



Maryland Department of Agriculture

Office of the Secretary

Larry Hogan, Governor
Boyd K. Rutherford, Lt. Governor
Joseph Bartenfelder, Secretary
James P. Eichhorst, Deputy Secretary

The Wayne A. Cawley, Jr. Building
50 Harry S. Truman Parkway
Annapolis, Maryland 21401
www.mda.maryland.gov

Agriculture | Maryland's Leading Industry

410.841.5880 Baltimore/Washington
410.841.5914 Fax
800.492.5590 Toll Free

December 18, 2017

The Honorable Benjamin H. Grumbles
Secretary of the Environment
Maryland Department of the Environment
1800 Washington Boulevard
Baltimore, Maryland 21230

Re: Proposed Maryland Water Quality Trading Program Regulations under COMAR 26.08.11

Dear Secretary Grumbles:

As the Maryland Department of the Environment's long-standing partner in developing the State's Water Quality Trading Program, we at the Maryland Department of Agriculture are pleased to have participated in and actively supported the process that has resulted in the publication of the above referenced regulations. While we are in broad agreement with the proposed regulations and appreciate the weight that was given to our opinions and suggestions in arriving at them, we continue to have major concerns about the exclusion of wastewater point source trading from the trading program and its provisions.

Basically, we do not understand why any form of trading would not be subject to Maryland's overall trading regulations. Allowing wastewater treatment plants to conduct capacity trades under a parallel system creates uncertainty about the validity and transparency of the whole trading program. We realize that in some instances, allocations are simply being swapped and no money is changing hands, but since allocations can easily be quantified and prices do not need to be disclosed, we feel strongly that these transactions, like all others, should be posted through a comprehensive registry and documented for the public in real time. We know, too, from comments that have been shared with us that we are not alone in this viewpoint. Trades, and especially initial ones, will be subject to intense scrutiny, and every step that is taken to remove any possible ambiguity will be critical to establishing credibility and acceptance for Maryland's trading program.

Despite our reservations on this one point, we are; nonetheless, glad that the trading option will soon become a reality in Maryland. Meanwhile, we are available for further discussions at your convenience.

Sincerely,

Joseph Bartenfelder

cc: Lynn Buhl
Hans Schmidt
Gary Setzer