



Trading and Offsets Workgroup

Conference Call

Thursday, October 15th, 2014

10:00 AM to 11:00 AM

Meeting Summary

Welcome, Introduction and Announcements

- David Wood (CRC, CBPO) convened the call and verified participants.

Economic Benefits of a Restored Chesapeake

- Beth McGee (CBF) presented a recently published report by the Chesapeake Bay Foundation on the economic benefits of a restored Chesapeake Bay ecosystem.
 - For more information, please see her [presentation](#).
 - The full report can be found on the Chesapeake Bay Foundation's [webpage](#).
- Michael Helfrich (Lower Susquehanna Riverkeepers Association): Does the upstream degradation include shale gas well-pads, new dirt roads and pipeline land use changes?
 - Beth: No, right now the land projections from 2025 that we used were part of the TMDL and they were not explicitly included.
- John Rhoderick (MDA, Co-chair): How can you have a net benefit in dollars if you are losing acres of Ag land?
 - Beth: We expect that the changes in land use will be to more productive habitat. We also expect that implementation of the blueprint will increase the productivity of those habitats. Although acreage goes down, value goes up because it becomes more productive.
- David Foster (Phoenix Initiatives, Chair): When the Chester River Association did a similar study, they were surprised to find that the Chester River was the largest employer in the area. Did you address employment impact in your study?
 - Beth: Those are economic impact assessment studies, and we did not do that explicitly. This report really looks at cost savings as a result of having cleaner water, such as fewer hospital visits from health issues, less money to remove sediment, etc. The Chesapeake Bay Foundation did a report to address the job creation issue a few years ago though.

ACTION: David Foster will email the Chester River Association's economic impact assessment report to Beth.

- George Onyullo (DDOE): Could you please comment on the low numbers from D.C.?
 - Beth: D.C. has a small number of acres, and the habitat quality in D.C. is not very high. In urban areas, there may be greater benefits from urban tree plantings, because we took a low end estimate. The small difference between D.C.'s "business as usual" (BAU) run and the blueprint run is because most reductions in D.C. are driven by regulations, which means many things will happen regardless and are therefore included in the BAU run.
- John: Did you implicitly incorporate state regulations in the BAU run such as urban nutrient management, and Ag nutrient management?
 - Beth: We got that info from the Chesapeake Bay Program. They had done this BAU run, and I am not sure what they included.
 - Kevin Debell (EPA, CBP): Yes, the BAU run we use is from 2009 data, prior to the establishment of the TMDL, and looks at current progress runs at that point. We also looked to tributary strategies to see point source levels of treatment and we included already planned upgrades to treatment plants. We also included Urban Stormwater control measures like MS4 permits.

- John: Sounds like you used the TMDL and WIP plans. There are a lot of new state regulations in play that affect business as usual since those were put in place.
- Kevin: We did include some state regulations but we may have to address that question again if we missed some. Are there specific state regulations you think should be included in the baseline?
- Bob Rose (EPA): Beth, would the details of what was included in the BAU run be in the full report?
 - Beth: No, only as far as saying we got it from the CBPO.
 - Kevin: There will be a detailed report of EPA work coming out soon.
- Marel King (CBC): Great work, this report puts a value to ecosystem services from the TMDL, is there a way to turn it around to put a value on habitats and landscapes to the TMDL itself? How could we credit wetlands, forests and their preservation in the TMDL?
 - Beth: It is definitely worth having a conversation about that in the future.

Future Planning

- Pat Gleason (EPA, Coordinator): The primary subject for our November call is identifying new nutrient and sediment loads being generated in the Chesapeake Bay, and approaches to how those will be tracked and offset. We will also be talking about the draft baseline technical memo, maybe at the December meeting. We would like to solicit topics, ideas for next year's meetings to the membership to make sure we are addressing those issues members may have.
- David Foster: Could we also address Michael Helfrich's question about addressing fracking?
 - Pat: We will be inviting Peter Claggett (USGS, CBP) to address land use changes going into the new model. That conversation might include fracking, so we can have that discussion then.

Adjourn

Next Teleconference

Wednesday, November 19th, 10 AM to 12 PM

<http://www.chesapeakebay.net/calendar/event/21196/>

Member Name		Affiliation
Pat	Gleason	EPA (Coordinator)
David	Foster	Phoenix Initiatives (Chair)
John	Rhoderick	MDA (Co-Chair)
David	Wood	CRC, CBPO (Staff)
Susan	Payne	MDA
Russell	Baxter	VA Secretary of Natural Resources Office
Rick	Parish	Southern Environmental Law Center
Patrick	Fanning	Virginia Nutrient Credit Exchange
Olivia	Devereux	Devereux Consulting
Megan	Thynge	EPA, CBPO
Marya	Levelev	MDE
George	Onyullo	DDOE
Kevin	Schneider	GreenVest
Marel	King	CBC
Shane	Mudd	GreenVest

Michael	Helfrich	LSRK
David	Simpson	
Steve	Gladding	NYSDEC
Bob	Rose	EPA, CBPO
Beth	McGee	CBF
Jeremy	Hanson	VT
Kevin	Debell	EPA
Jay	Braund	PA DEP
Kim	Snell-Zarcone	Conservation PA
Mindy	Sellmen	WRI
Peter	Thomas	
Ridge	Hall	Chesapeake Legal Alliance