



DOEE

Green Infrastructure Incentives
& Assessment Branch

Matt Johnson | 10/22/2024

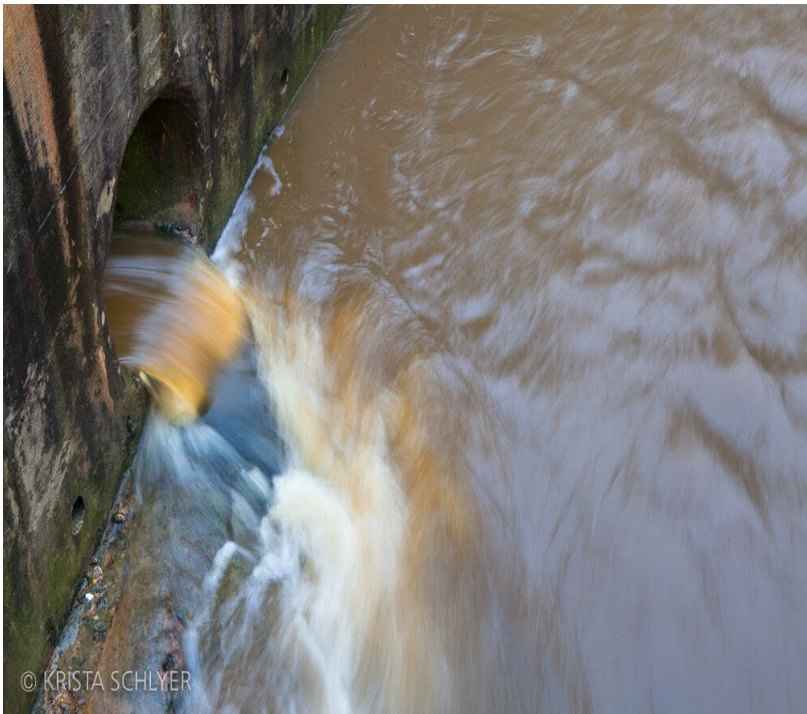
★ ★ ★ DEPARTMENT
OF ENERGY &
ENVIRONMENT
GOVERNMENT OF THE DISTRICT OF COLUMBIA

WE ARE
WASHINGTON
DC GOVERNMENT OF THE
DISTRICT OF COLUMBIA
MURIEL BOWSER, MAYOR

SRCs & Offv

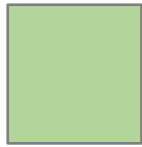
PRESENTATION OUTLINE

- Stormwater in the District
- Use of SRCs to meet regulatory requirements
- SRC eligibility and certification
- Benefits of the SRC program to District waterbodies
- Market Facilitation
- SRC Price Lock Program



SEWER SYSTEMS IN DC

Sewer Systems in the District



MS4

Municipal Separate Storm Sewer System area is where green infrastructure is needed the most! Stormwater typically flows untreated to rivers & streams.



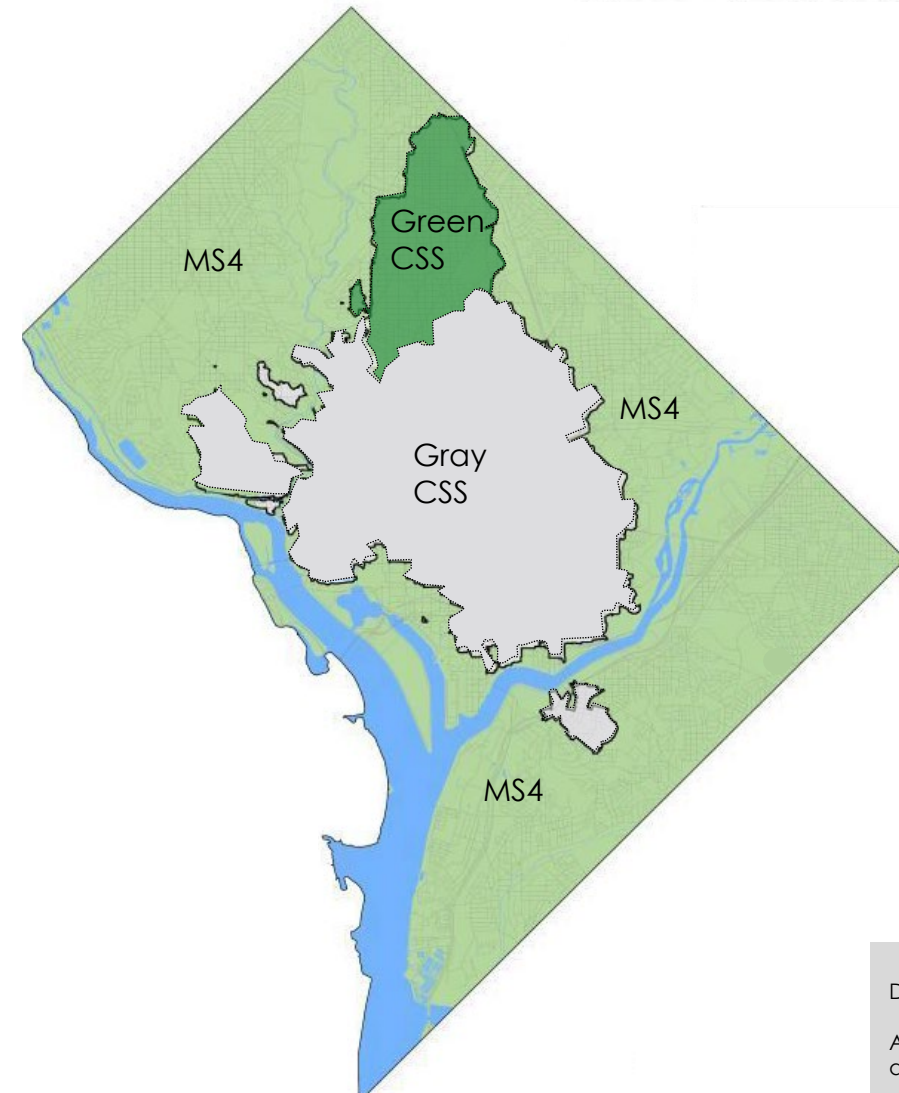
Gray CSS

Combined Sewer System area where DC Water is installing large tunnels to control Combined Sewer Overflows.



Green CSS

Combined Sewer System area where DC Water is installing green infrastructure to help control Combined Sewer Overflows.



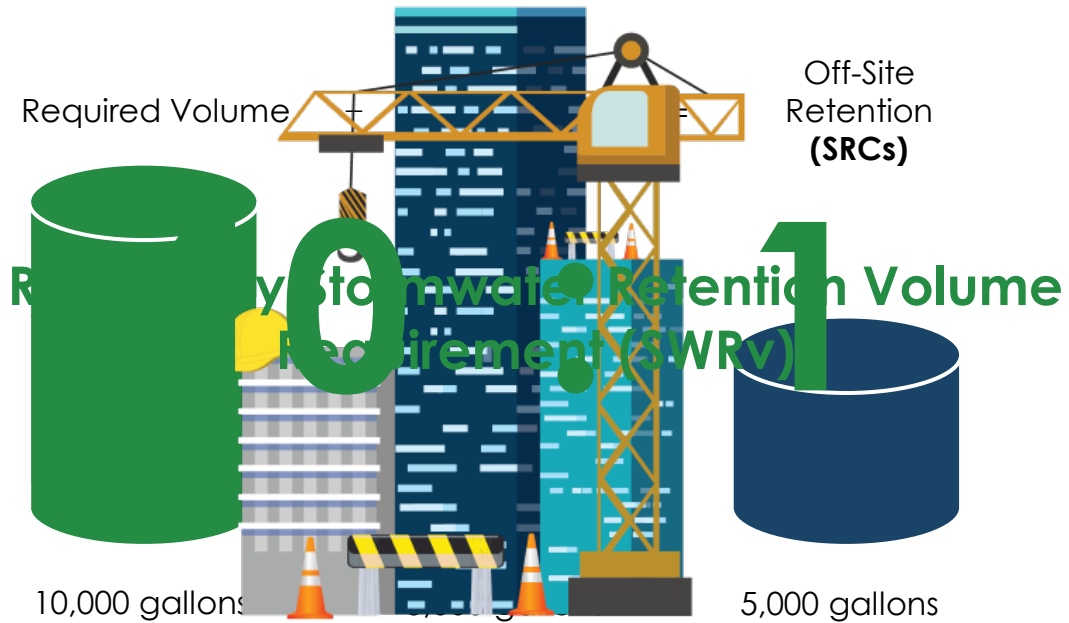
Disclaimer:

All borders as shown are approximate



REGULATIONS KEY TO THE DISTRICT'S SOLUTION IN MS4

- Regulated projects are primarily redevelopment, retrofitting existing impervious area
- 10x more area retrofitted through regulations than through DOEE spending
- 2013 Stormwater Rule:
 - Requires GI to manage a design storm (1.2-inch for most projects)
 - **Trading was key to enabling adoption of regulations**
 - Allows for flexibility in compliance - Stormwater Retention Credit (SRC) trading



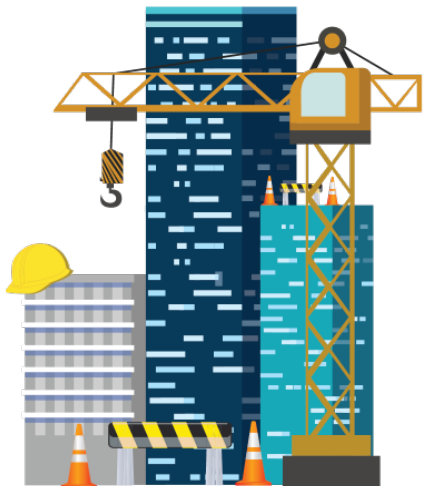


**USING OFFV TO MEET
REGULATORY REQUIREMENTS**

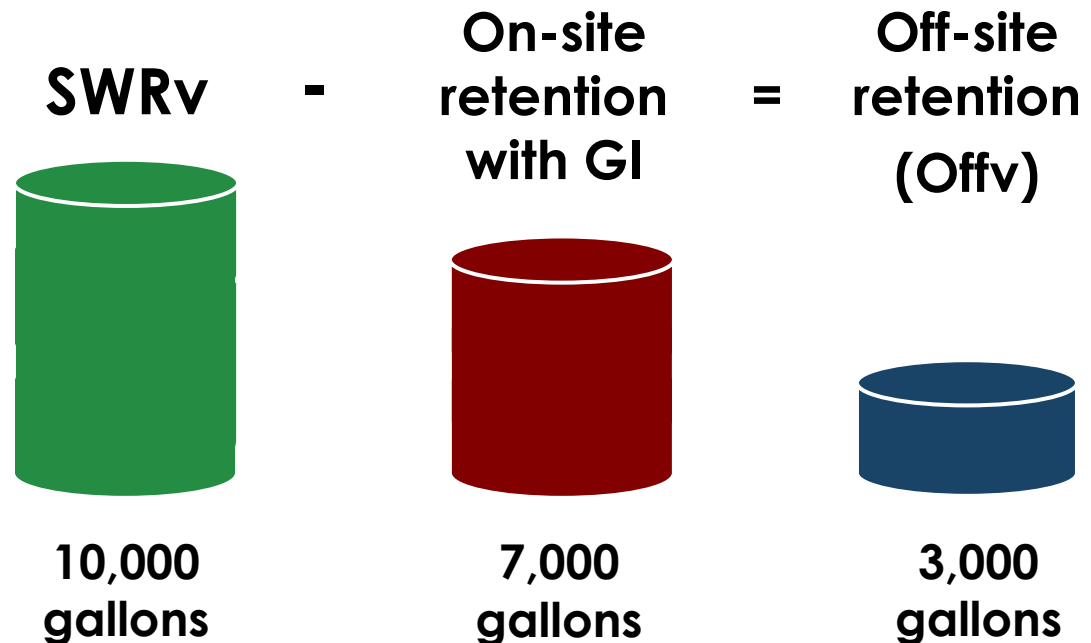
USE OF OFF-SITE RETENTION VOLUME (OFF_v)

Regulated site has a 10,000-gallon stormwater (1.2-inch design storm) retention volume requirement or SWR_v:

- Installs 7,000-gallons on-site GI capacity
- Has a 3,000-gallon off-site requirement or Off_v



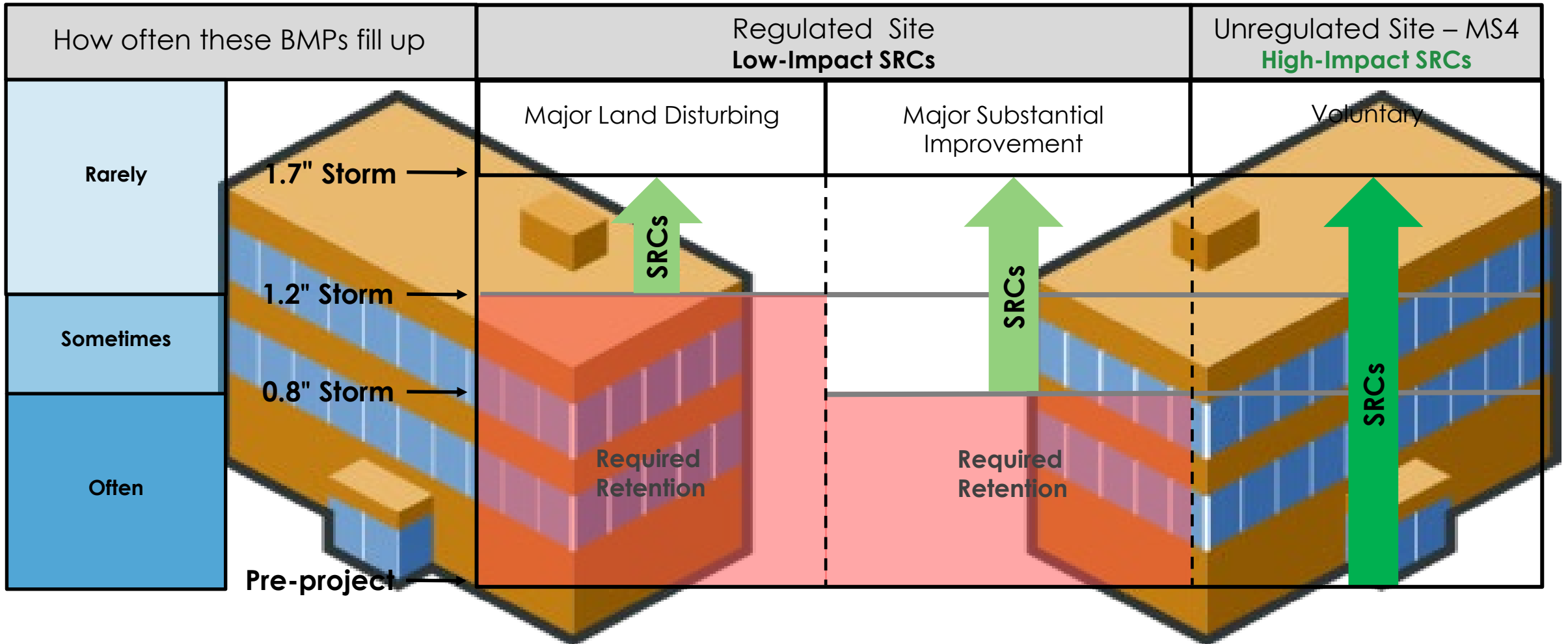
Post-project Impervious
area: 14,000 ft²





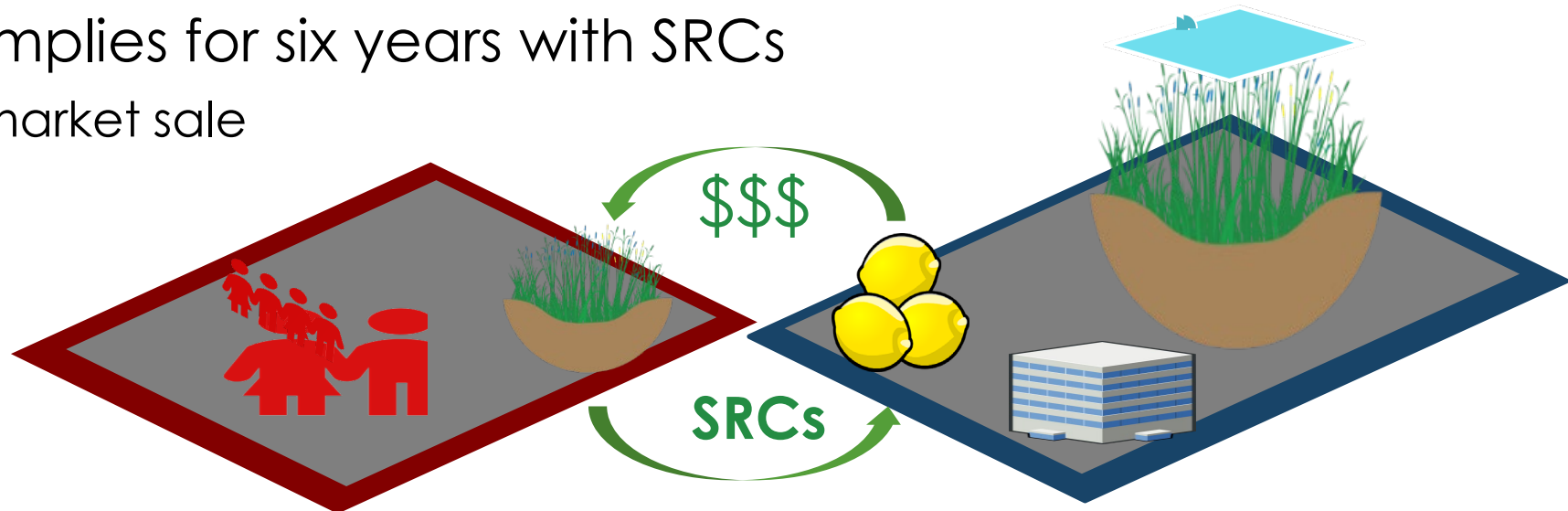
SRC ELIGIBILITY & EXAMPLE TRANSACTION

HOW TO GENERATE SRCs



EXAMPLE SRC TRANSACTION

- Condo redevelopment with a 10,000-gallon SWRv:
 - Installs 7,000-gallons capacity GI
 - Opts for a 3,000-gallon Offv (**chooses amenities rather than GI**)
- SRC Aggregator partners with local a nonprofit:
 - Installs voluntary GI with a 6,000-gallon capacity
 - Generates 18,000 High-Impact SRCs with 1st certification
- Condo complies for six years with SRCs
 - \$35,000 market sale





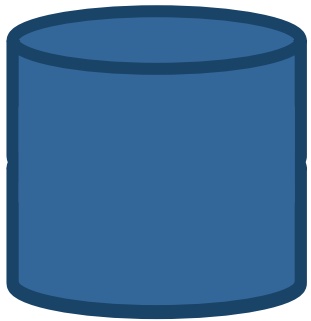
**BENEFITS OF THE SRC PROGRAM TO DISTRICT
WATERBODIES**

HOW OFFv + SMALLER BMPs INCREASE RETENTION

Example 1

1.2-inch Storm Event (10,000 gallons)

100% On-Site BMPs



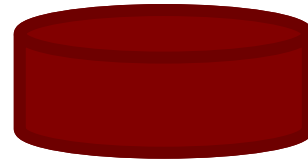
10,000 Gallons
On-Site Capacity

Total Retained: 10,000

50% On-Site BMPs
50% Offv/SRCs

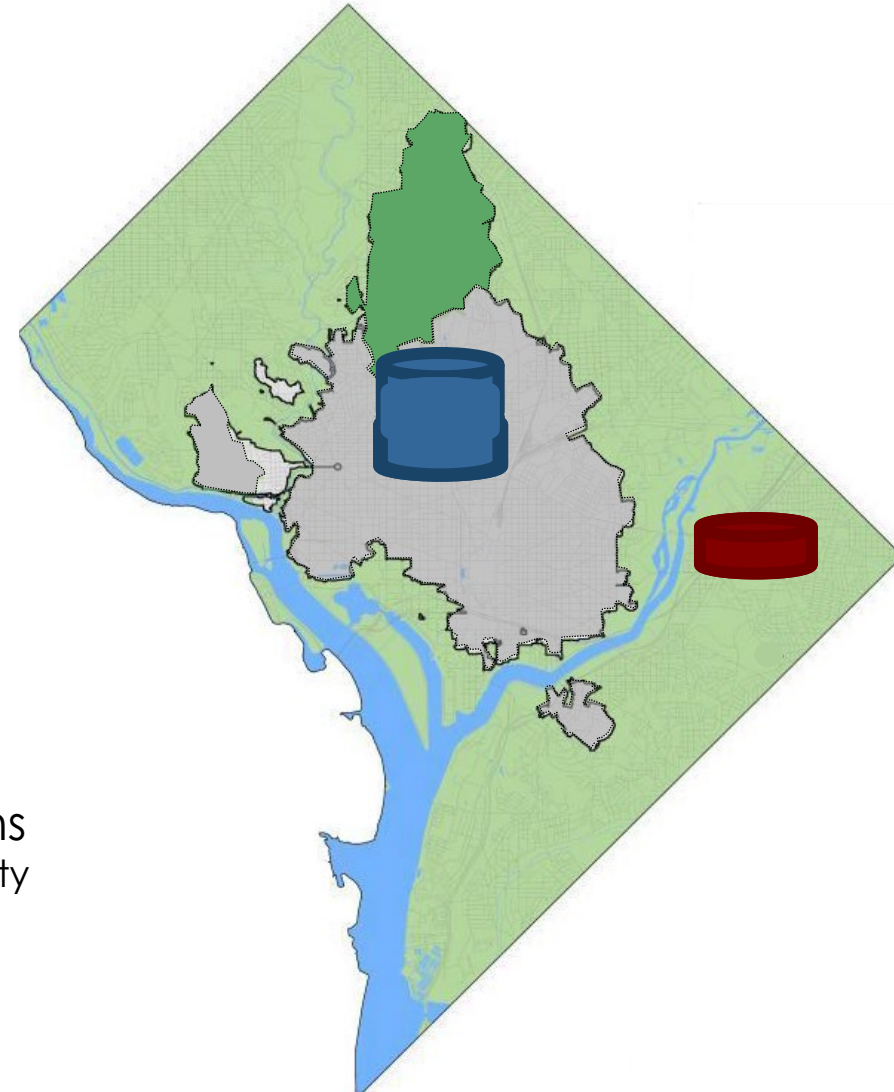


5,000 Gallons
On-Site Capacity



5,000 Gallons
Off-Site Capacity

Total Retained: 10,000

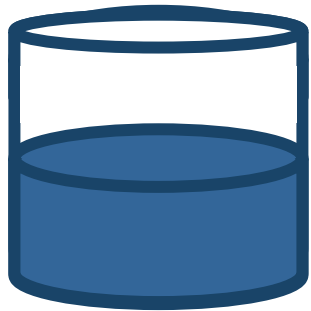


HOW OFFv + SMALLER BMPs INCREASE RETENTION

Example 2

0.6-inch Storm Event (5,000 gallons)

100% On-Site BMPs



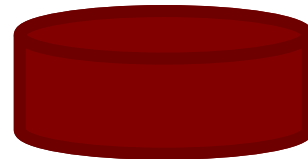
10,000 Gallons
On-Site Capacity

Total Retained: 5,000

50% On-Site BMPs
50% Offv/SRCs

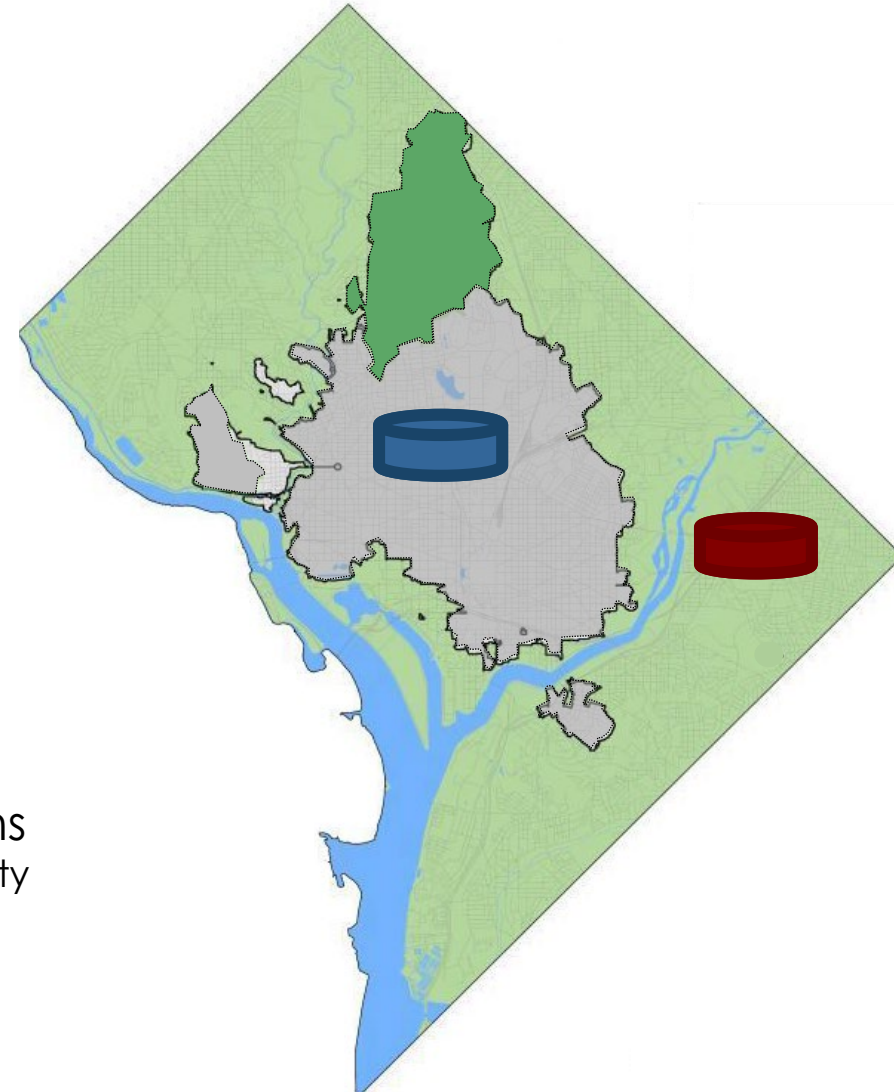


5,000 Gallons
On-Site Capacity



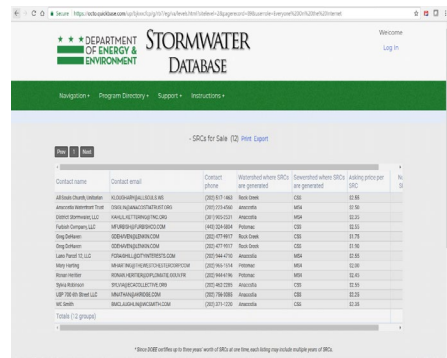
5,000 Gallons
Off-Site Capacity

Total Retained: 10,000



SRC TRADING CAN MAXIMIZE OUTCOMES

- Problem of imperviousness is an opportunity for credit trading to:

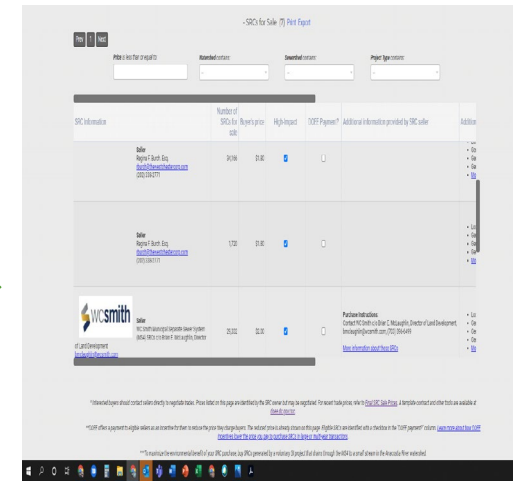


DEPARTMENT OF ENERGY & ENVIRONMENT STORMWATER DATABASE

Navigation Program Directory Support Initiatives

SRCs for Sale Print Export

Contact name	Contact email	Contact phone	Waterbody where SRCs are generated	Described when SRCs are generated	Number of SRCs	Trading price per SRC
Allstate Church Center	ALCCHURCH@ALLSTATE.COM	(202) 677-3800	Rock Creek	CRS	12,000	\$2.00
Armed Services Center	ARMSERVICES@ARMY.MIL	(202) 214-6400	Anacostia	ANR	10,000	\$1.50
Carroll Services LLC	KAROLACT@CARROLLSERVICES.COM	(410) 400-0201	Anacostia	ANR	10,000	\$1.50
Paula Company LLC	PAULACOMP@PAULACOMP.COM	(410) 241-0044	Rock Creek	CRS	10,000	\$1.50
City of Fairfax	CITYOFFAIRFAX@CITYOFFAIRFAX.COM	(703) 271-8707	Rock Creek	CRS	10,000	\$1.50
East-West LLC	EASTWEST@EASTWESTLLC.COM	(202) 944-4170	Anacostia	ANR	10,000	\$1.50
Wiley Haring	WILEYHARING@WILEYHARING.COM	(202) 960-1104	Rock Creek	CRS	10,000	\$1.50
Rock Creek	ROCKCREEK@ROCKCREEK.COM	(202) 960-1104	Rock Creek	CRS	10,000	\$1.50
Shawmut	SHAWMUT@SHAWMUT.COM	(202) 462-2200	Anacostia	ANR	10,000	\$1.50
UPF for DC Street LLC	UPF@UPFORDCSTREET.COM	(202) 763-2000	Anacostia	ANR	10,000	\$1.50
WDCDC	WDCDC@WDCDC.COM	(202) 217-0200	Anacostia	ANR	10,000	\$1.50



SRCs for Sale Print Export

SRC Information	Number of SRCs for Sale	Trading Price	Additional Information
Site: Regal First Eq [Link]	12,000	\$2.00	
Site: Regal First Eq [Link]	10,000	\$1.50	
Site: [Link]	10,000	\$1.50	Participating in the C. Metcalf Director's Land Development Incentive Program (DLIP) 2014-2018 [Link]

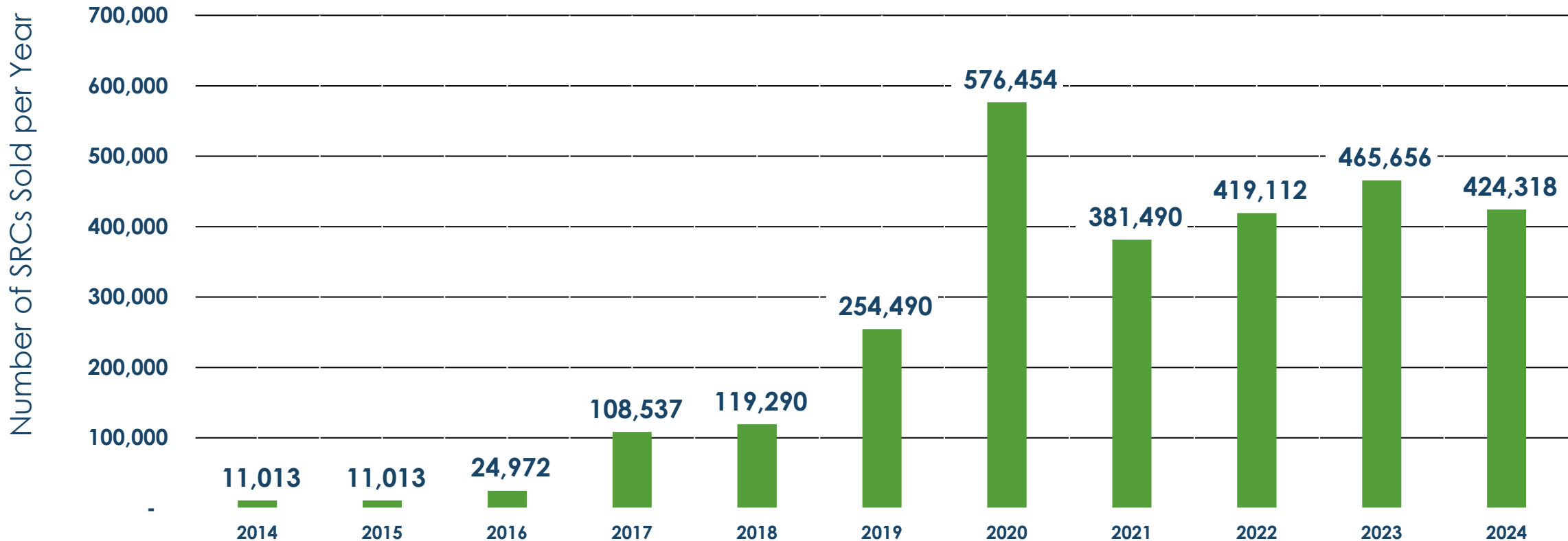
- Maximize cost savings & flexibility for regulated sites,
- Increase retention and first-flush capture which accelerates the restoration of waterbodies
- Shift GI to the MS4 area where stormwater would otherwise go untreated
- Increase socioeconomic benefits, with more GI (health, aesthetics, environmental justice, green jobs)

A scenic view of a river with kayakers, trees, and a distant building. The river is blue and calm, with several kayakers in colorful gear. The banks are lined with lush green trees. In the background, a large red brick building is visible through the trees. A tall communication tower stands on the right bank. The sky is clear and blue.

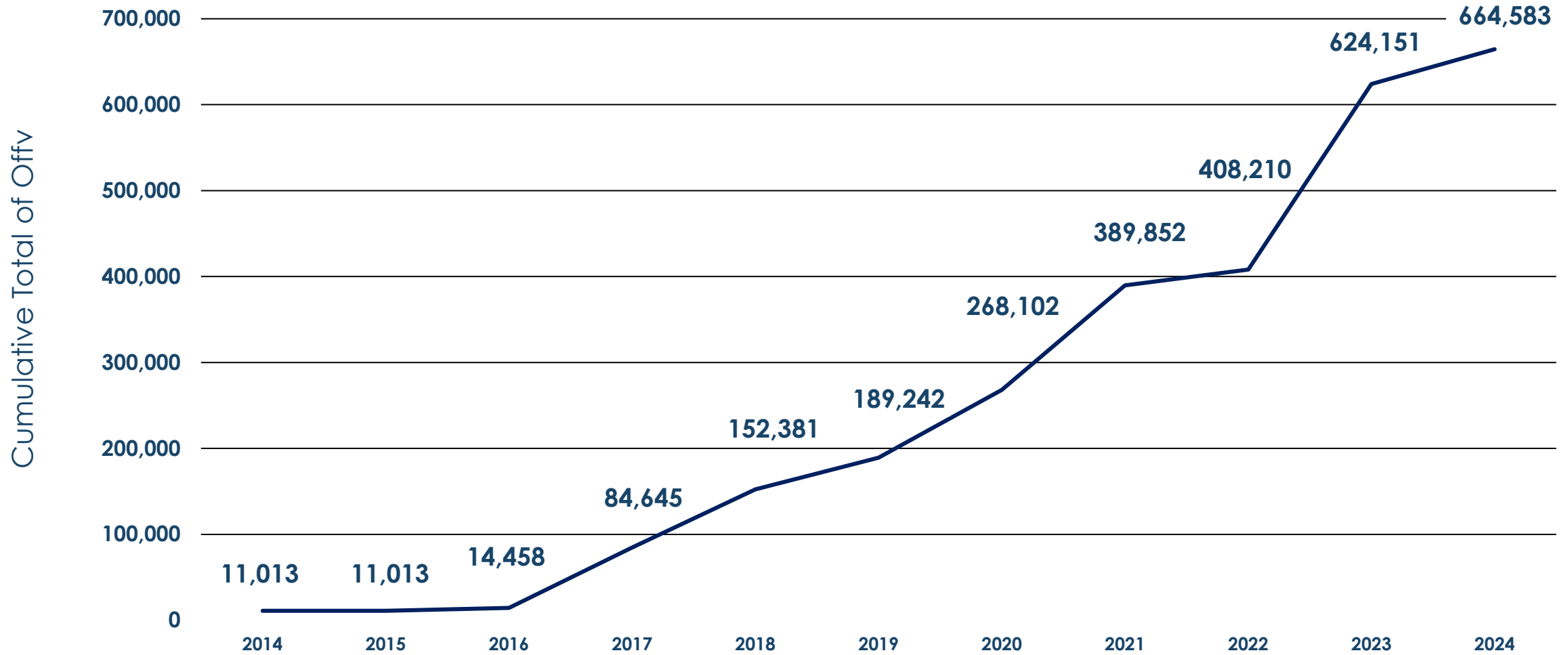
SRC PROGRAM PROGRESS

8 YEARS OF CONSISTENT GROWTH

- 346 trades – 2.7M SRCs at a value over \$5M
- 14% of developments comply off-site



MORE OFFv EVERY YEAR





MARKET FACILITATION

DOEE MARKET FACILITATION

- Set rules, track compliance, & report outcomes
- Maintain public registry
- Reduce transaction costs (e.g. contract, GIS viewer, financial return calculator)
- Award SRC Aggregator for Start-up Grants
- Provide price forecasts for contract SRCs



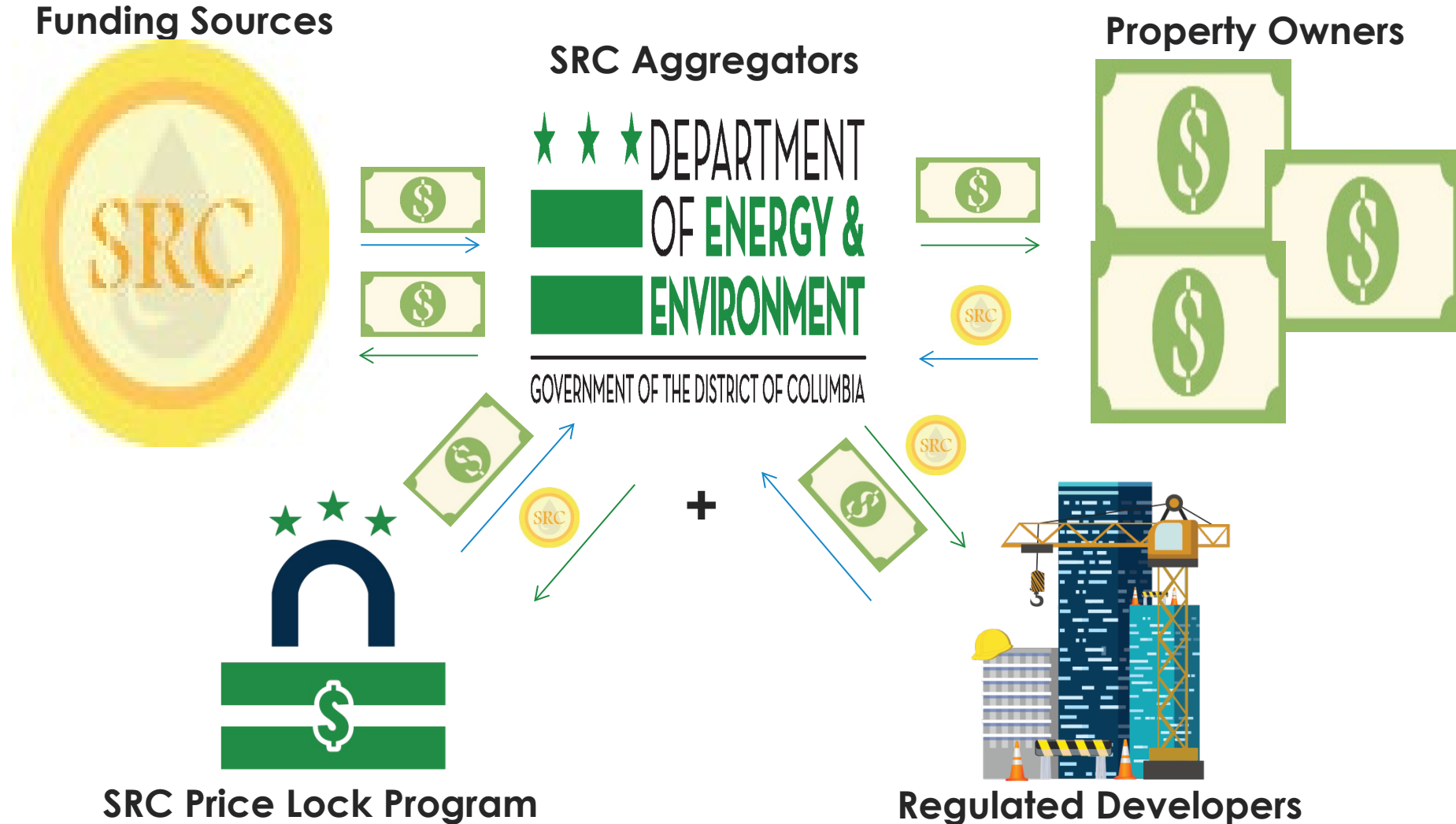
A photograph of a garden bed. The bed is filled with rows of young plants, including several flowering shrubs with yellow and pink blossoms. A rock border is visible on the left side. The background shows a dense line of trees and foliage. The ground is covered with dark mulch. A white bucket is visible in the lower-left corner.

SRC PRICE LOCK PROGRAM

SRC PRICE LOCK PROGRAM

- Funded with \$11.5M to buy High-Impact SRCs
- Provides two options for Aggregators to sell SRCs
 - DOEE purchase of SRCs at locked in rates
 - Effectively providing price floor
 - Provides 12 years of certainty about the revenue from an SRC-generating project
 - Subsidized market sales to regulated development
 - Buyers pay the majority of the SRC purchase price
 - Enable additional funding to incentivize more GI

ACCELERATING PRIVATE INVESTMENTS IN GI



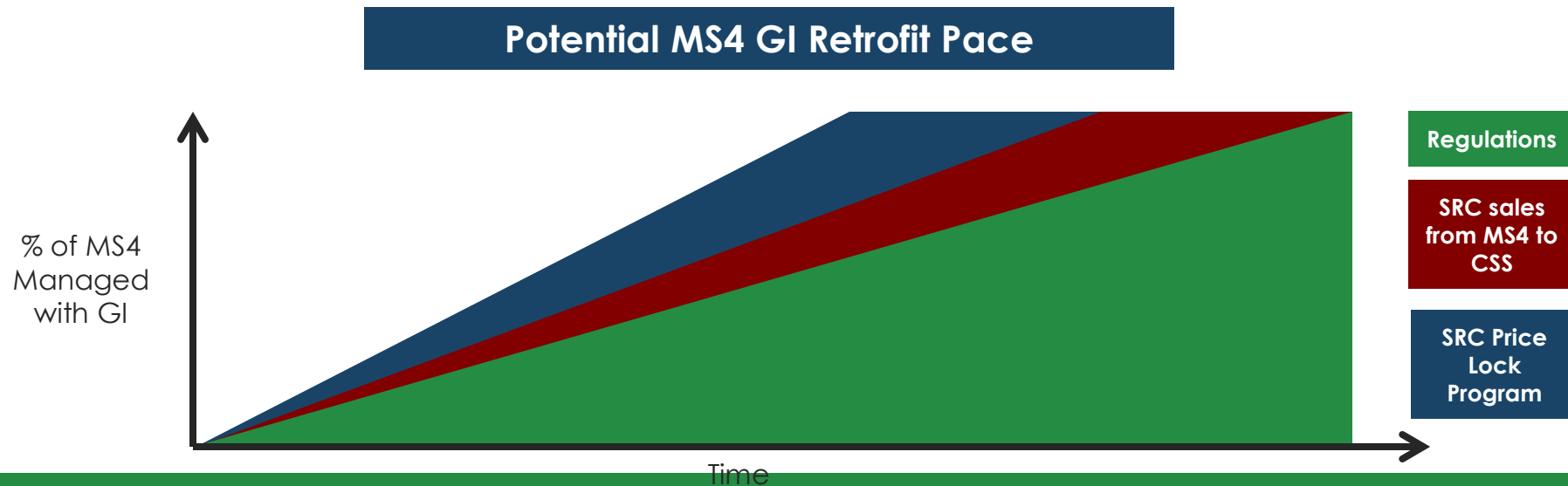
SRC PRICE LOCK PROGRAM SUCCESS

- 18 SRC Purchase Agreements with 6 Aggregators
- \$6.4M committed
- 27.4 acres retrofitted in MS4; 16.8 acres pending



SRC PRICE LOCK ACCELERATES MS4 RETROFIT

- Regulations are the District's biggest driver of GI retrofits
- Regulatory amendments prioritize MS4 SRCs
- SRC Price Lock Program increases GI retrofits, but DOEE can exit the market as the regulations:
 - Require more MS4 GI
 - CSS demand for MS4 SRCs grow





QUESTIONS?

MORE INFORMATION

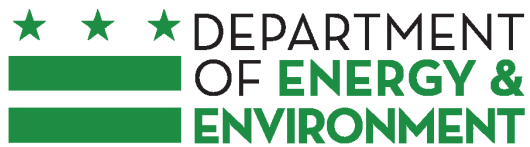
Matt Johnson

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SRC Program
Stormwater Regulations

doee.dc.gov/src
doee.dc.gov/swregs



GOVERNMENT OF THE DISTRICT OF COLUMBIA