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Senate Committee on Government Operations, Public Works, and Telecommunications

Public Hearing on Senate Bill 547

February 6, 2014

Good morning Senators, and thank you Chairman Farrow for holding a public hearing on Senate Bill 547.

In my Assembly District, there are many beautiful lakes, rivers, and creeks - including the mighty Rock River, the meandering Turtle Creek, and the majestic Geneva Lake.

I fully appreciate the aesthetic, recreational, and economic value that the waters of the state contribute to the communities I represent and to all of Wisconsin.

I also recognize that phosphorus poses a threat to Wisconsin waterways, many of which are presently listed as impaired. Phosphorus causes unsightly algae blooms which under certain conditions can become dangerous to humans, aquatic life, and pets. Reducing phosphorus impacts is a priority that I expect all members of this committee can appreciate.

There are many sources of phosphorus. The easiest way to measure and monitor phosphorus discharge is at the point of discharge – such as a pipe discharging directly into a waterway. These are called “point sources”. The harder to measure and monitor sources are called “non-point sources”. An estimated 70 to 80% of phosphorus is generated by non-point sources. The point sources contribute an estimated 20 to 30%.

Non-Point Phosphorus sources include:

- Agriculture – from crop fertilizer and animal manure
- Forestry – from earthwork and decomposition
- Households – detergents, lawn fertilizer, human and pet waste
- Urban runoff - runoff from parking lots and streets, yard waste decomposition

Point Phosphorus sources include:

- Industry – paper, food processing and cheesemaking
- Municipal wastewater treatment plants – household and industrial customers

Efforts are being made in both the point and non-point community to reduce phosphorus discharges.

Presently three options exist for point source permittees that are regulated under the phosphorus water quality standard in the Wisconsin Pollutant Discharge Elimination System to achieve required reductions. These options include:

1. Install new technology to remove more phosphorus from wastewater flows;
2. Utilize adaptive management or water quality trading; OR
3. Seek a traditional variance.

The proposed Senate Bill 547 creates a fourth option for point source dischargers - opt into a legislated variance. **The bill does not change the existing phosphorus water quality standard; it just creates a new option for compliance.**

Under the bill, a permittee that opts into the legislated variance option would not need to make an individual showing of hardship as required for a traditional variance. Instead, the State of Wisconsin would first demonstrate to the Environmental Protection Agency (EPA) that the phosphorus standard creates a statewide hardship. **EPA approval would be required before the multi-discharger variance option could be requested.**

Under the terms of the proposed legislated variance, participants must reduce phosphorus concentrations to an interim limit for four permit terms. In addition, the phosphorus reduction measures from which a permittee that receives the variance may choose are:

1. Constructing a project or implementing a plan, approved by DNR, to reduce phosphorus from other sources into the basin in which the source is located in an amount equal to the number of pounds by which the amount of phosphorus discharged by the point source exceeds a target amount specified in the bill;
2. Having another person construct such a project or implement such a plan, also approved by the DNR; OR
3. Making payments to counties in the basin to provide cost sharing for projects to reduce the amount of phosphorus entering the waters of the state or for staff to implement projects to reduce the amount of phosphorus entering the waters of the state from nonpoint sources. The bill also specifies that to the extent practicable, a county shall provide cost sharing for projects in the county that the county has identified as having the greatest potential, to reduce the amount of phosphorus per acre entering the waters of the state.

The overarching goal of this legislation is to provide a limited number of point source permittees, for which technology is not economically or practically feasible, to contribute significant resources to meaningful reductions in nonpoint sources within the same basin.

In summary, this bill provides another reasonable compliance option to a statewide problem, which will likely result in a greater return on investment for each pollution prevention dollar invested.

Thank you for your consideration.