

Water Quality Credit Trading

Stakeholder Meeting June 13, 2018





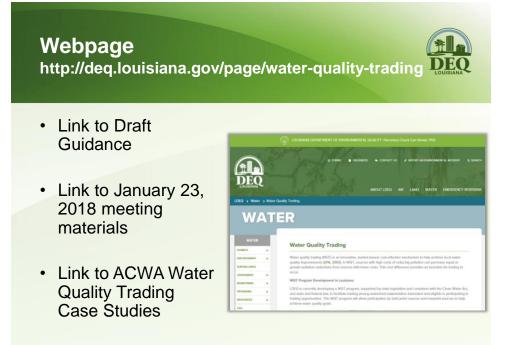
Draft guidance available in December 2017

What We Accomplished So Far

- Small workgroup in conjunction with Water Synergy Group
- Used National Network on Water Quality Trading document & Association of Clean Water Administrators (ACWA) Water Quality Toolkit templates
- Kickoff meeting January 23, 2018
 - 47 participants!

Recap

- Comments by February 28, 2018
- LDEQ reviewed comments to compile main topics that will discuss today and in future meeting
- LDEQ discussions with Pilot proposers



Timeline Where We Are Headed



- Tentative Timeline
 - Stakeholder Interaction in 2018
 - Kick-off Meeting January 23, 2018
 - · Comments February 28, 2018
 - Meeting 2 June 13, 2018
 - Meeting 3 July 10, 2018
 - · Pilot Phase through late summer 2018
 - Draft Rule proposed by end of 2018
 - · September 2018 begin drafting
 - Final Rule promulgated by end of 2019



Stakeholders



Adaptation Strategies • Beall Law • Coastal Protection and Restoration Authority • Comite Resources • Digital Engineering • Dow • Entergy • ExxonMobil • Green Army • Gulf Restoration Network • JMB Companies • Lake Pontchartrain Basin Foundation • Louisiana Chemical Association • Louisiana Department of Agriculture and Forestry • Louisiana Department of Environmental Quality • Louisiana Department of Natural Resources • Louisiana Environmental Action Network • Louisiana Legislature, House of Representatives • Louisiana Mid-Continent Oil & Gas Association • Louisiana State University Agricultural Center • Louisiana Sea Grant • Louisiana Wildlife Federation • NextEra Energy Marketing • NRG • Providence Engineering and Environmental Group • RES • Restore the Earth • Shell • Sierra Club • Sparta Groundwater Commission • St. Tammany Parish Government • Stonehenge • TestAmerica • Texas Institute for Applied Environmental Research, Tarleton State University • The Nature Conservancy • The Water Institute of the Gulf • Tierra Resources • Tulane Environmental Law Clinic • US Department of Agriculture, Natural Resources Conservation Service • US

Environmental Protection Agency • Water Synergy Group



- Adaptation Strategies & Lake Pontchartrain Basin Foundation
 - Exploring participation of credit buyers and sellers
- The Nature Conservancy
 - Scientific tools and partnerships to target conservation delivery and assess success
- Tierra Resources
 - Evaluating potential for co-benefits with carbon trading

Main Topics Heard from Stakeholders Let's Talk About It

Today

- 1. LDEQ participation in WQT Program
- 2. Watershed Trading Framework vs. WQT Plan
- Credit Buyers & Noncompliant Point Source participation
- 4. Example Forms/Credit Ledger
- 5. Trading Areas

Next Meeting

- 6. Trading Parameters
- 7. Baseline
- 8. Trading Ratios
- 9. Quantification Methods
- 10. Credit Use

Stakeholder Discussion Ground Rules



- Much to discuss but will focus Today's meeting on the 5 topics identified
- The other 5 topics will be up for discussion at next stakeholder meeting in July
- · Please share your ideas
- Please share your knowledge of trading activities in other states and programs
- · Please be respectful and open minded
- · Please help us all make this a successful program





LDEQ Participation in WQT Program





Watershed Trading Framework vs. Water Quality Trading Plan

Discussion Topic #3



Credit Buyers & Noncompliant Point Source participation





Example Forms and Credit Ledger

Discussion Topic #5



Trading Areas

Wrap-Up



- Next meeting July 10, 2018
 - Topics: Trading Parameters, Baseline, Trading Ratios, Quantification Methods, and Credit Use
 - Tentative Pilot Project Updates
- Late August 2018
 - Pilot Project Wrap up
- September 2018
 - Begin Drafting rulemaking

Water Quality Credit Trading Stakeholder Meeting June 13, 2018



- Thank you!
- LDEQ Water Quality Trading Webpage: <u>http://deq.louisiana.gov/page/water-quality-trading</u>