNY RD	ANGIER	No	Yes	No	No	No	No	No	No
NCD981863814	LANCASTER PLATING	802 EDWARDS ROAD	LILLINGTON	Yes	No	No	No	No	No	No	No
NONCD0002165	NCDOT ASPHALT SITE #32/JOHNSON	P.O. BOX 415	LILLINGTON	No	No	Yes	No	No	No	No	No
NONCD0001483	POPE PROPERTY	800 S WILSON AVE	DUNN	Yes	No	No	No	No	No	No	No
Number of Sites:	8										
HAYWOOD											
NC0000195701	A.C. LAWRENCE LEATHER CO	100 WEST MAIN STREET	HAZELWOOD	No	No	No	No	No	No	Yes	No
NCD986171445	BENFIELD CHEMICALS	OLD CANTON CLYDE HWY	CANTON	Yes	No	No	No	No	No	No	No
NCD986188001	CHAMPION INTERNATIONAL	SR 1571 & 1573	CANTON	Yes	No	No	No	No	No	No	No
NCD003148889	CHAMPION INTERNATIONAL/CANTON	NEWFOUND STREET	CANTON	Yes	No	No	No	No	No	No	No
NCD986188019	CHAMPION LANDFILL #2	SR 1539	CANTON	Yes	No	No	No	No	No	No	No

Site ID #	Site Name	Street Address	City	SPL	Voluntary Action Under Agreement	Evaluation Pending	Pollutant Only Site - Open	Pollutant Only Site-NFA	Pollutant Only Site-NFA Restricted	No Further Action	NFA-Restricted Use
NCD980557599	PRIVATE FARM	ROUTE 1	STOKESDALE	No	No	No	No	No	No	Yes	No
NONCD0002332	PROCTOR & GAMBLE - WEIGH SCALES	6200 BRYAN PARK ROAD	BROWNS SUMMIT	No	No	Yes	No	No	No	No	No
NONCD0002336	PROPERTY SHOP OF THE TRIAD, INC.	5443 FERGUSON ROAD	LIBERTY	No	No	Yes	No	No	No	No	No
NONCD0002355	R. W. MCCOLLUM CO., INC. - B	104 W. MEADOWVIEW RD.	GREENSBORO	No	No	Yes	No	No	No	No	No
NONCD0002367	RAMCO FABRICATORS, INC.	9501 HIGHWAY 421	COLFAX	No	No	Yes	No	No	No	No	No
NCD006390561	RELIANCE UNIVERSAL OF KENTUCKY	1431 PROGRESS ST	HIGH POINT	No	No	No	No	No	No	Yes	No
NONCD0002391	REXHAM CORPORATION - B	2600 PHOENIX DRIVE	GREENSBORO	No	No	Yes	No	No	No	No	No
NCD986180891	ROSS AVENUE PROPERTY	604 ROSS AVENUE	GREENSBORO	No	No	No	No	No	No	Yes	No
NCD003521960	ROYAL DEVELOPMENT CO., INC.	1417 COURTESY RD	HIGH POINT	No	No	No	No	No	No	Yes	No
NCD991277898	ROYAL DEVELOPMENT CO., INC.	325 KETTERING DR	HIGH POINT	No	No	No	No	No	No	Yes	No
NONCD0002440	SAM'S MART #788	3101 SUMMIT AVE.	GREENSBORO	No	No	Yes	No	No	No	No	No
NCD980600449	SED, INC. RADAR ROAD	500 RADAR ROAD	GREENSBORO	Yes	No	No	No	No	No	No	No
NCD980712038	SED, INC. SWING COURT	SWING COURT	GREENSBORO	Yes	No	No	No	No	No	No	No
NONCD0002457	SELLARS RESIDENCE	8719 SHEFIELD ROAD	COLFAX	No	No	Yes	No	No	No	No	No
NONCD0002463	SHARPE INVESTMENTS	REGIONAL RD.	GREENSBORO	No	No	Yes	No	No	No	No	No
NCD071561864	SHERWIN WILLIAMS COMPANY	113 STAGECOACH TRAIL	GREENSBORO	No	No	No	No	No	No	Yes	No
NONCD0002473	SIERRA PROPERTY	725 S. ELM STREET	GREENSBORO	No	No	Yes	No	No	No	No	No
NCD980503114	SMITH FARM COLFAX #3	SR 2007	COLFAX	No	No	No	No	No	No	Yes	No
NONCD0002478	SMITH RESIDENCE, LUCY	215 STAGECOACH TRAIL	GREENSBORO	No	No	Yes	No	No	No	No	No
NONCD0001080	SOUTH EUGENE CLEANERS	611 S EUGENE ST	GREENSBORO	Yes	No	No	No	No	No	No	No
NONCD0002492	SOUTH SEA RATTAN - FAIRFAX	1708 FAIRFAX ROAD	GREENSBORO	No	No	Yes	No	No	No	No	No
NCN000410316	SOUTHERN MEADOWS SUBDIVISION	SOUTHERN MEADOWS DRIVE	STOKESDALE	No	No	Yes	No	No	No	No	No
NONCD0002501	SOUTHERN PLASTICS ENGINEERING	4643 N.HWY 29	GREENSBORO	No	No	Yes	No	No	No	No	No
NONCD0002532	STAPLES, L.P.	105 RAGSDALE RD.	JAMESTOWN	No	No	Yes	No	No	No	No	No
NONCD0002534	STARMOUNT CO-GREEN VALLEY RD	702-800 GREEN VALLEY RD	GREENSBORO	No	No	Yes	No	No	No	No	No
NONCD0002537	STATE STREET PROPERTIES	STATE ST.	GREENSBORO	No	No	Yes	No	No	No	No	No
NONCD0001365	STEVECOKNIT FABRICS COMPANY-B	2602 S ELM ST	GREENSBORO	No	No	Yes	No	No	No	No	No
NONCD0002547	STOKESDALE FIRE DEPARTMENT	8401HIGHWAY 158	STOKESDALE	No	No	Yes	No	No	No	No	No
NCD003220670	STRANDBERG ENGINEERING LABS	HIGHWAY 73 WEST	GREENSBORO	No	No	No	No	No	No	Yes	No
NCD024600579	SUPERIOR PRODUCTS COMPANY	HWY 70A	GREENSBORO	Yes	No	No	No	No	No	No	No
NONCD0002590	THOMAS BUILT BUSES - NONUST	816 W. FAIRFIELD ROAD	HIGH POINT	No	No	Yes	No	No	No	No	No
NONCD0002828	TP SHERWOOD LLC PROPERTY	2001 SHERWOOD ST	GREENSBORO	No	No	Yes	No	No	No	No	No
NCN000407333	TRIAD USED AUTO SALES	1520 ALAMANCE CHURCH RD	GREENSBORO	Yes	No	No	No	No	No	No	No
NONCD0002641	TZ OSBORNE WASTEWATER PLANT	HUFFINE MILL RD	GREENSBORO	No	No	Yes	No	No	No	No	No
NCD003216959	UNION CAMP CORPORATION	RAGSDALE RD	JAMESTOWN	No	No	No	No	No	No	Yes	No
NCD991278300	UNITED DRUM T/A RELIANCE UNIV.	214 BERKLEY ST	HIGH POINT	Yes	No	No	No	No	No	No	No
NCD061795696	UNITEX CHEMICALS	520 BROOME RD	GREENSBORO	Yes	No	No	No	No	No	No	No
NONCD0002655	UNIVERSITY SQUARE	803 WEST MARKET STREET	GREENSBORO	No	No	Yes	No	No	No	No	No
NONCD0002658	US AIRWAYS MAINTENANCE	815 RADAR ROAD	GREENSBORO	No	No	Yes	No	No	No	No	No
NC3210022486	USA RESERVE XVIII AIRBORNE	156 PARRIS AVE	HIGHPOINT	No	No	No	No	No	No	Yes	No
NC9210021755	USA RESERVE XVIII AIRBORNE	1120 CHURCH ST	GREENSBORO	No	No	No	No	No	No	Yes	No
NCD041415019	VALSPAR CORPORATION	1647 ENGLISH RD	HIGH POINT	No	No	No	No	No	No	Yes	No
NONCD0002667	VALSPAR MIRROR COATINGS	3125 SPRING GARDEN STREET	GREENSBORO	No	No	Yes	No	No	No	No	No
NONCD0002680	W & C INVESTMENTS - C	829 W. LEE STREET	GREENSBORO	No	No	Yes	No	No	No	No	No
NONCD0002684	W.L. AUTO SERVICE	129 MONTLIEU AVENUE	GREENSBORO	No	No	Yes	No	No	No	No	No
NONCD0002694	WAR MEMORIAL STADIUM	510 YANCEYVILLE STREET	GREENSBORO	No	No	Yes	No	No	No	No	No
NONCD0002861	WAY, PHILLIP PROPERTIES-LAUREL	5906 LAUREL KNOLL DR	PLEASANT GARDEN	No	No	Yes	No	No	No	No	No
NONCD0002862	WAY, PHILLIP PROPERTIES-PLSNT	4805 PLEASANT GARDEN RD	PLEASANT GARDEN	No	No	Yes	No	No	No	No	No
NCD045179504	WESTINGHOUSE ELEC/GREENSBORO	406 BANNER AVE	GREENSBORO	No	No	No	No	No	No	Yes	No

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NCD986188837	HIGH POINT COAL GAS PLANT	EAST OF 29A CENTENNIAL ST	HIGH POINT	No	Yes	No	No	No	No	No	No
NCD003225620	HIGH POINT FURNITURE INDUSTRIES	1121 CORPORATION DRIVE	HIGH POINT	No	No	No	No	No	No	Yes	No
NCD051745685	HOLDING POND FOR WASTE/USS	500 BROOME RD	GREENSBORO	No	Yes	No	No	No	No	No	No
NCD981748403	HOME DEPOT-PRO CLEANERS	2310 N MAIN STREET	HIGH POINT	Yes	No	No	No	No	No	No	No
NONCD0001866	HOMETOWN CASH AND CARRY	3011 SPRING GARDEN	GREENSBORO	No	No	Yes	No	No	No	No	No
NCD048401087	HOOKER FURNITURE	1212 THROWER ROAD	PLEASANT GARDEN	Yes	No	No	No	No	No	No	No
NCD990715625	HOOVER UNIVERSAL, INC.	1131 BLANDWOOD CIRCLE	HIGH POINT	No	No	No	No	No	No	Yes	No
NCD980729669	HUBERT ATKINS PROPERTY #4	ROUTE 9	GREENSBORO	No	No	No	No	No	No	Yes	No
NCD101750305	INDUSTRIAL PLASTICS, INC.	CLOVER & MCONNELL ROAD	GREENSBORO	Yes	No	No	No	No	No	No	No
NONCD0001914	JACK'S USED AUTO PARTS	4907 YANCEYVILLE ROAD	BROWN SUMMIT	No	No	Yes	No	No	No	No	No
NONCD0001966	KNIGHTS INN	2006 VEASLEY ST.	GREENSBORO	No	No	Yes	No	No	No	No	No
NONCD0001857	KURTZ PROPERTY, STEPHEN	7000 KIVETTE HOUSE RD	GIBSONVILLE	No	No	Yes	No	No	No	No	No
NONCD0001974	LACY ALLRED FARM SUBDIVISION	ANITA LN.	GREENSBORO	No	No	Yes	No	No	No	No	No
NONCD0001993	LEMONDS GARAGE	3202 HIGH POINT RD.	GREENSBORO	No	No	Yes	No	No	No	No	No
NONCD0002001	LEWIS PROPERTY, MAE	7182 SOCKWELL ROAD	ELON COLLEGE	No	No	Yes	No	No	No	No	No
NCD003232030	LILLY CO., INC.	1717 ENGLISH ROAD	HIGH POINT	No	No	No	No	No	No	Yes	No
NONCD0002007	LIMITORQUE FACILITY	7615 BOEING DRIVE	GREENSBORO	No	No	No	No	No	No	Yes	No
NONCD0002016	LONGVIEW GOLF COURSE	6321 BALLINGER ROAD	GREENSBORO	No	No	Yes	No	No	No	No	No
NONCD0000080	LOT #5 TANKS - 3880 IMMANUEL RD	3880 IMMANUEL ROAD	GREENSBORO	No	No	No	No	No	No	Yes	No
NCD107885188	MEADOWLARK SOARING SCHOOL	6504 BURLINGTON RD HWY 70	WHITSETT	No	No	No	No	No	No	Yes	No
NONCD0000027	MEADOWVIEW ROAD	MEADOWVIEW ROAD	GREENSBORO	Yes	No	No	No	No	No	No	No
NCD053486395	METAL PLATING & FABRICATING	1539 W FAIRFIELD RD	HIGH POINT	No	No	No	No	No	No	Yes	No
NONCD0002784	MGM TRANSPORT CORP	1264 JACKSON LAKE RD	HIGH POINT	No	Yes	No	No	No	No	No	No
NCD003215621	MILLER DESK, INC.	1212 LINCOLN DR	HIGH POINT	No	No	No	No	No	No	Yes	No
NONCD0002088	MODEL LINEN SERVICE - B	120 W. LINEN STREET	GREENSBORO	No	No	Yes	No	No	No	No	No
NCD990883001	MONARCH FURNITURE CORPORATION	300 SCIENTIFIC ST	JAMESTOWN	Yes	No	No	No	No	No	No	No
NCD089903983	MORELAND MCKESSON COMPANY	3600 WEST WENDOVER AVE	GREENSBORO	No	No	No	No	No	No	Yes	No
NCD071572036	MORFLEX CHEMICAL CO. INC/PFIZER	2110 HIGH POINT RD	GREENSBORO	No	No	No	No	No	No	Yes	No
NONCD0002109	MYATT PROPERTY	1822 ENGLISH RD.	HIGH POINT	No	No	Yes	No	No	No	No	No
NONCD0002030	MYERS BROTHERS RECYCLING	3303 SPRING GARDEN ST	GREENSBORO	No	No	Yes	No	No	No	No	No
NONCD0002114	NAI MAXWELL PROPERTY	612 INDUSTRIAL AVENUE	GREENSBORO	No	No	Yes	No	No	No	No	No
NONCD0002120	NATIONS BANK - MACKAY RD.	5013 MACKAY RD.	GREENSBORO	No	No	Yes	No	No	No	No	No
NONCD0002133	NCDOT - SITE #08 STOKESDALE	HWY 158	STOKESDALE	No	No	Yes	No	No	No	No	No
NONCD0002135	NCDOT - SITE #10 JAMESTOWN	5730 RIVERDALE DR.	JAMESTOWN	No	No	Yes	No	No	No	No	No
NONCD0002139	NCDOT - SITE #25 MARTIN	825 MARIETTA RD.	GREENSBORO	No	No	Yes	No	No	No	No	No
NONCD0002148	NCDOT - SITE #61 NORFOLK	1124 S. HOLDEN ROAD	GREENSBORO	No	No	Yes	No	No	No	No	No
NONCD0002149	NCDOT - SITE #72 LARCO/SLOAN	1330 OLD JACKSON LAKE ROAD	HIGH POINT	No	No	Yes	No	No	No	No	No
NONCD0002197	NEW GENERATION YARN	1248 SPRINGWOOD AVENUE	GIBSONVILLE	No	No	Yes	No	No	No	No	No
NCD980503064	NORTH BUFFALO POLLUTION	WHITE STREET	GREENSBORO	No	No	No	No	No	No	Yes	No
NCD991278839	NORTH STATE CHEMICALS	6211 HUNT RD	PLEASANT GARDEN	Yes	No	No	No	No	No	No	No
NONCD0002231	OHENRY CLEANERS	3210 SUMMIT AVENUE	GREENSBORO	No	No	Yes	No	No	No	No	No
NONCD0002236	OLYMPIC PRODUCTS	4100 PLEASANT GARDEN	GREENSBORO	No	No	Yes	No	No	No	No	No
NONCD0002257	PANEL CONCEPTS	415 WESTCLIFF RD.	GREENSBORO	No	No	Yes	No	No	No	No	No
NONCD0002880	PATCHES BODY SHOP	1903 E GREEN ST	HIGH POINT	Yes	No	No	No	No	No	No	No
NONCD0001937	PATRICIAN FURNITURE-RAVINE	1105-1107 W MARKET CENTER DR	HIGH POINT	No	No	Yes	No	No	No	No	No
NCD980503098	PFIZER INC/SKATE STADIUM	4500 BLOCK OF HIGH POINT	GREENSBORO	Yes	No	No	No	No	No	No	No
NONCD0002865	PIEDMONT TRIAD AIRPORT-AIR	6415 AIRPORT PKWY	GREENSBORO	No	No	Yes	No	No	No	No	No
NONCD0002313	PITTILLO PROPERTY, C.V. - B	1007CLEBURNE ST.	GREENSBORO	No	No	Yes	No	No	No	No	No
NONCD0001020	PRECISION FABRICS GROUP, INC	301 MEADOWVIEW ROAD	GREENSBORO	No	Yes	No	No	No	No	No	No

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NCD096158696	BURLINGTON INDUSTRIES, INC.	6008 HIGH POINT RD	GREENSBORO	Yes	No	No	No	No	No	No	No
NONCD0000078	CAROLINA METAL AND ALLOYS	1016 E. SPRINGFIELD AVENUE	HIGH POINT	Yes	No	No	No	No	No	No	No
NCD980729412	CAROLINA TANK CLEANING COMPANY	HWY 68-4 MI N OF I-40	GREENSBORO	Yes	No	No	No	No	No	No	No
NONCD0000090	CENTRAL TRANSPORT COMPANY		HIGH POINT	No	No	No	No	No	No	Yes	No
NONCD0000044	CHEMICAL AND SOLVENTS, INC.	2804 PATTERSON STREET	GREENSBORO	Yes	No	No	No	No	No	No	No
NCD043711977	CHEMICAL LEAMAN TANK LINES, INC.	6600 WEST MARKET STREET	GREENSBORO	Yes	No	No	No	No	No	No	No
NONCD0001489	CHEMONIC	1316 OAKLAND AVENUE	GREENSBORO	No	No	Yes	No	No	No	No	No
NCD061801361	CIBA-GEIGY CORPORATION	410 SWING RD	GREENSBORO	No	No	Yes	No	No	No	No	No
NONCD0001529	COLORWORKS	3010 EXECUTIVE DR.	GREENSBORO	No	No	Yes	No	No	No	No	No
NONCD0001847	COLUMBIA LAUNDRY	2507 BATTLEGROUND AVE	GREEENSBORO	No	No	Yes	No	No	No	No	No
NONCD0001535	COMMUNITY PLUMBING & HEATING	305 SWING ROAD	GREENSBORO	No	No	Yes	No	No	No	No	No
NCD980559157	CONE MILLS CORP/PRINT WORKS PL	1800 FAIRVIEW STREET	GREENSBORO	No	No	No	No	No	No	Yes	No
NCD000776914	CONE MILLS CORP/WHT OAK PLANT	2420 FAIRVIEW STREET	GREENSBORO	No	No	No	No	No	No	Yes	No
NCD991278169	CONVERTERS INK COMPANY	SUITE 305 FRIENDSHIP CTR	GREENSBORO	No	No	No	No	No	No	Yes	No
NONCD0001551	COTTON MILL SQUARE - SOLVENTS	801 MERRIT DRIVE	GREENSBORO	No	No	Yes	No	No	No	No	No
NONCD0001568	CROWN DODGE - NONUST	3710 W. WENDOVER AVE.	GREENSBORO	No	No	Yes	No	No	No	No	No
NONCD0001569	CROWN HONDA & CAMCO	3633 W. WENDOVER AVE.	GREENSBORO	No	Yes	No	No	No	No	No	No
NONCD0001576	CULP TICKING	7209HIGHWAY 158	STOKESDALE	No	No	Yes	No	No	No	No	No
NCD057037780	CUSTOM FINISHERS, INC.	2213 SHORE ST	HIGH POINT	No	No	No	No	No	No	Yes	No
NCD982117590	CUSTOM PROCESSING AND	1110 SURRETT DRIVE	HIGH POINT	Yes	No	No	No	No	No	No	No
NONCD0001600	DEPOT	234 E. WASHINGTON STREET	GREENSBORO	No	No	Yes	No	No	No	No	No
NCD003214319	DESOTO, INCORPORATED	1025 HOWARD ST	GREENSBORO	No	No	No	No	No	No	Yes	No
NONCD0001060	DIXIE MACHINE & TOOL CO	2204 PATTERSON ST	GREENSBORO	Yes	No	No	No	No	No	No	No
NONCD0001616	DIXIE SALES AUTO REPAIR - B	327 BATTLEGROUND AVENUE	GREENSBORO	No	No	Yes	No	No	No	No	No
NCD003221546	DOW CORNING CORPORATION	2914 PATTERSON ST	GREENSBORO	No	No	No	No	No	No	Yes	No
NONCD0001635	DRAPER CORPORATION - NONUST	5644 HORNADAY ROAD	GREENSBORO	No	No	Yes	No	No	No	No	No
NCD981861743	DUKE POWER/GREENSBORO GAS	FRIENDLY AVE. & CHURCH ST	GREENSBORO	No	Yes	No	No	No	No	No	No
NCD003230836	DUKE REFINING CORPORATION	2020 JARRELL STREET	HIGH POINT	Yes	No	No	No	No	No	No	No
NONCD0000063	DUTCH CLEANERS	SOUTH MAIN STREET	HIGH POINT	No	No	No	No	No	No	Yes	No
NONCD0001649	DWIGGINS PROPERTY, CHRISTOPHER	125 W. LEE STREET	GREENSBORO	No	No	Yes	No	No	No	No	No
NONCD0001670	EDMUNDS MANUFACTURING	1016 BATTLEGROUND AVE.	GREENSBORO	No	No	Yes	No	No	No	No	No
NCD003230083	FANCOURT, W F CO.	408 BANNER AVE	GREENSBORO	No	No	No	No	No	No	Yes	No
NONCD0002854	FIBER DYNAMICS	200 SOUTH WEST POINT AVE	HIGH POINT	No	Yes	No	No	No	No	No	No
NONCD0001745	GAINES CORPORATION	4001 BATTLEGROUND AVE.	GREENSORO	No	No	Yes	No	No	No	No	No
NONCD0000024	GAITHER TRANSOU PROPERTY	1202 GUILFORD COLLEGE RD	GREENSBORO	Yes	No	No	No	No	No	No	No
NONCD0001754	GATE PETROLEUM COMPANY	1550 W. LEE STREET	GREENSBORO	No	No	Yes	No	No	No	No	No
NONCD0001770	GIBSONVILLE, CITY OF		GIBSONVILLE	No	No	Yes	No	No	No	No	No
NONCD0001774	GLAMORAMA CLEANERS	709 E.MARKET ST.	GREENSBORO	No	No	Yes	No	No	No	No	No
NONCD0001796	GREENSBORO AUTO AUCTION, INC	3802 W. WENDOVER AVE.	GREENSBORO	No	No	Yes	No	No	No	No	No
NONCD0001089	GREENSBORO COAL GAS PLANT #1		GREENSBORO	No	Yes	No	No	No	No	No	No
NONCD0001798	GREENSBORO, CITY OF - CITY	401 PATTON AVE.	GREENSBORO	No	No	Yes	No	No	No	No	No
NCD053491221	GUARDSMANS CHEMICALS, INC.	2147 BREVARD ST	HIGH POINT	No	No	No	No	No	No	Yes	No
NONCD0001807	GUILFORD MILLS - FISHMAN	4925 WEST MARKET STREET	GREENSBORO	No	No	Yes	No	No	No	No	No
NCD980798870	GUILFORD SPILL	GROOMETOWN ROAD	GREENSBORO	No	No	No	No	No	No	Yes	No
NCD055550560	GULF ADHESIVES & RESINS/PERKINS	1717 WARD STREET	HIGH POINT	Yes	No	No	No	No	No	No	No
NCD067437400	GULF OIL CORPORATION	SR 2813	MCLEANSVILLE	Yes	No	No	No	No	No	No	No
NONCD0002826	HAMILTON STREET PROPERTY-B	330 N HAMILTON ST	HIGHT POINT	No	No	Yes	No	No	No	No	No
NONCD0001819	HAMS RESTAURANT - BRASSFIELD	3709-J BATTLEGROUND AVENUE	GREENSBORO	No	No	Yes	No	No	No	No	No
NONCD0001832	HB FULLER CO.	3005 HOLTS CHAPEL	GREENSBORO	No	No	Yes	No	No	No	No	No

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GRANVILLE											
NCD072003635	ATHOL MANUFACTURING COMPANY	C & 22ND ST	BUTNER	No	Yes	No	No	No	No	No	No
NCD986180883	CCFC PESTICIDE DISPOSAL	607 HILLSBOROUGH STREET	OXFORD	Yes	No	No	No	No	No	No	No
NONCD0001561	CREEDMOOR FUEL SERVICE	104 LAKE RD.	CREEDMOOR	No	No	Yes	No	No	No	No	No
NC0001606250	CRISTEX DRUM	INDUSTRIAL DR & PINE TREE RD	OXFORD	Yes	No	No	No	No	No	No	No
NONCD0001695	EXXON - WOODYS	901 COLLEGE ST. (SEE COMMENTS)	OXBORO	No	No	Yes	No	No	No	No	No
NC0001206572	HORSESHOE CREEK ROAD	HORSESHOE CREEK ROAD	CREEDMOOR	No	No	No	No	No	No	Yes	No
NCD991278870	MEAD CONTAINERS/WEYERHAEUSER	HWY 56	BUTNER	No	No	No	No	No	No	Yes	No
NONCD0002154	NCDOT 58	SR 1100 AND 1175	BUTNER	No	No	Yes	No	No	No	No	No
NONCD0002301	PIEDMONT CIRCUITS	TELECOMM DR.	CREEDMOOR	No	No	Yes	No	No	No	No	No
NONCD0000025	RANGE ROAD BURN SITE	RANGE ROAD	BUTNER	Yes	No	No	No	No	No	No	No
NCD091576033	ZAPATA INDS INC/NEWTON	111 EAST A ST	BUTNER	No	No	No	No	No	No	Yes	No
Number of Sites:	11										
GREENE											
NONCD0001296	H&G PROPERTY #1	202 E RAILROAD ST	WALTSONBURY	No	No	Yes	No	No	No	No	No
NONCD0002267	PARKER HANNIFIN CORPORATION	301 KKNGOLD BOULEVARD	SNOW HILL	No	No	Yes	No	No	No	No	No
NCD981466931	WGM SAFETY	HIGHWAY 258	SNOW HILL	No	No	No	No	No	No	Yes	No
Number of Sites:	3										
GUILFORD											
NONCD0001218	A CLEANER WORLD - SPRING	4117 SPRING GARDEN STREET	GREENSBORO	No	No	Yes	No	No	No	No	No
NONCD0001221	ABC BUILDING SUPPLY	2900 PATTERSON AVENUE	GREENSBORO	No	No	Yes	No	No	No	No	No
NONCD0002817	AGATHA DRVE	AGATHA DRIAVE	STOKESDALE	No	No	Yes	No	No	No	No	No
NCD071567374	AGRICO #2/BILL MARTIN LIVESTOCK	408 PATTON AVENUE	GREENSBORO	No	No	No	No	No	No	Yes	No
NCD024583288	AIR PRODUCTS AND CHEMICALS, INC.	115 SOUTHERN OXYGEN RD	GREENSBORO	No	No	No	No	No	No	Yes	No
NONCD0001252	AMERICAN COATINGS	506 A RADAR ROAD	GREENSBORO	No	No	Yes	No	No	No	No	No
NCD096160262	AMERICAN PETROFINA MKTG	7115 WEST MARKET ST	GREENSBORO	No	No	No	No	No	No	Yes	No
NCD061793253	AMF/HATTERAS YACHTS	2100 KIVETT DR	HIGH POINT	No	No	No	No	No	No	Yes	No
NCD003467974	AMP INCORPORATED	1126 CHURCH ST	GREENSBORO	No	No	Yes	No	No	No	No	No
NONCD0001265	AMP, INC. BUILDING 11	1124 N.CHURCH ST.	GREENSBORO	No	No	Yes	No	No	No	No	No
NONCD0001277	APAC-CAROLINA, INC.	DULUTH LOOP ROAD	GREENSBORO	No	No	Yes	No	No	No	No	No
NONCD0001283	ARATEX SERVICES	509 TEAGUE ST.	GREENSBORO	No	No	Yes	No	No	No	No	No
NCD000828814	ASHLAND PETROLEUM COMPANY	6311 BURNT POPLAR ROAD	GREENSBORO	No	No	No	No	No	No	Yes	No
NONCD0001293	ASSOCIATED MECHANICAL	307 SWING ROAD	GREENSBORO	No	No	Yes	No	No	No	No	No
NCD060291648	AVERY DENNISON	2305 SOOBAR ST	GREENSBORO	No	No	Yes	No	No	No	No	No
NONCD0002863	BABY DIAPER SERVICE	1819 SPRING GARDEN ST	GREENSBORO	No	No	Yes	No	No	No	No	No
NONCD0001316	BALLARD PROPERTY, W. P.	2701 BRANCHWOOD DR.	GREENSBORO	No	No	Yes	No	No	No	No	No
NONCD0001318	BARBER PARK	1500 DANS RD.	GREENSBORO	No	Yes	No	No	No	No	No	No
NONCD0002775	BENCHAMARK SQUARE SHOPPING	2900 RANDLEMAN RD.	GREENSBORO	No	No	Yes	No	No	No	No	No
NONCD0001351	BILLER PROPERTY	S. EUGENE ST.	GREENSBORO	No	No	Yes	No	No	No	No	No
NONCD0002827	BOMAC LUBRICANTS "B"	4801 RICHARDSON VILLAGE WAY	MCLEANSVILLE	No	No	Yes	No	No	No	No	No
NONCD0001375	BRAYTON INTERNATIONAL - C	250 E. SWATHMORE AVENUE	HIGH POINT	No	No	Yes	No	No	No	No	No
NONCD0001376	BRAYTON INTERNATIONAL	255 SWATHMORE AVENUE	HIGH POINT	No	No	Yes	No	No	No	No	No
NONCD0001377	BREKENWOOD SUBDIVISION	2105 E. BREKENWOOD COURT	PLEASANT GARDEN	No	No	Yes	No	No	No	No	No
NONCD0001383	BRIN MONT CHEMICALS, INC.	3921 SPRING GARDEN	GREENSBORO	No	No	Yes	No	No	No	No	No

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NCD085083004	MOORE CO., INC/EASCO HAND TOOLS	ISLEY RD	GASTONIA	No	No	No	No	No	No	Yes	No
NCD986187110	MORNINGSIDE DRIVE DUMP	MORNINGSIDE DRIVE	MT. HOLLY	No	No	No	No	No	No	Yes	No
NONCD0002105	MTE HYDRAULICS	108 CHICKASAW ROAD @ JCT W/ PE	GASTONIA	No	No	Yes	No	No	No	No	No
NCD986171379	NEW HAVEN DRIVE TCE	NEW HAVEN DRIVE	GASTONIA	Yes	No	No	No	No	No	No	No
NONCD0002253	PAINTER WELL	108 BARNES STREET	BELMONT	No	No	Yes	No	No	No	No	No
NONCD0002264	PARK STREET SOLVENT SITE	INTERSECTION OF NC 273 AND WIL	BELMONT	No	No	Yes	No	No	No	No	No
NONCD0000099	PARTON'S MOTOR COMPANY	2800 SOUTH YORK ROAD	GASTONIA	Yes	No	No	No	No	No	No	No
NCN000409881	PAYNE RD SOLVENTS	105 PAYNE RD	BESSEMER CITY	Yes	No	No	No	No	No	No	No
NONCD0002298	PHARR YARNS - STERLING	217 STERLING ST	BELMONT	No	No	Yes	No	No	No	No	No
NONCD0002299	PHARR YARNS SLUDGE LANDFILL	NEAR INTERSECTION HWY 7 & SR22	MCADENVILLE	No	No	Yes	No	No	No	No	No
NONCD0002341	PUBLIC SERVICE CO. - MARIETTA -	900 NORTH MARIETTA STREET	GASTONIA	No	No	Yes	No	No	No	No	No
NONCD0002351	QUALITY METALS INC.	1111 OATES ROAD	GASTONIA	No	No	Yes	No	No	No	No	No
NONCD0002359	RACHEL STREET PCE SITE	102 RACHEL ST	MT. HOLLY	No	No	Yes	No	No	No	No	No
NONCD0002849	RANLO DUMP	RANLO AVE	RANLO	No	No	Yes	No	No	No	No	No
NONCD0002383	REECE MOSS RESIDENCE	1620 UPPER ARMSTRONG FORD	BELMONT	No	No	Yes	No	No	No	No	No
NONCD0002395	RHONE-POULENC (RHODIA)	207 TELEGRAPH ROAD	GASTONIA	No	No	Yes	No	No	No	No	No
NCD986191807	ROSS ROAD TIRE FIRE	ROSS ROAD	CHERRYVILLE	No	No	No	No	No	No	Yes	No
NONCD0002443	SANDS & COMPANY - SOLVENTS	3112 NORTHWEST BOULEVARD	GASTONIA	No	No	Yes	No	No	No	No	No
NONCD0002459	SERVCO GASTONIA - SOLVENTS	1612 WEST FRANKLIN BOULEVARD	GASTONIA	No	No	Yes	No	No	No	No	No
NONCD0001100	SIMPSON WELL CONTAMINATION	8 EASTWOOD DRIVE	BELMONT	Yes	No	No	No	No	No	No	No
NONCD0002479	SMITH WELL	508 8TH AVE EXTENSION	CRAMERTON	No	No	Yes	No	No	No	No	No
NONCD0002490	SOUTH POINT FIRE DEPT NITRATES	SOUTH POINT ROAD	GASTONIA	No	No	Yes	No	No	No	No	No
NONCD0002493	SOUTHAMPTON RAQUET CLUB	2813 KENDRICK ROAD	GASTONIA	No	No	Yes	No	No	No	No	No
NCD986176480	SOUTHEASTERN ELECTRO	936 N MARRIETTA ST	GASTONIA	No	No	Yes	No	No	No	No	No
NONCD0002522	SPIVEY WELL	TIMOTHY RD, HICKORY GROVE	MCADENVILLE	No	No	Yes	No	No	No	No	No
NONCD0002539	STEEL SPECIALITY	610 W. WILKINSON BLVD	BELMONT	No	No	Yes	No	No	No	No	No
NONCD0002579	TALON ZIPPER FACILITY (FORMER)	500 HOVIS ROAD	STANLEY	No	No	Yes	No	No	No	No	No
NONCD0001025	TOOMEY PROPERTY	1020 HICKORY GROVE ROAD	SPRINGWOOD	Yes	No	No	No	No	No	No	No
NONCD0002647	UNION ROAD	122 FAIRSTONE ROAD	GASTONIA	No	No	Yes	No	No	No	No	No
NCD003164464	UNIROYAL INC/UNIROYAL CHEMICAL	214 W RUBY AVE	GASTONIA	Yes	No	No	No	No	No	No	No
NONCD0002877	VIRGINIA AVE PCE CONTAMINATION	8TH ST & VIRGINIA AVE	BESSEMER CITY	No	No	Yes	No	No	No	No	No
NCD070626197	WARNER & SWASEY TEX MCH. CO.	HWY 274	BESSEMER CITY	No	No	No	No	No	No	Yes	No
NONCD0002700	WATSON TRANSPORT WELL	4127 KINGS MOUNTAIN HIGHWAY	BESSEMER CITY	No	No	Yes	No	No	No	No	No
NONCD0002717	WHITINSVILLE SPINNING RING	148 BRIARWOOD LANE	GASTONIA	No	No	Yes	No	No	No	No	No
NCD986170678	WOOD ROAD DRUM BURIAL	CIRCLE WOOD RD/SR 2641	GASTONIA	Yes	No	No	No	No	No	No	No
NCD986166288	WOODY'S TIRE FIRE	HIGHWAY 321	GASTONIA	Yes	No	No	No	No	No	No	No
Number of Sites:	99										

GATES

NCD981015860	CAROLINA ALUMINUM STATE RD	SR 1128	EURE	No	No	No	No	No	No	Yes	No
Number of Sites:	1										

GRAHAM

NCD085443182	AMETEK INC./LAMB ELEC DIVISION	704 MYRTLE DR	GRAHAM	No	No	No	No	No	No	Yes	No
NCD024770125	BURLINGTON FURNITURE	ATOAH STREET	ROBBINSVILLE	Yes	No	No	No	No	No	No	No
Number of Sites:	2										

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NCN000409889	CERTIFIED PLATING	2738 E OZARK PLATING	GASTONIA	No	No	Yes	No	No	No	No	No
NONCD0001472	CHAMPION PROPERTIES	1661 FEDERAL AVE	GASTONIA	No	No	Yes	No	No	No	No	No
NONCD0001482	CHARLOTTE PAINT COMPANY	1604 LANE ROAD	MT. HOLLY	No	No	Yes	No	No	No	No	No
NONCD0001495	CHOICE, USA	809 E. FRANKLIN BLVD	GASTONIA	No	No	Yes	No	No	No	No	No
NONCD0001502	CIRCLE K #8379 - SOLVENTS	101 MOUNT HOLLY ROAD	BELMONT	No	No	Yes	No	No	No	No	No
NONCD0001506	CITY OF GASTONIA 2ND AVE. PARKING	2ND AVENUE	GASTONIA	No	No	Yes	No	No	No	No	No
NONCD0001824	COMPONENT REMANUFACTURING	1224 ISLEY DR	GASTONIA	No	No	Yes	No	No	No	No	No
NONCD0001553	COUNTY LINE ROAD SOLVENTS	2383 COUNTY LINE ROAD	KINGS MOUNTAIN	No	No	Yes	No	No	No	No	No
NCD044444735	CROMPTON & KNOWLES CORP.	SPENCER MT RD	LOWELL	Yes	No	No	No	No	No	No	No
NCS000000478	CROWDERS MOUNTAIN STATE PARK	CROWDERS MOUNTAIN STATE PARK	GASTONIA	Yes	No	No	No	No	No	No	No
NONCD0001584	DALE NORMAN TIRE COMPANY #2	3701 DALLAS-HIGH SHOALS RD	DALLAS	No	No	Yes	No	No	No	No	No
NONCD0001585	DALLAS MACHINE COMPANY	610 E. AIRLINE AVE	GASTONIA	No	No	Yes	No	No	No	No	No
NONCD0001587	DANALEX FACILITY	501 E. ALABAMA AVE	BESSEMER CITY	No	No	Yes	No	No	No	No	No
NONCD0001467	DELTA MILLS-FORMER RAGAN LDFL	OATES RD, NEAR HWY 274	GASTONIA	No	No	Yes	No	No	No	No	No
NCD062552336	DENNISON MANUFACTURING	1640 HARGROVE AVE	GASTONIA	No	No	No	No	No	No	Yes	No
NONCD0002847	DISTRICT 12 HEADQUARTERS	NC 273	MOUNT HOLLY	No	No	Yes	No	No	No	No	No
NONCD0001618	DIXIE VILLAGE SOLVENTS	WEST FRANKLIN (HWY 74)	GASTONIA	No	No	Yes	No	No	No	No	No
NONCD0001621	DIXIE YARNS PIEDMONT	1500 RIVER DR	BELMONT	No	No	Yes	No	No	No	No	No
NONCD0002824	DUKE ENERGY-ALLEN STEAM	253 PLANT ALLEN RD	BELMONT	No	No	Yes	No	No	No	No	No
NONCD0001652	EAGLE PLANT (R.L. STOWE, JPS)	EAGLE MILL RD	CRAMERTON	No	No	Yes	No	No	No	No	No
NONCD0001705	FAIRVIEW TRAILER PARK	DAVIDSON AVENUE	GASTONIA	No	No	Yes	No	No	No	No	No
NCD003150562	FIRESTONE TEXTILES COMPANY	1101 W SECOND AVE	GASTONIA	No	No	No	No	No	No	Yes	No
NCD986172617	FORBES ROAD WELLS/RAUCH IND	2408 FORBES ROAD	GASTONIA	Yes	No	No	No	No	No	No	No
NONCD0001045	FREIGHTLINER	1800 N MAIN ST	MT HOLLY	Yes	No	No	No	No	No	No	No
NONCD0001751	GASTON COUNTY DEVELOPMENT	COURT DR.	GASTONIA	No	No	Yes	No	No	No	No	No
NCD981929300	GASTON COUNTY DRUM	ROBERTS DRIVE	GASTONIA	No	No	No	No	No	No	Yes	No
NCD003149291	GASTON COUNTY DYEING MACHINE	HWY 27 EAST	MOUNT HOLLY	Yes	No	No	No	No	No	No	No
NCD991277922	GASTON COUNTY DYEING MACHINE	200 S MAIN ST	STANLEY	Yes	No	No	No	No	No	No	No
NONCD0001752	GASTON COUNTY PUBLIC WORKS -	MARIETTA STREET AND LONG AVENU	GASTONIA	No	No	Yes	No	No	No	No	No
NONCD0001753	GASTON SHELL	279 W. FRANKLIN BLVD	GASTONIA	No	No	Yes	No	No	No	No	No
NCD986188829	GASTONIA COAL GAS PLANT	CALDWELL ROAD	GASTONIA	No	Yes	No	No	No	No	No	No
NC0002374445	GASTONIA INDUSTRIAL TRUCK	HEMPHILL ROAD	GASTONIA	Yes	No	No	No	No	No	No	No
NONCD0001767	GEORGE MATTHEWS PCE SITE	2101 DALLAS/STANLEY HIGHWAY	STANLEY	No	No	Yes	No	No	No	No	No
NONCD0002841	GOBLE WELL	444 MCGUIRE ST	GASTONIA	No	No	Yes	No	No	No	No	No
NONCD0001813	HALL WELL	908 PIERCE ROAD	MT. HOLLY	No	No	Yes	No	No	No	No	No
NCD986166692	HARWELL ROAD SEPTIC PIT	HARWELL ROAD	GASTONIA	Yes	No	No	No	No	No	No	No
NONCD0001830	HAWTHORNE ROAD PCE SITE	HAWTHORN AND MILL STREET	BELMONT	No	No	Yes	No	No	No	No	No
NONCD0001012	HAYS, A DIVISION OF ROMAC	HWY 7	RANLO	No	No	No	No	No	No	Yes	No
NONCD0001859	HODGSTON TEXTILE CHEMICALS	235 TUCKASEEGEE ROAD	MT. HOLLY	No	No	Yes	No	No	No	No	No
NCD054283189	HOOVER MACHINE SHOP	RATCHFORD ROAD	GASTONIA	No	Yes	No	No	No	No	No	No
NONCD0001880	HUNSUCKER WELL	111 FIELDCREST DRIVE	STANLEY	No	No	Yes	No	No	No	No	No
NONCD0001924	JENKINS METAL CORPORATION	936 / 1001 NORTH MARIETTA STRE	GASTONIA	No	No	Yes	No	No	No	No	No
NONCD0001950	KEN DUNCAN HEATING & COOLING	5002 HICKORY GROVE RD	MT. HOLLY	No	No	Yes	No	No	No	No	No
NONCD0001953	KEYSTONE POWDERED METAL	100 COMMERCE DRIVE	CHERRYVILLE	No	Yes	No	No	No	No	No	No
NONCD0001964	KLUTTZ FOUNDRY, FORMER	711 EAST FRANKLIN BLVD	GASTONIA	No	No	Yes	No	No	No	No	No
NCD986175628	LEE'S MOTOR WORKS	BEATY ROAD	GASTONIA	Yes	No	No	No	No	No	No	No
NONCD0002048	MAULDIN WELL	310 MITCHELL ST	BELMONT	No	No	Yes	No	No	No	No	No
NCD986223170	MCBESS INDUSTRIES	OLD HWY 321	HIGH SHOALS	Yes	No	No	No	No	No	No	No
NONCD0002075	MILLER WELL NITRATES	1998 DAVIDSON AVENUE	GASTONIA	No	No	Yes	No	No	No	No	No

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NCD986176444	STROH/CHITTY FARM	OLD MILWAUKEE LANE	WINSTON-SALEM	No	Yes	No	No	No	No	No	No
NCD081428104	SUN CHEM CORPORATION/GPI DIV	2400 0LD LEXINGTON ROAD	WINSTON-SALEM	Yes	No	No	No	No	No	No	No
NCD000006361	SUPERIOR ELECTRO FINISHES	115 EAST POLO ROAD	WINSTON SALEM	Yes	No	No	No	No	No	No	No
NONCD0002580	TANGLEWOOD PARK MAINTENANCE	4061 CLEMMONS ROAD	CLEMMONS	No	No	Yes	No	No	No	No	No
NCD002560159	THIELE-ENGDAHL, INCORPORATED	1100 FAIRCHILD RD	WINSTON-SALEM	Yes	No	No	No	No	No	No	No
NONCD0002592	THOMASVILLE FURNITURE-WINSTON	1200 NORTH PATTERSON AVENUE	WINSTON-SALEM	No	No	Yes	No	No	No	No	No
NONCD0002625	TRIAD WAREHOUSE AND COLD	829 GRAVES STREET	KERNERSVILLE	No	No	Yes	No	No	No	No	No
NONCD0002628	TRIANGLE MACHINE & ELECTRONICS	705 N.MAIN STREET	KERNERSVILLE	No	No	Yes	No	No	No	No	No
NONCD0002829	TWIN CITY INDUSTRIAL CENTER	800 CHATHAM RD	WINSTON-SALEM	No	No	Yes	No	No	No	No	No
NCD053485991	VARCO-PRUDEN BUILDINGS	1140 WEST MOUNTAIN STREET	KERNERSVILLE	No	Yes	No	No	No	No	No	No
NCN000410344	VC CHEMICAL	N LIBERTY ST	WINSTON-SALEM	No	No	Yes	No	No	No	No	No
NONCD0001294	WACHOVIA CENTER TOWER	100 NORTH MAIN	WINSTON-SALEM	No	No	Yes	No	No	No	No	No
NCD000772376	WESTINGHOUSE	3050 WESTINGHOUSE RD	WINSTON-SALEM	No	No	No	No	No	No	Yes	No
NONCD0002738	WILSON PEST CONTROL	401 WEST END BOULEVARD	WINSTON-SALEM	No	No	Yes	No	No	No	No	No
NONCD0002746	WINSTON-SALEM BUSINESS, INC.	3190 CENTRE PARK BLVD.	WINSTON-SALEM	No	No	Yes	No	No	No	No	No
NCD986188845	WINSTON-SALEM COAL GAS PLANT	BETWEEN EAST 3RD & 4TH	WINSTON-SALEM	No	Yes	No	No	No	No	No	No
NCD986188852	WINSTON-SALEM COAL GAS PLANT	HIGH STREET & BRANCH AVE	WINSTON-SALEM	No	Yes	No	No	No	No	No	No
NONCD0002747	WINSTON-SALEM, CITY OF -	MAIN ST.	WINSTON-SALEM	No	No	Yes	No	No	No	No	No
NONCD0002748	WINSTON-SALEM, CITY OF - RJR DDC	CHESTNUT ST.WATER ST.	WINSTON-SALEM	No	No	Yes	No	No	No	No	No
Number of Sites:	100										

FRANKLIN

NONCD0001368	BOSTON GEAR	506 SOUTH BICKETT BOULEVARD	LOUISBURG	No	No	Yes	No	No	No	No	No
NONCD0001448	CAROLINA TELEPHONE-TARBORO	113 E. FRANKLIN ST.	LOUISBURG	No	No	Yes	No	No	No	No	No
NONCD0001141	DIAZIT COMPANY	US 1	YOUNGSVILLE	No	Yes	No	No	No	No	No	No
NONCD0001685	EPSOM-STEVE STEVENS	NC 39	EPSOM	No	No	Yes	No	No	No	No	No
NONCD0001794	GREEN, JOHN HARDY	ROUTE 4, BOX 224	LOUISBURG	No	No	Yes	No	No	No	No	No
NONCD0002223	NOVOZYMES PIPING SPILLS	77 PERRY CHAPEL CHURCH ROAD	FRANKLINTON	No	No	Yes	No	No	No	No	No
NONCD0002505	SOUTHERN STATES FR CO	324 S. BICKETT	LOUISBURG	No	No	Yes	No	No	No	No	No
NONCD0002718	WHITLEY, JOYCE RESIDENCE	462 HIGHWAY 98 (PO BOX 24)	BUNN	No	No	Yes	No	No	No	No	No
NONCD0002721	WILDER FARM, GAIL	ROUTE 2, BOX 175	FRANKLINTON	No	No	Yes	No	No	No	No	No
Number of Sites:	9										

GASTON

NONCD0001233	AL GORE PROPERTY	2232 ACME ROAD	BELMONT	No	No	Yes	No	No	No	No	No
NONCD0001243	ALEXIS SOLVENTS	ALEXIS HIGH SHOALS ROAD	ALEXIS	No	No	Yes	No	No	No	No	No
NCD000615872	AMP INCORPORATED	1260 SHANNON-BRADLEY RD	GASTONIA	Yes	No	No	No	No	No	No	No
NCD986175636	ASHE PATTERN SHOP (FORMER)	4411 BEATY ROAD	GASTONIA	Yes	No	No	No	No	No	No	No
NONCD0001327	BEAM CONSTRUCTION CO	BESS ROAD FACILITY	BESSEMER CITY	No	No	Yes	No	No	No	No	No
NCD980559637	BEAUNIT CORP./DYING & FINISHING	LINEBERGER STREET	LOWELL	Yes	No	No	No	No	No	No	No
NONCD0001335	BELMONT DYERS	18 LINESTONE DRIVE	BELMONT	No	Yes	No	No	No	No	No	No
NONCD0001336	BELTEX CORPORATION	345 MCADENVILLE ROAD	BELMONT	No	No	Yes	No	No	No	No	No
NCD991279126	BESSEMER CITY OAKS CREEK WWTP	SOUTH 11TH STREET EXT.	BESSEMER CITY	No	No	No	No	No	No	Yes	No
NONCD0001344	BESSEMER CITY ROAD PCE SITE	BESSEMER CITY RD	BESSEMER CITY	No	No	Yes	No	No	No	No	No
NONCD0001353	BLANTON WELL PCE SITE	1038 OLD CHURCH ROAD	GASTONIA	No	No	Yes	No	No	No	No	No
NCD067435925	BURLINGTON INDUSTRIES, INC.	EAGLE ROAD	CRAMERTON	No	No	No	No	No	No	Yes	No
NONCD0001444	CAROLINA FREIGHT AST (FORMER)	HIGHWAY 150 EAST	CHERRYVILLE	No	No	Yes	No	No	No	No	No
NONCD0001457	CARSONS DRY CLEANERS (FORMER)	400 CHESTER AVE JCT WITH RANKI	GASTONIA	No	No	Yes	No	No	No	No	No

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NONCD0001934	JOHNSON CONTROLS BATTERY	WEST MOUNTAIN ROAD	WALKERTOWN	No	No	Yes	No	No	No	No	No
NCD000770487	JOHNSON CONTROLS GLOBE BATTERY	OLD GREENSBORO ROAD	WINSTON-SALEM	Yes	No	No	No	No	No	No	No
NCD986232163	JSC GRAPHIC ARTS	300 PERIMETER BLVD	WINSTON-SALEM	No	No	No	No	No	No	Yes	No
NONCD0001943	K MART #3507	7770 NORTH POINT RD.	WINSTON-SALEM	No	No	Yes	No	No	No	No	No
NONCD0001970	KRISPY KREME	1700 IVY AVENUE	WINSTON-SALEM	No	No	Yes	No	No	No	No	No
NONCD0002003	LIBERTY GROUP	709 N. MAIN STREET	WINSTON-SALEM	No	No	Yes	No	No	No	No	No
NONCD0002010	LINK ROAD SITE	1725 LINK ROAD	WINSTON-SALEM	No	No	Yes	No	No	No	No	No
NONCD0002134	NCDOT - SITE #09 PAPCO ASPHALT	SR 1120	WINSTON-SALEM	No	No	Yes	No	No	No	No	No
NONCD0002138	NCDOT - SITE #24 RAMEY CONST.	PATTERSON AVE.	WINSTON-SALEM	No	No	Yes	No	No	No	No	No
NONCD0002145	NCDOT - SITE #54 THOMPSON	2805 INDIANA AVE.	WINSTON-SALEM	No	No	Yes	No	No	No	No	No
NONCD0002146	NCDOT - SITE #55 PAPCO-SHERRILL	CRAFT DRIVE	WINSTON-SALEM	No	No	Yes	No	No	No	No	No
NONCD0002210	NORFOLK SOUTHERN RAILWAY			No	No	Yes	No	No	No	No	No
NONCD0002218	NORTH LIBERTY STREET PROPERTY	NORTH LIBERTY STREET	WINSTON-SALEM	No	No	Yes	No	No	No	No	No
NONCD0002229	OGBURN DRY CLEANERS (FORMER)	OLD WALKER ROAD	WINSTON-SALEM	No	No	Yes	No	No	No	No	No
NONCD0002246	OVERDALE ROAD TRANSFER	OVERDALE ROAD	WINSTON-SALEM	No	No	Yes	No	No	No	No	No
NCN000407491	P&B DISTRIBUTION CHEMICAL FIRE	744 CHATHAM RD	WINSTON-SALEM	Yes	No	No	No	No	No	No	No
NONCD0002263	PAPCO GROUP	CLEMMONSVILLE ROAD	WINSTON-SALEM	No	No	Yes	No	No	No	No	No
NONCD0001691	PARKWAY SHELL STATION-QUALITY	1630 SILAS CREEK PKWY	WINSTON-SALEM	No	No	Yes	No	No	No	No	No
NONCD0002275	PAVILLIONS SHOPPING CENTER	HANES MALL BLVD	WINSTON-SALEM	No	No	Yes	No	No	No	No	No
NONCD0002285	PENN ENGINEERING	2400 LOWERY STREET	WINSTON-SALEM	No	No	Yes	No	No	No	No	No
NONCD0002291	PEPSI COLA - WINSTON-SALEM	3425 MYER LEE DRIVE	WINSTON-SALEM	No	No	Yes	No	No	No	No	No
NONCD0001140	PIEDMONT HAWTHORNE	3817 N LIBERTY ST	WINSTON-SALEM	No	No	Yes	No	No	No	No	No
NONCD0002328	PRECISION CONCEPTS GROUP	2701 BOULDER PARK COURT	WINSTON-SALEM	No	No	Yes	No	No	No	No	No
NONCD0002349	QUALIFIED METAL - OLD WINSTON	950 OLD WINSTON RD.	WINSTON-SALEM	No	No	Yes	No	No	No	No	No
NCN000407364	QUARTER MASTER AUTO DETAIL	1239 OLD SALEM RD	KERNERSVILLE	No	No	No	No	No	No	Yes	No
NONCD0002353	R. J. REYNOLDS - ARCHER BLDG. 40 - B	1200MARTIN LUTHER	WINSTON-SALEM	No	No	Yes	No	No	No	No	No
NONCD0002354	R. J. REYNOLDS - QUALITY BLDG.	100 S. CHESTNUT ST.	WINSTON-SALEM	No	No	Yes	No	No	No	No	No
NCD000616466	REYNOLDS RJ TOBACCO COMPANY	5TH ST & PATTERSON AVE	WINSTON-SALEM	No	No	No	No	No	No	Yes	No
NCD000616474	REYNOLDS RJ TOBACCO COMPANY	7TH ST & LINDEN ST	WINSTON-SALEM	No	No	No	No	No	No	Yes	No
NCD067441394	RJR ARCHER, INC.	220 EAST POLO ROAD	WINSTON-SALEM	No	No	Yes	No	No	No	No	No
NCD044514602	RJR ARCHER, INC.	CUNNINGHAM AVE	WINSTON-SALEM	Yes	No	No	No	No	No	No	No
NONCD0002430	RURAL HALL, TOWN OF -PUBLIC	145BETHANIA ST.	RURAL HALL	No	No	Yes	No	No	No	No	No
NONCD0002431	RUS	3775 INDUSTRIAL DR.	WINSTON-SALEM	No	No	Yes	No	No	No	No	No
NCD991278680	SADOLIN PAINT PRODUCTS, INC.	3950 NEW WALKERTOWN RD	WINSTON-SALEM	No	No	No	No	No	No	Yes	No
NONCD0002437	SALEM ELECTRIC	801 BETHESDA ROAD	WINSTON-SALEM	No	No	Yes	No	No	No	No	No
NONCD0002438	SALEM UNIFORM SERVICES	4015 NORTH CHERRY STREET	WINSTON-SALEM	No	No	Yes	No	No	No	No	No
NONCD0002439	SALVAGE BUILDING MATERIALS -	920 N. LIBERTY STREET	WINSTON-SALEM	No	No	Yes	No	No	No	No	No
NONCD0002442	SANDERSON NISSAN-NONUST	3475 MYER LEE DRIVE	WINSTON-SALEM	No	No	Yes	No	No	No	No	No
NONCD0002445	SANTARO HOT MIX ASPHALT PLANT	INTERSECTION OF NC HIGHWAY 66	KERNERSVILLE	No	No	Yes	No	No	No	No	No
NCD003231545	SHERWOOD TREATING CO., INC.	1660 SILAS CREEK PKWAY	WINSTON-SALEM	Yes	No	No	No	No	No	No	No
NONCD0002487	SOMERSET COURT @ UNIVERSITY	CAMERON AVENUE	WINSTON-SALEM	No	No	Yes	No	No	No	No	No
NONCD0001130	SOUTH MAIN ST SEWER LINE EXT	4660 FOLLANSBEE RD	WINSTON-SALEM	Yes	No	No	No	No	No	No	No
NONCD0002511	SOUTHSIDE TOWING SERVICE	INTERSECTION OF HARMON AND CLE		No	No	Yes	No	No	No	No	No
NONCD0002513	SPECIAL CHILDREN'S SCHOOL (DUKE	1480 SOUTH BROAD STREET	WINSTON-SALEM	No	No	Yes	No	No	No	No	No
NONCD0002525	SPRINT - KERNERSVILLE - SOLVENTS	121 ARMFIELD STREET	KERNERSVILLE	No	No	Yes	No	No	No	No	No
NCD003214574	SPRUANCE SOUTHERN, INC.	HWY 8	WINSTON-SALEM	Yes	No	No	No	No	No	No	No
NCD024895864	STEWART-WARNER CORP/BASSICK-	2941 INDIANA AVE	WINSTON-SALEM	Yes	No	No	No	No	No	No	No
NCD053487765	STRATFORD METAL FINISHINGS,	807 S MARSHALL ST	WINSTON-SALEM	Yes	No	No	No	No	No	No	No
NONCD0000071	STROH BREWERY CO	4000 OLD MILWAUKEE LANE	WINSTON-SALEM	No	No	Yes	No	No	No	No	No

Site ID #	Site Name	Street Address	City	SPL	Voluntary Action Under Agreement	Evaluation Pending	Pollutant Only Site - Open	Pollutant Only Site-NFA	Pollutant Only Site-NFA Restricted	No Further Action	NFA-Restricted Use
NONCD0001783	GNS EXPRESS MART	1637 BARNES ST	ROCKY MOUNT	No	No	Yes	No	No	No	No	No
NONCD0001986	LEBANON UNLOADING STATION	VANCE STREET	ROCKY MOUNT	No	No	Yes	No	No	No	No	No
NCD003183167	LONG MANUFACTURING	111 FAIRVIEW STREET	TARBORO	No	Yes	No	No	No	No	No	No
NONCD0002196	NEVAMAR DECORATIVE SURFACES	2901 ANACONDA ROAD	TARBORO	No	No	No	No	No	No	Yes	No
NONCD0002304	PIEDMONT NATURAL GAS-ROCKY	2525 VANCE STREET	ROCKY MOUNT	No	No	Yes	No	No	No	No	No
NONCD0002319	POLYLOK, INC./WELLINGTON SEARS	3006 ANACONDA RD.	TARBORO	Yes	No	No	No	No	No	No	No
NONCD0002378	REA CONSTRUCTION-ROCKY MOUNT	SR 1401	ROCKY MOUNT	Yes	No	No	No	No	No	No	No
NONCD0002405	RIVENBARK RESIDENCE	1831 VANCE ST.	ROCKY MOUNT	No	No	Yes	No	No	No	No	No
NCD041466525	ROCKY MOUNT FIBER DUMP	ATLANTIC AVE EXTENSION	ROCKY MOUNT	Yes	No	No	No	No	No	No	No
NCD981932023	TARBORO-EDGECOMBE AIRPORT	HWY 44	TARBORO	Yes	No	No	No	No	No	No	No
NCD040028011	TRINITY INDUSTRIES, INC.	1529 VANCE ST	ROCKY MOUNT	No	No	No	No	No	No	Yes	No
NC8210021624	USA RESERVE XVIII AIRBORNE	804 FAIRVIEW RD	ROCKY MT	No	No	No	No	No	No	Yes	No
NCD980842413	WILKINSON PROPERTY BATTERY SITE	3552 COOL SPRING ROAD	ROCKY MOUNT	No	No	No	No	No	No	Yes	No
Number of Sites:	20										

FORSYTH

NONCD0001219	A CLEANER WORLD - WINSTON-SALEM	1221 W. ACADEMY ST.	WINSTON-SALEM	No	No	Yes	No	No	No	No	No
NCD083629196	AMERICAN INKS & COATINGS CORP.	3755 KIMWELL DR	WINSTON-SALEM	No	No	No	No	No	No	Yes	No
NCD980844518	AMP INCORPORATED	4798 KINNAMON ROAD	CLEMMONS	No	No	Yes	No	No	No	No	No
NCD041230418	AMP INCORPORATED	3900 REIDSVILLE ROAD	WINSTON-SALEM	Yes	No	No	No	No	No	No	No
NONCD0001263	AMP, INC. - BUILDING 54	6399 AMP DRIVE	CLEMMONS	No	No	Yes	No	No	No	No	No
NONCD0001264	AMP, INC. BUILDING 109	3441 MYER LEE DRIVE	WINSTON-SALEM	No	No	Yes	No	No	No	No	No
NCD000276188	BEAUNIT CORP. PRINT PLANT	3801 KIMWELL	WINSTON-SALEM	No	No	No	No	No	No	Yes	No
NONCD0001133	BOWMAN GRAY-FRIEDBURG	WELFARE ROAD	WINSTON-SALEM	No	No	Yes	No	No	No	No	No
NCD980729479	CAROLAWN COMPANY	1426 W MOUNTAIN ST	KERNERSVILLE	Yes	No	No	No	No	No	No	No
NCD081427890	CAROLINA METALIZING CO., INC.	1925 VARGRAVE STREET	WINSTON SALEM	No	No	No	No	No	No	Yes	No
NONCD0001469	CENTRAL PARK-SALEM AVENUE	SALEM AVENUE	WINSTON-SALEM	No	No	Yes	No	No	No	No	No
NONCD0001508	CL SMITH PROPERTY	25.11 ACRE TRACT ZIGLAR ROAD	WINSTON-SALEM	No	No	Yes	No	No	No	No	No
NCD982101966	COLLINGWOOD FURNITURE	1665 MARTIN LUTHER KING D	WINSTON-SALEM	No	No	No	No	No	No	Yes	No
NONCD0002864	CONSIGNMENT FURNITURE	599 S STRATFORD RD	WINSTON-SALEM	No	No	Yes	No	No	No	No	No
NCD003213030	DOUGLAS BATTERY	500 BATTERY DR	WINSTON-SALEM	Yes	No	No	No	No	No	No	No
NONCD0001633	DOWNTOWN DEVELOPMENT PROJECT	FIRST ST @ CHURCH ST @ I-40	WINSTON-SALEM	No	No	Yes	No	No	No	No	No
NONCD0001634	DOWNTOWN MIDDLE SCHOOL	280 SOUTH LIBERTY STREET	WINSTON-SALEM	No	No	Yes	No	No	No	No	No
NONCD0001035	DUKE ENERGY-WINSTON-SALEM	1198 SOUTH BROAD STREET	WINSTON-SALEM	No	No	No	No	No	No	Yes	No
NONCD0001671	EDWARDS SEAT COVERS - SOLVENT	847 N. LIBERTY STREET	WINSTON-SALEM	No	No	Yes	No	No	No	No	No
NONCD0001700	FAIRCHILD INDUSTRIAL PRODUCTS	3920 WESTPOINT BLVD.	WINSTON-SALEM	No	Yes	No	No	No	No	No	No
NONCD0001711	FAWLKES, R. - FENNEL ST.	121FENNEL ST.	KERNERSVILLE	No	No	Yes	No	No	No	No	No
NONCD0000017	FLAKT PRODUCTS	200 LOWERY STREET	WINSTON-SALEM	No	Yes	No	No	No	No	No	No
NONCD0001720	FLEET SUPPLY COMPANY - NONUST	2744 W. MOUNTAIN ST.	WINSTON-SALEM	No	No	Yes	No	No	No	No	No
NONCD0001734	FORSYTH PARTNERS - WAUGHTOWN	595 WAUGHTOWN ST.	WINSTON-SALEM	No	No	Yes	No	No	No	No	No
NONCD0001749	GARDNER ASPHALT	1664 MARTIN LUTHER KING DR.	WINSTON-SALEM	No	No	Yes	No	No	No	No	No
NONCD0001756	GATEWOOD PROPERTY, STOKES	6943 STYERS FERRY ROAD	WINSTON-SALEM	No	No	Yes	No	No	No	No	No
NONCD0002793	H&S OIL COMPNAY	5280 HIGHT POINT RD	KERNERSVILLE	No	No	Yes	No	No	No	No	No
NCD044515211	HAYES-ALBION CORP/BRIGGS-	3760 KIMWELL DR	WINSTON-SALEM	Yes	No	No	No	No	No	No	No
NCD003216397	HIGHLAND INDUSTRIES/BURLINGTON	215 DRUMMOND ST/SR 2089	KERNERSVILLE	Yes	No	No	No	No	No	No	No
NONCD0001868	HOOKER FURNITURE CORP. -	210 N. MAIN ST.	KERNERSVILLE	No	No	Yes	No	No	No	No	No
NCD003464369	IMC/INTERNATIONAL MINERALS &	GLEEN AVENUE EXTENSION	WINSTON-SALEM	No	No	No	No	No	No	Yes	No
NCN000409780	INDUSTRIAL METAL ALLOY	20 E ACADIA AVE	WINSTON-SALEM	Yes	No	No	No	No	No	No	No

Site ID #	*Site Name*	*Street Address*	*City*	*SPL*	*Voluntary Action Under Agreement*	*Evaluation Pending*	*Pollutant Only Site - Open*	*Pollutant Only Site-NFA*	*Pollutant Only Site-NFA Restricted*	*No Further Action*	*NFA-Restricted Use*
NONCD0001843	HERCULES	9 DAVIS DRIVE	DURHAM	Yes	No	No	No	No	No	No	No
NCD003198520	HONEYWELL, INC	921 HOLLOWAY STREET	DURHAM	Yes	No	No	No	No	No	No	No
NONCD0001869	HOOVER ROAD CONTAMINATION	211 SOUTH HOOVER ROAD	DURHAM	No	No	Yes	No	No	No	No	No
NONCD0001890	IBM LANDFILL	RESEARCH TRIANGLE PARK	DURHAM	No	No	Yes	No	No	No	No	No
NCD097724009	LIGGETT AND MYERS COMPANY	700 W MAIN ST	DURHAM	No	No	No	No	No	No	Yes	No
NONCD0002047	MATTHEWS, VC RESIDENCE	3426 HIGHWAY 55	DURHAM	No	No	Yes	No	No	No	No	No
NONCD0002057	MCNC	3021 CORNWALLIS ROAD	DURHAM	No	No	Yes	No	No	No	No	No
NONCD0002085	MITSUBISHI ELECTRONICS	THREE DIAMOND LANE	DURHAM	No	Yes	No	No	No	No	No	No
NONCD0002094	MOORE, DELORIS PROPERTY	3034-3036 HOLLOWAY STREET	DURHAM	No	No	Yes	No	No	No	No	No
NONCD0002873	NELLO TEER QUARRY-DENFIELD	5013 DENFIELD ST	DURHAM	No	No	Yes	No	No	No	No	No
NONCD0002782	NELLO TEER-CAMDEN AVE	1435 CAMDEN AVE	DURHAM	No	No	Yes	No	No	No	No	No
NONCD0002219	NORTHERN TELECOM-CEM.TANK	4600 EMPEROR BLVD.	MORRISVILLE	No	No	Yes	No	No	No	No	No
NCD980848667	ONE HOUR KORETIZING	4404 ROXBORO ROAD	DURHAM	Yes	No	No	No	No	No	No	No
NONCD0002261	PANTRY (#4024)	5274 NORTH ROXBORO ROAD	DURHAM	No	No	Yes	No	No	No	No	No
NCD003196193	PIFER INDUSTRIES, INC.	2210 E PETTIGREW ST	DURHAM	Yes	No	No	No	No	No	No	No
NONCD0002321	PONDVIEW LANE	PONDVIEW LANE	DURHAM	No	No	Yes	No	No	No	No	No
NONCD0002338	PSNC OPERATIONS AND GARAGE	3001 HARVARD AVENUE	DURHAM	No	No	Yes	No	No	No	No	No
NCD980839716	RIVERDALE HOMES/EARL GETTS	404 RIVERDALE DRIVE	DURHAM	No	No	No	No	No	No	Yes	No
NONCD0002078	ROCHELLE STREET WELLS	2505 ROCHELLE ST	DURHAM	No	No	Yes	No	No	No	No	No
NONCD0002870	RPM NISSAN	3930 CHAPEL HILL BLVD	DURHAM	No	No	Yes	No	No	No	No	No
NONCD0002441	SANDEFUR, CHUCK RESIDENCE	1714 HAMLIN ROAD	DURHAM	No	No	Yes	No	No	No	No	No
NONCD0002449	SCARBOROUGH & HARGETT	306 SOUTH ROXBORO STREET	DURHAM	No	No	Yes	No	No	No	No	No
NCD037160116	SCM-GLIDDEN METAL FINISHERS	2601 WECK DRIVE	RTP	No	No	No	No	No	No	Yes	No
NONCD0002494	SOUTHCHEM	2000 E. PETTIGREW ST.	DURHAM	No	No	Yes	No	No	No	No	No
NCD980503148	SOUTHCHEM LANDFILL	750 EAST MARKHAM AVE	DURHAM	Yes	No	No	No	No	No	No	No
NONCD0002519	SPEIGHTS AUTO SERVICE CENTER	4723 FAYETTEVILLE ROAD	DURHAM	No	No	Yes	No	No	No	No	No
NCD986188878	SUPREME FINISHING	FOUNTAIN STREET	DURHAM	No	No	No	No	No	No	Yes	No
NONCD0000020	TRIANGLE CHURCH OF CHRIST	STATE ROAD 1110	RTP	No	No	No	No	No	No	Yes	No
NONCD0002627	TRIANGLE FURNITURE STRIPPING	NC 751 & NC 54	DURHAM	No	No	Yes	No	No	No	No	No
NCD980600274	UNION CARBIDE CORP/AGRIC PROD	2 - TW ALEXANDER DR	RTP	No	No	No	No	No	No	Yes	No
NC6680090002	US EPA TECH CENTER	HIGHWAY 54 & ALEXANDER DR	RTP	No	No	Yes	No	No	No	No	No
NC4210021891	USA RESERVE XVIII AIRBORNE	1228 CARROLL ST	DURHAM	No	No	No	No	No	No	Yes	No
NC9210022787	USA RESERVE XVIII AIRBORNE	724 FOSTER ST	DURHAM	No	No	No	No	No	No	Yes	No
NONCD0002666	UZZLE CADILLAC OLDSMOBILE GMC	3737 CHAPEL HILL BOULEVARD	DURHAM	No	No	Yes	No	No	No	No	No
NONCD0001149	VC CHEMICAL	2700 ANGIER AVE	DURHAM	Yes	No	No	No	No	No	No	No
NONCD0002693	WAND, JOSEPH PROPERTY	2501 ENGLEWOOD DRIVE	DURHAM	No	No	Yes	No	No	No	No	No
NCD001493931	WECK, EDWARD INC.	WECK DR	RTP	No	Yes	No	No	No	No	No	No
NONCD0002769	WYNNE, MAY PROPERTY (FORMER)	905 DANBURY ST	DURHAM	No	No	Yes	No	No	No	No	No

Number of Sites: 66

EDGECOMBE

NCD990733180	ABBOTT LABS	HWY 301 N	ROCKY MOUNT	No	No	No	No	No	No	Yes	No
NONCD0001273	ANSELL HEALTHCARE	2906 ANACONDA ROAD	TARBORO	Yes	No	No	No	No	No	No	No
NONCD0001310	BAILEY RESIDENCE	2704 ANACONDA ROAD	TARBORO	No	No	Yes	No	No	No	No	No
NCD054412283	BLACK & DECKER PLANT (FORMER)	3301 MAIN ST	TARBORO	No	Yes	No	No	No	No	No	No
NONCD0000046	BRYANT, ROY PROPERTY	SR 1149 & 1006	SHARPSBURG	No	No	No	No	No	No	Yes	No
NONCD0001575	CSXT RAILYARD			No	No	Yes	No	No	No	No	No
NCD980838726	DAVENPORT CREOSOTE	SR 1201	PINETOPS	No	No	No	No	No	No	Yes	No

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DAVIE											
NONCD0001706	FALLIES DRY CLEANING	SOUTH MAIN ST. @ SALISBURY ST.	MOCKSVILLE	No	No	Yes	No	No	No	No	No
NONCD0000092	FUNDER AMERICA	200 FUNDER RD	MOCKSVILLE	Yes	No	No	No	No	No	No	No
NCD981928385	JOHN DEERE TRACTOR	HWY 601 AND SR 1413	MOCKSVILLE	Yes	No	No	No	No	No	No	No
NONCD0002595	THOMSON CROWN WOOD PRODCUTS	390 BETHAL CHURCH ROAD	MOCKSVILLE	No	No	Yes	No	No	No	No	No
NONCD0002856	TOWN OF MOCKSVILLE	337 SANFORD AVE	MOCKSVILLE	No	No	No	No	No	No	Yes	No
Number of Sites:	5										
DUPLIN											
NONCD0001595	DEANS PICKLES, FMR CATES	354 N. FAISON AVE.	FAISON	Yes	No	No	No	No	No	No	No
NCD003200656	FEATHER PROCESSORS, INC	HWY 117 NORTH	ROSE HILL	Yes	No	No	No	No	No	No	No
NCD000773515	GA-PACIFIC CORP/HDWD SAW	SR 1301	BOWDENS	No	No	Yes	No	No	No	No	No
NONCD0001790	GRADY FARM SERVICE	WARREN RD(NCSR 1301)	FAISON	No	No	Yes	No	No	No	No	No
NCD000776732	SAFETY-KLEEN CORP 3-031-02	HWY 41W	WALLACE	Yes	No	No	No	No	No	No	No
NONCD0002543	STEVCOKNIT FABRICS COMPANY	601 WILMINGTON ROAD	WALLACE	Yes	No	No	No	No	No	No	No
Number of Sites:	6										
DURHAM											
NCD084172469	AIRCO INDUSTRIAL GASES	TRIANGLE DRIVE	RTP	No	No	No	No	No	No	Yes	No
NCD075582197	AMORE/WORTH CHEMICAL	2418 EAST PETTIGREW ST	DURHAM	Yes	No	No	No	No	No	No	No
NCN000410370	BECKMANN TECHNOLOGIES	3333 INDUSTRIAL DRIVE	DURHAM	No	No	Yes	No	No	No	No	No
NONCD0001337	BENCHMARK MATERIALS	311 S. PLUM ST	DURHAM	No	No	Yes	No	No	No	No	No
NONCD0001356	BLUE CROSS BLUE SHIELD (DURHAM	HIGHWAY 15-501	DURHAM	No	No	Yes	No	No	No	No	No
NONCD0001382	BRIGHTLEAF SQUARE	800 BLOCK WEST MAIN STREET	DURHAM	No	No	Yes	No	No	No	No	No
NONCD0001403	BURLINGTON INDUSTRIES			No	No	Yes	No	No	No	No	No
NONCD0001404	BURLINGTON INDUSTRIES (FORMER)	WEST MAIN ST	DURHAM	No	No	Yes	No	No	No	No	No
NCD986171072	BURNHAM SERVICE CORP.	3211 MAIMI BOULEVARD	DURHAM	No	No	No	No	No	No	Yes	No
NCD991278714	CAROCHEM, INC.	540 GULF ST	DURHAM	Yes	No	No	No	No	No	No	No
NONCD0001500	CHURCH OF EPHESUS/MODEL	1001 HOLLOWAY STREET	DURHAM	No	No	Yes	No	No	No	No	No
NONCD0001514	CLEVELAND STREET	400 CLEVELAND STREET	DURHAM	No	No	Yes	No	No	No	No	No
NCD986171064	COLEJON MECHANICS	3002 BRUNSON ROAD	DURHAM	No	No	No	No	No	No	Yes	No
NCD091568279	CONTINENTAL FOREST IND/FEDERAL	923 FRANKLIN STREET	DURHAM	No	No	No	No	No	No	Yes	No
NCD080885551	DAUGHERTY CHEMICAL COMPANY	307 WALKER STREET	DURHAM	Yes	No	No	No	No	No	No	No
NONCD0001639	DUKE MEDICAL CENTER (BELL	TRENT DRIVE	DURHAM	No	No	Yes	No	No	No	No	No
NCD000813519	DUKE UNIVERSITY	HWY 751 GATE 11	DURHAM	No	Yes	No	No	No	No	No	No
NCD986171098	DUKE UNIVERSITY TRANSFORMER	TOWERVIEW & WANNAMAKER	DURHAM	No	No	No	No	No	No	Yes	No
NCD981016280	DURHAM ANIMAL CLINIC	4306 ROXBORO ROAD	DURHAM	Yes	No	No	No	No	No	No	No
NONCD0001648	DURHAM AUDITORIUM		DURHAM	No	No	Yes	No	No	No	No	No
NCD986173938	DURHAM GAS PLANT	708 GILBERT STREET	DURHAM	No	Yes	No	No	No	No	No	No
NONCD0002858	DURHAM PUBLIC SERVICE CO PROP	309 BLACKWELL ST	DURHAM	No	No	Yes	No	No	No	No	No
NONCD0001192	EAKES CLEANERS (FORMER)	827 W MORGAN ST	DURHAM	No	No	Yes	No	No	No	No	No
NCD991278524	ENVIRONMENTAL RECYCLING CO.	1901 PEABODY ST	DURHAM	No	No	No	No	No	No	Yes	No
NCD072018252	GENERAL ELECTRIC CO/MED STEAM	OLD RALEIGH RD	DURHAM	Yes	No	No	No	No	No	No	No
NCD986171080	GLIDDEN PAINT	2717 WECK DRIVE	DURHAM	No	No	No	No	No	No	Yes	No
NONCD0001826	HARRIS SEMICONDUCTOR	3026 CORNWALLIS RD	RTP	No	No	Yes	No	No	No	No	No
NONCD0001829	HAWKINS AUTO CARE	120 US 15-501	DURHAM	No	No	Yes	No	No	No	No	No

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NC1690308233	CAPE HATTERAS NATIONAL		RODANTHE	No	No	No	No	No	No	Yes	No
NONCD0001043	CAPE HATTERAS SCHOOL	HIGHWAY 12	BUXTON	No	No	No	No	No	No	Yes	No
NCD986191799	MANTEO DRUM SITE		MANTEO	No	No	No	No	No	No	Yes	No
NONCD0002032	MARION KULICK - FORMER CATTLE	JUNIOR ROAD	FRISCO	No	No	Yes	No	No	No	No	No
NONCD0002130	NCDOT - FORMER ASPHALTIC	OFF DRIFTWOOD DRIVE	MANTEO	No	No	Yes	No	No	No	No	No
NCD986171304	OREGON INLET BEACH CONTAINER		OREGON INLET	No	No	No	No	No	No	Yes	No
NONCD0002344	PUGHS CAR CARE CENTER	2209 SOUTH CROATAN HIGHWAY	NAGS HEAD	No	No	Yes	No	No	No	No	No

Number of Sites: 10

DAVIDSON

NONCD0001229	AFTER FIVE TRUCK REPAIR LEGACY	110 APPLE STREET	THOMASVILLE	No	No	Yes	No	No	No	No	No
NONCD0000067	ASTOR DELK		DENTON	No	No	No	No	No	No	Yes	No
NONCD0001332	BELL RESIDENCE, JOHN	1508WHITEHART SCH.	THOMASVILLE	No	No	Yes	No	No	No	No	No
NONCD0001370	BOWERS ESTATE	107 S. URBAN STREET	THOMASVILLE	No	No	Yes	No	No	No	No	No
NONCD0001386	BROKERS, INC. AND DOLAN BOWERS	105 AND 107 SOUTH URBAN STREET	THOMASVILLE	No	No	Yes	No	No	No	No	No
NCD991278581	BURLINGTON FURNITURE/LUMBER	US 64 EAST	LEXINGTON	Yes	No	No	No	No	No	No	No
NC0001763366	BYERLY DRUM	501 & 503 OAK AVENUE	LEXINGTON	No	No	No	No	No	No	Yes	No
NCSFN0407140	CARDINAL CONTAINER SERVICES	138 WALSER ROAD	LEXINGTON	Yes	No	No	No	No	No	No	No
NCD060298809	CLASSIC FURNITURE CORPORATION	ZION CHURCH RD	THOMASVILLE	No	No	No	No	No	No	Yes	No
NONCD0001552	COUNCIL PLANT 2-DENTON	1156 NORTH MAIN STREET	DENTON	No	No	Yes	No	No	No	No	No
NONCD0001599	DENTON WATER TREATMENT	BRINGLE FERRY	DENTON	No	No	Yes	No	No	No	No	No
NCD039129697	DUPONT EI DE NEMOURS & CO.	ROUTE 8	DENTON	No	No	No	No	No	No	Yes	No
NONCD0001707	FAMILY BOAT CENTER BADIN LAKE	HWY 49 @ HWY 8	BADIN LAKE	No	No	Yes	No	No	No	No	No
NCD077827244	FLEET TRANSPORT CO., INC.	1820 S MAIN ST	LEXINGTON	No	No	No	No	No	No	Yes	No
NONCD0001727	FOAM TECH, INC.	117 CEDAR LANE DRIVE	LEXINGTON	No	No	Yes	No	No	No	No	No
NONCD0001202	INGRAM PLYWOOD INC	718 BASSETT DRIVE	THOMASVILLE	No	Yes	No	No	No	No	No	No
NCD115990574	JMC PLATING	PROSPECT INDUSTRIAL PARK	LEXINGTON	No	No	No	No	No	No	Yes	No
NONCD0001992	LEGGETT & PLATT - COTTON GROVE	HWY 8	COTTON GROVE	No	No	Yes	No	No	No	No	No
NCD986197358	LEXINGTON COAL GAS PLANT	SR 2001-GAS PLANT ROAD	LEXINGTON	No	Yes	No	No	No	No	No	No
NONCD0001050	LEXINGTON FURNITURE IND. PLNT #12	3301 COTTON GROVE LANE	LEXINGTON	Yes	No	No	No	No	No	No	No
NONCD0001048	LEXINGTON FURNITURE IND. PLNT #2	3979 OLD LINWOOD ROAD	LEXINGTON	Yes	No	No	No	No	No	No	No
NONCD0001049	LEXINGTON FURNITURE IND. PLNT #7	178 LFI COMPLEX LANE	LEXINGTON	Yes	No	No	No	No	No	No	No
NONCD0002002	LEXINGTON SUNOCO	970 SOUTH MAIN STREET	LEXINGTON	No	No	Yes	No	No	No	No	No
NCD000616334	LILLY CO. DRUM RECOND PLANT	TRINITY AVENUE	THOMASVILLE	No	No	No	No	No	No	Yes	No
NCD986181451	MANNINGTON CERAMIC TILE	20 VICTOR ST.	LEXINGTON	No	No	Yes	No	No	No	No	No
NCD003233756	MASONITE CORP. CUSTOM	200 MASON WAY	THOMASVILLE	No	No	No	No	No	No	Yes	No
NONCD0002136	NCDOT - SITE #16 LEXINGTON	CITY DUMP ROAD	LEXINGTON	No	No	Yes	No	No	No	No	No
NCD003235066	NEW AGE FURNITURE CO/MILLER	PROSPECT STREET	LEXINGTON	Yes	No	No	No	No	No	No	No
NONCD0002303	PIEDMONT METALS	OLD HWY 29	LEXINGTON	No	No	Yes	No	No	No	No	No
NCD003216413	RALEIGH ROAD FURNITURE	802 WEST CENTER ROAD	LEXINGTON	Yes	No	No	No	No	No	No	No
NONCD0002435	S&W REALTY	OLD US 52 @ ELLER ROAD	MIDWAY	No	No	Yes	No	No	No	No	No
NONCD0002486	SNYDER RESIDENCE, ROY	3142NEW CUT RD.	LEXINGTON	No	No	Yes	No	No	No	No	No
NCD077821296	SOUTHERN RESIN/US INDUSTRIES	1510 DENTON ROAD	THOMASVILLE	Yes	No	No	No	No	No	No	No
NONCD0000084	THERMO PRODUCTS, INC.	800 JONES STREET	DENTON	Yes	No	No	No	No	No	No	No
NCD077838589	THOMASVILLE FOREST PRODUCTS	CLARKSBURY CHRUCH ROAD	THOMASVILLE	Yes	No	No	No	No	No	No	No
NCD982115370	TRIPLE PLATING, INC	27 W MAIN ST	THOMASVILLE	No	No	No	No	No	No	Yes	No

Number of Sites: 36

Site ID #	*Site Name*	*Street Address*	*City*	*SPL*	*Voluntary Action Under Agreement*	*Evaluation Pending*	*Pollutant Only Site - Open*	*Pollutant Only Site-NFA*	*Pollutant Only Site-NFA Restricted*	*No Further Action*	*NFA-Restricted Use*
NCD003189024	BORDEN CHEMICAL FAYETTEVILLE	1411 INDUSTRIAL DR	FAYETTEVILLE	No	Yes	No	No	No	No	No	No
NONCD0001378	BRENDA BAKER PROPERTY	HIGHWAY 301/SR 2243	HOPE MILLS	No	No	Yes	No	No	No	No	No
NONCD0001410	BUTLER WARNER GENERATING	CLUSTER AVENUE (SR 1723)	FAYETTEVILLE	No	No	Yes	No	No	No	No	No
NONCD0000023	CAROLINA P&L CO. FAYETTEVILLE	CUMBERLAND RD & OWEN DR	FAYETTEVILLE	Yes	No	No	No	No	No	No	No
NONCD0001484	CHASON DIESEL INJECTION SERV.	2980 GILLESPIE ST.	FAYETTEVILLE	No	No	Yes	No	No	No	No	No
NCD024548133	CLARKE & PROCTOR TURPENTINE	331-249 WORTH ST	FAYETTEVILLE	No	No	No	No	No	No	Yes	No
NONCD0001199	COTTON FIRE DEPT	4618 CALICO ST	HOPE MILLS	No	No	Yes	No	No	No	No	No
NCD980502892	CREEK BRIDGE/BORDEN CHEMICAL	US HWY 24-87 (GROVE ST)	FAYETTEVILLE	Yes	No	No	No	No	No	No	No
NONCD0001591	DAVID HALL (SZMANSKI) PROPERTY	5035 HADDOCK STREET	FAYETTEVILLE	No	No	Yes	No	No	No	No	No
NONCD0001646	DUPONT CEDAR CREEK SITE	3216 CEDAR CREEK RD	FAYETTEVILLE	Yes	No	No	No	No	No	No	No
NCD003198934	FASCO INDUSTRIES, INC.	810 GILLESPIE ST	FAYETTEVILLE	No	No	No	No	No	No	Yes	No
NCD986197341	FAYETTEVILLE COAL GAS/RAY AVE	RAY AVENUE	FAYETTEVILLE	No	Yes	No	No	No	No	No	No
NCD981928021	HOLLINGSWORTH PROPERTY	BROADFOOT AVE & CLARK ST	FAYETTEVILLE	Yes	No	No	No	No	No	No	No
NONCD0001892	ICI/DUPONT	HWY 53 EAST (CEDAR CREEK)	FAYETTEVILLE	No	No	Yes	No	No	No	No	No
NONCD0001899	INESCO SITE	WHITFIELD RD.	FAYETTEVILLE	No	No	Yes	No	No	No	No	No
NCD048958615	KELLY-SPRINGFIELD TIRE	NAVASSA RD	FAYETTEVILLE	Yes	No	No	No	No	No	No	No
NONCD0001977	LAKE RIM SOLVENTS	RIM ROAD & SANDRA STREET	FAYETTEVILLE	No	No	Yes	No	No	No	No	No
NCD088563242	MONSANTO COMPANY/ROHM &	CEDAR CREEK RD	FAYETTEVILLE	Yes	No	No	No	No	No	No	No
NONCD0002169	NCDOT ASPHALT SITE #47/BARNHILL	936 SHAW MILL RD	FAYETTEVILLE	No	No	Yes	No	No	No	No	No
NCD981744717	PARKER FARM	STRICKLAND BRIDGE SR 1403	FAYETTEVILLE	No	No	No	No	No	No	Yes	No
NCD040047425	PRILLAMAN CHEMICALS	WORTH STREET	FAYETTEVILLE	Yes	No	No	No	No	No	No	No
NONCD0002345	PUROLATOR PRODUCTS, INC.	3200 NATAL STREET	FAYETTEVILLE	No	Yes	No	No	No	No	No	No
NONCD0002570	SWEETWATER MHP & BOBBY	SWEETWATER DRIVE	FAYETTEVILLE	No	No	Yes	No	No	No	No	No
NCD000623199	TEXACO INC/FAYETTEVILLE	992 SHAW MILL RD	FAYETTEVILLE	Yes	No	No	No	No	No	No	No
NCD986178226	TEXFI INDUSTRIES, INC	601 HOFFER DRIVE	FAYETTEVILLE	Yes	No	No	No	No	No	No	No
NONCD0002619	TRAINGLE BUILDING SUPPLY	1969 SKIBO ROAD	FAYETTEVILE	No	No	Yes	No	No	No	No	No
NONCD0002632	TRIMBLE LANE/ELLENBROOK	ELLENBROOK SUBDIVISION	FAYETTEVILLE	No	No	Yes	No	No	No	No	No
NONCD0002640	TYSON FOODS/BERRY TREE LANE	INTERSECTION CARL FREEMAN RD A	STEDMAN	No	No	Yes	No	No	No	No	No
NONCD0002670	VEMCO MUSIC-LAKE LYNN	3542 GILLESPIE STREET	FAYETTEVILLE	No	No	Yes	No	No	No	No	No
NONCD0002731	WADE-GODWIN LDFL	SISK-CULBRETH RD	WADE	No	No	Yes	No	No	No	No	No
NONCD0002702	WELLMAN(FIBER)INDUSTRIES	HWY 53	CEDAR CREEK	No	No	Yes	No	No	No	No	No
NONCD0002742	WIND RIDGE SUBDIVISION	CHICKENFOOT ROAD	HOPE MILLS	No	No	Yes	No	No	No	No	No
NCN000407243	WOODY'S SALVAGE YARD	4139 CLINTON RD	VANDER	Yes	No	No	No	No	No	No	No

Number of Sites: 37

CURRITUCK

NONCD0001359	BLUEBIRD #1 MINE	HWY 168	MOYOCK	No	No	Yes	No	No	No	No	No
NCD986166726	CURRITUCK PHOSPHORUS	WST SIDE OF MEMORIAL BRDG	CURRITUCK	No	No	No	No	No	No	Yes	No
NONCD0002061	MERCER PROPERTY	1558 CARATOKE HIGHWAY	MOYOCK	No	No	Yes	No	No	No	No	No
NONCD0002193	NCDOT-FORMER ASPHALT TEST.#37	HWY 158 AT MAIME SR# SIDE ROAD	POWELLS POINT	No	No	Yes	No	No	No	No	No
NONCD0001158	STATE LINE HONDA	134 CARATOKE HWY	MOYOCK	No	No	Yes	No	No	No	No	No
NCD980803001	WHALEHEAD BEACH/SUSQUEHONNA	COROLLA DRIVE	COROLLA	No	No	No	No	No	No	Yes	No

Number of Sites: 6

DARE

NONCD0001303	AUTOTECH	2205 SOUTH CROATAN HIGHWAY	NAGS HEAD	No	No	Yes	No	No	No	No	No
NONCD0001363	BODIE ISLAND PARK SERVICE	HWY 12	NAGS HEAD	No	No	Yes	No	No	No	No	No
NONCD0001411	BUXTON NC-CAROLINA TELEPHONE			No	No	Yes	No	No	No	No	No

Site ID #	*Site Name*	*Street Address*	*City*	*SPL*	*Voluntary Action Under Agreement*	*Evaluation Pending*	*Pollutant Only Site - Open*	*Pollutant Only Site-NFA*	*Pollutant Only Site-NFA Restricted*	*No Further Action*	*NFA-Restricted Use*
NCD980557847	KAISER ACME FARMARKET	SR 1870	RIEGELWOOD	Yes	No	No	No	No	No	No	No
NCD980842470	KAISER FERTILIZER PLANT	INTSEC HWY 87 & SR 1870	RIEGELWOOD	No	No	No	No	No	No	Yes	No
NCD080891039	LACKEY INDUSTRIES WAREHOUSE	PINE LOG ROAD	WHITEVILLE	No	No	No	No	No	No	Yes	No
NONCD0002786	METAL RECYCLING SERVICES	5192 JAMES B WHITE HWY	WHITEVILLE	Yes	No	No	No	No	No	No	No
NONCD0001074	OLD FORD BLDG	FIFTH ST	TABOR CITY	Yes	No	No	No	No	No	No	No
NCSFN0406906	OLD STAKE ROAD	OLD STAKE ROAD	CHADBOURNE	Yes	No	No	No	No	No	No	No
NONCD0001178	PACKER PROPERTY	US 701 & JEWEL ST	WHITEVILLE	Yes	No	No	No	No	No	No	No
NONCD0002819	PLANTER'S WAREHOUSE	1003 PIREWAY RD	TABOR CITY	Yes	No	No	No	No	No	No	No
NONCD0001121	R & R PLATING	OLD WILMINGTON RD	WHITEVILLE	Yes	No	No	No	No	No	No	No
NONCD0000062	S.R. 1943 BATTERY DUMP	S.R. 1943	NAKINA	No	No	No	No	No	No	Yes	No
NCD000828616	USS AGRI-CHEMICALS FARM	HWY 701	WHITEVILLE	Yes	No	No	No	No	No	No	No
NCSFN0406962	VINEGAR HILL LEAD SITE	HWY 701 N	TABOR CITY	Yes	No	No	No	No	No	No	No
NONCD0000057	WATTS, LEVI PROPERTY	103 FAIRBLUFF ROAD	TABOR CITY	Yes	No	No	No	No	No	No	No
NONCD0002555	WHITEVILLE BUMPER & GLASS	824 WEST JEFFERSON STREET	WHITEVILLE	Yes	No	No	No	No	No	No	No
NCD024766719	WRIGHT CHEMICAL CORP.	333 NEILS EDDY RD	RIEGELWOOD	Yes	No	No	No	No	No	No	No

Number of Sites: 28

CRAVEN

NCD045924065	AMF/HATTERAS YACHTS	110 N GLENBURNE ROAD	NEW BERN	Yes	No	No	No	No	No	No	No
NONCD0001274	ANTHONY SCARANO RESIDENCE	HWY 55 WEST	NEW BERN	No	No	Yes	No	No	No	No	No
NONCD0002780	APAC-CLARKS ASPHALT PLANT	OLD US HWY 70	CLARKS	Yes	No	No	No	No	No	No	No
NONCD0001209	APAC-NEW BERN ASPHALT PLANT	510 S GLENBURNIE RD	NEW BERN	Yes	No	No	No	No	No	No	No
NCD003193588	BARBOUR BOAT WORKS, INC.	527 TRYON PALACE DR	NEW BERN	No	Yes	No	No	No	No	No	No
NONCD0001343	BERRY SANITATION	2004 PEARSON STREET	NEW BERN	No	No	Yes	No	No	No	No	No
NCD047371794	COASTAL LUMBER CO	934 N CRAVEN ST	NEW BERN	Yes	No	No	No	No	No	No	No
NONCD0001032	COCA COLA BOTTLING WORKS INC	HIGHWAY 17	NEW BERN	Yes	No	No	No	No	No	No	No
NONCD0001533	COMMERCIAL PROPERTIES	4691 HIGHWAY 11 NORTH	NEW BERN	No	No	Yes	No	No	No	No	No
NONCD0001644	DUNN PROPERTY	240-246 CRAVEN STREET	NEW BERN	No	No	Yes	No	No	No	No	No
NCD003201837	ENCEE CHEMICAL SALES, INC.	HWY 17 N	BRIDGETON	No	Yes	No	No	No	No	No	No
NCD003190584	EVERHART LUMBER COMPANY	SR 1117	NEW BERN	No	No	No	No	No	No	Yes	No
NONCD0001791	GRAHAM DIXON PROPERTY	2100 HIGHWAY 17 NORTH	BRIDGETON	No	No	Yes	No	No	No	No	No
NONCD0001059	HARRIS TRUCKING EQUIPMENT	5000 US HWY 70E	NEW BERN	No	Yes	No	No	No	No	No	No
NONCD0001828	HAVELOCK WASTEWATER	304 NORTH JACKSON DRIVE	NEW BERN	No	Yes	No	No	No	No	No	No
NONCD0001191	MIRACLE WATER REFINERS	HWY 70	HAVELOCK	No	No	Yes	No	No	No	No	No
NCD986197259	NEW BERN COAL GAS PLANT	S FRONT & HANCOCK STS	NEW BERN	No	Yes	No	No	No	No	No	No
NCD981929854	ROWES CORNER DRUM DUMP	SR'S 1615 AND 1617	ROWES CORNER	No	No	No	No	No	No	Yes	No
NCD003197704	SALT WOOD PRODUCTS, INC.	SR 1005	COVE CITY	Yes	No	No	No	No	No	No	No
NCD980848840	SCOTT'S CREEK BATTERY SITE	402 HOWELL ROAD	NEW BERN	Yes	No	No	No	No	No	No	No
NCD075550517	SWISS BEAR INC/TEXACO INC.	200-208 E. FRONT ST	NEW BERN	No	No	No	No	No	No	Yes	No
NCD981928088	TEXFI INDUSTRIES, INC/NEW BERN	SR 1317/BOSCH STREET	NEW BERN	Yes	No	No	No	No	No	No	No
NONCD0001054	WILLIAMS AUTO CENTER	401 D STREET	BRIDGETON	Yes	No	No	No	No	No	No	No

Number of Sites: 23

CUMBERLAND

NONCD0001131	AMERICAN REFUSE SYSTEM	MURCHISON RD	FAYETTEVILLE	No	No	Yes	No	No	No	No	No
NONCD0001342	BENTON TRUCK SERVICE	EASTERN BLVD.	FAYETTEVILLE	No	No	Yes	No	No	No	No	No
NCD981932072	BIDWELL FARM	SR 1609	LINDEN	No	No	No	No	No	No	Yes	No
NCD041467267	BLACK AND DECKER/GENERAL	HWY 301 S	FAYETTEVILLE	No	No	No	No	No	No	Yes	No

Site ID #	Site Name	Street Address	City	SPL	Voluntary Action Under Agreement	Evaluation Pending	Pollutant Only Site - Open	Pollutant Only Site-NFA	Pollutant Only Site-NFA Restricted	No Further Action	NFA-Restricted Use
CLAY											
NONCD0001099	C & L SURPLUS	1868 HWY 64 W	HAYESVILLE	Yes	No	No	No	No	No	No	No
NC0001402213	ELLIS JUNK YARD	NEEDMORE DRIVE	HAYESVILLE	Yes	No	No	No	No	No	No	No
Number of Sites:	2										
CLEVELAND											
NCD981022015	ADYLOTTE, JP ESTATE	SR 2214	EARL	No	No	No	No	No	No	Yes	No
NCD981022072	BETTIS PROPERTY	1/2 MI. E OF BETTIS RD &	EARL	Yes	No	No	No	No	No	No	No
NONCD0001414	C&C SCRAP METAL	1538 BETHLEHEM ROAD	KINGS MOUNTAIN	No	No	Yes	No	No	No	No	No
NCD981021702	CAMP, LEONARD PROPERTY	SR 2226	EARL	Yes	No	No	No	No	No	No	No
NONCD0001135	CINDERELLA KNITTING MILLS	502 MITCHELL ST	KINGS MOUNTAIN	No	No	Yes	No	No	No	No	No
NCD981930019	CLEVELAND COUNTY DRUM	414 S. LAFAYETTE STREET	SHELBY	No	No	No	No	No	No	Yes	No
NCD991278706	COPELAND CORPORATION	4401 EAST DIXON BLVD	SHELBY	No	No	No	No	No	No	Yes	No
NCD062566047	FASCO CONTROLS CORPORATION	SR 1926	SHELBY	No	Yes	No	No	No	No	No	No
NCD980729354	FOOTE MINERAL	OFF SOUTH SERVICE RD	KINGS MTN	No	No	No	No	No	No	Yes	No
NCD986175651	GLEN RAVEN MILLS	114 RAVEN CIRCLE	KINGS MOUNTAIN	No	No	No	No	No	No	Yes	No
NONCD0001072	J & C DYEING	1000 WEST GROVER STREET	SHELBY	Yes	No	No	No	No	No	No	No
NONCD0001923	JENKINS FOODS #2	2119 NEW HOUSE ROAD	SHELBY	No	No	Yes	No	No	No	No	No
NCD000828244	KINGS MOUNTAIN PILOT CREEK	ROUTE 74 WEST	KINGS MOUNTAIN	No	No	No	No	No	No	Yes	No
NONCD0001959	KINGS MOUNTAIN SMARTWAY	U.S. 74 AND N.C. 161	KINGS MOUNTAIN	No	No	Yes	No	No	No	No	No
NONCD0002163	NCDOT ASPHALT SITE #22 (ASPHALT	HWY74/LONG BRANCH ROAD	SHELBY	No	No	Yes	No	No	No	No	No
NONCD0002265	PARKER BEAM TP	GREEN STREET		No	No	Yes	No	No	No	No	No
NONCD0001939	PETRO EXPRESS NO. 56	225 CLEVELAND AVE	KINGS MOUNTAIN	No	Yes	No	No	No	No	No	No
NONCD0002323	POST ROAD SITE	612 N. POST RD	SHELBY	No	No	Yes	No	No	No	No	No
NCD980559983	PPG IND., INC./WKS 52	WASHBURN SWITCH ROAD	SHELBY	Yes	No	No	No	No	No	No	No
NONCD0001188	SHELBY BODY SHOP	1904 E DIXON BLVD	SHELBY	Yes	No	No	No	No	No	No	No
NCD986180909	SHELBY DYEING & FINISHING	2270 SAM LATTIMORE ROAD	SHELBY	Yes	No	No	No	No	No	No	No
NONCD0002464	SHELBY ROAD PCE SITE	1505 SHELBY RD	KINGS MOUNTAIN	No	No	Yes	No	No	No	No	No
NONCD0002515	SPECTRUM DYED YARNS	BETWEEN PATTERSON ROAD AND BYP	KINGS MOUNTAIN	No	No	Yes	No	No	No	No	No
NCD980558803	SULTZER-RUTI, INC.	HWY 29 NORTH	GROVER	No	No	No	No	No	No	Yes	No
Number of Sites:	24										
COLUMBUS											
NCSFN0407144	CARTRETTE FIELD		CHADBOURN	No	No	No	No	No	No	Yes	No
NCN000407241	CHADBOURN BATTERY	US 76/74 & NC 410	CHADBOURN	No	No	No	No	No	No	Yes	No
NCD986166460	CHADBOURN TIRE FIRE	WILSON, BROWN,2ND & 3RD	CHADBURN	No	No	No	No	No	No	Yes	No
NONCD0001538	CONFLANDEY INC.	3620 CHADBOURN HIGHWAY	WHITEVILLE	Yes	No	No	No	No	No	No	No
NONCD0001611	DIVERSIFIED ENERGY (FORMER	U.S. HWY 701 BUSINESS	TABOR CITY	No	No	Yes	No	No	No	No	No
NCD000605303	FEDERAL PAPER BOARD CO., INC.	865 JOHN L RIEGEL RD	RIEGELWOOD	Yes	No	No	No	No	No	No	No
NONCD0001726	FLOWLINE CORP.	164 INDUSTRIAL DRIVE	WHITEVILLE	No	No	Yes	No	No	No	No	No
NCD000813600	GA-PACIFIC CORP CHIP-N-SAW	HIGHWAY 74 WEST	WHITEVILLE	No	No	No	No	No	No	Yes	No
NCD000813543	GA-PACIFIC CORP/PANELBOARD	HIGHWAY US 74-76	WHITEVILLE	No	No	No	No	No	No	Yes	No
NCD000813667	GA-PACIFIC CORP/PLYWOOD	SR 1436	WHITEVILLE	No	No	No	No	No	No	Yes	No
NCD047375639	GA-PACIFIC CORP/TIMBER	WEST MAIN STREET	WHITEVILLE	No	No	No	No	No	No	Yes	No
NCD024459471	GUYTON BATTERY SERVICE	HWY 401 S	CHADBOURN	Yes	No	No	No	No	No	No	No
NONCD0001942	JR HEATH PROPERTY	CORNER OF OLD HIGHWAY 87 AND N	RIEGELWOOD	No	No	Yes	No	No	No	No	No

Site ID #	Site Name	Street Address	City	SPL	Voluntary Action Under Agreement	Evaluation Pending	Pollutant Only Site - Open	Pollutant Only Site-NFA	Pollutant Only Site-NFA Restricted	No Further Action	NFA-Restricted Use
NONCD0002434	S&W CHEMICAL - SOLVENTS	OLD US 70A	CONOVER	No	No	Yes	No	No	No	No	No
NCD003228087	S&W CHEMICALS, INC.	OLD QUARRY ROAD SE	HICKORY	No	No	No	No	No	No	Yes	No
NONCD0002470	SHURETAPE TECHNOLOGIES	1620 HIGHLAND AVE., NE	HICKORY	No	No	Yes	No	No	No	No	No
NCD986166353	SOUTHERN DESK	1720 FIRST AVENUE, SW	HICKORY	No	No	No	No	No	No	Yes	No
NONCD0002516	SPECTRUM DYED YARNS	422 15TH STREET SW	HICKORY	No	No	Yes	No	No	No	No	No
NONCD0002800	SPRINGS ROAD 76	2048 12TH AVE NE	HICKORY	No	No	Yes	No	No	No	No	No
NCN000407700	SPRINGS ROAD GO CART TRACK	4254 SPRINGS RD	CONOVER	Yes	No	No	No	No	No	No	No
NONCD0002524	SPRINGS ROAD SOLVENTS	3360 SPRINGS ROAD NE	HICKORY	No	No	Yes	No	No	No	No	No
NONCD0002535	STARNES MOBILE HOME	31ST AVENUE NE DR.	HICKORY	No	No	Yes	No	No	No	No	No
NCD003228483	STYLE UPHOLSTERING, INC.	33 23RD AVE NE	HICKORY	No	No	No	No	No	No	Yes	No
NCD105797922	TECHNIBILT/DIV OF WHITTAKER	EAST PEACE ST	NEWTON	Yes	No	No	No	No	No	No	No
NONCD0000009	TREND LINE FURNITURE CORP.	321 INDUSTRIAL PARK ROAD	LINCOLNTON	No	No	No	No	No	No	Yes	No
NCD000648436	TREND LINE FURNITURE CORP.	W HOLLY ST	MAIDEN	No	No	No	No	No	No	Yes	No
NCD081332991	TREND LINE FURNITURE CORP.	641 4TH STREET PLACE SW	CONOVER	No	No	No	No	No	No	Yes	No
NC6210021626	USA RESERVE XVIII AIRBORNE	1500 12TH ST NW	HICKORY	No	No	No	No	No	No	Yes	No
NCD986166759	WILSON SEPTIC PITS	SR 1131	HICKORY	Yes	No	No	No	No	No	No	No

Number of Sites: 67

CHATHAM

NCD053488409	ALLIED CHEMICAL CORPORATION	PEA RIDGE ROAD	MONCURE	No	No	No	No	No	No	Yes	No
NONCD0000014	BOISE CASCADE	SR 1916	MONCURE	Yes	No	No	No	No	No	No	No
NCD000830919	CAROLINA P&L CO. CAPE FEAR STM	SR 1916	MONCURE	Yes	No	No	No	No	No	No	No
NONCD0001485	CHATHAM MILLS, INC.	480 HILLSBORO STREET	PITTSBORO	No	No	Yes	No	No	No	No	No
NCD003234879	CHATHAM NOVELTIES COMPANY	S CHATHAM AVE	SILER CITY	No	No	No	No	No	No	Yes	No
NONCD0001650	DYNEA	790 CORNITH ROAD	MONCURE	No	No	Yes	No	No	No	No	No
NCD071581128	HARRELSON RUBBER COMPANY	SOUTH CHATHAM AVENUE	SILER CITY	No	No	No	No	No	No	Yes	No
NONCD0001849	HIGH FALLS OIL COMPANY,INC.	US HWY. 902 AT INTERSECTION OF	HIGH FALLS	No	No	Yes	No	No	No	No	No
NONCD0001159	HYDRO TUBE SOUTH	1755 HILLSBORO ST	PITTSBORO	No	Yes	No	No	No	No	No	No
NONCD0001990	LEE PAVING/NCDOT #48	SUGAR LAKE RD. [SR 1714]	GRIFFINS CROSSROADS	No	No	Yes	No	No	No	No	No
NCD049845548	REICHHOLD CHEMICAL, INC.	SR 1916	MONCURE	Yes	No	No	No	No	No	No	No
NCD053488557	SOUTHERN WOOD PIEDMONT	SR 2139	GULF	No	Yes	No	No	No	No	No	No
NCD071567259	WEYERHAEUSER CO/MONCURE	STATE ROAD 1916	MONCURE	Yes	No	No	No	No	No	No	No
NONCD0001110	WOODSON-TENET LABORATORIES	17570 HWY 902	GOLDSTON	Yes	No	No	No	No	No	No	No

Number of Sites: 14

CHEROKEE

NCD089989917	EMERSON ELECTRIC COMPANY	US 64	MURPHY	No	No	Yes	No	No	No	No	No
NCD038551263	TRI-COUNTY COMMUNITY COLLEGE	OFF US 64 E SOUTH OF NC 1	MURPHY	Yes	No	No	No	No	No	No	No

Number of Sites: 2

CHOWAN

NONCD0001496	CHOWAN VENEER CO	259 AND 262 COKE AVENUE	EDENTON	No	No	Yes	No	No	No	No	No
NONCD0001659	EASTERN FUELS	NORTH BROAD STREET-PO BOX 1180	EDENTON	No	No	Yes	No	No	No	No	No
NCD980844450	GRAMPION BOAT WORKS	SR 119	EDENTON	No	No	No	No	No	No	Yes	No
NONCD0001913	JACK MARSH SPILL	HWY 17 & HWY 37 SO.	EDENTON	No	No	Yes	No	No	No	No	No
NCN000407197	LEARY BROTHERS STORAGE	VIRGINIA & BROAD STREET	EDENTON	Yes	No	No	No	No	No	No	No

Number of Sites: 5

Site ID #	Site Name	Street Address	City	SPL	Voluntary Action Under Agreement	Evaluation Pending	Pollutant Only Site - Open	Pollutant Only Site-NFA	Pollutant Only Site-NFA Restricted	No Further Action	NFA-Restricted Use
NONCD0001308	BACHS MHP SITE	BACH RD & HWY 150E	SHERRILLS FORD	No	No	Yes	No	No	No	No	No
NONCD0001328	BEAM RESIDENCES (KEN AND DON)	3367 BURGANDY STREET	MAIDEN	No	No	Yes	No	No	No	No	No
NCD083682583	BROYHILL FURNITURE	2309 NORTH COLLEGE AVE	NEWTON	No	No	No	No	No	No	Yes	No
NONCD0002785	BROYHILL/FURNITURE BRANDS	409 4TH ST PLACE SE	CONOVER	No	No	Yes	No	No	No	No	No
NCSFN0406911	CAROLINA ASSOCIATED MILL	766 HWY 10 W	NEWTON	Yes	No	No	No	No	No	No	No
NCD047285598	CAROLINA SOLVENTS, INC.	2274 1ST ST SE	HICKORY	No	No	No	No	No	No	Yes	No
NCD062550082	CARPENTER CO - CONOVER PLANT	2009 KEISLER DAIRY RD	CONOVER	No	No	Yes	No	No	No	No	No
NCD000648428	CARTER-WEBER INC. HICKORY PLANT	1120 TATE BLVD	HICKORY	No	No	No	No	No	No	Yes	No
NONCD0001464	CATAWBA COUNTY SCHOOL BUS	2440 NORTH MAIN AVENUE	NEWTON	No	No	Yes	No	No	No	No	No
NONCD0001465	CATAWBA TRUCK RENTAL (CT	3350 N. OXFORD ST.	CLAREMONT	No	No	Yes	No	No	No	No	No
NCD003221868	CENTURY FURNITURE COMPANY	401 11TH ST NW	HICKORY	Yes	No	No	No	No	No	No	No
NONCD0001114	CONOVER METAL PRODUCTS	315 S MCLIN CREEK RD	CONOVER	Yes	No	No	No	No	No	No	No
NONCD0001619	DIXIE YARNS - NEWTON	101 EAST 11TH STREET	NEWTON	No	No	Yes	No	No	No	No	No
NONCD0001625	DOMINION TEXTILES (USA)	155 21ST STREET NW	HICKORY	No	No	Yes	No	No	No	No	No
NONCD0001631	DOUG WHITE AUTO MART	3351 HIGHWAY 70E	NEWTON	No	No	Yes	No	No	No	No	No
NONCD0001636	DUDE INC	117 SOUTH MCLIN CREEK ROAD	CONOVER	No	No	Yes	No	No	No	No	No
NONCD0001638	DUKE ENERGY TRANSFORMER PCB	1528 MAIN AVENUE DRIVE NW	HICKORY	No	No	Yes	No	No	No	No	No
NONCD0001643	DUNMORE FURNITURE	1245 3RD STREET NE	HICKORY	No	No	Yes	No	No	No	No	No
NONCD0001656	EAST 11TH STREET	100 EAST 11TH STREET	NEWTON	No	No	Yes	No	No	No	No	No
NONCD0001680	EMERSON LEATHER (FORMER)	816 13TH STREET NE	HICKORY	No	No	Yes	No	No	No	No	No
NONCD0001728	FOAMEX LP I - CONOVER	408 SOUTH MCLIN CREEK ROAD	CONOVER	No	No	Yes	No	No	No	No	No
NONCD0001731	FOREST CITY TOOL	620 23RD ST NW	LONG VIEW	No	No	Yes	No	No	No	No	No
NONCD0001279	FRYRE CREEK @ US 321 N	S OF US 321 N & 7TH AVE NW	HICKORY	No	No	Yes	No	No	No	No	No
NONCD0001759	GELTMAN CORPORATION	1703 PINEVIEW ST, SE	CONOVER	No	No	Yes	No	No	No	No	No
NONCD0001806	GRYDER /MITCHELL RESIDENCE	SHERRILLS FORD ROAD	SHERRILLS FORD	No	No	Yes	No	No	No	No	No
NONCD0001085	HICKORY COAL GAS PLANT		HICKORY	No	Yes	No	No	No	No	No	No
NONCD0002846	HICKORY WIRE (AKA MOSER	1711 11TH AVE SW	HICKORY	No	No	Yes	No	No	No	No	No
NCD000616763	HK RESEARCH CORPORATION	908 LENOIR	HICKORY	No	No	No	No	No	No	Yes	No
NONCD0001912	J&G BROKERS - SOLVENTS	1750 18TH STREET NE	HICKORY	No	No	Yes	No	No	No	No	No
NONCD0001915	JACKSONLEA-TOLUENE AST	1701 HIGHWAY 70 EAST	CONOVER	No	No	Yes	No	No	No	No	No
NCD002388965	LACKAWANNA LEATHER CO., INC.	HWY 70A WEST	CONOVER	Yes	No	No	No	No	No	No	No
NONCD0001975	LAKE HICKORY RV RESORT -	6641 MONTFORD DRIVE	CONOVER	No	No	Yes	No	No	No	No	No
NCD079049409	LANE CO. INC., VENTURE FURNITURE	DEBORAH HERMAN RD	CONOVER	No	No	No	No	No	No	Yes	No
NCD044440642	LANE COMPANY, INC.	37 NINTH STREET PLACE, SE	HICKORY	No	No	No	No	No	No	Yes	No
NONCD0002033	MARKET BASKET - SOLVENTS	6593 HIGHWAY 16	CONOVER	No	No	Yes	No	No	No	No	No
NONCD0002035	MARTINS FOOD CENTER - SOLVENTS	7150 NC HIGHWAY 10 WEST, BANOA	VALE	No	No	Yes	No	No	No	No	No
NCD991279118	MEREDITH/BURDA, INC.	ST JAMES CHURCH RD	NEWTON	Yes	No	No	No	No	No	No	No
NONCD0002077	MILLS YARN, INC.	1125 7TH AVE N.W	HICKORY	No	No	Yes	No	No	No	No	No
NONCD0002103	MOUNTAIN VIEW MARKETPLACE	2341 ROCKSHIRE LANE (OFF 127 S	HICKORY	No	No	Yes	No	No	No	No	No
NONCD0002118	NATIONAL PARTITIONS & INTERIORS	321 EAST J STREET	MAIDEN	No	No	Yes	No	No	No	No	No
NONCD0002162	NCDOT ASPHALT SITE #20 (APAC)	1520 11TH AVENUE SE	HICKORY	No	No	Yes	No	No	No	No	No
NONCD0002234	OLD SEALTEST DAIRY SOLVENTS	2115 HWY 70 SE	HICKORY	No	No	Yes	No	No	No	No	No
NCD055165609	PANTASOTE INC. FILM/COMPOUND	1508 S CENTER ST	HICKORY	Yes	No	No	No	No	No	No	No
NONCD0002811	PERFECT IMAGE (THE)	1907 3RD AVENUE DR NW	HICKORY	No	No	Yes	No	No	No	No	No
NONCD0002297	PHARR WELL SOLVENTS	2005 12TH AVE NE & 20TH ST NE	HICKORY	No	No	Yes	No	No	No	No	No
NCD066304627	PREMIUM COATINGS, INC.	HWY 70A E.	HICKORY	No	No	No	No	No	No	Yes	No
NONCD0002357	R.R. DONNELLEY AND SONS #1	1345 ST JAMES CHURCH ROAD	NEWTON	No	No	Yes	No	No	No	No	No
NONCD0001903	REGAL MANUFACTURING	212 12TH AVE	HICKORY	No	No	Yes	No	No	No	No	No
NONCD0002825	ROBERT EXPRESS	606 LENOIR RHYNE BLVD	HICKORY	No	No	Yes	No	No	No	No	No

Site ID #	*Site Name*	*Street Address*	*City*	*SPL*	*Voluntary Action Under Agreement*	*Evaluation Pending*	*Pollutant Only Site - Open*	*Pollutant Only Site-NFA*	*Pollutant Only Site-NFA Restricted*	*No Further Action*	*NFA-Restricted Use*
NCD003158979	BERNHART FURNITURE CO. PLANT	VIRGINIA ST	LENOIR	No	No	No	No	No	No	Yes	No
NCD991278466	BROYHILL FURNITURE MILLER HILL	NC 18 S	LENOIR	No	No	No	No	No	No	Yes	No
NCD045456134	BUSS AUTOMATION INCORPORATED	511 CREEKWAY DR, NW	LENOIR	No	No	Yes	No	No	No	No	No
NONCD0001416	CALDWELL FREIGHT LINES	2550 HICKORY BOULEVARD SOUTHWE	LENOIR	No	Yes	No	No	No	No	No	No
NCD980799142	CALDWELL INDUSTRIAL SERVICES,	SPARTAN ROAD	HUDSON	No	No	No	No	No	No	Yes	No
NCD079047148	CHEMICAL COATINGS	HIGHWAY 301 BYPASS	HUDSON	No	No	No	No	No	No	Yes	No
NONCD0001189	CROSSROADS OIL	320 ELIZABETH ST	LENOIR	No	No	Yes	No	No	No	No	No
NCD986204758	GAMEWELL DRUM SITE	CRAIG MOUNTAIN ROAD	GAMEWELL	No	No	No	No	No	No	Yes	No
NONCD0001008	HAMMORY/KINCAID FURNITURE		GAMEWELL	No	No	No	No	No	No	Yes	No
NCD046149019	HISTRAND CHEMICAL, INC.	HWY 9	LENOIR	Yes	No	No	No	No	No	No	No
NCD980839757	INDIAN GRAVE GAP DRUM DISPOSAL	APPROX 2 MLS N OF SR 1513	LENOIR	Yes	No	No	No	No	No	No	No
NONCD0001036	JOYCETON WATER WORKS WELL #2	300 FT N OF SWANSON RD	LENOIR	Yes	No	No	No	No	No	No	No
NONCD0001037	JOYCETON WATER WORKS WELL #9	600 FT N OF SWANSON RD	LENOIR	Yes	No	No	No	No	No	No	No
NCD079066833	LENOIR REFINING COMPANY	263 PENNTON AVE NW	LENOIR	Yes	No	No	No	No	No	No	No
NCD986171262	MARSHALL MONEY BUCKET WASHING	HWY 321 NORTH	LENOIR	No	No	No	No	No	No	Yes	No
NONCD0002195	NEPTCO PLANT	TRC ENV CONSULTANTS	LENIOR	No	No	No	No	No	No	Yes	No
NCD986190858	OAKHILL PCB	SR 1719	LENOIR	No	No	No	No	No	No	Yes	No
NCD053009510	RELIANCE UNIVERSAL OF KENTUCKY	1713 MAIN STREET NW	LENOIR	No	Yes	No	No	No	No	No	No
NCD062568035	SINGER CO/FURNITURE DIV 5 6 7	2424 NORWOOD ST-HWY 321S	LENOIR	No	No	No	No	No	No	Yes	No
NCD000604330	SINGER CO/FURNITURE DIV PLT 1	1409 WEST COLLEGE AVE, SW	LENOIR	No	No	No	No	No	No	Yes	No
NONCD0001009	SINGER PLANT #2	VIRGINIA STREET	LENOIR	Yes	No	No	No	No	No	No	No
NCD054290770	THOMASVILLE FURNITURE	315 ELIZABETH ST NW	LENOIR	No	No	No	No	No	No	No	Yes
NONCD0001031	WIENBERGER PROPERTY	SMOKEY GREEN ROAD	GAMEWELL	No	No	No	No	No	No	Yes	No

Number of Sites: 24

CARTERET

NC5690308262	ANT USCG FORT MACON STATION	FORT MACON ROAD	ATLANTIC BEACH	No	No	No	No	No	No	Yes	No
NONCD0001298	ATLANTIC AUTO SALVAGE	5871 HWY 70 EAST	NEWPORT	No	No	Yes	No	No	No	No	No
NCD980557862	GUTHRIE, ERNEST PROPERTY	260 UTOPIA DRIVE	NEWPORT	No	No	No	No	No	No	Yes	No
NONCD0002792	MARSHALLBERG BOAT YARD	MILTON WILLIS LANE	MARSHALLBERG	Yes	No	No	No	No	No	No	No
NONCD0002096	MOREHEAD CITY DMV	5347 HWY. 70 WEST	MOREHEAD CITY	No	No	Yes	No	No	No	No	No
NC3131430180	NATIONAL MARINE FISHERIES SERV.	ARENDELL STREET	BEAUFORT	No	No	No	No	No	No	Yes	No
NCSFN0407074	NC MARITIME MUSEUM	310 FRONT ST	BEAUFORT	Yes	No	No	No	No	No	No	No
NONCD0002269	PARKER HONDA/MITSUBISHI	5343 HWY 70 WEST	MOREHEAD CITY	No	No	Yes	No	No	No	No	No
NC5210022906	USA RESERVE XVIII AIRBORNE	405 FISHER ST	MOREHEAD CITY	Yes	No	No	No	No	No	No	No
NC7170090008	USMC/CRASH CREW BURN PIT		MOREHEAD CITY	No	No	Yes	No	No	No	No	No

Number of Sites: 10

CASWELL

NONCD0001038	BRYANT FARM DRUM DUMP	W OF NC 86 400 FT S OF VA LINE	GATEWOOD	Yes	No	No	No	No	No	No	No
NONCD0001401	BURLINGTON IND. - WILLIAMSBURG	SR 1100	MATKINS	No	No	Yes	No	No	No	No	No
NONCD0001928	JIMMYS QUICKIE MART	6883 OLD HIGHWAY 86	PROVIDENCE	No	No	Yes	No	No	No	No	No

Number of Sites: 3

CATAWBA

NONCD0001213	2ND STREET NE SOLVENTS	1106 2ND STREET NE, 11TH AVE N	HICKORY	No	No	Yes	No	No	No	No	No
NONCD0001244	ALEXVALE FURNITURE PLANT #3	6005 HWY 10 WEST	HICKORY	No	No	Yes	No	No	No	No	No

Site ID #	Site Name	Street Address	City	SPL	Voluntary Action Under Agreement	Evaluation Pending	Pollutant Only Site - Open	Pollutant Only Site-NFA	Pollutant Only Site-NFA Restricted	No Further Action	NFA-Restricted Use
Number of Sites:	23										
CABARRUS											
NONCD0001373	BRAKE XPERTS (FORMER)	1579 HIGHWAY 29N	CONCORD	No	No	Yes	No	No	No	No	No
NC0001096601	BRANCH BATTERY	658 SUNDERLAND ROAD	CONCORD	No	No	No	No	No	No	Yes	No
NCD000822304	BREY MCNAR WWTP	NC HWY 49 NR US HWY 601	CONCORD	No	No	No	No	No	No	Yes	No
NONCD0001122	CABARRUS ROUNDABOUT	CABARRUS AVE & OLD CHARLOTTE	CONCORD	Yes	No	No	No	No	No	No	No
NONCD0000083	CHEESMAN PROPERTY	3251 GREGORY ROAD	ROCKWELL	Yes	No	No	No	No	No	No	No
NCD986185403	CLINE PCB CONTAMINATED WELL	2648 CENTER GROVE ROAD	KANNAPOLIS	No	No	No	No	No	No	Yes	No
NCD986197333	CONCORD COAL GAS PLANT	WEST ACADEMY STREET	CONCORD	No	Yes	No	No	No	No	No	No
NCD991277773	CONCORD ROCKY RIVER REGIONAL	BREEZY LANE	CONCORD	No	No	No	No	No	No	Yes	No
NONCD0001945	CONCORD TELEPHONE-BUFFALO AVE	BUFFALO AVE	CONCORD	No	No	Yes	No	No	No	No	No
NONCD0001026	COOK PROPERTY	COLD SPRINGS ROAD	CONCORD	No	No	No	No	No	No	Yes	No
NONCD0001581	DA MOORE CORPORATION 2	36 OAK DRIVE	CONCORD	No	No	Yes	No	No	No	No	No
NONCD0001594	DB PENNINGTON ESTATE	869 WEST C ST.	KANNAPOLIS	No	No	Yes	No	No	No	No	No
NONCD0002803	FERREE PROPERTY	1140 & 1150 IVEY CLINE RD	CONCORD	No	No	Yes	No	No	No	No	No
NONCD0001718	FISHER EARNHARDT OIL CO.	8428 HWY 49 N	MT. PLEASANT	No	No	Yes	No	No	No	No	No
NCD003448610	GALVAN INDUSTRIES, INC.	HWY 49	HARRISBURG	Yes	No	No	No	No	No	No	No
NONCD0001115	HAHN DAIRY FARM	LONG RUN FARM RD	MOUNT PLEASANT	Yes	No	No	No	No	No	No	No
NCD980557722	HARRISBURG BATTERY	HIGHWAY 49	HARRISBURG	Yes	No	No	No	No	No	No	No
NONCD0001885	HWY 601 AND HWY 24/27, MIDLAND	HWY 601 AND HWY 24/27	MIDLAND	No	No	Yes	No	No	No	No	No
NONCD0001933	JOHNSON CONCRETE/PIEDMONT	106 OLD DAVIDSON PLACE NW	CONCORD	No	No	Yes	No	No	No	No	No
NCD986228054	KANNAPOLIS PCE SPILL	ENOCHVILLE ROAD	KANNAPOLIS	Yes	No	No	No	No	No	No	No
NONCD0000007	KINLAW-HUDSON PROPERTIES		MIDLAND	No	No	Yes	No	No	No	No	No
NONCD0001079	LES MYERS PARK	LAWNDALE AVENUE EXT.	CONCORD	Yes	No	No	No	No	No	No	No
NCD981031511	LOVE BATTERY SITE	US HIGHWAY 29 & LIST AVE	CONCORD	No	No	No	No	No	No	Yes	No
NCD991278755	MARTIN'S BATTERY SALVAGE, INC.	ASHLAND RD	KANNAPOLIS	Yes	No	No	No	No	No	No	No
NONCD0001015	MARY CIRCLE BATTERY	ZION CHURCH & MARY CRL	CONCORD	Yes	No	No	No	No	No	No	No
NONCD0002079	MINI-MART	1250 OLD CHARLOTTE RD.	CONCORD	No	No	Yes	No	No	No	No	No
NONCD0002167	NCDOT ASPHALT SITE #4 (M & M	N OF HWY 73, S OF I-85, W OF H	CONCORD	No	No	Yes	No	No	No	No	No
NONCD0002168	NCDOT ASPHALT SITE #40/BLYTHE	7450 POPLAR TENT ROAD	CONCORD	No	No	Yes	No	No	No	No	No
NONCD0001039	OVERCASH GRAVEL & GRADING CO.	1150 SHELTON ROAD	CONCORD	Yes	No	No	No	No	No	No	No
NCN000407204	PHOENIX MINE		CONCORD	No	No	No	No	No	No	Yes	No
NCD981031578	RAINBOW DRIVE BATTERY	SR 1646	KANNAPOLIS	Yes	No	No	No	No	No	No	No
NCD003152659	REICHHOLD CHEMICAL, INC.	161 BUFFALO AVENUE	CONCORD	Yes	No	No	No	No	No	No	No
NCD986232700	RILEY BATTERY SITE	DILEEN DRIVE	CONCORD	No	No	No	No	No	No	Yes	No
NONCD0002406	ROACH, INC (HALE TRAILER..)	1335 IVEY CLINE ROAD	CONCORD	No	No	Yes	No	No	No	No	No
NCD093334969	S & S METALS RECYCLING	SHORTCUT ROAD/SR 2455	GOLD HILL	Yes	No	No	No	No	No	No	No
NONCD0002460	SERVCO STATION (FORMER)	520 N CANNON BLVD	KANNAPOLIS	No	No	Yes	No	No	No	No	No
NCD980729651	SOUTHERN LATEX CORP.	379 CENTRAL DRIVE	CONCORD	No	No	No	No	No	No	Yes	No
NONCD0002533	STAR AMERICA INC - MT PLEASANT	8455 NC HWY 49N	MT. PLEASANT	No	No	Yes	No	No	No	No	No
NONCD0002823	STOGNER RESIDNECE	8500 FLOWE'S ST	CONCORD	No	No	Yes	No	No	No	No	No
NONCD0002639	TUSCARORA YARNS, INC.	8760 E. FRANKLIN ST.	MT. PLEASANT	No	No	Yes	No	No	No	No	No
NONCD0000012	WHITE'S GRAVEL PIT	1515 HWY 49 SOUTH	CONCORD	Yes	No	No	No	No	No	No	No
Number of Sites:	41										
CALDWELL											
NONCD0001245	ALLEN-BECK NON-PETROLEUM	HWY 321 N.	GRANITE FALLS	No	No	Yes	No	No	No	No	No

Site ID #	*Site Name*	*Street Address*	*City*	*SPL*	*Voluntary Action Under Agreement*	*Evaluation Pending*	*Pollutant Only Site - Open*	*Pollutant Only Site-NFA*	*Pollutant Only Site-NFA Restricted*	*No Further Action*	*NFA-Restricted Use*
NCD986166320	MARTINS CREEK ROAD	MARTIN'S CREEK ROAD	BARNARDSVILLE	No	No	No	No	No	No	Yes	No
NONCD0002066	METPRO PROP.(FOR. DRY CLEANER)	1030 PATTON AVE.	ASHEVILLE	No	No	Yes	No	No	No	No	No
NONCD0002068	MICROMATIC/TEXTRON FACILITY	105 LYTLE COVE ROAD	SWANNANOA	No	Yes	No	No	No	No	No	No
NONCD0002212	NORFOLK SOUTHERN RAILYARD-	33 MEADOW ROAD	ASHEVILLE	No	No	Yes	No	No	No	No	No
NCD071065957	PATHOLOGISTS MEDICAL LAB	104 DOCTORS BLD, DRS. DRI	ASHEVILLE	No	No	No	No	No	No	Yes	No
NONCD0002274	PATTIES BOOK SWAP	1478 PATTON AVE.	ASHEVILLE	No	No	Yes	No	No	No	No	No
NCD062548995	QUORUM KNITTING	REEMS CREEK RD	WEAVERVILLE	No	Yes	No	No	No	No	No	No
NONCD0002361	RADIOSHACK PROPERTY	111 OLD BEE TREE ROAD	SWANNANOA	No	Yes	No	No	No	No	No	No
NONCD0001108	RENTAL UNIFORM SERVICE	1829 HENDERSONVILLE RD	ASHEVILLE	No	Yes	No	No	No	No	No	No
NONCD0002878	ROBERTS ST HATCHERY	144 ROBERTS ST	ASHEVILLE	No	No	Yes	No	No	No	No	No
NCD062552153	SAYLES-BILTMORE BLEACHERIES	SWANNANOA RD	ASHEVILLE	No	No	No	No	No	No	Yes	No
NCN000407206	SHULIMSON BROTHERS SCRAP YARD	MEADOW ROAD	ASHEVILLE	No	Yes	No	No	No	No	No	No
NCD083673681	SINGER CO/KEARFOTT DIV	HIGHWAY 70	BLACK MOUNTAIN	No	No	No	No	No	No	Yes	No
NONCD0001163	SMITH'S AEROSPACE	401 SWEETEN CREEK IND. PK.	ASHEVILLE	No	No	Yes	No	No	No	No	No
NONCD0002483	SMOKY MOUNTAIN MACHINE	80 MCINTOSH RD.	ASHEVILLE	No	No	Yes	No	No	No	No	No
NCD003951878	SQUARE D COMPANY	128 BINGHAM RD	ASHEVILLE	No	No	Yes	No	No	No	No	No
NONCD0002801	SWANNANOA 4-H CAMP	170 WOODLAND DR	SWANNANOA	No	No	Yes	No	No	No	No	No
NCD981474158	SWEETEN CREEK DRUM SITE	115 SWEETEN CREEK ROAD	ASHEVILLE	Yes	No	No	No	No	No	No	No
NCD002221703	SYBRON ARDEN PLANT	95 GLENN BRIDGE ROAD	ARDEN	No	No	No	No	No	No	Yes	No
NONCD0002599	TICAR CHEMICAL CO	PO BOX 4205	ASHEVILLE	No	No	Yes	No	No	No	No	No
NC4210020042	USA RESERVE XVIII AIRBORNE	224 LOUISIANA	ASHEVILLE	No	No	No	No	No	No	Yes	No
NONCD0002679	VULCAN MATERIALS	P.O. BOX 156	ENKA	No	No	Yes	No	No	No	No	No

Number of Sites: 52

BURKE

NONCD0000051	BURKE COUNTY SCHOOL PROPERTY	NC 126 & WATER MILL GLEN	MORGANTON	No	No	No	No	No	No	Yes	No
NONCD0001398	BURKE MILLS, INC.	119 STERLING ST.	VALDESE	No	No	Yes	No	No	No	No	No
NCN000410098	BURLINGTON	100 BURKE ST	RHODHISS	No	No	Yes	No	No	No	No	No
NONCD0001434	CAPRI INDUSTRIES, INC.	1401 BURKEMONT AVE.	MORGANTON	No	No	Yes	No	No	No	No	No
NCD091258517	DANA CORPORATION	105 WAMSUTTA MILL ROAD	MORGANTON	No	No	No	No	No	No	Yes	No
NCD000623140	DURACELL INTL. LITHIUM SYSTEMS	LOVELADY LN	VALDESE	No	No	No	No	No	No	Yes	No
NONCD0001689	ETHAN ALLEN FACILITY (FORMER)	111 DREXEL RD.	MORGANTON	No	No	Yes	No	No	No	No	No
NONCD0001766	GEO HILDEBRAND ELEM. SCHOOL	GEORGE HILDEBRAND SCH. RD.	CONNELLY SPRINGS	No	No	Yes	No	No	No	No	No
NONCD0000043	GREAT LAKES CARBON CORPORATION	307 JAMESTOWN ROAD	MORGANTON	Yes	No	No	No	No	No	No	No
NCD003163888	HENREDON FURNITURE	HENREDON RD	MORGANTON	Yes	No	No	No	No	No	No	No
NCD980847123	HURT RESIDENCE	HWY 64	MORGANTON	Yes	No	No	No	No	No	No	No
NCD049997786	INMONT CORP/BASF CORPORATION	HWY 70 W	MORGANTON	No	No	No	No	No	No	Yes	No
NCD986176477	LAKE JAMES UNDERWATER BOX		GLEN ALPINE	No	No	No	No	No	No	Yes	No
NCD003167988	MARANTZ PIANO CO INC/ANEVKA, INC	HWY 64/70 E	MORGANTON	Yes	No	No	No	No	No	No	No
NONCD0001098	NATIONAL TEXTILES, LLP	REEP DRIVE	MORGANTON	Yes	No	No	No	No	No	No	No
NCD981023732	NEUVILLE SOCK PROPERTY	US 64/70 I-40 ACCESS ROAD	HILDEBRAN	Yes	No	No	No	No	No	No	No
NCD986215499	PARKER INDUSTRIES	4867 RHONEY ROAD	CONNELLY SPRINGS	Yes	No	No	No	No	No	No	No
NCD000609784	PT COMPONENTS INC	ONE CHAIN DR	MORGANTON	No	No	No	No	No	No	Yes	No
NCD055161186	ROMARCO, LTD.	ROMARCO RD	MORGANTON	No	No	No	No	No	No	Yes	No
NONCD0002572	T&T SUPERMARKET	261 WEST FLEMING DRIVE	MORGANTON	No	No	Yes	No	No	No	No	No
NCD067392175	TRAMCO, INC.	SR 1611	CONNELLY SPRINGS	Yes	No	No	No	No	No	No	No
NCD981472624	US 70 DRUM DUMP	US 70	MORGANTON	Yes	No	No	No	No	No	No	No
NONCD0002783	VALDESE MEDICAL OFFICE BLDG	720 MALCOLM BLVD	RUTHERFORD COLLEGE	No	No	Yes	No	No	No	No	No

Site ID #	Site Name	Street Address	City	SPL	Voluntary Action Under Agreement	Evaluation Pending	Pollutant Only Site - Open	Pollutant Only Site-NFA	Pollutant Only Site-NFA Restricted	No Further Action	NFA-Restricted Use
NONCD0001944	K&M FUEL SALES	205 LEONARD ST.	SOUTHPORT	No	No	Yes	No	No	No	No	No
NONCD0000072	LOWE'S PROPERTY	4891 LONG BEACH RD	SOUTHPORT	Yes	No	No	No	No	No	No	No
NCSFN0406896	MULBERRY ROAD		SHALLOTTE	No	No	No	No	No	No	Yes	No
NCD091572073	NATIONAL STARCH & CHEMICAL	HWY 74/76 WEST	LELAND	Yes	No	No	No	No	No	No	No
NONCD0002123	NAVASSA SEWER LINE	SR1435, APPROX. 0.7 MI. S. OF	NAVASSA	No	No	Yes	No	No	No	No	No
NCD982119612	NC DOT MAINTENANCE YARD PCB	BRIDGERS ROAD	SHALLOTTE	No	No	No	No	No	No	Yes	No
NONCD0002152	NCDOT - US HWY 17 & SR 1165 PIT			No	No	Yes	No	No	No	No	No
NONCD0002225	NUCON	1969 POPULAR STREET	LELAND	No	No	Yes	No	No	No	No	No
NONCD0002228	OAK ISLAND POLICE DEPT.	4621 E. OAK ISLAND DRIVE	OAK ISLAND	Yes	No	No	No	No	No	No	No
NCD075578385	PFIZER INC/THOMAS PHILLIPS	MOORE ST SR 1528	SOUTH PORT	No	No	No	No	No	No	Yes	No
NONCD0002790	RIVERS JUNKYARD	5501 DOGWOOD ST	WINNABOW	Yes	No	No	No	No	No	No	No
NCN000407775	ROYSTER FERTILIZER	1690 NE ROYSTER RD	LELAND	Yes	No	No	No	No	No	No	No
NONCD0002605	T-N-T AUTO SALES	BLUE BANKS ROAD NE	LELAND	No	No	Yes	No	No	No	No	No
NC0210020541	US DOD MILITARY OCEAN TERMINAL	SUNNY POINT OCEAN TERMINL	SOUTHPORT	No	No	Yes	No	No	No	No	No
NCD001704980	WILMINGTON	NAVASSA ROAD	NAVASSA	Yes	No	No	No	No	No	No	No
Number of Sites:	25										

BUNCOMBE

NONCD0001237	ALBANY INTERNATIONAL / CHEYNEY	WEAVERVILLE HIGHWAY	WEAVERVILLE	No	No	Yes	No	No	No	No	No
NONCD0000045	ALCAN PACKAGING		ASHEVILLE	No	No	Yes	No	No	No	No	No
NCD002464691	ALLIANCE CAROLINA TOOL AND MOLD	SR 3495-GLENN BRIDGE RD	ARDEN	Yes	No	No	No	No	No	No	No
NONCD0001271	ANDREX INDUSTRIES	180 DEAVERVIEW RD.	ASHEVILLE	No	No	Yes	No	No	No	No	No
NCD986188787	ASHEVILLE COAL GAS PLANT #1	RIVERSIDE DR AT LYMAN ST	ASHEVILLE	No	Yes	No	No	No	No	No	No
NONCD0000032	ASHEVILLE COAL GAS PLANT #2	VALLEY & MARTIN LUTHER	ASHEVILLE	No	Yes	No	No	No	No	No	No
NONCD0000034	ASHEVILLE INDUSTRIES	20 GLEN BRIDGE RD/SR3495	ARDEN	Yes	No	No	No	No	No	No	No
NONCD0001290	ASHEVILLE MICA COMPANY	75 THOMPSON STREET	ASHEVILLE	No	No	Yes	No	No	No	No	No
NONCD0001291	ASHEVILLE OIL COMPANY	#4 FAIRVIEW STREET	ASHEVILLE	No	No	Yes	No	No	No	No	No
NONCD0001323	BASF-ENKA (OTM BUILDING)	SANDHILL ROAD	ASHEVILLE	No	No	Yes	No	No	No	No	No
NCN000407672	BEACON MANUFACTURING	2425 US HWY 70	SWANNANOA	Yes	No	No	No	No	No	No	No
NONCD0001357	BLUE RIDGE BROADCASTING	3049 US HIGHWAY 70	BLACK MOUNTAIN	No	No	Yes	No	No	No	No	No
NONCD0000061	BULL MOUNTAIN RD DUMP	BLUE RIDGE PKWY MP 373.5		No	No	No	No	No	No	Yes	No
NCD000830638	CAROLINA P&L CO. ASHEVILLE STEAM	LONG SHOALS RD	SKYLAND	No	No	No	No	No	No	Yes	No
NCD981015886	CAROLINA PRODUCTION FINISHING	105 FAIRVIEW RD	ASHEVILLE	Yes	No	No	No	No	No	No	No
NONCD0001450	CAROLINA TIRE #2933	670 WEAVERVILLE HWY.	ASHEVILLE	No	No	Yes	No	No	No	No	No
NONCD0001451	CAROLINA TIRE #2936	990 PATTON AVE.	ASHEVILLE	No	No	Yes	No	No	No	No	No
NONCD0001452	CAROLINA TIRE 2945	2300 HENDERSONVILLE ROAD	ARDEN	No	No	Yes	No	No	No	No	No
NONCD0001162	CHAMPION FINISHING CO	200 BINGHAM RD	ASHEVILLE	No	No	Yes	No	No	No	No	No
NCD079068607	CLARK EQUIPMENT COMPANY	HIGHWAY 25 SOUTH	SKYLAND	No	No	No	No	No	No	Yes	No
NONCD0001525	COCA-COLA CO. SKYLAND	CLAYTON RD.	SKYLAND	No	No	Yes	No	No	No	No	No
NCD003149556	CTS OF ASHEVILLE, INC.	MILLS GAP RD	SKYLAND	Yes	No	No	No	No	No	No	No
NCD079070702	DOTSON METAL FINISHING, INC.	HWY 74 E	ASHEVILLE	No	No	No	No	No	No	Yes	No
NONCD0001704	FAIRVIEW 66 SOLVENT	HWY 74 CHARLOTTE HIGHWAY	FAIRVEW	No	No	Yes	No	No	No	No	No
NCD003163730	GENERAL INSTRUMENT CORP.	HWY 74 E	FAIRVIEW	No	Yes	No	No	No	No	No	No
NONCD0001772	GIRMES - FORMERLY SKF	US 74	ASHEVILLE	No	No	Yes	No	No	No	No	No
NCD980558761	GS LABORATORY EQUIPMENT	275 AIKEN RD	ASHEVILLE	No	No	No	No	No	No	Yes	No
NCD986188308	HIGHWAY 29 DUMP SITE	I - 26	ASHEVILLE	No	No	No	No	No	No	Yes	No
NONCD0001863	HOME SOLUTIONS (FORMER)	1625 PATTON AVENUE	ASHEVILLE	No	No	Yes	No	No	No	No	No
NONCD0001172	HYMAN YOUNG GREENHOUSE	675 CEDAR HILL RD	ASHEVILLE	No	No	Yes	No	No	No	No	No

Site ID #	*Site Name*	*Street Address*	*City*	*SPL*	*Voluntary Action Under Agreement*	*Evaluation Pending*	*Pollutant Only Site - Open*	*Pollutant Only Site-NFA*	*Pollutant Only Site-NFA Restricted*	*No Further Action*	*NFA-Restricted Use*
NONCD0002802	NEWLAND PESTICIDES SITE	1339 NEWLAND HWY	AVERY	No	No	Yes	No	No	No	No	No
NONCD0002598	THREE OAKS NURSERY	RT 2 BOX 281	NEWLAND	No	No	Yes	No	No	No	No	No
Number of Sites:	4										
BEAUFORT											
NONCD0001207	APAC-WASHINGTON ASPHALT	DIRT RD	WASHINGTON	Yes	No	No	No	No	No	No	No
NONCD0001164	COOPERAGE TRACT	NC 99 & US 264	BELHAVEN	Yes	No	No	No	No	No	No	No
NONCD0001597	DEERFIELD SHORES			No	No	Yes	No	No	No	No	No
NONCD0001814	HAMILTON BEACH/PROCTOR SILEX	OFF SR 1509, NEAR WASHINGTON A	WASHINGTON	No	No	Yes	No	No	No	No	No
NONCD0002038	MASON PROPERTY	475 CLARKS NECK ROAD	WASHINGTON	No	No	Yes	No	No	No	No	No
NCD003196847	NATIONAL SPINNING COMPANY	WEST 3RD STREET	WASHINGTON	Yes	No	No	No	No	No	No	No
NONCD0001055	PERKINS AUTO BODY REPAIR SHOP	5TH STREET	WASHINGTON	No	No	No	No	No	No	Yes	No
NONCD0002816	RADCLIFFE MARINE (PRIVATEER	HWY 264 BYPASS N	BELHAVEN	Yes	No	No	No	No	No	No	No
NONCD0001168	RIVER CITY CONSTRUCTION CO	3534 CHERRY RUN RD	WASHINGTON	Yes	No	No	No	No	No	No	No
NCD072012354	SINGER CO/FURNITURE DIV	STATE ROAD 1175	CHOCOWINITY	Yes	No	No	No	No	No	No	No
NONCD0002510	SOUTHSIDE HOME & GARDEN	NC HWY 33 E	CHOCOWINITY	No	No	Yes	No	No	No	No	No
NCD091567065	STANADYNE, INC/DIESEL SYSTEMS	CLARKS NECK RD	WASHINGTON	No	No	No	No	No	No	Yes	No
NCD041519364	TEXASGULF CHEMICALS COMPANY	HWY 306 NORTH	AURORA	Yes	No	No	No	No	No	No	No
NCD986197275	WASHINGTON COAL GAS PLANT	W 3RD & W VANNORDEN	WASHINGTON	No	Yes	No	No	No	No	No	No
Number of Sites:	14										
BERTIE											
NONCD0002176	NCDOT ASPHALT TESTING LAB SITE	SE OF NC11 & NC308	LEWISTON	No	No	Yes	No	No	No	No	No
NONCD0002326	POWELL AND STOKES, INC	P.O BOX 389	WINDSOR	No	No	Yes	No	No	No	No	No
NCD042091215	RJR TECH COMPANY	841 AVOCA FARM RD	MERRY HILL	Yes	No	No	No	No	No	No	No
NCD052553641	WEYERHAEUSER CO/LEWISTON	HWY 308 W	LEWISTON	Yes	No	No	No	No	No	No	No
Number of Sites:	4										
BLADEN											
NONCD0001408	BUTLER FARM	CENTER ROAD	BLADENBORO	No	No	Yes	No	No	No	No	No
NONCD0000082	CAPE FEAR CHEMICALS/HL BRICE	HWY 701 S	ELIZABETHTOWN	Yes	No	No	No	No	No	No	No
NONCD0001539	CONGENTRIX-ELIZABETHTOWN	3100 WEST BROAD STREET	ELIZABETHTOWN	No	No	Yes	No	No	No	No	No
NONCD0002776	CSX-ROSINDALE	7 MI. EAST OF CLARKTON	CLARKTON	No	Yes	No	No	No	No	No	No
NCD981922362	GREIF, INC	409 E ELM ST	BLADENBORO	No	Yes	No	No	No	No	No	No
Number of Sites:	5										
BRUNSWICK											
NONCD0002788	ALLOWAY RESIDENCE	405 PARADISE LANE	SHALLOTTE	Yes	No	No	No	No	No	No	No
NCD986215671	ARCHER DANIELS MIDLAND PCB		SOUTHPORT	No	No	No	No	No	No	Yes	No
NCD003184710	CAROLINA CREOSOTING	EASTBROOK ROAD	LELAND	Yes	No	No	No	No	No	No	No
NCD091570960	CAROLINA P&L CO. BRUNSWICK	HWY 87	SOUTHPORT	No	No	No	No	No	No	Yes	No
NC0000183103	CHEMICAL CARTAGE COMPANY	141 OLD FAYETTEVILLE RD.	LELAND	No	No	No	No	No	No	Yes	No
NONCD0001155	D&G PROPERTIES-SLAUGHTERHOUSE	ROYSTER RD	NAVASSA	Yes	No	No	No	No	No	No	No
NONCD0001805	EXXON PIPELINE	RIVER RD	LELAND	Yes	No	No	No	No	No	No	No
NONCD0001799	GREGORY POOLE EQUIPMENT CO,	151 BACKHOE RD.	LELAND	No	No	Yes	No	No	No	No	No
NCD045920279	HOLDING POND FOR WASTE/USS	100 QUALITY DR	NAVASSA	Yes	No	No	No	No	No	No	No
NONCD0001897	INDUSTRIAL ELECTRICAL SALES &	P.O. BOX 267, HWY. 74-76	LELAND	No	No	Yes	No	No	No	No	No

Site ID #	Site Name	Street Address	City	SPL	Voluntary Action Under Agreement	Evaluation Pending	Pollutant Only Site - Open	Pollutant Only Site-NFA	Pollutant Only Site-NFA Restricted	No Further Action	NFA-Restricted Use
NONCD0002698	WASHINGTON STREET INCIDENTS	918, 920, 926 WASHINGTON STREE	GRAHAM	No	No	Yes	No	No	No	No	No
NONCD0002710	WESTPOINT HOME, INC. - ALAMANCE	2516 INDUSTRY DRIVE	BURLINGTON	No	No	Yes	No	No	No	No	No
NCD003220969	WHITE FURNITURE CO.	201 E CENTER ST	MEBANE	No	Yes	No	No	No	No	No	No
NONCD0002759	WORKMAN PROPERTY	1361-1375 NORTH CHURCH STREET	BURLINGTON	No	No	Yes	No	No	No	No	No
NONCD0002767	WRIGHTENBERRY MILLS	405 SOUTH MAIN STREET	GRAHAM	No	No	Yes	No	No	No	No	No
Number of Sites:	42										
ALEXANDER											
NCN000410100	APPALACHIAN CHEMICAL COMPANY	S.R. 1159, WEBB-PRICE ROAD	GRANITE FALLS	No	No	Yes	No	No	No	No	No
NCD003223799	CLAYTON-MARCUS CO., INC.	HWY 127 N	BETHLEHEM	Yes	No	No	No	No	No	No	No
NONCD0001549	CORSON FURNITURE INDUSTRIES	US HWY 64/90	TAYLORSVILLE	No	No	Yes	No	No	No	No	No
NCD981932932	PCB CONTAMINATION WELLS	ROUTE 12 BOX 479	TAYLORSVILLE	No	No	No	No	No	No	Yes	No
Number of Sites:	4										
ALLEGHANY											
NCD982119638	LAUREL SPRINGS	HWY 18	LAUREL SPRINGS	No	No	No	No	No	No	Yes	No
NONCD0000086	SPARTA INDUSTIRES	US HWY 21	SPARTA	No	No	No	No	No	No	Yes	No
NCD003466505	SPARTA INDUSTRIES - NEW PLANT	1731 US HWY 21 SOUTH	SPARTA	No	No	No	No	No	No	Yes	No
Number of Sites:	3										
ANSON											
NONCD0001046	B&H RECYCLERS	7526 US 74 W	POLKTON	Yes	No	No	No	No	No	No	No
NCD980579601	CHEMICAL SECURITY SYSTEMS	SR 1812	ANSONVILLE	No	No	No	No	No	No	Yes	No
NONCD0001187	COFFING HOISTS	2020 COUNTRY CLUB RD	WADESBORO	No	Yes	No	No	No	No	No	No
NONCD0001544	COOKSON FIBERS	HIGHWAY 52 NORTH	ANSONVILLE	No	Yes	No	No	No	No	No	No
NONCD0001142	FLYNT/WANSONA	ONE WANSONA PLACE	WADESBORO	No	No	Yes	No	No	No	No	No
NONCD0001779	GLENN	HWY 52 & RATLIFF GIN ROAD	MORVEN	Yes	No	No	No	No	No	No	No
NCD986171924	GOAT PASTURE ROAD	SR 1114	WADESBORO	No	No	No	No	No	No	Yes	No
NCD986171932	HIGHTOWER ROAD	SR 1101	WADESBORO	No	No	No	No	No	No	Yes	No
NCSFN0406924	VC CHEMICAL	STANBACK FERRY RD	WADESBORO	Yes	No	No	No	No	No	No	No
Number of Sites:	9										
ASHE											
NONCD0001077	CATAWISSA LUMBER CO	301 LOCUST ST	WEST JEFFERSON	Yes	No	No	No	No	No	No	No
NONCD0001795	GREENE PROPERTY, RICHARD	1872 MULATTO MOUNTAIN ROAD	WEST JEFFERSON	No	No	Yes	No	No	No	No	No
NONCD0002150	NCDOT - SITE #73	1608 HIGHWAY 221 NORTH	JEFFERSON	No	No	Yes	No	No	No	No	No
NCN000409895	ORE KNOB MINE		JEFFERSON	No	No	Yes	No	No	No	No	No
NONCD0002302	PIEDMONT CONCRETE DBA DIXIE	BEAVER CREEK ROAD @ BEAVER CRE	WEST JEFFERSON	No	No	Yes	No	No	No	No	No
NCD003167780	SPRAGUE ELECTRIC COMPANY	HWY 194	LANSING	Yes	No	No	No	No	No	No	No
NONCD0001052	THOMASVILLE FURNITURE	151 SMETHPORT DRIVE	WEST JEFFERSON	Yes	No	No	No	No	No	No	No
NONCD0002648	UNITED CHEMI-CON - NONUST	185 MCNEIL RD.	LANSING	No	No	Yes	No	No	No	No	No
Number of Sites:	8										
AVERY											
NCD986228757	KAPLAN ETHYL ETHER DRUMS	1410 BEECH MOUNTAIN PKWY.	BEECH MOUNTAIN	No	No	No	No	No	No	Yes	No
NONCD0002192	NCDOT/FRANKLIN RESIDENCE	OFF 181, RT 2	NEWLAND	No	No	Yes	No	No	No	No	No

Inactive Hazardous Sites Inventory-2009
Site Status

Note: Upon discovery, sites are added to the Evaluations Pending or Pollutant Only Site-Open categories of the Inactive Hazardous Sites Inventory. As resources are available, the sites are ranked and transferred to the Sites Priority List. If a party volunteers to clean up a site and enters into an agreement with the Branch, the site is then transferred to the Voluntary Action category. Once cleanup is complete, the site is transferred to one of the "No Further Action" categories. Information on contaminants and contaminated media have only been compiled for the Sites Priority List. That information can be found in the Report to the North Carolina General Assembly on the Inactive Hazardous Sites Program. Other information on sites activities this reporting year can be found in that report in sections II -V of that report. The pre-1983 landfills are provided on a separate list as those sites will be handled as prescribed in SB1492 (2007 Session).

Site ID #	*Site Name*	*Street Address*	*City*	*SPL*	*Voluntary Action Under Agreement*	*Evaluation Pending*	*Pollutant Only Site - Open*	*Pollutant Only Site-NFA*	*Pollutant Only Site-NFA Restricted*	*No Further Action*	*NFA-Restricted Use*
ALAMANCE											
NONCD0001259	AMI, LIMITED	2609 TUCKER ST.	BURLINGTON	No	No	Yes	No	No	No	No	No
NONCD0001275	AO SMITH ELECTRIC MOTOR	MCPHERSON DR.	MEBANE	No	Yes	No	No	No	No	No	No
NCD042423087	APOLLO CHEMICAL CORPORATION	1105 SOUTHERLAND STREET	GRAHAM	No	Yes	No	No	No	No	No	No
NONCD0002837	B & C GROCERY	942 E HARDEN ST	GRAHAM	No	No	Yes	No	No	No	No	No
NONCD0000002	BURLINGTON COAL GAS PLANT	E CHURCH ST & PIEDMONT	BURLINGTON	No	Yes	No	No	No	No	No	No
NCD060289469	BURLINGTON INDUSTRIES, INC.	664 GILMER STREET	BURLINGTON	No	No	No	No	No	No	Yes	No
NONCD0001440	CAROLINA BIOLOGICAL - BOBBITT	1834 W. DAVID STREET	BURLINGTON	No	No	Yes	No	No	No	No	No
NONCD0001441	CAROLINA BIOLOGICAL YORK RD. -	2700 YORK RD.	BURLINGTON	No	No	Yes	No	No	No	No	No
NONCD0000030	COLLINS AND AIKMAN	327 EAST ELM ST.	GRAHAM	Yes	No	No	No	No	No	No	No
NONCD0001044	COMMERCIAL-LEVIN	2600 PARK ROAD EXT.	BURLINGTON	No	No	No	No	No	No	Yes	No
NCD003467099	CONE MILLS CORP/GRANITE FINISHING	OLD HWY 70	HAW RIVER	No	No	No	No	No	No	Yes	No
NONCD0001313	CORTINA FABRICS	3165 VIEWMONT DR	SWEPSONVILLE	No	No	Yes	No	No	No	No	No
NONCD0001655	EASON RESIDENCE, DOROTHY	123 E. ELM ST.	GRAHAM	No	No	Yes	No	No	No	No	No
NONCD0001675	ELASTEX	ELM STREET	GRAHAM	No	No	Yes	No	No	No	No	No
NONCD0001757	GB LABELS, INC.	1070 S. RIVERSIDE DRIVE	BURLINGTON	No	No	Yes	No	No	No	No	No
NCD057037194	GENERAL ELECTRIC CO/MEBANE OPER	SR 1374	NEAR MEBANE	No	No	No	No	No	No	Yes	No
NONCD0001190	GEORGE FLORENCE PROPERTY	860 KING ST	BURLINGTON	No	No	Yes	No	No	No	No	No
NC0001206473	GLEN RAVEN MILLS	TUCKER STREET C	BURLINGTON	Yes	No	No	No	No	No	No	No
NONCD0001777	GLEN RAVEN MILLS - CONSUMER	ALTAHAMAW UNION	ALTAMAHAW	No	No	Yes	No	No	No	No	No
NONCD0001778	GLEN RAVEN MILLS (FORMER)	142 GLEN RAVEN ROAD	GLEN RAVEN	No	No	Yes	No	No	No	No	No
NONCD0001879	HUNDLEY PROPERTY	220 W. HARDEN ST.	GRAHAM	No	No	Yes	No	No	No	No	No
NONCD0001911	ISLEY RESIDENCE, WILLIE MAE	2949 NC 100	ELON	No	No	Yes	No	No	No	No	No
NONCD0001949	KAYSER-ROTH - GRAHAM-C	219 W. HARDEN ST.	GRAHAM	No	No	Yes	No	No	No	No	No
NONCD0001991	LEESONA - ALAMANCE CO PLANT -	2727 TUCKER ST. EXT	BURLINGTON	No	No	Yes	No	No	No	No	No
NONCD0002041	MASSEY RESIDENCE, GLEN	540 TROLLINGWOOD ROAD	HAW RIVER	No	No	Yes	No	No	No	No	No
NONCD0002045	MATKINS GLASS	240 WEST 6TH STREET	BURLINGTON	No	No	Yes	No	No	No	No	No
NONCD0002053	MCDONALD RESIDENCE, ELIZABETH	3560 MT. HERMAN ROCK CREEK ROA	GRAHAM	No	No	Yes	No	No	No	No	No
NONCD0000097	MORRIS, NORMAN	HIGHWAY 87 NORTH	ELON COLLEGE	Yes	No	No	No	No	No	No	No
NONCD0002137	NCDOT - SITE #23 KIRKPATRICK	1521 HUFFMAN MILL RD	BURLINGTON	No	No	Yes	No	No	No	No	No
NONCD0002140	NCDOT - SITE #26 MARTIN	1671 HUFFMAN MILL RD	BURLINGTON	No	No	Yes	No	No	No	No	No
NONCD0002259	PANTRY #1610 - SOLVENTS	1031 HWY 87 NORTH	ELON	No	No	Yes	No	No	No	No	No
NCD986167104	RED CAP DOG FOOD	CHURCH AND GRAVES STREETS	BURLINGTON	No	No	No	No	No	No	Yes	No
NONCD0002428	RUDD RESIDENCE, GEORGE	1263 N. NC 87	ELON COLLEGE	No	No	Yes	No	No	No	No	No
NONCD0002466	SHIELDS MOBILE HOME PARK	1341HWY 87 NORTH	ELON COLLEGE	No	No	Yes	No	No	No	No	No
NONCD0002571	SYKES RESIDENCE, RONNIE	1456 GANT ROAD	GRAHAM	No	No	Yes	No	No	No	No	No
NC7210020544	USA TARHEEL ARMY MISSILE PLANT	204 GRAHAM-HOPEDALE RD	BURLINGTON	No	No	Yes	No	No	No	No	No
NONCD0001103	WALTER KIDDE PORTABLE	1394 S THIRD ST	MEBANE	No	Yes	No	No	No	No	No	No

Annual Report to the North Carolina General Assembly

The N. C. Brownfields Program

October 2009

NCDENR

NORTH CAROLINA DEPARTMENT OF ENVIRONMENT AND NATURAL RESOURCES

Division of Waste Management
www.wastenotnc.org

North Carolina Brownfields Program
www.ncbrownfields.org

Department of Environment and Natural Resources

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Brownfields Property Reuse Act
Annual Report to the General Assembly

October 2009

Executive Summary

This report to the General Assembly is required by the Brownfields Property Reuse Act (BPRA) of 1997 (G.S. 130-310.30 *et seq.*) and describes the activities and status of the N.C. Brownfields Program (Program) for the period from Oct. 1, 2008 through Sept. 30, 2009 [Federal Fiscal 2009]. The N.C. Department of Environment and Natural Resources (DENR) is pleased to report continued success in the state's efforts to revitalize and safely reuse brownfields properties through the N.C. Brownfields Program and its partnership with the Environmental Protection Agency (EPA).

Economic Challenges Slow Down Numerous Projects

Unprecedented economic challenges due to the national economic recession coincided with the reporting period from Oct. 1- Sept. 30, 2009. Real estate investment in North Carolina plummeted statewide as it did nationally. Numerous brownfield projects that were on their way to completion suddenly found it difficult to move forward at all. As a result, the year finished out with 19 brownfields agreements, five fewer than the record of 24 in the previous year, though similar to the number two years ago. However, an analysis of this information indicates that the economic recession had a large impact on these completion numbers as at least 10 projects that would normally have been completed this year were either cancelled midstream or were placed on hold due to financing or other economic concerns. We anticipate some of these projects to have permanent cancellations, while others will be completed in the next fiscal year as the economy recovers.

Program Output

Since the program's inception, all of the public dollars spent by the program are either federal funds from a cooperative agreement with the EPA or from program fee receipts (DENR receives no state-appropriated funds for the program). With these funds, the program has facilitated more than $4.7 billion in committed private investment in brownfields redevelopments since inception. As a result, the program has proven to be a sizeable economic development asset for the state.

For the period from Oct. 1, 2008- Sept. 30, 2009 the tracked measures include:

- Program applications received: 27
- Brownfields agreements finalized: 19
- Estimated committed capital investment: $147 million

The total number of completed agreements since the inception of the program now stands at 150. More important than the numbers themselves is what they represent: that the state brownfields agreement remains a sought-after mechanism for removing the barriers prospective developers encounter in obtaining financing on these environmentally-impaired brownfields properties. The decreased number of properties entering the program first felt last year, and the unprecedented

economic downturn cancelling or delaying project completions are clearly factors in the decreased measures observed for this year. This is particularly true in the committed capital investment figures as those amounts dropped precipitously from around $1 billion to $147 million.

Redevelopment Now Pilot Option

Because of various funding uncertainties at the federal level, the program was at a crossroads last year with respect to funding the capacity to meet the increasing demand for its services. The program is pleased to report that some innovative approaches taken to meet this challenge appear to be successful. They include the following:

- Implementation of a pilot program dubbed "Redevelopment Now" that offers an option to developers with critical timing needs. The concept is to have a larger fee for bypassing a queue for action on vitally important redevelopment projects, while maintaining the same level of review as all other projects. We are therefore able to keep vital projects with high public benefit moving forward. A total of eight projects have taken advantage of this pilot option.

- As a result of fee receipt increases, the program hired positions using fee receipt funds, including two project managers, to increase program capacity and attorney time to process increased program capacity. In addition, a compliance coordinator was hired to monitor institutional controls in place at these sites.

Outreach to Local Governments

Working in partnership with local governments and Councils of Government (COG) towards redevelopment projects has also led to continued success for those local governments applying for and winning competitive brownfields grants offered by the EPA for the assessment and cleanup of brownfields properties. The successes below show a general recognition that North Carolina not only has significant brownfields redevelopment needs, but that there is a system in place whereby an active community of local governments is working in partnership with the state to effectively address brownfields redevelopment. Consider these facts:

- North Carolina local governments were awarded $2.66 million in U.S. EPA brownfields grants in 2009, nearly as much as the record from the previous year.

- In an effort to continue support local governments seeking grant funding, the program has continued to partner with the N. C. Rural Center to provide assistance to its grant winning rural COGs. These COGs are ideally positioned to apply for and win EPA grant funds as a result of the N.C. Rural Center Grants. The NC Brownfields Program has provided them and others with continued advice and assistance regarding brownfields grant applications as well as activities that assist them in developing local brownfields strategies such as those published in the program's *Brownfields Redevelopment Toolbox* document.

Program Background

Redeveloping brownfields properties has become increasingly popular as developers and local governments realize these properties offer viable opportunities to bring economic growth, public health protection, jobs and quality-of-life benefits to cities and rural areas. Brownfields are abandoned, idled or underused properties where environmental contamination hinders redevelopment due to concerns about environmental liability. The BPRA gives DENR the authority to enter into brownfields agreements with prospective developers who did not cause or contribute to site contamination. The BPRA modifies the environmental liability barrier for prospective developers and motivates them to bring these properties and their hindrances to DENR's attention. DENR partners with the prospective developer to evaluate the possible risks associated with site contamination, and then negotiates a brownfields agreement stipulating the steps necessary to make the site safe for a specific intended reuse. The result is a redevelopment project that works economically and also protects public health and the environment.

Because brownfields agreements afford prospective developers liability protection for as long as they make and maintain the site safely for its intended reuse, the specter of open-ended financial uncertainty is lifted. This economic shield allows prospective developers to obtain financing previously unavailable for these properties.

Thus, the BPRA allows DENR to distinguish between prospective developers of brownfields properties and the properties' polluters. Instead of mandating that the site be cleaned to current standards, the BPRA requires developers who did not cause or contribute to the contamination to make the site safe for reuse. The program must examine the risks to public health or the environment posed by the site. Then, DENR determines what the prospective developer must do to ensure safe redevelopment. These actions can range from land-use restrictions to cleanup, or a mixture of both. In addition to holding prospective developers accountable to their agreements, DENR reserves the right to enforce against those parties responsible for the original contamination. The process is summarized below in Table 1.

Figure 1. Summary of the Brownfield Process

Step 1 – A prospective developer (PD) with a brownfields site which it desires to buy or sell for the purposes of redevelopment, and for which it needs liability protection, submits a Brownfields Property Application. DENR determines if the PD, the subject property and the proposed redevelopment project are eligible under the BPRA statute. PD pays initial $2,000 fee at the time its project is deemed eligible by DENR.

Step 2 - DENR reviews existing site data to determine the risk posed by contamination at the site. If the data are insufficient to evaluate such risk, DENR advises the PD on further site assessment to gather the necessary data.

Step 3 - DENR determines what actions are necessary to make the site suitable for the PD's intended reuse and includes these actions in a draft brownfields agreement. The PD and DENR negotiate the provisions of the draft brownfields agreement and other required statutory documents.

Step 4 - The brownfields agreement is publicly noticed with a 30-day public comment period.

Step 5 - The brownfields agreement is finalized after any public comments are considered and incorporated. Prior to the execution of the finalized brownfields agreement, the PD pays the secondary $3,500 fee. The PD uses the final brownfields agreement, which provides liability protection, to obtain financing for the project. Liability protection is contingent upon the completion of the actions required by the brownfields agreement. The brownfields agreement makes the site eligible for the brownfields property tax incentive.

The ancillary brownfields property tax incentive for prospective developers allows them to recoup funds spent on assessment and cleanup. The program motivates the market to recycle these sites to productive reuse, while preserving or reducing the use of pristine or undeveloped "greenfields" property. While the environmental benefits are obvious, most redevelopments also create a significant number of jobs and put properties back on the tax rolls. This dual economic-environmental gain benefits the state, local government, and the brownfields developer. In the 10 years since the BPRA was enacted, and as these benefits have become better known, the program's popularity and demand for its services have increased dramatically.

The overall result is a winning scenario for the environment and economic development. Risk reductions and cleanups are achieved at sites that could have harmed the public or the environment, and prospective developers redevelop abandoned properties that once had little hope for productive reuse. The public benefits of job creation, improved quality of life in the surrounding neighborhoods, local tax base expansion and contribution to the general fund are other positive impacts. By the end of federal fiscal, or FFY, 2009, more than $4.7 billion in capital investment has been committed to redevelop abandoned properties that afflict urban and rural landscapes.

The program also supports smart growth, sustainability and the One North Carolina Naturally agenda. Every project that reuses property, whether it is in an urban center or a rural area, preserves green space. Often it also reduces suburban sprawl and supports sustainable urban development. For each brownfield redeveloped, a greenspace is saved. The properties that have received the 150 completed agreements are estimated to represent approximately 2,381 acres, and the other 109 in the pipeline represent another estimated 1,700 acres. This is, in effect, acreage that is being recycled into reuse rather than pristine greenspace that is being developed and put at risk for future contamination.

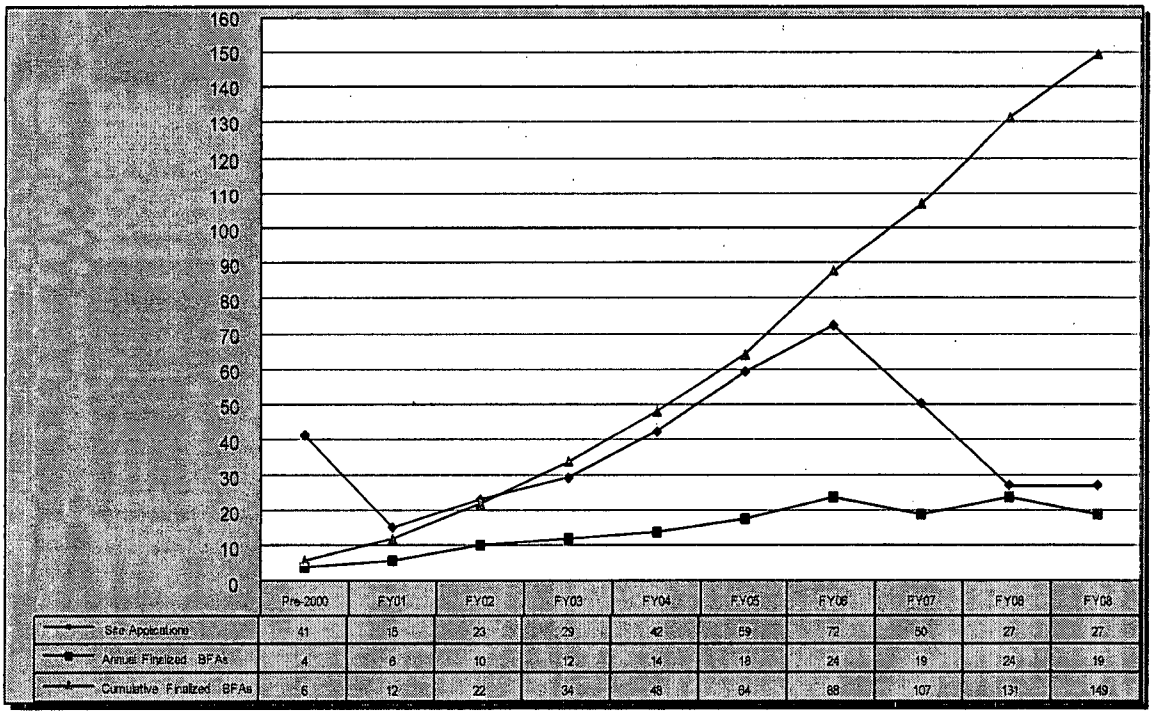
Program Status

The program is preparing to receive its sixth year of funding from the EPA under its State Response Program Cooperative Agreement, authorized under the federal brownfields act. Though federal funding experienced a cut, the program was able to realign operating budgets, cut an IT applications programmer position, and fully fund its federal technical project management staff. Present regionally-located staff includes one project manager in Asheville, 0.5 project managers in Charlotte, and one project manager and a compliance coordinator in Wilmington. Therefore, 2009 held an Full Time Equivalent positions total of nine. This was the first time in the past few years there has been an as-planned and stable FTE level. The program was able to hold its federal grant at current levels for federal fiscal 2009. This is not anticipated to increase in the foreseeable future. However, the increased use of fee funds allows the staff to remain stable for this year. Therefore, while additional capacity is needed, funding for FTEs for this capacity will have to be met with continued increased fee receipts and/or cost share arrangements with local governments.

During federal fiscal 2009, the program received 27 applications for projects seeking entry into the Program. This compares to 27 applications received during federal fiscal 2008 and 50 applications received in 2007. During FFY 2009, the program completed 19 brownfields agreements. This is five fewer than last year's 24 agreements. This decrease is largely due to an unusually high number of projects cancelled in midstream due to the economic recession. Indeed at least 10 projects that would likely have been completed this year were either postponed or cancelled.

Table 2 (below) shows the program's statistical trends since the BPRA became effective in 1997. One can see the steady upturn in demand for the program in the number of brownfields applications through FFY 2006 and the downturn in applications for FFY 2008 and 2009. These numbers roughly correspond with trends in general real estate development and lending economics.

Figure 2. Brownfields Program Trends



	Pre-2000	FY01	FY02	FY03	FY04	FY05	FY06	FY07	FY08	FY09
Site Applications	41	15	23	29	42	59	72	50	27	27
Annual Finalized BFAs	4	6	10	12	14	18	24	19	24	19
Cumulative Finalized BFAs	6	12	22	34	48	84	88	107	131	149

Another measure used by the program is committed private investment facilitated by brownfields agreements. Generally, these investments would not have been made in brownfields redevelopment areas and often not made at all without the liability relief afforded by a brownfields agreement. Projects in-house this year yielded $147 million in committed private investment in brownfields redevelopment. That is a precipitous decrease from about $1 billion last year. This is attributed to the economic recession and the tight money supply for larger projects. The cumulative total private investment facilitated by the program from its inception now stands at more than $4.7 billion.

Outreach and Education

The program is largely market-driven in that prospective developers bring their redevelopment projects to the program in order to break liability barriers for financing. One of the on-going goals of the program is to educate the development community, lenders and local governments regarding the program's existence and usefulness as a tool for private and public redevelopment stakeholders. We have again done so this year, and efforts to increase awareness of the program continue to bring new redevelopment opportunities and their attendant public benefits into the program.

Local interest in brownfields continues to grow, and local governments in this state continue to have great success in competing for EPA brownfields grant funds to local governments. The EPA awards approximately $74 million annually in competitive brownfields grants to local governments. Through the educational efforts of DENR and the EPA's Region 4, there has been a clear trend of increasing success in these competitive grants for North Carolina local government applicants. In 2006, the EPA awarded North Carolina local governments $1.45 million for brownfields assessment and cleanup. In 2007, the figure increased to $2 million. In 2008, local governments received record awards totaling $2.7 million. This year, local governments in our state received $2.66 million. The 2009 grantees were Concord, Durham, Greensboro, Greenville, Land-of-Sky Regional Council and New Bern.

These local brownfields activities will serve to strengthen overall interest in brownfields redevelopment statewide and interest from developers seeking brownfields agreements from DENR, as these communities begin their local brownfields redevelopment efforts. Moreover, these grant funds dovetail with DENR's efforts to support brownfields redevelopment, because the EPA continues to strongly recommend to these grantees that they seek entry into DENR's Brownfields Program to best use their grant funds. In this way, DENR's efforts are truly in coordination with those of EPA at the federal level and with government redevelopment teams at the local level.

Through our staff person in Asheville, the program participated heavily in the outreach efforts sponsored by the Land-of-Sky Regional Council and the Western Piedmont Council of Governments. Likewise, our staff person in Charlotte fulfills important outreach needs at various private and public redevelopment-focused functions. Brownfields staff continue to conduct outreach efforts at conferences and programmatic information booths and attend meetings held by EPA for local governments in order to meet and serve their interest in brownfields redevelopment. The program also has made concerted efforts to continually improve information offered on its Web site (**www.ncbrownfields.org**) and receives consistent positive feedback on the informative nature of this important outreach component.

The program continues to distribute its practical guidance for local governments, *Brownfields Redevelopment Toolbox,* which it developed last year. This document has been well received by local governments and is designed to help local governments with a step-by-step approach on redevelopment of their brownfields properties. It includes a step-by-step approach on establishing an effective brownfields program locally, success tips, and lessons learned through

the experiences of the program and many local government brownfields initiatives. This guidance can be found at the program's Web site, www.ncbrownfields.org.

Site Summaries and Inventory

For brief descriptions and status of all brownfields projects in the program as of Sept. 30, 2009, please see the Appendix. The table is divided into three sections: projects with finalized brownfields agreements, active eligible projects, and projects pending eligibility determination.

Finalized brownfields agreements are those projects that have a signed and recorded brownfields agreement (or have completed the public notice phase of the brownfields process and are merely waiting for the completed agreement to be signed). As of Sept. 30, 2009, the program has finalized a cumulative total of 150 brownfields agreements across the state, 19 of which were completed in the one-year period from Oct. 1, 2008 to Sept. 30, 2009.

Active eligible projects have been deemed eligible for a brownfields agreement under BPRA statutory criteria. These developers are projects in-progress, working with DENR in some stage of data gathering, analysis or agreement negotiation. As of Sept. 30, 2009, there were 114 active projects. Projects at this stage receive guidance from DENR as the developers gather the additional data needed to ensure protection of public health and the environment. Once research is complete, DENR analyzes the data, then drafts and negotiates the terms of the brownfields agreement with the prospective developer and then provides the statutory public comment period.

Projects pending eligibility are in the initial stage of the brownfields process as they apply for entry into the program. Sites in this category have yet to meet the requirements under the statute for eligibility for a brownfields agreement. For sites in this category, the program has requested clarification or additional information from prospective developers regarding a site. Normally, developers respond to these requests for clarification, the sites are usually deemed eligible, and are then quickly moved into the active eligible category. As of Sept. 30, 2009, 33 sites were in this category.

Improving Effectiveness

Leveraging Resources into Private Sector Investment

Throughout its existence, the Brownfields Program has provided a high economic development value for the federal funds it uses. The program's 150 brownfields agreements and 113 other projects in the pipeline represent in excess of $4 billion in committed private redevelopment investment. The high ratio to which the federal funds have been successfully leveraged into private development dollars for brownfields redevelopment is just one measure of the effectiveness of the BPRA.

The "Redevelopment Now" Pilot Program

The uncertain and flat funding situation coupled with continued increases in program demand led to a significant queue of sites awaiting action by a funding-limited staff of project managers and a lengthening of the time it takes to obtain a brownfields agreement. The program has sought to meet these challenges last year through increasing fees. While the fee increases put into effect late 2007 were helpful, the program recognized they were not a panacea, and there was a limit to the level of fee increases that could be tolerated by certain types of developers. Therefore, the program sought additional solutions by actively gathering input from redevelopers and other stakeholders. This resulted in the creation of the Redevelopment Now program.

The Redevelopment Now Pilot was a pilot that the program developed last year. It is designed to serve the needs of the redevelopment community by providing staffing for developers who need to move quickly, without waiting for the limited staff capacity presently available. The Redevelopment Now Pilot is modeled after "fast track" permitting processes previously undertaken by DENR for expediting various environmental permits. The pilot has thus far taken on five projects which have paid the higher fee in order to provide the program with the resources needed to hire a new project manager. This project manager would carry a limited load of projects so that the entire brownfields process could occur without a queue of other sites vying for project manager resources. Because of the time savings that comes with bypassing the queue, this type of processing results in a time and cost savings (despite the higher fee) for the developers who have high value projects. We will be continuing to expand this program to meet demand for it. Fees for this Redevelopment Now Pilot were set at a multiple of 5.5 times the standard fee, consistent with previously established DENR fast-track permitting processes in numerous programs. This year, the pilot has gone beyond discussion stages, and eight prospective developers entered this optional pilot program. These projects received immediate project manager attention. Though several of these developers subsequently slowed their projects on their own accord during the economic recession, the ones that did not, received quick program response times and rapid brownfields agreements. The program will continue to expand the Redevelopment Now pilot as long as there is continued developer demand for higher level resources applied in exchange for a higher level of fees. Demand for the pilot program decreased in the second half of the year, but was expected due to the slow economy. Based on discussions with various developers, there are a few of these projects anticipated for the next quarter or 1st quarter 2010.

Last year, the program mentioned it was at a crossroads with respect to continued growth of the program to support demand for brownfields redevelopment. In recent years, the program has faced the challenges of increasing demand for brownfields agreements at a time of uncertainties in the levels of federal funding that would be available. As a result, the program has attempted to innovate to achieve funding solutions to continue to meet increasing demand. Despite the leveling and uncertainty of federal funds, the program has been meeting its resource and capacity challenges in a continued effort to support more brownfields redevelopment.

Local Government Partnerships

The program strongly believes that increased cooperation between DENR and local governments has yielded significant benefits and is a trend it wants strengthen. DENR has recognized the

effectiveness of placing a staff person in the city of Charlotte's offices and has duplicated that effort by placing a staffer in the offices of the Land-of-Sky Regional Council in Asheville. The program was successful in its goal to place staffers in the Wilmington Regional office and continues to explore future staff stationing in the Triad area.

Improved Public Comment Process
In June, the General Assembly passed Session Law 2009-181. It becomes effective Oct. 1, 2009 for the next annual reporting period. There are several projects in progress that are preparing to enter the new public comment process required by the statute.

The new law: 1) adds the requirement that prospective developers (PDs) mail or deliver a copy of the Summary Notice of Intent to Redevelop a Brownfields Property (SNI) to all owners of property contiguous to the brownfields property, directly notifying them of the brownfields agreement and public comment period; and 2) removes the previous requirement that the SNI be published in the N.C. Register. Therefore, as of Oct. 1, 2009, a minimum of 30 days of public comment will begin when the SNI is published in the local newspaper, is posted at the subject property, and is mailed to all contiguous property owners. The new contiguous owner notice requirement will provide more direct and effective public notice of brownfields agreements, and will also streamline the notification process by eliminating the three-week time lag inherent in N.C. Register publication.

Fund Status

The program received $948,630 in federal cooperative agreement funds from the EPA for this program. These federal funds are separate from but are used in conjunction with program fee receipts to defray the cost of the program. The Brownfields Property Reuse Act Implementation Account authorized under the statute receives all brownfields fees charged by the program.

For the reporting year from Oct. 1, 2008 through Sept. 30, 2009 the Brownfields Property Reuse Act Implementation Account had a beginning balance of $433,704 receipts from fees and interest of $211,554, and disbursements of $337,518. This yields an ending balance in the fund of $307,740. Although this is the first year the program has reported a declining balance in the Implementation Account, this is largely due to a concerted effort by the program to increase both fee revenue and expenditures in order to meet increased demand. This effort has seen a significant rise in both fee revenue and expenditures. Five years ago the program was essentially 100 percent federally funded. This year federal grant funds accounted for 74 percent of expenditures and the remaining 26 percent came from the program's fee receipts implementation account.

The status of the fund has been bolstered considerably by the success of the Redevelopment Now Pilot which again was responsible for a majority of this year's fee income. The present status of the fund allowed the program to hire two present vacancies as fee-funded project managers for the Redevelopment Now Pilot and keep the remaining FTEs in the program stable. This increased capacity is already alleviating the project queue to some degree and this is expected to continue next year.

Further Information

For additional information on the Brownfields Program and how it works, please visit our Web site at **www.ncbrownfields.org**.

APPENDIX

Brownfields Program Site Summaries and Inventory of Projects as of September 30, 2009

The Project Inventory below is divided into three segments as follows:

Projects with finalized brownfields agreements have completed the public notice phase of the brownfields process and have a signed brownfields agreement in-place or are waiting for the agreement to be executed.

Active eligible projects have been deemed eligible for a brownfields agreement under BPRA statutory criteria. These developers are working with DENR in some stage of data gathering, analysis or agreement negotiation.

Projects pending eligibility are in the initial stage that sites are in as they enter the program. Sites in this category have yet to meet the requirements under the statute for eligibility for a brownfields agreement.

FINALIZED BROWNFIELDS AGREEMENTS (150)
(PD = Prospective Developer; RP = Responsible Party)

301 FAYETTEVILLE STREET 301 Fayetteville Street Raleigh, Wake Co. PD: Highwoods Properties	The property consists of 0.833-acres with former retail uses including two "cleaning" establishments. The PD intends to redevelop the property into a 33-story structure for retail, office, banking/financial services, parking and multi-family residential use.
A GREAT ESCAPE 1806 Funtime Blvd. Winston-Salem, Forsyth County PD: A Great Escape LLC	Prospective developer wants to purchase this approximately five-acre abandoned amusement park (miniature golf and go cart track), which is located on edge of a former municipal landfill, refurbish it, and re-open it with same use.
ABC ENGRAVERS 724 Montana Drive Charlotte, Mecklenburg Co. PD: Holden Business Park,	Former engraving and plating facility with known chromium and chlorinated solvent contamination in soil and groundwater. PD intends to redevelop the site as an office complex.

LLC	
AIRPORT EXXON 3305 North Liberty St. Winston-Salem, Forsyth Co. PD: Mrs. Becky Flowers	The property consists of 0.56 acres and was first developed in 1989. The site has previously been used as an auto repair facility, a retail tire store and most recently as a small engine repair facility. Soil and groundwater contamination exist at the Brownfields Property as a result of past operations. Prospective developer has redeveloped the Brownfields Property as a convenience store/gas station.
ALAMAC AMERICAN 1885 Alamac Road Lumberton, Robeson Co. PD: Alamac American Knits, LLC	The former knit textile manufacturing facility has perchloroethylene contamination associated with former drycleaning operations. The PD is using the facility to also manufacture knit textiles but does not use perchloroethylene on the premises.
ALAMAC KNIT FABRIC NC Hwy 125 Hamilton, Martin Co. PD: Penco Products, Inc.	106-acre former textile manufacturing facility with known soil and groundwater contamination involving chlorinated solvents. Site is undergoing active remediation under N.C. Division of Water Quality. Intended reuse is as a non-polluting school locker manufacturing facility that will employ some 350 workers.
ALCAN PACKAGING FOOD 1600 Westinghouse Blvd. Charlotte, Mecklenburg County PD: Alcan Packaging Food & Tobacco	Approximately nine-acre parcel in an industrial portion of Charlotte. The soil and groundwater are impacted from historic operations with n-propyl acetate and n-propyl alcohol. The PD intends to sell the property for redevelopment of industrial and commercial uses.
ALMONT SHIPPING – NEW Hanover & Cowan Streets Wilmington, New Hanover Co. PD: Riverfront Holdings, LLC	The property is comprised of 23.37 acres on the east bank of the Northeast Cape Fear River. The property is a part of the former Almont Shipping terminal property, which was used from 1870 until 2005 primarily as a shipping terminal. Contamination at the property resulted from the storage of numerous commodities on the site. Part of the southern part of the former shipping terminal site was also used for bulk petroleum storage between 1893 and 1898. The property will be redeveloped for mixed use, which may include high-density residential, marina, hotel, office, retail, performance/concert hall, meeting/convention facility, open space/outdoor recreation and related automobile parking.

ALPHA MILLS 312 E. 12th Street Charlotte, Mecklenburg Co. PD: Crosland, Inc.	A 5.77-acre parcel that was historically a textile mill. Most recently the site was the former Consolidated Group Incorporated engraving facility. The site has known soil, groundwater, surface water, and sediment impacts from historical site operations. PD intends to redevelop the property for residential apartments with compatible commercial and retail development.
AMERICAN CYANAMID 2200 Donald Ross Road Charlotte, Mecklenburg Co. PD: DRR of the Carolinas, LLC	The property has been vacant since approximately 1975, prior to which it operated as a resin and textile manufacturing company. The PD intends to redevelop the 4.1-acre parcel into parking for trailers, cars, and commercial vehicles and; in the future to commercial and light industrial facilities.
ANCHOR MILL 404 Church Street Huntersville, Mecklenburg Co. PD: Town of Huntersville	Abandoned textile manufacturing facility with known metals contamination in soil and lead, chlorinated solvent, and petroleum hydrocarbon contamination in groundwater. PD intends to redevelop the 32-acre site as a mixed-use transit village that reuses the old mill building and adds new office, retail, and residential components.
ANDREX INDUSTRIES 180 Deaverview Road Asheville, Buncombe Co. PD: Milkco, Inc.	A nine-acre light manufacturing site formerly used as a textile production facility that operated a knitting, weaving and cutting business along with dry cleaning, shrinking and packaging of fabrics. Tetrachloroethylene groundwater contamination from dry cleaning operations being remediated by RP with pump-and-treat system. PD is adjacent property owner, a milk processing and distributing plant. Initial plan is to use part of property for truck and trailer parking. Within three years, they plan to demolish Andrex buildings and expand the Milkco Plant to double capacity within eight years.
ARCHDALE MARKETPLACE 5801 South Boulevard Charlotte, Mecklenburg Co. PD: Eastbourne Investments, Ltd.	Approximately 13-acre parcel known as Archdale Marketplace Shopping Center. Groundwater is contaminated at the property due to historical site operations by an A&P grocery store, Sno-White Cleaners, and K-mart auto service center. PD intends to redevelop the property for commercial and retail.
ARROW LAUNDRY & CLEANERS 4735 Monroe Road Charlotte, Mecklenburg County PD: Lake City Tractor Supply	The Brownfields Property consists of approximately 16.5 acres and comprises eight parcels at four addresses. The Brownfields Property is surrounded by land in commercial and residential use. Groundwater under portions of the Brownfields Property is contaminated. The businesses that formerly operated on the Brownfields Property included a textile manufacturing plant, a service station and a dry cleaner. Prospective developer plans to redevelop the Brownfields Property for commercial, retail, residential, office and open space use.

ASHEVILLE MICA 75 Thompson Street Asheville, Buncombe County PD: T. R. Enterprises	The former mica plant consists of four existing structures and approximately three acres. It has soil and groundwater contamination from an on-site above ground storage tank and possible off-site sources. The PD has committed itself to redevelopment for no uses other than residential, retail, office, common space, parking, pet park and greenway purposes.
ATS MANUFACTURING FACILITY Hwy 321 & Rankin Lake Rd Gastonia, Gaston Co. PD: WDL Holdings, LLC	Past uses at the 6.65-acre property have included knitting operations, a furniture store, and remanufacturing of rear wheel drive transmissions. Groundwater is contaminated at the site with chlorinated solvents. The PD intends to remove the existing structures, an unoccupied single-story manufacturing building and residence, and redevelop the Brownfields Property for a mix of retail and other commercial uses.
BALDOR ELECTRIC 3821 Barringer Drive Charlotte, Mecklenburg Co. PD: K. Brown Trust	Former electric motor and motor component assembly and manufacturing facility with solvent impacted soil and groundwater. PD intends to redevelop the property for use as industrial condominiums.
BENDIX HEAVY VEHICLE FACILITY 727 Bendix Drive Salisbury, Rowan Co. PD: DDSM Properties, LLC	The property consists of 20.96 acres and was first developed in 1961 by the Bendix Corporation ("Bendix"), which manufactured compressors, valves and accessory components for heavy vehicle air braking systems until 1990. Subsequent site uses have included metal fabrication and, currently, boat sales, storage and maintenance. Soil and groundwater contamination are present at the site. Prospective developer intends to redevelop the Brownfields Property for manufacturing, warehousing, distribution, office and, with prior written DENR approval, other commercial uses.

BLUE RIDGE BROADCASTING 1049 HWY US 70 Black Mountain, Buncombe Co. PD: Ingles Markets, Inc.	The Brownfields Property comprises 45.5 acres in Black Mountain, Buncombe County, North Carolina. Prospective developer has committed itself to redevelopment of the Brownfields Property for no uses other than as a frozen, refrigerated and dry goods distribution center with offices, associated driveways and parking. The Brownfields Property's soil and groundwater are contaminated, due, on information and belief, to the site's prior use as a private airport and maintenance hangar, as well as the possible migration of groundwater contamination from off-site.
BOULIGNY SITE 2320 N. Davidson Street Charlotte, Mecklenburg Co. PD: NODA Properties, LLC	Approximately 3.5-acre parcel that was the former R.H Boulingy facility. The site has known groundwater impacts from chlorinated solvents. PD intends to redevelop the property for mixed-use development with commercial, retail, industrial and residential.
BROMMA PROPERTY II 2285 Durham Road Roxboro, person Co. PD: Daniel Talbert, Sr.	The Brownfields Property is located at 2285 Durham Road, Roxboro, Person County, North Carolina, and is approximately 11.6 acres. Prospective developer has committed himself to redevelopment of the Brownfields Property for no uses other than retail and commercial businesses, including restaurants and warehousing/distribution firms, and medical and other office space. The Brownfields Property was developed in the late 1950s by an entity that manufactured plastic crates and steel products. Bromma, Inc. purchased the Brownfields Property in 1992 and manufactured cargo spreaders (large metal clasps used to load and unload cargo ships) there until May 11, 2004.
BROWN'S SOLVENT CO. 2935 Griffith Street Charlotte, Mecklenburg Co. PD: Estate of K. C. Bell	Former paint and solvent formulation facility with known solvent-impacted soil and groundwater. PD intends to initially renovate and reuse the existing structure for office/warehouse use, and ultimately raze the building and redevelop the site as a mixed office/retail complex in keeping with other redevelopment taking place in Charlotte's South End.
BURKHART CAROLINA 1703 Dabney Drive Henderson, Vance Co. PD: MPP Properties, Inc.	Former pickle processing and packing facility with chloride impacted soil and groundwater and minor solvent contamination in groundwater. PD intends to redevelop the property for commercial retail use. Simultaneously, the responsible party will implement groundwater remediation at the site under separate action. The PD's development will provide an impervious cap on the site, further assisting remedial efforts.

BURLINGTON – JAMESTOWN 6008 High Point Road Jamestown, Guilford Co. PD: Alberdingk Boley, Inc.	A 22-acre site containing an abandoned chemical formulation facility operated in support of Burlington Industries textile manufacturing operations. Known chlorinated and petroleum hydrocarbon contamination exists in site soil and groundwater and is being addressed under a consent order with DENR. PD intends to redevelop the property as polyurethane and polyacrylate emulsions manufacturing facility.
BURLINGTON MILLS 476 S. Main Street Mooresville, Iredell Co. PD: Cherokee Investment Partners, LLC	Abandoned textile manufacturing facility with known petroleum hydrocarbon contamination in soil and groundwater, and chlorinated solvent contamination in groundwater. PD intends to redevelop the site as an auto racing industry complex with office, flex, shop, and research and development space.
BUSS COATING 511 Creekside Drive Lenoir, Caldwell County PD: SALT Investments, LLC and S&S Holdings of Lenoir, LLC	The Brownfields Property comprises 4.52 acres in Lenoir, Caldwell County, North Carolina. PD has committed itself to redevelopment of the Brownfields Property for manufacturing, office, warehousing and, with prior written DENR approval, other commercial purposes. The Brownfields Property's groundwater is contaminated due, on information and belief, to pollution emanating from the adjoining Buss Coatings property.
C. C. DICKSON 1520 South Boulevard Charlotte, Mecklenburg Co. PD: C. K. Land Development	A large mixed use development on a former industrial services firm adjacent to a manufactured gas plant. Ground floor retail and studio with office and residential units above. Project is in vicinity of Camden Square and provides redevelopment to economically depressed area. Capping and land use restrictions regarding polycyclic aromatic hydrocarbons, or PAHs, in soil and chlorinated solvents in soil and groundwater.
CAL-TONE PAINTS FACILITY 5115 New Bern Avenue Raleigh, Wake Co. PD: Arbor New Bern Avenue, LLC	Soil and groundwater on this 2.75-acre site is contaminated with metals and petroleum constituents. Prior uses include agricultural and more recently paint manufacturing. The PD is planning a mixed-use redevelopment including commercial, industrial, and residential.
CAMDEN ROAD 1600 Camden Road Charlotte, Mecklenburg Co. PD: Harris Murr & Vermillion, LLC	Approximately 0.25-acre parcel in Historic South End of Charlotte. The site has known groundwater impacts from historical site operations as a gas station, tire repair, plumbing repair, and other uses. PD intends to redevelop the property for commercial and retail purposes
CAMDEN SQUARE 127 W. Worthington Avenue Charlotte, Mecklenburg Co. PD: Camden Square Associates	Abandoned Knitting and Printing Operations rebuilt into the "Design Center of the Carolinas." Development supported by the Wilmore Community as a vital redevelopment in an economically depressed area. Land use restrictions for chlorinated solvents in groundwater.

CAMDEN SQUARE ADDITION 307 W. Worthington Avenue Charlotte, Mecklenburg Co. PD: Camden Square Associates	This project will add, by amendment, 4.5 acres to the first brownfields agreement completed in North Carolina, Camden Square, in Charlotte's South End redevelopment corridor. Contamination includes volatile organic compounds, or VOC-, and and semivolatile organic compounds, or SVOC-impacted soil and groundwater. Intended reuse is for mixed office and retail.
CAMDEN SQUARE AMENDMENT W. Worthington Avenue Charlotte, Mecklenburg Co. PD: Camden Square Associates	By amending the Brownfields Agreement, this project added residential to the uses approved under the agreement for a portion of the property. Prospective developer conducted additional environmental assessment to evaluate the potential for vapor intrusion in the area of planned residential use, and will install a vapor barrier beneath the slab-on-grade construction.
CANAC KITCHENS 401, 403, 603, 607 Meacham Rd; and 2001 Speedball Rd., Statesville, Iredell Co. PD: Canac Kitchens U.S. Limited	The Brownfields Property comprises 28 acres in Statesville, Iredell County, North Carolina. Prospective developer has been operating a cabinetry manufacturing facility there and intends to sell the property for redevelopment consistent with manufacturing or office uses. The Brownfields Property's soil and groundwater are contaminated, due, on information and belief, to the site's prior use as a furniture manufacturing facility.
CANNON VILLAGE 1 Lake Circle Drive Kannapolis, Cabarrus Co. PD: Castle & Cooke Kannapolis, LLC	The property consists of the approximately 154 acres and was first developed in the early 1900s as Cannon Mills, a textile manufacturing facility around which eventually grew the city of Kannapolis. The Brownfields Property's groundwater and soil are contaminated, chiefly as a result of past textile operations. Prospective developer has committed itself to redevelopment of the property as the "North Carolina Research Campus," a health and nutrition research campus that will encompass office and laboratory space, a math and science high school, retail shops, a hotel and conference center, restaurants, potential residences, walking trails, bike paths and green space.
CAROLINA LOG BUILDINGS Howard Gap Road Fletcher, Henderson Co. PD: Town of Fletcher	Former wood treating facility with known pentachlorophenol contamination in soil and groundwater. PD intends to redevelop the 30-acre site as the new heart of the town of Fletcher to include various office and retail uses.
CAROLINA PRODUCTION FINISHING 105 Fairview Road Asheville, Buncombe Co. PD: Western Investments Co.	Former textile finishing facility with metals contamination in both soil and groundwater. PD intends to redevelop the site for warehousing and as a sewing operation. PD is in the process of reviewing DENR's draft brownfields agreement for this site.

CELANESE DRP 2300 Archdale Avenue Charlotte, Mecklenburg County PD: Easlan Capital of Charlotte	The property consists of 120.41 acres of land originally developed by the Celanese Corporation of America in 1955 as an office, research and development facility known as "Dreyfus Research Park." Groundwater contamination is present on the Brownfields Property due, it is believed, to past activities conducted on or in the vicinity of the site. Since 1992, DENR's Inactive Hazardous Sites Branch has been overseeing environmental assessment and remedial activities at the site being conducted by Celanese, and the Branch continues to oversee groundwater cleanup activities there. Soil cleanup was completed at the site in 1993. Prospective developer intends to redevelop the Brownfields Property for high-density, multi-family residential use, including two-, three- and four-story townhouse and condominium units with slab-on-grade construction, several small parks, a pool and a recreational facility.
CENTRAL PARK LANDFILL Salem and Main Streets Winston-Salem, Forsyth Co. PD: Salem Recreational Fields	Former municipal landfill for the city of Winston-Salem. Site is 7.23 acres in size, and has been used as a city park since the 1950s. Low levels of chlorinated solvents, with no surficial soil contamination. PD intends to redevelop the site for soccer and a softball field for the adjoining Salem Academy and College so their current fields can be used for additional building space. A passive methane collection system will be installed prior to installation of the recreational fields.
CHARLOTTE TANK TRUCK Border Drive Charlotte, Mecklenburg Co. PD: WR Deal Holdings LLC	The approximately 2.23-acre site has been used as a business to repair tanker truck chassis, with groundwater contamination potentially migrating from an off-site source. The PD intends to redevelop the property for commercial purposes.
CHEROKEE OIL 925 S. Summit Avenue Charlotte, Mecklenburg Co. PD: M & J Equities, LLC	Approximately two-acre site was formerly a non-permitted hazardous waste storage facility and the site of an EPA removal action. Known arsenic, oil and grease, and solvent contamination exists in site soil and groundwater. PD intends to redevelop the property as a nightclub and parking facility.
CHESTER STREET PROPERTY N. Chester Street Gastonia, Gaston County PD: City of Gastonia	Site contained former Carson Dry Cleaner in the center city area of Gastonia. Property has known chlorinated solvents contamination in the soil and groundwater. PD intends to redevelop the site in commercial retail uses.

CHOWAN VENEER 259 Coke Avenue Edenton, Chowan Co. PD: Southern Bank & Southern Bancshares (NC)	The Brownfields Property is located at 259 and 262 Coke Ave., Edenton, Chowan County, North Carolina and comprises approximately 12.4 acres. The prospective developer has committed himself to redevelopment for no uses other than residential, commercial office or commercial retail use. Chowan Veneer Company, Inc. has owned the Brownfields Property since before its Jan. 1, 1959 incorporation, and manufactured hardwood veneers there until February or March 2005. On April 26, 2005, Chowan Veneer Company, Inc. filed for protection, in the Eastern (federal) District of North Carolina, under Chapter 7 of the U.S. Bankruptcy Code. The site is vacant. The groundwater is contaminated with petroleum constituents.
CITY WEST COMMONS 1506 West Boulevard Charlotte, Mecklenburg Co. PD: CMDC Westover No. 1, LLC	Dilapidated shopping center seized in a drug raid by the U.S. Dept. of Justice that has been approved for transfer to the city of Charlotte. Site had VOC and chlorinated solvent contamination in soil and groundwater. The city intends to transfer the property to a not-for-profit development corporation to redevelop the site as commercial retail shopping facility.
COLE ORCHARD Interstate 26 & Highway 25 Hendersonville, Henderson Co. PD: Summit Springs, LLC	The Brownfields Property comprises 55.36 acres in Hendersonville, Henderson County, North Carolina. Prospective developer has committed himself to redevelopment of the Brownfields Property for no uses other than a residential, office, hospitality, park open space, retail and, with prior written DENR approval, other commercial use project, with associated driveways and parking. The Brownfields Property's soils and groundwater are contaminated, due, on information and belief, to the site's prior use as an apple orchard.
CONBRACO FACILITY 701 Matthews-Mint Hill Rd Matthews, Mecklenburg County PD: Carlton Development	The site is the former sediment and runoff basin for the former Conbraco Facility. The site was remediated in the EPA Superfund Program and given a "No Further Remedial Action Planned (NFRAP)" status. PD intends to redevelop the site as a medical office with other commercial uses.
CONITRON FACILITY 3761 Old Glenola Road Trinity, Randolph Co. PD: United Furniture Industries NC, LLC	The property comprises approximately 54.8 acres and was first developed, with residential and agricultural buildings in the northeast portion, in 1966. Manufacturing started on the Brownfields Property in approximately 1980. Operations there have included chair, textile, mattress and boat, canoe, and kayak manufacturing. Past activities on or in the vicinity of the Property have contaminated the groundwater there. Prospective developer has redeveloped the site for furniture manufacturing, warehousing and distribution on the Brownfields Property, and plans to expand operations at the site.

COSTCO Costco Wholesale Corporation 14.8 acres 2838 Wake Forest Road Raleigh, Wake County	The former Pepsi manufacturing and bottling company was located on this site until it relocated in 2002. The southeastern portion of the property covers about 2.6 acres of a former city of Raleigh 44-acre municipal landfill. The former Alcatel site is upgradient and a potential source of chlorinated solvents found in the groundwater. Prospective developer plans to build a 149,000 square foot Costco membership warehouse and a membership gasoline station outparcel on the property.
COTTON MILL SQUARE 801 Merritt Drive Greensboro, Guilford Co. PD: Carl Johnson	Former cotton mill and manufacturing facility with chlorinated solvent contamination in soil and groundwater. PD intends to redevelop the site in mixed commercial retail/office and residential.
CRS Facility 1224 Isley Drive Gastonia, Gaston Co. PD: Gastonia Investments V, LLC	The Brownfields Property comprises approximately 11.53 acres and is at 1224 Isley Drive, Gastonia, Gaston County, North Carolina. It carries Gaston County tax parcel number parcel 3536-26-0117 and was used for industrial uses. Prospective Developer has committed itself to redevelopment for no uses other than as an industrial, office, storage and possibly other commercial use.
CULTURAL ARTS CENTER 205 McDonald Street, and Old Braswell Library 344 Falls Road Rocky Mount, Nash Co. PD: Imperial Centre Partners, LP	The property consists of two parcels: 270 Gay Street, the site of the closed Imperial Tobacco Plant, and 344 Falls Road, the site of the former Braswell Memorial Library. The redeveloped parcels comprise approximately 3.6 acres and are the site of the City of Rocky Mount Cultural Arts Center, which will lease the property from prospective developer. The 344 Falls Road parcel contains an art education center in the former library and a recital stage. The 270 Gay Street parcel houses a children's museum and planetarium, a traveling exhibit gallery, a live animal area, a science and technology gallery, a visual arts gallery, a recital stage, offices and a food service area. The soil and groundwater at the Brownfields Property are contaminated with petroleum constituents and metals.
CUMBERLAND SHOPPING CENTER 709 E. Market Street	Site of former shopping center and dry cleaners with chlorinated solvent impacted soil and groundwater. PD is a not-for-profit community development corporation. The PD

Greensboro, Guilford Co. PD: Project Homestead	has performed soil remediation activities and intends to redevelop the site with affordable residential housing.
DAYCO FACILITY 2150 South Main Street Waynesville, Haywood County PD: Haywood Advancement Foundation	The property was formerly operated as a large industrial rubber manufacturer and has both chlorinated solvent and petroleum contamination in the soil and groundwater. The PD intends to redevelop the 35.942-acre site into a mixed commercial-retail development.
DIXIE TRUCKING 3606 N. Graham Street Charlotte, Mecklenburg Co. PD: M.H.O.C., LLC	The property (Tax Parcel Identification Number 08508202) is at 3606 North Graham Street, Charlotte, Mecklenburg County, North Carolina and comprises approximately 16.25 acres. It is the former site of a Dixie Trucking Company facility. Prospective developer has committed himself to redevelopment of the Brownfields Property for no uses other than as a trucking terminal or for other industrial purposes.
DON CHRISTIAN PROPERTY Main Street Carrboro, Orange County **PD: Main Street Properties**	This approximately 0.5-acre underused site had been in use as a bulk oil facility and gas station since the 1920s and is currently in use as an auto repair shop. The site contains petroleum hydrocarbon impacts in soil and groundwater. PD intends to reuse the property in commercial/retail use as part of the renovation and expansion of the existing, adjoining shopping center.
DYNATECH INDUSTRIES 2213 Toomey Avenue Charlotte, Mecklenburg Co. PD: R. G. Automation, Inc.	Former plating facility with metals-impacted soil and groundwater. EPA conducted soil removal activities at the site and has classified it as NFRAP. PD intends to redevelop the property for use as mixed office/retail complex.
EAST GANNON PROPERTY 102 East Gannon Avenue Zebulon, Wake Co. PD: Berkshire-Hudson Capital XI, LLC	This property consists of four parcels of land totaling 1.75 acres with four existing structures (former restaurant, current auto sales, auto service garage and hair salon). Site planned to be redeveloped into a stand-alone Eckerd Drug Store, with other surrounding complimentary retail tenants. Soil and groundwater are contaminated with petroleum constituents from above ground storage tanks used by previous gas station.
EAST PARK – BOYER 1607 E. 4th Street Charlotte, Mecklenburg Co. PD: Torrence Street Partners, LLC	Approximately 0.39-acre parcel that is a portion of the East Park Development Project, with known chlorinated solvent and gasoline contamination. PD intends to redevelop the site as a pedestrian urban infill multiple use development with commercial, residential, recreational and common open space. The site is part of the city of Charlotte's East Park re-development zone.

EAST PARK – CRAVER 1609 Elizabeth Avenue Charlotte, Mecklenburg Co. PD: Providence Road Land Partners, LLC	Approximately 0.65-acre parcel that is a portion of the East Park Development Project, with known chlorinated solvent and gasoline contamination. PD intends to redevelop the site as a pedestrian urban infill multiple use development with commercial, residential, recreational and common open space. The site is part of the city of Charlotte's East Park re-development zone.
EAST PARK – DOROTHY HALL 1423 E. 4th Street Charlotte, Mecklenburg Co. PD: 1427 East Fourth Street, LLC	Approximately 0.8-acre parcel that is a portion of the East Park Development Project, with known chlorinated solvent and gasoline contamination. PD intends to redevelop the site as a pedestrian urban infill multiple use development with commercial, residential, recreational and common open space. The site is part of the city of Charlotte's East Park re-development zone.
EAST PARK – JOAL REALTY 1534 Elizabeth Avenue Charlotte, Mecklenburg Co. PD: Joal Realty	Part of the 24-acre site encompassing a six-block area with known chlorinated solvent contamination. PD intends to redevelop the site as a model for urban infill mixed use development with an emphasis on the needs of pedestrians in an urban setting. The site is part of the city of Charlotte's East Park re-development zone located between the central business district and the historic residential neighborhoods of Elizabeth and Myers Park.
EAST PARK – KOSSOVE 1515 E. 4th Street Charlotte, Mecklenburg Co. PD: David Kossove	Part of the 24-acre site encompassing a six-block area with known chlorinated solvent contamination. PD intends to redevelop the site as a model for urban infill mixed use development with an emphasis on the needs of pedestrians in an urban setting. The site is part of the city of Charlotte's East Park re-development zone located between the central business district and the historic residential neighborhoods of Elizabeth and Myers Park.
ECUSTA 1 Ecusta Road Pisgah Forest, Transylvania Co. PD: Ecusta Business Development Centers, LLC	In its prime, this 540-acre site was the world's largest non-wood pulp and specialty paper manufacturing facility. Closed since late 2002, the site has known metals, caustic and solvent contamination. PD intends to re-start flax pulping operations and to market the pulp to paper manufacturers. PD may also undertake other uses of site buildings and facilities, including office space and possible use of excess wastewater treatment capacity by local municipalities.
ELECTRONICS COMPONENTS CORP. 513 S. Dudley Street Burgaw, Pender County PD: MoJo Properties, LLC	The approximately five-acre site was first developed in 1966 as a facility for manufacturing small transformers. The property was idled in 1999. Site groundwater is contaminated with chlorinated solvents. Prospective developer intends to reuse the site to manufacture sound equipment and other music related equipment.

ELK MOUNTAIN LANDFILL Elk Mountain Road Woodfin, Buncombe Co. PD: Town of Woodfin	The property consists of approximately 156 acres of land and improvements west of U.S. Hwy. 19 and approximately one mile north-northeast of downtown Woodfin, Buncombe County, North Carolina. Portions of the site were first developed in approximately 1970 as a municipal landfill. The landfill was operated by the city of Asheville, North Carolina, under a lease from the Rhodes estate, the property owner at the time. The landfill was closed in the early 1980s. Prospective developer purchased the site in 1985 from the Rhodes estate, and, in the late 1990s, redeveloped the former landfill portion of the Brownfields Property into a nine-hole municipal golf course. The golf course was closed in 2002. Prospective developer intends to sell the property for redevelopment into a mixed-use residential and commercial community and, on the portion of the Brownfields Property formerly used as a municipal landfill, recreational open space, parking areas, roadways, utility corridors, ball fields, lights, walking paths and a possible golf course with associated amenities such as tennis courts and a clubhouse, or other features or structures.
ERWIN SQUARE 2211 Hillsborough Road Durham, Durham Co. PD: WP East Acquisitions, LLC	This approximately six-acre property is a portion of a decommissioned former Burlington Industries site, other portions of which have already been redeveloped. There is known chlorinated solvent contamination in groundwater, and these impacts are being addressed under an approved Division of Water Quality corrective action plan. PD intends to redevelop the site in high-density residential use.
FERGUSON ENTERPRISES 101 W. Tremont Avenue Charlotte, Mecklenburg Co. PD: Tremont Partners, LP	The property comprises approximately 2.88 acres and is currently the site of a warehouse and showroom operated by Ferguson Enterprises, Inc. Prospective developer intends to effect redevelopment of the property that will consist of a multi-story building containing luxury residential units with amenities, as well as retail, office and other commercial uses, and a parking structure. Groundwater is contaminated at the Brownfields Property due to past activities on an adjacent upgradient property known as the "Parks-Cramer Site."

FIELDCREST BLANKET MILL 206 Warehouse Street Eden, Rockingham County PD: Riverwalk Development, LLC	The property is located along the Smith River in Eden, Rockingham County, North Carolina. It includes the sites of two former textile mills and nearby residential properties, and comprises 18.439 acres. Prospective developer plans a mixed use redevelopment, which may include a hotel and conference center, museum, arts and crafts studios, office space, theater, restaurants, retail space, warehousing and open public space in the form of a greenway and park along the river. The redevelopment plan also includes preservation and reuse of the historic and architecturally significant Nantucket textile mill. Groundwater at the site is contaminated with chlorinated solvents.
FISHBURNE EQUIPMENT Airport Road Arden, Buncombe Co. PD: R. & P. Van Praag	Former metal fabrication and tobacco press manufacturing facility with suspected VOC contamination in soil and groundwater, based on detection of these compounds on adjoining, downgradient property, the former Buncombe County landfill. PD intends to redevelop the site for light manufacturing/assembly, warehousing, and public storage uses.
FLEMINGTON LANDFILL US Hwy 421 North Wilmington, New Hanover Co. PD: Cape Fear Soccer Association	Site of a closed (1979), privately operated domestic and industrial solid waste landfill with VOC-impacted soil and groundwater. Intended reuse is for a soccer complex. This is the first former landfill property proposed for redevelopment under the N.C. brownfields statute, and the project's feasibility and technical challenges are being carefully evaluated.
FLORENCE MILL 186 Mill Street Forest City, Rutherford County PD: Florence Mill Redevelopment	Consisting of approximately 8.2 acres, the Florence (Cone) Mill is a former industrial mill that went out of business in 2001. The property also has a number of former mill warehouses that are vacant, as well as dry cleaner properties that are separate from the Cone Mill but included in prospective developer's submittal. Site impacts include petroleum contaminated soil and perchloroethylene, or PCE, impacts to site soil and groundwater. The PD intends to redevelop the property into a town hall, residences, restaurant, cinema, and pavilion with open space.
FLYNT FABRICS MILL PROPERTY 202 S. Nash Street Hillsborough, Orange County PD: Falk Companies	Former Flynt Fabrics, a textile dyeing and finishing operation, closed in late 2000. Potential, but not confirmed, contamination at the site includes asbestos, lead, peroxide, acetic acid, #5 fuel oil, dyes, salts, bleaches, cleaners and oils. Prospective developer desires to purchase the old mill and parking portion of the property and redevelop it in residential use.

FONTAINE 5th WHEEL 3883 South Church Street Rocky Mount, Nash County PD: New Standard Corporation	This former metals fabrication/manufacturing facility has been vacant since 2001, and the property contains chlorinated solvent and petroleum contamination in soil and groundwater. Prospective developer intends to reuse the three site buildings for metal stamping, fabrication and assembly operations.
FOOD LION Waughtown & Sprague Streets Winston-Salem, Forsyth Co. PD: Food Lion, Inc.	A new, large supermarket placed on the site of an abandoned grocery store in urban Winston-Salem. Project had strong community support as a quality of life issue as the community had no supermarket. Land use restrictions for chlorinated solvent contamination in groundwater. Brownfield assessment determined the source to be nearby dry cleaner.
FULFLEX, INC. PROPERTY 500 E. 7th Street Scotland Neck, Halifax County PD: Town of Scotland Neck	Approximately 20-acres property contains a vacant 100,000 SF building, the site of rubber product manufacturing until 2002. Fulflex is the responsible party and is currently working with the state's Aquifer Protection program to remediate a petroleum and chlorinated solvent plume. The town plans to make site improvements to attract a new manufacturing tenant, who will purchase the site at a reduced rate if they bring enough jobs to the area.
GATEWAY AT OLD SALEM 1198 S. Broad Street Winston-Salem, Forsyth County PD: Southeast Gateway Ventures	Project size is approximately 51 acres. The property is planned for mixed-use redevelopment including offices, commercial/retail space, residences, a YWCA , a private school and parking. Contamination is from a former Duke Power Plant substation (PCBs, PAHs in soil) and groundwater contamination from a number of sources, mainly petroleum but with a few chlorinated solvents. Cleanup of contamination at the Duke Power facility under the Inactive Hazardous Sites Program is almost complete. The Duke Power site comprises only a portion of this large brownfields redevelopment project.

GENERAL WOOD 1901 Wood Treatment Road Leland, Brunswick County PD: Leland Land, LLC	A 120-acre pole treatment facility (creosote, chromated copper arsenate (CCA) and pentachlorophenol (PCP)) under Chapter 11 bankruptcy that is currently under RCRA jurisdiction. PD's intent is to be able to distinguish old from new contamination and then continue with pole treatment (CCA and PCP only). Groundwater contamination mainly associated with creosote and petroleum. Metal and PCP contamination in soil.
GLENCOE MILL 2362 River Road Burlington, Alamance Co. PD: Historic Preservation Foundation of NC	The property comprises 7.04 acres and is located at 2362 River Road in Burlington, Alamance County, North Carolina. A textile mill operated on the Brownfields Property from 1880 until 1954, as did a hydroelectric plant from 1880 until 1996. From 1954 through the late 1990s, numerous businesses were housed in the site buildings, the most recent having been a metal salvage business and the hydroelectric plant-related business operations. The property contains an abandoned textile mill, picker house, napper house, dye house, cotton storage sheds, machine shop and textile warehouses. The site is adjacent to a historic mill village. Both the village and the mill complex are listed on the National Register of Historic Places. Contamination exists in soil, groundwater and stream sediment at the property as a result of past site operations. Plans are to redevelop the Brownfields Property with a mix of commercial, office, light industrial, storage/warehouse, institutional and/or residential uses.
GOLDEN BELT MFG 900 E. Main & 400 E. Elm St. Durham, Durham Co. PD: Edgemont Realty, LLC	The property consists of 5.478 acres and is located at 807 East Main Street in Durham, Durham County, North Carolina. In 1887, Golden Belt Manufacturing Co. constructed a textile mill on the Brownfields Property that consisted of at least 10 buildings in which it produced cotton bags, sheeting and hosiery. Golden Belt Manufacturing Co. operated on the Brownfields Property until 1996. Contamination exists in soil and groundwater at the site as a result, based on information and belief, of past site operations. Prospective Developer intends to redevelop the Property for mixed use that may include office, high-density residential, retail, light manufacturing, institutional and, with prior written DENR approval, other commercial use.
GRIFFITH STREET PROPERTY 565 Griffith St. & 536 Jetton St. Davidson, Mecklenburg Co. PD: Five Six Five, LLC	Prior industrial operations resulted in soil and groundwater contamination by petroleum and VOCs. The PD plans to redevelop the facility as a charter school and as retail and commercial space.

GUILFORD MILLS W. Wendover Avenue Greensboro, Guilford Co. PD: Wendover Crossing, LLC	A 55-acre site containing former textile manufacturing facility with known VOC contamination in soil and groundwater. PD intends to redevelop the property in mixed retail uses. Public benefits include the creation of an estimated 500 jobs and substantial tax roles increases.
GUILFORD MILLS – HORNADAY 5644 Hornaday Road Greensboro, Guilford Co. PD: Tower Investments, LLC	The property consists of approximately 30.23 acres and is located at 5644 Hornaday Road in Greensboro, Guilford County, North Carolina. Soil and groundwater contamination exist at the site as a result of past operations conducted thereon, which included the manufacture of textiles and textile machinery. Prospective developer intends to initially redevelop the site for light industrial uses, such as warehousing or light manufacturing, possibly followed, within three (3) to five (5) years, by mixed retail/office redevelopment (rezoning allowing).
GUILFORD MILLS - W. MARKET STREET 4925 W. Market Street Greensboro, Guilford County PD: Kim's Greensboro Real Estate, LLC	A 19.8-acre vacant textile facility with ancillary buildings. Minor groundwater contamination associated with former underground storage tanks, or USTs. Other, non-UST contamination has been documented but information has not yet been sent to us. PD plans to use the site for general commercial property.
HAMILTON PROPERTY 216 Dunavant Street Charlotte, Mecklenburg Co. PD: Rush Family, LLC	As small, dilapidated property bought for the expansion of Cost Effective Maintenance Inc., a small business in the South End area of Charlotte. Expansion into this property allowed CEM to stay in Charlotte instead of moving to suburbs. Land use restrictions for chlorinated solvent contamination in groundwater.
HILLSBOROUGH VENTURES 3011 Hillsborough Street Raleigh, Wake Co. PD: Hillsborough Ventures, LLC	Project involves redeveloping an area of parking lots and dilapidated, underused retail structures. Land use restrictions are in place for the petroleum hydrocarbon and chlorinated solvent contamination in soil and groundwater. PD intends to redevelop the property as mixed residential (private student dormitory for N.C. State University) and retail complex.
HILLSBOROUGH VENTURES ADDITION 3 Concord St, 24 McKnight Ave, 3101 Stanhope Dr Raleigh, Wake Co. PD: Hillsborough Ventures, LLC	Prospective developer added acreage to the footprint of original Hillsborough Ventures project, which involves redeveloping an area of parking lots and dilapidated, underused retail structures adjacent to N.C. State University for mixed residential (private student dormitory) and retail uses.

HISTORIC COTTON MILL 191 Riverside Drive Asheville, Buncombe Co. PD: RiverLink, Inc.	A 2.63-acre site formerly occupied by a cotton mill that operated from the 1900s but has been abandoned for many years. PD will conduct environmental assessment to determine if the site has any contamination. PD intends to redevelop the site in mixed commercial/retail and residential uses. This project is part of the Asheville French Broad Riverfront Plan.
HOME DEPOT – SOUTH BOULEVARD 4750 South Boulevard Charlotte, Mecklenburg County PD: CNR Properties, RLLLP	A 12-acre site currently occupied by a produce grocer and office rental store (1 acre), parking (7 acres), abandoned plant nursery (1 acre); the rest is undeveloped. Operations at adjacent Academy Steel Drum (ASD) from 1947-69 included the disposal of wastes and sludge from drums into pits/lagoons. The location of the lagoons and overflow drainage is suspected to have been partially on subject property. After ASD burned in 1969, the property was thoroughly re-graded with contaminated soil moved around. Elevated concentrations of lead, chromium, and PCBs in soil along with lead, 2-chlorophenol, and trichloroethene. PD plans to lease property to Home Depot for construction of a new Home Depot home improvement retail store.
HUGHES SUPPLY PROPERTY 1927 S. Tryon St. Charlotte, Mecklenburg County PD: 127 Tryon Investors, LLC	The Brownfields Property is located at 1927 South Tryon Street, Charlotte, North Carolina, where Hughes Plumbing Supply, Ltd. formerly operated. It carries Mecklenburg County tax parcel number 12101204, and was used for office and warehouse purposes. The Brownfields Property is surrounded by land in commercial and industrial use. Prospective developer's redevelopment plans for the Brownfields Property include retail and office use, with ground level use restricted to parking

INDUSTRIAL PLASTICS 4810 Clover Road Greensboro, Guilford County PD: Standard Tools & Equipment	The site comprises 17.77-acres and had a variety of industrial operations since the 1970s. The PD intends to redevelop the Brownfields Property for non-residential commercial and/or industrial uses.
KIDD LANE BATTERY DISPOSAL 3607 Kidd Lane Charlotte, Mecklenburg Co. PD: Joshua's Farm	Abandoned dairy farm with historical lead battery disposal operations. The approximately 1-acre parcel is adjacent to a 22-acre horse and animal farm area for the Joshua's Farm Operations. The site has a limited area with lead contamination in the surficial soils. PD intends to redevelop the area as a parking lot for the horse and animal farm operations.
LEARY BROTHERS STORAGE CO. 101 Virginia Road Edenton, Chowan Co. PD: Virginia Road, LLC	The Brownfields Property consists of approximately 4.2 acres and is located at 101 Virginia Road in Edenton, Chowan County, North Carolina. Among the former uses of the land are as the site of an agricultural supply and storage business, a retail florist and a warehouse for tires. Low levels of arsenic from, it is believed, releases of fertilizer compounds, have been detected in the Brownfields Property's soil and groundwater. The Brownfields Property has been idle since its structures suffered damage as a result of Hurricane Isabel in September 2003. Prospective developer owns the Brownfields Property and plans to sell it for the purposes of redevelopment for retail, commercial and office use.
L. I. Building, LLC 449 Trollingwood Road Haw River, Alamance Co. PD: L. I. Building, LLC	The Brownfields Property is located at 449 Trollingwood Road, Haw River, Alamance County, North Carolina. Prospective Developer plans to redevelop it for industrial, sales/distribution and, with prior written DENR approval, other commercial use. The site was developed in 1967, and used from that time until 1973 as a textile knitting facility. Hose manufacturing has occurred on the Brownfields Property since 1973.
LEWITH TEXTILE 3539 Wilkinson Boulevard Charlotte, Mecklenburg Co. PD: CMDC Wilkinson No. 1, LLC	Project involves the redevelopment of 50+ acres of abandoned and underused commercial and industrial property, including the former Lewith Textile facility. Contaminants include Petroleum hydrocarbon and chlorinated solvents in soil and groundwater. PD intends to redevelop the site as an industrial park for light manufacturing and warehousing/distribution.

LOWES OF NORTH HICKORY 1430 2nd Street NE Hickory, Catawba Co. PD: Lowe's Home Centers, Inc.	The property comprises 13.818 acres, including all or portions of seventeen (17) contiguous tax parcels, in Hickory, Catawba County, North Carolina. A retail home improvement store and stormwater retention pond have been constructed at the site. Prospective developer has committed itself to redevelopment of the Brownfields Property for no uses other than the subject retail home improvement store (or other retail or office use), with associated outside storage areas, parking areas, a stormwater detention pond, and related open landscaped areas. The Brownfields Property's soil and groundwater are contaminated, due, on information and belief, to the site's prior use for a hosiery mill that included dye operations.
MALLARD CREEK 3021 Driwood Court Charlotte, Mecklenburg Co. PD: Colonial Realty, Ltd.	A 21-acre site adjacent to former auto service station and chainsaw service center operations. Petroleum hydrocarbon and chlorinated solvent contamination in groundwater, sourced from underground and aboveground storage tanks releases on the adjacent site, has migrated onto the subject property. PD intends to redevelop the property as an apartment complex.
MERCHANDISE MART 2500 E. Independence Blvd. Charlotte, Mecklenburg Co. PD: The Park Ministries, Inc.	The Brownfields Property comprises approximately 34 acres and is located at 2500 Independence Boulevard (the surrounding streets are East Independence Boulevard, Colonnade Drive, Briar Creek Road and Madeleine Avenue) in Charlotte, Mecklenburg County, North Carolina. Prospective developer has committed itself to redevelopment for no uses other than as a religious center that would be known as "The Park." The park would be used for a religious center, office, restaurant, retail and wholesale purposes, a conference/ exhibition center, trade shows, educational/training programs and charity events.
MIDCAL ALUMINUM 4933 Brookshire Blvd. Charlotte, Mecklenburg Co. PD: G3 Enterprises, Inc.	The Brownfields Property is located at 4933 Brookshire Boulevard, Charlotte, Mecklenburg County, North Carolina and carries tax parcel identification number 03907111. Prospective Developer, its former owner, has sold it to a North Carolina general partnership, the Walthom Group, for use as a recycling facility. Groundwater is contaminated at the Brownfields Property due, on information and belief, to past activities at surrounding properties.

MIDTOWN MALL 401 South Independence Blvd. Charlotte, Mecklenburg Co. PD: Midtown Redevelopment	The Brownfields Property consists of two (2) parcels located at 401 South Independence Boulevard and 431 South Kings Drive, Charlotte, North Carolina; they bear Mecklenburg County tax parcel identification numbers 12522701 and 12522801, respectively. The Brownfields Property comprises approximately 10.3 acres and is the site of the former Midtown Square Mall. Prospective developer intends to effect mixed use redevelopment of the Brownfields Property that may include commercial, retail, office, residential and institutional uses, as well as parking structures and open space. Groundwater and soil are contaminated at the Brownfields Property due to past activities.
MODEL LINEN PD: QUB Studios 120 West Lewis Street Greensboro, Guilford Co.	The site was used to manufacture wood stoves and has low levels of chlorinated solvents in the groundwater. The site will be redeveloped as a photographic studio and other commercial space.
MTE HYDRAULICS 105 Chickasaw Road (intersection of Chickasaw Rd. & Pearson's Turnpike (state Hwy 2663) Gastonia, Gaston County PD: Liberty Land, LLC	A 9.76-acre parcel in Gastonia. The site has known soil and groundwater impacts from historical site operations which included the manufacturing of hydraulic components and brake pads and other uses. Prospective developer intends to upgrade the property for manufacturing purposes and additional commercial use.
NATIONAL TEXTILES 100 Reep Drive Morganton, Burke Co. PD: Reep Drive, LLC	This former textile plant has contaminated soil and groundwater, likely from previous operations which included two dry cleaning machines to clean textiles with perchloroethylene. The approximately 32-acre site will be redeveloped by the PD as a furniture manufacturing facility.
N.C. EQUIPMENT COMPANY 3101 Hillsborough Street Raleigh, Wake Co. PD: Rose Mary Development, LLC	The property consists of approximately 2.04 acres at 3101 Hillsborough Street, Raleigh, Wake County, North Carolina. The land was first developed in 1949 as the headquarters of North Carolina Equipment Company, a heavy equipment sales and service business. The site has been idle since December 2001. Groundwater contamination is present on the Brownfields Property, attributable, on information and belief, to past activities on or in the vicinity of the tract. Prospective developer intends to redevelop the site for office space and commercial uses, including retail sales.

N.C. EQUIPMENT CO. II 5 & 7 Rosemary Street and 3112 Stanhope Ave. Raleigh, Wake Co. PD: Rose Mary Development, LLC	The property consists of 0.99 acres located at 5 and 7 Rosemary Street and 3112 Stanhope Ave. in Raleigh, Wake County. The land had been in residential use since the mid-1930s. Groundwater contamination exists at the property, attributable to past commercial activities that have occurred in the vicinity of the site. PD intends to redevelop the property for use exclusively as a parking lot that will support the redevelopment that has taken place on the adjoining former N.C. Equipment Co. brownfields property.
NORTH COLLEGE STREET PROPERTY 900 N. College Street Charlotte, Mecklenburg Co. PD: SilverGirls, LLC	The Property comprises approximately 0.85 acres. It is bordered to the north by the former location of a Holiday Inn motel, to the south and southeast by railroad tracks and the site of the former Consolidated Metals facility (the subject of N.C. Brownfields Project No. 07009-03-60, now in residential use), to the east by land in commercial use, and to the west by Brookshire Freeway/Interstate I-277. From the 1900s through the 1960s, the Property's only use was as the location of a single family residence; the southern portion of the Property also formerly contained a railroad right of way that was present as early as 1911. Since the mid-1960s, the site has been idle and vacant, other than a large billboard that has been present since the 1990s. Prospective developer's redevelopment plans for the site include residential, retail and other commercial use.
OLD PINEVILLE ROAD 4928 Old Pineville Road Charlotte, Mecklenburg Co. PD: John H. Huson	The property consists of a parcel at 4928 Old Pineville Road and a parcel at 649 Scholtz Road, both in Charlotte, Mecklenburg County, North Carolina; carrying tax parcel identification numbers 16907608 and 16907607, respectively; and comprising a total of approximately 3.5 acres. The parcels are surrounded by land in commercial and industrial use. A business known as Queen City Boiler formerly operated on the 4928 Old Pineville Road parcel for approximately 40 years, beginning in 1965. The 649 Scholtz Road parcel is cleared but undeveloped. Prospective developer intends to redevelop the two parcels for mixed office, retail, residential and, with prior written DENR approval, other commercial use.
OXFORD PRINTING 8 Industry Drive Oxford, Granville Co. PD: FHO Partners, LLC	Former textile printing and finishing facility with VOC contamination in groundwater. PD has conducted remediation of floor drain contents. PD intends to redevelop the site for industrial/distribution use.

PADGETTE LANE PROPERTY 105 Padgette Lane Carrboro, Orange County PD: Downtown Urban Ventures, LLC	The property is located at 105 Padgette Lane, Carrboro, Orange County, North Carolina. It consists of 0.97 acres intended by prospective developer for planned mixed residential and commercial use. The site previously was the location of an automobile salvage lot and repair shop, Butler's Garage. The site's soil and groundwater are contaminated from past site operations.
PARKER HANNIFIN 12415 Capital Boulevard Wake Forest, Wake Co. PD: St. Ives 220 Commercial, LLC	A 33-acre former air control devices manufacturing facility with known Trichloroethene contamination in soil and groundwater resulting from former wastewater treatment operations. PD intends to redevelop the site in mixed commercial, retail, and office space uses. Responsible party is currently undertaking assessment and remediation within RCRA and N.C. Hazardous Waste Section oversight.
PELTON & CRANE PLANT 200 Clanton Road Charlotte, Mecklenburg County PD: Clanton Partners I, LLC	The property (Tax Parcel Identification Number is 14702106) is located at 200 Clanton Road, Charlotte, North Carolina and comprises approximately six acres. The Pelton & Crane Company, a division of Siemens Medical Solutions, USA, Inc., manufactured products for the dental industry on the Brownfields Property from 1955 until 1992. Soil and groundwater at the site is impacted by chlorinated solvents. Prospective Developer has committed itself to redevelopment of the Brownfields Property for no uses other than for warehouse and, with prior written DENR approval, other commercial purposes.
PILOT MILLS 1121 Haynes Street Raleigh, Wake Co. PD: Capital Way, Inc, & Hedgehog Holdings, LLC	Abandoned, condemned turn-of-the-century textile mill in downtown Raleigh redeveloped into office space and preserved on the National Register of Historic Places. Land use restrictions for chlorinated solvent in groundwater and capping of mercury in soils.

PPD HEADQUARTERS SW corner of Harnett and Front Streets Wilmington, New Hanover County PD: River Ventures, LLC	Approximately eight-acre site is a small portion of the ~ 40-acre Almont Shipping site that will all eventually be redeveloped once Almont moves to the Wilmington Port Authority. Almont has been a dealer in bulk commodities (saltcake, urea, potash, phosphate, etc.). The site as a whole has been in business for almost 100 years, with warehouses currently on this property being built in the late 1970s. Prior to that time it was operated as a fuel depot with large ASTs located on the site. Contamination from the adjacent CSX property spill of 2.2 million gallons of diesel in 1982 is suspected, although a Phase II assessment is currently underway. PD intends to demolish the buildings on site in order to construct a 400,000 square foot office building.
PURSER DRIVE-GARNER 816 & 818 Purser Drive Garner, Wake Co. PD: WLA Garner Land, LLC	The Brownfields Property is 1.981 acres and is located at 816 and 818 Purser Drive, Garner, Wake County, North Carolina. It is comprised of two parcels with tax parcel identification numbers 1701166307 and 1701163369. The prospective developer has developed the Brownfields Property into a parking lot for a retail shopping center. Prior to the prospective developer's purchase and redevelopment of the Brownfields Property, two light industrial/commercial businesses were present: Fowler's Trucking (816 Purser Drive) and C&M Electric (818 Purser Drive).
PTRP – CAMEL CITY CLEANERS/MGP 401 East Third Street Winston-Salem, Forsyth Co. PD: PTRP Holdings, LLC	The property consists of approximately 1.27 acres located at 415 East Third Street in Winston-Salem, Forsyth County, North Carolina. The site was most recently used as a dry-cleaning facility and was originally developed in the late 1800s as a manufactured gas plant. Soil and groundwater contamination are present on the site due to past activities conducted on or in the vicinity of the site. In conjunction with the development of the planned Piedmont Triad Research Park, Wake Forest University Health Sciences, through BRF-A1a, LLC, intends to redevelop the subject property as a bio-technology research and office facility.
QUALITY METAL PRODUCTS 1111 Oates Road Gastonia, Gaston Co. PD: Wede Corporation, LLC	This 11- acre site contains an abandoned facility of 48,000 square feet formerly used as for metal fabrication. Parts cleaning activities resulted in solvent impacts to site soil and groundwater. PD intends to refurbish the facility for metal fabrication utilizing high-tech, non-contaminating methods.

REA ASPHALT PLANT 2701 Youngblood Street Charlotte, Mecklenburg Co. PD: South End Silos, LLC	The Brownfields Property consists of three (3) parcels located at 2701 Youngblood Street in Charlotte. The Property comprises 8.551 acres and is the site of the former Rea Construction Asphalt Plant. Prospective developer intends to effect mixed use redevelopment of the property that may include commercial, office, retail and residential uses. Groundwater and soil are contaminated at the Brownfields Property due to past activities.
REA ASPHALT PLANT ADDITION 2701 Youngblood Street Charlotte, Mecklenburg Co. PD: South End Silos, LLC	Prospective developer added 0.768 acres of real property that had been a right-of-way along Griffith Road adjacent to the original Rea Asphalt Plant Property. The additional acres are impacted from past site activities, and the proposed uses are the same as those for the original project.
REDMAN HOMES Redman Road Mebane, Orange Co. PD: Barber & Ross Co.	Former mobile home manufacturing facility with metals and solvent contamination in soil and groundwater. PD has performed drum removal and soil remediation activities. PD intends to redevelop the site as a manufacturing facility to produce windows and doors.

REEVES SITE 8900 Research Drive Charlotte, Mecklenburg County PD: Linda Wolfe, Paul Ferrigan	Approximately 20-acres parcel that was historically the former Reeves Brother Facility that operated as a textile research and development laboratory. The site has known groundwater impacts from chlorinated solvents. PD intends to redevelop the property for commercial and light industrial uses.
RUSAK PROPERTY 3331 Griffith Street Charlotte, Mecklenburg Co. PD: CharMeck Board of Education	A 1.21-acre parcel that is adjacent to the Marie G. Davis Middle School. The site is contaminated from historical operations as a metal plating facility. The PD intends to incorporate the adjacent parcels into the new middle school construction. The brownfields parcel will be the plaza entrance.
R.W. MCCOLLUM 107 W. Meadowview Rd. Greensboro, Guilford Co. PD: R.W. Holding, LLC	The Brownfields Property consists of approximately 6.5 acres at 107 West Meadowview Road in Greensboro, Guilford County, North Carolina. Since 1960, R.W. McCollum Company, Inc. has engaged in cleaning, repair and maintenance of tanker trailers used for the transportation of bulk liquids on the Brownfields Property. Groundwater contamination exists at the Brownfields Property due, on information and belief, to previous site activities. Prospective developer has committed itself to redevelop the Brownfields Property as a tanker trailer cleaning and repair facility, a trucking dispatch terminal, office space and, possibly, truck wash and diesel repair facilities, or other commercial uses if DENR approves same.
SALEM UNIFORM 4015 N. Cherry Street Winston-Salem, Forsyth County PD: Winston Weaver Co. Inc.	2.53-acre site that has been vacant for many years. Was leased out from 1967-83 to Salem Uniform and from 1983-86 to Cintus Corporation who purchased the assets for Salem Uniform. During a Limited Site Assessment for petroleum USTs, high levels of PCE were discovered, probably from dry cleaning solvents. PD is currently leasing space, but would like to improve it for use for fertilizer storage and other commercial usage.
SANFORD WWTP 1351 Douglas Drive Sanford, Lee Co. PD: S. Wornnom & G. Perkins	Former municipal wastewater treatment plant site with petroleum impacted sewer sludge and metals impacts in site soils and low concentrations of volatile and semi-volatile compounds in groundwater. PD intends to redevelop the property in commercial use, including restaurant, retail space and a multi-screen movie theater.

SCHLAGE LOCK FACILITY 3551 North Wesleyan Blvd. Rocky Mount, Nash County PD: Community Resource Exchange	49.15 acre/196,000 square foot former manufacturing facility for lock/doorknob plating and assembly that used PCE as a degreasing solvent. Working with the Hazardous Waste Section as site is a RCRA TSD post-closure facility with active voluntary GW remediation system (Ingersoll-Rand is RP). Chlorinated solvents (PCE, TCE, 1,2-DCE, toluene and acetone are main constituents of concern in both soil and groundwater. PD is non-profit organization who needs loan in order to make improvements to former manufacturing facility in order to provide tenant space for non-profit organizations and possible outparcels for commercial retail businesses.
SCOTLAND MEMORIAL HOSPITAL 600 McLean Street Laurinburg, Scotland County PD: City of Laurinburg 5.3 Acres	The Brownfields Property consists of 4.31 acres and comprises a city block bordered to the north by McLean Street, to the south by West Covington Street, to the east by King Street, and to the west by Malcolm Street, in Laurinburg, Scotland County, North Carolina. The surrounding properties include a city park, a nursing facility, a school, and land in residential and institutional use. The prospective developer has committed itself to redevelopment of the Brownfields Property for no uses other than institutional and recreational purposes (see Land Use Restrictions below).
SHULER PROPERTY US 23/74 & Hyatt Creek Road Waynesville, Haywood Co. PD: Waynesville Commons Retail Assoc, LLC	The property comprises 4.494-acres and was formerly a Drive-In Movie Theater, after which the property was used to dump construction and demolition debris. The PD has committed itself to redevelopment for no uses other than a roadway that provides access to the Brownfields Property to the west, and for restaurants, banks, retail shops, gas station uses, other commercial uses with prior written DENR approval, and offices, plus contiguous accessory uses such as parking areas and service drives.
SINGER COMPANY 357 Amilite Way Chocowinity, Beaufort Co. PD: DMB NC 2, LLC	Abandoned rural manufacturing facility with lead and phthalate contamination in soil and groundwater. The brownfields agreement provides for partial site remediation. PD intends to redevelop the site with mixed retail and light industrial uses.
SMITH METAL & IRON 725 W. 4th Street Charlotte, Mecklenburg Co. PD: City of Charlotte	Former site of a scrap metal yard and of a waste cell created for the temporary disposal of impacted soil removed during the construction of the adjoining Carolina Panther's practice field. The waste in the cell has been removed, and minor chlorinated solvent impacts remain in site groundwater. PD intends to redevelop the site in high density residential with additional office, entertainment, and retail potential.
SMITH PROPERTY 309 Campbell Street Shelby, Cleveland Co. PD: Cleveland County	Project involves the redevelopment of an area occupied by seven underused and dilapidated residential homes with petroleum hydrocarbon and chlorinated solvent contamination in groundwater. PD has the support of local residents to reuse

	the site as a parking lot serving the Cleveland County Offices.
SONOCO FLEXIBLE PACKAGING FACILITY 2203 Hawkins Street Charlotte, Mecklenburg Co. PD: Harris Murr & Vermillion, LLC	It is believed that groundwater and soil are contaminated at the Brownfields Property due to historical activities. The PD intends to redevelop the property for commercial (including retail and office), residential and ancillary purposes.
SOUTH TRYON STREET 2036 S. Tryon Street Charlotte, Mecklenburg Co. PD: Citiline, LLC	A 2.88-acre parcel near historic SouthEnd. PD intends to redevelop the property for commercial purposes such as office and showroom condominiums. Groundwater is contaminated at the property due to historical site operations as industrial/warehouse storage.
SOUTHERN MANUFACTURING 1000 Seaboard Street Charlotte, Mecklenburg Co. PD: Fiber Mills, LLC	This nine-acre site located in inner Charlotte was a former asbestos tile manufacturing facility. Asbestos was discontinued in 1986, and the facility was closed in 1999. The site has asbestos contamination in soils. Intended reuse of the site includes an outdoor amphitheater, a technical business park, or a mixed-use development with industrial, commercial, and residential uses.
SOUTHSIDE PROPERTIES 2208 South Boulevard #2222 Charlotte, Mecklenburg Co. PD: Atlantic Realty Partners, Inc.	The property comprises approximately 4.2 acres and is the former site of operations conducted by, among others, Carolina Metal Products, LLC and Lida Manufacturing Company. Groundwater and soil are contaminated at the site due, on information and belief, to past activities. Southend Realty Partners, LLC intends to effect redevelopment of the Property for residential (including hotel) purposes, and/or for office, merchandise sales space/showroom, food and beverage facility, health/personal care provider and, with prior written DENR approval, other commercial use.
STATE FARM ROAD 660 State Farm Road Boone, Watauga Co. PD: Glen Wilde, LLC	Project involves the redevelopment of property occupied by a rural residence with chlorinated solvent contamination in groundwater and in a spring from an off-site source. PD intends to redevelop the site as a medical office complex.
STONEVILLE FURNITURE CO. 525 S. Henry Street Stoneville, Rockingham Co. PD: Community Resource Exchange	The site is a 22.5 acre historic furniture manufacturer that was idled in 2003. PD plans to redevelop the facility for light industrial, warehousing and flex space, thereby creating at least 200 jobs and greatly improving the tax base. The site has chlorinated solvent impacts to soil and groundwater.

SYNCOT FIBERS 660 State Farm Road Boone, Watauga Co. PD: Glen Wilde, LLC	The Brownfields Property is located at 2459 Wilkinson Boulevard, Charlotte, NC 28208, in Mecklenburg County. The Brownfields Property consists of a two-story (plus basement) brick building containing 56,958 square feet on a 3.136 acre parcel. The site previously was the location of Syncot Fibers, which stored and processed waste cotton and synthetic filler materials to make mattress filler, mops and other products. Prior businesses that operated at the site included offices, laboratories and warehouses of companies that reportedly handled large volumes of dyes and other textile chemicals. The Brownfields Property's soil and groundwater are contaminated.
TARTAN MARINE S. NC Hwy 177 Hamlet, Richmond Co. PD: Chair Specialist Co.	Former boat manufacturing facility with lead contamination in soil. Additional site sampling conducted by the PD has shown previous soil removal actions have left no health-based lead problems. PD intends to redevelop the site as a chair and table base manufacturing facility.
TERRELL MACHINE 3030 South Boulevard Charlotte, Mecklenburg Co. PD: SESCO Group-Carolina Bldg., LLC	Site of former textile manufacturing and gear box machining operations, property in Charlotte's South End district is being redeveloped with ground floor retail and office/residential above. Remedial actions to eliminate hot spot contamination included soil removal and groundwater pump and treat. Land use restrictions are in place to address chlorinated solvent contamination remaining in groundwater.
TOBACCO WAREHOUSE 221-223 NE Main Street Rocky Mount, Edgecombe Co. PD: City of Rocky Mount	The Brownfields Property is an assemblage of 18 contiguous parcels comprising 4.12 acres that encompass a portion of the Douglas Block Redevelopment Area, an historically African-American commercial and residential community near downtown Rocky Mount, Edgecombe County, North Carolina. The parcels are bounded to the west by N.E. Main Street and commercially developed property; to the north by Goldleaf Street; to the east by Albemarle and Atlantic Avenues; and to the south by E. Thomas Street and commercial property. The site previously was the location of large tobacco warehouse facilities, and numerous retail, medical and dental establishments. Soil and groundwater at the property are contaminated.
TOWN & COUNTRY RENT-A-CAR 5324 Independence Blvd. Charlotte, Mecklenburg Co. PD: SRE-North Carolina II, LLC	The property is located at 5324 East Independence Boulevard, Charlotte, Mecklenburg County, North Carolina, and comprises approximately 1.6 acres. It has previously been the site of a heating oil distribution business, a service station, an automobile repair shop, a car wash and a rental car business. Soil at the property is contaminated with gas and diesel range organics. The site has been vacant and idle since July 2004. The prospective developer has committed itself to redevelopment of the property exclusively for

	commercial/office use, through sale of the site to a developer.
V F Site 2831 Wilson Park Road Statesville, Iredell Co. PD: Statesville Partnership LLC	This former textile plant has chlorinated solvent contamination as a result of on-site dry-cleaning operations. The PD plans to upgrade the property for light manufacturing or distribution facility.
VANIER GRAPHICS 655 E. Meadow Road Eden, Rockingham Co. PD: A. C. Furniture Co.	Former printing facility with petroleum and chlorinated hydrocarbon contamination in the soil and solvent contamination in the groundwater. Developer intends to redevelop the site as a furniture assembly and upholstering facility.
WAL-MART – GARNER 4424 Fayetteville Road Garner, Wake Co. PD: WLA Garner Retail, LLC	The Brownfields Property is located at 4500 Fayetteville Road, Garner, Wake County, North Carolina and is associated with the tax parcel identification numbers 1701162830 and 1701169565. The Brownfields Property comprises approximately 21.71 acres. Prospective developer has redeveloped the property as a retail shopping center. The current uses include a retail shopping center with Wal-Mart as the anchor tenant, and attendant parking areas. Residential, office and hotel uses are not currently planned but may occur in the future.
WAL-MART #1666-04 3800-3900 Independence Blvd. Charlotte, Mecklenburg Co. PD: Wal-Mart Real Estate Business	The Brownfields Property comprises 18.79 acres south of East Independence Boulevard and northwest of Pierson Drive in downtown Charlotte, Mecklenburg County, North Carolina. It is the site of the former Amity Gardens shopping center. Groundwater and soil there are contaminated. Prospective developer's plans for the Brownfields Property involve demolition of all existing structures and construction of a large retail store with associated access-ways and parking.
WARREN MARKETING GROUP 626 Greenville Highway Hendersonville, Henderson Co. PD: Carl H. Ricker, Jr.	The Brownfields Property comprises 0.35 acres in Hendersonville, Henderson County, North Carolina. Prospective developer has committed itself to redevelopment of the Brownfields Property for no uses other than a parking lot and access way for an adjacent development. The Brownfields Property's soil and groundwater is contaminated due, on information and belief, to an underground storage tank and possible use as a dry cleaning operation.

WEST END VILLAGE Properties on N. Broad, W. Fourth, W. Fifth, North Green, N. Spring Streets and Brookstown Avenue, Winston-Salem, Forsyth County PD: West End Ventures, LLC	The property is located in western downtown Winston-Salem, Forsyth County, North Carolina, comprises approximately eight (8) acres and is surrounded primarily by commercial development. It is bordered by West Fourth Street to the north, West Second Street to the south, North Broad Street to the east and land in commercial use to the west. The property was mainly residential until around the 1960s to 1970s, after which time most of the site underwent commercial redevelopment in the form of offices, retail businesses and service businesses. Groundwater and soil are contaminated at the property from past site uses. Prospective developer has committed itself to redevelopment of the property for no uses other than mixed commercial and/or high-density residential purposes.
WEST MOREHEAD 1310 W. Morehead Street Charlotte, Mecklenburg Co. PD: Addison Investments, LLC	Former automobile repair and maintenance facility with chlorinated solvent contamination in soil and groundwater. Developer intends to redevelop the site, to include both facility renovation and new construction for use as commercial office/retail.
WEST WORTHINGTON 118 West Worthington Ave. Charlotte, Mecklenburg Co. PD: Design Center Carolinas, LLC	The property is comprised of approximately 0.28 acres in downtown Charlotte, generally at the intersection of West Worthington Avenue and Hawkins Street. The property's groundwater is contaminated with small concentrations of chlorinated solvents. Design Center Carolinas LLC intends to combine the subject property with the adjacent property to the east (at 100 West Worthington Avenue) and effect construction there of a 20-plus story residential building that includes office and/or retail use on the ground level.
WILLARD LEAD FACILITY 101 New Bern Street Charlotte, Mecklenburg Co. PD: Harris Murr & Vermillion, LLC	Groundwater at the approximately 4.5-acre site is contaminated with chlorinated solvents, while soil shows metals contamination. The majority of the property has been vacant since 1996, the PD intends to redevelop the property into residential, retail, and possibly other commercial uses.
WILMINGTON CONVENTION CENTER 525 Nutt Street Wilmington, New Hanover Co. PD: River Ventures, LLC	The property is a former industrial site, approximately 9.22 acres that was most recently used as a petroleum receiving facility for CSX Transportation. Soil and groundwater at the site are contaminated with metals and petroleum constituents. The PD plans to redevelop the property into a publicly owned convention center, parking deck and open space. The redevelopment plans also include a proposed privately owned hotel and restaurant.
WILSON LANDFILL US Hwy 301 South Wilson, Wilson Co. PD: Dillon Properties, LLC	This underused 14-acre site was formerly occupied by a wastewater treatment facility owned and operated by the City of Wilson. The site has known metals contamination in groundwater. Developer intends to redevelop in mixed

	commercial, warehousing, and residential uses.

ACTIVE ELIGIBLE PROJECTS (109)

(PD = Prospective Developer; RP = Responsible Party)

ABBOTT LABORATORIES
16900 Aberdeen Road
Laurinburg, Scotland Co.
PD: Marketta, LLC and QualPak, LLC

ABERNATHY LUMBER
308 Craighead Road
Charlotte, Mecklenburg Co.
PD: NoDa – Tidewater Development

ALLISON MANUFACTURING
930 Old Charlotte Road
Albemarle, Stanly County
PD: NCSC Properties, LLC

AMERICAN TOBACCO HISTORIC DISTRICT
Blackwell & Pettigrew Streets
Durham, Durham County
PD: SBER Development Holdings, LLC

AMP FACILITY
1126 Church Street
Greensboro, Guilford Co.
PD: Church Street Medical, LLC

ARROW LAUNDRY II
1933 E. 7th St. & 1928 E. 8th St.
Charlotte, Mecklenburg Co.
The Conformity Corporation

ASHEVILLE ICE PLANT
90 Riverside Drive
Asheville, Buncombe County
PD: Ice Plant of Asheville, LLP

ASHEVILLE INDUSTRIES
1829 Hendersonville Road
Arden, Buncombe County
PD: Monarch Main LLC

ASHEVILLE WASTE PAPER
304 Lyman Street
Asheville, Buncombe County
PD: Daniel B. Sellers

AVERY DENNISON CORP
2305 Soabar Street
Greensboro, Guilford Co.
PD: Soabar Street, LLC

AVONDALE MILLS
700 West Main Street
Burnsville, Yancey Co.
PD: Tyner Construction Co.

B & H SHEET METAL
115-119 ½ Riverside Drive
Asheville, Buncombe Co.
PD: RiverLink, Inc.

BAKER PROPERTY, former
PIN 0649468316
Holly Springs, Wake Co.
PD: Alminta Partnership

BASF Facility
4330 Chesapeake Drive
Charlotte, Mecklenburg Co.
PD: U.S. Polymers, Inc.

BASF, Former
Sand Hill Road
Asheville, Buncombe Co.
PD: Enka Partners of Asheville, LLC

BAXTER OIL
619 Spartanburg Hwy
Hendersonville, Henderson Co.
PD: Jones Commercial Properties, Inc.

BLOCK 46
1101 D St. & 110 Wilkesboro
North Wilkesboro, Wilkes Co.
PD: Shepherd Real Estate, LLC

BROAD STREET DEVELOPMENT
139 Merrimon Ave
Asheville, Buncombe Co.
PD: Northwest Property Group – Broad St. LLC

BROYHILL FURNITURE
409 4TH Street
Conover, Catawba Co.
PD: City of Conover

BURKE WAREHOUSE
191 Sterling Street, NW
Valdese, Burke Co.
PD: Burke Warehouse Leasing, LLC

BURLINGTON DISTRIBUTION CENTER
6012 High Point Road
Greensboro, Guilford Co.
PD: AZAS, LLC

BURLINGTON TEXTILE MANUFACTURING
700 Quality Road
Fayetteville, Cumberland Co.
PD: CC of Fayetteville

C.P. PROPERTIES
2301 Brown Road
Sanford, Lee Co.
PD: Central Carolina Shredding, LLC

C.C. MANGUM
6105 Chapel Hill Road
Raleigh, NC
PD: CCM 54, LLC

CAMPBELL-EVERHART SITE
Thurmond Road
New Bern, Craven County
PD: Brice's Creek Bible Church

CAPE FEAR MEAT PACKING PLANT
Royster Rd (SR 1431)
Navassa, Brunswick Co.
PD: Town of Navassa

CAROLINA COUNTERS
605 Central Ave. N.
Locust, Stanly Co.
PD: Working Dog, LLC

CAROLINA COVE APPARTMENTS
111 Lakeside Terrace Drive
Greenville, Pitt Co.
PD: Bradley Greenville, LLC

CEDAR CREEK
3468 Cedar Creek Road
Fayetteville, Cumberland Co.
PD: DAK Resins, LLC

CHARLOTTE ARMY MISSILE PLANT
1830 Statesville Ave.
Charlotte, Mecklenburg Co.
PD: MV Acquisitions 1, LLC

CHARLOTTE CHEMICAL LABORATORY
1112 & 1200 South Boulevard
Charlotte, Mecklenburg Co.
PD: 1200 South Boulevard, LLC

CHATHAM PARK

NC Hwy. 268
Elkin, Surry Co.
PD: Town of Elkin

CLIFFSIDE MILLS PROPERTY
272 Main Street
Cliffside, Rutherford County
PD: Cliffside Mills LLC

COLOR WORKS II
3008 and 3010 Executive Dr.
Greensboro, Guilford Co.
PD: Matlab, Inc.

CORTINA FABRICS
3165 Viewmont Drive
Swepsonville, Alamance Co.
PD: Farley Greenhill, LLC

DAY WAREHOUSE
336 Old Lyman Street
Asheville, Buncombe Co.
PD: BD90, LLC

DOLLAR GENERAL
1949 East 7th Street
Charlotte, Mecklenburg Co.
PD: CLHC, LLC

DOUBLE OAKS APARTMENTS
2623 Double Oaks Road
Charlotte, Mecklenburg Co.
PD: Double Oaks Development, LLC

DUKE POWER MGP
321 e. Friendly Ave.
Greensboro, Guilford Co.
PD: Weaver Foundation, Inc.

EDACO JUNKYARD
190 Amboy Road
Asheville, Buncombe Co.
PD: RiverLink, Inc.

EDMUNDS MANUFACTURING
1016 Battleground Avenue
Greensboro, Guilford County
PD: Carroll Investment Properties, LLC

ELKINS CHRYSLER MITSUBISHI
905 East Jackie Robinson Dr.
Durham, Durham Co.
PD: Van Alen Associates, LLC

FABRICTEX
376 Clarks Creek Road
Lincolnton, Lincoln County
PD: CCR Real Estate Holdings, LLC

FLOWSERVE FACILITY
264 Wilson Park Road
Statesville, Iredell Co.
PD: Big Top, LLC

GARCO, INC.
2242 Carl Dr.
Asheboro, Randolph Co.
PD: P & R Development, LLC

GLEN RAVEN MILLS
114 Raven Circle
Kings Mountain, Cleveland Co.
PD: Consortium for Progress

GOLDTEX PLANT FACILITY
401 Patetown Road
Goldsboro, Wayne Co.
PD: Scouts, LLC

GREEN VALLEY OFFICE PARK
706, 708, 802, 804 and 806 Green Valley Road
Greensboro, Guilford Co.
PD: SL Green Valley, LLC

GREY HOSIERY MILL
Fourth and Laurel Streets
Hendersonville, Henderson Co.
PD: Old Mill Arts Committee

HAMILTON BEACH
234 Springs Road
Washington, Beaufort Co.
PD: Beaufort County Committee of 100

HANESBRANDS THEATRE
201 N. Spruce St.
Winston-Salem, Forsyth Co.
PD: The Arts Council

HERITAGE SQUARE
401 E. Lakewood Ave.
Durham, Durham Co.
PD: Woodlake Avenue Partners, LLC

HISTORIC BILTMORE VILLAGE II
One Fairview Road
Asheville, Buncombe Co.
PD: Historic Biltmore Village II, LLC

HOLMES PROPERTY
450 and 498 Carolina Pines Avenue, and
500 Granite Road
Raleigh, Wake County
PD: South Saunders Redevelopment LLC

HOME INNOVATIONS SITE
Hwy 52 S and Ratliff Gin Road
Morven, Anson Co.
PD: Dan River Inc.

HONDROS PROPERTY
9101 and 9111 Nations Ford Rd.
Charlotte, Mecklenburg Co.
PD: Arrowood Nations Ford Property, LLC

HUNT MANUFACTURING
2301 Speedball Road
Statesville, Iredell County
PD: Speedball Road LLC

HUTCHINSON SHOPPING CENTER
N. Graham and W. 24th Street
Charlotte, Mecklenburg Co.
PD: MV Graham II, LLC

IMPERIAL CAMPUS
701 Atlantic Ave.
Greenville, Pitt Co
PD: Atlantic Avenue Holding Co., LLC

JDS UNIPHASE (CREE)
3026 Cornwallis Road
Research Triangle Park, Wake County
PD: Cree, Inc.

KAYSER ROTH PROPERTY
219 Harden St.
Graham, Alamance Co.
PD: Jay L. Burke Rentals Inc.

KNITCRAFT MANUFACTURING
135 Knitcraft Access Road
Belmont, Gaston Co.
PD: Green Hall, LLC

KNOB CREEK PROPERTY
1185-1190 Drexel; Road
Morganton, Burke Co.
PD: McCrorie Properties, LLC

KOLORTEX FACILITY
2810, 2900 and 2910 Horseshoe Lane
Charlotte, Mecklenburg Co.
PD: Carolina Realty Holdings, LLC

LEXINGTON HOME BRANDS PLANT #1
S. Salisbury Street
Lexington, Davidson Co.
PD: City of Lexington

MASONITE CORPORATION
518 Old Franklin Road
Spring Hope, Nash Co.
PD: Xethanol Corporation

MILLENNIUM FUND
923, 955, 967 Brookstown Avenue
Winston-Salem, Forsyth County
PD: The Millennium Fund

MITCHELLS FORMAL WEAR
115-145 Scaleybark Road
Charlotte, Mecklenburg County
PD: Crosland Centre Associates

NACCO MATERIALS
2040 Morganton Boulevard SW
Lenoir, Caldwell Co.
PD: SV Lim Holdings, LLC

NATURE'S EARTH PELLETS
16900 Aberdeen Rd.
Laurinburg, Scotland Co.
Scotland Holdings, LLC

NORTH TRYON COMMERCIAL
2205-2221 and& 2229 N. Tryon St.
Charlotte, Mecklenburg Co.
PD: MV Tryon II, LLC

NU-TREAD TIRE COMPANY
545 Foster Street
Durham, Durham Co.
PD: Durham CREDO-1, LLC

OLD WNC FAIRGROUNDS
Intersection of James Street and Mill Street
East Flat Rock, Henderson County
PD: Henderson County Public Schools

PACE BOAT AND RV PARK
Freedom Park Road
Beaufort, Carteret Co.
PD: Blue Treasure, LLC

PARK BOAT COMPANY
Intersection of W. Third and Van Norden Streets
Washington, Beaufort County
PD: Washington Center LLC

PIEDMONT TRIAD RESEARCH PARK
Various properties east and south of downtown Winston-Salem
Winston-Salem, Forsythe County
PD: PTRP Holdings, LLC

PILOT CENTER
1612 E. Main Street
Pilot Mountain, Surry Co.
PD: Town of Pilot Mountain

POND ROAD LANDFILL
PD: Sonia Gribble
79 Pond Road
Asheville, Buncombe County

PROCTOR PROPERTY
4084 NC Highway 186
Seaboard, Northampton Co.
PD: North Carolina Biofuels, LLC

PROGRESS ENERGY
305 AND327 South Wilmington St.
Raleigh, Wake Co.
PD: Hamilton Merritt, Inc.

RACHEL STREET
2404 Rachel St.
Charlotte, Mecklenburg Co.
PD: Charlotte-Mecklenburg Housing Partnership

RADIATOR SPECIALTY
1900 Wilkinson Boulevard
Charlotte, Mecklenburg Co.
PD: Suttle Avenue, LLC

RALEIGH CONVENTION CENTER
600, 602 and 616 South Salisbury St.
Raleigh, Wake Co.
PD: Empire Historic Development, LLC

RBC TOWER PARKING DECK
331 S. Wilmington St.
Raleigh, Wake Co.
PD: Highwoods 301 Fayetteville Street, LLC

SCHRADER-BRIDGEPORT
1609 Airport Road
Monroe, Union Co.
PD: Carolina Classifieds.com, LLC

SCOTT AVIATION
309/310 W. Crowell Street
Monroe, Union County
PD: City of Monroe

SILVERMAN PROJECT
48 Swannanoa River Road
Asheville, Buncombe Co.
PD: AWANASA. LLC

SLOSMAN PROPERTY
9 and 9A Reed Road
Asheville, Buncombe Co.
PD: Historic Biltmore Village II, LLC

SOUTH ELM STREET
44 properties along South Elm St.
Greensboro, Guilford County
PD: City of Greensboro, Dept. of Housing and Urban Development

SOUTH END TRANSIT ORIENTED DISTRICT
2316 South Boulevard
Charlotte, Mecklenburg Co.
PD: Cherokee Investment Partners IV, LLC

SOUTHERN FURNITURE
415 Peanut Road
Elizabethtown, Bladen Co.
PD: Town of Elizabethtown

SPARTA TEAPOT MUSEUM
48, 90, 114 West Whitehead St; and 111 West Doughton Street
Sparta, Alleghany County
PD: New River Community Partners

STRATFORD METAL FINISHING
807 S. Marshall Street
Winston-Salem, Forsyth County
PD: City of Winston-Salem

SWIFT ADHESIVES
9724 Industrial Drive
Pineville, Mecklenburg Co.
PD: Bjorn Industries, Inc.

TAR HEEL LIFT
7055 Albert Pick Road
Greensboro, Guilford Co.
PD : Albert Pick, LLC

TEXFI - HAW RIVER
105 Stone St.
Haw River, Alamance Co.
PD: Haw River Historic Development

TEXFI INDUSTRIES – FAYETTEVILLE
601 Hoffer Dr.
Fayetteville, Cumberland Co.
PD: City of Fayetteville

TEXFI - NEW BERN
Bosch Boulevard
New Bern, Craven County
PD: MGR, LLC

TFI FINISHING BUILDING WEST
1200 Patterson Avenue
Winston-Salem, Forsyth Co.
PD: City of Winston-Salem

TRIANGLE DRIVE PROPERTY
6009 Triangle Drive
Raleigh, wake Co.
PD: Thornwood Partners, LLC

TYNER STREET REDEVELOPMENT
7810-7842 Tyner St.
Charlotte, Mecklenburg Co.
PD: Tyner Street Investments, LLC

UNIVERSAL STAINLESS
10801 Nations Ford Road
Charlotte, Mecklenburg Co.
PD: ADH Properties, LLC

VIRGINIA MILLS PLANT
2703 Swepsonville-Saxapahaw Rd.
Swepsonville, Alamance Co.
PD: Virginia Mills Associates, LLC

VIRKLER FACILITY II
1000 & 1010 Pressley Road
Charlotte, Mecklenburg Co.

PD: Old Steel, LLC

WATER'S OIL
Highway 17 South
Washington, Beaufort Co.
PD: Bridge Harbor, LLC

WEST MOREHEAD HEADQUARTERS UPFIT
2401 W. Morehead St, 2225 and 22215 Arty Ave, 2300 Wilkerson Blvd.
Charlotte, Mecklenburg Co.
PD:D & R Properties of Charlotte, LLC

WEST PHARMACEUTICAL
2525 Rouse Rd. Extension
Kinston, Lenoir Co.
PD: NC Global Transpark Authority

WHITIN ROBERTS DEVELOPMENT
202 Maple Ave.
Sanford, Lee Co.
PD: City of Sanford

WILMINGTON SCRAP IRON & METAL
710 S. 6th Street
Wilmington, New Hanover Co.
PD: Indie Ice Company, LLC

PROJECTS PENDING ELIGIBILITY (29)

Project Name	City	County
American Non-Woven	High Point	Guilford
Aquair, Former	Charlotte	Mecklenburg
Art Museum	Raleigh	Wake
Athol Manufacturing	Butner	Granville
City of Washington Future Development	Washington	Beaufort
Cleveland Ridge Apartments	Kings Mountain	Cleveland
Cone Mills Granite	Haw River	Alamance
Cone Mills Plant	Greensboro	Guilford
Ecusta II	Brevard	Transylvania
Ecusta Mill Property	Pisgah Forest	Transylvania
Geltman Corp	Conover	Catawba
Guilford Orthopaedic Property	Greensboro	Guilford
Hanesbrands Theater	Winston-Salem	Forsyth
Heatcraft Facility	Wilmington	New Hanover
Hilemn Laboratories	Greensboro	Guilford
J. G. Hardison Site	Roxboro	Person
Lexington Furniture – 1	Lexington	Davidson
Lexington Furniture – 2	Lexington	Davidson
Regal Manufacturing	Hickory	Catawba
Sears Service Center	Charlotte	Mecklenburg
Spectrum Mills	Kings Mountain	Cleveland
Stevcoknit Fabrics	Wallace	Duplin
Sun Chemical Facility	Winston-Salem	Forsyth
Traders Chevrolet	Greensboro	Guilford
Webster Property	Mebane	Alamance
Wilma Dykeman Riverway	Asheville	Buncombe
Wix Filtration	Gastonia	Gaston
Wrenn Field	Durham	Durham
Wrights Executive Sales	Durham	Durham

North Carolina General Assembly

ENVIRONMENTAL REVIEW COMMISSION

MINUTES

March 18, 2010
10 a.m.
Room 544
Legislative Office Building

Welcome and Attendance

The Environmental Review Commission of the North Carolina General Assembly met Thursday, March 18, 2010 in Room 544 of the Legislative Office Building. Co-Chairman Lucy Allen presided.

Attending the day's Commission meeting with Chairman Allen was Co-Chairman Dan Clodfelter, Co-Chairman Pryor Gibson, Senator Katie Dorsett, Senator Ellie Kinnaird, Senator A. B. Swindell, Advisory Member Senator Fletcher Hartsell, Representative Cullie Tarleton, Representative Ruth Samuelson, Representative Edith Warren, Representative Larry Womble and Advisory Member Representative Johnathan Rhyne. Staff present were Senior Commission Counsel Jennifer McGinnis, Senior Commission Counsel Jeff Hudson, Commission Counsel Susan Iddings, Commission Counsel Tim Dodge, Commission Analyst Jennifer Mundt, Research Assistant Mariah Matheson and Commission Assistant Jessica Kozma Proctor.

The meeting was promptly called to order at 10 a.m.

Co-Chairman Allen asked for any introductory comments from members. She then asked for any changes to the December 15, 2009 minutes. Hearing none, she asked for a motion to approve. The motion was made by Representative Tucker, and seconded by Representative Tarleton. Minutes were approved by unanimous vote.

Ms. McGinnis was recognized by the Co-Chair to review the day's agenda. Following this, Mr. Edward Finley, Chairman of the North Carolina Utilities Commission was called to update the Commission on current compliance with the North Carolina Renewable Energy Efficiency Portfolio Standards (Senate Bill 3). Mr. Finley approached the podium and thanked Co-Chairman Allen and the Commission for their continued interest in the legislation.

Report on the implementation of the North Carolina Renewable Energy and Energy Efficiency Portfolio Standards and subsequent proceedings

Mr. Finley used a PowerPoint presentation to aid his report. This presentation is attached to the minutes and may also be found on the Commission's webpage at www.ncleg.net.

Reviewing highlights of Senate Bill 3, Mr. Finley pointed out that upon enactment in 2007, the State was the first in the southeast to adopt a renewable portfolio standard. In this legislation Renewable Energy Portfolio Standards (REPS) may be met through combination of renewable energy generation and energy efficiency savings. REPS compliance costs are recovered through a rate rider, Mr. Finley reported, and the legislation further provides the "timely cost recovery for new demand-side management programs and energy efficiency measures by electric public utilities, including the opportunity for appropriate utility incentives."

He reviewed past reports to the General Assembly and what compliance requirements are mandated by the legislation. Mr. Finley then reviewed "issues in interpreting Senate Bill 3." These issues as well as conclusions regarding these issues may be found on pages seven through 13 of his report.

Moving to Page 14 of the report, Mr. Finley reviewed "REPS Compliance by the Electric Power Suppliers." In this segment he discussed mandates for public utilities. These utilities are:

- Required to file an annual REPS compliance plan, a forward looking forecast of its REPS requirement and plan for meeting that requirement:
- Mandated to file an annual REPS compliance report, looking back at RECs earned or purchased and energy savings actually realized during the prior calendar year;
- Obligated to recover REPS compliance costs through the rate rider and;
- Allowed to recover co-sets of new DSM and EE programs through rate riders.

Mr. Finley thanked the Commission again for their time and interest. Co-Chairman Allen called for discussion. Representative Samuelson was recognized by the Co-Chairman and asked Mr. Finley to return to Page 13 of his report. She then said that it "seems like when I read this that even if systems are less efficient they get priority, and that can cause us to hit the price cap without having the overall purpose of the renewable." Mr. Finley answered that this "was one way of looking at it," and added that he felt the General Assembly set this issue "aside" because of certain reasons like this.

Representative Tarleton was recognized and thanked Mr. Finley and their Co-Chairman. He asked "if a constituent asked 'are North Carolina utility companies on track to accomplish the goals of Senate Bill 3,' could I be comfortable answering 'yes' to that." Mr. Finley answered that he "could answer yes but how comfortably would be a different matter." He then explained that new tenets of the legislation begin this year through 2012, including a solar requirement, and that utilities will "clearly" meet these requirements during the legislation's early implementation years.

Co-Chairman Gibson was recognized by Co-Chairman Allen. He cautioned the Commission that he was "not going to show (my) usual goofiness." The Co-Chairman praised the utilities commission and its staff for their work to assist in the implementation of Senate Bill 3. He then discussed the bill from the vantage point of a legislator: "let me tell you sir, our intention was to make as good a document and policy as we possibly can."

Progress Energy Carolinas lobbyist Kathy Hawkins was asked to assist in finding additional information regarding Progress Energy's solar facility for the Commission. She agreed to do so.

Co-Chairman Clodfelter was recognized. He began saying the quickest way to drive down costs is to "quickly build up supply chains." He added the he would encourage our utility commission to "not be too conservative in the approval of riders."

As discussion ended, Co-Chairman Allen thanked Mr. Finley, noting that his report was "a very understandable report about a very un-understandable subject."

Quarterly reports by the Environmental Management Commission (EMC) as to its operations, activities, programs and progress for the periods from October 2009 through December 2009 and January 2010 through March 2010 (G.S. 143B-282(b))); and update on the status of the rulemaking process to implement the nutrient management strategy and the turbidity strategy for Upper Falls Lake

Co-Chairman Allen recognized Mr. Stephen T. Smith, Chairman of the Environmental Management Commission. Two reports were submitted for the record. Both reports are attached to the minutes and may also be found on the Commission's webpage located at www.ncleg.net. Mr. Smith thanked the Commission and began his report.

Reviewing the activities of the EMC during the last quarter of 2009 regarding nutrient control strategies for Falls Lake, Mr. Smith reported that on November 19, 2009, the EMC approved the Falls Lake "calibrated nutrient response model" for use by the Division of Water Quality (DWQ). Prior to its approval, DWQ held a series of stakeholder meetings, including one in August, 2009 to discuss a new timeline and requirements as charged by the legislation enacted by 2009 General Assembly.

Mr. Smith then briefly reported on the progress of nutrient management strategies for the B. Everett Jordan Reservoir. This included rules being approved by the EMC in 2008, with review by the General Assembly in 2009. These rules became effective August 11, 2009. Currently, requirements of the rules and outreach activities are underway by DWQ.

Reporting on the activities of the EMC during the first quarter of 2010, Mr. Smith reported that because of legislation passed in 2005 (S. L. 2005-190) and then revisited through Senate Bill 1020 during the 2009 General Assembly, the EMC has until January 15, 2011 to adopt final rules. Continuing, Mr. Smith reported that on March 11, 2010 the EMC approved draft rules to proceed to public hearing and comment regarding Falls Lake. Public hearings are scheduled for April 2010, with a public comment period to follow during the spring and summer of 2010. A report from hearing officers and recommendations to the EMC are scheduled for the November 2010 meeting.

Co-Chairman Allen thanked Mr. Smith for his report and called upon Commission members for discussion. Co-Chairman Gibson asked about a potential idling and boiler standard, and whether such a standard "was underway." Mr. Smith answered that "that's what I'm told." Co-Chairman Gibson followed up saying that concerning the diesel standard "(the State), needed a redline on what's going on with other states like Georgia and Tennessee." He continued saying he was not "excited" about doing an idling standard without knowledge of neighboring states and their potential participation in such a standard.

The rule process was reviewed. Co-Chairman Gibson commented that he "cannot see people having a heart attack" under his tenure and that he "cannot imagine doing a diesel rule without all understanding" of why the standard is necessary.

Before ending his report, Mr. Smith reviewed concerns of interest for this year's legislative session. Co-Chairman Allen thanked Mr. Smith for his report.

Annual report on activities associated with the Sedimentation Pollution Control Act of 1973

Co-Chairman Allen recognized Mr. James D. Simons, the Director of the Division of Land Recourses and State Geologist (DENR) to present to the Commission. Mr. Simons used a PowerPoint presentation to assist with his report. This presentation may be found attached to the minutes or at the Commission's webpage at www.ncleg.net. In addition, a resolution by the sedimentation control board may also be found attached to the minutes and uploaded to the Commission's webpage.

Mr. Simons reviewed sites and personnel for his program, noting that there are 61 positions statewide to implement the sedimentation program. Among activities for the fiscal year of 2008-2009, he reported:

- There were 3,260 erosion and sedimentation control plan reviews;
- Express permit reviews decreased to 434, from 584 in the previous fiscal year;
- 19,844 sedimentation site inspections occurred, with 557 notices of violation and 60 enforcement case referrals.

In the same fiscal year, 45 penalties were issued from 60 referrals for further enforcement. Mr. Simons reviewed amendments, including that "if injunctive relief is sought pursuant to the (act), notice should be filed with the Clerk of Superior Court in accordance with N.C. General Statute 1-177;" that the expiration date of approved erosion and sedimentation control plans is extended until after December 31, 2014 and that permanent rules for the Falls Lake Watershed be developed by December 31, 2011.

Noting some regulatory issues, Mr. Simons discussed problems with bankrupt and abandoned sites and concern about development on steep slopes on mountainous ranges. Among budgetary issues, Mr. Simons said that like all of the State, funds were "significantly" drained from the previous year. Due to the economic downturn, four positions were eliminated to meet budget reductions, with five additional positions still vacant. He also noted a large discrepancy in the per acre cost of reviewing erosion and sedimentation control plans between State and local authorities. Minimal discussed ensued, and Co-Chairman Allen thanked members, staff and visitors for their participation in the day's meeting.

Adjournment

She then adjourned the meeting at 12:54 a.m.

Co-Chairman Lucy Allen
Presiding

Co-Chairman Pryor Gibson

Jessica Kozma Bennett
Commission Clerk

General Assembly of North Carolina

Environmental Review Commission
State Legislative Building
Raleigh, North Carolina

CO-CHAIRS
SENATOR ROBERT C. ATWATER
SENATOR DANIEL G. CLODFELTER

REPRESENTATIVE LUCY T. ALLEN
REPRESENTATIVE PRYOR A. GIBSON

MEMBERS
SENATOR CHARLES W. ALBERTSON
SENATOR STAN W. BINGHAM
SENATOR KATIE G. DORSETT
SENATOR ELEANOR G. KINNAIRD
SENATOR FLOYD B. MCKISSICK, JR.
SENATOR A.B. SWINDELL

REPRESENTATIVE PRICEY HARRISON
REPRESENTATIVE CAROLYN H. JUSTICE
REPRESENTATIVE RUTH SAMUELSON
REPRESENTATIVE CULLIE TARLETON
REPRESENTATIVE EDITH D. WARREN
REPRESENTATIVE LARRY W. WOMBLE

ADVISORY MEMBERS
SENATOR JAMES S. FORRESTER
SENATOR FLETCHER L. HARTSELL
SENATOR JOE SAM QUEEN

REPRESENTATIVE JOHNATHAN RHYNE
REPRESENTATIVE RUSSELL E. TUCKER

JEFF W. HUDSON
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545 LEGISLATIVE OFFICE BUILDING
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SUSAN S. IDDINGS
COMMISSION COUNSEL

JENNIFER L. McGINNIS
COMMISSION COUNSEL

JENNIFER R. F. MUNDT
COMMISSION ANALYST

TIMOTHY R. DODGE
COMMISSION COUNSEL

MARIAH B. MATHESON
COMMISSION ASSISTANT

JESSICA K. PROCTOR
COMMISSION CLERK

AGENDA

10:00 a.m. Thursday, March 18, 2010
Room 544 Legislative Office Building
Raleigh, North Carolina

1. Call to order
   Representative Lucy T. Allen, Presiding

2. Introductory remarks by Cochairs *(5 minutes)*
   Senator Robert C. Atwater
   Senator Daniel G. Clodfelter
   Representative Lucy T. Allen
   Representative Pryor A. Gibson

3. Report to the Commission and explanation of agenda items *(5 minutes)*
   Jennifer McGinnis, Commission Counsel

   Approval of the minutes for the December 17, 2009 meeting of the Commission

4. Report on the implementation of the North Carolina Renewable Energy and Energy Efficiency Portfolio Standards and subsequent proceedings (S.L. 2007-397; Senate Bill 3) *(45 minutes)*
   Edward S. Finley, Jr., Chairman
   North Carolina Utilities Commission

5. Quarterly reports by the Environmental Management Commission (EMC) as to its operations, activities, programs, and progress for the periods from October 2009 through December 2009 and January 2010 through March 2010 G.S. 143B-282(b)); and update on the status of the rulemaking process to implement the nutrient management strategy and the turbidity strategy for Upper Falls Lake (S.L. 2009-486, Sec. 1(c) *(30 minutes)*
   Stephen T. Smith, Chairman
   Environmental Management Commission

6. Annual report on activities associated with the Sedimentation Pollution Control Act of 1973 (G.S. 113A-67) *(15 minutes)*
   James D. Simons, Director and State Geologist
   Division of Land Resources, DENR

7. Commission discussion and announcements

8. Adjourn

FUTURE MEETINGS:

The Environmental Review Commission will meet on the following dates at 10:00 a.m. in Room 544 of the Legislative Office Building, Raleigh, North Carolina. **This schedule is tentative and subject to adjustment.** For planning purposes, however, please reserve these dates. This schedule may be modified to allow for out-of-town business meetings or site visits and in the event that it becomes necessary to cancel a scheduled meeting due to hazardous weather conditions.

Thursday, April 15, 2010

ADDITIONAL INFORMATION:

Persons having questions about the Commission meeting or other matters related to the Commission may contact Jennifer McGinnis, Commission Counsel, or other Commission staff at (919) 733-2578 or may visit the Commission's website at
http://www.ncleg.net/gascripts/DocumentSites/browseDocSite.asp?nID=12

NORTH CAROLINA GENERAL ASSEMBLY
ENVIRONMENTAL REVIEW COMMISSION

VISITOR REGISTRATION SHEET

Thursday, March 18, 2010 10 a.m. Room 544 LOB

NAME	FIRM OR AGENCY AND ADDRESS
Anne Coan	NC Farm Bureau Federation
Tom Beran	NCEDF, NCSEA, NCWF
Tracy Kimbrell	Parker Poe.
Armeann Isserain	Intern for Rep. Percy Harrison
Hayley Rogers	North Carolina Rural Water Assoc.
Austin Hall	Appalachian Voices
Dan Conrad	NCCN
Daniel Ambrin	ElectriCities
L. Andrews	NCFB
W. Gordon Calgan	Personal Interest
TAD BOGGS	NCDENR

NORTH CAROLINA GENERAL ASSEMBLY
ENVIRONMENTAL REVIEW COMMISSION

VISITOR REGISTRATION SHEET

Thursday, March 18, 2010 10 a.m. Room 544 LOB

NAME	FIRM OR AGENCY AND ADDRESS

NORTH CAROLINA GENERAL ASSEMBLY
ENVIRONMENTAL REVIEW COMMISSION

VISITOR REGISTRATION SHEET

Thursday, March 18, 2010 10 a.m. Room 544 LOB

NAME	FIRM OR AGENCY AND ADDRESS
Bo Somers	Duke Energy
Michelle C. Vaught	Potash Corp (PCS Phosphate)
Lee Ann [illegible]	DLC
Preston Howard	NCIC
Bob [illegible]	NCFA
Kathy Hawkins	Progress Energy

NORTH CAROLINA GENERAL ASSEMBLY
ENVIRONMENTAL REVIEW COMMISSION

VISITOR REGISTRATION SHEET

Thursday, March 18, 2010 10 a.m. Room 544 LOB

NAME	FIRM OR AGENCY AND ADDRESS

NORTH CAROLINA GENERAL ASSEMBLY
ENVIRONMENTAL REVIEW COMMISSION

VISITOR REGISTRATION SHEET

Thursday, March 18, 2010 10 a.m. Room 544 LOB

NAME	FIRM OR AGENCY AND ADDRESS
Jeff Manning	NCDWQ
TRACY DAVIS	NCDENR - DIV. OF LAND RESOURCES
David Ward	49 State St Marion NC 28752 EnviroCert International, Inc.
Ted Sherrod	International Erosion Control Assn. Southeast Chapter NC Representative Raleigh, NC
Drew Ball	NC Sierra Club
Travis Haggett	NC Sierra Club
Nich Tosco	NCLM
JOHN SHAW	SIERRA CLUB - CAPITAL GROUP

NORTH CAROLINA GENERAL ASSEMBLY
ENVIRONMENTAL REVIEW COMMISSION

VISITOR REGISTRATION SHEET

Thursday, March 18, 2010 10 a.m. Room 544 LOB

NAME	FIRM OR AGENCY AND ADDRESS
[illegible]	Biofuels Ctr of NC
Kris Coracini	EDF
Seta Effaian	N.C. Energy Office
James Kirby	Office of Sen. Queen
James Somers	NCDENR Land Res
Francis M. Nevils	NCDENR - DLR
Sushma Masemore	NCDENR - DAQ
Joelle Burleson	NCDENR - DAQ
Keith Overcash	DAQ
Colunit-Sullins	DWQ

NORTH CAROLINA GENERAL ASSEMBLY
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VISITOR REGISTRATION SHEET

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NAME	FIRM OR AGENCY AND ADDRESS
Jim Lowry	NC Utility Contractors Assn
Chris Ayers	Poyner Spruill, LLP
David Nicky	BASF
Doug Lassiter	NCSTA
Beau Memory	NCDOT
June Blotnick	Clean Air Carolina
Matt Tucker	RSG Engineering
Steve Wall	DENR
Steve Smith	EMC
Sarah Clapp	NCWRC

Implementation of Senate Bill 3 (Session Law 2007-397)

Presented to

Environmental Review Commission

Edward S. Finley, Jr., Chairman

www.ncuc.net

March 18, 2010

Who We Are

NORTH CAROLINA UTILITIES COMMISSION

Commissioners

Edward S. Finley, Jr., Chairman

Lorinzo L. Joyner
William T. Culpepper, III
Bryan E. Beatty

Susan W. Rabon
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Renewable Energy and Energy Efficiency Portfolio Standard (REPS)

- In 2007, North Carolina became the first State in the Southeast to adopt a renewable portfolio standard – Session Law 2007-397 (Senate Bill 3)
- REPS requirement may be met through combination of renewable energy generation and energy efficiency savings
- REPS compliance costs are recovered through a rate rider
- Legislation further provides timely cost recovery for new demand-side management (DSM) programs and energy efficiency (EE) measures by electric public utilities, including the opportunity for appropriate utility incentives

Reports to the General Assembly Regarding REPS, DSM/EE

- 2008 Annual Report Regarding Renewable Energy and Energy Efficiency Portfolio Standard in North Carolina, October 1, 2008
- 2009 Annual Report Regarding Renewable Energy and Energy Efficiency Portfolio Standard in North Carolina, October 1, 2009
- Biennial Report on Proceedings for Electric Utilities involving Energy Efficiency and Demand-Side Management Programs, Cost-Recovery and Incentives, September 1, 2009
- The Results of Cost Allocations for Electric Utilities, October 1, 2009

REPS Compliance Requirement

- REPS requirement applies to investor-owned electric utilities (electric public utilities), electric membership corporations (EMCs), and municipally-owned electric suppliers
- General REPS requirement increases from 3% in 2012 to 12.5% by 2021 (for electric public utilities)
- Specific set-asides established for energy derived from the sun (beginning in 2010) and from poultry and swine waste
- Cap imposed on incremental cost of compliance

REPS Implementation by the Commission

- On August 23, 2007, the Commission issued an Order initiating a rulemaking proceeding to adopt rules to implement Senate Bill 3
- On February 29, 2008, the Commission issued an Order addressing 105 issues (identified in the comments received from 24 entities) and adopting final rules
- Subsequently, the Commission has issued numerous additional orders resolving questions of statutory interpretation

Issues in Interpreting Senate Bill 3

G.S. 62-133.8(b)(2)(d) allows an electric public utility to count towards REPS compliance power purchased from a new renewable energy facility located outside of North Carolina if the power is delivered to the North Carolina utility. G.S. 62-133.8(b)(2)(c) allows the electric public utility to count toward REPS compliance RECs derived from out-of-state facilities, but only up to 25% of its REPS requirement.

A renewable generator in South Carolina generates electricity and produces steam. It contracts to sell the electricity and associated RECs to a North Carolina utility. It sells the steam to an industrial host, but sells the RECs associated with the steam to the North Carolina utility under the same contract. Do all REC's purchased count toward REPS compliance?

The Commission concluded that all RECs may count toward REPS compliance. However, the RECs associated with the steam were limited by the 25% out-of-state cap, while the RECs associated with the electric power were not.

Issues in Interpreting Senate Bill 3

G.S. 62-133.8(b)(2)(b) allows an electric public utility to meet its REPS obligation by using "a renewable energy resource to generate electric power at a generating facility other than the generation of electric power from waste heat derived from the combustion of fossil fuel." G.S. 62-133.8(a)(8) includes hydropower as a "renewable energy resource."

May the electric public utility count toward REPS compliance all of the power generated at its own hydroelectric power facilities?

The Commission concluded that an electric public utility may not count all of its own hydroelectric generation toward REPS compliance. Only increments of capacity 10 MW or less installed after January 1, 2007, qualify for REPS compliance. G.S. 62-133.8(a)(5)(a) and (7) limit the utility's use of hydroelectric power for REPS compliance to that produced by "new" hydroelectric generating capacity of 10 MW or less. Also, the Commission concluded that a "facility" is not the individual units in a combined hydroelectric generating station.

Issues in Interpreting Senate Bill 3

G.S. 62-133.8(a)(8) defines "renewable energy resource" to include "a biomass resource, including agricultural waste, animal waste, wood waste, spent pulping liquors, combustible residues, combustible liquids, combustible gases, energy crops, or landfill methane."

Among the fuel sources a renewable generator seeks to use is shredded used tires. Are used tires a renewable energy resource so that the generator earns RECs that may be used for REPS compliance?

The Commission concluded that used tires are a renewable biomass resource, but only to the extent that the generator can demonstrate that natural rubber from rubber trees is used to produce the tires.

Issues in Interpreting Senate Bill 3

G.S. 62-133.9(e) requires the Commission to assign DSM and EE costs and to "assign the costs of programs only to the class or classes of customers that directly benefit from the programs." "Directly benefit" is not defined.

Wholesale customers benefit from DSM and EE through reductions in demand and resultant rates that are lower than they otherwise would be. Should DSM and EE costs be assigned to wholesale customers?

The Commission concluded that such costs should not be assigned to wholesale customers. The benefits to those customers are not direct. A direct benefit is a benefit to a program participant, e.g., an incentive for installing home insulation or allowing the utility to turn off an air conditioner or hot water heater.

Issues in Interpreting Senate Bill 3

G.S. 62-133.9(f) states: "None of the costs of new DSM or energy efficiency measures of an electric power supplier shall be assigned to any industrial customer that notifies the industrial customer's electric power supplier that, at the industrial customer's own expense, the industrial customer has implemented at any time in the past or … will implement alternative DSM and energy efficiency measures and that the industrial customer elects not to participate in DSM or energy efficiency measures under this section."

An industrial customer that implements its own alternative DSM and EE programs notifies its electric power supplier that it elects not to participate in any of the utility's DSM or EE measures. Subsequently, the utility implements a program under its sole control that results in distribution system voltage reductions on the utility's side of the electric meter. All of the utility's customers, including this industrial customer, arguably participate and benefit. May the costs of the program be assigned to this industrial customer?

The Commission concluded that such costs could not be assigned to an industrial customer that has opted out. Even though that customer cannot elect whether or not to participate in the program, the word "none" means that the customer is exempt from paying for all of the utility's DSM and EE "measures."

Other Implementation Issues Resolved by the Commission

- Each electric power supplier's REPS obligation, both the set-aside requirements and the overall REPS requirement, should be based on its prior year's actual North Carolina retail sales, i.e., the percentage requirements only change in the years stated, but the actual compliance requirements may vary each year based upon the prior year's actual North Carolina retail sales
- Tennessee Valley Authority's distributors making retail sales in North Carolina and electric membership corporations headquartered outside of North Carolina that serve retail electric customers with the State must comply with the REPS requirement, but university-owned electric suppliers do not

Other Implementation Issues Resolved by the Commission (cont'd)

- The 25% limitation on the use of out-of-state RECs applies to the general REPS obligation and each of the individual set-aside provisions; Dominion is expressly exempted from the 25% limitation
- The solar, swine waste, and poultry waste set-aside requirements should have priority over the general REPS requirement where both cannot be met without exceeding the per-account cost cap
- The electric power suppliers are charged with collectively meeting the aggregate swine and poultry waste set-aside requirements, and they may agree among themselves how to collectively satisfy those requirements

REPS Compliance by the Electric Power Suppliers

- Required to file annual REPS compliance plan, a forward-looking forecast of its REPS requirement and plan for meeting that requirement
- Also required to file annual REPS compliance report, a look back at the RECs earned or purchased and energy savings actually realized during the prior calendar year
- Electric public utilities recover REPS compliance costs through rate rider
- Electric public utilities also allowed to recover costs of new DSM and EE programs through rate rider

Progress Energy Carolinas

- Has entered into a number of contracts for renewable energy and RECs, and has begun implementing a number of DSM/EE programs approved by the Commission
- Current monthly REPS rider charge of $0.65 per residential account, $3.22 per commercial account, and $32.20 per industrial account
- Based on estimated number of customer accounts in 2010, REPS incremental cost cap approximately $20.8 M in 2010, $66 M in 2015

Progress Energy Carolinas (cont'd)

- Cost recovery mechanism for new DSM/EE programs based on a "sharing of the savings" model approved by Orders dated June 15, 2009, and November 25, 2009
- Projects spending of almost $430 M between 2007 and 2013 on new DSM/EE programs, $260 M for Distribution System Demand Response (DSDR) program
- Current DSM/EE rider charge of $0.00055 per kWh for residential customers ($0.55 for 1000 kWh), $0.00063 per kWh for commercial and industrial customers

Duke Energy Carolinas

- Has entered into a number of contracts for renewable energy and RECs, has begun installing up to 10 MW of utility-owned distributed solar photovoltaic generation, and has begun implementing a number of DSM/EE programs approved by the Commission
- Current monthly REPS rider charge of $0.16 per residential account, $0.86 per commercial account, and $8.56 per industrial account
- Based on estimated number of customer accounts in 2010, REPS incremental cost cap approximately $31.7 M in 2010, $99 M in 2015

Duke Energy Carolinas (cont'd)

- Save-a-watt cost recovery mechanism for new DSM/EE programs based on a "percentage of avoided cost" model, with a variable cap on actual earnings, approved by Notice of Decision on December 14, 2009; full order pending
- Projects spending of almost $200 M between 2009 and 2013 on new DSM/EE programs,
- Current DSM/EE rider charge of $0.000382 per kWh for residential customers ($0.38 for 1000 kWh), $0.000068 per kWh for commercial and industrial customers

REPS Opportunities for Electric Generators

- Senate Bill 3 defines certain electric generating facilities as "renewable energy facilities" or "new renewable energy facilities"
- RECs associated with electric or thermal power generated at such facilities may be used for REPS compliance
- G.S. 62-110.1 requires a renewable generator to file with the Commission either an application for a certificate of public convenience and necessity or a report of proposed construction

REPS Opportunities for Electric Generators (cont'd)

- To qualify RECs for REPS compliance, Commission rules require a renewable generator to file a registration statement and annual reports
- As of September 30, 2009, the Commission had issued orders accepting registration of 72 generating facilities as renewable energy facilities or new renewable energy facilities; 106 as of January 1, 2010, including over 30 MW new solar photovoltaic generating capacity

REC Tracking System

- G.S. 62-133.8(i)(1) requires the Commission to provide for the monitoring of compliance with and enforcement of the REPS requirements
- G.S. 62-133.8(i)(3) requires the Commission to ensure that energy credited toward REPS compliance not be credited toward any other purpose
- G.S. 62-133.8(i)(7) requires the Commission to develop procedures to track and account for RECs

REC Tracking System (cont'd)

- G.S. 62-133.8(k), added by Session Law 2009-475 (S960), requires the Commission to, no later than July 1, 2010, develop, implement, and maintain an Internet web site for the online tracking of RECs in order to verify REPS compliance and to facilitate the establishment of a market for the purchase and sale of RECs
- Following extensive discussion with stakeholders, the Commission selected APX, Inc., to develop a REC tracking system for North Carolina by July 1, 2010

REC Trading System

- Session Law 2009-475 (S960) further requires the Energy Policy Council and the Commission to jointly study and design an online REC trading exchange to facilitate the establishment of a market for purchase and sale of RECs
- The study shall explore how to implement an exchange that will not require appropriated funds from the State and shall examine all costs to the consumer
- The Energy Policy Council and the North Carolina Utilities Commission are required to report their findings and recommendations to the General Assembly by April 1, 2010

Generator Interconnections

- G.S. 62-133.8(i)(4) requires the Commission to "establish standards for interconnection of renewable energy facilities and other nonutility-owned generation with a generation capacity of 10 megawatts or less to an electric public utility's distribution system; provided, however, that the Commission shall adopt, if appropriate, federal interconnection standards"
- Commission issued Orders on September 19, 2007, and November 20, 2007, seeking comments on whether it should adopt the federal small generator interconnection standard for use in North Carolina, and, if so, with what modifications, if any
- Commission issued Orders on June 9, 2008, and December 16, 2008, approving a revised interconnection standard modeled on the federal small generator interconnection standard and addressing numerous issues, including fees, insurance, liability, contracts

Generator Interconnections (cont'd)

- Applicable to any size generator, and not limited to generators up to 10 MW
- Incorporates streamlined procedures for smaller generators
  - "Fast Track Process" for interconnecting certified (i.e., equipment meets national IEEE/UL standards) generators no larger than 2 MW
  - "10 kW Inverter Process" for interconnecting certified inverter-based generators no larger than 10 kW
- Utility may require the installation of an external disconnect switch (at the utility's expense) for certified inverter-based generators no larger than 10 kW

Net Metering

- A customer that owns and operates an electric generating facility is billed or credited for the difference between the amount of electricity consumed and the amount of electricity generated over the entire month
- Any time the customer is generating more electricity than it is then using, the utility takes the excess electricity and credits the customer
- When the customer later needs more electricity that it is then generating, the utility "returns" the electricity previously generated by the customer
- There is no actual storage of electricity by the utility, merely an accounting of the excess electricity generated and that consumed

Net Metering (cont'd)

- G.S. 62-133.8(i)(6) requires the Commission to "consider whether it is in the public interest to adopt rules for electric public utilities for net metering of renewable energy facilities with a generation capacity of one megawatt or less"
- Commission issued Orders on June 9, 2008, and August 29, 2008, scheduling public hearings in Charlotte and Raleigh and allowing parties to file testimony on any aspect of the then-current net metering policy
- On March 31, 2009, the Commission issued an Order amending its net metering policy

Current Net Metering Policy

- Available to any customer that owns and operates a renewable energy facility (solar, wind, hydro, biomass, etc.) that generates electricity with a capacity of up to 1 MW
- Customer may elect to take retail electric service pursuant to any rate schedule available to other customers in the same rate class
- Customer may not be assessed any standby, capacity, metering or other fees other than those approved for all customers on the same rate schedule
  - Standby charges waived for any residential customer with electric generating capacity up to 20 kW, non-residential up to 100 kW

Current Net Metering Policy (cont'd)

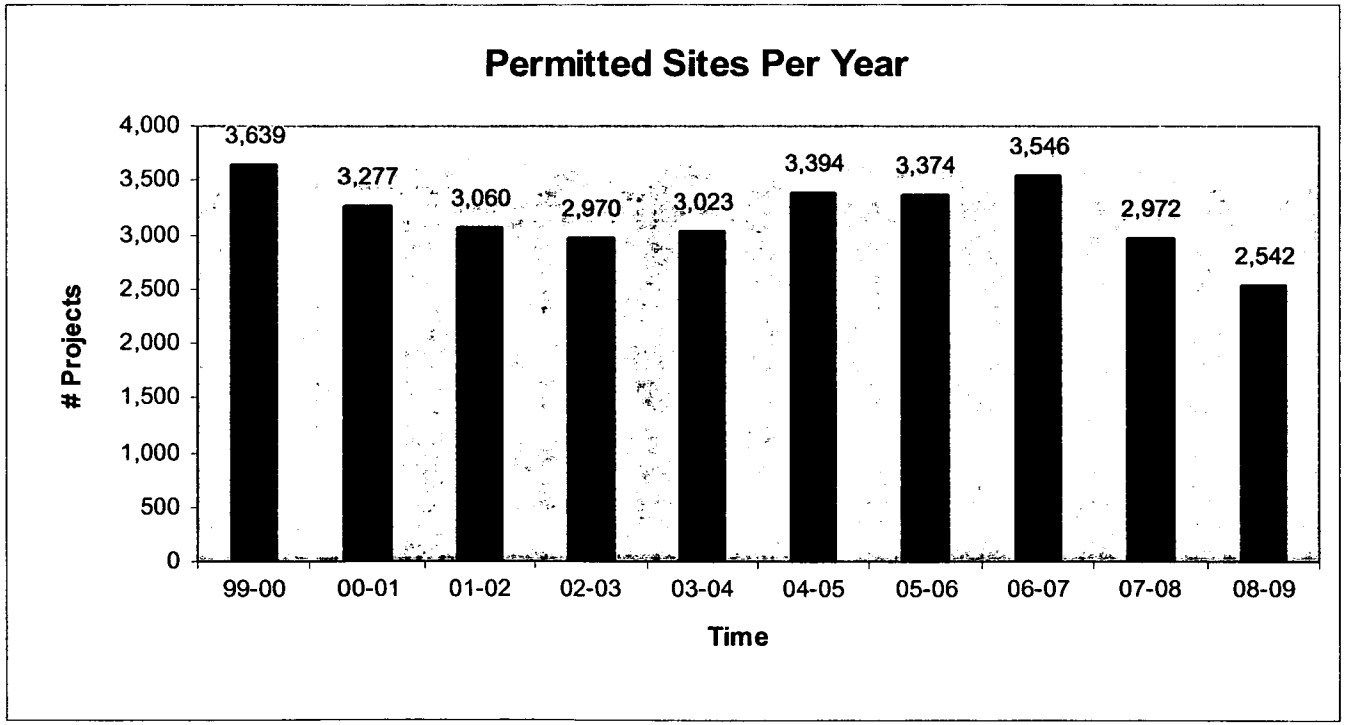
- Net excess generation carried forward month-to-month, but reset to zero at the beginning of each summer billing season
- If the customer chooses to take retail electric service pursuant to a TOU-demand rate schedule, it shall retain ownership of all RECs associated with its electric generation
- If the customer chooses to take retail electric service pursuant to any other rate schedule, RECs associated with all electric generation by the facility shall be assigned to the utility as part of the net metering arrangement

2009 Annual Erosion and Sedimentation Report to ERC

Division of Land Resources

Permitted Sites

Number of new sites decreasing, but total number of sites relatively same (8000)



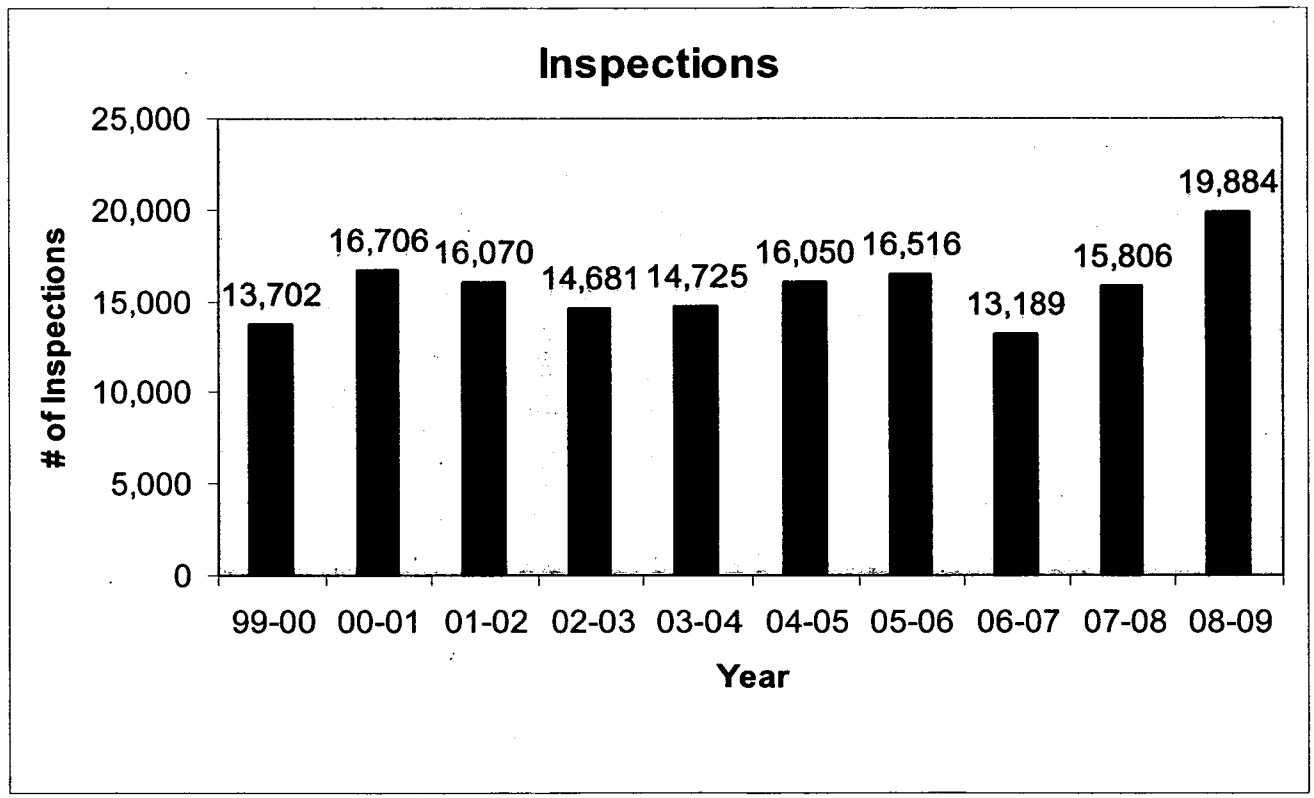
Personnel

- 61 full time equivalent positions (FTE) to handle the administration, plan review, inspection and enforcement of the sedimentation program (55 of which are located in Regional Offices)

Activities for FY 2008-2009

- 3,260 erosion and sedimentation control plan reviews,
- Express Permit reviews decreased to 434, from 584 in FY 07-08,
- 19,884 sedimentation site inspections,
- 557 notices of violation, and
- 60 enforcement case referrals.

Inspections



Enforcement

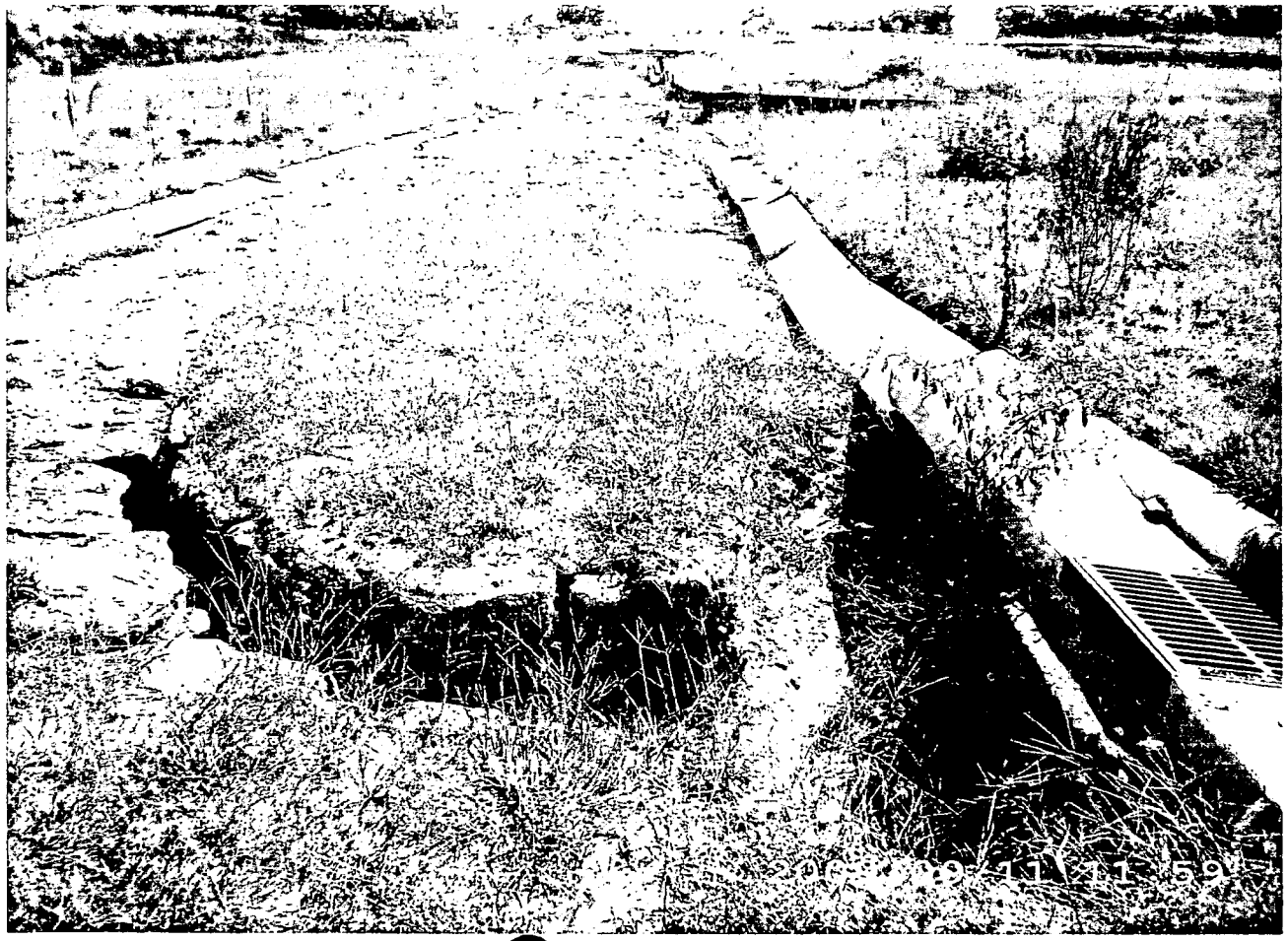
- 19,884 inspections led to 557 NOV's (2.8%)
- 60 Referrals for further enforcement (11% of NOV's)
- 45 civil penalties issued out of 60 referrals (75%)

Amendments to SPCA

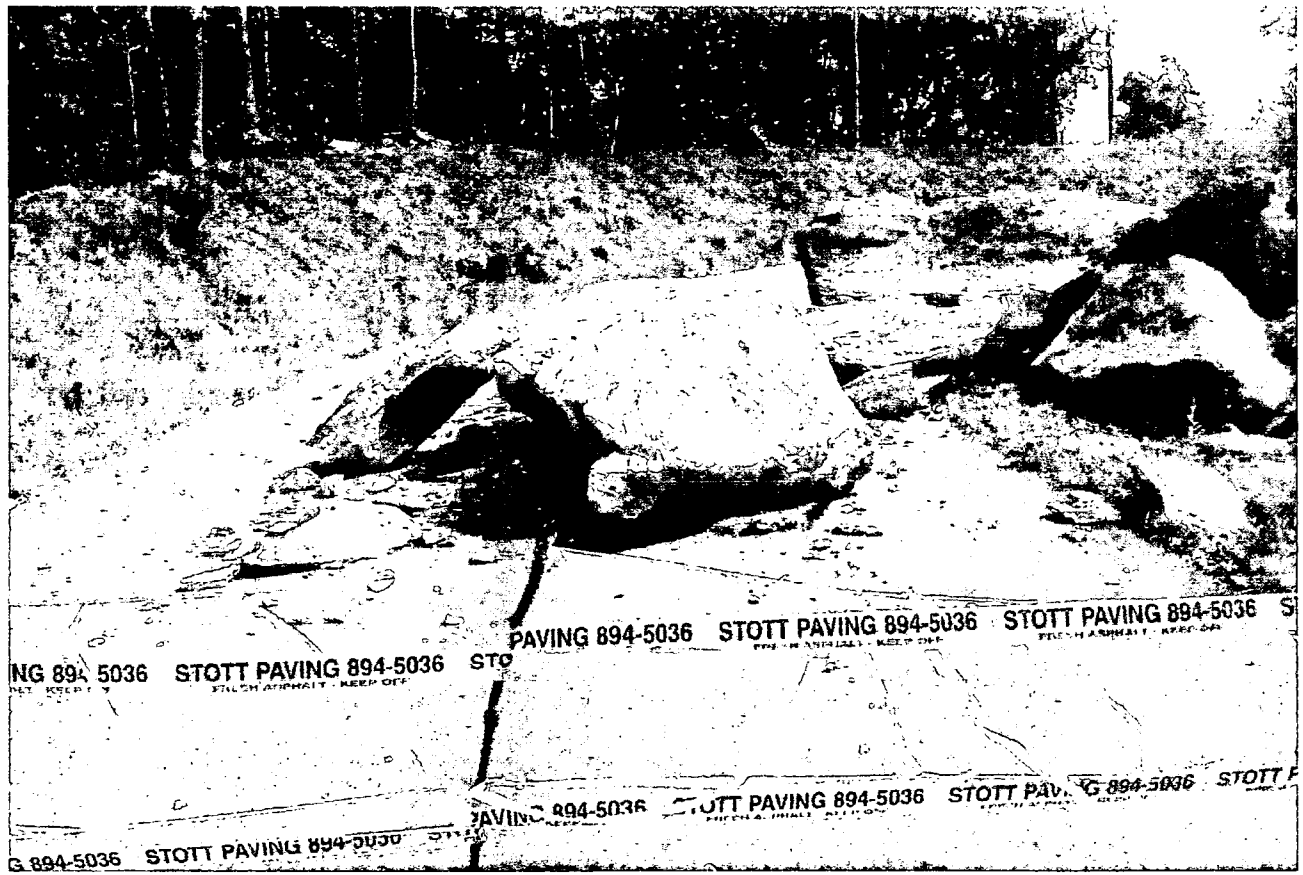
- Session Law 2009-269 provides that if injunctive relief is sought pursuant to the SPCA, notice should be filed with the Clerk of Superior Court in accordance with N. C. General Statue 1-117.
- S.L. 2009-406 extended the expiration date of approved erosion and sedimentation control plans until after December 31, 2013.
- S.L. 2009-486 prescribes temporary erosion and sedimentation control standards for the Upper Neuse River Basin, or Falls Lake watershed. It also requires the Sedimentation Control Commission to develop permanent rules for the watershed by December 31, 2011.

Regulatory Issues

- Problem with bankrupt/abandoned sites



- Steep slopes



MSOffice3



Local Programs

52 delegated local programs

3 new ones FY 08-09

Local programs are encouraged and supported by technical assistance and training from State and limited grants

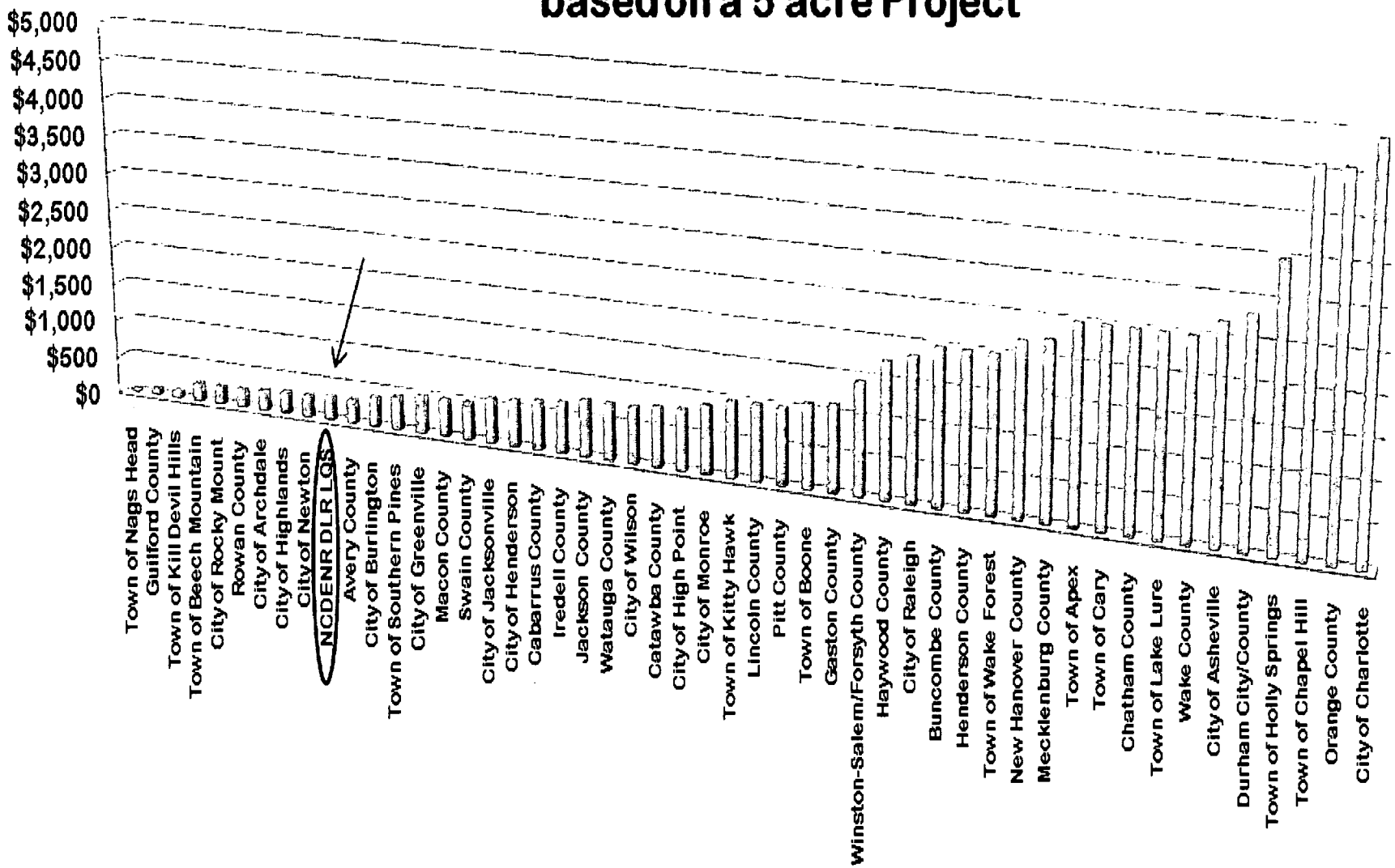
Oversight by State Program

Budgetary Issues

- The funds generated from the review fee have been significantly drained during the past year.
- 4 positions were eliminated to meet budget reductions and 5 additional positions are being held vacant.
- The review fee for erosion and sedimentation control plans is set in the SPCA at $65 per acre. By comparison, the fees charged by delegated local programs to cover their costs have a median of $174 per acre and an average of $274 per acre. The General Assembly may want to review the adequacy of the review fee to cover state program costs

Comparison of Fees

Erosion and Sediment Control Plan Review/Permit Fees based on a 5 acre Project



Upcoming

- Implement new amendments, particularly those dealing with Falls Lake watershed
- Clarification of allowing variances to disturbances in trout water buffers
- Implementing self-inspection – determining qualifications and responsibilities of inspector

General Assembly of North Carolina

Environmental Review Commission
State Legislative Building
Raleigh, North Carolina

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March 18, 2010

MEMORANDUM

To: Members of the Environmental Review Commission
From: Mariah Matheson, Commission Assistant
Re: Disposition of Reports

The following reports have been submitted to the Environmental Review Commission (Commission) since the last reports distribution on February 18, 2010.

A. The following reports have been submitted and are being distributed in connection with today's agenda as follows:

1) Utilities Commission

Report on the implementation of the North Carolina Renewable Energy and Energy Efficiency Portfolio Standards and subsequent proceedings. October 1, 2009. Statutory Authority: G.S. 62-133.8(j)). ***Agenda Item #4***
(http://www.ncleg.net/documentsites/committees/ERC/ERC%20Reports%20Received/2009-2010/Utilities%20Commission/2009-Oct%20-%20REPS.pdf)

2) Environmental Management Commission

Quarterly reports by the EMC as to its operations, activities, programs, and progress during the previous quarters. January 15, 2010 and April 15, 2010. Statutory Authority: G.S. 143B-282(b). ***Agenda Item #5***
(http://www.ncleg.net/documentsites/committees/ERC/ERC%20Reports%20Received/2009-2010/Environmental%20Management%20Commission/2010-Jan%20-%20EMC%20Qrtly%20from%20Oct%2009%20-%20Dec%2009.pdf) and
(http://www.ncleg.net/documentsites/committees/ERC/ERC%20Reports%20Received/2009-2010/Environmental%20Management%20Commission/2010-April%20-%20EMC%20Qrtly%20from%20Jan%2010%20-%20Mar%2010.pdf)

3) Department of Environment and Natural Resources

Annual report on implementation of the Sedimentation Pollution Control Act of 1973. October 1, 2009. Statutory Authority: G.S. 113A-67. ***Agenda Item #6*** (http://www.ncleg.net/documentsites/committees/ERC/ERC%20Reports%20Received/2009-2010/Dept%20of%20Environment%20and%20Natural%20Resources/2009-Oct%20-%20Sedimentation%20Pollution%20Control%20Act%20Rpt.pdf)

B. The following reports have been submitted and may be distributed in conjunction with a presentation at a future meeting of the Commission. These reports are electronically available at the Commission's website: (http://www.ncleg.net/gascripts/DocumentSites/browseDocSite.asp?nID=12&sFolderName=\ERC%20Reports%20Received). If you would like a hardcopy of one of these reports, please contact Mariah Matheson at (919) 733-2578 or mariahm@ncleg.net for assistance.

1) North Carolina Water Quality Work Group (RiverNet)

a. Annual report on RiverNet's previous year's activities, findings, and recommendations. January 30, 2009. Statutory Authority: G.S. 143-215.8D.

2) Department of Transportation

a. Annual report on the evaluation and adjustment of the boundaries of the area served by each Metropolitan Planning Organization. November 1, 2009. Statutory Authority: G.S. 136-202(d).

b. Annual report on development and implementation of a plan to reduce vehicle miles traveled by State and private sector employees and vehicle emissions resulting from job-related travel, including commuting to and from work. October 1, 2009. Statutory Authority: G.S. 143-215.107C (d) and (e).

3) State Water Infrastructure Commission

a. Annual report by the State Water Infrastructure Commission on its activities and findings. November 1, 2009. Statutory Authority: G.S.159G-67.

4) Department of Administration

a. Annual consolidated report on the implementation of the Sustainable Energy Efficient Buildings Program. November 1, 2009. Statutory Authority: G.S. 143-135.39(f) and (g).

5) Utilities Commission

a. Biennial report on the actual results of the cost allocations for electric utilities involving REPS costs, demand-side management and energy efficiency programs costs, and certain fuel and fuel-related costs. October 1, 2009. Authority: S.L. 2007-397, Sec. 14.

b. Annual report on the implementation of the Swine Farm Methane Capture Pilot Program including a program evaluation, and legislative proposals. January 1, 2010. Authority: S.L. 2007-523, Sec. 4(d).

6) Department of Environment and Natural Resources

a. Annual report on the cost of implementing the Mining Act of 1971. September 1, 2009. Statutory Authority: G.S. 74-54.1(c).

b. Annual report on the Bernard Allen Memorial Emergency Drinking Water Fund. October 1, 2009. Statutory Authority: G.S. 87-98(e).

c. Annual report on the Conservation Easement Program. October 1, 2009. Statutory Authority: G.S. 113A-235(c).

d. Annual report on progress towards attaining the State's goal of protecting one million acres of farmland, open space, and conservation lands. October 1, 2009. Statutory Authority: G.S. 113A-241(c)).

e. Biennial report on the activities of the past biennium and plans for the coming biennium, and specific recommendations for action of the Natural Heritage Program. February 15, 2009. Statutory Authority: G.S. 113A-164.4.

f. Annual progress report on the Parks and Recreation Trust Fund Fiscal Year 2008-2009. March 15, 2009. Statutory Authority: G.S. 113-44.15(c).

g. Annual report on the Parks and Recreation Trust Fund, Fiscal Year 2008-2009. October 1, 2009. Statutory Authority: G.S. 113-44.15(c).

h. Annual report on awards from the North Carolina Natural Heritage Trust Fund, Fiscal Year 2008-2009. October 1, 2009. Statutory Authority: G.S. 113-77.9(e).

i. Annual report on the North Carolina Hazardous Waste Management Plan. October 1, 2009. Statutory Authority: G.S. 130A-294(i).

j. Annual report on implementation of the Resident Inspectors Program at commercial hazardous waste facilities. October 1, 2009. Statutory Authority: G.S. 130A-295.02(m).

k. Annual report on the Mercury Minimization Plan. October 1, 2009. Statutory Authority: G.S. 130A-310.57, Sec. 7.

l. Annual report on the implementation of stormwater rules and programs. October 1, 2009. Statutory Authority: GS. 143-214.7(e).

m. Annual report on the implementation of the Ecosystem Enhancement Program and use of the Ecosystem Enhancement Fund, including inventory of property and easements. November 1, 2009. Statutory Authority: G.S. 143-214.13.

n. Annual report on the cost of the Title V program. November 1, 2009. Statutory Authority: G.S. 143-215.3A(c).

o. Annual report on the compliance/enforcement of water quality laws for facilities that discharge into surface waters. October 1, 2009. Statutory Authority: G.S. 143-215.9A.

p. Semiannual report on the pilot program for inspection of animal waste management systems including a comparison of the costs of conducting operations reviews and inspections under the pilot program with the costs of conducting operations and inspections. October 15, 2009. Statutory Authority: G.S. 143-215.10D and G.S. 143-215.10F.

q. Annual report on permitting and inspecting animal waste management systems/Animal Waste Compliance Report. October 1, 2009. Statutory Authority: G.S. 143-215.10M.

r. Annual report on the effectiveness of projects funded under the Agriculture Cost-Share Program for Nonpoint Source Pollution Control. January 31, 2010. Statutory Authority: G.S. 143-215.74(e).

s. Annual report on the Community Conservation Assistance Program. January 31, 2009. Statutory Authority: G.S. 143-215.74M(e).

t. Annual report on the Dry-Cleaning Solvent Cleanup Act of 1997. October 1, 2009. Statutory Authority: G.S. 143-215.104U.

u. Annual report on the progress in developing and implementing the Coastal Habitat Protection Plan. September 1, 2009. Statutory Authority: G.S. 143B-279.8(e).

v. Annual Interagency Report on Litter Enforcement, Prevention, and Removal Efforts. March 1, 2009. Statutory Authority: G.S. 147-12(b).

w. Annual report on animal waste management performance standards for swine farms, the Lagoon Conversion Program, and the Swine Farm Waste Management System Conversion Account. October 1, 2009. Authority: S.L. 2007-523, Sec.2(f).

x. Report on the feasibility study of establishing a State park in the area surrounding Rutherford Trace in McDowell County. February 1, 2009. Authority: S.L. 2008-107, Sec. 12.12.

y. Report on recommendations for water efficiency standards for in-ground irrigation systems. January 1, 2009. Authority: S.L. 2008-143, Sec. 18.

z. Report on recommendations for water efficiency standards for water-using fixtures in residential and commercial buildings. January 1, 2009. Authority: S.L. 2008-143, Sec. 18.

aa. Report on the progress of the implementation of stormwater control best management practices and process water treatment processes for composting operations. December 31, 2009. Authority: S.L. 2009-322, Sec. 2.

bb. Report on whether the preference for compensatory wetland and stream mitigation banks, and the preference for riparian buffer mitigation banks and nutrient offset banks create a likelihood that EEP will be unable to recoup investments. February 1, 2010. Authority: S.L. 2009-337, Sec. 5.

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Utilities Commission

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October 1, 2009

E-100 SUB 113

Honorable Beverly Perdue, Governor
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Dear Governor Perdue and Gentlemen:

The North Carolina Utilities Commission hereby presents for your consideration its 2009 Annual Report on the Renewable Energy and Energy Efficiency Portfolio Standard (REPS) in North Carolina. The Commission makes this report to the Governor of North Carolina and to the members of the Environmental Review Commission and the Joint Legislative Utility Review Committee of the General Assembly pursuant to G.S. 62-133.8(j).

I understand that legislative counsel will distribute copies to the members of the Environmental Review Commission and the Joint Legislative Utility Review Committee. Thank you for your assistance.

Very truly yours,

Edward S. Finley, Jr.

Edward S. Finley, Jr.
Chairman

ESF/LSW

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Copies of the Annual Report of the North Carolina Utilities Commission Regarding Renewable Energy and Energy Efficiency Portfolio Standard in North Carolina have been mailed or hand delivered to the following:

The Honorable Walter Dalton, Lieutenant Governor

The Honorable Marc Basnight, President Pro Tem of the Senate

The Honorable Joe Hackney, Speaker of the House of Representatives

Members of the Environmental Review Commission

Members of the Joint Legislative Utility Review Committee

Mr. Robert P. Gruber, Executive Director
North Carolina Utilities Commission, Public Staff

Ms. Margaret A. Force, Assistant Attorney General
North Carolina Department of Justice - Consumer Protection/Utilities

Mr. Larry E. Shirley, Director, Energy Division
North Carolina Department of Commerce

Progress Energy Carolinas, Inc.

Duke Energy Carolinas, LLC

Dominion North Carolina Power

North Carolina Electric Membership Corporation

ElectriCities of North Carolina, Inc.

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EXECUTIVE SUMMARY

In August 2007, North Carolina enacted comprehensive energy legislation, Session Law 2007-397 (Senate Bill 3), which, among other things, established a Renewable Energy and Energy Efficiency Portfolio Standard (REPS), the first renewable energy portfolio standard in the Southeast. Under the REPS, all electric power suppliers in North Carolina must meet an increasing amount of their retail customers' energy needs by a combination of renewable energy resources (such as solar, wind, hydropower, geothermal and biomass) and reduced energy consumption. Pursuant to G.S. 62-133.8(j), the Commission is required to report no later than October 1 of each year to the Governor, the Environmental Review Commission, and the Joint Legislative Utility Review Committee on the activities taken by the Commission to implement, and by electric power suppliers to comply with, the REPS requirement.

Commission Implementation

Rulemaking proceeding

Immediately after Senate Bill 3 was signed into law, the Commission initiated a proceeding in Docket No. E-100, Sub 113 to adopt rules to implement the REPS and other provisions of the new law. On February 29, 2008, the Commission issued an Order adopting final rules implementing Senate Bill 3. Since issuing this Order, the Commission has raised one issue on its own and received five additional motions for clarification requesting interpretation of Senate Bill 3. In addition, the Commission has received one petition to modify or delay implementation of certain REPS requirements. As of September 30, 2009, all but the most-recently filed of these motions and petitions have been resolved.

First, on November 26, 2008, the Commission issued an Order Clarifying Electric Power Suppliers' Annual REPS Requirements, in which it concluded that each electric power supplier's REPS obligation, both the set-aside requirements and the overall REPS requirements, should be based on its prior year's actual North Carolina retail sales.

On May 7 and 8, 2009, the Commission issued Orders in response to a Motion for Clarification filed by Duke Energy Carolinas, LLC (Duke), on November 3, 2008. In its Order, the Commission concluded that the solar, swine waste, and poultry waste set-aside requirements should have priority over the general REPS requirement where both cannot be met without exceeding the per-account cost cap established in G.S. 62-133.8(h), but that no set-aside requirement has priority over another. The Commission further determined that the set-aside requirements may be met through the generation of power, purchase of power, or purchase of unbundled renewable energy certificates (RECs); however, because the intent of the set-aside provisions is to address

renewable energy resources and issues indigenous to North Carolina and to foster development specifically of local renewable energy facilities, the energy associated with the RECs acquired to satisfy the set-aside requirements must be generated by or delivered to an electric power supplier. The Commission's decision with regard to the use of out-of-state RECs was subsequently reconsidered in response to a Motion by Dominion North Carolina Power (Dominion). The Commission further determined that the electric power suppliers are charged with collectively meeting the aggregate swine and poultry waste set-aside requirements and that they may agree among themselves how to collectively satisfy those requirements. Lastly, the Commission concluded that RECs associated with out-of-state renewable generation not delivered to and purchased by an electric public utility in North Carolina and RECs associated with out-of-state thermal energy should not be considered to be "in-State" RECs pursuant to G.S. 62-133.8(b)(2)(d) because the electric public utility is not purchasing electric power from the renewable energy facility. Rather, such RECs are eligible for REPS compliance pursuant to subdivision (b)(2)(e), which provides for the purchase of unbundled RECs, including a limit on the number of out-of-state RECs that may be used annually for REPS compliance.

On June 17, 2009, the Commission issued an Order addressing issues raised in a February 18, 2009 Motion for Clarification filed by the Public Staff. In its Order, the Commission concluded that an electric public utility cannot use existing (placed into service prior to January 1, 2007) utility-owned hydroelectric generation for REPS compliance, regardless of the size of a unit or the facility of which it is a part, but may use power generated from new (placed into service on or after January 1, 2007) small (10 MW or less) increments of utility-owned hydroelectric generating capacity. In addition, the Commission concluded that Tennessee Valley Authority's (TVA) distributors making retail sales in North Carolina and electric membership corporations (EMCs) headquartered outside of North Carolina that serve retail electric customers within the State must comply with the REPS requirement, but that the university-owned electric suppliers, Western Carolina University and New River Light & Power Company, are not subject to the REPS requirement of Senate Bill 3.

On July 13, 2009, the Commission issued a further Order related to out-of-state RECs addressing the issues raised by Progress Energy Carolinas, Inc. (PEC), and Peregrine Biomass Development Company, LLC (Peregrine), in response to the Commission's May 7 and 8, 2009 Orders on Duke's Motion for Clarification. In its July 13, 2009 Order, the Commission concluded that RECs associated with the electric power generated by Peregrine at its biomass-fueled combined heat and power facility located in South Carolina and purchased by PEC would be considered as in-State pursuant to G.S. 62-133.8(b)(2)(d). RECs associated with the useful thermal energy produced by the facility, however, would be considered as out-of-state pursuant to G.S. 62-133.8(b)(2)(e) and subject to that provision's 25% limitation on out-of-state RECs.

On July 27, 2009, the Commission issued an Order addressing the issues raised in a July 9, 2009 Second Motion for Reclarification filed by Dominion in response to the Commission's June 17, 2009 Order on the Public Staff's Motion for Clarification. In its July 27, 2009 Order, the Commission clarified that a utility-owned renewable energy facility placed into service prior to January 1, 2007, does not meet the definition of "new" renewable energy facility. In addition, unless the facility had a contract with NC GreenPower prior to January 1, 2007, a nonutility-owned renewable energy facility must have been placed into service on or after January 1, 2007, to be considered a "new" renewable energy facility and eligible to sell electric power or RECs to an electric public utility for REPS compliance.

On August 31, 2009, the Commission issued an Order allowing parties to file comments on a Joint Motion filed by PEC, Duke, Dominion, North Carolina Electric Membership Corporation (NCEMC), North Carolina Eastern Municipal Power Agency (NCEMPA), and North Carolina Municipal Power Agency Number 1 (NCMPA1) requesting that the Commission modify the swine and poultry waste resource requirements of G.S. 62-133.8(e) and (f) and clarify the electric power suppliers' obligations thereunder. Comments were filed in September, and the Commission's decision is pending.

On September 4, 2009, the Commission issued an Order allowing electric power suppliers and other interested parties an opportunity to propose specific amendments to the Commission's procedural rules, Rules R8-64 through R8-69, that would streamline the Commission's administration of G.S. 62-133.8 and 62-133.9. Written comments are due to be filed on or before November 13, 2009.

Lastly, on September 22, 2009, the Commission issued an Order reconsidering its May 7 and 8, 2009 Orders on Duke's Motion for Clarification in response to a Motion for Further Clarification filed by Dominion on June 12, 2009. In its September 22, 2009 Order, the Commission concluded that the 25% limitation on the use of out-of-state RECs applies to the general REPS obligation and <u>each</u> of the individual set-aside provisions and that Dominion is expressly exempted from the 25% limitation.

Renewable energy facilities

Senate Bill 3 defines certain electric generating facilities as renewable energy facilities or new renewable energy facilities. RECs associated with electric or thermal power generated at such facilities may be used by electric power suppliers to comply with the REPS requirement as provided in G.S. 62-133.8(b) and (c).

In its rulemaking proceeding, the Commission adopted rules providing for certification or report of proposed construction and registration of renewable energy facilities and new renewable energy facilities. Since October 1, 2008, the Commission has received more than 140 CPCN applications or reports of

proposed construction. As of September 30, 2009, the Commission has accepted registration statements filed by seventy-two (72) facilities.

Net metering

On March 31, 2009, the Commission issued an Order amending its policy on net metering, whereby a customer that owns and operates an electric generating facility is billed according to the difference over a billing period between the amount of energy the customer consumes and the amount of energy it generates. In its Order, the Commission concluded that Duke, Dominion and PEC should file revised riders or tariffs that allow net metering for any customer that owns and operates a renewable energy facility that generates electricity with a capacity of up to 1 MW. The customer may elect to take retail electric service pursuant to any rate schedule available to other customers in the same rate class and may not be assessed any standby, capacity, metering or other fees other than those approved for all customers on the same rate schedule. If the customer chooses to take retail electric service pursuant to a TOU-demand rate schedule, it shall retain ownership of all RECs associated with its electric generation. If the customer chooses to take retail electric service pursuant to any other rate schedule, RECs associated with all electric generation by the facility shall be assigned to the utility as part of the net metering arrangement.

REC tracking

On September 4, 2008, the Commission issued an Order in Docket No. E-100, Sub 121 initiating a new proceeding to define the requirements for a third-party REC tracking system and to select an administrator. The Commission has established a stakeholder process to finalize a Requirements Document for the tracking system.

On August 26, 2009, Governor Perdue signed into law Session Law 2009-475 enacting G.S. 62-133.8(k) and requiring the Commission, no later than July 1, 2010, to develop, implement and maintain an online REC tracking system to verify the compliance of electric power suppliers with the REPS requirement. The Commission intends to issue a Request for Proposals (RFP) shortly and select an administrator before the end of this year.

Environmental impacts

The Commission has not identified, nor has it received from the public or the North Carolina Department of Environment and Natural Resources (DENR), any comments regarding direct, secondary, and cumulative environmental impacts of the implementation of the REPS provision of Senate Bill 3.

Electric Power Supplier Compliance

Pursuant to Senate Bill 3, electric power suppliers are required, beginning in 2012, to meet an increasing percentage of their retail customers' energy needs by a combination of renewable energy resources and energy reductions from the implementation of energy efficiency and demand-side management measures. In addition, beginning in 2010, each electric power supplier must meet a certain percentage of its prior year's retail electric sales with solar RECs from certain solar facilities.

Monitoring of compliance with REPS requirement

Monitoring by the Commission of compliance with the REPS requirement of Senate Bill 3 is accomplished through the annual filing by each electric power supplier of an REPS compliance plan and an REPS compliance report. Pursuant to Commission Rule R8-67(b), on or before September 1 of each year, each electric power supplier is required to file with the Commission an REPS compliance plan providing specific information regarding its plan for complying with the REPS requirement of Senate Bill 3. Pursuant to Commission Rule R8-67(c), each electric power supplier is required to annually file with the Commission, beginning in 2009, an REPS compliance report. While an REPS compliance plan is a forward-looking forecast of an electric power supplier's REPS requirement and its plan for meeting that requirement, an REPS compliance report is an annual look back at the RECs earned or purchased and energy savings actually realized during the prior calendar year and the electric power supplier's actual progress toward meeting its REPS requirement.

Cost recovery rider

G.S. 62-133.8(h) authorizes each electric power supplier to establish an annual rider up to an annual cap to recover the incremental costs incurred to comply with the REPS requirement and to fund certain research. Commission Rule R8-67(e) establishes a procedure under which the Commission will consider approval of an REPS rider for each electric public utility. The REPS rider operates in a manner similar to that employed in connection with the fuel charge adjustment rider authorized in G.S. 62-133.2 and is subject to an annual true-up.

Electric public utilities

Progress Energy Carolinas, Inc.

In its 2009 REPS compliance plan, PEC indicated that its overall approach to REPS compliance, for itself and several of its wholesale customers, is to meet the utility-specific solar set-aside requirement, meet its share of the poultry and swine waste statewide set-aside requirement, reduce load through effective energy efficiency measures, and meet the remainder of the REPS requirement with the most cost-effective, reliable renewable resources available. PEC stated

that it does not currently own or operate new renewable energy facilities, but is evaluating the use of alternative fuels at its existing generation facilities.

PEC has adopted a competitive bidding process for the purchase of energy or RECs from renewable energy facilities through which market participants have an opportunity to propose projects on a continuous basis. PEC forecasts that it will meet its solar set-aside requirement in 2010. PEC also intends to comply with a portion of the REPS requirement by implementing energy efficiency measures. In the past year, PEC has received approval for a number of energy efficiency programs and has begun implementation. PEC forecasts that, with the allowed banking, its energy efficiency savings will exceed the limitation imposed in each year for REPS compliance under G.S. 62-133.8(b)(2)(c).

On June 6, 2008, PEC filed an application in Docket No E-2, Sub 930 for approval of an REPS rider effective December 1, 2008. On November 14, 2008, the Commission issued an Order approving an REPS charge of $0.36 per month for residential customers, $1.82 per month for commercial customers, and $18.24 per month for industrial customers.

On May 18, 2009, PEC filed its 2008 REPS compliance report in Docket No. E-2, Sub 948. On June 4, 2009, PEC filed an application in that docket seeking to increase its REPS rider to $0.62 per month for residential customers, $3.11 per month for commercial customers, and $31.02 per month for industrial customers. A hearing was held on PEC's compliance report and REPS cost recovery rider on September 16, 2009, and a final decision is pending before the Commission.

Duke Energy Carolinas, LLC

In its 2009 REPS compliance plan, Duke characterized its renewable energy strategy as one of diversification. Specifically, stated Duke, it seeks to build its portfolio of renewable resources through a combination of (1) resources owned/operated by Duke, (2) power purchase agreements, and (3) purchases of unbundled RECs. In addition, Duke intends to comply with a portion of the REPS requirement by implementing cost-effective energy efficiency measures. Duke has also agreed to provide REPS compliance services for several of its wholesale customers.

Duke received approval from the Commission in 2009 to build, own and operate up to 10 MW of solar photovoltaic projects on customer sites and/or utility-owned property, and expects the program to be fully implemented by the end of 2010. Duke is also exploring opportunities to co-fire biomass at existing coal-fired generating stations, to repower coal-fired stations as dedicated biomass-fired power stations, and to add new hydro generation capacity that would qualify for REPS compliance. Duke has entered into multiple agreements pertaining to solar and general renewable resources, but continues to express

challenges in meeting the swine and poultry waste set-aside requirements. Duke stated that it is confident that it will meet its 2010 REPS obligation under the solar set-aside requirement.

On February 26, 2009, Duke received approval from the Commission for its portfolio of energy efficiency programs. Duke has begun implementation of these programs and will bank energy efficiency savings for future REPS compliance. Duke projects that it will achieve more energy efficiency than what can be utilized for REPS compliance pursuant to G.S. 62-133.8(b)(2)(c) for the foreseeable future.

On February 2, 2009, Duke filed its 2008 REPS compliance report in Docket No. E-7, Sub 872. On March 4, 2009, Duke filed an application in that docket for approval of an REPS rider, effective September 1, 2009, equal to $0.13 per month for residential customers, $0.66 per month for commercial customers, and $6.60 per month for industrial customers. A hearing was held on June 9, 2009, and on August 21, 2009, the Commission issued an Order Approving Cost Recovery and Directing Further Proceedings Regarding REPS Riders. The establishment of a final REPS rider is still pending before the Commission.

Dominion North Carolina Power

In its 2009 REPS compliance plan, Dominion stated that it intends to meet its REPS requirements through the use of new renewable energy, energy efficiency, and unbundled RECs. Dominion does not intend to seek an REPS rider until 2010 when its rate moratorium established in Docket No. E-22, Sub 412 expires. Dominion has agreed to provide REPS compliance services for the Town of Windsor.

Dominion currently plans to use unbundled solar RECs to meet its 2010 and 2011 solar set-aside requirements. As determined in the Commission's September 22, 2009 Order, Dominion is exempt from the 25% limit on the use of out-of-state RECs for REPS compliance found in G.S. 62-133.8(b)(2)(e). Lastly, Dominion stated that it intends to request approval by the Commission of seven energy efficiency programs in the near future. Dominion projects energy efficiency savings of 5,090 MWh in 2011 from these programs.

EMCs and municipally-owned electric utilities

There are thirty-one (31) EMCs serving more than 968,000 customers in North Carolina, including twenty-six (26) that are headquartered in the state. Twenty-five of the EMCs are members of NCEMC, a generation and transmission (G&T) services cooperative that provides wholesale power and other services to its members. In addition, there are seventy-four (74) municipal and university-owned electric distribution systems serving over 568,000 customers in North Carolina. Fifty-one of the North Carolina municipalities are

participants in either NCEMPA or NCMPA1, municipal power agencies that provide wholesale power to their members. The remaining municipally-owned electric utilities purchase their own electric power from wholesale electric suppliers.

By Orders issued August 27, 2008, the Commission allowed twenty-three (23) EMCs to file their REPS compliance plans on an aggregated basis through GreenCo Solutions, Inc. (GreenCo) and the fifty-one (51) municipal members of the power agencies to file through NCEMPA and NCMPA1.

The Commission received 2009 REPS compliance plans and 2008 REPS compliance reports filed by GreenCo, on behalf of its members; Halifax Electric Membership Corporation (Halifax); and the three electric cooperatives that purchase wholesale power from TVA. The Commission also received a 2009 REPS compliance plan filed by EnergyUnited Electric Membership Corporation (EnergyUnited). The Commission contacted two additional cooperatives that serve retail customers in North Carolina, but that are headquartered out-of-state, and they have committed to comply with the REPS requirements of Senate Bill 3 and the Commission's rules.

In addition, the Commission received 2009 REPS compliance plans and 2008 REPS compliance reports filed by NCEMPA and NCMPA1, on behalf of their members; Fayetteville Public Works Commission (PWC); the Town of Winterville; and Murphy Power Board. The Commission also received letters from a number of municipalities stating that they intend to rely on their wholesale electric suppliers for REPS compliance. The Commission contacted two additional towns that neglected to file, and they have committed to comply with the REPS requirements of Senate Bill 3 and the Commission's rules.

In its 2009 REPS compliance plan, GreenCo stated that it intends to use its members' allocations from the Southeastern Power Administration (SEPA), RECs provided by both in-State and out-of-state renewable energy facilities, and energy efficiency savings to meet its members' REPS obligations. GreenCo estimates energy reductions of 29,865 MWh in 2008 from its members' energy efficiency programs and indicated that it has executed contracts for one solar facility located near Rocky Mount, North Carolina, and for one wind facility located in Iowa.

In its plan, EnergyUnited stated that it has executed contracts with solar and landfill gas projects, has made a one-time purchase of RECs from an out-of-state wind facility, and has submitted two energy efficiency programs to the Commission for approval. EnergyUnited indicated that it anticipates obtaining solar resources sufficient to meet its REPS solar set-aside requirement in 2010.

In its plan, Halifax stated that it plans to meet its overall requirements through its SEPA entitlements, energy efficiency savings, and other project investment or purchase of RECs. Halifax stated that it is evaluating options, but has not committed on any initiative to provide RECs needed for compliance with

its 2010 solar set-aside requirement. Halifax is evaluating a number of energy efficiency programs, and has implemented programs for the promotion and distribution of compact fluorescent light bulbs, residential energy audits, and high efficiency heat pump rebates. Halifax estimated energy reductions of 229 MWh in 2008 from these three energy efficiency programs.

In their plans, NCEMPA and NCMPA1 stated that their members are committed to promoting the development of renewable energy and energy efficiency in North Carolina through working to meet their REPS compliance requirements in G.S. 62-133.8(c), (d), (e), and (f). NCEMPA stated that its members will meet approximately 30% of their REPS requirements pursuant to G.S. 62-133.8(c)(2)(e) through purchases of supplemental energy from PEC and that it has identified a number of demand-side management and energy efficiency programs that its members may implement to produce energy savings for REPS compliance. In its compliance report, NCEMPA estimated energy reductions from its members' demand-side management and energy efficiency programs of 11,947 MWh in 2008. Although it purchased no renewable energy or RECs, NCEMPA stated that its REPS incremental costs exactly equaled its per-account cost cap.

In its plan, NCMPA1 stated that, in addition to the implementation of demand-side management and energy efficiency programs by its members, it intends to investigate and develop new renewable energy facilities, issue an RFP for renewable resources, and negotiate and execute agreements for cost-effective resources. NCMPA1 intends to continue to investigate local, regional, and national markets for cost-effective RECs and may consider issuing an RFP for RECs. In order to meet its 2010 REPS solar set-aside requirement, NCMPA1 intends to execute contracts for the development of a solar photovoltaic (PV) facility; evaluate potential solar applications, including solar thermal; consider incentives for customers to convert to or install solar thermal water heating; and investigate various other regional supply-side options. NCMPA1 is investigating proposals for swine waste facilities and has entered into an agreement to purchase a combination of biomass and poultry litter RECs. In its compliance report, NCMPA1 estimated energy reductions from its members demand-side management and energy efficiency programs of 523 MWh in 2008. NCMPA1 stated that its incremental costs of REPS compliance for 2008 totaled less than 10% of its per-account cost cap.

In its plan, the Town of Winterville stated that it has considered and evaluated several renewable energy and energy efficiency programs and has begun implementation. It has begun a program to encourage the installation of solar PV and solar thermal at customer sites and is working to identify one or more municipal sites where a pilot solar facility can be installed. Winterville projects energy savings of approximately 148 MWh in 2009 increasing to more than 1100 MWh in 2011 from its portfolio of energy efficiency programs. It expects to have sufficient solar facilities installed by 2010 to meet its REPS set-aside requirement.

In its plan, PWC stated that, as permitted by G.S. 62-133.8(c)(2)(e), it will meet its REPS obligation through its purchases of wholesale power under a power purchase agreement with PEC.

Although not required to comply with the REPS requirement, New River Light & Power Company filed a letter with the Commission stating that it continues to be committed to the development of renewable energy and energy efficiency and updating the Commission as to its activities in this area.

Issues for Consideration

With the first REPS compliance plans and reports now being filed by electric power suppliers, numerous issues have arisen that have required the Commission to discern the General Assembly's intent and to interpret Senate Bill 3. Several issues were highlighted in last year's Commission report and have, in the interim, been addressed by the Commission. The most significant issue at this time continues to relate to the swine and poultry waste set-aside requirements. In the Commission's May 7 and 8, 2009 Orders on Duke's November 3, 2008 Motion for Clarification, it attempted to address concerns raised with regard to these set-aside requirements. The electric power suppliers, however, continue to express concerns about their ability to comply with these requirements and have filed a Joint Motion requesting that the Commission modify the swine and poultry waste resource requirements and clarify the electric power suppliers' obligations thereunder. This issue remains pending before the Commission

BACKGROUND

In August 2007, North Carolina enacted comprehensive energy legislation, Session Law 2007-397 (Senate Bill 3), which, among other things, established a Renewable Energy and Energy Efficiency Portfolio Standard (REPS), the first renewable energy portfolio standard in the Southeast. Under the REPS, all electric power suppliers in North Carolina must meet an increasing amount of their retail customers' energy needs by a combination of renewable energy resources (such as solar, wind, hydropower, geothermal and biomass) and reduced energy consumption. Beginning in 2012 at 3% of retail electricity sales, the REPS requirement ultimately increases to 10% of retail sales beginning in 2018 for the State's electric membership corporations and municipally-owned electric providers and 12.5% of retail sales beginning in 2021 for the State's electric public utilities.

In G.S. 62-133.8(j), the General Assembly required the Commission to make the following annual report:

> No later than October 1 of each year, the Commission shall submit a report on the activities taken by the Commission to implement, and by electric power suppliers to comply with, the requirements of this section to the Governor, the Environmental Review Commission, and the Joint Legislative Utility Review Committee. The report shall include any public comments received regarding direct, secondary, and cumulative environmental impacts of the implementation of the requirements of this section. In developing the report, the Commission shall consult with the Department of Environment and Natural Resources.

On October 1, 2008, the Commission made its first annual report pursuant to G.S. 62-133.8(j).[1] The remaining sections of this report detail, as required by the General Assembly, the activities undertaken by the Commission during the past year to implement, and by the electric power suppliers to comply with, G.S. 62-133.8, the REPS provision of Senate Bill 3.

[1] Annual Report of the North Carolina Utilities Commission to the Governor of North Carolina, the Environmental Review Commission and the Joint Legislative Utility Review Committee Regarding Energy and Energy Efficiency Portfolio Standard, October 1, 2008 (2008 REPS Report).

COMMISSION IMPLEMENTATION

Rulemaking Proceeding

As detailed in the Commission's 2008 REPS Report, after Senate Bill 3 was signed into law, the Commission initiated a proceeding in Docket No. E-100, Sub 113 to adopt rules to implement the REPS and other provisions of the new law. The Commission invited interested persons to intervene and file proposed rules, rule revisions, or other comments. Comments were received from twenty-four (24) persons, entities, or organizations.

On February 29, 2008, the Commission issued an Order adopting final rules implementing Senate Bill 3. The rules, in part, require each electric power supplier to file, beginning in 2008, an annual REPS compliance plan and, beginning in 2009, an annual REPS compliance report to demonstrate reasonable plans for and actual compliance with the REPS requirement.

Since issuing its February 29, 2008 Order, the Commission has raised one issue on its own and received five additional motions for clarification requesting interpretation of Senate Bill 3. In addition, the Commission has received one petition to modify or delay implementation of certain REPS requirements. As discussed below, as of September 30, 2009, all but the most-recently filed of these motions and petitions have been resolved.

On September 4, 2009, the Commission issued an Order allowing electric power suppliers and other interested parties an opportunity to propose specific amendments to the Commission's procedural rules, Rules R8-64 through R8-69, that would streamline the Commission's administration of G.S. 62-133.8 and 62-133.9. Written comments are due to be filed on or before November 13, 2009.

Order Requesting Comments (September 4, 2008)

On September 4, 2008, the Commission issued an Order requesting comments on the proper interpretation of the REPS compliance requirements for years not unambiguously set out in G.S. 62-133.8(b), (c), (d), and (e). On November 26, 2008, the Commission issued an Order Clarifying Electric Power Suppliers' Annual REPS Requirements. Noting that the law is ambiguous, the Commission concluded that each electric power supplier's REPS obligation, both the set-aside requirements and the overall REPS requirements, should be based on its prior year's actual North Carolina retail sales. Further, the Commission found no support for the electric power suppliers' proposal to base their REPS obligations on weather-normalized sales data.

Duke Energy Carolinas, LLC, Motion for Clarification (November 3, 2008)

On November 3, 2008, Duke Energy Carolinas, LLC (Duke), filed a Motion for Clarification with regard to numerous issues concerning the interpretation of Senate Bill 3 to assist in its REPs compliance planning. On November 13, 2008, the Commission issued an Order inviting parties to provide written comments and reply comments on the issues raised by Duke, including (1) priority of, use of renewable energy certificates (RECs) for, responsibility for, and collaborative efforts to comply with aggregate set-aside requirements; and (2) behind-the-meter customer generation and renewable thermal energy located in out-of-state service area.

On May 7 and 8, 2009, the Commission issued Orders on Duke's Motion. With regard to the solar, swine waste, and poultry waste set-aside requirements, the Commission concluded that their presence demonstrates the General Assembly's intent that they should have priority over the general REPS requirement where both cannot be met without exceeding the per-account cost cap established in G.S. 62-133.8(h). The Commission further concluded, however, that no set-aside requirement has priority over another. If it cannot satisfy all of the set-aside requirements without exceeding the cost cap, an electric power supplier may exercise its reasonable judgment in determining which renewable energy or RECs to acquire with the funds available under the cost cap. The Commission further determined that the set-aside requirements may be met through the generation of power, purchase of power, or purchase of unbundled RECs; however, because the intent of the set-aside provisions is to address renewable energy resources and issues indigenous to North Carolina and to foster development specifically of local renewable energy facilities, the energy associated with the RECs acquired to satisfy the set-aside requirements must be generated by or delivered to an electric power supplier. The Commission's decision with regard to the use of out-of-state RECs was subsequently reconsidered, as detailed below, in response to a Motion by Dominion North Carolina Power (Dominion).

In addition, the Commission determined that, by establishing an aggregate requirement for the swine and poultry waste resources, the General Assembly did not impose a specific requirement, pro rata or otherwise, on any individual electric power supplier. Rather, the electric power suppliers are charged with collectively meeting the aggregate requirement. As the Commission stated in its 2008 REPS Report, it "expects the electric power suppliers to work together to collectively meet the aggregate obligation and comply with G.S. 62-133.8(e) and (f)." The Commission, therefore, concluded that the language of the swine and poultry waste set-aside provisions contemplate that the electric power suppliers may agree among themselves how to collectively satisfy the requirements of those subsections. To alleviate any concerns whether such collaborative efforts would be lawful under the "state action" antitrust immunity doctrine, the

Commission required that the electric power suppliers specifically file for approval any joint procurement agreements entered into or other collaborative efforts undertaken to obtain renewable energy or RECs to satisfy the aggregate swine or poultry waste set-aside requirements.

With regard to RECs associated with out-of-state renewable generation not delivered to and purchased by an electric public utility in North Carolina, the Commission concluded that such RECs should not be considered to be "in-State" RECs pursuant to G.S. 62-133.8(b)(2)(d) because the electric public utility is not purchasing electric power from the renewable energy facility. Rather, such RECs are eligible for REPS compliance pursuant to subdivision (b)(2)(e), which provides for the purchase of unbundled RECs, including a limit on the number of out-of-state RECs that may be used annually for REPS compliance. Similarly, RECs associated with out-of-state thermal energy should not be considered as "in-State" RECs, but should be considered as unbundled out-of-state RECs subject to the 25% limitation in G.S. 62-133.8(b)(2)(e) because no electric power is being purchased from such a facility.

Public Staff Motion for Clarification (February 18, 2009)

On February 18, 2009, the Public Staff – North Carolina Utilities Commission filed a Motion seeking clarification of a number of issues that it stated either have arisen, or appear likely to arise, in connection with the REPS compliance plans that had been filed by the electric power suppliers. A number of these issues were previously raised in the Commission's 2008 REPS Report. On February 26, 2009, the Commission issued an Order inviting parties to provide written comments and reply comments on the issues raised by the Public Staff, including (1) whether electric generation at existing utility-owned hydroelectric power facilities may be used for REPS compliance; and (2) whether university-owned electric suppliers, retail electric suppliers that are wholesale customers of the Tennessee Valley Authority (TVA), and retail electric suppliers that are headquartered outside of North Carolina are subject to the REPS requirement.

On June 17, 2009, the Commission issued an Order on the Public Staff's Motion. With regard to hydroelectric power facilities, the Commission concluded that an electric public utility cannot use existing (placed into service prior to January 1, 2007) utility-owned hydroelectric generation for REPS compliance, regardless of the size of a unit or the facility of which it is a part, but may use power generated from new (placed into service on or after January 1, 2007) small (10 MW or less) increments of utility-owned hydroelectric generating capacity.

With regard to the entities subject to the REPS requirement of Senate Bill 3, the Commission concluded that G.S. 62-133.8, through its broadly encompassing definition of electric power supplier, is intended to apply to all entities that sell electric power to retail customers in North Carolina. The

Commission further determined that TVA's distributors making retail sales in North Carolina and electric membership corporations (EMCs) headquartered outside of North Carolina that serve retail electric customers within the State must comply with the REPS requirement, but that the university-owned electric suppliers, Western Carolina University and New River Light & Power Company, are not subject to the REPS requirement of Senate Bill 3 because they are neither public utilities, EMCs, nor municipalities. The Commission, therefore, stated that it would require each TVA distributor and each electric cooperative that provides retail electric service to customers in North Carolina to comply with Senate Bill 3 and the Commission's rules or be subject to a show cause proceeding.

Progress Energy Carolinas, Inc., and Peregrine Biomass Development Company, LLC, Joint Motion (May 13, 2009)

In response to the Commission's May 7 and 8, 2009 Orders on Duke's Motion for Clarification, on May 13, 2009, Progress Energy Carolinas, Inc. (PEC), and Peregrine Biomass Development Company, LLC (Peregrine), filed a Joint Motion requesting that the Commission declare that all RECs earned by Peregrine's biomass-fueled combined heat and power facility located in PEC's South Carolina service territory, including RECs associated with both the electric power and useful thermal energy produced by the facility, be considered in-State for REPS compliance and not be subject to the 25% out-of-state REC limit contained in G.S. 62-133.8(b)(2)(e). By Order dated May 22, 2009, the Commission requested that parties comment on the issue raised in the Joint Motion.

On July 13, 2009, the Commission issued an Order on the Joint Motion concluding that G.S. 62-133.8(b)(2)(d) applies to the electric power generated by Peregrine and purchased by PEC and, implicitly, the RECs directly associated with that electric power; however, G.S. 62-133.8(b)(2)(e) applies to the RECs directly associated with the useful thermal energy produced by the facility. While the thermal RECs earned and sold by Peregrine are eligible to count toward PEC's REPS compliance pursuant to G.S. 62-133.8(b)(2)(e), they are also subject to that provision's 25% limitation on out-of-state RECs.

Dominion North Carolina Power Motion for Further Clarification (June 12, 2009)

In response to the Commission's Orders on Duke's Motion for Clarification, on June 12, 2009, Dominion filed a Motion for Further Clarification in response to the Commission's determinations on questions related to the use of RECs to meet the REPS set-aside requirements. Specifically, Dominion requested that the Commission clarify that Dominion may purchase out-of-state RECs to satisfy 100% of both the set-aside requirements and the overall REPS requirements. On July 1, 2009, the Commission issued an Order allowing parties

an opportunity to file written comments on the issue raised by Dominion and on whether the 25% limitation on out-of-state RECs in G.S. 62-133.8(b)(2)(e) and (c)(2)(d) should apply to both the general REPS obligation and to the specific set-aside provisions in G.S. 62-133.8(d), (e) and (f).

On September 22, 2009, the Commission issued an Order on Dominion's Motion reconsidering its prior decision and concluding that, to best reconcile the language of the statute with the legislature's intent to foster local economic development and the use of indigenous renewable energy resources, the 25% limitation on the use of out-of-state RECs applies to the general REPS obligation and each of the individual set-aside provisions. The Commission concluded that the language of the set-aside provisions simply establishes the amount of each set-aside requirement that must be obtained from the specified renewable energy resource, but does not impose an additional requirement that all of the power (or equivalent amount of energy) be supplied by facilities located within North Carolina. The statute, however, expressly exempts Dominion from the 25% limitation on the use of unbundled out-of-state RECs. Lastly, the Commission reiterated that the set-aside requirements cannot be met through energy reductions due to the implementation of energy efficiency or, in the case of EMCs or municipalities, demand-side management measures.

Dominion North Carolina Power Second Motion for Reclarification (July 9, 2009)

In response to the Commission's June 17, 2009 Order on the Public Staff's Motion for Clarification, on July 9, 2009, Dominion filed a Second Motion for Reclarification regarding whether, pursuant to G.S. 62-133.8(b)(2)(b), it may use electric power produced at existing utility-owned renewable generation facilities or purchase power produced at existing nonutility-owned renewable generation facilities to satisfy its REPS requirements.

On July 27, 2009, the Commission issued an Order addressing the issues raised in Dominion's Motion. Having previously addressed the issue of utility-owned hydroelectric power facilities, the Commission clarified that the same reasoning is applicable to the use of any renewable energy resource at an existing utility-owned generating facility. For a non-hydroelectric power facility, a "new" renewable energy facility must be one that was placed into service on or after January 1, 2007, or that had a contract with NC GreenPower prior to January 1, 2007. Since the NC GreenPower exception does not apply to utility-owned generation, a utility-owned renewable energy facility placed into service prior to January 1, 2007, does not meet the definition of "new" renewable energy facility. As the Commission previously determined with respect to hydropower, it would not read G.S. 62-133.8(b)(2)(b) to negate the remaining provisions of subdivision (b)(2) and allow that which the legislature clearly otherwise excluded. Stating that G.S. 62-133.8(b)(2) is inapplicable to purchases of power or RECs, the Commission further concluded that, unless the facility had a contract with

NC GreenPower prior to January 1, 2007, a nonutility-owned renewable energy facility must have been placed into service on or after January 1, 2007, to be considered a "new" renewable energy facility and eligible to sell electric power or RECs to an electric public utility for REPS compliance.

Electric Power Suppliers Joint Motion (August 14, 2009)

On August 14, 2009, PEC, Duke, Dominion, North Carolina Electric Membership Corporation (NCEMC), North Carolina Eastern Municipal Power Agency (NCEMPA), and North Carolina Municipal Power Agency Number 1 (NCMPA1) filed a Joint Motion requesting that the Commission modify the swine and poultry waste resource requirements of G.S. 62-133.8(e) and (f) and clarify the electric power suppliers' obligations thereunder. By Order dated August 31, 2009, the Commission requested that the Public Staff and other interested parties comment on the issues raised in the Joint Motion. Comments were filed in September, and the Commission's decision is pending.

Renewable Energy Facilities

Senate Bill 3 defines certain electric generating facilities as renewable energy facilities or new renewable energy facilities. RECs associated with electric or thermal power generated at such facilities may be used by electric power suppliers for compliance with the REPS requirement as provided in G.S. 62-133.8(b) and (c). In its rulemaking proceeding, the Commission adopted rules providing for certification or report of proposed construction and registration of renewable energy facilities and new renewable energy facilities.

Certification and report of proposed construction

Pursuant to G.S. 62-110.1(a), no person, including any electric power supplier, may begin construction of an electric generating facility in North Carolina without first obtaining from the Commission a certificate of public convenience and necessity (CPCN). Two exemptions from this certification requirement are provided in G.S. 62-110.1(g): (1) self-generation, and (2) nonutility-owned renewable generation up to 2 MW. Any person exempt from the certification requirement must, nevertheless, file a report of proposed construction with the Commission pursuant to Rule R8-65. Since October 1, 2008, the Commission has received more than 140 CPCN applications or reports of proposed construction.

Registration

To ensure that each renewable energy facility from which electric power or RECs are used for REPS compliance meets the particular requirements of Senate Bill 3, the Commission adopted Rule R8-66 to require that the owner, including an electric power supplier, of each renewable energy facility or new renewable energy facility register with the Commission if it intends for RECs it

earns to be eligible for use by an electric power supplier for REPS compliance. This registration requirement applies to both in-State and out-of-state facilities. As of September 30, 2009, the Commission has accepted registration statements filed by seventy-two (72) facilities, a list of which is provided in Appendix 3.

Net Metering

"Net metering" refers to a billing arrangement whereby a customer that owns and operates an electric generating facility is billed according to the difference over a billing period between the amount of energy the customer consumes and the amount of energy it generates. In Senate Bill 3, codified at G.S. 62.133.8(i)(6), the General Assembly required the Commission to consider whether it is in the public interest to adopt rules for electric public utilities for net metering of renewable energy facilities with a generation capacity of one megawatt or less. In its previous Orders, the Commission had required utilities to offer net metering to a customer that owns and operates a solar photovoltaic (PV), wind-powered, micro-hydro, or biomass-fueled electric generating facility with a capacity of up to 20 kW for a residential customer-generator and 100 kW for a non-residential customer-generator. The Commission's Orders specified that net metering customers must be on a time-of-use (TOU) demand rate schedule and that the kilowatt-hour credit, if any, shall be reset to zero at the beginning of each summer billing season. Any RECs associated with this excess generation shall also be granted to the utility when the excess generation credit balance is zeroed out.

On June 9, 2008, the Commission issued an Order establishing a procedural schedule to reconsider all aspects of its existing net metering policy, including whether solar PV, wind-powered, micro-hydro, or biomass-fueled electric generating facilities up to one megawatt or some smaller size should be allowed to net meter; whether to allow additional types of generating facilities to net meter; and whether to otherwise change the terms and conditions under which generating facilities currently are allowed to net meter.

After receiving testimony from public witnesses in Raleigh and Charlotte and from expert witnesses for the parties, the Commission issued an Order on March 31, 2009, amending its net metering policy. In its Order, the Commission concluded that Duke, Dominion and PEC should file revised riders or tariffs that allow net metering for any customer that owns and operates a renewable energy facility that generates electricity with a capacity of up to 1 MW. The customer shall be required to interconnect pursuant to the approved generator interconnection standard, which includes provisions regarding the study and implementation of any improvements to the utility's electric system required to accommodate the customer's generation, and to operate in parallel with the utility's electric distribution system. The customer may elect to take retail electric service pursuant to any rate schedule available to other customers in the same rate class and may not be assessed any standby, capacity, metering or other

fees other than those approved for all customers on the same rate schedule. Standby charges shall be waived, however, for any net-metered residential customer with electric generating capacity up to 20 kW and any net-metered non-residential customer up to 100 kW. Credit for excess electricity generated during a monthly billing period shall be carried forward to the following monthly billing period, but shall be granted to the utility at no charge and the credit balance reset to zero at the beginning of each summer billing season. If the customer elects to take retail electric service pursuant to any TOU rate schedule, excess on-peak generation shall first be applied to offset on-peak consumption and excess off-peak generation to offset off-peak consumption; any remaining on-peak generation shall then be applied against any remaining off-peak consumption. If the customer chooses to take retail electric service pursuant to a TOU-demand rate schedule, it shall retain ownership of all RECs associated with its electric generation. If the customer chooses to take retail electric service pursuant to any other rate schedule, RECs associated with all electric generation by the facility shall be assigned to the utility as part of the net metering arrangement.

REC Tracking

In its February 29, 2008 Order, the Commission concluded that REPS compliance would be determined by tracking RECs associated with renewable energy and energy efficiency. In its Order, the Commission further concluded that a "third-party REC tracking system would be beneficial in assisting the Commission and stakeholders in tracking the creation, retirement and ownership of RECs for compliance with Senate Bill 3" and stated that "[t]he Commission will begin immediately to identify an appropriate REC tracking system for North Carolina."

On September 4, 2008, the Commission issued an Order in Docket No. E-100, Sub 121 initiating a new proceeding to define the requirements for a third-party REC tracking system and to select an administrator. The Commission established a stakeholder process to finalize a Requirements Document for the tracking system. Numerous meetings of this stakeholder group have been held during the past year.

On August 26, 2009, Governor Perdue signed into law Session Law 2009-475 enacting G.S. 62-133.8(k) and requiring the Commission, no later than July 1, 2010, to develop, implement, and maintain an online REC tracking system in order to verify the compliance of electric power suppliers with the REPS requirements.[2] The Commission intends to issue a Request for Proposals (RFP) shortly and select an administrator before the end of this year.

[2] Session Law 2009-475 further directs the Commission and the Energy Policy Council to jointly study and design an online REC trading exchange to facilitate the establishment of a market for purchase and sale of RECs and to report their findings and recommendations to the General Assembly by April 1, 2010.

Environmental Impacts

Pursuant to G.S. 62-133.8(j), the Commission was directed to consult with the North Carolina Department of Environment and Natural Resources (DENR) in preparing its report and to include any public comments received regarding direct, secondary, and cumulative environmental impacts of the implementation of the REPS requirements of Senate Bill 3. The Commission has not identified, nor has it received from the public or DENR, any comments regarding direct, secondary, and cumulative environmental impacts of the implementation of the REPS provision of Senate Bill 3.

ELECTRIC POWER SUPPLIER COMPLIANCE

Pursuant to Senate Bill 3, electric power suppliers are required, beginning in 2012, to meet an increasing percentage of their retail customers' energy needs by a combination of renewable energy resources and energy reductions from the implementation of energy efficiency and demand-side management measures. In addition, beginning in 2010, each electric power supplier must meet a certain percentage of its prior year's retail electric sales "by a combination of new solar electric facilities and new metered solar thermal energy facilities that use one or more of the following applications: solar hot water, solar absorption cooling, solar dehumidification, solar thermally driven refrigeration, and solar industrial process heat." G.S. 62-133.8(d). An electric power supplier is defined as "a public utility, an electric membership corporation, or a municipality that sells electric power to retail electric power customers in the State." G.S. 62-133.8(a)(3). Described below are the REPS requirements for the various electric power suppliers and, to the extent known by the Commission, the efforts of each toward REPS compliance.

Monitoring of Compliance with REPS Requirement

Monitoring of electric power supplier compliance with the REPS requirement of Senate Bill 3 is accomplished through annual filings with the Commission. The rules adopted by the Commission require each electric power supplier to file an annual REPS compliance plan and REPS compliance report to demonstrate reasonable plans for and actual compliance with the REPS requirement.

Compliance plan

Pursuant to Commission Rule R8-67(b), on or before September 1 of each year, each electric power supplier is required to file with the Commission an REPS compliance plan providing, for at least the current and following two calendar years, specific information regarding its plan for complying with the REPS requirement of Senate Bill 3. The information required to be filed includes, for example, forecasted retail sales, RECs earned or purchased, energy efficiency measures implemented and projected impacts, avoided costs, incremental costs, and a comparison of projected costs to the annual cost caps.

Compliance report

Pursuant to Commission Rule R8-67(c), each electric power supplier is required to annually file with the Commission, beginning in 2009, an REPS compliance report. While an REPS compliance plan is a forward-looking forecast of an electric power supplier's REPS requirement and its plan for meeting that

requirement, an REPS compliance report is an annual look back at the RECs earned or purchased and energy savings actually realized during the prior calendar year and the electric power supplier's actual progress toward meeting its REPS requirement. Thus, as part of this annual REPS compliance report, each electric power supplier is required to provide specific information regarding its experience during the prior calendar year, including, for example, RECs actually earned or purchased, retail sales, avoided costs, compliance costs, status of compliance with its REPS requirement, and RECs to be carried forward to future REPS compliance years. An electric power supplier must file with its REPS compliance report any supporting documentation as well as the direct testimony and exhibits of expert witnesses. The Commission will schedule a hearing to consider the REPS compliance report filed by each electric power supplier.

For each electric public utility, the Commission will consider the REPS compliance report and determine the extent of compliance with the REPS requirement at the same time as it considers cost recovery pursuant to the REPS incremental cost rider authorized in G.S. 62-133.8(h). The fuel charge adjustment proceedings are held at different times of the year for each electric public utility, and each utility must file its REPS compliance report at least 30 days before it files the information required for its fuel charge adjustment proceeding.

Each EMC and municipally-owned electric utility, over which the Commission does not exercise ratemaking authority, is required to file its REPS compliance report on or before September 1 of each year. Pursuant to Rule R8-67(c)(3), the Commission will issue an order scheduling a hearing to consider the REPS compliance report filed by each EMC or municipally-owned electric utility, requiring public notice, and establishing deadlines for intervention and the filing of additional direct and rebuttal testimony and exhibits.

Cost Recovery Rider

G.S. 62-133.8(h) authorizes each electric power supplier to establish an annual rider to recover the incremental costs incurred to comply with the REPS requirement and to fund certain research. The annual rider, however, may not exceed the following per-account annual charges:

Customer Class	2008-2011	2012-2014	2015 and thereafter
Residential per account	$10.00	$12.00	$34.00
Commercial per account	$50.00	$150.00	$150.00
Industrial per account	$500.00	$1,000.00	$1,000.00

Commission Rule R8-67(e) establishes a procedure under which the Commission will consider approval of an REPS rider for each electric public utility. The REPS rider operates similar to the fuel charge adjustment rider authorized in G.S. 62-133.2. Each electric public utility is required to file its

request for an REPS rider at the same time as it files the information required in its annual fuel charge adjustment proceeding, which varies for each utility. The test periods for both the REPS rider and the fuel charge adjustment rider are the same for each utility, as are the deadlines for publication of notice, intervention, and filing of testimony and exhibits. A hearing on the REPS rider will be scheduled to begin as soon as practicable after the hearing held by the Commission for the purpose of determining the utility's fuel charge adjustment rider. The burden of proof as to whether the REPS costs were reasonable and prudently incurred shall be on the electric public utility. Like the fuel charge adjustment rider, the REPS rider is subject to an annual true-up, with the difference between reasonable and prudently incurred incremental costs and the revenues that were actually realized during the test period under the REPS rider then in effect reflected in an REPS experience modification factor (REPS EMF) rider. Pursuant to G.S. 62-130(e), any over-collection under the REPS rider shall be refunded to a utility's customers with interest through operation of the REPS EMF rider.

Electric Public Utilities

There are three electric public utilities operating in North Carolina subject to the jurisdiction of the Commission: Carolina Power & Light Company, doing business as Progress Energy Carolinas, Inc. (PEC); Duke Energy Carolinas, LLC (Duke); and Virginia Electric and Power Company, doing business in North Carolina as Dominion North Carolina Power (Dominion).

REPS requirement

G.S. 62-133.8(b) provides that each electric public utility in the State – Duke, PEC and Dominion – shall be subject to an REPS according to the following schedule:

Calendar Year	REPS Requirement
2012	3% of prior year's North Carolina retail sales
2015	6% of prior year's North Carolina retail sales
2018	10% of prior year's North Carolina retail sales
2021 and thereafter	12.5% of prior year's North Carolina retail sales

An electric public utility may meet the REPS requirement by any one or more of the following:

- Generate electric power at a new renewable energy facility.
- Use a renewable energy resource to generate electric power at a generating facility other than the generation of electric power from waste heat derived from the combustion of fossil fuel.

- Reduce energy consumption through the implementation of an energy efficiency measure; provided, however, an electric public utility subject to the provisions of this subsection may meet up to twenty-five percent (25%) of the requirements of this section through savings due to implementation of energy efficiency measures. Beginning in calendar year 2021 and each year thereafter, an electric public utility may meet up to forty percent (40%) of the requirements of this section through savings due to implementation of energy efficiency measures.
- Purchase electric power from a new renewable energy facility. Electric power purchased from a new renewable energy facility located outside the geographic boundaries of the State shall meet the requirements of this section if the electric power is delivered to a public utility that provides electric power to retail electric customers in the State; provided, however, the electric public utility shall not sell the renewable energy certificates created pursuant to this paragraph to another electric public utility.
- Purchase renewable energy certificates derived from in-State or out-of-state new renewable energy facilities. Certificates derived from out-of-state new renewable energy facilities shall not be used to meet more than twenty-five percent (25%) of the requirements of this section, provided that this limitation shall not apply to Dominion.
- Use electric power that is supplied by a new renewable energy facility or saved due to the implementation of an energy efficiency measure that exceeds the requirements of this section for any calendar year as a credit towards the requirements of this section in the following calendar year or sell the associated renewable energy certificates.

Progress Energy Carolinas

On September 1, 2009, PEC filed its 2009 REPS compliance plan in Docket No. E-100, Sub 124 as part of its 2009 Integrated Resource Plan (IRP) annual update. In its plan, PEC indicated that its overall approach to REPS compliance is to meet the utility-specific solar set-aside requirement, meet its share of the poultry and swine waste statewide set-aside requirement, reduce load through effective energy efficiency measures, and meet the remainder of the REPS requirement with the most cost-effective, reliable renewable resources available. PEC has agreed to provide REPS compliance services for the following wholesale customers, as allowed under G.S. 62-133.8(c)(2)(e): the towns of Black Creek, Lucama, Sharpsburg, Stantonsburg, and Waynesville.

PEC has adopted a competitive bidding process for the purchase of energy or RECs from renewable energy facilities whereby market participants have an opportunity to propose projects on a continuous basis. Through this

RFP, PEC has executed twenty-five (25) contracts for solar, hydro, biomass, landfill gas, and wind RECs. PEC has also purchased cost-effective out-of-state wind RECs for REPS compliance. PEC stated that it does not currently own or operate new renewable energy facilities, but is evaluating the use of alternative fuels at its existing generation facilities.

PEC also intends to comply with a portion of the REPS requirement by implementing energy efficiency measures. In the past year, PEC has received approval for a number of energy efficiency programs and has begun implementation. PEC forecasts that, with the allowed banking, its energy efficiency savings will exceed the limitation imposed in each year for REPS compliance under G.S. 62-133.8(b)(2)(c).

On June 6, 2008, PEC filed an application in Docket No E-2, Sub 930 for approval of an REPS rider effective December 1, 2008. On November 14, 2008, the Commission issued an Order approving an REPS charge of $0.36 per month for residential customers, $1.82 per month for commercial customers, and $18.24 per month for industrial customers.

On May 18, 2009, PEC filed its 2008 REPS compliance report in Docket No. E-2, Sub 948. On June 4, 2009, PEC filed an application in that docket seeking to increase its REPS rider to $0.62 per month for residential customers, $3.11 per month for commercial customers, and $31.02 per month for industrial customers. In its REPS compliance report, PEC indicated that it had purchased 2,509 solar RECs between April 1, 2008, and July 31, 2009, and that it expects to purchase an additional 21,078 solar RECs between December 1, 2009, and November 30, 2010. PEC forecasts its REPS obligation in 2010 under the solar set-aside requirement, including the wholesale customers for which it is providing REPS compliance service, to total 7,623 MWh, less than the number of solar RECs it expects to acquire by that time. PEC further indicated that it had purchased 186,517 RECs from landfill methane, biomass, hydro, or wind facilities between April 1, 2008, and July 31, 2009, and that it expects to purchase an additional 1,042,403 RECs from such facilities between December 1, 2009, and November 30, 2010. A hearing was held on PEC's compliance report and REPS cost recovery rider on September 16, 2009, and a final decision is pending before the Commission.

Duke Energy Carolinas

On November 3, 2008, Duke filed its 2008 IRP biennial report and REPS compliance plan in Docket No. E-100, Sub 118. On September 1, 2009, Duke filed its 2009 REPS compliance plan in Docket No. E-100, Sub 124 as part of its 2009 IRP annual update. In its plan, Duke characterized its renewable energy strategy as one of diversification. Specifically, stated Duke, it seeks to build its portfolio of renewable resources through a combination of (1) resources owned/operated by Duke, (2) power purchase agreements, and (3) purchases of unbundled RECs. In

addition, Duke intends to comply with a portion of the REPS requirement by implementing cost-effective energy efficiency measures. Duke has agreed to provide REPS compliance services for the following wholesale customers, as allowed under G.S. 62-133.8(c)(2)(e): Rutherford EMC; the cities of Concord, Highlands, and Kings Mountain; and the towns of Dallas and Forest City.

With respect to utility-owned resources, Duke received approval from the Commission in 2009 to build, own and operate up to 10 MW of solar photovoltaic projects on customer sites and/or utility-owned property. Duke expects construction of an initial phase of projects to begin prior to year-end 2009 and for the program to be fully implemented by the end of 2010. Duke is also exploring opportunities either to co-fire biomass at existing coal-fired generating stations or to repower coal-fired stations as dedicated biomass-fire power stations. Lastly, Duke is evaluating opportunities to add new hydro generation capacity that would qualify for REPS compliance under Senate Bill 3.

With regard to power purchase agreements and REC purchases, Duke has entered into multiple agreements pertaining to solar and general renewable resources, but has yet to enter into any agreements for swine or poultry waste resources. Duke noted that is has joined with other electric power suppliers to express the challenges in meeting the swine and poultry waste set-aside requirements, but "remains committed to procuring or developing these renewable resources, provided they are available and it is in the public interest to do so." Lastly, Duke stated that it is in active dialogue with other electric power suppliers to collaboratively procure these resources as directed by the Commission.

With respect to solar and general renewable resources, Duke has entered into several power purchase agreements and unbundled REC purchases, including agreements for landfill gas, hydro, wind, solar PV, and solar thermal resources. Some of these REC purchase agreements have been executed under Duke's "standard offer," which it established in 2009 with the intent to streamline the process for smaller producers. Duke projects its 2010 REPS obligation under the solar set-aside requirement, including the wholesale customers for which it is providing REPS compliance services, to total 11,142 MWh, and stated that it is confident that it will meet this requirement.

On February 26, 2009, Duke received approval from the Commission for its portfolio of energy efficiency programs. Duke has begun implementation of these programs and will bank energy efficiency savings for future REPS compliance. Duke projects that it will achieve more energy efficiency than what can be utilized for REPS compliance pursuant to G.S. 62-133.8(b)(2)(c) for the foreseeable future.

On February 2, 2009, Duke filed its 2008 REPS compliance report in Docket No. E-7, Sub 872. On March 4, 2009, Duke filed an application in that

docket for approval of an REPS rider, effective September 1, 2009, equal to $0.13 per month for residential customers, $0.66 per month for commercial customers, and $6.60 per month for industrial customers. A hearing was held on June 9, 2009, and on August 21, 2009, the Commission issued an Order Approving Cost Recovery and Directing Further Proceedings Regarding REPS Riders. The establishment of a final REPS rider is still pending before the Commission.

Dominion North Carolina Power

On September 1, 2009, Dominion filed its 2009 REPS compliance plan in Docket No. E-100, Sub 124 as part of its 2009 IRP annual update. On July 23, 2009, the Commission issued an Order in Docket No. E-22, Sub 455 granting Dominion an extension of time within which to file its 2008 REPS compliance report until after the Commission rules on Dominion's then-outstanding motions for clarification in Docket No. E-100, Sub 113. Dominion does not intend to seek an REPS rider until 2010 when its rate moratorium established in Docket No. E-22, Sub 412 expires. Dominion has agreed to provide REPS compliance services for the Town of Windsor, as allowed under G.S. 62-133.8(c)(2)(e).

In its plan, Dominion stated that it intends to meet its REPS requirements through the use of new renewable energy, energy efficiency, and unbundled RECs. Dominion currently plans to use unbundled solar RECs to meet its 2010 and 2011 solar set-aside requirements (757 and 753 MWh, respectively). As determined in the Commission's September 22, 2009 Order, Dominion is exempt from the 25% limit on the use of out-of-state RECs for REPS compliance found in G.S. 62-133.8(b)(2)(e). Pending the Commission's Order on its motions for clarification, Dominion had not executed any contracts for RECs as of September 1, 2009. Lastly, Dominion stated that it intends to request approval by the Commission of seven energy efficiency programs in the near future. Dominion projects energy efficiency savings of 5,090 MWh in 2011 from these programs.

Electric Membership Corporations and Municipally-Owned Electric Utilities

There are thirty-one (31) EMCs serving more than 968,000 customers in North Carolina, including twenty-six (26) that are headquartered in the state. Twenty-five of the EMCs are members of NCEMC, a generation and transmission (G&T) services cooperative that provides wholesale power and other services to its members.

In addition, there are seventy-four (74) municipal and university-owned electric distribution systems serving over 568,000 customers in North Carolina. These systems are members of ElectriCities of North Carolina, Inc. (ElectriCities), an umbrella service organization. ElectriCities is a non-profit organization that provides many of the technical, administrative, and management services required

by its municipally-owned electric utility members in North Carolina, South Carolina, and Virginia. ElectriCities is a service organization for its members, not a power supplier. Fifty-one of the North Carolina municipalities are participants in either NCEMPA or NCMPA1, municipal power agencies that provide wholesale power to their members. The remaining municipally-owned electric utilities generate their own electric power or purchase electric power from wholesale electric suppliers.

By Orders issued August 27, 2008, the Commission allowed twenty-three (23) EMCs to file their REPS compliance plans on an aggregated basis through GreenCo Solutions, Inc. (GreenCo) and the fifty-one (51) municipal members of the power agencies to file through NCEMPA and NCMPA1.

REPS requirement

G.S. 62-133.8(c) provides that each EMC or municipality that sells electric power to retail electric power customers in the State shall be subject to an REPS according to the following schedule:

Calendar Year	REPS Requirement
2012	3% of prior year's North Carolina retail sales
2015	6% of prior year's North Carolina retail sales
2018 and thereafter	10% of prior year's North Carolina retail sales

Compliance with the REPS requirement is slightly different for an EMC or municipality than for an electric public utility. An EMC or municipality may meet the REPS requirement by any one or more of the following:

- Generate electric power at a new renewable energy facility.
- Reduce energy consumption through the implementation of demand-side management or energy efficiency measures.
- Purchase electric power from a renewable energy facility or a hydroelectric power facility, provided that no more than thirty percent (30%) of the requirements of this section may be met with hydroelectric power, including allocations made by the Southeastern Power Administration.
- Purchase renewable energy certificates derived from in-State or out-of-state renewable energy facilities. An electric power supplier subject to the requirements of this subsection may use certificates derived from out-of-state renewable energy facilities to meet no more than twenty-five percent (25%) of the requirements of this section.
- Acquire all or part of its electric power through a wholesale purchase power agreement with a wholesale supplier of electric

power whose portfolio of supply and demand options meet the requirements of this section.

- Use electric power that is supplied by a new renewable energy facility or saved due to the implementation of demand-side management or energy efficiency measures that exceeds the requirements of this section for any calendar year as a credit towards the requirements of this section in the following calendar year or sell the associated renewable energy certificates.

Electric membership corporations

On September 1, 2009, GreenCo filed its 2009 REPS compliance plan and 2008 REPS compliance report with the Commission on behalf of its member EMCs.[3] In its plan, GreenCo stated that it intends to use its members' allocations from the Southeastern Power Administration (SEPA), RECs provided by both in-State and out-of-state renewable energy facilities, and energy efficiency savings to meet its members' REPS obligations. GreenCo stated that it continues to develop and pilot test energy efficiency programs and anticipates filing for Commission approval later this year. As part of one lighting program, for example, four of GreenCo's members distributed 124,000 compact fluorescent light bulbs to their residential consumers, and another 132,000 light bulbs are planned to be delivered by the end of 2009. GreenCo estimated energy reductions of 29,865 MWh in 2008 from all of its members' energy efficiency programs. GreenCo further stated that it will evaluate DSM programs, including smart grid applications, for their potential to provide energy savings. GreenCo indicated that it has currently executed contracts for one solar facility located near Rocky Mount, North Carolina, and for one wind facility located in Iowa. Lastly, for 2008, the REPS incremental costs incurred by GreenCo's members were significantly less than the costs allowed under the per-account cost cap in G.S. 62-133.8(h).

On September 1, 2009, EnergyUnited Electric Membership Corporation (EnergyUnited) filed its 2009 IRP and REPS compliance plan with the Commission. In its plan, EnergyUnited stated that it has executed contracts with solar and landfill gas projects, has made a one-time purchase of RECs from an out-of-state wind facility, and has submitted two energy efficiency programs to the Commission for approval (Docket No. EC-82, Sub 10). EnergyUnited further stated that in 2007 and 2008 it gave away compact fluorescent light bulbs to the members who attended its annual meeting and that it continues the process of educating its members on the value of energy efficiency and conservation. In its

[3] The following EMCs are members of GreenCo: Albemarle EMC, Blue Ridge EMC, Brunswick EMC, Cape Hatteras EMC, Carteret-Craven EMC, Central EMC, Edgecombe-Martin County EMC, Four County EMC, French Broad EMC, Haywood EMC, Jones-Onslow EMC, Lumbee River EMC, Pee Dee EMC, Piedmont EMC, Pitt & Greene EMC, Randolph EMC, Roanoke EMC, South River EMC, Surry-Yadkin EMC, Tideland EMC, Tri-County EMC, Union EMC, and Wake EMC.

plan, EnergyUnited indicated that it anticipates obtaining solar resources sufficient to meet its REPS solar set-aside requirement in 2010.

On September 1, 2009, Halifax Electric Membership Corporation (Halifax) filed its 2009 REPS compliance plan and 2008 REPS compliance report with the Commission. Halifax serves the Town of Enfield and has included Enfield's REPS requirement in its plan. In its plan, Halifax stated that it plans to meet its overall requirements through its SEPA entitlements, energy efficiency savings, and other project investment or purchase of RECs. Halifax estimated its 2010 solar set-aside requirement as 38 MWh, and stated that it is evaluating options, but has not committed on any initiative to provide RECs needed for compliance. Halifax is evaluating a number of energy efficiency programs and has implemented programs for the promotion and distribution of compact fluorescent light bulbs, residential energy audits, and high efficiency heat pump rebates. Halifax estimated energy reductions of 229 MWh in 2008 from these three energy efficiency programs.

On September 1, 2009, Blue Ridge Mountain Electric Membership Corporation, Mountain Electric Coop, Inc., and Tri-State Electric Membership Corporation filed their 2009 REPS compliance plans and 2008 REPS compliance reports in response to the Commission's June 17, 2009 Order. Together with Murphy Power Board, these electric power suppliers are wholesale distributors of power purchased from TVA. In their plans, these TVA distributors noted that they have only recently begun efforts to identify and develop programs to comply with their REPS obligation and stated that more detailed information will be available in future reports. Each has committed to implement the programs necessary for meeting the 2010 solar set-aside requirement.

Subsequent to the issuance of the Commission's June 17, 2009 Order, the Commission also contacted Broad River Electric Cooperative, Inc., and Mecklenburg Electric Cooperative, Inc., two additional electric cooperatives headquartered outside of North Carolina that serve retail customers within North Carolina, and received assurances that they each intend to comply with the REPS requirements of Senate Bill 3 and the Commission's rules.

Municipally-owned electric utilities

On August 31, 2009, NCEMPA and NCMPA1 filed 2009 REPS compliance plans and 2008 REPS compliance reports with the Commission on behalf of their members. In its plan, NCEMPA stated that its members are committed to promoting the development of renewable energy and energy efficiency in North Carolina through working to meet their REPS compliance requirements in G.S. 62-133.8(c), (d), (e), and (f). In meeting this REPS requirement, however, its members are prohibited from purchasing, generating or using renewable energy, including purchases from hydroelectric power facilities, at least until 2018, under NCEMPA's power supply contract with PEC. NCEMPA

further stated that its members will meet approximately 30% of their REPS requirements pursuant to G.S. 62-133.8(c)(2)(e) through purchases of supplemental energy from PEC. NCEMPA identified a number of demand-side management and energy efficiency programs that its members may implement to produce energy savings for REPS compliance. NCEMPA stated that it is investigating the market for unbundled RECs as a cost-effective means of REPS compliance. Lastly, NCEMPA reiterated that it is prohibited from purchasing power to meet the REPS set-aside requirements, including its 2010 REPS solar set-aside requirement of approximately 1400 MWh, but that it intends to investigate the use of solar thermal facilities and associated RECs. In its compliance report, NCEMPA estimated energy reductions from its members' demand-side management and energy efficiency programs of 11,947 MWh in 2008. NCEMPA stated that its incremental costs of REPS compliance for 2008 included (1) costs associated with its members' demand-side management and energy efficiency programs, (2) lost retail revenues, and (3) research and development costs, less total avoided costs. Although it purchased no renewable energy or RECs, NCEMPA stated that its incremental costs exactly equaled its per-account cost cap.

NCMPA1, in its plan, similarly stated that its members are committed to promoting the development of renewable energy and energy efficiency in North Carolina through working to meet their REPS compliance requirements in G.S. 62-133.8(c), (d), (e), and (f). Unlike, NCEMPA, however, NCMPA1 stated that, in addition to the implementation of demand-side management and energy efficiency programs by its members, NCMPA1 intends to investigate and develop new renewable energy facilities; issue an RFP for renewable resources, including biomass, hydro, solar and wind; and negotiate and execute agreements for cost-effective resources. NCMPA1 intends to continue to investigate local, regional, and national markets for cost-effective RECs and may consider issuing an RFP for RECs. NCMPA1 and its members do not anticipate entering into any wholesale power purchase agreements that would meet the requirements of G.S. 62-133.8(c)(2)(e). In order to meet its 2010 REPS solar set-aside requirement of approximately 1040 MWh, NCMPA1 intends to complete currently existing negotiations and execute contracts for the development of a solar PV facility to be located within the service area of one of its members; evaluate potential solar applications, including solar thermal; consider incentives for customers to convert to or install solar thermal water heating; and investigate various other regional supply-side options. NCMPA1 is investigating proposals for swine waste facilities and has entered into an agreement to purchase a combination of biomass and poultry litter RECs. In its compliance report, NCMPA1 estimated energy reductions from its members' demand-side management and energy efficiency programs of 523 MWh in 2008. NCMPA1 stated that its incremental costs of REPS compliance for 2008 included (1) incremental labor costs, and (2) research and development costs, which, together, totaled less than 10% of its per-account cost cap.

On September 1, 2009, the Town of Winterville filed its 2009 REPS compliance plan and 2008 REPS compliance report with the Commission. In its plan, Winterville stated that it has considered and evaluated several renewable energy and energy efficiency programs and has begun implementation. Under its wholesale power contract with PEC, Winterville can add generating capacity, and it has begun a program to encourage the installation of solar PV and solar thermal at customer sites. In addition, the Town is working to identify one or more municipal sites where a pilot solar facility can be installed. Winterville projects energy savings of approximately 148 MWh in 2009 increasing to more than 1100 MWh in 2011 from its portfolio of energy efficiency programs. It expects to have sufficient solar facilities installed by 2010 to meet its REPS set-aside requirement of approximately 10 MWh.

On September 1, 2009, Fayetteville Public Works Commission (PWC) filed its 2009 REPS compliance plan and 2008 REPS compliance report with the Commission. In its plan, PWC stated that, as permitted by G.S. 62-133.8(c)(2)(e), it will meet its REPS obligation through its purchases of wholesale power under a power purchase agreement with PEC.

As noted above with regard to TVA's EMC distributors, on September 1, 2009, Murphy Power Board (Murphy) filed its 2009 REPS compliance plans and 2008 REPS compliance reports in response to the Commission's June 17, 2009 Order. In its plan, Murphy noted that it had only recently begun efforts to identify and develop programs to comply with its REPS obligation and stated that more detailed information will be available in future reports. Murphy also committed to implement the programs necessary for meeting the 2010 solar REC requirement.

As further noted above, the towns of Black Creek, Dallas, Enfield, Forest City, Highlands, Lucama, Sharpsburg, Stantonsburg and Waynesville, and the cities of Concord and Kings Mountain. Black Creek, Lucama, Stantonsburg, and Waynesville filed letters with the Commission stating that PEC, as their wholesale provider, had agreed to meet their REPS requirements. The towns of Dallas and Forest City, and the cities of Concord, Highlands and Kings Mountain filed similar letters stating that Duke had agreed to meet their REPS requirements. The towns of Macclesfield, Pinetops, and Walstonburg have previously filed letters stating that the City of Wilson, as their wholesale provider, has agreed to include their loads with its own for reporting to NCEMPA for REPS compliance. Halifax stated that it has agreed to meet the REPS requirement for the Town of Enfield.

Subsequent to the issuance of the Commission's June 17, 2009 Order, the Commission also contacted the towns of Fountain and Oak City, two North Carolina municipalities that neglected to file 2008 REPS compliance plans. Each town provided assurances that they intend to comply with the REPS requirements of Senate Bill 3 and the Commission's rules. A letter was received from the Town of Oak City, dated September 8, 2009, indicating that it had

spoken to consultants and intends to file its 2009 REPS compliance plan and 2008 REPS compliance report on or before December 31, 2009.

Although not required to comply with the REPS requirement; as determined in the Commission's June 17, 2009 Order, on August 31, 2009, New River Light & Power Company (New River), a division of Appalachian State University (ASU), filed a letter with the Commission stating that it continues to be committed to the development of renewable energy and energy efficiency and updating the Commission as to its activities in this area. New River stated, for example, that the ASU Student Renewable Energy Initiative recently installed a wind turbine and that New River is working on interconnection agreements for its customers' renewable projects. New River purchased 500 compact fluorescent light bulbs for ASU's Earth Day celebration and plans other light bulb offers to its customers. Lastly, New River is investigating whether generation is feasible at its former hydroelectric power facility.

ISSUES FOR CONSIDERATION

As discussed above, with the first REPS compliance plans and reports now being filed by electric power suppliers, numerous issues have arisen that have required the Commission to discern the General Assembly's intent and to interpret Senate Bill 3. Several issues were highlighted in the Commission's 2008 REPS Report and have, in the interim, been addressed by the Commission, including determination of the REPS compliance requirements for years not unambiguously set out in G.S. 62-133.8(b), (c), (d), and (e); clarification of the use of electric generation at the utilities' existing hydroelectric facilities to meet the REPS requirement; and identification of those entities subject to the REPS requirements.

The most significant issue at this time continues to relate to the swine and poultry waste set-aside requirements. As noted in the 2008 REPS Report, G.S. 62-133.8(e) and (f) impose an obligation to purchase energy derived from swine and poultry waste on "electric power suppliers, in the aggregate." The requirement to meet these set-asides is explicitly different from the solar set-aside, G.S. 62-133.8(d), which imposes an obligation on each electric power supplier individually. Rather, for swine and poultry waste, the electric power suppliers collectively must meet the stated percentage or megawatt-hour obligation. In its 2008 REPS compliance plan, PEC indicated that it is planning to meet the utility-specific solar set-aside requirement, but only its pro-rata share of the poultry and swine waste statewide set-aside requirement. The Commission stated, however, that it expected the electric power suppliers to work together to collectively meet the aggregate obligation and comply with G.S. 62-133.8(e) and (f).

In the Commission's May 7 and 8, 2009 Orders on Duke's November 3, 2008 Motion for Clarification, it repeated this expectation and concluded that the language of the swine and poultry waste set-aside provisions contemplate that the electric power suppliers may agree among themselves how to collectively satisfy the requirements of those subsections. To alleviate any concerns whether such collaborative efforts would be lawful under the "state action" antitrust immunity doctrine, the Commission required that the electric power suppliers specifically file for approval any joint procurement agreements entered into or other collaborative efforts undertaken to obtain renewable energy or RECs to satisfy the aggregate swine or poultry waste set-aside requirements.

As further noted above, however, the electric power suppliers continue to express concerns about their ability to comply with the swine and poultry waste set-aside requirements and have filed a Joint Motion requesting that the Commission modify the swine and poultry waste resource requirements and clarify the electric power suppliers' obligations thereunder. This issue remains pending before the Commission.

APPENDICES

1. Docket No. E-100, Sub 113, In the Matter of Rulemaking Proceeding to Implement Session Law 2007-397

   - Order Clarifying Electric Power Suppliers' Annual REPS Requirements (November 26, 2008)
   - Order on Duke Energy Carolinas, LLC, Motion for Clarification (May 7, 2009)
   - Order of Clarification (May 8, 2009)
   - Order on Public Staff's Motion for Clarification (June 17, 2009)
   - Order on Joint Motion to Determine Whether RECs are In-State or Out-of-State (July 13, 2009)
   - Order on Dominion's Second Motion for Reclarification (July 27, 2009)
   - Order on Dominion's Motion for Further Clarification (September 22, 2009)
   - Order Requesting Proposed Amendments to Rules R8-64 Through R8-69 (September 4, 2009)
   - Letter from Chairman Edward S. Finley, Jr., North Carolina Utilities Commission, to Secretary Dee Freeman, North Carolina Department of Environment and Natural Resources (July 1, 2009)
   - Letter from Robin W. Smith, Assistant Secretary for Environment, North Carolina Department of Environment and Natural Resources, to Chairman Edward S. Finley, Jr., North Carolina Utilities Commission (August 14, 2009)

2. Docket No. E-100, Sub 83, In the Matter of Investigation of Proposed Net Metering Rule

   - Order Amending Net Metering Policy (March 31, 2009)

3. Renewable Energy Facility Registrations

STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH

DOCKET NO. E-100, SUB 113

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of	
Rulemaking Proceeding to Implement Session Law 2007-397	) ORDER CLARIFYING ELECTRIC) POWER SUPPLIERS' ANNUAL) REPS REQUIRMENTS

BY THE COMMISSION: On February 29, 2008, and March 13 2008, the Commission issued Orders in the above-captioned docket adopting rules to implement Session Law 2007-397 (Senate Bill 3) and the Renewable Energy and Energy Portfolio Standard (REPS) in North Carolina. On September 4, 2008, the Commission issued an Order in this docket seeking comments on the proper interpretation of the REPS compliance requirements for those years for which it is not clearly stated in the law: (1) 2013-14, 2016-17, 2019-20, 2022 and thereafter for electric public utilities; (2) 2013-14, 2016-17, 2019 and thereafter for electric membership corporations (EMCs) and municipalities; (3) 2010 and thereafter for solar resources; and (4) 2012 and thereafter for swine waste resources. More particularly, the Commission sought comments regarding what percentage requirement should apply in each year and to what base the percentage requirement should apply.

Dominion North Carolina Power (Dominion); Duke Energy Carolinas, LLC (Duke); ElectriCities of North Carolina, Inc. (ElectriCities); Green Co Solutions, Inc. (GreenCo); and North Carolina Electric Membership Corporation (NCEMC) filed joint comments. In addition, comments were filed by Fibrowatt, LLC (Fibrowatt); North Carolina Sustainable Energy Association (NCSEA); Progress Energy Carolinas, Inc. (Progress); and the Public Staff.

Overall REPS Obligation

The September 4, 2008 Order asked, by way of example, "Under G.S. 62-133.8(b), what percentage and which year's North Carolina retail sales should be used to determine compliance with the REPS requirement for an electric public utility in 2013?" That provision states:[1]

> (b) Renewable Energy and Energy Efficiency Standards (REPS) for Electric Public Utilities. – (1) Each electric public utility in the State shall be subject to a Renewable Energy and Energy Efficiency Portfolio Standard (REPS) according to the following schedule:

[1] The REPS provision for EMCs and municipals has a parallel construction.

Calendar Year	REPS Requirement
2012	3% of 2011 North Carolina retail sales
2015	6% of 2014 North Carolina retail sales
2018	10% of 2017 North Carolina retail sales
2021 and thereafter	12.5% of 2020 North Carolina retail sales

No party argued that intervening years, such as 2013, are devoid of any compliance obligation. There was a difference of opinion, however, regarding how to calculate the obligation in those non-specified years. All parties stated that the percentage requirements should apply in the year specified and in the subsequent intervening years until a new, higher percentage takes effect, as listed. So, for all electric power suppliers, 3% would be used in 2012, 2013 and 2014. The parties disagreed as to which year's retail sales that percentage should be applied against in order to calculate the REPS obligation.

In their comments, Dominion, Duke, NCEMC, GreenCo, ElectriCities and Progress argued that both the percentage and the sales year to which it is applied should progress in concert, with both increasing only in the stated years. Thus, for calendar years 2012, 2013 and 2014, an electric power supplier's REPS obligation would remain constant at 3% of 2011 retail sales. The obligation would be flat until 2015, when it would increase to 6% of 2014 retail sales, and again hold steady at that amount until 2018. The electric power suppliers asserted that the statute includes stair-step obligations because it is reasonable to expect that increases in the availability of renewable resources during the ramp up to the final compliance obligations "may not be linear." In addition, the electric power suppliers argued that their REPS obligations should be based on weather-normalized retail sales, rather than actual retail sales, in the stated year.

The Public Staff and NCSEA asserted that each year's REPS obligation should be calculated by using the electric power supplier's prior year's retail sales, even in the intervening years not specifically stated in the law. In its reply comments, the Public Staff asserted that the electric power suppliers' proposed approach would cause "the actual percentage of renewable (and of solar and swine resources) in the utility's generation mix" to decrease in the intervening years. Looking out well beyond 2021, "the stair steps would eventually descend to a level well below the 12.5% prescribed by G.S. 62-133.8(b)(1), because the final 12.5% REPS requirement would continue to be applied to 2020 sales, while actual sales continue to increase through the years."

In its reply comments, NCSEA argued that the approach advocated by the electric power suppliers would "lead to nonsensical and inconsistent results." For example, it would cause "compliance in year 2030 to be based on 12.5% of retail sales in 2020." NCSEA referenced the original draft of Senate Bill 3, which based each year's REPS obligation on retail sales "during the previous calendar year." NCSEA argued that, because the requirement in the stated years is clearly based on the prior year's sales, it is internally consistent to use this same approach in the intervening years for which the law is unclear. Further, when reviewing Senate Bill 3 in its entirety, the

General Assembly intended to "match growth in the [spending] cap based on previous year's sales to meet the growth in the compliance obligation that occurs based on the previous year's retail sales." NCSEA argued that the General Assembly did not intend for the portfolio standard to regress after 2022 while the funds provided under the spending cap continued to grow (due to growth in number of customer accounts).

Regarding the use of weather-normalized sales data, the Public Staff agreed with the electric power suppliers' proposal and suggested that the Commission require each electric power supplier to submit its weather normalization calculations for the previous year's retail sales and the resulting REPS and set-aside requirements early in each year for review and approval. NCSEA, however, opposed the electric power suppliers' proposal to use weather-normalized sales rather than actual sales for calculating their REPS obligations, stating that each electric power supplier's actual sales, as reported in its FERC Form 1 submittal due each April, should be the basis for its REPS obligation. In its reply comments, NCSEA stated that it had contacted more than 30 states that have renewable portfolio standards or goals in place, and that all of those states "indicated that they use actual retail sales, or load, and not weather normalized sales" to determine a utility's compliance obligation.

The Commission notes that the law is ambiguous regarding how to calculate the REPS obligation in the intervening years. After carefully considering the parties' comments and the REPS provisions of Senate Bill 3, the Commission concludes that each electric power supplier's REPS obligation should be based on its prior year's actual retail sales. Senate Bill 3 clearly established the annual spending caps based on the number of customer accounts an electric power supplier has at the end of the prior calendar year. Since the number of customer accounts generally increases year by year, the amount of funds an electric power supplier can spend toward REPS compliance will also increase year by year. The Commission believes the most reasonable interpretation of the ambiguous provisions of Senate Bill 3 is that in which the change in each electric power supplier's REPS obligation from year to year mirrors the increase in REPS funding from year to year.

Regarding the electric power suppliers' proposal to base their REPS obligations on weather-normalized sales data, the Commission finds no support for such an approach in any of the provisions of Senate Bill 3. Therefore, the Commission concludes that it is appropriate to base each electric power supplier's REPS obligation on its actual prior year's retail sales. The Commission notes that Senate Bill 3 allows electric power suppliers to bank certain renewable energy certificates for use in a future compliance year. This should allow electric power suppliers to manage an annual REPS obligation that varies from year to year due to the impact of weather on retail sales.

Solar and Swine Waste Set-Aside Obligations

The September 4, 2008 Order also asked what percentage and which year's North Carolina retail sales should be used to determine compliance with the solar energy and swine waste resource set-asides.

All parties agreed that it would be confusing and administratively burdensome to calculate the set-aside obligations based on current year sales, even though that interpretation could be read into the statute. Consistent with their position on the overall REPS requirement, the electric power suppliers argued that both the year and the percentage should move in concert, which would result in the set-aside obligations being flat for several years and then increasing in a stair-step fashion. The electric power suppliers' joint comments also raised concerns with the fact that the obligations for swine and poultry waste resource set-aside obligations are stated as statewide aggregates, making it difficult for an electric power supplier to discern its specific obligation. The electric power suppliers asserted that this raises antitrust law issues absent Commission oversight or direction.

NCSEA and the Public Staff stated that the set-aside obligations should be based on an electric power supplier's prior year's sales, consistent with their approach to establishing each electric power supplier's overall REPS obligation. NCSEA noted the Commission's efforts to establish a REC tracking system and stated that

> for ease of administration, and thus less costly administration, of NC-RETS, the most common sense approach is to keep the percentage requirements and the base for those percentage requirements consistent across renewable energy resources being acquired and used for REPS compliance. Solar energy and swine waste resources will be used by ... utilities ... to comply with their overall REPS obligations. Therefore, the set-aside requirements for these resources ... should correspond to the schedule set forth for the overall REPS requirements .... If different schedules are adopted for the set-aside requirements, the costs ... will significantly and unnecessarily increase.

The Public Staff agreed with the electric power suppliers regarding the need to avoid antitrust issues, but did not believe the issue is within the scope of this proceeding.

The Commission notes that, unlike the overall REPS requirements of G.S. 62-133.8(b) and (c), the schedules stating the set-aside obligations for the initial years of each do not explicitly state the years' retail sales to which the percentages should be applied. Using current year sales is problematic for several reasons, including (1) an electric power supplier will not know its solar or swine waste resource obligations for a given year until after the year is over, and (2) it will be administratively confusing to have the set-aside obligations based on the current year's sales while the overall REPS obligation is based on the prior year's sales. It is much easier to establish systems and audit results when each year's set asides can be viewed as a subset of the same year's overall REPS obligation. In order to harmonize the various provisions of Senate Bill 3 and for the administrative reasons set forth by NCSEA, the Commission concludes that the set-aside obligations should be calculated in the same manner as the overall REPS obligations. That is, the set-aside obligations will be based on prior year's actual retail sales in North Carolina.

Lastly, the Commission agrees with the Public Staff that this proceeding is not the appropriate forum in which to address the electric power suppliers' antitrust concerns. The Commission notes that Duke has raised this concern, among others, in its November 3, 2008 Motion for Clarification in this docket and that the Commission has issued an Order allowing parties to file comments. The Commission, therefore, will consider the comments received in response to Duke's Motion before addressing this issue.

IT IS, THEREFORE, SO ORDERED.

ISSUED BY ORDER OF THE COMMISSION.

This the 26th day of November, 2008.

NORTH CAROLINA UTILITIES COMMISSION

Patricia Swenson

Patricia Swenson, Deputy Clerk

Kc112608.03

Commissioner Robert V. Owens, Jr., did not participate in this decision.

STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH

DOCKET NO. E-100, SUB 113

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of Rulemaking Proceeding to Implement Session Law 2007-397	)))	ORDER ON DUKE ENERGY CAROLINAS, LLC, MOTION FOR CLARIFICATION

BY THE COMMISSION: On February 29, 2008, and March 13, 2008, the Commission issued Orders in this docket adopting rules to implement Session Law 2007-397 (Senate Bill 3) and the Renewable Energy and Energy Efficiency Portfolio Standard (REPS) in North Carolina. On or about September 2, 2008, the electric power suppliers began filing their initial REPS compliance plans pursuant to Commission Rule R8-67(b).

On November 3, 2008, Duke Energy Carolinas, LLC (Duke), filed a Motion for Clarification with regard to eleven issues concerning the interpretation of Senate Bill 3 to assist in its REPs compliance planning. On November 13, 2008, the Commission issued an Order inviting parties to provide written comments and reply comments on the issues raised by Duke.[1]

On or about December 19, 2008, comments were filed by Duke; Progress Energy Carolinas, Inc. (Progress); Virginia Electric and Power Company, d/b/a Dominion North Carolina Power (Dominion); ElectriCities of North Carolina, Inc. (ElectriCities); North Carolina Association of Electric Cooperatives, Inc. (NCAEC); GreenCo Solutions, Inc. (GreenCo); North Carolina Sustainable Energy Association (NCSEA); Fibrowatt, LLC (Fibrowatt); and the Public Staff.

On January 15, 2009, NCAEC petitioned to intervene in this proceeding nunc pro tunc, which petition was granted on January 30, 2009. The remaining commenters had previously been made parties to this docket.

[1] On February 18, 2009, the Public Staff filed a Motion seeking clarification of six additional issues that it states either have arisen, or appear likely to arise, in connection with REPS compliance plans, REPS compliance reports, hydroelectric facility registration statements, and the Commission's Annual Report Regarding Renewable Energy and Energy Efficiency Portfolio Standard dated October 1, 2008 (2008 REPS Report). On February 26, 2009, the Commission issued an Order inviting parties to provide written comments and reply comments on the issues raised by the Public Staff. Those matters are pending and will be addressed in a subsequent order in this docket.

On January 23, 2009, Fibrowatt filed reply comments. On February 2, 2009, timely reply comments were filed by Duke, Progress, ElectriCities, NCSEA, and the Public Staff.

ISSUES FOR CLARIFICATION

Priority of carve-out requirements

In its November 3, 2008 Motion, Duke sought clarification on the following two issues regarding the priority of the REPS carve-out, or set-aside, requirements:

1. *Whether the carve-out requirements for solar, swine and poultry waste resources should receive priority over the acquisition of other renewable energy resources to achieve the general REPS requirement of 3% in 2012 and beyond?*

2. *Whether an electric power supplier should give priority to one carve-out requirement over another carve-out requirement (e.g., poultry waste vs. swine waste) in light of the per-account cost cap?*

Positions of the parties

Duke contends that the General Assembly did not impose a priority for the carve-out requirements. If an electric power supplier cannot comply with both the general REPS requirement and the carve-out requirements, it should make reasonable and prudent choices among resource options. Duke asserts that uncertainties associated with the amount of production to expect from intermittent technologies and dealing with smaller, less experienced generators means that, even with reasonable and prudent management, it might not be able to meet the carve-out and general REPS requirements without exceeding the cost cap. Duke states that its initial experience with swine and poultry waste resources indicates that there is a significant risk of exceeding the cost cap in order to meet the carve-out obligations: "[E]lectric power suppliers could be in a position where it would be reasonable and prudent to not sign certain contracts if signing them could push the Company over its cost caps."

Progress asserts that, while no one set-aside has a higher priority than the others, because the swine and poultry waste set-aside requirements are aggregate obligations, from a utility-specific basis the first priority should be given to solar. As regards swine and poultry waste, cost must be considered. Progress argues that an electric power supplier "should have the option to secure resources that meet the overall REPS requirements, particularly when exceeding cost caps are of concern, rather than securing a set-aside resource that may limit the ability to achieve the overall objectives."

Dominion notes that if an electric power supplier reaches the overall per-account cost cap provided for in G.S. 62-133.8(h), it is deemed to be in compliance with the REPS and need not satisfy either the carve-out or the general REPS requirement. The mix of the carve-out resources within the general REPS requirement should be

reasonably balanced and prudently allocated. Furthermore, Dominion argues that each obligation – the carve-out and the general REPS obligation – should receive a share of the available funding.

GreenCo and NCAEC assert that some preference for the carve-out resources may be appropriate when they are not disproportionately expensive.

ElectriCities contends that the general REPS requirement should receive priority and that, to meet this requirement, an electric power supplier must include energy from solar, poultry waste and swine waste. However, if an electric power supplier achieves the general REPS requirement, it should not be required to satisfy the maximum carve-out requirements as well. ElectriCities argues that Senate Bill 3 does not require that only RECs generated from carve-out renewable energy resources may be used to comply with the carve-out requirements. Nothing in the legislation or the Commission's rules identifies a REC with the renewable energy resource used to produce the energy with which the REC is associated, and any attempt to do so would be beyond the Commission's rulemaking authority.

Fibrowatt contends that the carve-out requirements should have priority over the general REPS requirement. Fibrowatt argues that the General Assembly

> would not have specified minimums as to each of the carve-out resources only to then have them excluded by North Carolina electric power suppliers in favor of some other lower cost renewable resource that may have been available at the time of a power purchase.

Fibrowatt further asserts that

> to meet the specific carve-out resource requirements set forth in [Senate Bill 3], those RECs should also be from the same specific source (i.e., a North Carolina electric power supplier must purchase poultry litter specific RECs, whether in-State or out-of-state, in order to satisfy the poultry litter carve-out requirement, etc.).

Fibrowatt requests that the Commission

> clearly state in this proceeding that each electric power supplier is obligated to purchase enough power from the carve-out resources to meet their carve-out obligations. Only if, at some future time, circumstances cause electric suppliers to reach the annual cost cap are they excused from any further purchase from carve-out resources.

NCSEA takes no position, generally, with regard to the priority of the set-aside requirements, but notes that the solar set-aside requirement begins in 2010, two years before the other set-aside requirements and the general REPS requirement. "Therefore,

prior to 2012, it appears the General Assembly intended for the utilities to prioritize acquiring solar resources."

The Public Staff states that electric power suppliers should be required to comply with both the general REPS requirement and the carve-out requirements whenever it is possible to do so without reaching the utility-wide cost ceiling. In those instances where an electric power supplier can comply with either the general REPS requirement or the carve-out requirements, but not both, within the limits of the ceiling, the general REPS requirement should take priority. In these situations, the electric power supplier should bear the burden of proving that it could not have complied with both the general REPS requirement and the carve-out requirements. The Public Staff asserts that this interpretation adheres to the principle, well established in North Carolina law, "that statutes in pari materia, and all parts thereof, should be construed together and compared with each other. Such statutes should be reconciled with each other when possible ...." State ex rel. Hunt v. North Carolina Reinsurance Facility, 302 N.C. 274, 288, 275 S.E.2d 399, 405 (1981) (citation omitted). By reconciling the general REPS requirement with the carve-out requirements as fully as possible, and by giving one priority over the other only when absolutely necessary, the Commission can give effect to both provisions and most effectively carry out the legislative intent of the REPS. When it is unavoidably necessary to give priority to either the general REPS requirement or the carve-out requirements, the Public Staff asserts that fulfilling the general REPS requirement first is most consistent with the purpose of the statute. Under G.S. 62-2(10), which was added by Senate Bill 3, it is the policy of the State to promote the development of renewable energy and energy efficiency through the implementation of the REPS and, thereby, to diversify the State's energy resources, provide greater energy security through the use of energy sources indigenous to the State, encourage private investment in renewable energy and energy efficiency, and provide improved air quality. The Public Staff acknowledges that the carve-out requirements represent resource preferences set forth by the General Assembly. However, in cases where the electric power supplier can comply with the general REPS requirement or the carve-out requirements, but not both, without reaching the utility-wide ceiling, the electric power supplier will be able to support the development of more energy from more diverse renewable resources and sources if it adheres to the general REPS requirement. In addition, it will be able to meet customer demand without generating as much energy at its conventional power plants. As a result, its pollutant and greenhouse gas emissions will be reduced.

All parties agree that none of the carve-outs should be given priority over the others. Fibrowatt asserts that "this approach would include not over-purchasing one carve-out resource requirement without having fulfilled all other carve-out resource requirements, unless it is technically impossible to fulfill a specific carve-out resource requirement."

Discussion and conclusions

As a part of compliance with the general REPS percentage requirement, the General Assembly set out three specific renewable energy resource percentage or energy requirements, the solar, swine waste, and poultry waste set-aside requirements.[2] After careful review, the Commission concludes that, as Fibrowatt argues, although it might result in less renewable energy generation offsetting conventional electric generation, the presence of the set-aside requirements demonstrates the General Assembly's intent that they should have priority over the general REPS requirement where both cannot be met without exceeding the per-account cost cap established in G.S. 62-133.8(h). This interpretation is consistent with the rule of statutory construction that provides that specific provisions of a statute should prevail over general provisions. State ex rel. Utils. Comm'n v. Lumbee River Elec. Membership Corp., 275 N.C. 250, 260, 166 S.E.2d 663 (1969). Except for the earlier date established for solar, however, there is no basis for giving one set-aside requirement priority over another if they cannot all be met without exceeding the cost cap.

Although no set-aside requirement has priority over another, the Commission does not agree with Fibrowatt that an electric power supplier should be required to obtain some of each of the set-aside resources if it cannot satisfy all of the set-aside requirements without exceeding the cost cap. Electric power suppliers may exercise their reasonable judgment in determining which renewable energy or RECs to acquire with the funds available under the cost cap.

The Commission recognizes that electric power suppliers have already begun acquiring renewable energy and RECs in order to comply with the REPS requirement. Electric power suppliers should not be penalized for this early action, but should give appropriate priority to the set-aside requirements in future renewable energy and REC decisions.

Responsibility for aggregate carve-out requirements

In its November 3, 2008 Motion, Duke further sought clarification on the following two issues regarding each electric power supplier's obligation toward satisfying the aggregate REPS carve-out requirements:

> *3. What is Duke's obligation for the aggregate amount of swine waste resources needed to meet the REPS carve-out requirements in order to meet its obligations under the statute?*

[2] Although an electric power supplier may comply with its REPS obligation either by meeting the percentage requirements set forth in the statute or by reaching the per-account cost cap, it cannot comply by meeting the general REPS percentage requirement without satisfying each of the set-aside requirements. The electric power supplier must acquire set-aside energy resources until it meets the set-aside requirements or reaches the per-account cost cap.

4. What amount of the aggregate REPS poultry waste carve-out is Duke responsible for achieving in order to meet its obligations under the statute?

Positions of the parties

Duke, Progress, and Dominion argue that each electric power supplier has a pro rata obligation under the aggregate swine and poultry waste carve-out requirements that is proportional to its annual North Carolina retail sales. No electric power supplier should be required to purchase more than its pro rata share of the statewide carve-out requirements.

ElectriCities, GreenCo and NCAEC argue that a pro rata allocation by the Commission is inconsistent with Senate Bill 3, in which the General Assembly designated the swine and poultry waste carve-outs as single obligations to be met by all of the State's electric power suppliers in the aggregate. As ElectriCities states, "no individual compliance obligation is set forth in the REPS Legislation for any single electric power supplier." Instead, the electric power suppliers themselves should decide how much swine and poultry waste generation each should purchase.

ElectriCities further contends that the solar carve-out requirement is also an aggregate obligation and that the inclusion of the phrase "in the aggregate" in the poultry and swine waste carve-out language is redundant and irrelevant based on the use of the plural noun "suppliers" in G.S. 62-133.8(d). Moreover, since subsections (d) through (f) establish aggregate obligations and do not specify how much solar, swine waste and poultry waste generation is to be purchased by each electric power supplier, they are unconstitutional on the ground of vagueness. ElectriCities argues,

> According to the North Carolina Supreme Court, "It is well established that an act of the General Assembly must be held void if it is so loosely and obscurely drawn as to be incapable of enforcement." Hobbs v. Moore County, 267 N.C. 665, 671, 149 S.E.2d 1, 5 (1966). ... [A]ny effort by the Commission to establish threshold requirements for individual electric power suppliers to comply [with the carve-out requirements] would be rewriting the statute – a function of the North Carolina General Assembly.

Fibrowatt argues that, to achieve the required level of supply from poultry waste in a timely manner, it is essential that the two large electric power suppliers act as anchors for the poultry waste-to-energy projects by executing power purchase agreements.

In its initial comments, the Public Staff argues, as does Duke, that each electric power supplier is obligated to meet its pro rata share of the swine and poultry waste carve-out requirements. In its reply comments, the Public Staff asserts that it would be entirely appropriate for the State's electric power suppliers to agree among themselves on how the aggregate swine and poultry waste obligations are apportioned among the various electric power suppliers. In requesting that the Commission apportion these

obligations among electric power suppliers on a proportional basis, Duke has, in essence, proposed a tentative apportionment plan to be used until such time as the State's electric power suppliers are able to agree on a different method. If at any time the electric power suppliers jointly present the Commission with a workable and mutually agreed-upon plan for apportioning the carve-out obligations on a non-proportional basis, the Commission should consider it. However, there are many electric power suppliers in the State, and there can be no assurance that they will all be able to agree on an apportionment plan. The Public Staff further states that it is concerned that if the apportionment of the carve-out obligations is left entirely up to the electric power suppliers, they may find themselves unable to reach agreement as the deadline for compliance approaches, and ultimately they may not comply with the carve-out requirements at all. By adopting an apportionment of the swine and poultry waste carve-out obligations, subject to modification, the Commission can protect against the possibility that implementation of the carve-out requirements may not occur.

The Public Staff further argues that ElectriCities' contention that the solar carve-out provision imposes a single aggregate obligation on all the State's suppliers, just as the swine and poultry waste carve-out provisions do, is inconsistent with the wording of the statute. The inclusion of the phrase "in the aggregate" in subsections (e) and (f) of G.S. 62-133.8, the swine and poultry waste carve-out provisions, and the omission of that phrase in subsection (d), the solar carve-out provision, demonstrates the General Assembly's intent to treat the solar carve-out requirement differently from the swine and poultry waste carve-out requirements. Lastly, the Public Staff disagrees with ElectriCities' contention that the carve-out provisions are void for vagueness. The case relied upon by ElectriCities further states the universally recognized principle that "[w]here a statute is susceptible of two interpretations, one of which will render it constitutional and the other will render it unconstitutional, the former will be adopted." Hobbs, 267 N.C. at 671, 149 S.E.2d at 5. By adopting a reasonable interpretation that specifies the obligation of each supplier, the Commission can eliminate the question of the constitutionality of G.S. 62-133.8(d)-(f).

Discussion and conclusions

After careful review, the Commission determines that, by establishing an aggregate requirement for the swine and poultry waste resources, the General Assembly did not impose a specific requirement, pro rata or otherwise, on any individual electric power supplier. Rather, the electric power suppliers are charged with collectively meeting the aggregate requirement. As the Commission stated in its 2008 REPS Report, it "expects the electric power suppliers to work together to collectively meet the aggregate obligation and comply with G.S. 62-133.8(e) and (f)." The Commission, therefore, agrees with the Public Staff that the language of the swine and poultry waste set-aside provisions contemplate that the electric power suppliers may agree among themselves how to collectively satisfy the requirements of those subsections.

The Commission further concludes, for the reasons set forth by the Public Staff, that the solar set-aside requirement applies individually to each electric power supplier and that it is not, as ElectriCities argues, an additional aggregate obligation.

Lastly, the Commission determines that the aggregate set-aside provisions are not void for vagueness, as argued by ElectriCities. First, an act of the General Assembly is presumed to be constitutional. State ex rel. Martin v. Preston, 325 N.C. 438, 448, 382 S.E.2d 473, 478 (1989). Second, it is not within the Commission's jurisdiction, as a quasi-judicial administrative agency, to rule on the constitutionality of a statute. Great Am. Ins. Co. v. Gold, 254 N.C. 168, 173, 118 S.E.2d 792 (1961). Third, in the REPS provisions of Senate Bill 3, the General Assembly crafted a complex arrangement of obligations, cost-containment provisions, and safety valves. In concluding that no set-aside requirement takes priority over another, it is possible that an electric power supplier may reach the cost cap established in G.S. 62-133.8(h) before it has met each of the set-aside requirements. Thus, with the limitation imposed by the per-account cost cap, the failure of the electric power suppliers, collectively, to meet the aggregate set-aside requirements does not necessarily mean that a particular electric power supplier has failed to comply with its REPS obligation under Senate Bill 3. Rather, the Commission will take enforcement actions, where necessary, and annually apprise the legislature of the electric power suppliers' efforts to comply with all aspects of the REPS requirement, including the swine and poultry waste set-aside requirements.

Collaborative efforts to comply with aggregate carve-out requirements

In its November 3, 2008 Motion for Clarification, Duke sought clarification on the following potential antitrust issue regarding the REPS carve-out requirements:

> *5. To clarify that joint procurement or other collaborative efforts among electric power suppliers to obtain resources to meet the state-wide poultry waste and swine waste carve-out requirements is clearly articulated and affirmatively expressed as a State policy, and that the Commission believes that its oversight of REPS compliance constitutes active supervision by the State of this policy.*

Positions of the parties

All parties, other than Fibrowatt, agree that the electric power suppliers should be allowed to engage in joint procurement or other collaborative efforts to obtain resources to meet the swine and poultry waste carve-out requirements. Most parties also agree however, that, to avoid the risk that the electric power suppliers would be found to have acted in violation of federal antitrust laws by doing so, the Commission should not merely authorize them to jointly purchase swine and poultry waste generation, but should actively organize and control the joint procurement effort.

Dominion states that it supports the idea of joint procurement or other collaborative efforts among electric power suppliers, but that there is a need for further

guidance from the Attorney General's Office and the Commission on this issue. As Dominion states in its comments,

> It is possible that any coordinated activity by the utilities in the purchasing of swine or poultry waste could be considered a violation of state and federal antitrust laws. As a general matter, there is a state action immunity exception to such antitrust violations. Under this exception, there must be 1) a clearly articulated state policy replacing competition with regulations, and 2) active supervision by the State. [Parker v. Brown, 371 U.S. 341 (1943).] Because it is an exception to the antitrust laws the exception will be narrowly construed.

Duke requests that the Commission recognize that collaboration by electric power suppliers is necessary to meet the carve-out requirements and states that the Commission should supervise that collaboration consistent with the "state action" immunity doctrine under antitrust laws. Duke notes that each electric power supplier will be at a different point with regard to resource acquisition and cost caps based on its decisions to procure other resources. If the Commission pursues control of joint procurement arrangements, the electric power suppliers need flexibility to decide the level at which each would like to participate and at what price in order to observe each electric power supplier's cost cap.

In its reply comments, Progress states,

> A collaborative procurement process under the control of the Commission may not be feasible because if one portion of the REPS procurement process is managed by the Commission, then all other aspects may also need to be managed by the Commission. All renewable generation purchased to satisfy [Senate Bill 3] must be viewed from a portfolio perspective. It is not feasible for the Commission, or any other entity, to manage one component of compliance without being intimately involved in planning to comply with all other requirements, including the overall cost caps.

GreenCo and NCAEC suggest that, to avoid antitrust concerns, the Commission should "clearly and unambiguously ... establish a structure for meaningful and active on-going oversight of all collaborative activities ... and then actually engage in such actual oversight in furtherance of the public interest."

Fibrowatt proposes that the Commission adopt an "anchor tenant" arrangement, under which the two largest utilities – Duke and Progress – would each act as the anchor tenant for a poultry waste-fueled power plant and the smaller electric power suppliers would then buy the remaining output. Fibrowatt further expresses "significant concerns" regarding the potential for delay with a stakeholder process as suggested by some parties.

The Public Staff states that Fibrowatt's proposal may well be workable, provided the utilities are willing to serve as anchor tenants. However, the anchor tenant idea is not necessarily inconsistent with the development of a joint procurement system. With the agreement of Fibrowatt and the host utility, the joint procurement entity could enter into a contract to purchase all or a portion of the output of Fibrowatt's plant and have the electric energy delivered to the host utility. Depending on the circumstances, such an arrangement potentially could be as satisfactory to all interested parties as a simple purchase contract between Fibrowatt and the host utility.

Discussion and conclusions

As noted above, any collaborative effort among the electric power suppliers to meet the aggregate set-aside requirements must be (1) undertaken pursuant to a clearly articulated state policy, and (2) actively supervised by the state itself. California Liquor Dealers v. Midcal Aluminum, 445 U.S. 97, 105 (1980) (applying the standard established in Parker). The first prong of this test is satisfied by the enactment of the aggregate set-aside requirements of G.S. 62-133.8(d) and (e). However, the State cannot give immunity from violations of the antitrust laws simply by authorizing the electric power suppliers to violate them or by declaring that their action is lawful. Parker, 317 U.S. at 351. The state must actively supervise the activity in question, as provided in the second prong of the "state action" immunity standard.

The Commission concludes that the REPS statute and the Commission's rules implementing Senate Bill 3 constitute active supervision of the electric power suppliers' activities. Under the procedures established by statute and by rule, the electric power suppliers are required to file annual REPS compliance plans and reports with the Commission, the Commission is required to review and approve the annual REPS compliance reports, and the Commission is required to annually report to the legislature and the Governor on the efforts undertaken by the electric power suppliers to comply with the REPS requirement. To alleviate any remaining concerns whether such collaborative efforts would be lawful under the "state action" doctrine, the Commission shall require that the electric power suppliers specifically file for approval any joint procurement agreements entered into or other collaborative efforts undertaken to obtain renewable energy or RECs to satisfy the aggregate swine or poultry waste set-aside requirements.

Use of RECs to comply with carve-out requirements

In its November 3, 2008 Motion, Duke further sought clarification on the following issue regarding the use of RECs to satisfy the REPS carve-out requirements:

> *6. Whether an electric power supplier may satisfy the specific carve-out requirements (e.g., solar, swine and poultry) through the purchase of unbundled RECs from either in-state or out-of-state renewable energy facilities? If out-of-state RECs can be used to meet the carve-out requirements, could an electric power supplier meet 100% of these carve-out requirements with out-of-state*

RECs, provided that doing so would entail utilizing out-of-state RECs for no more than 25% of its overall renewable energy requirement (or, would the 25% out-of-state limit be applied to each individual carve-out requirement)?

Positions of the parties

Duke first requests that the Commission clarify that an electric power supplier is permitted to use unbundled RECs to meet the carve-out requirements, noting that swine waste resources, for example, are disproportionately distributed outside of its service area. Duke states that the use of unbundled RECs would avoid unnecessary wheeling costs. A swine or poultry waste-fueled generator, therefore, would interconnect with its electric power supplier and sell its electric output to that utility at an avoided cost rate. The generator would sell the RECs separately to electric power suppliers to meet the carve-out requirements.

Duke further argues that it is allowed to meet the carve-out requirements through the purchase of in-State or out-of-state RECs, subject to the limitation in G.S. 62-133.8(b)(2)(e) that no more than 25% of any one carve-out requirement may be met though the purchase of out-of-state RECs. Under G.S. 62-133.8(b)(2)(d), renewable energy delivered within Duke's service territory constitutes an in-State resource. If the delivered energy is generated outside of North Carolina and the RECs associated with that energy are unbundled or subsequently sold by the electric power supplier, or if energy is not delivered to the service territory of an electric public utility operating in the State, then, argues Duke, the RECs are considered out-of-state and would be subject to the 25% limitation. Duke asserts that its position harmonizes these statutory provisions consistent with the policy goals of Senate Bill 3 and allows electric power suppliers to utilize out-of-state RECs to meet a portion of their requirements while promoting investment in renewable resources with the State.

Progress and ElectriCities similarly argue that RECs acquired from either in-State or out-of-state sources may be used to meet the set-aside requirements. They argue, however, that the limit on out-of-state RECs is an aggregate limit applicable to the overall REPS requirement and does not apply to the individual set-aside requirements.

Dominion notes that the limitation on out-of-state RECs does not apply to it because it has less than 150,000 North Carolina customers. Therefore, Dominion may meet any portion of its carve-out and overall REPS requirements with out-of-state RECs.

GreenCo and NCAEC state that, in order to manage compliance costs, electric power suppliers should be allowed to use in-State or out-of-state resources to meet the carve-out requirements, and that the use of out-of-state resources "should not count against the 25% limitation applied to out-of-state resources of any electric power supplier."

NCSEA states, as does Duke, that electric power suppliers may meet up to 25% of their set-aside requirements through the purchase of out-of-state RECs. NCSEA further argues, however, based on the language of the carve-out provisions requiring

that a certain amount "of the total electric power in kilowatt hours sold to retail electric customers in the State" be supplied by the carve-out resource, that unbundled out-of-state RECs may not be used to satisfy the carve out requirements unless it can be shown that the associated energy was also sold to in-State retail electric consumers. An unbundled out-of-state REC does not carry the presumption that the underlying electric energy ultimately reached retail customers in North Carolina. In its reply comments, NCSEA states that RECs originating from out-of-state, whether bundled or unbundled, cannot be used to satisfy any part of the carve-out requirements. NCSEA argues,

> These limitations on the use of out-of-state RECs to meet the carve-out requirements are fully understandable given the evident purpose of each carve-out. For example, the hog waste and poultry litter carve-outs were adopted to address well-recognized solid waste problems and nutrient loading issues associated with large scale agricultural operations in North Carolina. Plainly, the General Assembly would not have intended its legislative effort to address these recognized in-state (indeed, local) problems to be directly undermined by allowing the use of out-of-state bundled or unbundled RECs to meet the carve-out requirements.

The Public Staff asserts that the 25% restriction applies only to the general REPS requirement, and that an electric power supplier may satisfy the carve-out requirements entirely with out-of-state RECs. The Public Staff states that if the 25% restriction is applied to the carve-out requirements as well as to the general REPS requirement, the cost to comply will be higher, resulting in higher charges to be paid by customers.

Discussion and conclusions

After careful review, the Commission determines that the set-aside requirements may be met by any of the means enumerated in G.S. 62-133.8(b)(2), with regard to electric public utilities, or G.S. 62-133.8(c)(2), with regard to electric membership corporations or municipalities. This includes not only the generation or purchase of renewable energy and the acquisition, thereby, of bundled RECs, but also the purchase of unbundled RECs associated with energy derived from the particular set-aside resource. In its February 29, 2008 Order Adopting Final Rules, the Commission stated that "REPS compliance should be based, to the extent possible, solely on RECs."

As stated previously, however, any limitations stated in the specific set-aside provisions must prevail over the general REPS provisions. Subsections (d), (e), and (f) each state that a certain amount "of the total electric power in kilowatt hours sold to retail electric customers in the State shall be supplied by" the set-aside resource.[3]

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[3] Subsection (d), the solar set-aside provision, provides, in part:

> For calendar year 2018 and for each calendar year thereafter, at least two-tenths of one percent (0.2%) of the total electric power in kilowatt hours sold to retail electric customers in the State, or an equivalent amount of energy, shall be supplied by a combination of new solar electric facilities and new metered solar thermal energy facilities that use one or more of the

Several parties assert that the phrase "kilowatt hours sold" simply establishes the amount of each set-aside requirement, and that the amount of energy thus calculated must be "supplied" by the particular set-aside resource. NCSEA argues that the General Assembly intended that the energy "supplied by" the particular set-aside resource must actually be "sold to retail electric customers in the State." The resolution of this issue determines the extent to which, if any, out-of-state energy or RECs may be used to meet the set-aside requirements.

The Commission is persuaded that the intent of the set-aside provisions is to address renewable energy resources and issues indigenous to North Carolina, and, therefore, to foster development specifically of local renewable energy facilities. Because an electric public utility may serve customers outside of North Carolina, yet operate its system on an integrated basis, any renewable energy delivered to a North Carolina electric public utility is deemed to supply power to customers in North Carolina. See G.S. 62-133.8(b)(2)(d). Thus, while the 25% limitation applies only to the general REPS requirement and not to the specific set-aside requirements, the energy associated with the RECs acquired to satisfy the set-aside requirements must be generated by or delivered to an electric power supplier.

The alternatives to this conclusion would allow the energy or RECs to come from any renewable energy facility with the 25% limitation applying either (1) to each set-aside requirement, or (2) only to the general REPS requirement. Subdivisions G.S. 62-133.8(b)(2)(e) and (c)(2)(d) state that RECs derived from out-of-state facilities shall not be used to meet more than 25% "of the requirements of this section." The referenced "section" must either be Section 2(a) of the bill or "sections" (b) and (c) of G.S. 62-133.8 – in either case, the reference is to the general REPS obligation. Other provisions of the REPS statute further demonstrate that the reference to "this section" is a reference to Section 2(a) of the bill or, as codified, G.S. 62-133.8. For example, subsections (h) and (i) contain numerous references to "subsections (b), (c), (d), (e), and (f) of this section." Paragraphs numbered (a), (b), (c), etc. are consistently referred to as "subsections"; therefore, "this section" is a reference to Section 2(a), or G.S. 62-133.8. Thus, because the reference to "this section" is a reference only to the general REPS obligation, the set-aside requirements could be satisfied in whole through out-of-state purchases resulting in no benefit for North Carolina swine or poultry operations. In addition, RECs to satisfy the solar set-aside requirement would be

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following applications: solar hot water, solar absorption cooling, solar dehumidification, solar thermally driven refrigeration, and solar industrial process heat.

Subsection (e), the swine waste set-aside provision, provides, in part:

> For calendar year 2018 and for each calendar year thereafter, at least two-tenths of one percent (0.2%) of the total electric power in kilowatt hours sold to retail electric customers in the State shall be supplied, or contracted for supply in each year, by swine waste.

Subsection (f) the poultry waste set-aside provision, provides, in part:

> For calendar year 2014 and for each calendar year thereafter, at least 900,000 megawatt hours of the total electric power sold to retail electric customers in the State shall be supplied, or contracted for supply in each year, by poultry waste combined with wood shavings, straw, rice hulls, or other bedding material.

obtained from less expensive projects in other states, such as those in the Southwest. The most reasonable interpretation, then, is that the General Assembly intended, by the language of the set-aside requirements, to more narrowly require that the RECs acquired to satisfy the set-aside requirements be associated with renewable energy either generated by or delivered to an electric power supplier.

Behind-the-meter customer generation located in out-of-state service area

In its November 3, 2008 Motion for Clarification, Duke sought clarification on the following issue regarding out-of-state customer-owned renewable generation:

> *7. G.S. 62-133.8(b)(2)(d) recognized that purchased power from new renewable energy facilities located outside the geographic boundaries of the State meet the requirements if the power is delivered to an electric power supplier in the State. If one of Duke's South Carolina customers offsets its load as a result of the use of a new renewable energy resource, the effect is the same as a sale of such renewable energy to the Company. Therefore, if this South Carolina customer sells the RECs associated with such power to the Company, will these RECs be treated as "in-state" RECs under G.S. 62-133.8(b)(2)(e)?*

Positions of the parties

Duke and Progress contend that RECs purchased by a North Carolina electric public utility from one of its customers located outside of North Carolina that generates electric power for its own use from renewable resources should be treated as "in-State" resources and should not count toward the 25% limitation on out-of-state RECs.

Duke states that, because its North and South Carolina service territories are served by its integrated electric system, the development of renewable energy facilities in South Carolina, whether or not they deliver energy to Duke's system, offsets the load for electricity in North Carolina. Thus, RECs purchased from such projects, whether or not they deliver energy to Duke's system, should be considered "in-State" resources for REPS compliance.

Progress asserts that the 25% limitation on out-of-state RECs in G.S. 62-133.8(b)(2)(e) "was meant to distinguish between bundled energy and RECs acquired from sources within the power supplier's service area, even if in another state, as opposed to RECs acquired from any out-of-state source, such as wind from the mid-west." Progress argues that G.S. 62-133.8(b)(2)(d)

> provides that a new renewable energy facility located outside the geographic boundaries of North Carolina (the "State") which delivers electric power to a public utility that provides electric power to retail customers in the State meets the requirements of the portfolio standard. This section clearly establishes that a new renewable energy facility

electrically connected to a public utility provides equal benefit regardless of geographic boundary and thus is seen as an "in-state" resource.

It follows that since a kWh produced by such a new renewable energy facility is considered in-state, then RECs associated with the electricity or equivalent energy, should also be considered in-state RECs

Any other interpretation of G.S. Section 62-133.8 will lead to an absurd result.

NCSEA and Fibrowatt assert that renewable energy generated outside the State should not be treated as an in-State resource unless the electric energy associated with the RECs is actually purchased by an electric public utility that serves customers in North Carolina. In that case, the customer-generator would be deemed to be an "in-State" resource under G.S. 62-133.8(b)(2)(d). Thus, as NCSEA states, only RECs bundled with energy that is delivered to an electric public utility with North Carolina retail electric customers are appropriately considered "in-State" RECs.

In its initial comments, the Public Staff takes the same position as NCSEA and Fibrowatt that unbundled out-of-state RECs purchased from the customer of a North Carolina electric public utility should not be considered as "in-State" pursuant to G.S. 62-133.8(b)(2)(d). The Public Staff states its belief

that in addressing this issue the Commission should take into account the purposes of the REPS statute, as set forth in G.S. 62-2(10). ... Renewable energy serves to protect the State's environment by reducing emissions of pollutants and greenhouse gases. The benefit of lower greenhouse gas emissions is a reduction in global warming, and when renewable energy use results in reduced greenhouse gas emissions, the benefit to North Carolina is the same regardless of whether the reduced emissions occur in this State or elsewhere. However, with respect to all the other purposes of the REPS statute – reduced pollutant emissions, diversification of energy resources, increased energy security, and promotion of the State's economy – the State benefits more, and thus the purposes of the statute are accomplished more effectively, from in-state renewable energy use than from out-of-state use.

Since renewable energy use achieves the statutory purposes most effectively when it occurs within the State, the Public Staff concludes that the line between in-state and out-of-state renewable energy resources should be drawn just where the General Assembly drew it. In other words, renewable electric energy generated outside the State and delivered to the system of a North Carolina electric utility should qualify for the REPS, as the General Assembly directed in paragraph (b)(2)(d); but the Commission should not go any further than this in allowing out-of-state renewable energy to be treated as in-state.

In its reply comments, however, the Public Staff states that it is persuaded by the utilities' arguments and recommends the Commission allow out-of-state customer-generated RECs to count as "in-State" resources.

Discussion and conclusions

After careful review, the Commission concludes, based on the plain language of the statute,[4] that RECs associated with out-of-state renewable generation not delivered to and purchased by an electric public utility in North Carolina should not be considered to be "in-State" RECs for the reasons set forth by the Public Staff in its initial comments. While the effect may be the same in reducing the need for conventional generation, whether or not the customer's renewable electric generation is delivered to the utility, the General Assembly set forth specifically enumerated means in G.S. 62-133.8(b)(2) for an electric public utility to meet its REPS obligation. Pursuant to subdivision (b)(2)(d), an electric public utility may "[p]urchase electric power from a new renewable energy facility." That subdivision further establishes a limited exception to the limitation on the reliance on out-of-state resources for energy (and bundled RECs) purchased from a new renewable energy facility located outside of North Carolina but that delivers its energy to the purchasing utility. Subdivision (b)(2)(e), on the other hand, allows an electric public utility to meet its REPS obligation by purchasing unbundled RECs "derived from in-State or out-of-state new renewable energy facilities." Subdivision (b)(2)(e) further establishes a limit on the use of RECs derived from out-of-state facilities used to meet a utility's REPS obligation. These provisions cannot be read together to allow unbundled RECs to be considered "in-State" and not subject to the 25% limitation on out-of-state RECs because the electric public utility is not purchasing electric power from the renewable energy facility. The Commission, therefore, agrees with the Public Staff that the line should be drawn just where the General Assembly drew it. This line is unambiguous from a plain reading of G.S. 62-133.8(b)(2).

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[4] G.S. 62-133.8(b)(2)(d) and (e) provide as follows:

(2) An electric public utility may meet the requirements of this section by any one or more of the following:

d. Purchase electric power from a new renewable energy facility. Electric power purchased from a new renewable energy facility located outside the geographic boundaries of the State shall meet the requirements of this section if the electric power is delivered to a public utility that provides electric power to retail electric customers in the State; provided, however, the electric public utility shall not sell the renewable energy certificates created pursuant to this paragraph to another electric public utility.

e. Purchase renewable energy certificates derived from in-State or out-of-state new renewable energy facilities. Certificates derived from out-of-state new renewable energy facilities shall not be used to meet more than twenty-five percent (25%) of the requirements of this section, provided that this limitation shall not apply to an electric public utility with less than 150,000 North Carolina retail jurisdictional customers as of December 31, 2006.

Sale of excess RECs

In its November 3, 2008 Motion, Duke sought clarification on the following issue regarding the sale of RECs:

> *8. In the event that Duke develops a surplus of RECs, can the Company sell excess RECs to other parties at any point before RECs are retired?*

Positions of the parties

All parties who expressed an opinion on this issue appear to agree that a supplier may sell excess RECs, subject to the limitations of G.S. 62-133.8(b)(2)(d).

Duke additionally cites Commission Rule R8-67(e)(10): "A renewable energy certificate must be used for compliance and retired within seven years of the year in which the electric public utility recovers the related cost from customers."

GreenCo and NCAEC agree that sales of excess RECs will be essential, but the Commission should be mindful of the potential for abusive exercise of market power.

ElectriCities maintains that "nothing in either subsection [G.S. 62-133.8(b)(2)(f) or (c)(2)(f)] addresses the 'life of a REC.'"

NCSEA asserts that RECs may only be used for two years. NCSEA cites the statutory language in G.S. 62-133.8(b)(2)(f) – "as a credit towards the requirements of this section in the following calendar year" – as demonstrating that the General Assembly intended that the life of a REC be limited to two years.

Discussion and conclusions

The question of REC vintage was extensively debated in the development of the Commission's rules implementing Senate Bill 3 and thoroughly discussed in the Commission's February 29, 2008 Order Adopting Final Rules. During that process, the Commission was careful not to take any action that would restrict the marketability of unbundled RECs. Therefore, in response to Duke's specific question, the Commission affirms that an electric power supplier, or any other entity, may, at any time, sell a REC it owns that has not been retired.

Although a REC may be sold at any time, it may only be used for compliance by an electric power supplier if it was acquired by that electric power supplier within three years of its creation. Commission Rule R8-67(d)(1). Once acquired, a REC may be held indefinitely by an electric membership corporation or municipality or, for an electric public utility, for up to seven years after cost recovery. Id. Therefore, while it may be permissible to sell a REC that was created more than three years ago and that has value for REPS compliance in the hands of its current owner, it is possible that no electric power supplier in North Carolina will offer to purchase the REC since it may not,

at that time, be claimed for REPS compliance by the subsequent purchaser. That does not mean that there is no market for a REC more than three years after its creation, but it cannot be claimed for REPS compliance by an electric power supplier in North Carolina if it is acquired after that time.

Lastly, the banking provisions of G.S. 62-133.8(b)(2)(f) and (c)(2)(f) do not limit the life of a REC to two years, as NCSEA argues, but simply provide that a REC may be banked and carried forward for any period of time. Each year, after an electric power supplier retires sufficient RECs to meet its REPS requirement, it is allowed to carry forward certain excess RECs "as a credit towards the requirements of this section in the following calendar year." (Emphasis added.)

Fuel use by poultry or swine waste renewable energy facility

In its November 3, 2008 Motion for Clarification, Duke further sought clarification on the following issue regarding credit for the use of a fuel other than a renewable energy resource:

> *9. If a poultry waste or swine waste generator utilizes some other fuel, other than poultry waste or swine waste, as part of its fuel supply, will 100% of the generator's output qualify towards the respective poultry waste or swine waste carve-out?*

Positions of the parties

Progress, Dominion, ElectriCities, NCSEA, and the Public Staff contend that a swine or poultry waste-fueled generator that burns fuels other than swine or poultry waste should receive credit toward the swine or poultry waste set-aside requirements only for the portion of its output attributable to the poultry or swine waste.

Duke recommends that the Commission establish fuel parameters that are technologically and commercially feasible with respect to poultry waste projects and then allow 100% of the output to qualify for the carve-out requirement, even if some of the fuel used is not poultry waste. Duke asserts that, unless the entire output of a poultry waste-fueled facility counts toward compliance, "it will be difficult, if not impossible," for electric power suppliers and poultry waste-fueled generators to reach agreement. Duke asserts that it has not encountered this issue yet with respect to swine waste projects and is not sure as to whether such an approach is also needed with swine waste.

In its comments, Progress states that

> in those cases where the use of poultry or swine waste as the primary fuel requires the addition of a relatively small amount of some other renewable fuel in order to achieve proper combustion, then all the generation output should qualify towards the respective set-aside. However, if poultry or swine waste is co-fired with another primary fuel, then only the energy

generated by the poultry or swine waste, determined as a percentage of fuel input, should qualify towards the respective set-aside. The facilities registration statement required by Commission Rule R8-66 should specify the renewable energy resources used by the renewable energy facility.

GreenCo and NCAEC support allowing the entire output of a swine or poultry waste-fueled generator to qualify for the applicable carve-out requirement, even if the generator uses a limited amount of some other fuel.

Fibrowatt, on the other hand, proposes that the Commission adopt a rule based on a federal tax regulation under which a generating plant is considered to be a "solid waste facility," and is permitted to utilize tax-exempt debt, if at least 65% of its total fuel, by weight or volume (determined annually), is solid waste. Thus, all of a poultry waste-fueled facility's electric output would be deemed to be poultry waste-fueled generation so long as at least 65%, by weight or volume (determined annually),of the total fuel is poultry waste ("excluding fuel used for startup, shutdown or flame stabilization, which is required to allow operations in accordance with prudent industry practices"), and the remaining fuel consists of biomass or other renewable energy resources.

The Public Staff notes that, under G.S. 62-133.8(f), when "wood shavings, straw, rice hulls, or other bedding material" are used as fuel at a poultry waste-fueled generation facility, they must be treated in the same way as poultry waste. The Public Staff recognizes that, in order for Fibrowatt or other poultry waste-fueled generators to be profitable in North Carolina, it may be necessary for them to burn some extraneous materials beyond those specifically listed in G.S. 62-133.8(f), while retaining the right to have their entire output qualify for the poultry waste carve-out requirement. However, the statute is very specific as to the extraneous materials that may be combined with poultry waste to comply with the carve-out, and Fibrowatt is essentially asking the Commission to revise the statute. Under G.S. 62-133.8(i)(2), the Commission does have power "to modify ... the provisions of subsections (b), (c), (d), (e), and (f) of this section in whole or in part if the Commission determines that it is in the public interest to do so," and Fibrowatt could appropriately put forward its proposal in a petition pursuant to subsection (i). In this rulemaking proceeding, however, the Public Staff believes the Commission should apply the statute as written.

Discussion and conclusions

After careful review, the Commission determines, based on a plain reading of the statute, that only that portion of the energy generated at a swine or poultry waste-fueled facility attributable to the swine or poultry waste, including, in the case of poultry waste, "wood shavings, straw, rice hulls, or other bedding material," may receive credit toward the set-aside requirements. Commission Rule R8-67(d)(2) provides that, for any facility that uses both renewable energy resources and nonrenewable energy resources to produce energy, the facility shall earn RECs based only upon the energy derived from the renewable energy resources in proportion to the relative energy content of the fuels used. Similarly, for any facility that uses swine or poultry waste to produce energy, the

facility shall earn RECs that may be credited toward meeting the set-aside requirements based only upon the energy derived from the swine or poultry waste in proportion to the relative energy content of the swine or poultry waste and the other fuels used. To the extent that a portion of the other fuels used are also renewable energy resources, the facility may earn RECs associated with the other renewable fuel sources.

Renewable thermal energy located in out-of-state service area

Lastly, in its November 3, 2008 Motion for Clarification, Duke sought clarification on the following two issues regarding the use of RECs associated with out-of-state thermal energy production:

> *10. Whether thermal energy (and the REC equivalent) produced from a renewable energy resource would qualify as an in-State resource even if the renewable resource is located in the South Carolina portion of the Company's service territory?*
>
> *11. Whether thermal energy (and the REC equivalent) from a renewable resource that is located within the South Carolina portion of another electric power supplier's service territory who is subject to the REPS would qualify as an in-State resource (e.g., a facility within Progress's South Carolina service territory)?*
>
> *Positions of the parties*

Duke and Progress contend that, for the same reason that out-of-state behind-the-meter generation offsets load on the utility's system as a whole, thermal RECs purchased from a renewable energy facility located in an electric public utility's out-of-state service territory benefit North Carolina customers and, therefore, should count toward the REPS requirements as "in-State" resources. Duke and Progress do not believe, however, that RECs derived from thermal energy produced from a renewable resource located within the out-of-state portion of another utility's service territory should similarly be considered an "in-State" resource.

Fibrowatt asserts that renewable energy generated outside the State should not be treated as an in-State resource, except for bundled electric energy delivered to the system of a utility that serves customers in the State, which is considered an in-State resource under G.S. 62-133.8(b)(2)(d).

NCSEA argues that thermal RECs associated with energy produced in any electric public utility's out-of-state service area should be considered an in-State resource. NCSEA states that

> [t]he measurable thermal energy, and the REC equivalent, produced from a new renewable energy resource located in an electric public utility's South Carolina service territory would qualify as an "in-state" resource for

the North Carolina REPS provided that the REC equivalent is bundled with the thermal energy and the thermal energy is delivered to the utility.

In its initial comments, the Public Staff states, for the same reason that other out-of-state RECs should not be considered an "in-State" resource, that out-of-state customer-generated thermal RECs should not be considered as "in-State." In its reply comments, the Public Staff states that it is persuaded by the utilities' arguments and recommends the Commission allow out-of-state customer-generated thermal RECs to count as "in-State" resources for the electric public utility that serves the customer.

Discussion and conclusions

After careful review, the Commission concludes, for the same reasons that apply to other unbundled out-of-state RECs, that RECs associated with out-of-state thermal energy should not be considered as "in-State" and not subject to the 25% limitation on out-of-state RECs. Because no electric power is being purchased from such a facility, the exception established in G.S. 62-133.8(b)(2)(d) is inapplicable.

IT IS, THEREFORE, SO ORDERED.

ISSUED BY ORDER OF THE COMMISSION.

This the 7th day of May, 2009.

NORTH CAROLINA UTILITIES COMMISSION

Gail L. Mount

Gail L. Mount, Deputy Clerk

Kc050709.04

Commissioner Robert V. Owens, Jr., concurs in part and dissents in part in this decision.

DOCKET NO. E-100, SUB 113

COMMISSIONER ROBERT V. OWENS, JR., CONCURRING IN PART, DISSENTING IN PART: I concur with this Order, with the exception of the majority's decision to give the carve-out requirements for solar, swine and poultry waste resources a higher priority than the general REPS requirements (such as the requirement that electric public utilities secure 3% of their energy from renewable resources in 2012). I oppose the majority's decision in this regard because I believe it will result in North Carolina consumers paying more, and receiving less, for electricity generated by renewable resources than would otherwise have been the case.

\s\ Robert V. Owens, Jr.

Commissioner Robert V. Owens, Jr.

STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH

DOCKET NO. E-100, SUB 113

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of Rulemaking Proceeding to Implement Session Law 2007-397	))	ORDER OF CLARIFICATION

BY THE CHAIRMAN: On May 7, 2009, the Commission issued an Order on Duke Energy Carolinas, LLC (Duke), Motion for Clarification in the above-captioned docket. On page 21 of that Order, in response to questions 10 and 11 of Duke's Motion regarding renewable thermal energy located in the out-of-state service area of an electric public utility, the Commission concluded "that RECs [renewable energy certificates] associated with out-of-state thermal energy should not be considered as 'in-State' and not subject to the 25% limitation on out-of-state RECs."

To avoid confusion that might arise from this sentence, the Chairman finds good cause to issue this Order rewording the sentence, so that the paragraph in which it appears now reads as follows:

> After careful review, the Commission concludes, for the same reasons that apply to other unbundled out-of-state RECs, that RECs associated with out-of-state thermal energy should not be considered as "in-State" RECs, but should be considered as unbundled out-of-state RECs subject to the 25% limitation in G.S. 62-133.8(b)(2)(e). Because no electric power is being purchased from such a facility, the exception established in G.S. 62-133.8(b)(2)(d) is inapplicable.

IT IS, THEREFORE, SO ORDERED.

ISSUED BY ORDER OF THE COMMISSION.

This the 8th day of May, 2009.

NORTH CAROLINA UTILITIES COMMISSION

Gail L. Mount

Gail L. Mount, Deputy Clerk

Kc050809.01

STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH

DOCKET NO. E-100, SUB 113

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of Rulemaking Proceeding to Implement Session Law 2007-397	))	ORDER ON PUBLIC STAFF'S MOTION FOR CLARIFICATION

BY THE COMMISSION: On February 29, 2008, and March 13, 2008, the Commission issued Orders in the above-captioned docket adopting rules to implement Session Law 2007-397 (Senate Bill 3) and the Renewable Energy and Energy Efficiency Portfolio Standard (REPS) in North Carolina.

On or about September 2, 2008, the electric power suppliers began filing initial REPS compliance plans pursuant to Commission Rule R8-67(b). In their 2008 REPS compliance plans, filed as part of their 2008 integrated resource plans (IRPs), Duke Energy Carolinas, LLC (Duke), and Carolina Power & Light Company, d/b/a Progress Energy Carolinas, Inc. (PEC), indicated that they intend to use all hydroelectric power generated on their systems, including power generated at large dams, for REPS compliance. On January 29, 2009, Duke submitted information to the Commission to register as renewable energy facilities 30 of its hydroelectric generating units that are each 10 megawatts (MW) or less.[1]

Several entities filed letters with the Commission in response to Senate Bill 3 stating that they are full requirements customers of the Tennessee Valley Authority (TVA) and, therefore, are "not required to meet the portfolio mix requirements of the NC REPS because of federal supremacy."[2]

On August 28, 2008, New River Light & Power Company (New River), which operates as a subsidiary of Appalachian State University (ASU), filed a letter stating that it could comply with the REPS requirement through its wholesale purchases if it were recognized as a "municipality" under Senate Bill 3.[3]

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[1] See Docket No. E-7, Subs 872, 873, 877, 880, 884, 886, 887,888, 889, 892, 895, 898, 900, 901, 903, 904, 905.

[2] These entities include Murphy Electric Power Board, Mountain Electric Cooperative, Blue Ridge Mountain Electric Membership Corporation, and Tri-State Electric Membership Corporation.

[3] Although Western Carolina University appears to have made no similar filing, in a letter filed with the Commission by Rutherford Electric Membership Corporation on August 27, 2008, Rutherford states:

> As part of its portfolio of resources, Duke plans to provide services including delivery of renewable energy resources to certain wholesale customers to meet the REPS requirements. These wholesale customers – including electric membership corporations

On February 18, 2009, the Public Staff filed a Motion for Clarification seeking clarification of six issues that it stated either have arisen, or appear likely to arise, in connection with these filings. A number of these issues were previously raised in the Commission's Annual Report Regarding Renewable Energy and Energy Efficiency Portfolio Standard dated October 1, 2008 (2008 REPS Report). On February 26, 2009, the Commission issued an Order inviting parties to provide written comments and reply comments on the issues raised by the Public Staff.

On or about March 18, 2009, comments were filed by Duke; PEC; Virginia Electric and Power Company, d/b/a Dominion North Carolina Power (Dominion); ElectriCities of North Carolina, Inc. (ElectriCities); Carolina Utility Customers Association, Inc. (CUCA); North Carolina Sustainable Energy Association (NCSEA); Western Carolina University (WCU); ASU; and the Public Staff.

On March 17, 2009, ASU petitioned to intervene in this proceeding, which was granted by Order issued March 23, 2009. The remaining commenters, with the exception of WCU, had previously been made parties to this docket.

On April 1, 2009, reply comments were filed by Duke, Dominion, NCSEA, and the Public Staff.

ISSUES FOR CLARIFICATION

Hydroelectric power facilities

In its February 18, 2009 Motion, the Public Staff sought clarification on the following three issues regarding hydroelectric power facilities:

1. *Does G.S. 62-133.8(b)(2)(b) authorize an electric public utility to meet its REPS requirements by generating electric power at a hydroelectric power facility with generation capacity of more than 10 megawatts (MW)?*

2. *Does a hydroelectric generating unit that has a capacity of 10 MW or less, and constitutes a component of a hydroelectric plant with a generation capacity of more than 10 MW, constitute a "new renewable energy facility" within the meaning of G.S. 62-133.8(a)(5)?*

3. *If a hydroelectric plant is owned by an electric power supplier, or a subsidiary affiliate of such supplier, and is connected to the supplier's transmission or distribution system, does the plant "deliver electric power to an electric power supplier" within the meaning of G.S. 62-133.8(a)(5)?*

("EMCs"), municipalities, and Western Carolina University – may rely on Duke to provide this renewable energy delivery service in accordance with [G.S.] 62-133.8(c)(2)e.

Positions of the Parties

In its comments on these three issues, the Public Staff argues that an electric power supplier may not claim energy or associated RECs from its own hydroelectric power facilities toward compliance with its REPS requirement. Under G.S. 62-133.8(b)(2)(a) and (c)(2)(a), an electric power supplier may meet all or a portion of its REPS obligation by "[generating] electric power at a new renewable energy facility." Under G.S. 62-133.8(b)(2)(b), an electric public utility may also meet all or a portion of its REPS obligation by "[using] a renewable energy resource to generate electric power at a generating facility other than the generation of electric power from waste heat derived from the combustion of fossil fuel." The Public Staff argues, however, that energy or associated RECs from a hydroelectric power facility owned by an electric power supplier may not be claimed for REPS compliance under any of these provisions.[4]

First, argues the Public Staff, a hydroelectric power facility larger than 10 MW does not satisfy paragraphs (b)(2)(a) or (c)(2)(a) because is not a new renewable energy facility. A renewable energy facility, under G.S. 62-133.8(a)(7), specifically excludes "a hydroelectric power facility with a generation capacity of more than 10 megawatts." Similarly, a new renewable energy facility, under G.S. 62-133.8(a)(5)(c), includes only a renewable energy facility that is "a hydroelectric power facility with a generation capacity of 10 megawatts or less." Thus, the energy generated at a hydroelectric power facility larger than 10 MW may not be claimed for REPS compliance pursuant to G.S. 62-133.8(b)(2)(a) or (c)(2)(a). Although the use of hydropower, defined as a renewable energy resource in G.S. 62-133.8(a)(8), at a "generating facility" would appear to fall within G.S. 62-133.8(b)(2)(b), this interpretation, argues the Public Staff, cannot stand because it is inconsistent with the intent of Senate Bill 3 and renders G.S. 62-133.8(b)(2)(a) unnecessary and superfluous. If all power generated from any renewable energy resource qualifies for REPS compliance, regardless of whether it is generated at a new renewable energy facility or elsewhere, then everything that qualifies under paragraph (b)(2)(a) also qualifies under paragraph (b)(2)(b), and paragraph (b)(2)(a) is mere surplusage. The Public Staff asserts that the history and purposes of Senate Bill 3 furnishes a guide to the correct interpretation of paragraph (b)(2)(b). One of the most important objectives of the statute is to promote the development of renewable energy. Allowing REPS credit for "new" renewable energy effectively promotes the four statutory purposes listed in G.S. 62-2(a)(10) by offsetting the use of coal or natural gas-fueled generation. However, allowing credit for power generated at existing large hydroelectric power facilities merely preserves the status quo. In the Public Staff's view, paragraph (b)(2)(b) was added to the statute to encourage co-firing – that is, the burning of a limited amount of biomass at an existing generating facility that uses coal, natural gas or oil as its primary fuel source. Unlike the generation of power at existing large hydroelectric power facilities, co-firing does not simply maintain the status quo, but provides a new method of using fuel from renewable

[4] Under G.S. 62-133.8(c)(2)(c), electric membership corporations and municipalities, in meeting their REPS requirements, may "[p]urchase electric power from a renewable energy facility or a hydroelectric power facility, provided that no more than thirty percent (30%) of the requirements of this section may be met with hydroelectric power, including allocations made by the Southeastern Power Administration."

sources and reduces the use of fossil fuel. The Public Staff argues that the General Assembly carefully and intentionally drew a distinction in G.S. 62-133.8(a)(5) and (7) between hydroelectric power facilities with a capacity greater than 10 MW and smaller hydroelectric power facilities. The Public Staff urges the Commission not to subvert this legislative distinction by allowing REPS credit for both large and small hydroelectric power facilities. Moreover, while allowing electric public utilities to receive REPS credit for power generated at their existing large hydroelectric power facilities will likely reduce their cost of REPS compliance and minimize the likelihood that they will reach the per-account cost cap imposed by G.S. 62-133.8(h), doing so will not result in any additional renewable energy, or any improvement in air quality, for the people of the State. While the Public Staff agrees with the importance of minimizing the cost of REPS compliance, it does not believe that this is the right way to do it. More importantly, it is not what the General Assembly intended by enacting the REPS statute. The Public Staff, therefore, recommends that the Commission not interpret G.S. 62-133.8(b)(2)(b) to allow electric public utilities to meet their REPS requirements by generating power at large hydroelectric power facilities.

Second, not only are Duke and PEC not entitled to REPS credit for all of their hydroelectric generation under G.S. 62-133.8(b)(2)(b), they should not receive REPS credit under G.S. 62-133.8(b)(2)(a) for power generated either by an individual hydroelectric generating unit of 10 MW or less or at a small hydroelectric power facility whose total capacity is 10 MW or less. To qualify for REPS credit under G.S. 62-133.8(b)(2)(a) or (c)(2)(a), an electric power supplier must generate power from a "new renewable energy facility." The Public Staff argues that an individual turbine, or generating unit, that comprises part of a larger hydroelectric power facility is not a new renewable energy facility for which REPS credit may be claimed under G.S. 62-133.8(b)(2)(a) or (c)(2)(a), even if the generation capacity of that single unit is 10 MW or less. The Public Staff states that, in considering whether to accept registration of Duke's small hydropower units, the critical question is whether each individual generating unit at a multi-unit hydroelectric plant constitutes a separate "hydroelectric power facility," or whether the "facility" is the entire plant. [5] The Public Staff argues that the term "facility" refers to the entire hydroelectric generating plant, including not only the generating units, but all other ancillary components that are required to support the generating units and the transfer of generated power to the grid. The Public Staff argues that, in most technical contexts, the term "facility" is used to refer to an entire electric generating plant (whether hydroelectric, fossil-fired or nuclear) and not to each generating unit within the plant. For example, the United States Department of Energy, Energy Information Administration, defines "facility" as follows:

[5] In filing registration statements under Commission Rule R8-66 for all of its hydroelectric generating units with a capacity of 10 MW or less, including individual generating units that are components of a larger plant with a total capacity in excess of 10 MW, Duke asserts that each individual generating unit is a separate "hydroelectric power facility" and a "new renewable energy facility" under G.S. 62-133.8(a)(5). In filing its registration statements, Duke projects that it will generate 384,000 MWh of electric power annually in years with average rainfall from these 30 small hydropower generating units. This renewable energy resource represents approximately 0.68% of its North Carolina retail sales of electricity.

> An existing or planned location or site at which prime movers, electric generators, and/or equipment for converting mechanical, chemical, and/or nuclear energy into electric energy are situated or will be situated. A facility may contain more than one generator of either the same or different prime mover type. [Emphasis added.]

Similarly, in ordinary non-technical English, one would normally refer to a multi-unit plant, such as Cowans Ford or Walters, as a hydroelectric power facility, rather than a set of facilities or a group of facilities. The Public Staff does not believe that the General Assembly intended for a plant such as Duke's Rhodhiss Hydro Station, which has a total capacity of 30 MW, but is divided into three generating units, to qualify for REPS credit. Consequently, the Public Staff recommends that Commission conclude that a hydroelectric generating unit that has a capacity of 10 MW or less that is part of a multi-unit plant with a generation capacity of more than 10 MW is not a new renewable energy facility.

Lastly, the Public Staff argues that a hydroelectric power facility with a total generation capacity of 10 MW or less owned by an electric power supplier is not a new renewable energy facility. Under G.S. 62-133.8(a)(5)(c), a facility that was in existence on January 1, 2007, and that did not have a contract with NC GreenPower Corporation can be considered a new renewable energy facility only if it is "a hydroelectric power facility with a generation capacity of 10 megawatts or less that delivers electric power to an electric power supplier." (Emphasis added.) The Public Staff argues that the term "deliver" generally refers to the act of one person or business in bringing or transporting something to another person or business. One does not ordinarily deliver something to oneself, and an electric public utility does not "deliver electric power to an electric power supplier" by generating power for itself on its own system. The Public Staff asserts that this interpretation of the term "deliver" is supported by the history and purposes of Senate Bill 3. The REPS was designed to promote the development of new renewable energy facilities, and, accordingly, the statute provides that electric power suppliers should include in their generation mix a specified percentage of power generated at renewable energy facilities placed into service after January 1, 2007. If the owners of the State's small hydroelectric power facilities go out of business, however, the result will be a reduction, rather than an increase, in the State's renewable energy generation. Because of this concern, the legislature made an exception in G.S. 62-133.8(a)(5)(c) to treat existing small, independently-owned hydroelectric plants as new. While this special treatment of small, independently-owned hydroelectric facilities was justified in order to maintain their viability, it would not be appropriate – and the General Assembly did not intend – to extend this special exception to utility-owned hydroelectric power facilities, even small ones. Allowing power generated at a utility-owned hydroelectric power facility to be considered as having been produced by a "new" facility will neither promote the growth of renewable power nor avoid the loss of renewable facilities. Again, if utilities are allowed to use their existing hydroelectric generation for REPS compliance, this serves only to lower the bar for REPS compliance and reduce the amount of new renewable energy electric power suppliers must obtain. It does not serve to reduce

greenhouse gas emissions, improve air quality, or accomplish any of the other purposes of Senate Bill 3.

Duke, PEC, Dominion, and ElectriCities argue, on the other hand, that all hydroelectric generation may be claimed for REPS compliance pursuant to G.S. 62-133.8(b) and (c). Duke asserts that, if the Commission were to permit the use of all of its hydropower resources, the initial net effect would be to permit the use of the lowest cost renewable – hydropower – to meet the 3% REPS requirement in 2012. The use of hydropower resources to meet a portion of the general REPS requirements enables the electric power suppliers to secure additional renewable energy resources within the REPS per-account cost cap. To decide this issue to exclude these resources will likely result in Duke reaching the cost caps before achieving the renewable energy requirements of Senate Bill 3. Additionally, if utility-owned hydropower qualifies as renewable energy resources, Duke would have the incentive to re-evaluate the potential development or construction of hydropower units that are greater than 10 MW at existing stations and at new locations.

Given the plain language of G.S. 62-133.8(b)(2)(b), Duke and PEC included in their 2008 REPS compliance plans all of their conventional hydropower resources (including those less than and those greater than 10 MW in generating capacity) to meet their REPS compliance requirements. First, although it appears that one of the purposes of the language in paragraph (b)(2)(b) was to permit the use of renewable energy resources, such as biomass, as fuel in a conventional generation facility (known as "co-firing"), a literal reading of Senate Bill 3 allows for all hydropower resources to be used as a renewable energy resource towards the general REPS requirements of G.S. 62-133.8(b) and (c). The definition of a renewable energy resource in G.S. 62-133.8(a)(8) includes the use of hydropower – without limitation of the size of the generating unit. G.S. 62-133.8(b)(2)(b) provides that an electric public utility may meet its general REPS requirements by using "a renewable energy resource to generate electric power at a generating facility other than the generation of electric power from waste heat derived from the combustion of fossil fuel." Therefore, hydroelectric power is a renewable energy resource and may be used to meet the REPS requirements of Senate Bill 3.

Dominion argues that, by limiting the definitions of renewable energy facility and new renewable energy facility to hydroelectric power facilities of 10 MW or less, the General Assembly demonstrated that it knew how to do so and intentionally omitted such a limitation in G.S. 62-133.8(b)(2)(b). Dominion criticizes the Public Staff's argument that the General Assembly "carefully and intentionally drew a distinction in G.S. 62-133.8(a)(5) and (7)," but was "sloppy and uninformed" when crafting the language of G.S. 62-133.8(b)(2)(b). When words are not ambiguous, statutes are not to be reinterpreted. Harrell v. Bowen, 362 N.C. 142, 145, 655 S.E.2d 350 (2008). The General Assembly is presumed to have acted reasonably and knowledgeably in enacting the legislation and the text contained therein, and to have intended to give full effect to the entire legislation passed. Porsh Builders, Inc. v. City of Winston-Salem, 302 N.C. 550, 556, 276 S.E.2d 443, 447 (1981).

Duke further argues that its hydropower units with a generation capacity of 10 MW or less qualify as new renewable energy facilities under G.S. 62-133.8(a)(5)(c). Duke argues that the definition of a new renewable energy "facility" logically applies to the individual units or components of a larger hydropower station. The definition of a "facility" is not provided in the REPS statute or in the Commission's rules promulgated under Senate Bill 3. Absent any express statutory definition, a reasonable and consistent interpretation of the word "facility" is the use of a single operating unit. Duke notes that, in a private letter ruling applying an analogous statute, the North Carolina Department of Revenue used a simple test to determine whether a large solar power station that consists of multiple subsets of solar panels should be considered to be a single installation or multiple installations. In that matter, the Department determined that each subset of solar panels should be considered to be an individual installation because each such subset of solar panels is configured in such a manner that it is capable of independent operation. Similarly, under the REPS statute, facility should be interpreted to mean an individual turbine that generates electric power from the movement of water. A hydropower station may have multiple facilities or units, but only those units that are 10 MW in generating capacity or less will qualify under the definition of a new renewable energy facility.

Lastly, Duke, PEC, Dominion, and ElectriCities argue that, regardless of the owner, hydroelectric plants that are interconnected to an electric power supplier physically deliver electric power to an electric power supplier and meet the definition of new renewable energy facility. The "delivery" requirement of G.S. 62-133.8(a)(5)(c) simply ensures that hydroelectric power is physically connected to the electric grid through an electric power supplier. If the General Assembly intended to limit the use of utility-owned hydropower assets as a means for compliance with requirements it could have done so clearly and directly by including the words "non-utility" in G.S. 62-133.8(a)(5)(c). Since it did not, the Commission should reject the suggestion that there is a distinction, or even a preference, for non-utility hydroelectric power facilities. Duke asserts that the Public Staff's argument that small hydroelectric producers will go out of business unless its definition of "delivers" is adopted is a red herring. Duke argues that small hydropower producers can, and will, continue to operate within the State by selling their electricity to the electric public utilities and have the opportunity to achieve a market premium (or the value of the RECs) for electricity generated from their facilities.

CUCA argues that an electric public utility should be allowed to meet all or a portion of its REPS requirement with energy generated at a hydroelectric power facility larger than 10 MW if a utility brings a "new" (or previously abandoned) hydroelectric generating unit on-line after January 1, 2007. CUCA likewise believes that an electric public utility should be allowed to claim for REPS compliance the addition of "new" capacity to an existing hydroelectric plant which could not otherwise be used to discharge its REPS requirement. Lastly, CUCA argues that energy generated at a utility-owned hydroelectric power facility is "delivered" pursuant to G.S. 62-133.8(a)(5)(c) if the facility is connected to the electric grid, or transmission system, of an electric power supplier having retail customers in North Carolina.

In its comments, NCSEA argues that an electric public utility should not be allowed to claim energy generated at an existing hydroelectric power facility larger than 10 MW toward REPS compliance, but that a repowered hydroelectric generating unit at a plant that is actually connected to and conveying the electric power it generates to the electric supplier's transmission or distribution system could be claimed for REPS compliance. With regard to existing large hydroelectric power facilities, NCSEA argues that the plain intent of G.S. 62-133.8(b)(2)(b) is to permit electric public utilities to meet their REPS requirements using renewable energy resources at nonrenewable energy generating facilities. For example, that provision would apply in the case of co-firing, such as where an electric public utility uses wood waste as an additional fuel source at a coal-fired electric generating facility. By using wood waste, a renewable energy resource, at the coal-fired electric generating facility, a conventional power generating facility, the energy and RECs derived from the proportion of wood waste in the fuel at that facility would, pursuant to G.S. 62-133.8(b)(2)(b), qualify for REPS compliance. NCSEA recognizes that the term "renewable energy resource" defined in G.S. 62-133.8(a)(8) includes hydropower without any capacity limitation. Although this definition would seem to suggest that G.S. 62-133.8(b)(2)(b) and the REPS requirement could be satisfied by generating electric power at a hydroelectric power facility, regardless of the facility's size, this construction of the statute would be inconsistent and at odds with other parts of Senate Bill 3 and its overall intent. NCSEA asserts that the General Assembly was meticulous in its use of the term hydroelectric power and carefully outlined the role this energy resource played in the REPS compliance scheme. By limiting hydroelectric power in the definitions of "renewable energy facility" and "new renewable energy facility" to a facility with a generation capacity of 10 MW or less, the General Assembly explicitly delineated, by size, the hydroelectric power facilities that had value towards compliance with the REPS and determined that the proper cut-off point was at a capacity of 10 MW or less.

NCSEA further argues that, of the six compliance methods available to electric public utilities in G.S. 62-133.8(b)(2), four use the term "new renewable energy facility" and, thus, exclude hydroelectric power facilities larger than 10 MW. The fifth compliance method, which refers to meeting part of the REPS obligation through reduced energy consumption by implementing energy efficiency measures or demand-side management programs, is not relevant to the use of hydroelectric power. Only the sixth method, G.S. 62-133.8(b)(2)(b), includes the use of a "renewable energy resource" to generate electric power at a generating facility, which, as noted above, appears to include hydroelectric power facilities of any size. Common sense dictates, however, that the General Assembly would not place a size restriction (10 MW or less) in four compliance methods only to gut that size restriction in the fifth compliance method. That is, four compliance methods articulate that compliance cannot be achieved using hydroelectric power facilities with a generation capacity of greater than 10 MW. Interpreting the sixth method to allow compliance to be achieved by producing energy at a hydroelectric power facility with a generation capacity larger than 10 MW runs counter to the General Assembly's intent and would render superfluous the first four compliance methods, thus violating long-standing rules of statutory construction that no part of a statute is to be read in a way that renders it or other parts superfluous. NCSEA asserts

that this interpretation of the General Assembly's intent is underscored by the language used in G.S. 62-133.8(c)(2)(c). In that subsection, the General Assembly clearly authorizes an electric membership corporation or municipality to meet its REPS requirement by "purchas[ing] electric power from a renewable energy facility or a hydroelectric power facility." If the General Assembly had intended for electric public utilities to satisfy their REPS requirement by generating power at a hydroelectric power facility with a generation capacity of more than 10 MW, then the General Assembly would have included language comparable to G.S. 62-133.8(c)(2)(c). Absent any comparable language, argues NCSEA, the obvious conclusion is that G.S. 62-133.8(b)(2)(b) does not authorize an electric public utility to meet its REPS requirement by generating electric power at a hydroelectric power facility with generation capacity of more than 10 MW.

NCSEA notes that the issue raised by the Public Staff pits "what arguably is the plain language of the statute against underlying uncontroverted legislative intent." Typically, the plain language of a statute is considered to embody legislative intent, and, unless there is some ambiguity, there is no reason to look behind that language to determine such intent. In rare instances, argues NCSEA, that is not the case, and in even rarer circumstances, a literal reading of the statute would result in an interpretation that is inconsistent with the General Assembly's manifest purposes. In the latter case, the plain language of the statute will be disregarded or read in a manner that carries out the General Assembly's intent. In the Matter of T.R.M., 656 S.E.2d 626, 630-31 (N.C. App. 2008). NCSEA argues that

> the critical phrase in G.S. 133.8(b)(2)(b) for this debate is "generating facility": that is, the qualifying electric power and RECs are produced by using a "renewable energy resource [hydropower, wood waste, spent pulping liquors etc.] to generate electric power at a generating facility." The law does not define a "generating facility" but what is indelibly clear from the statute as a whole, the General Assembly did not have large hydroelectric power facilities in mind when it used that term. [Additions in original.]

With regard to the second issue raised by the Public Staff, whether a hydroelectric generating unit of 10 MW or less that is a component of a larger plant with an overall capacity greater than 10 MW constitutes a "new renewable energy facility" within the meaning of G.S. 62-133.8(a)(5)(c), NCSEA asserts that a generating unit constitutes a "facility" if it is capable of standing alone, capable of being operated alone, and is not dependent on other components or features from other units to generate electric power. It is "new" if it is built and placed into service after January 1, 2007, or if it was idle prior to January 1, 2007, but "repowered" after January 1, 2007.

Discussion and conclusions

As the utilities stress, a literal reading of Senate Bill 3 would allow all hydroelectric generation resources, regardless of size, age or ownership, to be used

toward REPS compliance. The Public Staff, on the other hand, engages in an elaborate analysis of the law to support a reading that prohibits the use of any utility-owned hydroelectric generation resource, regardless of size or age, for REPS compliance. Other parties suggest interpretations that would authorize results somewhere between the two extremes. The Commission finds merit in each of the suggested statutory interpretations and further finds that so many differing interpretations support the conclusion that the legislation is not free from ambiguity. Because efforts to fully harmonize each of the individual sections and subsections is not possible, the Commission concludes that it must exercise its discretion to interpret the statute in the public interest in order to resolve the conflicts among the parties' interpretations. The Commission, therefore, must determine whether and under what circumstances any utility-owned hydroelectric generation resources can be used to meet a utility's REPS compliance obligation. The Commission will do so by relying on its determination of the overriding legislative intent of Senate Bill 3. The Commission finds and concludes that the overriding policy goal of Senate Bill 3, relative to hydroelectric power, as supported by a reading of the law in its entirety, is to encourage the development of additional small increments of hydroelectric generation capacity. While limited exception exists in Senate Bill 3 for certain existing small hydroelectric generation resources, the Commission concludes that this exception was made for the benefit of small non-utility owned hydroelectric generators, not for the State's major electric utilities. Therefore, the Commission concludes that existing (placed into service prior to January 1, 2007) utility-owned hydroelectric generation cannot be used for REPS compliance, regardless of the size of a unit or the facility of which it is a part, but that power generated from new (placed into service on or after January 1, 2007) small (10 MW or less) increments of utility-owned hydroelectric generation may be used by an electric public utility for REPS compliance.

First, with regard to hydroelectric power facilities larger than 10 MW, the Commission is persuaded by the arguments of NCSEA and the Public Staff that G.S. 62-133.8(b)(2)(b) should not be read so as to render paragraph (b)(2)(a) as mere surplusage. Porsh Builders, 302 N.C. at 556 ("It is presumed that the legislature intended each portion to be given full effect and did not intend any provision to be mere surplusage"); Mazda Motors of Am., Inc. v. Southwestern. Motors, Inc., 296 N.C. 357, 361, 250 S.E.2d 250, 253 (1979) ("The intent of the legislature controls the interpretation of a statute. ... '[W]here a literal interpretation of the language of a statute will lead to absurd results, or contravene the manifest purpose of the Legislature, as otherwise expressed, the reason and purpose of the law shall control and the strict letter thereof shall be disregarded.'") (quoting State v. Barksdale, 181 N.C. 621, 107 S.E. 505(1921)); In re Hardy, 294 N.C. 90, 95-96, 240 S.E.2d 367 (1978) ("In construing the language of statutes we are guided by the primary rule of construction that the intent of the Legislature controls. ... Words and phrases of a statute may not be interpreted out of context, but individual expressions 'must be construed as a part of the complete whole and must be accorded only that meaning which other modifying provisions and the clear intent and purpose of the act will permit.'") (quoting Watson Indus. v. Shaw, 235 N.C. 203, 210, 69 S.E.2d 505, 511 (1952)). To allow generation at existing large hydroelectric power facilities to be claimed for REPS compliance under paragraph

(b)(2)(b) would negate the language of paragraphs (a)(5) and (a)(7) which specifically exclude hydroelectric power facilities with a generation capacity of more than 10 MW. Clearly, the legislature did not intend to allow that which it had otherwise specifically excluded.

Second, with regard to existing hydroelectric power facilities with generation capacity of 10 MW or less, the Commission agrees with the Public Staff that the "delivery" requirement of G.S. 62-133.8(a)(5)(c) excludes such facilities from the definition of new renewable energy facility. As stated in both the title of the act and the amended declaration of policy, G.S. 62-2(a)(10), Senate Bill 3 was enacted to promote the development of renewable energy, i.e., new renewable energy. The exceptions to the definition of "new renewable energy facility" do not promote the development of renewable energy, but merely maintain the status quo, and must be narrowly construed. Good Hope Hosp., Inc. v. North Carolina Dep't of Health & Human Servs., 175 N.C. App. 309, 312, 623 S.E.2d 315, aff'd, 360 N.C. 641, 636 S.E.2d 564 (2006). Paragraphs (a)(5)(b) and (a)(5)(c), which use similar language, both contemplate the delivery of electric power to an electric power supplier by an entity other than the electric power supplier.

Lastly, with regard to small hydroelectric generating units, the Commission concludes that individual generating units that are components of a larger hydroelectric generating plant are not individual renewable energy facilities. Rather, as argued by the Public Staff, the term "facility" refers to the entire generating plant. Although the term "facility" is not defined in Senate Bill 3, it is used elsewhere in the Public Utilities Act. For example, pursuant to G.S. 62-110.1(a), "no public utility or other person shall begin the construction of any steam, water, or other facility for the generation of electricity" without first obtaining from the Commission a certificate of public convenience and necessity. (Emphasis added.) Under G.S. 62-110.1(g), this certification requirement "shall not apply to a nonutility-owned generating facility fueled by renewable energy resources under two megawatts in capacity ...." (Emphasis added.) If an individual generating unit at a hydroelectric power plant is considered to be a facility, then an individual wind turbine at a wind farm or an individual array at a solar farm might also be a generating facility. However, the Commission does not believe that a 20 MW wind or solar farm is exempt from the certification requirement as a group of generating facilities, each of which is less than 2 MW. Such an interpretation could be argued, however, if an individual generating unit at a larger hydroelectric generating plant were held to be a "facility" for purposes of G.S. 62-133.8.

Nevertheless, the Commission determines that the underlying intent of Senate Bill 3 is not best served by prohibiting REPS compliance and cost recovery for post-January 1, 2007, hydroelectric generation additions of 10 MW or less by a strict reliance on a narrow reading of the statute. Compliance with the REPS standard without first reaching the per-account cost caps will prove difficult, and the Commission determines that it should not make a difficult task even more onerous by disregarding an emission-free, no-fuel-cost resource with a lower cost than many other renewable options simply because the electric utility owns and develops it. Therefore, based on a consideration of

the overriding policy objectives of Senate Bill 3, the Commission finds that increments of additional hydroelectric power capacity of 10 MW or less placed into service on or after January 1, 2007, either as an expansion or repowering of an existing hydroelectric power facility or the construction of a new facility, shall be considered to be a new renewable energy facility under G.S. 62-133.8(a)(5)(a) to the extent of the incremental generation capacity. Such an interpretation is consistent with the intent of Senate Bill 3 to encourage the development of renewable energy. It would be unreasonable to adopt unnecessary barriers to the expansion of current hydroelectric power facilities or the development of new small hydroelectric power facilities. The Commission, therefore, will consider incremental generation capacity created at a new or existing hydroelectric power facility to be a "new renewable energy facility" where the new increment of capacity is 10 MW or less. If the incremental generation capacity is added to an existing hydroelectric power facility, the electric public utility shall allocate the power generated on a pro rata basis to determine the amount of power generated by the incremental capacity and used for REPS compliance.

It is not clear to the Commission that the General Assembly anticipated and clearly and cogently addressed the contingency in which an electric utility adds new or incremental hydroelectric generation capacity after January 1, 2007. In view of the underlying purposes of Senate Bill 3, the Commission cannot identify a persuasive justification that might result in disallowances of utility-owned new hydroelectric generation capacity of 10 MW or less. If such a justification exists, the General Assembly is free to modify the provisions of Senate Bill 3 and rectify the result reached herein.

In reaching this result, the Commission stresses that its conclusions are strictly limited to post-January 1, 2007, utility-owned hydroelectric generation because Senate Bill 3 does not explicitly address such generation additions. Nothing in this ruling should be used to support arguments addressing other types of renewable resources or facilities or registration statements therefor. Additionally, the Commission has not attempted to anticipate each variation of utility-owned, post-January 1, 2007, incremental hydroelectric generation capacity addition, and will address disputes with respect thereto, if any, on a case-by-case basis.

Tennessee Valley Authority

In its February 18, 2009 Motion, the Public Staff further sought clarification on the following issue regarding wholesale purchasers from TVA:

> *4. If an electric power supplier receives or purchases power from the Tennessee Valley Authority under a full-requirements contract or otherwise, is such supplier exempt from the requirements of G.S. 62-133.8?*

Positions of the Parties

In its initial comments, the Public Staff states that electric power suppliers that purchase wholesale power from TVA are not exempt from the REPS requirement on the basis of "federal supremacy." The Public Staff notes that there are a number of federal agencies that generate electricity and provide it to suppliers at wholesale, including the Southeastern Power Administration (SEPA) and the Bonneville Power Administration (BPA). The electric cooperatives and municipals in North Carolina that purchase from SEPA have never contended that such purchases exempt them from REPS compliance, and the Public Staff states that it is informed that utilities in Washington and Oregon that purchase power from BPA have never claimed exemption for those states' portfolio standards. Neither TVA nor any of the electric power suppliers that purchase from TVA participated and filed comments in this proceeding citing any support for their argument that, simply by purchasing power from a federal agency, an electric power supplier can avoid compliance with the regulatory requirements of the states in which it operates.

ElectriCities similarly argues in its initial comments that there is no language in GS 62-133.8 that explicitly or implicitly exempts an electric power supplier, as that term is defined in the statute, from the REPS requirements. While the terms of a full-requirements contract with TVA may well prohibit the electric power supplier from generating renewable energy or from buying it from another wholesale power provider, the electric power supplier still can comply with the REPS requirement by purchasing RECs and implementing demand-side management and energy efficiency measures.

NCSEA notes in its comments that, while Senate Bill 3 lays out different REPS requirements and authorizes different avenues for compliance for public utilities, EMCs and municipalities, it does not exempt any of the electric power suppliers providing retail electric service in the State from compliance. If an electric power supplier, regardless of where it is headquartered or how it procures its electric power, sells electric power to retail customers in the State, then it must comply with G.S. 62-133.8.

Discussion and conclusions

The Commission concludes that G.S. 62-133.8, through its broadly encompassing definition of electric power supplier, is intended to apply to all entities that sell electric power to retail customers in North Carolina. The North Carolina General Assembly has the authority to regulate retail sales to North Carolina consumers by any entity, regardless of where that entity maintains its corporate headquarters or of where that entity obtains the power it sells. No federal supremacy doctrine applies based upon the retail suppliers' purchase of power from a federal entity, such as TVA. Thus, while the North Carolina legislature might be limited in its authority to impose an REPS obligation on TVA because of federal supremacy, TVA's distributors making retail sales in North Carolina, which are not federal entities, are not entitled to make a supremacy clause argument and do not assume the status of TVA simply by purchasing energy at wholesale from TVA or from any other federal entity.

In the letters filed by TVA distributors, they cited TVA's hydroelectric generation and its GreenPower Switch voluntary green power program, as well as various energy efficiency measures, as efforts undertaken comparable to North Carolina's REPS mandate. The Commission concludes that renewable energy marketed through TVA's voluntary green power pricing program may not be claimed for REPS compliance, just as RECs purchased by NC GreenPower are ineligible. Lastly, the Commission will require each TVA distributor that provides retail electric service to customers in North Carolina to comply with Senate Bill 3 and the Commission's rules or be subject to a show cause proceeding.

Electric Membership Corporations

In its February 18, 2009 Motion, the Public Staff sought clarification on the following issue regarding out-of-state electric membership corporations:

> *5. If an electric membership corporation provides electric service to customers in North Carolina, but has its headquarters in another state, is it exempt from the requirements of G.S. 62-133.8?*

Positions of the Parties

The Public Staff states in its comments that, as with the TVA distributors, all parties that commented, including NCSEA and ElectriCities, agree that any EMC that serves retail customers in North Carolina must comply with the REPS statute. As stated in G.S. 62-133.8(c)(1), "Each electric membership corporation or municipality that sells power to retail electric power customers in the State shall be subject to" the REPS. The criterion is whether an EMC sells power to retail electric customers in the State, not whether it is headquartered in the State. As ElectriCities states, if an EMC "sells electric power to retail electric power customers in North Carolina," it is, by definition, an "electric power supplier" and must comply with the provisions of G.S. 62-133.8. The Public Staff further argues that, if electric power suppliers with headquarters outside the State were free of any REPS obligation, then Dominion would not be required to comply; however, Dominion has never denied that it is subject to the REPS.

Discussion and conclusions

The Commission agrees with the commenters and concludes that EMCs headquartered outside of North Carolina that serve retail electric customers within the State must comply with the REPS requirement. As stated previously, Senate Bill 3 is intended to apply to all retail electric suppliers in North Carolina. It is the sale of power to customers in North Carolina, not the location of a corporate headquarters, that provides the authority of the North Carolina General Assembly to impose an REPS obligation. The Commission further finds it appropriate to require each electric cooperative that provides retail electric service to customers in North Carolina to comply with Senate Bill 3 and the Commission's rules or be subject to a show cause proceeding.

Western Carolina University and New River Light & Power Company

In its February 18, 2009 Motion, the Public Staff sought clarification on the following issue regarding university-owned utilities:

> *6. Are Western Carolina University and New River Light & Power Company exempt from the requirements of G.S. 62-133.8?*

Positions of the Parties

In their comments, ASU, WCU, and ElectriCities assert that ASU and WCU are exempt from the REPS requirement of G.S. 62-133.8. Both ASU and WCU are constituent members of the University of North Carolina. G.S. 116-2(4).[6] Both ASU, through its operating unit New River,[7] and WCU operate electric distribution systems and provide retail electric service pursuant to G.S. 116-35. As a part of the University of North Carolina, neither ASU nor WCU are subject to regulation as a public utility. G.S. 62-3(23)(e)[8]; Order Finding No Jurisdiction to Hear and Investigate Complaint, In re Gamble, Docket No. E-35, Sub 18 (N.C.U.C. 1994); Opinion of Attorney General to Mr. Myron L. Coulter, Chancellor, Western Carolina University, 55 N.C.A.G. 55 (1985). The Commission's jurisdiction over ASU and WCU with regard to their electric systems is limited to approval of the rates charged to customers. G.S. 116-35.

ASU, WCU, and ElectriCities note that the REPS requirement of Senate Bill 3 applies only to public utilities, EMCs, and municipalities. Specifically, electric power supplier is defined in G.S. 62-133.8(a)(3) to mean "a public utility, an electric membership corporation, or a municipality that sells electric power to retail electric power customers in the State." Since neither ASU nor WCU is a public utility, an EMC, or a municipality, neither is subject to the REPS requirement of Senate Bill 3.

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[6] G.S. 116-2(4) defines a "constituent institution" or "institution" of the University of North Carolina as one of the sixteen public institutions of higher education, to wit, the University of North Carolina at Chapel Hill, North Carolina State University at Raleigh, the University of North Carolina at Greensboro, the University of North Carolina at Charlotte, the University of North Carolina at Asheville, the University of North Carolina at Wilmington, Appalachian State University, East Carolina University, Elizabeth City State University, Fayetteville State University, North Carolina Agricultural and Technical State University, North Carolina Central University, North Carolina School of the Arts (redesignated effective August 1, 2008, as the University of North Carolina School of the Arts), Pembroke State University (redesignated effective July 1, 1996, as the University of North Carolina at Pembroke), Western Carolina University, and Winston-Salem State University, and the constituent high school, the North Carolina School of Science and Mathematics.

[7] Through New River, ASU provides electric service to the university, the Town of Boone, and the surrounding community

[8] "The term 'public utility' shall include the University of North Carolina insofar as said University supplies telephone service, electricity or water to the public for compensation from the University Enterprises defined in G.S. 116-41.1(9)." G.S. 62-3(23)(e). University Enterprises, as defined in G.S. 116-41.1(9), includes only certain facilities "located in or near the Town of Chapel Hill, North Carolina" operated by the University, and does not include facilities operated by ASU (New River) or WCU.

In its comments, the Public Staff agrees with WCU, ASU, and ElectriCities that WCU and New River are not subject to the REPS requirement of Senate Bill 3.

NCSEA, however, in its comments, argues that WCU and New River fall within the definition of public utility. Thus, while Senate Bill 3 provides different REPS requirements and authorizes different avenues for compliance for public utilities and for EMCs and municipalities, it does not exempt any of the electric service providers selling electric power to retail customers in the State from compliance. As with the TVA distributors and out-of-state cooperatives, if an electric service provider, regardless of where it is headquartered or how it procures its electric power, sells electric power to retail customers in the State, then it must comply with the REPS.

Discussion and conclusions

The Commission concludes that WCU and New River are not subject to the REPS requirement of Senate Bill 3. Although Senate Bill 3 was intended to apply to all retail electric suppliers in North Carolina, a fair reading of the statute limits its applicability to public utilities, EMCs, and municipalities. The Commission has previously and consistently held that WCU is not a public utility; the same decision should apply to ASU and New River. Although they might be willing to comply with the REPS requirement applicable to municipalities, neither ASU nor WCU can be held to be an EMC or a municipality. The Commission, nonetheless, recognizes that WCU and ASU are actively pursuing renewable energy projects and energy efficiency measures and encourages WCU and New River to voluntarily comply with the REPS requirement of Senate Bill 3 in the same manner as other electric power suppliers.

IT IS, THEREFORE, SO ORDERED.

ISSUED BY ORDER OF THE COMMISSION.

This the 17th day of June, 2009.

NORTH CAROLINA UTILITIES COMMISSION

Gail L. Mount

Gail L. Mount, Deputy Clerk

Commissioner Susan W. Rabon did not participate in this decision.

Kc081909.01

STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH

DOCKET NO. E-100, SUB 113

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of Rulemaking Proceeding to Implement Session Law 2007-397	)))))	ORDER ON JOINT MOTION TO DETERMINE WHETHER RECS ARE IN-STATE OR OUT-OF-STATE

BY THE COMMISSION: On February 29, 2008, and March 13, 2008, the Commission issued Orders in the above-captioned docket adopting rules to implement Session Law 2007-397 (Senate Bill 3) and the Renewable Energy and Energy Efficiency Portfolio Standard (REPS) in North Carolina.

On May 13, 2009, Progress Energy Carolinas, Inc. (PEC), and Peregrine Biomass Development Company, LLC (Peregrine), filed a Joint Motion in this docket requesting that the Commission declare that all renewable energy certificates (RECs) earned by Peregrine's biomass-fueled combined heat and power facility located in PEC's South Carolina service territory, including RECs associated with both the electric power and useful thermal energy produced by the facility, be considered in-State for REPS compliance and not be subject to the 25% out-of-state REC limit contained in G.S. 62-133.8(b)(2)(e). By Order dated May 22, 2009, the Commission requested that parties comment on the issue raised in the Joint Motion.

The Joint Motion states that Peregrine's planned facility will be built on the premises of Sonoco Products near Hartsville, South Carolina, and states further:

> The facility will generate two forms of useful energy from the same power cycle, electricity and low pressure steam. The electricity will be sold to PEC and the low pressure steam will be sold to Sonoco. The Peregrine combined heat and power facility will be located in PEC's assigned territory in South Carolina and will be directly interconnected with PEC's electric system. Pursuant to a single integrated contract PEC will purchase 100% of: the electricity generated by the facility; the RECs associated with the electricity sold; and the thermal RECs associated with the low pressure steam sold to Sonoco.

PEC and Peregrine argue that the Peregrine facility will simultaneously produce both electric power and thermal energy, and, therefore, both electric and thermal RECs. They assert that the RECs associated with the electric power produced by the facility are "clearly considered in-state." Given that the thermal RECs are produced by the same facility and will be bundled and purchased via the same contract between PEC and Peregrine, they, too, should be classified as in-State RECs. The companies argue

that to do otherwise would produce a nonsensical, absurd result, i.e., the very same cogeneration facility would produce both in-State and out-of-state RECs. The companies assert that their fact situation differs from that directly addressed in the Commission's May 7 and 8, 2009 Orders in this docket:[1]

> in those instances [the RECs] were not bundled and the utility was not purchasing any electricity from the generating facility. This is not the case with the Peregrine facility. PEC will be purchasing all of the electricity generated by the facility and all of the RECs generated will be delivered to and purchased (bundled) by PEC.

On May 22, 2009, and June 8, 2009, Duke Energy Carolinas, LLC (Duke), and Virginia Electric and Power Company, d/b/a Dominion North Carolina Power (Dominion), filed letters in support of the Joint Motion. On June 10, 2009, the Public Staff filed comments in support of the Joint Motion, stating simply that "thermal energy produced by an out-of-state renewable energy facility should qualify as in-State if it is produced within the service territory of a North Carolina utility."

On June 10, 2009, the North Carolina Sustainable Energy Association (NCSEA) filed comments disagreeing with the utilities and the Public Staff and asserting that the Commission has misinterpreted Senate Bill 3 by allowing any RECs from a facility that is located geographically outside of North Carolina to be exempt from the 25% limit. Citing the Commission's decision that electric power produced at a new renewable energy facility located outside the geographic boundaries of the State is considered as in-State so long as the energy is delivered to a utility that provides electric power to retail customers in North Carolina, NCSEA argues:

> This ruling essentially eliminated the distinction between in-state RECs and out-of-state RECs. This interpretation is not mandated, however. G.S. 62-133.8(b)(2)(d) says RECs produced at an out-of-state facility can be counted towards compliance if the electricity is sold to a utility with retail customers in North Carolina. It does not say that such RECs are considered "in-State RECs" nor does it say that the RECs are not subject to the 25% cap in 133.8(b)(2)(e) .... Rather, G.S. 62-133.8(b)(2)(d) says that RECs associated with energy sold to a utility selling to retail customers in North Carolina can be used for compliance, subject to the 25% cap. After considering other parties' comments, the Commission's May 7, 2009 Order, and the Motion at hand, NCSEA is firmly of the opinion that the General Assembly's intent was to define an out-of-state facility as any facility that is located outside of the geographic boundaries of North Carolina. ... [B]ecause the proposed Peregrine facility will be located in South Carolina, the associated electrical energy, thermal energy, and all associated RECs should be considered out-of-state and subject to the 25% limitation for REPS compliance.

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[1] On May 7 and 8, 2009, the Commission issued Orders in this docket in which it addressed a Motion for Clarification filed by Duke, including issues regarding the in-State status of thermal RECs earned by a facility located outside of North Carolina.

Discussion and conclusions

There is no dispute that the RECs associated with both the electric power and the useful thermal energy produced by Peregrine's South Carolina facility, a new renewable energy facility pursuant to G.S. 62-133.8(a)(5),[2] are eligible to be used by a North Carolina electric public utility to meet its REPS obligation under Senate Bill 3. The issue is whether any of those RECs are subject to the 25% out-of-state REC limit. The specific question before the Commission, therefore, is whether the non-electric RECs earned by an out-of-state facility should be considered as in-State RECs where the facility is in the service territory of a North Carolina electric public utility that is purchasing the facility's electric power, associated electric RECs, and thermal RECs via one contract.

An electric public utility, e.g., PEC, may meet the REPS requirements of Senate Bill 3 in a number of ways, as set forth in G.S. 62-133.8(b)(2), including the following:

> d. Purchase electric power from a new renewable energy facility. Electric power purchased from a new renewable energy facility located outside the geographic boundaries of the State shall meet the requirements of this section if the electric power is delivered to a public utility that provides electric power to retail electric customers in the State; provided, however, the electric public utility shall not sell the renewable energy certificates created pursuant to this paragraph to another electric public utility.
>
> e. Purchase renewable energy certificates derived from in-State or out-of-state new renewable energy facilities. Certificates derived from out-of-state new renewable energy facilities shall not be used to meet more than twenty-five percent (25%) of the requirements of this section....

Under the facts presented here, Peregrine is generating electric power using biomass and is earning RECs associated with that electric power. PEC is purchasing the electric power together with the associated RECs for REPS compliance pursuant to subparagraph (d). Peregrine is also selling and delivering low pressure steam to Sonoco for use at its facility. By capturing the waste heat as useful thermal energy, Peregrine is earning additional RECs that it is also selling to PEC. Because the thermal RECs are in addition to, and separate from, those directly associated with the generation of electric power, they may not be considered as purchased pursuant to subparagraph (d), which is limited to "electric power purchased from a new renewable energy facility," but must be considered for REPS compliance as purchased pursuant to subparagraph (e).

Ordinarily, as argued by the NCSEA, RECs earned by a facility located within the geographic boundaries of the State of North Carolina would be considered as in-State; those earned by a facility located outside of the geographic boundaries of the State of

[2] The Commission approved Peregrine's registration application for the facility in Docket No. SP-396, Sub 0, by Order issued April 15, 2009.

North Carolina would be considered as out-of-state. Subparagraph (d) creates an exception to this general rule, however, for RECs associated with electric power purchased from a new renewable energy facility located outside of the geographic boundaries of the State that is delivered to a public utility that provides electric power to retail electric customers in the State. The limitation on out-of-state RECs set forth in subparagraph (e) only applies to RECs purchased pursuant to that provision, including RECs associated with useful thermal energy or RECs associated with electric power that are purchased separately from the associated electric power, and does not apply to RECs associated with electric power purchased pursuant to subparagraph (d). The Commission, therefore, rejects NCSEA's interpretation that all RECs purchased from an out-of-state facility are subject to the out-of-state limitation set forth in subparagraph (e).

The fact situation Peregrine and PEC present is one in which PEC is purchasing the electric power, the RECs directly associated with that electric power, and the RECs directly associated with the useful thermal energy produced at the facility. Based upon the above interpretation, the Commission concludes that subparagraph (d) applies to the electric power and, implicitly, the RECs directly associated with that electric power; subparagraph (e) applies to the RECs directly associated with the useful thermal energy. The thermal RECs earned and sold by Peregrine are eligible to count toward PEC's REPS compliance pursuant to subparagraph (e), but they are also subject to that provision's 25% limitation on out-of-state RECs. The Commission is not persuaded by PEC and Peregrine's argument that the thermal RECs should be considered to be "bundled" with the electric power and associated electric RECs because they are purchased pursuant to a single agreement. Because subparagraph (d) is limited to the purchase of electric power for REPS compliance, it does not apply to the purchase of non-electric RECs.

Based on the Commission's prior interpretation of G.S. 62-133.8(b) and the entire record in this proceeding, the Commission, therefore, denies the Joint Motion.

IT IS, THEREFORE, SO ORDERED.

ISSUED BY ORDER OF THE COMMISSION.

This the 13th day of July, 2009.

NORTH CAROLINA UTILITIES COMMISSION

Patricia Swenson

Patricia Swenson, Deputy Clerk

kj071309.01

Commissioners Robert V. Owens, Jr., and ToNola D. Brown-Bland did not participate in this decision.

STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH

DOCKET NO. E-100, SUB 113

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of Rulemaking Proceeding to Implement Session Law 2007-397	)))	ORDER ON DOMINION'S SECOND MOTION FOR RECLARIFICATION

BY THE COMMISSION: On February 29, 2008, and March 13, 2008, the Commission issued Orders in this docket adopting rules to implement Session Law 2007-397 (Senate Bill 3) and the Renewable Energy and Energy Efficiency Portfolio Standard (REPS) in North Carolina. On May 7 and 8, June 17, and July 13, 2009, the Commission issued Orders further interpreting Senate Bill 3 and addressing issues raised by Duke Energy Carolinas, LLC (Duke), Progress Energy Carolinas, Inc. (PEC), Peregrine Biomass Development Company, LLC (Peregrine), and the Public Staff.

On June 12, 2009, Dominion North Carolina Power (Dominion) filed a Motion for Further Clarification in response to the Commission's determinations on questions raised by Duke related to the use of renewable energy certificates (RECs) to meet the REPS set-aside requirements. On July 1, 2009, the Commission issued an Order allowing parties an opportunity to file written comments on the issues raised by Dominion and whether the 25% limit on out-of-state RECs in G.S. 62-133.8(b)(2)(e) and (c)(2)(d) should apply to both the general REPS obligation and to the specific set-aside provisions in G.S. 62-133.8(d), (e) and (f).

On July 9, 2009, Dominion filed a Second Motion for Reclarification in response to the Commission's June 17, 2009 Order on Public Staff's Motion for Clarification. Specifically, Dominion seeks further clarification with regard to the following issue raised by the Public Staff in its February 18, 2009 Motion for Clarification:

> 1. Does G.S. 62-133.8(b)(2)(b) authorize an electric public utility to meet its REPS requirements by generating electric power at a hydroelectric power facility with generation capacity of more than 10 megawatts (MW)?

Dominion notes that the Commission determined, based on its conclusion that the legislative intent "was, at least relative to hydroelectric power, to encourage the development of additional small increments of hydroelectric generation capacity," that existing utility-owned hydroelectric generation cannot be used for REPS compliance, but that power generated from new, small increments of utility-owned hydroelectric

generation may be used for REPS compliance. Dominion notes that the Commission further stated in its Order:

> In reaching this result, the Commission stresses that its conclusions are strictly limited to post-January 1, 2007, utility-owned hydroelectric generation because Senate Bill 3 does not explicitly address such generation additions. Nothing in this ruling should be used to support arguments addressing other types of renewable resources or facilities or registration statements therefor.

Dominion seeks further clarification regarding whether, pursuant to G.S. 62-133.8(b)(2)(b), it may use electric power produced at existing utility-owned renewable generation facilities or purchase power produced at existing non-utility-owned renewable generation facilities (NUGs) to satisfy its REPS requirements.

With regard to its own existing generation resources, Dominion reiterates the arguments that it, Duke, and PEC made in response to the Public Staff's Motion that, "under a plain reading of the law [G.S. 62-133.8(b)(2)(b)], utilities, such as [Dominion], are permitted [to] meet their general REPS requirements with renewable energy resources, regardless of whether the facility is 'new' or built prior to January 1, 2007 and regardless of whether the utility or a NUG owns it." In its June 17, 2009 Order, the Commission stated that it:

> is persuaded by the arguments of NCSEA and the Public Staff that G.S. 62-133.8(b)(2)(b) should not be read so as to render paragraph (b)(2)(a) as mere surplusage. ... To allow generation at existing large hydroelectric power facilities to be claimed for REPS compliance under paragraph (b)(2)(b) would negate the language of paragraphs (a)(5) and (a)(7) which specifically exclude hydroelectric power facilities with a generation capacity of more than 10 MW. Clearly, the legislature did not intend to allow that which it had otherwise specifically excluded.

Because the Commission clearly addressed the issue raised by the Public Staff regarding utility-owned hydroelectric power facilities, it assumes Dominion is further asking in its Second Motion about the use of a renewable energy resource other than hydropower to generate power at an existing utility-owned generating facility.

The Commission concludes that the same reasoning as previously applied to hydropower is applicable to the use of any renewable energy resource at an existing utility-owned generating facility. In addition to reducing energy consumption through the implementation of an energy efficiency measure, an electric public utility may meet the REPS requirements of Senate Bill 3 by generating electric power at a renewable energy facility, purchasing power from a new renewable energy facility, purchasing renewable energy certificates from a new renewable energy facility, or using a renewable energy resource to generate electric power at a generating facility other than the generation of electric power from waste heat derived from the combustion of fossil fuel. In each of the first

three instances involving the generation of electric power, the electric power must be generated at a new renewable energy facility. For a non-hydroelectric power facility, a "new" renewable energy facility must be one that was placed into service on or after January 1, 2007, or that had a contract with NC GreenPower prior to January 1, 2007. Since the NC GreenPower exception does not apply to utility-owned generation, a utility-owned renewable energy facility placed into service prior to January 1, 2007, does not meet the definition of "new" renewable energy facility. As the Commission previously determined with respect to hydropower, it will not read paragraph (b)(2)(b) to negate the remaining provisions of subdivision (b)(2) and allow that which the legislature clearly otherwise excluded. If the legislature had intended to allow the use of any renewable energy resource at an existing utility-owned generating facility for REPS compliance, it would not have limited electric utilities in paragraph (b)(2)(a) to generating electric power only at a new renewable energy facility. The Commission reads paragraph (b)(2)(b) to allow an electric public utility to comply with the REPS standard by co-firing biomass or another renewable energy resource at a utility-owned generating facility that otherwise primarily uses fossil fuels. The Commission notes the use of the term "generating facility," rather than "renewable energy facility," in paragraph (b)(2)(b) in reaching this conclusion.

Moreover, La Capra Associates found, in its December 2006 study of the potential costs and benefits of a renewable portfolio standard in North Carolina, that North Carolina had at that time over 2,000 MW of renewable generation capable of providing 4% to 5% of the State's energy needs. With that information before it, the Commission believes that the General Assembly would not have adopted a 3% REPS standard beginning in 2012 if it had intended for utilities to use electric power generated at existing utility-owned renewable energy facilities for REPS compliance.

With regard to purchases from non-utility-owned generation, Dominion argues:

> Section 62-133.8(b)(2)(b) does not make a distinction between the use of renewable energy sources used at a utility owned generating facility or a NUG. Therefore, each of the arguments in support of the Company using its own existing generating facilities that use renewable energy resources are asserted here for allowing the Company to apply renewable energy purchased from existing NUGs to meet its REPS requirements.

The Commission concludes, however, that paragraph (b)(2)(b) does not apply to purchases of electric power from non-utility-owned renewable generation. An electric public utility is limited pursuant to G.S. 62-133.8(b)(2) to purchasing electric power or RECs from a new renewable energy facility for REPS compliance. The first word of each paragraph in subdivision (b)(2) refers to actions by an electric public utility – "generate," "use," "reduce," "purchase" – and not to actions by third parties. Therefore, unless it had a contract with NC GreenPower prior to January 1, 2007, a non-utility-owned renewable energy facility must have been placed into service on or after January 1, 2007, in order to be considered a

"new" renewable energy facility and eligible to sell electric power or RECs to an electric public utility for REPS compliance.

IT IS, THEREFORE, SO ORDERED.

ISSUED BY ORDER OF THE COMMISSION.

This the 27th day of July, 2009.

NORTH CAROLINA UTILITIES COMMISSION

Gail L. Mount

Gail L. Mount, Deputy Clerk

Sw072709.01

Commissioner Lorinzo L. Joyner did not participate in this decision.

STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH

DOCKET NO. E-100, SUB 113

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of Rulemaking Proceeding to Implement Session Law 2007-397	)))	ORDER ON DOMINION'S MOTION FOR FURTHER CLARIFICATION

BY THE COMMISSION: On February 29, 2008, and March 13, 2008, the Commission issued Orders in this docket adopting rules to implement Session Law 2007-397 (Senate Bill 3) and the Renewable Energy and Energy Efficiency Portfolio Standard (REPS) in North Carolina. On or about September 2, 2008, the electric power suppliers began filing their initial REPS compliance plans pursuant to Commission Rule R8-67(b).

On November 3, 2008, Duke Energy Carolinas, LLC (Duke), filed a Motion for Clarification with regard to eleven issues concerning the interpretation of Senate Bill 3 to assist in its REPs compliance planning. On November 13, 2008, the Commission issued an Order inviting parties to provide written comments and reply comments on the issues raised by Duke. On May 7 and 8, 2009, the Commission issued orders on Duke's Motion for Clarification.

On June 12, 2009, Dominion North Carolina Power (Dominion) filed a Motion for Further Clarification in response to the Commission's determinations on questions related to the use of renewable energy certificates (RECs) to meet the REPS set-aside requirements. Specifically, Dominion sought further clarification with regard to the following issue raised by Duke in its Motion:

> 6. Whether an electric power supplier may satisfy the specific carve-out requirements (e.g., solar, swine and poultry) through the purchase of unbundled RECs from either in-state or out-of-state renewable energy facilities? If out-of-state RECs can be used to meet the carve-out requirements, could an electric power supplier meet 100% of these carve-out requirements with out-of-state RECs, provided that doing so would entail utilizing out-of-state RECs for no more than 25% of its overall renewable energy requirement (or, would the 25% out-of-state limit be applied to each individual carve-out requirement)?

In its Motion, Dominion notes that the Commission determined, based on its conclusion that the legislation's intent is to support "energy resources and issues indigenous to North Carolina," that, in order to meet the set-aside requirements, "the energy associated with the RECs acquired to satisfy the set-aside requirements must

be generated or delivered to an electric power supplier." Dominion states that, in reaching this determination, the Commission did not specifically address Dominion's position and special status under Senate Bill 3 and misinterpreted the term "section" with regard to whether the out-of-state limit applies to the set-aside requirements. Dominion, therefore, requests that the Commission further clarify, as Dominion previously argued in response to Duke's Motion and as was supported by the Public Staff, that "it is permitted by statute to satisfy 100% of the carve-out requirements and the overall REPS requirements with the purchase of out-of-state RECs from anywhere in the lower 48 states."

On July 1, 2009, the Commission issued an Order allowing parties the opportunity to comment on the issues raised in Dominion's Motion. In its Order, the Commission further gave notice, pursuant to G.S. 62-80, that, in response to Dominion's Motion and the arguments set forth therein, it would reconsider its reasoning and the following conclusions in the May 7, 2009 Order regarding the above issue raised by Duke in its Motion, the interpretation of the term "section," and whether the 25% limit on out-of-state RECs in G.S. 62-133.8(b)(2)(e) and (c)(2)(d) should apply to both the general REPS obligation and to the specific set-aside provisions in G.S. 62-133.8(d), (e) and (f):

> Subsections (d), (e), and (f) each state that a certain amount "of the total electric power in kilowatt hours sold to retail electric customers in the State shall be supplied by" the set-aside resource. Several parties assert that the phrase "kilowatt hours sold" simply establishes the amount of each set-aside requirement, and that the amount of energy thus calculated must be "supplied" by the particular set-aside resource. NCSEA argues that the General Assembly intended that the energy "supplied by" the particular set-aside resource must actually be "sold to retail electric customers in the State." ... Thus, while the 25% limitation applies only to the general REPS requirement and not to the specific set-aside requirements, the energy associated with the RECs acquired to satisfy the set-aside requirements must be generated by or delivered to an electric power supplier. ... The most reasonable interpretation, then, is that the General Assembly intended, by the language of the set-aside requirements, to more narrowly require that the RECs acquired to satisfy the set-aside requirements be associated with renewable energy either generated by or delivered to an electric power supplier.

Comments were filed by the North Carolina Sustainable Energy Association (NCSEA), ElectriCities of North Carolina, Inc. (ElectriCities), and the Public Staff. Reply comments were filed by NCSEA and Dominion.

POSITIONS OF THE PARTIES

In support of its Motion, Dominion states that it differs from the Commission in its interpretation of the statute in that it agrees that the word "section" in G.S. 62-133.8(b)(2)(e) refers to Section 2(a) of Senate Bill 3, but disagrees that it is

limited to G.S. 62-133.8(b) and (c). Rather than only the general REPS requirements contained in Section 2(a) of Senate Bill 3, or G.S. 62-133.8(b) and (c), Dominion believes "section" means Section 2(a) of Senate Bill 3 and/or all of G.S. 62-133.8, as supported by the Commission's own textual analysis in its Order. As Dominion states, "If the General Assembly had intended to limit the provisions of G.S. 62-133.8(b)(2)(a-f) to the general REPS requirements of G.S. 62-133.8(b), it would have stated, 'An electric public utility may meet the requirements of this subsection by any one or more of the following.'"

In its comments, ElectriCities agrees with Dominion's interpretation that the compliance methods and limitations (and exceptions to such limitations) set forth in G.S. 62-133.8(b)(2) and (c)(2) (Compliance Methods) apply not only to the compliance obligations set forth in G.S. 62-133.8(b)(1) and (c)(1) but also to the electric power suppliers' compliance obligations set forth in subsections (d), (e) and (f) of G.S. 62-133.8, the solar, swine waste, and poultry waste set-asides. ElectriCities argues,

> The Commission, however, mysteriously reached the conclusion in the Duke Order that the term "section" refers only to the general REPS requirements contained in [G.S.] 62-133.8(b)(1) and (c)(1), despite its analysis that seems to lead to the opposite conclusion. ... If "this section" refers to the totality of [G.S.] 62-133.8, as stated by the Commission, how can the Compliance Methods not apply to subsections (d), (e) and (f) of [G.S.] 62-133.8, when they certainly are subsections of [G.S.] 62-133.8? ... These multiple and consistent uses of the term "section" throughout the REPS Legislation to refer to the entire REPS requirement support the position that the General Assembly knew how to use the terms "section" and "subsection" correctly and that if it intended for the Compliance Methods to apply only to the general REPS requirements, the General Assembly would have used the term "subsection" rather than "section" in [G.S.] 62-133.8(b)(2) and (c)(2).

ElectriCities further agrees with Dominion that it does not make sense that the General Assembly would grant Dominion an exemption to the 25% limitation, allowing Dominion to satisfy its general REPS requirement with unbundled out-of-state RECs, but then mandate that Dominion must satisfy its set-aside requirements with RECs "associated" with energy "generated by or delivered to" Dominion.

> The policy underlying the Dominion exemption would seem completely undermined if Dominion were not able to use unbundled out-of-state RECs to comply with the set-aside requirements as well as with the general REPS requirement. The only plausible answer is that the Compliance Methods are intended to apply to the set-asides as well as the general REPS requirement, and that Dominion, and other power suppliers, may use truly unbundled out-of-state RECs to satisfy the set-aside requirements.

ElectriCities argues that a literal and practical reading of the REPS legislation provides that electric power suppliers may use unbundled RECs to satisfy the set-asides subject to no more than 25% of the REPS requirement (including the set-asides) of any electric power supplier other than Dominion being met with out-of-state RECs.

> The set-asides are a component of the overall general REPS obligation, not in addition thereto; accordingly, the use of unbundled RECs to satisfy the REPS obligation set forth in the REPS Legislation will also meet any set-aside obligation subsumed therein. Furthermore, there is nothing in the REPS Legislation pertaining specifically to the set-asides that is contrary to the permissive language concerning the use of RECs set forth in Subsections 62-133.8(b)(2)(e) and (c)(2)(d) of the REPS Legislation or prohibiting such use. It is ElectriCities' position that an electric power supplier could meet 100% of its set-aside requirements with unbundled RECs, so long as not more than 25% of its overall REPS obligation is satisfied with out-of-state RECs; provided, however, that Dominion is not subject to the 25% out-of-state REC limitation.

ElectriCities argues that the Commission's interpretation disregards the more obvious interpretation that the language of G.S. 62-133.8(e), for example, like the language in G.S. 62-133.8(b)(1) and (c)(1) stating the general REPS requirement, is merely designed to measure the amount of energy required to be met with swine waste.

> For instance, the general REPS requirement is measured in percentages of the applicable electric power supplier's North Carolina retail sales, but may be met by any Compliance Method, such as, out-of-state REC purchases, and consumption reductions through energy efficiency, each of which is clearly not a retail sale of electric power in North Carolina. The plain language of the Compliance Methods provides that the same methods may be used to meet the set-asides, and therefore, the measurement language in the set-asides, like the measurement language in the general REPS requirement, is a measurement metric, and nothing more.

Lastly, ElectriCities argues that several additional material issues remain that need to be addressed, including whether a REC used to comply with a set-aside must emanate from the set-aside resource. ElectriCities notes that it previously argued that the REPS legislation does not impose any such obligation, but the Commission in the Duke Order concluded otherwise. ElectriCities argues that only the General Assembly seems capable of addressing issues such as these.

In its comments, NCSEA disagrees with Dominion, arguing that the exception in G.S. 62-133.8(b)(2)(e) does not pre-empt or qualify the express language in the set-aside requirements, which apply to all "electric power suppliers" without regard to size.

> [T]he language in each set-aside provision[] is unique, stands alone and, unlike G.S. 62-133.8(b), is not pre-empted or qualified in any way by Section 62-133.8(b)(2)e. The set-aside requirements are not set forth in

G.S. 62-133.8(b) but are in separate parts of the statute, G.S. 62-133.8(d), (e) & (f).

NCSEA further argues that the set-aside requirements demand that the electric power generated with the set-aside resource be "sold to retail customers in the State," and that an electric power supplier acquiring unbundled, out-of-state RECs cannot satisfy this requirement.

> Given that the General Assembly enacted the set-aside provisions to promote certain fuel-related technologies in North Carolina and to address in-state issues, it is far-fetched to conclude that the "sold to retail customers" language is accidental or intended to establish an amount to be sold. Rather, the language – "sold to retail electric customers in North Carolina" – is restrictive and perforce limits the geographic location of a set-aside source that can produce electric power and RECs that can count towards compliance with the set-aside requirements. ... NCSEA submits the operative language, "to be sold to retail customers in North Carolina," is even more restrictive than the Commission found and allows only electric power and RECs derived from a facility in North Carolina to be used to satisfy the set-aside requirements. Only in that case, can it be certain that the electric power reaches customers in North Carolina. More importantly, only in that instance are the objectives of the REPS Law fully effectuated.

Thus, DNCP's interpretation of the law is inconsistent with the express language of the statute and is antithetical to the law's intended effect. The goals expressed in the statute are intended to create in-state benefits; indeed, there would be no rational basis for the General Assembly to encourage the development of these resources out-of-state. NCSEA argues that the 25% allowance for out-of-stale RECs was a concession accepted to avoid challenges to the REPS law under the Commerce Clause of the United States Constitution. As such, it "should be interpreted as narrowly as possible and with the understanding that the use of out-of-state RECs for compliance is antithetical to the economical [sic] development objectives the REPS Law is intended to achieve."

In its reply comments, NCSEA addresses many of the arguments set forth by ElectriCities in support of Dominion's interpretation of the REPS law. NCSEA argues that ElectriCities' contention that all of the Compliance Methods are intended to apply to the set-aside provisions is incorrect.

> This argument is plainly incorrect: not all of the compliance methods in G.S. 62-133.8(b)(2) and (c)(2) can be used to meet the set-aside requirements. See, e.g., G.S. 62-133.8(b)(2)c and (c)(2)b, c &e. For example G.S. 62-133.8(b)(2)c and (c)(2)b allow the REPS requirements to be met by reductions in energy consumption via demand-side management or energy efficiency. The set-aside requirements cannot be met in that fashion. Likewise, the set-aside provisions cannot be met by the acquisition of energy from a hydroelectric power facility (see G.S. 62-133.8(c)(2)c) or generally, the acquisition of electric power from a wholesaler.

> G.S. 62-133.8(c)(2)e. ... It is incongruous to assume Compliance Methods are intended to be applicable if a number of the methods prescribed simply do not fit.

As NCSEA reiterates, "the structure of the law, the restrictive language used in the set-aside provisions, and the clear legislative history, all show that the set-aside requirements were designed with a specific purpose in mind and that purpose was to advance certain technologies in North Carolina to address specific local issues."

Lastly, NCSEA criticizes ElectriCities' arguments as unrelated to the Dominion exemption and states that its call for legislative clarification is misplaced.

> While perhaps not meant to disparage the Commission, this comment strikes directly at the heart of the Commission's function and its ability to carry out its role. It is the Commission's job to interpret and implement the law and its members were selected precisely for their ability to do this. According to ElectriCities, however, the Commission apparently is incapable of complying with its mandate. ... The Commission reports to the General Assembly on an annual basis, and if needed the General Assembly can modify the legislation that the Commission implements.

In its comments, the Public Staff notes that in its earlier comments, it contended

> that the restriction imposed by G.S. 62-133.8(b)(2)(e), under which out-of-state RECs may not be used to meet more than 25% "of the requirements of this section," is applicable only to the general REPS requirement imposed by G.S. 62-133.8(b) and (c), and not to the set-aside provisions in G.S. 62-133.8(d), (e) and (f). Consequently, the Public Staff argued, an electric power supplier is free to satisfy the set-aside requirements entirely with out-of-state RECs, so long as it does not use out-of-state RECs to meet more than 25% of the general requirement.

Although the Commission's decision was not the position initially proposed by the Public Staff, the Public Staff states that it now considers it to be a reasonable interpretation of the statute and recommends that the Commission adhere to the position taken in its May 7, 2009 Order.

In its reply comments, Dominion states that the General Assembly, in enacting Senate Bill 3, recognized two facts about DNCP: first, that Dominion already generates or purchases much of the energy it provides to its North Carolina customers from out-of-state; and second, because of Dominion's relatively low customer base compared to Duke and Progress, it does not necessarily have the economy of scale to purchase in-state RECs and renewable energy at a reasonable price. Thus, Dominion argues that the General Assembly provided the exception to recognize the current reality of how Dominion serves its customers with out-of-state generation and to protect its ratepayers from a disproportionate expense for in-state renewable energy and RECs with little benefit in the actual amount of renewable energy that would be provided (even with the

per account cap). Furthermore, though the Public Staff now seems to have changed its position, Dominion believes that the Public Staff's first impression was the better reading of the statute and the General Assembly's intent.

DISCUSSION AND CONCLUSIONS

In its May 7, 2009 Order, the Commission determined, as argued by NCSEA, that the phrase "kilowatt hours sold to retail electric customers in the State" contained in the set-aside provisions[1] requires that the energy "associated with the RECs acquired to satisfy the set-aside requirements must be generated by or delivered to an electric power supplier." In so doing, the Commission answered Duke's question by determining that, not only could an electric power supplier not meet 100% of the set-aside requirements with out-of-state RECs, it could not use unbundled out-of-state RECs to satisfy any portion of the set-aside requirements.

This conclusion was supported, first, by a determination of legislative intent that the set-aside provisions were intended "to address renewable energy resources and issues indigenous to North Carolina, and, therefore, to foster development specifically of local renewable energy facilities." In addition, in examining the use of the word "section" in G.S. 62-133.8(b)(2)(e) and (c)(2)(d), the Commission determined that the 25% limitation on the use of out-of-state RECs applied only to the general REPS obligation and not to the individual set-aside provisions set forth in subsections (d), (e) and (f). If 100% of the set-aside requirements could be met with unbundled out-of-state RECs, as argued by the Public Staff and others at the time, stated the Commission, "the set-aside requirements could be satisfied in whole through out-of-state purchases resulting in no benefit for North Carolina swine or poultry operations." Such a result would be inconsistent with the apparent intent of the statute.

Upon reconsideration, the Commission is persuaded that neither of the two extreme positions advanced by one or more parties to this docket[2] – that the set-aside

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[1] Subsection (d), the solar set-aside provision, provides, in part:

> For calendar year 2018 and for each calendar year thereafter, at least two-tenths of one percent (0.2%) of the total electric power in kilowatt hours sold to retail electric customers in the State, or an equivalent amount of energy, shall be supplied by a combination of new solar electric facilities and new metered solar thermal energy facilities that use one or more of the following applications: solar hot water, solar absorption cooling, solar dehumidification, solar thermally driven refrigeration, and solar industrial process heat.

Subsection (e), the swine waste set-aside provision, provides, in part:

> For calendar year 2018 and for each calendar year thereafter, at least two-tenths of one percent (0.2%) of the total electric power in kilowatt hours sold to retail electric customers in the State shall be supplied, or contracted for supply in each year, by swine waste.

Subsection (f) the poultry waste set-aside provision, provides, in part:

> For calendar year 2014 and for each calendar year thereafter, at least 900,000 megawatt hours of the total electric power sold to retail electric customers in the State shall be supplied, or contracted for supply in each year, by poultry waste combined with wood shavings, straw, rice hulls, or other bedding material.

[2] ElectriCities, for example, argues that the limit on out-of-state RECs is an aggregate limit applicable to the overall REPS requirement and does not apply to the individual set-aside requirements. Progress

requirements could be wholly satisfied with out-of-state RECs, or that out-of-state RECs could not be used at all to satisfy the set-aside requirements – was intended by the language of the statute. Rather, as initially argued by Duke, the most reasonable interpretation that "harmonizes these statutory provisions [subsections (b), (c), (d), (e) and (f)] consistent with the policy goals of Senate Bill 3 and allows electric power suppliers to utilize out-of-state RECs to meet a portion of their requirements while promoting investment in renewable resources with the State" is that unbundled out-of-state RECs may be used to meet a portion of the set-aside requirements, but that the 25% limitation applies to the general REPS obligation and each of the individual set-aside provisions.[3] This interpretation best reconciles the language of the statute with the legislature's intent to foster local economic development and the use of indigenous renewable energy resources. As Dominion notes, the statute expressly exempts it from the 25% limitation on the use of unbundled out-of-state RECs.

In support of this decision, the Commission first notes that, in its May 7, 2009 Order, it stated:

> Subsections (d), (e), and (f) each state that a certain amount "of the total electric power in kilowatt hours sold to retail electric customers in the State shall be supplied by" the set-aside resource. Several parties assert that the phrase "kilowatt hours sold" simply establishes the amount of each set-aside requirement, and that the amount of energy thus calculated must be "supplied" by the particular set-aside resource. NCSEA argues that the General Assembly intended that the energy "supplied by" the particular set-aside resource must actually be "sold to retail electric customers in the State."

As noted above, the Commission proceeded to adopt the position advocated by NCSEA. Upon further review of the language of the set-aside provisions, the Commission notes that the solar set-aside, subsection (d), provides that "at least two-tenths of one percent (0.2%) of the total electric power in kilowatt hours sold to retail electric customers in the State, or an equivalent amount of energy, shall be supplied by" certain solar facilities. (Emphasis added.) The phrase "or an equivalent

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Energy Carolinas, Inc., and the Public Staff similarly urged the Commission to adopt this interpretation in response to Duke's Motion.

[3] In its May 7, 2009 Order, the Commission summarized Duke's argument on this issue as follows:

> Duke further argues that it is allowed to meet the carve-out requirements through the purchase of in-State or out-of-state RECs, subject to the limitation in G.S. 62-133.8(b)(2)(e) that no more than 25% of any one carve-out requirement may be met though the purchase of out-of-state RECs. Under G.S. 62-133.8(b)(2)(d), renewable energy delivered within Duke's service territory constitutes an in-State resource. If the delivered energy is generated outside of North Carolina and the RECs associated with that energy are unbundled or subsequently sold by the electric power supplier, or if energy is not delivered to the service territory of an electric public utility operating in the State, then, argues Duke, the RECs are considered out-of-state and would be subject to the 25% limitation. Duke asserts that its position harmonizes these statutory provisions consistent with the policy goals of Senate Bill 3 and allows electric power suppliers to utilize out-of-state RECs to meet a portion of their requirements while promoting investment in renewable resources with the State.

amount of energy" was included in the solar set-aside provision in recognition of the fact that electric power suppliers could meet the set-aside requirement by purchasing unbundled RECs from solar thermal facilities. While electric power suppliers "sell" electric power to their retail customers, they do not "sell" energy in any other form. Thus, as ElectriCities and others argue, the Commission is persuaded that the subject phrase ("at least two-tenths of one percent (0.2%) of the total electric power in kilowatt hours sold to retail electric customers in the State, or an equivalent amount of energy, shall be supplied by") is, in fact, intended simply to establish the amount of each set-aside requirement and not to impose an additional requirement that all of the power (or equivalent amount of energy) be supplied by facilities located within North Carolina. The Commission further determines that the language of the swine and poultry waste set-aside provisions should be interpreted consistently with that of the solar set-aside, and that the phrase "kilowatt hours sold" should similarly be interpreted only to establish the total amounts of the swine and poultry waste set-aside requirements in each year and not to impose any requirement on the location of the swine and poultry waste-fueled electric generating facilities.[4]

The Commission is not persuaded, however, as ElectriCities argues, that the phrase "supplied by" is meaningless. ElectriCities continues to argue that RECs used to comply with the set-aside requirements are not required to "emanate from the set-aside resource." The Commission disagrees. The phrase "supplied by" in each of the set-aside provisions makes clear that only RECs that "emanate from the set-aside resource" may be used to satisfy that set-aside requirement; otherwise, the entire set-aside would be meaningless. Therefore, while the Commission stated in its May 7, 2009 Order that "the set-aside requirements may be met by any of the means enumerated in G.S. 62-133.8(b)(2), with regard to electric public utilities, or G.S. 62-133.8(c)(2), with regard to electric membership corporations or municipalities," it meant, as stated in the subsequent sentence, "not only the generation or purchase of renewable energy and the acquisition, thereby, of bundled RECs, but also the purchase of unbundled RECs associated with energy derived from the particular set-aside resource." As NCSEA argues, the set-aside requirements cannot be met through energy reductions due to the implementation of energy efficiency or, in the case of electric membership corporations or municipalities, demand-side management measures, and the Commission did not intend to imply that it could.

Secondly, in reconsidering its prior decision, the Commission is persuaded that the reference to "this section" in G.S. 62-133.8(b)(2)(e) and (c)(2)(d) is not a reference to only the general REPS obligation, but also to the electric power suppliers' compliance obligations in subsections (d), (e) and (f). This conclusion, as Dominion notes, is supported by the Commission's own analysis in the May 7, 2009 Order of the use of the word "section" in other parts of Senate Bill 3. As Dominion and ElectriCities argue, "had

[4] It was unnecessary for the General Assembly to include the phrase "or an equivalent amount of energy" in the swine or poultry waste set-aside provisions because those two provisions contemplate only the production and sale of electric power from facilities utilizing those renewable energy resources.

the General Assembly wanted 'section' to be limited to the general REPS requirements only, it would have said 'subsection (b) and (c).'"[5]

In summary, therefore, each electric power supplier's only REPS obligation in 2010 and 2011 is to acquire RECs equivalent to at least two-hundredths of one percent (0.02%) of its prior year's North Carolina retail electric sales from "a combination of new solar electric facilities and new metered solar thermal energy facilities that use one or more of the following applications: solar hot water, solar absorption cooling, solar dehumidification, solar thermally driven refrigeration, and solar industrial process heat." An electric power supplier may meet this requirement by one or more of the following: generate electric power (and associated RECs) at a new solar electric facility, purchase electric power (and associated RECs) from a new solar electric facility, purchase unbundled RECs from a new solar electric facility, or purchase unbundled RECs from a new metered solar thermal energy facility that uses one or more of the following applications: solar hot water, solar absorption cooling, solar dehumidification, solar thermally driven refrigeration, and solar industrial process heat. As provided in G.S. 62-133.8(b)(2)(e) and (c)(2)(d), however, for all electric suppliers other than Dominion, to which the limitation does not apply, RECs derived from out-of-state new renewable energy facilities shall not be used to meet more than 25% of the solar set-aside requirements in any year. Lastly, the Commission notes, from a review of the filed REPS compliance plans and compliance reports, that the electric power suppliers, as anticipated by the statute, have already begun acquiring and banking RECs for compliance with the general REPS obligation beginning in 2012.

IT IS, THEREFORE, SO ORDERED.

ISSUED BY ORDER OF THE COMMISSION.

This the 22nd day of September, 2009.

NORTH CAROLINA UTILITIES COMMISSION

Gail L. Mount

Gail L. Mount, Deputy Clerk

Sw092209.01

[5] This is particularly highlighted by the General Assembly's use of both the words "section" and "subsection" in G.S. 62-133.8(c)(2)(d): "An electric power supplier subject to the requirements of this subsection may use certificates derived from out-of-state renewable energy facilities to meet no more than twenty-five percent (25%) of the requirements of this section." (Emphasis added.)

STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH

DOCKET NO. E-100, SUB 113

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of Rulemaking Proceeding to Implement Session Law 2007-397	))))	ORDER REQUESTING PROPOSED AMENDMENTS TO RULES R8-64 THROUGH R8-69

BY THE COMMISSION: On February 29, 2008, and March 13, 2008, the Commission issued Orders in this docket adopting rules to implement Session Law 2007-397 (Senate Bill 3). During the past eighteen months, electric power suppliers have filed Renewable Energy and Energy Efficiency Portfolio Standard (REPS) compliance plans and compliance reports; electric public utilities and electric membership corporations have filed for approval of new demand-side management (DSM) and energy efficiency (EE) programs; electric public utilities have filed for approval of REPS incremental cost and DSM/EE rate riders; and numerous entities have filed for registration of generating facilities as renewable energy facilities or new renewable energy facilities.

Having gained some experience with Commission Rules R8-64 through R8-69, the Commission is of the opinion that good cause exists to allow electric power suppliers and other interested parties an opportunity to propose specific amendments to these procedural rules that would streamline the Commission's administration of G.S. 62-133.8 and 62-133.9 and to provide appropriate bases for such amendments. In so doing, the Commission is not soliciting requests to clarify, interpret, or modify any provisions of Senate Bill 3.

IT IS, THEREFORE, ORDERED as follows:

1. That parties may file written comments on or before November 13, 2009, proposing specific amendments to Rules R8-64 through R8-69 that would streamline the Commission's administration of G.S. 62-133.8 and 62-133.9 and providing appropriate bases for such amendments; and

2 That the Commission shall proceed as it deems appropriate upon receipt of the parties' comments.

ISSUED BY ORDER OF THE COMMISSION.

This the 4th day of September, 2009.

NORTH CAROLINA UTILITIES COMMISSION

Gail L. Mount

Gail L. Mount, Deputy Clerk

Commissioners Robert V. Owens, Jr., William T. Culpepper, III, and Susan W. Rabon did not participate in this decision.

Kc090409.01

State of North Carolina
Utilities Commission
4325 Mail Service Center
Raleigh, NC 27699-4325

COMMISSIONERS
EDWARD S. FINLEY, JR., Chairman
ROBERT V. OWENS, JR.
LORINZO L. JOYNER
WILLIAM T. CULPEPPER, III

COMMISSIONERS
BRYAN BEATTY
SUSAN RABON
TONOLA BROWN-BLAND

July 1, 2009

Secretary Dee Freeman
North Carolina Department of
Environment and Natural Resources
1601 Mail Service Center
Raleigh, NC 27699-1601

Dear Secretary Freeman:

In August 2007, the North Carolina General Assembly enacted comprehensive energy legislation, Session Law 2007-397 (Senate Bill 3), that, among other things, establishes a Renewable Energy and Energy Efficiency Portfolio Standard (REPS) for this State. As part of this legislation, the General Assembly requires the Commission to submit an annual report no later than October 1 of each year on the activities taken by the Commission to implement and by the electric power suppliers to comply with the REPS requirement. The Commission is further required pursuant to G.S. 62-133.8(j) to consult with the Department of Environment and Natural Resources and include in its report "any public comments received regarding direct, secondary, and cumulative environmental impacts of the implementation of" the REPS requirement.

The Commission is not aware of the receipt of any public comments related to this issue. In order to respond to the General Assembly, I am requesting that the Department provide to the Commission any information it may have "regarding direct, secondary, and cumulative environmental impacts of the implementation of" the REPS requirement, including any public comments received by the Department. Your response by August 14, 2009, is appreciated so that the Commission may meet its October 1, 2009, deadline.

430 North Salisbury Street • Raleigh, North Carolina 27603
Telephone No: (919) 733-4249
Facsimile No: (919) 733-7300
www.ncuc.net

Please feel free to contact me if you have any questions. With warmest personal regards, I am

Very truly yours,

Edward S. Finley, Jr.

ESF/LSW

cc: Robin W. Smith, Assistant Secretary for Environment, DENR
James C. Gulick, North Carolina Attorney General's Office

NCDENR
North Carolina Department of Environment and Natural Resources

Beverly Eaves Perdue, Governor

Dee Freeman, Secretary

August 14, 2009

Mr. Edward S. Finley, Jr., Chairman
N.C. Utilities Commission
4325 Mail Service Center
Raleigh, N.C. 27699-4325

Dear Mr. Finley,

I am writing in response to your letter of July 1, 2009 to Secretary Freeman requesting any public comment that the Department of Environment and Natural Resources may have received regarding the direct, secondary and cumulative environmental impacts of the implementation of the Renewable Energy and Energy Efficiency Portfolio Standard (REPS).

Since the Department of Environment and Natural Resources has not yet issued any environmental permits for a renewable energy facility, DENR has not received public comment on direct, secondary or cumulative environmental impacts specifically associated with implementation of the REPS.

Since the last REPS report, the Environmental Management Commission has developed recommendations for a wind energy permitting program and sent those recommendations to the General Assembly. A wind energy permitting bill, Senate Bill 1068, passed the Senate, but was not received by the House in time to be considered before adjournment. In debate of the bill, there was significant discussion of the potential direct and secondary impacts of wind turbines – particularly on mountain ridges. DENR does not have a record of comments made in legislative committees; legislative staff may be able to provide information on those comments.

Please call either me or DENR policy analyst Steve Wall at (919) 715-2613, if you have other questions.

Sincerely,

Robin W. Smith
Assistant Secretary for Environment

Cc: Steve Wall

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STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH

DOCKET NO. E-100, SUB 83

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of Investigation of Net Metering	) ORDER AMENDING) NET METERING POLICY

BY THE COMMISSION: On October 20, 2005, the Commission issued an Order Adopting Net Metering in the above-captioned docket requiring the electric public utilities in this State to file tariffs or riders to allow net metering effective on or before January 1, 2006. On July 6, 2006, the Commission issued an Order on Reconsideration Modifying Net Metering Tariffs and Riders.

As stated in the October 20, 2005 Order, "net metering" generally refers to a billing arrangement whereby a customer that owns and operates an electric generating facility is billed according to the difference over a billing period between the amount of energy the customer consumes and the amount of energy it generates. In its Orders, the Commission required utilities to offer net metering to a customer that owns and operates a solar photovoltaic (PV), wind-powered, micro-hydro, or biomass-fueled electric generating facility. The facility may have a capacity of up to 20 kilowatts (kW) for a residential customer-generator and 100 kW for a non-residential customer-generator and shall interconnect and operate in parallel with the utility's distribution system. Each utility was ordered to make net metering available to customer-generators on a first-come, first-served basis in conjunction with its approved small generator interconnection standard up to an aggregate limit of 0.2% of the utility's North Carolina jurisdictional retail peak load for the previous year. The Commission's Orders specified that net metering customers must be on a time-of-use (TOU) demand rate schedule[1] and that the utility may not charge the customer-generator any standby, capacity, metering or other fees or charges other than those approved for all customers under the applicable TOU-demand rate schedule. The kilowatt-hour credit, if any, shall be applied to the following monthly billing period, but shall be reset to zero at the beginning of each summer billing season. Any renewable energy certificates (RECs) associated with this excess generation shall also be granted to the utility when the excess generation credit balance is zeroed out.

[1] The Commission has approved both TOU-energy and TOU-demand rate schedules for use in North Carolina. Under TOU-energy rate schedules, a customer is billed at a different rate for energy used during on-peak and off-peak hours. Under TOU-demand rate schedules, the on-peak and off-peak rates are slightly lower than under the TOU-energy rate schedules, but the customer also incurs a demand charge based upon its highest energy usage during any 15-minute period during the month.

Following issuance of the October 20, 2005 Order, the North Carolina Sustainable Energy Association (NCSEA) filed a Motion for Reconsideration of several issues alleging that the net metering policy "is too complicated and restrictive and it creates uncertainty." In addition to its objection to the requirement for use of a TOU-demand rate schedule due to the complexity of understanding such schedules, the NCSEA argued that net metering customers should be allowed to install systems with batteries, that micro-hydro generation should be allowed as an eligible technology, and that all associated RECs should remain with the customer-generator.

On February 3, 2006, the Public Staff filed a response to the Motion for Reconsideration in which it noted that the current State energy policy generally favored the availability of TOU rates and that the Commission had stated its intent to monitor and review implementation and use of net metering, which would allow reconsideration of the requirement to use TOU-demand rate schedules after more experience was gained.

In its July 6, 2006 Order on Reconsideration, the Commission stated that the requirement of TOU-demand rates addresses concerns about potential discrimination and cross-subsidization between those customers who do and those who do not choose to net meter. It also declined to find that such rates were too complicated. With regard to ownership of RECs, the Commission held that it had properly allocated costs when it granted excess energy and RECs to the utility to offset, in part, the costs that would be borne by the utility and non-participating ratepayers, but barred the utility from charging additional standby, metering, or other charges. The Commission stated that:

> [w]hile the magnitude of these costs and benefits are uncertain and cannot be reasonably predicted, the Commission remains convinced that its decision appropriately allocates these costs and benefits among net metering customers, utilities, and their remaining ratepayers.

Duke Energy Carolinas, LLC (Duke); Progress Energy Carolinas, Inc. (Progress); and Virginia Electric and Power Company, d/b/a Dominion North Carolina Power (Dominion), filed net metering tariffs as required by the Commission. As of October 1, 2008, only four customers are reported to have chosen to net meter. Most customer-generators eligible for service under the net metering tariffs have instead chosen to sell all of the energy from their generating facilities to the utility to which they are interconnected pursuant to an avoided cost rate schedule and to participate in the NC GreenPower program.[2]

[2] As of February 28, 2009, NC GreenPower purchases RECs from 219 solar PV facilities. NC GreenPower does not provide an incentive payment to customers who choose to net meter. Duke currently has 35 customers on its Rider SCG (Small Customer Generator) that generate electricity to offset their purchases and that sell excess energy to Duke at its avoided cost rates. These customers are eligible to participate in NC GreenPower to the extent of any excess energy sales to Duke.

SESSION LAW 2007-397 (SENATE BILL 3)

Since the Commission initially allowed net metering in 2005, the General Assembly amended North Carolina energy policy by enacting Session Law 2007-397 (Senate Bill 3) to promote the development of renewable energy in this State. G.S. 62-2(a)(10). As part of this comprehensive energy legislation, the General Assembly directed the Commission to "[c]onsider whether it is in the public interest to adopt rules for electric public utilities for net metering of renewable energy facilities with a generation capacity of one megawatt or less." G.S. 62-133.8(i)(6).

On June 9, 2008, the Commission issued an Order Establishing Procedural Schedule to comply with this mandate from the General Assembly. The Commission noted that cross-subsidization from non-participating customers to customer-generators is the central issue in deciding whether to expand net metering to larger generators of one megawatt (MW) or less, quoting from its October 20, 2005 Order:

> The Commission notes that all parties concede that allowing net metering will result in the potential for subsidies for those customers. A number of other benefits, however, have been advanced that could potentially offset any such subsidies. On balance, recognizing the benefit of additional renewable electric generation in this state, the Commission concludes that this represents an appropriate next step forward.

The June 9, 2008 Order also noted that the Commission's rules currently limit both the size of individual generators and the total amount of generation eligible for net metering. The Commission pointed out, as well, that the Renewable Energy and Energy Efficiency Portfolio Standard (REPS) established by Senate Bill 3 and the Commission's rules implementing the REPS have created a new market for the RECs associated with net-metered renewable energy facilities. The Commission determined that, pursuant to the mandate imposed upon it in Senate Bill 3, it would consider whether to allow net metering of solar PV, wind-powered, micro-hydro, or biomass-fueled electric generating facilities up to 1 MW or some smaller size; whether to allow additional types of generating facilities to net meter; and whether to change other terms and conditions under which generating facilities currently are allowed to net meter.

PARTIES, FILINGS, AND PUBLIC HEARINGS

In its June 9, 2008 Order, the Commission requested that the parties file testimony and exhibits addressing seven specific questions as well as any additional information for the Commission's consideration. The seven questions involved consideration of the following issues: quantification of the potential cross-subsidization under several scenarios; whether RECs should be accrued by the utility or retained by the generator; whether the total generation eligible for net metering should be increased; whether additional kinds of electric generating facilities should be eligible for net metering; and comparison of the overall economics of net metering larger renewable customer-owned generators under various scenarios for REC ownership versus the

bids utilities have received in response to their requests for proposals for renewable energy and/or RECs for REPS compliance.

On August 20, 2008, the North Carolina Chapter of the Sierra Club requested that the Commission hold public hearings in Charlotte and Raleigh as part of its consideration of the net metering issues specified in the Commission's June 9, 2008 Order. Sierra Club stated its belief that the Commission would benefit from hearing directly from small businesses and individuals who would like to participate in net metering. On August 29, 2008, the Commission issued an Order scheduling public hearings in Charlotte and Raleigh, requiring publication of notice, and revising the procedural schedule for filing rebuttal testimony and exhibits and for filing proposed orders and briefs.

Progress, Duke, Dominion, NCSEA, and the Public Staff continued to actively participate as parties to this docket. In addition, interventions were filed and granted for Interstate Renewable Energy Council (IREC) and for Wal-Mart Stores East, LP, and Sam's East, Inc. (collectively, Wal-Mart). Other parties previously allowed to intervene in this docket include American Solar Energy Society; American Wind Energy Association; Carolina Utility Customers Association, Inc.; Enerdyne Power Systems, Inc.; North Carolina Association of County Commissioners; North Carolina Consumers Council, Inc.; Solar Energy Industries Association; Southern Environmental Law Center; the City of Greensboro; the City of Durham; the Town of Chapel Hill; and Rhonda Smith-Frazier. The intervention and prior participation of the Attorney General is recognized pursuant to G.S. 62-20.

On August 29, 2008, expert witness testimony was filed by Richard P. Mignogna and Donald Morrow on behalf of NCSEA; David F. Koogler on behalf of Dominion; Jane L. McManeus and Christopher M. Fallon on behalf of Duke; Laura A. Bateman on behalf of Progress; and Michael T. Sheehan and Gary L. Nakarado on behalf of IREC.

On September 5, 2008, Carolinas Clean Air Coalition filed a letter requesting that the Commission schedule public hearings in Asheville and in Raleigh. On September 12, 2008, the Commission issued an order denying that request because the Commission had already scheduled public hearings in Charlotte and Raleigh.

On September 30, 2008, and October 2, 2008, the Commission held public hearings, as scheduled, in Raleigh and Charlotte. Altogether, 22 members of the public spoke at the hearings. Five of the public witnesses stated that they work for renewable energy businesses. Three of the public witnesses stated that they work for environmental policy organizations. Most of the public witnesses stated that policies regarding net metering should be changed so as to make distributed solar generation financially viable for homeowners and businesses. One witness testified that if Duke is allowed to earn a fair return on its investments in distributed solar energy, the Commission should extend that same fair return to customers who do the same. Many witnesses testified that better net metering policies will encourage distributed renewable generation and that distributed renewable generation should be encouraged because it

will provide environmental benefits, create jobs, reduce energy losses on the distribution and transmission systems, and provide sources of emergency power. About one-third of the public witnesses stated that the Commission should allow larger generators to participate in net metering, that the price utilities pay for power should equal the retail price they charge for power, and that customers should be allowed to own all of the RECs associated with their electric generation. Several public witnesses stated that customer-generators should not be required to participate in net metering via a TOU-demand tariff and that monthly fees or charges and interconnection fees should be waived. Many people stated that they find the process of self-generation to be cost-prohibitive and confusing and that it involves too much paperwork. Several public witnesses stated that North Carolina's net metering policies compare poorly with those in other states.

In addition, the Commission received eight consumer statement letters in this docket echoing the comments made at the public hearings. In addition, several were from homeowners who had installed solar PV systems and arranged to sell the output to NC GreenPower. They stated that initial contracts with NC GreenPower are short-term (five years) and expressed support for fair policies that would make net metering a viable option for them.

On or about November 10, 2008, parties submitted rebuttal testimony as follows: Rosalie R. Day on behalf of NCSEA; Gary L. Nakarado on behalf of IREC; Edmund P. Finamore on behalf of Wal-Mart; Christopher M. Fallon and Jane L. McManeus on behalf of Duke; and Laura A. Bateman on behalf of Progress.

Duke, IREC, Wal-Mart, NCSEA, and the Public Staff filed briefs on December 22, 2008. Dominion and Progress filed comments in lieu of a brief.

POSITIONS OF THE PARTIES

As stated in the June 9, 2008 Order, the primary issue before the Commission pursuant to Senate Bill 3 is whether to allow larger renewable generators up to 1 MW to be eligible to net meter. The Commission sought input regarding the degree to which net metering involves cross-subsidies and the potential for cross-subsidization where the associated RECs are either accrued by the utility or retained by the generator. The Public Staff noted, however, that the cross-subsidy calculations provided by Duke, Progress and Dominion were not particularly helpful. Each utility used a different methodology to calculate any cross-subsidy. For example, Duke subtracted the avoided cost from net lost revenue and determined that a subsidy existed if the result was positive, while Progress subtracted the avoided energy cost from annual lost revenue to determine the subsidy. Dominion added the standby charge and additional metering charges to arrive at a subsidy amount. NCSEA noted that the problem with this analysis is that any cross-subsidies that occur are inherent in the existing rate structure and are not a product of net metering. While the Public Staff believed that, in most cases, net metering would result in some subsidization of self-generators, it did not find that the calculations provided by the utilities adequately captured the costs and benefits. The

Public Staff proposed that the Commission order the utilities to conduct a cost of service study within 90 days to review the calculation of standby and metering charges to ensure that they are appropriate.

NCSEA, IREC and Wal-Mart argued that the utilities did not fully quantify the benefits of self-generation, especially self-generation from renewable energy resources, such as energy independence; local job creation; reduced emissions; line loss reductions; improved voltage; diminished land use effects; lower right-of-way acquisition costs; reduced capacity, transmission and distribution costs; reduced congestion; and reduced vulnerability of the system to terrorism.

All parties directly or indirectly acknowledged that, with the passage of Senate Bill 3, RECs currently have more value than they did when the Commission last acted on net metering policy. The utilities generally refrained from explaining how the bids they've received for renewable energy and/or RECs compare to the economics of net metering. Even so, Duke stated that, based on current REC values and current TOU rates, the net metering scenario under which all RECs would accrue to the utility at no additional cost and apply toward REPS compliance appears to be equal or superior to purchasing an equivalent amount of energy and RECs in the market. Duke stated that for solar generation, given current market values, it is appropriate to allow generators up to 1 MW to net meter if the RECs accrue to the utility, provided sufficient transmission and distribution infrastructure exist.

While Progress believes that it would only be by chance if the costs of cross-subsidization matched the value of acquiring the RECs at no cost, it stated that if the Commission increases the allowable size for net metering participants, it should also address the issues of timely recovery of all costs by the utilities and the ownership of RECs associated with net-metered renewable energy. Progress stated that utilities should be allowed to recover all costs of net metering through the REPS cost recovery rider. Recoverable costs should include all costs paid to net metering participants for excess energy, the difference between the value of any credits received by the participant for net-metered energy and the utility's avoided energy costs, any other costs associated with the net metering program, and any other reductions in revenue incurred by the utility due to the net metering program that have the effect of denying the utility recovery of its fixed costs. The net metering participant should be required to convey to the utility all RECs associated with the renewable energy generated under the net metering program to be used by the utility to satisfy its REPS requirement.

The Public Staff noted Progress's request to recover all costs of net metering through the annual REPS cost recovery rider, that the participants be required to convey all RECs associated with renewable energy generated to the utility, and the utility be allowed to use these RECs towards compliance with its REPS requirement. The Public Staff opposed Progress's request because the utilities have requested direct recovery of metering and standby charges associated with such generation, as well as the grant of all net excess generation at the end of the program year. TOU-demand rates compensate the utilities for any costs. The Public Staff asserted that to also allow

recovery of all costs through the annual REPS cost recovery rider would allow utilities to double recover their costs. The Public Staff stated that Progress's and Duke's requests for all RECs associated with the energy generated through net metering underscored the increasing value of RECs. The Public Staff stated that, if the utilities propose to receive all RECs associated with the total generation along with direct cost recovery and cost recovery through the annual REPS cost recovery rider, they would be over-recovering even more.

NCSEA noted that Senate Bill 3 created a market for North Carolina RECs that did not previously exist. NCSEA stated that taking the RECs and excess energy at the beginning of each summer season precludes a customer-generator from using the full output of its renewable energy facility and stands in contrast with the State's policy objectives. G.S. 62-133.8(i)(7) indicates that energy and the associated RECs are the private property of the customer-generator and requires the Commission to:

> Develop procedures to track and account for renewable energy certificates, including ownership of renewable energy certificates that are derived from a customer owned renewable energy facility as a result of any action by a customer of an electric power supplier that is independent of a program sponsored by the electric power supplier. (Emphasis added.)

NCSEA argued that the granting of the personal property of a net-metered customer-generator to the utility, without just compensation, is an unconstitutional taking. Customer-generators can participate in net metering only if they are willing to forfeit property to the utility. NCSEA asserted that this forfeiture is mandatory and coerced. NCSEA stated that, based on the utilities' testimonies, the value of any alleged cross-subsidy to customer-generators is insignificant in comparison to the expected value of the RECs.

With regard to the question of whether larger (up to 1 MW) customer-generators should be allowed to net meter, Dominion stated that net metering was not needed for larger installations because they have other tariff options. Duke and Progress stated generally that expanding the size of net metering is not recommended, but would be acceptable so long as all of the associated RECs accrue to the utility at no additional cost and the costs of net metering can be recovered through the REPS rider. Dominion stated that if the Commission decides larger customers can participate in net metering, those customers should be required to pay standby and metering charges. Duke argued that standby charges (and power factor charges) are necessary unless the RECs earned by the customer-generator accrue to the utility. Progress stated that standby charges should be applicable to larger net-metered customer-generators to minimize cross-subsidies by other ratepayers.

IREC, NCSEA and Wal-Mart each stated that larger customer-generators should be allowed to net meter, while the Public Staff agreed so long as a study is conducted to sort out the issue of cross-subsidies. IREC supported an increase in eligibility for net-metered systems up to 1 MW without imposing any additional standby charges or fees.

NCSEA noted that the public interest is served by encouraging private investment in renewable distributed generation (DG). NCSEA noted that Duke highlighted the benefits of DG in its Application for Approval of Solar Photovoltaic Distributed Generation Program filed in Docket No. E-7, Sub 856. NCSEA quoted Duke's Application as offering "solutions to some of the nation's pressing energy and electric power problems, including power quality issues, tighter emissions standards and transmission bottlenecks." NCSEA asserted that utilities inappropriately dismiss the benefits of DG when the systems are privately owned. The Public Staff believed that for systems above 20 kW, standby and metering charges are appropriate because these costs cannot be considered merely de minimis and proposed that the utilities conduct a cost of service study to review the calculation of such charges. Wal-Mart stated that the Commission should prohibit charges for standby service because there is insufficient operating experience with customer self-generation to determine the real costs with any reasonable accuracy.

Similarly, parties disagreed as to whether it is appropriate to require net metering customer-generators to participate via a TOU-demand tariff. Dominion stated that requiring customer-generators to participate in net metering via a TOU-demand rate schedule achieves a balanced approach to net metering. Duke asserted that TOU-demand rates are still necessary, absent other protections. Duke conceded, however, that if RECs from solar generation were to accrue to the company without additional cost, it might not be necessary for those customer-generators to be on a TOU rate. Progress stated that under a TOU-demand tariff, the energy credit that is received for excess generation more closely matches the costs avoided by the utility since the energy rate primarily recovers energy-related costs. Similarly, to the extent the customer reduces their on-peak demand they will receive a billing benefit that better recognizes any reduction in the utility's investment in fixed costs needed to provide service. This approach doesn't eliminate cross-subsidy issues, but minimizes them within the context of current rate designs.

On the other hand, IREC argued that the current TOU-demand rate requirement may serve as a significant impediment to private investment in renewable energy systems. Customers should have the ability to select the retail tariff that is most appropriate for their load profile. While NCSEA generally supported expanding TOU rates to more customer segments because these rates provide incentives for customers to shift their consumption from on-peak to off-peak times, NCSEA argued that the TOU-demand rate devalues on-peak production for net-metered customer-generation because the net-metered customer-generator is compensated at a lower energy rate than the generator would otherwise be under with either a TOU-energy or flat rate schedule. NCSEA asserted that customer-generators under a TOU-demand rate do not receive full market value for their on-peak production and lose out on the full value of their investment. NCSEA stated that customer-generators should have the option of subscribing to a TOU-energy rate so that credits for their on-peak production can better offset their charges for on-peak consumption. NCSEA did not oppose requiring a large net-metered customer-generator to participate in a TOU-demand rate so long as they would have been required to do so absent their generation.

The Public Staff believed that TOU rates are appropriate to properly compensate net metering customers for on-peak and off-peak generation and charge them for usage. However, the Public Staff agreed with NCSEA that the residential TOU-demand rates contain a ratchet mechanism that can be punitive if the demand charge is set early in the applicable period based on unusually high and short-lived demand. The Public Staff believed that the use of TOU-energy rates for residential net metering customers would avoid this potentially punitive ratchet effect while continuing to send the proper pricing signal inherent in TOU rates.

Regarding the issue of whether the 0.2% aggregate cap on net metering should be removed, Dominion stated that a "stepped" approach to increasing the level of participation would be appropriate. Duke opposed increasing the aggregate limit unless the customer-generators' RECs accrue to the utility, arguing that any increase in the aggregate limit runs the risk of exacerbating subsidies that exist and will result in higher costs to customers. Similarly, Progress opposed raising the limit at this time, stating that the limit should be retained until sufficient generation is installed to require a change.

IREC stated that the aggregate limit should be removed. By expanding net metering to systems up to 1 MW and removing the cap on cumulative capacity of net-metered systems, the Commission can facilitate enough customer investment in net-metered renewable energy to allow the cost of serving a net-metered customer to be determined. IREC noted that Duke requested authorization for a similar approach in connection with its photovoltaic proposal in Docket No. E-7, Sub 856. The Public Staff stated that if cross-subsidization is properly addressed, the 0.2% aggregate limit should not be necessary to limit any potential subsidy to net metering customers. Parties have not indicated that raising the cap would affect the integrity of the utilities' systems. The Public Staff recommended that the cap be raised and the onus be placed on the utilities to notify the Commission if the integrity of the utilities' systems is threatened. Wal-Mart stated that the Commission should increase the aggregate limit on net metering to at least 2%, and stated that retaining the arbitrary limit could restrain future development of renewable generation.

As to the issue of whether other kinds of renewable generation should be eligible for net metering, only Duke expressed opposition, stating that the type of electric generating facility eligible for net metering should not be expanded beyond solar PV, wind-powered, micro-hydro, or biomass-fueled electric generating facilities.

Duke stated that it is willing to expand its Small Customer Generator Rider (Rider SCG) rate schedule to larger customer generators, up to 1 MW, provided that the rider continues to include provisions for standby charges and power factor correction for generators larger than 20 kW. (The rider is currently available for residential customers with generator output/peak load of 20 kW or less and nonresidential customers with generator output/peak load of 100 kW or less.) Duke stated that this rate schedule is designed appropriately because it pays the customer-generator for energy at an avoided cost rate and includes provisions for standby charges, metering charges and power factor correction. IREC supported Duke's proposal to increase the size of

customer-generators eligible to participate in its Rider SCG, but noted that the rider falls short of an expansion in net metering because it does not provide for the netting of inflows and outflows. NCSEA stated that Duke's Rider SCG does not contain monthly rollover provisions. NCSEA further noted that, for systems greater than 20 kW, Duke's Rider SCG contains standby charges based on the generator's nameplate capacity rating. While Rider SCG is not a true net metering rider, NCSEA supported Duke's suggestion to expand the rider to allow customer-generators up to 1 MW in size to participate.

Lastly, NCSEA argued that current net metering rules are not effective, as indicated by lack of participation and the statements of public witnesses at the public hearings. NCSEA requested that the Commission revise the net metering rules so that: 1) customer-generators receive credit for all RECs and energy they produce; 2) customer-generators are paid for excess energy at the time of the annual true-up based on the utility's avoided cost rate; 3) customer-generators can select the underlying rate schedule that is best for them; 4) the aggregate system limit for net-metered customer-generators is expanded to 2% of the utility's annual peak load; 5) standby charges are waived for customers that participate via a TOU-demand rate; and 6) customer-generators with systems up to 1 MW can participate provided the generator size does not exceed the customer-generator's load. NCSEA stated that, while customer-generators might be eligible to participate in NC GreenPower, that organization is approaching the point of being over-subscribed in relation to its funding and, as a result, has decreased its REC offering for small solar customer-generators from 18 cents/kWh to 15 cents/kWh. There is no guarantee that NC GreenPower will be able to accommodate all customer-generators at or below 10 kW or offer a reasonable price for RECs. NCSEA stated that net metering is needed to promote private investment in DG. NCSEA is concerned that non-residential net-metered customer-generators would be subject to standby charges under Dominion's Schedules 5P and 6P. NCSEA stated that these are TOU-demand schedules that appear to meet the requirements of North Carolina's net metering rules. However, NCSEA stated that these schedules inappropriately include standby charges for net-metered customer-generators.

DISCUSSION AND CONCLUSIONS

After careful consideration of the evidence and arguments presented in this proceeding, the Commission concludes that the current net metering rule should be revised in order to support recently adopted State policy and further promote the development of renewable energy in North Carolina. The Commission is not persuaded that the fact that there are relatively few net metering participants at this time evinces fatal flaws with the existing policy; rather, it demonstrates the wealth of potentially economically superior alternatives for customer-generators. Nevertheless, the Commission finds that several aspects of the current net metering rule should be clarified and simplified to conform to the recently amended generator interconnection procedures and to enhance the value of net metering as a viable alternative for customers that desire to install renewable generation to offset their own electric consumption and demand.

First, when the current net metering rule was adopted in 2005, the Commission imposed a number of restrictions – such as limits on the size of individual facilities eligible to net meter and the aggregate amount of net-metered capacity – designed to limit any potential adverse impacts associated with the new policy. In response to the mandate in Senate Bill 3, the Commission sought evidence with which to quantify the potential effects of allowing larger generators to net meter. As noted by several parties, the data submitted by the utilities provide an incomplete picture of the costs and benefits afforded by additional, and larger, net-metered renewable generation. The utilities' testimony and cost data, while asserting that the current net metering policy is rife with cross-subsidies that benefit customer-generators, focused on lost revenues rather than actual costs and ignored many potential benefits. The Commission agrees with those parties that assert that renewable customer-owned generation almost certainly provides some additional benefits and that the utilities should have acknowledged those benefits in their analyses. Even so, the presence of cross-subsidies alone is not dispositive, and the evidence presented in this proceeding and the clearly enunciated State policy favoring development of additional renewable generation support expanding net metering eligibility to renewable generation with capacity up to 1 MW.[3] While the Public Staff's proposal to pursue additional cost studies has merit, the Commission is concerned that further study will unduly delay the State's efforts to meet more of its electricity needs via renewable resources.

Another rationale underlying the size limits originally placed on individual net-metered facilities was a desire for conformity with the then-effective generator interconnection standard. On June 9, 2008, in Docket No. E-100, Sub 101, the Commission approved a revised generator interconnection standard that provides a process for reviewing applications for interconnection of generators of any size. Thus, the revised interconnection standard is sufficient to accommodate requests for interconnecting a net-metered generator up to 1 MW, and the interconnection studies required under the generator interconnection standard ensure that a customer-generator fund any required electric utility system upgrades. Lastly, continuing the policy of resetting the credit balance to zero at the beginning of the summer billing season and granting any excess energy to the utility at no charge will effectively limit the size of individual net-metered generating facilities.[4] Therefore, given the failure to adequately quantify the actual costs and benefits of net metering and the protections provided by the generation interconnection process, the Commission concludes that it is in the public interest to allow larger customer-generators up to and including 1 MW in

[3] In fact, cross-subsidies exist throughout utility tariffs in support of various State policies. Economic development rates, such as that recently approved for Progress in Docket No. E-2, Sub 681, are but one example in which the Commission has determined that certain policy benefits outweigh the cost of cross-subsidies.

[4] In its October 20, 2005 Order Adopting Net Metering, the Commission stated, "The requirement that excess seasonal generation (and associated RECs) be granted to the utility will appropriately limit the size of individual facilities, yet allow a customer-generator to utilize the full output of its renewable energy facility."

size to net meter and that it is not necessary to continue to impose any aggregate limit on net metering at this time.

In increasing the size limit on eligible customer-owned generation to 1 MW, the Commission concludes that the existing policy with regard to standby charges should be retained. Utilities are currently precluded from charging customer-generators any standby charges or any additional metering charges other than those that are charged to non-generating customers under the applicable rate schedule. The utilities testified that standby charges should apply to larger generators if they are allowed to participate in net metering. The Commission, therefore, concludes that, under the revised net metering rule, utilities should continue to be prohibited from imposing standby charges for customer-generators with capacity of up to 20 kW for residential customers and 100 kW for non-residential customers, i.e., those customer-generators that are allowed to net meter under the existing policy. However, utilities should be allowed to impose standby charges on larger customer-generators consistent with approved standby rates applicable to other customer-owned generation. This policy does not disadvantage net-metered customer-generators, but treats all customer-owned generation larger than 20 kW for residential customers and 100 kW for non-residential customers consistently without regard to whether the customer-generator is participating in net metering. Standby charges for smaller net-metered customer-generators would continue to be waived. As noted by NCSEA, Dominion should be required to file revised Schedules 5P and 6P to comply with this prohibition against standby charges for net-metered customer-generators with capacity of up to 20 kW for residential customers and 100 kW for non-residential customers.

Second, in its October 20, 2005 Order Adopting Net Metering, the Commission stated that it "intends to continue to review the implementation and use of net metering," including the requirement that net-metered customer-generators take service pursuant to a TOU-demand rate schedule. In that Order, the Commission stated that the TOU-demand rate schedule requirement addressed concerns about the potential mismatch of off-peak generation and on-peak consumption and more appropriately compensated the utility for any standby capacity than would a TOU-energy rate schedule. On reconsideration, the Commission reiterated that the TOU-demand requirement appropriately allocated the costs and benefits of net metering among net metering customers, utilities, and their remaining ratepayers. NCSEA and others, however, continue to urge the Commission to eliminate the TOU-demand rate schedule requirement for net metering customer-generators. A number of public witnesses testified that they were willing to invest in renewable generation if allowed to net meter, but that the TOU-demand rate schedule requirement was one reason that had caused them not to do so. The Public Staff argued that the residential TOU-demand rate can be punitive if the demand charge is set early in the billing period based on unusually high and short-lived demand. Although customers can realize savings under TOU rates, the evidence demonstrates that the requirement that customer-generators switch to a TOU-demand rate is a deterrent and has actually inhibited the installation of renewable generation. Absent meaningful data regarding the potential magnitude and direction of cross-subsidies, the Commission concludes that utilities should offer customer-

generators the option of net metering under any rate schedule available to customers in the same rate class in order to further encourage the development of renewable generation.

The Commission further finds that the current requirement that RECs associated with the energy annually granted to the utility should also accrue to the utility creates uncertainty, effectively renders all RECs earned by the customer-generator unmarketable, and, therefore, should be revised. Under the current approach, there is no way to estimate how the RECs associated with the customer's generation will ultimately be divided at the end of the year between the customer-generator and the utility. Without the ability to determine with certainty the number of RECs for which ownership will be retained, a customer-generator cannot enter into a contract to sell the RECs earned each month. Therefore, in order to provide the necessary certainty, for net-metered customer-generators that elect to take service pursuant to a TOU-demand tariff (as was required, but which will now be optional), all of the RECs associated with the customer's generation shall be the property of the customer-generator. The Commission recognizes, however, that allowing a customer-generator to net meter while taking retail electric service pursuant to a rate schedule other than a TOU-demand rate schedule alters the balance among net metering customers, utilities, and their remaining customers previously found by the Commission to be fair and appropriate. Therefore, in exchange for allowing a net metering customer-generator to elect to take service under a retail rate schedule other than a TOU-demand rate schedule, all RECs associated with the customer's generation should be assigned to the utility at no cost as part of the net metering arrangement.

NCSEA argued that assigning RECs to the utility as part of the net metering arrangement constitutes an unconstitutional taking of private property. The Fifth Amendment of the United States Constitution, made applicable to the states by the Fourteenth Amendment, prohibits the taking of private property for public use without just compensation. In its brief, NCSEA argued that, under current net metering rules, customer-generators can participate in net metering only if they are willing to forfeit property, energy and RECs, to the utilities. The forfeiture is mandatory and coerced. The customer-generators' only choice is not to participate in the Commission-sponsored program, which in turn deprives them financially and potentially to the point of making any venture uneconomical. In essence, argued NCSEA, there is no real choice. Once the customer-generators elect to participate in the net metering program, they are required by the Commission's rule to forfeit property to the utilities.

The Commission rejects NCSEA's argument and concludes that the constitutional takings analysis simply does not apply in this instance. Utility tariffs commonly include terms and conditions that impose certain obligations on customers in return for certain benefits. NCSEA argued that, once customer-generators elect to participate in net metering, they have no choice about the terms of participation. Customer-generators do have a choice, however, in whether or not to participate in net metering – no one coerces their participation. In fact, customer-generators have the choice of net metering, electing another arrangement for the sale of excess generation,

or ignoring excess generation, if any, entirely. Under the revised net metering rule adopted herein, customer-generators even have a choice of participating in net metering and taking retail electric service under a TOU-demand or other rate schedule. There is no coercion, as premised by NCSEA. Nevertheless, just as customer-generators seek to net meter without incurring certain additional charges, they must in return be willing to assign to the utility the right to their RECs if they elect to net meter under a non-time-differentiated rate schedule or a TOU rate schedule in which they incur no separate demand charge. Net-metered customer-generators may continue to choose to take retail service pursuant to a TOU-demand rate schedule and retain ownership of all RECs associated with their renewable generation. Alternatively, customer-generators could choose to participate in net metering via another tariff, such as one that values all energy consumed equally. In such cases, the benefits to the customer-generator are significant enough that the RECs associated with the facility's total energy production should accrue to the utility.

The Commission disagrees with Progress, however, that the costs of net metering, even where the customer-generator's RECs are assigned to the utility, should be recovered through the REPS incremental cost rider. Costs associated with bundled energy and RECs are not necessarily recovered through the REPS rider, as evidenced by the recovery of costs associated with the Swine Farm Methane Capture Pilot Program. See Order Adopting Final Rules, Docket No. E-100, Sub 113, at p. 10 (Feb. 29, 2008). Moreover, because the costs and benefits of net metering are not well defined and because it is not clear at this time that net metering imposes substantial costs on the utility, the Commission will deny Progress's request to recover all costs of net metering through the REPS cost recovery rider.

Third, customer-generators that generate electricity using micro-hydro, wind, solar PV or biomass are currently eligible to net meter. Senate Bill 3 adopted the following definition of "renewable energy resource," G.S. 62-133.8(a)(8):

> "Renewable energy resource" means a solar electric, solar thermal, wind, hydropower, geothermal, or ocean current or wave energy resource; a biomass resource, including agricultural waste, animal waste, wood waste, spent pulping liquors, combustible residues, combustible liquids, combustible gases, energy crops, or landfill methane; waste heat derived from a renewable energy resource and used to produce electricity or useful, measurable thermal energy at a retail electric customer's facility; or hydrogen derived from a renewable energy resource.

Senate Bill 3 further defines "renewable energy facility" to include, G.S. 62-133.8(a)(7):

> a facility, other than a hydroelectric power facility with a generation capacity of more than 10 megawatts, that ... [g]enerates electric power by the use of a renewable energy resource.

Because Senate Bill 3 was enacted since net metering was initially adopted in 2005, the Commission finds good cause to adopt a consistent definition for renewable energy resource and renewable energy facility with regard to eligibility to net meter to support the policies set forth in that legislation. Therefore, the Commission concludes that the eligibility provision of the net metering rule should be revised to include any renewable energy facility with a generating capacity up to 1 MW that generates electric power using a renewable energy resource as defined above and in Senate Bill 3. Note that this excludes renewable energy facilities under Senate Bill 3 that generate only thermal energy. In order to be eligible to net meter, the renewable energy facility must generate electricity that flows through the utility meter.

Lastly, the Commission continues to believe, as stated in its October 20, 2005 Order, that net metering is "designed for owners of small-scale renewable generation installed for the customer's own use, not for sale to the utility." Thus, net metering is but one alternative billing arrangement for a customer that intends to own and operate renewable electric generation or to take advantage of renewable energy resources to offset energy purchases from the utility. In approving revisions to the net metering policy, the Commission continues to adopt a reasonable balance between utilities, net metering customers, and the utilities' remaining customers while recognizing the significance of changes in State policy.

With regard to one such alternative, the Commission acknowledges Duke's offer to extend the availability of its Rider SCG to larger customer-generators. The Commission finds that Duke's proposal furthers the State policy of promoting increased development of renewable generation and is in the public interest. The Commission, therefore, concludes that Duke should file a revised Rider SCG consistent with its offer that makes the rider available to customer-generators with capacity of up to 1 MW.

In summary, the Commission concludes that Duke, Dominion and Progress should file revised riders or tariffs that allow net metering for any customer that owns and operates a renewable energy facility that generates electricity with a capacity of up to 1 MW. The customer shall be required to interconnect pursuant to the approved generator interconnection standard, which includes provisions regarding the study and implementation of any improvements to the utility's electric system required to accommodate the customer's generation, and to operate in parallel with the utility's electric distribution system. The customer may elect to take retail electric service pursuant to any rate schedule available to other customers in the same rate class and may not be assessed any standby, capacity, metering or other fees other than those approved for all customers on the same rate schedule. Standby charges shall be waived, however, for any net-metered residential customer with electric generating capacity up to 20 kW and any net-metered non-residential customer up to 100 kW. Credit for excess electricity generated during a monthly billing period shall be carried forward to the following monthly billing period, but shall be granted to the utility at no charge and the credit balance reset to zero at the beginning of each summer billing season. If the customer elects to take retail electric service pursuant to any TOU rate schedule, excess on-peak generation shall first be applied to offset on-peak

consumption and excess off-peak generation to offset off-peak consumption; any remaining on-peak generation shall then be applied against any remaining off-peak consumption. If the customer chooses to take retail electric service pursuant to a TOU-demand rate schedule, it shall retain ownership of all RECs associated with its electric generation. If the customer chooses to take retail electric service pursuant to any other rate schedule, RECs associated with all electric generation by the facility shall be assigned to the utility as part of the net metering arrangement.

IT IS, THEREFORE, ORDERED as follows:

1. That Progress, Duke and Dominion shall file in this docket no later than May 1, 2009, revised tariffs or riders to allow net metering as ordered herein to be effective on or before June 1, 2009;

2. That Progress's request to recover costs associated with net metering through the REPS cost recovery rider is denied;

3. That Dominion shall file no later than May 1, 2009, revised Schedules 5P and 6P to comply with the prohibition against standby charges for net-metered customer-generators up to 20 kW for residential customers and 100 kW for non-residential customers; and

4. That Duke shall file a revised Rider SCG no later than June 1, 2009, that makes the rider available to customer-generators with capacity of up to 1 MW.

ISSUED BY ORDER OF THE COMMISSION.

This the 31st day of March, 2009.

NORTH CAROLINA UTILITIES COMMISSION

Patricia Swenson

Patricia Swenson, Deputy Clerk

Kc032409.01

Commissioners Robert V. Owens, Jr., and Lorinzo L. Joyner concur in part and dissent in part.

DOCKET NO. E-100, SUB 83

COMMISSIONER ROBERT V. OWENS, JR., CONCURRING IN PART, DISSENTING IN PART: I concur with this Order with the exception of the majority's decision not to require the utilities to pursue a pilot study as proposed by the Public Staff. The Commission should be mindful of the potential cost increases all customers will experience due to increased reliance on renewable resources. The study proposed by the Public Staff would have assisted the Commission in monitoring those cost impacts. Therefore, I dissent with the majority in its decision to forego the study.

\s\ Robert V. Owens, Jr.
Commissioner Robert V. Owens, Jr.

COMMISSIONER LORINZO L. JOYNER, CONCURRING IN PART, DISSENTING IN PART: I support the Commission's Order amending the net metering policy to allow larger generators to net meter. I believe that it is consistent with North Carolina energy policy as set forth in Senate Bill 3. I do not support the Majority's decision to forego an opportunity to obtain meaningful data on the issue of cross-subsidization because, in my view, it frustrates our ability to adequately assess the potential effects of allowing larger generators to net meter.

There is no serious dispute that allowing an expansion of net metering creates the potential for subsidies for those customer-generators. In its June 9, 2008 Order Establishing Procedural Schedule, the Commission acknowledged that cross-subsidization from non-participating customers to customer-generators was relevant in deciding whether expanding net metering to larger generators was in the public interest. Correctly recognizing that the existence of cross-subsidies, standing alone, was not determinative, the Commission directed the parties to address the nature and extent of that subsidization. Specifically, the parties were requested to address, *inter alia*, "quantification of the potential cross-subsidization under several scenarios."

Admittedly, the utilities' response to this particular issue was unhelpful for the reasons stated by the Majority. However, in the interest of haste, the Commission decided not to direct further study of the issue. The result is, in my view, less than satisfactory–it advances the meritorious public policy of strengthening the State's ability to meet more of its energy needs through renewables; however, it fails to require cost studies which would help answer the question: "At what cost?" Since increased reliance on renewable resources has the very real potential to increase costs to consumers, I do not think this failure was in the mid- to long-term interests of ratepayers.

The Majority correctly notes that cross-subsidies exist throughout utility tariffs in support of various State policies, and cites PEC's economic development (ED) rate as an example of a case where the Commission determined that certain policy benefits outweighed the cost of cross-subsidies. See Docket No. E-2, Sub 681 (1995). I believe the Commission reached the right result in that case. Its determination was informed by and based upon data the Company provided, including a rate impact analysis. The Company was required to demonstrate that ratepayer benefits resulting from the rider outweighed the short- and long-term resource acquisition costs caused by the ED rate and to identify its effect on the rates of other customers. It was this evidence that allowed the Commission to conclude that the policy benefits outweighed any cost of subsidies.

Former Commissioner Sam J. Ervin, IV, dissenting on procedural grounds in Docket No. E-2, Sub 681, described what should be the objective of Commission processes. "The procedures utilized by the Commission are, at bottom, intended to ensure that we have identified all questions which need to be resolved on the merits and that we possess sufficient information to decide the contested issues properly." I believe that the process employed in this case fell short of this objective. After identifying cross-subsidization as an important issue, the Commission failed to adopt a process that would have provided useful information to decide the issue on the merits. In a rising cost environment, caused in part by implementing Senate Bill 3, I do not believe that this failure was in the best interests of North Carolina ratepayers. I would have required the additional cost studies requested by the Public Staff.

\s\ Lorinzo L. Joyner
Commissioner Lorinzo L. Joyner

Renewable Energy Facility Registrations
Accepted by the North Carolina Utilities Commission
(as of September 30, 2009)

Facility Name	Location	Primary Fuel	Size (kW)
New Renewable Energy Facilities (G.S. 62-133.8(a)(5))			
Avalon Hydropower Project	NC	Hydroelectric	1,155
Caroleen Mills Hydro	NC	Hydroelectric	1,500
Cliffside Mills	NC	Hydroelectric	1,600
Cox Lake Hydroelectric	NC	Hydroelectric	4,600
Deep River Hydro	NC	Hydroelectric	400
Haw River Hydro	NC	Hydroelectric	1,500
High Falls Dam	NC	Hydroelectric	650
High Shoals Hydroelectric	NC	Hydroelectric	1,800
Inman Mills	SC	Hydroelectric	2,000
L&S Water Power	NC	Hydroelectric	420
Little River Dam	NC	Hydroelectric	700
Lockville Hydro Electric	NC	Hydroelectric	1,500
Lower Pelzer	SC	Hydroelectric	3,300
Mayo Hydropower Project	NC	Hydroelectric	951
Pharr Yarns Hydro	NC	Hydroelectric	900
Pickens Mill	NC	Hydroelectric	600
Piedmont	SC	Hydroelectric	1,000
Rocky Mount Mill	NC	Hydroelectric	1,000
Rocky River Hydroelectric	NC	Hydroelectric	235
South Yadkin	NC	Hydroelectric	1,600
Spray Cotton Mills Hydro	NC	Hydroelectric	500
Upper Pelzer	SC	Hydroelectric	2,200
Ward Mill Dam	NC	Hydroelectric	168
Ware Shoals	SC	Hydroelectric	5,800
1529 Properties	NC	Solar PV	50
Blue Ridge Paper Solar	NC	Solar PV	800
Deltec Homes	NC	Solar PV	55
Hamlin Family	NC	Solar PV	107
Jim Barkley Toyota	NC	Solar PV	75
MegaWatt Solar	NC	Solar PV	50
PE Sutton Plant	NC	Solar PV	1,200
Person County Solar Park	NC	Solar PV	500
QVC Rocky Mount	NC	Solar PV	1,070
SAS Solar	NC	Solar PV	1,000
Wilson Community College	NC	Solar PV	16
Biltmore Park Hilton	NC	Solar Thermal	0
Fletcher Business Park	NC	Solar Thermal	0
Kanuga Conferences, Inc	NC	Solar Thermal	0

Facility Name	Location	Primary Fuel	Size (kW)
New Renewable Energy Facilities (G.S. 62-133.8(a)(5))			
Proximity Hotel	NC	Solar Thermal	0
SAS Building G	NC	Solar Thermal	0
SAS Building T	NC	Solar Thermal	0
YWCA Asheville	NC	Solar Thermal	0
Camp Springs	TX	Wind	130,500
Capricorn Ridge Wind	TX	Wind	550,000
Champion Wind Farm	TX	Wind	125,000
JD Wind 10, LLC	TX	Wind	10,000
JD Wind 4, LLC	TX	Wind	79,800
JD Wind 9, LLC	TX	Wind	10,000
Lone Star Wind Farm, Phase II	TX	Wind	200,000
Madison High School	NC	Wind	2
Madison Middle School	NC	Wind	2
Roscoe Wind Farm	TX	Wind	209,000
Tatanka Wind Farm	ND/SD	Wind	180,000
Charlotte Motor Speedway Landfill	NC	Landfill Gas	5,300
Durham City Landfill Gas to Energy	NC	Landfill Gas	3,180
Enoree Landfill	SC	Landfill Gas	3,200
INGENCO	NC	Landfill Gas	4,000
Iredell County Landfill	NC	Landfill Gas	4,500
Orbit Energy Clinton Facility	NC	Swine waste	1,628
Keil QF	NC	Biomass	2
Hartsville Paper	SC	Biomass Cogen	50,000
Craven County Wood	NC	Wood Biomass	45,000
Coastal Carolina Clean Power	NC	Wood waste	32,000
Renewable Energy Facilities (G.S. 62-133.8(a)(7))			
Bear Creek	NC	Hydroelectric	9,000
Bryson	NC	Hydroelectric	1,000
Capitola Hydroplant	NC	Hydroelectric	3,000
Cedar Cliff	NC	Hydroelectric	6,000
Queens Creek	NC	Hydroelectric	1,000
Tennessee Creek	NC	Hydroelectric	10,000
Tuckasegee	NC	Hydroelectric	3,000
Salem Energy Systems	NC	Landfill Gas	4,875
Riegelwood Mill	NC	Biomass Cogen	60,000

N.C. ENVIRONMENTAL MANAGEMENT COMMISSION QUARTERLY REPORT TO THE ENVIRONMENTAL REVIEW COMMISSION

Covering the period January 1, 2010 to March 31, 2010

This quarterly report is submitted to the Environmental Review Commission on the EMC operations, activities, programs, and progress pursuant to the requirements of G.S. 143B-282(b). This report is for the months of January 1, 2010 to March 31, 2010 and provides information on the actions of the EMC.

I: Nutrient Control Strategies Sections 2, 3 and 4 of Session Law 2005-190 (as amended by SL 2006-259 and SL 2009-486)

Falls Lake - Section 2. (b) of Session Law 2005-190

The EMC is required to report its progress in assessing and identifying nutrient control strategies and criteria necessary to prevent excess nutrient loading in the Falls Lake water supply reservoir. The following is an update on the progress.

In 2005 the NC General Assembly passed SL 2005-190 (S981), which includes a requirement for the Commission to adopt a nutrient strategy for Falls Lake. The 2009 regular session produced Senate Bill1020, a bill devoted to water quality improvements in Falls Lake. This bill revises the EMC adoption deadline to January 15, 2011 and adds certain requirements aimed at water quality improvement in the watershed. The bill was ratified and signed into law on August 26, 2009. A stakeholder process began in late 2008 to provide input on draft rule language.

Division of Water Quality (DWQ) staff provided an update on the rule development process to the EMC at their January 14, 2010 meeting. A ninth and final stakeholder meeting was held on January 21, 2010 to review the proposed draft rule language and receive additional stakeholder comments.

On March 11, 2010 the EMC approved the draft Falls Lake rules to proceed to public hearing and comment. The public hearings will take place in the spring and summer of 2010. The schedule for action is as follows:

- April 2010 – submit fiscal note to Office of State Budget & Management for review and approval.
- Spring / Summer 2010 - public comment period, public hearings, hearing officer meetings and draft report.
- November 2010 EMC meeting - hearing officer report and recommendation to EMC.

Jordan Reservoir - Section 4 of Session Law 2005-190

The EMC is required to report its progress in developing and implementing nutrient management strategies for the B. Everett Jordan Reservoir. The following is an update on that progress.

The Jordan rules were approved and adopted by the EMC and RRC in 2008. They were then reviewed by the 2009 General Assembly. Eight of the rules were approved, and the other five rules were revised or replaced by two session laws. All of the rules were effective by August 11, 2009.

The DWQ continues to implement the initial requirements of the Jordan rules and perform outreach activities. DWQ is reviewing Stage 1 existing development programs that were submitted by local governments at the end of 2009 for EMC approval and implementation as early as July 2010. Contractors continue to develop a new accounting method and a model ordinance, under the stormwater rule, for EMC approval in January 2011. DWQ produced a first annual report summarizing the results of the monitoring of Jordan Lake during 2009 in February. Wastewater dischargers submitted nitrogen optimization reports in February for DWQ approval and implementation. Local governments submitted Jordan buffer programs to DWQ in March. The DWQ is reviewing the programs and will submit them for EMC approval and implementation as early as November 2010. The Watershed Oversight Committee, which will administer requirements of the agriculture rule, held its first meeting in February and second meeting in March.

II: EMC Rulemaking Actions

- Approved proceeding to Public Hearing to amend 15A NCAC 02D .0530, Prevention of Significant Deterioration, and 15A NCAC 02D .0531, Sources in Nonattainment Area, rules. Both rules are being amended to clarify the level of control that applies to new natural gas fired electric generating units that have claimed cost recovery under the Clean Smokestacks Act.

- Approved proceeding to Public Hearing to Amend Volatile Organic Compound (VOC) Reasonably Available Control Technology (RACT) rules to address updated or new RACT requirements for certain categories of VOC emissions.

- Approved proceeding to Public Hearing with proposed Nutrient Offset Payment Actual Cost Rate rule for the North Carolina Ecosystem Enhancement Program and Amendments to the Nutrient Offset Payment rule.

- Approved proceeding to Public Hearing on Proposed Amendments to Surface Water Quality Standards in accordance with federal review requirements (Triennial Review).

- Approved the Hearing Officers' Recommendations on the Proposed Revisions to Buffer Rules (15A NCAC 02B .0248, .0250, and .0252) for the Randleman Lake Water Supply Watershed.

- Approved proceeding to Public Hearing with the Proposed Falls Lake Nutrient Strategy.

III: Other EMC Actions

- Made Decisions on Phase II Stormwater Designations for 17 municipalities. (did designate Benson, Butner, Clayton, Creedmoor, Elizabeth City, Roxboro, Rutherfordton, Shelby, Spindale, Trent Woods, Wendell and Zebulon; and, did *not* designate, at this time, Havelock, Kinston, New Bern, Smithfield and Wilson).

- Approved delegating authority to Mecklenburg County to implement portions of the site-specific water quality management plan for the Goose Creek Watershed within the Town of Mint Hill.

- Approved the request to initiate Round 4 Jordan Lake Water Supply Allocation without the Interbasin Transfer (IBT) component.

- Renewed the cooperative agreement between the Environmental Management Commission, the Division of Water Resources and the Lumber River Council of Governments.

- Approved the Interbasin Transfer Settlement Guidance Document.

- Approved the Lumber River Basin Plan.

- Approved delegating approval of Local Sewer Line Permitting Programs to the DWQ Director.

- Approved a report to the legislature from the EMC's Renewable Energy Committee concerning potential impacts to the state's forest resources from the developing woody biomass power industry. The report focuses on the potential natural resource impacts that would likely arise from increased harvesting, changes in harvesting practices, and land use conversions to meet a growing demand for wood to serve the new state-created market for biopower.

March 18, 2010

Stephen T. Smith
Chair
N.C. Environmental Management Commission

Report to the

Environmental Review Commission

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Report and Recommendations Concerning Forest Resource Impacts of the Woody Biomass Industry in North Carolina

March 2010

Submitted by the

North Carolina

Environmental Management Commission

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Executive Summary

Senate Bill 3 (session law 2007-397) created a renewable energy and energy efficiency portfolio standard for North Carolina. Among other things, the law requires North Carolina's three utility companies to meet 12.5% of their annual electricity output with renewable energy by 2021. The bill requires the utilities to meet specific benchmarks in earlier years beginning in 2010.

Senate Bill 3 also provides the Environmental Management Commission (EMC) with the authority to evaluate renewable energy technologies and establish environmental standards where existing regulatory programs are insufficiently protective.

Pursuant to this authority the EMC has been evaluating the potential impacts of biopower facilities that generate electricity through the process of burning woody biomass[1]. Biopower from woody biomass is typically generated one of two ways. First, a facility can directly burn wood to generate steam to drive a turbine. The second method, co-firing, involves using wood in place of a portion of the coal burned in conventional coal-fired power plants. Biopower facilities have a number of potential environmental impacts ranging from air quality emissions to increased pressure for more intensive harvesting on the state's forestlands.

The scope of this report is limited; it does not address all potential environmental, public health, and cultural concerns that arise from woody biomass combustion facilities. The report focuses on potential natural resource impacts that would likely arise from increased harvesting, changes in harvesting practices, and land use conversions to meet a growing demand for wood to serve the new state-created market for biopower. Additional recommendations may follow as more data becomes available concerning other potential impacts.

The EMC's evaluation of woody biomass facilities and their potential environmental and natural resource impacts was guided by a Technical Advisory Group (TAG). The TAG was comprised of representatives from the forest products industry, utility company representatives, state natural resource agency officials, environmental advocates and academics from North Carolina State University. The TAG reached general agreement that the creation of demand by the mandates of Senate Bill 3, particularly in combination with the demand for biomass from the biofuels goals, could have a significant impact on the market for woody biomass in the state.

At the same time it is important to understand that the degree and type of environmental impacts will be significantly affected by what is included within the categorization of eligible

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[1] Woody biomass generally refers to the tops, limbs and other residuals that are left on the forest floor following a traditional harvest for timber. The usage of the term in this report, given the uncertainty of the North Carolina statutory definition of "biomass," may have a broader meaning.

woody biomass. It was generally acknowledged that due to the lack of data and insufficient experience with similar scenarios, it is difficult to project with a high degree of certainty that the types and degrees of environmental impacts that can be expected. Nevertheless, the EMC has concluded that, without proper protections, significant impacts are possible in the areas of land use (e.g. conversion of old growth forest to plantation), soil nutrient deterioration, water quality degradation, destruction of wildlife habitat, ecosystem disruption, air quality and ash deposition.

The EMC also identified key policy issues that will have a direct impact on the future growth of the woody biomass market; in some cases those issues were outside the EMC's statutory charge but were identified because of their significance to the development of this market as well as to the potential for environmental harm.

The work of the EMC revealed a number of uncertainties in this policy arena that need to be addressed. For example, under the current regulatory scheme there are differing interpretations of the definition of "biomass resources." In its most basic form, the policy decision at issue is whether the General Assembly, with the passage of Senate Bill 3, intended for the harvesting of whole trees solely for the purposes of electricity generation. If the definition of biomass is intended to encompass whole trees, as previously noted, the potential for landscape level impacts are increased.

Under the current regulatory scheme, the North Carolina Utilities Commission is determining on a case-by-case basis what constitutes eligible biomass and to date appears to be interpreting the definition of biomass resource broadly. However, the specific issue of whether burning whole trees harvested for electricity generation constitutes eligible biomass has not been considered by the Utilities Commission.

This process has led the EMC to identify several policy issues that are important to this emerging industry[2] and that need to be addressed prior to significant growth in the woody biomass sector to ensure protection of the state's natural resources. The findings and corresponding recommendations identified in this report are listed below:

[2] Two applications for new wood-burning biopower facilities have been filed with the North Carolina Utilities Commission. One in Hertford County and the other in Nash County.

Environmental and Natural Resource Impacts

- *Finding: The use of woody biomass for energy production has a broad range of potential impacts that, without adequate safeguards, could be harmful for the environment, public health and culture of the State.*

- **Recommendation: The EMC should continue to study and analyze the environmental ramifications of the broader utilization of woody biomass and should develop guidelines and regulations necessary to minimize harmful impacts on North Carolina's natural resources.**

Definition of Biomass

- *Finding: The differing interpretations of the statutory definition of "renewable energy resource" as applicable to "biomass" result in uncertainty and confusion as to the types of biomass resources eligible under the Renewable Energy Portfolio Standard, and could allow for an ad hoc application of a broad definition without adequate environmental safeguards.*

- **Recommendation: The General Assembly should clarify the definition of "renewable energy resource" in relation to woody biomass. A broad definition that allows the use of whole trees harvested for electricity generation should be adopted only in conjunction with sustainable management requirements. Such requirements should mandate that to be eligible for credit under the RPS mandates, woody biomass must be harvested in accordance with standards and practices that are protective of continuing forest productivity, ecosystem health, soil quality, water quality and biodiversity conservation.**

Sustainable Management

- *Findings: 1) There are currently no standards or guidelines that require the sustainable management of the utilization of woody biomass. Sustainability refers to continuing forest productivity as well as to ecosystem protection, water and air quality protection, and biodiversity protection. 2) The state created market for biopower will create pressure on the sustainable use of our forest resources, and therefore must be guided and monitored to avoid adverse impacts.*

- **Recommendations: 1) The General Assembly should require the adoption of forest management guidelines or adoption of third party sustainability standards by power generators and biofuel producers for these state created markets. Such guidelines will**

require that forest management plans adopted by the power and fuel generators will be protective of forest productivity, wildlife habitat, riparian buffers and other sensitive areas. Further, suppliers shall be required to certify that harvests were conducted in accordance with the requirements of the forest management plans. 2) The General Assembly should support ongoing studies related to the impacts from the harvest of forest residuals on wildlife habitat, water quality, soil conservation and forest health, as well as the quantity and value of the ecosystem services, and direct the development of harvest guidelines as appropriate.

Forest Productivity

- *Finding: Current funding sources for forestry and landowner incentive programs may be inadequate to encourage increased productivity of the state's forestlands needed to supply feedstocks for biopower and biofuels.*

- **Recommendations: 1) The General Assembly should enhance existing programs and explore new programs that promote increased forest productivity. 2) The General Assembly should explore new sources of revenue for such programs, such as extending the current forest product assessment to all wood harvested.**

Application to Biofuels

- *Finding: Under current law, any environmental standards or regulations adopted by the EMC for woody biomass utilization for biopower purposes would not apply to woody biomass utilization for the purposes of making biofuels. As a result, there is the potential for an unlevel playing field as these two emerging industries compete over limited feedstocks.*

- **Recommendation: The General Assembly should require that any rules or standards that are developed for woody biomass utilization for power generation are equally applicable to utilization for biofuels.**

Monitoring and Data Collection

- *Finding: Current data collection is inadequate to inform state policy makers and regulators of the impact of biomass harvesting. New technologies can facilitate better data collection without unreasonable expense to harvesters and power generators.*

- **Recommendation: The General Assembly should provide resources for data collection and monitoring efforts to better inform policy development related to woody biomass facilities.**

Ongoing Assessment

- *Finding: Oversight of the impacts of the woody biomass market is currently spread across a number of state entities and agencies, such as the Utilities Commission, the Environmental Management Commission, the Wildlife Resources Commission, the Division of Forest Resources and the Energy Policy Council.*

- **Recommendation: The General Assembly should direct the formation of an inter-agency task force charged with the oversight of the growth of the woody biomass market in North Carolina. The task force should be required to periodically provide updates to the appropriate legislative committees.**

North Carolina's woody biomass feedstocks are a valuable renewable resource and are critical to meeting the renewable energy goals in Senate Bill 3. The state has an opportunity to ensure that emerging biomass markets protect and enhance natural resources, provide increased revenue for landowners and provide jobs in rural communities. To capitalize on that opportunity, the state must provide clear and definitive policies that will allow the market to function without undue environmental impacts.

Background

Session law 2007-397, more commonly referred to as Senate Bill 3, created a renewable energy and energy efficiency portfolio standard for North Carolina. The purposes of the portfolio standard as outlined in the session law are to diversify energy resources, encourage private investment in renewable energy and improve air quality.

Outside of the legislatively required specific "set-asides" for solar energy, swine and poultry wastes, Senate Bill 3 provides the utilities with the flexibility to meet the renewable energy benchmarks without mandating a specific mix. A 2006 report prepared for the North Carolina Utilities Commission stated that biomass resources (wood and agricultural waste) would likely be the biggest contributor to renewable energy generation in North Carolina. Consequently, the development of the woody biomass market is critical to the success of the overall renewable energy market in North Carolina.

Included in Senate bill 3 was a provision directing the EMC to evaluate renewable energy technologies. The statutory language reads as follows:

> The Commission may establish a procedure for evaluating renewable energy technologies that are, or are proposed to be, employed as part of a renewable energy

facility, as defined in G.S. 62-133.7; establish standards to ensure that renewable energy technologies do not harm the environment, natural resources, cultural resources, or public health, safety or welfare of the State; and, to the extent that there is not an environmental regulatory program, establish an environmental regulatory program to establish these standards.

Following the passage of Senate Bill 3, the EMC established a Renewable Energy Committee (Committee) for the purposes of evaluating and identifying whether appropriate regulatory programs for renewable energy facilities are in place.

In late 2008 and early 2009 the Committee focused on developing a regulatory framework for a wind permitting program. This work culminated in the delivery of a report and recommendations for legislation to the General Assembly in March 2009.

Following its work on wind, the Committee turned its attention to the potential environmental impacts of woody biomass facilities. Since its inception the Committee has acknowledged that all renewable power generating sources, including solar, wind and woody biomass, will have some adverse environmental impacts. For example, solar farms may have land use impacts, while wind farms raise viewshed concerns and could potentially harm birds and bats, among other adverse impacts. Recognizing that some type of impacts are inherent with energy generation, the Committee's efforts have been guided both by recognition of the environmental benefits of the utilization of renewable energy resources and by the need to limit and manage any potential adverse environmental and natural resource impacts from these facilities.

It was within this context that the Committee undertook an evaluation of the potential environmental and natural resource impacts of biopower facilities fueled by woody biomass. The use of woody biomass for energy production has a broad range of potential environmental, health and cultural impacts. These include, without limitation: land use (land in forest and forest type) water quality; air quality; soil conservation; wildlife habitat; biodiversity; atmospheric carbon; scenic; and ash deposition.

The Committee's work assumed existing air regulations were sufficiently protective of air emissions, although air quality issues were discussed to a limited degree during the Committee's deliberations of woody biomass facilities. For example, the Committee was presented information related to the issue of whether the federal Clean Air Act rules regulating commercial and industrial solid waste incinerators (CISWI) apply to combustion units using untreated wood as fuel. Application of the incinerator rules to woody biomass combustion would require more stringent air quality controls and could limit use of woody biomass for

biopower purposes. DENR, in consultation with the NC Attorney General's Office, determined that woody debris harvested after completion of logging or land-clearing activity and transported or stored for use as a fuel is not a solid waste. Consequently, the combustion of this material would not require compliance with incinerator rules (*See Appendix I*).

Furthermore, just as the legislative committees heard reports from the Division of Air Quality during its deliberations on Senate Bill 3, the Committee heard the same reports on the emissions of wood fired plants. Counter to the stated goals of Senate Bill 3, those reports indicate that a wood burning facility will have higher emissions than a new state-of-the-art coal plant for some pollutants, including particulate matter and Nitrogen oxide. Although woody biomass is a renewable resource, combustion of woody biomass does generate greenhouse gas emissions, but to a lesser extent in comparison to a coal burning facility.

The majority of the Committee's review of woody biomass facilities focused on those sets of environmental impacts that would likely arise from increased harvesting, changes in harvesting practices and land use conversions to meet a growing demand for feedstocks given the new state created market for biopower.

Woody Biomass Technical Advisory Group

With the assistance of the North Carolina State University Solar Center the Committee convened a Woody Biomass Technical Advisory Group (TAG) to provide assistance to the Committee in the deliberation of these matters. The TAG consisted of representatives from the forest products industry, utility company representatives, state natural resource agency officials, environmental advocates and academics from North Carolina State University. (*For a full listing of TAG members see Appendix II*)

The TAG was charged with providing technical data as well as identifying policy matters for consideration by the Committee. During the course of four meetings held over several months the TAG heard presentations from the NC State School of Forestry, NC Division of Forest Resources, NC State Forestry Extension, and others. The TAG evaluated existing forestry regulations and potential economic changes to the woody biomass markets. The TAG also received information on laws and regulations from other state's governing the utilization of biomass (*See Appendix III, Memorandum on State Policy Options*). TAG members were invited to submit specific policy recommendations for the Committee's consideration (*A copy of submitted comments can be found in Appendix IV)*

Overview of the TAG Discussion Points

Below is a list of a few of the major discussion points identified during the TAG proceedings (it should be noted that the issues listed in no way reflect the views of all TAG members):

- The current definition of renewable energy resource in Senate Bill 3 provides for varying interpretations.
- The combined demand for power generation and biofuel production likely could not be met with wood waste or wood residuals alone.
- The new woody biomass market created by Senate Bill 3 has the potential to significantly increase demand for harvested wood, including increased harvesting specifically for woody biomass.
- Increased harvesting could lead to pressure to convert natural forests to plantations.
- Through more intensive forest management practices, and funding and education regarding the same, the existing average productivity of forests in this state could be increased in multiples.

Existing Forestry Regulations

The TAG reviewed the current regulatory framework for forestry operations. North Carolina has mandatory forest practice guidelines (FPGs) related to water quality which are defined by the Administrative Code (15A NCAC 01I .0100-.0209). All forestry activities must comply with the FPGs to remain exempt from the permitting and other requirements in the North Carolina Sedimentation and Pollution Control Act. Best Management Practices are the methods or practices that can be implemented to stay in compliance with the FPGs.

North Carolina has no requirement that a forest owner have a forest management or harvest plan, nor is there a requirement for pre-harvest or post-harvest notification or reporting. North Carolina does not have restrictions, except in limited circumstances, on harvesting from sensitive areas, such as old growth forests, riparian buffers or wetlands.

Policy Decisions

The EMC has identified below several major policy decisions that need to be addressed to ensure that the woody biomass market develops and does so in a sustainable manner for the long term benefit of the state.

Issue: Environmental and Natural Resource Impacts

As noted above the degree and type of environmental and natural resource impacts will be significantly affected by what is included within the categorization of eligible woody biomass. The areas of these impacts could include land use changes; water, air and soil quality; wildlife habitat; biodiversity; accumulation of atmospheric carbon; scenic changes; and ash deposition and disposal. While the burning of woody biomass to generate electricity has the advantage, like coal, of being usable for base load, its potential unfavorable environmental impacts are greater than other renewable resources such as wind and solar.

In particular the EMC evaluation has concluded that there will be increased harvesting, including more harvests specifically for biomass. Such harvests have some greater intensity of clearing than do harvests without a biomass component, with implications for water quality, soil conservation and wildlife habitat. There will also be pressure to convert natural forest to plantation. Conversion could include conversion not only to forest plantation but also to other forms of "energy crops."

Finding: The use of woody biomass for energy production has a broad range of potential impacts that, without adequate safeguards, could be harmful for the environment, public health and culture of the State.

Recommendation: The EMC should continue to study and analyze the environmental ramifications of the broader utilization of woody biomass and should develop guidelines and regulations necessary to minimize harmful impacts on North Carolina's natural resources.

Issue: Definition of Biomass

Senate Bill 3 defines, in part, "renewable energy resource" as a solar electric, solar thermal, wind, hydropower, geothermal, or ocean current or wave energy resource; **a biomass resource, including agricultural waste, animal waste, wood waste, spent pulping liquors, combustible residues, combustible liquids, combustible gases, energy crops, or landfill methane** (emphasis added).

As written the definition of renewable energy resource allows for a range of interpretations as to what the legislature intended to include as a biomass resource. The resolution of this issue is a critical policy decision when viewed in the context of recent data from N.C. State which illustrates that the amount of wood residuals or "wood waste" will likely be insufficient to meet both biopower and biofuels goals.

One view of this definition is that it is intended to encompass all woody biomass resources and is not restricted to wood waste. The acceptance of this interpretation in its most basic form would allow the use of any type of woody biomass resource to meet the mandates of Senate Bill 3, including the harvesting and burning of whole trees. The North Carolina Forestry Association supports this broad interpretation and submitted comments to the Committee stating such. In the TAG meetings representatives of the utility companies have also expressed their position that this is their favored interpretation and have questioned whether the Senate Bill 3 mandates can be met with a more restrictive definition (*See Appendix IV comments from Duke Energy Carolinas et al).*

Another view of the definition is that it is intended to be narrowly read and restricts biomass resources to wood waste. Supporters of this position contend that the listing of biomass sources in the definition is done for limiting purposes, rather than illustrative purposes. Comments were submitted to the Committee by the Southern Environmental Law Center in support of this interpretation. Furthermore, the current statute does not define wood waste. It is imperative from a policy perspective to include some further legislative guidance and clarification of the meaning of the phrase "wood waste."

The current regulatory framework in place would resolve these differing interpretations at the NC Utilities Commission. The Utilities Commission in its rulemaking for Senate Bill 3 chose not to further define the biomass resource, but rather stated it should be a case by case decision. The Commission concluded that "rather than potentially limit the definition of biomass on the basis of an incomplete record in this rulemaking proceeding, the Commission concludes that the statutory definition of "renewable energy resource" is sufficient."

A recent ruling by the Utilities Commission in a request for Declaratory Ruling by the Water and Sewer Authority of Cabarrus County found that biosolids (the organic material remaining after the treatment of domestic sewage) is a renewable energy resource for combustion purposes. The Utilities Commission in the order writes, "G.S. 62-133.8(a)(8) includes any biomass resource, listing several examples without limitation." The Commission's order indicates that it will interpret the definition of biomass resource very broadly.

The potential environmental impacts of this industry are very significantly affected by the resolution of this definitional issue. Therefore, to enhance the growth of this industry and to ensure strong environmental safeguards are in place, it is imperative that the state clearly and definitively establish what constitutes "eligible biomass" for purposes under Senate Bill 3.

Finding:

The differing interpretations of the statutory definition of "renewable energy resource" as applicable to "biomass" result in uncertainty concerning the types of biomass resources eligible under the Renewable Portfolio Standard, and could allow for an ad hoc application of a broad definition without adequate environmental safeguards.

Recommendation:

The General Assembly should clarify the definition of "renewable energy resource" in relation to woody biomass. A broad definition that allows the use of whole trees harvested for electricity generation should be adopted only in conjunction with sustainable management requirements. Such requirements should mandate that to be eligible for credit under the RPS mandates, woody biomass must be harvested in accordance with standards and practices that are protective of continuing forest productivity, ecosystem health, soil quality, water quality and biodiversity conservation.

Issue: Sustainable Management

Placing a sustainability requirement on power generators or landowners conducting biomass harvests is a policy already in place in other states. The suggestion for such a requirement is grounded on the recognition that the new market for woody biomass created by the legislative mandates could have far-reaching, but currently unforeseeable impacts. A sustainability requirement could take several forms. One form would require a power generator to develop its own forest management plan and certify that its suppliers of woody biomass are meeting the requirements of the plan. Such a plan could require management practices designed to conserve biological diversity and forest productivity and health, and potentially protect higher value forests and lands.

Some states have addressed the potential for increased harvesting or changes in harvesting practices through the development of harvesting guidelines specifically developed for the harvesting of woody biomass. In most cases these guidelines are voluntary and address such issues as wildlife and biodiversity, water quality and soil productivity.

Other policy actions, such as restricting harvesting of biomass from riparian buffers or a specific type of wetlands, would be another step for the legislature to take that could ensure increased biomass harvests do not lead to degradation of water quality. Furthermore, some states in an attempt to stop conversion of old growth forests to energy plantations have chosen to exclude any wood from an old growth forest as an eligible biomass for purposes of their state's Renewable Energy Portfolio Standard.

Findings:

There are currently no standards or guidelines that require the sustainable management of the utilization of woody biomass. Sustainability refers to continuing forest productivity as well as to ecosystem protection, water and air quality protection, and biodiversity protection.

The state created market for biopower will create pressure on the sustainable use of our forest resources, and therefore must be guided and monitored to avoid adverse impacts.

Recommendations:

The General Assembly should require the adoption of forest management guidelines or adoption of third party sustainability standards by power generators and biofuel producers for these state created markets. Such guidelines will require that forest management plans adopted by the power and fuel generators will be protective of forest productivity, wildlife habitat, riparian buffers and other sensitive areas. Further, suppliers shall be required to certify that harvests were conducted in accordance with the requirements of the forest management plans.

The General Assembly should support ongoing studies related to the impacts from the harvest of forest residuals on wildlife habitat, water quality, soil conservation and forest health, as well as the quantity and value of the ecosystem services, and direct the development of harvest guidelines as appropriate.

Issue: Forest Productivity

Due to the pending resource demands placed on the state's forests from the biopower and biofuels programs, there is a need to develop a statewide effort to increase the productivity of existing forests. The Committee identified the potential for increasing the productivity of our state's forestland through increased cost-share or other incentive programs with landowners.

One potential funding source for increasing incentive programs could include a more equitable forest product assessment. Under the current Forest Product Assessment Act, not all wood processed in North Carolina is being taxed in the same manner, including wood moving out of state or overseas. This disproportionately hurts in state processors and limits the revenue available for incentive programs.

Finding:

Current funding sources for forestry and landowner incentive programs may be inadequate to encourage increased productivity of the state's forestlands needed to supply feedstocks for biopower and biofuels.

Recommendations:

The General Assembly should enhance existing programs and explore new programs that promote increased forest productivity.

The General Assembly should explore new sources of revenue for such programs, such as extending the current forest product assessment to all wood harvested.

Issue: Application to Biofuels

North Carolina has a goal that by 2017 10% of the liquid fuels sold in the state will be locally grown and produced. The goal equates roughly to 600 million gallons of biofuels per year and could create a significant demand for woody biomass as a feedstock for development of biofuels. Impact from the use of woody biomass for power generation cannot be assessed without also considering impacts from the prospective demand for woody biomass conversion to biofuels. Thus, the North Carolina Biofuels Center has been an active and helpful participant in these policy discussions from the outset and has submitted written comments in support of a comprehensive approach to this issue.

The development of standards on woody biomass harvesting for biopower purposes, while ignoring harvesting for the biofuels sector would create an unlevel playing field. The biofuels

sector like the biopower program is being driven by a legislatively established program. As such, it would logically follow that each should be subject to the same types of restrictions, if any are developed. During Committee discussion and the TAG deliberations there was no opposition expressed to the idea that any standards applicable to woody biomass for biopower should also apply to biofuels.

One way of addressing this needed change would be to amend the current EMC authority from Senate bill 3 (N.C.G.S. 143B-282(a)(6)) and broaden that authority to the biofuels sector.

EMC Finding:

Under current law, any environmental standards or regulations adopted by the EMC for woody biomass utilization for biopower purposes would not apply to woody biomass utilization for the purposes of making biofuels. As a result, there is the potential for an unlevel playing field as these two emerging industries compete over limited feedstocks.

Recommendation:

The General Assembly should require that any rules or standards for woody biomass utilization for power generation are equally applicable to utilization for biofuels.

Issue: Monitoring and Data Collection

One of the consensus items of discussions during the TAG meets centered on the importance of capturing and analyzing data to help inform the policy-making process. The TAG received comments from DENR's Division of Natural Resource Planning and Conservation suggesting relevant data types be collected, including:

- Geographic information documenting the location of biomass harvests and the extent of the acreage that provided the biomass;
- Source of the biomass harvest and whether the biomass harvest was paired with harvesting for other purposes; and
- Post-harvest land use and whether a native forest is being converted to an energy crop.

The Division of Forest Resources also compiled a summary of the current data collection efforts underway at the state and federal level. Some of the information collection efforts already in place include the Forest Best Management Practice (BMP) Implementation Survey and the Forest Inventory and Analysis Program. The Forest BMP Implementation Survey could

potentially be expanded to gather additional biomass related information. The survey work requires dedicated salary funding.

In addition, research studies being conducted by the NCSU Forestry Extension and the NCSU Department of Forestry and Environmental Services have the potential to help illuminate the potential impacts a growing biopower market may have on our state's farm and forest lands. The first of these studies is intended to develop a statewide inventory of available woody biomass, while the second study is focused on the impacts on wildlife from woody biomass harvesting.

Finding:

Current data collection is inadequate to inform state policy makers and regulators of the impacts of biomass harvesting. New technologies can facilitate better data collection without unreasonable expense to harvesters and power generators.

Recommendation:

The General Assembly should provide resources for data collection and monitoring efforts to better inform policy development related to woody biomass facilities.

Issue: Ongoing Assessment

Another point of consensus during the Committee's work on this issue was the understanding that the woody biomass market is dynamic. External factors, such as possible federal climate change legislation and changes in the European energy market, only add to the uncertainty. Consequently, it is difficult to predict the likely growth of the woody biomass market and biopower facilities.

This uncertainty could be addressed through the creation of some state level entity charged with identifying possible policy issues that need resolution. The range of issues evaluated by this new "Woody Biomass Stakeholder Group" could include: development of siting criteria; changes in land use practices linked to biopower facilities, such as conversion of natural forests or crop lands to energy plantations; and impacts to water quality; wildlife and biodiversity.

A subcommittee of the Energy Policy Council or some other appropriate entity could convene an ongoing working group to cover these topics, which extend beyond environmental concerns. Such a group could be formed with representatives from the EMC, the Wildlife Resources Commission, the Utilities Commission and the investor-owned utilities. Coordination of these

organizations will be critical to the woody biomass market and formalizing a collaborative process among them adds to the chances for the growth of this market. This work group could provide annual reports to back to the legislature and identify key policy issues.

Finding:

Oversight of the impacts of the woody biomass market is currently spread across a number of state entities and agencies, such as the Utilities Commission, the Environmental Management Commission, the Wildlife Resources Commission, the Division of Forest Resources and the Energy Policy Council.

Recommendation:

The General Assembly should direct the formation of an inter-agency task force charged with the oversight of the growth of the woody biomass market in North Carolina. The task force should be required to periodically provide updates to the appropriate legislative committees.

Conclusion

North Carolina is in a strong position to be leader in renewable energy development. While the implementation of Senate Bill 3 remains in its early stages, it is critical that the state establish and develop clear and consistent policies to maintain this leadership status. The EMC's evaluation of the woody biomass industry in North Carolina has identified a number of pressing issues that must be addressed. The threshold issue that the implementing agencies and other stakeholders need clarification on is the definitional aspect of "biomass resource." Until the uncertainty is removed, the growth of the woody biomass market may be limited. However, should this clarification result in the unequivocal inclusion of whole trees harvested for power generation, due to the significant impacts from harvesting whole trees for energy generation, the authority of the EMC to develop appropriate regulations or guidelines should be reaffirmed.

This report also identifies a number of policy actions that could be taken by the General Assembly. Taken as a whole these findings are intended to promote the renewable energy market, and specifically the woody biomass sector as well as protect the environment, while at the same time establishing environmental and natural resource standards that will guide and manage growth in that sector. The woody biomass sector has the potential to become an important component of our state's energy production in the future. Properly managed the woody biomass facilities and the harvesting of the feedstocks necessary to fuel those facilities

have the potential to add jobs in rural communities and at the same time enhance the state's natural resources.

This report is intended to further the adoption of policies that will guide the growth of the woody biomass market in a manner consistent with the environmental protection mandate contained in Senate Bill 3.

This report was approved by the Renewable Energy Committee on March 10, 2010 and by the full Environmental Management Commission on March 11, 2010.

The members of the Environmental Management Commission's Renewable Energy Committee are:

Mr. J. Dickson Phillips, III	Committee Chairman
Mr. Thomas F. Cecich	
Mr. Stan Crowe	
Mr. John S. Curry	
Ms. Marion Deerhake	
Mr. Tom Ellis	
Dr. Charles Peterson	
Mr. Stephen T. Smith	EMC Chairman

NCDENR
North Carolina Department of Environment and Natural Resources

Beverly Eaves Perdue, Governor

Dee Freeman, Secretary

August 31, 2009

Carolina Choi
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Progress Energy Service Company
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Director, Environmental & Legislative Affairs
Duke Energy Carolinas
3700 Glenwood Avenue, Suite 330
Raleigh, N.C. 27612

Re: Biomass Combustion in Utility Boilers

Caroline and George:

At Secretary Freeman's request, I am responding to your letter of August 18, 2009 asking for interpretive guidance on the applicability of federal Clear Air Act rules regulating commercial and industrial solid waste incinerators (CISWI) to combustion units using untreated wood and vegetative materials as fuel.

In June of 2007, the federal Court of Appeals for the District of Columbia Circuit struck down EPA rules that exempted a unit that combusted solid waste for purposes of thermal recovery from the CISWI rules. As a result of that ruling, any new unit that combusts solid waste must comply with the CISWI rules. The Clean Air Act references the definition of solid waste in the Solid Waste Disposal Act:

"...any garbage, refuse, sludge from a waste treatment plan, water supply treatment plant, or air pollution control facility and other discarded material including solid, liquid, semisolid or contained gaseous material resulting from industrial, commercial, mining and agricultural operations..."

Our staff and counsel representing the air quality and solid waste programs agree that woody debris and small timber that is harvested after completion of logging or land-clearing activity and transported or stored for use as a fuel is not a solid waste because the material has not been "discarded". The combustion of those fuels would not require compliance with the CISWI rules.

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(The same type of material would still constitute "solid waste" in circumstances where it has been discarded.)

We also recognize that there may be other types of clean, chemically unaltered wood and vegetative waste that could fall outside the definition of "solid waste". Making that determination, however, requires careful consideration of the nature of the material, its processing and handling. DENR has proposed to make determinations about application of the CISWI rules to other types of wood and vegetative waste, such as byproducts of manufacturing (including sawdust and wood chips), on a case by case basis. The Division of Air Quality will have the lead role in making those determinations, but will do so in consultation with the Division of Waste Management.

Staff in the Division of Air Quality and Division of Waste Management are still gathering information on torrified wood to get a better understanding of the product. We will provide additional guidance on use of torrified wood as soon as possible. I did not want to hold this response until we could fully address the question concerning torrified wood because of Duke Energy's immediate need for guidance on use of wood waste from land-clearing activities.

I hope this is helpful as a start. As you know, EPA has issued a notice of proposed rulemaking to clarify the application of CISWI at the federal level. Until a federal rule becomes final, DENR proposes to use this case-by-case approach unless a particular type of material clearly falls outside the definition of solid waste.

Sincerely,

Robin W. Smith
Assistant Secretary for Environment

Cc: Secretary Freeman
Keith Overcash
Dexter Matthews

APPENDIX II

Membership of Woody Biomass Technical Advisory Group

EMC Biomass Technical Advisory Group Members[1]

Name	Organization
Bob Abt	NC State University
Tracy Beer	Duke Energy
Grant Blume	Progress Energy
John Bonitz	Southern Alliance for Clean Energy
Steven Burke	NC Biofuels Center
Tom Cors	The Nature Conservancy
Garald Cottrell	Wellons Energy Solutions
Rosalie Day	NC Sustainable Energy Association
Doug Duncan	National Association of Professional Loggers
Robert Goodson	GreenCo Solutions Inc.
Rick Hamilton	NC State University
Dennis Hazel	NC State University
Chris Hopkins	NC State University
Will McDow	Environmental Defense Fund
Chris Moorman	NC State University
Barry New	NC Division of Forest Resources
Wib Owen	NC Division of Forest Resources
Linda Pearsall	NC Division of Natural Resources Planning and Conservation
Bob Slocum	NC Forestry Association
Stan Taylor	RST Engineering

[1] The Biomass Technical Advisory Group (TAG) was chaired by Environmental Management Commission member Dickson Phillips. The work of the TAG was made possible through the assistance of the NC State University Solar Center and specifically staff members, Alex Hobbs, Maureen Quinlan and Kim Tungate.

APPENDIX III

Memo on State Policy Options

Memorandum

To: Dickson Phillips

From: Steve Wall

Date: October 29, 2009

Re: Woody Biomass Policy Options

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Pursuant to Senate bill 3 (SB 3) the Environmental Management Commission is charged with evaluating renewable energy technologies and establishing standards to ensure that these technologies do not harm the environment, natural resources and cultural resources, or public health, safety or welfare of the State. In the last several months the EMC has focused its attention on the environmental impacts of utilizing woody biomass for energy. While there are air quality regulations currently in place that pertain to emissions from these biomass facilities, questions have been raised about the potential impacts to our state's forest and wildlife resources from woody biomass facilities. Consequently, the EMC must decide whether standards or regulatory actions should be put in place to limit any adverse impacts from the utilization of woody biomass for power generation.

What follows below are some potential options for consideration by the EMC based on actions in other states to address these same concerns. For some of the options it may require the EMC to recommend back to the legislature for statutory changes to SB 3.

No action with a five year review

This policy option would be based on the premise of taking no action other than a requirement that the EMC revisit this issue after more time has passed. This option would require a formal review by the EMC in five years. This assessment after a period of five years shall include updating the number of wood biomass burning facilities that are in operation, the portion of the SB3 requirements being achieved through woody biomass and a review of market prices of timber, pulpwood and wood residual. The assessment shall also note the extent to which the requirements of SB 3 have impacted the forest resources of the state, including conversions of forests to energy crops and identification of any potential "hot spots" or areas where biomass facilities have located in significant numbers.

The review shall also require the EMC to assess whether any regulatory or policy decisions are warranted based on the latest information. A requirement for a reassessment after a set time period would be consistent with prior EMC action, such as the mercury rules (15A NCAC 02D .2509) which require periodic reviews by the EMC.

Wood Waste definition

Senate bill 3 states that a renewable energy resource means a solar electric, solar thermal, wind, hydropower, geothermal, or ocean current or wave energy resource; **a biomass resource, including agricultural waste, animal waste, wood waste, spent pulping liquors, combustible residues, combustible liquids, combustible gases, energy crops or landfill methane** (emphasis added) ...." While varying interpretations can be made of this definition, one such interpretation takes the position that biomass resources are not limited to wood waste but rather include the entire universe of biomass. The N.C. Utilities Commission in its rulemaking for SB 3 chose not to further define the biomass resource but rather stated it should be a case by case decision. The Commission concluded that "rather than potentially limit the definition of "biomass" on the basis of an incomplete record in this rulemaking proceeding, the Commission concludes that the statutory definition of "renewable energy resource" is sufficient and that "biomass" should not be separately defined in RuleR8-67."

Other states have chosen to more directly define what types of biomass will be allowed under their renewable energy portfolio requirements. For example, Washington State excludes wood from old growth forests in its definition of biomass. Maryland and New Jersey are other examples of states that exclude old growth timber from eligible biomass resources. The definition of biomass and wood waste has also been subject to congressional action in past legislation and is once again under discussion in the pending climate change legislation.

At the very least, policy makers should be aware that the current definition of biomass in SB 3 can be interpreted in a manner that would not restrict its implementation to wood "waste" or residuals and could lead to the use of whole trees for power generation.

Caps on Woody Biomass Utilization

Limiting the amount of woody biomass combustion used to meet the RPS requirements is another option for consideration. This could be done by amending SB 3 to put a specific limit on the volume of biomass. For example, Virginia's statute establishing its voluntary RPS goal mandates that no more than 1.5 million tons of woody biomass may be used for RPS purposes. Enacting a limit could also be taken through a percentage limit. North Carolina chose to mandate specific set asides for solar, swine waste and poultry. It could take a similar approach of placing percentage limits on how much woody biomass could be relied upon to hit the SB 3 targets (For example: No more than 50% of the portfolio can be comprised of woody biomass).

Sustainability Requirements

Placing a sustainability requirement on power generators is an idea that has arisen in other states as large bioenergy facilities have been proposed. These types of projects have created concerns about the impacts of these facilities on the forest resources and on efforts to reduce greenhouse gas emissions. The basic structure of a sustainability requirement lies in requiring a power generator to certify that its suppliers of biomass have some type of forest management or sustainability plan in place. Massachusetts is currently in the process of developing a sustainability requirement. New York utilities regulations require that biomass facilities must have Forestry Management Plans. Suppliers of these facilities must be in compliance with the biomass facilities plans. The plans are required to contain management practices that conserve biological diversity, productive forest capacity and promote forest ecosystem health. The plans must be completed by a professional forester and are subject to state approval. The suppliers of the wood resource must then be in compliance with FMP and develop harvest plans for each parcel.

Harvesting Guidelines

A number of states have developed guidelines for the harvesting of woody biomass. In most cases these guidelines are voluntary and are intended to assist landowners with ensuring that the amount of removal does not cause any unintended consequences. Guidelines developed in other states cover such issues as wildlife and biodiversity, water quality and soil productivity. Minnesota, Wisconsin and several other states have developed biomass harvesting guidelines. These guidelines are summarized in a Forest Guild report (http://www.forestguild.org/publications/research/2009/biomass_guidelines.pdf).

The removal of dead wood and the corresponding reduction of dead wood on site is one of the key distinctions between harvesting practices for forestry operations. While North Carolina has existing best management practices for forestry activities, the BMPs are focused solely on water quality. Additional guidelines for the harvesting of biomass that has traditionally been left on site may prove useful.

APPENDIX IV

Comments Submitted by Technical Advisory Group Members

A. NC Forestry Association

B. NC Biofuels Center and Environmental Defense Fund

C. NC Division of Natural Resource Conservation and Planning

D. Southern Environmental Law Center

MEMORANDUM

To: EMC Renewable Energy Committee

From: Bob Slocum, Executive Vice President
NC Forestry Association

Subject: **RECOMMENDATIONS REGARDING RENEWABLE WOODY BIOMASS**

Date: November 12, 2009

A technical advisory group (TAG) established by the EMC's Renewable Energy Committee has been meeting to discuss policy options and recommendations regarding woody biomass. While the group has not reached any final conclusions or made any policy recommendations, members of the TAG were asked to provide comments to members of the Renewable Energy Committee prior to the November 18th meeting.

The following comments and recommendations are offered on behalf of the NC Forestry Association, a private non-profit conservation organization representing some 4,000 forest landowners, managers, wood suppliers and manufacturers of wood and paper products in North Carolina.

Definitions

Recommendation: The definition of renewable energy resource in Senate bill 3 must be clarified with regards to what a "biomass resource" means and includes. The NCFA recommends that it be made clear that a biomass resource includes all forms of wood and does not restrict the potential supply.

Discussion
In Senate bill 3, the bill that created NC's renewable power standard, the following definition was made of a "renewable energy resource:"
(8) 'Renewable energy resource' means a solar electric, solar thermal, wind, hydropower, geothermal, or ocean current or wave energy resource; a biomass resource, including agricultural waste, animal waste, wood waste, spent pulping liquors, combustible residues, combustible liquids, combustible gases, energy crops, or landfill methane; waste heat derived from a renewable energy resource and used to produce electricity or useful, measurable thermal energy at a retail electric customer's facility; or hydrogen derived from a renewable energy resource. 'Renewable energy resource' does not include peat, a fossil fuel, or nuclear energy resource.

Significant questions have surfaced over what "a biomass resource" means and/or includes. Some read the language [***including agricultural waste, animal waste, wood waste, spent pulping liquors, combustible residues, combustible liquids, combustible***

gases, energy crops, or landfill methane] to mean that only those items stated would be considered as a biomass resource. Under this interpretation, only wood waste (which is not defined) would be considered a "biomass resource" for the purpose of meeting the state's renewable power standard.

Others, including the NC Forestry Association, read this list as examples of a "biomass resource" and not an exclusive list of eligible materials. Under this view, all wood would be considered a biomass resource.

The NC Utilities Commission has stated that it will review this issue (what constitutes a biomass resource) on a "case by case" basis. This means that one facility might be allowed to use a broad range of wood resources while another could be restricted to using only "waste." We believe this alone is and will be a major deterrent to potential investors in biomass power. Thus, this definition must be clarified.

There is general agreement that if North Carolina is to meet the goals and mandates defined in Senate bill 3, wood will have to play a significant role in producing renewable power. Arbitrarily restricting the potential supply of woody biomass will make achievement of these goals and mandates almost impossible.

Other Policy Options

Recommendations: The NC Forestry Association recommends that no additional policy actions, beyond clarifying the above definition, be taken at this time and that the EMC revisit this issue at 5-year intervals.

Discussion

Despite much attention, fanfare and media coverage, the fact is that there has been no significant expansion of the use of wood for power generation in North Carolina. And most experts agree that it will take 3-5 years for any new facilities to come on line. While the major power utilities are exploring both co-firing at existing coal plants and building new biomass power capacity, no major expansions are expected in the near term.

Some have expressed concern over potential impacts to the existing forest products industry. We do not believe there will any significant adverse impact to this industry. The forest products industry in North Carolina is already the largest producer of renewable power in the state. This industry, like most manufacturing industries, is in a severe recession and a number of facilities have closed or are taking significant down time. For example, it was recently announced that the International Paper mill in Franklin, VA will be shut down. This was a major market for pulpwood in the northeastern part of North Carolina. The Domtar mill in Plymouth, NC is shutting down is last paper machine and converting to the production of fluff pulp. This means the mill will no longer use hardwood species in its production. Georgia Pacific has closed its mill in Ahoskie, NC and suspended operations at its Whiteville, NC mill for at least 6 months.

T&S Hardwoods in Sylva, NC closed its doors October 1st. This mill was the largest employer in Haywood County. Almost all other manufacturers are running at reduced levels.

The fact is that additional markets for wood are needed and we believe that biomass power, and eventually the production of liquid fuels, can provide new and much needed markets.

Some have expressed concern of potential impacts to our forests and suggested that new mandates, rules, or restrictions are needed. We disagree. "Biomass" is simply one of several forest products. And it is not new. We have been producing and using woody biomass for power generation for decades. We also believe that basic economics, certainly as they exist as this time, will mandate that biomass will be produced as part of an integrated harvesting operation, i.e. there will be very little harvesting solely for the production of biomass. We already have mandatory requirements for water quality protection that pertain to any land-disturbing activity for forestry. Almost all of our logging contractors are trained in best management practices and compliance rates for the mandatory performance standards for water quality exceed 90%.

Preliminary data from the new forest inventory and analysis work in North Carolina shows the following:

- Total forestland in North Carolina increased slightly;
- Forest growth per acre continues to increase;
- Our growth/drain ratio is positive for both hardwoods and softwoods (we are growing more than we are removing).
- Over half of NC's 18 million acres of forest land is in hardwood types and two-thirds of our timber volume is hardwood.

So the data does not indicate any problems in meeting demands for wood. What we do know is that the continued decline in markets will likely have an adverse impact on forest investments by private landowners that could lead to increased conversion of forestland to non-forest uses.

We do not believe that any additional mandates, requirements or restrictions are needed or are appropriate with regards to the production of woody biomass. We continue to support expanded landowner education and outreach regarding forestry and forest management options as well as the continued training of logging professionals in best management practices.

EDF ENVIRONMENTAL DEFENSE FUND
Finding the ways that work

Biofuels Center of North Carolina

Envisioning North Carolina's Biomass Future

A Framework for Thought and Action

December 30, 2009

I · Overview and Vision

North Carolina's biomass resources are abundant, diverse, and versatile. Carefully and sustainably managed, the resources can be increasingly valuable simultaneously to build the state's renewable energy economy, to enhance working lands, and to benefit the environment.

Emerging biomass markets offer significant potential to create and sustain new jobs and to reinvest in North Carolina a portion of the $30 billion currently spent outside the state to import coal, oil and natural gas. Key goals for North Carolina should be to keep those jobs in-state, particularly enhancing rural communities, and to produce more home-grown energy that reduces greenhouse gas emissions. The benefits derived from achieving these goals should be disseminated to the broadest representation of communities, landowners and industries across North Carolina.

North Carolina has an opportunity to ensure that emerging biomass markets are not only sustainable, but actually improve the environment while providing new income and jobs for local communities. Visionary thinking, decisive and timely leadership, and clear analytics will be required to realize this vision; standard and long-established methodologies and thinking will probably prove insufficient.

Achieving the best possible future requires assessing supply and demand, addressing new and possibly unforeseen issues, and developing effective policies. Toward that end, this document reflects thoughtful consensus from two significantly attentive organizations about future biomass usage, policies, and outcomes – offering both a vision and a framework for approaches and policies between now and that future.

Vision

The production and utilization of biomass resources must improve environment, communities and economy across North Carolina. Biomass resources will be defined and managed over time with effective policies and practices for ecologically and economically sustainable outcomes. Varied parties will work carefully together over coming months to achieve a shared vision.

II · Guidelines for Thought and Action

Core Principle

To be truly and responsibly sustainable, North Carolina's biomass future demands on-going commitment to a full suite of environmental, economic and societal imperatives.

Responsive Leadership

The state must make three foundational commitments to achieve outcomes that enhance North Carolina's economy, citizens, and environment.

- Leadership North Carolina will demonstrate leadership in developing biomass markets with dovetailed and balanced attention to sustainability, economic benefits, jobs, sector needs, public benefits, and the environment.

- Partnership Working together in coming years, varied parties in North Carolina will commit to such leadership and ensure it by behavior and activities from every vantage point.

- Responsive Expanding, emerging and unexpected factors – from climate impacts to altered landscapes and sector applications – will be necessarily and timely addressed by strategy and monitoring.

Policy Considerations

To ensure appropriate attention and future outcomes, North Carolina must:

- Meeting Demand Effectively and sustainably meet biomass demands from different sectors, including: existing industries, electric power generators, biofuels producers, and others at hand or to be shaped.

- Anticipating Needs Employ comprehensive analysis, estimation, feedback, and monitoring to anticipate both increasing and new biomass needs – yielding few surprises and solid foundations for sustainable biomass utilization.

- Policies and Strategies
  Adopt policies and strategies in a timely and decisive way to appropriately allot and benefit from biomass, as needs and questions are new, unfolding, and barely explored.

Craft and implement a portfolio of effective policies, regulations, and laws, no more or less than required for good stewardship, leadership, and outcomes.

Develop and maintain policies and incentives for biomass energy production as one strategy to reduce imported fossil fuel demands and associated greenhouse gas emissions.

- GOOD MANAGEMENT Ensure that biomass resources and land are exceptionally well managed by every measure of productivity, sustainability, and responsibility.

- MAXIMIZE BENEFITS Ensure that biomass markets maximize and spread economic and environmental benefits across the broadest representation of communities, landowners, and industries, and that costs are equitably allocated.

III · RECOMMENDATIONS FOR ACTION

Timely and decisive actions, combined with keen attention to emerging issues, are required to achieve the vision of a sustainable biomass industry that improves North Carolina's environment, communities and economy. All of the following recommendations are necessary steps that can and should be undertaken. The chronology and interrelationship of necessary actions over time will be determined by engaged partners.

- BIOMASS DEFINITION Define renewable biomass to include clean agricultural and forestry resources gained in accordance with sustainable biomass management guidelines.

- SUSTAINABLE MANAGEMENT Design and implement guidelines for sustainable management of biomass feedstocks as measured by water supply and quality, wildlife and biodiversity, soil quality and productivity, conservation of natural heritage sites and high-conservation value forests, improved forest management, and carbon balance.

- STATE ENERGY POLICIES Enable the fulfillment of North Carolina's renewable energy goals, including the REPS and the 10% biofuels strategy.

- COMPREHENSIVE PROJECTION Study and quantify the total amount of biomass needed to meet existing and future demand. The study should analyze biomass demand under conservative, probable and high yield and demand scenarios as well as the expected community or environmental tradeoffs associated with each demand scenario.

RECOMMENDATIONS FOR ACTION, contd.

- COMPREHENSIVE ANALYSIS Identify additional needs and fund critical biomass-related analysis at universities, state agencies and elsewhere to document and quantify biomass impacts and opportunities.

- LANDOWNER INCENTIVES Support existing and new agriculture and forestry cost-share and property tax programs (e.g., Forest Development Program, Present Use Value) to ensure sufficient biomass resources to meet growing demand.

- FACILITY INCENTIVES Support policies and fiscal incentives for modern and efficient biomass utilization facilities that reduce resource, energy, and water consumption, and that minimize water, air and greenhouse gas emissions.

- LOCATING FUTURE FACILITIES Develop effective mechanisms for appropriately scaling and locating new biomass utilization and collection facilities to minimize competition for limited resources and to minimize adverse community impacts.

- AIR AND WATER When developing new production processes and facilities, establish standards as needed to minimize adverse impacts to air and water.

- FORWARD LOOKING COMMITTEE Establish a *Consensus Committee for North Carolina's Biomass Future* to advance implementation of necessary actions and to resolve additional issues. This small and targeted group, representing appropriate and varied interests, will develop and submit a consensus approach for emerging and future needs, by the spring of 2011.

- LOOK-BACK ASSESSMENT Conduct a comprehensive review of biomass markets and policies within 3 to 5 years of implementation. The review should qualitatively and quantitatively assess impacts on: food, feed and fiber markets; jobs and local economies; fossil fuel and greenhouse gas reductions; water, wildlife and natural communities; air quality and human health; and local community well-being.

EDF ENVIRONMENTAL DEFENSE FUND
Finding the ways that work

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DIVISION OF NATURAL RESOURCES
PLANNING & CONSERVATION

January 5, 2010

MEMORANDUM

TO: Dickson Phillips

CC: Steve Wall

FROM: Linda Pearsall

SUBJECT: Comments on Woody Biomass Policy Options

Thank you for the opportunity to provide comments on the October 29, 2009 Woody Biomass Options. I apologize that the comments are late, and hope you can still accept them. I also appreciate your willingness to accept comments from the diverse perspectives represented on the Technical Team. This is indeed a complex subject for which we have limited information to support informed decisions. Proceeding cautiously seems wise.

I have used the headings provided in your Oct. 29 document to organize my comments. If you would like the information provided in a different format, please let me know.

No action with a five year review

There is currently so much uncertainty about the potential ecological and market impacts resulting from SB 3. In addition to the data which you identify for consideration during a 5 year assessment, it would be extremely useful to have several specific types of data collected. These could include:

- **Geographic information** documenting the locations of biomass harvests. This information should be as specific as possible and could be at point of delivery to the purchaser of the biomass. In addition to the location, it will be useful to collect information on the extent of the acreage that provided the biomass.
- **Source of biomass harvest-** In order to assess the influence of a biomass harvests on current timber operations, it would also be useful to know if the biomass harvest results from a harvest strictly for biomass or if the harvest is paired with a harvest for roundwood or pulpwood, clearing for development or agriculture, a harvest following storm damage, or a thinning.
- **Post-harvest land use.** In order to assess the impact of harvests on the current and future extent of forests in North Carolina, it would be useful to know if the land is being returned to native forest or timber plantation, or if it is being converted to another land use such as development or establishment of an energy crop.

Wood Waste definition/Sustainability Requirements

In order to have a sustainable biomass resource, wood harvested from wetlands or from riparian buffers should be specifically excluded as part of the definition of a renewable resource. This will reinforce the current voluntary compliance of DFR Best Management Practices; protect most of the rare forest lands that are in private ownership; and result in protection of riparian buffers and wetlands that provide significant water quality protection.

Harvesting Guidelines

According to information presented to the committee, there is not a significant difference in the volume of dead wood left on sites that include a biomass harvest vs. sites that do not include a biomass harvest. Whether there is significant difference in the quality of the materials left on site from a wildlife habitat perspective was not addressed. As technology changes and the value of biomass increases, the amount of downed wood left on site could change significantly. I suggest that additional research into this issue is needed and that the issue should be examined more thoroughly in 5 years.

Thank you again for accepting the challenging task of leading this diverse group. If you have any questions or need additional information, please let me know.

LPP/lpp

SOUTHERN ENVIRONMENTAL LAW CENTER

Telephone 919-967-1450

200 WEST FRANKLIN STREET, SUITE 330
CHAPEL HILL, NC 27516-2559

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January 12, 2010

Via Electronic Mail and U.S. Mail

J. Dickson Phillips III
Lewis Phillips Hinkle, PLLC
P.O. Drawer 4825
Chapel Hill, NC 27515

Re: **"Wood waste" as a renewable energy resource in Senate Bill 3**

Dear Mr. Phillips:

It is our understanding that a technical advisory group ("TAG") established by the Renewable Energy Committee of the Environmental Management Commission ("EMC") has been engaged in a discussion of policy options and recommendations regarding energy production from woody biomass, and that the Committee will be discussing woody biomass policy options at its next meeting. We offer the following comments for the Committee's consideration.

Senate Bill 3, which established North Carolina's renewable energy portfolio standard, authorizes the EMC to assess the potential environmental impacts of renewable energy resource use and to develop environmental standards through regulations if necessary to mitigate these impacts. It appears that there is some debate among members of the TAG regarding what forest or wood product related resources are included in the statute's definition of renewable energy resources. Because the scope of this definition will to a large extent determine the potential environmental impacts of compliance with the statute, we believe that it is important for the EMC to clarify the scope of this definition.

In Senate Bill 3, the legislature specifically defined the "renewable energy resources" that may be utilized to meet its requirements. The statute defines a "renewable energy resource" as, among other things, "***a biomass resource, including*** agricultural waste, animal waste, ***wood waste***, spent pulping liquors, combustible residues, combustible liquids, combustible gases, energy crops, or landfill methane. . . ." N.C. Gen. Stat. § 62-133.7(a)(8) (emphasis added). In reading a statute, we must look first to the plain language. "Including" must be given its plain meaning in this context. *Univ. of N.C. at Chapel Hill v. Feinstein*, 161 N.C. App. 700, 704, 590 S.E.2d 401, 403 (2003) ("A fundamental rule of statutory interpretation requires the plain meaning of the statute to control its applicability"). The *Merriam-Webster Dictionary* defines "include" as "to take in or comprise as a part of a whole or group." A statute that lists specific items or categories is read to exclude what the General Assembly did not enumerate. *Morrison v. Sears, Roebuck & Co.*, 319 N.C. 298, 303, 354 S.E.2d 495, 498 (1987) ("the General

Assembly's inclusion of specific terms or categories implies the exclusion of others."); *Evans v. Diaz*, 333 N.C. 774, 779-780, 430 S.E.2d 244, 246-47 (1993) (construing statute with "exhaustive" list to exclude categories not listed). Here, the General Assembly's use of "including" following "biomass resource" limits "biomass resource" to those specific resources in the exhaustive list. Potential biomass resources from forest or wood products are thus limited to "wood waste." If the legislature had intended the specific list of biomass resources to be illustrative instead of exhaustive, it would have used the frequent statutory phrase "including, but not limited to."

That the legislature intended renewable biomass resources derived from forest or wood products to be limited to "wood waste" is reinforced by the canon of statutory construction *nosictor a socilis*: the meaning of words may be enlarged or restrained by reference to the intent of the whole clause. In the list of biomass resources in the statute, "wood waste" is preceded and followed by "agricultural waste," "animal waste," "spent pulping liquors," and "combustible residues." N.C.G.S. § 62-133.7(a)(8). All these are byproducts of a primary industry or endeavor, consistent with the commonly understood meaning of "waste": "damaged, defective or superfluous material produced by a manufacturing process." *Merriam-Webster Dictionary*. It is noteworthy that the statute lists as "biomass resources" "energy crops" in addition to "agricultural waste." If the legislature had intended to include "forests" or "timber" or "wood products" as a renewable wood biomass resource, it would also have listed these more expansive terms instead of or in addition to "wood waste."

Since the statute limits renewable energy resources from forest or wood products to "wood waste," the EMC should develop an operative interpretation of the term "wood waste" to guide its assessment of the potential environmental impacts of this resource and its development of standards to mitigate those impacts. To be consistent with the statute, the definition must be limited to "waste" or "damaged, defective or superfluous materials" of the forest or wood product industry. In the forest industry, this could include slash from timber harvest and thinnings with no commercial pulp or timber value. In the wood products industry, this could include lumber and paper mill residues, furniture manufacturing residues, and other byproducts of primary wood products manufacturing. The definition must exclude harvesting of forests for the primary purpose of biomass feedstock, as this would not constitute "wood waste." We suggest the following definition of "wood waste" that is included as a renewable biomass resource in the statute:

> "Wood waste" that constitutes a renewable biomass energy resource means byproducts from timber management activities such as slash from harvesting or non-commercial thinning of timber stands; byproducts and residue from wood product industries such as sawdust, trimmings, and culled lumber; and finished wood products that would otherwise be discarded such as construction debris and used pallets.

Finally, we understand that there has been discussion among members of the TAG and others of a request to the legislature to clarify or expand the definition of "biomass resource." Regardless of the necessity or outcome of any such effort, it is clear that legislative action takes time. Meanwhile, renewable energy providers are likely poised to submit applications for

renewable energy facilities to the North Carolina Utilities Commission, which has stated its intent to determine on a case-by-case basis whether a resource used by a particular facility is a "renewable energy resource." Order Adopting Final Rules, Docket E-100, Sub 113 (Feb. 29, 2008). Because the scope of the definition of "wood waste" will impact the environmental consequences of renewable energy development, the EMC's establishment of an operative definition of wood waste would assist the Utilities Commission in its efforts to certify renewable energy facilities and help ensure that the environmental impacts of renewable energy development are properly taken into account.

Thank you for your consideration of these comments. If you have any questions or need additional information, please do not hesitate to contact either of us.

Sincerely,

Derb S. Carter, Jr.
Gudrun Thompson

cc (via email):
EMC Renewable Energy Committee
Steve Wall

GT/kbd

Duke Energy
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February 1, 2010

J. Dickson Phillips, III
Lewis Phillips Hinkle, PLLC
P.O. Box 4825
Chapel Hill, NC 27515

Re: Letter from the Southern Environmental Law Center ("SELC") regarding the definition of "biomass resource" under Senate Bill 3 (Session Law 2007-397)("Senate Bill 3")

Dear Mr. Phillips:

We the undersigned want to respond to the letter from the SELC to you, dated January 12, 2010, wherein the SELC offered comments and recommendations regarding its interpretation of the language of Senate Bill 3 and the intent of the legislation with respect to the definition of "biomass resource." Please accept this letter as an informal response to those comments for consideration by the Renewable Energy Committee ("the Committee") of the North Carolina Environmental Management Commission ("EMC"). Simply put, the SELC's comments and recommendations should be disregarded due to the flawed legal reasoning that serves as the foundation for SELC's recommendations. SELC's interpretation of the language of Senate Bill 3 defining "biomass resource" is both inaccurate as to the actual connotation of the word "including" and contrary to accepted legal standards of statutory construction. Importantly, SELC's proposed interpretation would severely limit the ability of our utilities and potential investors in biomass power production to use biomass resources to comply with the renewable energy requirements of Senate Bill 3 and further increase compliance costs for our 1.8 million North Carolina customers.

First, SELC cites the Merriam-Webster Dictionary definition of the word "includes", and yet ignores that actual meaning of the definition. As cited by SELC on page 1, "includes" means "to take in or comprise as ***part*** of a whole or group." (emphasis supplied). SELC somehow interprets this definition as suggesting that words or items that follow the word "includes" are not ***part*** of the whole or group, but actually ***are the entirety*** of the whole or group, to the exclusion of any and all others. To "include" one thing does not implicitly "exclude" another due to the plain fact that "including" one or more items in the specified whole or group simply means that those specified items are ***part*** of that whole or group. Thus, based on a plain reading of the dictionary definition of "include", the addition of the clause, "but not limited to" following "including" is not only unnecessary, but also redundant. To suggest, as SELC does, that the addition of "but not limited to" after "including" is determinative as to legislative intent, is simply wrong. It is our understanding that the North Carolina General Assembly has not used the phrase "but not limited to" after "including" in drafting legislation for over twenty years for this very reason.

Further, based upon generally accepted norms of statutory construction, where a list is preceded by the word "includes," ***which is generally a term of enlargement*** rather than limitation, it indicates that matters ***other than those enumerated*** are covered. *See* Norman J. Singer, 2A *Sutherland on Statutory Construction* 231-232 (2000)(emphasis supplied). Moreover, according to *A Dictionary of Modern Legal Usage*, "including should not be used to introduce an exhaustive list, for it implies that the list is only partial." As illustrated by the citation to *Sutherland on Statutory Construction* above, "it is hornbook law that the use of the word "including" indicates that the specified list . . . that follows is illustrative, not exclusive." *Certified Color Mfg. Ass'n v. Mathews*, 543 F.2d 284, 296 (D.C.Cir. 1976). It is also compelling that ***in none of the cases cited and relied upon by SELC*** (to establish that the list of biomass resources listed in Senate Bill 3 are intended to be exhaustive and exclusive) are the lists covered by those statutes actually preceded by the words, "include" or "including". As such, *Morrison v. Sears, Roebuck & Co.*, 319 N.C. 298, 303 (1987) and *Evans v. Diaz*, 333 N.C. 774, 779-780 (1993) are easily distinguishable from the statutory clause in Senate Bill 3 due to the fact that there is no qualifying language at all, let along the word "including," that precedes the statutory language at issue in those cases.

Based on the above, the legal arguments underpinning SELC's position are inapposite and its comments as to how the EMC should read and interpret Senate Bill 3 should be ignored. Beyond the legal interpretation problems, SELC's arguments suggest a legislative intent behind Senate Bill 3 that is in direct opposition to our experience and understanding relating to the drafting and development of the law. Since the passage of Senate Bill 3, we have supported the expanded use of biomass as a key component of its North Carolina Renewable Energy and Energy Efficiency Portfolio Standards ("REPS") compliance portfolio. That compliance strategy has been based on an understanding that, consistent with the legislative intent of Senate Bill 3, "biomass resources" include a broad range of potential wood fuel inputs: such as biomass residuals, traditional forest products, and additional wood resources produced using advanced management techniques.

As a practical matter, the SELC's interpretation, if followed, would severely limit the ability of all electric power suppliers, to use woody biomass resources to comply with the goals and obligations under Senate Bill 3. In September 2009, officials from North Carolina State University presented a study entitled "Estimating Biomass Supply in the U.S. South" to the Biomass Technical Advisory Group to the EMC. The supply study assumed that logging residuals and roundwood trees of insufficient size or quality to meet the requirements of sawtimber (referred to as pulpwood), would be eligible to be used as biomass fuel. The supply study illustrated that even with increased collection of biomass residuals, these resources would represent only a portion of the biomass fuel resources necessary to meet the bioenergy demands of REPS[1] , and that the demand for woody biomass residuals, which SELC argues are the only wood products aside from energy crops that qualify as "biomass resources" under Senate Bill 3, will quickly exceed supply and availability in the marketplace. Forest2Market, a leading provider of market price and industry trend information for the forest, wood products and bioenergy industries, estimates that on average across the South (including the North Carolina

[1] The study assumed an aggressive escalation in the collection rate for in-woods biomass residuals, increasing from 10% for pine and 8% for hardwoods in 2012 to 66% for pine and 50% for hardwoods in 2025.

supply shed), approximately only 6% of all in-woods biomass residuals are currently recovered for utilization.

Residuals are certainly an important part of the fuel supply for woody biomass resources, but would be woefully inadequate to support the amount of biomass resources necessary to enable power suppliers to use biomass cost-effectively to meet its respective compliance obligations under REPS. Energy crops, including trees grown using advanced management techniques, are a potential biomass resource for the future, but they cannot be planted and harvested in quantities sufficient for the near term 2012 requirements. Thus, if the woody biomass fuel supply in North Carolina were restricted to residuals, the fuel supply for all woody biomass resources in the State would become dependent upon primary logging harvests and be subject to the fluctuations of a secondary, unregulated market. Due to the limitations on supply referenced above, the price of the available biomass fuel will inevitably increase with increasing demand. Further, the cost of woody biomass fuel is highly dependent upon transportation, so any additional restrictions upon fuel supply and sourcing areas will directly impact transportation costs. Taken together, the cost drivers will likely make woody biomass a much less attractive and cost-effective resource for REPS compliance purposes.

We thank the Committee and the EMC for its consideration of these comments in response to the SELC's letter.

Sincerely,

George T. Everett

Jim Eck
Vice President
Business and Development
Dominion North Carolina Power

George Everett
Director
Environmental and Legislative Affairs
Duke Energy Carolinas

Roy Jones
Senior Vice President
Planning and Marketing
ElectriCities

Robert Slocum, Jr.
Executive Vice President
North Carolina Forestry Association

A. Preston Howard, Jr.
President
Manufacturers and Chemical Industry
Council of North Carolina

Robert Schwentker, President
Senior Vice President and General Counsel
North Carolina Electric Membership
Corporation

Caroline Choi
Director
Energy and Policy Strategy
Progress Energy

APPENDIX V

SUMMARY OF EXISTING FORESTRY INVENTORIES & DATA COLLECTION

North Carolina
Department of Environment and
Natural Resources

Beverly Eaves Perdue, Governor
Dee Freeman, Secretary

North Carolina
Division of Forest Resources

Wib L. Owen, Director

February 18, 2010

To: Dickson Phillips, EMC

From: Wib L. Owen

Cf: David Knight, Steve Wall

Reference: Data Review Relevant to Biomass

As requested by the Environmental Management Commission's Technical Advisory Committee on using woody biomass for energy, the Division of Forest Resources has completed a review of current data collections and research underway that will be useful in monitoring an emerging woody biomass industry. Please accept the following as our response to your request.

North Carolina's climate, ownership patterns, forest productivity, and long history of timber production make it especially suitable for producing woody biomass. Reduced pulp and paper production capacity and large scale divestiture of forest industry lands to other owners in recent years also highlight North Carolina forests as significant potential sources of woody biomass for energy production.

Accompanying the potential to produce wood-based bio-energy from North Carolina forests are concerns and questions among some non-governmental organizations, existing forest products companies and public agencies about the long-term sustainability of our forest resources. Concerns and questions are specific to each entity, but taken together include a wide range of forest resource functions and values.

Some of these concerns and questions are:

- What is the definition of woody biomass?
- How much woody biomass is annually available for energy/fuel production?
- What will emerge from Congress and the White House as Federal Energy policy and how will this policy impact North Carolina economically, environmentally and with respect to our Renewable Energy Portfolio Standard?
- What impacts on North Carolina's forest resources will occur as a result of North Carolina's Renewable Energy Portfolio Standard, North Carolina Biofuels targets, European and other overseas markets, pellet fuel markets, and bio-energy markets in other states?
- Will dedicated wood energy/fuel crops emerge and have an environmental impact?
- What impact will a new biomass market have on traditional forest product markets?
- What local impacts will new woody biomass generating facilities have on traditional forest product markets, the sustainability of woody fuel and ecosystem (soil, water, air, wildlife, etc.) sustainability?
- What will be the landscape impacts of this new market?
- Will a biomass market result in the conversion of native stands of trees to plantations?
- Will forests be converted to agricultural land to produce energy fuel crops?
- Will agricultural land be converted to forest land to produce short rotation energy crops?

- What new forest management approaches will emerge as a result of the new market?
- How accessible will timber and biomass be from North Carolina's changing forest ownerships?
- What will be the true environmental effects of an industry that is yet to fully materialize?

We need to ensure that we are collecting data and conducting research that will address these concerns and provide answers to these questions. Division of Forest Resources staff completed an evaluation of data that is currently being collected within the Division of Forest Resources and research that is being conducted by NC State University. The attached Current Data and Research document presents the results of this work. The document outlines data that are currently being collected and research that is currently being conducted relevant to the biomass discussion. In addition, the document also identifies places where additional data fields could be added to help inform biomass decisions. And finally, the document identifies resource needs that should be addressed to ensure that data collection proceeds uninterrupted for years to come.

The Current Data and Research document shows that a wealth of data is being collected with an opportunity to collect additional data that should allow us to monitor our resources and inform future decisions about the sustainability of these natural resources.

Thoughts About How to Proceed

Some key decisions need to be made that will shape the future of wood-based bio-energy usage in North Carolina and the resulting market for forest products. These decisions center on views by two opposing groups. One group wants new regulations on forest products harvested for biomass and a narrow definition of which woody products can be used for bio-energy production versus the other group that feels current rules and regulations are sufficient to protect our natural resources and asks for a broad definition of biomass. In reality, the issues are more complex than the views presented above but these two opposing group views do capture the big picture that must be addressed. On one hand, new regulations and a narrow definition of woody biomass will result in a reduction of woody biomass used for bio-energy production and the inability of this resource to contribute substantially to meeting the goals and targets for renewable energy production established in NC Senate Bill 3. On the other hand, allowing the usage of biomass to develop with current regulations and a broad definition of biomass runs the risk of unsustainable management of our natural resources. A look at the facts about current practices and projections concerning the bio-energy industry will help in analyzing these views and making key decisions.

Though the potential for a significant wood-based bio-energy industry in North Carolina is real, it is yet to emerge in a significant way region-wide. Several areas in North Carolina have been operating bio-energy facilities under current regulations and definitions without resource sustainability problems. Numerous evaluations of the new industry agree that biomass markets and utilization will grow slowly during the next five years. This could be referred to as the development period. We also know that biomass will be harvested using current timber harvest techniques and equipment during this development period. The Division of Forest Resources inspects 3,000 to 4,000 timber harvesting operations annually. These inspections represent the vast majority of timber harvests that occur on private lands in North Carolina annually. These inspections and additional data collected by the Division of Forest Resources confirm that Forest Practice Guidelines (FPGs) and Best Management Practices (BMPs) related to water quality currently provide good protection of our soil and water during timber

harvesting operations. Therefore, during this development period, we are confident that soil and water sustainability will not be an issue.

North Carolina currently has a significant amount of wood waste and residual wood that is not being utilized by current forest industry and could easily be brought to market with existing technology. In addition, Forest Inventory and Analysis data for North Carolina indicate that we are growing more wood than we are harvesting with respect to our current forest product markets. NC State University reports that more than eight million tons of forest biomass are sustainably available annually in North Carolina without using wood grown for traditional forest products. This is enough material to produce 600MW-years of power annually. As a result, we can be confident that our forest resources will not be strained during this development period.

Sustainable management of our forestland ensures a continuous supply of wood, soil and water quality, air quality, good wildlife habitats and recreational opportunities. A broad definition of biomass is more acceptable to stakeholders if sustainable management is ensured. Down and dead wood is an important component of wildlife habitat. Research at NC State University shows that there is not a significant difference in the volume of dead and downed wood remaining on timber harvest sites that include a biomass harvest versus timber harvest sites that do not include a biomass harvest. While additional research is needed and underway for evaluating the effect of biomass harvests on wildlife, we can be confident that during the development period the amount of down and dead wood remaining on site is not an issue. Concerns have been raised over conversion of natural stands to plantations, loss of biodiversity and subsequent loss of wildlife habitat. Current available data are adequate for monitoring sustainability of wood supply, soil and water and biodiversity. We need to evaluate data needs for monitoring wildlife and implement data collection and research to ensure we can track sustainability on this front. Ensuring sustainable management by landowners will also address resource sustainability concerns. Certification programs to ensure sustainability by landowners, such as the Sustainable Forest Initiative and the Forest Stewardship Council, are used by some large landowners in North Carolina but are too expensive for the vast majority of private landowners. The American Forest Foundation's American Tree Farm System Certification (ATFS) offers an affordable alternative for private landowners. For ATFS certification, landowners need a Tree Farm or Forest Stewardship Management Plan. These comprehensive plans include recommendations to manage not only for timber and trees but also for soil and water, wildlife and recreation. Only a very small percentage of North Carolina private landowners have Tree Farm or Forest Stewardship Management Plans. Current funding and policy are not adequate to significantly increase the number of Tree Farm and Forest Stewardship Management Plans to address sustainability. Work should begin immediately to increase funding and change policy during the biomass development period so that sustainability can be addressed while allowing for maximum utilization of our forest resources.

In summary, we are confident that during the next five years and possibly more, while the bio-energy industry is developing, current data collection and research will capture information that is needed to monitor our forest resources and inform our decisions about these new markets and their relationship to resource sustainability. In addition, we are confident that current rules and regulations will protect these resources during this development period and until significant changes occur in harvest techniques, market demand or new dedicated energy wood crops. Above all, we must ensure that all decisions are grounded in science and based on sound scientific principles.

Thank your for your leadership on this issue.

CURRENT DATA AND RESEARCH RELEVANT TO BIOMASS DISCUSSIONS

Introduction

The information presented in this paper is a brief synopsis of forest resource data currently collected by various sources that may be of interest to the Biomass Technical Advisory Group (TAG) of the NC Environmental Management Commission. Where applicable, a discussion of potential options for collecting additional data or conducting further analysis is offered as well as resource needs to ensure data collection. Additionally, two current research studies under the leadership of faculty in the Department of Forestry and Environmental Resources at NC State University that are of direct interest to the TAG are briefly summarized. This summary was compiled by the NC Division of Forest Resources in January, 2010.

North Carolina Division of Forest Resources

A. *Forestry Best Management Practice (BMP) Implementation Survey ['BMP Survey']*

The BMP Survey is a detailed, site-specific evaluation to determine which forestry BMPs are being implemented on active logging jobs across the state. Due to the laborious work of these Surveys, they are conducted on cycles, allowing time to collect, analyze and report on the information collected during the field work. These surveys are distinct and completely separate from DFR's normal day-to-day water quality FPG site inspections.

The BMP Surveys conducted by the DFR follow a protocol that was jointly developed by the USDA-Forest Service and the Southern Group of State Foresters (SGSF), in an effort to standardize how each state in the southern region reports their respective BMP implementation – the widespread adoption of this protocol and sharing of information between state forestry agencies is unprecedented in the U.S., with regards to the monitoring of BMP implementation. The protocol also includes guidance on how to determine the sample size (ie: how many logging jobs to evaluate), in a manner that provides a statistically-founded survey sample. More information about the SGSF Water Resources Committee: *www.southernforests.org/water_committee.htm*. More information about the DFR's BMP Implementation Surveys: *http://dfr.nc.gov/water_quality/water_quality.htm*

How Data are Available

Current: MS-Access database (with entries transcribed from paper forms.)

Future: MS-Access database (with entries made from hand-held electronic devices.)

Frequency of Data Capture

Periodic Cycles every 3 to 5 years. Next Cycle ("Round 3") to begin in 2010.

Current Status

Round 1: Surveys taken on 565 sites from 2000 to 2003. Report is available from DFR.

Round 2: Surveys taken on 212 sites from 2006 to 2008. Data is being compiled for analysis, quality control, and reporting. Expect report to be completed in mid-2010.

Round 3: Targeting mid- to late-2010 to begin Round 3 with all-electronic data capture.

Biomass-Related Information Currently Available from BMP Surveys

- Latitude/Longitude GPS point
- Estimated Harvest Size
- Type of Landowner
- Dominant Land Feature of the Site (wetland, flatwoods, mountains,... etc.)
- Forest Management Prior to Harvest (intensive or passive)
- Timber Harvest Method (clearcut, thinning, select-cut, salvage,... etc.)
- Primary Tree Species Harvested
- Pre-harvest Plan Performed
- Technical Assistance Provided for the Harvest
- Logger Training Program Participant
- Average Width of SMZ (this parameter was not collected during the 2000-2003 Survey)
- Specific Information About SMZ Conditions (refer to excerpt of Survey form)

Additional Biomass-Related Information That Could Be Collected on Future Surveys

- Landowner Name: Allows ability to cross-reference with other DFR databases.
- Type of Logging Equipment: Is a chipper/grinder being used? If 'yes', is it combined with conventional logging equipment, or being used as a stand-alone operation?
- By-Product Utilization: If chips are being produced on-site, what are they being produced for?
- Area of SMZ: How much of the tract is contained within a SMZ?
- SMZ Timber Harvest: Is timber being harvested from the SMZ? If 'yes', we will need a metric to evaluate and report on: perhaps a % of total SMZ; or Basal Area retained in SMZ after harvest.
- SMZ Biomass Harvest: Is material harvested from the SMZ being used for biomass? (this would be a subjective response based on logger's input and evaluator's observations.)

BMP Survey Topics

The topics that are evaluated in the North Carolina Forestry BMP Surveys include:

- General Information; Site Information; Forestry Operations
- Riparian Buffer Rule Applicability/Compliance
- Streamside Management Zones-SMZ
- Stream Temperature
- Debris Entering Stream
- Waste Entering Streams, Waterbodies or Groundwater

- Forest Access Roads
- Skid Trails
- Stream Crossings
- Access Road Entrances
- Rehabilitation of Project Site
- FPG Compliance

Subjective Threat/Risk to Water Quality

In addition to evaluating whether or not a specific BMP is implemented, there is an opportunity to identify whether or not a threat or risk to water quality is observed. As cited in the 2000-2003 Survey Report (page 5):

> *"Conditions that posed a threat or risk to water quality prior to the tract naturally healing over time recorded a 'Yes' response. The surveyors considered the following six factors before making a 'Yes' response:*
>
> 1. *Sediment was delivered to stream/waterbody;*
> 2. *Sediment was likely to be delivered to stream/waterbody during a rainfall event (<=1" over 24 hours);*
> 3. *Sediment was delivered to stream/waterbody via wind gusts;*
> 4. *Adverse stream/waterbody temperatures were a result of harvest;*
> 5. *Logging debris and/or other logging byproducts were left in stream/waterbody;*
> 6. *Chemical or petroleum products had a high potential to reach stream/waterbody."*

Structure of BMP Surveys

During each BMP Survey cycle, the DFR's central office staff specifically trained select DFR personnel across the state to conduct these surveys, in an effort to keep the pool of evaluators relatively small and promote consistency among the survey results.

The BMP Surveys essentially follow along with the voluntary recommendations outlined in the forestry BMP manual, with the evaluator choosing a "yes" or "no" response to indicate whether or not each BMP was observed as being implemented on the logging job. A portion of the 2006-2008 BMP Survey form is provided as an example of the Survey structure and layout. The section excerpted here is for evaluating the activities that were conducted within the SMZs on the tract:

BMP: **Streamside Management Zone (SMZ) Conditions**	BMP PROPERLY IMPLEMENTED AND MAINTAINED			THREATS OR RISKS TO WATER QUALITY	
	Yes	*No*	*N/A*	Yes	No
Overall SMZ Width was adequate to provide effective sediment protection to waterbodies.	☐	☐	☐	☐	☐
SMZ uniformly maintained along intermittent & perennial streams / waterbodies. (i.e. without large gaps)	☐	☐	☐	☐	☐
Roads or trails minimized in SMZ.	☐	☐	☐	☐	☐
Trees were felled away from stream channel.	☐	☐	☐	☐	☐
Skidders and other equipment use was minimized in SMZ.	☐	☐	☐	☐	☐
Forest floor / ground cover is adequately maintained - no more than 20% bare ground for perennial streams; 40% for intermittent streams.	☐	☐	☐	☐	☐
No visible sediment from operations traveling through the SMZ and entering the stream.	☐	☐	☐	☐	☐
Machinery kept out of SMZ in areas where ephemeral streams intersect intermittent / perennial waters.	☐	☐	☐	☐	☐
Logging decks and/or sawmill sites located outside of SMZ.	☐	☐	☐	☐	☐
When no other feasible option exists, logging decks and/or sawmill sites in SMZ ≥ 10 feet from stream/waterbody.	☐	☐	☐	☐	☐
Total Responses for Streamside Management Zone (SMZ) Conditions					

DFR Resource Needs

- $135,000 per year: Salary funding is time-limited, via grant funds through Spring 2011, for the DFR personnel (2 FTE's) that manage this Survey and other BMP projects. Dedicated salary funding is needed to support these 2 FTE's to assure continuity of surveys and BMP program delivery.
- $ 35,000: The purchase of electronic hand-held devices and corresponding software to initiate paperless BMP Survey field data collection and storage has not yet occurred.
- $ 4,000: Upon completion of the '06-'08 report, we wish to publish a limited number of copies.
- BMP Surveys will remain labor intensive, in spite of the planned efficiencies that DFR will implement in future Rounds of survey, including the use of hand-held data collection devices. Extensive travel across the state and per-diem is required. If a more rigorous sampling size or frequency of BMP surveys is desired, then additional DFR personnel, or a re-assignment of existing DFR personnel, would be required to maintain the desired intensity level of survey and reporting.

B. *Forest Management Accomplishment Records and Reports (4220 database)*

County rangers assigned the responsibility of carrying out forest management activities, and foresters working in counties where county rangers are not assigned the responsibility of carrying out management activities are required to keep records of, and report forest management accomplishments. Forest management accomplishment records and reports are required in order to provide continuity of projects, summaries of accomplishments, and evaluation of the program.

Accomplishments consist of **192 forestry-related activities** that are grouped into 12 categories.

Forest Management Accomplishment Categories	
• Management Plans • Site Preparation • Establishment • Forest Protection • Forest Practice Guidelines • Stand Improvement	• Harvesting • Other Resources • Urban Forestry • Best Management Practices • Referral to Consultant • Water Quality

Every accomplishment is linked to a landowner and tract of land. Landowner data includes basic demographic information including name and contact information, ownership information (Private, Public, Forest Industry, Other), private ownership information (Male, Female, Joint), and race (American Indian, Asian, Black, Hispanic, White). Tract information includes acreage, latitude and longitude, and identifies what river basin the tract is located within. Other accomplishment data includes cost share program data, species data, riparian acreage, and Southern Pine Beetle information.

Data Analysis and Collection Opportunities

Create linkages between the 4220 database and other DFR information such as the BMP Survey database and the FPG Inspections database in order to better correlate and understand the impact of DFR forestry management services on FPG compliance and other measures of sustainability.

C. *DFR Water Quality and Forest Management Information (FPG Inspections) and Biomass Harvesting*

Water Quality Foresters, County and District Division of Forest Resources personnel conduct inspections of timber harvesting operations, reforestation operations and miscellaneous activities annually. These inspections represent 3000 – 5000 visits to forestry sites each year. The following table represents data that are collected during water quality inspections and as a result of forest management exams. The "SOURCE" category indicates the hardcopy forms or electronic databases that are used to record this information. As you will notice only 3 types of information is recorded in all 7 of these sources. These are landowner name, latitude/longitude, and county. While we do often record information that can be

useful in answering some of the questions that have arisen concerning biomass harvesting, it is not found in one source and in fact is often located among several hardcopy forms that are in turn filed in separate landowner files.

INFORMATION COLLECTED	SOURCE (SEE FOOTNOTES)	COMMENT
Landowner Name	1,2,3,4,5,6,7	
Landowner Address	1,2,3,4,6	
Landowner Phone #	1,2,3,6	Sometimes obtained and recorded.
Latitude / Longitude	1,2,3,4,5,6,7	Lat/Long information is the standard for DFR. GIS shapefiles are only gathered consistently for Stewardship lands and significant fire polygons.
County	1,2,3,4,5,6,7	
DFR District	1,2,4,7	
River Basin	1,2,6,7	
Estimated Acreage	1,3,4,5,6,7	
Parties involved with Harvest	1,2,7	Level of details can vary from tract to tract.
Active or Inactive Harvest	1,6,7	
FPG Compliance / Non-compliance	1,3,6,7	#7 is used for FPG non-compliance tracts only.
If non-compliance, which FPG standard not met	1,7	There are nine FPG standards.
Date FPG Compliance Complaint Received, Person Receiving Information, Source of Information, Situation Description, Type of Operation	1,6,7	If the site inspection originated from a complaint, this information is recorded. For #6, no details are logged, only that there was a complaint. For #7, only complaint date and source of complaint are logged.
If FPG non-compliance, date brought back into temporary or permanent compliance	2,7	
Riparian Buffer Rule Non-Compliance	1,3,6	
Referral for Enforcement Action Due to Continued FPG non-compliance	2,7	Referrals may be made to NC Division of Land Resources, NC Department of Agriculture, NC Division of Water Quality, or NC Division of Forest Resources, Law Enforcement
Estimated Days Since Harvest was Closed Out	1,3,6,7	
Person performing the exam	1,2,3,5,6	
Date of exam	1,2,3,5,7	
Recommended Activities	1,2,3,6	

Stand Description, Age & Growth Rate, Diameter Range, Hgt of Dominants, Site Index, Basal Area Range, Volume Range, Stand Quality, Midstory/Understory Description, Reproduction, Site Description	3	Details vary with type of exam being performed.
Tree Planting Accomplishments	5,6	
Species of tree planted	5,6	
Type of Cost-Share Applicant	4	Options are: Individual, Joint Owner, Corporation, Association
Cost-Share Practices Needed	4,6	
Actual Cost-Share Work Performed	4,5,6	For #5, site preparation work is recorded only when applicable.
Confirmed Acreage of Cost-Share Work Performed	4	

#1 Hardcopy - 4808-1, Site Evaluation / Compliance Notification

#2 Hardcopy - 4808-2, Site Re-Inspection / Compliance Notification. Only used after an FPG violation has been documented.

#3 Hardcopy - 4203-1A, NCDFR Field Data Sheet

#4 Hardcopy - 4910-1 & 4500-20, State Cost-Share Project Records

#5 Hardcopy - 4204-2, Tree Planting Quality Control Inspection

#6 4220 Database - NCDFR Forest Management and Urban Forestry Accomplishment Reporting and Planning Program

#7 4808 Database - NCDFR Forest Practices Guidelines Violation Tracking Program

There are additional pieces of information that personnel could potentially gather during the course of traditional work events that would help to inform biomass discussions.

Data Analysis and Collection Opportunities

DFR has developed a new Data Management Section that will have a charge of evaluating all of our current databases and analyzing data. Making sure these databases are compatible with interchangeable data and also compatible with our GIS is a priority. Data collection techniques, procedures and equipment will also be evaluated to ensure that all personnel and activities are operating as efficiently and effectively as possible.

DFR Resource Needs

2 FTE's to support a Data Management Branch head and Fire Environment data specialist.

Data logging equipment to facilitate collection and transfer of data.

USDA Forest Service

A. Southern Pulpwood Production Survey and Report

An annual report that presents the findings of a 100-percent canvass of pulpmills that draw roundwood or wood residues from the 13 Southern States. Annual reports date back to 1953.

Data collected in the survey include:

- Company information (address, telephone numbers, email and web site information, contacts, location).
- Roundwood and chips from roundwood received by State/County and foreign sources.
- Plant byproducts received by origin (State).
- Use of bark (by percentage) for various purposes (*fiber products, charcoal or chemical wood, industrial fuel, mulch, miscellaneous uses including livestock bedding and mulch, other uses, not used*).
- Quantity of bark sold
- Quantity of in-woods chips used as boiler fuel

Report findings for North Carolina include:

- Total roundwood pulpwood production (softwood and hardwood)
- Total residue pulpwood production (softwood and roundwood)
- Roundwood pulpwood production by County (softwood and hardwood)
- Roundwood pulpwood movement between States (softwood and hardwood)
- North Carolina pulpmills by process and capacity

USDA Forest Service/North Carolina Division of Forest Resources

A. Forest Inventory and Analysis Program

The McSweeney-McNary Forest Research Act was passed in 1928 creating the first Forest Inventory and Analysis program conducted by the USDA Forest Service. The Forest and Rangeland Renewable Resources Research Act of 1978 replaced earlier legislation and this to was amended by the Agriculture Research, Extension, and Education Reform Act of 1998 (Farm Bill). Collection of forest inventory data in NC began in the 1930s when the first permanent forest inventory plots were established. The USDA Forest Service historically established and re-measured forest inventory plots in North Carolina on an approximate ten (10) year cycle. Known as the Forest Inventory Analysis (FIA) program, this periodic survey was a sort of forest "census" documenting and determining the status, trends, volume, availability, species, health, etc. of the many types of forests in North Carolina. The 1998 Farm Bill identified that our natural resources were changing at a faster pace than in the past and that the survey should be collected annually on a 5-7 year cycle. Field work for the first seven periodic surveys of NC were completed in 1938, 1956, 1964, 1974, 1985, 1990 and 2002. Field work for the eight survey (annual) was completed in 2008.

Types of Data collected:

Land Attributes	Tree Attributes
Condition Status	Tree Species
Reserved Status	Tree Status
Owner Group	Tree Class
Forest Type	Crown Class
Stand Size Class	Tree Grade
Regeneration Status	Tree Diameter
Tree Density	Tree Height
Owner Class	Standing Dead
Stand Age	Damages
Disturbance Type and Year	
Treatment Type and Year	
Physiographic Class	
Site Class	
Presence of Water/Snow	

Report findings for North Carolina include:

- Historical Statistical reports from the USDA Forest Service.
  - Temporal changes in land use/forested acres.
  - Changes in Forest type/stand age/and species composition over time.
  - Many other comparisons of land and tree attributes.
- Interactive online data mining tool Forest Inventory Data Online (FIDO) (http://fiatools.fs.fed.us/fido/index.html) allows users to compare the above attributes from surveys completed in 1984, 1990, 2002, and 2007.
  - Land use trends, Acreage, Product Volumes, and Biomass can be calculated for each survey and can be quantified
  - Biomass volumes for forest land or timberland can be calculated for all live aboveground, merchantable, top and limb, sapling, stump, and below ground volumes along with standing dead and down woody material materials.
- EVALIDATOR (http://fiatools.fs.fed.us/Evalidator401/tmattribute.jsp) is an online tool by USDA Forest Service that allows you to populate tables with the above attributes and calculates sampling errors.
- The USDA Forest Service, Southern Research Station can also field specific request that are not readily available online.

B. Timber Product Output Survey and Report

This report contains the findings of a biennial canvass of all primary wood-using plants in North Carolina, and presents changes in product output and residue use. It complements the Forest Inventory and Analysis (FIA) inventory of volume and removals from the State's timberland. The survey is conducted to determine **the amount and source of wood receipts** and **annual timber product drain, by county**, and to determine **interstate and cross-regional movement of industrial roundwood**. Timber product output reports date back to 1964.

Only primary wood-using mills are surveyed. Primary mills are those that process roundwood in log or bolt form or as chipped roundwood. Examples of industrial roundwood products are saw logs, pulpwood, veneer logs, poles, and logs used for composite board products. Mills producing products from residues generated at primary and secondary processors were not canvassed. Trees chipped in the woods were included in the estimate of timber drain only if they were delivered to a primary domestic manufacturer.

Data collected in the survey include:

- Company information (address, telephone numbers, email and web site information, contacts, location, type plant, products, mill status).
- Total quantity and type of raw material received
- Volume of product produced from logs received

- Receipts of logs on a percentage basis, by species group and origin (County level for NC, State level for out-of-state).
- Type of equipment in use at facility (including wood fired boilers)
- Disposal of mill residues by residue classification (*bark, coarse residues, fine residues*) and end use (*fiber products, particle board, charcoal or chemical wood, small dimension products, industrial fuel, mulch, miscellaneous, not used*).

Report findings include:

- Output of Industrial Timber Products (sawlogs, pulpwood, veneer logs, composite panels, other industrial products).
- Plant byproducts
- Total roundwood output (Source, ownership, species)
- Regional trends (mountain, Piedmont, Coastal Plain)
- TPO table maker website link

C. *NC Harvest and Utilization Study (2002)*

Report presents the findings from a harvest and utilization study conducted during the seventh inventory of North Carolina's forest resources completed in 2002. The study's main goal was to provide an estimate of softwood and hardwood volume used, and of volume left in the woods as logging residue. Survey crews sampled and measured trees harvested in a variety of logging operations, and analysts calculated wood volume and percent of utilization. Harvest volume data and factors for growing-stock and nongrowing-stock logging residues were described and interpreted.

Data collected include:

- Location (State, Survey Unit, County, Location)
- Stand origin (planted or natural)
- Tree Measurements (Species, Source, Diameter at breast height (DBH), Tree class, Product, bole and section lengths, cull, outside bark diameters)
- Types of logging equipment being used

Report findings include:

- Average DBH by product
- Average bole length by product
- Average residual stump height
- Average diameter (outside bark) at the end of utilization
- Disposition of harvest volume (utilized or not utilized) for softwoods and hardwood
- Source of non-utilized volume (growing stock or nongrowing stock) for softwoods and hardwoods
- Disposition of growing-stock volume (utilized or not utilized) for softwoods and hardwoods

NC Department of Revenue

A. *NC Primary Forest Product Assessment Act and the NC Forest Development Program*

The Forest Development Act of 1977 provided for the establishment of a Forest Development Program (FDP) to:

- Provide financial assistance to eligible landowners to increase the productivity of privately owned forests of the State through the application of forest renewal practices.
- Insure that forest operations in the State are conducted in a manner designed to protect the soil, air, and water resources, including but not limited to streams, lakes and estuaries through actions of landowners on lands for which assistance is sought.
- Implement a program of voluntary landowner participation through the use of a forest development fund.

The forest development fund consists of assessments on primary forest products collected under Article 12 of Chapter 113A of the General Statutes (**Primary Forest Product Assessment Act**), General Fund appropriations, and gifts and grants made to the fund.

The assessment shall be levied against the processor of the primary forest product and shall be remitted to the Secretary, Department of Revenue on a quarterly basis. Primary forest products include those products of the tree after it is severed from the stump and cut to its first roundwood product for further conversion. These products include whole trees for chipping, whole tree logs, sawlogs, pulpwood, veneer bolts, posts, poles, and pilings.

Data submitted to the North Carolina Department of Revenue by primary processors includes company contact information and information on the quantity of primary forest products processed by product categories.

Under the Primary Forest Product Assessment Act, the production reports of the various processors shall be used only for assessment purposes and production information will not be made a part of the public record on an individual processor basis. Information available to the NC Division of Forest Resources is limited to a quarterly report of aggregate statewide total quantities of primary forest products severed by product category.

<u>Data Analysis and Collection Opportunities</u>

The Forestry Council, an 18 member advisory council appointed by the Governor, President Pro Tempore of the Senate and Speaker of the House, is evaluating the FDP and will make recommendations to DENR on how to address Biomass issues related to this program.

Research Studies

A. Sustainable Woody Biomass Resources for North Carolina

Lead Organization: NCSU Forestry Extension

Principal Partners:

NCSU Cooperative Wood Products Extension, NCSU Department of Wood and Paper Science, NC Solar Center, Southern Forest Resource Assessment Consortium, NC Division of Forest Resources, Brooks Forest Products Center VPI & SU, NC Department of Commerce, Biofuels Center of North Carolina

Justification:

To develop sustainable woody-biomass based industries in North Carolina, a focused more formalized effort is needed to develop and maintain a reliable accounting of resource availability and use. Having readily available answers to these questions and engaged partners such as the Biofuels Center of North Carolina, Cooperative Extension Forestry at NC State University, and the NC Department of Commerce, the NC Solar Center, and the NC Division of Forest Resources will position North Carolina as a state where biobased energy can be sustainably produced and projects will have long-term viability and success.

Energy independence, increasing costs of finite fossil fuels, climate change, and the need for economic development factors are driving the U.S. and North Carolina towards renewable energy, chief among them rural economic viability. In response, the state and Federal government have developed programs, incentives, and legislative requirements to promote technologies such as biofuels and power production. Other state and Federal action will continue to develop. The Biofuels Center of North Carolina mission is to develop a statewide biofuels industry to reduce the state's dependence on imported liquid fuels. In 2007, the General Assembly passed the Renewable Energy Portfolio Standard to promote renewable-generated electricity production, most of which will be based on woody biomass.

Although woody biomass is an abundant resource in North Carolina and the region, there is existing demand within the paper industry and forest products industry. Development and recruitment of sustainable woody biomass and biofuels requires answers to the following data projections from a state perspective and for specific proposed projects:

- Projected sustainable resource stocks statewide, by economic region and for a specific project
- Cost estimates for delivered feedstock (energy value, green and dry weights)
- Existing and projected use
- Long-term trends for supply, use, or cost

Objectives:

1. Develop and maintain a statewide data base of available woody biomas including, but not limited to:

    - Logging and land clearing residues,
    - Pulpwood
    - Financially non-productive (highgraded) woodlands
    - Secondary mill residues
    - Urban yard and storm waste
    - Clean industrial and retail wood waste
    - Agricultural residues
    - Purpose grown biofuel and biomass feedstocks

2. Develop and maintain a statewide database of existing and officially announced users of woody biomass including non-energy uses that utilize the same resource.

3. Integrate appropriate data layers and analytical tools to allow localized scenario-based analyses of impacts of possible projects.

4. Develop the capability with graphical interface of forecasting trends in resource availability and use and feedstock costs.

B. *Developing Research-based Biomass Harvesting Guidelines to Improve Sustainability of Harvesting Woody Biomass for Renewable Energy*

Lead Organization: NCSU Department of Forestry & Environmental Services

Project Summary/Abstract:

We propose an Integrated, Standard Project that addresses Priority 1 for the Managed Ecosystems Program with a focus on understanding, delivery, and implementation of sustainable woody biomass harvesting in agroecosystems. As the U.S. moves toward renewable-based energy, there will be enormous pressure to produce energy with woody biomass from forests. Forests provide a variety of ecosystem services; however, intensified resource extraction from forests may impact the balance of services. Biomass Harvesting Guidelines (BHGs) may be used to protect, maintain, and enhance biodiversity, wildlife habitat, and site productivity during biomass harvesting. However, research is needed to guide development and evaluate the efficacy of BHGs, especially related to wildlife habitat.

We will monitor the environmental response (e.g., wildlife populations and degree of soil erosion) at a replicated set of woody biomass harvesting treatments to develop better information that can be used to modify existing BHGs or guide the development of new BHGs. We also will engage biomass harvest operators and other stakeholders via interviews and surveys and perform an economic analysis to ensure that recommended BHGs are operationally feasible. Based on research results, we will integrate recommended BHGs into forest certification system standards that will ensure environmental protection during harvests. We will employ an array of novel extension methodologies, including eXtension, webinars, existing forest-based bioenergy websites, and regional workshops, to transfer technology related to the project. We also will use novel techniques, including a new online course, to engage undergraduate and graduate students in issues related to woody biomass harvesting.

N.C. ENVIRONMENTAL MANAGEMENT COMMISSION QUARTERLY REPORT TO THE ENVIRONMENTAL REVIEW COMMISSION

Covering the period October 1, 2009 to December 31, 2009

This quarterly report is submitted to the Environmental Review Commission on the EMC operations, activities, programs, and progress pursuant to the requirements of G.S. 143B-282(b). This report is for the months of October 1, 2009 to December 31, 2009 and provides information on the actions of the EMC.

I: Nutrient Control Strategies Sections 2, 3 and 4 of Session Law 2005-190 (as amended by SL 2006-259 and SL 2009-486)

Falls Lake - Section 2. (b) of Session Law 2005-190

The EMC is required to report its progress in assessing and identifying nutrient control strategies and criteria necessary to prevent excess nutrient loading in the Falls Lake water supply reservoir. The following is an update on the progress.

On November 19, 2009, in accordance with G.S. 143-215.1(c5), the EMC approved the Falls Lake calibrated nutrient response model for use by the Division of Water Quality (DWQ).

DWQ held an 8th stakeholder meeting on August 20, 2009 to continue the discussion of nutrient management strategy concepts with stakeholders and review the new timeline and other requirements for Falls Lake passed by the 2009 General Assembly. The 2009 regular session produced SB1020, a bill devoted to water quality improvements in Falls Lake. This bill revised the EMC adoption deadline for a Falls Lake strategy to January 15, 2011 and added certain requirements aimed at water quality improvement in the watershed. The bill was ratified and presented for the Governor's signature Aug. 11, 2009.

In September 2009 the Falls Lake Stakeholder group broke into four smaller subcommittee groups to continue work on detailed rule concepts and draft language for the different sources of nutrients to the lake. The subcommittees met a combined total of twelve times between September 17th and December 7th, 2009 to discuss detailed nutrient reduction rule ideas by source type and provide input on the fiscal impacts of the strategy. In late November and early December draft rules addressing new development stormwater, existing development, agriculture, and point sources were provided to stakeholders for their review and to submit comments to DWQ by December 29th. DWQ plans to reconvene the full stakeholder group on January 21st to review revised drafts of

the rules before taking the package to the Environmental Management Commission for approval to go out to public comment in March 2010.
Staff provided an update on the rule development process to the EMC at their November 19, 2009 meeting and will provide a second update at their next meeting on January 14, 2010.

The present schedule for EMC action is as follows:

- January 14, 2010 EMC meeting - staff reports to the EMC with update on process.
- March 2010 EMC meeting- draft rule package to EMC
- Spring / Summer 2010 - public comment period, public hearings, hearing officer meetings and draft report.
- September 2010 EMC meeting - hearing officer report and recommendation to EMC.

Jordan Reservoir - Section 4 of Session Law 2005-190

The EMC is required to report its progress in developing and implementing nutrient management strategies for the B. Everett Jordan Reservoir. The following is an update on that progress.

The Jordan rules were approved and adopted by the EMC and RRC in 2008. They were then reviewed by the 2009 General Assembly. Eight of the rules were approved, and the other five rules were revised or replaced by two session laws. All of the rules were effective by August 11, 2009.

The DWQ is implementing the initial requirements of the Jordan rules and performing outreach activities. The EMC approved a model local buffer ordinance in September 2009, which was distributed to local governments. Two outreach meetings were held in October 2009 geared towards local governments. A new website was put on-line: http://www.jordanlake.org/home. DWQ developed and distributed a guidance document to assist local governments in developing Stage 1 existing development programs, which were required to be submitted to the Division by the end of 2009. Contractors are developing a new accounting method and a model ordinance for the stormwater rule. DWQ began administering the buffer rules in August 2009 for certain activities. The Division Director formed a Watershed Oversight Committee, which was required by the Jordan agriculture rule. The Committee will have its first meeting in late January or early February.

II: EMC Rulemaking Actions

- Approved the Hearing Officer's Report on Amendments to Underground Storage Tank Secondary Containment to allow electronic liquid detecting sensor monitoring as a method of monitoring the interstitial space of a double-walled UST.

- Approved the request to proceed to Public Hearing to Amend Municipal Waste Combustor Rules to reflect revised 40 CFR 60 and 62 Subparts that reduce permitted emissions and clarifies testing requirements; operator training and certification; and monitoring, recordkeeping, and reporting requirements.

- Approved the Hearing Officer's Report on Revisions to NOx Rules Applicability, Acrylonitrile AALs, Definition of Fugitive Dust, and Lead Ambient Standards to clarify and correct the nitrogen oxides (NOx) applicability rules, update the Acceptable Ambient Levels for Acrylonitrile, clarify the definition of fugitive dust, and update the ambient standard for lead.

- Approved the request to proceed to Public Hearing with Revisions to the State Wastewater Pretreatment Regulations.

III: Other EMC Actions

- Approved a Groundwater Variance for the City of Raleigh Public Utilities Department including terms agreed upon by the City, Neuse Riverkeepers and DWQ.

- Approved the request to Delegate Approval of Local Reclaimed Water Permitting Programs to the Division of Water Quality Director.

- Approved the Falls Lake Calibrated Nutrient Response Model.

January 15, 2010

Stephen T. Smith
Chair
N.C. Environmental Management Commission

Report to the Environmental Review Commission On the Implementation of the Sedimentation Pollution Control Act By the Department of Environment and Natural Resources Division of Land Resources, Land Quality Section

October 1, 2009

§ 113A-67. Annual report. The Department shall report to the Environmental Review Commission on the implementation of this Article on or before 1 October of each year. The Department shall include in the report an analysis of how the implementation of the Sedimentation Pollution Control Act of 1973 is affecting activities that contribute to the sedimentation of streams, rivers, lakes, and other waters of the State. The report shall also include a review of the effectiveness of local erosion and sedimentation control programs.

The following information is submitted to fulfill this reporting requirement.

Executive Summary

This reporting period has presented a number of challenges to the administration of the State Sedimentation Control Program, mostly related to the slow economy. The number of new projects approved this past fiscal year decreased for a second year. However, the total number of projects still active and requiring inspections did not similarly decline because construction has slowed or stalled on many projects before final stabilization. The State Sedimentation Control Program is funded approximately 75% by receipts. As a result of the severe economic downturn and the sharp reduction in receipts, the program was forced to eliminate three positions this year and leave four additional positions vacant.

The Sedimentation Pollution Control Act was also subject to statutory amendments and legal interpretation this year. Existing procedures for appealing the assessment of a civil penalty assessed by a local government have been the subject of legal dispute. Determining if a land disturbing activity was for development or for forestry was also the subject of legal interpretation this year. Development on steep slopes in the mountains continues to cause problems in erosion and sedimentation control and long term problems of slope stability.

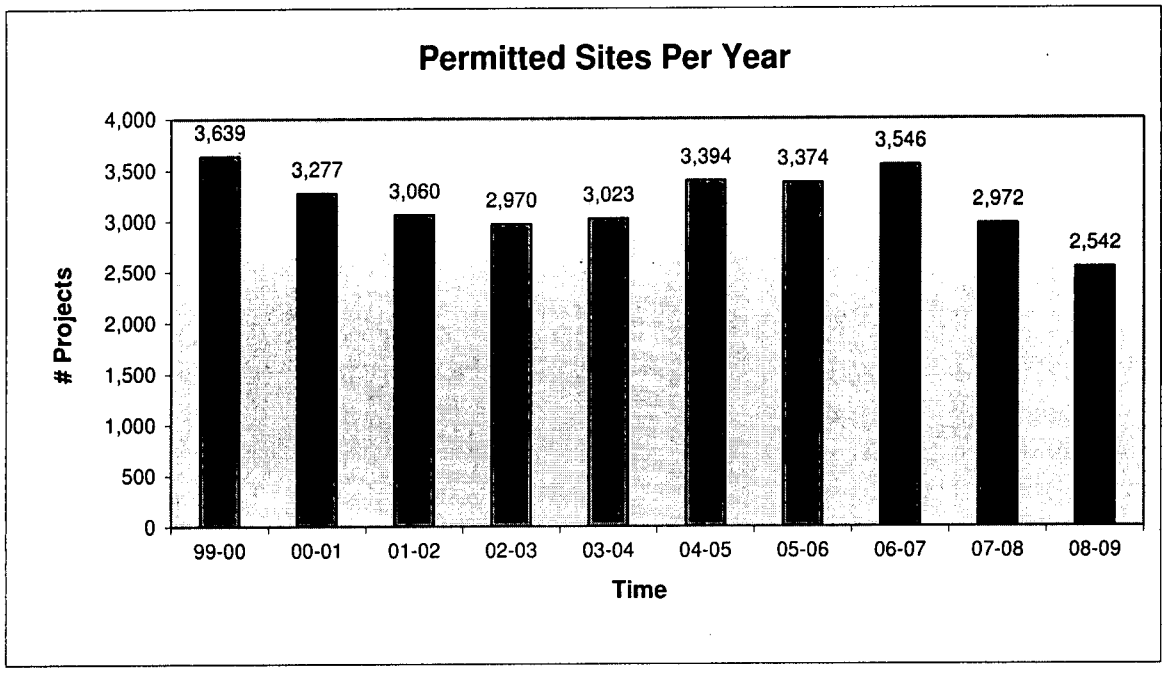
The economic situation has resulted in many disturbed tracts of land being abandoned without completion of development. Soil erosion and sedimentation damage from these bankrupt, foreclosed or abandoned developments is a serious problem. The Department is working with lending institutions that receive these properties to take remedial actions. However, there are a number of sites that have been completely abandoned with no responsible party to take remedial action. Several local governments with delegated erosion and sedimentation control programs have been able to stabilize abandoned sites because they require reclamation bonds or securities. On a positive note, staff turnover that previously had been a chronic problem was not a problem this year. The increase in the number of sedimentation inspections is a result of not having to spend as much program time recruiting and training new personnel.

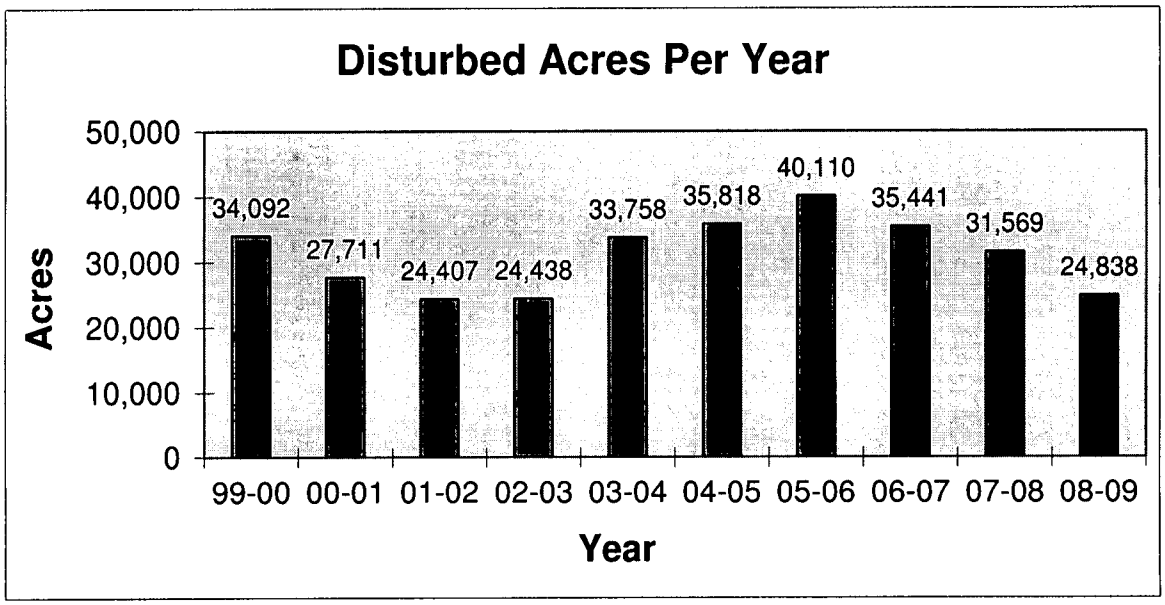
Additional amendments to the Sedimentation Pollution Control Act may be necessary to address these problems of funding and clarification of jurisdiction.

Background

"The sedimentation of streams, lakes and other waters of this State constitute a major pollution problem. Sedimentation occurs from the erosion or depositing of soil and other materials into the waters, principally from construction sites and road maintenance. The continued development of this State will result in an intensification of pollution through sedimentation unless timely and appropriate action is taken. Control of erosion and sedimentation is deemed vital to the public interest and necessary to the public health and welfare, and expenditures of funds for erosion and sedimentation control programs shall be deemed for a public purpose". –Preamble to the Sedimentation Pollution Control Act of 1973

The number of new projects under State jurisdiction was at its lowest level since the 1994-95 fiscal year. New projects have steadily declined from 3,546 in the 2006-07 fiscal year to 2,542 in the 2008-09 fiscal year. However, the overall number of 8000 active projects has not significantly decreased during the fiscal year because projects have not been completed and closed out. The actual area of land-disturbance covered by new approved erosion and sedimentation control plans decreased to 24,838 acres for the 2008-2009 fiscal year, the lowest level in six years. These totals do not include areas administered by local governments, or land disturbed by the Department of Transportation.





Implementation

The Division of Land Resources, Land Quality Section, administers the SPCA within the Department of Environment and Natural Resources. The Sedimentation Control Commission has also delegated administration of the SPCA to 52 county or municipal governments. These local program delegations do not regulate land-disturbing activities conducted by local, State or United States government or persons with the power of eminent domain (e.g. public utilities), which remain under jurisdiction of the Land Quality Section.

The Land Quality Section has 61 full time equivalent positions (FTE) to handle the administration, plan review, inspection and enforcement of the sedimentation program. Three positions were eliminated to meet budget reductions. Fifty-five of the positions are located in the Department's seven regional offices, where they conduct inspections and review erosion and sedimentation control plans.

Regional activities for the 2008-2009 Fiscal Year include:

3,260 erosion and sedimentation control plan reviews,
19,884 sedimentation site inspections,
557 notices of violation, and
60 enforcement case referrals.

The Land Quality Section Program collaborates closely with the Division of Water Quality's stormwater management program in permitting, inspection and enforcement activities. The Land Quality Section encloses a copy of the general stormwater permit for construction activities with each erosion and sedimentation control plan approval, and provides the Division of Water Quality with a copy of the financial responsibility/ownership form that accompanies each plan submittal. When sedimentation inspection reports document potential violations of the general stormwater

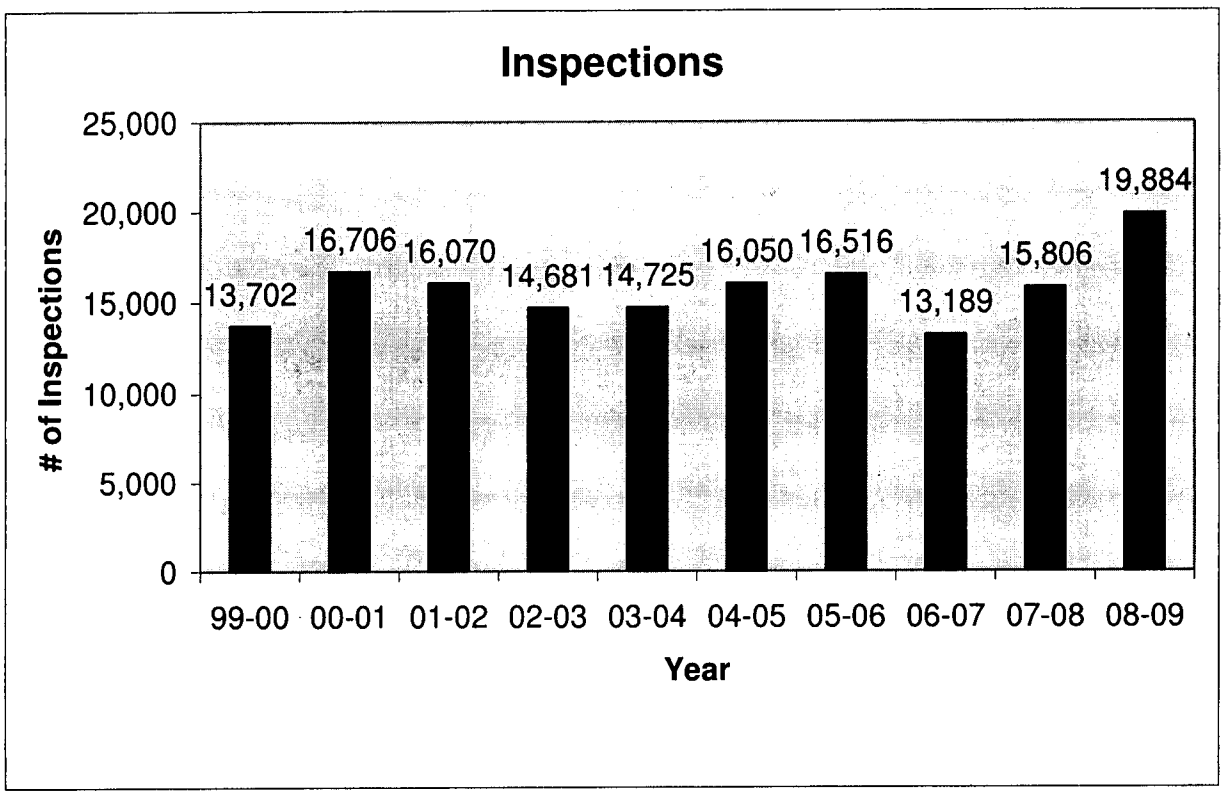
permit for construction activities, a copy is furnished to the Division of Water Quality. Any enforcement activities are coordinated between the agencies.

Plan Approval

The SPCA requires a review of the required erosion and sedimentation control plan within 30 days for a new plan submittal and 15 days for a revised plan. However, an Express Permitting program for erosion and sedimentation control plans provides for plan review within three days for an additional fee, and is now available at all regional offices. During the 2008-2009 Fiscal Year, Express Permit reviews decreased to 434, compared to 584 the year before. The most express reviews were in the Wilmington Region, where it is advantageous to package express reviews of the coastal stormwater permit and the erosion and sedimentation control plan.

Inspection

Inspectors from the seven regional offices inspect land-disturbing activities and complete sedimentation inspection reports. The reports document field observations and compliance or non-compliance with the SPCA. The infrequency of inspections remains a chronic problem that limits the effectiveness of the sedimentation program. Regional staff completed a record 19,884 sedimentation inspection reports in the 2008-2009 Fiscal Year. However, this still resulted in an average interval between inspections of 4.4 months. Complaints remained almost exactly the same as the previous year at 1,030. The Asheville Region again received the most complaints, reflecting public awareness and concern for protecting our valuable mountain water resources.



Enforcement

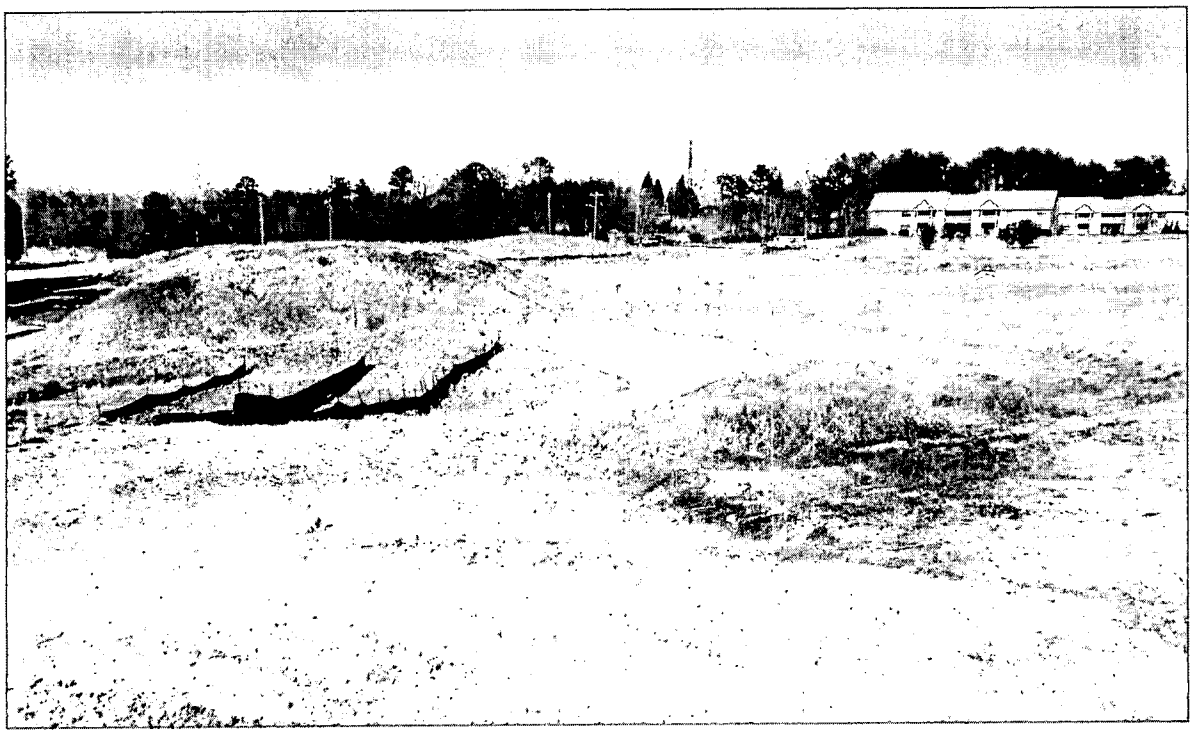
The Division of Land Resources documents compliance or non-compliance with the SPCA through sedimentation inspection reports. Most violations are resolved by providing an inspection report to the responsible party and requesting correction of the deficiencies. Of the 19,884 inspections conducted during the 2008-2009 Fiscal Year, 557 (2.8%) resulted in a Notice of Violation. The Notices of Violation led to 60 requests from the regional offices for additional enforcement action (11% of NOV's issued). Forty-six civil penalties were assessed, including 17 initial penalties of $5000 or less.

The greatest dilemma this past year has been projects that stopped short of completion. Many residential subdivisions were abandoned before completion, without sufficient storm drainage facilities or ground cover to prevent soil erosion. The consequence has been many bare sites left exposed to the rain and wind. Stormwater runoff is often concentrated by graded roadbeds, but is not conveyed in a stable manner by storm drains or permanent channels. The result is deep gully erosion of the roadbeds, fill slopes and unstable ditches. Dramatic collapse of curbing and drop inlets has been observed where all the soil was lost around the structures. Temporary sedimentation basins are not maintained, and eventually overflow with sediment.



Bankrupt subdivision in Gaston County

The Department has sought cooperation with lending institutions that take possession of these bankrupt or foreclosed developments to "limit the bleeding" of sediment into streams and adjoining property.



Foreclosed site in Rowan County with remedial measures provided by lending institution.

There are a number of projects that have been completely abandoned. The developers of these projects have gone bankrupt and the banks have refused to take the property or the Bankruptcy Court Trustee has abandoned the property.

Local Programs

The Sedimentation Control Commission encourages local governments to administer a delegated erosion and sedimentation control program by providing a model ordinance, cost share funding for start-up and technical assistance. Once a program is delegated to a local government, the Land Quality Section provides periodic oversight to ensure that the local programs are meeting the standards for the State program. State personnel informally assist and advise the local staff on problematic sites. A review of each local program is scheduled at least every two years. Land Quality and the Attorney General's Office review the city or county ordinance to ensure that it is as stringent as State law and rules. The Land Quality Regional Engineer and Sediment Specialist and/or their assistants meet with the local program staff during the review. A detailed report is provided back to the local government, noting strengths, deficiencies and corrective actions. A summary report is presented to the Sedimentation Control Commission at its quarterly meetings. The Commission then takes action to continue the delegation, place the program on probation, or give 30 days' notice that the Commission will assume administration and enforcement of the program.

Seventeen local program reviews were conducted during the past fiscal year. No programs were placed on probation by the Sedimentation Control Commission. Two of the reviews found problems that warranted a follow-up review to ensure that remedial actions had been taken. One local government placed on probation last year voluntarily rescinded its program. The Town of Columbus in Polk County received new program delegation this year.

Local programs have also experienced the same challenges from bankrupt developments and budget constraints. Some local governments have cut staff or reassigned them to other tasks.

The fees charged by local programs were surveyed and are included in this report. The fee for approval and/or permitting of land-disturbing activity ranges widely, from $8 to $980 per acre. The average fee is $274 per acre and the median fee is $170 per acre. North Carolina General Statues set the review fee charged by the Division of Land Resources at $65 per acre. (To compare the rates of various local programs and the State, a table was developed for the fees associated with a five-acre land-disturbing activity. Using a five-acre site allowed comparison of programs that charge a flat rate, a rate per acre or a combination of both. The resulting values were divided by five to get the per acre rates presented above.)

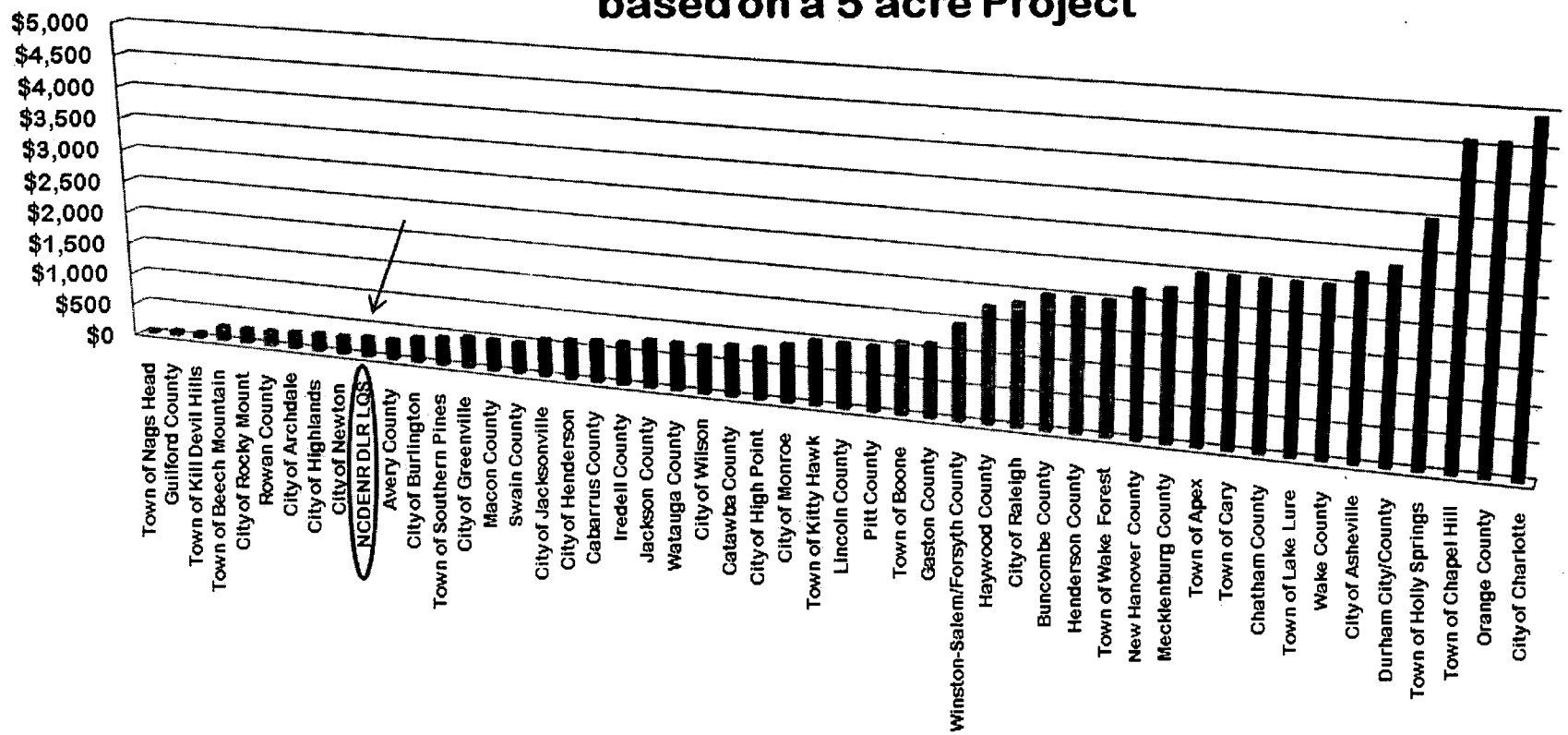
Training

Three workshops were held for design professionals, along with the annual workshop for local government erosion and sedimentation control personnel. N.C. State University is independently offering training workshops on various aspects of erosion and sedimentation control. The N. C. Department of Transportation requires its employees and contractors to obtain certification in erosion and sediment control and stormwater management through one-day courses offered by N. C. State University.

Statutory Amendments

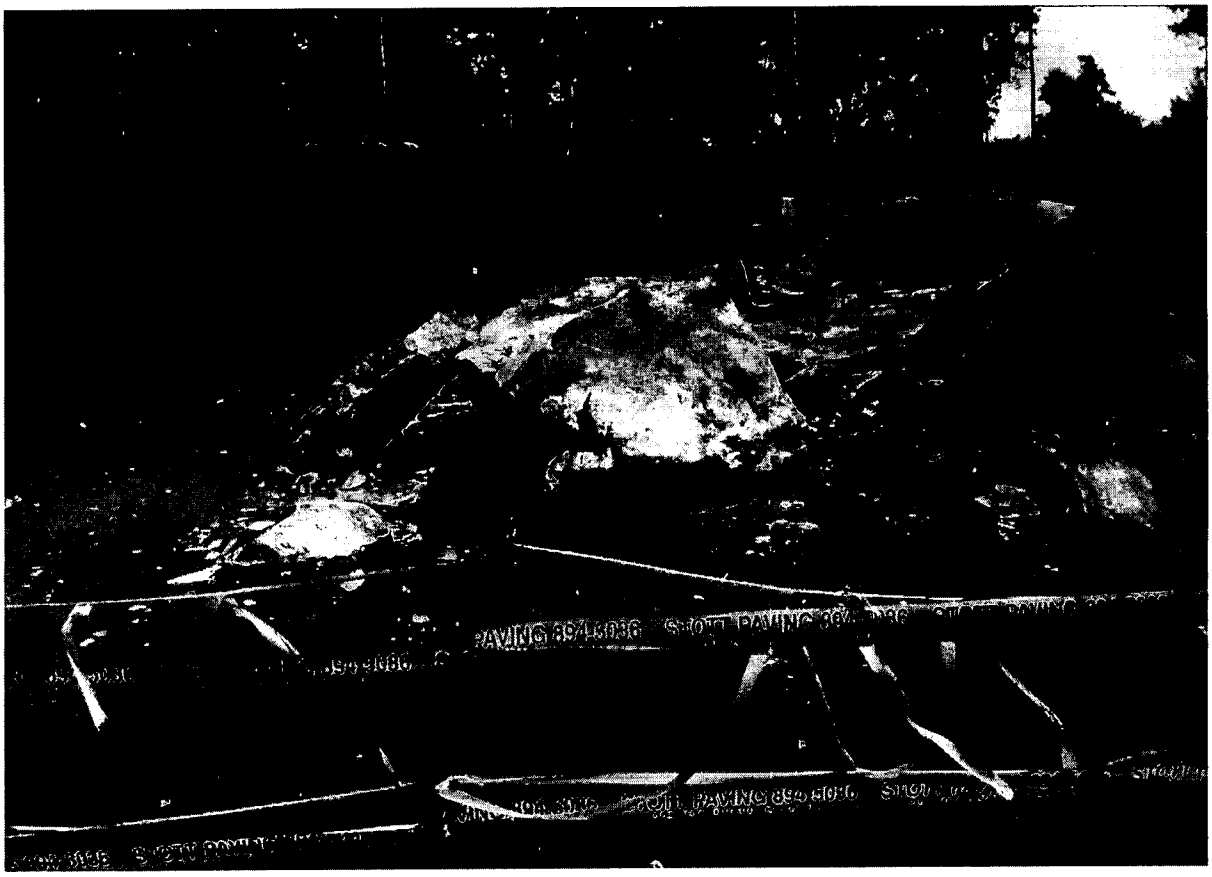
Session Laws 2009-269, 2009-406 and 2009-486 affect the SPCA. S.L. 2009-269 provided that when injunctive relief is sought pursuant to the SPCA, notice should be filed with the Clerk of Superior Court in accordance with N. C. General Statue 1-117. S.L. 2009-406 extended the expiration date of approved erosion and sedimentation control plans. Normally, an approved plan will expire in three years if the project is never started. As a result of S.L. 2009-406, the running of this three year period is suspended until after December 31, 2010. S.L. 2009-486 prescribes temporary erosion and sedimentation control standards for the Upper Neuse River Basin, or Falls Lake watershed. It also requires the Sedimentation Control Commission to develop permanent rules for the watershed by December 31, 2011.

Erosion and Sediment Control Plan Review/Permit Fees based on a 5 acre Project



Regulatory Issues

Development in areas with a high landslide hazard potential, and the construction of artificial slopes remains a serious concern. Whether implemented by local governments or a state agency, uniform standards for development on steep slopes are needed.



Rockfall at a Subdivision in Polk County.

In 2008, House Bill 2506 sought to clarify the process for considering appeals of civil penalties assessed by local governments and to establish the authority of local governments to issue stop work orders. The bill was not reintroduced in 2009, but there may be continuing interest on the part of local governments to have these issues clarified.

The abandonment of developments this past year has renewed interest in requiring reclamation bonds or securities for land-disturbing activity. Nine local governments require a bond as part of their erosion and sedimentation control ordinance. Forfeited reclamation bonds and securities have allowed them to establish adequate groundcover on abandoned developments. The potential environmental damage from an abandoned site increases with the size of the area left bare and eroding. Consideration may now be appropriate for requiring bonding for larger sites. The bonding would target larger projects that have the most potential for sediment loss and not place a financial burden on small projects. Currently, mining activities are bonded in North

Carolina. Reclamation costs for abandoned development are comparable to those for a soil mine, which requires a bond of $2000 per acre for regrading and establishment of ground cover.

The review fee for erosion and sedimentation control plans is set in the SPCA at $65 per acre. The funds generated from the review fee have been significantly drained during the past year, requiring the Section to eliminate three positions and leave an additional four positions vacant. By comparison, the fees charged by delegated local programs to cover their costs have a median of $174 per acre and an average of $274 per acre. The General Assembly may want to review the adequacy of the review fee to cover state program costs.

RESOLUTION REGARDING QUALIFIED INSPECTION PERSONNEL FOR NORTH CAROLINA CONSTRUCTION ACTIVITIES FOR EROSION AND SEDIMENTATION CONTROL

WHEREAS, sediment runoff degrades land resources, and sediment is a pollutant of concern for waters of the state that can adversely impact aquatic habitat; and

WHEREAS, the North Carolina General Assembly enacted the Sedimentation Pollution Control Act (SPCA) to preserve land resources and protect water quality from potentially adverse impacts associated with land-disturbing activities, and

WHEREAS, the operation and performance of erosion and sedimentation control measures must be inspected on a routine basis to ensure that the maintenance of the measures are being performed so that the measures continue to perform as planned and designed; and

WHEREAS, the SPCA currently has no education or training requirements for personnel assigned to conduct inspections of erosion and sedimentation control measures; and

WHEREAS, establishing minimum education or training requirements for inspection personnel would result in improved operation and performance of erosion and sedimentation control measures, which would preserve land resources and protect water quality; and

WHEREAS, the North Carolina Sedimentation Control Commission is charged with developing and adopting rules and regulations for the control of erosion and sedimentation resulting from land disturbing activities.

THEREFORE, BE IT RESOLVED that the Sedimentation Control Commission recommends that the North Carolina General Assembly investigate and consider enacting statutory authority requiring qualified personnel for the inspection of erosion and sedimentation control measures.

ADOPTED this the 12th day of November 2009, by the North Carolina Sedimentation Control Commission.

Donnie Brewer, PE
Chairman
Sedimentation Control Commission

North Carolina General Assembly

ENVIRONMENTAL REVIEW COMMISSION

MINUTES

April 15, 2010
10 a.m.
Room 544
Legislative Office Building

Welcome, Attendance, and Regular Commission Business

The Environmental Review Commission of the North Carolina General Assembly met Thursday, April 15, 2010 in Room 544 of the Legislative Office Building. Co-Chairman Pryor Gibson presided.

In attendance with Chairman Gibson were Senator Katie Dorsett, Senator Ellie Kinnaird, Senator A. B. Swindell, Advisory Member Senator Fletcher Hartsell, Representative Cullie Tarleton, Representative Ruth Samuelson, Representative Edith Warren and Representative Larry Womble. Staff present were Senior Commission Counsel Jennifer McGinnis, Senior Commission Counsel Jeff Hudson, Commission Counsel Susan Iddings, Commission Counsel Tim Dodge, Commission Analyst Jennifer Mundt, Research Assistant Mariah Matheson and Commission Assistant Jessica Kozma Proctor.

Chairman Gibson promptly called the meeting to order at 10 a.m. He thanked Commission members and staff for their participation and welcomed guests. He said that he was happy to chair on a day with a "fun" agenda, and asked that the Commission promptly begin their work for the day's meeting.

Chairman Gibson then asked Ms. McGinnis if she had any comments to make before recognizing the first presenter. Ms. McGinnis said she did not, save that there were two sets of minutes ready for approval. After a motion by Senator Bingham and seconded by Co-Chairman Gibson, minutes for the February and March Commission meetings were unanimously approved. Ms. McGinnis added that the next meeting was scheduled for May 11, 2010, and that a notice for this meeting would be emailed to members and interested parties.

Senator Bingham asked about and confirmed the next meeting time. Ms. McGinnis then said that Mr. Lewis R. Ledford, Director of the Division of Parks and Recreation with the Department of Environment and Natural Resources (DENR) would show a newly produced video about the State's park system.

Annual report on the Parks and Recreation Trust Fund, Fiscal Year 2008-2009 (G.S. 113-44.15) and a Division of Parks and Recreation Video titled "Conservation, Innovation: North Carolina State Parks"

Chairman Gibson welcomed Mr. Ledford to the Commission meeting. Ms. McGinnis noted that the State's park system was recently recognized by the National Recreation and Parks Association for advances in conservation. A copy of this film may be found online at www.ncleg.net.

Mr. Ledford thanked Chairman Gibson, Ms. McGinnis and Commission members. He then showed the video about the Division's work. The video reviewed park development, goals and advances as well as economic impacts on the State's regions.

Concluding the video, Mr. Ledford presented the Division's annual report. A copy of this report may be found at the Commission's website at www.ncleg.net and is also attached to the minutes.

The Parks and Recreation Trust Fund was established in 1994 to: provide funding for State park land acquisition and capital improvement projects; fund grants to local governments for local park and recreation and to; bolster and manage the State's coastal and estuarine beach access program. Of these purposes, a majority of its funding, some 65 percent of its annual budget for the fiscal year 2008-2009 is used for State parks, with 30 percent for local government grants and 5 percent for beach access.

The Trust Fund's revenues are generated mostly by a $1 per $500 tax valuation for real estate transfer as well as funds from the State's general fund, Mr. Ledford reported. As with many other programs, revenues have declined as a result of the economic recession, Mr. Ledford reported.

Reviewing local government grants, Mr. Ledford said that the Trust Fund may be of assistance to local governments seeking monies for providing recreational spaces for its residents. The maximum grant is $500,000, he reported. For all grants, the awarded local government has a dollar-to-dollar match requirement. One benefit for local governments, he said, was that they may use the value of donated land as a match for their grant money. Typically, he noted, local governments contribute $2 for every $1 dollar granted.

Mr. Ledford continued and reviewed important dates to apply for a local grant as well as scoring criteria to award grants. These include the number of recreational facilities provided, project planning, public involvement, land acquisition and park quality.

In 2009, there were 85 applications received with $85.7 million in land acquisition and recreational facilities, with $27 million in grant requests. Of these, 22 grants were awarded with a total of $24.2 million, with $16 million matched by local governments. He added that grant requests have consistently exceeded available funds.

Reviewing examples of the Fund's awards, Mr. Ledford said that the Town of Emerald Isle was recently assisted in acquiring land to build the largest public boat launching facility on the State's coast. He also discussed recent improvements to the

Town of Matthew's largest park, Squirrel Lake, and land acquisition by the City of Asheville for its Beaucatcher Overlook Park.

Looking at capital improvement projects, Mr. Ledford reported that the Trust Fund funded nine projects totaling $7.7 million. These projects included: improvements to Dare County's Jockey's Ridge State Park, Rockingham County's Haw River State Park and Transylvania County's Gorges State Park.

Mr. Ledford reviewed recent land acquisition projects as well as the completed Fort Macon State Park Coastal Education and Visitor Center.

Closing his report, Chairman Gibson thanked Mr. Ledford for his presentation and his work with the Trust Fund. He then called for discussion among Commission members. With little discussion, Chairman Gibson recognized the next presenter.

Annual report on awards from the North Carolina Natural Heritage Trust Fun, Fiscal Year 2008-2009 (G.S. 113-77(e))

Chairman Gibson recognized Ms. Lisa D. Riegel, Executive Director of the North Carolina Natural Heritage Trust Fund to present on the Trust Fund's recent business for the year of 2008-2009. Ms. Riegel thanked the Chairman.

A copy of her presentation is included with these minutes and may also be found on the Commission's website at www.ncleg.net.

Ms. Riegel reviewed the Trust Fund's mission: "to protect natural and cultural heritage lands." She reported that the fund achieves this through "recreation, scientific, education, cultural and aesthetic purposes; additions to state parks, trails, forests, wildlife areas; historic properties program and other beneficial use and enjoyment by the public." She then reported that her program was the oldest of the State's four trust funds, with this fund established in 1987. She added that there is a 12-member board for the Trust Fund, and that the Trust Fund accepts applications from four State agencies with awards given twice a year.

Covering the financials of the Trust Fund, she noted that income for the Fund peaked during the real estate boom but has declined to approximately the same amount as in fiscal year 2002. She continued saying that the Fund can only award roughly half its applications. For the year 2009, the Fund awarded 18 projects covering some 4,000 acres with a total cost of $10 million. Because of a budget shortfall from the State's compromised budget, the Fund transferred $2.8 million to cover ongoing projects. During this period, the program would "slow down, not stop," she said.

Ms. Riegel then reported on individual ongoing projects. These projects include Kitty Hawk Woods, the Overmountain National Historic Victory Trail, Rose Creek (Blue Ridge Parkway), Bachelor Creek Nature Preserve (Randolph County), Stagville State Historic Site (Durham County) and Ochlawaha Bog (Henderson County).

She concluded her report reviewing current goals of the Trust Fund. These include maximizing federal matching monies, considering the role of climate change in future planning, continuing projects even if delayed due to economic reasons, prioritizing and coordinating with other funds and utilizing private funds.

Chairman Gibson thanked Ms. Riegel and called for discussion among Commission members. Hearing none, he moved to the next presenter. He also gave Ms. Riegel a "good job" for her report to the Commission.

Annual report on the implementation of the Clean Water Management Trust Fund (G.S. 113-A-257)

Chairman Gibson then recognized Mr. Richard Rogers, Jr., Executive Director of the Clean Water Management Trust Fund to present. A copy of a memorandum presented to President Pro Tem Marc Basnight, Speaker Joe Hackney; chairmen of the Joint Legislative Commission on Government Operations and Environmental Review Commission; Chairmen of the Subcommittee on Appropriations for Natural and Economic Resources and the Division of Fiscal Research of the General Assembly is attached to the minutes and may also be found at the Commission's website at www.ncleg.net. A second handout, a copy of Mr. Roger's presentation to the Commission, is attached to the minutes and uploaded to the Commission's website.

Mr. Rogers began reviewing the Trust Fund's mission. Created by the General Assembly, the Fund has existed since 1996. He then reviewed its mission: "to restore and enhance degraded waters; protect and conserve unpolluted waters; eliminate water pollution; create a network of riparian buffers and greenways; and, fund innovative systems as demonstrations. He added that the Fund is "not strictly conservation."

Continuing, Mr. Rogers said that since its beginning, the Fund has awarded more than 1,340 grants, with more than of $943.3 million in awards. Of these awards, roughly 4,900 miles of buffers were reserved as well as 454,944 acres of land protected in 98 of 100 of the State's counties. He then reviewed ongoing projects beginning in Fiscal Year 2008. Of these, 34 projects were acquisitions, 37 restoration or stormwater projects and 31 wastewater projects with a total cost of $48,164,587. A focus for 2009, he reported, was to realize funds, including $5,248,500 on 11 projects with American Recovery and Reinvestment Act monies.

For the year 2010, there are 100 projects from 2008 that remain, with a total cost of $40,223,594. In all, there are 227 projects for the year 2010, including 83 acquisition projects, 14 greenway, 66 restoration or stormwater, and 64 wastewater projects.

Nearing the end of his presentation, Mr. Rogers said that the Fund's focus is to "continue being of importance to the North Carolina economy." He added that the fund also has a presence in the agricultural and military economies. Chairman Gibson thanked Mr. Rogers.

Annual report on the activities of the North Carolina Development and Farmland Preservation Trust Fund Committee (G.S. 106-744(i))

Mr. D. Dewitt Hardee, Environmental Program Manager with the Department of Agricultural and Consumer Services was recognized by Chairman Gibson. A copy of Mr. Hardee's presentation may be found online at the Commission's website at www.ncleg.net or attached to these minutes. A booklet published by the Fund was also

distributed to membership, and may also be found at the Commission's website or attached to the minutes.

Mr. Hardee thanked the Chairman and the Commission for the opportunity to present. He reviewed the Fund's mission, "to fund projects to encourage the preservation of qualifying agricultural, horticultural and forestlands to foster the growth, development and sustainability of family farms."

Summarizing the 2009-2010 grant cycle, in what he termed as "Cycle II," Mr. Hardee said that $4 million was available for funding, with 70 applications submitted that totaled more than $15 million in grant requests. Of these, 35 were awarded so far, totaling more than $3.9 million in grants.

Projects included in these awards were conservation easements, agricultural plans and agricultural development projects. Regarding "Cycle III" projects which are currently under review for the 2010-2011 funding cycle, 30 applications for perpetual easement projects were made, with a total grant request of $6.262,598. Mr Hardee continued reviewing slides regarding farm preservation efforts, noting that there are currently 76 counties with voluntary agricultural districts in place, as well as 16 counties with enhanced voluntary agricultural districts and 11 county-wide farmland protection areas plans created.

Mr. Hardee thanked the Commission. Chairman Gibson called for discussion. With little discussion, he thanked Mr. Hardee and welcomed the next presenter.

Senator McKissick asked about agricultural protection plans. Mr. Hardee said work is done with county governments to identify resources in that county, and then described how to secure and plan for those resources. Senator McKissick asked whether Mr.Hardee followed up to investigate the plan's success once in process. Mr. Hardee said there was a "ground roots" approach, and that there is an advisory group to link all parties together with a yearly review.

Update on Land for Tomorrow

Mr. Tom Cors, the Director of Government Relations for the North Carolina chapter of The Nature Conservatory was recognized by Chairman Gibson. Mr. Cors' presentation may be found attached to these minutes or on the Commission's website at www.ncleg.net. A second handout, "Economic Benefits of Land Conservation—North Carolina 2010," was also distributed to Commission membership, and may also be found attached to the minutes or on the Commission's website.

Mr. Cors read Land for Tomorrow's mission: "A partnership of organizations and North Carolinians with a common goal: increasing funding for land and water conservation." He reported that Land for Tomorrow benefits the State by preserving family farms, forests, stream banks, game lands, parks, greenways and trails. Land for Tomorrow also aids the State's economy in agriculture, tourism, forestry, hunting, fishing and wildlife watching, protecting (the State's) natural heritage, protecting quality of life and protecting clean water.

Mr. Cors reported that although the State was currently in a "tough" economic time, Land for Tomorrow continued strong support for conversation, and added that a

poll conducted in 2009 showed that roughly 75 percent of the State's residents supported funded conservation efforts. He reviewed specifics on conservation's impact on various aspects of the State's economy.

Mr. Cors completed his presentation and was thanked by Chairman Gibson. The Chairman then called for discussion. Hearing none, he then called for other Commission discussion or business. He noted that former Chairman Lucy Allen had resigned to join the State Utilities Commission, and asked that Commission staff keep her updated on clean water efforts. The meeting was adjourned at 11:52 a.m.

Co-Chairman Pryor Gibson
Presiding

Co-Chairman Bob Atwater

Jessica Kozma Bennett
Commission Clerk

General Assembly of North Carolina

Environmental Review Commission
State Legislative Building
Raleigh, North Carolina

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SENATOR DANIEL G. CLODFELTER

REPRESENTATIVE PRYOR A. GIBSON

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TIMOTHY R. DODGE
COMMISSION COUNSEL

MARIAH B. MATHESON
COMMISSION ASSISTANT

JESSICA K. PROCTOR
COMMISSION CLERK

AGENDA

10:00 a.m. Thursday, April 15, 2010
Room 544 Legislative Office Building
Raleigh, North Carolina

1. Call to order
   Representative Pryor A. Gibson, Presiding

2. Introductory remarks by Cochairs *(5 minutes)*
   Senator Robert C. Atwater
   Senator Daniel G. Clodfelter
   Representative Pryor A. Gibson

3. Report to the Commission and explanation of agenda items *(5 minutes)*
   Jennifer McGinnis, Commission Counsel

   Approval of the minutes for the February 18, 2010 and March 18, 2010 meetings of the Commission

4. Division of Parks and Recreation

   Video -- Conservation, Innovation: North Carolina State Parks *(10 minutes)*

   Annual report on the Parks and Recreation Trust Fund, Fiscal Year 2008-2009 (G.S. 113-44.15(c)) *(20 minutes)*
   Lewis R. Ledford, Director
   Division of Parks and Recreation
   Department of Environment and Natural Resources (DENR)

5. Annual report on awards from the North Carolina Natural Heritage Trust Fund, Fiscal Year 2008-2009 (G.S. 113-77.9(e)) *(15 minutes)*
   Lisa D. Riegel, Executive Director
   North Carolina Natural Heritage Trust Fund, DENR

6. Annual report on the implementation of the Clean Water Management Trust Fund (G.S. 113A-257) *(20 minutes)*
   Richard E. Rogers, Jr., Executive Director
   Clean Water Management Trust Fund

7. Annual report on the activities of the North Carolina Development and Farmland Preservation Trust Fund Committee (G.S. 106-744(i)) *(15 minutes)*
   D. Dewitt Hardee, Environmental Program Manager
   Department of Agriculture and Consumer Services

8. Update on Land for Tomorrow *(10 minutes)*
   Tom Cors, Director of Government Relations
   The Nature Conservancy, North Carolina Chapter

9. Commission discussion and announcements

10. Adjourn

FUTURE MEETINGS:

The Environmental Review Commission will meet on the following dates at 10:00 a.m. in Room 544 of the Legislative Office Building, Raleigh, North Carolina. **This schedule is tentative and subject to adjustment.** For planning purposes, however, please reserve these dates. This schedule may be modified to allow for out-of-town business meetings or site visits and in the event that it becomes necessary to cancel a scheduled meeting due to hazardous weather conditions.

Tuesday, May 11, 2010

ADDITIONAL INFORMATION:

Persons having questions about the Commission meeting or other matters related to the Commission may contact Jennifer McGinnis, Commission Counsel, or other Commission staff at (919) 733-2578 or may visit the Commission's website at http://www.ncleg.net/gascripts/DocumentSites/browseDocSite.asp?nID=12

ATTENDANCE

Environmental Review Commission

2009-2010 Interim

DATES MEMBERSHIP	12/15	2/18	3/18													
Senator Dan Clodfelter, Co-Chair	X	X														
Senator Bob Atwater, Co-Chair	X	X														
Representative Lucy Allen, Co-Chair	X	X														
Representative Pryor Gibson, III, Co-Chair	X	X														
Senator Charlie Albertson	X	X														
Senator Stan Bingham	X	X														
Senator Katie Dorsett	X	X														
Senator Eleanor Kinnaird	X	E														
Senator Floyd McKissick	E	X														
Senator A. B. Swindell	X	X														
Senator Fletcher Hartsell, advisory member	X	X														
Senator Joe Sam Queen, advisory member	E															
Representative Pricey Harrison	X	X														
Representative Carolyn Justice	X															
Representative Ruth Samuelson	X	X														
Representative Cullie M. Tarleton	X															
Representative Edith Warren	X	X														
Representative Larry Womble																
Representative Johnathan L. Rhyne, Advisory Member																
Representative Russell E. Tucker, Advisory Member		X														

STAFF																
Jeffery Hudson, Counsel	X	X														
Tim Dodge, Counsel	X	X														
Jennifer McGinnis, Counsel	X	X														
Jennifer Mundt, Commission Analyst	X	X														
Mariah Matheson, Research Assistant	X	X														
Jessica Bennett, Committee Assistant	X	X														

NORTH CAROLINA GENERAL ASSEMBLY

ENVIRONMENTAL REVIEW COMMISSION

VISITOR REGISTRATION SHEET

April 15, 2010 10 a.m. Room 544 LOB

NAME	FIRM OR AGENCY AND ADDRESS
DANIEL WILSON	NCRWA
Anna Gauss	Capstrat
Preston Howard	NCIC
[illegible]	ITC
Andrew Meehan	Capstrat
Jay Rouse	NCAEC
[illegible]	NMRS
L. Andrew	NCFB
Stan Smith	WMA
Michelle Frazier	MTS
Ken Melton	K.M.A.

NORTH CAROLINA GENERAL ASSEMBLY

ENVIRONMENTAL REVIEW COMMISSION

VISITOR REGISTRATION SHEET

April 15, 2010 10 a.m. Room 544 LOB

NAME	FIRM OR AGENCY AND ADDRESS
Joe Lanier	Nelson Mullins
Daniel Amburn	Electricities of N.C.
Dianna Downey	NCUC Public Staff
[signature]	NCLC
Jim Johnson	BSA
Jim Blackburn	Association of County Commissioners
Thomas Freeman	Joyce Engineering tfreeman@joyceengineering.com
[signature]	NCRPA
Evelyn Miller	CTNC
Dan Conrad	NCCN
David Knight	DENR

NORTH CAROLINA GENERAL ASSEMBLY

ENVIRONMENTAL REVIEW COMMISSION

VISITOR REGISTRATION SHEET

April 15, 2010 10 a.m. Room 544 LOB

NAME	FIRM OR AGENCY AND ADDRESS
Steve Wall	DENR
Dick Hamilton	NCWF
James Kirby	Office of Sen. Queen
Carol Tingley	DENR - Parks
[illegible]	[illegible]
Tom Cors	TNC
A Rogers	CWMTF
A Riegel	NHTF
Beth Warren	AGO
Elizabeth Owen	Environmental Conservation
David McLeod	NCDACS

NORTH CAROLINA GENERAL ASSEMBLY

ENVIRONMENTAL REVIEW COMMISSION

VISITOR REGISTRATION SHEET

April 15, 2010 10 a.m. Room 544 LOB

NAME	FIRM OR AGENCY AND ADDRESS
Ashley Jones	Projects On Dry NC

Parks and Recreation Trust Fund
Program Overview and Annual Report 2008-09

Environmental Review Commission
April 15, 2010

Lewis Ledford, Director
NC State Parks and Recreation

Parks and Recreation Trust Fund (PARTF) Legislation

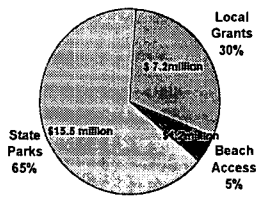
Established in 1994 to provide funding for:

1. State park land acquisition and capital improvement projects
2. Grants to local governments for local park and recreation purposes
3. Coastal and Estuarine Beach Access Program



Rowan County – Dunn's Mountain

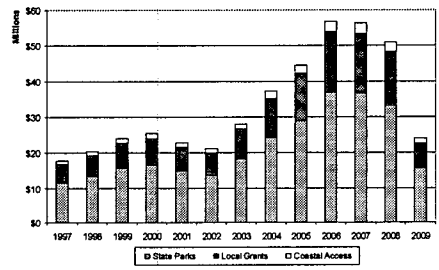
PARTF Revenue Allocated by Purpose 2008-09



Total Revenue 2008-09

- Primary revenue source: $1.00 tax per $500 value for real estate transfers
- PARTF receives 75 percent of the state's portion of the revenue (FY 08-09 = $30.8 million)
- $6 million transferred to the General Fund to address budget shortfall
- Total PARTF Revenue in 2008-09: $24.8 million
- **53% decrease from previous year** (FY 07-08: $52.4 million)

PARTF Revenue by Purpose Since 1997



North Carolina Parks and Recreation Authority



North Carolina Parks & Recreation Trust Fund

PARTF Grant Program for Local Governments

PARTF Grants for Local Governments Basic Facts

- Applicants – Local governments and public authorities authorized to provide recreation
- Eligible Projects – Buy park land and build recreational facilities



Louisburg – Walking Trail

PARTF Grants for Local Governments Basic Facts

- Maximum Grant Amount - $500,000
- Local governments match the PARTF grant dollar-for-dollar.
- The value of donated property can be used as the local match.



Tarboro - Softball Complex

PARTF Grants for Local Governments Important Dates

- Applications due January 31
- The Parks and Recreation Authority selects grant recipients in May and July



Spruce Pine – Brad Ragan Park

Evaluating Applications - PARTF Scoring System Criteria

- Number of recreational facilities provided
- Planning the project
- Involving the public
- Acquiring land
- Applicant's ability to operate and maintain the project
- Quality of the park site



Roanoke Rapids – Picnic Shelter on Lake Gaston

Selecting Grant Recipients: Other Factors Considered

- Distributing grant awards across the state
- Population of the applicant
- Administration of previous grants
- The applicant's justification for the project



Chowan County – Community Center

PARTF Local Grant Requests and Awards 2009

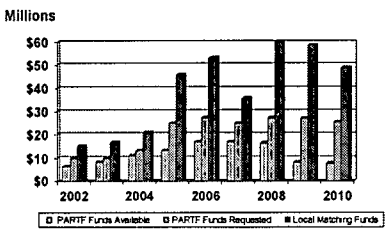
Applications

- 85 applications received proposing $85.7 million in land acquisition and recreational facilities
- $27.0 million in grant requests
  - * ($3 requested for every $1 available)
- $58.7 million in local matching funds committed

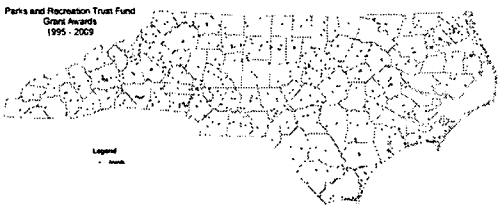
Grants Awarded

- 22 grants awarded to projects totaling $24.2 million
- $8.2 million in PARTF funds awarded
- $16.0 million in local matching funds leveraged

Grant Requests from Local Governments Exceed Funds Available



Geographic Distribution of Grants 1995 – 2009



Examples of PARTF Grant Awards
2009

- **Coastal region—Town of Emerald Isle**
  A 16-acre tract of land that will be the location of the largest public boat launching facility on the NC coast.
- **Piedmont region— Town of Matthews**
  Improvements to the town's largest park, Squirrel Lake, using green roof technology and pervious pavements. The park provides a natural area in a rapidly growing residential areas.
- **Mountain region—City of Asheville**
  Acquisition of Beaucatcher Overlook Park (30-acres) in downtown Asheville. The park will become an oasis of passive recreation offering opportunities for walking, bicycling and picnicking.

PARTF Grant Program
Benefits to Local Governments

- Encouraging healthy, more active lifestyles
- Addressing childhood obesity



Skateboard Park – City of Rocky Mount

PARTF Grant Program
Benefits to Local Governments

Greenways

- Buffer streams and improve water quality
- Increase property values and tax revenue
- Provide opportunities for exercise

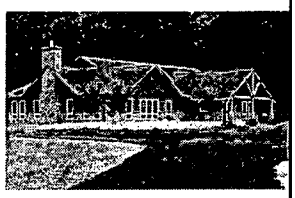


Overlook on Catawba River Greenway – City of Morganton

PARTF Grant Program
Benefits to Local Governments

Helping local economies

- Building park facilities
- Creating jobs
- Supplementing local budgets



Community Center in Triad Park – Forsyth and Guilford counties





PARTF Capital Funding for the State Parks System

PARTF Capital Improvement Projects Bring Jobs to NC Communities

Nine projects for the State Parks System totaling $7.7 million including:

- **Dare County - Jockey's Ridge State Park**
  - Wind turbine - Jockey's Ridge provides an ideal location to capture the power of the wind and develop it into a training tool to advance the knowledge of wind turbine energy.
- **Rockingham County – Haw River State Park**
  - Repair needs and improvements to the Summit Center identified by the Office of State Construction.
- **Transylvania County - Gorges State Park**
  - Gorges State Park opened to the public in 2000. Construction of the first major public facilities – a visitor center, picnic area and maintenance area.



State Park Construction Projects
Assist Local Economies

- PARTF construction projects create jobs
- State Parks contribute $419 million to local communities across the state – *NC State University study*
- Each tourist spends an average of $23.50 each day of a visit
- In FY 2009-10, PARTF funds to state parks have emphasized construction projects that assist local economies



Fort Macon State Park
Coastal Education and Visitor Center



Fort Macon State Park
Coastal Education and Visitor Center

- First non-university state building with LEED Gold Certification (Leadership in Energy and Environmental Design)

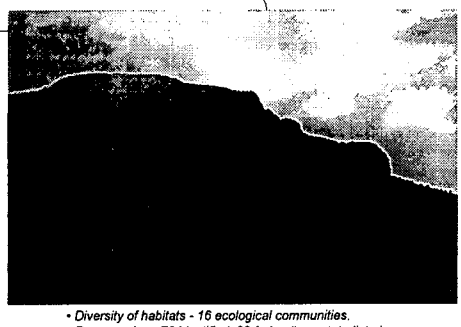


PARTF Land Acquisition Projects in the State Parks System

2009

- **Lake Waccamaw State Park – 221 acres**
  - Cove Swamp tract for water quality and rare species habitat protection
- **Yellow Mountain State Natural Area – 1000 acres**
  - A new state natural area is focused on Little Yellow Mountain and Ravens Cliffs Mountain.
- **Dismal Swamp State Park –60 acres**
  - The park contains expansive wetlands providing habitat to many species.
  - The current state ownership has limited areas for buildings and needs road access.
  - Part of this new property is uplands, which would be suitable for building. The remainder of the property is forested wetlands.

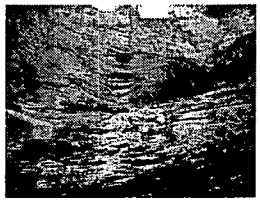
Grandfather Mountain State Park



- *Diversity of habitats - 16 ecological communities.*
- *Rare species - 73 identified; 32 federally or state listed.*

Leveraging Land Acquisition Funds

- To supplement reduced PARTF revenues over the last two fiscal years, the Division of Parks and Recreation has used $8.8 million of private and federal funding for land acquisition projects.



Yellow Mountain State Natural Area

PARTF Land Acquisition Projects in the State Parks System
FY 2009-10

- $7.2 million in payments for COPS (Certificates of Participation)
  - Includes $1.7 million in payments for Waterfront Access and Marine Industry (WAMI) projects
- For the current fiscal year, most of the state park trust fund $ have been allocated to capital construction

Future Needs of the State Parks System

- The state parks system is experiencing record levels of attendance.
- Important natural resources need to be protected.
- Visitor centers and exhibit space are needed for environmental education.

State Park Visitation at Record Levels!



2000.....11.8 million
2001.....12.6 million
2002.....13.2 million
2003.....11.2 million
2004.....11.7 million
2005.....12.3 million
2006.....12.6 million
2007.....13.4 million
2008.....12.4 million
2009.....14.2 million (new record)

Future Needs of the State Parks System

- Additional land and facilities are needed at most state parks.
- Potential new park units around the state have been identified by the New Parks for a New Century initiative.
- On-going repairs and renovations are needed to insure high quality experiences for park visitors.

Future Needs of the State Parks System

Land Acquisition:

- 43,700 potential acres at existing state parks
- 113,000 potential acres at new state parks





NORTH CAROLINA
NATURAL HERITAGE
TRUST FUND

Annual Update for Environmental Review Commission

Lisa Riegel
Executive Director
(919) 715-8014
April 15, 2010

MISSION

protect natural & cultural heritage lands

- Recreation, scientific, education, cultural and aesthetic purposes
- Additions to state parks, trails, forests, wildlife areas
- Historic properties program
- Other beneficial use and enjoyment by the public

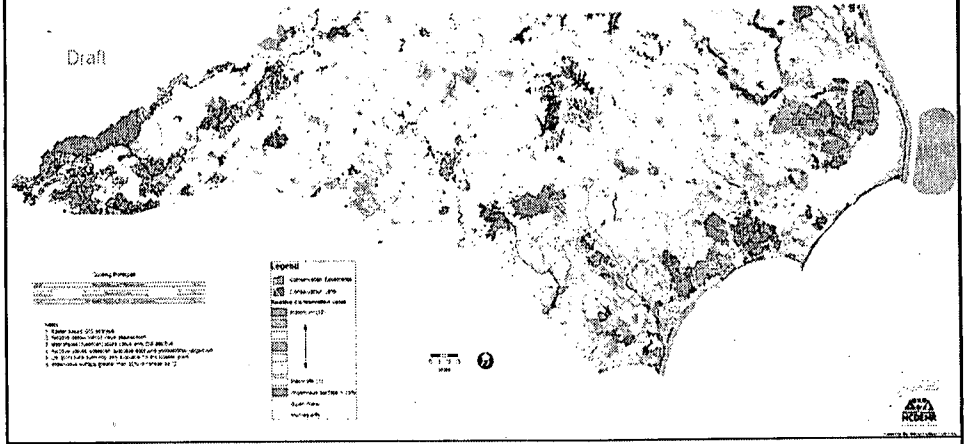


Natural Heritage Program

- ID most important natural areas in state
- 83 of 100 Counties complete; 6 ongoing
- Statewide Conservation Planning Tool (Map)



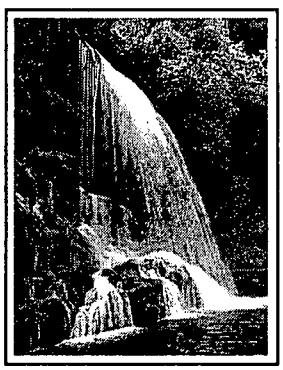
One NC *Naturally* Conservation Planning Tool

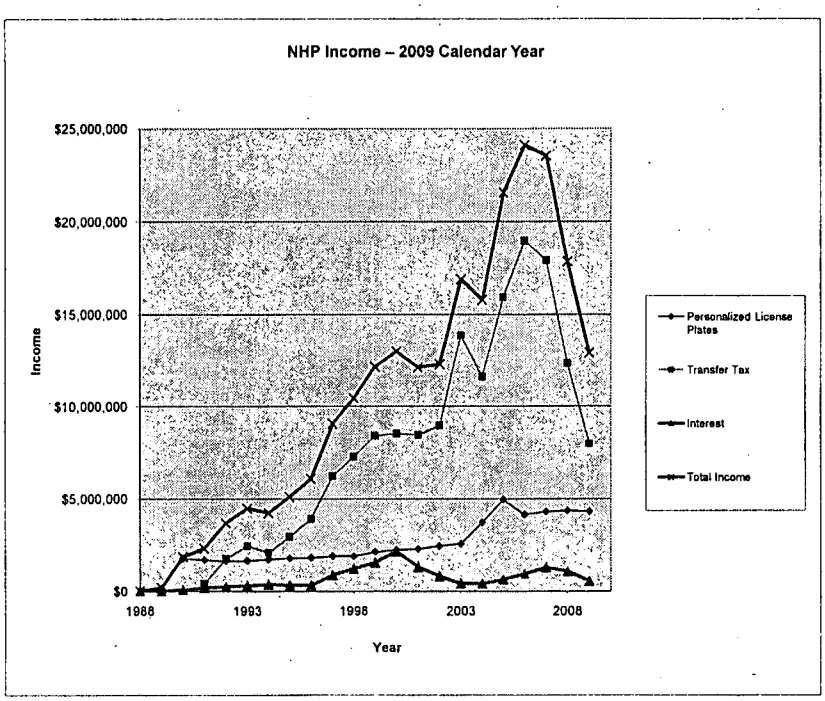


Biodiversity / Wildlife Habitat Assessment

Program Overview

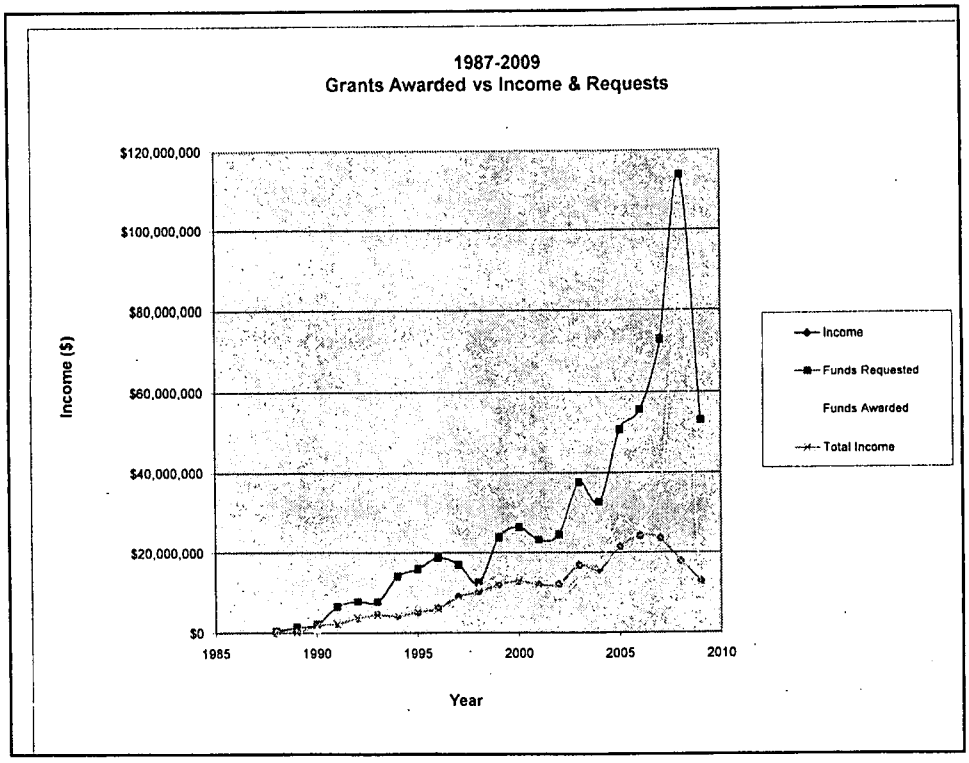
- Established 1987
- 12 member citizen board
- Accepts applications from 4 state agencies: DENR, DoACS, DCR, WRC
- Awards - twice a year





NHTF 2009 Income

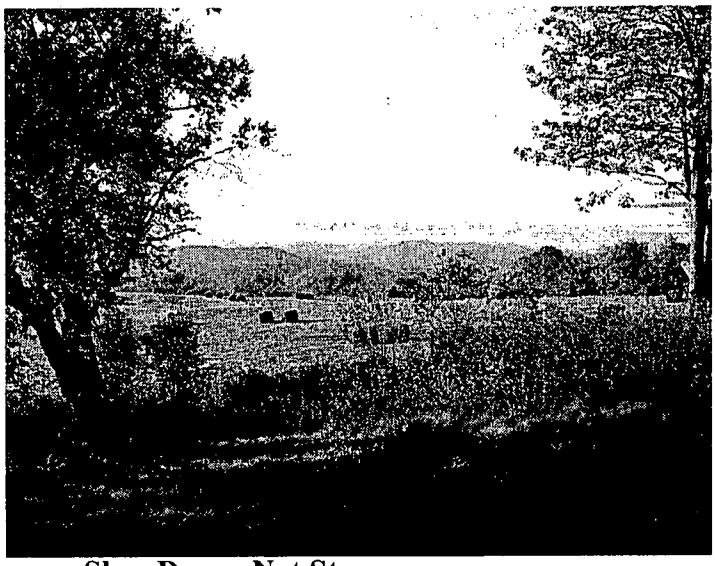
Real Estate Tax	$ 7,999,210
License Plate Fee	$ 4,335,924
Interest	$ 577,782
Total	**$12,912,917**



2009 Awards

- 18 Projects
- >4,000 Acres
- $10,000,000
- $2.8 million budget transfer





Slow Down, Not Stop

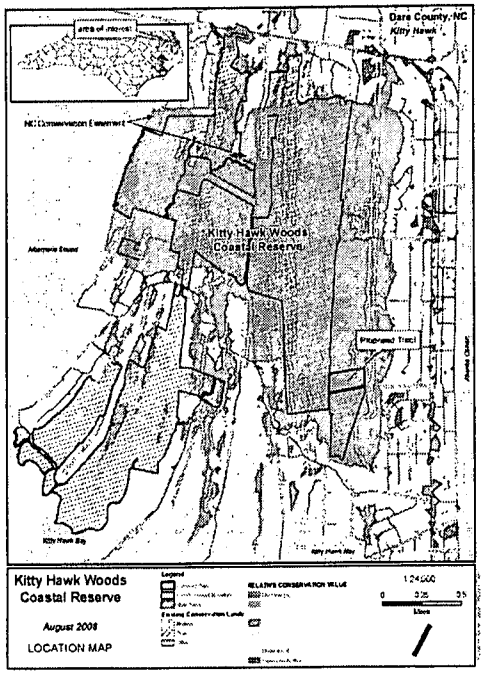
- Dramatic Decrease in Available Funds
- Need for Partnering and Prioritizing

2009 Projects – Highlights

- WRC
  - South Mts inholding
  - Pond Mt Additional
  - Sandhills Linking tract
  - Uwharrie Mts
  - Ducote Bog
- DCR
  - Bethania
  - Rose Creek/OMVT
- PCP
  - Tater Hill
  - Eastwood
  - Boiling Spring Lakes
- DENR
  - Kitty Hawk
  - Carver's Creek
  - Zoo /Batchelor's Creek
  - Gorges

KITTY HAWK WOODS

- Listed in several state and federal conservation plans as a priority
- Thus, federal grant at 100% match of the $167,500 in NHTF funding
- 16 acres added of Nationally Significant Natural Area Maritime forest – both deciduous forest and swamp forest.

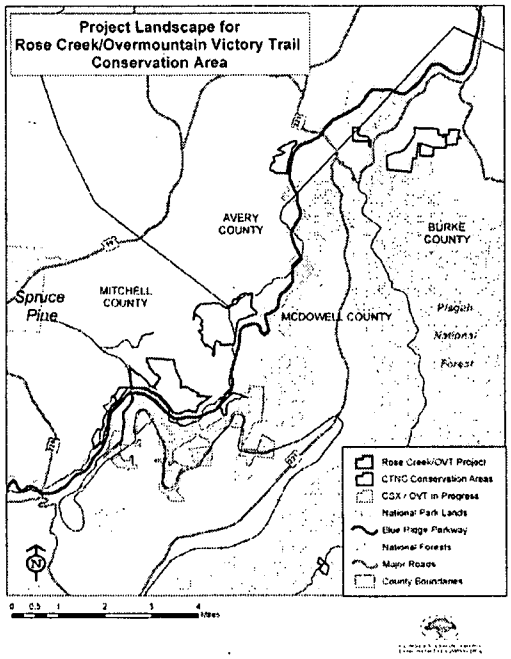


CSX – Overmountain National Historic Victory Trail



Rose Creek

- Protecting Blue Ridge Parkway viewshed
- Access to OMVT (trail)
- Protect wildlife & natural areas
- 535 ac /$720K



Rose Creek

535 Acres along Blue Ridge Parkway

Riparian Buffers/Abundant Wildlife

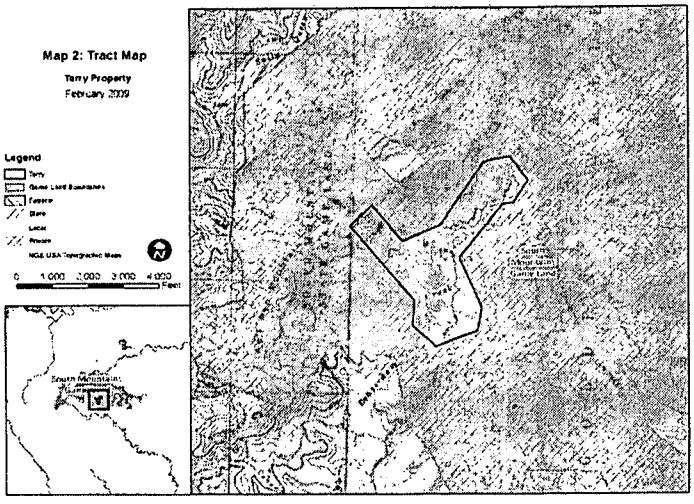




Terry Tract

260 Acres In-Holding

South Mountains Game Land

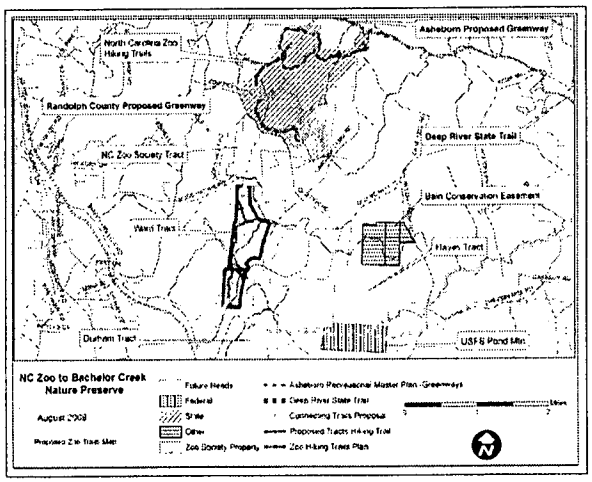


Bachelor Creek Nature Preserve



Randolph County, North Carolina

Trail Linkages



Possible connections to: NC Zoo Trails, Deep River State Trail, Asheboro and Randolph County Greenways, Seagrove Pottery Trail

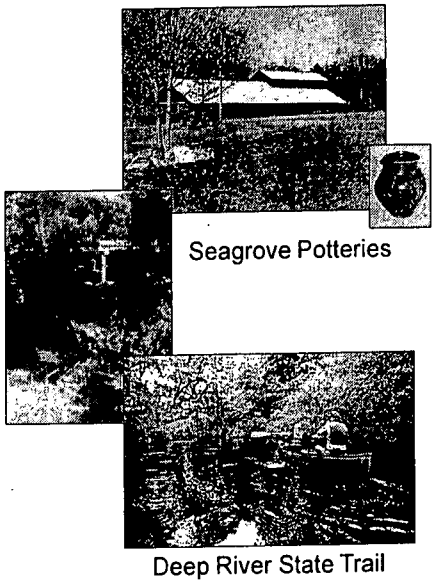
Area Linkages



Zoo City Park



Asheboro to Zoo Greenway



Seagrove Potteries

Deep River State Trail

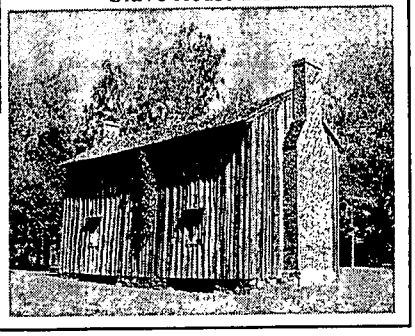
Stagville State Historic Site Land Acquisition

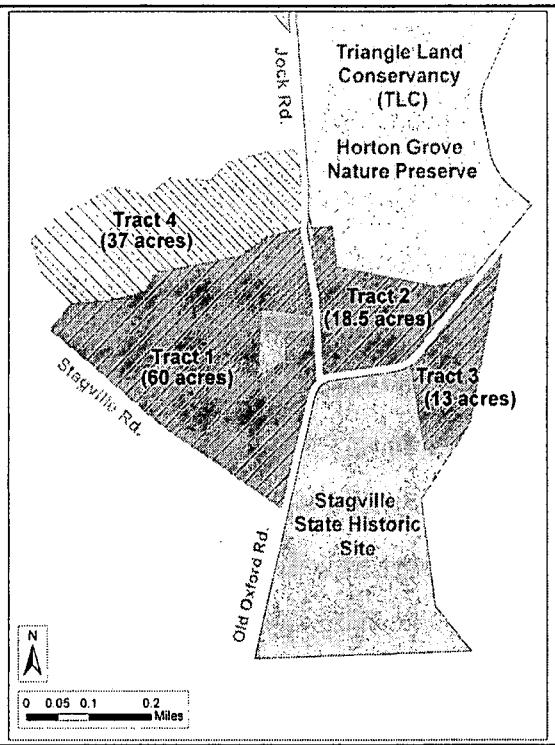
Durham County



Bennehan House

Slave House at Horton Grove





Ochlawaha Bog
Plant Conservation Preserve

•Critical conservation priority to AG-PCP and USFWS and others since 1990's.

• Fall 2008 project, just closed 2010

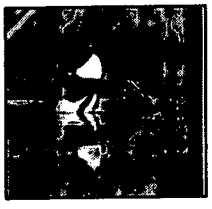
•Priority because USFWS more than 100% matched with restoration grant that would provide jobs in Henderson County



Bunched Arrowhead (*Sagittaria fasiculata*)

Moving Forward

- Maximize federal matching monies
- Potential Economic Impact Key
- Prioritization and coordination with other Trust Funds (Quad Trust Meeting)
- Slow down, don't stop
- Use private donations to help buy time
- Consider Role in Climate Change
  Adaptation





Additional Information

Lisa.riegel@ncdenr.gov
(919) 715-8014

Clean Water Management Trust Fund 2009 Annual Report

Environmental Review Commission

Richard Rogers
Executive Director, CWMTF
April 15, 2010

The Clean Water Mission

- Restore/enhance degraded waters
- Protect/conserve unpolluted waters
- Eliminate water pollution
- Create a network of riparian buffers and greenways
- Fund innovative systems as demonstrations
- Not strictly conservation



Alligator River

cleanwater
MANAGEMENT TRUST FUND

CWMTF Funded Projects
1997-2008

- 1,344 grants since 1997
- Over $943.3 million awarded
- Projects in 98 Counties
- 4,859 miles of buffers reserved
- 454,944 acres protected
  - –10 Trips from Murphy to Manteo
  - –333,000 Football Fields





CWMTF Focus 2009...

Moving 2008 Projects

Projects	Number	Amount
Acquisitions	34	$24,629,424
Restoration/ Stormwater	37	$ 9,351,896
Wastewater	31	$14,183,267
Total	102	$48,164,587

cleanwater
MANAGEMENT TRUST FUND

CWMTF Focus 2009...

Stewarding State Funds

America Recovery & Reinvestment Act of 2009
Realized $5,248,500 on 11 projects

Bid Reductions Funds
Realized $514,600 on 5 projects to date

Funded an additional 9 projects

cleanwater
MANAGEMENT TRUST FUND

CWMTF Focus 2009...

- Improved Organizational Management
  - Processed 613 payment amounting to $74,300,000
  - Closed out 146 contracts
  - Reorganized staff to work load needs
    - Reduced administrative budget by 20%
    - Reduced staff by 17%
  - Implemented project reviews for effectiveness

cleanwater
MANAGEMENT TRUST FUND



CWMTF 2010

Remaining 2008 Projects (April 2010)

Projects	Number	Amount
Acquisitions	48	$26,841,856
Restoration/ Stormwater	43	$ 6,187,609
Wastewater	9	$ 7,194,129
Total	100	$40,223,594

Remaining 2008 to review funding request
Construction cost down 20%-40%
Real Estate reduced in value

cleanwater
MANAGEMENT TRUST FUND

CWMTF 2010

Program	Number	Amount
Acquisition	83	$114.8 million
Greenway	14	$ 5.6 million
Restoration/ Stormwater	66	$ 31.8 million
Wastewater	64	$ 96.7 million
Total	227	$248.9 million

cleanwater
MANAGEMENT TRUST FUND

Clean Water Management Trust Fund



Supporting Local Economies

CWMTF Focus...

- CWMTF's Importance to NC's Economy:
  - $16.5 Billion Tourism Economy
    - 332 projects
    - $386,627,077
    - 317,772 acres
  - $71 Billion Agriculture Economy
    - $41,783,487
      - CREP
      - Swine Farm Buyout
      - Regional Watershed Protection
  - $23.4 Billion Military Economy
    - 15 projects
    - $26,732,754

cleanwater
MANAGEMENT TRUST FUND





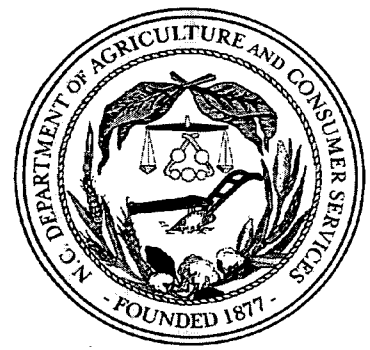
North Carolina
Clean Water Management
Trust Fund

Richard Rogers
(919) 571-6736
Richard.rogers@ncdenr.gov

Website: www.cwmtf.net

NC Agricultural Development and Farmland Preservation Trust Fund Report to the Environmental Review Commission





Dewitt Hardee
Environmental Program Manager
NCDA&CS

To Fund Projects To Encourage The Preservation Of Qualifying Agricultural, Horticultural, And Forestlands To Foster The Growth, Development, and Sustainability of Family Farms....





NC ADFP Trust Fund Advisory Committee



- Ag Commissioner Steve Troxler- Chairman
- Garrett Wyckoff - NC Dept. of Commerce
- Andrew Branan - NC Farm Transition Network
- Linda Shaw– RAFI
- Jimmy Gentry - NC State Grange
- Billy Guillet - NC Rural Economic Development Center
- Bill Holbrook - Farmer
- Anne G. Briley - Farmer
- Dr. Ed Jones - NC Cooperative Extension Service
- Anthony Allen - NC Assoc. of County Commissioners
- Edgar Miller - Conservation Trust for NC
- Erica Peterson - NC Agribusiness Council
- James Ferguson - NC Assoc. of Soil & Water Conservation Districts
- Gilistine Richardson - Black Farmers & Agriculturalists Assoc.
- Robert Slocum Jr. - NC Forestry Assoc.
- Jackie Thompson - Farmer
- Dr. Alton Thompson - NC A&T State University
- Manly Wilder- Assistant Secretary of NC DENR
- Steve Woodson - NC Farm Bureau


Chestnut Hill
Red Poll Cattle
Red Angus Cattle
NORTH CAROLINA
ADFP
TRUST FUND
03/27/2009

ADFP Trust Activities

- Cycle I Summary
- Cycle II Summary
- Cycle II Annual Report
- Cycle III Summary and Distribution Map
- Protected Acreage Overview
- Requested and Available Amounts Figure
- Closed and Open Grant Totals Figure
- Farmland Preservation Information and Maps
- Upcoming Cycle IV Funding Needs

2008-2009 (Cycle I) Grant Cycle

- Awarded $7.6 million in grants to help communities across the state protect farmland or promote agricultural development.
- Received 93 applications requesting $29 million in grants.
- A total of 41 grants were funded.

Cycle I Awarded Grant Contracts

- **Conservation Easements (Perpetual):**
  Total amount awarded: $4,345,950
  Total acreage protected: 2,703
  Total projects funded: 16
- **Conservation Easements (Term):**
  Total amount awarded: $820,771
  Total acreage protected: 530
  Total projects funded: 3 (two for 50-year terms, 1 for 25 years)
- **Agricultural Plans:**
  Total amount awarded: $877,695
  Total projects funded:14
- **Agricultural Development Projects:**
  Total amount awarded: $1,555,020
  Total projects funded: 8

2009-2010 (Cycle II) Grant Cycle

- $4 million available for funding.
- Received 70 applications.
- Over $15 million in grant requests.
- Awarded over $3.9 million in grants.
- Awarded 35 grants.

Cycle II Awarded Grant Contracts

- **Conservation Easements (Perpetual):**
  Total Amount Awarded: $2,946,758
  Total Acreage Protected: 2,496.3
  Total Projects Funded: 13
- **Conservation Easements (Term):**
  Total Amount Awarded: $428,223
  Total Acreage Protected: 647
  Total Projects Funded: 2 (One15 year term and one 20 year term)
- **Agricultural Plans:**
  Total Amount Awarded: $331,392
  Total Projects Funded: 14
- **Agricultural Development Projects:**
  Total Amount Awarded: $277,650
  Total Projects Funded: 7

North Carolina

Agricultural Development
and Farmland Preservation
Trust Fund

2009 Annual Report



"As our state continues to grow, we need to do what we can to protect the land that provides us food, clothing and cash crops. There is increasing pressure to sell farmland to developers as more people move to North Carolina, but when we do that we sacrifice our future. Farmland preservation is a long-term strategy to keep this state's agriculture industry strong."

—Joe Hackney
Speaker of the House

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North Carolina
Agricultural Development and Farmland Preservation Trust Fund



2009
Annual Report

Importance of Farmland Preservation

Economic

Agribusiness is the number one industry in North Carolina, which generates more than $70 billion annually, and plays an integral part in the economic status of the state. The ADFP Trust Fund intends to preserve these agricultural areas to ensure sustainability of our state economy, in both production and employment, as well as raise awareness of the importance of farmlands to our state. The ability to purchase and consume products that are produced on local farms gives consumers the advantage of fresh food at a more reasonable cost and also supports the local economy. Active agricultural land also creates a range of job opportunities, from farming to food processing and packaging. Currently, North Carolina is the third most diversified agricultural commodity producer and leads the nation in tobacco and sweet potato production. North Carolina also has a variety of soil types and climates, which permit farmers state-wide to produce a large range of commodities throughout the year.

With 48,000 working farms, 17 percent of the N.C. labor force is in agriculture or agribusiness.

In addition, North Carolina produces more than $3 billion in agricultural exports and is ranked 9th in US cash receipts in agriculture.

Top 10 N.C. Counties in Farm Cash Receipts

County	*Thousands Dollars*
Duplin	$968,140
Sampson	$913,228
Union	$454,817
Wayne	$370,547
Robeson	$363,875
Wilkes	$329,272
Bladen	$326,334
Johnston	$241,633
Randolph	$209,857
Nash	$206,810

*Chart above represents 2008 figures

Environmental

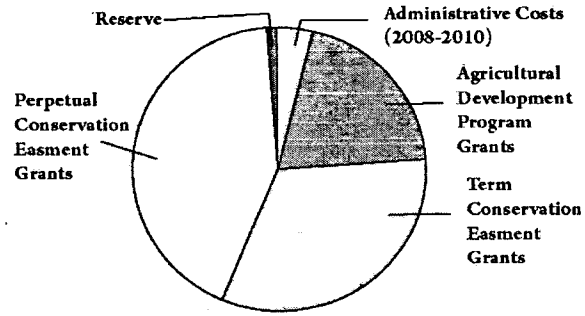
Farm and forestlands help protect the environment, wildlife, and also provide clean air and water. Soils and forests filter out contaminants, reducing the risk of flooding, and serving as a recharge area for water. Without proper preservation, these natural resources will be lost, and wildlife displacement will occur. These lands also house large amounts of carbon dioxide, thus helping to maintain the homeostatic nature of the environment and reducing the threat of drastic climate change.

Cultural Heritage

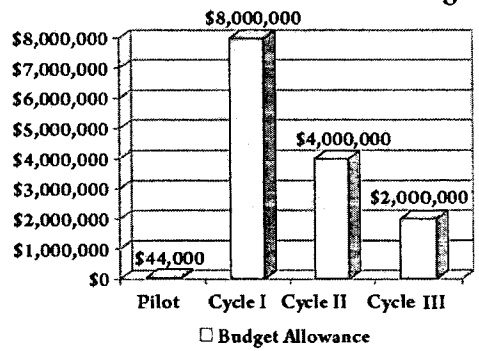
The importance of protecting agricultural area is not only for our economic and environmental future, but the preservation of our quality of life. Working farmlands and rural scenery are a deeply-rooted aspect of North Carolina's history. This cultural heritage is what makes the state so appealing to both its residents and visitors. It is imperative that we preserve the land that is an integral part of North Carolina's heritage and ensure that legacy for future generations.

Budget

2008-09 ADFP Trust Fund Budget (Cycle II)	
Administrative Costs (2008-2009)	$80,000
Administrative Costs (2009-2010) (reserve)	$80,000
Agricultural Development Program Grants	$800,000
Term Conservation Easement Grants	$1,300,000
Perpetual Conservation Easement Grants	$1,700,000
Reserve	$40,000
TOTAL	**$4,000,000**



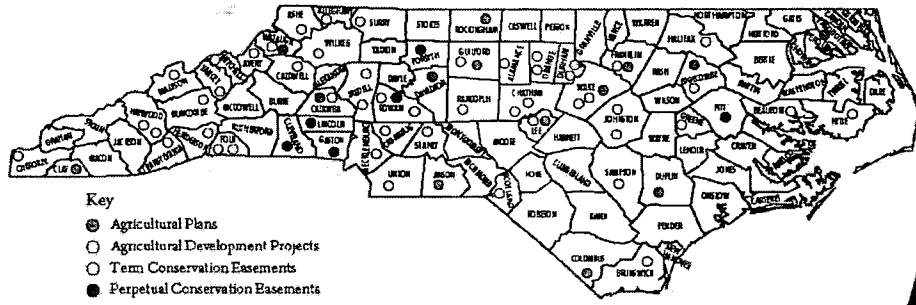
ADFP Trust Fund Budget History



A total of $44,000 in funding was available for the Pilot Project. The ADFP Trust Fund was given a budget of $8,000,000 in Cycle I. Since the end of Cycle I, grant allocation has subsequently been reduced due to economic conditions. At the time of publication, applications were being reviewed for Cycle III; the operating budget allotted for this upcoming grant year is $2,000,000.

ADFP Cycle II Grant Applicants

The applicants for the ADFP 2009-2010 grant cycle propose to benefit the following counties. This map contains only specific counties named in the applications and does not include regional or statewide projects.

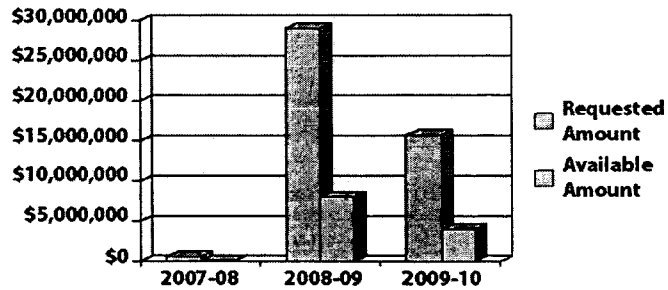


Key
- Agricultural Plans
- Agricultural Development Projects
- Term Conservation Easements
- Perpetual Conservation Easements

**Physical property location of easement application is noted, and location of grant applicant organization may not be represented.*

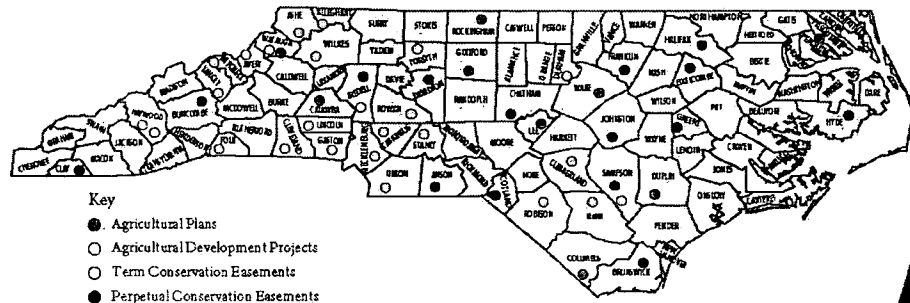
2009-10 Grant Cycle Applications			
Application Type	Number of Applications	Requested Grant Amount	Estimated Project Value
Perpetual Conservation Easements	41	$13,150,280	$38,902,849
Term Conservation Easements	6	$1,833,898	$3,164,100
Agricultural Plans	14	$331,392	$523,340
Development Projects	9	$382,750	$6,528,350
TOTAL	70	$15,698,320	$49,118,639
The Trust Fund received applications representing 55 counties throughout the state.			

ADFP Trust Fund Application Requests 2007-Present



ADFP Cycle II Grant Recipients

The following counties have been selected for funding in the ADFP 2009-2010 grant cycle. This map contains only specific counties named in the applications and does not include regional or statewide projects. Physical property location of easement award is noted, and location of grant recipient organization may not be represented.



Key
- Agricultural Plans
- Agricultural Development Projects
- Term Conservation Easements
- Perpetual Conservation Easements

**This map also does not take into account the counties that have more than one proposal of each application type selected for funding (i.e. if a county has applied for funding for 3 enterprise projects then only 1 is represented on the map).*

Public & Private Enterprise Programs		
Awarded:	**Match:**	**Estimated Project Total:**
$609,042	**$377,587**	**$986,629**

Agricultural Development Projects	Agricultural Plans
Awarded: $277,650	Awarded: $331,392
Match: $192,678	Match: $184,909
Estimated Project Total: $470,328	Estimated Project Total: $516,301

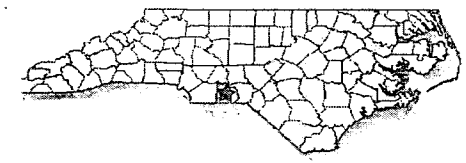
Easements		
Awarded:	**Match:**	**Estimated Project Total:**
$3,374,981	**$12,098,773**	**$15,473,754**

Term Easements	Perpetual Easements
Awarded: $428,223	Awarded: $2,946,758
Match: $798,777	Match: $11,299,996
Estimated Project Total: $1,227,000	Estimated Project Total: $14,246,754

Grants Awarded

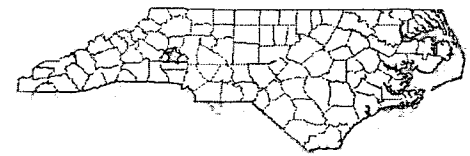
Agricultural Plans

Anson County VAD/EVAD Program



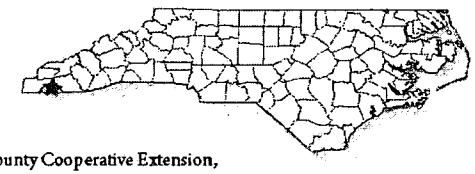
Award: $8,500
Match: $8,545
Estimated Project Value: $17,045
Target Area: Anson County
Grantee: Anson County
Partner: Anson County Cooperative Extension
Contact: Janine B. Rywak, County Extension Director
Description: This grant will be used to establish a VAD program and to develop a county-wide Farmland Protection plan.

Catawba County VAD Program



Award: $5,750
Match: $4,200
Estimated Project Value: $9,950
Target Area: Catawba County
Grantee: Catawba County Planning, Parks and Development
Partners: Catawba County Planning, Parks and Development, Catawba County Cooperative Extension
Contact: Mary K. George, Assistant Planning Director
Description: Catawba County adopted a VAD/EVAD ordinance and intends to advertise their newly adopted plan, as well as recruit farmers and educate the public on the VAD/EVAD program in Catawba County.

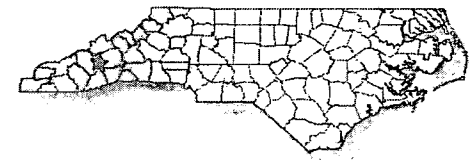
Clay County Farmland Protection Plan



Award: $35,000
Match: $22,250
Estimated Project Value: $57,250
Target Area: Clay County
Grantee: Clay County Soil & Water Conservation District
Partners: Clay County, Clay County SWCD Board, Clay County Cooperative Extension, NCDA&CS, N.C. CWMTF, Hiawasee River Watershed Coalition, Land Trust for the Little Tennessee, USDA/RC&D, USDA/NRCS, N.C. Forest Service, US Forest Service
Contact: Leanna Staton, Administrative Assistant
Description: Clay County will use grant funds to establish a Farmland Protection Plan. Clay County Soil & Water Conservation Service is the lead agency on this project.

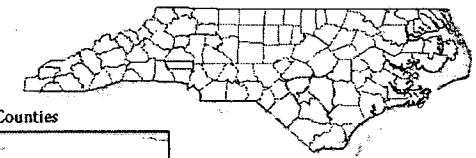
Development Projects

Appalachian Sustainable Agriculture Project



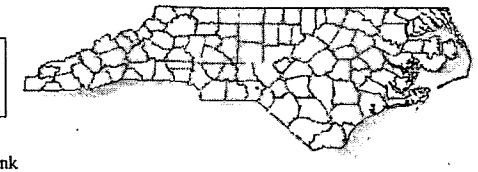
Award: $9,250
Match: $5,000
Estimated Project Value: $14,250
Target Area: Western N.C.
Grantee: Appalachian Sustainable Agriculture Project
Partner: WK Kellogg Foundation
Contact: Charlie Jackson, Executive Director
Description: "The Mixing Bowl" is a publication that connects local food suppliers and buyers in Western N.C. The creation of this publication is due to a grant from the ADFP Trust Fund Program in Cycle I. The goal of this project is to expand the size and scope of "The Mixing Bowl" to two publications; one focused on the High Country in the state, and the other concentrating on the central mountains.

NC Farm Center Community Farming



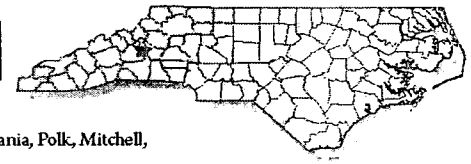
Award: $48,900
Match: $22,400
Estimated Project Value: $71,300
Target Area: Cumberland, Bladen, Robeson and Sampson Counties
Grantee: N.C. Farm Center
Partners: N.C. Farm Center
Contact: Richard Perritt, Executive Director
Description: The primary goal of this project is to develop 25-35 acres of farming area that is suitable for planting food crops and use by multiple local farming agencies. Each organization will be invited to manage two-acre plots of farmland. This project will assist low-income farmers continue to farm by accessing these lands and services provided by the N.C. Farm Center.

North Carolina Farm Transition Network



Award: $35,500
Match: $13,500
Estimated Project Value: $49,000
Target Area: Statewide
Grantee: North Carolina Farm Transition Network
Partners: N.C. Risk Management Agency, California Farmlink
Contact: Andrew Branan, Executive Director
Description: This grant will provide funding to develop a program for financing beginning farmer loan applications as well as set up an agricultural Individual Development Account Program in North Carolina. This will help enhance the role local and community banks play in beginning and local farmer financing.

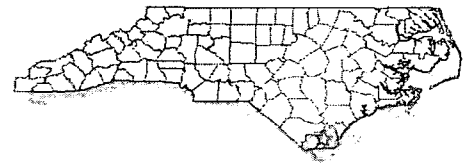
WNC Communities



Award: $50,000
Match: $50,000
Estimated Project Value: $100,000
Target Area: Haywood, Buncombe, Madison, Rutherford, Yancey, Henderson, Cherokee, Macon, Burke, Clay, Transylvania, Polk, Mitchell, Jackson, Graham, Swain, McDowell and Avery Counties
Grantee: WNC Communities
Partners: N.C. Tobacco Trust Fund Commission
Contact: L.T. Ward, Vice President
Description: The goals of this project are to serve the needs of Western NC's livestock producers by designing, building and operating a livestock marketing facility. Grant funding will aid in the site design phase of the project. The new facility goals will include more profitable livestock operations and farmland preservation.

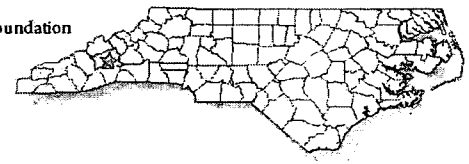
Easements

The Meadowlark Farm



Grantee: Brunswick Soil & Water Conservation District
Partners: N.C. Foundation for Soil & Water
Award: $17,000
Match: $1,320,500
Estimated Project Value: $1,337,500
Acreage:104
County: Brunswick
Production: Hay, corn
Description: Brunswick SWCD was awarded $17,000 to assist in the purchase of 104 acres of the Meadowlark Farm in Brunswick County, which produces hay and corn.

Snelson Sycamore Valley Farm



Grantee: Buncombe County
Partners: Buncombe County, USDA-NRCS, Soil & Water Foundation
Award: $345,206
Match: $194,667
Estimated Project Value: $539,873
Acreage: 140
County: Buncombe
Production: Livestock, produce, hay and timber
Description: Buncombe County was awarded $345, 206 to assist in purchasing 140 acres of the Snelson Sycamore Valley Farm. This farm is a 150-year-old, six-generation, working farm that produces livestock, produce, hay and timber, and includes a produce store on-site.

Grant Cycle III Overview

***All applications for funding cycle III are currently under review.**

Cycle III Applicant Summary

- **Easements:**

- 30 Perpetual Easement Applicants (29 Perpetual, 1 term)
- Total Requested Grant Amount: $6,262,598 (Perpetual: $6,067,598; Term: $195,000)

- **Plans and Projects:**

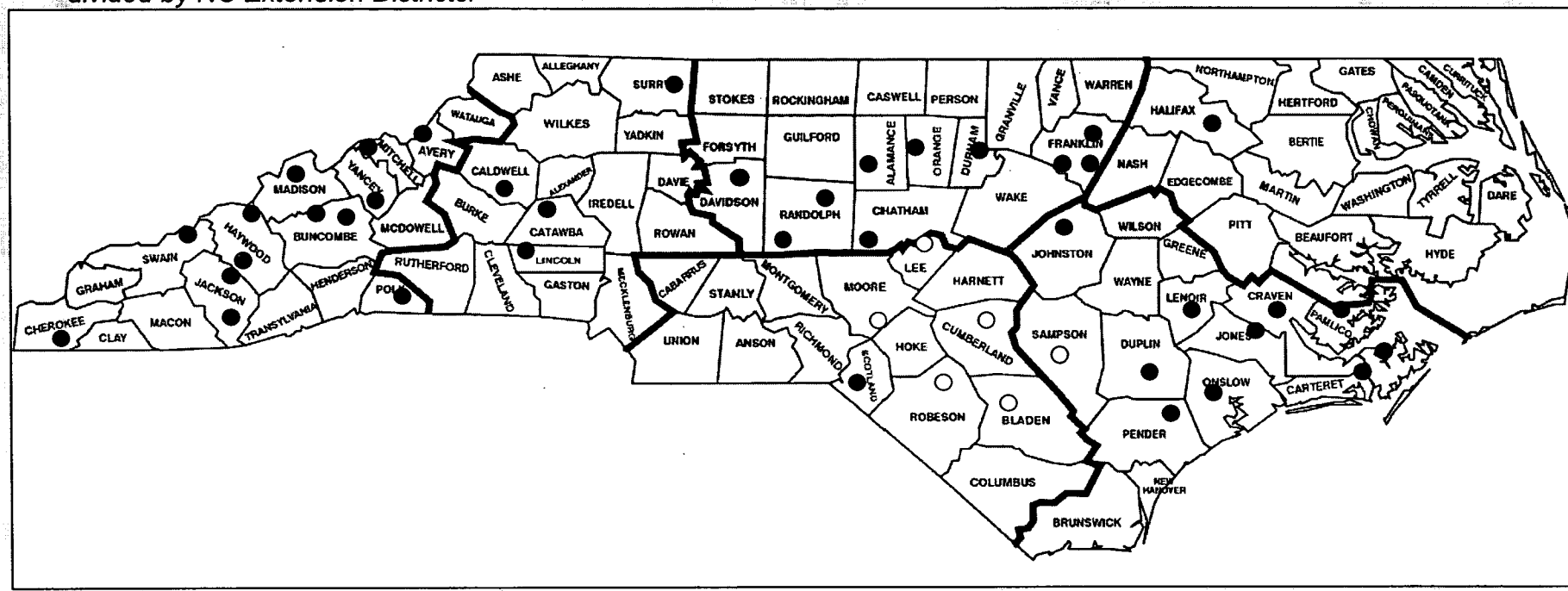
- 10 Plan Applicants Total
- 5 Project Applicants Total
- Total Requested Grant Amount: $676,499

- **Total:**

- 45 Applicants
- Requested Grant Funds: $6,939,097

Cycle III (2010-2011) NC ADFP Grant Applicants

The applicants for the NC ADFP 2010-2011 grant cycle propose to benefit the following counties. This map contains only specific counties named in the applications and does not include regional or statewide projects. This map has been divided by NC Extension Districts.



Key

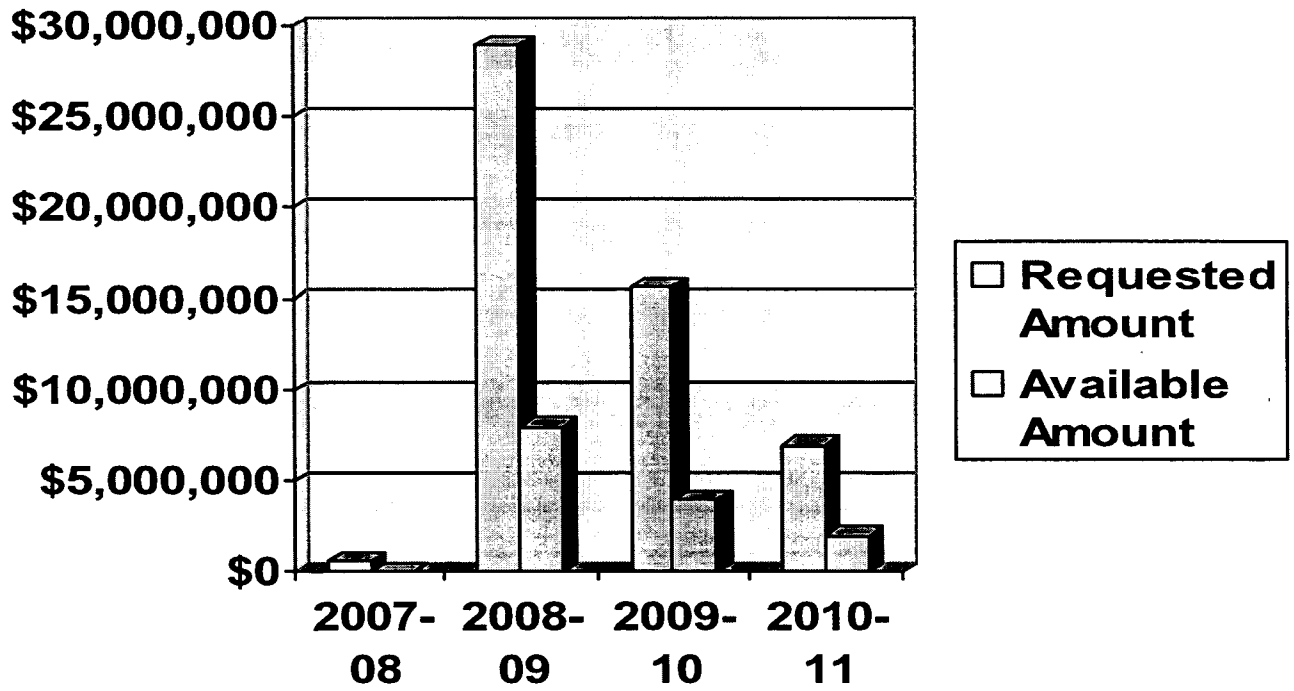
- ● Agricultural Plans
- ○ Agricultural Development Projects
- ● Perpetual Conservation Easements
- ● Term Conservation Easements

**This map does not represent the regional and statewide applicants in the 2010-2011 grant cycle. This map also does not take into account the counties that have more than one proposal of each application type selected for funding (i.e. if a county has applied for funding for three perpetual conservation easements then only one is represented on the map. Physical property location of easement application is noted, and location of grant applicant organization may not be represented.*

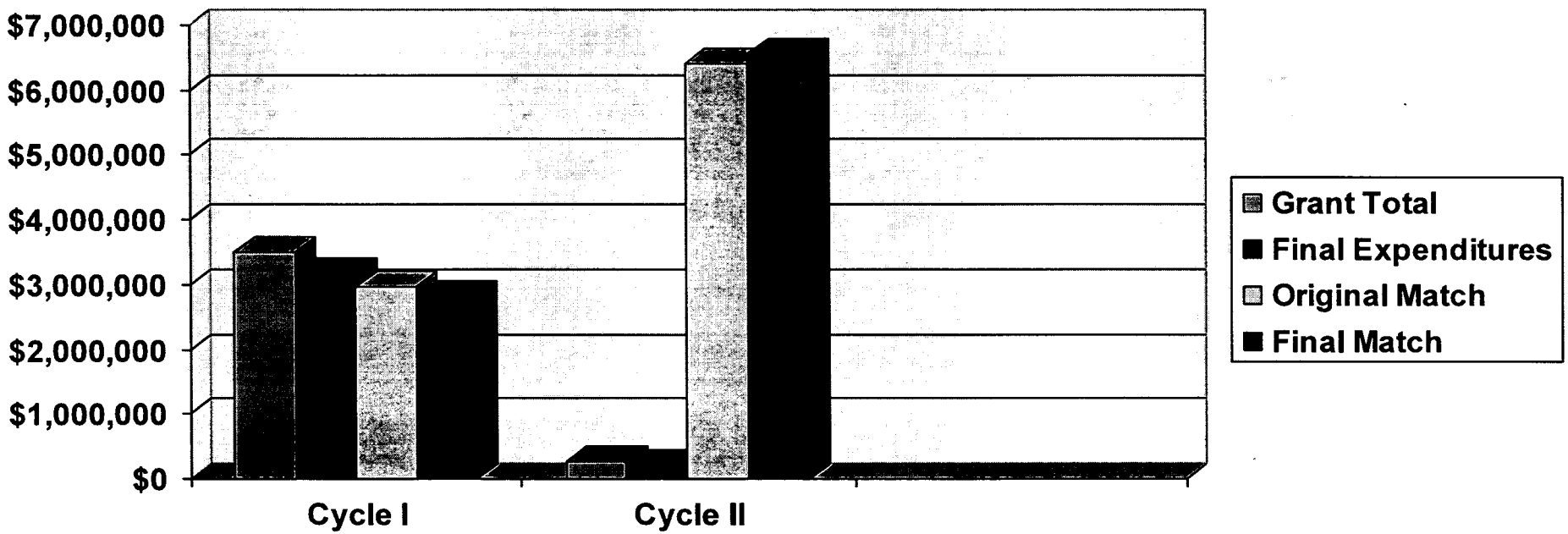
Protected Acreage Overview

Cycle	Acreage Under Review for Contract	Acreage Currently Under Contract	Acreage Placed in Easement
I		1,202	2,100
II		2,515	393
III	3,936		
Total	**3,936**	**3,717**	**2,493**

ADFP Trust Fund Grant Application Requests 2007-Present



Closed Grant Totals



Cycle I Amounts

Grant Total: $3,497,715

Original Match: $2,968,955

Final Match: $2,825,535

Final Expenditures: $3,185,111

Cycle II Amounts

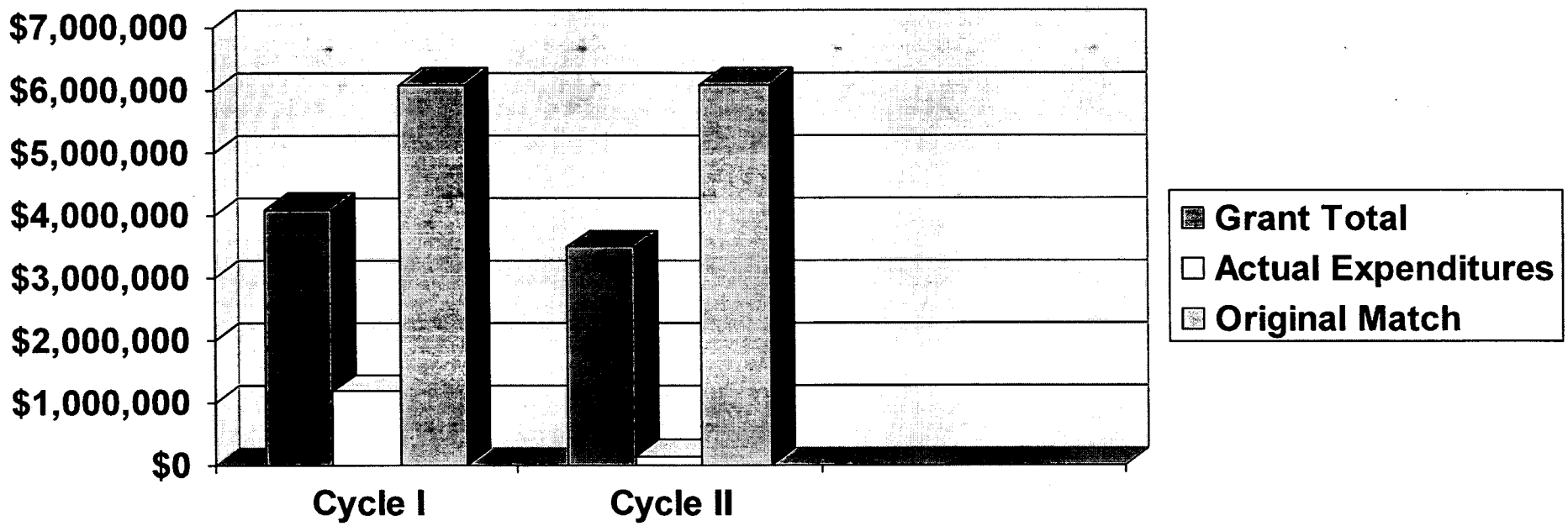
Grant Total: $256,500

Original Match: $6,413,150

Final Match: $6,559,263

Final Expenditures: $220,000

Open Grant Totals



Cycle I Amounts

Grant Total: $4,085,221

Original Match: $6,080,334

Actual Expenditures: $1,189,876

Cycle II Amounts

Grant Total: $3,486,285

Original Match: $6,084,048

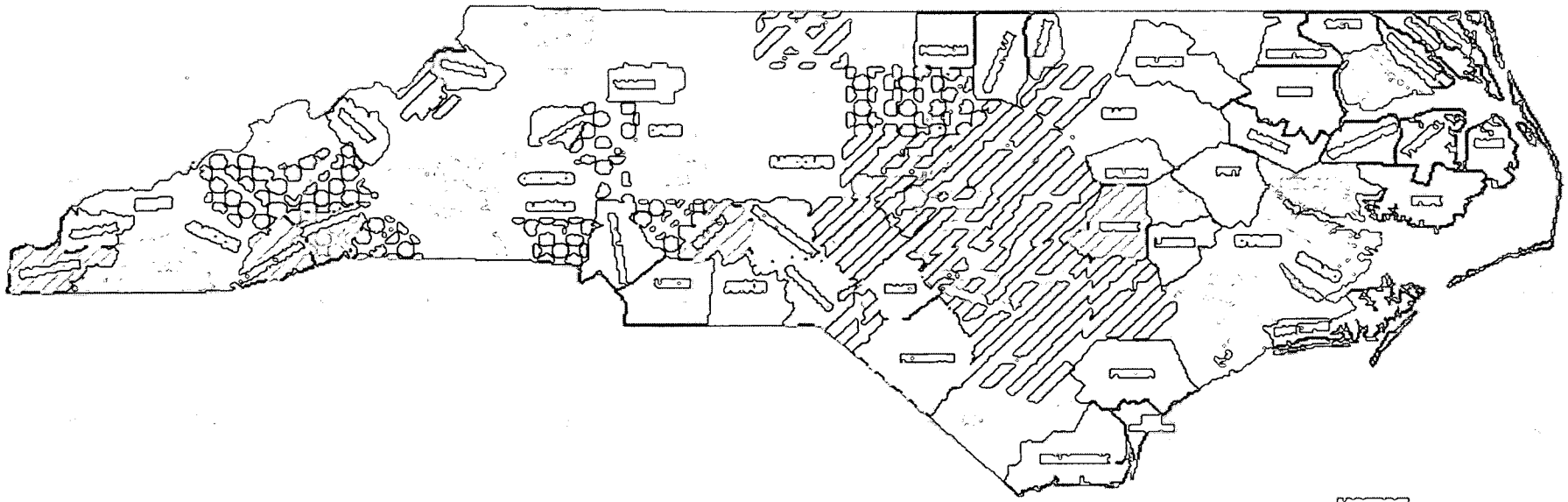
Actual Expenditures: $145,376

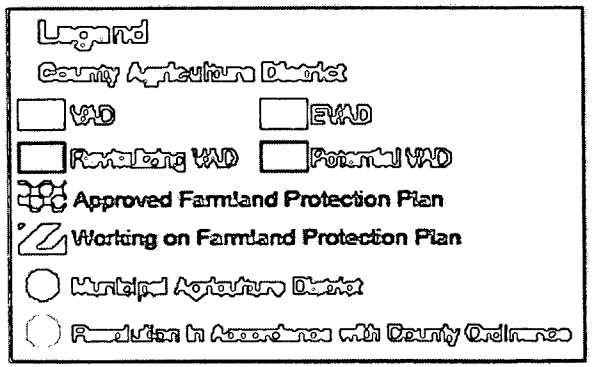
**Amounts listed are the most current information available at this time. All amounts are subject to change at time of contract signing and closing.

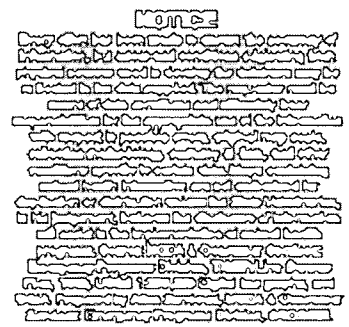
Other Farmland Preservation Efforts

- There are currently 76 counties with Voluntary Agricultural Districts in place.
- 16 counties have developed Enhanced Voluntary Agricultural Districts.
- 11 county-wide Farmland Protection Plans have been written and implemented.

VOLUNTARY AGRICULTURE DISTRICTS





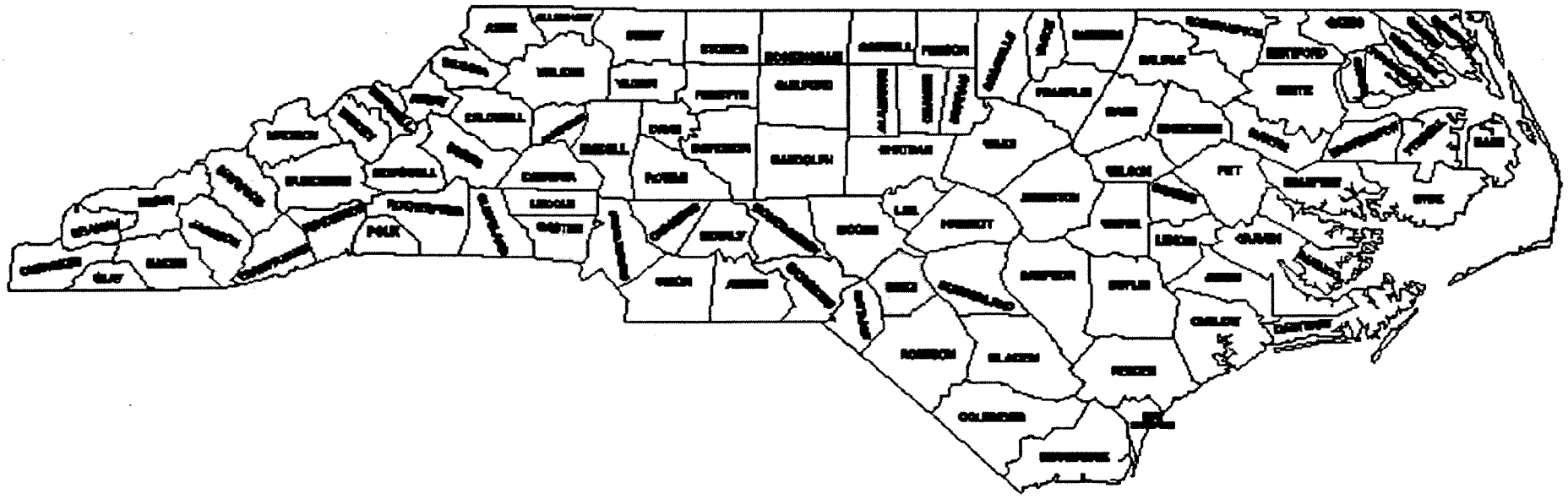




Steven W. Troxler, Commissioner
Steven Shutt, Director of Emergency Programs

Revised 3-20-2010

FARMLAND PROTECTION PLANS



Legend

NCDA Approved Farmland Protection Plan in place?

- Yes
- No







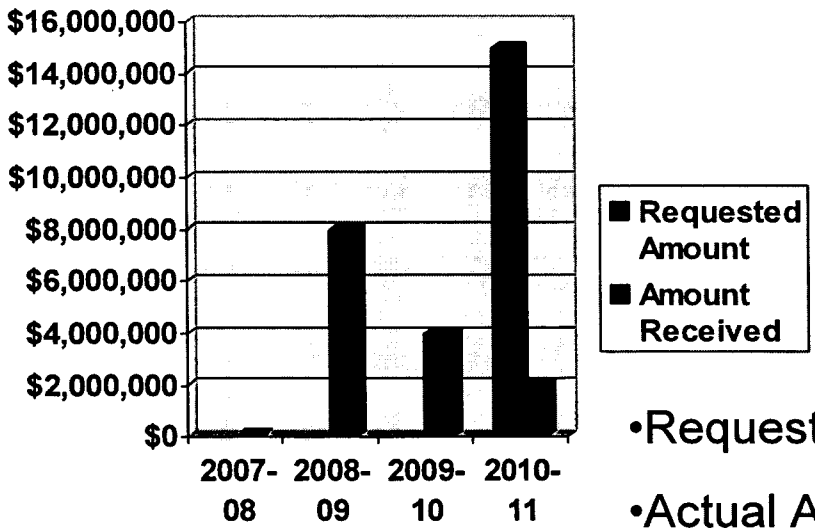
Steven W Troxler, Commissioner
Sharon Stennett, Director of Emergency Programs

NOTICE

Revised 3-03-2010

Cycle IV Grant Year

For the upcoming fiscal year July 2010-June 2011, the Commissioner and ADFP Advisory Committee are requesting $5 million for Cycle IV grant applications, based upon unfulfilled requests from Cycle III.



- Requested Amount for Cycle III funding: $15 million
- Actual Amount Received for Cycle III funding: $2 million

Questions?

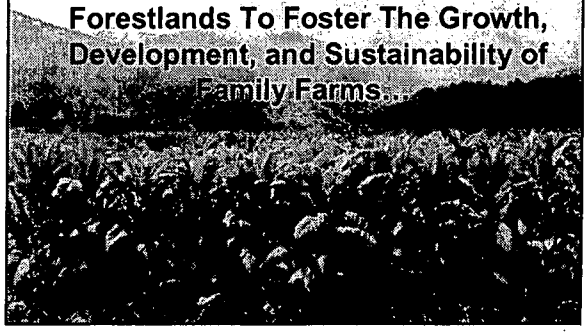

NORTH CAROLINA
ADFP
TRUST FUND


N.C. DEPARTMENT OF AGRICULTURE AND CONSUMER SERVICES
- FOUNDED 1877 -

NC Agricultural Development and Farmland Preservation Trust Fund Report to the Environmental Review Commission

Dewitt Hardee
Environmental Program Manager
NCDA&CS

To Fund Projects To Encourage The Preservation Of Qualifying Agricultural, Horticultural, And Forestlands To Foster The Growth, Development, and Sustainability of Family Farms...



NC ADFP Trust Fund Advisory Committee

- Ag Commissioner Steve Troxler- Chairman
- Garrett Wyckoff - NC Dept. of Commerce
- Andrew Branan - NC Farm Transition Network
- Linda Shaw– RAFI
- Jimmy Gentry - NC State Grange
- Billy Gulliet - NC Rural Economic Development Center
- Bill Holbrook - Farmer
- Anne G. Briley - Farmer
- Dr. Ed Jones - NC Cooperative Extension Service
- Anthony Allen - NC Assoc. of County Commissioners
- Edgar Miller - Conservation Trust for NC
- Erica Peterson - NC Agribusiness Council
- James Ferguson - NC Assoc. of Soil & Water Conservation Districts
- Gilistine Richardson - Black Farmers & Agriculturalists Assoc.
- Robert Slocum Jr. - NC Forestry Assoc.
- Jackie Thompson - Farmer
- Dr. Alton Thompson - NC A&T State University
- Manly Wilder- Assistant Secretary of NC DENR
- Steve Woodson - NC Farm Bureau



ADFP Trust Activities

- Cycle I Summary
- Cycle II Summary
- Cycle II Annual Report
- Cycle III Summary and Distribution Map
- Protected Acreage Overview
- Requested and Available Amounts Figure
- Closed and Open Grant Totals Figure
- Farmland Preservation Information and Maps
- Upcoming Cycle IV Funding Needs

2008-2009 (Cycle I) Grant Cycle

- Awarded $7.6 million in grants to help communities across the state protect farmland or promote agricultural development.
- Received 93 applications requesting $29 million in grants.
- A total of 41 grants were funded.

Cycle I Awarded Grant Contracts

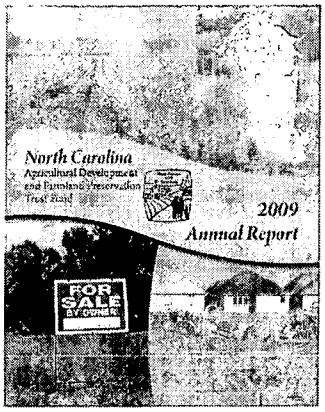
- **Conservation Easements (Perpetual):**
  Total amount awarded: $4,345,950
  Total acreage protected: 2,703
  Total projects funded: 16
- **Conservation Easements (Term):**
  Total amount awarded: $820,771
  Total acreage protected: 530
  Total projects funded: 3 (two for 50-year terms, 1 for 25 years)
- **Agricultural Plans:**
  Total amount awarded: $877,695
  Total projects funded:14
- **Agricultural Development Projects:**
  Total amount awarded: $1,555,020
  Total projects funded: 8

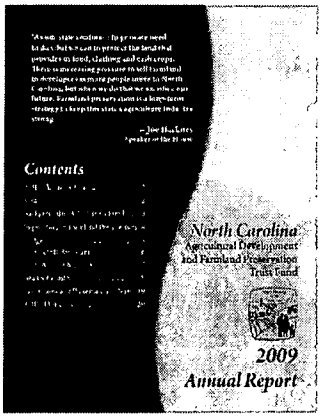
2009-2010 (Cycle II) Grant Cycle

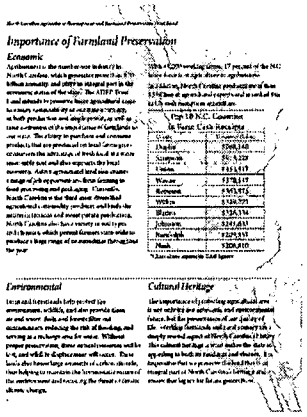
- $4 million available for funding.
- Received 70 applications.
- Over $15 million in grant requests.
- Awarded over $3.9 million in grants.
- Awarded 35 grants.

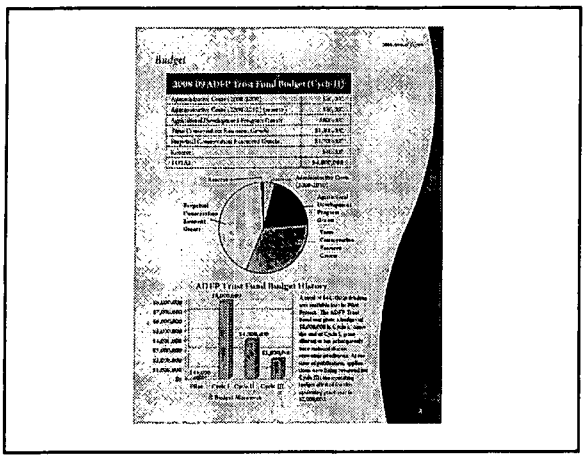
Cycle II Awarded Grant Contracts

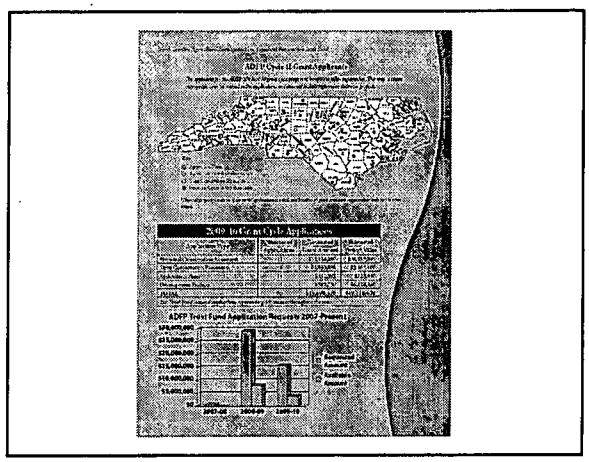
- **Conservation Easements (Perpetual):**
  Total Amount Awarded: $2,946,758
  Total Acreage Protected: 2,496.3
  Total Projects Funded: 13
- **Conservation Easements (Term):**
  Total Amount Awarded: $428,223
  Total Acreage Protected: 647
  Total Projects Funded: 2 (One15 year term and one 20 year term)
- **Agricultural Plans:**
  Total Amount Awarded: $331,392
  Total Projects Funded: 14
- **Agricultural Development Projects:**
  Total Amount Awarded: $277,650
  Total Projects Funded: 7

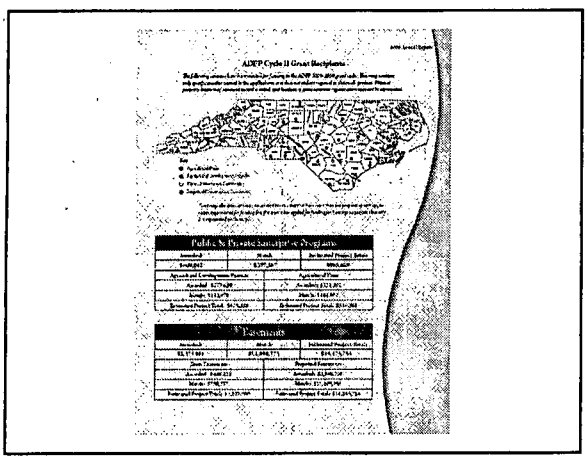


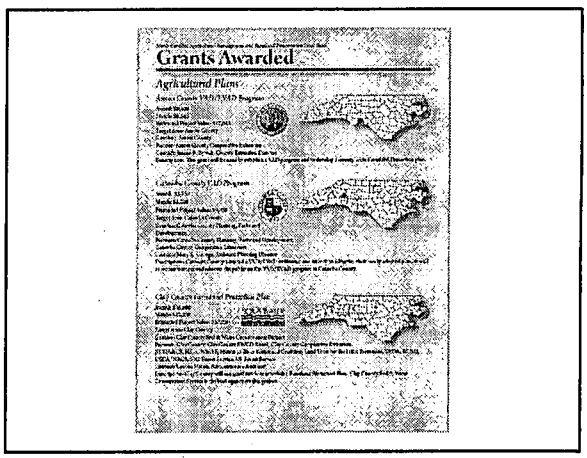


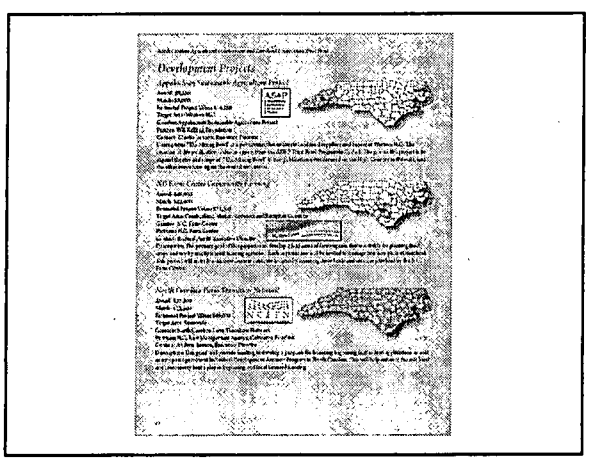


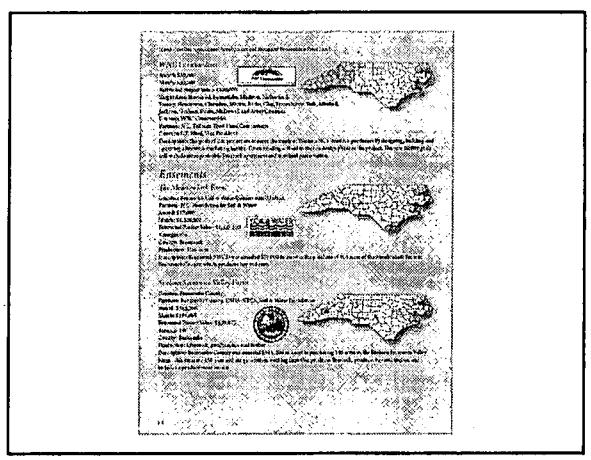

Budget




ADEP Cycle II Grant Recipients


Grants Awarded
Agricultural Plans


Development Projects


Easements

Grant Cycle III Overview

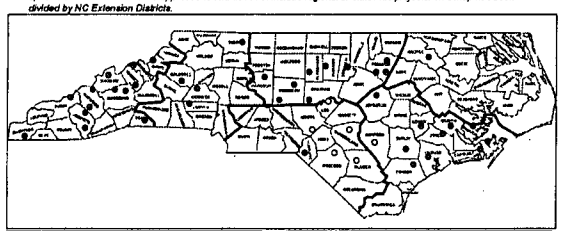
*All applications for funding cycle III are currently under review.

Cycle III Applicant Summary

- **Easements:**
  - 30 Perpetual Easement Applicants (29 Perpetual, 1 term)
  - Total Requested Grant Amount: $6,262,598 (Perpetual: $6,067,598; Term: $195,000)
- **Plans and Projects:**
  - 10 Plan Applicants Total
  - 5 Project Applicants Total
  - Total Requested Grant Amount: $676,499
- **Total:**
  - 45 Applicants
  - Requested Grant Funds: $6,939,097

Cycle III (2010-2011) NC ADFP Grant Applicants

The applicants for the NC ADFP 2010-2011 grant cycle propose to benefit the following counties. This map contains only specific counties named in the applications and does not include regional or statewide projects. This map has been divided by NC Extension Districts.



Key

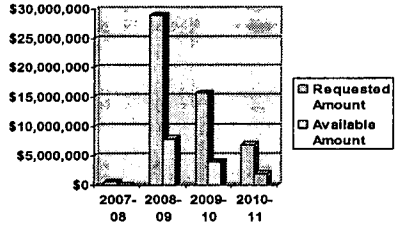
- Agricultural Plans
- Agricultural Development Projects
- Perpetual Conservation Easements
- Term Conservation Easements

**This map does not represent the regional and statewide applicants in the 2010-2011 grant cycle. This map also does not take into account the counties that have more than one proposal of each application type selected for funding (i.e. if a county has applied for funding for three perpetual conservation easements then only one is represented on the map. Physical property location of easement application is noted, and location of grant applicant organization may not be represented.*

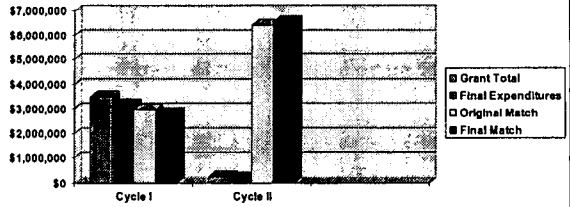
Protected Acreage Overview

Cycle	Acreage Under Review for Contract	Acreage Currently Under Contract	Acreage Placed in Easement
I		1,202	2,100
II		2,515	393
III	3,936		
Total	**3,936**	**3,717**	**2,493**

ADFP Trust Fund Grant Application Requests 2007-Present

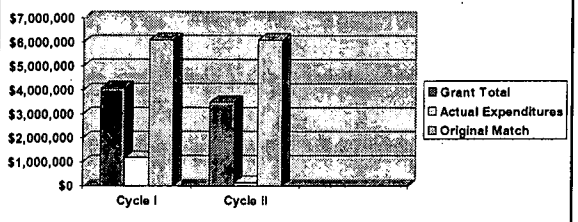


Closed Grant Totals



Cycle I Amounts	Cycle II Amounts
Grant Total: $3,497,715	Grant Total: $256,500
Original Match: $2,968,955	Original Match: $6,413,150
Final Match: $2,825,535	Final Match: $6,559,263
Final Expenditures: $3,185,111	Final Expenditures: $220,000

Open Grant Totals

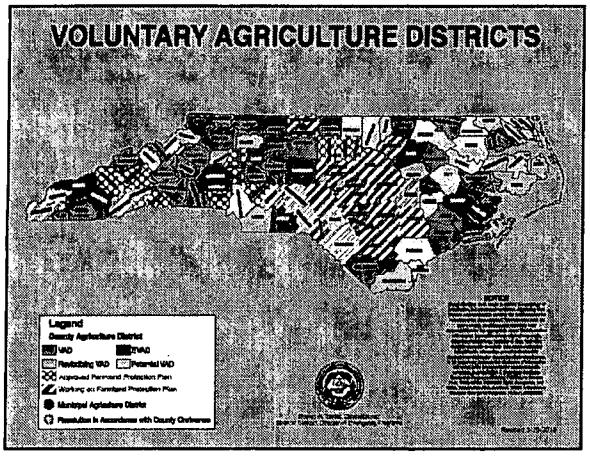


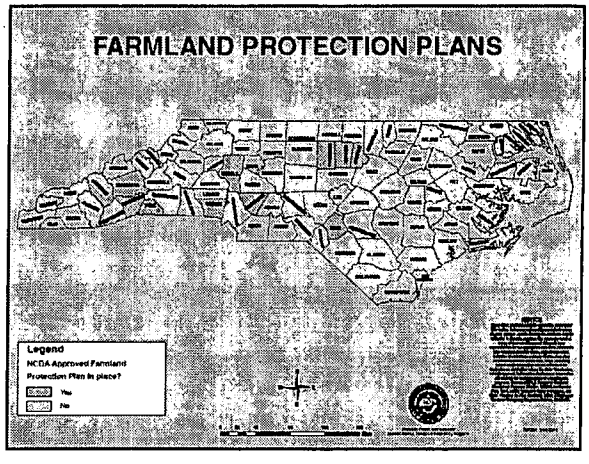
Cycle I Amounts	Cycle II Amounts
Grant Total: $4,085,221	Grant Total: $3,486,285
Original Match: $6,080,334	Original Match: $6,084,048
Actual Expenditures: $1,189,876	Actual Expenditures: $145,376

**Amounts listed are the most current information available at this time. All amounts are subject to change at time of contract signing and closing.

Other Farmland Preservation Efforts

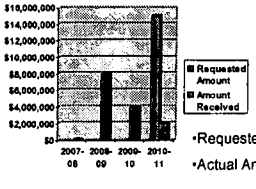
- There are currently 76 counties with Voluntary Agricultural Districts in place.
- 16 counties have developed Enhanced Voluntary Agricultural Districts.
- 11 county-wide Farmland Protection Plans have been written and implemented.





Cycle IV Grant Year

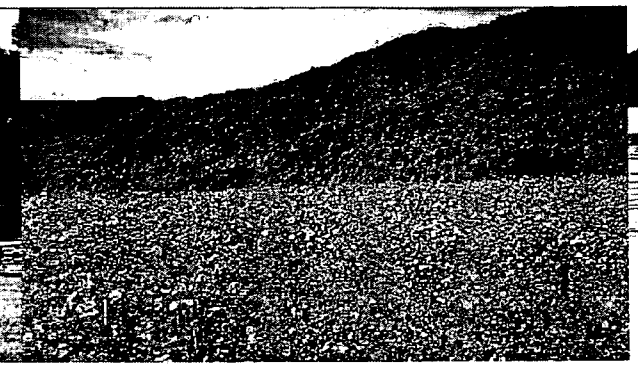
For the upcoming fiscal year July 2010-June 2011, the Commissioner and ADFP Advisory Committee are requesting $5 million for Cycle IV grant applications, based upon unfulfilled requests from Cycle III.



- Requested Amount for Cycle III funding: $15 million
- Actual Amount Received for Cycle III funding: $2 million

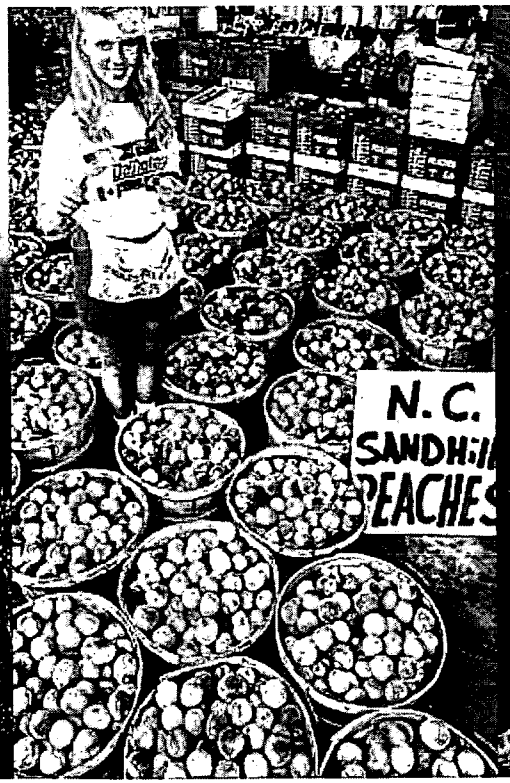
Questions?




Land *for* Tomorrow







All photos courtesy of
NC Division of Tourism,
Film and Sports Development

Land *for* Tomorrow

A *partnership* of organizations and North Carolinians with a common goal: increasing funding for land and water conservation.

Good for North Carolina

- Preserving family farms, forests, stream banks, game lands, parks, greenways and trails.
- Boosts state's economy, agriculture, tourism, forestry, hunting, fishing and wildlife-watching.
- Protecting our natural heritage
- Protecting quality of life
- Protecting Clean Water

Clean Water

- For every 10% increase in forest cover, drinking water treatment and chemical costs decrease 20%. – American Water Works Association
- 20 to 400 times more expensive to treat contaminated water than to prevent it through land conservation. - USEPA

North Carolinians Support Conservation

- Even during tough economic times, still strong support for conservation.
- April 2009 L4T poll three out of four North Carolinians believe conservation should be funded
- 66 percent supporting an appropriation of $95 million or more.
- Sixty-four percent supported funding for farmland preservation.

Time to Play Catch Up

- Lost $122 million last year
  - $115.5 million from CWMTF
  - $2.8 million from NHTF
  - $6 million from PARTF

Conservation = Economic Stimulus

- State parks contribute $400 million
  - 2009 record attendance, 14 million visitors
- Hunters and Anglers
- Tourism
- Protecting the military's operations

Transylvania County

- Loss of Ecusta paper and Dupont film factories
- Today, major driver is second home and tourism
- What drives Transylvania County?
  - Natural beauty
  - State and federal recreational areas and facilities
- Sylvan Sports in Dupont State Forest

Military

- Contributes $23.4 billion to NC's economy (7%)
- Clark Tract, purchased fall 2009
  - Excellent habitat for red-cockaded woodpecker
  - Provides crucial buffer for training at Fort Bragg
- Other bases (Camp Lejeune) have replicated this
- In the last decade, DoD has spent >$30 m to help protect 102,000 acres in NC

Blue Ridge Parkway

- 20 million visitors annually, $2 billion economy in counties with heavy job loss
- CSX Corp. worked with CTNC to conserve; Easement runs from milepost 325 to 329.5
- Total funding $3.67 million
  - NHTF $1.13 m
  - Clean Water Management Trust Fund $868,000
  - State Parks Recreation Trails Program $75,000
  - Private donors $1.6 m

Cove Swamp

- Two miles, runs through Lake Waccamaw
- Clear cutting would have been an aesthetic, environmental and economic disaster
- Total funding $700,000
  - CWMTF $350,000
  - PARTF $300,000
  - Private Donors $50,000



Agricultural Development and Farmland Preservation Trust Fund

- Permanently protect more than 5,200 acres of working farmland.
- Leverage more than $21 million in matching funds and donated easement value.
- Protect more than 1,100 acres under time-limited conservation agreements.
- Invest more than $3 million in local agricultural development projects.

Your support is needed

- $50 million for Clean Water Management Trust Fund
- $2 million for Agricultural Development and Farmland Preservation Trust Fund
- Maintain Natural Heritage and Parks and Recreation Trust Funds
- Maintain Conservation Tax Credit

Thank You

Tom Cors

The Nature Conservancy

tcors@tnc.org

919-403-8558

LAND *for* TOMORROW

Economic Benefits of Land Conservation – North Carolina 2010

Military Readiness

- With Base Realignment and Closure, Fort Bragg and Camp Lejeune are increasing in terms of size and footprint of their operations.
- Encroaching development to these installations threatens the military's ability to conduct training.
- Conservation lands around the installations buffer operations, increase readiness and provide property for the military to conduct trainings.
- Camp Lejeune has protected over 10,000 acres and Fort Bragg has protected nearly 14,000 acres, leveraging NC conservation trust funds with federal dollars and added needed buffer to military bases for their expansion.

Tourism

- According to the State Division of Tourism, scenery is North Carolina's strongest draw for tourism, a $17 billion industry that employs 200,000 people.[1]
- North Carolina enjoys 49 million visitors annually, primarily for the state's outstanding natural resources.[2]
- The Blue Ridge Parkway alone attracts nearly 20 million visitors and contributes more than $2 billion to the regional economy each year.[2]
- North Carolina State Parks attract 13.4 million visitors and generate roughly $400 million each year.[3]

Hunting and Fishing

- Fish and wildlife recreation generates $4.3 billion with 3.4 million participants annually in North Carolina.[2]
- The economic stimulus of hunting and fishing, which considers revenue gained in industries related to fishing and hunting in a secondary way, equates to $4.7 million a day for North Carolina.[4]
- Hunting and fishing directly supports 29,000 jobs and provides $818 million worth of paychecks around the state.[4]
- North Carolinians spend more than $1.7 billion annually on their recreational hunting and fishing activities.[5]
- In 2006 anglers, hunters and wildlife viewers spent $2.62 billion in retail sales ($2.05 billion by residents and $570 million by nonresidents), creating $1.26 billion in salaries and wages, and supporting 45,224 jobs.[4]

Agriculture and Forestry

- North Carolina agriculture is a $68 billion industry, accounting for 22 percent of the state's income.[1]
- 20 percent of the North Carolina work force are employed in agriculture related industries.[2]
- North Carolina is 8th in US cash receipts in agriculture and produces $2 billion in agricultural exports. [7]
- The forest products industry contributes approximately $30 billion annually to the state's economy, providing over 100,000 jobs for North Carolinians.[8]

Sources:

1. Transcript of speech given by Rand Wentworth, President, Land Trust Alliance. Available at: http://www.landtrustalliance.org/community/Regions/southeast/documents/NC%20Speech%20Rand%20Wentworth%20Feb%209%202009%20-2.pdf. Retrieved April 14, 2009.
2. Economic Impact of North Carolina's Natural Resources. *One North Carolina Naturally.* Available at: http://www.onencnaturally.com/pages/Economic_Impact.html
3. Greenwood, J.B. & Vick, C.G. (2008). Economic Contribution of Visitors to Selected North Carolina State Parks. *North Carolina Department of Environment and Natural Resources: Division of Parks and Recreation.*
4. *The 2006 Economic Benefits of Hunting, Fishing, and Wildlife Watching in North Carolina.* (June 30, 2008). Prepared by Southwick and Associates, Inc. for the North Carolina Wildlife Resources Commission.
5. Press Release: N.C. Wildlife Resources Commission. (Sept. 3, 2008) Raleigh, NC. *Hunting and Fishing Have Major Economic Impact in Tar Heel State.*
6. Economic Impacts Fact Sheet. *North Carolina Birding Trail.* Available at: http://www.appalachian.org/blueridgeforeverinfo/docs/EconomicImpactsOfBirdingFactSheet.pdf. Retrieved April 17, 2009.
7. North Carolina Agriculture Development and Farmland Preservation Trust Fund, 2008 Annual Report. Available at: http://www.ncadfp.org/documents/2008AnnualReport.pdf. Retrieved April 14, 2009.
8. North Carolina Division of Forest Resources
9. De Brun, C. T. F. (eds.). (2007). The Economic Benefits of Land Conservation. *The Trust for Public Lands.*

General Assembly of North Carolina

Environmental Review Commission
State Legislative Building
Raleigh, North Carolina

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MARIAH B. MATHESON
COMMISSION ASSISTANT

JESSICA K. PROCTOR
COMMISSION CLERK

March 25, 2010

TO: Members of the Environmental Review Commission
Interested Parties

FROM: Jennifer L. McGinnis, Commission Counsel
Jessica Kozma Proctor, Commission Clerk

RE: **Preliminary Notice of Commission Meeting and Site Visit**

The April meeting of the Environmental Review Commission (ERC) will focus on parks, recreation, and land conservation. The ERC will meet at 1:30 p.m. on Thursday, April 15, 2010, at the visitors center of Merchants Millpond State Park, 176 Millpond Road, Gatesville, NC 27938-9440. On Friday, April 16th, 2010, the Commission will tour the Park. Other site visits may be planned. Information on the Park, including directions can be found at: http://www.ncparks.gov/Visit/parks/memi/main.php.

Persons having questions about the Commission meeting or other matters related to the Commission may contact Jennifer McGinnis, Commission Counsel, at (919)733-2578, or Jessica Kozma Proctor, Commission Clerk, at (919)733-4098, or may visit the Commission's website at http://www.ncleg.net/gascripts/DocumentSites/browseDocSite.asp?nID=12

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MARIAH B. MATHESON
COMMISSION ASSISTANT

JESSICA K. PROCTOR
COMMISSION CLERK

April 15, 2010

MEMORANDUM

To: Members of the Environmental Review Commission
From: Mariah Matheson, Commission Assistant
Re: Disposition of Reports

The following reports have been submitted to the Environmental Review Commission (Commission) since the last reports distribution on March 18, 2010.

A. The following reports have been submitted and are being distributed in connection with today's agenda as follows:

1) Department of Environment and Natural Resources

a. Annual report on the Parks and Recreation Trust Fund, Fiscal Year 2008-2009. October 1, 2009. Statutory Authority: G.S. 113-44.15(c). ***Agenda Item #4*** (http://www.ncleg.net/documentsites/committees/ERC/ERC%20Reports%20Received/2009-2010/Dept%20of%20Environment%20and%20Natural%20Resources/2009-Oct%20-%20PARTF%20Annual%20Report%202008-09.pdf)

b. Annual report on awards from the North Carolina Natural Heritage Trust Fund, Fiscal Year 2008-2009. October 1, 2009. Statutory Authority: G.S. 113-77.9(e). ***Agenda Item #5*** (http://www.ncleg.net/documentsites/committees/ERC/ERC%20Reports%20Received/2009-2010/Dept%20of%20Environment%20and%20Natural%20Resources/2009-Oct%20-%20Natural%20Heritage%20Trust%20Fund%20-%20FY2009.pdf)

2) Clean Water Management Trust Fund

Annual report on the implementation of the Clean Water Management Trust Fund. December 1, 2009. Statutory Authority: G.S. 113A-257. ***Agenda Item #6***

3) Department of Agriculture and Consumer Services

Annual report on the activities of the North Carolina Development and Farmland Preservation Trust Fund Committee. May 1, 2009. Statutory Authority: G.S. 106-744(i). ***Agenda Item #7*** (http://www.ncleg.net/documentsites/committees/ERC/ERC%20Reports%20Received/2009-2010/Dept%20of%20Agriculture/2009-May%20ADFP%20Trust%20Fund.pdf)

B. The following reports have been submitted and may be distributed in conjunction with a presentation at a future meeting of the Commission. These reports are electronically available at the Commission's website: (http://www.ncleg.net/gascripts/DocumentSites/browseDocSite.asp?nID=12&sFolderName=\ERC%20Reports%20Received). If you would like a hardcopy of one of these reports, please contact Mariah Matheson at (919) 733-2578 or mariahm@ncleg.net for assistance.

1) North Carolina Water Quality Work Group (RiverNet)

a. Annual report on RiverNet's previous year's activities, findings, and recommendations. January 30, 2009. Statutory Authority: G.S. 143-215.8D.

2) Department of Transportation

a. Annual report on the evaluation and adjustment of the boundaries of the area served by each Metropolitan Planning Organization. November 1, 2009. Statutory Authority: G.S. 136-202(d).

b. Annual report on development and implementation of a plan to reduce vehicle miles traveled by State and private sector employees and vehicle emissions resulting from job-related travel, including commuting to and from work. October 1, 2009. Statutory Authority: G.S. 143-215.107C (d) and (e).

3) State Water Infrastructure Commission

a. Annual report by the State Water Infrastructure Commission on its activities and findings. November 1, 2009. Statutory Authority: G.S.159G-67.

4) Department of Administration

a. Annual consolidated report on the implementation of the Sustainable Energy Efficient Buildings Program. November 1, 2009. Statutory Authority: G.S. 143-135.39(f) and (g).

5) Utilities Commission

a. Biennial report on the actual results of the cost allocations for electric utilities involving REPS costs, demand-side management and energy efficiency programs costs, and certain fuel and fuel-related costs. October 1, 2009. Authority: S.L. 2007-397, Sec. 14.

b. Annual report on the implementation of the Swine Farm Methane Capture Pilot Program including a program evaluation, and legislative proposals. January 1, 2010. Authority: S.L. 2007-523, Sec. 4(d).

6) Department of Environment and Natural Resources

c. Annual report on the cost of implementing the Mining Act of 1971. September 1, 2009. Statutory Authority: G.S. 74-54.1(c).

d. Annual report on the Bernard Allen Memorial Emergency Drinking Water Fund. October 1, 2009. Statutory Authority: G.S. 87-98(e).

e. Annual report on the Conservation Easement Program. October 1, 2009. Statutory Authority: G.S. 113A-235(c).

f. Annual report on progress towards attaining the State's goal of protecting one million acres of farmland, open space, and conservation lands. October 1, 2009. Statutory Authority: G.S. 113A-241(c)).

g. Annual report on the North Carolina Hazardous Waste Management Plan. October 1, 2009. Statutory Authority: G.S. 130A-294(i).

h. Annual report on implementation of the Resident Inspectors Program at commercial hazardous waste facilities. October 1, 2009. Statutory Authority: G.S. 130A-295.02(m).

i. Annual report on the Mercury Minimization Plan. October 1, 2009. Statutory Authority: G.S. 130A-310.57, Sec. 7.

j. Annual report on the implementation of stormwater rules and programs. October 1, 2009. Statutory Authority: GS. 143-214.7(e).

k. Annual report on the implementation of the Ecosystem Enhancement Program and use of the Ecosystem Enhancement Fund, including inventory of property and easements. November 1, 2009. Statutory Authority: G.S. 143-214.13.

l. Annual report on the cost of the Title V program. November 1, 2009. Statutory Authority: G.S. 143-215.3A(c).

m. Annual report on the compliance/enforcement of water quality laws for facilities that discharge into surface waters. October 1, 2009. Statutory Authority: G.S. 143-215.9A.

n. Semiannual report on the pilot program for inspection of animal waste management systems including a comparison of the costs of conducting operations reviews and inspections under the pilot program with the costs of conducting operations and inspections. October 15, 2009. Statutory Authority: G.S. 143-215.10D and G.S. 143-215.10F.

o. Annual report on permitting and inspecting animal waste management systems/Animal Waste Compliance Report. October 1, 2009. Statutory Authority: G.S. 143-215.10M.

p. Annual report on the effectiveness of projects funded under the Agriculture Cost-Share Program for Nonpoint Source Pollution Control. January 31, 2010. Statutory Authority: G.S. 143-215.74(e).

q. Annual report on the Community Conservation Assistance Program. January 31, 2009. Statutory Authority: G.S. 143-215.74M(e).

r. Annual report on the Dry-Cleaning Solvent Cleanup Act of 1997. October 1, 2009. Statutory Authority: G.S. 143-215.104U.

s. Annual report on the progress in developing and implementing the Coastal Habitat Protection Plan. September 1, 2009. Statutory Authority: G.S. 143B-279.8(e).

t. Annual Interagency Report on Litter Enforcement, Prevention, and Removal Efforts. March 1, 2009. Statutory Authority: G.S. 147-12(b).

u. Annual report on animal waste management performance standards for swine farms, the Lagoon Conversion Program, and the Swine Farm Waste Management System Conversion Account. October 1, 2009. Authority: S.L. 2007-523, Sec.2(f).

v. Report on the feasibility study of establishing a State park in the area surrounding Rutherford Trace in McDowell County. February 1, 2009. Authority: S.L. 2008-107, Sec. 12.12.

w. Report on recommendations for water efficiency standards for in-ground irrigation systems. January 1, 2009. Authority: S.L. 2008-143, Sec. 18.

x. Report on recommendations for water efficiency standards for water-using fixtures in residential and commercial buildings. January 1, 2009. Authority: S.L. 2008-143, Sec. 18.

y. Report on the progress of the implementation of stormwater control best management practices and process water treatment processes for composting operations. December 31, 2009. Authority: S.L. 2009-322, Sec. 2.

z. Report on whether the preference for compensatory wetland and stream mitigation banks, and the preference for riparian buffer mitigation banks and nutrient offset banks create a likelihood that EEP will be unable to recoup investments. February 1, 2010. Authority: S.L. 2009-337, Sec. 5.

North Carolina

Parks and Recreation Trust Fund

2008–2009

ANNUAL REPORT



Division of Parks and Recreation

Department of Environment and Natural Resources

Beverly Eaves Perdue

Governor

Dee Freeman

Secretary
Department of
Environment and
Natural Resources

Parks and Recreation Trust Fund
Annual Report 2008–2009

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1.0 Introduction

The North Carolina General Assembly established the North Carolina Parks and Recreation Trust Fund (PARTF) on July 16, 1994. The General Assembly made an initial appropriation of $1 million to the PARTF to fund improvements in state parks, to fund grants for local governments and to increase public access to the state's beaches. In 1995, the General Assembly dedicated funds from the excise stamp tax to the trust fund starting in FY 1996-97. The Parks and Recreation Authority, a 15-member board, was also created to allocate funds from the PARTF to projects in state parks and to grants for local governments.

The excise tax is the primary funding source for the PARTF. The tax is levied on each "deed, instrument, or writing by which interest in real property is conveyed to another person." The tax is levied at the rate of one dollar on each $500 of the interest or property conveyed. Each county remits one-half of the proceeds, less the county's allowance for administrative expenses, to the state. Effective July 1996, the General Assembly (G.S. 105-228.30) stipulated that part of the state's share would be allocated to the PARTF. Of the funds remitted, the Department of Revenue credits 75 percent to the Parks and Recreation Trust Fund and 25 percent to the Natural Heritage Trust Fund. Additional revenue is allocated from a portion of the fees from personalized license plates as well as investment earnings credited to the assets of the fund.

Pursuant to G.S. 113-44.15, the money from the Parks and Recreation Trust Fund is to be allocated as follows:

(1) Sixty-five percent (65 percent) for the State Parks System for capital projects, repairs and renovations of facilities and to acquire land.

(2) Thirty percent (30 percent) to provide grants to local governments on a dollar-for-dollar basis to create or improve parks and recreational projects.

(3) Five percent (5 percent) for the Coastal and Estuarine Water Beach Access Program.

(4) No more than three percent may be used by the Department of Environment and Natural Resources (DENR) for the operating expenses associated with managing capital improvements projects, acquiring land, and administering the grants program for local governments.

2.0 North Carolina Parks and Recreation Authority

The North Carolina Parks and Recreation Authority, a 15-member board which oversees the Parks and Recreation Trust Fund, was created by the General Assembly with the Authority's powers and duties becoming effective July 1, 1996. The Governor appoints five members, including the chairperson. The General Assembly appoints 10 members, five upon the recommendation of the President Pro Tempore of the Senate and five upon the recommendation of the Speaker of the House.

The Authority is charged with six powers and duties: 1) to receive public and private donations and funds for deposit into the trust fund; 2) to allocate funds for land acquisition; 3) to allocate funds for capital projects; 4) to solicit financial and material support; 5) to develop effective support for parks and recreation; 6) and to advise the Secretary of DENR on any matter he may refer to the body.

Members are appointed for three-year terms and may serve no more than two consecutive three-year terms. After serving two consecutive three-year terms, a member is not eligible for appointment to the Authority for at least one year after the expiration of the member's last term. The Parks and Recreation Authority held three meetings during fiscal year 2008-2009. One meeting was cancelled due to travel restrictions implemented to address the state budget shortfall.

The 2008-2009 Parks and Recreation Authority members are:

Jonathan Howes, Chairman
Chapel Hill

Michael Allen
Mount Gilead

Timothy L. Aydlett
Elizabeth City

Thomas Blue
Southern Pines

Daryle Bost
Winston-Salem

Robert Epting
Chapel Hill

Cody Grasty
Maggie Valley

Walt Israel
Belmont

Boyd Lee
Greenville

Philip McKnelly
Raleigh

John S. Stevens
Asheville

Cynthia Tart
Oak Island

Lisa Weston
Belmont

Hollis Wild
West Jefferson

Edward Wood
Wilmington

3.0 Parks and Recreation Trust Fund Summary

The Parks and Recreation Trust Fund (PARTF) is housed within the Division of Parks and Recreation, which operates the North Carolina State Parks System. The Parks and Recreation Authority allocates PARTF revenue to the state parks capital improvement and land acquisition projects. This board also selects the recipients of the grants to local governments to create or improve parks and recreational projects. The Division of Parks and Recreation, under Lewis Ledford, Division Director, develops priorities for the state parks system and recommends projects for the board's approval. Once the board has allocated the PARTF funds, the Division manages the projects for state parks and for the grants program.

The Division of Parks and Recreation transfers 5 percent of PARTF revenue to the Division of Coastal Management (DCM) for the Coastal and Estuarine Water Beach Access Program. The Division of Coastal Management, under Division Director Jim Gregson, administers these funds and offers matching grants to local governments throughout the 20 coastal counties. Table 3-1 shows the allocation of revenues of the trust fund by program for Fiscal Year 2008-2009

Table 3-1. Parks and Recreation Trust Fund Deposits and Distribution of Revenues Fiscal Year 2008-2009

Deposits	**Amount**
Total PARTF Revenues	**$ 30,850,769**
Personalized Registration Plates	$ 1,425,149
Investment Income	$ 1,793,160
Excise Tax	$ 27,632,460
Transfer to Address Budget Shortfall	($ 6,000,000)
Distribution	**Amount**
Total PARTF Expenses	**$ 24,850,769**
Public Beach and Coastal Waterfront Access Program	$ 1,242,538
Local Governments Matching Grants Program	$ 7,174,732
State Parks System	
Land Acquisition	$ 5,459,171
Capital Improvements	$ 7,772,626
COPs Repayment	$ 2,313,455
Administrative Expenses	
Contract with NCSU - Recreation Resources Service	$ 230,119
Division of Parks & Recreation staff and Authority members	$ 658,128

4.0 Grants Program for Local Governments

4.1 *Program Description*

The Parks and Recreation Trust Fund (PARTF) program provides dollar-for-dollar matching grants to local governments. All counties, incorporated municipalities and public authorities (as defined in N.C.G.S. 159-7) are eligible for funding. Two or more local governments may apply jointly. Recipients can acquire land to be used for public recreation or to protect the natural or scenic resources of the property. Recipients can also use a grant to build or renovate recreational and support facilities. All facilities must serve the general public.

In September, the Division of Parks and Recreation (DPR) mails a description of the PARTF program and a schedule to local governmental officials and parks and recreation directors. A local government can request a maximum grant amount of $500,000 in PARTF assistance with its grant application. The approved value of land that is donated to a local governmental unit or public authority may be applied to the 50 percent matching requirement.

The DPR provides assistance to local governments in several ways. In October, the PARTF staff conducts a workshop where local governments can learn about the program and how to complete an application. The workshop is presented simultaneously at University of North Carolina video conference sites. The DPR has a contract with the Recreation Resources Service (RRS) at North Carolina State University. The staff of RRS provide technical assistance to local governments who request help in planning projects and preparing grant applications. RRS has six consultants in regional offices across the state.

The members of the Parks and Recreation Authority select which applicants will receive a grant. The factors considered by the Authority as it selects recipients include, but are not limited to, the criteria contained in the PARTF scoring system, the population of the applicant, the geographic distribution of projects across the state, the presence or absence of other funding sources and compliance with prior grant agreements.

Applications were due February 2, 2009. The Parks and Recreation Authority met in August 2009 to select grant recipients.

4.2 *Description of Applications and Grants*

The PARTF revenues allocated to local grants for fiscal year 2008-2009 were $7,174,732. Eighty-five units of local government submitted PARTF applications requesting a total of $25.7 million in PARTF assistance. The Authority awarded 22 grants for $8,238,736. The difference between the amount awarded and the fiscal year revenues is $1,064,004 from various cancelled projects, reductions in the scope of work or projects completed under budget.

Table 4-1 shows a list of the projects approved for fiscal year 2008-2009. The table is organized alphabetically by recipient.

4.3 *Geographic Distribution of Grants*

The members of the Parks and Recreation Authority consider the geographic distribution of funds across the state as one of the factors used in selecting grant recipients. Since 1995, the Authority has awarded more than $134 million in PARTF grants to 608 projects in 99 counties across North Carolina (Figure 4-1). Figure 4.2 presents the distribution of PARTF grants by county for the current fiscal year.

Table 4-1. North Carolina Parks and Recreation Trust Fund Grants Fiscal Year 2008-09

Applicant	County	Project	Grant Amount
Asheville	Buncombe	Beaucatcher Overlook Park	$500,000
Bailey	Nash	Bailey-Middlesex Community Park	$500,000
Benson	Johnston	Benson Community Park	$199,925
Caldwell	Caldwell	Yadkin River Greenway	$206,450
Castalia	Nash	Castalia Neighborhood Park	$78,613
Craven	Craven	Latham-Whitehurst Nature Park	$500,000
Currituck	Currituck	Corolla Greenway	$500,000
Dare	Dare	Rodanthe Public Beach Access and Oceanfront Park Land Acquisition	$400,000
Emerald Isle	Carteret	Public Boat Launching Facility	$500,000
Hillsborough	Orange	Riverwalk Phase II Acquisition	$392,000
Kure Beach	New Hanover	Ocean Front Park	$456,393
Martin	Martin	Moratoc Park Improvements	$326,502
Matthews	Mecklenburg	Squirrel Lake Park Improvements	$499,895
New Hanover	New Hanover	Smith Creek Park	$500,000
Orange	Orange	Fairview Park Development Phase I	$500,000
Peachland	Anson	Peachland Park Improvements	$6,000
Rocky Mount	Nash	Rocky Mount Sports Complex III	$197,000
Rutherford	Rutherford	Rutherford County Soccer Complex	$500,000
Shallotte	Brunswick	Wildwood Park	$407,133
Shelby	Cleveland	City Park Enhancement Project	$500,000
Stovall	Granville	Stovall Community Park	$68,825
Swansboro	Onslow	Swansboro Municipal Park Improvement Project	$500,000
		Total	**$8,238,736**

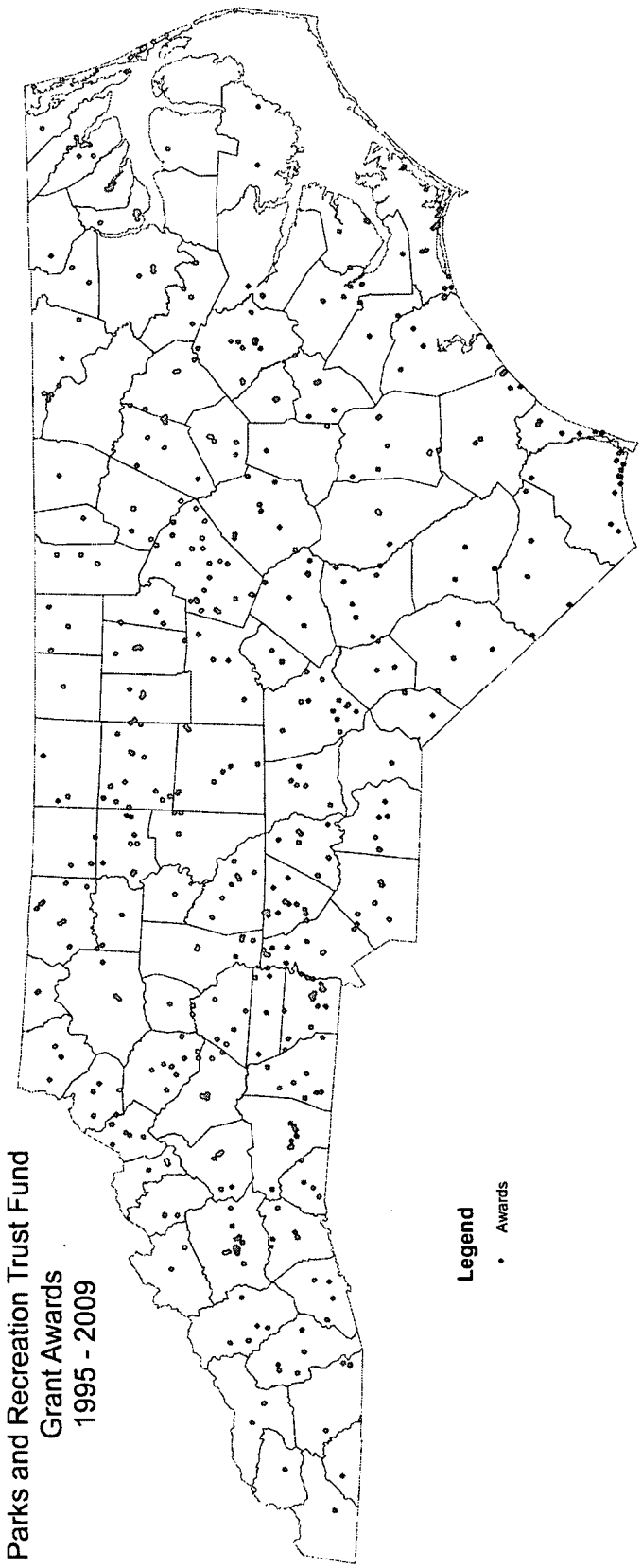


Figure 4-1. Distribution of PARTF Grants by County 1995-2009

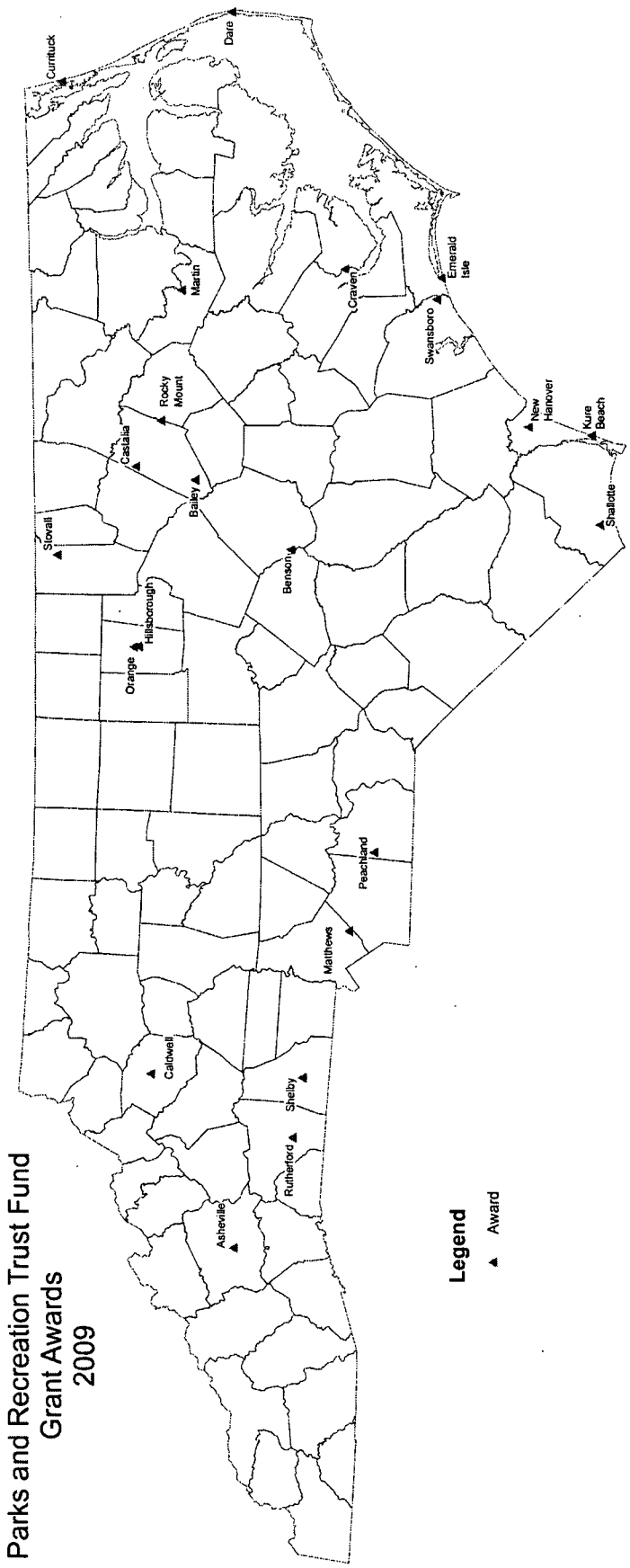


Figure 4-2. Distribution of PARTF Grants by County from 2009 Grant Cycle

Examples of Local Government Projects Funded by NC Parks and Recreation Trust Fund

Carteret County—Town of Emerald Isle

The Public Boat Launching Facility project will assist with the acquisition of a 16-acre tract of land located on Bogue Sound. This 16- acre tract of land, which includes a deep water canal and boat basin will be combined with an adjacent 8-acre tract already under Town's control. When the NC Wildlife Commission constructs the facility, it will be the largest public boat launching facility on the NC coast. A sound front pier, kayak launch, bathhouse and picnic shelter are also planned.

Mecklenburg County—Town of Matthews

The Squirrel Lake Park Improvements project will provide the needed updates for the Town of Matthews largest park. The project will expand and enhance the parks network of trails as well as add a fishing pier, two picnic shelters, and playground. These improvements will focus on environmental stewardship by using green roof technology and pervious pavements. The park provides a natural area in a part of the town that has rapidly growing residential areas.

Buncombe County—City of Asheville

The acquisition of Beaucatcher Overlook Park will create a downtown overlook park which provides unparalleled views. The 30-acre tract is easily accessible to the residents of Buncombe County and visitors to Asheville. It will become an oasis of passive recreation offering opportunities for walking, bicycling and picnicking.

5.0 State Parks Program

5.1 *Land Acquisition*

For fiscal year 2008-2009, the Parks and Recreation Authority approved $5,459,171 for land acquisition projects in the state parks system (Table 5-1). These projects will help address the need for additional acreage at 10 state park holdings. However, it will cost an estimated $176 million to purchase the 43,752 acres needed to complete all of the current state park units.

Table 5-1 North Carolina Division of Parks and Recreation Land Acquisition Projects for FY 2008 - 2009

Unit	Acres	Approved Cost	Description
Bear Paw State Natural Area	35	$350,000	Two tracts under option within study area for this site
Carvers Creek State Park	4	$159,171	Buyout of remaining interest in inholding with structures needed for site operation
Dismal Swamp State Park	90	$290,000	Southern access tract and buildable uplands
Eno River State Park	62	$400,000	Key trail connection tract in Buckquarter Creek area
Haw River State Park	80	$1,060,000	Tract on Mears Fork where Mountains-to-Sea Trail enters the state park
Lake Waccamaw State Park	221	$300,000	Cove Swamp tract for water quality and rare species habitat protection
Merchants Millpond State Park	86	$100,000	Bennetts Creek tract for water quality and natural resource protection
New River State Park	75	$1,000,000	Tracts in the vicinity of rest stop #1 and Gentry bridge and tracts at Wagoner Road
Pettigrew State Park	179	$350,000	Scuppernong River tract under contract
Yellow Mountain State Natural Area	1,000	$250,000	Southern Appalachian Highlands Conservancy (SAHC) tracts in study area for this site
Associated land expenses and existing boundary surveys	0	$1,200,000	Land expenses such as surveys, appraisals, title work, and other overhead expenses for all land projects including from other funding sources.
Totals	**1,897**	**$5,459,171**	

Through its "New Parks for a New Century" initiative, the Division of Parks and Recreation has identified over 40 sites across the state that could be added as potential state park units. These areas are some of the most treasured and threatened natural resources in North Carolina and have been identified as high-priority acquisitions to the state parks system. Purchasing these new units would require an estimated $454 million to acquire 113,625 acres.

Land Acquisition Projects for the State Parks System Funded by NC Parks and Recreation Trust Fund

Camden County – Dismal Swamp State Park

Dismal Swamp State Park contains expansive wetlands providing habitat to many species. The current state ownership at Dismal Swamp State Park has limited areas for buildings and needs access from the south. The property in this request contains 90 acres between a secondary road and state property. An existing single lane private road from the secondary road to Bull Boulevard crosses this property. Part of this property is uplands, which would be suitable for building. The remainder of the property is forested wetlands, and its acquisition will keep this forest land intact and buffer the existing state ownership.

Columbus County - Lake Waccamaw State Park

Lake Waccamaw State Park is a nationally significant resource that includes the largest Carolina Bay lake (8,938 acres) and 1,759 acres of land on the southeast side of the lake. Cove Swamp is on the northwest side of Lake Waccamaw and drains into the canal, which is connected to the lake. Protection of water quality is a very high priority for this state park along with habitat for rare species.

Avery County - Yellow Mountain State Natural Area

Yellow Mountain State Natural Area was authorized as a new unit of the state parks system in the 2008 session of the General Assembly. This new state natural area is focused on Little Yellow Mountain and Ravens Cliffs Mountain, both west of the South Toe River. All the tracts are within the study area for this new state natural area and currently owned by Southern Appalachian Highlands Conservancy (SAHC).

5.2 *Construction and Renovation*

During fiscal year 2008-2009, the Parks and Recreation Authority approved state park construction and renovation projects totaling $7,772,626 (Table 5-2). With PARTF funds, the Division continues to address a lengthy backlog of construction and renovation projects in the state parks system. However, approximately $335.4 million is required to meet all of the needs for new construction and renovation for state parks.

Table 5-2 Parks and Recreation Trust Fund Capital Projects for Fiscal Year 2008-09

Park	Approved Cost	Description
Master Plans	$305,000	Carver's Creek, Haw River, Chimney Rock State Parks
Park System	$1,500,000	Major Maintenance Funds
Park System	$590,663	Statewide Construction Reserve
Park System	$200,000	Demolition Funds
Park System	$100,000	Exhibit Repair Funds
Chimney Rock State Park	$900,000	Rocky Broad Bridge, Trail, & Facility Improvements
Gorges State Park	$3,526,963	Phase I-B: Visitor Center, Sewer, Picnic Area, Maintenance Area (Construction Funds)
Haw River State Park	$500,000	Brown Summit Center, Youth and Admin Building Improvements
Jockey's Ridge State Park	$150,000	Wind Turbine
TOTAL FY 2008-2009	**$7,772,626**	

Capital Improvement Projects for the State Parks System
Funded by NC Parks and Recreation Trust Fund

Dare county - Jockey's Ridge State Park

Jockey's Ridge provides an ideal location to capture the power of the wind and develop it into a training tool to advance the knowledge of the wind turbine energy field. The project will be constructed to include a monitoring system to display the current wind speed and the amount of power being generated at that wind speed. There will also be a meter to represent the energy being delivered back into the energy grid. In the future, the park will provide an exhibit which educates visitors on alternative sources of energy.

Rockingham County – Haw River State Park

Prior to the State's purchase of the Summit Center at Haw River State Park, repair needs and improvements were identified by Office of State Construction. Using funds approved by the Authority, the Division's maintenance staff is currently addressing those concerns, particularly the life/safety issues, roof repairs, ADA access, and cottage renovations. The Division must now renovate the youth building and the administration building. The complex nature of this project requires professional architectural and engineering services.

Transylvania County - Gorges State Park

Gorges State Park opened to the public in 2000. Although visitors have been using a gravel entrance road and parking lot that were provided for the interim, there was no permanent infrastructure in the park. Phase 1-A began the process to provide roads and visitor facilities proposed in the completed master plan. In October 2007 the Parks and Recreation Authority approved design funds for Phase 1-B, to include a 6500 square-foot visitor center, picnic area, maintenance compound and utilities. The design contract is underway and the Division's current request is to fund the construction portion of Phase I-B, which is $3,526,963.

5.3 *Special Financing for Projects in the State Parks System*

In 2007, legislation approved by the General Assembly and Governor authorized the issuance of special indebtedness using certificates of participation (COPs) for land acquisition in the state parks system. The indebtedness is to be repaid by future PARTF revenue. A maximum amount of $50 million is to be used to finance the cost of land acquisition for the expansion of the State Parks System and the Mountains to the Sea Trail. The land acquisitions are to support the conservation priorities set out by the One North Carolina Naturally Program.

In FY 2007-08, the Parks and Recreation Authority approved 11 projects totaling $50 million using the COPs funding. In FY 2008-09, the Authority approved revisions to the list of projects (Table 5-3).

Table 5-3 Parks and Recreation Authority Approved Revisions to Land Acquisition Projects for FY 2007 - 2008 Certificates of Participation (COPS) (Revisions shown in bold)

Unit	Acres	Approved Cost	Revised Cost	Description
Chimney Rock State Park	**250**	**$5,500,000**	**$5,500,000**	Move Bottomless Pools to 2008 list, amend in additional tracts at Rumbling Bald, Bat Cave and Round Top Mountain tracts for resource protection
Deep River State Trail	73	$500,000	$500,000	Tracts near White Pines for water quality and natural resource protection
Elk Knob State Park	**2,269**	**$13,100,000**	**$7,100,000**	Long Hope Valley property for natural and scenic resource protection – revised cost because a conservation easement for most of the property instead of all fee simple
Elk Knob State Park	**400**	**$3,826,000**	**$3,826,000**	Snake Mountain and Elk Knob tracts for natural and scenic resource protection: amend to add tracts from more willing sellers
Eno River State Park	20	$500,000	$500,000	Resource protection tracts at the Pump station access
Grandfather Mountain State Park	**1,602**	**$0**	**$6,000,000**	Initial acquisition of mountain both underlying fee simple and conservation easement for the protection of natural and scenic resources
Haw River State Park	800	$17,000,000	$17,000,000	Key tracts in core area of state park, both up and down stream of the Summit -
Mount Mitchell State Park	65	$1,000,000	$1,000,000	Tracts for natural and scenic protection of the Black Mountains

Mountains-to-Sea State Trail	**350**	**$985,000**	**0**	Orange County tracts upstream of state park along the Eno River for state trail
Mountains-to-Sea State Trail	200	$2,000,000	$2,000,000	Alamance County keystone tracts for state trail
Mountains-to-Sea State Trail	250	$3,000,000	$3,000,000	Guilford County Keystone tracts for state trail
Mountains-to-Sea State Trail	**212**	**$2,589,000**	**$3,574,000**	Tracts along the Neuse River where Marks Creek joins the river for state trail -
Totals	**5,674**	**$50,000,000**	**$50,000,000**	

Repayment of COPs Indebtedness

The Parks and Recreation Authority may allocate up to 50 percent of the portion of the Parks and Recreation Trust Fund dedicated for projects in state parks to repay the debt. The PARTF revenue designated for grants to local governments cannot be used to repay debt. This year's principal plus interest payment for COPs indebtedness is $2,313,455.

6.0 Public Beach and Coastal Waterfront Program

6.1 *Program Description*

North Carolina's Public Beach and Coastal Waterfront Access Program was established by the General Assembly in 1981. In fiscal year 1996-97, the program began receiving 5 percent of the revenues from the Parks and Recreation Trust Fund. The program's enabling legislation (GS 113A-134.1) states that public purpose would be served by providing increased access to coastal waters, public parking facilities, or other related public uses.

The program provides matching grants to local governments for low-cost capital projects designed to improve pedestrian access to the state's beaches and waterways. The program, administered by the Division of Coastal Management (DCM), offers matching grant funds to local governments throughout the 20 coastal counties. Since 1981, over 300 public access sites have been either constructed or improved at a cost of over $32 million. The majority of the grant projects are managed by local governments who are responsible for construction, operation and long-term maintenance of the facilities. Beginning in 2009, after program rule changes the program began making some awards to other state agencies in a partnering effort to address public access needs. While most of the early projects were located along the oceanfront, more and more projects are now designed to improve access to estuarine shorelines, coastal rivers, and urban waterfronts.

The Division of Coastal Management sends pre-application requests for proposals (RFPs) to local governments in the 20 coastal counties in the fall of every year. Select communities are then invited to submit a final application with communities prioritized for funding being accomplished in May of every year. Recipients are usually selected in July and contracts are awarded between September and January. Grant recipients have eighteen months to complete their projects. However, extensions are granted for un-foreseen events and delays such as hurricanes. The maximum life of a contract with extensions is three (3) years.

The division uses criteria developed by the Coastal Resources Commission to select grant recipients. Local governments are required to match from 10 percent to 25 percent of the project costs depending on whether the request is for acquisition of land or improvements, as well as the communities' economic status.

The required match, based on 2008 rule changes, may include Federal and other State funds to be used as the local government cash contribution provided such funds are not already being used as matching funds for other state and federal programs. Minimum match requirements is based on the economic status of the local government per the North Carolina Department of Commerce's Tier designations, as outlined by the Lee Act (G.S. 105-129.3). Counties designated as Tier 1 and the municipalities located within them are considered economically

distressed. Projects denoted by an (**) are partnership projects directly with other state agencies.

6.2 *Types of Projects Funded*

Communities can apply for five different types of water access sites: local, neighborhood, regional, multi-regional and urban waterfront redevelopment projects.

- Local access sites include public access points, offering minimal, or no facilities. Pedestrians who reside within a few hundred yards of the site primarily use them. Generally, these access ways are a minimum of ten feet in width providing only a dune crossover or pier. Vehicle parking is generally not available at these access sites. Bicycle racks may be provided as well as litter receptacles and access signs.

- Neighborhood access sites are public access areas offering parking, usually for five to twenty-five vehicles, a dune crossover or pier, litter receptacles and public access signs. Such accesses are typically 40 to 60 feet in width and are primarily used by individuals within the immediate subdivision or vicinity of the site. Restroom facilities may be installed.

- Regional access sites serve the public throughout an island or community including day visitors. These sites normally provide parking for 25 to 80 vehicles, restrooms, a dune crossover, pier, foot showers, litter receptacles, and public access signs. Where possible, one-half acre of open space in addition to all required setback areas should be provided for buffering, day use, nature study or similar purposes.

- Multi-regional access sites are generally larger than regional accessways but smaller than state parks. Multi-regional facilities provide parking for 80 to 200 cars, restrooms with indoor showers and changing rooms, and concession.

- Urban waterfront redevelopment projects improve public access to urban waterfronts. Such projects include the establishment or rehabilitation of boardwalk areas, shoreline stabilization measures such as the installation or rehabilitation of bulkheads, and the placement or removal of pilings for the purpose of public safety and/or increased access and use of the urban waterfront.

Additionally as part of rule changes that took affect in 2007, boat ramps and motorized boating facilities may be included as part of any of the above types of access provided the pedestrian access is also part of the project.

6.3 *PARTF Revenues and Awards Based on 2008-2009 Fiscal Year Deposits*

The actual amount transferred from the PARTF fund to DCM during fiscal year 2008-2009 was $1,242,538. The transfer were only about half the previous year both due to a 42 percent drop in revenues as well as about $300,000 being redirected by the Governor's Office to balance the state budget. Including carryover funds, cancelled contracts and base on projects completed under budget, the total funds available for awards were about $1,720,000.

The DCM received 31 pre-applications from 25 local governments requesting over $6,600,000 in funds. Table 6-1 provides the list of local governments prioritized to receive funding using funds available through the four quarter deposit of 2008-2009 funds, after review of final applications. Two of the listed projects (NC Aquariums/Nags Head and NCWRC/Emerald Isle), are projects originally requested by local governments to assist state projects. Eight additional projects were also prioritized for future funding totaling over $880,000 when funds would be available from 2009-2010 revenues. These projects will be reported as part of the next annual report.

Table 6-1 Communities Prioritized for 2009-2010 Funding Based on 2008-2009 Deposits and Other Available Funds

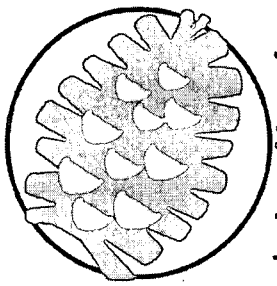
Local Government	Project Name	Grant Requests	Total Cost w/Match
Emerald Isle	Town Boat Launching Facility	$359,000	$859,000
Morehead City	Downtown Water Access Facility	$300,000	$1,100,000
New Bern	Union Point Parkway	$122,440	$171,000
NC Aquariums**	Jennette's Pier Bath House	$130,000	$352,000
NCWRC**	West McLean Park Emerald Isle	$800,000	$1,300,000
Totals		**$1,711,440**	**$3,782,000**

(**) Other State Agency process.

Totals may be adjusted during the final contract

The above-prioritize $1,711,440 for grant contracts have either begun or will begin either the fall of 2009 or January 2010.

No PARTF funds are used for administrative costs associated with the grant program. The only non-award costs are about $20,000 a year towards access site signs made by the State Division of Corrections. Signs are provided for new sites as well as existing which regularly require replacement due to weathering and storm events.



NORTH CAROLINA
NATURAL
HERITAGE
TRUST FUND

2009 FISCAL YEAR-END REPORT

July 1, 2008 – June 30, 2009

A Report to the Governor and General Assembly

Dee Freeman, Secretary
N.C. Department of Environment
and Natural Resources

J. Robert Gordon, Chairman
Board of Trustees
N.C. Natural Heritage Trust Fund

NORTH CAROLINA
NATURAL HERITAGE TRUST FUND
FISCAL YEAR-END REPORT 2008-2009

Section 1 – Origins and Mission

The North Carolina Natural Heritage Trust Fund (NHTF) was established by the 1987 General Assembly (G.S. 113-77, effective July 1, 1987) as a supplemental funding source for state agencies to acquire lands and to pay for the inventory of natural areas by the N.C. Natural Heritage Program. A 12-member board of trustees administers the trust fund.

Section 2 – Board of Trustees

NHTF is delegated the authority to grant funds to eligible state agencies pursuant to applications that meet statutory criteria and board guidelines. The governing authority for the trust fund is a 12-member board of Trustees. This number was increased from nine members during the 2001 legislative session. Four members are appointed by the governor, who also designates the chairman. Eight members are appointed by the General Assembly; four are recommended by the president pro-tempore of the Senate and four are recommended by the speaker of the House. Appointments are made effective Jan. 1 and are for staggered six-year terms. Persons appointed are to be knowledgeable in the acquisition and management of natural areas.

Board of Trustees

Governor Appointees	Senate Appointees	House Appointees
Charles E. Clement Watauga County 2004-2010	J. Robert Gordon, Chairman Scotland County 2008-2013	Alan D. Briggs Wake County 2006-2011
Thomas D. "Bud" Hunter Henderson County 2004-2009	Lois McIver Winstead Person County 2005-2009	Alan S. Weakley, Ph.D. Chatham County 2008-2013
R. Michael Leonard Forsyth County 2006-2011	Portia Hawes Warren County 2006-2011	Henry L. Kitchin Richmond County 2008-2013
Elizabeth D. Taft, Ph.D. Pitt County 2008-2013	Sam P. Douglas Jr. Wilson County 2008-2013	Thomas W. Reese Catawba County 2004-2010

Section 3 – Natural Heritage Trust Fund Staff

Executive Director:

Lisa D. Riegel
512 N. Salisbury St., MSC 1601
Raleigh, NC 27699-1601
(919) 715-8014
lisa.riegel@ncdenr.gov

In addition to the executive director, the NHTF is supported by Ann Prince (part-time) who works on dedicating the properties acquired with NHTF monies, and Eric Galamb (part-time) who assists in grant administration. The NHTF also funds a real estate agent housed in the Department of Administration's State Property Office to assist applicant agencies in developing and implementing NHTF-funded land acquisitions. Operating expenses for personnel, producing and distributing grant materials, meeting expenses, etc., continue to be below 1 percent of the program expenditure.

Section 4 – Funding Sources

The primary source of funding for the NHTF is the state excise tax on real estate conveyances. NHTF receives 25 percent of the state's portion of the $2 per $1,000 value deed stamp tax. The county retains half of this tax, while the state receives 50 percent, less allowable administrative costs.

The second major source of funding is a portion of the additional fee charged for personalized license plates. The state charges an additional fee of $30 for each personalized license plate; $15 of this additional fee is credited to the NHTF. NHTF also receives a portion for specialty license plates in some cases: $10 for each "First in Forestry" license plate, $15 for the "State Parks" license plate, and $15 for each out-of-state college specialty license plate. Monies not expended remain in the interest-accumulating Natural Heritage Trust Fund account and do not revert to the General Fund.

The final source of funding is interest from funds in the trust fund account. Table 1 summarizes the NHTF income on an annual basis since its inception in 1987.

Section 5 – Grant Criteria and Eligible Agencies

Grants are awarded for the purposes of acquiring lands that:

- represent the state's ecological diversity to ensure their preservation and conservation for recreation, scientific, education, cultural and aesthetic purposes;
- add to the system of parks, state trails, aesthetic forests, wild and scenic rivers, fish and wildlife management areas and other natural areas for the beneficial use and enjoyment of the public; and
- help to develop a balanced state program of historic properties.

Funds are also allocated to the N.C. Natural Heritage Program for natural area inventories and conservation and protection planning of natural areas. These data are then used to help guide land management and conservation decisions by state and federal agencies, and also by private groups and businesses, ensuring that conservation dollars are spent strategically to protect the highest quality areas.

In 2004, the General Assembly also authorized the NHTF to be used to retire debt incurred by funding land acquisitions for the purposes listed above.

State agencies authorized to apply for grant awards are:

- Department of Environment and Natural Resources,
- Wildlife Resources Commission,
- Department of Cultural Resources, and
- Department of Agriculture and Consumer Services.

Priority consideration is given to protection of land having outstanding natural or cultural heritage values. Land with outstanding natural heritage values is land that is identified by the N.C. Natural Heritage Program as having state or national significance. Land with outstanding cultural heritage value is land that is identified, inventoried or evaluated by the Department of Cultural Resources.

Section 6 – Income

Between 1987 and June 30, 2009, NHTF has contributed to the protection of more than 286,534 acres through 469 grants totaling more than $300 million in funding (Table 2). The locations of these projects are shown on Figure 1.

As shown in Table 1, income for fiscal year 2008-2009 (FY 2009) was **$14,294,716,** representing an overall decrease of more than 31 percent from the previous year ($20,804,364) and more than a 40 percent decrease from fiscal year 2007 (income of $23,964,497). The decrease was stabilized somewhat by the interest income and by a slight increase in the income from the sale of personalized license plates. Income from the deed stamp tax (real estate transfer tax) alone was down more than 50 percent from its high point in FY 2006 and FY 2007, as might be expected given the current national real estate market. In FY 2009, the overall state economy was down significantly; the impact of this downturn is further discussed below in Section 9.

Section 7 – Awards

During fiscal year 2009, NHTF awarded 23 grants totaling $35,636,128. These grants will contribute to the protection of almost 11,000 acres (Table 3). Grants significantly exceeded income in FY 2009 because NHTF was authorized to use a special financing mechanism (certificates of participation, or COPs) as described in the section below. The locations of these projects are shown in Figure 2 and project descriptions are contained in Table 4. Important to note in the project descriptions is the leveraging of NHTF funds; many, if not most, include matching funding from federal, private, and/or other state sources.

NHTF typically holds two grant cycles per year; one in the fall and one in the spring. Applications were submitted in February in anticipation of an April/spring NHTF Board meeting. NHTF received 22 request for $20,764,337 in funding. However, due to the state's budget shortfall, NHTF delayed the spring meeting. No spring awards were made. In addition, many of the previously funded projects (projects funded with the 2008 COPs) are now considered unfunded as discussed in Section 8 below.

Section 8 – Certificates of Participation

Recognizing the need to protect important lands in our quickly developing state, the General Assembly authorized the use of a special financing mechanism referred to as certificates of participation during three legislative sessions – in 2004, 2007 and 2008. This form of bond sales allowed the state to acquire properties of high natural and/or cultural heritage value that would have otherwise been lost to development. NHTF now repays the debt and interest on the 2004 and 2007 COPs using annual receipts.

For FY 2010, the COPs debt repayment is $4,427,043 based on correspondence from the State Treasurer's Office. If income remains at about $14 million as in FY 2009, the debt repayment would represent about 30 percent of the NHTF income.

The 2008 legislative session authorization of COPs [S.L. 2008-107 Section 2.78(a)(28)] specified the issuance of $50 million *to finance the acquisition of State park lands and conservation areas for the Land for Tomorrow initiative in the Department of Environment and Natural Resources (DENR)* and in support of *the conservation priorities of the One North Carolina Naturally program.* This $50 million is split between the NHTF and the Parks and Recreation Trust Fund (PARTF). Thus, approximately $25 million was available to NHTF.

Without the 2008 COPs funding, we would only have been able to fund a fraction of the projects we funded this past year. NHTF allocated $21,293,472 of the $25 million 2008 COPs.

Section 9 – Effect of Economic Downturn on NHTF

The overall economy was depressed and state income was down significantly. In order to balance the budget, $2,832,961 was transferred to the General Fund from NHTF to cover the budget shortfall, at the direction of the governor.

For similar reasons, the General Assembly passed session law 2009-209 (Technical Corrections to the Two-Thirds Bond Act of 2008) that effectively delayed implementation of most of the certificates of participation that were authorized in 2008. Section 2(a) of S.L. 2009-209 specifies that no more than $10 million of the $50 million in COPS authorized for the *Land for Tomorrow* initiative in the Department of Environment and Natural Resources can be issued prior to July 1, 2011. Of the $10

million that can be issued, $5 million is allocated to the Parks and Recreation Trust Fund (PARTF) and $5 million is allocated to NHTF. This means that issuance of the remaining $40 million (split between PARTF and NHTF) is delayed until fiscal year 2012. Due to the delay in issuance of most of the 2008 COPs, many projects are now considered unfunded. Fortunately, NHTF was able to fund three high priority time-sensitive projects using the first $5 million of 2008 COPs that were released for issuance: Wildlife Resources Commission's Pond Mountain project; Wildlife Resources Commission Sandhills Game Land Addition/Carpenter Tract; and one of the additional tracts to Chimney Rock State Park.

Section 10 – Conclusions and Recommendations

Fiscal Year 2009 has been an unusual year as we have transitioned away from a time of rapid development, growth and increased funding (through both income and use of COPs). The pace of acquisitions is slowing in response to the overall state economy and reduced available funds. NHTF income has declined, and will likely decline or stay at the reduced level, as long as the economy remains weak. COPS debt repayment will increase significantly in fiscal year 2010; thereby further reducing income available for grants. In response to the severe budget shortfall this past year, the state slowed its acquisitions and, in anticipation of continued economic weakness, acquisitions will likely continue to be delayed.

Protecting our natural resources is key to our state's economic success. Many of our conservation lands buffer military sites and allow them to continue operating, supporting the $23 billion per year that the military industry brings to North Carolina. Our outstanding natural resources are one of the main attractions supporting the $16.5 billion per year tourism industry in North Carolina.

NHTF will continue to provide funds to help implement the state's Million Acre Initiative – a collaborative endeavor to permanently preserve an additional one million acres of land. Although acquisitions are slowing, NHTF hopes to be able to take advantage of opportunities provided by the economic downturn. Many of the projects we have authorized are coming in under budget as prices decline. A few key properties that our applicants thought were lost to developers are now on the market. NHTF must continue to encourage creative funding of projects through bargain sales, matching funds from other grant programs and private donations. The statewide One NC Naturally Conservation Planning Tool, developed in part by a grant from NHTF, is helping NHTF and other organizations ensure that the state's limited resources are used most effectively on the highest priority areas.

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Map of Fall 2008 Project Locations.....Figure 2

Figure 1
Natural Heritage Trust Fund
Project Locations
1988-Spring 2009

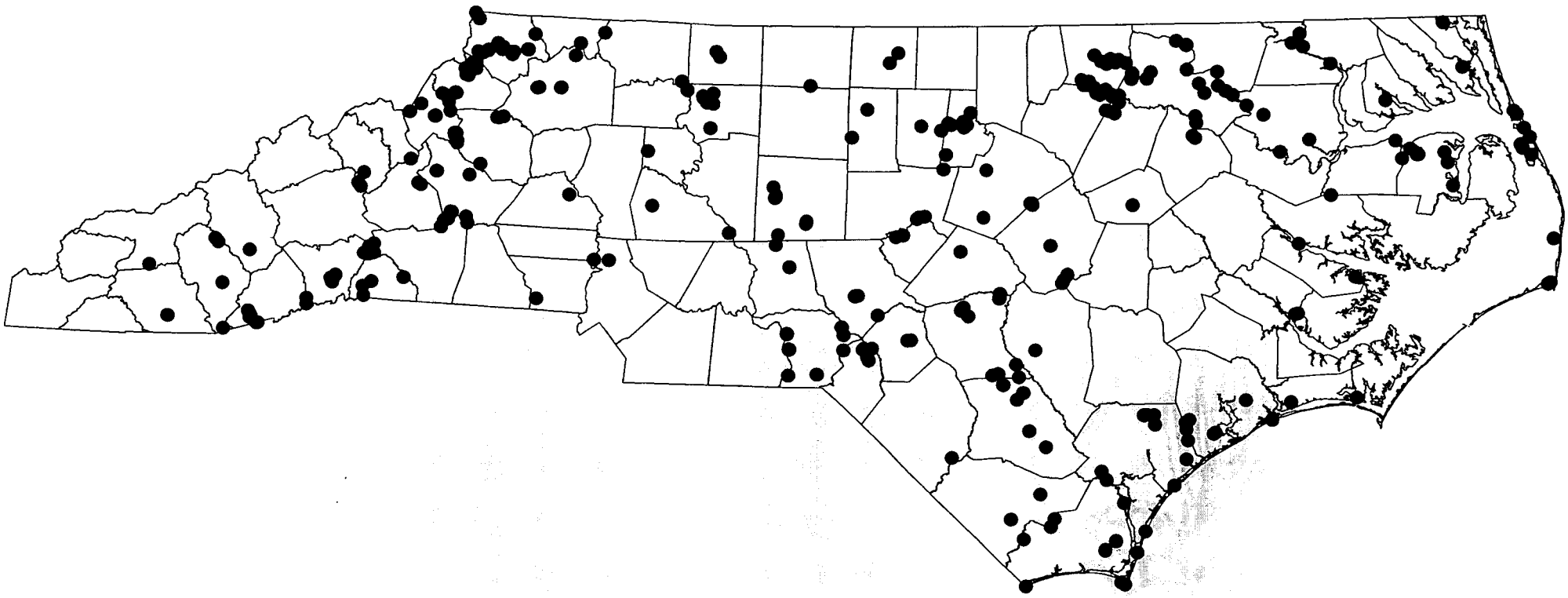


Table 1
Natural Heritage Trust Fund
INCOME BY FUNDING SOURCE
as of June 30, 2009

Fiscal Year	Personalized License Plates	Transfer Tax	Interest	TOTAL INCOME
Original Appropriation				$275,000
1987-88	$0	$0	$15,546	$15,546
1988-89	$0	$0	$24,316	$24,316
1989-90	$1,073,165	$0	$53,766	$1,126,931
1990-91	$1,761,140	$0	$144,662	$1,905,802
1991-92	$1,627,304	$1,326,848	$232,156	$3,186,308
1992-93	$1,661,943	$2,012,107	$309,750	$3,983,800
1993-94	$1,713,091	$2,089,776	$326,920	$4,129,787
1994-95	$1,787,029	$3,579,453	$393,892	$5,760,374
1995-96	$1,856,167	$3,134,801	$335,131	$5,326,099
1996-97	$1,914,104	$6,019,264	$616,282	$8,549,650
1997-98	$1,930,813	$6,949,967	$1,080,042	$9,960,822
1998-99	$2,004,740	$8,148,689	$1,396,073	$11,549,502
1999-2000	$2,189,995	$8,599,107	$1,925,497	$12,714,599
2000-01	$2,386,509	$8,412,962	$1,845,783	$12,645,254
2001-02	$4,622,580	$6,570,386	$1,183,199	$12,376,165
2002-03	$2,550,269	$9,494,785	$508,397	$12,553,451
2003-04	$3,067,375	$12,365,476	$405,251	$15,838,102
2004-05	$5,028,710	$13,810,698	$492,612	$19,332,020
2005-06	$3,978,992	$18,779,600	$880,832	$23,639,424
2006-07	$4,227,510	$18,611,071	$1,125,916	$23,964,497
2007-2008	$4,353,457	$15,195,744	$1,255,164	$20,804,364
2008-2009	$4,365,328	$9,009,424	$919,964	**$14,294,716**
Total Income	**$54,100,221**	**$154,110,158**	**$15,471,151**	**$223,956,529**

Table 2
Grant Awards Summary
1987 – June 2009

Total Awarded to Date (since 1987) (469 awards)	**$300,987,787**
Returned Funds (Applicant unable to acquire land; award money returned to NHTF)	$25,666,460
Total Transferred (spent)	$240,576,862
Total Obligated	$34,744,465
Acres Protected	**286,539 acres**
Requests to Date (667 requests)	$586,930,262
Requests Unable to Fill (49%)	$285,942,475

Table 3
Grant Award Totals by Agency
Fiscal Year 2008-2009

Agency	**Acres**	**Grant Total**
Department of Agriculture & Consumer Services *Plant Conservation Program* (five grants)	1,074	$4,349,840
Department of Cultural Resources (two grants)	8	$320,000
Department of Environment and Natural Resources (10 grants)	5,944	$19,859,250
Wildlife Resources Commission (six grants)	3,892	$11,107,038
Total **(23 grants)**	10,918	$35,636,128

TABLE 4
N.C. Natural Heritage Trust Fund
Fall 2008 Awards

Agency	Project Title	County	Grant Total	Cash Funding	2007 COPS	2008 COPS	Acres	Description
DCR-1	Horne Creek State Historic Site	Surry	$190,000	$190,000	$0	$0	8.03	Fee simple acquisition of 8.03 acres immediately opposite the main visitor entrance to the Horne Creek Living Historical Farm State Historic Site, and across the main road from the site's extensive Southern Heirloom Apple Orchard. The objective of this acquisition is to provide a permanent scenic buffer property along the main visitor entrance to the site, to preserve the presently rural character and setting. The proposed property consists of seven platted lots in an area now being developed as part of a new subdivision in this location. The Horne Creek Living Historical State Historic Site is operated by the department's Division of State Historic Sites to preserve and demonstrate the methods of farming and the way of life of a typical northern Piedmont farmstead during the early 1900's. The farmstead consists of a two-story frame and log house built about 1880 for Thomas and Charlotte Hauser, along with six period outbuildings and the family cemetery. The proposed property will be maintained and managed by the DCR as an extension of the department's existing 104 acre historic site. No matching funds proposed.
DCR	Averasboro Civil War Battlefield Site	Harnett & Cumberland	$130,000	$130,000			63.60	Amended Fall 2007 award by $130,000. Matching funds from Civil War Preservation Trust Fund will not be available in the court-mandated timeframe for closing on easement (result of 2-year litigation.)
DCR	***AWARDS***	***SUBTOTAL***	$320,000	$320,000			**8.03**	

TABLE 4
N.C. Natural Heritage Trust Fund
Fall 2008 Awards

Agency	Project Title	County	Grant Total	Cash Funding	2007 COPS	2008 COPS	Acres	Description
WRC -2	Pond Mountain	Ashe	$5,000,000	$1,500,000	$0	$3,500,000	1,795.00	The Pond Mountain landscape offers the unique opportunity to manage for a host of state listed and SWAP priority species that require habitat types which are rare in NC. Approximately 750 acres of the Pond Mountain tract is currently in grassy/shrubby habitat and Christmas tree production and offers an excellent opportunity to manage for high elevation early successional habitat. The remainder of the tract contains northern hardwood forest. The tract will further serve as a wildlife corridor from the adjacent National Forests in TN and VA south to conservation areas in NC such as Three Top Mtn. and the Pisgah National Forest. The tract also serves as the headwaters of both Big Laurel and Big Horse Creeks and acquisition will be a significant step in protecting water quality in these drainages. As part of WRC game land program, will offer a variety of dispersed recreational opportunities to the public. Matching funds of $1.3 million private donor and $2 million CWMTF (Originally project was planned for $7,426,498 CWMTF funding.) Total cost is $13,458,955. Previous grant of $2.5 million from NHTF.
WRC - 3	Whitehall Plantation - Cape Fear Lowlands	Bladen	$4,212,000	$0	$4,212,000	$0	1,440.00	Time-sensitive acquisition to protect large natural area from future development to include upland pine and Cape Fear lowland hardwoods and swamp drainages. Will protect key neo-tropical migrant bird (one of only two possible nesting sites in NC for swallow-tailed kites), black bear, and waterfowl habitat. Protection of the site will reduce non-point source pollution into the Cape Fear River. The property falls within a strategic landscape scale conservation plan being developed by the Cape Fear Arch due to it's proximity to Bladen Lakes State Forest and Singletary Lake State Park and includes Regionally Significant Natural Areas – Cape Fear Lowlands, Cape Fear Sloughs, Cypress-Gum Swamps, Coastal Plain Levee Forest, and proximity to Conkill Bay Complex. WRC plans to incorporate site into the Cape Fear Wetlands Game Lands. No matching funds.

TABLE 4
N.C. Natural Heritage Trust Fund
Fall 2008 Awards

Agency	Project Title	County	Grant Total	Cash Funding	2007 COPS	2008 COPS	Acres	Description
WRC -4	Miller-Hufnagel (Three Top Mountain Game Land Addition)	Ashe	$254,896	$254,896	$0	$0	103.26	The Miller-Hufnagel tract is adjacent Three Top Mountain Game Land and would provide direct access to the game land from SR 1125 where no public access currently exists. Acquisition of this property is also highly significant as part of the total management project in the Three Top Mountain area. The Three Top Mountain macrosite contains numerous plants and community types that are considered to be of national significance. Matching grants confirmed from both private ($270,447) and CWMTF ($316,000).
WRC-5	Carpenter Tract - Sandhills Game Land	Scotland	$636,972	$0	$0	$636,972	263.00	Tract contains approx. 23 acres of mature longleaf pine forest including canebrake and streamhead pocosin, and 240 acres of readily-restorable longleaf/wiregrass forest with intact native groundcover diversity. Tract is extremely important as a strategic connector between large blocks of existing protected habitat of the Sandhills Game Lands, and barring protection was destined for horse farmettes. Currently the mature longleaf forest stand needs only fire to manage and maintain floral diversity, while the cut portion will be burned in the Spring of 2009, and planted back to longleaf pine that following Winter. While the tract is primarily made up of Xeric Sandhill Scrub and Pine/Scrub Oak Sandhill communities, its Southern boundary is a Streamhead Pocosin wetland along Little Muddy Creek, which the property shares with a 635 acre private conservation easement to the south that protects red-cockaded woodpecker habitat. This recent protection of both sides of Little Muddy Creek will allow the use of prescribed fire to open up the ecotone and to reduce shrub density along the creek. $208,000 Army ACUB funding confirmed. Total project cost $833,000.

TABLE 4
N.C. Natural Heritage Trust Fund
Fall 2008 Awards

Agency	Project Title	County	Grant Total	Cash Funding	2007 COPS	2008 COPS	Acres	Description
WRC -6	Elam Tract - Wilson Creek	Caldwell	$238,500	$238,500	$0	$0	73.00	The Elam tract is surrounded by protected properties in the Wilson Creek watershed. To the north is the Edgemont Ltd. property, to the east is Pisgah National Forest, and to the south is the Lutz tract. The Foothills Conservancy of NC will close on a conservation easement on the Edgemont Ltd. Property in late 2008 or early 2009, the U.S. Forest Service owns the Pisgah National Forest, and WRC is acquiring the Lutz tract with NHTF and CWMTF grants. Much of the tract is in the nationally designated Wilson Creek Wild and Scenic River corridor. This corridor is a nationally significant aquatic natural heritage area and feeds the Johns River, a State SNHA. The tract is also within the Wilson Creek Slopes/Lost Cove Creek/Thorps Creek regionally SNHA. Although the tract contains only a small amount of perennial stream, its acquisition would link other existing protected lands. It would be accessible from the Lutz tract and national forest lands, but not from the road. Purchase of this tract would permanently protect the area from development. The owners have offered it at a bargain sale price, pending confirmation via appraisal.
WRC -7	Johnson Tract	Ashe	$764,670	$764,670	$0	$0	218.00	The Johnson tract is the first of several expected opportunities to expand the adjacent Pond Mountain (pending) major acquisition. This tract would serve as a significant wildlife and ecological corridor from the adjacent National Forests in Tennessee and Virginia south to conservation areas in North Carolina such as Three Top Mountain, other Game Lands, various Natural Heritage areas and the Pisgah National Forest. Along with Pond Mountain, the Johnson tract offers a unique opportunity to manage for a host of state listed and SWAP priority species that require habitat types which are rare in NC. The majority of the tract contains northern hardwood forest. The tract also serves as the headwaters of Big Horse Creek further complimenting our anticipated purchase of Pond Mountain. The Johnson tract will be entered into the Game Lands Program and will offer a variety of dispersed recreational opportunities to the public. Total cost $1,721,770 with planned proposed application to CWMTF for $823,900 in 2/2009.
WRC	**AWARDS**	***SUB-TOTAL***	$11,107,038	$2,758,066	$4,212,000	$4,136,972	**3,892.26**	

TABLE 4
N.C. Natural Heritage Trust Fund
Fall 2008 Awards

Agency	Project Title	County	Grant Total	Cash Funding	2007 COPS	2008 COPS	Acres	Description
DENR/ DPR -8	Proposed Grandfather Mountain State Park - Initial Acquisiton	Avery, Caldwell, Watauga	$6,000,000	$0	$6,000,000	$0	3,200.00	Funding requested for the initial acquisition for proposed Grandfather Mountain State Park. Project includes fee simple acquisition of 2,600 acres and a conservation easement on 600 acres. Property is a nationally significant SNHA and an International Biosphere Reserve. A total of 73 rare species have been documented for the mountain, and of these 32 are endangered or threatened. The mountain supports 16 distinct ecological communities including red spruce-Fraser fir forest, heath bald, high-elevation red oak forest, rich cove forest, Canada hemlock forest, and spray cliff. Grandfather Mountain also contains the headwaters of both the Linville and Watuaga rivers. Important component of a larger network of conservation lands in the area, which include the Blue Ridge Parkway, Pisgah National Forest, and holdings by TNC. Total cost $12,180,000. PARTF expected grant $6,180,000. Authorization for a new state park will be requested in the 2009 session.
DENR/ DPR -9	Carvers Creek State Park - Clark II and Carvers Falls Tracts	Cumberland	$5,035,000	$401,500	$791,000	$3,842,500	1,316.00	Funding requested for two tracts as an addition to Carvers Creek State Park. One is Clark II tract located between existing state ownership and Fort Bragg and the other is around Carvers Falls. These two tracts are keystone tracts for this state park. The Clark II tract connects the existing state ownership to Fort Bragg permanently protecting this outstanding matrix of Sandhills natural communities and Red-cockaded woodpecker habitat. The Carvers Falls tract brings a unique geologic feature into public ownership that will eventually be accessible to the public. Once these tracts are acquired, they will be managed as part of Carvers Creek State Park for the protection of the natural resources and the interpretation of the resources and the natural processes that affect them. Total project cost $14,271,000; Army ACUB grant $3,850,000; PARTF proposed $5,253,500.

TABLE 4
N.C. Natural Heritage Trust Fund
Fall 2008 Awards

Agency	Project Title	County	Grant Total	Cash Funding	2007 COPS	2008 COPS	Acres	Description
DENR/ DPR-10	Chimney Rock State Park - Round Top Mountain, Cane Creek and Lost Colony Tracts	Rutherford	$2,477,500	$0	$0	$2,477,500	287.00	As part of both the Southeastern Escarpment Megasite and the Hickory Nut Gorge Macrosite, this 287-acre project is part of a larger conservation effort including TNC's Bat Cave and Rumbling Bald Preserves. Because of the project area's position on the eastern edge of the Blue Ridge Escarpment, it hosts distinctive geological features and a large diversity of natural community types. At least nine significantly rare plants have been documented on or very near the subject properties, two of which are federally endangered, and four rare, special concern animals have been found in close proximity to the project area and have the potential to be found on site as well. The tracts in this project are within the following significant natural heritage areas: Cane Creek Mountain (national significance) and Round Top Mountain/Rumbling Bald (national significance.) Tracts will be managed as part of Chimney Rock State Park. Total cost $6,677,560; PARTF proposed grant $3,435,280.
DENR/ DPR-11	Gorges State Park, Phase IV	Transylvania	$1,256,000	$768,500	$0	$487,500	190.00	Request funds for acquisition of four tracts in the acquisition plan for Gorges State Park. The tracts in this request are from landowners who contacted the state with their interest in selling to the state. Three of the four tracts are listed on the open market. Gorges State Park was established to protect the natural resources in the escarpment gorges and to provide outdoor recreation in the southwestern part of the state. There are 23 rare plant and animal species found in the Gorges State Park project area. The Gorges State Park project area encompasses the Toxaway River Gorge SNHA and is part of the Escarpment Gorges Megasite. Both of these are nationally significant. Once acquired, these properties will be managed as part of the Gorges State Park for the protection of the natural resources and water quality. Low impact public recreation such as hiking and nature study may occur on these tracts. Total cost $2,677,000; PARTF matching grant proposed - $1,384,500.

TABLE 4
N.C. Natural Heritage Trust Fund
Fall 2008 Awards

Agency	Project Title	County	Grant Total	Cash Funding	2007 COPS	2008 COPS	Acres	Description
DENR/ DCM-12	Kitty Hawk Woods - Hard Tract	Dare	$87,500	$87,500	$0	$0	16.04	Kitty Hawk Woods Coastal Reserve is one of the largest (ca. 1,900 acres) maritime forests on the Outer Banks. The extensive maritime forest occupies a relict beach ridge and swale system. The ridges are comprised of Maritime Deciduous Forest while the swales support Maritime Swamp Forest and coastal marsh. According to the N.C. Natural Heritage Program, both community types are globally extremely rare. Kitty Hawk Woods and Nags Head Woods are the only extensive occurrences of Maritime Deciduous Forest in NC. The Hard Tract contains examples of both the Maritime Deciduous Forest and Swamp Forest, which have extreme ecological importance. The Maritime Deciduous Forest of Kitty Hawk Woods is one of only two extensive and diverse examples left in the state. The tract identified for acquisition is located adjacent to the Reserve, which has been designated by the NC Natural Heritage Program as a Nationally-significant SNHA. Total cost - $350,000; $262,500 USF&W Service Grant
DENR/ ZOO-13	Ridges Mountain Nature Preserve - Phase II	Randolph	$490,000	$490,000	$0	$0	93.00	In partnership with the Piedmont Land Conservancy, the NC Zoo proposes to add 93 acres to the 186-acre Ridges Mountain Nature Preserve, a site that was identified during the Randolph County Natural Heritage Inventory as a top priority for protection. Ridges Mountain contains high quality examples of uncommon natural communities, including Basic Piedmont Monadnock Forest, Basic Oak-Hickory Forest, Upland Pools and Upland Depression Swamp Forest. Two of the three tracts have mature high-quality Basic Oak-Hickory Forest. A newly-discovered Upland Pool is located on the boundary between the Zoo property and the Allen tract. On a landscape scale, Ridges Mountain is significant due to its connectivity to other SNHAs. All three properties buffer the existing Preserve and provide breeding habitat for wildlife, including forest interior bird species and neotropical migrants. Tracts will provide nature-based recreation, such as low impact hiking and bird-watching, environmental education, and research on its biological and ecological resources. Threat of development is high for these parcels, which are convenient to a major highway. Zoo to contribute $2,000.

TABLE 4
N.C. Natural Heritage Trust Fund
Fall 2008 Awards

Agency	Project Title	County	Grant Total	Cash Funding	2007 COPS	2008 COPS	Acres	Description
DENR/ DPR-14	Mount Jefferson State Park - Vannoy Heirs and Phillips Tracts	Ashe	$1,479,500	$187,500	$0	$1,292,000	253.50	Funds requested to acquire two key tracts on the slopes of Mount Jefferson. Mount Jefferson is an amphibolite peak and supports very high quality examples of natural communities. Twelve rare plant species and six rare animal species are found at Mount Jefferson State Natural Area. The addition of these two tracts to the state natural area will protect the mid slopes of Mount Jefferson from residential development. The owners of these tracts have been approached by developers. The larger tract is currently on the market. These slopes are very scenic as well as containing Northern Hardwood Forest natural communities. Once acquired, these tracts will be managed as part of Mount Jefferson State Natural Area for the protection of the natural and scenic resources and for low impact recreation such as hiking and nature study. Total cost $4,633,000 with PARTF grant expected for $2,332,000.
DENR/ NHP-15	Boiling Spring Lakes, Sections 14 and 5 (Pretty Pond Limesink Complex)	Brunswick	$325,000	$325,000	$0	$0	9.40	Project area is located in the northeastern section of the City of Boiling Spring Lakes. It is immediately adjacent to the privately managed Orton Plantation (5,000 acres) and a 135-acre conservation easement held by TNC. Site contains undeveloped upland longleaf and pocosin habitat within the Pretty Pond Limesink Complex, a SNHA. Acquisition will protect habitat for current populations of the Federal and State endangered Red-cockaded woodpecker (Picoides borealis). It will complement the 7,000 acres of land previously protected in the Boiling Spring Lakes Plant Conservation Program Preserve and establish a core base for essential land management activities in the vicinity. The tracts will provide buffer for the privately held conservation lands, opportunity for passive recreation, and offer ecological research opportunities. NHP plans to manage the property through a management agreement with TNC.

TABLE 4
N.C. Natural Heritage Trust Fund
Fall 2008 Awards

Agency	Project Title	County	Grant Total	Cash Funding	2007 COPS	2008 COPS	Acres	Description
DENR/ DPR-16	Mount Mitchell State Park - Bagwell, Begley and Wilson Heir tracts	Yancey	$833,750	$833,750	$0	$0	314.00	Funding requested for acquisition of key tracts to be added to Mount Mitchell State Park. Mount Mitchell State Park was the first state park in NC and includes the highest point east of the Mississippi River. The tracts in this request have the highest value in the DENR Conservation Planning Tool. These tracts contain high quality Northern Hardwood Forest and Red Spruce-Fraser Fir Forest natural communities. Both of these natural communities are high protection goals for the state parks system. These tracts are visible from multiple public use areas of the state park. The owners of these tracts have been approached by developers. These owners would prefer to sell to the state to avoid the development of their property. Once acquired, these tracts will be included in Mount Mitchell State Park and managed for the protection of the natural and scenic resources. Total cost $6,726,400 with expected $3,395,700 PARTF grant.
DENR/ DPR-17	Roan Mountain - Atria Tract (Big Yellow Mountain)	Avery	$1,875,000	$1,875,000	$0	$0	265.00	Funds requested for acquisition of 265 acres to protect important natural resources in the Nationally Significant Big Yellow Mountain SNHA. This tract contains numerous, extensive High Elevation Seeps embedded within the Northern Hardwood Forest. Gray's Lily, a Federal species of concern and State Threatened species, is known to occur on the tract and the seeps have a high potential for other rare plant species. The tract adjoins the Big Yellow Mountain Preserve owned by TNC and is nearby the Roan Mountain Preserve owned by the Southern Appalachian Highlands Conservancy. The site will be managed for the protection of significant natural resources and to provide interpretation of its ecosystems. Acquisition of these tracts will help protect a widely recognizable and visible peak and ridge system and contribute to the connectivity of 17,000 acres of protected land, including nearby Roan Mountain in the Pisgah National Forest. Total cost $3,800,390. Adjoining 177 acres will be protected via donated easement valued at $1,875,000. Not eligible for PARTF because not in new Yellow Mt. State Natural Area.
DENR		***SUBTOTAL***	$19,859,250	$4,968,750	$6,791,000	$8,099,500	**5,944**	

TABLE 4
N.C. Natural Heritage Trust Fund
Fall 2008 Awards

Agency	Project Title	County	Grant Total	Cash Funding	2007 COPS	2008 COPS	Acres	Description
DACS/ PCP-18	Ochlawaha Bog Preservation - Ward, Fortescue & CMLC Additions	Henderson	$347,590	$347,590	$0	$0	30.78	Request is to add 30.79 acres to the Ochlawaha Bog Plant Conservation Preserve,established in 1996 with the purchase of 2.4 acres, and which harbors Bunched Arrowhead, one of NC's most endangered plant species. Bunched Arrowhead is a federally and state endangered species known to persist in only two populations in NC. This site is considered to be a critical conservation priority and has been the focus of protection and restoration efforts by the state, CMLC, the US F&W Service and others. Site is currently ditched and used for growing tomatoes. The proposed acquisition would eliminate the most critical ongoing threat to the Bunched Arrowhead colony while providing PCP, and its partners, the opportunity to restore the hydrology in portions of the project area with the goal of re-establishing both a healthy, functioning riparian area as well as expanding the population of this endangered species. A feasibility study for wetland restoration, emphasizing creation and maintenance of suitable habitat for Bunched Arrowhead, has already been completed. Other funding: $6,350 CWMTF mini-grant and $85,000 private donor. Bargain sale, valued at $45,600.
DACS/ PCP-19	Boiling Spring Lakes - Management Areas 7 and 22	Brunswick	$360,000	$360,000	$0	$0	574.00	Proposed funding for inholdings in two of the most critical areas of the existing preserve. Boiling Spring Lakes (BSL) preserve, the largest existing PCP preserve, became a focus of major acquisition efforts in 1999, with NHTF supplying majority funding since that time. The Preserve, now exceeding 6,000 acres in size, features an outstanding complex of natural communities as well as a collection of rare plant and animal species. The Venus flytrap (*Dionaea muscipula*), and the federally endangered rough-leaf loosestrife (*Lysimachia asperulifolia*) are notable examples of some of the many rare plant species known to be present. Protecting and restoring the natural habitats and rare species populations is the overarching management goal upon acquisition, with a significant portion of the effort focused on reintroducing controlled burns across the Preserve. PCP has recently narrowed the Preserve focus area and this request is to complete two critical management areas in the newly defined focus area. Request includes $367,148 for management costs. Awarded the $300,000 estimated to close within a year plus $60,000 stewardship monies.

TABLE 4
N.C. Natural Heritage Trust Fund
Fall 2008 Awards

Agency	Project Title	County	Grant Total	Cash Funding	2007 COPS	2008 COPS	Acres	Description
DACS/ PCP-20	Paddy Mountain Preserve - Cook & Rash Tracts	Ashe	$1,337,000	$0	$0	$1,337,000	143.00	Funding requested to add two tracts to the Paddy Mountain Plant Conservation Preserve. This Preserve, established with grants from the NHTF Board in 2002 and 2003, protects several rare plant species including the federally endangered Heller's Blazing Star (*Liatris helleri*), and one of only three known NC populations of the Allegheny Onion (*Allium allegheniense*). Protecting the high elevation rock outcrop habitats for these rare species as well as the surrounding rich forested slopes from incompatible land use is the primary protection and management goal. The proposed acquisitions are some of the most important parcels on the acquisition plan for the site.
DACS/ PCP-21	Tater Hill - Ball and Greer Tracts	Watauga	$2,220,000	$0	$0	$2,220,000	324.00	Funding requested to add two tracts to the Tater Hill Plant Conservation Preserve. The project area has been a priority for protection efforts for years and the NHTF Board has awarded seven previous grants for acquisition efforts there. The Preserve is designed to protect a number of rare plant species and natural plant communities. Rare plants present include Gray's lily (*Lilium grayi*), American fly-honeysuckle (*Lonicera canadensis*), Tall larkspur (*Delphinium exaltatum*), and long-stalked holly (*Ilex collina*). The proposed tracts occur along the northern boundary of acquisition plan for the site. Protecting the rare plant species and natural habitats present on these tracts from incompatible land use is the primary protection and management goal.

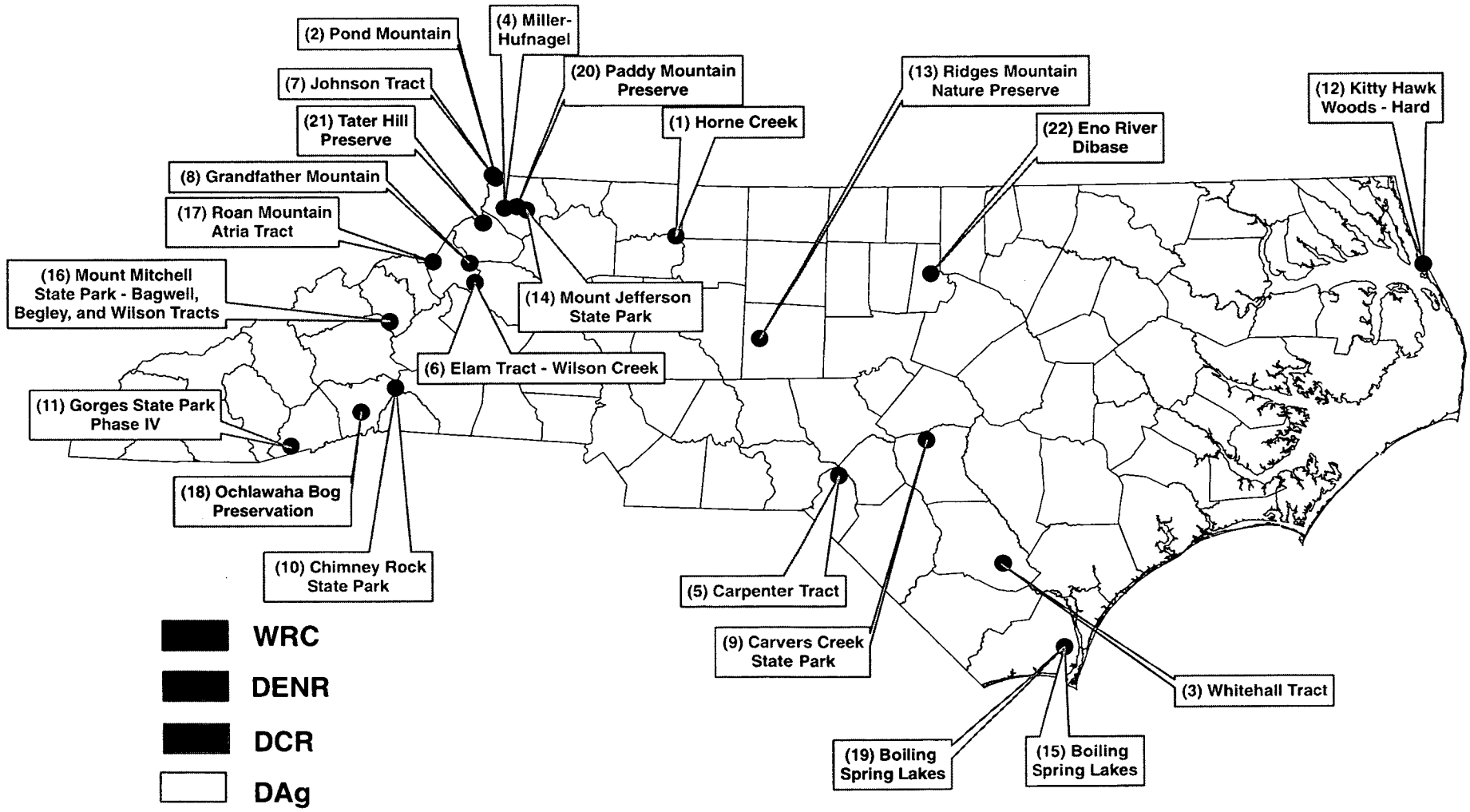
TABLE 4
N.C. Natural Heritage Trust Fund
Fall 2008 Awards

Agency	Project Title	County	Grant Total	Cash Funding	2007 COPS	2008 COPS	Acres	Description
DACS/ PCP-22	Eno River Diabase - Pickett and Arrington Tracts	Durham	$85,250	$85,250	$0	$0	2.11	PCP in partnership with Eno River Association is proposing to add two tracts to the Eno River Diabase Sill Plant Conservation Preserve. These tracts, which have been priorities since the project inception, were not previously acquired due to title issues (these issues are being addressed). The importance of establishing this Preserve has been well recognized by the NHTF Board, as evidenced by seven previous grants for the Preserve, which is designed to protect a host of rare plant species including the federally endangered Smooth Coneflower (*Echinacea laevigata*), and the Piedmont region's only remaining population of Tall Larkspur (*Delphinium exaltatum*). Restoration of the habitats for these species, once protected, is the number one management priority. Since 2004, management efforts by PCP and its partners have resulted in dramatic increases in several of these rare species, most notably the Smooth Coneflower.
DACS		***SUBTOTAL***	$4,349,840	$792,840	$0	**$3,557,000**	**1,073.89**	
ALL APPs.		**TOTAL**	**$35,636,128**	**$8,839,656**	**$11,003,000**	**$15,793,472**	**10,918.12**	
WRC	Tuckertown					$2,000,000		Was funded in Spring 2008 with 2007 COPS, now switched to 2008 COPS
DPR	Chimney Rock/Bottomless Pools					$3,500,000		Was funded in Spring 2008 with 2007 COPS, now switched to 2008 COPS
		GRAND TOTAL	**$41,136,128**	**$8,839,656**	**11,003,000**	**$21,293,472**		

TABLE 4
N.C. Natural Heritage Trust Fund
Fall 2008 Awards

Agency	Project Title	County	Grant Total	Cash Funding	2007 COPS	2008 COPS	Acres	Description
NC = North Carolina								SNHA = Significant Natural Heritage Area
DCR = NC Department of Cultural Resources								PARTF = Parks & Recreation Trust Fund
DACS = NC Department of Agriculture and Consumer Services								CWMTF = Clean Water Management Trust Fund
PCP = Plant Conservation Program								WRC = NC Wildlife Resources Commission
DENR = NC Department of Environment and Natural Resources								SWAP = WRC's Sate Wildlife Action Plan
DPR = Division of Park Resources								TNC = The Nature Conservancy
DFR = Division of Forest Resources								CMLC = Carolina Mountain Land Conservancy
NHP = N.C. Natural Heritage Program								ACUB = Army Compatible Use Buffer Program
DCM = Division of Coastal Management								USF&W = United States Fish and Wildlife
DWR = Division of Water Resources								
WRC = NC Wildlife Resources Commission								

Figure 2
Natural Heritage Trust Fund
Fall 2008 Awards



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NORTH CAROLINA
NATURAL HERITAGE
TRUST FUND



January 22, 2010

MEMORANDUM

TO: The Honorable Marc Basnight, Co-Chair
The Honorable Joe Hackney, Co-Chair
Joint Legislative Commission on Government Operations

The Honorable Lucy Allen, Co-Chair
The Honorable Robert Atwater, Co-Chair
The Honorable Dan Clodfelter, Co-Chair
The Honorable Pryor Gibson, Co-Chair
Environmental Review Commission

The Honorable Pricey Harrison, Chair
The Honorable Garland Pierce, Chair
The Honorable Floyd McKissick, Chair
The Honorable Edith Warren, Chair
Subcommittees on Appropriations for Natural and Economic Resources

Ms. Marilyn Chism, Director, Fiscal Research Division
Ms. Kristen Walker, Fiscal Research Division
Division of Fiscal Research, North Carolina General Assembly

FROM: Richard E. Rogers, Jr., Executive Director, CWMTF

Re: Clean Water Management Trust Fund's 2009 Annual Report

Introduction

The Board of Trustees of the Clean Water Management Trust Fund (CWMTF) is writing to thank the members of the General Assembly of North Carolina for your continuing strong support for investments in clean water and to make our annual report to the General Assembly and the public pursuant to GS 113A-257.

Background

The 1996 General Assembly created the Clean Water Management Trust Fund (CWMTF) (Chapter 113A Article 18 (GS 113A-251 et seq.)), "to clean up pollution in the State's surface waters and to protect and conserve those waters that are not yet polluted."

The CWMTF "shall be used to help finance projects that specifically address water pollution problems and focus on upgrading surface waters, eliminating pollution, and protecting and conserving unpolluted surface waters, including urban drinking water supplies" and "to build a network of riparian buffers and greenways for environmental, educational, and recreational benefit."

The CWMTF's non-regulatory, incentive-based programs complement North Carolina's environmental regulatory and educational programs and help ensure both a strong economy and healthy environment.

The CWMTF is an independent agency housed for administrative purposes in the Department of Environment and Natural Resources (DENR.) A 21-member board of trustees establishes criteria, allocates funds, reviews applications, approves grants, and hires the executive director. Seven members are appointed by the Governor; seven by the General Assembly upon the recommendation of the President Pro Tempore of the Senate; and seven by the General Assembly upon the recommendation of the Speaker of the House. An advisory council composed of the Commissioner of Agriculture, Chair of the Wildlife Resources Commission, Secretary of DENR, and Secretary of Commerce or their designees advises the board of trustees.

Local governments, state agencies, and nonprofit conservation organizations, such as land trusts, may apply for grants. The next deadline for applications is February 1, 2010.

Moneys from CWMTF may be used to acquire conservation easements or land in fee simple to preserve riparian buffers, wetlands, floodplains, and greenways; to restore riparian buffers, streams, and wetlands; to repair failing wastewater collection and treatment systems; to eliminate failing septic tanks and straight pipes; to prevent, reduce, collect and treat stormwater pollution; to plan water

quality projects; and for administration and staff. The board works through three principal committees: acquisitions, infrastructure/wastewater, and restoration/stormwater.

CWMTF application forms for grants, grant evaluation guidelines, enabling legislation, lists of the board of trustees, staff directory, news releases, and other reports and documents are available at www.cwmtf.net.

The executive director, two deputy directors, real property counsel, wastewater infrastructure project manager, restoration and stormwater project manager, water quality advisor, administrative officer, public information officer, stewardship coordinator, paralegal, executive assistant, and office assistant are based in the central office in Raleigh. Five field representatives cover the coast, piedmont and mountain regions of the state

The Board of Trustees authorized an annual administrative budget of up to $1.97 million for fiscal year 2009-2010 at its September 2009 meeting. This represents a 20 percent cut over CWMTF's 2008-2009 administrative budget.

In 2009, the Board of Trustees met six times –once in Durham and five times in Raleigh. Two of those meetings were special called as necessitated by the state's budget crisis. The board's regularly scheduled August and October meetings were cancelled in response to the budget crisis as well.

2009 Summary

Budget Focus –Grant Awards

In February 2009, CWMTF's budget was reduced by $115 million as a result of the Governor's action to balance the budget in the face of the state's worst fiscal crisis in years.

In response, nearly all CWMTF grants approved in 2008 were placed on hold.

Since that time, CWMTF worked closely with its grantees on many levels to keep those water quality protection and improvement projects at the very least viable until the crisis subsides. Primarily, CWMTF was able to work to secure American Recovery and Reinvestment Act funds for eligible wastewater and stormwater grant projects. CWMTF was able to reduce its grant obligation by half for 11 of its funded infrastructure projects, saving the agency $5.76 million.

The North Carolina General Assembly once again expressed its commitment to protecting water quality in the state by appropriating $50 million to CWMTF during a time when many difficult budgetary decisions had to be made.

In September and November, CWMTF trustees prioritized the outstanding 2008 grants and reallocated $44.2 million funds a total of 102 projects. Currently, 107 projects totaling $40.9 million are without the funds promised to them during the 2008 grant cycle. (Appendices 1-3)

Budget Focus – Program Administration

CWMTF reduced its annual operating budget by 20% for FY 2009-2010. The reduction included the elimination of two unfilled full time positions, 1.5 temporary positions, and 40% of an additional full-time position.

As a result, CWMTF also reorganized its management structure to continue to operate in an effective manner. (Appendix 3)

2010 Challenges

North Carolina's water quality needs are as important now, as ever before as the state begins to recover from the economic crisis. Therefore, CWMTF will proceed with a grant cycle in the new year. The application deadline for the 2010 cycle is February 1. Among the needs that went unaddressed in 2009 are over $262 million in grant requests received just prior to the reduction in CWMTF's FY 2008-2009 funding. Those requests were not considered for funding by the CWMTF board. Those applications will be reviewed along with new ones submitted on the February 1 deadline.

Accomplishments

Since its creation in 1996, CWMTF has:

- preserved over 454,944 acres of land, thereby ensuring streams, rivers, lakes and shellfishing waters will be able to support their uses for drinking water, recreation, fisheries and other uses.
- protected over 4,859 miles of riparian buffers.
- invested more than $506.3 million in land and water conservation.
- funded 159 riparian buffer, stream and wetland restoration projects totaling more than $94.6 million.
- assisted local governments with 267 wastewater improvement projects, investing more than $248.3 million to reduce discharges and more effectively treat wastewater so that fewer nutrients and other pollutants enter our rivers.

- funded 80 stormwater management projects totaling more than $52.8 million to reduce pollution from urban runoff and decrease flooding.

CWMTF - Economically Essential to NC

CWMTF projects play an important role in protecting North Carolina's economy. Its water quality grants help meet infrastructure needs, increase recreational opportunities and enhance the quality of life component critical for economic development.

CWMTF protects more than the state's natural resources. Its grants support North Carolina's:

- $16.5 Billion Tourism Economy
- $144 Million Fisheries Economy
- $71 Billion Agriculture Economy
- $6.1 Billion Forest Products Industry
- $23 Billion Military Economy

Important tourism destinations like Chimney Rock and Grandfather Mountain would likely have been lost if not for the availability of CWMTF dollars. Many of the state's important military bases could have been downsized if not for CWMTF partnerships to protect water quality and military installations from development pressure. CWMTF grants have restored thousands of acres of key wetlands to improve shellfishing waters and other important fisheries.

CWMTF - A Vital Resource for Local Government

Increasing numbers of wastewater and stormwater grants and resulting competitiveness for funds shows that local governments depend on CWMTF. Communities need CMWTF to balance infrastructure needs with environmental protection.

Clean Water Equals a Healthy NC

Sustainable water supplies are critical to the health of all North Carolinians. Increased recreational opportunities created by CWMTF projects, including park expansions, gameland additions and greenways, improve the health and well-being of citizens.

North Carolina General Assembly

ENVIRONMENTAL REVIEW COMMISSION

MINUTES

May 11, 2010
10:00 a.m.
Room 643
Legislative Office Building

Welcome, Attendance, and Regular Commission Business

The Environmental Review Commission of the North Carolina General Assembly met Tuesday, May 11, 2010 in Room 643 of the Legislative Office Building. Co-chair Pryor Gibson presided. In attendance with the presiding Co-chair were Co-chair Pricey Harrison, Co-chair Bob Atwater, Co-chair Dan Clodfelter, Senators Ellie Kinnaird, Floyd McKissick, A. B. Swindell, Stan Bingham, and Katie Dorsett and Representatives Carolyn Justice, Ruth Samuelson, Russell E. Tucker, Edith Warren, and Cullie Tarleton. Advisory Members Representative Alice Graham Underhill and Senator Fletcher Hartsell were also in attendance.

Staff present was Commission Counsel Jeffrey Hudson, Commission Counsel Jennifer McGinnis, Commission Counsel Tim Dodge, Commission Analyst Jennifer Mundt, Commission Assistant Mariah Matheson, and Commission Clerk Jessica Kozma Proctor.

A meeting notice was electronically distributed to members, staff, and interested parties May 7, 2010. A draft agenda was also sent to members May 10, 2010.

Co-chair Gibson welcomed Commission members, staff and guests. He then recognized newly appointed Co-chair Pricey Harrison. The presiding Co-chair then called for comments from his fellow Co-Chairmen. Co-chair Atwater thanked Co-chair Gibson for presiding as Co-chair Atwater was unable to preside due to a scheduling conflict. Co-chair Gibson then recognized Commission Counsel McGinnis, who reviewed the day's agenda. She noted that minutes were prepared, distributed, and ready for approval by members. Minutes from the April meeting were then approved by unanimous vote.

Interim Report of continuing Water Allocation Study
Richard B. Whisnant, Associate Professor of Public Law and Government
University of North Carolina School of Government

Mr. Richard M. Whisnant, Associate Professor of Public Law and Government at the University of North Carolina School of Government, was recognized by Co-chair Gibson. Mr. Whisnant began saying that although water allocation was "no longer a priority, that future water policy needed to be under discussion." He noted past water allocation hearings across the State, acknowledging that legislative members such as Representative Carolyn Justice attended.

Mr. Whisnant continued going through a presentation which is attached to the minutes. In his presentation Mr. Whisnant discussed examples of individual people's efforts to reduce home water use. He also discussed his plans to continue visiting large water systems, using the State of Delaware as an example.

Mr. Whisnant ended his report by saying that, in his opinion, ongoing progress was needed to better address water issues for the State. Finishing his presentation, Co-chair Gibson recognized Representative Samuelson, who asked if future meetings on water allocation could be held in a webinar format. Mr. Whisnant said he would find out whether they could. Advisory Member Hartsell was recognized to thank Mr. Whisnant.

A copy of Mr. Whisnant's presentation may be found at: http://www.ncleg.net/documentsites/committees/ERC/2009-2010%20ERC%20Documents/May%2011,%202010/Handouts%20and%20presentations/2010-0430%20Interim%20Rpt%20Water%20Allocation%20Study.pdf

Co-chair Gibson then instructed staff and Commission members that the Commission would review legislative proposals.

Consideration of legislative proposals

A. Improve River Basin Modeling: Mr. Hudson discussed the proposed legislation, noting that this proposal would "develop more robust models for legislators to plan on." Co-chair Clodfelter motioned for adoption; the motion was seconded by Co-chair Harrison. The motion carried unanimously.

B. Amend IBT Enforcement and Notice: Mr. Hudson discussed provisions regarding interbasin transfer. This included one provision to amending IBT statutes to include all river basins. Another provision included was to create changes in the notification process of those seeking an IBT certificate. Representative Tarleton motioned for adoption, seconded by Co-chair Clodfelter. The motion carried unanimously.

C. Clean Marinas Amendments: Ms. McGinnis explained the proposed legislation, noting that the proposed legislation would roll back an effective date. Representative Justice commented that the proposal "was such a good bill" and then motioned for adoption; seconded by Co-chair Clodfelter. The motion passed by unanimous vote.

D. UST Operator Training Program: Ms. McGinnis reviewed the proposed legislation. Representative Tarleton motioned for adoption; seconded by Co-chair Clodfelter. The motion carried unanimously.

E. Amend Electronics Recycling Requirements: with little discussion, the proposed legislation was motioned for adoption by Co-chair Harrison and seconded by Co-chair Clodfelter. The motioned carried unanimously.

F. Extend Zoological Park Funding and Organization Study Committee: Representative Warren was recognized, who commented that she "was looking forward to working on the bill." Ms. McGinnis explained the proposed legislation. Representative Warren motioned for adoption; seconded by Representative Samuelson. The motion carried unanimously.

G. Environmental Technical Corrections: Ms. Mundt explained the bill draft. Co-chair Harrison motioned for adoption; seconded by Co-chair Clodfelter. The motion carried unanimously.

H. Environmental Reports Consolidation: Ms. Mundt explained the bill draft. The proposed legislation was motioned for adoption by Co-chair Harrison and seconded by Representative Tarleton. The motioned carried unanimously.

I. Amend Environmental Laws: Ms. Mundt explained the amendments to current environmental laws. Co-chair Harrison motioned for adoption to the proposed legislation; Representative Tarleton seconded the motion. The motion carried by unanimous vote.

A copy of the draft interim report of the Commission may be found at: http://www.ncleg.net/documentsites/committees/ERC/2009-2010%20ERC%20Documents/May%2011,%202010/Handouts%20and%20presentations/2010-0511%20ERC%20Final%20Report%20-%20draft.pdf

After hearing the legislative proposals, Co-chair Gibson asked for a motion to include all of the proposals in the Commission's Interim Report. This motion was then made by Co-chair Clodfelter and provided staff the authority to make technical changes to the report as necessary. The motion passed unanimously.

The meeting was then adjourned at 11:20 a.m. by Co-chair Gibson. The presiding Co-chair wished members well for the 2010 Legislative Session.

Co-chair Pryor Gibson
Presiding

Co-chair Bob Atwater

Jessica Kozma Bennett
Commission Clerk

ATTENDANCE

Environmental Review Commission

2009-2010 Interim

MASTER

DATES MEMBERSHIP	12/15	2/18	3/18	4/15	8/11	Incl 1 Interim									
Senator Dan Clodfelter, Co-Chairman	X	X	X	E											
Senator Bob Atwater, Co-Chairman	X	X	E	E	X										
Representative Lucy Allen, Co-Chairman (Resigned April 6, 2010)	*X*	*X*	*X*	*n a*											
Representative Pryor Gibson, III, Co-Chairman	X	X	X	X	X										
Representative Pricey Harrison, Co-Chairman	N A	N A	N A	N A	X										
Senator Charlie Albertson	X	X													
Senator Stan Bingham	X	X		X											
Senator Katie Dorsett	X	X	X	X											
Senator Eleanor Kinnaird	X	E	X	X	X										
Senator Floyd McKissick	E	X	X	X	X										
Senator A. B. Swindell	X	X	X	X	X										
Senator Fletcher Hartsell, advisory member	X	X	X	X	X										
Senator Joe Sam Queen, advisory member	E	N	N	N											
Representative Pricey Harrison	X	X	E	E	nk										
Representative Carolyn Justice	X	E	E	E	X										
Representative Ruth Samuelson	X	X	X	X	X										
Representative Cullie M. Tarleton	X		X	X	X										
Representative Russell E. Tucker	X	X	E	E	X										

Representative Edith Warren	X	X	X	X	X											
Representative Larry Womble			X	X												
Representative Johnathan L. Rhyne, Advisory Member			X													
Representative Alice Graham Underhill, Advisory Member	na	n a	n a	n a	X											
STAFF																
Jeffery Hudson, Counsel	X	X	X	X	X											
Tim Dodge, Counsel	X	X	X	X	X											
Jennifer McGinnis, Counsel	X	X	X	X	X											
Jennifer Mundt, Commission Analyst	X	X	X	X	X											
Mariah Matheson, Research Assistant	X	X	X	X	X											
Jessica Proctor, Committee Assistant	X	X	X	X	X											

ATTENDANCE

Environmental Review Commission

2009-2010 Interim

DATES MEMBERSHIP	12/15	2/18	3/18													
Senator Dan Clodfelter, Co-Chair	X	X														
Senator Bob Atwater, Co-Chair	X	X														
Representative Lucy Allen, Co-Chair	X	X														
Representative Pryor Gibson, III, Co-Chair	X	X														
Senator Charlie Albertson	X	X														
Senator Stan Bingham	X	X														
Senator Katie Dorsett	X	X														
Senator Eleanor Kinnaird	X	E														
Senator Floyd McKissick	E	X														
Senator A. B. Swindell	X	X														
Senator Fletcher Hartsell, advisory member	X	X														
Senator Joe Sam Queen, advisory member	E															
Representative Pricey Harrison	X	X														
Representative Carolyn Justice	X															
Representative Ruth Samuelson	X	X														
Representative Cullie M. Tarleton	X															
Representative Edith Warren	X	X														
Representative Larry Womble																
Representative Johnathan L. Rhyne, Advisory Member																
Representative Russell E. Tucker, Advisory Member		X														

STAFF																
Jeffery Hudson, Counsel	X	X														
Tim Dodge, Counsel	X	X														
Jennifer McGinnis, Counsel	X	X														
Jennifer Mundt, Commission Analyst	X	X														
Mariah Matheson, Research Assistant	X	X														
Jessica Bennett, Committee Assistant	X	X														

General Assembly of North Carolina

Environmental Review Commission
State Legislative Building
Raleigh, North Carolina

CO-CHAIRS
SENATOR ROBERT C. ATWATER
SENATOR DANIEL G. CLODFELTER

REPRESENTATIVE PRYOR A. GIBSON
REPRESENTATIVE PRICEY HARRISON

MEMBERS
SENATOR CHARLES W. ALBERTSON
SENATOR STAN W. BINGHAM
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REPRESENTATIVE EDITH D. WARREN
REPRESENTATIVE LARRY W. WOMBLE

ADVISORY MEMBERS
SENATOR JAMES S. FORRESTER
SENATOR FLETCHER L. HARTSELL
SENATOR JOE SAM QUEEN

REPRESENTATIVE JOHNATHAN RHYNE
REPRESENTATIVE ALICE G. UNDERHILL

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COMMISSION ANALYST

TIMOTHY R. DODGE
COMMISSION COUNSEL

MARIAH B. MATHESON
COMMISSION ASSISTANT

JESSICA K. PROCTOR
COMMISSION CLERK

AGENDA

10:00 a.m. Tuesday, May 11, 2010
Room 643 Legislative Office Building
Raleigh, North Carolina

1. Call to order
   Representative Pryor A. Gibson, Presiding

2. Introductory remarks by Cochairs *(5 minutes)*
   Senator Robert C. Atwater
   Senator Daniel G. Clodfelter
   Representative Pryor A. Gibson
   Representative Pricey Harrison

3. Report to the Commission and explanation of agenda items *(5 minutes)*
   Jennifer McGinnis, Commission Counsel

   Approval of the minutes for the April 15, 2010 meeting of the Commission

4. Interim Report of continuing Water Allocation Study *(15 minutes)*
   Richard B. Whisnant, Associate Professor of Public Law and Government
   University of North Carolina Institute of Government

5. Consideration of legislative proposals

   a. Improve River Basin Modeling

   b. Amend IBT Enforcement and Notice

c. Clean Marinas Amendments

d. UST Operator Training Program

e. Amend Electronics Recycling Requirements

f. Extend Zoological Park Funding and Organization Study Committee

g. Environmental Technical Corrections

h. Environmental Reports Consolidation

i. Amend Environmental Laws

6. Consideration of draft Commission report to the 2010 Regular Session

7. Commission discussion and announcements

8. Adjourn

FUTURE MEETINGS:

The Commission may meet while the General Assembly is in session (G.S. 120-70.44). When the Commission meets while the General Assembly is in session, notice will be given at a session of the Senate and House of Representatives as provided by G.S. 143-318.12(b) and will be distributed by email to the email notice distribution list, if possible. The Commission will resume a schedule of regular monthly meetings following adjournment of the 2010 Session of the General Assembly.

ADDITIONAL INFORMATION:

Persons having questions about the Commission meeting or other matters related to the Commission may contact Jennifer McGinnis, Commission Counsel, or other Commission staff at (919) 733-2578 or may visit the Commission's website at http://www.ncleg.net/gascripts/DocumentSites/browseDocSite.asp?nID=12

NORTH CAROLINA GENERAL ASSEMBLY

ENVIRONMENTAL REVIEW COMMISSION

VISITOR REGISTRATION SHEET

May 11, 2010 10 a.m. Room 643 LB

NAME	FIRM OR AGENCY AND ADDRESS
Ruth Strauss	DENR/UST
Grover Nicholson	DENR/UST
Andrew Meehan	CapStrat
Amy McCanless	NC Beverage Assoc
Tom Cors	TNC
Dan Crawford	CCNC
Dan Conrad	NCCN
Melissa Abrams	NCCN
Vernon Cox	
Tom Bean	NCEDF, NCSEA, NCWF

NORTH CAROLINA GENERAL ASSEMBLY

ENVIRONMENTAL REVIEW COMMISSION

VISITOR REGISTRATION SHEET

May 11, 2010 10 a.m. Room 643 LB

NAME	FIRM OR AGENCY AND ADDRESS
Maria Riatto	Conservation Trust for North Carolina
Haywood Phthisic	Lower Neuse Basin Asso. Neuse River Compliance Asso.
Barrett Jenkins	Restoration Systems LLC
Mike Abraczinskas	NCDENR-DAQ
Sushma Masemore	NCDENR-DAQ
Steve Wall	Biofuels Center
R. Rogers	CWMTF
Jennifer Fitts	CWMTF
Morgan Taylor	NCDENR-DWQ
Jeff Manning	NCDENR-DWQ

NORTH CAROLINA GENERAL ASSEMBLY

ENVIRONMENTAL REVIEW COMMISSION

VISITOR REGISTRATION SHEET

May 11, 2010 10 a.m. Room 643 LB

NAME	FIRM OR AGENCY AND ADDRESS
Amy Pickle	Nicholas Institute @ Duke University
Richard Whisnant	UNC School of Government
Robin Smith	DENR
Elizabeth Biser	DENR
Janie Hauser	DENR
Ryke Longest	Duke University School of Law
Sydney Miller	Town of Cary,
Don Rumpo	DENR-DWR
Brian McCrodden	HydroLogics, Inc.
Aranzazu Loscurain	NC Gen Assembly Rep. Hamson's Office

NORTH CAROLINA GENERAL ASSEMBLY

ENVIRONMENTAL REVIEW COMMISSION

VISITOR REGISTRATION SHEET

May 11, 2010 10 a.m. Room 643 LB

NAME	FIRM OR AGENCY AND ADDRESS
Molly Bigger	Sierra Club
Jon Carr	Jordan Price Law Firm
Matthew Eastley	Smith Anderson

NORTH CAROLINA GENERAL ASSEMBLY

ENVIRONMENTAL REVIEW COMMISSION

VISITOR REGISTRATION SHEET

May 11, 2010 10 a.m. Room 643 LB

NAME	FIRM OR AGENCY AND ADDRESS
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Jim Johnson	BSA
L. Andrews	NCFB
[illegible]	TPG
Amy Ellen	NCRWA
Dean Plunkett	NCBWWA
Lu-Ann [illegible]	ITW
Doug Lassiter	NCSTA
Jessi Hayes	NCHBA
Tracy Kimbrell	Parker Poe

NORTH CAROLINA GENERAL ASSEMBLY

ENVIRONMENTAL REVIEW COMMISSION

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May 11, 2010 10 a.m. Room 643 LB

NAME	FIRM OR AGENCY AND ADDRESS
Jay Stem	NCAA
Bob Ally	NMRS
Chris Brown	NCFA
John Shaw	Sierra Cap. Group
Cameron Hunley	Electric Cities of NC
Dan McLawhorn	City of Raleigh
John Noor	City of Raleigh
David Barnes	Pegasus Spinning
[illegible]	NCCA/NECA
Tommy Stevens	NCPC

NORTH CAROLINA GENERAL ASSEMBLY

ENVIRONMENTAL REVIEW COMMISSION

VISITOR REGISTRATION SHEET

May 11, 2010 10 a.m. Room 643 LB

NAME	FIRM OR AGENCY AND ADDRESS
Lisa Martin	NC Home Builders
Calvin Peeler	Village of Bald Head Island
Beth Warren	Atty Gen. Office
Cam Cover	BPMHL
James Haven	Global Warming Initiatives
Allen Hardison	CRSWMA
Jeryl K. Covington	City of Greensboro
Glenn Dunn	Pogner Spruill LLP
Jim Wrenn	Hopper Hicks & Wrenn, PLLC
Robert Brown	Hopper, Hicks & Wrenn, PLLC

NORTH CAROLINA GENERAL ASSEMBLY

ENVIRONMENTAL REVIEW COMMISSION

VISITOR REGISTRATION SHEET

May 11, 2010 10 a.m. Room 643 LB

NAME	FIRM OR AGENCY AND ADDRESS
Kathy Hawkins	Progress Energy
Joyce Peters	JP Associates
Elizabeth Robinson	NCRMA
John Goodman	NC Chamber
Scott Gardner	Duke Energy
Ted Boggs	NCDENR
Carl Mackenzen	Sierra Club
Nick Tosco	NCLM
Doug Heard	Williams Mullen

NORTH CAROLINA GENERAL ASSEMBLY

ENVIRONMENTAL REVIEW COMMISSION

VISITOR REGISTRATION SHEET

May 11, 2010 10 a.m. Room 643 LB

NAME	FIRM OR AGENCY AND ADDRESS
Scott Mouw	NC DENR
Ellen Lorscheider	NC DENR
Austin Rouse	Sen. Nesbitt
Weatherly Rose	Hunton + Williams
Deatrice Williams	CUCA
GARY HUNT	DENR
LINDA RIMER	USEPA
Colleen Kochanek	KLG
Chris Anderson	
Cady Thomas	NC Assn of REALTORS

NORTH CAROLINA GENERAL ASSEMBLY

ENVIRONMENTAL REVIEW COMMISSION

VISITOR REGISTRATION SHEET

May 11, 2010 10 a.m. Room 643 LB

NAME	FIRM OR AGENCY AND ADDRESS
Jack Cozort	NSS
Ed Fulghum	BP
Doug Hong	NCDCM
[illegible]	[illegible]

NORTH CAROLINA GENERAL ASSEMBLY

ENVIRONMENTAL REVIEW COMMISSION

REPORT TO THE
2010 SESSION
of the
2009 GENERAL ASSEMBLY

MAY 11, 2010

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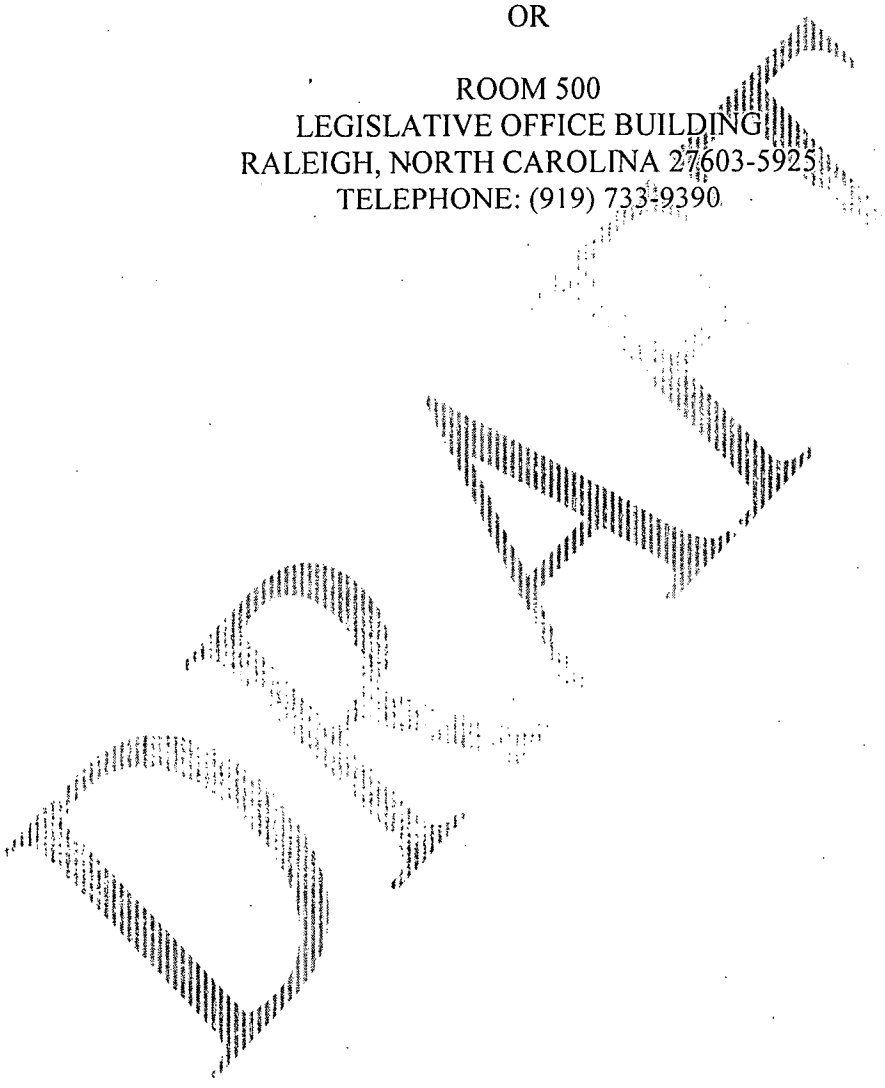


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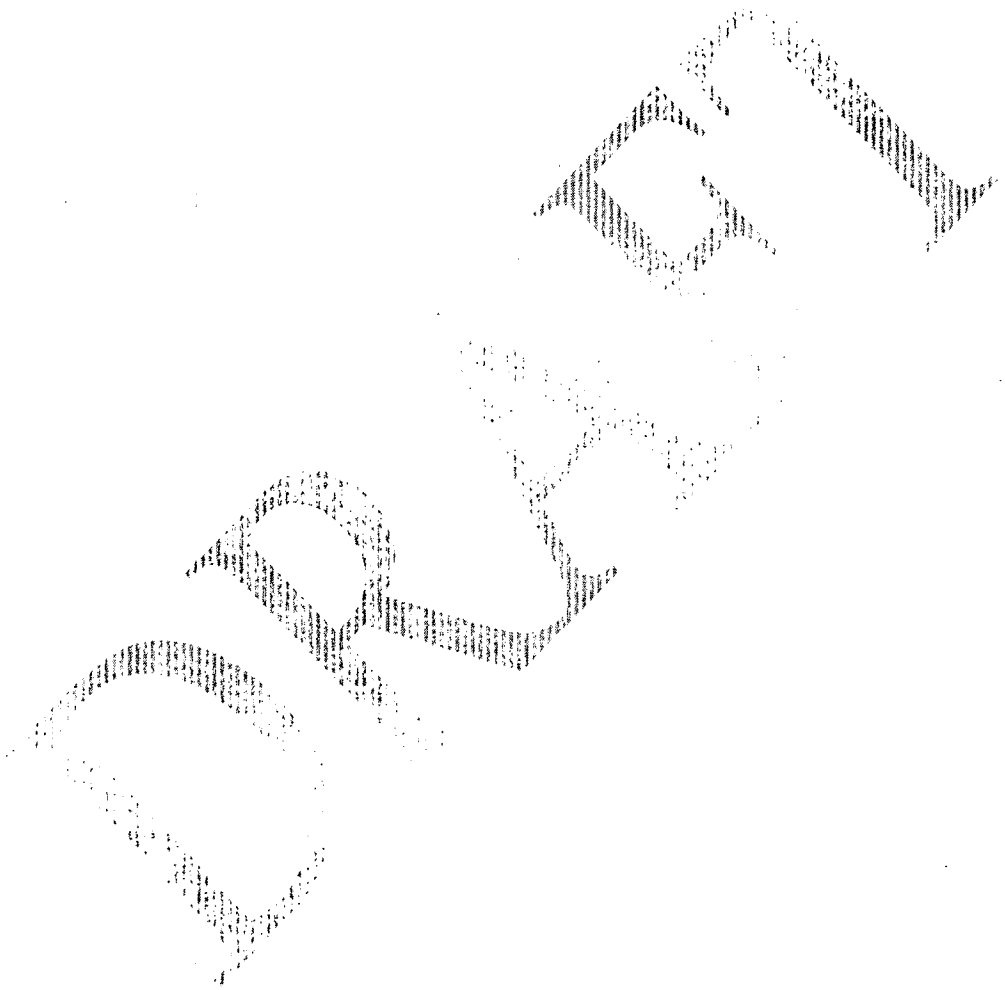


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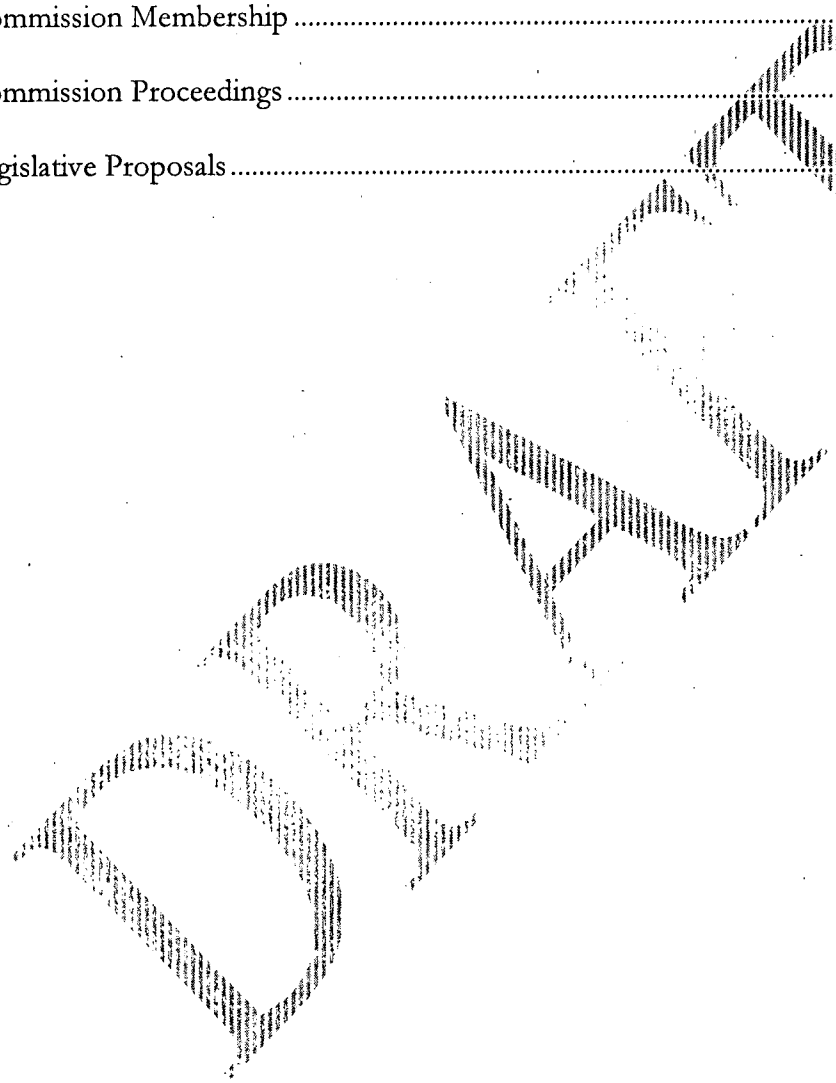
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TRANSMITTAL LETTER

May 11, 2010

TO THE MEMBERS OF THE 2010 REGULAR SESSION
OF THE 2009 GENERAL ASSEMBLY

Pursuant to Article 12D of Chapter 120 of the General Statutes, the Environmental Review Commission submits its report and recommendations to the 2010 Regular Session of the 2009 General Assembly.

Respectfully submitted,

Senator Robert C. Atwater

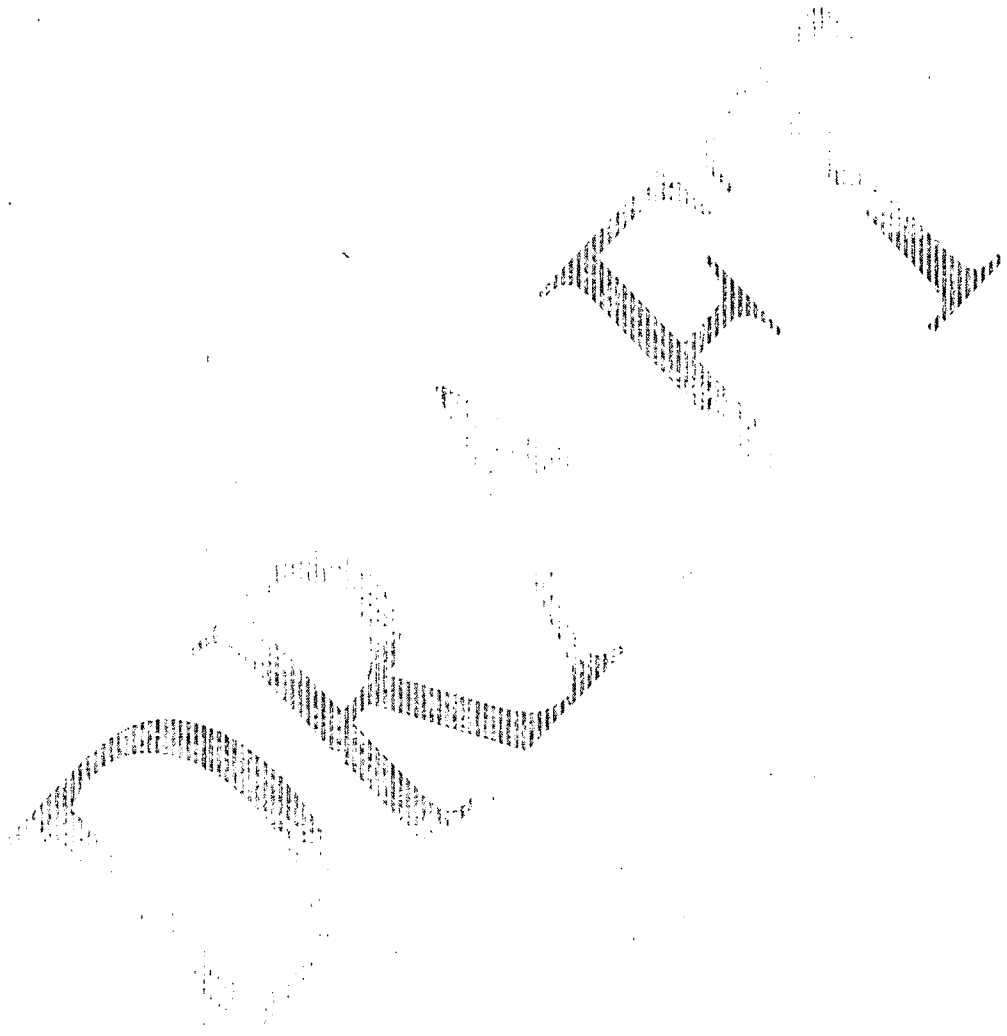
Senator Daniel G. Clodfelter

Representative Pryor A. Gibson

Representative Pricey T. Harrison

Co-Chairs
Environmental Review Commission

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STATUTORY AUTHORITY

NORTH CAROLINA GENERAL STATUTES
ARTICLE 12D.

Environmental Review Commission.

§ 120-70.41. Commission established.

The Environmental Review Commission is hereby established.

§ 120-70.42. Membership; cochairs; vacancies; quorum.

(a) The Environmental Review Commission shall consist of six Senators appointed by the President Pro Tempore of the Senate, six Representatives appointed by the Speaker of the House of Representatives, who shall serve at the pleasure of their appointing officer, the Chair or a Cochair of the Senate Committee on Agriculture, Environment, and Natural Resources or the equivalent committee, the Chair or a Cochair of the House of Representatives Committee on Environment and Natural Resources or the equivalent committee, the Chair or a Cochair of the Senate Committee on Appropriations – Natural and Economic Resources or the equivalent committee, and the Chair or a Cochair of the House of Representatives Committee on Appropriations – Natural and Economic Resources or the equivalent committee.

(b) The President Pro Tempore of the Senate shall designate one Senator to serve as cochair and the Speaker of the House of Representatives shall designate one Representative to serve as cochair.

(c) Except as otherwise provided in this subsection, a member of the Commission shall continue to serve for so long as the member remains a member of the General Assembly and no successor has been appointed. A member of the Commission who does not seek reelection or is not reelected to the General Assembly may complete a term of service on the Commission until the day on which a new General Assembly convenes. A member of the Commission who resigns or is removed from service in the General Assembly shall be deemed to have resigned or been removed from service on the Commission. Any vacancy that occurs on the Environmental Review Commission shall be filled in the same manner as the original appointment.

(d) A quorum of the Environmental Review Commission shall consist of nine members.

§ 120-70.43. Powers and duties.

(a) The Environmental Review Commission shall have the following powers and duties:

(1) To evaluate actions of all boards, commissions, departments, and other agencies of the State and local governments as such actions relate to the environment or protection of the environment, including but not limited to an evaluation of:

a. Benefits of each program relative to costs;

b. Achievement of program goals;
c. Use of measures by which the success or failure of a program can be measured; and
d. Conformity with legislative intent;

(2) To study on a continuing basis the organization of State government as it relates to the environment or to the protection of public health and the environment, including but not limited to:
a. Improvements in administrative structure, practices, and procedures;
b. Increased integration and coordination of programs and functions;
c. Increased efficiency in budgeting and use of resources;
d. Efficient administration of licensing, permitting, and grant programs;
e. Prompt, effective response to environmental emergencies;
f. Opportunities for effective citizen participation; and
g. Broadening of career opportunities for professional staff;

(3) To make any recommendations it deems appropriate regarding the reorganization and consolidation of environmental regulatory agencies and the recodification of statutes relating to the environment, including but not limited to:
a. Ways in which agencies may operate more efficiently and economically;
b. Ways in which agencies can provide better services to the State and to the people; and
c. Instances in which functions of agencies are duplicative, overlapping, incomplete in scope or coverage, fail to accomplish legislative objectives, or for any other reason should be redefined or redistributed;

(4) To review and evaluate changes in federal law and regulations, relevant court decisions, and changes in technology affecting the environment or protection of the environment;

(5) To review existing and proposed State law and rules affecting the environment or protection of the environment and to determine whether any modification of law or rules is in the public interest;

(6) To make reports and recommendations, including draft legislation, to the General Assembly from time to time as to any matter relating to the powers and duties set out in this section; and

(7) To undertake such additional studies as it deems appropriate or as may from time to time be requested by the President Pro Tempore of the Senate, the Speaker of the House of Representatives, either house of the General Assembly, the Legislative Research Commission, the Joint Legislative Commission on Governmental Operations, the Joint Legislative Utility Review Committee, or the Joint Select Committee on Low-Level Radioactive Waste and to make such reports and recommendations to the General Assembly regarding such studies as it

deems appropriate; provided that the Environmental Review Commission shall not undertake any study which the General Assembly has assigned to another legislative commission or committee.

(b) The Environmental Review Commission may continue the study of environmental agency consolidation and reorganization. The study of environmental agency consolidation shall include, but is not limited to:

(1) Monitoring the implementation of Session Laws 1989, c. 727;

(2) Evaluation of the organization, programs, and operation of the Department of Environment and Natural Resources;

(3) Evaluation of the organization, functions, powers, and duties of the components of the Department of Environment and Natural Resources, including boards, commissions, councils, and regional offices; and

(4) Recodification of the General Statutes relating to the environment and environmental agencies.

(c) In addition to its general powers and duties, the Environmental Review Commission shall have the following powers and duties with respect to hazardous waste management:

(1) To study the current and projected need for hazardous waste treatment, storage, and disposal capacity in the State in light of anticipated generation of hazardous waste and alternatives for hazardous waste treatment and disposal;

(2) To evaluate the potential for the development of additional hazardous waste treatment, storage, and disposal capacity by the private sector;

(3) To study the necessity for and scope of hazardous waste treatment, storage, and disposal facilities which are sited, owned, or operated by the State;

(4) To review progress in securing a volunteer county to host a hazardous waste treatment facility;

(5) To study incentives and compensation for the community which hosts, either voluntarily or involuntarily, a hazardous waste treatment facility, including any additional incentives and compensation which may be needed, whether there should be differential compensation for a volunteer county, options for use of funds by local governments, distribution of compensation among local governments, and methods of providing flexibility in the development of an incentives and compensation package for a particular local community;

(6) To review progress in developing interstate agreements for the treatment, storage, and disposal of hazardous waste;

(7) To assist in the development of cooperative, comprehensive regional approach to hazardous waste treatment and disposal;

(8),(9) Repealed by Session Laws 2001-474, s. 12.

(10) To study the capacity assurance requirement under the Comprehensive Environmental Response, Compensation and Liability Act of 1980, Pub. L. No. 96-510, 94 Stat. 2767, 42 U.S.C. 9601 et seq., as amended, and the Superfund Amendments and Reauthorization Act of 1986,

Pub. L. No. 99-499, 100 Stat. 1613, as amended as it relates to the continued eligibility of North Carolina for remedial actions under Superfund;

(11) To study alternatives available to the State for dealing with hazardous waste and the ramifications of those alternatives; and

(12) To receive and evaluate reports of every State agency, board, and commission which has any power or duty with respect to hazardous waste management.

§ 120-70.44. Additional powers.

The Environmental Review Commission, while in the discharge of official duties, may exercise all the powers provided for under the provisions of G.S. 120-19, and G.S. 120-19.1 through G.S. 120-19.4. The Environmental Review Commission may meet at any time upon the call of either cochairman, whether or not the General Assembly is in session. The Environmental Review Commission may meet in the Legislative Building or the Legislative Office Building upon the approval of the Legislative Services Commission.

Notwithstanding any rule or resolution to the contrary, proposed legislation to implement any recommendation of the Environmental Review Commission regarding any study the Environmental Review Commission is authorized to undertake or any report authorized or required to be made by or to the Environmental Review Commission may be introduced and considered during any session of the General Assembly.

§ 120-70.45. Compensation and expenses of members.

Members of the Environmental Review Commission shall receive subsistence and travel expenses at the rates set forth in G.S. 120-3.1.

§ 120-70.46. Staffing.

The Legislative Services Officer shall assign as staff to the Environmental Review Commission professional employees of the General Assembly, as approved by the Legislative Services Commission. Clerical staff shall be assigned to the Environmental Review Commission through the offices of the Supervisor of Clerks of the Senate and Supervisor of Clerks of the House of Representatives. The expenses of employment of clerical staff shall be borne by the Environmental Review Commission.

§ 120-70.47. Funding.

From funds available to the General Assembly, the Legislative Services Commission shall allocate monies to fund the work of the Environmental Review Commission.

COMMISSION MEMBERSHIP

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Representative Johnathan L. Rhyne, Jr.
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Raleigh, North Carolina 27603
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COMMISSION PROCEEDINGS

The Environmental Review Commission met seven times during the interim between the 2009 and the 2010 Regular Sessions of the General Assembly.

October 15, 2009 – 9:00 AM
Legislative Office Building, Room 544
300 North Salisbury
Raleigh, North Carolina
Agenda

1. Call to order
   Representative Lucy T. Allen, Presiding

2. Introductory remarks by Cochairs
   Senator Robert C. Atwater
   Senator Daniel G. Clodfelter
   Representative Lucy T. Allen
   Representative Pryor A. Gibson

3. Report to the Commission, explanation of agenda items, and a discussion of studies that the Commission is authorized to undertake
   Jeff W. Hudson: Commission Counsel, Research Division, NCGA

4. Report to the Commission on environmental legislation enacted during the 2009 Regular Session and pending for the 2010 Regular Session
   Jennifer L. McGinnis: Commission Counsel, Research Division, NCGA
   Jennifer R.F. Mundt: Commission Analyst, Research Division, NCGA

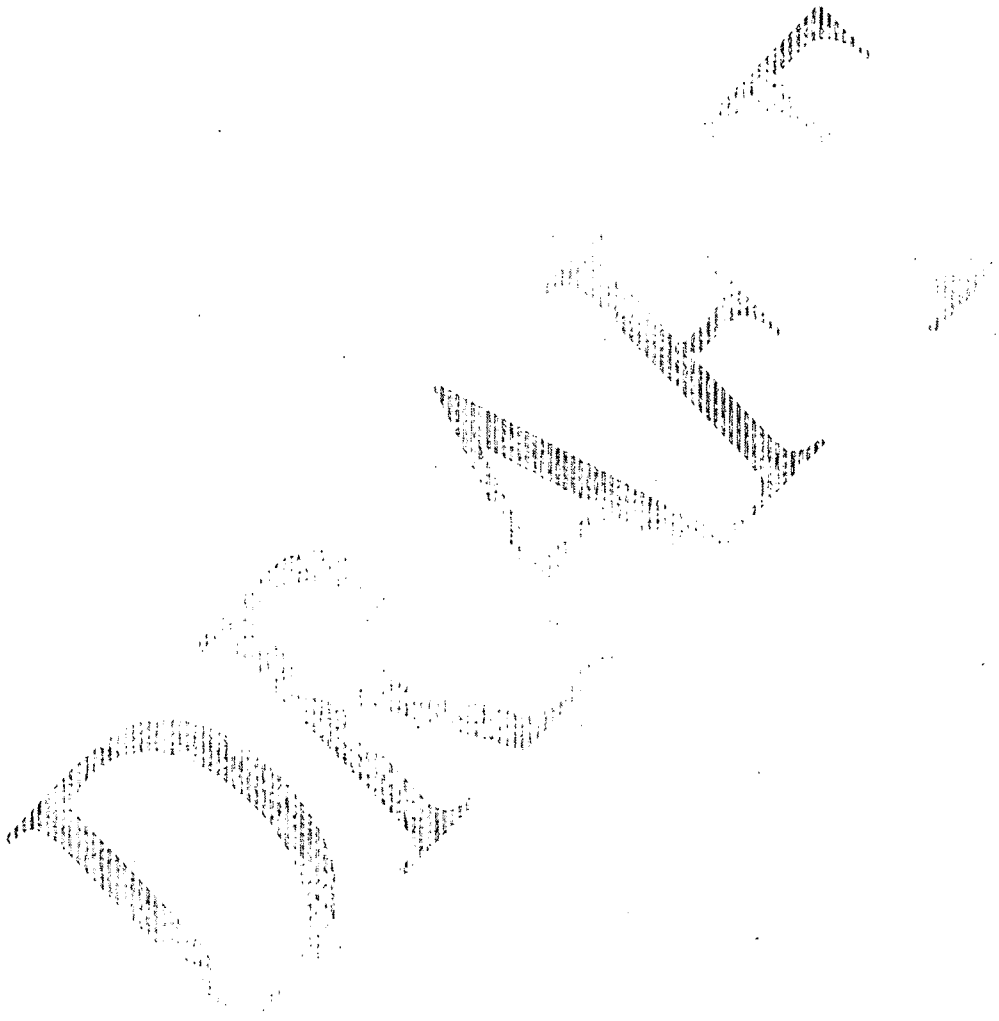
5. Report from the Secretary of Environment and Natural Resources
   Dee A. Freeman: Secretary of Environment and Natural Resources

6. Quarterly reports by the Environmental Management Commission (EMC) as to its operations, activities, programs, and progress for the period from January 2009 through September 2009 (G.S. 143B-282(b)); and annual report on the desirability of requiring and the feasibility of obtaining reductions in emissions of NOx and SO_2 beyond those required by the "Clean Smokestacks Act" (S.L. 2002-4, Sec. 11)
   Stephen T. Smith: Chairman, Environmental Management Commission

7. Commission discussion and announcements

8. Adjournment

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November 12, 2009 – 9:00 AM
Legislative Office Building, Room 544
300 North Salisbury
Raleigh, North Carolina
Agenda

1. Call to order
   Senator Robert C. Atwater, Presiding

2. Introductory remarks by Cochairs
   Senator Robert C. Atwater
   Senator Daniel G. Clodfelter
   Representative Lucy T. Allen
   Representative Pryor A. Gibson

3. Report to the Commission and explanation of agenda items
   Jeff Hudson: Commission Counsel

4. Report on recent federal actions related to climate change
   Victor Flatt: Tom & Elizabeth Taft Distinguished Professor of Environmental Law, School of Law, University of North Carolina at Chapel Hill

5. Report on the U.S. Environmental Protection Agency's reconsideration of the ground level ozone standard
   Keith Overcash: Director, Division of Air Quality (DAQ), Department of Environment and Natural Resources (DENR)

6. Report on ozone control strategy options
   Sheila Holman: Deputy Director, DAQ, DENR

7. Report on the Status of North Carolina's Idle Reduction Rule
   Michael Abraczinskas: Supervisor, Rules Development Branch, DAQ, DENR

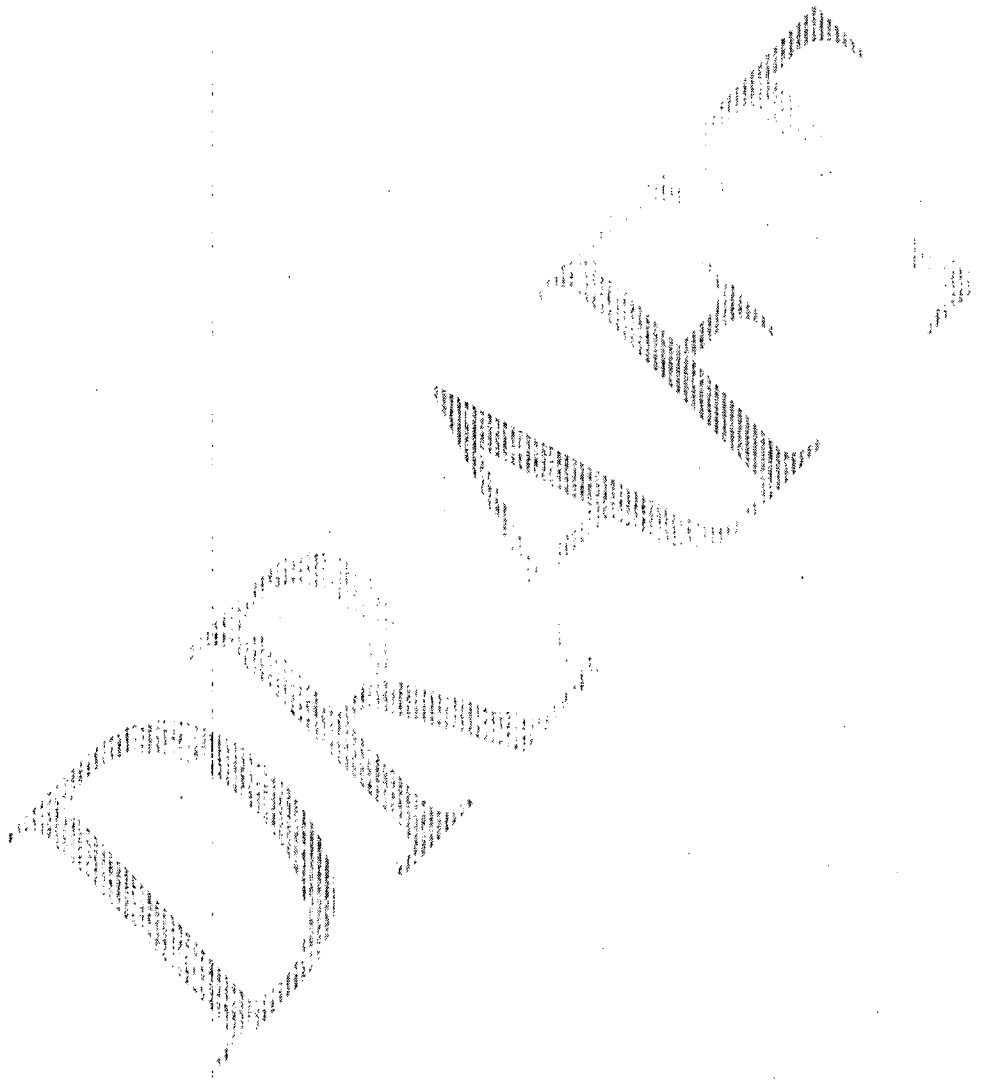
8. Report on diesel emission reduction grants
   Heather Hildebrandt: Environmental Engineer, DAQ, DENR

9. Report on climate initiatives within the Division of Air Quality of the Department of Environment and Natural Resources
   Sushma Masemore: Supervisor: Allied Programs Branch, DAQ, DENR

10. Commission discussion and announcements

11. Adjournment

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December 17, 2009 – 11:00 AM
Legislative Office Building, Room 544
300 North Salisbury
Raleigh, North Carolina
Agenda

1. Call to order
   Representative Pryor A. Gibson, Presiding

2. Introductory remarks by Cochairs
   Senator Robert C. Atwater
   Senator Daniel G. Clodfelter
   Representative Lucy T. Allen
   Representative Pryor A. Gibson

3. Report to the Commission and explanation of agenda items
   Jeff Hudson: Commission Counsel

4. Report on the 2008 Agriculture Water Use Survey (G.S. 106-24(b))
   Herb Vanderberry: Director, United States Department of Agriculture, National Agricultural Statistics Service, North Carolina Field Office

5. Report on implementation of the State Water Supply Plan (G.S. 143-355(n))
   Thomas A. Reeder: Director, Division of Water Resources (DWR), Department of Environment and Natural Resources (DENR)

6. Report on Basinwide Water Quality Management Plans (G.S. 143-215.8B(d))
   Dianne M. Reid: Basinwide Planning Unit Supervisor, Division of Water Quality (DWQ), DENR

7. Discussion of stream and wetland mitigation issues, including treatment of projects with multiple environmental benefits
   Robin W. Smith: Assistant Secretary for the Environment, DENR

8. Report on the progress of efforts to develop a nutrient management strategy for the Upper Neuse River Basin, including Falls Lake (S.L. 2009-486)
   John W. Huisman: Environmental Senior Specialist, NonPoint Source Planning Unit, DWQ, DENR

9. Update on the Neuse River fish kill, presented in conjunction with the annual report on fish kills occurring during the preceding year (G.S. 143B-279.7 (c))
   Jason C. Green: Environmental Senior Specialist, Neuse River Rapid Response Team, DWQ, DENR

10. Annual report on activities associated with the Sedimentation Pollution Control Act of 1973 (G.S. 113A-67)

James D. Simons: Director and State Geologist, Division of Land Resources, DENR

11. Commission discussion and announcements

12. Adjournment



February 18, 2010 – 10:00 AM
Legislative Office Building, Room 544
300 North Salisbury
Raleigh, North Carolina
Agenda

1. Call to order
   Senator Daniel G. Clodfelter, Presiding

2. Introductory remarks by Cochairs
   Senator Robert C. Atwater
   Senator Daniel G. Clodfelter
   Representative Lucy T. Allen
   Representative Pryor A. Gibson

3. Report to the Commission and explanation of agenda items
   Jennifer McGinnis: Commission Counsel

   Approval of the minutes for the October 15 and November 12, 2009 meetings of the Commission

4. Annual report on the status of leaking petroleum underground storage tanks, the State cleanup fund, and the Groundwater Protection Loan Fund (G.S. 143-215.94M)
   Grover Nicholson: Chief, Underground Storage Tank Section, Division of Waste Management (DWM), Department of Environment and Natural Resources (DENR)

5. Solid Waste Management

   Presentation of the findings of the annual solid waste management report (G.S. 130A-309.12(c), G.S. 130A-309.14, G.S. 130A-309.06(c)(6), G.S. 130A-309.06(c)(8), G.S. 130A-309.06(c)(9), G.S. 130A-309.06(c)(10), G.S. 130A-309.06(c)(11), G.S. 130A-309.06(c)(12), G.S. 130A-309.06(c)(13), G.S. 130A-309.63(e), G.S. 130A-309.85, G.S. 136-28.8(g), G.S. 143-58.2(f))
   Ellen Lorscheider: Head, Solid Waste Planning and Program Management Branch, Solid Waste Section, DWM, DENR

   Presentation on the status of recycling and recycling markets in North Carolina
   Scott B. Mouw: Chief, Community and Business Assistance Section, Division of Pollution Prevention and Environmental Assistance, DENR

Presentation from Clear Path Recycling, LLC

Ron Salati: Vice President and General Manager, Clear Path Recycling, LLC

6. Annual report on the Inactive Hazardous Sites Program (G.S. 130A-310.10)
Charlotte Jesneck: Head, Inactive Hazardous Sites Branch, Superfund Section DWM, DENR

7. Annual report on the effectiveness of the Brownfields Property Reuse Act (G.S. 130A-310.40)
Bruce Nicholson: Brownfields Program Manager
DWM, DENR

8. Commission discussion and announcements

9. Adjournment

March 18, 2010 – 10:00 AM
Legislative Office Building, Room 544
300 North Salisbury
Raleigh, North Carolina
Agenda

1. Call to order
   Representative Lucy T. Allen, Presiding

2. Introductory remarks by Cochairs
   Senator Robert C. Atwater
   Senator Daniel G. Clodfelter
   Representative Lucy T. Allen
   Representative Pryor A. Gibson

3. Report to the Commission and explanation of agenda items
   Jennifer McGinnis: Commission Counsel

   Approval of the minutes for the December 17, 2009 meeting of the Commission

4. Report on the implementation of the North Carolina Renewable Energy and Energy Efficiency Portfolio Standards and subsequent proceedings (S.L. 2007-397; Senate Bill 3)
   Edward S. Finley, Jr.: Chairman, North Carolina Utilities Commission

5. Quarterly reports by the Environmental Management Commission (EMC) as to its operations, activities, programs, and progress for the periods from October 2009 through December 2009 and January 2010 through March 2010 G.S. 143B-282(b)); and update on the status of the rulemaking process to implement the nutrient management strategy and the turbidity strategy for Upper Falls Lake (S.L. 2009-486, Sec. 1(c)
   Stephen T. Smith: Chairman, Environmental Management Commission

6. Annual report on activities associated with the Sedimentation Pollution Control Act of 1973 (G.S. 113A-67)
   James D. Simons: Director and State Geologist, Division of Land Resources, DENR

7. Commission discussion and announcements

8. Adjournment

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April 15, 2010 – 10:00 AM
Legislative Office Building, Room 544
300 North Salisbury
Raleigh, North Carolina
Agenda

1. Call to order
   Representative Pryor A. Gibson, Presiding

2. Introductory remarks by Cochairs
   Senator Robert C. Atwater
   Senator Daniel G. Clodfelter
   Representative Pryor A. Gibson

3. Report to the Commission and explanation of agenda items
   Jennifer McGinnis: Commission Counsel

   Approval of the minutes for the February 18, 2010 and March 18, 2010 meetings of the Commission

4. Division of Parks and Recreation

   Video -- Conservation, Innovation: North Carolina State Parks

   Annual report on the Parks and Recreation Trust Fund, Fiscal Year 2008-2009 (G.S. 113-44.15(c))
   Lewis R. Ledford: Director, Division of Parks and Recreation, Department of Environment and Natural Resources (DENR)

5. Annual report on awards from the North Carolina Natural Heritage Trust Fund, Fiscal Year 2008-2009 (G.S. 113-77.9(e))
   Lisa D. Riegel: Executive Director, North Carolina Natural Heritage Trust Fund, DENR

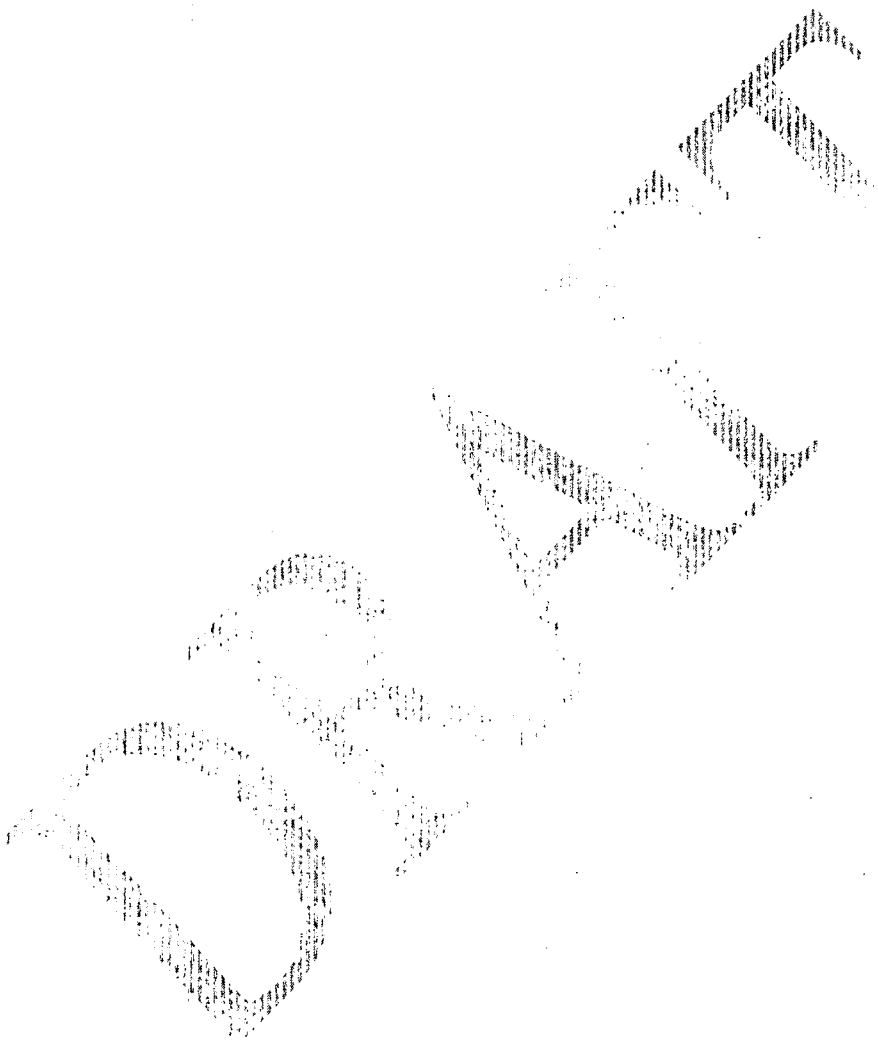
6. Annual report on the implementation of the Clean Water Management Trust Fund (G.S. 113A-257)
   Richard E. Rogers, Jr.: Executive Director, Clean Water Management Trust Fund

7. Annual report on the activities of the North Carolina Development and Farmland Preservation Trust Fund Committee (G.S. 106-744(i))
   D. Dewitt Hardee: Environmental Program Manager, Department of Agriculture and Consumer Services

8. Update on Land for Tomorrow
   Tom Cors: Director of Government Relations, The Nature Conservancy, North Carolina Chapter

9. Commission discussion and announcements

10. Adjournment



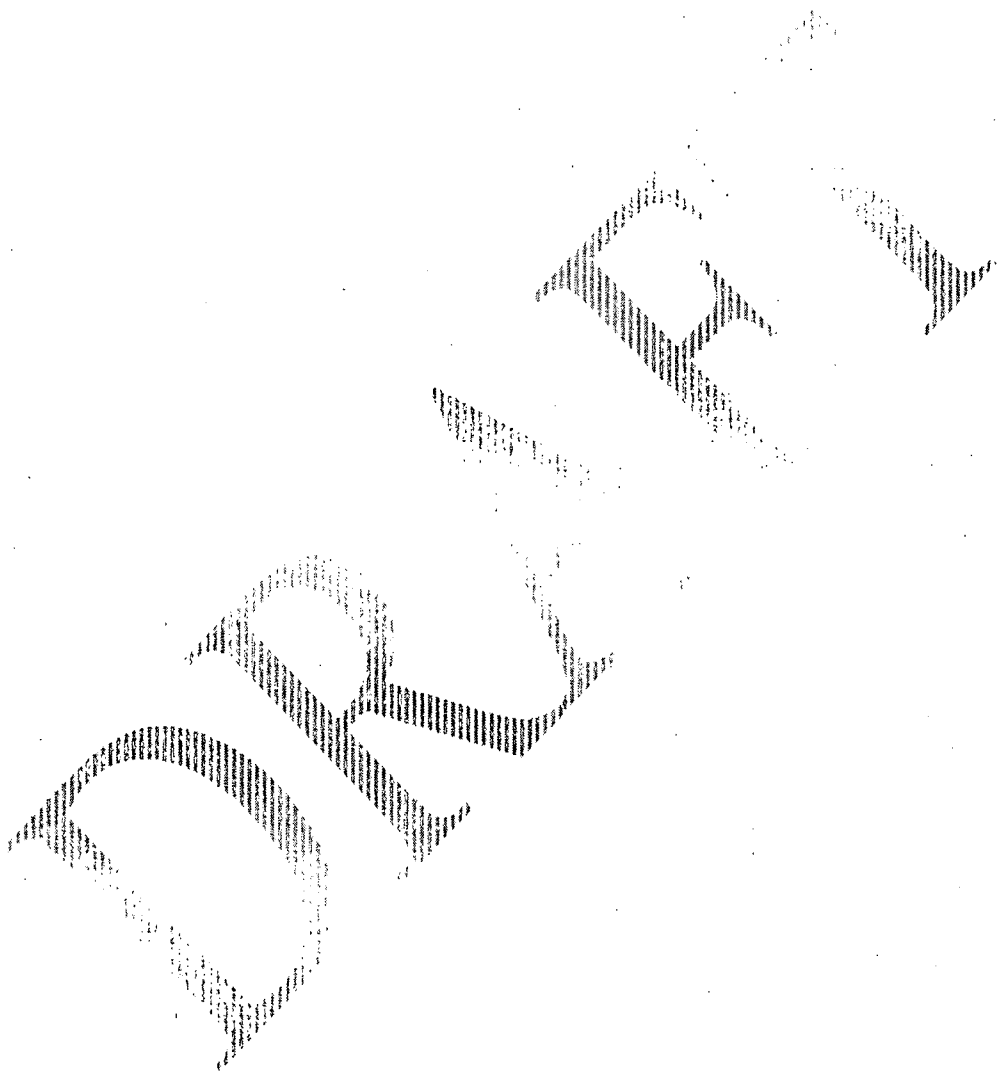
May 11, 2010 – 10:00 AM
Legislative Office Building, Room 643
300 North Salisbury
Raleigh, North Carolina
Agenda



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LEGISLATIVE PROPOSALS



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GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2009

U D

BILL DRAFT 2009-SBz-50 [v.8] (04/12)

(THIS IS A DRAFT AND IS NOT READY FOR INTRODUCTION)
5/5/2010 4:26:23 PM

Short Title: Improve River Basin Modeling. (Public)

Sponsors: .

Referred to:

A BILL TO BE ENTITLED

AN ACT TO IMPROVE THE DEVELOPMENT OF BASINWIDE HYDROLOGIC MODELS, TO IMPROVE PUBLIC ACCESS TO WATER AND WATER RESOURCES FUNDING INFORMATION, AND TO PROVIDE FOR REPORTING ON WATER USE EFFICIENCY IN THE STATE, AS RECOMMENDED BY THE ENVIRONMENTAL REVIEW COMMISSION.

The General Assembly of North Carolina enacts:

SECTION 1. G.S. 143-350 reads as rewritten:

"**§ 143-350. Definitions.**

As used in this Article:

(1) "Commission" means the Environmental Management Commission.

(2) "Department" means the Department of Environment and Natural Resources.

(2a) "Ecological flow" means the stream flow necessary to protect ecological integrity.

(2b) "Ecological integrity" means the ability of an aquatic system to support and maintain a balanced, integrated, adaptive community of organisms having a species composition, diversity, and functional organization comparable to natural conditions and, when subject to disruption, to recover and continue to provide the natural goods and services that normally accrue from the system.

(3) "Essential water use" means the use of water necessary for firefighting, health, and safety; water needed to sustain human and animal life; and water necessary to satisfy federal, State, and local laws for the protection of public health, safety, welfare, the environment, and natural resources; and a minimum amount of water necessary to maintain the economy of the State, region, or area.

(3a) "Groundwater resource" means any water flowing or lying under the surface of the earth or contained within an aquifer.

(4) "Large community water system" means a community water system, as defined in G.S. 130A-313(10), that regularly serves 1,000 or more service connections or 3,000 or more individuals.

(4a) "Surface water resource available yield" means the amount of surface water that can be withdrawn at a given location without violating the ecological

integrity of the river basin in which the water resource is located and without impeding other allocated or permitted withdrawals in the river basin. Surface water resource available yield includes consideration of the connections between surface water and groundwater resources in a given geographic area.

(4b) "Surface water resource" means any lake, pond, river, stream, creek, run, spring, or other water flowing or lying on the surface of the earth.

(5) "Unit of local government" means a county, city, consolidated city-county, sanitary district, or other local political subdivision or authority or agency of local government.

(6) "U.S. Drought Monitor" means the national drought map that designates areas of drought using the following categories D0-Abnormally Dry, D1-Moderate, D2-Severe, D3-Extreme, and D4-Exceptional. The U.S. Drought Monitor is developed and maintained by the Joint Agricultural Weather Facility, the Climate Prediction Center, the National Climatic Data Center, and the National Drought Mitigation Center with input from the United States Geological Survey, the National Water and Climate Center, the Climate Diagnostics Center, the National Weather Service, state climatologists, and state water resource agencies.

(7) "Water shortage emergency" means a water shortage resulting from prolonged drought, contamination of the water supply, damage to water infrastructure, or other unforeseen causes that presents an imminent threat to public health, safety, and welfare or to the environment."

SECTION 2. G.S. 143-355 is amended by adding three new subsections to read:

"(o) Basinwide Hydrologic Models. – The Department shall develop a basinwide hydrologic model for each of the 17 major river basins in the State as provided in this subsection.

(1) Schedule. – The Department shall develop a schedule for basinwide hydrologic model development. In developing the schedule, the Department shall consider the need to give priority to river basins or portions of river basins that the Department determines are likely to have an unacceptable risk of water shortages.

(2) Model. – Each basinwide hydrologic model shall:

a. Include surface water resources within the river basin, groundwater resources within the river basin to the extent known by the Department, transfers into and out of the river basin that are required to be registered under G.S. 143-215.22H, other withdrawals, ecological flow and other instream flow requirements, projections of future withdrawals, an estimate of return flows within the river basin, inflow data, local water supply plans, and other scientific and technical information the Department deems relevant.

b. Be designed to predict the flows and available yield of each surface water resource within the basin that serves as a source of water for a withdrawal registered under G.S. 143-215.22H.

c. Be based solely on data that is of public record and open to public review and comment.

(3) Determination of Unacceptable Risk of Water Shortage. – The Department shall determine whether any river basin or portion of a river basin faces an unacceptable risk of water shortage. The Department shall develop risk criteria for the determination of unacceptable risk of water shortages. One of the risk criteria shall be whether the river basin hydrologic model

demonstrates or projects that the river basin or portion of the river basin does not or will not have sufficient surface water resource available yield to meet the needs of water withdrawers and instream water uses, including ecological flow. This risk determination may consider any approved water shortage response plans and permitted alternative water sources. The risk determination shall project water supply and demand at each model node for a period to be determined by the Department, but in no event less than thirty years.

(4) Protection of Ecological Integrity. – The Department shall develop, in consultation with the North Carolina Wildlife Resources Commission, the North Carolina Marine Fisheries Commission, the United States Fish and Wildlife Service, and the National Marine Fisheries Service, ecological criteria that will protect the ecological integrity of each river basin and each river sub-basin in the State.

(5) Interstate Cooperation. – To the extent practicable, the Department shall work with neighboring states to develop basinwide hydrologic models for each river basin shared by North Carolina and another state.

(6) Report. – The Department shall report to the Environmental Review Commission on the development of basinwide hydrologic models no later than November 1 of each year.

(p) Public Access to Water Resource and Water Infrastructure Funding Information. – The Department, in conjunction with the North Carolina League of Municipalities, the North Carolina Association of County Commissioners, and interested private water systems, and with the assistance of the Environmental Finance Center of the University of North Carolina at Chapel Hill, shall develop and implement a plan to provide greater public access to water resource and water infrastructure funding information.

(q) Water Efficiency Report. – The Department and the Department of Agriculture and Consumer Services shall jointly report to the Environmental Review Commission no later than April 1 of each year on implementation of water efficiency measures required under Section 9 of S.L. 2008-143 and other water efficiency efforts that are being implemented in the State."

SECTION 3. The first report required by G.S. 143-355(o), as enacted by Section 2 of this act, is due no later than November 1, 2011. The first report shall include the Department's recommended schedule for river basin model development, the recommended criteria for determining unacceptable risk of water shortage, the recommended criteria for ensuring that the ecological integrity of river basins are protected, and a schedule to integrate river basin hydrologic models and river basin water quality plans. The first report shall also include an assessment of the resources needed to implement the provisions of this act.

SECTION 4. This act is effective when it becomes law.

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GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2009

U D

BILL DRAFT 2009-SBz-55 [v.2] (05/03)

(THIS IS A DRAFT AND IS NOT READY FOR INTRODUCTION)
5/7/2010 1:31:43 PM

Short Title: Amend IBT Enforcement and Notice. (Public)

Sponsors: .

Referred to:

A BILL TO BE ENTITLED

AN ACT TO AUTHORIZE THE DEPARTMENT OF ENVIRONMENT AND NATURAL RESOURCES TO USE INJUNCTIVE RELIEF TO ENSURE COMPLIANCE WITH INTERBASIN TRANSFER LAWS AND TO PROVIDE THAT AN APPLICANT FOR AN INTERBASIN TRANSFER CERTIFICATE SHALL PAY THE COSTS ASSOCIATED WITH ALL REQUIRED PUBLIC HEARINGS, AS RECOMMENDED BY THE ENVIRONMENTAL REVIEW COMMISSION.

The General Assembly of North Carolina enacts:

SECTION 1. G.S. 143-215.6C reads as rewritten:

"**§ 143-215.6C. Enforcement procedures; injunctive relief.**

Whenever the Department has reasonable cause to believe that any person has violated or is threatening to violate any of the provisions of ~~this Part,~~Part 1, Part 1A, or Part 2A of this Article or G.S. 143-355(k) relating to water use information; any of the terms of any permit issued pursuant to ~~this Part,~~ Part 1, Part 1A, or Part 2A of this Article; or a rule implementing ~~this Part,~~ Part 1, Part 1A, or Part 2A of this Article or G.S. 143-355(k) relating to water use information, the Department may, either before or after the institution of any other action or proceeding authorized by this Part, request the Attorney General to institute a civil action in the name of the State upon the relation of the Department for injunctive relief to restrain the violation or threatened violation and for such other and further relief in the premises as the court shall deem proper. The Attorney General may institute such action in the superior court of the county in which the violation occurred or may occur or, in his discretion, in the superior court of the county in which the person responsible for the violation or threatened violation resides or has his or its principal place of business. Upon a determination by the court that the alleged violation ~~of the provisions of this Part or the regulations of the Commission~~ has occurred or is threatened, the court shall grant the relief necessary to prevent or abate the violation or threatened violation. Neither the institution of the action nor any of the proceedings thereon shall relieve any party to such proceedings from any penalty prescribed for violation of ~~this Part.~~ Part 1, Part 1A, or Part 2A of this Article or G.S. 143-355(k) relating to water use information.~~For purposes of this section references to "this Part" include Part 1A of this Article and G.S. 143-355(k) relating to water use information.~~"

SECTION 2. G.S. 143-215.22L(e) reads as rewritten:

"(e) Public Hearing on the Draft Environmental Document. – The Commission shall hold a public hearing on the draft environmental document for a proposed interbasin transfer

after giving at least 30 days' written notice of the hearing in the Environmental Bulletin and as provided in subdivisions (2) and (3) of subsection (c) of this section. The notice shall indicate where a copy of the environmental document can be reviewed and the procedure to be followed by anyone wishing to submit written comments and questions on the environmental document. The Commission shall prepare a record of all comments and written responses to questions posed in writing. The record shall include complete copies of scientific or technical comments related to the potential impact of the interbasin transfer. The Commission shall accept written comment on the draft environmental documents for a minimum of 30 days following the last public hearing. The applicant who petitions the Commission for a certificate under this section shall pay the costs associated with the notice and public hearing on the draft environmental document."

SECTION 3. G.S. 143-215.22L(j) reads as rewritten:

"(j) Public Hearing on the Draft Determination. – Within 60 days of the issuance of the draft determination as provided in subsection (i) of this section, the Commission shall hold public hearings on the draft determination. At least one hearing shall be held in the affected area of the source river basin, and at least one hearing shall be held in the affected area of the receiving river basin. In determining whether more than one public hearing should be held within either the source or receiving river basins, the Commission shall consider the differing or conflicting interests that may exist within the river basins, including the interests of both upstream and downstream parties potentially affected by the proposed transfer. The public hearings shall be conducted by one or more hearing officers appointed by the Chair of the Commission. The hearing officers may be members of the Commission or employees of the Department. The Commission shall give at least 30 days' written notice of the public hearing as provided in subsection (c) of this section. The Commission shall accept written comment on the draft determination for a minimum of 30 days following the last public hearing. The Commission shall prepare a record of all comments and written responses to questions posed in writing. The record shall include complete copies of scientific or technical comments related to the potential impact of the interbasin transfer. The applicant who petitions the Commission for a certificate under this section shall pay the costs associated with the notice and public hearing on the draft determination."

SECTION 4. This act is effective when it becomes law.

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2009

U

BILL DRAFT 2009-RIz-25 [v.2] (01/06)

(THIS IS A DRAFT AND IS NOT READY FOR INTRODUCTION)
5/5/2010 11:53:16 AM

Short Title: Clean Marinas Amendments. (Public)

Sponsors: .

Referred to:

A BILL TO BE ENTITLED

AN ACT TO DELAY THE EFFECTIVE DATE OF THE CLEAN COASTAL WATER AND VESSEL ACT FROM JULY 1, 2010 TO DECEMBER 1, 2010, AND TO LIMIT THE ACT'S APPLICATION TO ONLY THOSE AREAS THAT ARE DESIGNATED AS NO DISCHARGE ZONES BY THE UNITED STATES ENVIRONMENTAL PROTECTION AGENCY, AS RECOMMENDED BY THE ENVIRONMENTAL REVIEW COMMISSION.

The General Assembly of North Carolina enacts:

SECTION 1. G.S. 77-131 reads as rewritten:

"**§ 77-131. Application of Article.**

The provisions of this Article apply only to the following:

(1) A large vessel marina that is located on coastal waters designated by the Environmental Protection Agency as a no discharge zone or that is located in a county or municipality that has adopted a resolution to petition the Environmental Protection Agency for a no discharge zone designation.

(2) A vessel in coastal waters that ~~are either~~ is designated as a no discharge zone ~~or are included in a petition to the Environmental Protection Agency to be designated as a no discharge zone unless the petition has been denied~~ by the Environmental Protection Agency.

SECTION 2. Section 3 of S.L. 2009-345 is rewritten to read:

"**SECTION 3.** Section 1 of this act becomes effective ~~July~~ December 1, 2010, and applies to offenses committed on or after that date. The remainder of this act is effective when it becomes law.

SECTION 3. This act is effective when it becomes law.

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2009

U D

BILL DRAFT 2009-RIz-29 [v.3] (04/29)

(THIS IS A DRAFT AND IS NOT READY FOR INTRODUCTION)
5/7/2010 3:19:40 PM

Short Title: UST Operator Training Program. (Public)

Sponsors: .

Referred to:

A BILL TO BE ENTITLED

AN ACT TO REQUIRE TRAINING OF OPERATORS OF UNDERGROUND STORAGE TANKS (USTS) IN ORDER TO COMPLY WITH A REQUIREMENT OF THE FEDERAL ENERGY POLICY ACT OF 2005, AS RECOMMENDED BY THE ENVIRONMENTAL REVIEW COMMISSION.

The General Assembly of North Carolina enacts:

SECTION 1. 143-215.94KK through 143-215.94MM are reserved for future codification purposes.

SECTION 2. Article 21A of Chapter 143 of the General Statutes is amended by adding a new Part to read:

"Part 2D.Training of Underground Storage Tank Operators.

"**§ 143-215.94NN. Applicability.**

The requirements of this Part apply to underground storage tank systems regulated under Subtitle I of the Resource Conservation and Recovery Act of 1976, Pub. L. 94-580, 90 Stat. 2795, 42 United States Code § 6901 et seq., as amended, except those excluded by regulation at 40 Code of Federal Regulations 280.10(b) and those deferred by regulation at 40 Code of Federal Regulations 280.10(c).

"**§ 143-215.94OO. Definitions.**

Unless a different meaning is required by the context or unless a different meaning is set out in this section, the definitions in G.S. §§143-212, 143-215.94A and 143-215.94L apply in this Part.

(1) "Primary operator" means a person having primary responsibility for the daily on-site operation and maintenance of an underground storage tank system.

(2) "Emergency response operator" means an on-site employee whose responsibilities include addressing emergencies presented by a spill or release, or responding to alarms or releases from an underground storage tank system. For an unmanned facility, "emergency response operator" means the person responsible for responding to emergencies or alarms or releases at the facility.

(3) "Underground storage tank" means any one or combination of tanks (including underground pipes connected thereto) that is used to contain an

accumulation of regulated substances, and the volume of which (including the volume of the underground pipes connected thereto) is ten percent (10%) or more beneath the surface of the ground.

(4) "Underground storage tank system" or "tank system" means an underground storage tank, connected underground piping, underground ancillary equipment, dispenser, and containment system, if any.

"**§ 143-215.94PP. Designation of operators to be trained.**

(a) The owner of an underground storage tank system shall designate the primary operator of the underground storage tank system. The person designated shall be the underground storage tank operator, as defined in 40 Code of Federal Regulations Part 280, or the employee of the underground storage tank operator. There shall be a designated primary operator of the underground storage tank system at all times, until the underground storage tank system has been permanently closed. If the owner fails to designate a primary operator, the owner shall be deemed to be the primary operator of the underground storage tank system for purposes of this Part.

(b) The primary operator shall designate one or more emergency response operators. There shall be at least one emergency response operator at the site and at all times during which a regulated substance is being withdrawn from, or is capable of being withdrawn from, the underground storage tank system. For an unmanned facility, the primary operator shall designate the person who is on-call to respond to emergencies or alarms at the facility. The unmanned facility shall have an automated notification system in place that will alert the designated emergency response operator of an emergency or activated alarm at the facility. If the primary operator fails to designate one or more emergency response operators, the primary operator shall be deemed to be the emergency response operator of the underground storage tank system.

(c) A person may act as both the primary operator and the emergency response operator of the underground storage tank system.

"**§ 143-215.94QQ. Training requirements for primary operators.**

(a) The Department shall develop and implement a training program for primary operators. The training program shall provide instruction on the proper operation and maintenance of the underground storage tank system at the facility, principles of construction and safety, and all regulatory requirements associated with the underground storage tank system. The training may consist of a combination of on-site evaluation and testing, as well as in-class or on-line instruction and testing. At a minimum, the training shall require the primary operator to demonstrate all of the following:

(1) Knowledge of the requirements for spill prevention, overfill prevention, release detection, corrosion protection, emergency response, and product compatibility.

(2) Site-specific knowledge of the equipment used at the facility and the components of the underground storage tank system, and the methods of release detection and release prevention applied to the underground storage tank components.

(3) Knowledge of the requirements for demonstrating financial responsibility;

(4) Understanding of notification requirements associated with the underground storage tank system, and the requirements for reporting releases and suspected releases.

(5) Understanding of the requirements for the temporary and permanent closure of underground storage tank systems.

(6) Knowledge of the emergency response operator training requirements, and the actions to be taken in response to emergencies and alarms.

(b) A primary operator shall be retrained if an inspection at the facility reveals that the underground storage tank system is not in substantial compliance with the requirements for: release detection, release prevention, financial responsibility, emergency response, suspected release reporting and investigation, the proximity of the underground storage tank system to water supply wells and surface water, and permitting. A primary operator who is required to be retrained shall complete the retraining within a reasonable time as determined by the Department. The retraining shall include training in the areas for which the underground storage tank system was not in compliance.

(c) The primary operator shall maintain documentation to show that the operator has satisfactorily completed all training required by this section.

"**§ 143-215.94RR. Training requirements for emergency response operators.**

(a) The Department shall develop a training program for emergency response operators. At a minimum, the training shall require the primary operator to demonstrate all of the following:

(1) General understanding of the underground storage tank system at the facility, and knowledge of the location and proper operation of the safety and emergency response equipment.

(2) Understanding of the actions to be taken in response to an emergency, including situations posing an immediate danger or threat to the public or to the environment and requiring immediate action.

(3) Understanding of leak detection alarms and preparations needed to respond to alarms before a release has occurred.

(4) Recognition of unusual operating conditions, equipment failures or environmental conditions that may indicate a release, and knowledge of the steps to take in response to a suspected release.

(5) Knowledge of immediate steps to take in response to a confirmed release to stop further release and to contain spills before they reach the environment.

(b) The primary operator is responsible for implementing the training program developed by the Department for emergency response operators. The primary operator shall train each emergency response operator of the underground storage tank system at the facility. Prior to training an emergency response operator, the primary operator shall have satisfactorily completed all training required by this section. The primary operator shall maintain documentation of training provided to emergency response operators.

"**§ 143-215.94SS. Enforcement.**

This Part may be enforced as provided in G.S. 143-215.94W, G.S. 143-215.94X, and G.S. 143-215.94Y.

"**§ 143-215.94TT. Effect on other laws.**

The requirements of this Part are in addition to, and not in lieu of any other requirements applicable to underground storage tank owner or operator, as defined in 40 Code of Federal Regulations Part 280, under law."

SECTION 3. Each designated primary operator and emergency response operator shall complete the training required by this section no later than August 8, 2012. For primary operators designated after August 8, 2012, the owner shall notify the Department of the designation and the primary operator shall be trained within 30 days after assuming operation and maintenance responsibilities for the underground storage tank system. After August 8, 2012, no person may assume the responsibilities of emergency response operator without having first satisfactorily completed emergency response operator training, and the primary operator shall ensure that no person assumes the responsibilities of emergency response operator, unless the person has satisfactorily completed emergency response operator training.

SECTION 4. This act is effective when it becomes law.

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2009

U D

BILL DRAFT 2009-RIxfz-27 [v.21] (03/26)

(THIS IS A DRAFT AND IS NOT READY FOR INTRODUCTION)
5/7/2010 4:10:50 PM

Short Title: Amend Electronics Recycling Requirements. (Public)

Sponsors:

Referred to:

A BILL TO BE ENTITLED

AN ACT TO: (1) MODIFY THE COMPUTER EQUIPMENT RECYCLING PLAN REQUIREMENTS AND ASSOCIATED FEE IMPOSED ON MANUFACTURERS; AND (2) MAKE FURTHER SUBSTANTIVE, CLARIFYING, TECHNICAL, AND CONFORMING AMENDMENTS TO THE LAWS GOVERNING THE MANAGEMENT OF DISCARDED COMPUTER EQUIPMENT AND DISCARDED TELEVISIONS, AS RECOMMENDED BY THE ENVIRONMENTAL REVIEW COMMISSION.

The General Assembly of North Carolina enacts:

SECTION 1. Part 2E of Article 9 of Chapter 130A of the General Statutes is repealed.

SECTION 2. Article 9 of Chapter 130A of the General Statutes is amended by adding a new Part to read:

"Part 2H. Discarded Computer Equipment and Television Management.

"**§ 130A-309.130. Findings.**

The General Assembly makes the following findings:

(1) The computer equipment and television waste stream is growing rapidly in volume and complexity and can introduce toxic materials into solid waste landfills.

(2) It is in the best interests of the citizens of this State to have convenient, simple, and free access to recycling services for discarded computer equipment and televisions.

(3) Collection programs operated by manufacturers, and local government and nonprofit agencies are an efficient way to divert discarded computer equipment and televisions from disposal and to provide recycling services to all citizens of this State.

(4) The development of local and nonprofit collection programs is hindered by the high costs of recycling and transporting discarded computer equipment and televisions.

(5) No comprehensive system currently exists, either provided by electronics manufacturers, retailers, or others, to adequately serve all citizens of the State and to divert large quantities of discarded computer equipment and televisions from disposal.

(6) Manufacturer responsibility is an effective way to ensure that manufacturers of computer equipment and televisions take part in a solution to the electronic waste problem.

(7) The recycling of certain discarded computer equipment and televisions recovers valuable materials for reuse and will create jobs and expand the tax base of the State.

(8) While some computers and computer monitors can be refurbished and reused and other consumer electronics products contain valuable materials, some older and bulkier consumer electronic products, including some televisions, may not contain any valuable products but should nevertheless be recycled to prevent the release of toxic substances to the environment.

(9) For the products covered by this Part, differences in product life expectancy, market economics, residual value, and product portability necessitate different approaches to recycling.

(10) In order to ensure that end-of-life computer equipment and televisions are responsibly recycled, to promote conservation, and to protect public health and the environment, a comprehensive and convenient system for recycling and reuse of certain electronic equipment should be established on the basis of shared responsibility among manufacturers, retailers, consumers, and the State.

"**§ 130A-309.131. Definitions.**

As used in this Part, the following definitions apply:

(1) Business entity. – Defined in G.S. 55-1-40(2a).

(2) Computer equipment. – Any desktop computer, notebook computer, monitor or video display unit for a computer system, and the keyboard, mice, other peripheral equipment, and a printing device such as a printer, a scanner, a combination print-scanner-fax machine, or other device designed to produce hard paper copies from a computer. Computer equipment does not include an automated typewriter, professional workstation, server, ICI device, ICI system, mobile telephone, portable handheld calculator, portable digital assistant (PDA), MP3 player, or other similar device; an automobile; a television; a household appliance; a large piece of commercial or industrial equipment, such as commercial medical equipment, that contains a cathode ray tube, a cathode ray tube device, a flat panel display, or similar video display device that is contained within, and is not separate from, the larger piece of equipment, or other medical devices as that term is defined under the federal Food, Drug, and Cosmetic Act.

(3) Computer equipment manufacturer. – A person that manufactures or has manufactured computer equipment sold under its own brand or label; sells or has sold under its own brand or label computer equipment produced by other suppliers; imports or has imported into the United States computer equipment that was manufactured outside of the United States; or owns or has owned a brand that it licenses or has licensed to another person for use on computer equipment. Computer equipment manufacturer includes a business entity that acquires another business entity that manufactures or has manufactured computer equipment. Computer equipment manufacturer does not include any existing person that does not and has not manufactured computer equipment of the type that would be used by consumers.

(4) Consumer. – An occupant of a single detached dwelling unit or a single unit contained within a multiple dwelling unit who used a covered device primarily for personal or home business use.

(5) Covered device. – Computer equipment and televisions used by consumers primarily for personal or home business use. The term does not include a device that is:

a. Part of a motor vehicle or any component of a motor vehicle assembled by, or for, a vehicle manufacturer or franchised dealer, including replacement parts for use in a motor vehicle.

b. (i) Physically a part of or integrated within a larger piece of equipment designed and intended for use in an industrial, governmental, commercial, research and development, or medical setting; (ii) equipment used for diagnostic, monitoring, or other medical products as that term is defined under the federal Food, Drug, and Cosmetic Act; (iii) equipment used for security, sensing, monitoring, antiterrorism purposes, or emergency services purposes.

c. Contained within a household appliance, including, but not limited to, a clothes washer, clothes dryer, refrigerator, refrigerator and freezer, microwave oven, conventional oven or range, dishwasher, room air conditioner, dehumidifier, air purifier, or exercise equipment.

(6) Desktop computer. – An electronic, magnetic, optical, electrochemical, or other high-speed data processing device that has all of the following features:

a. Performs logical, arithmetic, and storage functions for general purpose needs that are met through interaction with a number of software programs contained in the computer.

b. Is not designed to exclusively perform a specific type of limited or specialized application.

c. Achieves human interface through a stand-alone keyboard, stand-alone monitor or other display unit, and a stand-alone mouse or other pointing device.

d. Is designed for a single user.

e. Has a main unit that is intended to be persistently located in a single location, often on a desk or on the floor.

(7) Discarded computer equipment. – Computer equipment that is solid waste generated by a consumer.

(8) Discarded television. – A television that is solid waste generated by a consumer.

(9) Discarded computer equipment or television collector. – A municipal or county government, nonprofit agency, recycler, or retailer that knowingly accepts for recycling discarded computer equipment or a television from a consumer.

(10) Market share. – A television manufacturer's obligation to recycle discarded televisions. A television manufacturer's market share is the television manufacturer's prior year's sales of televisions as calculated by the Department pursuant to G.S. 130A-309.138(4) divided by all manufacturers' prior year's sales for all televisions as calculated by the Department pursuant to G.S. 130A-309.138(4). Market share may be expressed as a percentage, a fraction, or a decimal fraction.

(11) Notebook computer. – An electronic, magnetic, optical, electrochemical, or other high-speed data processing device that has all of the following features:

a. Performs logical, arithmetic, or storage functions for general purpose needs that are met through interaction with a number of software programs contained in the computer.
b. Is not designed to exclusively perform a specific type of limited or specialized application.
c. Achieves human interface through a keyboard, video display greater than four inches in size, and mouse or other pointing device, all of which are contained within the construction of the unit that comprises the computer.
d. Is able to be carried as one unit by an individual.
e. Is able to use external, internal, or batteries for a power source.

Notebook computer includes those that have a supplemental stand-alone interface device attached to the notebook computer. Notebook computer does not include a portable handheld calculator, a PDA, or similar specialized device. A notebook computer may also be referred to as a laptop computer.

(12) Recover. – The process of reusing or recycling covered devices.

(13) Recycle. – The processing, including disassembling, dismantling, and shredding, of covered devices or their components to recover a usable product. Recycle does not include any process that results in the incineration of a covered device.

(14) Recycler. – A person that recycles covered devices.

(15) Retailer. – A person that sells computer equipment or televisions in the State to a consumer. Retailer includes a computer equipment manufacturer or a television manufacturer that sells directly to a consumer through any means, including transactions conducted through sales outlets, catalogs, the Internet, or any similar electronic means, but does not include a person that sells computer equipment or televisions to a distributor or retailer through a wholesale transaction.

(16) Television. – Any electronic device that contains a tuner that locks on to a selected carrier frequency and is capable of receiving and displaying of television or video programming via broadcast, cable, or satellite, including, without limitation, any direct view or projection television with a viewable screen of nine inches or larger whose display technology is based on cathode ray tube (CRT), plasma, liquid crystal display (LCD), digital light processing (DLP), liquid crystal on silicon (LCOS), silicon crystal reflective display (SXRD), light emitting diode (LED), or similar technology marketed and intended for use by a consumer primarily for personal purposes. The term does not include computer equipment.

(17) Television manufacturer. – A person that: (i) manufactures for sale in this State a television under a brand that it licenses or owns; (ii) manufactures for sale in this State a television without affixing a brand; (iii) resells into this State a television under a brand it owns or licenses produced by other suppliers, including retail establishments that sell a television under a brand that the retailer owns or licenses; (iv) imports into the United States or exports from the United States a television for sale in this State; (v) sells at retail a television acquired from an importer that is the manufacturer as described in sub-subdivision (iv) of this subdivision, and the retailer elects to register in lieu of the importer as the manufacturer of those products; (vi) manufactures a television for or supplies a television to any person within a distribution network that includes wholesalers or retailers in this State and

that benefits from the sale in this State of the television through the distribution network; or (vii) assumes the responsibilities and obligations of a television manufacturer under this Part. In the event the television manufacturer is one that manufactures, sells, or resells under a brand it licenses, the licensor or brand owner of the brand shall not be considered to be a television manufacturer under (i) or (iii) of this subdivision.

"**§ 130A-309.132. Responsibility for recycling discarded computer equipment and televisions.**

In addition to the specific requirements of this Part, discarded computer equipment and television collectors and computer equipment manufacturers and television manufacturers share responsibility for the recycling of discarded computer equipment and televisions and the education of citizens of the State as to recycling opportunities for discarded computer equipment and televisions.

"**§ 130A-309.133. Data security.**

Computer equipment manufacturers, television manufacturers, discarded computer equipment and television collectors, recyclers, and retailers shall not be liable in any way for data or other information left on a covered device that is collected or recovered pursuant to the provisions of this Part.

"**§ 130A-309.134. Requirements for computer equipment manufacturers.**

(a) Registration Required. – Each computer equipment manufacturer, before selling or offering for sale computer equipment in North Carolina, shall register with the Department.

(b) Manufacturer Label Required. – A computer equipment manufacturer shall not sell or offer to sell computer equipment in this State unless a visible, permanent label clearly identifying the manufacturer of that equipment is affixed to the equipment.

(c) Computer Equipment Recycling Plan Required. – Each computer equipment manufacturer shall develop, submit to the Department, and implement one of the following plans to provide a free and reasonably convenient recycling program to take responsibility for computer equipment discarded by consumers:

(1) Tier 1 Recycling Plan. – A computer equipment manufacturer shall submit a recycling plan for reuse or recycling of computer equipment discarded by consumers in the State produced by the manufacturer. The manufacturer shall submit a proposed plan to the Department within 120 days of registration as required by subsection (a) of this section. The plan shall:

a. Provide that the manufacturer will take responsibility for discarded computer equipment it manufactured.

b. Describe any direct take-back program to be implemented by the manufacturer. Collection methods that are deemed to meet the requirements of this subdivision include one or more of the following:

1. A process offered by the computer equipment manufacturer or the manufacturer's designee for consumers to return discarded computer equipment by mail.

2. A physical collection site operated and maintained by the computer equipment manufacturer or the manufacturer's designee to receive discarded computer equipment from consumers, which is available to consumers during normal business hours.

3. A collection event hosted by the computer equipment manufacturer or the manufacturer's designee at which a consumer may return computer equipment.

c. Include a detailed description as to how the manufacturer will implement the plan.

d. Provide for environmentally sound management practices to transport and recycle discarded computer equipment.

e. Include a consumer recycling education program on the laws governing the recycling and reuse of discarded computer equipment under this Part and on the methods available to consumers to comply with those requirements. The manufacturer shall operate a toll-free telephone number to answer questions from consumers about computer recycling options.

(2) Tier II Recycling Plan. – A computer equipment manufacturer shall submit a recycling plan for reuse or recycling of computer equipment discarded by consumers in the State produced by the manufacturer and by other manufacturers. The manufacturer shall submit a proposed plan to the Department within 120 days of registration as required by subsection (a) of this section. The plan may offer additional options to collect other types of electronic equipment that do not constitute discarded computer equipment, as that term is defined under G.S. 130A-309.131, and may allow for assessment of a nominal fee for collection of these other types of electronic equipment that are not discarded computer equipment. The plan shall include all of the elements set forth in subdivision (1) of subsection (c) of this section, in addition the plan shall:

a. Provide that the manufacturer will take responsibility for computer equipment discarded by consumers that was manufactured by other manufacturers, as well as computer equipment that it manufactured.

b. Provide that the manufacturer shall: (i) maintain physical collection sites to receive discarded computer equipment from consumers in 10 of the most populated municipalities in the State. The physical collection sites shall be available to consumers during normal business hours, at a minimum; and (ii) host at least two collection events annually within the State.

(3) Tier III Recycling Plan. – A computer equipment manufacturer shall submit a recycling plan for reuse or recycling of computer equipment discarded by consumers in the State produced by the manufacturer and by other manufacturers. The manufacturer shall submit a proposed plan to the Department within 120 days of registration as required by subsection (a) of this section. The plan may offer additional options to collect other types of electronic equipment that do not constitute discarded computer equipment, as that term is defined under G.S. 130A-309.131, and may allow for assessment of a nominal fee for collection of these other types of electronic equipment that are not discarded computer equipment. The plan shall include all of the elements set forth in subdivision (1) of subsection (c) of this section. In addition the plan shall:

a. Provide that the manufacturer will take responsibility for computer equipment discarded by consumers that was manufactured by other manufacturers, as well as computer equipment that it manufactured.

b. Provide that the manufacturer shall: (i) maintain physical collection sites to receive discarded computer equipment from consumers in 50 of the State's counties, of which 10 of those counties shall be the most populated counties in the State. The physical collection sites shall be available to consumers during normal business hours, at a

minimum; and (ii) host at least two collection events annually within the State.

(d) Fee Required. – Within 90 days of registration as required in subsection (a) of this section, a computer equipment manufacturer shall pay an initial registration fee to the Department. A computer equipment manufacturer that has registered shall pay an annual renewal registration fee to the Department, which shall be paid each year no later than July 1. The proceeds of these fees shall be credited to the Electronics Management Account established pursuant to 130A-309.137. A manufacturer of computer equipment that sells 1,000 items of computer equipment or less per year is exempt from the requirement to pay the registration fee and the annual renewal fee imposed by this subsection. The amount of the fee a computer equipment manufacturer shall pay shall be determined on the basis of the plan the manufacturer develops, submits, and implements pursuant to subsection (c) of this section, as follows:

(1) A computer equipment manufacturer who develops, submits, and implements a Tier I recycling plan pursuant to subdivision (1) of subsection (c) of this section shall pay an initial registration fee of fifteen thousand dollars ($15,000), and an annual renewal fee of fifteen thousand dollars ($15,000) to the Department.

(2) A computer equipment manufacturer who develops, submits, and implements an Tier II recycling plan pursuant to subdivision (2) of subsection (c) of this section shall pay an initial registration fee of ten thousand dollars ($10,000) and an annual renewal fee of seven thousand five hundred dollars ($7,500) to the Department.

(3) A computer equipment manufacturer who develops, submits, and implements an Tier III recycling plan pursuant to subdivision (3) of subsection (c) of this section shall pay an initial registration fee of ten thousand hundred dollars ($10,000) and an annual renewal fee of two thousand five hundred dollars ($2,500) to the Department.

(e) Computer Equipment Recycling Plan Revision. – A computer equipment manufacturer may prepare a revised plan and submit it to the Department at any time as the manufacturer considers appropriate in response to changed circumstances or needs. The Department may require a manufacturer to revise or update a plan if the Department finds that the plan is inadequate or out-of-date.

(f) Payment of Costs for Plan Implementation. – Each computer equipment manufacturer is responsible for all costs associated with the development and implementation of its plan. A computer equipment manufacturer shall not collect a fee from a consumer or a local government for the management of discarded computer equipment at the time the equipment is discarded.

(g) Joint Computer Equipment Recycling Plans. – A computer equipment manufacturer may fulfill the requirements of subsection (c) of this section by participation in a joint recycling plan with other manufacturers. A joint plan shall meet the requirements of subsection (c) of this section.

(g) Annual Report. – Each computer equipment manufacturer shall submit a report to the Department by October 1 of each year stating the total weight of all computer equipment collected for recycling or reuse in the previous fiscal year. The report shall also include a summary of actions taken to comply with the requirements of subsection (c) of this section.

"**§ 130A-309.135. Requirements for television manufacturers.**

(a) Registration and Fee Required. – Each television manufacturer, before selling or offering for sale televisions in the State, shall register with the Department and, at the time of registration, shall pay an initial registration fee of two thousand five hundred dollars ($2,500) to the Department. An initial registration shall be valid from the day of registration through the

last day of the fiscal year in which the registration fee was paid. A television manufacturer that has registered shall pay an annual renewal registration fee of two thousand five hundred dollars ($2,500) to the Department. The annual renewal registration fee shall be paid to the Department each fiscal year no later than June 30 of the previous fiscal year. The proceeds of these fees shall be credited to the Electronics Management Account. A television manufacturer that sells 1,000 televisions or less per year is exempt from the requirement to pay the registration fee and the annual renewal fee imposed by this subsection.

(b) Manufacturer Label Required. – A television manufacturer shall not sell or offer to sell any television in this State unless a visible, permanent label clearly identifying the manufacturer of that device is affixed to the equipment.

(c) Recycling of Market Share Required. – The obligation to recycle televisions shall be allocated to each television manufacturer based on the television manufacturer's market share. A television manufacturer must annually recycle or arrange for the recycling of its market share of televisions pursuant to this section.

(d) Due Diligence and Compliance Assessments. – A television manufacturer shall conduct and document due diligence assessments of the recyclers the manufacturer contracts with, including an assessment of compliance with environmentally sound recovery standards adopted by the Department.

(e) Contact Information Required. – A television manufacturer shall provide the Department with contact information for the manufacturer's designated agent or employee whom the Department may contact for information related to the manufacturer's compliance with the requirements of this section.

(f) Joint Television Recycling Plans. – A television manufacturer may fulfill the requirements of this section either individually or in participation with other television manufacturers.

(g) Annual Report. – A television manufacturer shall report to the Department by October 1 of each year the total weight of televisions the manufacturer collected and recycled in the State during the previous fiscal year.

"**§ 130A-309.136. Requirements applicable to retailers.**

(a) A manufacturer must not sell or offer for sale or deliver to retailers for subsequent sale new computer equipment or televisions unless: (i) the covered device is labeled with the manufacturer's brand, which label is permanently affixed and readily visible; and (ii) the manufacturer has filed a registration with the Department and is otherwise in compliance with the requirements of this Part, as indicated on the list developed and maintained by the Department pursuant to G.S. 130A-309.138(1).

(b) A retailer is not responsible for an unlawful sale under this section if the manufacturer's registration expired or was revoked and the retailer took possession of the covered device prior to the expiration or revocation of the manufacturer's registration and the unlawful sale occurred within six months after the expiration or revocation.

"**§ 130A-309.137. Electronics Management Account.**

(a) Creation. – The Electronics Management Account is created as a nonreverting account within the Department. The Account consists of revenue credited to the Account from the proceeds of the fee imposed on computer equipment manufacturers under G.S. 130A-309.134 and television manufacturers under G.S. 130A-309.135.

(b) Use and distribution.. – Funds in the Account shall be used by the Department to implement the provisions of this Part concerning discarded computer equipment and televisions. The Department may retain up to ten percent (10%) of the fees collected for administration of the requirements of this Part. Funds remaining shall be distributed annually by the Department to eligible local governments designated pursuant to subsection (c) of this section on or before February 15 of each year, based on each local government's pro rata share of the funds to be distributed to all eligible designated local governments.

(c) Eligibility. – Except as provided in subsection (d) of this section, no more than one unit of local government per county, including the county itself, may receive funding pursuant to this section for a program to manage discarded computer equipment, televisions, and other electronic devices. In order to be eligible for funding a unit of local of government shall:

(1) Submit a comprehensive solid waste management plan required pursuant to G.S. 130A-309.09A, amended as necessary to include the following criteria:

a. Information on existing programs within the jurisdiction to recycle or reuse discarded computer equipment, televisions, and other electronic devices, or information on a plan to begin such a program on a date certain. This information shall include a description of the implemented or planned practices for collection of the equipment; and, a description of the types of equipment to be collected and how the equipment will be marketed for recycling.

b. Information on a public awareness and education program concerning the recycling and reuse of discarded computer equipment, televisions, and other electronic devices.

c. Information on methods to track and report total tonnage of computer equipment, televisions, and other electronic devices collected and recycled in the jurisdiction.

d. Information on interactions with other units of local government to provide or receive services concerning disposal of discarded computer equipment, televisions, and other electronic devices.

e. Information on how the unit of local government will account for the expenditure of funds received pursuant to this section.

(2) Establish a separate local budget account for the receipt and expenditure of funds received pursuant to this section.

(3) Contract with a recycler, as defined in G.S. 130A-309.131, to process the discarded computer equipment, televisions, and other electronic devices the unit of local government collects that is certified as adhering to Responsible Recycling ('R2') practices or that is certified as an e-Steward recycler adhering to the e-Stewards Standard for Responsible Recycling and Reuse of Electronic Equipment®.

(d) Local Government Designation. – If more than one unit of local government in a county, including the county itself, requests funding pursuant to this section, the units of local government in question may: (i) enter into interlocal agreements for provision of services concerning disposal of discarded computer equipment and televisions, and distribution of funds received pursuant to this section among the parties to the agreement; or (ii) submit separate and distinct comprehensive solid waste management plans pursuant to G.S. 130A-309.09A, with the information set forth in subdivisions (1) through (5) of subsection (c) of this section. In the case of (ii), the Department shall distribute funds to the local governments determined to be eligible based on the percentage of the county's population to be served under each eligible local government's program.

(e) Report. – Information regarding permanent recycling programs for discarded computer equipment and televisions for which funds are received pursuant to this section, and information on operative interlocal agreements executed in conjunction with funds received, if any, shall be included in the annual report required under G.S. 130A-309.09A.

"**§ 130A-309.138. Responsibilities of the Department.**

In addition to its other responsibilities under this Part, the Department shall:

(1) Develop and maintain a current list of manufacturers that are in compliance with the requirements of G.S. 130A-309.134 and G.S. 130A-309.135, post

the list to the Department's website, and provide the current list to the Office of Information Technology Services each time that the list is updated.

(2) Develop and implement a public education program on the laws governing the recycling and reuse of discarded computer equipment and televisions under this Part and on the methods available to consumers to comply with those requirements. The Department shall make this information available on the Internet and shall provide technical assistance to manufacturers to meet the requirements of G.S. 130A-309.134(c)(1)(e.). The Department shall also provide technical assistance to units of local government on the establishment and operation of discarded computer equipment and television collection centers and in the development and implementation of local public education programs.

(3) Maintain the confidentiality of any information that is required to be submitted by a manufacturer under this Part that is designated as a trade secret, as defined in G.S. 66-152(3) and that is designated as confidential or as a trade secret under G.S. 132-1.2.

(4) The Department shall use national televisions sales data available from commercially available analytical sources to calculate the generation of discarded televisions and to determine each television manufacturer's recovery responsibilities for televisions based on the manufacturer's market share. The Department shall extrapolate data for the State from national data on the basis of the State's share of the national population.

"**§ 130A-309.139. Enforcement.**

This Part may be enforced as provided by Part 2 of Article 1 of this Chapter.

"**§ 130A-309.140. Annual report.**

No later than January 15 of each year, the Department shall submit a report on the recycling of discarded computer equipment and televisions in the State under this Part to the Environmental Review Commission. The report must include an evaluation of the recycling rates in the State for discarded computer equipment and televisions, a discussion of compliance and enforcement related to the requirements of this Part, and any recommendations for any changes to the system of collection and recycling of discarded computer equipment, televisions, or other electronic devices.

"**§ 130A-309.141. Local government authority not preempted.**

Nothing in this Part shall be construed as limiting the authority of any local government to manage computer equipment and televisions that are solid waste."

SECTION 3.(a) G.S. 130A-309.09A(b)(6) reads as rewritten:

"(6) Include an assessment of current programs and a description of intended actions with respect to:

...

e. For each county and each municipality with a population in excess of 25,000, collection of discarded computer equipment and televisions. as defined in G.S. 130A-309.131. ~~130A-309.91.~~"

SECTION 3.(b) G.S. 130A-309.09A(d) is amended by adding a new subdivision to read:

"(d) In order to assess the progress in meeting the goal set out in G.S. 130A-309.04, each unit of local government shall report to the Department on the solid waste management programs and waste reduction activities within the unit of local government by 1 September of each year. At a minimum, the report shall include:

...

(8) Information regarding permanent recycling programs for discarded computer equipment and televisions for which funds are received pursuant to

G.S. 130A-309.137, and information on operative interlocal agreements executed in conjunction with funds received, if any."

SECTION 4.(a) G.S. 130A-309.10(f) reads as rewritten:

"(f) No person shall knowingly dispose of the following solid wastes in landfills:

(1) Repealed by Session Laws 1991, c. 375, s. 1.

(2) Used oil.

(3) Yard trash, except in landfills approved for the disposal of yard trash under rules adopted by the Commission. Yard trash that is source separated from solid waste may be accepted at a solid waste disposal area where the area provides and maintains separate yard trash composting facilities.

(4) White goods.

(5) Antifreeze (ethylene glycol).

(6) Aluminum cans.

(7) Whole scrap tires, as provided in G.S. 130A-309.58(b). The prohibition on disposal of whole scrap tires in landfills applies to all whole pneumatic rubber coverings, but does not apply to whole solid rubber coverings.

(8) Lead-acid batteries, as provided in G.S. 130A-309.70.

(9) Beverage containers that are required to be recycled under G.S. 18B-1006.1.

(10) Motor vehicle oil filters.

(11) Recyclable rigid plastic containers that are required to be labeled as provided in subsection (e) of this section, that have a neck smaller than the body of the container, and that accept a screw top, snap cap, or other closure. The prohibition on disposal of recyclable rigid plastic containers in landfills does not apply to rigid plastic containers that are intended for use in the sale or distribution of motor oil or pesticides.

(12) Wooden pallets, except that wooden pallets may be disposed of in a landfill that is permitted to only accept construction and demolition debris.

(13) Oyster shells.

(14) Discarded computer equipment, as defined in 130A-309.131. ~~G.S. 130A-309.91.~~

(15) Discarded televisions, as defined in G.S. 130A-309.131. ~~130A-309.91.~~"

SECTION 4.(b) G.S. 130A-309.10(f1) reads as rewritten:

"(f1) No person shall knowingly dispose of the following solid wastes by incineration in an incinerator for which a permit is required under this Article:

(1) Antifreeze (ethylene glycol) used solely in motor vehicles.

(2) Aluminum cans.

(3) Repealed by Session Laws 1995 (Regular Session, 1996), c. 594, s. 17.

(4) White goods.

(5) Lead-acid batteries, as provided in G.S. 130A-309.70.

(6) Beverage containers that are required to be recycled under G.S. 18B-1006.1.

(7) Discarded computer equipment, as defined in G.S. 130A-309.131. ~~130A-309.91.~~

(8) Discarded televisions, as defined in G.S. 130A-309.131. ~~130A-309.91.~~"

SECTION 4.(c) Section 16.6(b) of S.L. 2007-550, as amended by Section 16.(a) of S.L. 2009-484, reads as rewritten:

"**SECTION 16.6.(b)** Section 16.2 of this act becomes effective July 1, 2010. Sections 16.3 and 16.4 of this act become effective ~~January~~ July 1, 2011. Section 16.5 of this act becomes effective July 1, 2010. Subsection (b) of Section 16.1 of this act, Section 16.6 of this act, and any other provision of Section 16 of this act for which an effective date is not specified become effective July 1, 2010."

SECTION 5. G.S. 147-33.104 reads as rewritten:

"**§ 147-33.104. Purchase by State agencies and governmental entities of certain computer equipment prohibited.**

(a) The exemptions set out in G.S. 147-33.80 do not apply to this section.

(b) No State agency, political subdivision of the State, or other public body shall purchase computer equipment or televisions, as defined in G.S. ~~130A-309.91~~, 130A-309.131 or enter in to a contract with ~~from~~ any manufacturer that the Secretary determines is not in compliance with the requirements of G.S. ~~130A-309.93~~ 130A-309.134 or G.S. ~~130A-309.93A~~ 130A-309.135 as determined from the list provided by the Department of Environment and Natural Resources pursuant to G.S. ~~130A-309.95(1).~~ 130A-309.138. The Secretary shall issue written findings upon a determination of noncompliance. A determination of noncompliance by the Secretary is reviewable under Article 3 of Chapter 150B of the General Statutes.

(c) The Office of Information Technology Services shall make the list available to political subdivisions of the State and other public bodies. A manufacturer that is not in compliance with the requirements of G.S. ~~130A-309.93~~ 130A-309.134 shall not sell or offer for sale computer equipment or televisions to the State, a political subdivision of the State, or other public body."

SECTION 6. The Environmental Review Commission, with the assistance of the Department of Environment and Natural Resources, shall conduct a study to determine the feasibility of requiring recycling of: (i) computer equipment discarded by small businesses; and (ii) other electronic equipment, including, but not limited to: automated typewriters, professional workstations, servers, ICI devices, ICI systems, mobile telephones, portable handheld calculators, PDAs, MP3 players, copy machines, VCRs, stereos, radios, tape players, CD players, telephones, fax machines, electronic games, power and network cables, network hubs, switching boxes, controllers, modems, docking stations, CD-ROMs, hard drives, printed circuit boards, uninterruptible power supplies, routers, and rechargeable batteries. The Environmental Review Commission, with the Assistance of the Department of Environment and Natural Resources, shall also study the fee structure for computer manufacturers imposed under this Act. The Environmental Review Commission shall report its findings and recommendations, including any legislative proposals, to the 2011 Regular Session of the General Assembly upon its convening.

SECTION 7. The Environmental Review Commission, with the assistance of the Department of Environment and Natural Resources, shall monitor and review electronic recycling programs in other states on an on-going basis, and shall report its findings and recommendations to the General Assembly periodically.

SECTION 8. Notwithstanding the provisions of G.S. 130A-309.136, as enacted by Section 2 of this act, during the first year after the effective date of this act, no penalty shall be imposed for a first violation of G.S. 130A-309.136, the Department shall, however, issue a notice of violation to the retailer in conjunction with the first violation.

SECTION 9. This act is effective when it becomes law, except that: (1) G.S. 130A-309.136, as enacted by Section 2 of this act, is effective July 1, 2011; and (2) changes required to comprehensive solid waste management plans in accordance with G.S. 130A-309.137, as enacted by Section 2 of this act, shall be submitted to the Department of Environment and Natural Resources on or before December 1, 2010.

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2009

U D

BILL DRAFT 2009-RIz-30 [v.1] (05/07)

(THIS IS A DRAFT AND IS NOT READY FOR INTRODUCTION)
5/7/2010 2:55:11 PM

Short Title:	Extend Zoo Funds & Org. Study Committee.	(Public)
Sponsors:		
Referred to:		

A BILL TO BE ENTITLED

AN ACT TO EXTEND THE NORTH CAROLINA ZOOLOGICAL PARK FUNDING AND ORGANIZATION STUDY COMMITTEE, AS RECOMMENDED BY THE ENVIRONMENTAL REVIEW COMMISSION.

The General Assembly of North Carolina enacts:

SECTION 1. Section 5.11 of S.L. 2009-329 reads as rewritten:

"**SECTION 5.11.** Report. – The Committee shall report its findings and recommendations to the ~~2010~~ 2011 Regular Session of the ~~2009~~ 2011 General Assembly and the Environmental Review Commission on or before ~~May 1,~~ December 31, 2010, at which time the Committee shall terminate."

SECTION 2. This act is effective when it becomes law.

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2009

U D

BILL DRAFT 2009-TFz-2 [v.22] (04/13)

(THIS IS A DRAFT AND IS NOT READY FOR INTRODUCTION)
5/7/2010 1:57:50 PM

Short Title: Environmental Technical Corrections 2010. (Public)

Sponsors: .

Referred to:

A BILL TO BE ENTITLED

AN ACT TO MAKE CLARIFYING, CONFORMING, AND TECHNICAL AMENDMENTS TO VARIOUS LAWS RELATED TO THE ENVIRONMENT, ENERGY, AND NATURAL RESOURCES, AS RECOMMENDED BY THE ENVIRONMENTAL REVIEW COMMISSION.

The General Assembly of North Carolina enacts:

SECTION 1. G.S. 114-4.2D reads as rewritten:

"**§ 114-4.2D. Employment of attorney for Energy Policy Council and Energy Efficiency Program of the Department of ~~Administration~~ Commerce.**

The Attorney General shall assign an attorney on his staff to work full time with the Energy Policy Council and Energy Efficiency Program of the Department of ~~Administration~~ Commerce. Such attorney shall be subject to all provisions of Chapter 126 of the General Statutes relating to the State Personnel System. Such attorney shall also perform such additional duties as may be assigned to him by the Attorney General."

SECTION 2. The catchline of Article 19 of Chapter 120 of the General Statutes reads as rewritten:

"Article 19.

~~Commission on~~ Agriculture and Forestry Awareness Study Commission."

SECTION 3. G.S. 120-150 reads as rewritten:

"**§ 120-150. Creation; appointment of members.**

There is created an Agriculture and Forestry Awareness Study Commission. Members of the Commission shall be citizens of North Carolina who are interested in the vitality of the agriculture and forestry sectors of the State's economy. Members shall be as follows:

(1) Three appointed by the ~~Governor;~~Governor.
(2) Three appointed by the President Pro Tempore of the ~~Senate;~~Senate.
(3) Three appointed by the Speaker of the ~~House;~~House.
(4) The chair~~man~~ of the House Agriculture ~~Committee;~~Committee.
(5) The chair~~man~~ of the Senate ~~Agriculture Committee;~~Committee on Agriculture, Environment, and Natural Resources.
(6) The Commissioner of Agriculture or the Commissioner's ~~designee;~~designee.
(7) A member of the Board of Agriculture designated by the chair~~man~~ of the Board of ~~Agriculture;~~Agriculture.

(8) The President of the North Carolina Farm Bureau Federation, Inc., or the President's ~~designee;~~designee.

(9) The ~~Master~~ President of the North Carolina State Grange or the ~~Master's~~ President's ~~designee;~~designee.

(10) The Secretary of Environment and Natural Resources or the Secretary's ~~designee; and~~designee.

(11) The President of the North Carolina Forestry Association, Inc., or the President's designee.

Members shall be appointed for two-year terms beginning October 1 of each odd-numbered year. The Chair of the House Agriculture Committee and the Chair of the Senate Committee on Agriculture, Environment, and Natural Resources shall serve as cochairs. ~~The cochairmen of the Commission shall be the chairmen of the Senate and House Agriculture Committees respectively.~~"

SECTION 4. G.S. 130A-309.10(l) reads as rewritten:

"(l) Oyster shells that are delivered to a landfill shall be stored at the landfill for at least 90 days or until they are removed for recycling. If oyster shells that are stored at a landfill are not removed for recycling within 90 days of delivery to the landfill, then, notwithstanding subdivision ~~(12)~~ (13) of subsection (f) of this section, the oyster shells may be disposed of in the landfill."

SECTION 5. G.S. 130A-309.12(b) reads as rewritten:

"(b) The Solid Waste Management Trust Fund shall consist of the following:

(1) Funds appropriated by the General Assembly.

(2) Contributions and grants from public or private sources.

(3) ~~Five percent (5%)~~Eight percent (8%) of the proceeds of the scrap tire disposal tax imposed under Article 5B of Chapter 105 of the General Statutes.

(4) Eight percent (8%) of the proceeds of the white goods disposal tax imposed under Article 5C of Chapter 105 of the General Statutes.

(5) Twelve and one-half percent (12.5%) of the proceeds of the solid waste disposal tax imposed under Article 5G of Chapter 105 of the General Statutes."

SECTION 6. G.S. 130A-310.11(b) reads as rewritten:

"(b) Funds credited to the Inactive Hazardous Sites Cleanup Fund pursuant to G.S. 130A-295.9 shall be used only as provided in G.S. 130A-295.9(l) and ~~G.S. 130A-310.5(c).~~ G.S. 130A-310.6(c)."

SECTION 7. G.S. 143-355.4(b) reads as rewritten:

"(b) To be eligible for State water infrastructure funds from the Drinking Water State Revolving Fund or the Drinking Water Reserve ~~Fund~~ or any other grant or loan of funds allocated by the General Assembly whether the allocation of funds is to a State agency or to a nonprofit organization for the purpose of extending waterlines or expanding water treatment capacity, a local government or large community water system must demonstrate that the system:

..."

SECTION 8. G.S. 153B-2 reads as rewritten:

"**§ 153B-2. Definitions.**

The following definitions apply in this ~~Article~~Chapter:

(1) Commission. – The Mountain Resources Commission created by this Chapter.

(2) Council. – The Mountain Area Resources Technical Advisory Council.

(3) Important mountain resources. – The natural and cultural resources of the mountain region of Western North Carolina, including, but not limited to,

State and federal public lands, wildlife habitat, farms, forestland and rural landscapes, mountain vistas, mountain streams and rivers, mountain lakes, and historical and archeological resources.

(4) Mountain region of Western North Carolina. – The area encompassed by the counties of Alexander, Alleghany, Ashe, Avery, Buncombe, Burke, Caldwell, Cherokee, Clay, Cleveland, Graham, Haywood, Henderson, Jackson, McDowell, Macon, Madison, Mitchell, Polk, Rutherford, Surry, Swain, Transylvania, Watauga, Wilkes, Yadkin, and Yancey in the State.

(5) Secretary. – The Secretary of ~~the Department of~~ Environment and Natural Resources."

SECTION 9. G.S. 153B-3(d) reads as rewritten:

"(d) Membership. – The Commission shall consist of 17 members as follows:

...

(d1) Officers; Terms. – The members of the Commission shall elect a chair, vice-chair, and any other officers they consider necessary and shall determine the length of the term of office, not to exceed two years, of each officer. A majority of the Commission shall constitute a quorum. Each member appointed to the Commission shall be appointed to serve a four-year term. Any vacancy on the Commission shall be filled by the original appointing authority for the remainder of the unexpired term. Initial terms commence September 1, 2009."

SECTION 10. G.S. 153B-4 reads as rewritten:

"**§ 153B-4. Mountain Area Resources Technical Advisory Council.**

...

(d) Members; Multiple Offices. – Membership on the ~~Mountain Area Resources Technical Advisory~~ Council is hereby declared to be an office that may be held concurrently with other elective or appointive offices (except the office of Commission member) in addition to the maximum number of offices permitted to be held by one person under G.S. 128-1.1.

(e) Chair~~man~~ and Vice-Chair~~man~~. – A chair~~man~~ and vice-chair~~man~~ shall be elected annually by the Council.

(f) Compensation. – The members of the ~~Advisory~~ Council who are not State employees may receive per diem and necessary travel and subsistence expenses in accordance with the provisions of G.S. 138-5. All expenses shall be paid from funds available to the Commission through the Mountain Area Resources Fund, but no expenses shall be paid if the Mountain Area Resources Fund lacks the necessary funds."

SECTION 11. This act is effective when it becomes law.

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2009

U D

BILL DRAFT 2009-SBz-56 [v.3] (05/06)

(THIS IS A DRAFT AND IS NOT READY FOR INTRODUCTION)
5/7/2010 11:38:49 AM

Short Title: ENR Reports Consolidation 2010. (Public)

Sponsors:

Referred to:

A BILL TO BE ENTITLED

AN ACT TO AMEND OR REPEAL VARIOUS ENVIRONMENTAL AND NATURAL RESOURCES REPORTING REQUIREMENTS, AS RECOMMENDED BY THE ENVIRONMENTAL REVIEW COMMISSION.

The General Assembly of North Carolina enacts:

SECTION 1. G.S. 130A-309.06(c)(13) is repealed.

SECTION 2. G.S. 130A-310.57 reads as rewritten:

"**§ 130A-310.57. (Effective until December 31, 2017) Reports.**

The Department shall submit an annual report on the mercury switch removal program under this Part to the Environmental Review ~~Commission~~ Commission, ~~and~~ the Senate and House of Representatives Appropriations Subcommittees on Natural and Economic ~~Resources~~Resources, and the Fiscal Research Division of the General Assembly on or before 1 October of each year. The report shall include, at a minimum, all of the following:

(1) A detailed description of the mercury recovery performance ratio achieved by the mercury switch removal program.

(1a) A detailed description of the mercury switch collection system developed and implemented by vehicle manufacturers in accordance with the NVMSRP.

(2) In the event that a mercury recovery performance ratio of at least 0.90 of the national mercury recovery performance ratio as reported by the NVMSRP is not achieved, a description of additional or alternative actions that may be implemented to improve the mercury switch removal program.

(3) The number of mercury switches collected and a description of how the mercury switches were managed.

(4) A statement that details the costs required to implement the mercury switch removal program including a summary of receipts and disbursements from the Mercury Switch Removal Account."

SECTION 3. G.S. 143-214.13 reads as rewritten:

"**§ 143-214.13. Ecosystem Enhancement Program: reporting requirement.**

(a) The Department of Environment and Natural Resources shall report each year by November 1 to the Environmental Review Commission and to the Joint Legislative Commission on Governmental Operations regarding its progress in implementing the Ecosystem Enhancement Program and its use of the funds in the Ecosystem Restoration Fund.

The report shall document statewide wetlands losses and gains and compensatory mitigation performed under G.S. 143-214.8 through G.S. 143-214.12. The report shall also provide an accounting of receipts and disbursements of the Ecosystem Restoration Fund, an analysis of the per-acre cost of wetlands restoration, and a cost comparison on a per-acre basis between the State's Ecosystem Enhancement Program and private mitigation banks. The Department shall also send a copy of its report to the Fiscal Research Division of the General Assembly.

(b) The Department shall maintain an inventory of all property that is held, managed, maintained, enhanced, restored, or used to create wetlands under the Ecosystem Enhancement Program. The inventory shall also list all conservation easements held by the Department. The inventory shall be included in the annual report required under subsection (a) of this section."

SECTION 4. G.S. 143B-336.1 reads as rewritten:

"§ 143B-336.1. Special Zoo Fund.

A special continuing and nonreverting fund, to be called the Special Zoo Fund, is created. The North Carolina Zoological Park shall retain unbudgeted receipts at the end of each fiscal year, beginning June 30, 1989, and deposit these receipts into this Fund. This Fund shall be used for maintenance, repairs, and renovations of exhibits in existing habitat clusters and visitor services facilities, construction of visitor services facilities and support facilities such as greenhouses and temporary animal holding areas, for the replacement of tram equipment as required to maintain adequate service to the public, and for marketing the Zoological Park. The Special Zoo Fund may also be used to match private funds that are raised for these purposes. Funds may be expended for these purposes by the Department of Environment and Natural Resources on the advice of the North Carolina Zoological Park Council and with the approval of the Office of State Budget and Management. The Department of Environment and Natural Resources shall provide ~~an annual~~ a report on or before October 1 of each year to the Office of State Budget and ~~Management~~ Management, ~~and to~~ the Fiscal Research Division of the ~~Legislative Services Office~~ General Assembly, and to the Joint Legislative Commission on Governmental Operations on the use of fees collected pursuant to this section."

SECTION 5. G.S. 143B-344.21 reads as rewritten:

"§ 143B-344.21. Reports to General Assembly.

The Commission shall prepare and submit a report outlining the needs of the North Carolina State Museum of Natural Sciences and recommendations for improvement of the effectiveness of the North Carolina State Museum of Natural Sciences for the purpose hereinabove set forth to the 1995 General Assembly, and to each succeeding General Assembly, to the Fiscal Research Division of the General Assembly, and to the Joint Legislative Commission on Governmental Operations~~a report outlining the needs of the North Carolina State Museum of Natural Sciences and their recommendation for improvement of the effectiveness of the North Carolina State Museum of Natural Sciences for the purpose hereinabove set forth~~ on or before October 1 of each year."

SECTION 6. This act is effective when it becomes law.

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2009

U D

BILL DRAFT 2009-TFz-3 [v.13] (04/13)

(THIS IS A DRAFT AND IS NOT READY FOR INTRODUCTION)
5/7/2010 11:05:21 AM

Short Title: Amend Environmental Laws 2010. (Public)

Sponsors: .

Referred to:

A BILL TO BE ENTITLED

AN ACT TO AMEND CERTAIN ENVIRONMENTAL AND NATURAL RESOURCES LAWS TO (1) PROVIDE THAT THE PRESIDENT PRO TEMPORE OF THE SENATE AND THE SPEAKER OF THE HOUSE OF REPRESENTATIVES MAY DESIGNATE MULTIPLE MEMBERS TO SERVE AS COCHAIRS OF THE ENVIRONMENTAL REVIEW COMMISSION; (2) REPEAL THE REQUIREMENT THAT REMEDIAL ACTION PLANS MUST BE RECORDED IN THE REGISTER OF DEEDS OFFICE AND MODIFY THE REQUIREMENT THAT REMEDIAL ACTION PLANS MUST BE PLACED IN EACH PUBLIC LIBRARY IN THE COUNTY; (3) REESTABLISH THE SURFACE WATER IDENTIFICATION TRAINING AND CERTIFICATION PROGRAM AS A COMPONENT OF THE RIPARIAN BUFFER PROTECTION PROGRAM; (4) AMEND CIVIL PENALTIES FOR CERTAIN AIR QUALITY VIOLATIONS TO CONFORM WITH CHANGES MADE IN S.L. 2007-296; (5) AMEND REPORTING REQUIREMENTS FOR SMALL WASTEWATER SYSTEMS; (6) AMEND THE ENFORCEMENT AUTHORITY OF THE DEPARTMENT OF ENVIRONMENT AND NATURAL RESOURCES UNDER THE DROUGHT MANAGEMENT PREPAREDNESS AND RESPONSE ACT; AND (7) PROVIDE THAT THE PROHIBITION ON ANY NEW OR INCREASED NUTRIENT LOADING ALLOCATION APPLIES TO IMPAIRED DRINKING WATER SUPPLY RESERVOIRS, AS RECOMMENDED BY THE ENVIRONMENTAL REVIEW COMMISSION.

The General Assembly of North Carolina enacts:

SECTION 1. G.S. 120-70.42(b) reads as rewritten:

"(b) The President Pro Tempore of the Senate shall designate one ~~Senator to serve as cochair~~or more Senators and the Speaker of the House of Representatives shall designate one ~~Representative to serve as cochair~~or more Representatives to serve as cochairs."

SECTION 2. G.S. 130A-310.4(b) reads as rewritten:

"(b) Before approving any remedial action plan, the Secretary shall make copies of the proposed plan available for inspection as follows:

(1) A copy of the plan shall be provided to the local health director.

~~(2) A copy of the proposed plan shall be filed with the register of deeds in the county or counties in which the site is located.~~



(3) A copy of the plan shall be provided to the ~~each~~ public library located in closest proximity to the site in the county or counties in which the site is located.

(4) The Secretary may place copies of the plan in other locations so as to assure the availability thereof to the public.

In addition, copies of the plan shall be available for inspection and copying at cost by the public during regular business hours in the offices of the agency within the Department with responsibility for the administration of the remedial action program."

SECTION 3.(a) Part 1 of Article 21 of Chapter 143 of the General Statutes is amended by adding a new section to read:

"**§ 143-214.25A. Riparian Buffer Protection Program: Surface Water Identification Training and Certification Program.**

(a) The Division of Water Quality of the Department shall develop a program to train and certify individuals to determine the presence of surface waters that would require the application of rules adopted by the Commission for the protection of riparian buffers. The Division may train and certify employees of the Division as determined by the Director of the Division of Water Quality; employees of units of local government to whom responsibility for the implementation and enforcement of the riparian buffer protection rules is delegated pursuant to G.S. 143-214.23; and Registered Foresters under Chapter 89B of the General Statutes who are employees of the Division of Forest Resources of the Department as determined by the Director of the Division of Forest Resources. The Director of the Division of Water Quality may review the determinations made by individuals who are certified pursuant to this section, may override a determination made by an individual certified under this section, and, if the Director of the Division of Water Quality determines that an individual is failing to make correct determinations, revoke the certification of that individual.

(b) The Division of Water Quality shall develop standard forms for use in making and reporting determinations. Each individual who is certified to make determinations under this section shall prepare a written report of each determination and shall submit the report to the agency that employs the individual. Each agency shall maintain reports of determinations made by its employees, shall forward a copy of each report to the Director of the Division of Water Quality, and shall maintain these reports and all other records related to determinations so that they will be readily accessible to the public."

SECTION 3.(b) In implementing the Surface Water Identification Training and Certification Program established by G.S. 143-214.25A, as enacted by Section 3.(a) of this act, the Division of Water Quality of the Department of Environment and Natural Resources shall give priority to training and certifying the most highly qualified and experienced personnel in each agency. The Division of Water Quality shall evaluate the effectiveness of the Surface Water Identification Training and Certification Program and shall submit an annual report of its findings and recommendations, if any, to the Environmental Review Commission on or before October 1 of each year. The Division of Water Quality shall submit the first report required by this section on or before October 1, 2011.

SECTION 3.(c) This section shall not be construed to obligate the General Assembly to appropriate any funds to implement the provisions of this act. Every agency to which this section applies shall implement the provisions of this act with funds otherwise appropriated or available to the agency.

SECTION 4. G.S. 143-215.112(d)(1a) reads as rewritten:

"(1a) Each governing body, or its authorized agent, shall have the power to assess civil penalties under G.S. 143-215.114A. Any person assessed shall be notified of the assessment by registered or certified mail, and the notice shall specify the reasons for the assessment. If the person assessed fails to pay the amount of the assessment to the governing body or its authorized agent

within 30 days after receipt of notice, or such longer period not to exceed 180 days as the governing body or its authorized agent may specify, the governing body may institute a civil action in the superior court of the county in which the violation occurred, to recover the amount of the assessment. If any action or failure to act for which a penalty may be assessed under this section is continuous, the governing body or its authorized agent may assess a penalty not to exceed ~~ten thousand dollars ($10,000)~~ twenty-five thousand dollars ($25,000) per day for so long as the violation continues. In determining the amount of the penalty, the governing body or its authorized agent shall consider the degree and extent of harm caused by the violation, the cost of rectifying the damage, and the amount of money the violator saved by not having made the necessary expenditures to comply with the appropriate pollution control requirements."

SECTION 5. G.S. 143-215.1.C(a) reads as rewritten:

"(a) Report to Wastewater System Customers. – The owner or operator of any wastewater collection or treatment works, the operation of which is primarily to collect or treat municipal or domestic wastewater and for which a permit is issued under this Part, Part and having an average annual flow greater than 200,000 gallons per day, shall provide to the users or customers of the collection system or treatment works and to the Department an annual report that summarizes the performance of the collection system or treatment works and the extent to which the collection system or treatment works has violated the permit or federal or State laws, regulations, or rules related to the protection of water quality. The report shall be prepared on either a calendar or fiscal year basis and shall be provided no later than 60 days after the end of the calendar or fiscal year."

SECTION 6. G.S. 143-355.6 reads as rewritten:

"**§ 143-355.6. Enforcement.**

(a) The Secretary may assess a civil penalty of not less than one hundred dollars ($100.00) nor more than five hundred dollars ($500.00) against any person who:

(1) Fails to report water use or other information required under G.S. 143-355(k).

(2) Fails to act in accordance with the terms, conditions, or requirements of an order issued by the Secretary under G.S. 143-355.3.

(3) Violates any provision of this Article or any rule adopted by the Commission, the Department, or the Secretary implementing this Article.

(b) For each willful action or failure to act for which a penalty may be assessed under this section, the Secretary may consider each day the action or inaction continues after notice is given of the violation as a separate violation. A separate penalty may be assessed for each separate violation.

(c) The Secretary may assess a civil penalty of not more than ten thousand dollars ($10,000) per month against a unit of local government that provides public water service or a large community water system that fails to implement the water conservation measures set out in the water shortage response plan approved by the Department under G.S. 143-355.2, measures required by the Department under subsections (b) and (d) of G.S. 143-355.2, or the default measures required under rules adopted by the Commission under S.L. 2002-167. ~~The Secretary may remit a civil penalty based on the factors set out in G.S. 143B-282.1(c)(1).~~

(c1) The amount of the civil penalty shall be based on the factors set out in G.S. 143B-282.1(b). The procedures set out in G.S. 143B-282.1 shall apply to civil penalty assessments that are presented to the Commission for final agency decision.

(c2) Requests for remission of civil penalties shall be filed with the Secretary. Remission requests shall not be considered unless made within 30 days of receipt of the notice of assessment. Remission requests must be accompanied by a waiver of the right to a contested

case hearing pursuant to Chapter 150B and a stipulation of the facts on which the assessment was based. Consistent with the limitations in G.S. 143B-282.1(c) and (d), remission requests may be resolved by the Secretary and the violator. If the Secretary and the violator are unable to resolve the request, the Secretary shall deliver remission requests and the Secretary's recommended action to the Committee on Civil Penalty Remissions of the Commission appointed pursuant to G.S. 143B-282.1(c).

(c3) If any civil penalty has not been paid within 30 days after the notice of assessment has been served on the violator, the Secretary shall request the Attorney General to institute a civil action in the Superior Court of any county in which the violator resides or in which the violator's principal place of business is located to recover the amount of the assessment, unless the violator contests the assessment as provided in subsection (c) of this section, or requests remission of the assessment in whole or in part as provided in subsection (c2) of this section. If any civil penalty has not been paid within 30 days after the final agency decision or court order has been served on the violator, the Secretary shall request the Attorney General to institute a civil action in the Superior Court of any county in which the violator resides or in which the violator's principal place of business is located to recover the amount of the assessment.

(d) The violation of emergency water conservation rules adopted by the Secretary pursuant to G.S. 143-355.3(b) is a Class 1 misdemeanor.

(e) The Secretary shall notify any person assessed a civil penalty of the assessment and the specific reasons for the assessment by registered or certified mail or by any means authorized by G.S. 1A-1, Rule 4. Contested case petitions shall be filed within 30 days of receipt of the notice of assessment.

(f) The clear proceeds of civil penalties assessed pursuant to this section shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2."

SECTION 7. Section 4 of S.L. 2005-190, as amended by Section 31 of S.L. 2006-259, reads as rewritten:

"**SECTION 4. Other drinking water supply reservoirs.** – The Environmental Management Commission shall not make any new or increased nutrient loading allocation to any person who is required to obtain a permit under G.S. 143-215 for an individual wastewater discharge directly or indirectly into any impaired drinking water supply reservoir for which the Division of Water Quality of the Department of Environment and Natural Resources has prepared or updated a calibrated nutrient response model since 1 July 2002 until permanent rules adopted by the Commission to implement the nutrient management strategy for that reservoir become effective. The Commission shall report its progress in developing and implementing nutrient management strategies for reservoirs to which this section applies to the Environmental Review Commission by 1 April of each year beginning 1 April 2006."

SECTION 8. Section 4 of this act is effective October 1, 2010, and applies to a violation that occurs on or after that date. All other sections of this act are effective when the act becomes law.

General Assembly of North Carolina

Environmental Review Commission
State Legislative Building
Raleigh, North Carolina

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JESSICA K. PROCTOR
COMMISSION CLERK

May 11, 2010

MEMORANDUM

To: Members of the Environmental Review Commission
From: Mariah Matheson, Commission Assistant
Re: Disposition of Reports

The following reports have been submitted to the Environmental Review Commission (Commission) since the last reports distribution on April 15, 2010.

A. The following report has been submitted and is being distributed in connection with today's agenda as follows:

1) **The following report has been submitted by the Principal Investigators in connection with the Water Allocation Resources Study to the Commission and will be distributed in connection with today's agenda as follows:**

Interim report on the allocation of surface water resources and their availability and maintenance in the State and issues related to increasing water supply and reservoir construction to the 2010 Regular Session. April 30, 2010. Authority: S.L. 2007-518, Sec. 1.(a) as amended by S.L. 2008-10 and S.L. 2008-143, Sec. 6. ***Agenda Item #4***

B. The following reports have been submitted and may be distributed in conjunction with a presentation at a future meeting of the Commission. These reports are electronically available at the Commission's website: (http://www.ncleg.net/gascripts/DocumentSites/browseDocSite.asp?nID=12&sFolderName=\ERC%20Reports%20Received). If you would like a hardcopy of one of these reports, please contact Mariah Matheson at (919) 733-2578 or mariahm@ncleg.net for assistance.

1) North Carolina Water Quality Work Group (RiverNet)

a. Annual report on RiverNet's previous year's activities, findings, and recommendations. January 30, 2010. Statutory Authority: G.S. 143-215.8D.

2) Department of Transportation

a. Annual report on the evaluation and adjustment of the boundaries of the area served by each Metropolitan Planning Organization. November 1, 2009. Statutory Authority: G.S. 136-202(d).

b. Annual report on development and implementation of a plan to reduce vehicle miles traveled by State and private sector employees and vehicle emissions resulting from job-related travel, including commuting to and from work. October 1, 2009. Statutory Authority: G.S. 143-215.107C (d) and (e).

3) State Water Infrastructure Commission

a. Annual report by the State Water Infrastructure Commission on its activities and findings. November 1, 2009. Statutory Authority: G.S.159G-67.

4) Department of Administration

a. Annual consolidated report on the implementation of the Sustainable Energy Efficient Buildings Program. November 1, 2009. Statutory Authority: G.S. 143-135.39(f) and (g).

5) Utilities Commission

a. Biennial report on the actual results of the cost allocations for electric utilities involving REPS costs, demand-side management and energy efficiency programs costs, and certain fuel and fuel-related costs. October 1, 2009. Authority: S.L. 2007-397, Sec. 14.

b. Annual report on the implementation of the Swine Farm Methane Capture Pilot Program including a program evaluation, and legislative proposals. January 1, 2010. Authority: S.L. 2007-523, Sec. 4(d).

6) Department of Environment and Natural Resources

a. Annual report on the cost of implementing the Mining Act of 1971. September 1, 2009. Statutory Authority: G.S. 74-54.1(c).

b. Annual report on the Bernard Allen Memorial Emergency Drinking Water Fund. October 1, 2009. Statutory Authority: G.S. 87-98(e).

c. Annual report on the Conservation Easement Program. October 1, 2009. Statutory Authority: G.S. 113A-235(c).

d. Annual report on progress towards attaining the State's goal of protecting one million acres of farmland, open space, and conservation lands. October 1, 2009. Statutory Authority: G.S. 113A-241(c)).

e. Annual report on the North Carolina Hazardous Waste Management Plan. October 1, 2009. Statutory Authority: G.S. 130A-294(i).

f. Annual report on implementation of the Resident Inspectors Program at commercial hazardous waste facilities. October 1, 2009. Statutory Authority: G.S. 130A-295.02(m).

g. Annual report on the Mercury Minimization Plan. October 1, 2009. Statutory Authority: G.S. 130A-310.57, Sec. 7.

h. Annual report on the implementation of stormwater rules and programs. October 1, 2009. Statutory Authority: GS. 143-214.7(e).

i. Annual report on the implementation of the Ecosystem Enhancement Program and use of the Ecosystem Enhancement Fund, including inventory of property and easements. November 1, 2009. Statutory Authority: G.S. 143-214.13.

j. Annual report on the cost of the Title V program. November 1, 2009. Statutory Authority: G.S. 143-215.3A(c).

k. Annual report on the compliance/enforcement of water quality laws for facilities that discharge into surface waters. October 1, 2009. Statutory Authority: G.S. 143-215.9A.

l. Semiannual report on the pilot program for inspection of animal waste management systems including a comparison of the costs of conducting operations reviews and inspections under the pilot program with the costs of conducting operations and inspections. April 15, 2010. Statutory Authority: G.S. 143-215.10D and G.S. 143-215.10F.

m. Annual report on permitting and inspecting animal waste management systems/Animal Waste Compliance Report. October 1, 2009. Statutory Authority: G.S. 143-215.10M.

n. Annual report on the effectiveness of projects funded under the Agriculture Cost-Share Program for Nonpoint Source Pollution Control. January 31, 2010. Statutory Authority: G.S. 143-215.74(e).

o. Annual report on the Community Conservation Assistance Program. January 31, 2009. Statutory Authority: G.S. 143-215.74M(e).

p. Annual report on the Dry-Cleaning Solvent Cleanup Act of 1997. October 1, 2009. Statutory Authority: G.S. 143-215.104U.

q. Annual report on the progress in developing and implementing the Coastal Habitat Protection Plan. September 1, 2009. Statutory Authority: G.S. 143B-279.8(e).

r. Annual Interagency Report on Litter Enforcement, Prevention, and Removal Efforts. March 1, 2009. Statutory Authority: G.S. 147-12(b).

s. Annual report by the Drought Management Advisory Council, including a review of drought advisories issued by the Council and any recommendations to improve coordination among local, State, and federal agencies; public water systems; and water users to improve the

management and mitigation of the harmful effects of drought. October 1, 2009. Statutory Authority: G.S. 143-355.1(g).

t. Annual report on animal waste management performance standards for swine farms, the Lagoon Conversion Program, and the Swine Farm Waste Management System Conversion Account. October 1, 2009. Authority: S.L. 2007-523, Sec.2(f).

u. Report on the feasibility study of establishing a State park in the area surrounding Rutherford Trace in McDowell County. February 1, 2009. Authority: S.L. 2008-107, Sec. 12.12.

v. Report on recommendations for water efficiency standards for in-ground irrigation systems. January 1, 2009. Authority: S.L. 2008-143, Sec. 18.

w. Report on recommendations for water efficiency standards for water-using fixtures in residential and commercial buildings. January 1, 2009. Authority: S.L. 2008-143, Sec. 18.

x. Report on the progress of the implementation of stormwater control best management practices and process water treatment processes for composting operations. December 31, 2009. Authority: S.L. 2009-322, Sec. 2.

y. Report on whether the preference for compensatory wetland and stream mitigation banks, and the preference for riparian buffer mitigation banks and nutrient offset banks create a likelihood that EEP will be unable to recoup investments. February 1, 2010. Authority: S.L. 2009-337, Sec. 5.

FURTHER STUDY OF THE ALLOCATION OF WATER RESOURCES AND THEIR AVAILABILITY AND MAINTENANCE IN NORTH CAROLINA

An Interim Report to the Environmental Review Commission
of the North Carolina General Assembly
addressing elements, issues, and methodology
to be included in the full study

By the Principal Investigators

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April 30, 2010

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Reason for study

S.L. 2007-518, which became law on 31 August 2007, directed the Environmental Review Commission (ERC), with the assistance of the Department of Environment and Natural Resources, to study and recommend measures to improve the allocation and availability of water resources in North Carolina, and authorized the ERC to hire outside consultants to assist with this study. The undersigned principal investigators (PIs), from the University of North Carolina and Duke University, carried out work between December 2007 and January 2009 to assist with the study, and submitted a final report to the ERC in January 2009. Several members of the General Assembly sponsored legislation to enact the recommendations of the PIs. The ERC determined that it is necessary to conduct further study of the allocation of water resources and their availability and maintenance in the State, with a specific focus on the information needs and processes for effective water allocation planning and hydrologic modeling. The PIs have accordingly offered to provide additional research and consultation, and the General Assembly has accepted their offer. Contract details are still being finalized at the two universities, but in accordance with the parties' agreement, the PIs hereby submit this interim report to the ERC to explain the elements, issues and methodology they plan to use in this second phase of the water allocation study.

Scope of study

The PIs will study all matters called for under their contract, and fulfill their consulting obligations as directed by the ERC, including:

a. How other states with statutory water allocation systems use planning processes, including local, regional and river-basin planning, and hydrologic models to inform their regulation of water withdrawals and consumption.

b. How current limitations in hydrologic models produced by the Department of Environment and Natural Resources can be overcome to make those models useful for water allocation and planning.

c. How current regulation of instream flows by North Carolina and its neighboring states is implemented and reviewed.

d. Be available at the request of the Co-chairs of the ERC and the Commission Counsel for the ERC for discussion with parties interested in the water allocation study.

They will deliver a draft final report to the ERC no later than December 1, 2010, and a final report no later than January 15, 2011. The final report will take into account any comment from the Co-chairs or Counsel of the ERC and any public comment received through December 15, 2010. The final report will provide information and outline options, including the advantages and disadvantages of each option, to assist the ERC in deciding whether changes should be made in the system for allocating water resources in North Carolina.

Any extensions or modifications in the scope or time frame of this study will be made by the ERC and its staff, for whom the study is principally intended.

Input and methods

The PIs, in conjunction with ERC staff, have consulted widely with persons interested in the study. They participated in five public meetings attended by over four hundred people in December, 2007 and January, 2008, in Charlotte, Greenville, Asheville, Raleigh and Wilmington. These were meetings at which anyone interested in the study was allowed to speak. A record of the comments received and subsequent written communications was kept by legislative staff. In addition, the PIs have posted their notes of the meetings on a publicly-available website, http://sogweb.sog.unc.edu/Water/index.php/Current_events, which is part of the "water wiki" to be discussed below.[1]

Since those public meetings, the PIs have been actively engaged in discussions with stakeholders from public water systems, private water systems, water users including private citizens, agricultural users, food processors and food scientists, turfgrass producers and scientists, bottlers, electric utilities, environmental public interest organizations, cities and

[1] A note on formatting: some words and phrases in this Interim Report are underlined in the printed version. This underlining indicates a hyperlink that can be followed by clicking or control+clicking in the online version of the document.

counties, state agency water managers and regulators from North Carolina, South Carolina, Georgia, Virginia, Tennessee and other states, Councils of Government, professional engineers, federal officials at the Army Corps of Engineers, the U.S. Environmental Protection Agency, the U.S. Department of the Interior, and scholars who study water resources from UNC and Duke, other United States universities and think tanks, and other countries including Australia, Austria, Canada, France, Germany, Great Britain, the Netherlands, Norway, and Sweden.

The PIs have also sponsored a seminar series, with co-sponsorship from the Water Resources Research Institute, that has brought and continues to bring experts on water resources to North Carolina to share ideas and stimulate discussion. The schedule and record of the seminars is available here: http://sogweb.sog.unc.edu/Water/index.php/Water_allocation_research_seminars_%28WARS%29 .

On the basis of their own knowledge and this input, the PIs propose to carry out the study in 2010 as follows. The methods and resources needed for future, more narrowly focused research will be discussed and explained in the 2010 final report.

Other states' and interstate organizations' planning processes

The PIs will summarize and evaluate planning processes, the use of hydrologic models, and their relationship to water withdrawal permitting in the southeastern United States, including Florida, along with summaries and evaluation of water resource planning in several interstate organizations such as the Delaware, Susquehanna and Potomac river commissions.

Hydrologic models in North Carolina

North Carolina's Division of Water Resources, within the Department of Environment and Natural Resources, has already begun building models of water availability using projections based on local water supply plans. In addition, the electric power utilities and certain water suppliers in the state have built their own models for water availability. The PIs will summarize and assess the ability of these models to provide reasonably accurate bases for legislative decisions about where to focus efforts on water allocation, and to provide local water providers and users with the assurances they need about water supplies.

Instream flows

A critical element of water planning in North Carolina, as identified by the PIs in the first phase of the water allocation study, is how the state will decide the amounts and timing of water to keep in streams and reservoirs to support instream uses, such as recreation and aquatic

habitat. The PIs will summarize and provide advice on North Carolina's emerging approach to instream flow regulation, and compare it to other states.

The Water Wiki

The PIs have set up a unique website, called the "water wiki," where they compile their findings. The unique thing about the website is that anyone can quickly see, comment on and even change the information on the website. However, the site keeps track of changes, and alerts anyone who is interested when anything on a given web page within the site is changed. Changes are easily reverted. So the water wiki can serve as a collaborative space for discussion, debate and hopefully consensus on the many controversial aspects of water allocation and management. The portal for the water wiki is:

http://water.unc.edu

and the links embedded in this document point to particular wiki pages. As of April 28, 2010, there had been 5,012 edits of 890 pages in 214 articles and there were 387 registered users of the water wiki. One hundred six of its pages had been viewed over 10,000 times.

The study team

The PIs will continue to draw on the strong resources of their respective academic institutions for expertise and assistance with the water resource information needs of the ERC during the study period.