NUTRIENT WORK GROUP MEETING SUMMARY February 13, 2023

9:00 a.m. – 11:00 a.m. Hybrid Meeting: Zoom and DEQ Room 111

ATTENDANCE: NUTRIENT WORK GROUP MEMBERS

Representative & Affiliation	Representing
Louis Engels	Point Source Discharger: Large Municipal
City of Billings	Systems (>1 MGD)
Rika Lashley	Point Source Discharger: Small Municipal
Morrison-Maeirle	Systems with Lagoons
Alan Olson	Point Source Discharger: Non-POTW
Montana Petroleum Association	
Amanda McInnis (representing Kelly Lynch)	Municipalities
Montana League of Cities and Towns	
Shannon Holmes	Point Source Discharger: Middle-Sized
City of Livingston	Mechanical System (<1 MGD)
Matt Vincent	Mining
Montana Mining Association	
Kristin Gardner	Conservation Organization: Local
Gallatin River Task Force	
Sarah Zuzulock	Conservation Organization: Regional
Zuzulock Environmental Services	
Guy Alsentzer	Environmental Advocacy Organization
Upper Missouri Waterkeeper	
Jeff Schmalenberg	State Land Management Agencies
MT Dept. of Natural Resources and Conservation	
Andy Efta	Federal Land Management Agencies
U.S. Forest Service, Northern Region	
Pete Cardinal	Water or Fishing-Based Recreation
Pete Cardinal Outfitters	
Nick Banish	County Water Quality Districts or Planning
Gallatin Local Water Quality District	Departments
Tina Laidlaw	Federal Regulatory Agencies
U.S. Environmental Protection Agency	
David Brooks	Conservation Organization: Statewide
Montana Trout Unlimited	
Dan Rostad	Soil and Water Conservation Districts – East
Yellowstone River Conservation District Council	of the Continental Divide

NOT IN ATTENDANCE: NUTRIENT WORK GROUP MEMBERS

Representative & Affiliation	Representing
Rachel Cone	Farming-Oriented Agriculture
Montana Farm Bureau	
Raylee Honeycutt	Livestock-Oriented Agriculture
Montana Stockgrowers Association	
Samantha Tappenbeck	Soil and Water Conservation Districts –
Flathead Conservation District	West of the Continental Divide
Julia Altemus	Timber Industry
Montana Wood Products Association	
Scott Buecker	Wastewater Engineering Firms
AE2S	

ATTENDANCE: OTHER PARTICIPANTS

Amelia Flanery, DEQ, Surface Water Discharge Permitting Amy Steinmetz, DEQ, Waste Management and Remediation Division Administrator Andy Ulven, DEQ, Water Quality Planning Bureau Chief **Brian Sugden** Christina Staten, DEQ, Watershed Management Section Christine Weaver, DEQ, MPDES Permitting Coralynn Revis, HDR Darrin Kron, DEQ, Monitoring and Assessment Section Supervisor Ed Coleman, City of Helena **Emilie Henry** Eric Sievers, DEQ, Permitting Section Supervisor Eric Trum, DEQ, Watershed Protection Section Supervisor Erik Makus, EPA, Federal Regulatory Agency G Hoff, US Bureau of Reclamation Hannah New, DEQ, Surface Water Discharge Permitting Heather Henry Jack Jeff Dunn, WGM Group Jeff May, DEQ, Surface Water Discharge Permitting Jeremy Perlinski Joe Lierow, ExxonMobil Billings Refinery Josh Viall, DEQ, Compliance and Technical Assistance Section Katie Makarowski, DEQ, Standards and Modeling Section Supervisor **Kelsey Wagner** Kevin Grabinski Kurt Moser, DEQ, Legal Counsel Kyle Milke, DEQ, Adaptive Management Program Scientist Leea Anderson, City of Helena Lindsey Krywaruchka, DEQ, Water Quality Division Administrator Lisa Anderson, DEQ, Watershed Protection Bureau Logan McInnis, City of Missoula

Mark Ockey, DEQ, Watershed Protection Section Matte Wolfe, Sibanye Stillwater Michael Kasch, HDR Michael Suplee, DEQ, Water Quality Standards and Modeling Moira Davin, DEQ, Public Information Officer Peggy Trenk, Treasure State Resources Association Ryan Urbanec Trevor Selch, Montana Fish, Wildlife and Parks Vic Watson, University of Montana Watershed Clinic Vicki Marquis, Holland and Hart

MEETING PURPOSE / OBJECTIVES

Meeting Goal: Provide a summary of the proposal and address requested topics.

- Discuss deferred key topics from 1/9/23 NWG meeting
 - Economics
 - Narrative Standard
- CARDD Funding
- Narrative Nutrient Fact Sheet
- Open discussion of draft rule package

MEETING HIGHLIGHTS / DECISIONS MADE

- Economics
 - Economics have always been considered
 - o There are a variety of options: AMP, partnerships, nutrient trading, and variances
 - The watershed-scale AMP strategy will have higher planning costs, but the potential for lower nutrient reduction costs
- Narrative Standard
 - o If the narrative nutrient standards are achieved, beneficial uses are protected
 - Narrative nutrient standards translator
 - Numeric expression of response variables
 - Use response variables in combination with waterbody nutrient concentrations
 - o EPA's combined criteria approach
 - Narrative nutrient standards translator is analogous to combined criterion
 - Causal and response variables considered together
- Narrative Nutrient Fact Sheet available on NWG webpage
- NWG will still meet on March 13, 2023

MEETING INITIATION

Moira Davin, DEQ public information officer and meeting facilitator, welcomed everyone to the meeting at 9:06 a.m. Moira Davin went over meeting logistics (slide 2 of **Attachment A**), the meeting agenda (slide 3 of **Attachment A**), and took a roll call of Nutrient Work Group members present either via Zoom or in Room 111 of the DEQ Metcalf Building in Helena (slide 4 of **Attachment A**). Moira Davin then presented slide 5 and 6 of **Attachment A** and informed the NWG that Christina Staten is now the TMDL Section Supervisor and Kyle Milke is the Acting QA Manager. It was also mentioned that DEQ wanted to cancel the upcoming Nutrient Work Group meetings for 3/13/23 and 4/10/23.

ECONOMICS

Kyle Milke, DEQ Adaptive Management Program Scientist, went over the economics of the adaptive management program (slide 8 of **Attachment A**). Kyle Milke covered the differing viewpoints: DEQ should be considering the overall cost of the monitoring and implementation at a facility and the relative improvement in the watershed, and that DEQ may only consider economics through a water quality variance.

Kyle Milke covered DEQ's proposal for the economics of the adaptive management program (Slide 9 of **Attachment A**). Kyle Milke mentioned that economics have always been a part of the package. The rule package provides a variety of options for permittees to meet their permit requirements. The toolbox of options includes: the adaptive management program, partnerships, variances, and nutrient trading. The watershed-scale AMP strategy will most likely involve higher planning costs, however, there is the potential for lower nutrient reduction costs. There will also be opportunities for long-term savings.

No discussion was had on this topic.

NARRATIVE STANDARD

Mike Suplee, DEQ Water Quality Standards and Modeling, went over the narrative standard (slide 10 of **Attachment A**). Mike covered the differing viewpoints: there should not be any numeric standards or limits, and that numeric standards should go back in place.

Mike Suplee covered DEQ's proposal for the narrative standard (slide 11 of **Attachment A**). Mike Suplee mentioned if the narrative nutrient standard is achieved, beneficial uses are protected. This is laid out in the Circular DEQ-15 draft as the translator. Within that, there are numeric expressions. These should and can be a part of the narrative standard.

Mike Suplee also mentioned that response variables and waterbody concentrations are used to support beneficial uses. The results can inform MPDES permit limits or adjustments to it. This looks similar to the EPA combined criterion approach. What is in the rule package is analogous because it uses both nutrient concentrations and response variables. The response variable results are given greater weight in this process than the actual nutrient concentrations occurring, this was defined by EPA in the 2013 memo.

Rika Lashley asked how do the results of sampling get translated into permitting? Rika Lashley mentioned that it looks like that defaults back to ecoregional values which are numeric standards. We still do not have details on how this is going to work. Mike Suplee responded that the ecoregional values would be the default values to turn to in a permit in the absence of response variable data. Where there are response variables on hand, those can be considered right away. Once response variables are being collected, there is an opportunity to adjust the ecoregional values. Time is allowed for data to be collected to determine if something else is important.

David Brooks asked if there is a more updated version of Table 4-1 in Circular DEQ-15 that would show different response variable parameters that have been set? David mentioned that the current Table 4-1 has multiple "TBD" for the response variable thresholds, particularly macroinvertebrates. Mike Suplee responded that those are not finished, but they are well on their way. DEQ will have some draft results on some of the Table 4-1 pieces in the next month or two.

David Brooks asked if they are going to see additional response variables in some ecoregions for the high gradient streams? David Brooks mentioned there is some concern with macroinvertebrates being reactive. Mike Suplee responded that Benthic Chlorophyll α and % filamentous algae bottom cover also applies to low and high gradient western and transitional ecoregional streams. DEQ will revise Table 4-1 in Circular DEQ-15 to make it clear.

CARDD FUNDING

Mark Bostrom, DNRC, went over the Renewable Resource Grant Program (slides 12 through 22 of **Attachment A**). The Montana Legislature established the Renewable Resource Grant and Loan Program (RRGL) to fund the conservation, management, development and preservation of Montana's renewable resources. The RRGL program provides both grant and loan funding for public facilities and other renewable resource projects. There are several available funding types: Renewable Resource Project Grants, project planning grants, emergency grants, private grants, irrigation development, watershed management grants, and the new non-point source grants.

Mark Bostrom Cont'd – If HB 6 makes it through the legislature, it will reload plans, i.e. PERS, capital improvement plans, irrigation, drought and watershed project plans. HB 6 will also address underserved needs, like the new non-point source pollution grant. Some state funding grants to consider are EPA 319, EPA Columbia River Basin Toxics Lead, NRCS Conservation Grants, and USBOR WaterSmart.

Matt Vincent asked if there is a potential source of funds for AMP development/implementation? Mark Bostrom responded potentially. Primarily with the planning grants, state agencies are able to make applications to that program.

Amy Steinmetz asked Mark Bostrom, when talking about non-point source projects, a limiting factor for the adaptive management program is monitoring costs, can you think of how your funding could be provided to individuals or communities? Mark Bostrom responded that monitoring costs is difficult, but it could be part of a broader plan under a planning grant.

NARRATIVE NUTRIENT FACT SHEET

Moira Davin went over the narrative nutrient fact sheet (slides 23 through 26 of **Attachment A**). DEQ feels that the proposal is as protective as the previous numeric standards. The proposal is implemental and includes feasible options for meeting limits. DEQ will be providing assistance in a number of ways: monitoring training, webinars, guidance documents, dedicated AMP Scientist position, and a team of experts to answer questions. This is a Montana approach, a Montana approach to nutrient management, Montana science, Montana law, and Montana policy. Moira Davin reiterated that the purpose of this fact sheet is to show where we are at now, this is to help stakeholders explain what the process is.

Nick Banish said that it was stated that the proposal was adopted through Montana-based science. Nick Banish then asked if DEQ could provide an example in the literature of where the Δ DO metric response variable was previously used in Montana streams? Mike Suplee responded that there are two places we have extensive conversation about it. It has been used in assessment methodology for assessing streams for excessive nitrogen and phosphorus. It was adopted in 2010. That Δ DO is a part of the assessment

process for eastern Montana because the majority of the streams are low gradient. The key point is it has been in use for assessing streams in eastern Montana for 13 years now.

Matt Vincent mentioned that in the opening comments, there was illusion to legislation that is being moved forward. Matt Vincent mentioned that cooperatively they are also working with a proposal that has been discussed with DEQ and EPA from Stillwater Mining and Norther Plains Council, the two parallel paths will be cooperating, looking for alignment.

UPCOMING MEETINGS

Amy Steinmetz asked the group if it was too early to pause the meetings? Moira Davin asked for a show of hands on how many NWG members would like to continue to meet in March and April, about half the group raised their hands.

Amy Steinmetz wanted to take a step back on water quality standards and what we've developed for the AMP. When we say water quality standards must protect beneficial uses, it is important, it is not just a number for a permit. The water quality standards are used for assessments, TMDLs, and remediation programs. If we were to set a standard based off what is achievable or economically feasible, you may not be protecting the use, you may allow contamination to remain because it is hard to treat. Right now, we're limited in the tools we have to consider those things. We have variances, compliance schedules, nutrient trading, and on of the things DEQ has really gotten behind, the AMP.

Rika Lashley made note that basically what Amy Steinmetz said pointed to the fact that we need a document that tells us exactly how the permitting piece is going to work. That is when other tools can be used to achieve water quality standards. Moira Davin asked if it was standard to have a document like that in permitting?

Erik Makus mentioned that there are a lot of comparisons with the Wisconsin AMP process, in Wisconsin the state adopted an implementation package for permitting. In that case, EPA Region 5 did a program modification of the MPDES program. Since there have been a lot of comparisons with the Wisconsin AMP program, it might be helpful to devote some future time at a meeting to go over that. We've talked about guidance, but maybe look at 2 or 3 actual permits that went through the AMP.

It was determined that EPA will present a few of these permits at the March 13, 2023 NWG meeting.

PUBLIC COMMENT

None.

The meeting was ended at 10:19 a.m.

ATTACHMENT A: FEBRUARY 13, 2023 NUTRIENT WORK GROUP MEETING PRESENTATION SLIDES

Nutrient Work Group

February 13, 2023



Welcome!

- This meeting is a webinar
- NWG members will be panelists
- Members of the public can raise their hand or use the Q&A feature to ask questions during the public comment portion of the meeting
- *9 raises your hand if you're on the phone
- State your name and affiliation before providing your comment

Welcome to Q&A Questions you ask will show up here. Only host and panelists will be able to see all questions.
Type your question here
Se Who can see your questions?
Chat Raise Hand Q&A









Leave

Agenda

Meeting Goal:	Provide a	summary	of the _l	proposal	and a	ddress
requested topic	CS.					

Preliminaries

• Nutrient Work Group Roll Call

DEQ Updates

- Upcoming Meetings
- Staff Updates

Remaining Key Topics

- Economics
- Narrative Standard

Funding, Resources, and Costs

• CARDD Funding

Rule Package Review

• Questions? Concerns?

Public Comment & Close of Meeting

Public Comment



Roll Call Nutrient Work Group Members

Interest Group	Representative	Substitute
Point Source Discharger: Large Municipal Systems (>1 MGD)	Louis Engels	
Point Source Discharger: Middle-Sized Mechanical Systems (<1 MGD)	Shannon Holmes	
Point Source Discharger: Small Municipal Systems with Lagoons	Rika Lashley	
Point Source Discharger: Non-POTW	Alan Olson	
Municipalities	Kelly Lynch	
Mining	Matt Vincent	
Farming-Oriented Agriculture	Rachel Cone	
Livestock-Oriented Agriculture	Raylee Honeycutt	
Conservation Organization - Local	Kristin Gardner	
Conservation Organization – Regional	Sarah Zuzulock	
Conservation Organization – Statewide	David Brooks	
Environmental Advocacy Organization	Guy Alsentzer	
Water or Fishing-Based Recreation	Pete Cardinal	
Federal Land Management Agencies	Andy Efta	
Federal Regulatory Agencies	Tina Laidlaw	
State Land Management Agencies	Jeff Schmalenberg	
Water Quality Districts / County Planning Departments	Nick Banish	
Soil & Water Conservation Districts – West of the Continental Divide	Samantha Tappenbeck	
Soil & Water Conservation Districts – East of the Continental Divide	Dan Rostad	
Wastewater Engineering Firms	Scott Buecker	
Timber Industry	Julia Altemus	None



DEQ Updates



DEQ Updates

- Upcoming Meetings
- Staff Updates





Key Topics



Economics

Have we captured these accurately?



DEQ's Proposal

• Economics have always been considered

- Variety of options
 - Adaptive Management Program
 - Partnerships
 - Nutrient trading
 - Variances
- Phosphorous prioritization
 - More economically feasible
- Watershed-scale AMP strategy
 - Higher planning costs
 - Potential for lower nutrient reduction costs
 - Opportunities for long-term savings



Narrative Standard

Have we captured these accurately?



DEQ's Proposal

- New Rule I
 - If the narrative nutrient standards are achieved, beneficial uses are protected
- Narrative Nutrient Standards Translator
 - Numeric expression of a site's response variable data
 - Response variables used, with waterbody nutrient concs., to evaluate beneficial use support
 - Results can inform numeric MPDES permits, and adjustments to
 - Translator would apply to other DEQ programs—with programspecific adjustments
- EPA's Combined Criterion Approach
 - Narrative Nutrient Standards Translator analogous to Combined Criterion
 - Causal (nutrients) and response variables considered together
 - Response variable results given greater weight than nutrient concs.
 - Framework defined in EPA 2013 memo



RENEWABLE RESOURCE GRANT PROGRAM NUTRIENT WORK GROUP PRESENTATION-FEBRUARY 2023

Mark Bostrom Montana DNRC



2023 = MOMENTUM

The Montana Legislature established the Renewable Resource Grant and Loan Program (RRGL) to fund the conservation, management, development and preservation of Montana's renewable resources. The RRGL program provides both grant and loan funding for public facility and other renewable resource projects.



AVAILABLE FUNDING TYPES

Renewable Resource Project Grants (Two-year cycle – HB 6)

Line-Item Grants (within biennium)

- Project Planning Grants
- Emergency Grants
- Private Grants
- Irrigation Development
- Watershed Management Grants
- Rando Line Items
- (new) Non-Point Source Grants



Source: GAO.

Note: The figure shows that impairment of water bodies may stem from pollution by point sources which include industrial facilities, such as factories and wastewater treatment plants, and other sources that discharge wastewater from pipes or other discrete points—or nonpoint sources such as airborne pollution, agricultural fields, forestry, and runoff from roofs, lawns, parking lots, and roads.

2021 Montana Legislature

HOUSE BILL NO. 6

INTRODUCED BY M. HOPKINS BY REQUEST OF THE DEPARTMENT OF NATURAL RESOURCES AND CONSERVATION, OFFICE OF BUDGET AND PROGRAM PLANNING

A BILL FOR AN ACT ENTITLED: "AN ACT IMPLEMENTING THE RENEWABLE RESOURCE GRANT AND LOAN PROGRAM; APPROPRIATING MONEY TO THE DEPARTMENT OF NATURAL RESOURCES AND CONSERVATION FOR GRANTS UNDER THE RENEWABLE RESOURCE GRANT AND LOAN PROGRAM; PRIORITIZING PROJECT GRANTS AND AMOUNTS; ESTABLISHING CONDITIONS FOR GRANTS; PROVIDING FOR COORDINATION OF FUNDING; AND PROVIDING AN EFFECTIVE DATE."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

Section 1. Appropriations for renewable resource grants. (1) For the biennium beginning July 1, 2021, there is appropriated to the department of natural resources and conservation from the natural resources projects state special revenue account established in 15-38-302 up to:

(a) \$100,000 for emergency projects grants to be awarded by the department over the course of the biennium;

(b) \$1,000,000 for planning grants to be awarded by the department over the course of the biennium;

(c) \$300,000 for irrigation development grants to be awarded by the department over the course of the biennium;

(d) \$300,000 for watershed grants to be awarded by the department over the course of the biennium; and

(e) \$100,000 for private grants to be awarded by the department over the course of the biennium; and

(f) \$250,000 for an emergency grant for water system repairs at the Savage elementary school.

2023 Montana Legislature

HOUSE BILL NO. 6

INTRODUCED BY M. HOPKINS BY REQUEST OF THE DEPARTMENT OF NATURAL RESOURCES AND CONSERVATION, OFFICE OF BUDGET AND PROGRAM PLANNING

A BILL FOR AN ACT ENTITLED: "AN ACT IMPLEMENTING THE RENEWABLE RESOURCE GRANT AND LOAN PROGRAM; APPROPRIATING MONEY TO THE DEPARTMENT OF NATURAL RESOURCES AND CONSERVATION FOR GRANTS UNDER THE RENEWABLE RESOURCE GRANT AND LOAN PROGRAM; PRIORITIZING PROJECT GRANTS AND AMOUNTS; ESTABLISHING CONDITIONS FOR GRANTS; PROVIDING FOR COORDINATION OF FUNDING; AND PROVIDING AN EFFECTIVE DATE."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

VS

<u>NEW SECTION.</u> Section 1. Appropriations for renewable resource grants. (1) For the biennium beginning July 1, 2023, there is appropriated to the department of natural resources and conservation from the natural resources projects state special revenue account established in 15-38-302 up to:

(a) \$300,000 for emergency projects grants to be awarded by the department over the biennium;

(b) \$3,500,000 for planning grants to be awarded by the department over the biennium;

(c) \$500,000 for irrigation development grants to be awarded by the department over the biennium;

(d) \$500,000 for watershed grants to be awarded by the department over the biennium;

(e) \$100,000 for private grants to be awarded by the department over the biennium; and

(f) \$2,500,000 for nonpoint source pollution reduction grants to be awarded by the department over the biennium.

BUT MARK! HOW IS THIS POSSIBLE? - CHRIS DORRINGTON, DEQ

AMERICAN RESCUE PLAN ACT Water & Sewer Grants



- HB 632 (67th Legislature) appropriated \$462,000,000 in ARPA Sec. 602 Water & Sewer funds to OBPP.
 - DNRC assigned Competitive and Minimum Allocation Grants.
- Over \$10 million HB 6, 7, 14 Project Grants were covered by ARPA fund in HB 632
- Cascade effect benefits HB 6 in 2023 Biennium:
 - 100% funding of 2023 HB 6 Project Grants
 - +\$5.4 million for 2023 HB 6 Line-Item Grants

OPPORTUNITY – HB 6

I. Reload Plans – PERS, Capital Improvement Plans, Irrigation, Drought and Watershed Projects Plans

2. Address underserved needs. *New* Non-Point Source Pollution Grants

- 3. These are State Funds (Think, match!)
- EPA 319
- EPA Columbia River Basin Toxics Lead
 - SB 83 Western Montana Conservation Commission
- NRCS Conservation Grants
- USBOR WaterSmart

WHY A NEW NON-POINT SOURCE GRANT PROGRAM?

319 Grant Funds History:



WHAT WILL NPS GRANTS LOOK LIKE?

- TBD Need to pass HB 6 First!
- Stakeholder outreach, like we did with ARPA
- State Funds won't carry the same constraints as EPA Funds (WRP)





Revised Draft Rule Package



DEQ's Proposal at a Glance

- Science: Based on decades of relevant science in Montana's watersheds, and around the United States and world.
- Meets Water Acts: Meets the requirements of Montana's Water Quality Act and the Federal Clean Water Act.
- Toolkit: A diverse toolkit of options for all dischargers, including those who have invested money into their facilities.





DEQ's Proposal at a Glance

- Watershed Approach: Increased opportunities to offset permit limits for dischargers by voluntarily addressing nonpoint source to lower pollutants in the watershed.
- Phosphorus: Prioritizes phosphorus reduction as required by Senate Bill 358.
- Narrative Standard: Based off of a narrative standard that has been in use since the 1970s, but uses a more comprehensive translator to ensure beneficial uses are protected.
- Permit Limits: Where needed, permit limits from regionally-applicable ranges will be used until site-specific data are collected.
- Montana Approach: A Montana approach to nutrient management—Montana science, Montana law, Montana policy.



If the Proposal is Adopted, DEQ will be Providing:

- Monitoring training.
- Webinars on how the new process works.
- Guidance documents.
- A dedicated position to assist dischargers with the Adaptive Management program.
- A team of experts who can answer questions on the science, monitoring, watershed coordination, and successful best management practices for projects within watersheds.







PUBLIC COMMENT



Questions/ Comments

- Raise hand (*9 if on the phone) or type questions into the Q&A
- DEQ will unmute you if you wish to provide your comment orally
- If calling by phone, press*6 to unmute
- State your name and affiliation before providing your comment









Leave

Meeting Summary

- Proposal summary handout
- If the proposal is adopted, DEQ will provide:
 - Monitoring training
 - Webinars on the process
 - Guidance documents
 - Dedicated AMP position
 - Team of experts to answer questions
- 3/13 and 4/10 NWG meetings cancelled
 - Keeping lines of communication open in the interim



Thanks for Joining Us

Contact: Kyle Milke <u>kyle.milke@mt.gov</u>

To submit comments or questions

Submit Comments or Questions

https://deq.mt.gov/water/Councils

