

# The Ohio River Basin Water Quality Trading Project

**Excess nutrients in the Ohio River Basin** can lead to algal blooms that deplete oxygen and lead to “dead zones”

## THE PROBLEM

**Nutrients come from many sources, such as...**

- ▶ Farm runoff from fertilizer and manure
- ▶ Urban runoff from stormwater, septic systems, and end-of-pipe dischargers
- ▶ Air deposition from cars and other emissions

## A SOLUTION

### Water Quality Trading

is a market-based approach to achieving water quality goals by allowing permitted dischargers to generate or purchase pollution reduction credits from another source.

#### HOW IT WORKS

**1** A facility such as a power plant or wastewater treatment plant needs to meet nutrient limits for its water quality permit. Water quality trading is one option.

**4** Finally, Facility A can use those credits to meet permit requirements.

**2** To reduce nutrients in the watershed, Facility A pays Farmer B to do one of a number of things, such as reduce fertilizer use, plant stream side buffers with trees or keep livestock manure from getting into streams. Each conservation practice is verified.

**3** Nutrient reductions are quantified as credits (for example equal to one pound of nutrient reduction). Credits are then reviewed and approved by a regulatory agency.

## \$ Benefits

Cost-effective pollutant reductions

Ancillary benefits, such as:

- Improved soils
- Carbon sequestration
- Improved wildlife habitat
- Additional income to farmers

**30%** of the nitrogen loading in the larger Mississippi watershed comes from the Ohio River.

Source: Goolsby et al, 1999

## Water Quality Trading Project – Ohio River Basin

First-of-its-kind interstate program spans Ohio, Indiana, and Kentucky to evaluate the use of trading by industries, utilities, farmers, and others to meet water quality goals while minimizing costs.

Find more information at: [wqt.epri.com](http://wqt.epri.com)

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**The pilot trading period, from 2013-2015, is expected to reduce nutrients by ...**

**30,000 lbs**  
of Phosphorous

**66,000 lbs**  
of Nitrogen

That's equivalent to keeping 2,950 50-lb bags of fertilizer out of the Ohio River.

