## **Sunshine Coast Regional District**

1975 Field Road Sechelt, British Columbia Canada VON 3A1

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April 3, 2013

Water Sustainability Act, Ministry of Environment Water Protection and Sustainability Branch PO Box 9362 Stn Prov Gov Victoria BC, V8W 9M2

## RE: Pricing B.C's Water – Water Pricing Principles Comments

The Sunshine Coast Regional District is providing comments in response to the request for feedback on the Water Pricing Principles as presented in the Pricing B.C's Water document dated March 11, 2014.

The SCRD currently holds waterworks licences for the following water sources:

- Chapman Lake
- Chapman Creek
- Edwards Lake
- Gray Creek
- Soames Creek, Grantham Spring
- Dakota Creek
- McNair Creek
- Trout Lake
- Irvine Creek
- Garden Bay Lake
- Hotel Lake
- Haslam Creek, McNeill Lake, Upper Haslam Creek
- Pag Lake
- Ruby Lake
- Waugh Lake
- Sakinaw Lake (outstanding application in place since 2006)

A new pricing structure with higher rates would increase annual rental costs for the waterworks licences held by the SCRD. The SCRD also currently uses 5 groundwater wells for waterworks purpose; these wells are not currently regulated and will be an additional cost to current water rental fees. Water infrastructure is extremely costly to build and much of it is aging causing intense operational and financial pressures. The attribution of the Act's administration to the user is downloading that local governments cannot afford. Therefore we strongly urge that the new pricing structure not place any additional cost burden on local government.

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The Sunshine Coast Regional District's comments regarding the Pricing Principles are provided inline as bullets following each Principle below.

Simplicity: The approach and rationale for water pricing should be easy to understand and predictable. Individuals and businesses should also know how and when pricing could change so they can plan and budget their costs accordingly.

Fairness and equity: Fairness is reflected in surface and groundwater being treated as one resource and subject to the same pricing structure. In addition, similar uses of water should be subject to similar pricing. Equitable pricing should reflect differences in the value of water based on the type of right granted, intended use, location or scarcity of the resource.

- o The SCRD requests that water pricing costs reflect the greater importance of water use for drinking water systems than the commercial sale of water for drinking purposes.
- Private water systems providing residential drinking water to a group of users should receive the same water rates as that for local government water purveyors.
- The SCRD requests that water pricing costs should reflect raw water quality
  I.e. lower cost for lower quality water

Implications for water users: All British Columbians benefit directly and indirectly from BC's water resources. Pricing of water should distribute the costs of water management across users so that the effect on licensees and citizens is reasonable and manageable and enables business competiveness.

o The SCRD believes pricing water as a means to enable business competitiveness is not an appropriate direction.

Impact on the water resource: Water pricing should reflect the impact of their intended purpose or activity on the resource. For example, water that is consumed and removed from the watershed or aquifer should be assessed differently than non-consumptive uses.

 The SCRD requests that higher pricing should be considered for non-consumptive uses that cause a decline in the quality of water returned to the watershed which may then pose a cost to other licensees.

Cost recovery: Water pricing should support sustainable water management and generate sufficient revenue to recover the costs of managing the water resource. This includes science, monitoring, planning and facilitating community involvement, regulation and enforcement. Costs to users should also reflect a fair return to the Crown for use of a public resource.

- The SCRD requests that a set portion of the revenue generated from water fees are allocated to fund and support the development of Water Sustainability Plans in areas with water use conflicts.
- The SCRD requests that this Principle be reworded from "also reflect a fair return to the Crown for use of a public resource" to "recover the costs of water management". Profit should not be factored into the pricing.

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Efficiency: Water pricing should motivate users to demand only the amount of water that is required for the intended purpose. Pricing should incent the use of non-potable water, encourage freshwater conservation, promote innovation and facilitate government's efficient administration and management of the resource.

Food security and public health: Water pricing should recognize the essential contribution of water to food security. Food security is a prerequisite for healthy nutrition and foundational to human and community health.

The Sunshine Coast Regional District appreciates the opportunity to provide feedback on the Water Pricing Principles and would request that drinking water purveyors be included as a Key User Group for the review of the Pricing Model (when completed).

Should you have any questions, please do not hesitate to contact Beth Brooks, Environmental Technician at 604-885-6800.

Yours truly,

SUNSHINE COAST REGIONAL DISTRICT

Garry Nohr Chair