From: Michael Neher [mailto:mneher@postfallsidaho.org]
Sent: Friday, October 01, 2010 11:37 AM
To: Bresler, Helen (ECY)
Cc: Terry Werner; Ken Windram; Daniel.Redline@deq.idaho.gov; FREDRICKSON, SID
Subject: Draft WQ Trading Framework

Hello Helen,

Here are a few comments or questions concerning the Draft WQ Trading framework handed out at the advisory committee recently.

One of the stated EPA, DOE, DEQ directors' goals was to facilitate inter-state trading. The draft framework does not address that goal. How is WDOE going to integrate into a bi-state program with IDEQ?

What will be the administrative resource requirements (org chart, staffing, budget) for setting up and implementing a bi-state trading program, including reviewing and evaluating trade proposals, tracking trades, accounting for credits issued and retired, verifying implementation, etc.?

What are the potential BMPs, projects, and sources of credits to which this program would apply?

Third bullet, first section, page 3: philosophically, the requirement to meet the nonpoint source load allocations before any point source credit can be achieved creates uncertainty for participants and would be a disincentive for point sources doing anything in the nonpoint arena. Specific projects, funding sources and responsible parties for meeting the TMDL tributary reductions must be identified.

Fourth bullet, second section, page 3: This bullet seems to imply that only point source buyers must adjust credits by some ratio. But later in the document there is discussion of trades between nonpoint sources. Wouldn't a trading ratio also apply to nonpoint to nonpoint, or point to nonpoint trades?

Fifth bullet, third section, page 3: What is meant by "out of kind" trading?

First bullet, Implementation requirements, page 7: This is confusing: "Implementation of the offset/credit for any proposed new or expanded actions must be demonstrated to have occurred in advance of the proposed action." How can a proposed action be proven and implemented in advance of it being acted upon?

Second bullet, Monitoring, page 8: Why does Ecology need data reported monthly, instead of in line with quarterly DMRs? How would this policy apply to Idaho dischargers, if at all?

First bullet, Credit expiration/retirement, page 8: This needs to be explained in greater detail, but it seems to imply that credits obtained through great effort and expense can suddenly be wiped out for any or no particular reason. If true, this imparts uncertainty into the trading program, and is a distinct incentive to do nothing.

Thank you for the opportunity to comment.

Mike Neher
City of Post Falls

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