

TOWG 11.16.2011

<http://www.chesapeakebay.net/calendar/event/13093/>

### **Discussion of 'Draft Protocol for Review of "Non-traditional" Credit Generating Approaches'**

Selman/Jones

- Recommendation to create team to evaluate proposals to create innovative practices
- Need is to create consistency between states
- Work in parallel w workgroup that decides efficiencies
- Deals w policy of trading across the watershed
- Outcome- action team would make recommendations to workgroup and report on, staffed by rep of states and NGO's, need to ensure no conflict of interest.
- New team will be developed as a proposal comes to light for review
- Ad hoc and not a standing committee,
- Seed money from Mid Atlantic to start off first review of manure to energy project review
- Review looks at technical aspects, trying to develop framework of calculating credits, looking to be done by May or June of next year
- Looking to tag onto existing process and tack on policy aspect.
- PA concerns- we are looking for team to look at NPS reductions of a project, but seems that you are looking to determine number of credits to approve when that should be up to the state to decide.
- Kennedy- as far as VA, we see utility for information to state to consider but VA has process underway, will likely see legislation to include non conventional credit production. Will benefit from fact finding of group, and have been approached by other practices but would benefit from findings of group to be shared in time to impact the legislation. Recommendation out of this group won't guide or dictate to state, unbiased findings and pros and cons, but this is directed at state level.
- Cunningham- It is possible that next step, leg will ask to assemble team to develop legislation
- Payne- MD already includes mechanism to include BMPs and use same process as Bay Program, has nutrient review committee, including EPA, USDA, NRCS, would meet at same basis as proposed. Major concern, have committee concerned how policy recommendations would interface w that group, and timing- want to move in timely basis, not interested in this taking months to get kicked around, want a prompt process
- Kennedy- Legislation may not define to nth degree, but can specify preferences. Those are the options and we don't really know what route they will take
- Mindy- Not going to be individual project would be category of projects like manure to energy and process used, where reductions are coming from, and policy would be general enough that it shouldn't limit states. Establish baseline, address additionally concerns. No direct link to management on the ground. Needs to be an additional thinking on would baselines are done, verification is done

- Additional explanation of categorizing projects
- Is this coming out of CBP rate of evaluating new BMPs, can that be addressed? Envision this being more responsive.
- Membership would be determined through process of nominations
- How does group want to proceed?
- Montali- Concerned, don't understand charge of group. Look at project and look at technology, where reductions come from, resulting reductions.
- WV doesn't have trading program and is struggling w App S. Have learned that benefit to Bay are highly variable between locations and what model says of too much manure or not enough. There is a need to figure out how to line this up w model, our main tool in determine credits
- Olivia- scale of model is not at scale of trading decisions. Model handles manure at count, not a trade scale. Issue of whether this group looks at credits or loads. If there is no guarantee this info is used by states, then how will the group ensure level playing field?
- Not proposing new baseline, but determine where baseline comes in through process.
- Montali- Biggest Problem, what if model says benefits of exporting manure out of watershed are negligible. Minimal results to start, but not a constant benefit in model. Delivery factors and level playing field are big.
- What is defense that pound set up for trading is a pound of more reduction than needed for TMDL? Cannot look at model to validate trading. To do trading calculation needs different calculation
- Kennedy- looking too far down the road from these findings. We have basic information need, we will consider whatever comes out of this but we have basic info need or practices. Implications on model is not something that should limit this process, this could feed modeling changes
- Would like to see this discussion feed into revisions of proposal. Cy and Mindy will make revisions and bring back to workgroup.
- Gleason- Bring to attention of WQGIT, meeting on the 12<sup>th</sup>. Consider bringing this to STAC.
- Abdula- Already on the STAC agenda- closely intertwined.
- Jones- Not sure we would have a second version reviewed by this group. Suggest accelerating process, group send comments to chair or directly to WRI but there may be opposing opinions. Directly to WRI would be fastest process.
- If WG has comments, send to WRI by Dec 2<sup>nd</sup>.

## **Updates from the Jurisdictions**

- MD- Account for growth workgroup met last week to go over per capita loading basis. WG is going through the process and sharing with other state agencies. Focus on trying to get together draft by Jan for review process. Hoping to get input from local government, consistent across the state but recognizing differences on localities. Looking into sewer service areas, may be

refined but this is target of growth. Use census and employment data to determine load of per person and per job, recognizing load is not just from home but also place of business

- Rountree- Looking to trading program to satisfy offsets? Most likely since it already exists it is a good place to go, no need to recreate this.
- Rountree- MS4s will likely like to be part of trading program
- Kelly- Where are we with respect to P3 urban rules?
- MD- Accounting for growth will be programmatic approach, should be able to function as allowing local governments to identify how trading can occur en lieu of P3.
- Jones- Has to be a P3, looking at existing programs and funding options. Figuring out how trading can augment to provide more flexibility.
- What is going on w new development today? Md has addressed that through BayStat and Milestones. Built into milestones additional loads from growth. Until process is in place, we have buffer built in, conservatively
- How are MS4s going to use crediting- to the level that local govt use credits to avoid retrofits, it kicks the can down the road detrimentally. The more we use those to avoid expense retrofit, the more that is taken from pool we are drawing from. It needs to be done at some point, but we will need to make up for delayed expense.
- VA- Had legislative directive to develop group to look into expanding trading program. Summary report will go to legislation. Where it goes from there is hard to say, may develop legislation or workgroup to develop legislation. Reissued general permit in effect Jan 1, incorporates new TMDL allocations, trading incorporated for point sources.
- DE-
- WV- we are very different from others. No trading program, trying to define baseline concepts to include in WIPs in line w offsetting not trading. Have in place PI WIP, hoping to account for growth w MS4 permits and predevelopment landuse. Urban side- additional controls on MS4s will be sufficient to account for growth in short term. Working to define baseline in P2 WIP
- DC-No real update, very different. New growth is mostly redevelopment and have stormwater standards to be met on that.
- Status of retention program- still draft, not sure when they will be finalized, should be moving faster now w new MS4 permit. Will be made available for public review before finalization
- NY-
- PA- Outlines trading in P1 WIP. Pre and post development calculations handle growth. Continuing to have n and sed trading program. 10 contracts in last 2 months for credits needed for compliance. Updated info will be on website.
- States will report how they accounted for growth, how will this be accounted for by EPA when they receive the WIP? Pat will get back to Olivia after conferring w Antos

## **Updates from EPA**

- Gleason- will follow up w Rountree to better understand question and provide response to group

- Rountree- Picked up term from some documents, interesting concept. In some places quite possible to achieve nutrient neutrality. Interesting idea and would be happy to discuss this offline.
- Tom Scheuler may be person to contact on this
- No updates from Rose, headquarters
- Other Updates-
- Raub- Update on Nutrient Trading Cost study- met w advisory and contractor. Final report expected in March, pushed back due to questions raised. Recognize other cost studies underway and trying to coordinate to ensure similar numbers
- DE- Workgroup formed to address offset proposal. Statewide regulation on flow w in lieu fee associated. Workgroups looking at options in DE
- Provide comments on Draft Proposal to WRI (CY, Mindy, cc Pat, Ann, Victoria) by Dec 2

Meeting Adjourned

### **On the Phone**

Bob Rose  
 Charlie Abdulla  
 Ann Roda  
 Christian Furlan  
 Dan Baldwin  
 Susan Payne  
 John Rhoderick  
 Steve Luckman  
 Yender Cheng  
 John Kennedy  
 Fred Cunningham  
 Eric Aschenbach  
 Pat Gleason  
 Rick Culvert  
 Megan Thyme  
 Kelly Gable  
 Mike Fritz  
 Jen Volk  
 Teresa Koon  
 Olivia Devereux  
 Kevin Schneider  
 Cindy Colman  
 Glynn Rountree  
 Mindy Selman  
 Linden Trust

Cy Jones  
Sara Sand