



Invitation to Water Stewardship Credit Auction

UPDATED Dates and Purchase Commitments



Private dollars have been invested in farm management practices to reduce nutrient runoff, support farmers, and provide important ecosystem benefits in the Ohio River Basin. Now, the resulting credits are available for purchase in the effort's first public auction. Backed by science, metrics, and state approvals, "stewardship credits" can be applied toward sustainability goals, offsetting supply chain impacts, or even Supplemental Environmental Project (SEP) obligations in Ohio, Indiana, and Kentucky.

"There is potential from a broader societal basis to achieve ancillary benefits from a credit trading program that go beyond just our power plants. The fact that EPRI has created an opportunity for our company to contribute to on-the-ground improvements that have been confirmed through rigorous audit and oversight, gives us an entirely new option for meeting our broader sustainability targets."

Mr. John McManus, *Vice President, American Electric Power*

"Through solid science, transparency, and exceptional management, the EPRI project is a national model for how to advance non-traditional collaborations that benefit our common good. Now companies have the opportunity to be part of this effort, receive turn-key verified credits to meet their stewardship goals, and support local communities. Efforts like this will be critical for protecting America's waters for years to come."

Mr. Bob Perciasepe, *President, Center For Climate and Energy Solutions.
Former Deputy Administrator, EPA*

When (Updated Auction Date of May 20th)

Credit auction will be May 20th in New York City. Includes networking opportunity. You **MUST** be cleared to participate. Physical attendance required - no internet access. Submit Interest by May 4th to Jessica Fox, Technical Executive, EPRI. 650-855-2138. jfox@epri.com

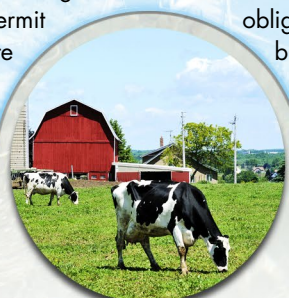
Benefits to Buyers

- Sustainability:
 - Document and register offsets for supply chain impacts
 - Achieve sustainability goals and commitments
 - Tell compelling stories about corporate sustainability efforts
- Compliance:
 - Meet Supplemental Environmental Project obligations
 - Consideration for flexible permit compliance schedules
 - Develop comfort in the program for future compliance needs
- Social:
 - Gain experience in the only interstate WQT program
 - Network with like-minded leaders
 - Support local farmers & agriculture



Buyer Requirements

Must be a public, private or nonprofit organization that is duly organized, validly existing and in good standing, with power and authority to perform its obligations as part of the auction process. Individuals with prior written approval from EPRI may also participate. Minimum purchase commitment \$10,000 for publically traded companies, or \$2,500 for individuals, non-profits, and municipalities. Proof of financial capability is required upon request. While the credits being offered are "compliance-grade," credits sold during this auction cannot be applied towards compliance with National Pollutant Discharge Elimination System permit obligations. As a condition of sale, EPRI will be restricting use of these credits to immediate "retirement" in order to promote broader societal benefits.



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What are stewardship credits?

A stewardship credit is a quantified reduction of a pollutant. Each credit equals one pound of nutrient (nitrogen or phosphorous) reduction, plus associated ancillary ecosystem benefits including pollinator habitat, greenhouse gas avoidance, carbon sequestration, soil health, rare species, and habitat enhancement. A thorough and transparent process ensures that credits represent real environmental improvements which have been verified by State agricultural and permitting agencies. All monitoring and verification documents, including farm photos, are posted on an online [trading registry](#).

Project Background and Overview

Since 2009, the Electric Power Research Institute and a strong collaboration of power companies, farmers, state and federal agencies and environmental interests have been working to develop an interstate Water Quality Trading (WQT) program in Ohio, Indiana, and Kentucky. Focused on environmental impacts from multiple, diverse sources, the project is facilitating broad non-traditional collaborations to achieve a common goal of water quality improvements and broader environmental improvements. It is the world's largest WQT program and has the potential to move millions of private dollars to help farmers reduce nutrient loading. The project has the support of federal agencies, and the states of Indiana, Ohio, and Kentucky.



Recognition

In March 2014, Duke Energy, American Electric Power, and Hoosier Energy purchased the first stewardship credits in the program. They earned accolades from the U.S. Environmental Protection Agency, U.S. Department of Agriculture, environmental groups, and many other stakeholders. The project has received extensive media coverage, including in the [Economist](#), the [Wall Street Journal](#), and other national and industry trade publications. Companies have highlighted project participation in their Corporate Sustainability Reports.

Collaborators:

Electric Power Research Institute

American Farmland Trust

Troutman Sanders, LLP

Markit

Ohio River Valley Water Sanitation Commission

University of California at Santa Barbara

American Electric Power

Duke Energy

Exelon Corporation

Hoosier Energy

Tennessee Valley Authority

U.S. Department of Agriculture

U.S. Environmental Protection Agency

Ohio Farm Bureau

Coalition on Agricultural Greenhouse Gases (C-AGG)

Delta Institute

States of Ohio, Indiana, and Kentucky

and others, see <http://wqt.epri.com>



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