

State of Maryland
Commonwealth of Pennsylvania
Commonwealth of Virginia
Chesapeake Bay Commission

Dear Fellow Principals' Staff Committee Members:

On behalf of the Chesapeake Bay Commission and the states of Maryland, Pennsylvania and Virginia, we offer the follow recommendations on a collaborative path forward for the Conowingo WIP Requests for Proposals (RFP).

The current science related to Conowingo Dam infill has presented a considerable challenge to the Bay Partnership. Not anticipated when the original TMDL and allocations were first detailed, we collectively determined the best course of action is to address this issue in the collaborative nature that defines the Partnership.

We believe there are two key issues that must be addressed to continue the path forward to issue the Conowingo WIP RFP:

- Timing
- Funding

By developing agreements on timing and funding during our November 7 meeting, we believe that the RFP should be appropriately modified and put out for bid as soon as possible.

Herein, we would like to propose modifications to the proposals made by the Conowingo WIP Steering Committee at the October 12th PSC meeting to address each of these concerns.

TIMING

Please find attached a copy Appendix B (the timeline) from the October PSC meeting with edits. Changes are suggested at the beginning and with the final three action items on the second page. In brief, it is proposed to reference the documents guiding our efforts (e.g., the Watershed Agreement, the Expectations Document, the Bay TMDL) and the timeline within which we will determine our path forward to address the additive loads from Conowingo infill and evaluate our progress.

FUNDING

A two-phase approach is proposed:

Phase 1: For the first two years (FY 2019 and 2020 only) allocate \$300,000 annually to support the three tasks described in the RFP - preparation of the WIP, a financing strategy, and an accountability/verification framework. Funding would come from two sources: A portion of the monies currently allocated for GIT funding (\$227,200/year) and CBRAP/CBIG funding from the jurisdictions, pro-rated in accord with the formula identified in EPA's October 26th memo (\$72,800; \$1/lbs. of N): NY \$3,200, PA \$33,100, MD \$17,600; WV \$1,900; DE \$3,200; VA \$13,800.

Phase 2: In addition to addressing implementation costs, the financing strategy would include an estimate of the Program support needed to continue (in FY 2021 and beyond) the coordination, verification and accounting functions, and develop strategies to pay for these necessary administrative functions.

APPENDIX B – Schedule for Development

Conowingo Phase 3 Watershed Implementation Plan (WIP)

OPTION 2 --- SEQUENCED SUBMITTAL

WIP development will be guided by and consistent with the 2014 Watershed Agreement, the 2010 TMDL and the Phase III WIP Expectations Document.

<u>December 2017</u>	Received PSC Approval on Conowingo WIP framework and the first cut of the Conowingo pollutant reduction targets to address this additional load.
<u>March 2018-March 31, 2019</u>	The Conowingo WIP Steering Committee, including a representative from each jurisdiction and the Chesapeake Bay Commission work collaboratively to begin development of the Conowingo WIP to include: 1) finalizing the Conowingo WIP framework, pollution reduction target(s), and resource sharing commitments; and, 2) working with EPA, other federal partners, and the third party to develop a financing strategy that leverages technical assistance, in-kind services, and federal, state, local and potential private sector funding sources.
<u>July- Nov. 30, 2018</u>	EPA prepares and issues an RFP for an award of a cooperative agreement or contract to manage and oversee the pooled resources and to facilitate the development and implementation of the Conowingo WIP, as guided by the Conowingo WIP Steering Committee.
<u>March 29, 2019-May 31, 2019</u>	EPA executes contract with the RFP awardee March 29, 2019 and, building on the decisions made to date, the Conowingo WIP Steering Committee continues drafting the Conowingo WIP with support of the awardee to include a finance strategy for the Conowingo WIP, additional local government and public engagement strategies, identifying specific reduction practices and a timeline, funding sources, the methodology for addressing any identified gaps and provisions for contingencies.
<u>April 12, 2019</u>	States will post their Draft Phase III WIPs on their respective websites for Partnership review and comment.
<u>May 31, 2019</u>	The Conowingo WIP Steering Committee submits a draft Conowingo WIP to the PSC for review and comment.
<u>June 7, 2019</u>	Partnership Comments Due on States' Draft Phase III WIPs
<u>June 14, 2019</u>	The PSC submits comments to the Conowingo WIP Steering Committee.
<u>July 12, 2019</u>	DRAFT Conowingo WIP posted on the CBP website for a 30-day public comment period ending July 12, 2019. This includes any additional Partnership comments.

August 9, 2019

States will post their FINAL Phase III WIPs on their respective websites.

September 1, 2019

The Conowingo WIP Steering Committee addresses all comments and submits a final draft to the PSC for final review and comment.

September 15, 2019

The PSC submits any final comments to the Conowingo WIP Steering Committee.

September 30, 2019

The CBP partnership will post the FINAL Conowingo WIP on its website

October 1, 2019

The Conowingo Steering Committee and the third party will begin full plan implementation utilizing funding allocated to the plan for federal FY 2020.

tbd

Determine the role of Exelon in the implementation of the Conowingo WIP based on the outcome of Maryland's decisions regarding 401 certification and the resultant court cases.

Biennially

EPA and the Conowingo WIP Steering Committee will evaluate the progress and effectiveness in achieving the pollution reduction goals of the Conowingo WIP, and as needed, make recommendations to the PSC for changes in approach, funding, etc. The PSC will take action on EPA and Steering Committee recommendations.

2025

Final evaluation of the progress towards achieving the targeted pollution reduction goals of the Conowingo WIP.