

WASHINGTON, D.C. 20460

DEC 2 2 2011

OFFICE OF THE CHIEF FINANCIAL OFFICER

The Honorable Joseph I. Lieberman
Chairman
Committee on Homeland Security and Governmental Affairs
United States Senate
Washington, D.C. 20510

Dear Mr. Chairman:

I am transmitting the U.S. Environmental Protection Agency's response to the September 2011 Government Accountability Office report entitled, *Chesapeake Bay: Restoration Effort Needs Common General and State Goals and Assessment Approach (GAO-11-802)*. The EPA prepared this response pursuant to 31 U.S.C. 720.

To improve the likelihood that bay restoration is attained, GAO recommends that the Administrator of the EPA work collaboratively with federal and state bay restoration stakeholders to take the following four actions:

#### **GAO Recommendation**

Develop common bay restoration goals to help ensure that federal and state restoration stakeholders are working toward the same goals.

#### EPA Response

While currently there are some differences in the bay restoration goals developed by the Chesapeake Bay Program partners and the Federal Leadership Committee convened through Executive Order 13508, both partnerships have agreed to a process for developing a common set of bay restoration goals. In fact, for our highest priority – reducing nutrient and sediment pollution – federal and state restoration stakeholders do share a common goal, outcome, process, tracking system, and monitoring program and an agreement that practices will be in place by 2025 that will achieve water quality standards. The process is managed through the Total Maximum Daily Load accountability framework and Bay Tracking and Accounting System.

## **GAO Recommendation**

Establish milestones for gauging progress toward measurable goals for the entire restoration effort.

#### **EPA Response**

Federal and State agencies are currently developing the next set of two year milestones for water quality, and each federal lead agency is developing both programmatic and numeric milestones. These milestones cover the period of 2012-2014 and will be final in January 2012. Currently, the general strategy for the measurable environmental response expected in these two year intervals assumes a straight line trajectory from now until 2025.

However, for those outcomes that are related to environmental response, it is important that we learn about these responses using adaptive management. For instance, there can be considerable lag time between when an action is taken on the land and when the response will begin in the tidal waters of the Bay, there can be severe weather events that we have limited control over, or we could learn new things about actions and response. For this reason, the Chesapeake Bay Program adopted an adaptive management decision framework this year that will help the Program to learn and reduce uncertainty. Therefore, any strategy that is used for forecasting the two year milestones needs to be flexible and adjusted accordingly depending on what is learned about an action or response.

## **GAO** Recommendation

Develop an adaptive management process that will allow restoration stakeholders to evaluate progress made in restoring the bay and adjust actions as needed.

## EPA Response

Chesapeake Stat will be the tool that is used to visualize the work of each Goal Implementation Team related to the Decision Framework.

#### **GAO** Recommendations

Identify the indicators that will be used for assessing progress made in improving bay health and clarify how the entities responsible for assessing this progress will coordinate their efforts.

#### **EPA Response**

The Chesapeake Bay Program currently uses a set of 23 indicators for assessing progress related to the bay and watershed health and our restoration efforts. These indicators are used to develop the annual Bay Barometer.

We are always exploring better and more complete ways to use information to improve how we are reporting on the health of the bay and its watershed. The Chesapeake Bay Program will likely make adjustments to these health indicators as early as this year and will consider improving that information using the environmentally based outcomes such as those developed for the Executive Order Strategy for brook trout and black duck.

Indicators of restoration progress have to be updated and will ultimately need to be developed based on the results of the common bay restoration goal setting process described in the response to the first GAO report recommendation above. In the meantime, the Chesapeake Bay Program is establishing guidance for reporting progress to our stakeholders in 2012.

Departments of the Interior and Homeland Security also formally responded to the draft of this GAO report released in August. The Department of the Interior's response was coordinated with the EPA response and is consistent with the EPA responses. New York also responded to the draft report, and Pennsylvania responded to an earlier version of the draft findings. In both cases, they recognized the efforts the EPA has made in working with the Chesapeake Bay jurisdictions on the development of the Bay Total Maximum Daily Load, identified the enormity of the task, and the reason that they need to keep their immediate focus on water quality priorities.

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Chref Financial Officer



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The Honorable Daniel Inouye
Chairman
Committee on Appropriations
United States Senate
Washington, D.C. 20510

OFFICE OF THE CHIEF FINANCIAL OFFICER

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Sincerely

Barbara J. Bennett

Chief Financial Officer

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approach the Chesapeake Bay Program is taking to align Federal and state goals and outcomes



WASHINGTON, D.C. 20460

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OFFICE OF THE CHIEF FINANCIAL OFFICER

The Honorable Harold Rogers Chairman Committee on Appropriations House of Representatives Washington, D.C. 20515

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Barbara J. Bennett

Chief Financial Officer



WASHINGTON, D.C. 20460

## DEC 2 2 2011

OFFICE OF THE CHIEF FINANCIAL OFFICER

The Honorable Darrell Issa
Chairman
Committee on Oversight and Government Reform
House of Representatives
Washington, D.C. 20515

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Barbara J. Bennett

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WASHINGTON, D.C. 20460



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OFFICE OF THE CHIEF FINANCIAL OFFICER

The Honorable Jacob J. Lew Director, Office of Management and Budget Executive Office of the President Washington, D.C. 20503

Dear Mr. Lew:

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The Agency reviewed the report and pursuant to 31 U.S.C. 720, enclosed are copies of the EPA responses to the Chairs of the House Committee on Oversight and Government Reform, the Senate Committee on Homeland Security and Governmental Affairs, and the House and Senate Committees on Appropriations. If you have any questions, please contact me or your staff may call Christina Moody, in the EPA's Office of Congressional and Intergovernmental Relations, at (202) 564-0260.

Sincerely,

Barbara J. Bennett

Chief Financial Officer

Enclosures



WASHINGTON, D.C. 20460

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OFFICE OF THE CHIEF FINANCIAL OFFICER

The Honorable Eugene Dodaro Comptroller General Government Accountability Office Washington, D.C. 20548

Dear Mr. Dodaro:

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