

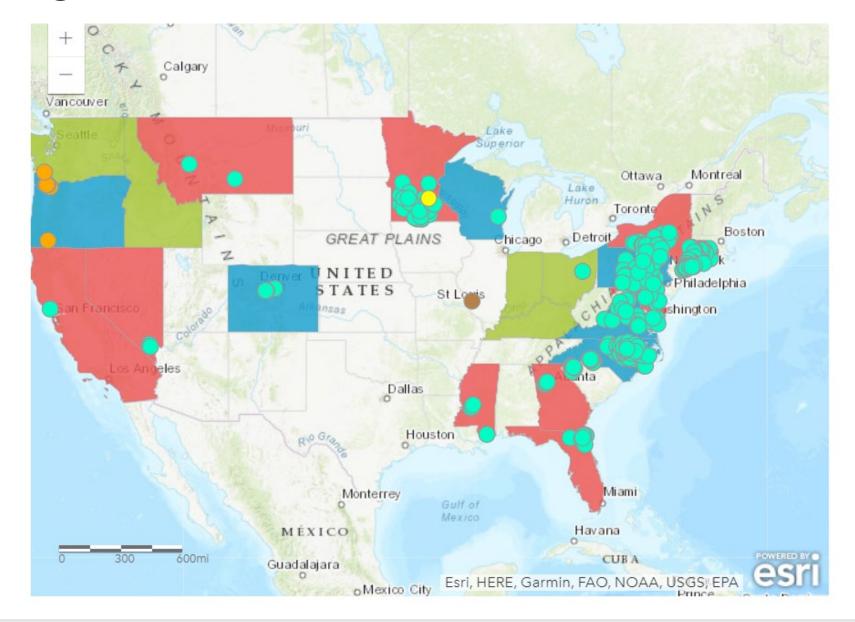
Water Quality Trading to Meet Local and Regional Goals

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WQT Programs



Recent WQT Agency News



Executive Order on Modernizing America's Water Resource Management and Water Infrastructure





Planning Assistance to States Study

(iv) continuing implementation of the EPA's memorandum entitled "Updating the Environmental Protection Agency's Water Quality Trading Policy to Promote Market-Based Mechanisms for Improving Water Quality" issued on February 6, 2019;

MEMORANDUM

SUBJECT: EPA Financing Available to Support Market-Based Water Quality Improvement

Programs

FROM: David P. Ross

Assistant Administrator

DAVID ROSS Digitally signed by DAVID ROSS Date: 2020.09.30

TO: State and Tribal Environmental Agency Directors



OHIO RIVER BASIN WATER QUALITY TRADING PROJECT











Ohio River Basin WQT Overview

- Ohio, Indiana, Kentucky
- Full decade of experience
- **60 Landowners**
- Contracts run between 5 to 40 years
- Agricultural and Forestry Practices
- 200,000 TN/TP Credits Verified









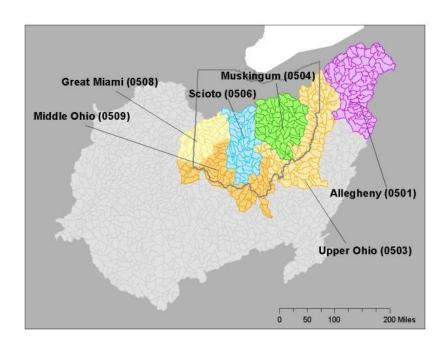
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Models – Edge of Farm (NTT) and Watershed Model (WARMF)

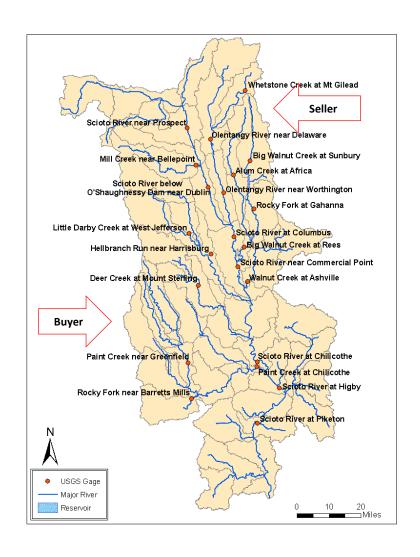








Specific Nutrient Numbers Depend on Location







First Journal paper on Credit Calculation Methods

Published June 2014



Article

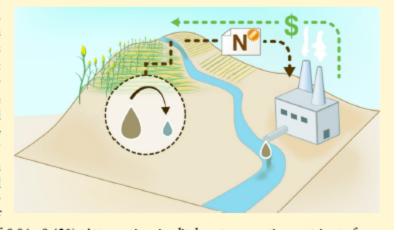
pubs.acs.org/est

Attenuation Coefficients for Water Quality Trading

Arturo A. Keller,*,† Xiaoli Chen,† Jessica Fox,‡ Matt Fulda,† Rebecca Dorsey,† Briana Seapy,† Julia Glenday,† and Erin Bray†

Supporting Information

ABSTRACT: Water quality trading has been proposed as a cost-effective approach for reducing nutrient loads through credit generation from agricultural or point source reductions sold to buyers facing costly options. We present a systematic approach to determine attenuation coefficients and their uncertainty. Using a process-based model, we determine attenuation with safety margins at many watersheds for total nitrogen (TN) and total phosphorus (TP) loads as they transport from point of load reduction to the credit buyer. TN and TP in-stream attenuation generally increases with decreasing mean river flow; smaller rivers in the modeled region of the Ohio River Basin had TN attenuation factors per km, including safety margins, of 0.19–1.6%, medium rivers of

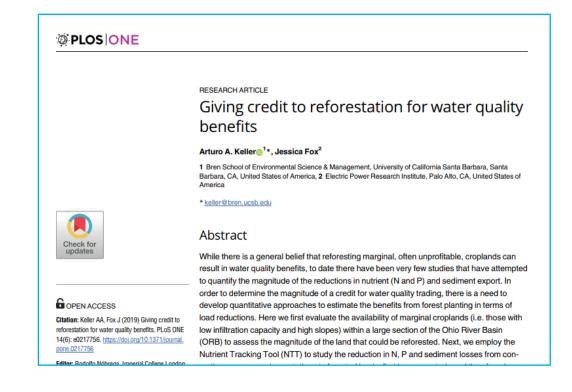


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Targeting Conservation with Tree Planting





Overall, there is the potential for avoiding 60 million kg N and 2 million kg P from reaching the streams and rivers of the northern ORB as a result of conversion of marginal farmland to tree planting. This represents a significant fraction of the goal of the USEPA Gulf of Mexico Hypoxia Task Force to reduce TN and TP reaching the dead zone in the Gulf of Mexico.

Keller AA & Fox J (2019) Giving credit to reforestation for water quality benefits. PLoS ONE 14(6):e0217756.







ENVIRONMENT

How to improve the quality of water? By planting (many) trees

American researchers have made the link between reforestation and improved water quality. They call today polluting facilities to reforest their lands.



=250 million



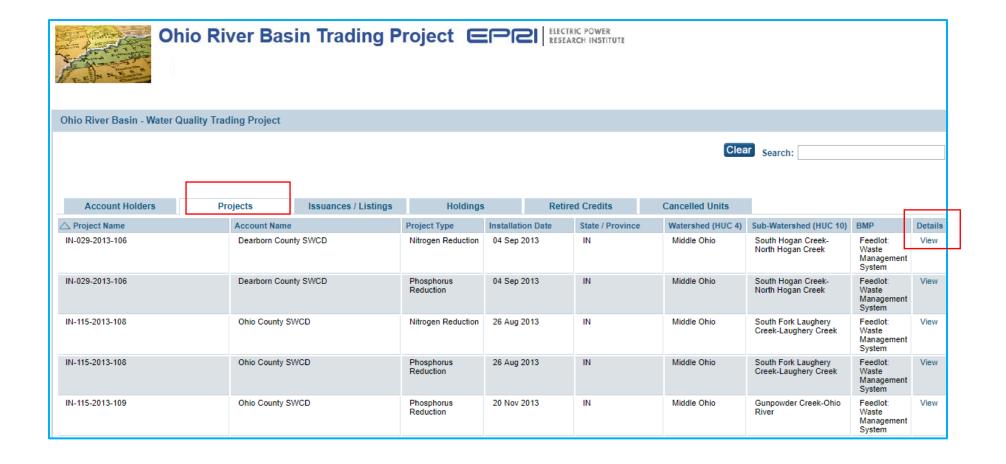
15 **P**

= 2 million kg

= 1.54 million



Credits are Registered

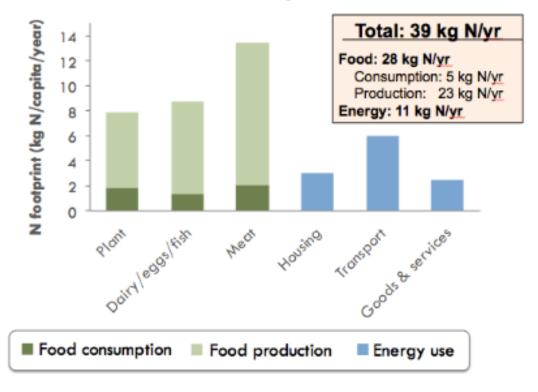


Personal Footprints





Personal N footprint in the US



http://n-print.org/

James Galloway, University of Virginia
Allison Leach, University of New Hampshire



Scenarios

SRF/WIFIA Projects

- \$50M Funding
- 1% allocated to WQT = \$500,000
- Benefits achieved quickly while traditional infrastructure installed.

<u>319 Funds</u>

States can purchase and retire credits.

Funding cycles back into more BMPs and more TN/TP reductions.



OHIO RIVER BASIN WATER QUALITY TRADING PROJECT



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