

Workgroup Status

Workgroup: Ag Workgroup

Status Report Date: April 5, 2006

Team Leader(s): Cedric Karper

Team Members in Attendance:

Walt Peechatka, Penn Ag Industries	Bill Angstadt, Consultant
Scott Vandemark, PECWest	George Hazard, Red Barn
Don McNutt, Lancaster CD	Kelly Ireland, USDA – NRCS
Jeff Wendle, PMAA	Bob Korancai, EPA
Matt Ehrhart, Ches. Bay Foundation	Fred Suffian, EPA
Susan Fox-Marquart, PACD	Brenda Shambaugh, PACD
Andrea Sharretts, PFB	John Bell, PFB
Peter Hughes, Red Barn	Keith Ashley, PA Builders
Elam Herr, PSATS	Jenny Guiling, World Resources Institute
Marel Raub, Chesapeake Bay Commission	George Wolff, Wolff Strategies
John Orr, Dauphin CD	Michael Hubler, Dauphin CD
Jeff Sweeney, EPA	Brian Hill, PA Environmental Council

DEP:

Cedric Karper	Jim Spontak	John Hines
Mark Dubin	Duke Adams	Kenn Pattison

Issue (s) Addressed:

- Baseline & Threshold

Status Report and Recommendations:

- The Work Group met for the third time on April 5.
- The group continued to build on the concepts from the last Ag Workgroup meeting which focused on the idea that some level above baseline compliance is required in order to trade and that increasing levels above compliance can reduce a farmer's trading ratio. The option the group would like to discuss further was based loosely on the percentages of reductions put forth in an "illustrative draft" of the Bay Model to meet Tributary Strategies from a presentation by Kenn Pattison.

- Possible Threshold and Trading Ratio Option
 - Agricultural operations must meet baseline compliance plus an additional 20% reduction in nutrient loading rates as the threshold for trading.
 - Nutrient load reductions beyond this threshold qualify for trading at a ratio of 2 pounds of reduction for each credit.
 - Load reductions beyond baseline compliance plus an additional 60% reduction qualify for trading at a ratio of 1 pound of reduction for each credit.
 - Example:
 - Baseline compliance loading rate is 100# N/Acre
 - The trading threshold is 80# N/Acre. For every 2# of N load reduced beyond this threshold one credit is generated for trading.
 - Below 40# of N/Acre the trading ratio is 1# of N load reduction for each credit.
- The Ag Workgroup intends to look at some real-world scenarios that might implement this strategy to determine its feasibility and ease of calculation and implementation.
- The group will be meeting again on May 1.