

Clean Water Commerce Act & DEIJ Outreach Update

Chesapeake Bay Commission
Maryland Delegation
Fall 2023 Meeting

October 27, 2023

Clean Water Commerce Act

\$20M annually to purchase "environmental outcomes" (nitrogen reductions) to help the State achieve the Chesapeake Bay TMDL

Carve outs – "at least"
35% (\$7M) for agricultural practices
20% (\$4M) for projects in EJ Communities
10% (\$2M) for nonagricultural landscape restoration projects

Agricultural Practice means "a best management practice that is: 1. Approved by the Chesapeake Bay Program Partnership; 2. Implemented on land or water that is used for the production or processing of an agricultural crop." Agricultural practice includes "agricultural, horticultural, silvicultural, and aquacultural operations." Priority is given to projects that are "1. A fixed natural filter practice, as defined in § 8-701 of the agricultural article; or 2. An agricultural ditch management practice, as defined by the Chesapeake Bay Program."

Nonagricultural Landscape Restoration Project means "a project that: 1. is installed on a nonagricultural lands; 2. has an intended lifespan of at least 10 years; and 3. provides environmental outcomes." Nonagricultural landscape restoration project includes "a project that returns the land to native or natural land cover, such as afforestation or reforestation projects."

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Projects in EJ Communities means "projects, including stormwater management and green infrastructure projects, established in communities disproportionately burdened by environmental harms and risks as identified by the Department in consultation with the Commission on Environmental Justice and Sustainable Communities." MDE is using the Department's Environmental Justice Screening Tool to identify eligible communities/projects.

Clean Water Commerce Act Scoring

- Maximum of 100 points
- •60 points for cost-effectiveness of nitrogen reductions
- •40 points for co-benefits (50 points available / 40 points maximum)
 - o 10 points for climate mitigation / resilience
 - o 10 points for alleviating environmental harms / risks in EJ Communities
 - o 10 points for contributing toward attainment of local water quality standards
 - o 10 points for phosphorus / sediment load reductions
 - o 10 points for inclusion of natural filter practices



Clean Water Commerce Act – FY23 Solicitation

RFP was released on June 10, 2022; All proposals were due by September 9, 2022. 36 applications received; no applications for EJ Community funding

Supplemental RFP period for projects in Environmental Justice Communities was open from December 31, 2022 through January 31, 2023

No applications for EJ Community funding were received again

Unused funds roll over to FY24 application (to open on December 1, 2023) – increasing the overall funding for FY24 to \$24M.



Clean Water Commerce Act – FY23 Solicitation

Received 36 applications during initial application period

22 agricultural applications

7 non-agricultural landscape

7 other

\$91.5M in funding requested

\$56.2M for agricultural

\$4.7M for non-agricultural landscape

\$30.6M for other

Cost per lb of Nitrogen ranged from just over \$16 to more than \$1,500

15 applications were \$50 or less per lb of N

14 applications were between \$51 and \$100 per lb of N

2 applications were between \$101 and \$150 per lb of N

5 application were over \$150 per lb of N

Finalized funding list and released to public on June 12, 2023

\$16M in MDE funding for 9 projects

\$963K in EPIC funding for 5 projects

\$546K in MDA funding for 2 projects



Clean Water Commerce Act FY2023 Solicitation

Primary			Environmental	Term	Nitrogen	Total	Amount	Total	
Category	Applicant Name	Project Name	<u>Practice</u>	(Yrs)	Reduction	Points	Requested	Funding	Comments
									MDE Funded - \$7M in "agricultural"
A market de la company	Sh		State of Sta	20	A 45.24	100	¢0 200 000	40 200 000	carve out plus \$1.28M of "general"
	ShoreRivers, LLC	Carter	Stream Restoration/Wetland Creation	20		100	\$8,280,000		funding
	ShoreRivers, LLC	Lowe Farm DWM	Drainage Water Mgmt (NRCS 554)	10		100	\$395,503		MDE Funded - "general" funding
Agriculture	Ecotone, LLC	Talisman Living Shoreline	Shoreline Mgmt	20	\$ 29.45	99	\$3,949,245	\$3,949,245	MDE Funded - "general" funding MDE - partial funding - "non-ag
Agriculture	Conservation Innovation Fund	AGgrow	Alternate Crop	10	\$ 19.38	88	\$5,172,520	\$1,375,251	landscape"
THE R. P. LEWIS CO., LANSING, MICH.	The Mill	The Mill	DAS Advanced Nitrogen Mgmt	10		85	\$5,000,000	42,013,232	
0	Washington Suburban Sanitary Comm	Piscataway WRRF	Nutrient Reduction Process	10		80	\$8,330,400		
	ShoreRivers, LLC	RHHome DWM	Drainage Water Mgmt (NRCS 554)	10		75	\$116,831	\$116,831	EPIC Funded - "agricultural"
	Farm Creek Oyster Co, LLC	Farm Creek	Oyster Aquaculture	15		70	\$89,349		EPIC Funded - "agricultural"
Other	Washington Suburban Sanitary Comm	Western Branch WRRF	Nutrient Reduction Process	10	\$ 44.50	64	\$3,194,880		
	Washington Suburban Sanitary Comm	Seneca WRRF	Nutrient Reduction Process	10	\$ 44.50	64	\$2,089,410		
	Washington Suburban Sanitary Comm	Parkway WRRF	Nutrient Reduction Process	10		63	\$4,392,860		
	Washington Suburban Sanitary Comm	Damascus WRRF	Nutrient Reduction Process	10		61	\$161,050		
	ShoreRivers, LLC	Ellwanger DWM	Drainage Water Mgmt (NRCS 554)	10		60	\$131,943	\$131,943	EPIC Funded - "agricultural"
	ShoreRivers, LLC	Turner Farm DWM	Drainage Water Mgmt (NRCS 554)	10	\$ 56.43	60	\$422,267		MDA Funded - "agricultural"
	Anne Arundel County	Cox Creek WRF	Nutrient Reduction Process	10	\$ 50.00	55	\$8,750,000		Account of the second of the s
Other	Anne Arundel County	Mayo Pumping Station	Nutrient Reduction Process	10		55	\$3,646,000		
Agriculture	Madhouse Oysters, LLC	Madhouse Oysters	Oyster Aquaculture	20		50	\$375,355	\$373,355	EPIC Funded - "agricultural"
Non-Ag LS	City of Rockville	Potomac Woods Pond	SWM Facility Retrofit	10	\$ 63.50	44	\$84,231	\$84,231	MDE Funded - "non-ag landscape"
						1			
Non-Ag LS	City of Rockville	Aintree Pond	SWM Facility Retrofit	10	\$ 63.50	43	\$109,948	\$109,948	MDE Funded - "non-ag landscape"
Non-Ag LS	City of Rockville	College Gardens	SWM Facility Retrofit	10	\$ 63.50	43	\$107,184	\$107,184	MDE Funded - "non-ag landscape"
							100		
Non-Ag LS	Ecosystem Planning & Restoration	UT South River	Stream Restoration	10	\$ 96.85	37	\$1,398,538	\$1,398,538	MDE Funded - "non-ag landscape"
	esternis de la companya de la compa					11		2000	MDE - partial funding - "non-ag
	Robert Carpenter	Cooks Point	Living Shoreline Restoration	11		36	\$2,910,405	\$300,100	landscape"
	HGC, LLC	Lower Cedar Point	Living Shoreline		\$ 1,400.05	37	\$6,666,492		
	HGC, LLC	Long Green Creek	Stream & Wetland Restoration	10	\$ 815.00	36	\$4,572,476		
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	JMT (for Easterseals-Camp Fairlee)	Campe Fairlee		10	-		\$3,911,050		
	Agricultural Restoration Services, LLC	Meadow View Farms	Denitrifying Bioreactor	20		35	\$2,340,000 \$2,160,000		
	Agricultural Restoration Services, LLC	Bradbury Farm	Denitrifying Bioreactor	20		35			
	Agricultural Restoration Services, LLC	D Hutchinson	Denitrifying Bioreactor	20		35			
	Agricultural Restoration Services, LLC	Doughty Farm	Denitrifying Bioreactor	20		35	\$2,160,000	6433.363	AADA Sundad Illandoulturalli
	ShoreRivers, LLC	Brinsfield Farm DWM	Drainage Water Mgmt (NRCS 554)	10		35	\$123,263		MDA Funded - "agricultural"
	Maryland Seafood Cooperative	MDSC	Oyster Aquaculture	10		34	\$250,000	\$250,000	EPIC Funded - "agricultural"
	EIP IV Credit Co, LLC	Oakview	Wetland NRCS Code 656	10		33	\$2,070,000		
	City of Rockville	Locks Pond	SWM Facility Retrofit	10		27	\$34,815		
	City of Rockville	Gude Maint Yard Pond	SWM Facility Retrofit	10		27	\$20,169		
Agriculture	Blue Oyster Environmental, LLC	Blue Oyster	Oyster Aquaculture	10	\$ 149.00	22	\$3,725,000	£17 F07 000	

Totals \$91,439,046 \$17,507,008

MDE Selected Agricultural Projects

Carter - ShoreRivers — Stream Restoration/Wetlands Creation - \$8,280,000 (Queen Anne's County)

- *Funded with \$7M of agricultural carve-out plus \$1.28M of "general pot"
- Proposes to restore 4,143 feet of stream and 9 acres of floodplain wetland on an active farm draining into the Wye River/Eastern Bay.
- Plans to reduce nitrogen loads by 25,389.43 lbs/year, phosphorus by 5,662 lbs/year, and suspended solids by 7,201 tons/year.
- Includes a large-scale trash cleanup, boosting the overall health and biodiversity of the ecosystem

Lowe Farm *DWM – Shore Rivers –* Drainage Water Mgmt - \$395,503 (Wicomico County)

- Drainage water management initiative in the Nanticoke River watershed
- Proposes to manage 77.65 acres of agricultural subsurface drainage implementing two water control structures and four water gates
- Plans to reduce 891.09 lbs of nitrogen per year
- Significant reductions CO2-equivalent greenhouse gas annually



MDE Selected Agricultural Projects (continued)

Talisman Living Shoreline – Ecotone LLC – Shoreline Mgmt - \$3,949,245 (Queen Anne's County)

- Restoration project involving shoreline management and creation of a hybrid living shoreline to reduce nitrogen, phosphorous, and sediment loadings
- Addresses areas with erosion since 1840s
- Planned 6,705 lbs of nitrogen reduction per year

AGgrow – Conservation Innovation Fund – Alternate Crop - \$1,375,251 (Dorchester and Caroline Counties)

- Alternative crop initiative Giant Miscanthus
- No-till, limited irrigation, and restrained fertilizer application
- Planned nitrogen reduction of 7,096 lbs per year
- Includes significant carbon sequestration



MDE Selected Non-Agricultural Landscape Projects

Potomac Woods Pond – City of Rockville – Stormwater Facility Retrofit - \$84,231 (Montgomery County)

- Proposes revitalizing the existing stormwater management facility
- Project involves the development of a wetland fringe around the pond
- This addition is intended to significantly enhance the area's biodiversity and provide improved habitats for local wildlife
- Plans nitrogen reduction of 133 lbs per year

Aintree Pond – City of Rockville – Stormwater Facility Retrofit - \$109,948 (Montgomery County)

- Upgrading a stormwater management pond
- Plans nitrogen reduction of 173 lbs per year
- Also plans 10 lbs of phosphorus and 11 lbs of suspended solids reductions per year

College Gardens – City of Rockville - Stormwater Facility Retrofit - \$107,184 (Montgomery County)

- Retrofitting the existing stormwater management facility, College Garden Pond
- Introduction of a wetland fringe will improve biodiversity and enrich the existing habitat
- Projected to decrease nitrogen levels by 169 lbs per year
- Promoting a healthier aquatic ecosystem within the Watts Branch Watershed



MDE Selected Non-Agricultural Landscape Projects (continued)

UT South River – Ecosystem Planning & Restoration – Stream Restoration - \$1,398,538 (Anne Arundel County)

- Stream restoration project at Heritage Harbour Community Association.
- Employs step pool storm conveyance and valley restoration designs to mitigate runoff, improve stream habitats, and reduce sediment, nitrogen, and phosphorus levels
- Projected to achieve an annual nitrogen reduction of 1,444 lbs
- Will contribute to climate resilience and improvement of local water quality

Cooks Point – Robert Carpenter – Living Shoreline Restoration - \$300,100 (Dorchester County)

- Proposed restoration strategy involves the installation of a revetment structure, headland breakwaters, sand beaches, and native vegetation
- Will combat severe erosion on a 2000 linear feet stretch of shoreline at Cooks Point

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- Will reduce nitrogen, phosphorus, and sediment
- High energy erosion has precipitated a significant loss of land and a corresponding decline in the area's biological health

EPIC Selected Projects

RHHome DWM – Shore Rivers – Drainage Water Mgmt - \$116,831

- Drainage water management project in Upper Choptank River watershed
- Utilizes automated water control structure and three water gates for managing agricultural subsurface drainage
- Plans to reduce 245.93 lbs of nitrogen per year
- Significant reductions in greenhouse gas CO2-equivalent/yr

Ellwanger DWM – Shore Rivers – Drainage Water Mgmt - \$131,943 (Caroline County)

- Drainage water management project in Upper Choptank River watershed
- Plans to reduce nitrogen by 238.7 lbs/yr
- Significant reductions in greenhouse gas CO2-equivalent/yr



EPIC Selected Projects (continued)

Farm Creek – Farm Creek Oyster Co – Oyster Aquaculture - \$89,349 (Dorchester County)

- Environmentally-sustainable oyster farming project in Hoopers Straight
- Project will use an innovative oyster column aquaculture system to cultivate oyster spat on shell in crates
- Planned annual nitrogen reduction of 80.62 lbs
- Contributes to a thriving oyster aquaculture industry, generating employment opportunities for the local community

Madhouse Oysters – Madhouse Oysters, LLC – Oyster Aquaculture - \$375,355 (Dorchester County)

- Pioneering sustainable triploid oyster farming techniques in the Honga River and the main stem of the Bay
- Project plans to reduce nitrogen levels by 361 lbs per year
- Contributing to a healthier aquatic environment
- Creates consistent employment opportunities on Hoopers Island

MDSC – Maryland Seafood Cooperative – Oyster Aquaculture - \$250,000 (Queen Anne's, Talbot, Dorchester, Somerset, Wicomico Counties)

- Oyster aquaculture project focusing on in-water restoration
- The cooperative plans to sell 500 pounds of nitrogen annually for the next ten years, aiming to remove a total of 5,000 lbs of nitrogen and 500 to 1,000 lbs of phosphorus



MDA Selected Projects

Turner Farm DWM – Shore Rivers – Drainage Water Mgmt - \$422,267 (Caroline County)

- Improving management of water drainage, agricultural productivity and water quality in the Nanticoke River watershed
- Estimated to reduce nitrogen by 748.32 lbs/year
- Significant greenhouse gas emissions reductions CO2 equivalent/year

Brinsfield Farm DWM – Shore Rivers – Drainage Water Mgmt - \$123,263 (Dorchester County)

- Sustainably managing 20 acres of agricultural subsurface drainage in the Transquaking River watershed
- Estimated to reduce nitrogen by 213.57 lbs/yr
- Significant greenhouse gas emissions reductions CO2 equivalent/year



FY24 CWCA Solicitation

To open on December 1, 2023 – January 31, 2024

Had a number of calls with applicants from last round to go through questions

Will release a guidance document clarifying things we have received requests for guidance/clarity on

\$24M available; includes \$4M carry-over from FY23 unused EJ funding

Outreach with Green and Blue Advisory Committee, Bay Restoration Fund Advisory Committee, and Commission on Environmental Justice and Sustainable Communities

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Outreach to interested parties list with 1400+ emails

Additional targeted outreach needed

Additional DEIJ Information & Outreach

- Incorporating DEIJ considerations and analysis in all funding programs with the goal of ensuring at least 40% of MDE capital funds are going to Disadvantaged Communities (DAC).
- MDE's WQRLF and DWRLF are subject to White House Justice 40 requirement at least 40% of benefits of funding must go to DACs
 - Tracked by EPA annually
- Updated our <u>Disadvantaged Community (DAC) criteria</u> and scoring to include MDE's EJ Screening Tool
- MDE's FY25 Capital Budget submission to DBM included 40+% of investments in DACs.

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UMD Environmental Finance Center – Technical Assistance

- UMD EFC has received funding from EPA to increase technical assistance to Maryland communities
 - Their TA team includes UMD EFC staff, UMD CEEJH, SERCAP, Water Center at UPENN, Quantified Ventures, and Moonshot Missions
- MDE has been working with UMD EFC to coordinate outreach/technical assistance to EJ Communities – initial recommendations include Curtis Bay, Eagle Harbor, Nanjemoy, Cambridge
- MDE has referred other communities to UMD EFC
- Ongoing opportunity to continue to refer to TA by MDE, as well as through EPA portal

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Questions?

Jeff Fretwell - Director

Maryland Water Infrastructure Financing Administration

Maryland Department of the Environment

Jeffrey.Fretwell@maryland.gov

