

=====

PENN STATE OFFERS FREE "PRIMER" ON WATER QUALITY CREDIT TRADING

UNIVERSITY PARK, Pa. - Water-quality specialists in Penn State's College of Agricultural Sciences, anticipating a need for Pennsylvania citizens to better understand pollution-credit trading, have authored "A Primer on Water Quality Credit Trading in the Mid-Atlantic Region," a publication explaining water-quality trading programs.

The pamphlet explains how dischargers may buy and sell credits that are generated by reducing pollution beyond state and federal requirements. Publication was made possible by the Mid-Atlantic Regional Water Program, a collaboration among Penn State, the University of Delaware, Delaware State University, the University of Maryland, the University of Maryland - Eastern Shore, Virginia State University, Virginia Tech University, West Virginia University and West Virginia State University.

The primer provides information needed to understand the benefits and challenges of water-quality credit trading, the mechanics of a trade and the questions that should be asked as states develop their programs.

The publication is coauthored by Charles Abdalla, associate professor of agricultural and environmental economics and Kristen Saacke Blunk, agricultural environmental policy extension associate, with Tatiana Borisova of West Virginia University and Douglas Parker of the University of Maryland.

"The audience for this publication includes farmers, citizens and local officials," Abdalla says. "These are all people who can help shape public policy by understanding trading - its potential and limits. How well does water-quality credit trading work and whose interests are being considered? The answers to these and other questions will depend on a state's policies for encouraging trading. The primer offers questions that citizens may want to ask of their public officials to understand how their state's program is developing and what options are available to participate in policy-making."

Pennsylvania's program will allow point-source dischargers such as municipal and industrial wastewater treatment plants to purchase "credits" from nonpoint sources, such as farms and other entities where precipitation and terrain influence the movement of pollutants into streams and rivers. Initially, point sources and nonpoint sources that reduce nitrogen and phosphorous beyond the current requirements will be eligible to generate credits for sale or trade. Abdalla says buyers are likely to be point sources that can reduce pollution more cost effectively by purchasing credits generated by others.

Pennsylvania and Virginia are among the first states in the Mid-Atlantic region to institute a water-quality credit trading program.

In October 2005, the Pennsylvania Department of Environmental Protection released the "Interim Final Policy and Guidelines for Nutrient and Sediment Reduction Credit Trading," also referred to as Pennsylvania's Nutrient Trading Program. Pennsylvania is expected to release revised guidelines for its trading program by the end of 2006.

An electronic copy of this publication is available on the Web at <http://agenvpolicy.aers.psu.edu>. Single copies of "A Primer on Water Quality Credit Trading in the Mid-Atlantic Region" can be obtained by Pennsylvania residents free of charge through county Penn State Cooperative Extension offices, or by contacting the College of Agricultural Sciences Publications Distribution Center at (814) 865-6713 or by e-mail at AgPubsDist@psu.edu. For cost information on out-of-state or bulk orders, contact the Publications Distribution Center.

EDITORS: Contact Kristin Saacke Blunk at (814) 865-2002 or by e-mail at kls386@psu.edu.

Writer-Editor:
Gary Abdullah office (814) 863-2708
e-mail gxa2@psu.edu