

# Offsets Policy

Basin Plan Elements		No Action Alternative	SNMP Recommendations	Alternative Recommendations	Notes
1. Requirements to be eligible for Offsets Policy		No Offsets Policy	<ol style="list-style-type: none"> <li>Proposed by discharger as an Alternative Compliance Project (ACP)</li> <li>Approved by Central Valley Water Board</li> <li>Enforceable through WDR or other Board orders</li> </ol>		
2. Offsets Application			<p>Applicable to only groundwater, but an Offset Policy for surface water may be considered for potential inclusion in the Basin Plans through a future Basin Plan amendment process during the Phase 1 P&amp;O Study</p> <p>Applicable to both salt and nitrate</p>	<p><u>Alternative:</u> Applicable to only groundwater. No consideration for an Offset Policy for surface water.</p> <p>Applicable to both salt and nitrate</p>	
Implementation Requirements	3. Offsets Project location		<p>Must be located within the same groundwater basin/subbasin or management zone as the regulated discharge.</p> <p>Offsets may be used to incentivize implementation of some large-scale projects e.g., regional brine line or establish mitigation fund to provide safe drinking water</p>	<p><u>Alternative:</u> Offset only within area of discharge contribution</p>	Nitrate mitigation fund cannot be considered an "offset" since it would not have any impact on groundwater quality.
	4. No available assimilative capacity in receiving water		<p>Must result in net improvement in existing water quality (e.g., offset ratio must be &gt;1:1).</p> <p>Offset ratio may be &lt;1:1 in accordance with 88-63, unless exception is granted</p>		
	5. Offset for cross-pollutant trading		<p>Offsets shall be for substantially the same pollutant. Cross-pollutant trading may be more appropriate for a short-term effort with long-term efforts focused on the original pollutant of concern.</p>	<p><u>Alternative:</u> No cross-pollutant trading</p>	
	6. Unmitigated localized impairments (e.g., "hotspots")		<p>Discharge + Offset project cannot result in "hotspots" to sensitive areas (e.g., drinking water supply wells) or have disproportionate impact on a disadvantaged community in the sub-basin.</p>		
	7. Approval Process		<p>1-step process: Board may elect to pre-approve specific offset projects</p> <p>Or</p> <p>2-step process: Board may authorize the general use of offsets within a given order and then approve individual offset projects in subsequent board actions</p>		

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8.	Compliance Period		Period will be defined and shall apply to a specific discharge when the offset is approved. Offsets can be renewed but must be periodically reviewed and reauthorized by the Central Valley Water Board.		
9.	Offset project failure		Terms and conditions should specify the remedial actions the discharger must undertake		
10.	Monitoring and Surveillance Program		Offset project must include a M/S program sufficient to verify pollution reduction credits are generated as projected and the credits are adequate to offset the discharge loads in the approved ratio		