

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY REGION III 1650 Arch Street Philadelphia, Pennsylvania 19103-2029

SEP 1 0 2019

Patrick McDonnell, Secretary Pennsylvania Department of Environmental Protection Rachel Carson State Office Building 400 Market Street Harrisburg, PA 17101

Dear Secretary McDonnell:

Over the past two years, EPA and Pennsylvania Department of Environmental Protection (DEP) have held multiple discussions to effectively address DEP's high Chesapeake Bay grant unliquidated obligations (ULOs). As a result of a productive meeting in Harrisburg on June 18th, we jointly made progress in reducing ULOs by redirecting PA's FY2018 and 2019 local government funding to the National Fish and Wildlife Foundation and reallocating existing, unspent local government funding to ready-to-go projects identified in the four pilot Countywide Action Plans.

EPA is committed to supporting programs and implementation critical to achieving Pennsylvania's restoration goals for its local waters and the Chesapeake Bay. Using FY2018 and FY2019 Pennsylvania Chesapeake Bay Implementation Grant (CBIG) and Chesapeake Bay Regulatory and Accountability Program (CBRAP) grants, EPA will support existing project implementation and critical staff positions, including those at DEP, the Conservation Districts, and the new coordinator positions to implement the Phase III Watershed Implementation Plan (WIP) County Action Plans. The specific staff positions and projects EPA will fund include the following:

- · Hiring three new DEP staff positions under CBIG and/or CBRAP
- Completing revisions to the NTT Tool for the Nutrient Trading Program (Objective 7, CBIG)
- Completing the Web-based Reporting Tool for MS4s and CAFOs (Objective 7, CBRAP)
- · Implementing BMP Verification (Objective 8, CBRAP)
- Providing WIP Assistance Funding (Objective 9, CBRAP)
- Supporting compliance assistance to wastewater treatment facilities under CBRAP
- Hiring up to eight External Coordinators, starting with four pilot counties of Lancaster, York, Adams and Franklin, to begin implementation of the Countywide Action Plans for the Phase III WIP.

My staff and Ms. Kasi of your staff have also discussed promising on-the-ground implementation proposals from Pennsylvania Department of Conservation and Natural Resources (DCNR) and the Pennsylvania Fish and Boat Commission (PFBC). EPA appreciates these efforts and will directly fund DCNR with a portion of the remaining CBIG and CBRAP grants to implement forest buffers, a keystone strategy of Pennsylvania's Phase III WIP. This will help to alleviate additional ULOs for PADEP. We are also willing to receive an application directly from PFBC for the stream restoration projects and positions identified in our discussions with Ms. Kasi, if PFBC is interested in applying for FY19 CBIG funding for that purpose.

Finally, we strongly encourage the active participation of the Pennsylvania Department of Agriculture (PDA) in future funding discussions as there may be opportunities for EPA to directly fund implementation proposals from PDA. Other agencies or commissions in the Commonwealth also are welcome to apply for these funds for projects that improve local water quality and further nutrient and sediment reductions to the Bay.

I am happy to address any questions you may have about EPA's approach to allocating Chesapeake Bay grant funding in Pennsylvania.

Sincerely,

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Regional Administrator

Cc: Russell Redding, Secretary, Pennsylvania Department of Agriculture Cindy Dunn, Secretary, Pennsylvania Department of Conservation and Natural Resources