

Larry Hogan, Governor Boyd K. Rutherford, Lt. Governor

Ben Grumbles, Secretary Horacio Tablada, Deputy Secretary

March 23, 2020

Dear Constituent:

Thank you for your correspondence regarding the Conowingo Dam settlement. As Secretary of the Maryland Department of the Environment (MDE), I am pleased to respond on behalf of the administration.

To be clear, the State did not waive its authority to protect local waterways by entering into a draft settlement agreement with Exelon, Conowingo Dam's owner. Rather, MDE asserted that Exelon's acceptance of those settlement terms, which is also contingent upon the Federal Energy Regulatory Commission (FERC) inserting those settlement conditions into Exelon's federal license, will serve to fully address Conowingo Dam's water quality and ecosystem impacts and hold Exelon accountable to those conditions. If FERC chooses not to incorporate these settlement agreement conditions into their license, then MDE will reassert the original water quality certification requirements.

Through a multi-prong and multi-partner approach, Governor Hogan's administration has been aggressively studying and implementing solutions to the growing threat posed to the Chesapeake Bay by pollution, sediment, and debris flowing through Conowingo dam. The settlement agreement is one very important aspect of this multi-prong strategy and requires Exelon to invest more than \$200 million in environmental projects and operational enhancements to improve water quality in the Lower Susquehanna River and the Chesapeake Bay. Of this \$200 million, \$41 million is specifically dedicated to removing Conowingo trash and debris while \$52 million is dedicated for new flow requirements that will mimic natural conditions in the Lower Susquehanna River to improve the aquatic ecosystem and provide better upstream migratory fish passage. Other investments include:

- \$47 million for climate resiliency projects, including submerged aquatic vegetation, clams, oysters, and restoration of living shorelines.
- \$25 million for an unprecedented initiative to restore a healthy population of water-filtering mussels in the Susquehanna River, including contribution of land for the construction of a 40,000 square foot, state-of-the-art hatchery.
- \$19 million for other projects to improve water quality in the Chesapeake Bay, including agricultural projects such as cover crops and forest buffers.
- \$12 million to support MDE and the Department of Natural Resources in overseeing and implementing the agreement.
- \$11 million over and above the commitments already made by Exelon in its 2016 settlement with the U.S. Fish and Wildlife Service to make upgrades and operational changes to improve the passage of migrating fish and eels.

- \$5 million to conduct chlorophyll A monitoring and reporting.
- \$1 million for eel-related research and projects.
- \$500,000 to fund a study of dredged material management options.

Secondly, the Maryland Environmental Service (MES) issued a Request for Proposals (RFP) for a demonstration project for dredging behind the dam as another water quality solution for Conowingo Dam's impacts. That RFP calls for identifying markets for the beneficial reuse of the dredged material. A contractor, NorthgateDutra, has been selected for this project and is currently working with MDE on required permits. Reservoir sampling and the dredging and innovative reuse component are expected to start in the fall of 2020.

On a broader partnership level, every jurisdiction in the Chesapeake Bay watershed has also agreed to develop a separate Watershed Implementation Plan (WIP) for the Conowingo Dam. This plan will identify the strategies, funding mechanisms, and tracking and accountability measures to ensure the pollution impacts from Conowingo Dam are reduced to achieve science-based targets. This plan will also allow pollution reduction practices to be implemented in the most cost-effective areas, which includes Pennsylvania's portion of the Susquehanna River basin. Several contractors have been hired to assist with this effort with a draft WIP scheduled for public review in March 2020. More timing details can be found at https://www.chesapeakebay.net/channel_files/39781/conowingo_wip_financing_strategy_development_timeline_9.10.19.pdf. I encourage you to participate in that public process and check the Chesapeake Bay Program's web site at https://www.chesapeakebay.net/who/group/conowingo_watershed_implementation_plan_steering_committee for the latest.

These agreements and initiatives underpin Maryland's comprehensive strategy to correct Conowingo Dam's pollution impacts while also stimulating a restoration economy to clean Maryland's water and air.

Thank you again for your correspondence. If I may be of further assistance, please contact me at 410-537-3084, or Mr. Lee Currey at 410-537-3567, or <u>lee.currey@maryland.gov</u>.

Sincerely,

Hubber

Ben Grumbles Secretary

cc: Lee Currey, Director, Water and Science Administration