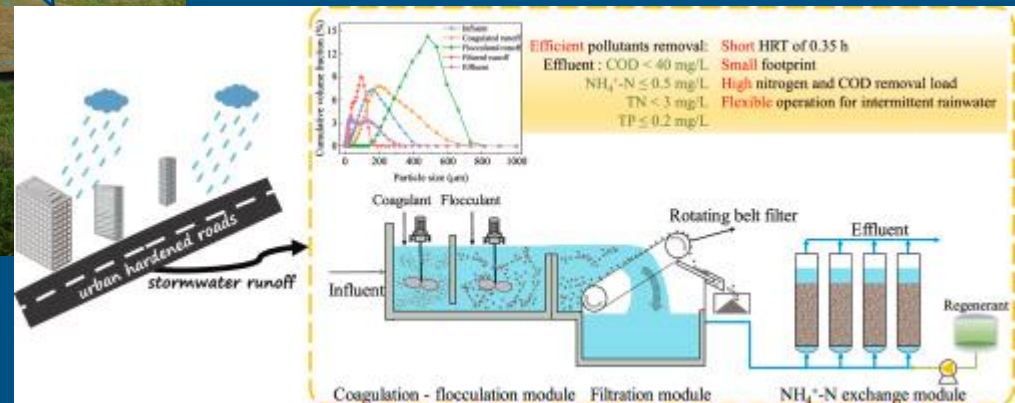
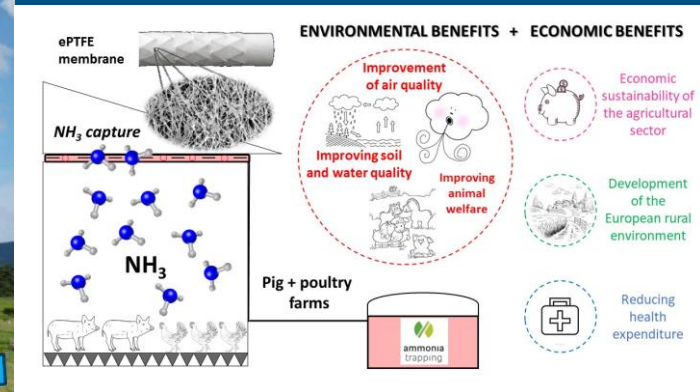


Incentivizing non-point source Pay for performance through the Chesapeake Bay Partnership



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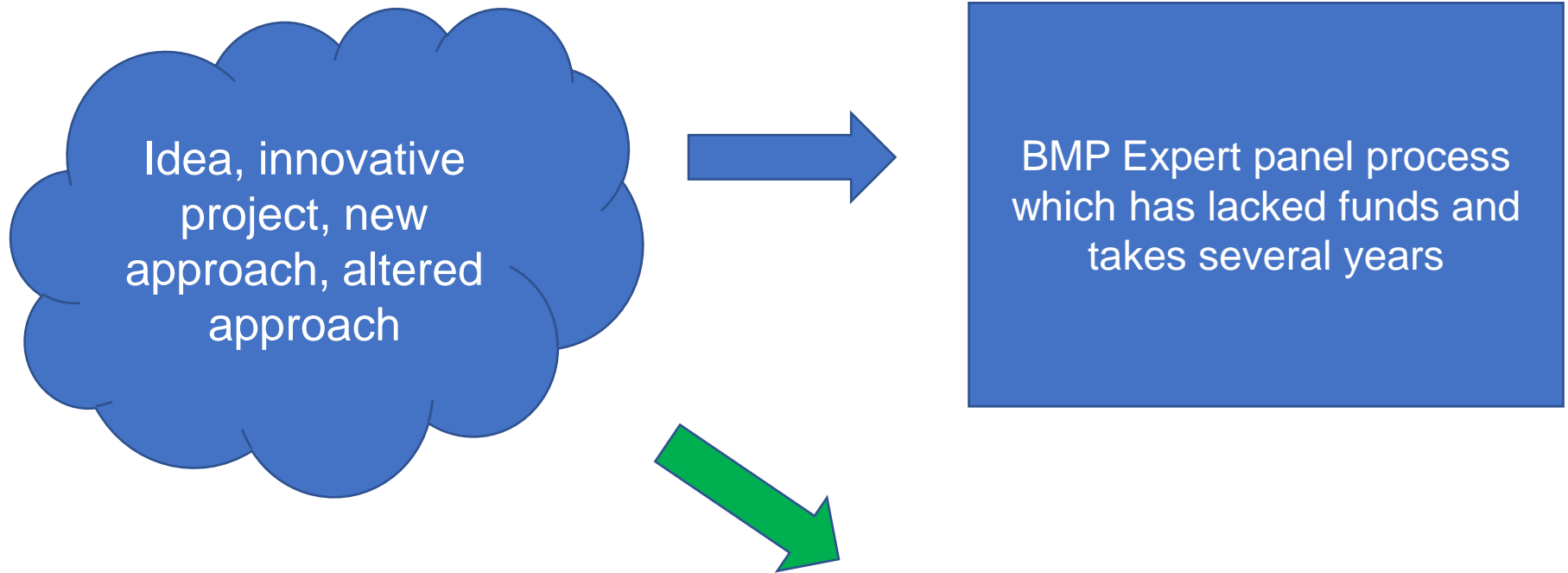
Saving a National Treasure

Joe Wood, Ph.D.

Virginia Senior Scientist, jwood@cbf.org

- “Pay”: opportunities to reward ‘players’ beyond the costs of the project.
- “For”: Connecting payment rates explicitly to project benefits (\$ paid per ‘lb.’ reduced)
- “Performance”: Measurable outcomes that are specifically tied to the desired outcome (i.e. nutrients).
 - direct (effluent)? indirect (proxy)? Modeled?





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Our current path for attaining credit approval

Potential initiatives

WIP
Planning

State cost
share
programs

BMP expert panel approved options



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The importance of CBP crediting as
a driver for watershed policy

- What is the current 'bar' for our assurance that a practice will be beneficial?
- What if on the ground / site specific measurements exceed that bar?
- In the current framework, once the 'bar' has been met, what is the incentive to improve assurance/quality?

Nutrient
Management
Plans

Manure storage

Stormwater
BMPs

Livestock
Fencing

Wastewater
treatment
reductions



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Our current approved creditable practices have
varying degrees of assurance

- How do we persuade ‘users’ who don’t have an interest in ‘co-benefits’ to act?

Significant
progress:

Initiatives which benefit
partner/producer/etc. in some way

Progress has
lagged

Initiatives which partner does not
view as beneficial



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‘Coupons’ only work where
‘Co-benefits’ are a driver

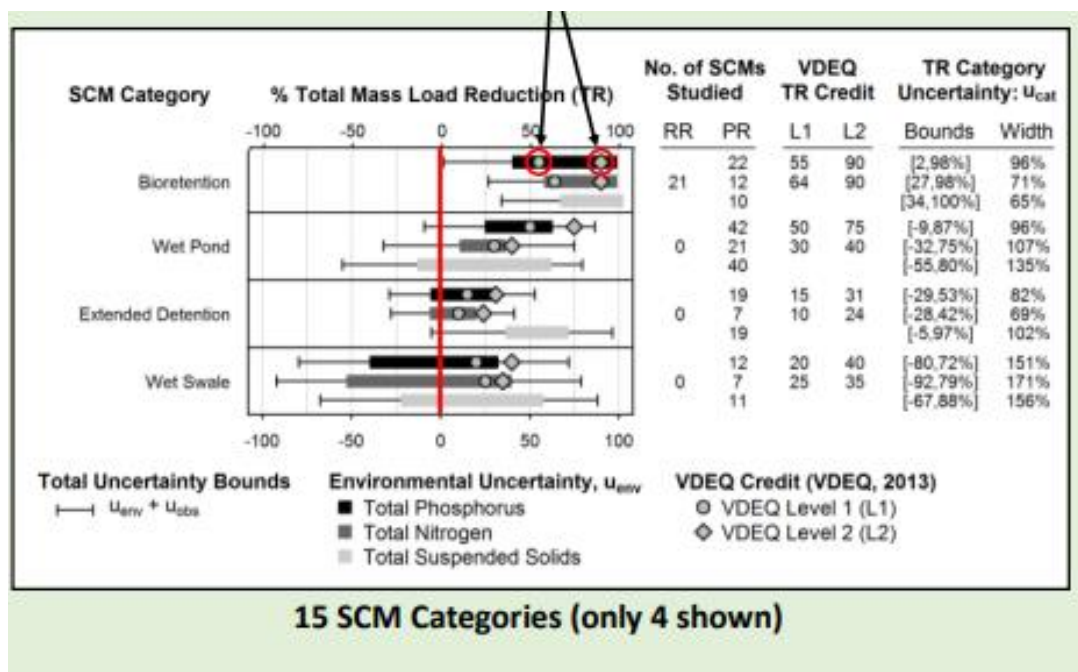
BMP Expert panel
Report
recommendation

If effort conforms with
guidelines, Reductions
awarded

Is practice
implemented as
reported?

Do regional site-
specific factors work
as modeled?

Unknown unknowns!



Aguilar et al 2018



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Can we incentivize efforts
to address uncertainty?

- Webinar Goal:

- Identify barriers to implementing P4P nutrient reduction initiatives with measurable outcomes
- Propose recommendations for addressing these barriers
- Empower partners to initiate non-point source reductions that achieve high-assurance nutrient reductions



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Propose to lead a WQGIT Webinar in spring
2023 to discuss