From: Norman, Catherine [Catherine.Norman@encana.com]
Sent: April-23-10 2:21 PM
To: Living Water Smart ENV:EX
Cc: Dunn, Richard; Luciuk, Nadia
Subject: Water Act Modernization Submission
Attachments: WaterActApr2310.PDF

Categories: Green Category

Good afternoon,
Please find attached a PDF file containing Encana's response to the Ministry's request for feedback on the Water Act Modernization proposal.
The originals have been forwarded to the noted address this afternoon via Canada Post.

Thank you,
Catherine

Catherine Norman
Administrative Assistant to Richard Dunn
Vice-President, Regulatory and Government Relations
Canadian Division
Encana Corporation
Phone: 403 645-4314
E-mail: Catherine.Norman@encana.com

Encana's offices are closed the first and third Friday of every month.

This email communication and any files transmitted with it may contain confidential and or proprietary information and is provided for the use of the intended recipient only. Any review, retransmission or dissemination of this information by anyone other than the intended recipient is prohibited. If you receive this email in error, please contact the sender and delete this communication and any copies immediately. Thank you.

http://www.encana.com

Attachment: WaterActApr2310.PDF

EnCana Corporation tel: 403 645-2000
EnCana on 9th
150 9th Avenue SW
PO Box 2850
Calgary, AB T2P 2S5
www.encana.com

April 23, 2010

Ministry of Environment, Water Stewardship Division
PO Box 9362, Stn Prov Govt
Victoria, B.C. V8W 9M2

Re: Water Act Modernization Discussion Paper

Dear Sir or Madam:

Thank you for the opportunity to provide feedback on the Ministry of Environment's proposal for a modernized Water Act. After a review of the Water Act Modernization Discussion Paper, Encana has identified a few key areas of concern. As detailed in the attachment, specific areas of priority concern include:

- **Groundwater regulation addressing water quality**
- **Governance to provide consistency and certainty, while addressing regional needs**
- **Harmonization with other legislation and existing water management plans**
- **Sufficient stakeholder involvement**

In addition to these priority areas, the attached document provides EnCana's complete response to the specific goals and objectives outlined in the Discussion Paper.

We again thank you for the opportunity to provide feedback and participate in British Columbia's vision for sustainable water stewardship.

Sincerely,

Richard Dunn
Vice-President, Regulatory & Government Relations
Canadian Division
EnCana Corporation

Attachment: EnCana Feedback on Water Act Modernization Discussion Paper

cc: Steve Dunk, CAPP
Jock Finlayson, British Columbia Business Council

Attachment: WaterActApr2310.PDF

Attachment: WaterActApr2310.PDF

EnCana Feedback on Water Act Modernization Discussion Paper

1. Priority areas of concern:

Groundwater regulation addressing water quality

EnCana's concern is that the discussion paper does not provide for a differentiation in the regulation of groundwater based on groundwater quality. Our position is that the quality of water should be taken into account together with quantity when addressing allocations for the conservation purposes. The recommendation is that the Act allows for a distinction between non-saline groundwater and saline water and regulates each accordingly. The federal and provincial water quality guidance that is already in existence could serve as an aid in the definition of saline versus non-saline. It is also recommended that any regulation pertaining to saline water use for Oil and Gas related activity is best situated in the Oil and Gas Activities Act. In the proposed integration of groundwater and surface water allocation systems (goal three, objective three) it would make most sense to allocate only fresh non-saline water.

Governance where policy is set by centralized agency and administered locally

The governance model is a key area of concern for Encana as we feel it is essential to provide certainty and consistency for stakeholders throughout the province, while still taking into account local conditions and needs. Encana is in support of a model that provides oversight by a centralized government agency, but with administration of the water management processes occurring at a local level (on a watershed basis). The centralized, but with sharing of administration, style of governance would allow for standardized processes to be developed at a provincial level and applied consistently throughout the province. At the same time, policy could be implemented to reflect local conditions and ensures unique needs of each watershed are met.

Harmonization with other legislation and existing water management plans

The discussion paper raises concern around how the proposed changes could impact other legislation and water management plans that have already been established. The discussion paper, while it does make reference to some of the other current water legislation, provides no clarification on areas of overlap, nor is a plan proposed for the integration with existing plans and legislation.

Stakeholder involvement

In regards to the Water Act Modernization process, our concern is that stakeholder participation is limited. Apart from an initial feedback stage (blogs, formal submissions, workshops, discussion paper), there is no indication that the modernization process will allow for iterative feedback with key stakeholders.

2. Feedback on the Goals and Objectives:

Objective	Preferred Solution	Comments
Goal One - Protect stream health and aquatic environments		
One	Option A	Allow for "guidelines" rather than absolute standards; provide the decision maker with the discretion to deviate where justified. In support of this option as it allows flexibility to adapt to changing circumstances and most aligned with the principle of a decision process based on scientific fact.
Two	Option A & C	Water allocation plans should be developed where the need exists (therefore optional or where a high priority area requires a plan) and should allow for deviation by the decision maker where justifiable. By not mandating plans where not deemed necessary, this option remains the most manageable and sustainable.
Three	Option B	Although noted in the paper that option A reflects the current situation, we believe option B is likely the reality and should therefore be fully implemented.

Attachment: WaterActApr2310.PDF

Goal Two - Improve Water Governance Arrangements		
One, Two, Three	Option A	**Preference is for governance with central oversight provided by one provincial body and administration of plans at a local level. In this method, guidelines and standardized processes are developed by the province. This allows for consistency in the planning processes and clarity for stakeholder involvement. At the same time, specific functions within the planning process and some decision making occurs at local watershed level, thus taking into account the peculiarities and needs of each watershed.** In this model the Province can best satisfy overall interest of the province while taking into account differences in regional needs.
Goal Three - Introduce flexibility and efficiency in the water allocation system		
One	B & D & F & H	Options A-H – Preference as noted Options I-J – Do not support Option K, do not believe this will enhance administrative efficiency. No comment or preference on any of the others in this section.
Two	Option A *ONLY 1 OPTION	Would help to have clarification on what situations are defined by social or economic and why this is applicable to the water allocation system. Fine with the ability to update water licenses based on new information. Note that modifications could also be based on positive indications that adverse impacts are NOT occurring to stream health, aquifers, or to groundwater recharge.
Three	Option B	Would agree with prioritization in usage and would propose that it be applied at a local level, stemming from the watershed based allocation process. **The integration of surface and groundwater allocation should be administered on a regional basis and should apply only to non-saline groundwater water use.**
Four	Option B or C Option D	Conservation efforts should be shared or to some degree prioritized, determined by level of scarcity and impact on water users. In delegated governance, where management plans are done locally, the most appropriate conservation method could also be determined established at a local level.
Goal Four - Regulating Groundwater Extraction and Use		
One	Options A/B - No selection Options for determining priority areas	**As per comments provided above, limits on groundwater extraction in priority areas should be accompanied by a classification system, either saline or non-saline, and limits for each class set taking into account to potential uses.** All options are suitable in the identification of a priority area.