

Dear Mr. Tauzin:

Thank you for the statement made on your behalf by Mr. Martin Cancienne, of your staff, to the Mississippi River Commission during its public meeting in New Orleans, Louisiana, on April 11, 2003. The Commission appreciates your comments concerning the State's commitment to the Louisiana Coastal Area project and the need to pool resources for public education about the Project. We also appreciate the comments expressing your concern over wetlands mitigation banking and how it impacts the lives of your constituents. A copy of this letter is being sent to Mr. Martin Cancienne in your Gonzales, Louisiana, office.

The goal of compensatory mitigation is to offset the unavoidable impacts to wetlands that occur as the result of permitting an applicant's project. Generally, applicants may propose a mitigation plan of their own or they may utilize an appropriate mitigation bank. Most applicants choose to use mitigation banks because the applicant pays a one-time fee and then responsibility for mitigation success falls on the mitigation banker.

If an applicant chooses the mitigation bank approach, the New Orleans District (MVN) advises the applicant as to which bank (or banks) is appropriate and the necessary amount of mitigation credit. It is true that an appropriate mitigation bank may charge more than an applicant is willing to pay; and, based on the type of compensatory mitigation needed for a specific project, there may only be one mitigation bank in a watershed that is appropriate. If this is the case, the

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applicant can still choose to accomplish the required compensatory mitigation using his own mitigation plan. However, the applicant's mitigation plan must be approved by MVN.

Guidance on compensatory mitigation is contained in Regulatory Guidance Letter (RGL) No. 02-2. The purpose of this guidance is to support the national policy for "no overall net loss" of wetlands and other waters of the United States, consistent with the Section 404(b)(1) guidelines. In accordance with RGL 02-2, all Corps Districts use watershed and ecosystem approaches when determining compensatory mitigation requirements, consider the resource needs of the watersheds

where impacts will occur, and also consider the resource needs of neighboring watersheds. The objective is to offset environmental losses resulting from authorized activities. MVN procedure is consistent with Corps mitigation policy and guidance. MVN stands ready to work with all permit applicants in resolving compensatory mitigation issues.

Mississippi Valley Division is currently undertaking a "Peer Review" of the regulatory processes and procedures at each of its six districts. The intent of this review is to ensure process consistency within the regulatory program. Due to the unique characteristics of the land of each permitted project, a comparison of one permit application with another permit application is not possible. Thus, the Corps evaluates each permit application on its own merits in accordance with applicable policy, law, and regulations.

I appreciate receiving your views and look forward to visiting with you and members of your staff at future public meetings.

Sincerely,

Don T. Riley
Brigadier General, U.S. Army
President Designee, Mississippi
River Commission

send a copy to Martin Cancienne

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