STATE OF IDAHO
DEPARTMENT OF
ENVIRONMENTAL QUALITY

1410 North Hilton • Boise, Idaho 83706 • (208) 373-0502

C.L. "Butch" Otter, Governor
Toni Hardesty, Director

February 29, 2012

Chief David White
Department of Agriculture, Natural Resources Conservation Service
Conservation Innovations Grant Program
Post Office Box 2890
Washington, D.C. 20013-2890

Re: Idaho Department of Environmental Quality support for the Conservation Innovation Grant proposal:

Multi-State Regulatory Agency Guidance for Water Quality Trading: State Agencies Building Shared Trading Policies & Tools for the Pacific Northwest and Beyond.

Dear Chief White:

The Idaho Department of Environmental Quality (DEQ) strongly supports The Conservation Innovation Grant proposal, *Multi-State Regulatory Agency Guidance for Water Quality Trading*, submitted by the Willamette Partnership. This grant proposal was developed in close partnership with Oregon Department of Environmental Quality, Idaho Department of Environmental Quality, Washington Department of Ecology, with participation from U.S. Environmental Protection Agency Region 10 and The Freshwater Trust.

Idaho Department of Environmental Quality supports innovative mechanisms for improving water quality and creating revenue to fund watershed restoration. Idaho DEQ believes that there is value in consistent pollutant trading standards, transaction procedures and common accounting infrastructure applied to water quality trading programs throughout the Pacific Northwest.

Currently, the Environmental Protection Agency and the states of Oregon, Idaho and Washington have separate water quality trading guidance. Approval of this grant would allow the states to develop consistent regional guidance, including state-specific appendices, with Environmental Protection Agency approval. With funds from this grant award, Idaho DEQ is committed to designating appropriate agency staff to work with Oregon and Washington and the Environmental Protection Agency to develop an agreed-upon, standard approach to improve water quality through pollutant trading.

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I encourage you to support funding of this grant to develop an aligned and consistent trading program for the region, which will also serve as a model for other regions in the country.

Sincerely,

Curt A. Fransen, Director
Department of Environmental Quality

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