

# An Overview of Water Quality Trading

and the National Water Quality Trading Alliance www.wqtalliance.com

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**APRIL 15, 2015** 







A national consortium of leaders from the business, governmental, non-profit and regulated community focused on enhancing and expanding market-based opportunities for improving water quality

and accelerating the restoration of watersheds. The National Water Quality Trading Alliance (NWQTA) works to support comprehensive and coherent government rules and policies on trading as well as the development of new and existing state and regional trading markets, while serving as a platform to advance the science and ecological effectiveness of water quality trading.



- 1. American Farmland Trust
- 2. Association of Clean Water Administrators
- 3. Cardno
- 4. Chesapeake Conservancy
- 5. Chesapeake Bay Nutrient Land Trust
- 6. Ecosystem Insurance Associates, LLC
- 7. Ecosystem Services Exchange
- 8. Electric Power Research Institute
- Environmental Banc & Exchange
- **10**. Falling Springs

- 11. GreenVest LLC
- 12. Kieser & Associates
- **13**. National Association of Clean Water Agencies
- **14**. Restoration Systems
- **15**. Timmons Group
- **16**. The Freshwater Trust
- **17**. The Louis Berger Group
- 18. U.S. Water Alliance
- **19**. World Resources Institute
- 20. Willamette Partnership



### Mission/Goals

- Develop and enhance opportunities for private investment in water quality improvement projects
- Foster communication and commerce between sectors utilizing WQT and other market mechanisms
- Promote the enhancement of existing state and regional trading markets and the establishment of new markets that are economically and ecologically sound
- Serve as an informational resource for WQT managers and practitioners
- Provide a platform and vehicle for advancing and disseminating information on the science and ecological effectiveness of WQT



### Mission/Goals (cont.)

- Identify and overcome barriers to WQT
- Monitor challenges to federal, state and local WQT programs and participate in those challenges in order to support and defend WQT, where appropriate
- Enhance and promote informed communication, coordination, certainty and comfort in the application of WQT at all levels
- Maintain up-to-date information on WQT programs, projects, grant funding opportunities and studies
- Educate stakeholders and the public about the benefits of WQT

## **NWQTA** in Action

January 2014 - NWQTA Comments on EPA Water Quality Standards Rulemaking

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**March 2014** – Testimony Before the Subcommittee On Water Resources and Environment of the Committee on Transportation and Infrastructure, U.S. House of Representatives.

Members Only Document Archive and Custom Newsfeed

Water Quality Trading News

March 17, 2014 - NWQTA Comments on **Draft Bay Watershed Agreement** 

Newsfeed - Click here.

#### **Document Archive**

- NWQTA Comments on Draft Bay Watt
   Pine Grove Joint Treatment Auth

January 22, 2015

PGJTA studies area bank loan options and savings

The News-Item (Shamokin, Pennsylvania), US Water Alliance Stormwater Trading PINE GROVE — Authority members recently expected to save the authority members recently.

 Brent Fewell Testimony to U.S. House The News-Item (Shamokin, Pennsylvania), PINE GROVE — The Chair. PINE GROVE — The chairman of the Pine Gr administration building which is now situated

2014 - US Water Alliance and NWOTA Co-Hosted two roundtable events: "Leveraging Market-Based Strategies to Solve Urban Stormwater Challenges" and "Agriculture, Trading and Watershed Restoration"

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- Jan. 13, 2015 Monthly Call Recording
- Dec. 12, 2014 Q4 Call Recording here Nov. 11, 2014 Monthly Call Recording
- (Case-sensitive password: NWQTA) January 15, 2015
- Q3 2014 Meeting Notes here

#### Pine Grove Joint treatment Authority examines loaner pump program Meeting Notes & Call Reco The News-Item (Shamokin, Pennsylvania), September 25, 2014 Thursday

PINE GROVE — What to do about the "LPSS made. Plant supervisor Nicholas Stark questio

January 21, 2015

#### MARYLAND: Ex-EPA official tapped E&E News PM, December 23, 2014 Tuesday

Annie Snider, E&E reporter A former U.S. EPA Nuv. 11, 2014 Agriculture, Trading and Grumbles led EPA's water office for four years
 Oct. 27, 2014 Agriculture, Trading and Grumbles led EPA's water office for four years

August 21, 2014 - NWQTA met with U.S. **Environmental Protection Agency officials** 

Case-sensitive passives

EPA REGION 7 CHIEF TOUTS REGIONAL BID TO CUT FARMS' AMMONIA EMISSIONS

Clean Air Report, January 15, 2015

EPA REGION 7 CHIEF TOUTS REGIONAL BID TO CUT FARMS' AMMONIA EMISSIONS

EPA Region 7 Administrator Karl Brooks is tout Midwestern states in the region, potentially offer EPA Regions 7 and 8 -- which together span mu collaboration with the agency and states. Region states on reducing PM could be particularly cruci air standard for the pollutant.

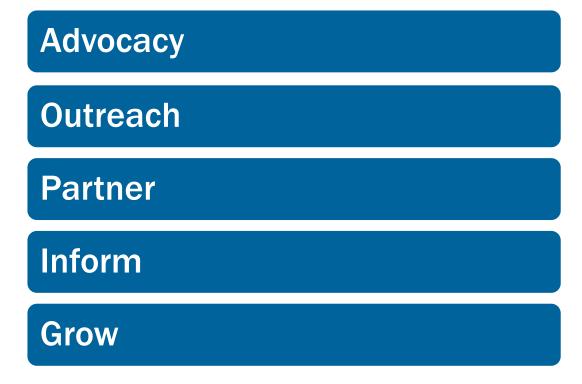
**December 2015** – NWQTA Develops **Draft Options Matrix** 



#### **Action Items for 2015**

#### §131.13 General policies.

States may, at their discretion, include in their State standards, policies generally affecting their application and implementation, such as mixing zones, low flows and variances. In addition, States may implement water quality trading programs between and among point and non-point sources on a local, state or interstate basis to attain water quality standards. Trading is permitted for water qualitybased effluent limitations (WQBELs) so long as data and ecological modeling confirm that the proposed trade would not result in adverse localized impacts or contribute to an exceedance of any applicable water quality standard. Such policies are subject to EPA review and approval.



# National Water Quality Trading Network: Vision

To improve the consistency, integrity, and environmental performance of water quality trading through shared principles, core program elements, and best practices.



# **Building a Water Quality Trading Program: Options and Considerations**

#### Need:

- Lots of diversity in existing programs can generate mistrust
- High costs to start new programs

### Objectives:

- Make it easier for new programs to start
- Provide greater transparency about what trading can accomplish
- Help trading program developers meet their clean water goals



# **Building a Water Quality Trading Program: Options and Considerations**

- A reference on the elements and decisions inherent in trading
- Focus of this version is on point-nonpoint trading
- Detailed options on 11 elements of trading
- Pros and cons for each option
- Examples with detailed references
- Consistent definitions and language







## Thank you!

Let's keep the conversation going...



