

# ALTERNATIVE COMPLIANCE CONTEXT AND PROGRAMS

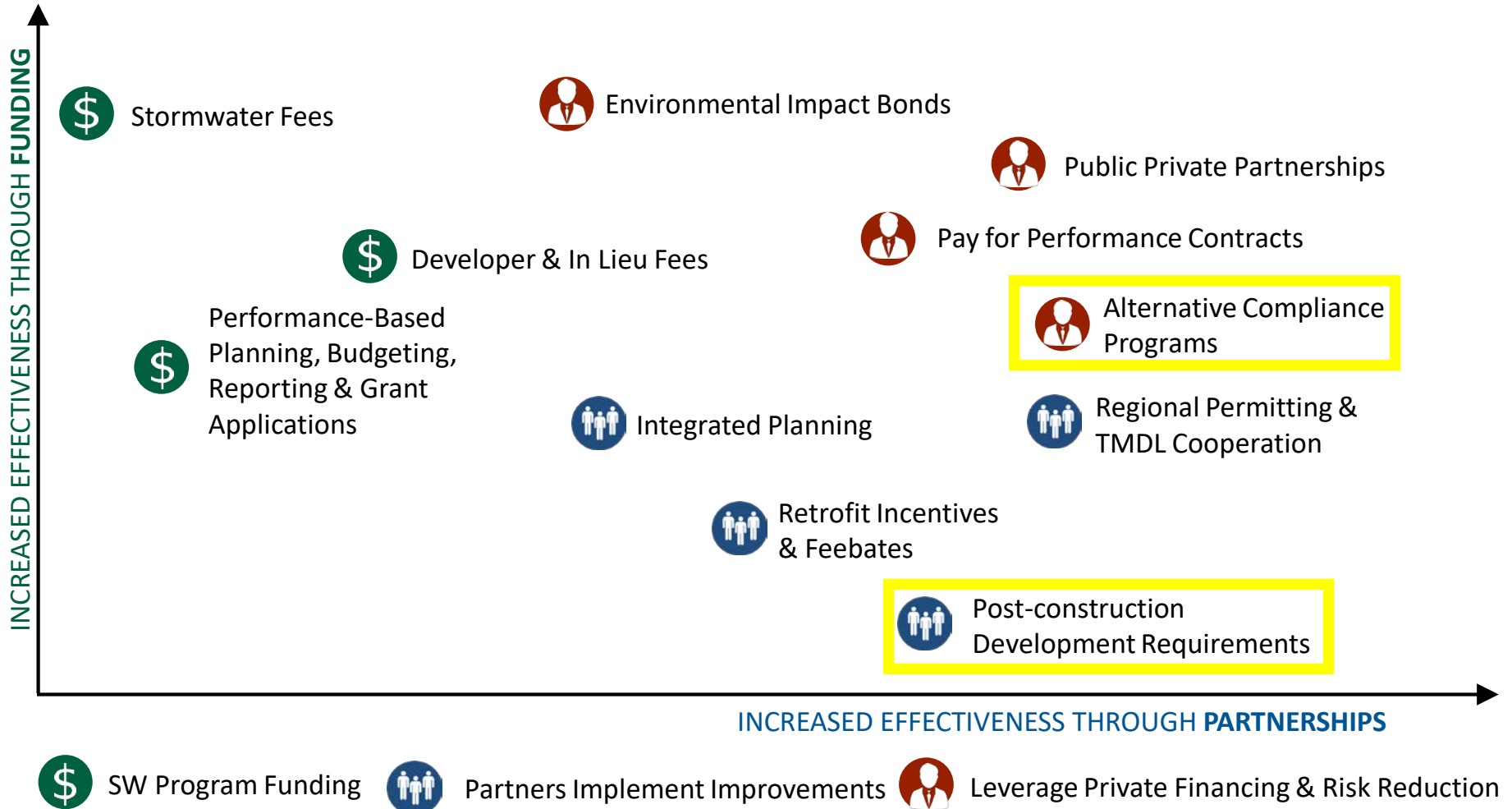
A comparison of the San Francisco Bay Area  
and Washington, DC



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# STORMWATER FUNDING & STRATEGY PORTFOLIO



## POST-CONSTRUCTION ALTERNATIVE COMPLIANCE

Permits for new and redevelopment construction projects often require on-site treatment of stormwater.

Alternative compliance programs allow some portion of these requirements to be met off-site.

The District of Columbia Stormwater Retention Credit Trading Program is a national example of a post-construction alternative compliance program.

# CASE STUDY: BAY AREA & DISTRICT OF COLUMBIA

## San Francisco (Region/City)

- Regional Phase I MS4 Permit
- Municipal SW management requirements and design criteria
- Post-construction requirements
  - $\geq 5,000$  ft<sup>2</sup> imp. surface may face LID and/or volume reduction
  - Large projects must manage the 0.75" storm volume

## District of Columbia

- Individual Phase I MS4 permit
- Municipal SW management requirements and design criteria
- Post-construction requirements
  - $\geq 5,000$  ft<sup>2</sup> must retain the 1.2" storm volume
  - $\geq 5,000$  ft<sup>2</sup> and cost > 50% of pre-project value must retain the 0.8" storm volume





# STORMWATER RETENTION CREDITS (SRC) PROVIDE FLEXIBLE COMPLIANCE

## Demand

Volume  
Required

Volume  
Achieved

Off-Site  
Required

10,000  
gallons

-

5,000  
gallons

=

5,000  
gallons

## Supply

Volume  
Achieved

Volume  
Required

SRC-  
Eligible

15,000  
gallons

-

10,000  
gallons

=

5,000  
gallons

- Sites may pay in-lieu fee of \$3.58 per gallon or buy SRCs
- SRC-eligible volume is capped at 1.7"

# FIRST TRADE DEMONSTRATED BMP FINANCING BENEFITS

## Seller: Condominium

- 4 bioretention cells installed in July 2013
- DC certified 51,000 SRCs in April 2014
  - First trade: \$25,000
  - All trades: \$87,775

## Buyer: Regulated Site

- Tight schedule for project completion
- Bought 11,013 SRCs in Sept 2014



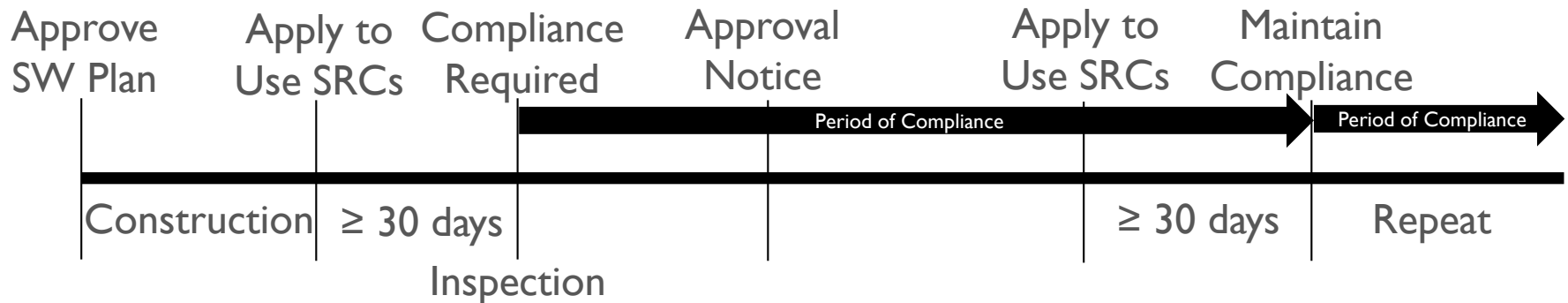
## STORMWATER DATABASE

Transfer Date	Watershed where SRCs are generated	Sewershed where SRCs are generated	Purchase price per SRC	Number of SRCs (tot)	Total value of transfer (tot)
10-10-2017	Potomac	MS4	\$1.90	11,013	\$20,924.70
10-13-2016	Potomac	MS4	\$1.90	11,013	\$20,924.70
10-02-2015	Potomac	MS4	\$1.90	11,013	\$20,924.70
09-18-2014	Potomac	MS4	\$2.27	11,013	\$25,000.00
Totals (26 groups)				157,360	\$314,589.30

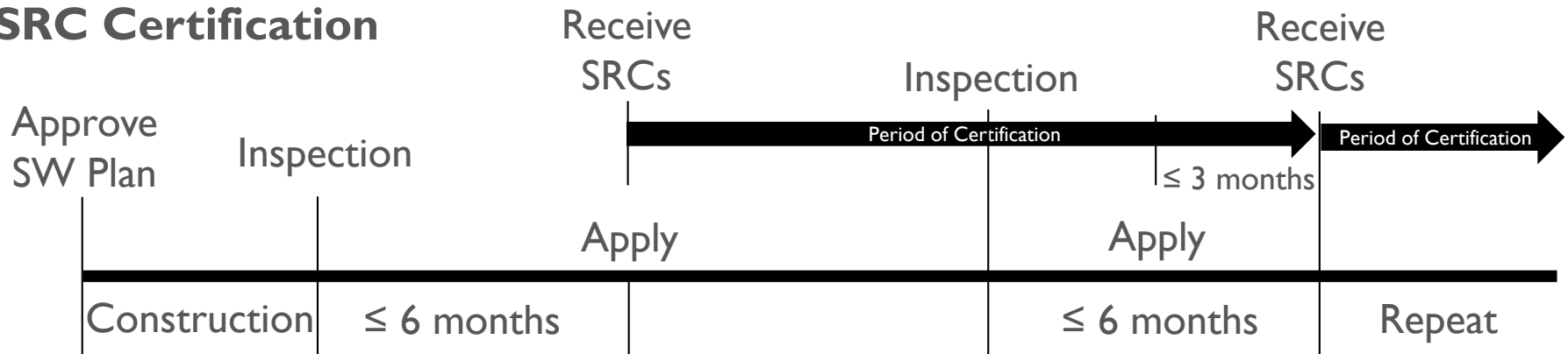
DC Department of Energy and Environment, SRC Registry

# PROGRAM PROCESS & TIMELINES

## Compliance



## SRC Certification



# ALTERNATIVE COMPLIANCE & PERFORMANCE-DRIVEN PROGRAM DESIGN

## Feasibility

- Demand & Financial Analysis
- Stakeholder Analysis
- Policy Review

## Program Design

- Performance Metric
- Crediting Rules
- Administrative Roles
- Contract Templates & Forms
- Beta Tools

## Launch & Stimulation

- Train Staff
- Train Consultants
- Refine Rules & Tools
- Support Demand
- Stimulate Supply

## Implementation & Expansion

- Report Results
- Define Improvements
- Adaptive Management
- Additional Performance-Driven Strategies



# THANK YOU

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