



The Authorities

PENNSYLVANIA MUNICIPAL AUTHORITIES ASSOCIATION

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Joint Hearing of Senate Agriculture and Environmental Resource Committees on the Chesapeake Bay Testimony from the Pennsylvania Municipal Authorities Association

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HISTORY

The Pennsylvania Municipal Authorities Association (PMAA) represents 700 municipal authorities across Pennsylvania providing public infrastructure services that include wastewater treatment, drinking water, solid waste management and recycling to over six million citizens.

In 2005, PMAA took a lead role in representing wastewater treatment plants required to meet new mandated Chesapeake Bay nutrient limits for nitrogen and phosphorus. PMAA convened a Chesapeake Bay workgroup of treatment plant managers, engineers and attorneys to work with DEP and EPA to craft a practical nutrient reduction plan for the wastewater sector. Over the course of three years and numerous meetings, the PMAA workgroup was able to present a viable plan with a phased approach for the mandated 194 wastewater plants required to meet Bay upgrades. It included meeting the reduction goal of 6mg/liter Nitrogen and 0.6mg/l Phosphorus at the plants.

This effort has resulted in the wastewater sector being the only sector in Pennsylvania to actually meet their 2017 midpoint goals, three years ahead of schedule. As a sector, the wastewater plants met their phosphorus reduction goal in the fall of 2013, and their nitrogen reduction goal in the spring of 2014.

The cost of these upgrades, from a 2008 Metcalf and Eddy report sanctioned by the PA Legislative Budget and Finance Committee, was \$1.4 billion. By comparison, the original estimated cost for wastewater plants in the 2005 Chesapeake Bay Tributary Strategy from DEP was \$375 million.

CONCERNS

The following is a list of concerns facing wastewater plants as well as the PA Bay program in general:

1. The failure of other sectors to meet their individual Bay reduction goals may prompt EPA to impose more stringent and more expensive nutrient reductions on wastewater plants.
2. The failure of other sectors to meet their individual Bay reduction goals may, as a penalty, curtail federal funding for Bay-related tasks, as well as other federally funded programs.

3. The failure of other sectors to meet their individual Bay reduction goals will continue to have a negative impact on local and regional waterways in Pennsylvania.
4. A cogent, inclusive plan needs to be developed to deal with agricultural reductions mandated under the plan. We are now 11 years into the “latest” Bay cleanup plan, and yet agricultural goals remain elusive. The reboot is a good starting point, but success remains to be seen, may be incremental, and significantly short of Bay Strategy goals.
5. There is a need for a critical look at Bay requirements for stormwater management, both currently and in the future. This needs to include municipal program management, the huge projected costs, and a reliable way to calculate reductions.
6. The nutrient credit trading workgroup first began in October of 2004. For a dozen years, multiple parties through numerous efforts have struggled with the ever changing landscape of trading in Pennsylvania. The trading “successes” envisioned early in the program have not materialized for various reasons, including federal oversight and changes.
7. Funding for Bay projects remains a difficult issue. The wastewater plants largely self-funded their efforts, often with private or public loans, and their sewer billing rates increased to cover these costs. Municipalities seem to be facing the same conundrum with stormwater upgrades. The money available is mostly loans, not grants, so their residents will also pick up this expensive tab, pegged at \$5.3 billion in the 2005 Tributary Strategy. Finally, how do we set up an equitable funding formula for the tens of thousands of farms that need to do BMPs to meet Bay compliance standards?

SUGGESTIONS

1. Establish a Pennsylvania Chesapeake Bay Trust Fund, available to all impacted sectors. The idea of a “Pennvest for the Bay” might be a good place to start. Pennsylvania delegates to the Chesapeake Bay Commission could convene a legislative task force to develop potential funding sources, as well as the grant/loan parameters for such a funding program.
2. Create a decision-making PA Chesapeake Bay Agriculture Committee from various agricultural sectors, conservation districts, soil scientists, and other professionals. Their main purpose would be to develop a credible plan to meet Bay goals, with dates for compliance, and consequences for non-compliance. The committee should discuss funding issues and identify potential funding sources. Additionally, the committee should provide tools and information from resource providers and regulators that would be readily available to all areas of agriculture. Lastly, the committee should have a fixed 6-9 month time frame to present their findings and recommendations.
3. The Nutrient Credit Trading program needs to be critically evaluated for: participation, success, cost, viability, reliability and sustainability. The Bay nutrient credit trading program needs to be restructured and reinvigorated and perhaps open to other considerations such as multi-state trading, innovative credit generation, and the ability of a credit to potentially have a multi-year application.

Thank you for the opportunity to address you today. I am happy to answer any questions.