

## CV-SALTS Offsets Policy

The CV-SALTS Salt and Nitrate Management Plan (SNMP) *Offsets Policy* (Policy) recommends that the Central Valley Water Quality Control Plans (Basin Plans) be amended to allow the use of offsets as an alternative compliance tool for managing salt and nitrate in the Central Valley.

### Purpose and Need for the Policy

Situations may occur where mitigation of a salt or nitrate concern offsite from where a discharge occurs may provide a greater environmental and/or user benefit (and therefore provides maximum benefit to the people of California) than if mitigation were restricted to the area covered by the individual discharge permit. The Basin Plans do not currently allow such a consideration.

### Policy Summary

An offset is an alternative means of achieving compliance with Waste Discharge Requirements (WDR), either alone or in combination with other actions, for a given pollutant or pollutants. An offset allows for managing other pollutant sources and loads (in the same area, but not directly associated with the regulated discharge) so that the combined net effect on receiving water quality from the discharge and the offset is functionally-equivalent to (and potentially better) than that which would have occurred by requiring the discharger to comply with its WDR at the point-of-discharge. An offset project can be a helpful regulatory compliance tool as it can provide the following:

- A regulatory alternative, other than prohibiting the discharge or issuing an exception (see Exceptions Policy), when it is infeasible, impracticable, or unreasonable to require compliance with a WDR directly.
- A method for permitting discharges with pollutant concentrations greater than the objective or higher than the current receiving water quality when conditioned to provide better overall environmental improvement, result in less degradation in that receiving water basin/subbasin or management zone, or further other societal priorities.
- A mechanism to re-allocate the resources required to achieve compliance in order to produce greater public benefits (better net water quality, lower cost, less risk, etc.).
- A mechanism whereby diverse dischargers within the same management zone can pool available resources to implement management activities, in phases, on a risk-priority basis (see Groundwater Management Zone Policy).
- A mechanism to develop and fund large-scale, long-term regional water quality improvement projects, as may be needed to meet the SNMP management goals for nitrate and salt, by recognizing participation in such efforts as partial credit toward compliance.

- A market-based incentive to establish a mitigation fund designed to develop and implement water quality improvement projects within the same receiving water basin/subbasin where the discharge occurs.
- Creative solutions to complex problems by measuring success at the most critical endpoint – at the point where the water is actually used for beneficial use.

### Specific Requirements

The following specific requirements would apply for an offset:

- Is only available as a compliance tool for discharges to groundwater.
- Must result in a net improvement in existing water quality if there is no assimilative capacity available.
- Must be for substantially the same pollutant.
- Must be located within the same groundwater basin/subbasin or management zone as the regulated discharge.
- Cannot result in unmitigated localized impairments of sensitive areas.
- Cannot have a disproportionate impact on disadvantaged communities.
- Is voluntarily proposed by a discharger (individual or group of dischargers).
- Would apply to a specific discharge and for a defined period of time.
- Would include terms and conditions for approval that specify the remedial actions to be taken by the discharger(s) in the event the offset project fails for some reason.
- Must include a monitoring and reporting program sufficient to verify that the predicted benefits are being achieved.
- Must be approved by the Central Valley Water Board and is enforceable through a WDR or other orders issued by the Board.

In addition to an offset project being used to support compliance with a WDR, offsets may be proposed to support a request for either an allocation of available assimilative capacity or an exception (see Nitrate Permitting Strategy and Exceptions Policy, respectively).

As noted above, the SNMP recommends that the Policy be applicable only to groundwater at this time. However, during implementation of the Phase I Prioritization and Optimization Study (see Salinity Management Strategy), an Offset Policy for surface water may be considered for potential inclusion in the Basin Plans through a future Basin Plan amendment process.

**For more information on this policy and the CV-SALTS SNMP go to: [www.cvsalinity.org](http://www.cvsalinity.org)**