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MEDIA RELEASE

Lycoming County Sells Nutrient Credits at Inaugural PENNVEST Credit Auction

Revenue of \$93,710.86 to be shared by six farmers and Lycoming County

Six Lycoming County farm operators will reap financial rewards from the County's success in the first-ever PENNVEST nutrient credit auction.

"We are so proud to be part of this success story as the only County-wide effort to engage in credit trading," said County Commissioner Jeff C. Wheeland. "Lycoming County has worked for more than two years to make this moment possible. The nutrient trading program has finally gone from concept to reality."

Held in two rounds, Oct. 28-29 and Nov. 4-5, the PENNVEST auction cleared the sale of 104,000 nitrogen credits over a three-year period (2011 through 2013). Lycoming County will provide 31,181 credits, approximately one-third of the total number of credits sold in the first auction. Participation in the auction was voluntary and open to anyone who could offer certified nutrient credits generated in the Chesapeake Bay watershed in Pennsylvania.

Seventy-five percent of the total three-year revenue of \$93,710.86 will be paid out to the six farm operations that generated the credits by implementing conservation practices such as riparian buffers, streambank fencing, rotational grazing, and manure export. The remaining 25% will be retained by Lycoming County to recoup the costs of operating the program. Participation in the nutrient trading program and PENNVEST auction requires County staff to engage in a lengthy process of credit certification, verification, determination of auction eligibility, and auction enrollment.

The PENNVEST credit clearinghouse is part of the Commonwealth's nutrient trading program, designed by the Pennsylvania Department of Environmental Protection (PA DEP) as an optional tool to decrease the cost of compliance with Chesapeake Bay pollution reduction mandates. Credit trading allows regulated point sources, including sewer plants, large industrial dischargers, and private developers, to purchase credits in lieu of making costly upgrades to their on-site wastewater treatment facilities. In many cases, purchasing credits can dramatically reduce the cost of complying with nutrient reduction mandates, saving ratepayer dollars and increasing economic competitiveness.

The credits are generated by nutrient reductions made by farms across the watershed that implement conservation practices and employ innovative technologies to reduce nutrient run-off from their operations. Credits can also be generated by wastewater treatment facilities that go beyond their required pollution reductions. In the future, additional practices in stormwater management and stream restoration may be incorporated into the program.

The Lycoming County Chesapeake Bay Tributary Strategy (CBTS), originated in 2008, has brought together stakeholders from across the County to craft an innovative program that provides flexible options to wastewater treatment plants, preserves economic opportunities, and improves the environment here at home. "The conservation practices used to generate these credits have local impacts that go above and beyond their benefits to the Chesapeake Bay," said Wheeland. "These farmers are creating local environmental benefits, such as aquatic and riparian habitat improvements and erosion reduction. It goes to show that if we are good stewards of the land and clean up our own streams, the Bay will take care of itself."

Development of the Lycoming County CBTS initiative has been supported by grant funding from PA DEP, the Pennsylvania Department of Community and Economic Development, and the National Fish and Wildlife Foundation. Consultant assistance for the project was provided by Delta Development Group, Brinjac Engineering, LandStudies, Inc., and their subconsultants: Dennis W. Auker, AICP Environmental Planning Consultant; John R. Shuman, Ph.D; and Red Barn Trading Company.

For more information, visit the Lycoming County CBTS home page, which can be accessed by visiting www.lyco.org and clicking on the CBTS logo on the right side of the home page. Current features include information about the County program, recent news articles, upcoming events, photo slideshows, and links to other resources.