

Effluent and Pollution Trading

Treasure Valley Water Quality Summit
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Bobby Cochran, Executive Director Willamette Partnership
David Primozich, Ecosystems Director, The Freshwater Trust
Bill Stewart, EPA-Idaho
Marti Bridges, Water Quality Trading Coordinator, IDEQ
David Tuthill, P.E. PhD, President Idaho Watershed Solutions

Outline

- * Introduction: Panel and Topic
- * Trading Principles, Policy and Science: Bobby Cocharan
- * From Theory to Reality: Doing Real Trades: David Primozich
- * EPA/IDEQ Perspective: Bill Stewart and Marti Bridges
- * Idaho Watershed Solutions: David Tuthill
- * Q&A: EPA/DEQ and audience

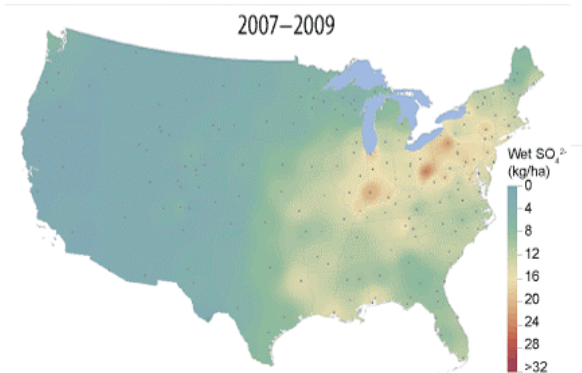
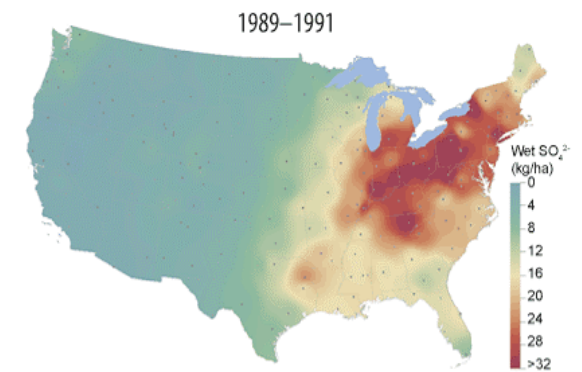
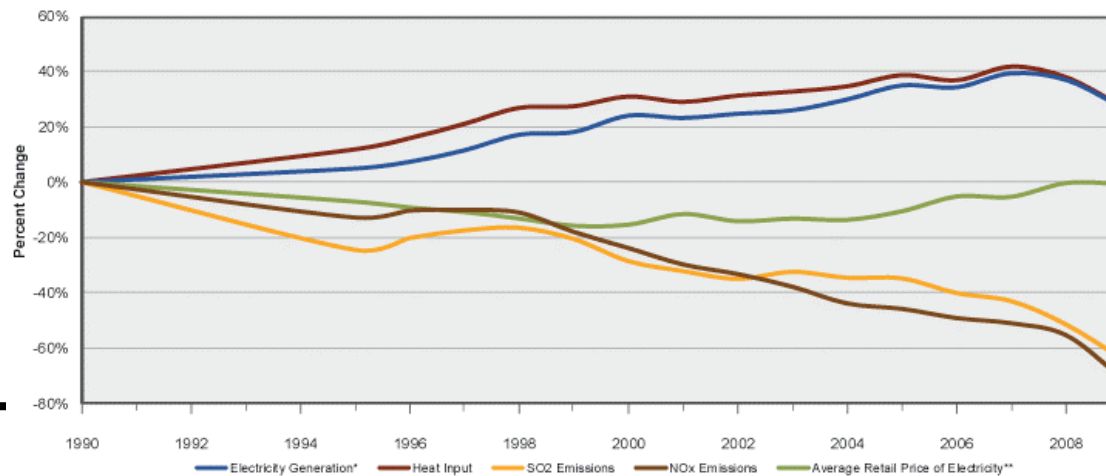
What is Trading/Offset?

A source facing high pollution reduction costs compensates another source for achieving equivalent or greater, less costly reductions.

- * Market-based tool to solve air or water quality problems
- * Voluntary, flexible, stimulates innovation
- * Cost effective pollution reduction
- * Operates within existing programs (CAA, CWA...)
 - * Federal, state, and local support for trading/offsets

Trading/Offset Success

- * Clean Air Act “Cap and Trade”
 - * Acid Rain Program: 1990 SO₂ trading
 - * 50% SO₂ reduction with 40% increase power generation
 - * 2009 SO₂ Market
 - * Value: \$1.1 billion
 - * Price: \$61 per ton
 - * 2,716 Transactions



Trading is Not New Anymore

- * **Federal:**

- * Trading Policy (2003)
- * Permit Writers Guide (2007)
- * Trading <http://water.epa.gov/type/watersheds/trading/tradingbasics.cfm>

- * **State:**

- * Idaho Water Quality Trading Guidance (2010)
- * Lower Boise Demonstration Project (2000)
- * <http://www.deq.idaho.gov/water-quality/surface-water/pollutant-trading.aspx>



Water Quality Pollutant Trading Guidance



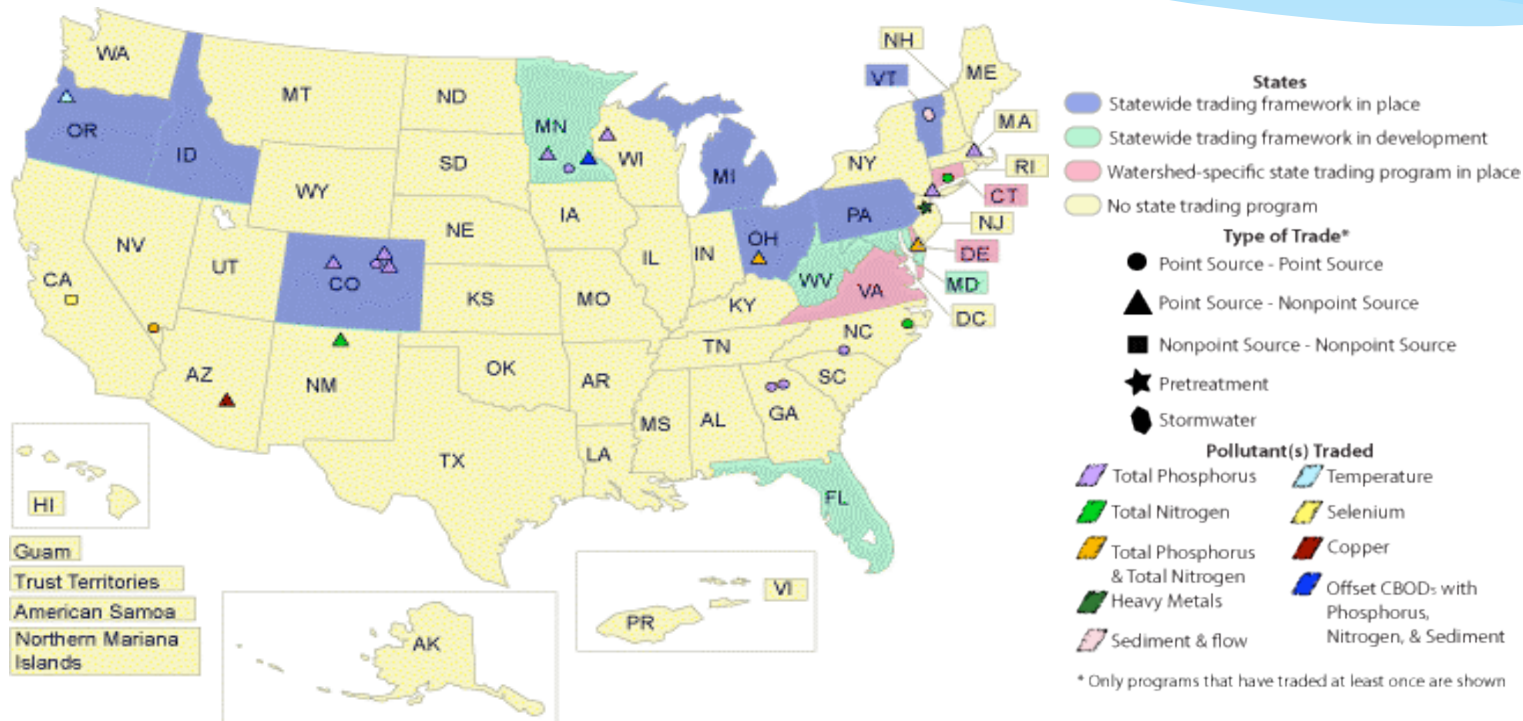
Lower Boise River Effluent Trading Demonstration Project: Summary of Participant Recommendations For a Trading Framework

Prepared for the
Idaho Division of Environmental Quality

by
Ross & Associates Environmental Consulting, Ltd.

September 2000

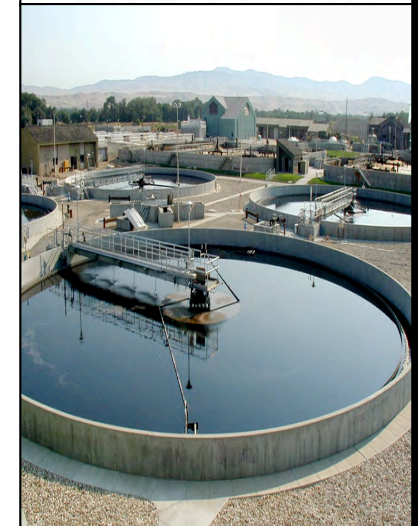
Trading Programs



Idaho Examples

* CWA-NPDES Offsets

- * TMDL pollutant cap, NPDES permits
- * Point source improvements + Non-point trade
- * Twin Falls Sediment Offset
- * Boise/Dixie Drain Offset
- * Boise MS4 permit:
 - * Mandatory offset program for new/redevelopment that can not meet 100% retain on site performance std



Lower Boise River Opportunities

- * **TMDLs**
 - * Sediment & Bacteria (2000)
 - * Phosphorus (SR-HC 2004; LBR 2014)
 - * Temperature (>2014)
- * **10 Municipal Wastewater Permits**
 - * 4 Mainstem Dischargers
 - * 49 MGD Design/ ~35 MGD Current
 - * 6 Tributary Dischargers
 - * 25 MGD Design/ ~18 MGD Current
 - * New: Greenleaf...
- * **9 Municipal Stormwater Permits**
 - * 4 municipalities (Boise, Caldwell, Middleton, Nampa)
 - * 5 Highway Districts (ACHD, Nampa, ITD, Notus-Parma, Caldwell)

