



2023-2024 General Assembly

# SENATE BILL 802: C-PACE Program, Sec. 5.1: Modernize Wastewater Permitting to Support Environmentally Sound Economic Development

**Committee:**  
**Introduced by:**  
**Analysis of:** Sec. 5.1 of S.L. 2024-44

**Date:** August 27, 2024  
**Prepared by:** Jennifer McGinnis  
Staff Attorney

**OVERVIEW:** *Sec. 5.1 of S.L. 2024-44: (i) repeals a provision enacted in 2023 that required the Department of Environmental Quality (DEQ) to permit discharges of highly treated domestic wastewater to surface waters of the State where the 7Q10 flow or 30Q2 flow<sup>1</sup> of the receiving waterbody is estimated to be low flow or zero flow if the wastewater treatment system is capable of meeting specific water quality-based effluent limitations for nine listed parameters<sup>2</sup>; and (ii) in lieu, requires DEQ and the Environmental Management Commission (EMC) to, no later than August 1, 2024, develop and submit to the United States Environmental Protection Agency (USEPA) for USEPA's approval draft rules that establish methodologies and permitting requirements for the discharge of treated domestic wastewaters with low risk following site-specific criteria to surface waters of the State where the 7Q10 flow or 30Q2 flow of the receiving water is estimated to be low flow or zero flow, or under certain conditions non-existent, as determined by the United States Geological Survey. Within 20 days of the date USEPA approves these draft rules, the EMC must initiate the process for temporary and permanent rulemaking.*

*In addition, the section:*

- Requires that DEQ, in conjunction with the North Carolina Collaboratory at the University of North Carolina at Chapel Hill (Collaboratory), convene a Wastewater General Permit Working Group (Working Group), no later than September 1, 2024, consisting of DEQ and Collaboratory staff and a maximum of five consulting experts appointed by the Director of the Collaboratory in the fields of environmental regulation, wastewater regulation, water quality regulation, and wastewater treatment regulation, to develop the draft rules for the implementation of a Wastewater Treatment and Discharge General Permit process for the State. The Working Group must report its findings to the Environmental Review Commission (ERC) no later than March 15, 2025. Following consideration by the ERC, and after making any changes required by the ERC, DEQ must develop and submit proposed rules to USEPA for its approval. Within 20 days of the date USEPA approves these draft rules submitted, the EMC must initiate the process for temporary and permanent rulemaking.*
- Requires that DEQ and the EMC report on their activities conducted pursuant to the legislation to various legislative committees and commissions, beginning September 1, 2024, and quarterly thereafter, until such time as the permanent rules required by the legislation have become effective.*

<sup>1</sup>Methods to calculate the minimum average flow of a receiving water.

<sup>2</sup>G.S. 143-215.1(c8); Section 12.9 of S.L. 2023-134

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*This section became effective July 8, 2024.*