Ohio River Basin Water Quality Trading Project
Full Scale Program
46 Power plants
230,000 Farmers
Thousands of WWTP
Millions of Pounds of Nutrients
Potential Pilot Trade Locations
Pilot Trading Plan

- A trading plan was developed to govern the pilot phase of the project.
- The plan was developed in coordination with the permitting and agricultural departments of Kentucky, Indiana, and Ohio.
- Input on this plan was provided by representatives from the farming community, industry (power plants and POTW’s), Environmental NGO’s.
- Signing ceremony on August 9th in Cincinnati. Commissioners from the three States permitting and agricultural agencies signed the document.
- Attended by Assistant Administrators from US EPA and USDA.
Details of Pilot Program

- Location of Pilot Trades
- Overall Credit Process
- Watershed Model
- Agricultural Baselines
- Reserve/Insurance Pool
- Incentives for Early Buyers
- Adaptive Management
Counties of Focus

• Kentucky: Boone, Bracken, Mason

• Ohio: Jefferson, Columbiana, Mahoning, Morgan

• Indiana: Ripley, Switzerland, Dearborn, Wayne
Pilot Trades

- All contracts between EPRI and States signed January 9.
  - Each State committed to removing 22,000 lbs TN and 11,000 lbs TP over 5 years
- RFP for projects sent out to SWCD’s on January 10.
  - OH proposals approved
  - KY and IN proposals coming in now
- Credits should be available for sale in Oct-Dec
- All credits will be sold as “Stewardship Credits”
Credit Transaction Process

Credit Transaction

EPRI

Cash Credit Cycle

SWCD

Credit Generation

1. EPRI SWCD Contract
2. RFP to Producers
3. Select Projects
4. SWCD-Producer Contract
5. Practices Installed
6. 3rd Party Verification
7. Register Practices
8. Long-Term Monitoring

Cash Credit Cycle

Credit Transaction

1. Credits Registered
2. Credits Retired
3. Credits Donated
4. Credits Sold
5. Revenue Comes to EPRI
Water quality trading is an innovative market-based approach to achieving water quality standards through credit programs. MORE >>

Water quality trading is an innovative market-based approach to achieving water quality goals for nutrients such as phosphorus and nitrogen through programs that allow permitted emitters to purchase nutrient reductions from another source.
Project Update from EPRI

• Public Webcast Update: Ohio River Basin Trading Project
• Thursday, July 25th, 9am PT
• Attendee URL: https://www.livemeeting.com/cc/epripremier/join?id=7DS9Q5&role=attend&p=7BSn%3C%2C%2C5%24J
• Attendee Add-to-Outlook: https://www.livemeeting.com/cc/epripremier/meetingICS?id=7DS9Q5&role=attend&p=7BSn%3C%2C%2C5%24J&i=i.i
• Phone: 877-789-2085
• Attendee PIN: 7712
Other News

• Last October, Food & Water Watch and Friends of the Earth filed a complaint against USEPA claiming that WQT to meet a TMDL obligation is not permitted under the Clean Water Act.

• On January 24th, Food & Water Watch, along with some other local environmental groups, filed a notice of intent to sue NRG in Maryland for exceeding their effluent limit for nitrogen and phosphorous. Credits are mentioned in the filing but it is incorrect. Three power plants operate under a bubble permit.

• USEPA proposed Effluent Guidelines for Steam Electric Power Generating Category published June 7, 2013 with comments due by September 20, 2013. Most likely scenario would have nutrient removal by BAT, which would eliminate trading as an option.
Questions?