



July 23, 2020

Hon. David H. Zimmerman
127 Peters Road
1st Floor
New Holland, PA 17557

Dear Representative Zimmerman,

We are writing to provide our support for House Resolution 874, providing for a two-year delay in complying with federal MS4 requirements. The Coalition for Affordable Bay Solutions (CABS) has been advocating against mandated MS4 requirements since 2013. CABS exists to advocate for limiting nutrient flows into the Chesapeake Bay; however our coalition is focused on prioritizing cost-effective solutions, so as to maximize the most bang for the buck with precious taxpayer dollars. CABS also advocates for engaging the private sector in the solutions.

However, CABS recommends your resolution go a step further: to not just postpone, but to actually eliminate the stormwater mandate as it is the most egregious and cost inefficient part Pennsylvania's Chesapeake Bay Watershed Implementation Plan (WIP). The WIP recommendations propose to reduce 195,000 lbs of nitrogen reductions to the Bay from stormwater at a cost of \$78.5 million annually thru 2025 or approximately \$470 million in total.

The WIP continues in the decades old tradition of 'everyone has to do their part' to address nutrient pollution REGARDLESS of cost. Why does the highest cost solution need to be part of the Bay compliance mandate? This is the complete opposite of the federal and state requirements that every solution be cost effective and alternative solutions be considered. Since 2013, private sector financed manure technologies have been an alternative that both the Corbett and Wolf administrations have consistently excluded from their toolkit of solutions in addressing the Bay mandate. Why? Pennsylvania's legislature's own Legislative Budget & Finance [Study](#) (LBFC) has twice affirmed that manure technologies can provide Bay nitrogen credits at savings to taxpayers of up to 90%.

Yet nitrogen reductions to the Bay from manure technology installations are not part of the latest WIP. Securing 200,000 lbs of nitrogen reductions annually from manure technologies for 10 years will cost approximately \$2M annually or \$20M over a ten-year period. The stormwater mandated communities would avoid a \$470M initial expenditure over 6 years and the ongoing operating costs going forward. The nitrogen reductions from manure technologies would be based upon measured verified nitrogen reductions. The communities would be left to address their flooding and sediment reduction requirements without the hammer of a federal mandate determining the timeline. The sediment and flooding requirements could be addressed much more cost effectively once the issue of nitrogen capture, treatment and removal was no longer the issue.



The Department of Environmental Protection has not approved allowing stormwater authorities to purchase nutrient credits to offset their allocated Bay nutrient reductions. A municipal plant can use credits to offset their Bay nutrient mandate but stormwater authorities, whose costs per lb of nitrogen reduction is multiples of a municipal plant, are barred from using an offset. Why? The DEP's position makes no sense.

The opportunity to significantly reduce the taxpayer burden of the Bay mandate goes well beyond the stormwater mandate. CABS has worked since 2013 to secure legislation that would replace the existing insiders' control and allocation of funding with a performance-based competitively-bid program that would allow private sector participation. Unfortunately, the legislation that has twice been advanced by the Senate has failed to be considered in the House. Legislation to establish a program to fund such an effort passed the Senate and is sitting in the House State Government Committee.

Since manure technologies are not part of the WIP, the verified nitrogen credits generated by such facilities could be dedicated to replacing the stormwater mandate. These technology projects are a riskless opportunity since the taxpayer would only pay for credits delivered to and certified by the DEP. This is the complete opposite of the existing program where the taxpayer pays for the project and therefore assumes the performance risk for failed or inefficient projects, which is the norm.

Instead of (or in conjunction with) a two-year delay from EPA, why not adopt a funding program for \$20M over 10 years that will save taxpayers \$460M over the first six years?

Sincerely,

Jeremy Rowland
Coalition for Affordable Bay Solutions

Cc: The Honorable Senators John DiSanto (District 15) and Doug Mastriano (District 33) Co-Sponsors of Senate Resolution to provide a 2-year Extension on MS4 Requirements

The Honorable Representative Dawn Keefer, District 92 - Dillsburg

The Honorable Senator Mike Regan, District 31 - Carroll Township

The Honorable Gene Yaw, District 23

The Honorable Jake Corman, District 34

The Honorable Joseph Scarnati, District 25