



STATE OF LOUISIANA  
DEPARTMENT OF ENVIRONMENTAL QUALITY

**General Instructions**  
**Water Quality Trading Plan (WPADform\_5002)**

LAC 33:IX. Chapter 26<sup>1</sup> requires that any entity wishing to purchase credits must submit a Water Quality Trading (WQT) Plan. The conditions set forth in LAC 33:IX.3113.B.1 and 2607.C for public notice and the 30-day public comment period will apply when a point source submits a WQT plan to use credits as a method of complying with an LPDES permit. Any information submitted to the LDEQ may become public record pursuant to ACT 256 of the 2019 Regular Legislative Session<sup>2</sup>.

Additional resources for WQT can be found at <https://www.deq.louisiana.gov/page/water-quality-trading>. If you have any questions concerning the form or the policy for WQT, submit inquiries at [wq.trading@la.gov](mailto:wq.trading@la.gov).

**General**

- The form may be printed and completed before scanning and submitted via email.
- Do not write information in the margins of this form.
- Do not alter the formatting of the items in this application or alter the form in any way.
- If certain questions or fields in the application are not applicable, indicate "none" or "not applicable" (N/A), do not leave blank.
- The applicant should submit all known information at the time the application is submitted. LDEQ may not be able to complete the review with insufficient or indefinite information.
- Any written certification granted by LDEQ does not relieve the applicant from complying with any other city, parish, state, and/or federal requirements.

**If credits are purchased for environmental benefit only, and not for compliance in an LPDES permit:**

- Check the box provided
- In **Entity Information** section, enter Company/Facility Name, Mailing Address, Contact Person, Phone Number, and Email Address of credit buyer
- In **Checklist of Required Application Attachments** section, check box for 'Written agreement between the buyer and the credit generator'. For LDEQ review purposes, a written agreement between the buyer and credit generator must be provided and include, but is not limited to, the proposed date of purchase; the serial number(s) of certified credits from LDEQ registry included in the purchase; and acknowledgment that the credits will no longer be available on the LDEQ register for the duration of time specified in purchase agreement.
- Complete **Submittal Certification** section
- Submit form and written agreement attachment online at [wq.trading@la.gov](mailto:wq.trading@la.gov)

**Entity Information**

*Company/Facility Name* – Enter the legal name of the applicant facility.

*Mailing Address* – Enter the address of the entity by which correspondence can be sent.

*Contact Person* – Enter the name of the primary contact for technical questions pertaining to the application.

<sup>1</sup> LAC 33:IX. Chapter 26, available at: <https://www.doa.la.gov/osr/REG/1910/1910.pdf>.

<sup>2</sup> See Louisiana State Legislature, available at <http://www.legis.la.gov/Legis/LawSearch.aspx>.

*Phone Number and Email Address* – Enter contact information for the primary contact for technical questions pertaining to the WQT plan.

*LPDES Permit Number* – Enter the currently effective permit number for the facility if an existing facility; or enter ‘new’ if it is a new, proposed facility. Permittees covered under the general permitting system must first apply and receive coverage under an individual permit to be eligible to participate in WQT.

*Date Permit Issued* – Enter the date of issuance for current permit.

*Agency Interest (AI) Number* – The AI number is a unique identifier assigned to each facility by LDEQ. Existing facilities in the state have AI numbers assigned to them. New entities will be assigned an AI number after LDEQ receives the application.

### **Location Information**

*Physical Address* – Provide the physical address of facility. Provide front gate GPS coordinates if no physical address exists.

*Subsegment Number(s)* – Enter the corresponding LDEQ subsegment number(s) that includes the location of the facility and discharge site. LDEQ maintains this information for the State of Louisiana which can be accessed at the following web site: <http://map.deq.state.la.us> (Click on Interactive Mapping Application, expand the Hydrology layer, and select LDEQ Subsegments).

### **Parameter Information**

*Parameter(s) to Trade* – The parameter(s) to be traded.

NOTE: Persistent bioaccumulative toxics (PBTs) that have the potential to threaten public health will not be considered for trading.

*Reduction needed for Compliance* – The difference between the pollutant load from the point source and the permit discharge limit. WQT is not allowed to meet the requirements of the technology-based effluent limitations (TBELs) unless expressly authorized by the underlying effluent guidelines. A point source that has attained applicable TBEL requirements can obtain credits to achieve more stringent water quality-based effluent limitations (WQBELs). As an example, if a permit or a total maximum daily load (TMDL) requires a reduction from a specific source of 100 pounds per day of a parameter into a water body and the source can reduce the parameter by 75 pounds per day (the TBEL in this example), the source needs 25 pounds per day equivalent in credits (plus applicable trading ratios).

### **Proposed Trading Ratios (as applicable, justification included in Narrative)**

A credit is a measured, modeled, or estimated unit of pollutant reduction (typically in pounds) per unit of time (typically in days) that represents the specific pollutant reduction generated by a project at a specified location. Trading ratios are numeric values used to ensure that the environmental benefit of a credit-generating project is greater than the reduction that would occur if the point source installed treatment technology on site. Trading ratios should be expressed as a number of credits needed per unit of discharge (e.g., a 2:1 ratio means that two credits are needed per one unit of impact). Trading ratios, adapted for local conditions and data availability, are to be included in the WQT Plan. LDEQ will evaluate the appropriateness of the proposed trading ratios through technical review.

*Equivalency Ratio* – An equivalency ratio is used to translate the impact of reduced loading of one pollutant to an equivalent impact from the other within a water body (e.g., e.g. offsetting a biochemical oxygen demand (BOD) loading with phosphorus credits). LDEQ will consider cross-pollutant trades where the science exists to quantify and substantiate the equivalency.

*Delivery Ratio* – A delivery ratio is calculated for the trading area to account for pollutant attenuation due to the fate and transport characteristics of the specific pollutant being traded, the unique characteristics of the watershed (e.g., hydrology, vegetation), distance, and time. This type of ratio should be derived through watershed models.

*Reserve Ratio* – A reserve ratio should be applied to insure against unforeseen credit losses.

*Retirement Ratio* – A retirement ratio should be applied to protect against potential environmental degradation and to ensure a net improvement in water quality.

*Trade Ratio* = Equivalency + Delivery + Reserve + Retirement : 1

*Total Credits to be Traded* – This is the *Reduction needed for compliance* plus the additional credits required to cover the *Trade Ratio*.

**Checklist of Required Application Attachments**

Check the boxes provided to indicate that all the required information has been included with the application. If not included, the application will not be considered technically complete.

*Attach a narrative that includes all specific details of implementing a trade* – The narrative should include the following components, as appropriate, and shall describe how they were derived:

1. The parameter(s) for trading that is being proposed, the number of credits needed, and any credit generation milestones, including a schedule for credit generation;
2. Indicate how the discharge reaches state waters (named water bodies), directly or open ditch. If the discharge is intermittent or seasonal, please complete the following table:

Frequency of Flow (average)			Flow Rate (mgd)	
Number of Months per Year	Number of Days per Week	Number of Hours per Day	Long Term Avg.	Daily Maximum

3. A general description of the boundaries of the trading area, including justification and how it is protective of the relevant designated uses and results in a net water quality improvement;
4. Trading baseline, including identification of any applicable requirements, regulations, and/or laws that apply within the trading area and shall be implemented to achieve baseline requirements;
5. Identify credits from the LDEQ Water Quality Trade Registry for every unit of excess parameter discharge. Credit-generating projects, including quality and performance standards for those actions, and if necessary, additional criteria for project site design, maintenance, and stewardship;
6. Description of credit quantification methodology, including how pre- and post-project conditions are modeled or measured, the assumptions and inputs used to derive the number of credits, and how baseline will be accounted for;
7. Monitoring and reporting requirements, including parameters to be monitored, monitoring frequency, type of sample required, physical form of the report, and any other trading-related monitoring that may be appropriate in addition to Clean Water Act (CWA) monitoring requirements;
8. Trading ratios, including description of the basis and assumptions supporting each applicable trading ratio and how it will affect the size of the credit obligation;
9. Other mechanisms to mitigate risk of insufficient credit generation (e.g., performance bonding, etc.) as well as justification for the selection and application of the given mechanisms;
10. Credit life information, including when credits became valid, how long credits remain valid, and renewability of credits;
11. Requirements for review of project site performance, and the entity that will perform the review, review frequency and content, and the performance standards that are evaluated; and

12. Adaptive management (a description of how monitoring and other information may be used over time to adjust trading projects and under what circumstances).

*Trading Area Map(s)* – Include a topographical map(s) (with GPS coordinate reference points) with specified boundaries of the trading area, clearly labeled discharge point(s), and path of discharge(s) from the facility to the first named water body. The trading area map(s) must demonstrate a clear link between the credited pollution reduction and the permittee’s point of compliance, and if applicable, a point of impact (such as a lake, estuary, or other water body). LDEQ maintains aerial photography and satellite imagery of the entire State of Louisiana which can be accessed at the following web site: <http://map.deq.state.la.us>.

*Written agreement between the buyer and the credit generator* – For LDEQ review purposes, a written agreement between the buyer and credit generator must be provided and include, but is not limited to, the proposed date of purchase; the serial number(s) of certified credits from LDEQ registry included in the purchase; and acknowledgment that the credits will no longer be available for sale on the LDEQ register for the duration of time specified in purchase agreement.

*Data files and/or model inputs used for trade quantification methods* – Should include all supporting data collected, tools used, quantification methods, and results with enough detail that all calculations can be verified.

NOTE: The proposed trade cannot cause or contribute to the violation of water quality standards. If a pollutant load allocation for the pollutant has been developed, then the discharger must demonstrate that a) there is sufficient remaining pollutant assimilation capacity to allow for the discharge without causing localized impacts, and b) existing discharges into the water body that do not meet applicable water quality standards are subject to compliance schedules designed to bring the water body into compliance with the applicable water quality standard.

### **Submittal Certification**

*Name, Title, and Signature of Responsible Official\**– Read the certification statement. The Responsible Official will print name, include title as related to the entity, add signature, and date the WQT plan.

\*The definition of ‘Responsible Official’<sup>3</sup> is:

- A. for a corporation—a president, secretary, treasurer, or vice-president of the corporation in charge of a principal business function, or any other person who performs similar policy or decision-making functions for the corporation, or a duly authorized representative of such person if the representative is responsible for the overall operation of one or more manufacturing, production, or operating facilities;
- B. for a partnership or sole proprietorship: a general partner or the proprietor, respectively; or
- C. for a municipality, state, federal, or other public agency: either a principal executive officer or ranking elected official.

**Submit form and all attachments online at [wq.trading@la.gov](mailto:wq.trading@la.gov).**

NOTE: Upon receipt and subsequent review by LDEQ, you may be requested to furnish additional information in order for LDEQ to complete the review process.

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<sup>3</sup> See LAC 33:IX.7301.B, available at: <https://www.deq.louisiana.gov/resources/category/regulations-lac-title-33>.



**STATE OF LOUISIANA  
DEPARTMENT OF ENVIRONMENTAL QUALITY**

## Water Quality Trading Plan

Check this box if credits will be purchased for environmental benefit only, and not for compliance in an LPDES permit. Written agreement is still required between the buyer and the credit generator.

<b>Entity Information</b>					
Company/Facility Name:					
Mailing Address:					
Contact Person:					
Phone Number:			Email Address:		
LPDES Permit Number:		Date Permit Issued:		Agency Interest (AI) Number:	
<b>Location Information</b>					
Physical Address:					
Subsegment Number(s):					
<b>Parameter Information</b>					
Parameter(s) to Trade:					
Reduction Needed for Compliance:					
<b>Proposed Trading Ratios (as applicable, justification included in Narrative)</b>					
Equivalency	Delivery	Reserve	Retirement	Trade Ratio	Total Credits to be Traded
<b>Checklist of Required Application Attachments</b>					
<input type="checkbox"/> Attach a narrative that includes all specific details of implementing a trade <sup>4</sup> <input type="checkbox"/> Trading Area Map(s) <input type="checkbox"/> Written agreement between the buyer and the credit generator <input type="checkbox"/> Data files and/or model inputs used for trade quantification methods					
<b>Submittal Certification</b>					
I certify that this document and all attachments were prepared under my direction supervision; and based on my inquiry of those individuals immediately responsible for obtaining the information, I believe the submitted information is true, accurate and complete. I further certify that I am authorized to bind the party on behalf of which I am signing to the terms of this document.					
_____ Name of Responsible Official*			_____ Title of Responsible Official		
_____ Signature of Responsible Official			_____ Date		
<small>*ATTENTION: Any information submitted to the LDEQ may become public record pursuant to ACT 256 of the 2019 Regular Legislative Session.</small>					

**Submit form and all attachments online at [wq.trading@la.gov](http://wq.trading@la.gov).**

<sup>4</sup> LAC 33:IX. Chapter 26, available at: <https://www.deq.louisiana.gov/resources/category/regulations-lac-title-33>.