



Rahr Malting Company “trading” permit

The Rahr Malting Company of Shakopee, Minnesota is planning to build a wastewater treatment plant to treat and discharge its process wastewater to the Minnesota River. Currently the company sends its wastewater to the Blue Lake regional treatment plant in Shakopee, which is operated by the Metropolitan Council. The company pays significant sewer charges for treatment, and feels that operating its own wastewater treatment facility will provide better control over its costs.

A new wastewater facility on a river requires a permit which has conditions for treatment. The permit imposes effluent limits on wastewater to ensure the river’s natural capacity for handling wastes is not exceeded. However, the Minnesota River is already significantly polluted, especially during low-flow conditions in the metropolitan reach of the river. Therefore, the Minnesota Pollution Control Agency has a cap on new pollutant discharges to the Minnesota. Among other things, the cap places tight restrictions on all existing wastewater treatment plants on the Minnesota River.

The resulting permit, issued in January 1997, is one of the first in the nation to incorporate the concept of pollutant trading.

Due to this limit, Rahr Malting Company can discharge wastewater to the Minnesota River but it cannot add to the river’s assigned pollutant loading levels. The company had two

alternatives to meet existing requirements: 1) Seek to have the MPCA reassign loading from the Blue Lake Wastewater Treatment Plant to Rahr Malting, or 2) treat its process wastewater to an advanced treatment level and reduce upstream loading by an equal amount. Rahr chose the second option.

The resulting permit, issued in January 1997, is one of the first in the nation to incorporate the concept of pollutant “trading” to achieve lower overall pollution in a river. The permit includes the most restrictive limits of any permit on the Minnesota River. In addition to tighter year-around limits and the first effluent limit for phosphorus on the river, the permit requires Rahr’s wastewater load to be offset. Rahr intends to accomplish the offset by funding the implementation of what are called “Best Management Practices” (BMPs) to control nonpoint-source pollution at locations upstream of its facility.

What are BMPs and which ones are eligible under the Rahr permit?

BMPs are methods of controlling nonpoint-source pollution associated with runoff from land areas. They include such methods as erosion-control measures, wetland restoration, and establishing conservation easements along waterways.



The Rahr permit sets out specified categories of BMPs which the company can use to reduce nonpoint-source pollution in the Minnesota, including:

1. Options that reduce sheet, rill and ephemeral gully erosion (not including high-residue tillage).
2. Options that stabilize gully and bank erosion.
3. Methods to exclude livestock from stream or river riparian zones.
4. Rotational grazing with livestock excluded from riparian zones.
5. Constructed wetland treatment systems for storm-water runoff.

Why were these BMPs selected?

The BMPs above were selected because they are:

- Equivalent-- nonpoint-source BMPs will be chosen to produce water quality improvements equivalent to those which would have resulted from further reductions in point sources on the lower Minnesota River.
- Accountable -- BMPs must be visually trackable or monitorable, as well as subject to a contract with Rahr Malting for long-term assurance.
- Additional -- BMPs must promote additional opportunities for reduction of nonpoint-sources which are not yet widely adopted.

Who is eligible to participate in this program?

Rahr Malting will be seeking those sites which provide the best pollution-reduction credits for the cost and will enter into agreements with land owners to implement and maintain the selected BMPs on those sites. The sites must be upstream of Shakopee in the Minnesota River Basin.

For more information

For more information on the Rahr permit or nonpoint-source trading, contact:

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