



PRESS RELEASE FOR IMMEDIATE RELEASE

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Willamette Partnership, The Freshwater Trust receive \$1.5 million Conservation Innovation Grant from USDA

Funds to develop a three-state regional agreement on water quality trading

August 24, 2012 – Portland, Ore. – Willamette Partnership, along with The Freshwater Trust, received a \$1.5 million grant from the Conservation Innovation Grants (CIG) program run by USDA's Natural Resources Conservation Service. Funding from the CIG grant will develop a Joint Regional Water Quality Trading Agreement between Oregon, Washington and Idaho that provides clear and consistent guidance on water quality trading to achieve real water quality improvements throughout the Pacific Northwest. Willamette Partnership will lead the effort, and The Freshwater Trust will match USDA's financial commitment. Oregon Department of Environmental Quality, Idaho Department of Environmental Quality, Washington Department of Ecology and U.S. EPA Region 10 will also play pivotal roles in the project.

"With clear and consistent guidance from state regulatory agencies in place, regulated entities like wastewater treatment facilities will be confidently able to participate as buyers in water quality trading programs just as farmers and ranchers will be confidently able to participate as voluntary sellers of water quality credits," said Bobby Cochran, executive director of Willamette Partnership.

The grant builds on a \$1 million CIG grant the two organizations received last year to operationalize water quality trading in Oregon and The Freshwater Trust's subsequent \$8 million contract with the City of Medford's wastewater treatment facility to meet their regulatory compliance obligation while benefitting the watershed's rivers and streams and providing additional revenue for agricultural producers.

"We believe there are states around the nation that are on the cusp of having thriving water quality trading markets," USDA Secretary Tom Vilsack said. "These grant awards will help develop projects that create new revenue streams for farmers and ranchers while they are helping to improve water quality."

Over the last seven years, Willamette Partnership and The Freshwater Trust have worked with numerous organizations, agencies and regulators to build the science and credibility standards necessary to calculate and quantify the services restoration of our rivers provides. The amount by which a tree's shade reduces the sun's impact on a river or stream – an ecosystem service – can now be measured and quantified into a credit that can be generated by planting streamside vegetation on private land and purchased by entities that need to gain regulatory compliance.

Conservation Innovation Grant, page 2 of 2

"The Freshwater Trust and Willamette Partnership have developed the fundamental elements of a functional water quality trading program here in Oregon and the City of Medford was the first in line to sign on along with three others in the state," said Joe Whitworth, president of The Freshwater Trust. "Establishing a Joint Regional Agreement enables us to assemble elements into a complete, scalable and replicable package that can be rapidly applied and implemented not just city-by-city in a single state, but rather throughout the Pacific Northwest."

Work between project partners will begin this fall.

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How water quality trading works

- Non-profits like The Freshwater Trust use private dollars to pay for all upfront costs to implement streamside planting projects within the watershed of the regulated entity, generally on private agricultural land.
- The eventual cooling benefits of the planted vegetation are calculated using rigorous standards approved by the Oregon Department of Environmental Quality and then translated into credits.
- After planting and calculating the credit value from the project, a certified third-party verifies the validity of the generated credits that are then certified and registered on an approved and web-accessible registry.
- Once credits are serialized and registered, the credit producer submits an invoice to the regulated entities that then
 purchases the temperature credits to offset environmental impacts and meet compliance obligations and do so at a
 two-to-one ratio, assuring overall environmental gain. The landowners who allowed their streamside land to be
 restored are paid for the use of their land.
- Projects are maintained and monitored annually for a minimum of 20 years to ensure sites are performing as intended and meet the approved temperature credit standards.

About Willamette Partnership

Willamette Partnership is a nonprofit coalition dedicated to expanding the pace, scope, and effectiveness of conservation throughout the Willamette and other parts of the western United States. Its focus on incentives and market-based conservation helps change how we value nature in a way that links healthy economies with a healthy environment.

About The Freshwater Trust

The Freshwater Trust is an action-oriented 501(c)(3) not-for-profit that restores rivers and streams throughout Oregon. The Freshwater Trust uses cooperative, market-based solutions that benefit rivers, working lands and local communities – from working with landowners to keep more water in streams to streamlining restoration processes to achieve greater pace and scale to improving aquatic habitat using a localized approach.