

IOWA DEPARTMENT OF AGRICULTURE AND LAND STEWARDSHIP

Bill Northey, Secretary of Agriculture

July 11, 2012

Honorable Terry E. Branstad
Governor
State of Iowa
LOCAL

Dear Governor Branstad:

I have been advised through the National Association of State Departments of Agriculture (NASDA) that the Nebraska Attorney General intends to file a motion late this week or early the week of July 9 to intervene in Gulf Restoration Network v. EPA litigation and is seeking other interested states in the Mississippi River basin to join with them. The Louisiana Department of Agriculture and Forestry has advised me they and the Louisiana Department of Environmental Quality are working with the Louisiana Attorney General to prepare an intervention. I learned today that Kansas will be joining in intervention also. I also understand several national and state farm organizations have filed motions to intervene in this lawsuit as well.

As you are aware, the litigation seeks EPA rulemaking to develop and promulgate numeric water quality standards for nutrients which will result in total maximum daily loads (TMDLs) for the Mississippi River and the northern Gulf of Mexico. Rather than undertaking an unprecedented and complex set of rulemakings to promulgate nutrient criteria for a large region, EPA's position to address nutrients in water resources of the Mississippi River Basin has been to build on existing efforts and work cooperatively with states to strengthen nutrient management programs. One example of collaborative approaches with the states is the Mississippi River/Gulf of Mexico Watershed Nutrient Task Force working to address hypoxia in the Gulf of Mexico attributed to excess nutrients entering the Gulf, for which I currently serve as the state co-chair.

The Task Force has developed the 2008 Action Plan to address hypoxia in the Gulf, which among other provisions establishes a target of each of state in the basin adopting a state-level nutrient reduction strategy by 2013. IDALS began this effort in October 2010, partnering with the Iowa State University College of Agriculture and Life Sciences to appoint a 23-member science team to assess the performance of nonpoint source best management practices for cropped lands. IDALS has provided leadership for the nonpoint component of the strategy, and has worked closely with IDNR who has provided leadership in developing the strategy to address point source contributions

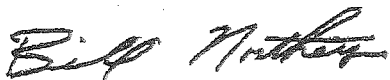
of Iowa cities and industries. The Iowa strategy and science assessment will be released for public comment in a few weeks.

The costs borne by Iowa farmers, cities and businesses of meeting numeric nutrient criteria will be high, if the resulting numeric nutrient criteria are even technically possible to achieve. The outcomes of the Iowa science assessment allow these costs to be estimated for nonpoint sources. Using an assumed nutrient criteria for Iowa that some would argue is not stringent enough, the estimated cost to Iowa corn and soybean farmers to achieve the resulting 55% less nitrogen and 53% less phosphorous is estimated to range from \$1.0 - \$2.5 billion per year with required initial investments \$1.0 to \$4.7 billion. Achieving this goal, will require a very high adoption of a suite of in-field and edge-of-field practices and, under some scenarios, requires removing 42-48% of current corn and soybean acres from production and converting it to perennials such as pasture or CRP. These estimated costs do not include the impact on commodity and food prices of supply changes resulting from land retirement nor does it incorporate the impact on rural communities of the change in economic activity due to reduced crop acres. These costs are in addition to those borne by Iowa cities and businesses, which IDNR has estimated.

The purpose of intervention is to insure that EPA and the Court consider Iowa's interests before any settlement or final decision is reached. I believe Iowa has a very significant interest in nutrient management for Iowa's waters and I support EPA's position of working collaboratively with the states and through state-level nutrient reduction strategies. Adoption of numeric nutrient criteria across 31 states and throughout the 42% of the contiguous United States comprised in the Mississippi River Basin as sought through the litigation, will be a complex and daunting task that will take many years, perhaps decades. It is important that Iowa move forward now to achieve the environmental progress which is reasonable and possible under our state nutrient reduction strategy and science assessment.

I urge your consideration of Iowa's joining the Nebraska motion, and through that joining with Louisiana, Kansas and perhaps other states to intervene in this litigation.

Sincerely,



Bill Northey
Secretary of Agriculture