

## Offset Subcommittee

### **Issue Paper D – Offsets outside Bay Watershed**

#### **Background**

The current statute for trading pertains presently to the Chesapeake Bay watershed only (ref HB2168 (2009)). The statute indicates that, “*The Board may establish by regulation a stormwater nutrient program for portions of the Commonwealth that do not drain into the Chesapeake Bay.*” Given that permittees outside of the Bay watershed may need off-site compliance options in the absence of local programs, the subcommittee will consider options for providing those.

#### **Issue**

At present, it does not appear that DCR is interested in administering a “buy-down” program or similar state option, until the dynamics of the expended Nutrient Credit Exchange have been hammered out. Even then, the adopted/suspended regulations would have only allowed for participation in the buy-down program within the Bay watershed.

#### **Evaluation**

Possible resolution of this matter could occur through the following mechanisms:

- 1) The Board/Department could establish a separate and parallel nutrient credit program for areas of the state outside the Chesapeake Bay Watershed.
- 2) Some other stopgap measure to allow contributions could be put in place in the regulations to provide a vehicle for off-site compliance.

The committee felt that creating a parallel credit exchange program for stormwater nonpoint nutrient offsets was the best way to approach this. Note that the “baseline” for the offsetting practices may be different outside of the Bay watershed, but otherwise we envision the program would be substantially consistent with the current program within the Bay watershed.

#### **Potential Regulatory Language Modifications**

Christine and Elizabeth volunteered to research ways to lift out relevant language and create a parallel nutrient exchange system outside the Bay watershed.