# MINUTES CBP Trading and Offsets Workgroup (TOWG)

# Conference call Wednesday, February 20<sup>th</sup>, 2013

http://www.chesapeakebay.net/calendar/event/19156/

#### **SUMMARY OF DECISIONS & ACTION ITEMS**

**ACTION:** CBPO staff will share the Pennsylvania baseline analysis with the workgroup.

**ACTION**: Workgroup members should submit ideas for future agenda or discussion topics to John (<u>john.rhoderick@maryland.gov</u>) and Jeremy (<u>jhanson@chesapeakebay.net</u>).

#### **MINUTES**

#### Roll call

• Jeremy Hanson (Chesapeake Research Consortium) convened the call at 10:00AM and verified participants.

#### **Introduction and updates**

• John Rhoderick (Maryland Dept. of Agriculture; TOWG Vice-Chair) welcomed participants and described the agenda.

### EPA Region 3 workplan

- Darrell Brown (EPA, CBPO) updated the workgroup on the status of EPA's trading and offsets workplan and technical memoranda (TMs):
  - Sector Growth and Offsets Demonstration issued for review in December.
     Based on input received, we are revising the TM and expect to have a new version by the end of February
  - Local Water Quality and Representative Sampling undergoing final agency review and expect to send to jurisdictions for review in late February or early March. The Representative Sampling TM addresses load calculation methodologies and sampling frequency of waste water treatment plants.
  - Trading Ratios for Uncertainty and Credit Calculation both are undergoing internal EPA review. Expected release to jurisdictions in March
  - Baseline TM awaiting additional modeling work on the Maryland baseline evaluation which will be incorporated into the TM and released probably in the 2<sup>nd</sup> quarter of CY2013.
  - Additionality, Verification and Credit Permanence all three are in the early stages of development will be released probably in the 2<sup>nd</sup> quarter of CY2013.
  - MS4 and Construction Off-site Mitigation work will not begin until the summer.
  - Net Improvement and Interstate Trading on hold at the current time pending development of other TM.

- Rhoderick: EPA's set a pretty ambitious schedule, do you anticipate that these twelve memos would be out by June?
  - o Brown: The last few or so that are in the early stages will probably take longer.
  - Rhoderick noted that with a deadline to establish their offset programs by the end of 2013, the jurisdictions are very interested in having time to review and consider these memoranda.
- Michael Helfrich (Lower Susquehanna Riverkeeper) noted Olivia Devereux was not on the call, but described a previous discussion with her on agricultural operators' participation in trading programs. One idea was to run scenarios with specific levels of participation (e.g. 100%, 80%, 60% etc.) to understand what a baseline would look like based on expected participation. Is that moving forward?
  - Pat Gleason (EPA; TOWG Coordinator): we are putting together examples of baselines and how operators meet baseline. These will be included in a technical memorandum
- Joe Maroon (Maroon Consulting): Would like to ensure that TOWG members and other stakeholders have sufficient time to review and comment on the draft TMs, especially on certain issues like local water quality.

### What's new/upcoming in the watershed

- Nicki Kasi (PA DEP): Pennsylvania is still working with stakeholders; nothing new since previous conference call.
- Theresa Koon (WV DEP): nothing new to report for West Virginia.
- Rhoderick: Maryland launched an accounting for growth workgroup. Series of six meetings are scheduled through June. Plans include discussion of sectors' potential to generate credits, and to discuss the state's CIG grant, among other things.
- Ginny Snead (VA DCR): The Departments of Conservation & Recreation (DCR) and Environmental Quality (DEQ) have been working internally to draft some preliminary regulations to share with the stakeholder group.
  - Russ Baxter (VA DEQ): Additionally, we are working to finish study on the state's trading ratios before July 1<sup>st</sup>.
  - O Allen Brockenbough (VA DEQ): we starting to do reconciliation of the second year of point source loads under the watershed general permit; the loads appear to have reduced by another 9% (TN) and 6% (TP). We are seeing a lot of activity for nonpoint source banks, especially permanent land conversions, to offset stormwater loads.
- Gleason noted the TOWG's prior workplan was expired, and asked participants for their thoughts on agenda or discussion topics while the workgroup seeks a new chair-person.
- Baxter: If we start seeing EPA's technical memoranda, those could would serve as a basis for future discussions. It could be helpful to facilitate discussion between the workgroup members and EPA.
- Maroon: did anything happen as a result of last year's discussion regarding potential changes in national nutrient trading guidelines?
  - Gleason: we spoke with headquarters, do not foresee any changes occurring at this point.
- Koon asked if Gleason could share Devereux's baseline analysis that Helfrich referenced earlier.

- **ACTION:** CBPO staff will share the Pennsylvania baseline analysis with the workgroup.
- Rhoderick noted the next conference call is scheduled for March 20<sup>th</sup>.
  - He asked members to submit ideas for future agenda or discussion topics to him and Jeremy.
- **ACTION**: Workgroup members should submit ideas for future agenda or discussion topics to John (john.rhoderick@maryland.gov) and Jeremy (jhanson@chesapeakebay.net).

# Adjourned

### **Next conference call:**

Wednesday, March 20<sup>th</sup>, 2013 10:00AM – 12:00PM

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# **Participants**

<u>Name</u>	<u>Affiliation</u>
John Rhoderick	MDA
Pat Gleason	EPA Region III
Jeremy Hanson	Chesapeake Research Consortium, CBPO
Eric Aschenbach	VA Dept. of Health
Russ Baxter	VA DEQ
Alyssa Berger	Penn Future
Heide Bonnaffan	MWCOG
Allen Brockenbough	VA DEQ
Chris Brosch	Va. Tech/ VA DCR
Darrell Brown	EPA
Liz Burdick	Water Stewardship
Kelly Gable	EPA
Erin Gray	WRI
Michael Helfrich	Lower Susquehanna Riverkeeper
Nicki Kasi	PA DEP
Teresa Koon	WV DEP
Joe Maroon	Maroon Consulting
Thomas Morgart	Maryland NRCS
Rick Parrish	Southern Environmental Center
Susan Payne	MDA
Kevin Schneider	Greenvest
John Schuman	
Lindsay Slote	Linden Trust
Ginny Snead	VA DCR
Miranda Yost	
Katherine Zook	OEM