

SUMMARY
Trading and Offsets Workgroup (TOWG)
Conference Call
Wednesday, February 19th, 2014, 10:00AM – 12:00PM
www.chesapeakebay.net/calendar/event/21188/

Introductions & Updates

- David Foster (Phoenix Initiatives; TOWG Chair) convened the call and reviewed the [agenda](#).
- Pat Gleason (EPA, Region 3; TOWG Coordinator) noted that the final Technical Memorandum on Uncertainty was available on the EPA website:
<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.
- Jeremy Hanson (CRC, CBPO; TOWG Staff) verified participants.

Updates

- Hanson called for updates from the workgroup; none were raised.

Pennsylvania trading update

- Brian Schlauderaff (PA DEP) described the Pennsylvania nutrient trading program and reviewed statistics from the 2013 compliance year.
 - View [his presentation](#) for more information
- Allan Brockenbrough (VA DEQ): do trades occur monthly or annually?
 - Schlauderaff: Throughout the compliance year. Majority of trades occur between September and end of November though. Difficult to verify credits mid-year.
- Glynn Rountree (NAHB): are you considering allowing homebuilders and other nonpoint sources to participate?
 - Schlauderaff: We don’t have any restrictions as long as the practices are CBP-approved.
 - Rountree: Have any homebuilders participated?
 - Schlauderaff: Not to my knowledge.
- Megan Lehman (Lycoming County, PA) described the efforts and approach taken by Lycoming County to embrace water quality trading.
 - View [her presentation](#) for more details.
 - Ridge Hall (Chesapeake Legal Alliance): in some cases we see a reluctance from producers to participate and generate credits to sell, and there is also sometimes reluctance from buyers concerned about risk of purchasing nonpoint source credits.
 - Lehman: In our experience, the conservation district is key. They are best suited to work and communicate with the farmers. For some of our Amish farmers it helped to get their local bishop on board. We have also created signage to showcase farmers and projects. We are reaching our staff capacity and hope to secure additional funding sources.

Willamette Partnership

- Bobby Cochran (Willamette Partnership) described the approach the Willamette Partnership has taken with water quality trading for temperature and thermal loads. He described the verification process used for credits. Oregon does not certify the credits, but certifies the monitoring reports. Cochran shared his contact information and encouraged the workgroup to reach out to him with any questions or comments.
 - View [his presentation](#) for more details
- Foster thanked Cochran for the presentation and asked him how the Willamette Partnership built trust as it conducted its work.
 - Trust is cyclical and not a one-time thing, have to continually reinvest in it. It helped that Oregon DEQ was on board early on. There are environmental advocates who have been getting more involved and asking some tough but fair questions. For land owners, the biggest piece was being respectful, honest and consistent. We have to adaptively manage.
 - Bob Rose (EPA) asked about site visits.
 - Cochran: Year 1 a certified verifier visits the site. Boots on the ground is the biggest cost for verification. We have no credits from annual practices. Even that cycle might be too expensive.
- David thanked the presenters and participants for their time and discussion.

Adjourned

Participants

<u>Name</u>	<u>Affiliation</u>
David Foster (Chair)	Phoenix Initiatives
John Rhoderick (Vice-Chair)	MDA
Pat Gleason (Coordinator)	EPA Region III
Jeremy Hanson (Staff)	Chesapeake Research Consortium
Dominic Bassani	Bion
Russ Baxter	VA DEQ
Robert Boos	PENNVEST
Evan Branosky	DDOE
Allen Brockenbrough	VA DEQ
Chris Brosch	Va Tech/VA DCR
Kim Childe	PA DEP
Kevin DeBell	EPA, CBPO
Olivia Devereux	Devereux Environmental Consulting
Ron Entringer	NYSDEC
Kelly Gable	EPA
Karen Hall	WEG
Ridge Hall	Chesapeake Legal Alliance, Inc.
George van Houtven	RTI
Nicki Kasi	PA DEP
Megan Lehman	Lycoming County (PA)
Beth McGee	CBF
David McGuigan	EPA Region III
George Onyullo	DDOE
Rick Parrish	Southern Environmental Law Center
Chris Pomeroy	AquaLaw
Susan Payne	MDA
Jenn Quinn	PennFuture
Bob Rose	EPA
Glynn Rountree	NAHB
Abel Russ	Environmental Integrity Project
Brian Schlauderaff	PA DEP
Kevin Schneider	Greenvest
Kim Snell-Zarcone	Conservation Pennsylvania
Melinda Tomaino	Associated General Contractors
Jon Weidman	NYSDEC