

**BEFORE THE
OHIO ENVIRONMENTAL PROTECTION AGENCY**

**Public Notice
Proposed Rulemaking Governing
New Rules for Water Quality Trading**

Notice is hereby given that the Director of Environmental Protection, under the authority of Sections 6111.03 and 6111.04 of the Ohio Revised Code and in accordance with Chapter 119 of the Revised Code, proposes to file the following rules with the Joint Committee on Agency Rule Review (JCARR) on **October 6, 2006**:

Rule Number	Rule Title	Action
3745-5-01	Definitions: as used in this chapter.	New
3745-5-02	Purpose and applicability.	New
3745-5-03	Prohibitions and restrictions.	New
3745-5-04	Water quality trading: general requirements.	New
3745-5-05	Water quality trading: general requirements for a water quality trading management plan application.	New
3745-5-06	Water quality trading: requirements for a water quality trading management plan application.	New
3745-5-07	Requirements for water quality credits.	New
3745-5-08	Water quality credits and pollutant loading calculations.	New
3745-5-09	Determining water quality baselines.	New
3745-5-10	Water quality trading: trading ratios.	New
3745-5-11	Water quality trading: incorporating trades into individual NPDES permits and general permits.	New
3745-5-12	Record keeping, reporting requirements, compliance, enforcement, and oversight.	New
3745-5-13	Public participation requirements.	New
3745-5-14	Ambient water quality monitoring requirements.	New

The purpose of this rule making is to support U.S. EPA Office of Water's *Water Quality Trading Policy*, January 2003, and to develop a voluntary water quality trading program in Ohio that would allow a National Pollutant Discharge Elimination System (NPDES) permit holder (point source) to meet its regulatory obligations by using pollutant reductions generated by another wastewater point source or non-point source. Ohio EPA is proposing rules for water quality trading to support a program that we believe will:

1. Allow permit holders to achieve water quality improvements more quickly than would otherwise be possible;
2. Lead to a more cost effective way to achieve water quality standards in Ohio's waters;
3. Provide economic incentives for reductions in non-point source pollution, which is a

- major cause of water quality impairment in Ohio; and
4. Provide other environmental benefits like restoring natural flow patterns, improving aquatic habitat, increasing the ability of streams to process certain pollutants, and creating stream buffers, shading and other benefits that go beyond just reducing pollutants.

The public comment period will run until **5:00 p.m. on November 16, 2006**. A public hearing on this proposed rule making will be held to consider public comments in accordance with Section 119.03 of the Ohio Revised Code. This hearing will be held at **Ohio EPA, Central Office in Columbus, Ohio on November 15, 2006 at 1:30 p.m. in Room C.**

To facilitate the scheduling of oral presentations, persons intending to give testimony at the hearing should notify the Ohio EPA Public Interest Center, P.O. Box 1049, Columbus, Ohio 43216-1049, (614) 644-2160. Prior registration will ensure that registrants are heard ahead of those individuals who register at the hearing. Oral testimony may be limited to five minutes, depending on the number of persons testifying. All interested persons are entitled to attend or be represented and to present oral and/or written comments concerning the proposed rule making.

Written testimony should be sent to the attention of **Elizabeth Bailik** at the Ohio EPA Division of Surface Water, P.O. Box 1049, Columbus Ohio 43216-1049. Written comments may also be submitted to the Hearing Officer at the public hearing. Written testimony will receive the same consideration as oral testimony. All testimony received at the hearing or by **5:00 p.m. on November 16, 2006**, will be considered by Ohio EPA prior to final action on this rule making proposal. Written comments submitted after this date may be considered as time and circumstances permit.

Questions regarding this rule package should be directed to **Gary Stuhfauth**, Division of Surface Water, at (614) 644-2026 or via email at gary.stuhfauth@epa.state.oh.us.

To receive a copy of the proposed rules, please contact Elizabeth Bailik at (614) 644-2039. In addition, full copies of all proposed rules are available for review at any Ohio EPA district office and at the Ohio EPA central office. The proposed rules are also accessible on the Division of Surface Water Web page at www.epa.state.oh.us/dsw.