An element of the Bear River Watershed Initiative is to explore the feasibility of pollutant trading as a means of reducing point and non-point source phosphorous inputs to the watershed in the most cost effective manner. On July 19, 2007, the Bear River Initiative Steering Committee hosted a water quality trading workshop to explore the concepts of pollutant trading and specifics being explored in the Bear River watershed. 37 representatives from Idaho, Wyoming, and Utah, including agencies, educators, and producers attended the workshop.

The following is a summary of the workshop presentations. These presentations are available in Power Point format at http://www.bearriverinfo.org/library/.

- Dr. Terry Glover of Utah State University, introduced pollutant trading as established by the EPA to support market based programs for improving water quality. Water quality trading is a market-based mechanism that allows a source facing relatively high pollution-reduction costs to compensate another source to achieve a less-costly reduction with the same or higher water-quality benefit. The Bear River watershed is being assessed by the initiative for the feasibility of trading assuming pre-fixed pollution targets (e.g. TMDL process).

- Utah and Idaho DEQ TMDL coordinators, Mike Allred and Lynn Van Every presented an agency overview to water quality trading. The TMDL process determines the amount of pollution the water body is capable of assimilating while maintaining its intended beneficial uses. While the TMDL methods are not self-implementing, they do set the stage for implementing water quality trading programs by evaluating the potential for local impacts and proposing remedies.

- Marti Bridges of the Idaho DEQ presented a water quality trading framework established for the lower Boise River watershed. Before a trading program was established for the Boise watershed, factors including the market driver, cost differential, ability, and opportunity were defined.

- Darcy Sharp of Idaho DEQ gave a brief synopsis of BMP monitoring programs and their effectiveness as a stepping-stone for water quality programs.

- Dr. Bethany Neilson of Utah State University presented the approach to trading in the Bear River watershed using a water quality model. The model can help simulate physical, chemical, and biological processes that affect pollutant concentrations by calculating delivery ratios to determine the environmental equivalence of load reductions and potential trades.

- Tom Solon of Aqua Capital Management gave a brief overview of 3rd party private roles potential in trading programs. In a unique watershed such as the Bear River where the watershed lies within 3 states, 3rd party brokers could help mitigate high transaction costs in pollutant trading.

What’s next?

- Continue to obtain stakeholder feedback
  - Contact USU Water Quality Extension to express questions, concerns, or comments regarding pollutant trading in the Bear River watershed at (435)797-2580 or email susana@ext.usu.edu.
    - USU Water Quality Extension will create a dynamic blog on the Bear River WIS website (www.bearriverinfo.org) for trading feedback.
    - USU Water Quality Extension will continue to post trading resources on the Bear River WIS website (www.bearriverinfo.org).
  - The Bear River Initiative team is available to speak concerning trading within the watershed, please contact Nancy Meuser at (435)797-7541 for further information.
  - If you are interested in participating in an ongoing citizen/stakeholder advisory committee regarding pollutant trading in the Bear River watershed contact USU Water Quality Extension at (435)797-2580 or email susana@ext.usu.edu.
  - The project leaders and stakeholders will work to resolve the following issues:
    - Pollutant runoff and delivery ratios
    - Differentiating between NPS sources
    - Collecting water quality data
    - Employing BMP implementations
    - Utilizing TMDL allocations for pollutant trading
    - Enforcing trading agreements

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