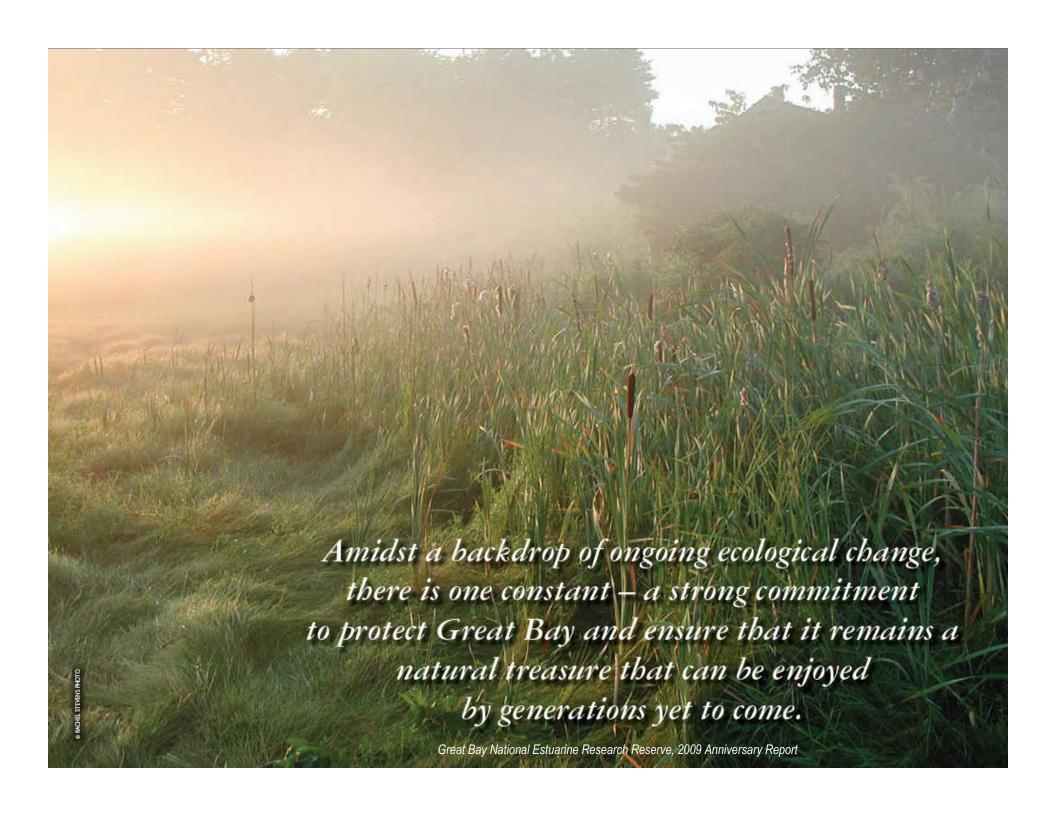


Our Perspective....

- Great progress had been made in water quality improvements in past 40 years
- Great Bay is a "classic" watershed problem in today's water quality dynamic
- Restoration being the ultimate goal will be difficult







What Have We Lost?

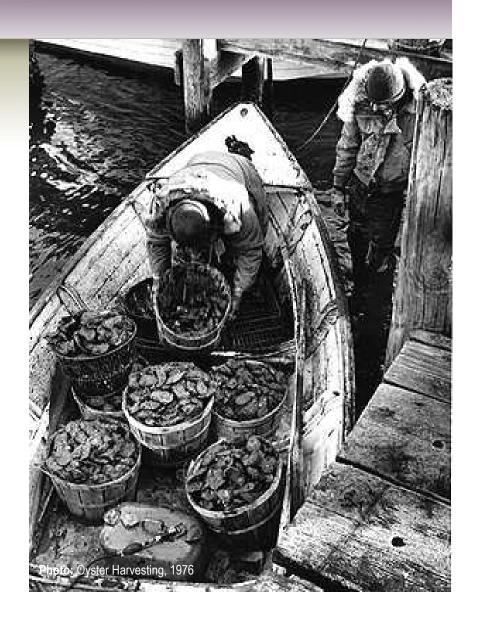
- Eelgrass cover in the Great Bay itself has declined by 37% between 1990 and 2008 and has completely disappeared from the tidal rivers, Little Bay, and the Piscataqua River.
 - 2009 State of the Estuary Environmental Indicators Summary

What Have We Lost?

"In the 1970s, Great Bay was home to 1,000 acres of oyster reef.....

The coverage has dwindled to just 50 acres."

Conservation New Hampshire, "Bringing a Reef Back to Great Bay," - June 2010



The Issues

- Loss of sufficient dissolved oxygen
- Significant loss of shellfish population
- Eelgrass loss
- Non attainment of designated use
- New WWTF Permits
- Potentially very costly solutions





The Regulatory Focal Point

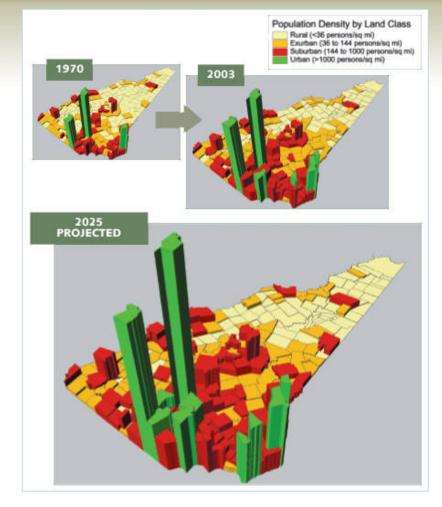
- Excessive Nitrogen
 - Above proposed criteria of 0.45 mg/l & 0.30 mg/l
 - Diverse sources:
 - Surface runoff ("non-point sources")
 - Groundwater
 - Atmospheric
 - Wastewater Treatment Facility (WWTFs) effluents
- WWTFs represent 27% of loading



Past, Present and Future

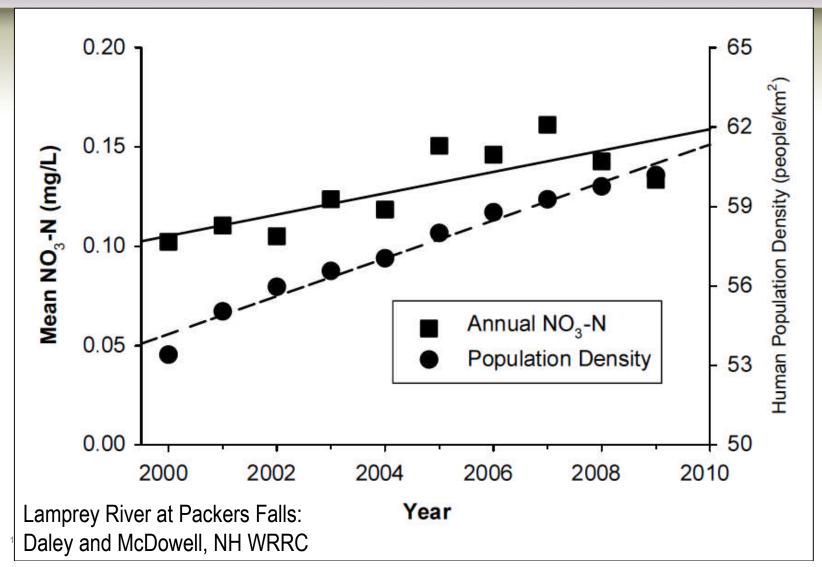
Population
Density in New
Hampshire
1970 - 2025

Subsequently, this impacts watershed and landscape





Past, Present and Future





The Challenges in Front of Us

- Continued development in watershed
- Identification of contributors to impairment
- Nitrogen only a part of the issue?
- Many pollution sources are difficult to regulate or unregulated - these sources are increasing
- Challenge of multi-jurisdictional, multi-state management approach



Traditional "Road" for Great Bay?

- EPA and the state set stringent permit limits for single pollutant at wastewater treatment plants
 - Exeter, NH draft permit limit = 3 mg/l TN
- EPA, NHDES, MDEP establish limited controls through the municipal (MS4) storm water permit program
 - Greater than 40% of communities are not MS4s
- Limited control of the diffuse, non-point inputs



Traditional "Road" Results?

Point Sources (WWTF) 44 tons

Point Sources 14 tons Exeter-Squamscott River Annual Loads (NHDES, 2010)

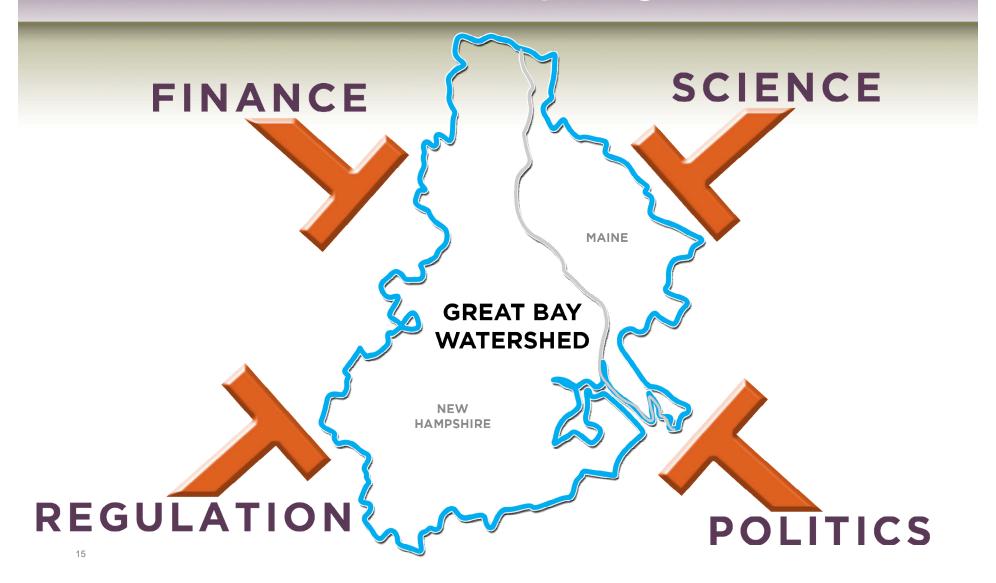
-140 tons

Non- Point Sources 167 tons Non- Point Sources 167 tons Annual Nitrogen Load Target to meet Dissolved Oxygen Criteria

Current Annual Nitrogen Load = 211 tons After WWTF
Upgrade to 3mg/l
= 181 tons



What We Know of Watersheds... Four Influential and Competing Elements



Long Creek as a Model?

FINANCE SCIENCE

"...breakthrough collaboration at the regional level driven by a diverse community of business, government and environmental interests coming together to find a practical, cost effective and environmentally superior solution to a persistent ecological problem in a way that transcends the command and control paradigm."

- Chris Hall, government liaison, Greater Portland Chamber of Commerce



A NEW Road?

Key stakeholders engage in dialogue on all four influential elements....

In order to develop the best, fastest environmental solution at the least cost.



Why Should We Be Thinking This Way?

"...radical changes to EPA's program are needed to reverse degradation of water resources and ensure progress toward the Clean Water Act's goal of "fishable and swimmable" waters....

To provide meaningful regulation, all stormwater and other wastewater discharge permits should be based on watershed boundaries instead of political boundaries."

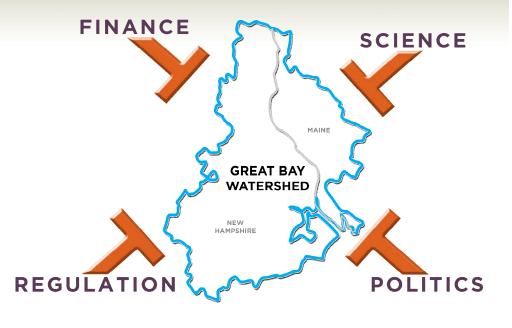
~National Research Council Report 2008



Why Might the NEW Road Work in Great Bay?

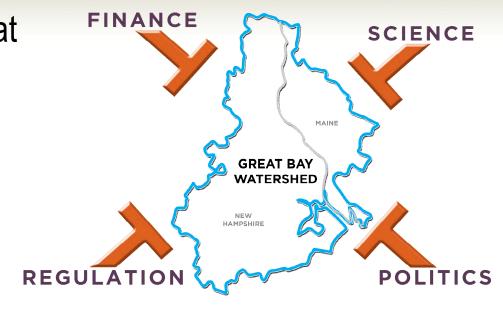
Science

- Dedicated NHDES
- Excellent on-going and local research
- Regulation
 - EPA issued Exeter Permit
- Finance
 - Legal, Regional Management Framework Exists
- Politics



Why Might the NEW Road Work in Great Bay?

"Rep. Guinta introduces Great Bay Community Protection Act: Bill requires EPA to review Great Bay Study; Imposes 5-year ban on agency action"



- US House of Representatives April 14, 2011

Critical Next Steps as Basis for Plan: Start from the Ground Up!

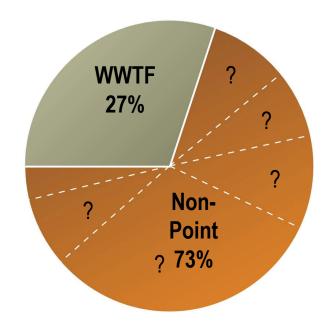


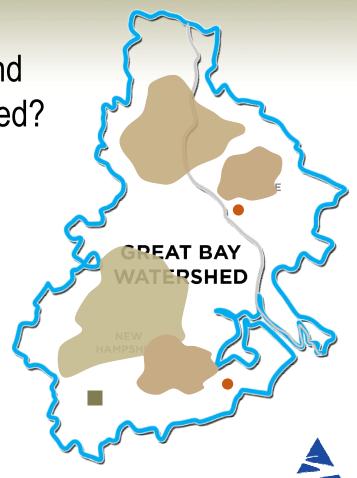
- Collaboration is key
- Evaluate administrative and institutional capacity



Critical Next Steps as Basis for Plan – Understand the Watershed

What and where are the best point and nonpoint loads to address in watershed?



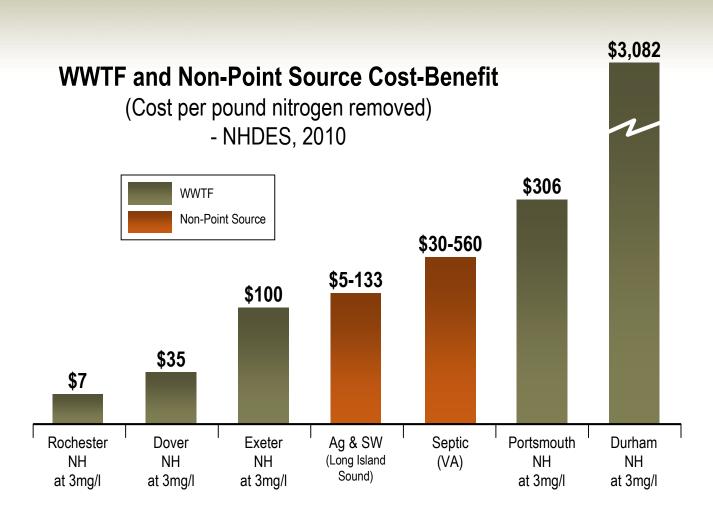


Critical Next Steps as Basis for Plan: Financial Planning

- Projected overall cost for WWTFs is \$354,000,000 at 3 mg/l
- 4 WWTFs account for 80% of WWTF load
- "Best Bang for the Buck"?



Critical Next Steps as Basis for Plan: Financial Planning





Possible Outcomes of Effective Plan

- Design upgrades at significant and cost-effective WWTFs
- Bioharvesting start-up initiatives
- Fertilizer re-formulation advocacy
- Establish realistic long-term watershed planning policies
- Implement targeted septage/septic management programs





A Pilot Watershed? NEWMARKET GREENLAND NEWFIELDS STRATHAM RAYMOND **BRENTWOOD** FREMONT EXETER CHESTER DANVILLE KINGSTON EAST KINGSTON KENSINGTON SANDOWN 26

Our Closing Thoughts...

- Traditional permitting doesn't fit today's need
- Define subwatershed management and collective permitting approach (science, political, financial)

