

THE TIMELINE FOR UPPER PASSAIC RIVER WATER QUALITY TRADING PROJECT

1. Early in **January 2003**, coinciding with the release of EPA's Trading Policy, Dr. Obropta and Mr. Jeffrey Potent crafted a concept plan for a Land Grant University/Regional Water Quality Program led trading initiative.
2. In **January 2003**, the Raritan Basin Agriculture Committee identified a need to conduct research in water quality trading in their first draft of a position paper on Phosphorus Management of Agricultural Lands.
3. In **March 2003**, Dr. Obropta submitted a proposal to the New Jersey Agricultural Experiment Station (NJAES) for a grant to identify phosphorus point-nonpoint trading opportunities in the Raritan Basin.
4. In **June 2003**, a full day session on nutrient trading was held at the Regional Water Quality Program annual meeting.
5. In **June 2003**, the NJAES grant was awarded to Dr. Obropta to assess the feasibility of point – nonpoint trading in the Raritan Basin of central New Jersey.
6. In **June 2003**, the USDA-CSREES Regional Water Quality Project supported EPA Region 2 in its active co-sponsorship of a phosphorus management conference in New Jersey. Mr. Jeffrey Potent, in his role as the project director of the Regional Water Quality Project, played key role in making nutrient trading an important element of this event by providing input for the keynote address presented by the EPA Deputy Regional Administrator, arranging for Dr. Obropta to present on nonpoint source best management practices to address phosphorus issues, and by coordinated with the EPA staff person who presented on the Long Island Sound point – point trading program.
7. In **July 2003**, Mr. Jeffrey Potent, joined by a NJDEP representative, attended the National Trading Forum hosted by EPA and USDA.
8. During **July through September 2003**, Dr. Obropta completed the Raritan feasibility study that identified 4 of the 13 sub-watersheds within the Raritan as potential sites for a point – nonpoint source trading project (based on point – nonpoint relationships, land use/land cover and associated factors).
9. In **September 2003**, Dr. Obropta presented the results of the Raritan Basin Trading Feasibility Study to the Raritan Basin Agricultural Committee. The presentation received a positive response from the participants, including recommendations for various types of agricultural BMPs that could be incorporated into a trading program and recommendations for a trading model that takes into consideration the rapidly changing land use through much of the region.
10. In **November 2003**, a meeting was convened with key federal and state agencies, agricultural and wastewater treatment plant (WTP) interests and faculty, to present the Raritan study results, our approach to developing trading projects in New Jersey (as an element of the Regional Water Quality Project) and to gain support and participation. Results: a) Group consensus that we should move forward on university-led trading projects in NJ; b) NJDEP and the New Jersey Association of Environmental Authorities (a WTP trade association) expressed interest in supporting such efforts; and c) NJDEP requested that Dr. Obropta develop a proposal for a trading project for the Upper Passaic River Watershed in northern NJ. This completed the transformation of New Jersey from

a state hesitant to consider water quality trading to a state that is excited and supported a demonstration project for the State.

11. In **December 2003**, the Passaic proposal was prepared and eventually endorsed by NJDEP as one of two projects to be submitted by the Governor of NJ to EPA for funding under the President's Watershed Initiative. The project, if funded, would be a Rutgers-led effort, with coordination support provided by the Regional Trading Project, involving faculty from Rutgers (water quality modeling, policy, regulatory, etc.) and Cornell (economic analysis and modeling), and involving the Passaic River Alliance (a WTP association) and NJDEP.
12. In **January 2004**, Dr. Obropta and Mr. Potent offered a presentation on the development of the regional trading initiative, focusing on the process of building stakeholder support, addressing key trading issues and conceptualizing trading projects in New Jersey, at the annual conference of the USDA Cooperative State Research, Education and Extension Service, National Water Quality Program in Clearwater, Florida.
13. In **May 2004**, Dr. Obropta, Mr. Potent and Rutgers and NJDEP colleagues offered presentations on dimensions of water quality trading in a session on the topic at the annual conference of the New Jersey Water Environment Association in Atlantic City. Topics covered included: environmental science, regulatory, legal and economics.
14. On **July 19, 2004**, Rutgers University was awarded, via a press conference and a big cardboard check, \$900,000 from the EPA Targeted Watershed Program.
15. On **July 20, 2004**, Dr. Obropta attempts to cash the large cardboard check, but is denied.
16. On **July 27, 2004**, EPA requests Rutgers to begin and complete the grant application process within one month (i.e., complete standard forms, complete a Standardized Measurements Table, and prepare a work plan).
17. On **August 26, 2004**, Dr. Obropta submitted a Work Plan, Schedule, Pre-award Report, and Standardized Measurements Table, etc.
18. On **October 18, 2004**, EPA provided comments from Lynda Hall on the work plan.
19. On **December 16, 2004**, a revised work plan was submitted to EPA (including a response to Lynda Hall's comments).
20. On **December 29, 2004**, EPA requested a detailed budget analysis. The information requested was more detailed than what was currently requested in the original grant application package. This information request reflected new requirements dealing with cost analyses that must be performed by EPA Project Officers to process the grant.
21. On **January 14, 2005**, revised budget sheets were submitted to EPA.
22. On **January 19-20, 2005**, Dr. Obropta attended the required/mandatory national conference for Targeted Watershed grant recipients, paying for the travel/conference costs out of his own pocket.
23. On **February 2, 2005**, Dr. Obropta requested EPA to inform him of the status of the contract.
24. On **February 3, 2005**, EPA sent more comments from internal program managers on the work plan to Dr. Obropta. These comments were dated January 13, 2005.
25. On **February 4, 2005**, Dr. Obropta provided EPA with a revised budget upon their request.
26. On **February 8, 2005**, EPA provided Dr. Obropta with additional comments on the budget.

27. On **February 15, 2005**, EPA provided Dr. Obropta with an additional two pages of comments on the work plan that according to EPA, responses to these comments “will expedite this approval process.”
28. Dr. Obropta pressed on, and on **March 21, 2005**, Dr. Obropta provided EPA with a response to their comments.
29. On **April 6, 2005**, Dr. Obropta once again requested a report from EPA on the status of the contract. Their response was: “As soon as I get a clue, I will let you know.”
30. On **May 4th, 2005**, Walter Mugdan, Director, Division of Environmental Planning and Protection, EPA Region 2, spoke at the NJWEA Annual Conference and explained to the audience that the Passaic Water Quality Trading project was moving forward and a contract was very close to being issued.
31. On **May 10, 2005**, Dr. Obropta once again requested a report from EPA on the status of the contract, explaining the current situation at Rutgers where he has a doctorate student who has been working on the Passaic Trading project over the last year. This doctorate student is currently being funded from a Rutgers Excellence Fellowship. This fellowship is over at the end of this semester (May 20th). Although Dr. Obropta has some very limited funding to keep this doctorate student working on the project over the summer, he needs to provide the student with a stipend and tuition remission in the fall. If the EPA contract does not come through within the next few weeks, this doctorate student will have to be assigned to a different project and an excellent researcher for the Passaic Trading project will be lost. Dr. Obropta has spent a tremendous amount of time training this doctorate student who in turn has spent a tremendous amount of time researching water quality trading.
32. On **May 11, 2005**, EPA provided Dr. Obropta with nine separate emails with questions on the budget.
33. As the saga continues, Dr. Obropta responded to these nine comments by midnight on **May 11, 2005**.
34. On **May 12, 2005**, EPA responded as follows: “I thank you for the prompt attention to detail! I will follow thru on my end, with whatever I can expedite.” We can only wait and see.

Keep checking back for more information as the Upper Passaic River Water Quality Trading Project saga unfolds.