

# The Bay Restoration Fund

## *Maryland Department of Environment*

### Purpose:

- To create a dedicated fund, financed by sewage treatment plant users, to upgrade Maryland's wastewater treatment plants to achieve enhanced nutrient removal (ENR)
- To create a dedicated fund, financed by users of onsite sewage disposal systems, to upgrade onsite systems and implement cover crops to reduce nitrogen loading to the Bay

### Funding:

- Supported by a \$2.50 per month per household surcharge on sewer bills
- For commercial and industrial users, \$2.50 per month per "equivalent dwelling unit" (EDU) based on wastewater flow
- \$30 annual fee for users of onsite sewage disposal systems or holding tanks

### Exceptions:

- Surcharge does not apply to facilities that:
  - *Do not discharge nitrogen or phosphorus (e.g. cooling water)*
  - *Discharge to groundwater and meet 3 mg/l N and 0.3 mg/l P treatment levels as documented by monitoring wells (e.g. spray irrigation systems implementing nutrient management)*
  - *Discharge from dewatering operations or reclaimed wastewater from a facility whose users pay into the fund*

### Timing:

- The surcharge on sewer bills and for onsite users that receive a water bill begins on January 1, 2005.
  - *Collected by the water or sewer authority*
- The surcharge for onsite sewage disposal systems begins on October 1, 2005.
  - *Collected by county governments*

### Revenue and Financing:

- Estimated to generate \$65 million annually from sewage treatment plant users
  - *Will be used to support over \$900 million in revenue bonds to provide funds needed to upgrade 66 major sewage treatment plants*
- Estimated to generate \$12.6 million from onsite system users
  - *60% to be used for onsite system upgrades, 40% for cover crops*

### Eligible Uses of the WWTP Fund:

- Up to 100% of the costs of planning, design, construction of ENR upgrades for flows up to the design capacity
- Up to \$5 million for CSO/SSO related upgrades through 2009
- After 2009 up to 10% of the fund for ENR operation and maintenance costs

### Enhanced Nutrient Removal

- An enhanced nutrient removal technology that is capable of:
  - *3 mg/l total nitrogen*
  - *0.3 mg/l total phosphorus*
  - *Calculated on an annually averaged basis*

- Or, the lowest level the Department determines is practicable for a facility

#### Sewage Treatment Plant Upgrade Priorities:

- 66 majors discharging to Chesapeake Bay will be upgraded first to reduce the nitrogen loading to the Bay by 7.5 million pounds per year
  - *Over 1/3 of the additional reduction needed for Maryland to meet its Bay Agreement commitments*
- Other facilities may be upgraded later, based on consideration of:
  - *Cost effectiveness, water quality benefit, readiness to proceed, nitrogen and phosphorus load*

#### The grant agreement and permit:

“Shall require an owner of a wastewater facility to operate the enhanced nutrient removal facility in a manner that optimizes the nutrient removal capability of the facility in order to achieve enhanced nutrient removal performance levels.”

#### Onsite system upgrades

- There are over 420,000 onsite systems in Maryland
- State and local agencies are required to develop and implement an upgrade program
  - *Identify the owners' names and addresses*
  - *Establish education and outreach to explain the program and availability of funding*
  - *Develop regulations to govern program*

#### Eligible uses of the onsite system fund

- With priority given to failing systems in the Critical Area, up to 100% of the cost of:
  - *Upgrades of existing systems to best available technology for N removal*
  - *The cost difference between a conventional system and a system that uses best available technology*
- Implementation of cover crops

#### Administrative costs:

- To carry out billing and fund management
  - *Comptroller's Office – up to 0.5%*
  - *Local governments – up to 5%*
- To implement the upgrade programs at the Department of the Environment
  - *Up to 1.5% of wastewater treatment plant funds*
  - *Up to 8% of onsite system funds*

#### Advisory Committee

- Evaluate the cost, funding and effectiveness of the wastewater treatment plant upgrades
- Recommend future changes to the restoration fee, if necessary
- Consult with and advise the counties and the Department regarding the onsite system upgrade program

For additional information  
Call 410-537-3857

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