

LAKE SINISSIPPI ADAPTIVE MANAGEMENT DISCUSSION

Call with Sean Spencer of WDNR 6/18/21 to discussion proof of concept regarding Adaptive Management and Water Quality Trading

- Sean confirmed concept, LSID can work and trade with anyone, within watershed (Upper Rock River). WDNR prefers adaptive management projects with upstream partners (so Waupun, Horicon, Hustisford, Juneau are all potential partners)
 - Waupun has already committed to Biological Nutrient Reduction (BNR)
 - Juneau is near compliance (1 lb/day)
 - Horicon is currently in the Multi-Discharge Variance (3rd option), but may be a partner down the road
 - Hustisford may be option for WQ Trades
- Sean worked with Beaver Dam on their Adaptive Management Plan (provide copy)
- Typically, the negotiation is started via the WPDES holder rather than the other way around but there is no reason not to proactively engage permit holders
- Future Water Quality Trading Clearinghouse may still be an option. In this case, LSID could implement projects on their own, quantify the pollutant or nutrient capture/reduction and offer it up to trading partners via recapture process.
 - It's possible SWG dollars could still be used to offset costs
 - Earliest possible timetable for WQ Clearinghouse is 2023?
- WDNR still has a moving target on their phosphorus rule/policy so LSID can propose options with sufficient supporting information is provided (i.e. dredging for phosphorus trading)
 - YARWIN Suck the Muck? Madison-Fitchburg-Mendota
 - MS4s could be partners
 - Industrial WPDES holders could be partners, but more likely through water quality trading
- Overall, on paper Adaptive Management appears to have greater flexibility
- Water Quality trading is more focused on location in proximity to the end of pipe
- Options are on the table if parties are willing to negotiate

Action Items:

1. Begin negotiation with Hustisford first, due to locality and direct benefit (check with team first)
2. Circle back with Horicon, others
3. Check on MS4, industrial users in the area.