



CHESAPEAKE BAY COMMISSION 2012 Policy for the Bay

MISSION

The Chesapeake Bay Commission is a tri-state legislative commission created in 1980 to advise the general assemblies of Maryland, Pennsylvania and Virginia on matters of Baywide concern. Twenty-one members define the Commission's identity, determine its direction and share its workload. Fifteen are state legislators, three are cabinet-level secretaries representing their governors, and three are citizen representatives. The full range of urban, suburban and rural life enjoyed in the watershed is represented on the bipartisan Commission, with each member contributing his or her unique perspective, knowledge and expertise.

The Commission is one of six signatories to all of the Bay agreements and a member of the Chesapeake Executive Council, helping to set region-wide policy to advance Bay restoration. Commission members — many elected officials themselves — work on multiple levels to advance and implement those policies by consulting with their respective governors, partnering with colleagues in the general assemblies and at the local level, and petitioning the U.S. Congress. Members work with a wide range of stakeholders, representing the diversity of interests whose lives touch the watershed.

By laws enacted in the three member states more than three decades ago, the Commission is charged with addressing the broad range of issues and policies that take into account the pollution sources, land uses and human impacts in the Bay watershed, a 64,000-square-mile area spanning six states with 180,000 miles of tributaries and coastline. Commission members craft and secure passage of laws and policies that must balance many ecological, societal and economic concerns.

The restoration's primary focus is on clean water, in the belief that restored water quality will lead to improved conditions for the plants and animals that depend on it. This annual report details the significant progress made on Bay issues in 2012, as well as the steps taken to secure more progress in 2013 and beyond.



COMMISSION MEMBERS DELEGATE McINTOSH (MD.) AND SENATORS HANGER (VA.) AND MIDDLETON (MD.) EXAMINE A POULTRY MANURE-TO-ENERGY FACILITY



MAYOR RUSS BRINSFIELD OF VIENNA, MD.

LEARNING



COMMISSION MEMBERS DISCUSS INTERSTATE FISHERIES

ANALYZING

COMMISSION MEMBER SENATOR FOWLER (MD.)



COMMISSION MEMBER REPRESENTATIVE STURLA (PA.)



COMMISSION MEMBER DELEGATE COSGROVE (VA.)



NORTHERN NECK AQUACULTURE

BUDGETING



MARK TRICE, MARYLAND DNR



COMMISSION MEMBER JOHN WOOD (MD.) WITH DELEGATES CONWAY AND ECKARTD



ASSISTANT SECRETARY ANTHONY MOORE (VA.)



MEMBERS TOUR VIRGINIA DELEGATE RANSONE'S OYSTER FARM



IS MANAGEMENT



COMMISSION MEMBERS REPRESENTATIVE EVERETT (PA.) AND SENATOR WAGNER (VA.)



EXECUTIVE DIRECTOR ANN SWANSON



CULTURE OYSTER

COORDINATING



COMMISSION MEMBER DELEGATE LINGAMFELTER (VA.)



R. EXPLAINS THE BAY'S MONITORING NETWORK



LIZ ZUCKER, THE NATURE CONSERVANCY

BRIEFING



COMMISSION MEMBER SENATOR BRUBAKER (PA.)



COMMISSION MEMBERS SENATOR FROSH (MD.) AND SENATOR WAUGH (PA.)



COMMISSION MEMBER DELEGATE HUBBARD (MD.)



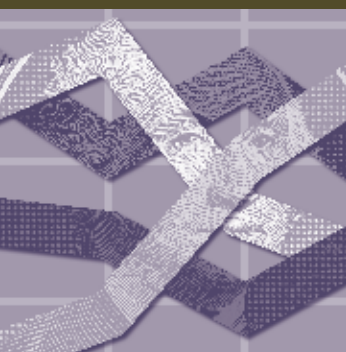
COMMISSION MEMBERS SENATOR FROSH (MD.) AND SENATOR WAUGH (PA.)

PRIORITIES



TMDL Under the Federal Clean Water Act, the Chesapeake Bay must adhere to a “pollution diet” that defines the maximum amounts of nitrogen, phosphorus and sediment that the Bay can manage. Practices to achieve these pollution limits set by the Chesapeake Bay Total Maximum Daily Load (TMDL) must be fully in place by 2025, with 60 percent of them in place by 2017. Protection and enhancement of funding sources was a critical issue in all three member states, as was the evolution of emerging strategies to accelerate pollution reductions (for example, manure-to-energy initiatives and nutrient trading analyses). As states began their first round of progress reporting under the TMDL, the Commission also analyzed methods to improve the accuracy and transparency of implementation tracking.

LAND CONSERVATION The Commission advanced efforts begun in 2011 to determine how the water quality benefits of land conservation might be factored into the Bay TMDL. The advent of the TMDL in 2010 focused energies on pollution reductions (nutrient and sediment) but overlooked the value of land conservation in achieving these reductions and improving water quality. A pro bono legal analysis determined that the Clean Water Act, a Presidential executive order, and the TMDL itself supported the use of land conservation as a tool for protecting water quality. Armed with this conclusion, staff reached out to the jurisdictions and other Bay partners to convene a group of creative experts to explore innovative concepts in land conservation.



NUTRIENT TRADING The Commission’s report, “Nutrient Credit Trading for the Chesapeake Bay: An Economic Study,” published in May 2012, showed that trading could deliver significant cost savings as jurisdictions move to achieve the TMDL pollution reductions. However, in order to ensure that nutrient trading actually decreases pollution flowing to the Bay, and that trading pollution loads from one source to another does not degrade local waters, the Commission concluded that rigorous and transparent verification of pollution reduction tools and practices will be necessary. The Commission also recognized that details like “trading ratios” and “margin of safety” must also be considered if trading is to be used to meet our Bay restoration goals.

FISHERIES MANAGEMENT The Commission’s recognition that the overarching goal of the Bay clean-up is to restore its living resources led it to: ✓ Monitor the rebound in blue crab populations, following the recent adoption of strategic management measures supported by the Commission in Maryland and Virginia. ✓ Engage fisheries managers and the seafood industry to reveal and clarify policy actions to improve fisheries management in the Potomac River and waters Baywide. Members and staff worked closely on the development of joint legislative actions to be brought before the Maryland and Virginia legislatures in 2013 that would strengthen illegal fishing penalties. ✓ Work to expand oyster restoration activities in the Potomac and other rivers.



MANURE TO ENERGY Building on its precedent-setting work in biofuels, the Commission moved to promote manure-to-energy as an innovative tool to help restore the Bay. The Commission focused on finding ways to promote wider adoption of the practice and to attract private investment, while also ensuring that the practice accomplishes nutrient reductions without degrading air quality. To that end, the Commission will support the Farm Manure-to-Energy Pilot Project as it implements on-the-ground pilots in each member state and reports on the feasibility, nutrient fate, economics and environmental impacts of each project. Some of the Commission leadership got to observe viable manure-to-energy operations first-hand on a trip to Ireland and England — where the technology is already in wider use than in the United States — as guests of the government of Ireland.

MARYLAND

Consistent with the Commission's overarching interest in manure-to-energy, members from Maryland championed a renewable energy bill to allow a manure-to-energy system operator to earn a Renewable Energy Credit (REC) for producing thermal energy. RECs can be sold to electricity suppliers to satisfy their obligation under Maryland's Renewable Portfolio Standard. This legislation created an added economic incentive for farmers to use excess



MARYLAND DELEGATION (L-R): DEL. JOHN WOOD, FRANK DAWSON (DNR REP.), SEN. BRIAN FROSH, BEVIN BUCHHEISTER (STAFF), SEN. MAC MIDDLETON, NOT PICTURED; DEL. MAGGIE McINTOSH, DEL. JIM HUBBARD AND SEN. BERNIE FOWLER.

manure to create thermal energy in areas where land application can no longer support the volume of manure produced. In addition, Commission members led the effort to include a \$2 million manure-to-energy fund in the Governor's budget to jump-start adoption of these technologies. Members also focused on the need for the state to ensure that small-source air emissions from sources like on-farm manure-to-energy facilities do not simply transfer the pollution from the land to the air.

Another important initiative supported by the Commission's Maryland members was Senate Bill 240, which addressed the shortfall in the Bay Restoration Fund. The fund supports upgrades to wastewater treatment plants to decrease their nitrogen output to the Bay and is integral to Maryland's restoration plans. Members worked both to increase the level of funding and to expand the use of the fund to upgrade medium- and smaller-sized wastewater treatment plants and for local stormwater projects beginning in 2018. Because upgrades to wastewater treatment plants are not subject to the same rate of failure as nonpoint pollution control practices, these upgrades are the wisest use of public money for Bay restoration.

MAKING HEADWAY: PROGRESS ON REDUCING

Dirty water cannot support a healthy Bay. For thirty years, the Chesapeake Bay Commission, federal government and states within the watershed have been working in partnership to reduce excess nitrogen, phosphorus and sediment that causes harmful algae blooms, blocks vital sunlight and stifles growth of aquatic life. Since 1985, we have been making measurable progress toward our pollution reduction goals. While many indicators of Bay health fall short of our goals, signs of improvement and resiliency abound.

Variations in rainfall and temperature have the most significant impact on Bay conditions in any given year, but its ability to withstand extreme weather events like Irene and Tropical Storm Lee in 2011 is evidence that the Bay can hold its own. Despite these historic storm events, summer hypoxia showed only minor decreases in 2012. Similarly, the Bay's oxygen levels rose from low oxygen levels during the summer, often referred to as a "dead zone," which was one of the smallest on record.

VIRGINIA

Commission members in Virginia introduced legislation in 2012 to provide \$87 million to ensure sufficient funding necessary to upgrade wastewater treatment plants. Legislation to regulate lawn fertilizer nitrogen content, like funding for wastewater treatment plants, will help Virginia meet its TMDL goals. The Commission also played a role as the legislature expanded the Virginia Nutrient Credit Exchange to allow more sources to participate in nutrient credit



VIRGINIA DELEGATION (L-R): JACK FRYE (STAFF), ADM. TIM ALEXANDER, JOHN REYNOLDS, SEN. EMMETT HANGER, DEL. JOHN COSGROVE, DEL. LYNWOOD LEWIS, SEN. FRANK WAGNER, NOT PICTURED: DEL. SCOTT LINGAMFELTER AND SEC. DOUG DOMENECH.

trading, better define the rules of trading, and improve transparency. Members and staff closely followed the developments surrounding the management of the Atlantic menhaden, and the year ended with dramatic action by the Atlantic States Marine Fisheries Commission: a decision to reduce menhaden landings by 20 percent and to widen monitoring and reporting. Further changes that will require legislative action in early 2013 will place among the Commission priorities.

The Commission once again participated in the annual Environment Virginia conference, assembling a workshop focused on manure-to-energy projects in the commonwealth. Throughout the year, it remained active in Soil and Water Conservation District funding, nutrient credit trading dialogues, and "agricultural certainty" deliberations.

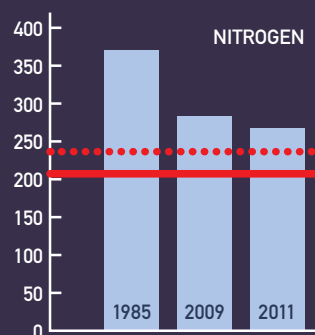
The Commission's "Economics of Trading" report stirred much interest in Virginia. The Commission presented the findings of the report to numerous interested organizations.

NG NUTRIENT AND SEDIMENT POLLUTION

ost influence on Bay
nd assault from Hurricane
t the Bay is beginning to
merged aquatic vegetation
area of the Bay suffering
ferred to as the "dead zone,"

A healthy Bay will not only hold its own, but will sustain the full measure of dissolved oxygen and water clarity its living resources require. Consequently, we must continue to reduce pollution from existing sources such as agriculture, atmospheric deposition and wastewater, and mitigate future threats, such as increasing urbanization and the diminishing capacity of the Conowingo Dam to trap sediment. The Commission will continue to do its part through meaningful legislative and policy initiatives that promote cost-effective solutions.

TOTAL POLLUTION LOADS TO



PENNSYLVANIA

Year two of the 2011-2012 Pennsylvania legislative session saw a continued focus on clean water. Commission members pursued legislation to limit the amount of nitrogen and phosphorus in lawn fertilizer. Despite work with industry and scientists, and a growing consensus, the bill remained in committee. Commission members anticipate reintroducing it in 2013.

Likewise, the Commission helped to shepherd legislation that would clearly

allow municipal authorities to oversee stormwater management. This legislation passed the Senate unanimously but did not reach a House floor vote. Again, Commission members anticipate reintroduction in 2013.

Despite a projected budget shortfall of \$700 million, Commission members fought to retain funding for the Keystone Parks and Recreation Fund and Agricultural Conservation Easement Purchase Fund, which were in danger of elimination. On another funding front, the Commission met with the Legislative Budget and Finance Committee (LBFC) as it studied the costs of implementing the TMDL.

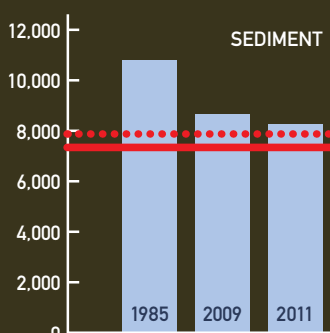
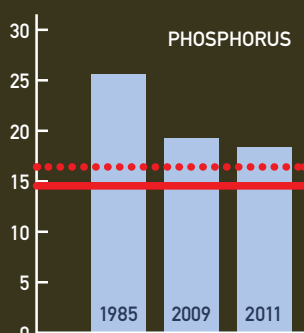
In furtherance of the Commission's manure-to-energy work, members convened a working group of environmental, agricultural, and energy partners to advance deployment of these technologies in Pennsylvania.

Finally, the Commission continued its ongoing participation in a host of stakeholder groups such as those related to nutrient trading, TMDL implementation and transportation funding.



PENNSYLVANIA DELEGATION (L-R): REP. GARTH EVERETT, REP. RON MILLER, REP. MIKE STURLA, PAT BUCKLEY (DEP. REP.), WARREN ELLIOTT, MAREL RAUB (STAFF), SEN. MIKE WAUGH. NOT PICTURED: SEN. MIKE BRUBAKER.

THE BAY (IN MILLIONS OF POUNDS PER YEAR)



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2017 Interim Target

—————
2025 Planning Target
(amount allowed in Bay)

Loads to Bay simulated using
CPB Phase 5.3.2 Watershed Model

SOURCE: CHESAPEAKE BAY PROGRAM

ROSTER



VIRGINIA

COMMISSION CHAIR*

The Hon. Emmett W. Hanger, Jr.

SENATE OF VIRGINIA

The Hon. Frank W. Wagner

SENATE OF VIRGINIA

The Hon. John A. Cosgrove

VIRGINIA HOUSE OF DELEGATES

The Hon. Lynwood W. Lewis, Jr.

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The Hon. L. Scott Lingamfelter*

VIRGINIA HOUSE OF DELEGATES

The Hon. Doug Domenech

SECRETARY OF NATURAL RESOURCES, VIRGINIA

The Hon. John J. Reynolds

VIRGINIA CITIZEN REPRESENTATIVE

Rear Admiral Tim Alexander

NAVAL LIAISON



MARYLAND

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MARYLAND HOUSE OF DELEGATES

The Hon. Brian E. Frosh

MARYLAND STATE SENATE

The Hon. Thomas McLain "Mac"
Middleton

MARYLAND STATE SENATE

The Hon. James W. Hubbard*

MARYLAND HOUSE OF DELEGATES

The Hon. John F. Wood, Jr.

MARYLAND HOUSE OF DELEGATES

The Hon. John R. Griffin

SECRETARY OF NATURAL RESOURCES, MARYLAND

The Hon. Bernie Fowler

MARYLAND CITIZEN REPRESENTATIVE



PENNSYLVANIA

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SENATE OF PENNSYLVANIA

The Hon. Michael L. Waugh*

SENATE OF PENNSYLVANIA

The Hon. Garth D. Everett

PENNSYLVANIA HOUSE OF REPRESENTATIVES

The Hon. P. Michael Sturla

PENNSYLVANIA HOUSE OF REPRESENTATIVES

The Hon. Michael Krancer

SECRETARY OF ENVIRONMENTAL PROTECTION,
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The Hon. G. Warren Elliott

PENNSYLVANIA CITIZEN REPRESENTATIVE

*Member of the Executive Committee



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Chesapeake Bay Commission
Policy for the Bay