

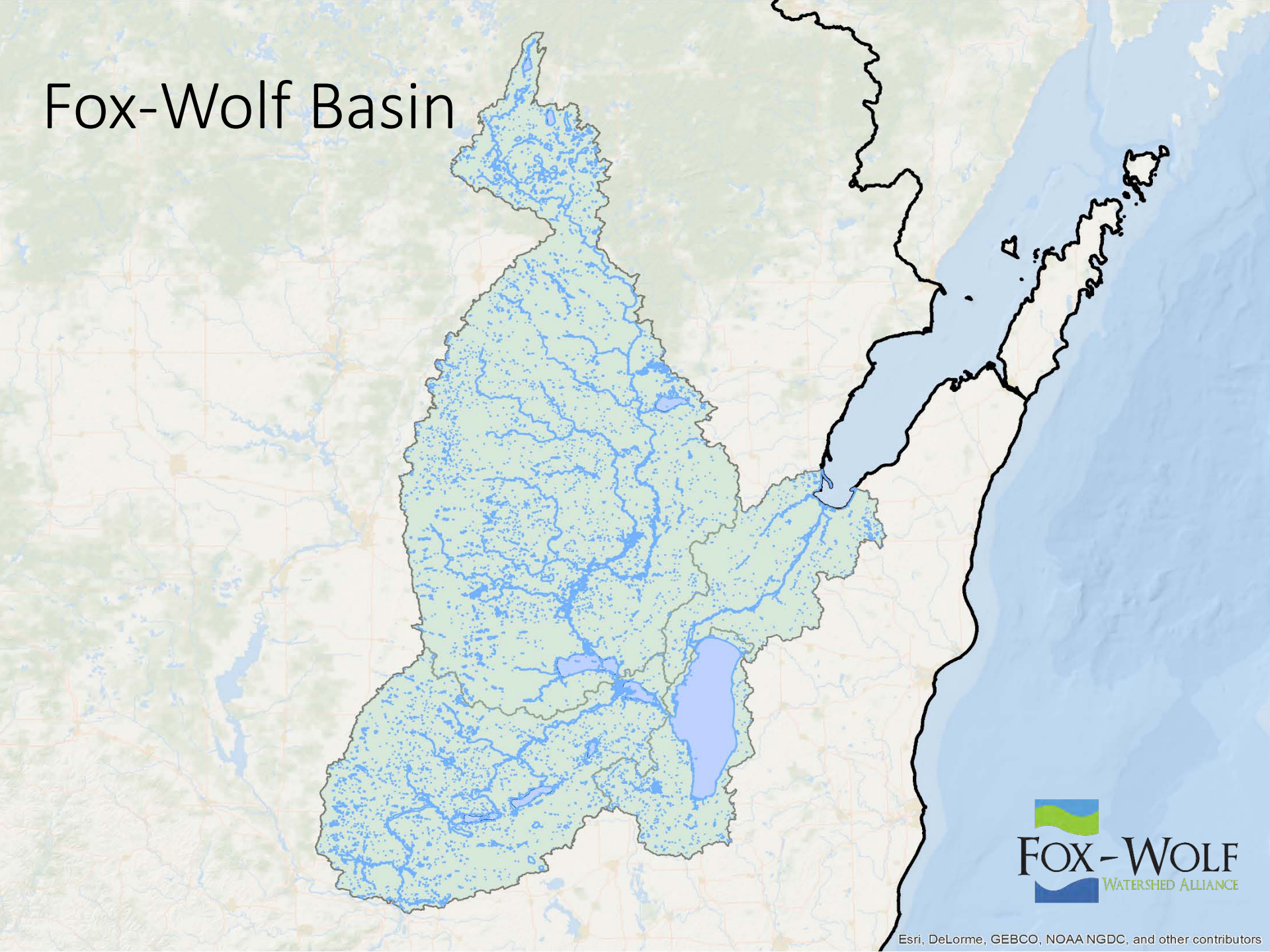


**Fox P Trade
& Related Efforts in the Lower Fox River**

Government Affairs Seminar
February 25, 2016

Jessica Schultz
Fox-Wolf Watershed Alliance

Fox-Wolf Basin





Adapting and Applying Water Quality Trading in the Lower Fox River Watershed

Building on the WDNR Water Quality Trading Guidance, the Fox P Trade project is advancing Water Quality Trading in the Lower Fox River



Deliver Credits on a Platter



Adapting and Applying Water Quality
Trading in the Lower Fox River Watershed

Market Structure Workshop

We need someone to facilitate the process – to provide education/outreach and generate demand

We need someone to bring credits to the table – someone who can pool potential credit generators

We need someone to ensure the credits are “real”

We need someone to ensure practices are installed properly and functioning the way they were intended

January – March 2015



Adapting and Applying Water Quality Trading in the Lower Fox River Watershed

Deliver Credits on a Platter

Broker

Facilitates trades between Buyers and Sellers.

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Adapting and Applying Water Quality Trading in the Lower Fox River Watershed

Deliver Credits on a Platter

Broker

Workshop participants recommended the Fox-Wolf Watershed Alliance

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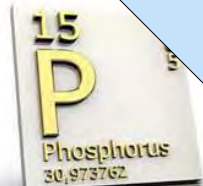
Workshop participants recommended the Fox-Wolf Watershed Alliance.

Aggregator

Finds and assembles water quality trading credits from (potentially multiple) Sellers.

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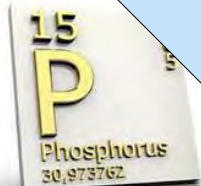
Workshop participants recommended the Fox-Wolf Watershed Alliance.

Aggregator

Workshop participants recommended the County Land Conservation Departments.

We need someone to ensure the credits are “real”

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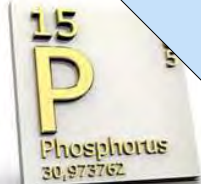
Aggregator

Workshop participants recommended the County Land Conservation Departments.

Certifier

Certifies that credits offered on the market are “real” by completing the Credit Certification Report which details practices installed, date of installation, trade ratio and calculated credits

We need someone to ensure practices are installed properly and functioning the way they were intended



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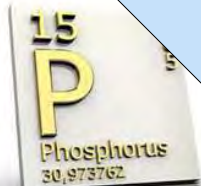
Aggregator

Workshop participants recommended the County Land Conservation Departments.

Certifier

Workshop participants recommended the County Land Conservation Departments and FWWA share this role

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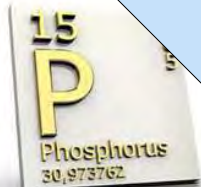
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Certifier

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Verifier

Verifies that credit generating practices Continue to be in place and operate as expected.



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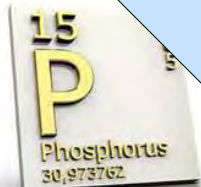
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Workshop participants recommended the County Land Conservation Departments.



FOX P TRADE



Adapting and Applying Water Quality Trading in the Lower Fox River Watershed

Reduce Risk/Uncertainty

Risk



FOX P TRADE

Adapting and Applying Water Quality
Trading in the Lower Fox River Watershed



Reduce Risk/Uncertainty

Point to Nonpoint Water Quality Trading Contract

1. Buyer/Permittee/Credit User Information	
Buyer/Permittee/ Credit User Name:	Individual Point of Contact:
Trade Agreement Number (assigned by WDNR):	WPDES Permit Number:
Permittee Address:	County:
	HUC12 code:
	Watershed name:
2. Seller/Credit Generator	
Credit Generator/Seller Name:	Individual Point of Contact:
Credit Generator/Seller Address:	County:
	HUC12 code:
	Watershed name:
	Tax parcel(s) where credit generating practices will be installed:

Recitals

- Water quality trading (WQT) is an alternative compliance option for Wisconsin Permit Discharge Elimination System (WPDES) permit holders and is authorized by s. 283.84, Wis. Stats.
- The Wisconsin Department of Natural Resources (WDNR) has issued Water Quality Trading Guidance (Guidance). The most recent version was disseminated August 2013. This Guidance has been accepted by the U.S. EPA.
- This contract certifies that water quality trading is being used to meet the terms and requirements of water quality trading as set forth by s. 283.84, Wis. Stats.
- Funds exchanged as part of this Water Quality Trading contract shall be used for the installation and maintenance of credit generating practices that will reduce the loading of pollutants identified in Section of the Lower Fox River and/or its tributaries.

Model contracts for Point to Point and Point to Non-point Source Trades

<http://glc.org/projects/water-quality/foxtrade/foxtrade-products/>

Risk



FOX P TRADE

Adapting and Applying Water Quality Trading in the Lower Fox River Watershed



Is Trading a REAL Option in the Lower Fox River Watershed?



Adapting and Applying Water Quality
Trading in the Lower Fox River Watershed

Hypothetical Trades


NEW Water
The Power of the Green by Sustainable Water Quality

Green Bay Sewerage
Water Quality Trade
WPDES Permit
Effective Date
Expiration Date
Contact

FOX P TRADE
Adapting and Applying Water Quality Trading in the Lower Fox River Watershed

TP
TSS

Discharge
Lower
Can trade with
Neenah Slough
Mud Creek
Garner's Creek
Kankopot Creek
Phum Creek
Apple Creek
Fox River Mainstem: Upper Segment
Fox River Mainstem: Middle Segment
Fox River Mainstem: Lower Segment
(Down Stream Factor only 0.405)



City of
Appleton
Waste Water Treatment Facility
Water Quality Trading Credit Buyer
WPDES Permit Number 0023221
Effective Date: 10/1/2010
Expiration Date: 9/30/2015
Contact: Chris Stemma


FOX P TRADE Adapting and Applying Water Quality Trading in the Lower Fox River Watershed

HYPOTHETICAL TRADE RESOURCE TEAM TRADING SUMMARY

	Baseline (lbs/yr)	Allocated (lbs/yr)	Reduction (lbs/yr)	Hypo lbs/yr to buy
TP	13,414	7,556	5,859	1,000
TSS	169,857	169,857	-	-

Discharges to:
Fox River Mainstem: Middle Segment

Can trade with:
Neenah Slough
Mud Creek
Garner's Creek
Kankopot Creek
Phum Creek
Apple Creek
Fox River Mainstem: Upper Segment
Fox River Mainstem: Middle Segment
Fox River Mainstem: Lower Segment
(Down Stream Factor only 0.405)



	2017	2018	2019	2020	2021	Total
Credits Available for Compliance	310	310	310	310	310	
Margin of Safety (Back up credits)	109	245	223	439	37	
Total Purchase	419	555	533	749	347	2603

- Real Buyers
- Real Sellers
- Potential for a pilot trade



Adapting and Applying Water Quality Trading in the Lower Fox River Watershed



**Great Lakes Restoration Initiative
Plum & Kankapot Project**



Lower Fox River TMDL Agriculture Implementation Team



Strategic Implementation Plan





Great Lakes Restoration Initiative Plum & Kankapot Project

- Land Conservation
- Monitoring
- Outreach
- Water Quality Trading – Credit Generation Assessment
- Watershed Conservation GIS Database

Moving Forward in the Lower Fox River



- Using all the tools in the tool box
- Tracking progress
- Communicating success and lessons learned