

# Stormwater Retention Credit (SRC) Trading in the District of Columbia

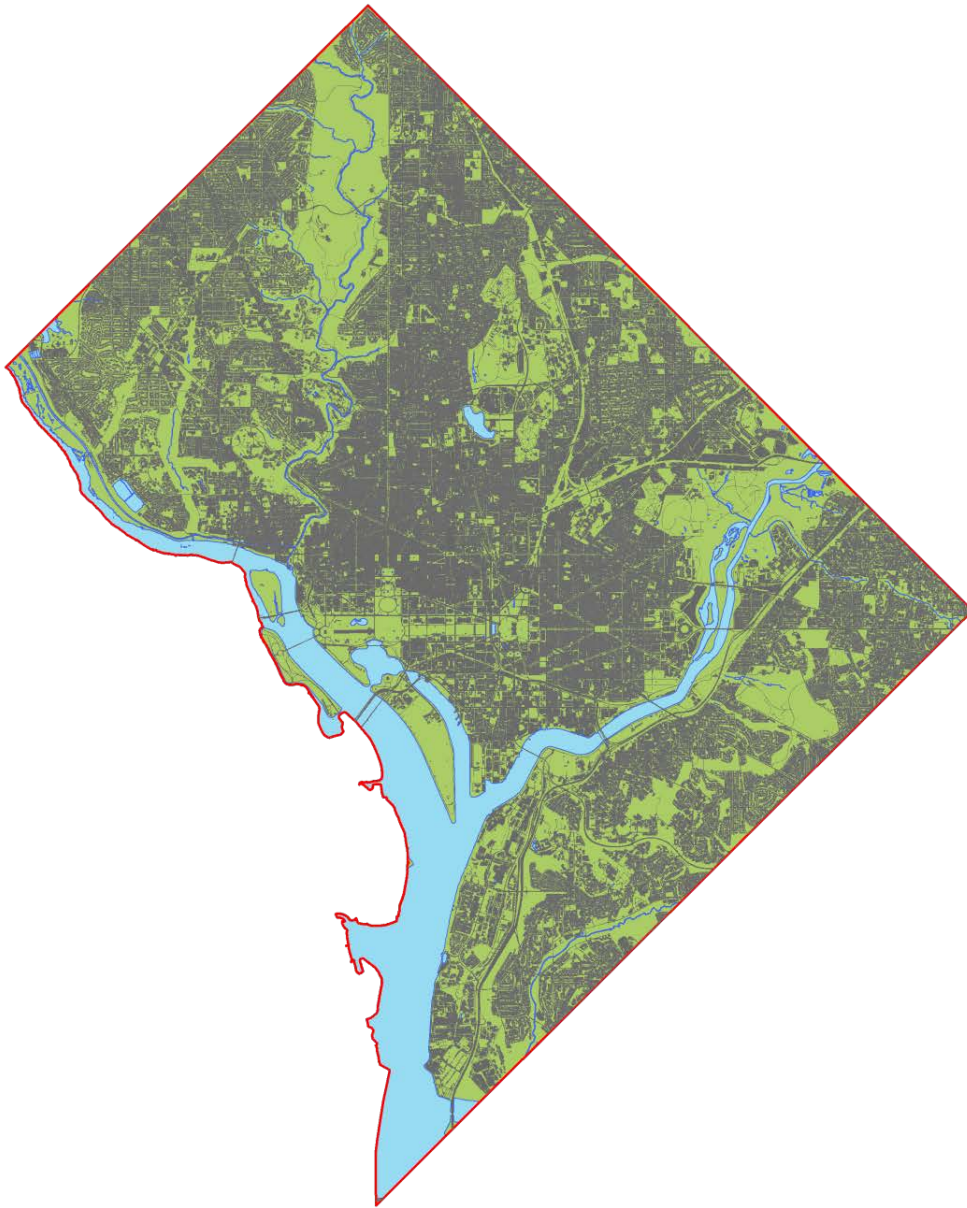
Leveraging Private Investment to Protect District Rivers



A group of five men in suits and one man in a blue jacket and white cap are gathered outdoors, holding a thick rope. They appear to be participating in a ribbon-cutting ceremony. The background consists of lush green trees and a paved area. A sign is visible on the right side of the image.

# STORMWATER REGULATIONS AND SRC TRADING ARE KEY TO WATERBODY RESTORATION

# IMPERVIOUSNESS IN THE DISTRICT



- 43% of the District's land is impervious
- A single 1.2-inch storm produces about 525 million gallons of stormwater runoff



# GREEN INFRASTRUCTURE (GI) RETROFITS



- Retain runoff on site to mimic natural land cover
- Essential for long-term restoration of waterbodies
- 2013 Stormwater Regulations adopted retention standard
- Also help communities by:
  - Mitigating flood risk
  - Building resiliency to drought
  - Reducing the Urban Heat Island Effect
  - Lowering building energy demands
  - Reducing potable water consumption

# REGULATIONS KEY TO MS4 STORMWATER SOLUTION

- Most regulated development in District is redevelopment
- Scale of development makes it biggest driver of retrofits and key part of the solution
- 50% flexibility in compliance with the regulations through annual off-site retention volume was a key enabling condition for the regulatory change

10 : 1

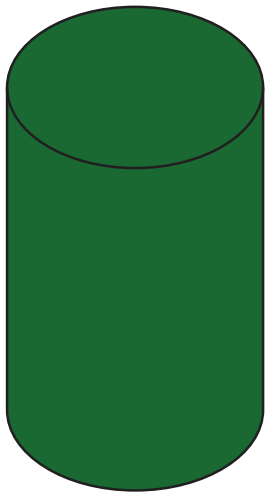
Total area subject to  
SWM regulations  
annually

:  
Total area retrofitted  
with retention via  
DOEE direct  
investment annually

# ALLOWABLE USE OF OFF-SITE RETENTION

On-site retention  $\geq$  50% of the required volume

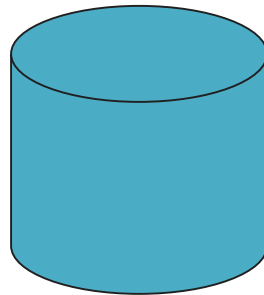
**Required  
Volume**



**10,000 GALLONS**

-

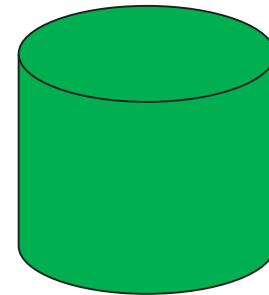
**On-Site  
Retention**



**5,000 GALLONS**

=

**Off-Site  
Retention  
(Stormwater  
Retention  
Credits)**



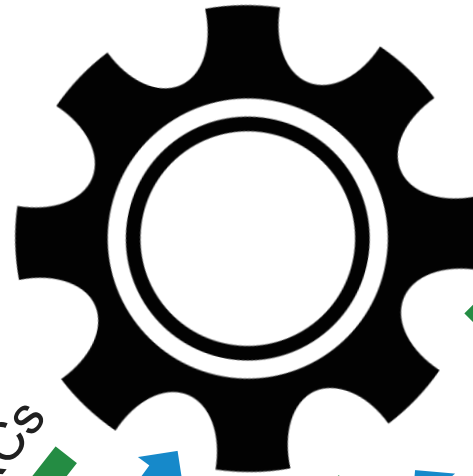
**5,000 GALLONS**

# POTENTIAL SRC-GENERATING MODEL

FUNDING SOURCES



SRC GENERATOR



DISTRICT PROPERTIES



SRC PRICE LOCK PROGRAM



REGULATED DEVELOPERS

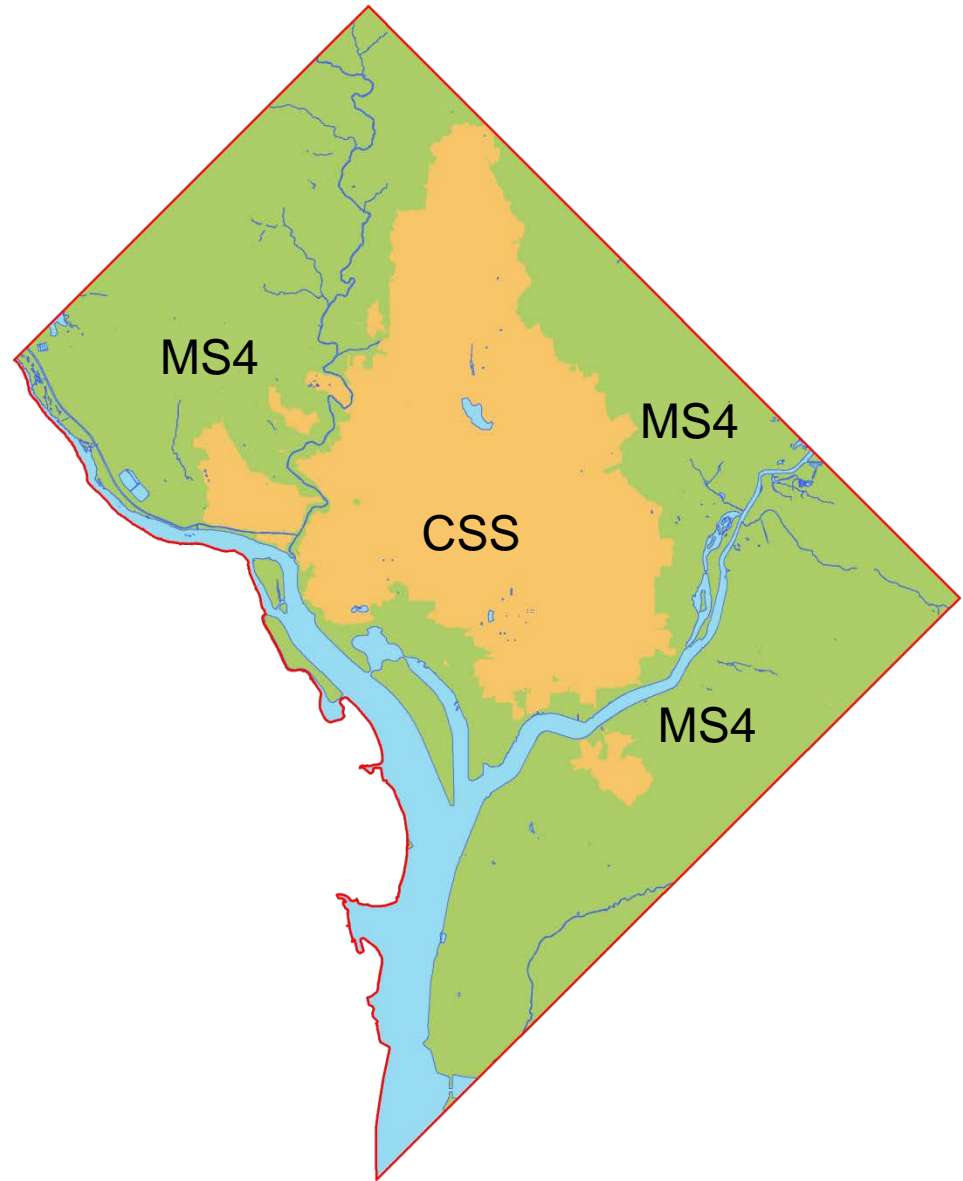




# THE SRC PROGRAM ACCELERATES RESTORATION OF DISTRICT RIVERS

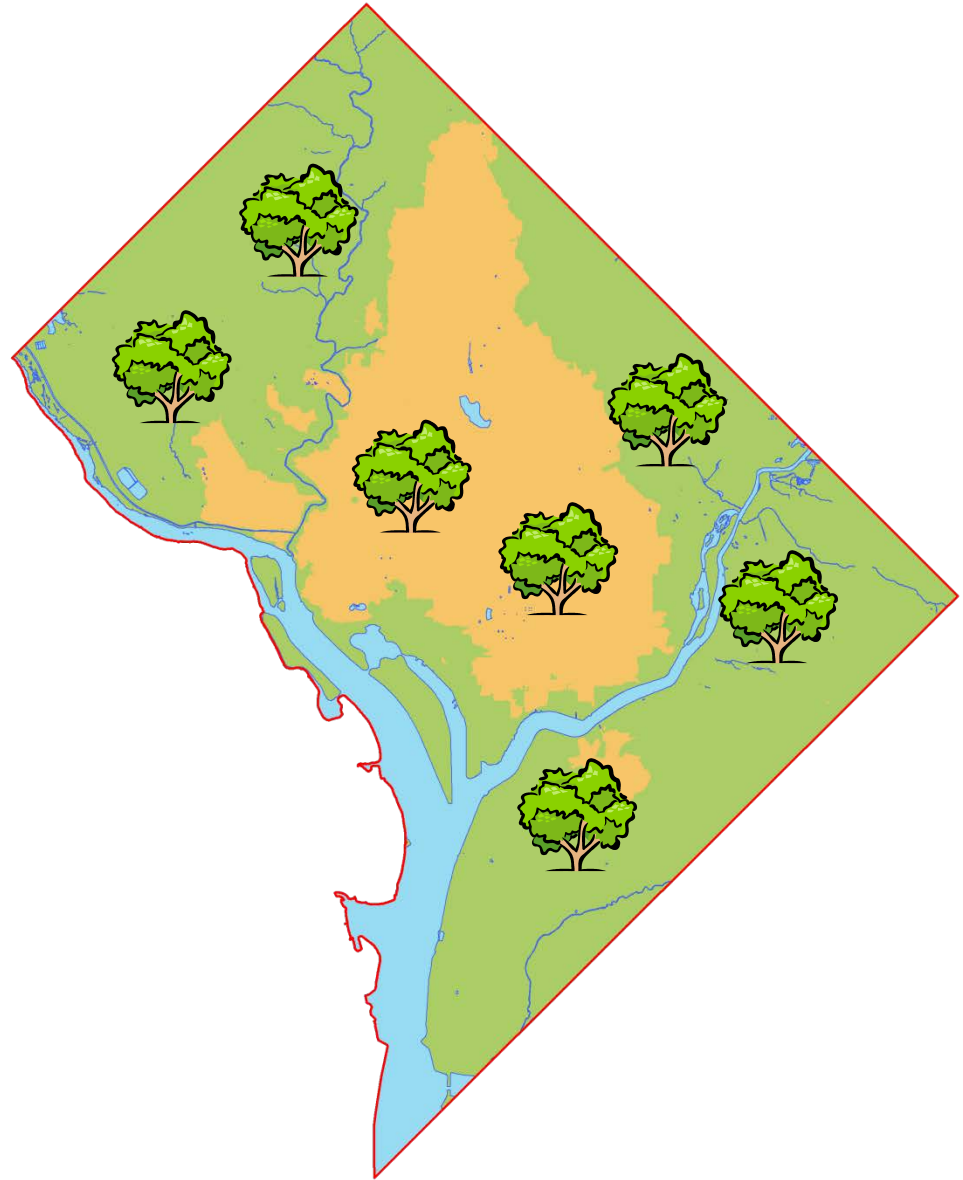
# STORMWATER INFRASTRUCTURE

- Combined Sewer System (CSS)
  - 1/3 of District
  - 3.2B gallons of sewage and stormwater overflows annually
  - \$2.6B ongoing capital project
- Municipal Separate Storm Sewer System (MS4)
  - 2/3 of District
  - Direct discharge without treatment
  - \$7B+ GI Build-out required
  - \$10M annual fund available



# BENEFITS TO DISTRICT WATERBODIES

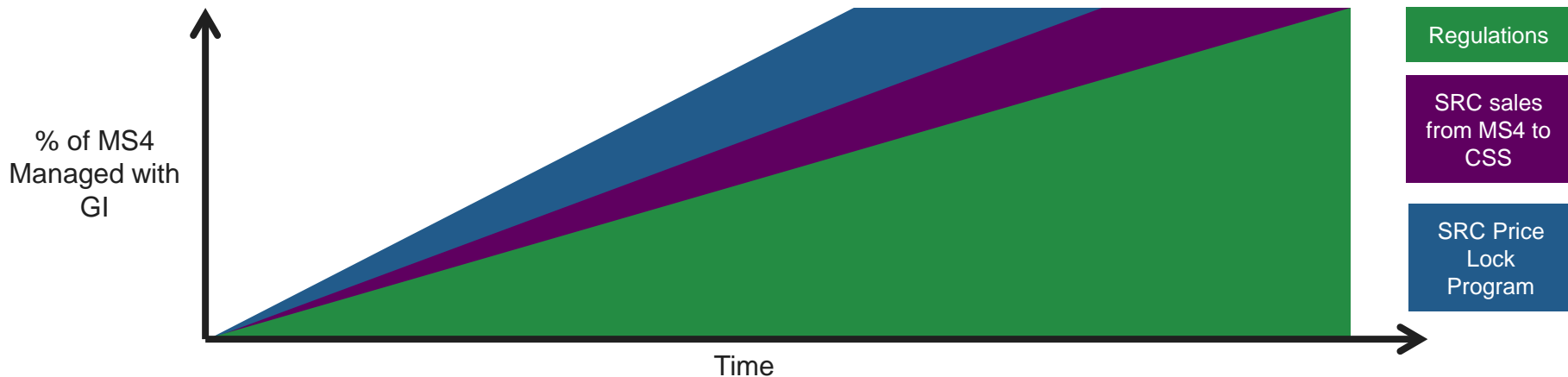
- Increased annual retention District-wide
- Increased capture of first-flush volume
- Shift retention BMPs to most vulnerable tributaries and improve socioeconomic outcomes



# SRC PRICE LOCK PROGRAM BENEFITS

- SRC Price Lock Program is beneficial because DOEE does not bear:
  - Risk of funding GI that is not maintained,
  - Risk of funding GI on a project that will trigger regulations soon,
  - Burden of finding cost-effective GI opportunities.
- SRC Price Lock Program uses less funds than DOEE building GI itself.
- SRC Price Lock Program can increase the pace of GI implementation, but DOEE can exit the market as a buyer as regulated demand grows.

## Potential MS4 GI Retrofit Pace

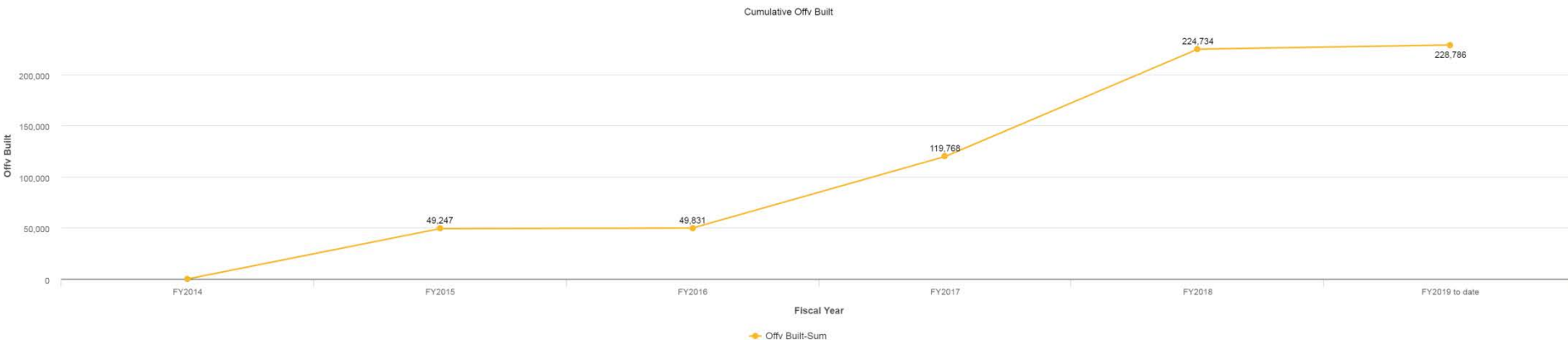


A photograph of a park-like setting. In the foreground, there is a stream flowing through a bed of tall green grasses and various plants, including some with bright pink flowers. The middle ground shows a well-maintained green lawn with several tall, black, modern-style light poles. In the background, there are large, leafy trees and a glimpse of a parking lot with several cars. The sky is overcast with grey clouds.

# TRACKING PROGRAM IMPLEMENTATION AND CURRENT STATUS

# PROGRAM TRACKING

- DOEE tracks regulated and voluntary projects through the Stormwater Database (<http://doee.dc.gov/swdb>)
- Detailed project information allows DOEE to adaptively manage its programs as necessary
- The Stormwater Database contains online applications, the SRC and Offv Registry, and performance dashboards



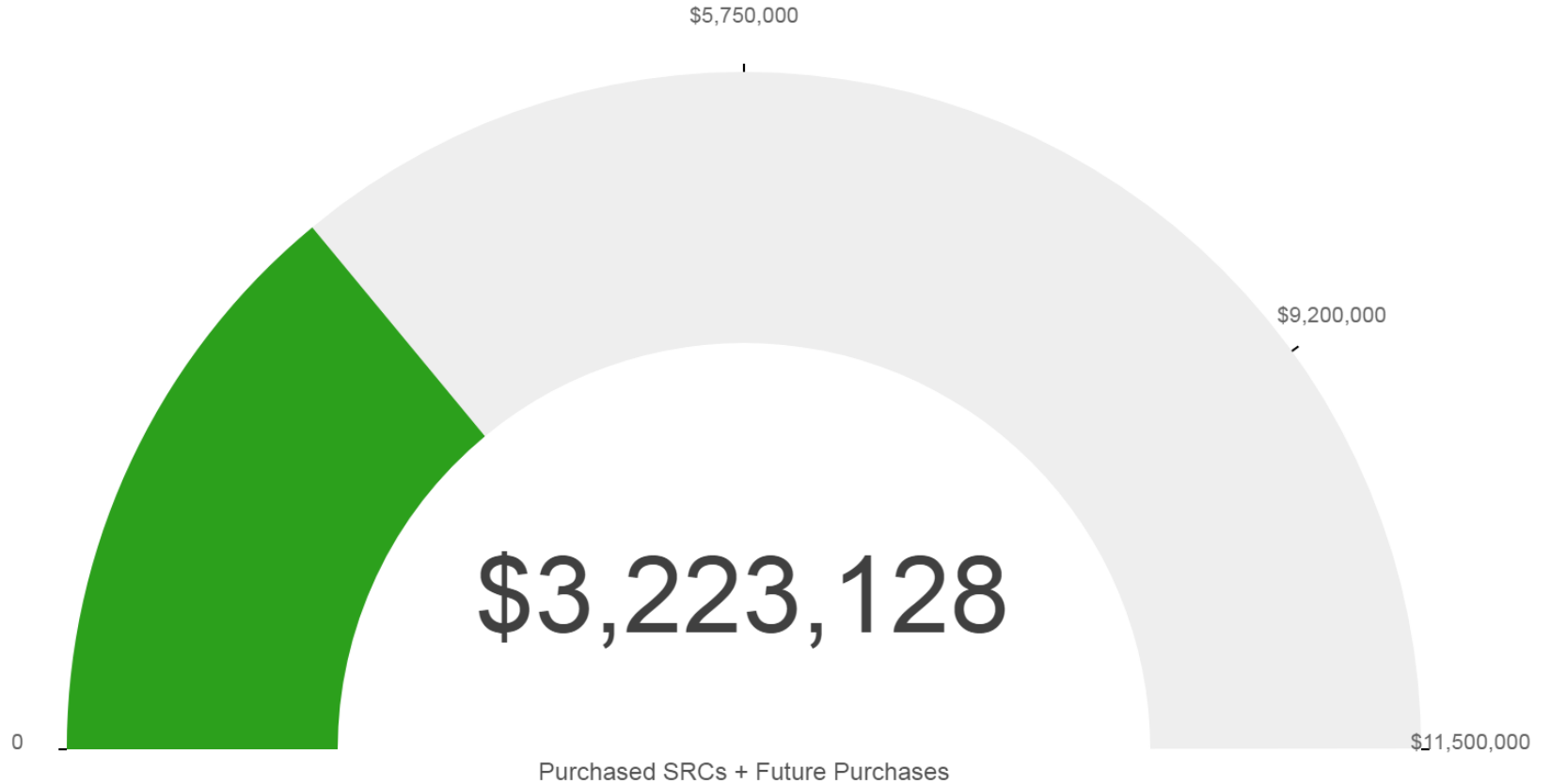
# SRC AND OFFV REGISTRY

- SRC Sales (40) [Print](#) [Export](#)

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Transfer Date ▲	SRC Watershed	SRC Sewershed	SRC Sale Price	Number of SRCs Sold	Value SRCs Sold
10/15/2018	Anacostia	MS4	\$2.00	11,013	\$22,026
8/23/2018	Potomac	MS4	\$2.00	36	\$72
8/22/2018	Potomac	MS4	\$2.00	548	\$1,096
8/8/2018	Potomac	CSS	\$1.99	18,025	\$35,869
6/19/2018	Potomac	CSS	\$1.99	1,052	\$2,093
6/12/2018	Anacostia	CSS	\$2.00	5,905	\$11,810
6/8/2018	Rock Creek	CSS	\$1.74	9,296	\$16,151
5/24/2018	Anacostia	CSS	\$2.00	12,806	\$25,612
5/22/2018	Potomac	MS4	\$2.00	2,142	\$4,284
5/15/2018	Anacostia	CSS	\$2.00	12,671	\$25,342
3/29/2018	Anacostia	MS4	\$2.50	27,092	\$67,730
3/29/2018	Rock Creek	CSS	\$1.70	1,242	\$2,111
3/6/2018	Rock Creek	CSS	\$1.75	1,859	\$3,253
2/26/2018	Anacostia	CSS	\$2.35	438	\$1,029
1/16/2018	Potomac	MS4	\$1.90	1,825	\$3,467
12/26/2017	Potomac	MS4	\$1.90	19,349	\$36,763
12/22/2017	Potomac	MS4	\$1.90	19,519	\$37,085

# SRC PRICE LOCK FUNDS RESERVED



● 0 up to \$5,750,000    ● \$5,750,000 up to \$9,200,000    ● \$9,200,000 up to \$11,500,000



# MORE INFORMATION

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SRC Program Website and Registry

[doee.dc.gov/src](https://doee.dc.gov/src)



GOVERNMENT OF THE DISTRICT OF COLUMBIA