## REPORT OF THE

## STATE WATER COMMISSION

## TO THE GOVERNOR AND THE GENERAL ASSEMBLY OF VIRGINIA



## **REPORT DOCUMENT NO. 186**

COMMONWEALTH OF VIRGINIA
RICHMOND
2017

### **MEMBERS**

Delegate Thomas C. Wright, Jr., Chairman Senator Frank W. Wagner, Vice-Chairman

> Senator Lynwood W. Lewis, Jr. Senator Frank M. Ruff, Jr. Senator William M. Stanley, Jr. Senator Richard H. Stuart

Delegate David L. Bulova Delegate T. Scott Garrett Delegate Barry D. Knight Delegate Daniel W. Marshall, III Delegate John M. O'Bannon, III Delegate Luke E. Torian Delegate R. Lee Ware, Jr.

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# STATE WATER COMMISSION EXECUTIVE SUMMARY

The following executive summary serves as the 2017 Report of the State Water Commission. This report will be filed as a state document.

#### I. Background and Deliberations

The State Water Commission (the Commission) is a 15-member legislative body established by statute that is charged with (i) studying all aspects of water supply and allocation problems in the Commonwealth, (ii) coordinating the legislative recommendations of all state entities that have responsibilities with respect to water supply and allocation issues, and (iii) annually reporting its findings and recommendations to the General Assembly and the Governor. In 2016, the Commission met twice and heard testimony regarding the state of the Chesapeake Bay, the progress of the Eastern Virginia Groundwater Management Advisory Committee, and the study of Virginia's water resource planning and management carried out by the Joint Legislative Audit and Review Commission.

#### 1. Meeting Proceedings, August 24, 2016

The Commission held its first meeting of the interim in Richmond on August 24, 2016. Delegate Wright began the meeting with the nomination and election of Senator Frank W. Wagner as vice-chairman of the Commission. Delegate Wright acknowledged the passing of the former vice-chairman, the late Senator John C. Miller, and he led the Commission in a moment of silence in Senator Miller's memory. Delegate Wright recognized Marty Farber for his years of work staffing the Commission and offered opening remarks on the two charges of the Commission: studying all aspects of water supply problems in Virginia and coordinating the legislative recommendations of all responsible state agencies.

Mr. Jamie Bitz, Chief Legislative Analyst, Joint Legislative Audit and Review Commission (JLARC), gave a presentation on the status of the JLARC study of Virginia's water resource planning and management. The study was called for by House Joint Resolution 623 of the 2015 Session of the General Assembly. Members asked what the study would show, specifically relating to possible reductions in withdrawal amounts for large permit holders in Eastern Virginia. Mr. Bitz indicated that there were about two months left in the study and that JLARC would present the final report on October 11, 2016.

Mr. Mark Rubin, facilitator for the Eastern Virginia Groundwater Management Advisory Committee (the Advisory Committee), gave a presentation on the work of the Advisory Committee. Mr. Rubin stated that the members are working toward their goal of helping the Commission and the Department of Environmental Quality (DEQ) develop, revise, and implement a management strategy for groundwater in the eastern part of the state. Most of the Advisory Committee's work was being done by five work groups, and Mr. Rubin indicated that the work groups planned to make their recommendations by the end of 2016. The report of the Advisory Committee is due to DEQ and the Commission by August 2017.

Mr. Russell Baxter, Deputy Secretary of Natural Resources for the Chesapeake Bay, spoke to the Commission on Virginia's approach to meeting the Chesapeake Bay restoration goals. Mr. Baxter reported that although challenges remain, the Commonwealth is making progress. He discussed the various deadlines approaching over the next two years and provided

highlights of some of the approaching milestones, and he also discussed the status of the livestock stream exclusion program, the funding needed to continue the agricultural best management practices cost-sharing program, stormwater, and other topics. Members asked about the possible benefits of the proposed Hampton Roads Sanitation District water treatment and injection project.

Ms. Ann F. Jennings, the Virginia Director of the Chesapeake Bay Commission, gave a presentation on regional progress in the Chesapeake Bay restoration. The focus of her presentation was on the efforts of Maryland and Pennsylvania, both states upstream of Virginia, to implement the reduction goals. Ms. Jennings noted that the Chesapeake Bay region was meeting its targets for the reduction of nitrogen, phosphorous, and sediment in wastewater but that it was behind schedule in reducing those elements in stormwater (as well as in reducing nitrogen and sediment in agricultural runoff).

#### 2. Meeting Proceedings, November 30, 2016

The Commission's second meeting of the interim on November 30, 2016, began with the presentation by Mr. Bitz of an overview of the JLARC study of Virginia's water resource planning and management. The study, which was released in October, concluded that water resource planning is too vague and insufficiently aligned with where water is being used to address sustainability problems. The study offered a variety of recommendations, including several related to groundwater in Eastern Virginia.

Members had a number of questions and comments for Mr. Bitz. Senator Frank W. Wagner asked about the amount of time that the Hampton Roads Sanitation District (HRSD) injection project was expected to take and about the halted King William reservoir project. Delegate Daniel W. Marshall noted the difficulty in obtaining permits from the Army Corps of Engineers, and Delegate T. Scott Garrett asked clarifying questions about withdrawal amounts in Eastern Virginia. Delegate David L. Bulova asked about regional coordination and the ability of the state to deny an industrial applicant in favor of an anticipated public withdrawal permit application. Delegate Wright asked whether going so far as to eliminate the withdrawals by the large paper companies would solve the problem, and Mr. Bitz stated that it probably would not. Delegate Wright then asked about long-term solutions other than the HRSD project, and Mr. Bitz noted that although wastewater could theoretically be reused, the regulatory prohibitions make the cost high.

Mr. David Paylor, Director of the Department of Environmental Quality (DEQ), then offered an update on initiatives involving DEQ and spoke on the JLARC report. He noted that DEQ is now in discussions with the 14 facilities that are the largest withdrawers in Eastern Virginia and that DEQ is working with each facility, moving in a positive direction to identify what is possible and minimize negative impacts of reducing withdrawals. At the direction of the General Assembly, DEQ has also been participating in the Eastern Virginia Groundwater Management Advisory Committee (the Advisory Committee) and its work groups, and the Advisory Committee will submit its report next year. Mr. Paylor commented on the HRSD project, noting that the permitting is exclusively federal and that it will be about 30 years before the effects are seen.

Delegate Marshall asked about the extent of the Potomac Aquifer. In response to a further question from Delegate Marshall, Mr. Paylor indicated that it would be possible but quite

expensive to treat the water discharged by the paper companies to drinking-water standards. Senator Wagner asked about the timeline for the HRSD project and the fate of the King William reservoir project. Senator Frank M. Ruff, Jr., asked about the presence of the large withdrawers in the Advisory Committee work groups and the use of recycling by the paper companies. Delegate Bulova asked about the possibility of federal delegation of responsibility for permitting the HRSD project and similar activities, and Mr. Paylor stated that, without resources, DEQ was not looking to take on such responsibilities.

Mr. Paylor added that although his agency does not have positions on the policy recommendations contained in the JLARC report, it is in agreement with the report's technical assessments. He noted that DEQ is currently improving or planning to improve several of the processes that are critiqued in the report. In some cases, DEQ lacks the time and resources required to make the proposed changes. He stated that DEQ has been unable to figure out how, within its authority, to implement the statutory priority for human consumptive use of water and that the agency would need guidance on that topic.

Further questions from members followed. In response to a question from Delegate Garrett, Mr. Paylor stated that DEQ had weighed in at the federal level on behalf of the HRSD project several times.

#### II. Conclusion

The Commission did not make a formal recommendation to the General Assembly.

Additional information about the State Water Commission's activities is available through its website at http://dls.virginia.gov/commissions/swc.htm.

Respectfully submitted,

Delegate Thomas C. Wright, Jr., Chairman Senator Frank W. Wagner, Vice-Chairman Senator Lynwood W. Lewis, Jr. Senator Frank M. Ruff, Jr. Senator William M. Stanley, Jr. Senator Richard H. Stuart Delegate David L. Bulova Delegate T. Scott Garrett Delegate Barry D. Knight Delegate Daniel W. Marshall, III Delegate John M. O'Bannon, III Delegate Luke E. Torian Delegate R. Lee Ware, Jr. Mr. Lamont W. Curtis, P.E. Mr. Richard A. Street