

Policy Issues Identified by the Manure Treatment Technologies BMP Expert Panel and the Chesapeake Bay Program Partnership

In an email dated May 27, 2016, Jeremy Hanson, coordinator for the Manure Treatment Technologies (MTT) Expert Panel, raised a set of policy issues to the attention of Secretary Ed Kee, CBP Agriculture Workgroup chair, and James Davis Martin, CBP Water Quality Goal Implementation Team (WQGIT) chair, that were identified as a result of the Partnership's review of the recommendations from the MTT Expert Panel's draft report. Included in this email was a request to convene a policy group that would be responsible for resolving the identified policy issues. The WQGIT and Agriculture Workgroup chairs are requesting a decision from the Management Board during their June 16 meeting as to whether such a policy group can be established.

Recommended Procedure to Address Identified Policy Issues

The overarching policy issue that has been raised by the Partnership in the context of the MTT panel is water quality trading. Pending the Management Board's approval of the policy procedures outlined in the document, *Reaching Partnership Agreement on How to Address the Policy Issues Emerging from Partnership Convened BMP Expert Panels*, it is recommended that Policy Procedure #3 be followed, given that water quality trading is a complex issue that intersects a large cross-section of the Partnership, particularly Pennsylvania, Maryland and Virginia.

- 3) When facing more complex policy issues (e.g. crediting in-situ practices) or policy issues with implications for a wide cross-section of the Partnership (e.g., trading), the involved Goal Implementation Team chair or chairs will ask for the Management Board's approval to convene a policy group during their next scheduled conference call or meeting.

As the Partnership identifies the participants of the requested policy group, the MTT Panel coordinator recommends that the sector expertise of the Agriculture Workgroup members should be combined with other relevant program experts from the states (e.g., trading program staff or managers).

Policy Issues¹ to be Considered by a Partnership Policy Group

To determine how to fully incorporate MTTs into a state's trading program, there several items that should be considered, but which are outside the purview and the technical expertise of the MTT Expert Panel, including:

- **Replacement nutrients.** In some cases the treated/transported manure may be replaced by field application of fertilizer. The policy group could consider what reasonable assumptions could be made for trading purposes.

¹ Additional policy issues may be identified as the Panel report undergoes further Partnership discussion, as well as during the deliberations of the convened policy group.

- **The fate and redeposition of reactive nitrogen emissions (NO_x, ammonia).** The CBP Modeling Workgroup is already looking into how the Partnership may be able to account for BMPs associated with reactive nitrogen emissions in the Partnership's Airshed Model. This would apply to more than just the thermochemical and composting BMPs recommended by the MTT Panel. The Modeling Workgroup will have a discussion on this issue at their August 2016 Modeling Quarterly meeting. The modeling discussions may inform this issue for the policy group, but the group may want to discuss how the states may account for NO_x or ammonia emissions and redeposition for their trading programs. Each state's air quality regulations for NO_x or their applicable permitting programs for MTT operations may also inform how they prefer to account for potential NO_x or ammonia emissions from MTTs.
- **Differences in field application, field runoff of nutrients.** Each state's nutrient management programs or other programs may inform the conditions or expectations for how treated manure is land applied. The policy group could consider what reasonable assumptions could be made in their trading programs when the treated manure is land applied to crops.
- **Crediting Manure Treatment Technologies and manure transport/elimination.** Further discussions are needed to determine how manure taken from the application stream should be credited for trading purposes. Questions to consider include:
 - How exactly are credits generated via Transport/Treatment?
 - What are the assumptions that are implicit in the credit calculation?
 - What constitutes baseline and is there a need to factor in existing Nutrient Management Regulations in establishing that baseline?
 - What would have been the nutrient load to waters in the absence of Transport/Treatment happening?
 - What would have been the nutrient load to waters as the result of Transport/Treatment?
 - What regulatory conditions would need to be established to ensure that the assumptions implicit in the credit calculation occur?
 - What credit calculation tools are necessary?

Decision Requested

The WQGIT and the Agriculture Workgroup chairs are seeking Management Board approval to convene a policy group to develop recommendations that would address the policy issues identified above.

Next Steps

If the Management Board approves the convening of a policy group for the MTT Expert Panel, the WQGIT, in coordination with the Agriculture Workgroup, will recommend potential members to serve on this policy group following the June 16 Management Board meeting. The Management Board will have the responsibility for reviewing and approving the WQGIT and Agriculture Workgroup's recommended membership during their July meeting.