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Pollution Limits: New Program Can Speed Bay Restoration

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Washington. Virginia has become the second state in the country to adopt a nutrient trading program. The first legislation of its kind within the Chesapeake Bay, the new law sets a watershed limit on the amount of pollution that can pour into the Bay. It encourages pollutant reductions at lower cost because it allows facilities whose pollution control costs are relatively high to use reductions created by another facility that has lower control costs. Water quality standards remain the same.

Virginia is creating a system that will go a long way toward reducing nutrient flow into the Bay. The state is also supplementing the existing Water Quality Improvement Fund with an additional $50 million to support nutrient-removal technology that significantly reduces the concentration of nitrogen and phosphorus through advanced treatment of wastewater. In the next fiscal year, Virginia will spend nearly $100 million to reduce nutrient pollution in the Bay from all sources.

Other states have undertaken nutrient trading on a smaller scale. In 2002, Connecticut established a Nitrogen Credit Exchange Program. In the first year of exchanges, 39 of the 79 participating municipal treatment plants achieved greater nitrogen reductions than required, and the state realized a total reduction of more than 15,000 pounds of nitrogen.

VIRGINIA'S NEW law allows point- source dischargers within each of the state's five major Chesapeake Bay tributary basins to collectively reduce the amounts of nitrogen and phosphorus delivered to the Bay. The state will issue a general permit to about 120 eligible point source dischargers within the Bay watershed. This permit will apply only to nitrogen and phosphorus, and trades may take place between facilities in the same river basin. The facilities will still have to meet existing limits for chemical pollutants discharged in their wastewater.

The general permit, which is expected to be approved in 2006 by the State Water Control Board, will allow the state to achieve nutrient reductions faster than would have been possible otherwise. Individual facility permits have a five-year term, so it would take at least five years to reissue every individual permit with the appropriate nutrient limits. The general permit may well cut pollution faster, as it will apply nutrient limits to all facilities at the same time.

The state's trading framework provides accountability through the watershed permit and annual reporting, while continuing to impose existing limits on other, often chemical, pollutants through permits for individual facilities.

The Chesapeake Bay, whose watershed includes a growing population of almost 16 million, is a national environmental treasure that must be protected. And Bay residents are vital to the regional economy: Virginia's annual commercial harvest is worth about $500 million.

TRADING PROGRAMS that help control air pollution have a successful track record that will apply to nutrient trading as well. The Acid Rain Program has exceeded expectations in terms of reduced emissions, reduced costs, and faster timelines. It has also rewarded greater efficiency and encouraged industry to explore alternative technologies.

Virginia has taken great strides in the reduction of nutrients from its development of new tidal water quality standards, which the EPA fully supports, to the regulatory actions that will serve as the basis for the trading program. The Commonwealth also has demonstrated the power of cooperation and consultation by bringing together such stakeholder groups as the Chesapeake Bay Foundation and the Association of Municipal Wastewater Agencies to achieve workable and effective solutions.

Virginia's new program can serve as a model not only for the Chesapeake Bay partners but also for watersheds across the country.

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