

Regional Water Quality Control Board
North Coast Region

Executive Officer's Summary Report
Thursday, May 18th, 2017
Regional Water Board Office
Santa Rosa, California

ITEM: 3

SUBJECT: Lake Tahoe Total Maximum Daily Load and Lake Clarity Crediting Program (*Amy Horne, Board member, and Robert Larsen, Staff, Lahontan Regional Water Quality Control Board*).

BOARD ACTION: This is an informational workshop. No action will be taken by the Regional Water Board.

BACKGROUND: The North Coast Regional Water Quality Control Board is considering the use of pollutant offsets, trading, and other market-based regulatory approaches to address water quality impairments in North Coast waters. Board Member Amy Horne and Robert Larsen are here today to share their experience with a compliance-driven crediting program being employed to implement the Lake Tahoe sediment and nutrient TMDL.

In July 2004 the Lahontan Water Board received a United States Environmental Protection Agency (U.S. EPA) Targeted Watershed Grant to evaluate market-based water quality trading opportunities in the Lake Tahoe basin. The project paralleled the development of the Lake Tahoe TMDL, and ultimately provided an important method to link on-the-ground actions to quantified pollutant load reductions. The product, known as the Lake Clarity Crediting Program (Crediting Program), couples numeric modeling tools with field inspection methods to consistently account for activities taken to reduce pollutants in urban storm water.

Load reduction and condition assessment tools were developed independently, and initial users identified a number of possible enhancements to streamline administrative processes and improve the user experience. The identified improvement and integration opportunities were selected for funding through the Southern Nevada Public Lands Management Act in 2011. Contractors were hired in 2013, and following substantial stakeholder involvement the improvement project was completed in August 2015. This improvement and integration effort was paired with Crediting Program refinement work under the Lake Tahoe TMDL adaptive management effort to improve system function. The Lahontan Water Board and the Nevada Division of Environmental Protection are currently leading additional software development efforts to further streamline crediting program implementation.

The Water Board first included the Crediting Program in its 2011 NPDES storm water permit to demonstrate compliance with the Lake Tahoe TMDL. The permit, which regulates runoff discharges from the City of South Lake Tahoe, El Dorado County, and Placer County, required a ten percent fine sediment particle load reduction by the end of the permit term in 2016 and references the Crediting Program as the compliance assessment method. The Lahontan Water Board subsequently renewed the Lake Tahoe Municipal Storm Water NPDES Permit in March 2017 to implement the next five-year pollutant load reduction target. While local government permittees resisted Crediting Program, the 2016 permit was supported by the permittees and

other watershed partners. The permittees successfully used the program to demonstrate compliance with the previous permit and now fully accept the innovated tracking and accountability approach and appreciate the flexibility offered by the program.

DISCUSSION: The North Coast Regional Water Quality Control Board is considering the use of pollutant offsets, trading, and other market-based regulatory approaches to address water quality impairments in North Coast waters. Market-based programs need to be adapted to the environmental and regulatory settings into which they are being applied. There are two watersheds within the North Coast Region where market-based approaches are being evaluated for use 1) Klamath River Basin, and 2) Laguna de Santa Rosa. Learning the lessons from how a similar approach has been developed for one of the nation's most high profile watersheds, Lake Tahoe, can provide valuable insights to the ongoing efforts within the North Coast Region.

SUPPORTING

MATERIALS: None