

“Baseline” Proposals
5/31/2013

WG Next Steps and Considerations:

- Transaction costs should be calculated to better understand value
- Constituency input with real life examples
- Create market certainty by publishing numbers in advance
- Calculate relative costs of options
- Understand big picture goals
- Modify MDE Calculator to run proposals
- BMP cost ranges
- Send out WWTP capacity maps – MDP
- Think about how options impact decisions on other policies

MACO Proposal

Baseline equals pre-development 2025 target sector load (e.g. 20-4 = 16)

- Subtract new development load from disturbed area (wastewater and storm water load have to meet state requirements (eg. ESD to MEP (50%), BAT))
 - Whatever is left (if negative and agricultural or forest) reverts to 0
 - Any additional load (positive) must be offset
 - Option to add additional practices for credit (after calculation)
 - Weighted average is used to calculate pre-development 2025 target based on land use (cropland, pasture, hay, etc.)

Objective:

Start w/ pre-development load that meets TMDL

Subtract state requirements

Whatever is left must be offset or zeroed out (unless you add additional BMPs)

Reduce incentive to develop on agricultural land

Site specific option

Agricultural sector doesn't have to give up BMPs that are already on land

Considerations

- Could increase costs due to certification and verification of site specific loads

Eric's Proposal

Baseline equals pasture load at 2025 TMDL target for any agricultural land

- Use most restrictive of pasture load range (3.72 lbs which is most restrictive) (EPA guidance - use lower number or individual basin number)
 - Use 8.7 lb statewide average if restrictions in trading geographies
- For forest use 2025 TMDL target (use statewide average (3 lbs))
- For urban development use 2025 TMDL target

Objective:

Between forest and TMDL target

Reduce incentive to develop on agricultural land

“Lynne” Amendment

- Baseline equals the load determined through onsite assessment tool (NTT) provided that the number is between the pasture load and the 2025 TMDL target at the basin level for agricultural land.

Original Option 2 (Forest)

Baseline equals forest allocation at basin level or statewide average (whichever is more restrictive)

Objective:

Premise behind allowing new growth is that we are meeting TMDL requirements

Adding protection back into policy

Development is a permanent load

Accounts for permanency, fact that air deposition was taken off table, etc.