



**Municipal Environmental Group -
Wastewater Division (MEG)**

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July 11, 2019

Administrator Andrew Wheeler
U.S. EPA Headquarters
William Jefferson Clinton Building
1200 Pennsylvania Avenue, N.W.
Washington DC 20460

Re: **Funding Opportunity Number:** Water Quality Trading and Other Market-Based Approaches
for Nutrient Reduction (EPA-R5-GL2019-WQT)

Dear Administrator Wheeler:

I am pleased to express the support of the Municipal Environmental Group – Wastewater Division (MEG) for the application by the Dairy Research Institute (DRI) for funding under EPA-R5-GL2019-WQT. As proposed, this effort will provide essential guidance to government and private sector groups who seek to establish and implement water quality trading and other innovative market-based approaches to reduce nutrient loading in the Great Lakes Basin.

While water quality trading is not a new concept, markets have suffered from limited participation, primarily due to barriers such as resource constraints, technical capacity, and regulatory and economic uncertainty. These barriers affect participation in water quality trading programs on both the supply and demand sides. The development of solutions to address these barriers will lead to increased market participation, resulting in more regulatory and price certainty for permit holders, predictable and certain

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financial returns to sellers, and pollution reductions for impacted watersheds at an overall lower cost to all. We share the view of the Dairy Research Institute that successful development and implementation of a credit trading Clearinghouse in Wisconsin represents an innovative solution that could help address historical barriers to water quality trading. The lessons learned in Wisconsin will be transferrable to similar credit trading programs around the region and across the country.

As part of its proposal, DRI will form a steering committee of essential stakeholders including representatives from state and local government, agriculture and business. If the DRI proposal is successful, I would be pleased to serve on this steering committee as a representative from MEG to support DRI in gathering a full range of perspectives on the best practices to deploy in establishing and operating Wisconsin's Clearinghouse.

This proposal will fill an important gap in Wisconsin's approach to water quality improvement and will generate insights that can be used to improve water quality well beyond this state's borders. MEG looks forward to working in partnership with the Dairy Research Institute and its project collaborators to achieve these important results.

Best Regards,

A handwritten signature in black ink, appearing to read "Vanessa D. Wishart". The signature is written in a cursive, flowing style.

Vanessa D. Wishart
Stafford Rosenbaum, LLP
Attorney for MEG - Wastewater

VDW:mai