

Minutes
Environmental Protection Committee
2 Martin Luther King, Jr. Drive, S.E.
Suite 1252 East Tower
Atlanta, GA 30334

March 24, 2015

Attending:

Committee Members

William Bagwell, Chairman
Dwight Evans, Vice Chairman
Dwight Davis
Phyllis Johnson
Aaron McWhorter
Mike Phelps
Ray Lambert, Jr., Board Chair, ex-officio

Board Members

Duncan Johnson, Jr.
Paul Shailendra
Bodine Sinyard
Philip Watt
Philip Wilheit
Dee Yancey

Visitors

Debbie Phillips, Georgia Industry Environmental Coalition
Andrew Schols, TCF
Doug Miell, Georgia Chamber
Harold Rehies, Joe Tanner and Associates
Ronny Just, Georgia Power
Bryan Tolar, Georgia Agribusiness
Abit Massey, Georgia Poultry Federation
Walter Jones, Morris News Sun
John Eberhart, Georgia Earth Alliance
Kevin Jeselnik, Chattahoochee Riverkeeper
Chris Manganiello, Georgia River Network
Mike Giles, Georgia Poultry Federation

Staff Members

Mark Williams
Walter Rabon
Dave Crass
Eddie Henderson
Spud Woodward
Steve Friedman
Kyle Pearson
Mary Kathryn Yearta
Cathy Barnette
Taylor Brown
John Biagi
John Bowers
Mike England
Jon Ambrose
Mary Walker
Trip Addison
Doralyn Kirkland
Jac Capp
Karen Hayes
Mark Whitney
Wally Woods
Thomas Barnard
Jeff Weaver
Thom Litts

The March 24, 2015 meeting of the Environmental Protection Committee was called to order by Chairman Ray Lambert.

Mary Walker, Assistant Director of the Environmental Protection Division, was attending the meeting in the absence of Director Jud Turner.

Chairman Lambert called on William Bagwell, Chairman of the Environmental Protection Committee, who called on Karen Hayes, Air Protection Branch, to brief the Committee on the proposed amendments to the Rules for Air Quality Control, Chapter 391-3-1, pertaining to permit fees.

Ms. Hayes stated EPD recommends the dollar-per-ton rates remain the same as the previous year at \$37.34/ton for coal-fired power plants and \$35.50/ton for all other facilities for CY 2014. She further stated fees have remained steady for the past couple of years and EPD intends to keep the fees the same this year.

Ms. Hayes stated a public hearing will be held in April and EPD anticipates requesting adoption of the rule changes by the DNR Board at the May 2015 meeting.

Chairman Lambert asked what year EPD anticipated changing the structure of the permit fees.

Mary Walker, Assistant Director of EPD, stated changes will be required in time to avert a financial shortfall projected for FY18. She further stated EPD will be working with stakeholder groups to identify additional sources of revenue for the program.

Ms. Walker stated the Clean Air Act requires emission fees be charged to run the program. She further stated EPA assumed that a permit fee of \$25/ton, adjusted to the CPI, would be necessary to fund the required permit fee program. She added the state has been able to manage at a lower level of growth but are required to charge enough fees to run the program.

Chairman Bagwell called on Ms. Hayes to brief the Board on the proposed amendments to the Rules for Air Quality Control, Chapter 391-3-1, pertaining to miscellaneous changes and updates.

Ms. Hayes stated EPD regularly updates rules to incorporate changes to US EPA rules, update references to the most current documents and clarify requirements.

Ms. Hayes stated "Permit Requirements" is being amended to remove Catoosa and Walker counties from the list of nonattainment new source review permitting requirements. She further stated the definition of "Volatile Organic Compound," "Procedures for Testing and Monitoring Sources of Air Pollution," "Commercial and Industrial Solid Waste Incinerators," "New Source Performance Standards," "Emission Standards for Hazardous Air Pollutants," and "Title V Operating Permits" are all being updated to match current federal rules.

Ms. Hayes stated a public hearing will be held in May and EPD anticipates requesting adoption of the rule changes by the DNR Board at the June 2015 meeting.

Chairman Bagwell called on Jac Capp, Chief of the Watershed Protection Branch, to re-brief the Committee on the proposed amendments to Rules Related to Drought Management (Amending the Rules for Outdoor Water Use, Chapter 391-3-30; Rules for Groundwater Use, Chapter 391-3-2; and Rules for Water Quality Control, Chapter 391-3-6).

Mr. Capp stated EPD presented the proposed Rules for Drought Management to the Committee and Board at its January 13, 2015 meeting. He further stated at this briefing one attendee requested that EPD treat golf course superintendents similar to the way landscape professionals are treated in regard to new turf installations and maintenance of irrigation systems. He added since that time, EPD identified several housekeeping corrections and minor clarifications necessary to ensure clarity in the proposed rule.

Mr. McWhorter asked Mr. Capp to clarify the difference between Drought Level 2 and Drought Level 3.

Mr. Capp stated Level 2 reduced watering to two days a week for general lawn maintenance. He further stated the Water Stewardship Act identifies specific categories of outdoor water use that are allowed in Level 2. He added this could be made clear in the Rules before the public notice period.

Chairman Bagwell stated there were two speakers.

Chairman Bagwell called on Bryan Tolar, Georgia Agribusiness Council, who commented on the rule change.

Chairman Bagwell called on Mike Giles, Georgia Poultry Federation President, who commented on the rule change.

Chairman Bagwell asked Mr. Capp to comment on the speakers' remarks.

Mr. Capp stated the proposed rules allow the specific categories of outdoor water use at Drought Level 1 or Drought Level 2. He further stated at Drought Level 3, specific categories of outdoor water use are subject to additional requirements.

Mr. Capp stated at the highest level of drought, EPD may post numeric reductions on a case by case basis for water systems. He further stated information is built into the rule to take into account industrial users if EPD were to set a numeric reduction requirement.

Ms. Johnson asked Mr. Capp to clarify the Rule's intention to target consumptive users.

Mr. Capp stated the overall approach of the rule overwhelmingly targets consumptive use. He further stated the parts of the rule which could impact non-consumptive use, such as numeric

reductions requirement on a public water system, would impact consumptive and non-consumptive use. He added the provision included in this section of the rule is that EPD will look at the peaking factor of a public water system prior to setting any numeric reductions.

Chairman Bagwell asked if the public notice would be sent to public utilities and therefore encouraging them to get involved during this process.

Mr. Capp stated EPD was involved in a very robust stakeholder process that included utility representatives over the past year. He further stated many positive comments have been received and EPD will continue to listen to all comments very carefully.

Ms. Walker stated EPD has learned a lot from the most previous drought in Georgia. She further stated the Watershed Protection Division has worked very hard on these proposed rules to make this approach much more manageable and thoughtful for each water system. She added this is an effort to be fair to all parties involved.

Mr. McWhorter thanked Mr. Capp and the Watershed Branch for his work on these rules and discussed the consumptive use of water.

Mr. Wilheit asked Mr. Capp to explain EPD's stance on rain-water recycling systems. Mr. Capp stated they are phenomenal.

Mr. Sinyard asked Mr. Capp to explain the involvement of the regional water councils in this process so far.

Mr. Capp stated three public meetings were held and lots of comments were received. He further stated the metro district commented on the proposed rule but he was not sure if any regional councils attended or commented.

Chairman Lambert commented on the geographical approach of looking at each issue on a case by case basis.

Mr. Capp stated the Rule specifically has a two-layered approach to deal with this issue. He further stated the rule enables EPD to look much more precisely in a given area to see if there is a problem. He added the second layer is that if a public water system believes they should not have been included, the rule has provisions for the public water system to request a variance and the statute has included language that allows EPD only seven days to respond to the variance.

Ms. Walker stated it is important for the state to have a rule to address drought management. She further stated EPD was tasked to create this rule in 2008 and it was reiterated in Water Stewardship Act of 2010.

Chairman Bagwell stated that he appreciates everyone's interest and questions for the proposed rule. He further stated he would request that Board members be advised when public meetings are scheduled.

Chairman Bagwell called on Mr. Capp to brief the Committee on the proposed Rules for Public Water Systems to Improve Water Supply Efficiency, Chapter 391-3-33.

Mr. Capp stated this particular rule is a part of the Georgia Watershed Stewardship Act of 2010. He further stated one element of the Water Stewardship Act is to create Rules to encourage public water systems to develop and improve water loss abatement programs. He added it specifically mandates that EPD have rules for minimum standards and best practices for monitoring and improving the efficiency and effectiveness of water use by public water systems and to develop a technical assistance program to provide guidance to public water systems for water loss detection programs.

Mr. Capp stated the Rule applies to public water systems that regularly serve 3,300 or more individuals. He further stated the three basic features of the program include the Water Loss Audit Program, the Water Loss Control Program and Demonstration of Progress.

Mr. Capp stated the Water Loss Audit Program will be in accordance with the Georgia Water System Audits and Water Loss Control Manual and AWWA Water Audit Software due March 1 of each year. He further stated it will be conducted by someone with proper training and demonstrated knowledge, skills and ability. He added if the quality of the audit is poor, EPD may require the system to have it reviewed and resubmitted by a third party.

Mr. Capp stated the Water Loss Control Program will need to be developed by the water system by July 1, 2016. He further stated it should establish individualized goals to set measures of water supply efficiency and to improve the water supply efficiency.

Mr. Capp stated the demonstration of process aspect of the rule involves systems making progress toward improving water supply efficiency. He further stated this may be demonstrated through process and performance measures or by demonstrating that further improvements are not cost effective. He added the demonstration of progress will be reviewed by EPD whenever the system submits an application to renew or increase the water withdrawal permit or increase the number of permitted water system connections.

Mr. Capp stated a public hearing will be held in April and EPD anticipates requesting adoption of the rule at the June 24, 2015 Board meeting.

Dr. Watt asked Mr. Capp to explain the most common reasons for water loss among municipal systems.

Mr. Capp stated number of pipes in each system and the age of those pipes. He further stated it is very expensive to fix older pipes and municipal systems need to be incentivized to make the capital investments it takes to make these improvements.

Chairman Bagwell asked Mr. Capp to further explain the process of municipal systems completing the audit in order to increase their permit.

Mr. Capp explained the audit is required by all public systems in state law. He further explained this directive establishes minimum standards and best practices for monitoring and improving the efficiency and effectiveness of water use.

Chairman Bagwell asked Mr. Capp to clarify the demonstration of progress aspect of the Rule if the municipal system were to demonstrate that further improvements are not cost effective.

Mr. Capp stated the municipal system must demonstrate that further improvements are not cost effective and that they have demonstrated progress. He further stated EPD must concur with this assessment.

Mr. McWhorter asked Mr. Capp if EPD would be establishing guidelines to explain the conditions where EPD would concur with this assessment.

Mr. Capp stated the Water Loss Control Manual and Water System Audit will contain these guidelines.

Discussion ensued on municipal systems failing to demonstrate progress which could result in EPD denying the request to increase water withdrawal or resulting in reduction of the water withdrawal permit.

Mr. McWhorter commented on water loss.

Chairman Bagwell stated that with no further business, the meeting was adjourned.