#### **TOWG Meeting Minutes 4.18.12**

## DiPasquale

- This is an important endeavor and appreciate work being done
- Internal work plan being drafted by EPA, looking to coordinate this with the workgroup
- Darrell Brown has been brought in on detail to work with Trading and Offsets
- Plan to also bring on an ORISE fellow (Andria Papa, lawyer) to assist as well
- Bob Percasepie thinks this is very significant and will set the pace for national approach, we want to ensure resources are here
- Efforts need to be coordinated and roles need to be clearly defined
- While adopting work plan, please do so tentatively until EPA and workgroup can sit down and discuss
- Issue to address, offsets need to be looked at and seems to be properly incorporated into workplan
- Need to focus on baselines and verifying credits, as well as WIPs and milestones
- Interstate trading is an option but down the road
- Zemba- I want to be sure I understand- we will have 2 new people at Bay Program? We have been working with Pat and want to be sure we understand how things will flow moving forward.
- A- Pat has been doing good work, further discussions of details including new resources will be key
- Hoagland- When do you see the EPA work plan completed?
- A- Plan to finalize in the next week or 2, will circulate and convene small group to reconcile differences and clarify where needed

### Gleason-

- EPA performed assessment of jurisdictions trading and offsets plans
- Report was finalized and distributed by end of Feb
- First step in follow up is to obtain commitment to address expectations (found in app. A of each)
- Expecting to see commitments in final and PII WIPs, currently under review
- Branosky- will EPA make decision if expectations are addressed adequately?
- Gleason- talking about how to communicate all of that in the next few months, talking with jurisdictions

#### Workplan

- Got great feedback since last presented, worked to incorporate that into what you see today
- Few changes since last- added more in person meetings, including next meeting proposed to be held at WRI.
- Will be tentative for time being, please contact Evan with any additions/edits you might have
- Zemba- July addresses local WQ, from PA we have had some success stories. Consider featuring Mount Joy in discussions. Keep in mind successes throughout

- Casey- do we want to address offsets and baseline now?
- DiPasquale- comments provided in milestone to provide offset plan, important to define baseline and related. See these as foundation needing to be addressed early on
- Branosky- we may sub November call in with June call on baselines. Might be better resolved by EPA and suggest we wait to see how they approach it
- Montali- baseline work needs to be moved up. Interested in how EPA and other jurisdictions are addressing the issue

### Gannon

# See presentation

- Point of contact for non point source issues
- Chowan launched P ban for detergents and cost share for agriculture, foundation for a lot
- Jordan and Falls most recent
- Baldwin- offsite threshold- have you run into problems with highly urbanized areas? So are impossible to fit it all in
- Not really a problem, downtown only requires 30% onsite of redevelopment
- Baldwin- since having these in place, have you seen anything to support that this is going to kill smart growth or have developers been able to work with it?
- Don't start implementing this until the summer, so we are not sure how this will effect things
- Q- Are there other options than using a buffer?
- A- Has not been explored extensively, stormwater retrofits are obvious option
- Q- What percent of developers use offsite option versus banks and other options?
- A- If they have the option, 100% take it. Most use banks
- Q- Rates shown on slide 11, are these annual or permanent?
- A- they are annual rates but need to buy 30 yrs to secure for future
- Kelley- 30 yr payment, paid at one time. High value for expected loading reduction and there is huge variation. Keeps pricing down but if changed prices will jump, need to dig into variables to further look into this.
- Q- How is long term maintenance ensured; how is O and M paid for?
- A- Once you put easement in, endowment included in credit. Some maintenance over time, easement enforcement regime after time. Land trust holding endowment has fund to enforce easement-5yr cycle.
- Q- Why set a price, isn't that what the market is for?
- A- Demand was to know what cost was of offsite, one price for all presents predictability and all negatives have come out through process
- In some cases HUCs will see little development over time, little reason for a bank to come in. EEP is able to leverage funds to be able to supply where needed
- Kelley- this is a great role for EEP, but in lieu fee should be last resort. Setting rates may over/understate and may end up running in deficit from the beginning
- ACM (slide 13) means actual cost method rate, it was tweaked to get to numbers on slide 11

- Session legislation went w numbers different than those suggested through calculations, numbers set arbitrarily not ideal.
- Montali- Can anything be said about nutrient export from these areas?
- Neuse and Tar-Pamlico have been in place for some time and have not improved as much as
  expected, not much response at all. In general, looks like ag is not getting reductions needed
  and credit value for existing credits.

#### Round Robin

- NY- all that can be said is the we are still working on PII WIP
- PA- has past construction regulations in place as well as MS4 and NPDES construction permits.
   Other things in places outside of NPDES addressing erosion. Minimum requirement is that not net change using meadow or better condition up to a 2 yr 24 hr storm. Redevelopment use same baseline- meadow. 20% of existing pervious has to be included in calc. Working on offsetting policy
- DE- don't have much to report. Main issue is looking at offsets for new non point sources. Only
  have w municipalities and they are well under caps. Already have Nutrient Trading Protocol
  Preliminary Landuse Services in place
- MD- Still trying to figure out accounting for growth. Always coming up with new ideas in internal
  meetings and progress can be slowed. Will look at post construction and will include in overall
  approach. State wg working to bring something in front of cabinet in may. Hope to be finalized
  by end of year. Legislation for sediment credits did pass, now authorized to regulate N, P and
  Sed
- WV- Long term target set at 2010. Exisiting is better than target. Some room for growth in there. Some areas growing, looking to track growth in MS4s. Plan to assess in 2015 to see success of holding 2010 line. All info would be available in PIII WIP
- DC- not on call
- VA- Still struggle internally and not fully resolved. When developing regulations, we looked at state wide and compared to Bay protection. Calculated average pollutant load, developed ratio and found .41 is lower than expected according to modeling for the Bay. We feel growth is offset

### Walker

- Dream is to develop platform for trading
- 5 Main tools to be developed (1) registry, (2) marketplace to connect buyer and seller, (3) interactive map to draw boundaries, (4) calculation tool used to calculate N, P, Sed and Carbon Sequestration, (5) Farm Profit Calculator
- Based on USDA nutrient tracking tool. Worked with MD, PA and WV programs
- This is a 3 yr project scheduled to wrap up in Fall 2013. We have tackled registry first, next will be calculation tool.

## **Updates/Summary**

- Will work to coordinate work plans
- Please provide suggestions/feedback on current workgroup workplan
- Will work to add baselines in to workplan considering appropriate venue and timing
- Next meeting scheduled for May 16<sup>th</sup>. Tenatively planned for face to face at WRI in DC

Meeting	

Participants	
Pat Gleason	
Jen Volk	
Gerry Spanula	
Dan Baldwin	
George Kelley	
Doug Fritz	
Russ Baxter	
Eric Aschenbach	
Teresa Koon	
Andrew Zemba	
Pat Buckley	
Nicky Casey	
Steve Biddings	
John Rhoderick	
Susan Payne	
Joe Hankins	
Olivia Devereux	
Buzz Hoerr	
Kevin Schneider	
Audra Lew	

Mike Halpert
Rich Gannon
Evan Branosky
Rob Valentine
Glen Rountree
Joe Maroon
Nicky Robin
Jacob Pyle
Jim Pease
Water Stewardship
Brian Owel
Elaine Web
Kevin DeBell
Nick DePasquale
Kelly Gable
Roy Hoagland
Megan Thyne
Darrell Brown
Dave Montali
Marel Raub
Carl Lucero