

Trading issues from TOWG calls
March 14, 2012

Stormwater

- Demonstrating post-construction stormwater regulations result in no additional loads
- Establishing onsite stormwater retention standard
- Paying an in-lieu fee for compliance with stormwater retention standard
- Learning about stormwater offset programs in other jurisdictions (e.g., North Carolina, Vermont)
- Using sediment credits for short-term, construction-phase NPDES permits
- Establishing a stormwater offset policy
- Addressing liability for permanent stormwater offsets (e.g., does liability stay with aggregator? Offset generating and seller?)
- Informing local governments of trading and offset opportunities

Unique demand sources of credits/offsets

- Addressing loads from publicly-owned lands
- Explaining difference between home-builders and developers interests in credits (e.g., home-builders have short term permits; developers have long-term)
- Explaining interest in sediment credits; home-builders only discharge sediment, not nutrients
- Determining interest of power plants in nutrient trading programs; see EPRI Ohio River project
- Determining whether trading can occur on a case-by-case basis rather than consistently (i.e., develop full policy)
- Reselling unused portions of annual credits (if credits can be used for construction-phase permits)
- Understanding homebuilders interest in sediment

Trading ratios

- Discussing trading ratios; including different values among practices (e.g., established BMPs, new BMPs)
- Determining what jurisdictions do with credits generated from trading ratios (e.g., reserve pool)
- Determining incidence of trading ratios (e.g., does 2:1 mean two generated for one sold or vice versa?)
- Discussing trading ratios, including those in other jurisdictions and why they exist
- Establishing uncertainty ratios for all trading and offset programs

EPA trading and offset program reviews

- Responding to EPA reviews of trading and offset programs
- Establishing unified definitions among jurisdictions for trading terms; as requested in the EPA trading and offset program reviews
- Suggesting approaches for responding to the various recommendations common to all jurisdictions
- Dealing with EPA trading and offset review comments
- Discussing WIP requirements

Non-conventional nutrient-reduction practices

- Receiving periodic updates on Stephenson/Abdalla manure-to-energy project
- Evaluating oyster aquaculture and instream treatment technologies
- Establishing Trading Technology Evaluation Team
- Setting up process to evaluate credit generating practices

Baselines

- Revising/updating agricultural baselines
- Assessing agricultural baselines
- Defining agricultural baseline
- Understanding why other jurisdictions thought a baseline regulation was necessary

Septics

- Determining need to offset septic loads
- Addressing/offsetting septic loads
- Addressing septic loads

Verification

- Developing a common verification policy among states
- Setting minimum verification process
- Discussing verification processes; explaining them to public; improving as necessary

Local water quality

- Establishing standard process for evaluating trading impacts on local water quality
- Establishing standard process for evaluating trading impacts on local water quality (EPA could do that); perhaps standard framework for permit writers

Wetland/nutrient bank relationship

- Converting wetland mitigation banks to nutrient offset banks
- Establishing a nutrient conversion factor for wetland mitigation

Bay model

- Resolving Bay model misunderstandings; including mismatch between edge-of-stream values

Registries

- Establishing registry of implemented projects

Other

- Receiving regular updates on WRI multistate platform project
- Discussing whether trading policies apply in portions of states outside of Bay watershed
- Increasing knowledge of each jurisdiction's trading and offset programs
- Keeping state trading heads informed of trading discussions within the state
- Establishing bubble permits for multiple WWTPs
- Committing resources to trading and offset programs
- Transitioning trading program into NPDES office
- Transitioning offset program to another office
- Approving new offset banks
- Generating reductions for small needs (i.e., a few pounds at a time)
- Convening national WQT conference
- Engaging agricultural community; including building capacity through workshops, expert panels, etc.
- Conservation Innovation Grants