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November 24, 2006

CERTIFICATE OF THE SECRETARY OF ENVIRONMENTAL AFFAIRS ESTABLISHING A SPECIAL REVIEW PROCEDURE

PROJECT NAME : Taunton River Pilot Wetlands Bank
PROJECT MUNICIPALITY : Hanson
PROJECT WATERSHED : Taunton
EOEA NUMBER : 13916
PROJECT PROPONENT : **BlueWave Capital, LLC**
DATE NOTICED IN MONITOR : N/A

Pursuant to the Massachusetts Environmental Policy Act (M.G. L. c. 30, ss. 61-62H) and Section 11.09 of the MEPA regulations, I hereby establish a **Special Review Procedure** to guide the MEPA review of the project.

As described in a letter submitted by the proponent, BlueWave Capital LLC, to the Secretary of Environmental Affairs on November 2, 2006, the proposed project entails the creation of the Taunton River Pilot Wetlands Bank (the Bank), a project mandated by Section 89 of Chapter 291 of the Acts of 2004 (which was signed into law on August 10, 2004).

A wetlands mitigation bank is a wetlands restoration, creation or enhancement project that is undertaken in order to compensate for losses to wetlands resources in a defined geographic area, in this case the Taunton River watershed, by providing compensatory mitigation for adverse impacts to wetlands that are permitted by local, state or federal regulatory agencies. The bank sells "credits" created through the bank's restoration efforts and the purchasers use these credits to comply with permit requirements and offset impacts to wetlands. Credits may also be purchased as part of a response to enforcement actions taken by local, state or federal regulators. Construction of the Taunton River Pilot Wetlands Bank triggers a mandatory Environmental Impact Report (EIR) threshold because it involves the alteration of more than one acre of bordering vegetated wetlands, although the purpose of the alteration is to improve and enhance those wetlands.

SPECIAL REVIEW PROCEDURE

The proponent has requested the establishment of a Special Review Procedure (SRP) under MEPA. The SRP is largely for administrative convenience, designed to provide an opportunity for coordinated review and to consolidate the MEPA review with other environmental or development review and permitting processes.¹ This consolidation and coordination allows these regulatory and public review processes to be conducted in such a fashion that the public will be able to provide both written and oral comments, within a single time frame, under the various state and federal regulatory processes.

A SRP will enable the MEPA process to build on, rather than duplicate, the extensive analysis that has been and will be conducted as part of the process of identifying the bank site, preparing the Restoration Plan and Monitoring Plan, and permitting construction of the bank. The Bank Sponsor has indicated that many of the documents required for the creation and permitting of the Bank, including a Restoration Plan, Monitoring Plan, financing agreements, a Prospectus and a Mitigation Banking Instrument, overlap with topic areas that should be addressed within the MEPA review process. It is anticipated that the U.S. Army Corps of Engineers (USACE) will be the primary federal permitting agency, and coordination of MEPA review periods and on-site consultation meeting with that of the USACE will be highly beneficial to streamlining the overall permit review process. Given the unique and complex nature of the project, a degree of administrative flexibility in reviewing the project pursuant to MEPA is necessary.

After considering the factors cited in Section 11.09 of the MEPA regulations, I hereby find that the review of the project would benefit from the establishment of a SRP, consisting of the following steps:

- The first step under the SRP will be the filing of an Expanded Environmental Notification Form (ENF) that will include, as attachments, the Prospectus, Monitoring Plan, Restoration Plan and Pilot Bank Summary, and which will be reviewed for content in accordance with the applicable provisions of the MEPA regulations.
- As part of the review of the Expanded ENF, an on-site MEPA consultation meeting will be held, at a location in the Taunton River watershed, that will be coordinated with the USACE and will also serve as the public meeting required by Chapter 291 and the public hearing on the Section 404 permit (with USACE responsible for ensuring that a transcript is prepared).

¹ The term "coordinated review" as used in this Certificate and in the MEPA regulations refers to the practice of allowing a single set of documents to serve simultaneously for more than one environmental review process, concurrent with that conducted under MEPA. In common usage, the practice is sometimes referred to as "joint review," although this term is misleading since federal and state agencies retain independent authority to judge the adequacy of the information submitted pursuant to their respective statutory and regulatory responsibilities.

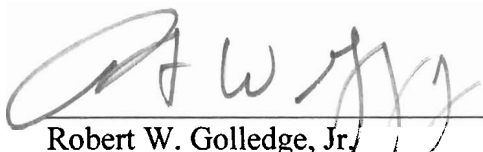
- Written comments will be accepted on the Monitoring Plan, Restoration Plan and Pilot Bank summary by EOEA during a 30-day public comment period, which will coincide with the review period for the Expanded ENF, and with the federal public comment period on the Prospectus and the Section 404 permit application to the extent practicable.
- Following the conclusion of the public comment period, the Secretary of Environmental Affairs will issue a Certificate on the Expanded ENF that will include a Scope for a Single Environmental Impact Report (SEIR) that will include, but not be limited to, the following scope items:
 - An alternatives analysis which documents the process by which EOEA, the Bank Sponsor and the Wetlands Mitigation Banking Review Team considered alternative sites for the bank and selected the Burrage Pond site;
 - The Restoration Plan and Monitoring Plan for the site, as revised in response to the public review process; and
 - Drafts of the Chapter 291 Agreement and Federal Mitigation Banking Instrument so that, through the MEPA process, the public will have an opportunity to comment on these documents prior to their finalization.

Following issuance of the Certificate on the Expanded ENF, there will be at least one meeting of the Wetlands Mitigation Banking Review Team to discuss the comments received and to consider changes to the Restoration Plan, Monitoring Plan and Pilot Bank Summary, prior to the submission of the SEIR. Once submitted, the SEIR will be reviewed for content in accordance with the applicable provisions of the MEPA regulations.


- Until the issuance of a Certificate on the SEIR establishing its adequacy, no State agency shall issue any approval for Bank construction nor become a signatory to either the Chapter 291 Agreement or the Mitigation Banking Instrument.

The proponent's signature below indicates consent to the establishment of a Special Review Procedure and the specific provisions outlined in this Certificate.

November 22, 2006
Date


Robert W. Golledge, Jr.
Secretary of Environmental Affairs Secretary

November 28, 2006
Date


Stephanie Pollack
Partner, BlueWave Capital, LLC