Mr. Adam Ortiz Regional Administrator U.S. Environmental Protection Agency, Region III 1560 Arch Street (3RA00) Philadelphia, PA 19103-2029

Dear Mr. Ortiz,

Welcome to your new position as EPA's Region 3 Administrator. As partners in Chesapeake Bay and local water quality restoration, we look forward to working with you as the Principals' Staff Committee (PSC) Chair to achieve our shared clean water goals. In order to have the programs and practices in place to meet our local water quality and Chesapeake Bay restoration goals by the 2025 deadline, jurisdictions will need to successfully implement Phase III Watershed Implementation Plans (WIPs) that account for the additional loads due to climate change and also achieve the 6-million pounds nitrogen and 260,000 pounds of phosphorus flowing to Chesapeake Bay from Conowingo Reservoir filling with sediment. To do so, the Chesapeake Bay Program (CBP) partnership agreed in late 2017 to develop and implement a collaborative and innovative Conowingo WIP (CWIP). Please consider this letter a response to EPA's cover letter for the January 25, 2022 CWIP evaluation, specifically the request to respond within 60-days regarding EPA's assertion of no confidence without CWIP implementation funding.

The CWIP was finalized in September 2021 and prioritizes the most cost-effective agricultural, urban and natural filter (forests, wetlands, and grass buffers) best management practices (BMPs) to reduce Conowingo pollution loads at an annual cost of more than \$53-million dollars. These costs do not include technical assistance. The CWIP also identifies opportunities, innovations and contingencies for reducing Conowingo loads, such as dredging and reuse of dredged material for beneficial/climate resiliency uses and developing nutrient reduction crediting science and frameworks for restored aquatic ecosystems.

Related 2022-2023 CWIP milestones were submitted to EPA on January 13, 2022 and recognize that the partnership is still in an implementation capacity-building phase. The milestones set an ambitious numeric target to implement practices sufficient to reduce at least 25% of the nitrogen reductions identified in the CWIP, or 1.675-million pounds. Additionally, the Susquehanna River Basin Commission (SRBC) has agreed to

be the CWIP financing authority and the partnership has finalized the contractual mechanism (letters of agreement) for jurisdictions to contribute money towards CWIP implementation practices. SRBC has also embarked on an annual grant program that will aim to award up to \$5 million annually to projects that could include aspects of nutrient and sediment load reductions, any of which could potentially be attributed to the CWIP allocation.

More recently, the jurisdictions (MD, PA, and NY) within the CWIP geography responsible for implementation and SRBC have been meeting to deliver on these implementation commitments, which includes securing funding. Maryland (attached) is already showing strong environmental leadership by budgeting \$25 million to support the Conowingo WIP and \$6-million for Conowingo dredging solutions. This is in addition to almost \$13 million Maryland is investing in Conowingo settlement monies over the next three years for nutrient reduction, ecosystem restoration (freshwater mussels and fisheries), and climate resiliency projects to reduce nutrient pollution to Chesapeake Bay. Our jurisdictions are also collectively evaluating our capacity for additional financial commitments to CWIP implementation.

In addition, SRBC and CWIP Steering Committee jurisdictions have already invested significant hours in in-kind services and technical support for this innovative and collaborative CWIP effort. The Steering Committee reports directly to the CBP's PSC and on behalf of the PSC this letter serves to express the signatories' ongoing commitment to serve on the CWIP Steering Committee, provide technical support and in-kind services, and continue jurisdictional CBRAP allocations as directed by EPA (table below) towards Conowingo WIP implementation.

Jurisdiction	Current Annual CBRAP Contribution
District of Columbia	\$0 ¹
Delaware	(\$15,824 not a signatory)
Maryland	\$87,033
New York	\$15,824
Pennsylvania	\$163,681
Virginia	\$68,242
West Virginia	\$9,396

¹ The District of Columbia does not contribute CBRAP dollars based on the <u>Conowingo WIP Framework</u> <u>allocation formula</u>

Given the extensive collaboration, staffing resources, and progress to date with CWIP development, financing infrastructure and related commitments, the Steering Committee supports a continued collaborative CWIP approach. Further, recognizing that we are still in the capacity building phase and ramping up implementation, the Steering Committee agrees we should continue CWIP partnership collaboration to 2025 when we will have a sufficient track record to reassess overall implementation progress and critically evaluate the success of the adaptive management process.

EPA has been instrumental throughout CWIP development in helping to secure financing and related resources to develop and implement the Conowingo WIP. These efforts have been both critical to our success and commensurate with resources needed during the CWIP planning phase. However, now that the CBP partnership is squarely on an aggressive implementation path as identified in the 2022-2023 CWIP milestones, it is essential that EPA and other federal agencies invest Bipartisan Infrastructure Law funding towards CWIP implementation commensurate with Conowingo's more than \$53-million annual price tag. The Steering Committee is happy to discuss potential funding allocation methodologies and options with EPA.

The Susquehanna Basin provides over half of the freshwater to Chesapeake Bay as well as provides drinking water for millions of people. With billions in new federal infrastructure funding for clean water and safe drinking water projects, an almost \$50million annual increase in Bay Program funding, and a CWIP that leverages the conservation financing, public private partnerships, nature-based and climate resilient solutions, now is the time to secure the federal commitments that will help modernize this historic restoration effort and ensure its continued success. This includes advancing the science of ecosystem restoration which can aid in the achievement of our shared restoration goals for local water quality, drinking water and the Chesapeake Bay. There are also opportunities to leverage new markets, like voluntary carbon offset markets, into our Bay Restoration effort and consistent with the Executive Council's climate directive. Developing new and innovative conservation financing approaches will help create efficiencies in BMP implementation and scale that can accelerate restoration outcomes in all our jurisdictions. With new CWIP partners like SRBC and NRCS, as well as robust federal funding mechanisms (like EPA Chesapeake Bay Implementation Grants and Regulatory and Accountability Program Grants), we can leverage these existing mechanisms to efficiently and effectively distribute increased Conowingo federal funding.

The Steering Committee appreciates the Chesapeake Bay Program's continued partnership and commitment to this innovative and collaborative WIP. With our 2025 restoration goals in sight, we need to not only assure implementation of our jurisdictional WIPs but also explore the new innovations and partnerships that can accelerate overall progress, achieve multiple cobenefits, and modernize the tools for our collective restoration efforts.

Sincerely and on Behalf of our Principals' Staff Committee Members:

New York:	Lama Tourley
	Lauren Townley, Chief, Watershed Section A,
Pennsylvania:	NYDEC
	Dill M. Watourt
	Jill Whitcomb, Director, Chesapeake Bay Office,
	PADEP
Maryland:	
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	Science Administration, MDE
District of Columbia:	92 Mal-
	John Maleri, Watershed Protection Division, DOEE
West Virginia:	Juch
	Teresa Koon, Assistant Director, Division of Water and Waste Management, WVDEP
Virginia:	Jutta Schneider
	Jutta Schneider, Director, Water Planning Division, VADEQ