

SUMMARY
Trading and Offsets Workgroup (TOWG)
Conference Call
Wednesday, July 16th, 2014, 10:00AM – 11:30AM
<http://www.chesapeakebay.net/calendar/event/21193/>

Introductions & Updates

- David Foster (Phoenix Initiatives; TOWG Chair) convened the call and reviewed the [agenda](#).
- Jeremy Hanson (CRC, CBPO; TOWG Staff) verified participants.

Improving Water Quality through Better Targeting of Farm Conservation Funds

- Michelle Perez and Sara Walker (World Resource Institute) described WRI's efforts to assess targeting for conservation funds. Perez thanked the co-authors on the study, as well as Lee Norfleet and Jay Atwood from NRCS for their assistance with the Conservation Effects Assessment Program (CEAP) data used in the analysis.
 - View their presentation for more details
 - Further information and resources are also available though the WRI website:
 - Project page: <http://www.wri.org/our-work/project/water-quality-targeting>
 - National targeting analysis publication page: <http://www.wri.org/publication/national-targeting-modeling-study>
 - Barriers to targeting publication page: <http://www.wri.org/publication/targeting-barriers-us-farm-conservation-funds>
 - Mississippi River Basin Initiative (MRBI) Review publication page: <http://www.wri.org/publication/MRBI>
 - Perez reviewed the research questions:
 - How cost effective is the current business-as-usual (BAU) approach?
 - How much more effective could the conservation spending be with targeting?
 - How do results change depending on the environmental benefit that is targeted (nitrogen, phosphorous, sediment, and soil carbon sequestration)?
 - If programs were designed to achieve the most cost-effective benefits, where would the spending be located?
 - Perez summarized the analysis results and recommendations.
 - Walker discussed WRI's third paper which investigated major barriers to targeting. The barriers include scientific and technical, social and political, and institutional and implementation. She reviewed options for addressing the barriers.
- Questions and discussion from the workgroup:
 - Kristen Saacke-Blunk: are you looking at how the NRCS tools may be redesigned for targeting consideration in the new Regional Conservation Partnership Program (RCPP)?
 - Perez: We've been meeting with NRCS and they are incorporating aspects of the recommendations into the new program. The critical conservation areas are one way to target some of the funding.

- Foster: Cost-effectiveness seemed to be the greatest weakness of the program. Any further thoughts as to why?
 - Perez: Our first recommendation for the national analysis was to more closely track the BMPs and environmental benefits. There are tools available in the Chesapeake Bay. The next step is figuring out how to take all those benefits and determine the cost-effectiveness. So there are multiple steps to determine the cost-effectiveness. WRI is partnering with Dana York and conservation district managers in Maryland to familiarize them with available tools such as NTT that are available. Tools like NTT can be used outside of the trading context to estimate environmental benefits.
- Rountree: The people who work directly with the farmers on these issues are uniquely positioned; in areas where farmers would be able to trade with stormwater entities, those individuals should be able to articulate what trading opportunities exist. Long term effort, but something to think about.
 - Saacke-Blunk: At a county level in Wycoming county (PA). been under development for several years. Lots of successes, but has not developed into a transferrable project yet.
- Saacke-Blunk: How did WRI parse out the inputs from other partners besides NRCS. Inputs such as significant matching funds.
 - Walker: We were only looking at the CBWI projects that fell under the CCPI. Did not look at that specific issue.
 - Olivia Devereux (Devereux Environmental Consulting): The Chesapeake Research Consortium is also taking on a project to look at the CBWI. It will look at implementation under CBWI compared to other cost-shared practices or other practices reported by the states. She noted she is assisting with the data analysis and USGS is also involved.
 - Perez: Will be interested in those results. Hopefully that analysis can get at landscape scale water quality benefits from BMP implementation.
- Saacke-Blunk: Based on my understanding, there were some limitations at the landscape scale for CCPI projects. There was not a mechanism for providing technical assistance beyond the financial assistance.
 - Perez: for RCPP, which allows new partners such as wastewater utilities, it helps to leverage new expertise.
- Saacke-Blunk: the NFWF RFP is very specific about asking grantees to demonstrate they are striving for cost-effectiveness per-pound reduced. The people involved are primarily involved and focused on project delivery and implementation here is a different skill set required to assess the cost aspect.
- Contact Michelle Perez (mperez@wri.org) or Sara Walker (swalker@wri.org) with any follow-up questions or comments.

Technical memoranda and updates from the workgroup

- Bob Rose (EPA): Hoping to release a final credit permanence TM soon. Verification and certification issues would be next TM in line for feedback from the jurisdictions and subsequently the TOWG.

- All final TMs are available on EPA’s Chesapeake Bay TMDL page here: <http://www.epa.gov/reg3wapd/tmdl/ChesapeakeBay/EnsuringResults.html>
 - Click “Trading and Offset Programs” tab
 - Below that, click “Bay Trading and Offset Activities” tab
 - Scroll down page.
- Hanson asked for updates or announcements from participants; no additional announcements or updates were raised.

Adjourned

Participants

<u>Name</u>	<u>Affiliation</u>
David Foster (Chair)	Phoenix Initiatives
Pat Gleason (Coordinator)	EPA Region III
Jeremy Hanson (Staff)	Chesapeake Research Consortium
Robert Boos	PENNVEST
Sarah Bradbury	DDOE
Allen Brockenbrough	VA DEQ
Bevin Buchheister	CBC
Sally Claggett	US Forest Service
Olivia Devereux	Devereux Environmental Consulting
Kelly Dubay	Tetrattech
Paul Emmart	MDE
Ron Entringer	NYDEC
Patrick Fanning	Virginia Nutrient Credit Exchange
Nicholai Francis-Lau	MDE
Steve Gladding	NYSDEC
Erin Gray	WRI
Michael Helfrich	Lower Susquehanna Riverkeeper
Teresa Koon	WV DEP
George Onyullo	DDOE
Rick Parrish	Southern Environmental Law Center
Susan Payne	MDA
Michelle Perez	WRI
Marc Ribaud	STAC
Rebecca Roose	EPA
Bob Rose	EPA
Glynn Rountree	Retired
Kristen Saacke-Blunk	Headwaters LLC
Brian Schlauderaff	PA DEP
Kim Snell-Zarcone	Conservation Pennsylvania
Kurt Stephenson	Virginia Tech
Megan Thyng	EPA, CBPO
Melinda Tomaino	Associated General Contractors
Sara Walker	WRI