

Great Lakes—St. Lawrence River Basin Water Resources Council
Meeting Summary
December 8, 2017
2:45 p.m. EST

Notice:

Notice of the meeting was provided to the public through the Great Lakes Information Network's distribution list on November 8, 2017. Notice was also posted to the Great Lakes-St. Lawrence River Water Resources Council (Compact Council) website at www.glscompactcouncil.org. The notice included an announcement that the meeting agenda, draft resolutions and materials to be discussed during the meeting were available on the Compact Council's website. Call-in information was also posted to the front page of the Compact Council website.

Call of Meeting:

2:55 p.m. EST— The meeting was called to order by Grant Trigger, alternate of Michigan Governor Rick Snyder.

Roll Call:

The following Compact Council members, constituting a quorum, were present:

Illinois (alternate of Governor Bruce Rauner): Dan Injerd, Director, Office of Water Resources, Illinois Department of Natural Resources.

Indiana (alternate of Governor Eric Holcomb): Chris Smith, Deputy Director, Indiana Department of Natural Resources.

Michigan (alternate of Governor Rick Snyder): Grant Trigger, Michigan Cleanup Manager, RACER Trust.

Minnesota (alternate of Governor Mark Dayton): Julie Ekman, Conservation Assistance and Regulations Section Manager, Minnesota Department of Natural Resources.

New York (alternate of Governor Andrew Cuomo): Don Zelazny¹, on behalf of James Tierney, Assistant Commissioner, New York State Department of Environmental Conservation.

Ohio (alternate of Governor John Kasich): James Zehringer, Director, Ohio Department of Natural Resources.

Pennsylvania (alternate of Governor Tom Wolf): Tim Bruno, Chief, Office of the Great Lakes, Pennsylvania Department of Environmental Protection

Wisconsin (alternate of Governor Scott Walker): Adam Freihoefer¹ on behalf of Dan Meyer, Secretary, Wisconsin Department of Natural Resources.

¹ Signed proxy forms for individuals participating on behalf of official member alternates are available upon request.

Actions Taken

Review of June 21, 2017 Compact Council meeting minutes

Mr. Zehringer requested that the June 21, 2017 Compact Council meeting minutes be approved as posted. Mr. Freihoefer seconded the motion. The minutes were approved without objection.

Reports

Noting that the Regional Body meeting adjourned immediately prior to the Compact Council meeting, a motion was made by Mr. Injerd to incorporate minutes of the Regional Body reports into the Compact Council minutes. Mr. Smith seconded the motion. The motion was approved. Pursuant to the approved motion, the following reports are incorporated by reference into the Compact Council's record and re-printed in their entirety below:

State updates on implementation of the Great Lakes—St. Lawrence River Basin Water Resources Compact (Compact).

Illinois

Mr. Injerd reported that Illinois recently reengaged in regional water supply planning. Since 2006, this process had been disrupted by budget challenges. The State has contracted with the NE Illinois regional planning commission to update this plan. He said that water demand forecasting will be a major component. Illinois has also initiated a comprehensive update of its Lake Michigan allocation program, the first since 2007-8. Mr. Injerd then provided recent conservation and efficiency report highlights: Reductions in total Lake Michigan domestic water use down 23 million gallons/day from 2015, with reductions attributed to rapidly escalating price combined with conservation and efficiency awareness particularly in on Chicago. Over 4 years, there have been 5 significant flooding events, including one in summer 2017 in Northeastern Illinois. Annual precipitation is above norm, yet the State's diversion continues to stay well within the US Supreme Court Consent Decree.

He mentioned that Illinois is now two years into a significant revision of its registration program for Lake Michigan. The State implemented AWWA methods for non-revenue water use loss. 2016 was the second year under this scheme, and it decreased the number of communities exceeding the standard, while regional average decreased, but a substantial number still exceed the 12% standard. Mr. Injerd stated that there's been good compliance with the registration tool and the State has a plan of action to address water loss, especially non-revenue water loss. He added that this process is moving in the right direction, albeit slowly, and fundamentally it's an infrastructure issue which takes a long time to address.

Mr. Injerd reported that the city of Chicago installed 18500 new water meters in 2016 and 15000 in 2017. These meters cover accounts that were never metered, including over 103000 voluntary meters, or maybe about 33% of total unmetered accounts. He said that Chicago also replaced 90 miles of water main in 2016. These are major factors in decreasing water use.

Indiana

Mr. Smith reported that Indiana's previous State water director has retired. Ryan Miller is the new division of water director, and formerly was director of the Interstate Council on Water Policy and before that ran Missouri's water dept.

Mr. Smith then gave Indiana's conservation and efficiency review. He said the transition to an electronic submission program has a 98% compliance rate, which a goal to reach 100% in 2018. An administrative rule proposal before the Natural Resources Commission would establish a baseline volume abandonment program if a baseline use goes unused for more than 5 years. That rule was preliminarily adopted by the NRC at a July meeting. It's currently out for public comment with an anticipated hearing in February, then final adoption in March 2018. Information is available at www.in.gov/nrc.

Mr. Smith added that during the last legislative session, the Indiana General Assembly gave funding to create a water data hub. An Initial meeting for related agencies is planned, with a goal of creating a single mechanism to access water data sets for better planning and forecasting.

Michigan

Mr. Trigger reported that Governor Snyder recently executed an executive order transferring the Office of the Great Lakes to Department of Natural Resources, with the purpose of providing greater coordination on invasive species and fish/wildlife issues, as well as Great Lakes restoration activities. He reported that Michigan continues to make progress on Menomonee River and S. Clair river restoration. The state is monitoring water quality for on 183 lakes. Michigan continues to make progress toward the goal of a 40 percent reduction of phosphorus loads into the Western Lake Erie basin.

Minnesota

Ms. Ekman reported that the Minnesota Department of Natural Resources (MDNR) is developing a new Statewide Water Conservation Reporting System. The system will include uniform water conservation and efficiency measure definitions, methods of measurement and reporting formats. It is cloud-based, making data entry and record management easier. The system is currently being pilot tested in four communities that provide water service. Training webinars are also being held this month, and communities will begin reporting their water conservation efforts in January 2018. The initial focus has been on water suppliers; next, MNDNR will begin working with the University of Minnesota Technical Assistance Program and Ecolab to boost water conservation programs and reporting for the state's Commercial, Industrial, and Institutional sectors.

She reported that Minnesota's Department of Health has led an interagency effort to develop recommendations for best practices and policies for water reuse. The effort

included researching opportunities and obstacles for reuse of treated wastewater, graywater, stormwater, rainwater and subsurface water discharged for dewatering purposes. The result of this work is a comprehensive Water Reuse Report that includes recommendations for both regulatory and non-regulatory approaches to successful implementation of water reuse. It also provides a summary of existing policies, guidance and regulations from states and municipalities throughout the nation and internationally. The report will be released in the coming weeks. Ms. Ekman finally reported that over the next year, MNDNR will work with its partners to update its statewide Drought Plan.

New York

Mr. Zelazny reported that over the past couple years, New York has experienced both high and low extremes in water supply. 2015-2016 saw significant water shortages across its Great Lakes watersheds, and nearly statewide, resulting in many drought advisories and restrictions issued by the Governor and implemented within many communities. This year, 2017 was just the opposite with near-record water levels in Lake Ontario & upper St. Lawrence River, resulting in flooding and considerable erosion along many lake and tributary shorelines.

He added that 2017 represents the final phase of NY's 5-year implementation to migrate water registrations to water regulation permits for all withdrawals except agricultural, which continue to register all water use. As the State completes issuance of these permits, all public and private water withdrawal systems within NY's Great Lakes basin with a pumping capacity greater than 100,000 gpd, the minimum threshold for reporting under the Regional Agreement & Compact, will be under a permit requiring water conservation plans and strict water use reporting requirements.

Mr. Zelazny reported that based on the "Annual Report of the Great Lakes Regional Water Use Database Reporting Water Use Data through 2016" NY's total water withdrawal amount has remained quite stable over the 2012-2016 period averaging around 3,800 million gallons/day. Total consumptive use was also steady over this 5-year period averaging about 250 million gallons/day representing a net loss of only 7% of the total water withdrawn and used from the Great Lakes-St. Lawrence River basin.

Ohio

Mr. Zehringer reported that Ohio compiled 2016 data for Lake Erie basin withdrawals, consumptive use, and diversions pursuant to the Compact. Ohio submitted this data to the Great Lakes Commission for the regional water use database. These data show water use is down 12% from the prior year. Ohio continued to register new facilities located within the basin and beta testing of a new reporting website is in progress. This website is expected to improve data, and automatically check for inconsistencies and typos.

Pennsylvania

Mr. Bruno reported that Pennsylvania continues to implement the requirements of the Compact and Agreement through facilitating state and local programs focusing on wise water use management. Pennsylvania submitted Great Lakes water withdrawal and use statistics for water year 2016, and compiled information for the Conservation and

Efficiency Program Review submitted in November that identified the many initiatives focused on continued Conservation and Efficiency practices as well as protecting the water quality of source water areas.

He added that the Pennsylvania Great Lakes Basin observed higher overall water use during the 2016 Water Year; increasing by almost 4 Million gallons/day from approximately 36 Million gallons/day in 2015 to almost 40 Million gallons/day in 2016. Although all sectors reported increases in average daily withdrawals from 2015, the largest increase came from the self-supplied livestock sector. The sector used 3.9 Million gallons/day for 2016, which is a 76 percent increase from 2015, but only 28 percent above the sector's historical 9-year average. Facilities reporting within the livestock sector are all fish hatcheries (aquaculture) where consumptive losses are very minimal. The next largest increase in withdrawals from 2015 to 2016 came from the self-supplied industrial sector. This sector accounted for 3.75 Million gallons/day, which is a 24% increase from 2015 but is an overall decrease of 13.5 percent from the sector's historical 9-year average.

Mr. Bruno reported that in 2018, Pennsylvania will be forming the Great Lakes Water Resources Regional Committee to guide the process of making Lake Erie Basin amendments to the Pennsylvania State Water Plan. The Committee will aid in the collection and dissemination of data, prioritization of resource availability and protection, and the formation of water use policies in the Basin. Additionally, Pennsylvania will examine possibilities for continued conservation and efficiency training opportunities to public water suppliers. These trainings, most recently conducted in 2016, will look to increase specific system-level understandings of water infrastructure management and help Pennsylvania meet its conservation and efficiency goals through reductions in leakage and increased efficiencies by public water suppliers. Finally, Pennsylvania DEP will evaluate current water use reporting methods as identified in the Water Resources Planning Act (Act 220 of 2002) and identify operational opportunities to increase percentage of on-time water user submissions for annual tracking and reporting purposes.

Wisconsin

Mr. Freihoefer reported that Wisconsin Department of Natural Resources (WDNR) was notified by the City of Racine that they plan on submitting a straddling community diversion application in 2018. He also noted that this type of application typically does not require Regional Review. Once an application is received, WDNR will post it to its website.

He also commented on the continuing trend of ongoing closures of power plants around the Great Lakes Basin, and that WDNR recently learned that the Pleasant Prairie Power Plant, which obtains water from Lake Michigan in SE Wisconsin, is planned for closure in 2018. This plant closure was recently announced and not included in the thermoelectric power forecast done earlier this year by the Regional Body, but continues the decreasing trend in water use for thermoelectric power production in the Basin.

Mr. Freihoefer reported that Wisconsin DNR is starting a study of three seepage lakes in the central part of Wisconsin to address questions about defining significant adverse impacts to lakes, and understand the impacts of groundwater withdrawals from high capacity wells on lakes. This is a four-year study and may include an economic analysis if significant adverse impacts to these lakes are found. He stated that for more information, individuals should visit <http://dnr.wi.gov> and search “Central Sands Lakes Study”

Administrative reports.

Cumulative Impact Analysis

Mr. Travers then noted that a Cumulative Impact Assessment of Water Uses for the years 2011-15 was posted to the Regional Body and Compact Council websites and formally released today, prior to its formal due date of December, 2019. This report was completed one-year ahead of schedule. A separate report on thermoelectric water use was also posted today.

Mr. Travers then invited Jim Nicholas, technical consultant to the Regional Body and Compact Council, to give an overview of the Cumulative Impact Assessment. Mr. Nicholas reported that the Cumulative Impact Assessment mirrors the first five-year report completed in 2013 in terms of approach. Natural flows including precipitation, evaporation, and runoff are compared to consumptive use and diversions resulting in a water balance assessment for the entire basin and each lake watershed. Data used come from various sources, including the States and Provinces via the regional water use database, NOAA-GLERL, the US Army Corps of Engineers and Environment and Climate Change Canada.

Mr. Nicholas noted that the 4500 cubic feet/second flow from a diversion into the basin exceeds consumptive use and diversions out of the basin for a net increase of flow of about 1500 cubic feet/second. This amount is similar to the last report and the longer historical record. Total natural outflows totaled 554000 cubic feet/second, or about 370 times the net effect of total uses. The overall effect of consumptive uses and diversions is very small relative to natural flows.

Mr. Injerd commented on how the data shown in the summary table on page 9 of the Cumulative Impact Assessment compared to the last 5-year period. He noted that precipitation was 18000 cubic feet/second more than for the 67-year period, but evaporation increased by 15000 cubic feet/second, so that extra precipitation exceeds evaporation. He noted that climate change impacts appear to be putting more water into the Great Lakes basin as St. Lawrence River flow has remained constant. Mr. Nicholas commented that annual precipitation into the basin has been increasing for the past 45-50 years.

2016 Water Use Report

Mr. Travers introduced Steve Cole of the Great Lakes Commission (GLC) to provide an overview of the 2016 water use report. Mr. Cole reported that since 1988, GLC has

maintained a database to support the Compact and Agreement. He formally delivered the 2016 water use report at the meeting. State and Provincial water use managers provided data, and GLC staff compiled this data and held calls to resolve data issues such as providing context for changes from prior years and any major changes in reporting methods. He then noted that the Regional Body members viewed a draft report, after which the final draft report was completed in November, and sent to the States and Provinces on December 1.

He noted that reporting compliance among water users is increasing and mentioned several highlights. For 2016, basin-wide uses totaled 42 billion gallons/day for uses, down 1.1% from 2015. Thermoelectric remained the dominant user with 67% of withdrawals, and with consumptive use totaling 2.1 billion gallons/day. This number is down 9% from 2015, driven by a change of the consumptive use coefficient used by Québec. This change by Québec accounted for half of the change of consumptive use, and represents improved data and accuracy with a net positive effect of 251 million gallons/day. Mr. Cole expressed his gratitude to the water use managers and GLC colleagues for their efforts. The report is available at waterusedata.glc.org.

Mr. Travers thanked Mr. Cole and asked Peter Johnson, on behalf of the Regional Body's Secretariat, to give an administrative report.

Mr. Johnson reported that the hearing process was completed on the City of Waukesha Diversion proposal. An announcement was made in August that the Regional Body and Compact Council were creating a Procedures Update Team to look at Regional Body and Compact Council procedures, including procedures for reviewing diversion proposals, with the goal of completing the update process by December of next year. Conference calls were held with Tribes/First Nations as well as the Advisory Committee and other stakeholders on September 14th to discuss the workplan and the scope for the committee's review.

Mr. Johnson added that since that date, a drafting sub-committee has been creating drafts for consideration by the full Procedures Update Team, with the goal to have a discussion draft available before the meeting scheduled for March 14-15 in Toronto. The budget that is being considered later today includes additional funds to cover the costs that will be incurred to complete this process, including two regional meetings, additional attorney support, and a face-to-face meeting for next December. He also announced that the Joyce Foundation has provided funding to allow each of the Advisory Committee members to send a representative to the March meeting as well as the meeting scheduled for late summer/early fall. That includes transportation and hotel costs, as well as meals. He noted that the one limitation is that participants must represent a non-profit organization, which should define most of the organizations.

Finally, Ontario in cooperation with the RB and CC will again be hosting a session at the 2018 International Association for Great Lakes Research conference which is taking place in June in Toronto.

Members of the public were given an opportunity to ask questions or provide comments.

Noting that the Regional Body meeting adjourned immediately prior to the Compact Council meeting, a motion was made by Mr. Smith to incorporate minutes of the Regional Body reports into the Compact Council minutes. Mr. Bruno seconded the motion. The motion was approved. Pursuant to the approved motion, the following reports are incorporated by reference into the Compact Council's record and re-printed in their entirety below:

Dale Phenicie, Council of Great Lakes Industries and American Forest and Paper Association

Mr. Phenicie thanked the Regional Body for these updates. He said they are very useful and valuable to his organization's members.

Marc Smith, National Wildlife Foundation (NWF)

Mr. Smith commented that the Regional Body and Compact Council review of regional process is a great step, and that NWF looks forward to taking part to improve efficiency of the process. He encouraged the process to work from the existing interim guidance, to edit and update using the interim guidance as a threshold to maintain consistency of review. During the Waukesha diversion process, he noted that many changes were made during negotiation and he encouraged the parties to develop a threshold at which significant application changes need to be noticed to public for comment and review. Finally, he encouraged more opportunities for public participation during the process to ensure consistency of review.

Waukesha Diversion Application Report & Notice of Change in Water Supplier

Mr. Trigger reported that on November 30, 2017, the Regional Body and Compact Council received notice from the Wisconsin Department of Natural Resources regarding the Diversion to the City of Waukesha. The notice was posted to both websites shortly after receipt. I would now like to ask the Adam Freihoefer to provide an overview of what was included in the notice. [After Adam provides overview]. Thank you for that report.

Mr. Freihoefer reported on the Waukesha diversion application. He stated that Waukesha continues to develop materials for applications for the various permits and approvals that are required. Wisconsin has not received applications for specific permits yet – but do have a website that includes any correspondence with the City and will include information on pending approvals or permits. The address of the website is: <http://dnr.wi.gov/topic/EIA/waukeshadiversionapp.html>.

He stated that concerns about public health and exposure to radium in the drinking water were the primary motivator for Wisconsin forwarding the Waukesha diversion application to the Regional Body. The City of Waukesha was under a consent order to

comply with the radium standard. This summer, the Wisconsin Department of Justice approved an extension to the consent order requiring compliance with the radium standards to allow for construction time of the pipeline to supply the community with Lake Michigan water and additional measures to protect public health in the interim.

Finally, Mr. Freihoefer reported that Wisconsin submitted a letter of notification to the Compact Council and Regional Body Chairs last week, of a change in water supplier to provide the City of Waukesha with Lake Michigan water. The City of Waukesha would now like to obtain water from the City of Milwaukee. The City of Oak Creek was identified as the water supplier in the original Application to the Regional Body and Compact Council. However, over the last few months Milwaukee and Waukesha have had conversations and come to an agreement for Milwaukee to sell Waukesha water. This change will result in \$40 million savings in construction costs and result in approximately \$200 decrease in the average residential annual water utility costs. The City of Milwaukee has excess water supply capacity and will use the additional funds to assist with infrastructure improvements in the City of Milwaukee including the replacement of lead lateral lines. Mr. Freihoefer concluded by noting that Wisconsin does not believe there is any action needed by the Regional Body or Compact Council as a result of this change, but did want to notify the bodies to allow for discussion.

Mr. Trigger asked if Wisconsin state agencies will review this change of provider. Mr. Freihoefer responded that yes, the Wisconsin Public Service Commission will review the supply change, and that the Department of Natural Resources will also review it and include it in any final diversion approval.

Mr. Trigger then stated that after reviewing the notice, he would note that following:

1. The Final Decision that was issued by the Compact Council in 2016 on the City of Waukesha's proposal to divert water made no reference to the entity who would supply Lake Michigan water to the City of Waukesha.
2. It is the understanding that the change in water supplier will be reviewed by the State of Wisconsin's Public Service Commission and Department of Natural Resources before any final approval will be given.
3. The change in water supplier from the City of Oak Creek to the City of Milwaukee is not a material change to the Proposal that was reviewed by the Compact Council and it does not materially affect the Final Decision that the Proposal described in the City of Waukesha's Application with conditions meets the criteria in Section 4.9.3 of the Great Lakes—St. Lawrence River Basin Water Resources Compact.

Mr. Trigger than stated that, accordingly, it is his position that this notice does not materially affect or otherwise impact the Final Decision, and therefore he was of the position that no action is required on the part of the Compact Council.

Mr. Trigger then asked if there was any disagreement with this assessment from the other members of the Compact Council? Hearing no disagreement, Mr. Trigger asked the

Secretariat to draft a letter to that effect which will come from the Chair of the Compact Council to the Wisconsin Department of Natural Resources. He also stated that furthermore, and as we heard in the meeting of the Regional Body, a similar letter will be sent on behalf of the Regional Body. He closed by stating that unless there is an objection he would suggest that one combined letter be sent from our incoming Chair on behalf of the Regional Body and Compact Council. No objection was raised, so the letter will become a joint letter.

New Business

Consideration of Resolution #37—Adoption of Draft Fiscal Year 2019 Budget (July 1, 2018-June 30, 2019).

Mr. Trigger stated that the proposed budget and the resolution granting approval of the budget were previously distributed to the members and were posted to the Compact Council website on November 8. Mr. Trigger invited a motion to grant approval of the resolution and a second. Mr. Zelazny moved and Ms. Ekman seconded.

Mr. Trigger reminded Compact Council members that approval of the proposed budget must be unanimous, and called a roll call vote.

- Illinois - yes
- Indiana - yes
- Michigan- yes
- Minnesota- yes
- New York- yes
- Ohio- yes
- Pennsylvania- yes
- Wisconsin. – yes

Consideration of Resolution #38—Election of Chair and Vice-Chair

The next order of business was consideration of Resolution #38--Election of Chair and Vice-Chair. The resolution would elect the Governor of Minnesota to serve as the Compact Council Chair, and the Governor of Indiana to serve as the Compact Council Vice-Chair, beginning immediately after this meeting until the next Annual Meeting of the Compact Council, to be held on or about December 8, 2018. Mr. Trigger said it was an interesting year to be chair of the Compact Council, thanked everyone for the opportunity to serve, and he thanked Mr. Travers for serving as chair of the Regional Body during this same time period.

Mr. Trigger invited a motion to approve the resolution and a second. Mr. Injerd moved and Mr. Zelazny seconded the motion. The motion passed without objection.

Other Business

Mr. Trigger stated that Mr. Injerd will be retiring from his role with he Illinois. He recognized all that he's learned from Mr. Injerd, and thanked him for his service.

Adjournment

Draft—For Discussion Purposes Only
January 11, 2018

Mr. Trigger invited a motion to adjourn and a second. Mr. Bruno moved and Mr. Zehringer seconded the motion. The motion passed without objection and the meeting was adjourned.

The full text of the materials discussed at the meeting is available online at www.compactcouncil.org.