



August 19, 2016

Ms. Kim Nimmer
Water Supply Planning Branch
N.C. Division of Water Resources
1611 Mail Service Center
Raleigh, North Carolina 27699-1611

Subject: IBT Report for 2015

Dear Ms. Nimmer:

We are sending our calendar year 2015 IBT Annual Report. We are also transmitting this report to you electronically. The report follows the format of earlier reports and includes a narrative section with background and program progress reports along with spreadsheets detailing the IBT amount calculation.

For calendar year 2015, we experienced an actual maximum day IBT based on June billing data of 24.19 mgd. Of our authorized 33 mgd IBT, this value was approximately 73%. The average IBT was 16.59 mgd, approximately 50% of authorized IBT.

As of December 31, 2015, there were additional outstanding IBT commitments of 1.58 mgd. This total takes into account permitted donated projects (largely subdivisions) and non-activated master metered connections. We are aware of the impact of these additional flows on our current IBT.

Please let me know if you have any questions.

Sincerely,

CHARLOTTE WATER

A handwritten signature in blue ink, appearing to read "Keri B. Cantrell".

Dr. Keri B. Cantrell, PE
Senior Engineer – Planning Section



*Charlotte Water
Annual Report on Interbasin Transfer
Calendar Year 2015*

INTRODUCTION

The North Carolina Environmental Management Commission (EMC) approved Charlotte Water's (CLTWater's) petition to increase the amount of water transferred from the Catawba River basin to the Rocky River basin. An interbasin transfer (IBT) Certificate was issued on March 14, 2002, that authorizes CLTWater to transfer up to 33 million gallons per day (mgd) between the river basins.

The IBT Certificate requires CLTWater to report maximum daily IBT amounts annually to the North Carolina Division of Water Resources (NC DWR) until such time as the transfer amount exceeds 80% of the authorized amount. Once that amount is exceeded, CLTWater is required to report monthly. CLTWater has not exceeded 80% of the authorized IBT amount.

SYSTEM OVERVIEW

CLTWater operates the water and wastewater systems that serve Charlotte, Cornelius, Davidson, Huntersville, Mint Hill, Matthews, Pineville, and much of the unincorporated areas of Mecklenburg County. This system is divided between two river basins designated by NC General Statutes for regulation of IBT water. The western portion of the system is within the Catawba River basin and the eastern portion is within the Rocky River basin. Water transferred from the Catawba River basin to the Rocky River basin that is not returned to the Catawba river basin is regulated IBT.

Water for distribution to CLTWater's customers is withdrawn from the Catawba River basin at two locations. An intake at Lake Norman sends water to the Lee S. Dukes Water Treatment Plant. A second intake at Mountain Island Lake sends water to the Walter M. Franklin Water Treatment Plant and to the Vest Water Treatment Plant. Potable water from these three plants is delivered through an interconnected distribution system to retail customers throughout CLTWater's service area in Mecklenburg County and in small areas of Iredell, Cabarrus, and Union Counties. CLTWater also provides wholesale water to municipal systems for resale including: City of Concord (NC), Town of Harrisburg (NC), Union County (NC), York County Water & Sewer Authority (SC), and Lancaster County Water and Sewer District (SC).

CLTWater treats wastewater at five advanced wastewater treatment plants (WWTP's) that discharge into small streams in Mecklenburg County. Four of the streams are tributary to the Catawba River basin and one (Mallard Creek) is tributary to the Rocky River basin. CLTWater also conveys wastewater generated in portions of Mecklenburg County to the Rocky River Regional Wastewater Treatment Plant (RRRWWTP) operated by the Water and Sewer Authority of Cabarrus County (WSACC). The RRRWWTP discharges treated effluent to the Rocky River.



IBT MONITORING

Water supplied to CLTWater's retail customers in the Rocky River Basin, that is not returned to the Catawba basin, is included in the reported IBT amounts. Water provided to municipalities with service areas in the Rocky River basin includes the City of Concord and the Town of Harrisburg.

CLTWater can transfer treated potable water to the City of Concord through three metered connections to their water system. All of Concord's service area is within the Rocky River basin, so any water purchased by them becomes an IBT. Water service is only provided as an emergency back-up to Concord's routine supply, which is Lake Howell and several smaller reservoirs. All of these reservoirs are within the Rocky River basin. Wastewater from Concord is treated at the RRRWWTP. CLTWater's agreement with Concord is that water will be supplied to them subject to availability and subject to regulatory constraints including IBT and Federal Energy Regulatory Commission (FERC) limitations.

Concord received an IBT Certificate in January 2007, for the transfer of up to 10 mgd from the Catawba River basin to the Rocky River basin. NC DWR advised CLTWater that water sold to Concord should not be applied to CLTWater's IBT amount. For calendar year 2015, Concord did not purchase any water. Therefore, the average day IBT estimate was not adjusted to reflect this potential consumption.

CLTWater can transfer treated potable water to the Town of Harrisburg through three metered connections to their water system. Harrisburg's service area is entirely within the Rocky River basin and is included in CLTWater's IBT amounts. Since 2013, the Town of Harrisburg increased its average daily consumption by 40%.

Table 1 summarizes actual IBT amounts for calendar years 2002 through 2015 (all amounts were calculated using the methodology approved by NC DWR in June of 2006). The table considers the daily amounts of water transferred from the Catawba River basin to customers within the Rocky River basin that is not returned to the Catawba River basin.

The maximum average monthly IBT for calendar year 2015 was 24.19 mgd in June, which was 73.3% of the authorized IBT of 33 mgd. The average IBT for 2015 was 16.59 mgd, 50.3% of the authorized IBT. In addition to the actual amount of IBT reported in Table 1, CLTWater has committed to provide IBT to development that has been proposed but has not yet been activated within the Rocky River basin. As of December 31, 2015, 0.66 mgd was committed to permitted donated projects (subdivisions) that have not been activated and 0.93 mgd was committed to master meter connections (generally commercial or multi-family developments) that have not been activated, both commitments are based on maximum day estimates. The combined actual plus committed maximum day IBT for 2015 was 25.77 mgd, approximately 78% of the authorized IBT. The notable increase of consumption from 2013 to 2015 was attributed to weather conditions, increasing demand as well as continual improvement in CLTWater's analysis of customer account data. Of note, the maximum day IBT may be artificial as there was a realignment of the billing cycle in early Spring 2015; therefore, pumping and consumption values may have taken a few months to coincide to a true monthly "water in vs. water out".



Table 1: Actual IBT Summary

Calendar Year	Avg. Annual IBT (mgd)	Max. Day IBT (mgd)
2002	6.74	11.97
2003	6.91	9.82
2004	7.79	12.56
2005	8.66	13.79
2006	9.56	14.35
2007	9.96	17.22
2008	11.39	17.42
2009	12.04	16.00
2010	13.33	18.33
2011	13.11	18.82
2012	12.18	17.67
2013	12.99	16.80
2014	15.02	21.44
2015	16.59	24.19

COMPLIANCE WITH CERTIFICATE CONDITIONS

Condition 1: S.W.I.M. Program Summary

Mecklenburg County is required to annually summarize progress in implementation of watershed management approaches of the Surface Water Improvement and Management Program (S.W.I.M. program). Provided below is the summary of progress made during CY2015. The Division of Water Resources shall have the authority to approve modifications to and need for continued reporting as necessary.

During CY2015, watershed management approaches continued to be implemented as part of Mecklenburg County's S.W.I.M. Program. Efforts continued to focus on McDowell and Goose Creeks, as initiated in 2007, as well as on the South Prong and West Branch of the Rocky River in Davidson that began in 2009. During calendar year 2015, the following work was completed in the three (3) watersheds:

McDowell Creek (including the Torrence Creek Tributary to McDowell Creek)

- 1. The restoration of a 2.5-mile section of McDowell Creek from Birkdale to Gilead Road is complete.*
- 2. The restoration of a section of Torrence Creek at The Park Huntersville is under design. Easement acquisition is ongoing.*

Goose Creek (including the Stevens Creek Tributary to Goose Creek)

1. Easement negotiations are ongoing for the restoration of approximately two (2) miles of Stevens Creek. A survey and design firm has been selected and is under contract for the project. Charlotte-Mecklenburg Storm Water Services (CMSWS) will partner with the U.S. Fish and Wildlife Service (USFW) and the Mecklenburg County Park and Recreation Department to ensure the project will include features that will contribute to heelsplitter habitat. CMSWS is working closely with Charlotte Water to improve the discharge from several sewage package plants in the area.

Rocky River

1. Easement negotiations are ongoing for the restoration of a tributary of the South Prong of the West Branch of the Rocky River.

Condition 2: Stakeholder Process (Completed)

A stakeholder process is required to investigate, develop, adopt, and implement storm water ordinances that control water quantity from single-family development and water quality for all development until completed. The requirements of Condition 2 were completed in 2007.

Condition 3: Goose Creek Subbasin (Completed)

The IBT Certificate removed the Goose Creek subbasin from the area to be served by the IBT, and imposed a moratorium on the installation of new IBT water lines (water lines crossing the ridgeline) into Goose Creek subbasin until the impacts of additional growth on the endangered species were fully evaluated.

CLTWater submitted the final Environmental Assessment of new development in the Goose Creek basin (Mint Hill area) to the NC Division of Water Resources (DWR) in February of 2013. The Environmental Management Commission approved the Environmental Assessment in May of 2013 and has removed the requirements under Condition 3.

Condition 4: Environmental Management Commission

The IBT Certificate provides that the Environmental Management Commission may reopen the Certificate under certain circumstances. This did not occur in 2015.

Condition 5: Compliance and Monitoring Plan

The IBT Certificate requires CLTWater to develop a compliance and monitoring plan for reporting maximum daily transfer amounts, compliance with certificate conditions, and progress on mitigation measures, and drought management activities. CLTWater's monitoring plan and reporting format were approved in June of 2006 by NC DWR and continue to be used for 2015.



The Charlotte Mecklenburg Utility Department monitored water treatment plant pump rates, streamflow and lake storage indicators, the US Drought Monitor, and other factors in accordance with the CLTWater Water Shortage Response Plan. Measurements were assessed monthly to identify designated triggers that could indicate developing drought conditions. All appropriate planning, communication and preparation were in place to respond as needed to changing conditions.

In coordination with 17 other utilities in the Catawba-Wateree river basin, CLTWater participated in regional drought response planning and response activities as directed by the Catawba Basin Low Inflow Protocol.

SUMMARY

The actual maximum day amount of water transferred from the Catawba River basin to the Rocky River basin was 24.19 mgd, which was 73.3% of the authorized maximum day value of 33 mgd. The combined total of actual and outstanding IBT volumes was 25.77 mgd, which was 78.1% of the authorized maximum day value. CLTWater was in full compliance with IBT authorizations and compliance conditions for calendar year 2015.